





What will be covered . . .

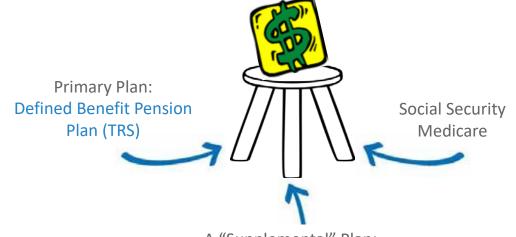
TRS Basics
Your Benefits

- Retirement
- Disability
- Death

TRS Timeline Questions



Retirement Basics: A Model Plan



A "Supplemental" Plan: Defined Contribution Plan & Savings Examples: TRS-SSP, IRA, 403(b), etc...



Tier 1 or Tier 2

TIER 1

First contributed to TRS or reciprocal retirement system **prior to January 1, 2011**

TIER 2

First contributed to TRS or reciprocal retirement system on or after January 1, 2011

JANUARY 2011						
SUN	MON	TUES	WED	THURS	FRI	SAT
30	31					1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29



TRS Basics

Contributions

- All members (Tiers 1 and 2) contribute 9% of gross earnings to TRS
- Contributions are invested by TRS to pay retirement, disability and death benefits

TRS is a Defined Benefit (DB) Plan

- Benefits are determined by a formula set out in the Illinois Pension Code
- Benefits are paid through the month of death
- Optional Defined Contribution (DC) component available (SSP)



Retirement Benefits



Retirement Eligibility

TIER 1

Age 62 with a minimum of 5 years of service

Age 60 with a minimum of 10 years of service

Age 55 with a minimum of 20 years of service *

* Early retirement – the benefit will be reduced by 6% for each year the member is under age 60 if fewer than 35 years

TIER 2

Age 67 with a minimum of 10 years of service

Age 62 with a minimum of 10 years of service **

** Early retirement – the benefit will be reduced by 6% for each year the member is under age 67



Retirement Formula

Service Credit

- x Formula Factor
- = Percentage

Percentage

- x Final Average Salary (FAS)
- = Annual Pension Benefit





Service Credit

Service Credit x Formula Factor x FAS = Pension

170 paid days equal 1 year of service credit

o Full-time, part time, and substitute teaching

Only 1 year of service can be earned per school year School year runs July 1 through June 30

Days Worked	Service Earned
94 days	0.553
170 days	1.000
185 days	1.000
260 days	1.000



Service Credit from Sick Leave Days

Unused, uncompensated sick days reported to TRS by a school district upon termination or retirement

- Maximum of 340 sick leave days or 2.000 years of service
- Every sick day earns service credit
- Current district sick leave is not reported to TRS until ceasing employment
- Request Former Employer Sick Leave Certification (if not reported by the former district)

Unused, uncompensated sick days	Service credit
1	0.006
67	0.394
170	1.000
213	1.253
340 +	2.000



Service Credit Purchase (Optional Service)







Types of optional service credit

- Out-of-system teaching (K-12 public schools)
- o Pregnancy or adoption prior to 1983
- Leaves of absence
- RIF (reduction in force)
- Substitute teaching, homebound, parttime - prior to 1990
- Military service
- Previously refunded TRS service
- 2 years of private school (must apply by June 30, 2023)



Reciprocal Service Credit

- IMRF, SURS, SERS, CTPF, others
- Must have at least 1 year of service credit
- Teacher's aide under IMRF may use less than one year if aide work was followed by teaching
- Combined service credits must meet the minimum vesting requirements in each system





State Employees' Retirement System of Illinois





Formula Factor - 2.2 Upgrade

Service Credit x Formula Factor x FAS = Pension

The Formula Factor is the percentage of your final average salary you earn for each year of service credit

- o Since 7/1/1998, 2.2% has been the only formula factor used
- o Did you have service before 1998?
- If you are not sure your years have been upgraded:

<u>Call TRS</u> to ask if you have a cost. Your 2.2 upgrade cost is specific to YOU.



FINAL AVERAGE SALARY

Service Credit x Formula Factor x FAS = Pension

TIER 1

Average of highest FOUR (4) *consecutive salaries out of last 10 years of service

TIER 2

Average of highest EIGHT (8) *consecutive salaries out of last 10 years of service

Cannot exceed the limit that is tied to the Consumer Price Index

• 2022-2023 salary cap: \$119,892.41

"Salary" includes regular pay, extra duty stipends, 9% contribution to TRS. Increases up to 20% with same employer can be included

*See Appendix for additional information on Final Average Salary



Maximize Your Pension With 2.2

Service Credit x Formula Factor x FAS = Pension

Maximum Benefit (with 2.2 upgrade) is 75% of the Final Average Salary

Tier 1

- 34.000 years of service = 75% (age 60 and over)
- 35.000 years of service = 75% (under the age of 60)

Tier 2

34.000 years of service = 75% (age 67 and over)

Years over 34 may continue to build Final Average Salary



Retirement Formula

Service Credit

- x Formula Factor
- = Percentage

Percentage

- x Final Average Salary
- = Annual Pension Benefit





Unreduced Retirement Calculation Example

Member:

- Age 60 (Tier 1)
- Age 67 (Tier 2)
- Years of Service:
- Average Salary: \$85,000

TRS.

30 years of service

x 2.2%

= 66.0%

x \$85,000

- = \$56,100 Annual Pension Benefit
- = \$4,675 Monthly Pension Benefit

30 years of service

x 2.2%

= 66.0%

x \$85,000

= \$56,100

- 30% (age reduction)

= \$39,270 Reduced Annual Pension

= \$3,272.50 Reduced Monthly Pension

- A reduced pension remains permanently reduced
- Stop working at any age and defer retirement (age 60 for Tier I and age 67 for Tier II) and pension will be unreduced.

Reduced Retirement Calculation Example

Member:

- Age 55 (Tier 1)
- Age 62 (Tier 2)
- Years of Service: 30
- Average Salary: \$85,000

Age reduction: 30%

6% for each year under age 60 (Tier 1) or 67 (Tier 2)



Benefit Estimates

TRS can prepare a benefit estimate if **YOU** can provide us with:

- Anticipated date of retirement
- Total reportable salary for current and future years
- Total sick leave that will be reported at retirement
- Information about district retirement incentives
- Reciprocal service (if applicable)

YOU can also prepare your own TRS estimate using your online account access at http://trsil.org

(Note: Must contact TRS to include reciprocal service in estimate)





QUESTIONS

(RS

Disability Benefits

RS

Disability Benefits

TRS offers temporary disability benefits to ill/injured ACTIVE members prior to retirement

- Eligibility
 - Must have at least **3 years** of non-concurrent service credit (TRS, SURS, SERS, and IMRF)
 - **Two** state-licensed physicians must certify the disability existed within 90 days of last day of work (only one physician is required for pregnancy)
 - · Must use up all sick leave days
- Benefit is equal to 40% of member's contract rate
- You earn service credit while receiving the disability benefit

Call TRS Member Services for information if you feel you may need this benefit.





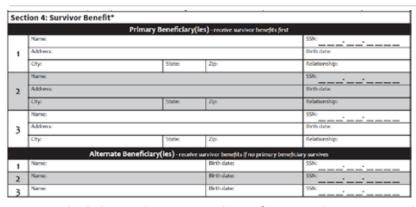
What is Automatic Designation?

Section 1: Personal Information	Member ID:		
Member First Middle Last Name:	Home telephone number:		
Member Address 1:	Work telephone number:		
Member Address 2:	Cell phone number:		
City State Zip:	Email address:		
Section 2: Marital Status Single Married/civil union Divorced Wildowed Spouse's name:			
Section 3: Automatic Designation (commonly selected by members with a spouse or civil union partner and/or minor children)			
I elect that my dependent beneficiaries, as determined at my death, receive a survivor benefit and/or a beneficiary refund. If no dependent beneficiary survives, benefits will be paid to my estate. If the automatic designation is selected, do not complete the Survivor Benefit or Beneficiary Refund sections.			

- o Commonly selected by members who have a spouse and/or minor children
- Death benefit is automatically paid to surviving dependents, or to your estate if you have no dependents
- o If this option is selected, DO NOT list beneficiary names. Simply check the box.



Survivor Benefits



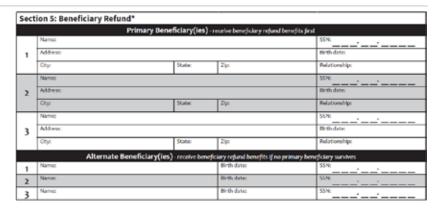


- Funded through survivor benefit contributions made while teaching (1% of annual salary)
- o Tier I − 50% of monthly benefit to a dependent beneficiary
- Tier II 66.67% of monthly benefit to a dependent beneficiary
- Lump sum to any beneficiary
- o Refundable in retirement if no dependent beneficiary



Beneficiary Refund





- Lump-sum refund of unrecovered pension contributions (8% of salary plus interest earned)
- Paid only if you pass away before recovering entire pension contribution (usually within the first five years of retirement)



Retirement Timeline



Throughout Your Career

Regularly: Review your status

- Review your annual TRS statement online
- Verify beneficiaries
- Upload Proof of Birth
- Prepare updated benefit estimates (includes "AAI" program if retiring by 6/30/2026)
- Meet with a TRS Counselor
- Check in with your financial planner
 - Monitor DC plan performance
 - Make changes as needed (plan limits change as you age)



6-12 Weeks from Retirement

Contact TRS for Personalized Retirement Interview (PRI)

• Takes about 10 minutes and does not require an appointment

Questions

- 1. Are you interested in AAI lump sum, if retiring by 6/30/2026 (yes or no)?
- 2. Do you want a Standard or Reversionary Retirement?
- 3. What would you like for your federal tax withholding status?
- 4. Are you receiving or are you eligible to receive a public pension from another state?
- 5. Does your district know you are retiring this year?
- * If you retire reciprocally, you must contact each system and start retirement process with them as well.



Finalizing Your Retirement Packet

Retirement Forms: Review and Return to TRS

- Retirement Application
- Direct Deposit Form
- TRIP Participation Election Form (Health Insurance)
 - <u>Step 1</u>: Must return form within 60 days of retirement if you plan to enroll in TRIP/TRAIL at the time of retirement
 - <u>Step 2</u>: Call My Benefits Service Center in the 60 days prior to effective date to choose your insurance carrier



TRS Retirement Processing

Claim Processing: Allow 60-90 Days After All Forms and Payments Received

- AFTER last day of service, Employer will submit relevant information for final year of service
- o Benefits are paid monthly through the month of your death
- Cannot outlive your benefit
 - · Current oldest retiree is 108!

*More Retirement Timeline information available in the Appendix



Annual Increases

Standard Annual Benefit Increases

- Available to members who have been retired for one full year AND
 - Are at least age 61 for Tier 1 (3% compounded annually)
 - Are at least age 67 for Tier 2 (½ of the CPI with 3% Cap)
- Increases occur each January 1 (reflected in the February 1 benefit payment)

Accelerated Annual Increase (AAI) option

- Tier 1 member may choose in lieu of Standard Annual Increase
- 1.5% non-compounded increase from age 67 with lump sum payment at retirement
- Available for Tier 1 members retiring by June 30, 2026
- Eligible members must call for an AAI estimate ahead of retirement



In Retirement...

Post-retirement Employment

- Must have received first pension check
- TRS-covered work limited to 100 days/500 hours per school year*
- May not work in TRS-covered position until July 1
- May not return to last employer for 30 days
- May not pre-arrange post-retirement employment with last employer
- Reciprocal limitations apply, if retiring reciprocally or are Tier 2
- No limit on private sector or out-of-state public school work
- No limit on earnings
- *Future legislation may affect this limit



Health Insurance (TRIP/TRAIL)



Health Insurance

Teachers' Retirement Insurance Program (TRIP)

- Must have at least 8 years of service credit with TRS to be eligible
- Insurance carriers determined by county of residence (HMO, OAP, PPO)
- Works as primary coverage before age 65
- Medicare Advantage Program (TRAIL) for Medicare-primary members
- o Includes prescription drug coverage
- Does NOT include dental or vision



Teachers' Retirement Insurance Program (TRIP)

- Enrollment opportunities:
 - Upon retirement (can defer up to 4 months)
 - At age 65 (Medicare)
 - Upon termination of other coverage
 - Annual Open Enrollment
- Also available to dependents BUT rates are not subsidized
- Administered by Illinois Department of Central Management Services (CMS)
- TRS' role is limited to basic coverage info, enrollment, and collecting of monthly premiums



TRIP Premiums

Monthly Premiums Through June 30, 2023

	Type of Plan	Not Medicare Primary Under Age 26	Not Medicare Primary Age 26-64	Not Medicare Primary Age 65 & Above	Medicare Primary* All Ages
	Managed Care Plan (OAP & HMO)	\$101.38	\$314.92	\$429.07	\$124.46
Benefit Recipient	TCHP (PPO) when a managed care plan is available	\$263.11	\$734.96	\$1,116.87	\$295.10
	TCHP (PPO) when a managed care plan is unavailable in your county	\$131.55	\$367.48	\$558.45	\$147.56
	Managed Care Plan (OAP & HMO)	\$405.68	\$1,259.67	\$1,716.24	\$428.80**
Dependent Beneficiary	TCHP (PPO) when a managed care plan is available	\$526.24	\$1,469.91	\$2,233.75	\$590.21
Deficiency y	TCHP (PPO) when a managed care plan is unavailable in your county	\$526.24	\$1,469.91	\$2,233.75	\$442.67**



TRAIL Premiums

TRAIL MAPD Plan Monthly Contributions Effective January 1, 2022				
	Humana Employer Medicare HMO	Aetna Medicare Plan HMO	Health Alliance MAPD HMO	UnitedHealthcare PPO
Member Rate	\$36.31	\$35.46	\$43.42	\$38.17
Dependent Rate	\$108.93	\$106.38	\$130.25	\$114.50



Social Security
Medicare



Social Security and Medicare

- Illinois teachers do not contribute on TRS-covered employment
- Earned SSA benefits may be reduced under Windfall Elimination Provision (WEP) and/or Government Pension Offset (GPO)
- Check for FICA deduction on your paycheck or contact Social Security to confirm eligibility for Medicare (typically at age 65)
- Medicare ID cards are sent by the Social Security Administration
- Social Security (800) 772-1213

www.ssa.gov





Supplemental Savings Plan (SSP)

SUPPLEMENTAL SAVINGS PLAN



TRS Supplemental Savings Plan **SSP**



- The SSP is a 457(b) retirement savings account that:
 - o Is completely voluntary for full-time and part-time contractual employees whose districts have adopted the SSP
 - o Is designed to supplement a member's TRS pension not replace it
 - o Offers both pre-tax and Roth (post-tax) savings options
 - Was designed by TRS to offer a competitive, cost-effective plan with a diverse investment array
- The SSP is *not* a 403(b) plan. Contributions to a 403(b) plan offered by your district do not limit how much you can contribute to the SSP.
- Contributions to the SSP and any other 457(b) plans you participate in cannot exceed \$20,500 in 2022.
- For complete information about the TRS SSP, go to: www.trsil.org/Supplemental-Savings-Plan



"It's Time to Retire" Webinars

Is 2023 YOUR year to retire?

TRS will offer 1-hour webinars in January & February to review specifics right when you need them!

- Request your benefit estimate including the AAI illustration
- Getting paperwork started
- Information needed from you and your district
- How and when to sign up for health insurance

Be sure TRS has your correct email address & watch for an invitation to sign up through the TRS website



Contact Information

members@trsil.org

https://trsil.org

Facebook.com/TRSIllinois

@ILLTRS

www.youtube.com/c/trsillinois

Supplemental Savings Plan:

<u>trsilssp.voya.com</u> 1-844-877-4572 (1-844-TRS-457B)

MyBenefits Service Center (TRIP/TRAIL): 1-844-251-1777

Phone & Hours

Toll free: (877) 927-5877

M-F: 8:30 am to 4:30 pm

Presentation Handout:

https://www.trsil.org/handout



Appendix



TRS Stats

Active TRS members: 163,115 (31.3% Tier II)

Tier I: 112,004Tier II: 51,111

Inactive TRS members: 138,279

Benefit recipients: 126,855

Average annual active salary: \$76,027

Average annual retirement benefit: \$60,324

Oldest retiree: 108 years old

Oldest full-time teacher: 82 years old

*Data as of June 30, 2022



Reciprocal Retirement Systems

CEABF	County Employees' Annuity & Benefit Fund of Cook County	www.CookCountyPension.com	(312) 603-1200
CTPF	Chicago Teachers' Pension Fund	www.CTPF.org	(312) 641-4464
PEABF	Forest Preserve District Employee's Annuity Benefit Fund of Cook County	www.CookCountyPension.com	(312) 603-1200
IMRF	Illinois Municipal Retirement Fund	www.IMRF.org	(630) 368-1010
JRS/GARS	Judges' & General Assembly Retirement System	www.srs.lllinois.gov	(217) 782-8500
LABF	Laborers' Annuity & Benefit Fund	www.labfChicago.org	(312) 236-2065
MEABF	Municipal Employees' Annuity & Benefit Fund	www.MEABF.org	(312) 236-4700
MWRD	Metropolitan Water Reclamation District	www.MWRDRF.org	(312) 751-3222
PEABF	Park Employees' Annuity & Benefit Fund of Chicago	www.ChicagoParkPension.org	(312) 553-9265
SRS	State Employees' Retirement System	www.srs.lllinois.gov	(217) 785-7444
SURS	State Universities Retirement System	www.SURS.org	(800) 275-7877
TRS	Teachers' Retirement System (of Illinois)	www.trsil.org	(877) 927-5877



FY2023 TRS Contributions

Members, employers and the state of Illinois make contributions to TRS to provide for your retirement, disability and death benefits.

Members Contributions	 9.0% of gross creditable earnings 7.5% for retirement benefits 0.5% for automatic annual increases in retirement 1.0% for death benefits 	
Member THIS Fund Contributions	0.90% for subsidized premiums for retiree insurance	
Employer Contributions	0.58% for retirement benefits	
Employer THIS Fund Contributions	0.67% for subsidized rates for retiree insurance	



Age Reduction

TIER 1

If less than 35.000 years of service credit, the

annuity will be reduced by 6% for each year*			
under the	age of 60.		
Age 60 No reduction			
Age 59	6% reduction		
Age 58 12% reduction			
Age 57 18% reduction			
Age 56 24% reduction			
Age 55 30% reduction			

^{*}Actual age at retirement calculated to three decimal places

TIER 2

The annuity will be reduced by 6% for each year under the age of 67*.			
Age 67	No reduction		
Age 66	6% reduction		
Age 65 12% reduction			
Age 64 18% reduction			
Age 63	24% reduction		
Age 62	30% reduction		

^{*}Actual age at retirement calculated to three decimal places



Benefit Comparison

Major Differences	Tier 1	Tier 2
Normal Retirement Age	Age 60	Age 67
Vesting Period	5 years	10 years
Pensionable Salary	Unlimited	\$119,892.41
Final Average Salary	Avg. of the highest 4 consecutive years	Avg. of the highest 8 consecutive years
COLA or Post Retirement Increase	3% compounded annually after age 61	% of the CPI with 3% Cap



Retirement Process Responsibilities

TRS MEMBER

- Contact TRS 6-12 weeks prior to your last day of work (by phone or online)
- Complete and submit all necessary retirement forms
- Contact each reciprocal system for retirement application, if applicable
- Submit retirement application to reciprocal system(s), if applicable
- Pay off all optional service and 2.2 balances

EMPLOYER

- Submit the supplementary report on or after the last day of work (electronically)
- Submit the sick leave certification on or after the last day of work (electronically)



Retirement Process Timeline

Elected "NO" for AAI

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Your retirement claim will be processed after TRS receives all necessary forms/payments and audits the supplementary report and sick leave granting certification

 \triangle

First retirement check issued 60-90 days after last required form or payment is received (first payment is retro-active to your retirement date).

Elected "YES" for AAI

→

TRS will mail the AAI Election form to your home address after TRS receives all necessary forms/payments and audits the supplementary report and sick leave granting certification.

 \Box

Once TRS receives your completed AAI Election form, TRS will process your monthly retirement benefit.

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First retirement check issued after AAI Election form is received (first payment is retro-active to your retirement date).

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Once your retirement claim is processed, you will receive a Transfer/Rollover form for your AAI lump-sum.

Once the calculation is complete you will receive a Notification of 1st Payment letter including the retroactive payment as well as your regular monthly payment going forward.



Excess Contribution Refunds

Refunds

- 2.2 Upgrade overpayment
- Early Retirement Option (ERO) if not already claimed
- 1% Survivor Benefit Refund (if eligible)
 - Forfeits any Survivor Benefit

Refunds are paid after retirement benefit is calculated

 Refund checks are always mailed by the Illinois Comptroller's Office

Taxable refunds over \$200.00 are eligible for rollover



Legislative Update

PA 102-0718 – Extends through June 30, 2026

- Voluntary Tier 1 accelerated annual increase "buyout" (AAI)
- Voluntary Accelerated Pension Benefit (APB) for inactive members

PA 102-0440 – Effective July 1, 2021

 Allows a retiree to return to active service in a subject shortage area without impacting their pension benefit through June 30, 2024

PA 102-0525 – Effective July 1, 2021

 Allows a TRS member to purchase at normal cost optional credit for up to 2 years of previous service as a teacher or administrator employed by a private school. Must apply by June 30, 2023



Final Average Salary

PA 102-0016 effective June 17, 2021

- If the 2020/21 salary was lower than normal (most likely due to COVID), new legislation allows the use of the 4 (Tier 1) or 8 (Tier 2) highest years out of the last 10 years worked without the requirement that they be CONSECUTIVE
- The 2020/21 salary must be part of the original average salary calculation
- TRS will automatically provide the highest average salary when calculating the retirement claim
- Retirement date must be on or after June 1, 2021
- Exemption to the 6% cost for salary increases, if:
 - In 20-21 the district was unable to offer or allow overload stipend work due to an emergency declaration limiting such service, OR
 - 2. If the increase was due to summer school service during the 21-22 year Exemption runs from May 2021 to September 15, 2022



Accelerated Pension Benefit (APB)

- Available to INACTIVE Tier I and Tier II members
 - Tier I: must have at least 5 years of TRS service
 - Tier II: must have at least 10 years of TRS service
- o Eligible inactive members will be notified via email when available
- "Buyout" amount will equal 60% of the present value of the member's anticipated lifetime pension benefit
- TRIP insurance coverage will be available to eligible APB participants when the normal retirement age is reached
 - Member must have at least 8 years of TRS service credit to qualify for TRIP



Tier 1 Retirement Time Line Checklist

As Soon as Possible

- ☐ If you have not already submitted a "proof of birth" online in the Member Account Access area, it must be provided to TRS in order to process your retirement benefit.
- Update your years of service. Obtain the cost of reinstating a TRS refund, record sick leave from former employers and report optional service. Types of optional service include:
 - substitute teaching,
 - homebound or part-time service before July 1, 1990,
 - out-of-system service,
 - military service,
 - board-approved leaves of absence,
 - leaves of absence due to pregnancy or adoption prior to July 1983,
 - involuntary layoffs and
 - recognized Illinois private school service (must apply on or before June 30, 2023).
- ☐ Update your Beneficiary Designation form to ensure that survivor benefits will be paid according to your wishes.
- Provide us with your home email address in the secure Account Access area. Emails about legislation and other important events will also be sent periodically.
- Review the TRS Tier 1 Member Guide, www.trsil.org/Tier1_Member_Guide, on the TRS website.
- Inquire about upgrading your pre-July 1998 service to the 2.2 formula. Call us for the cost to upgrade.
- Consider consulting with a financial planner. TRS does not provide financial advice.
- Determine if any reciprocal service you have accrued will be beneficial to use in retirement. Each retirement system has specific rules about reinstating refunded service.

4 to 5 Years Before Retirement

- Attend a pre-retirement meeting. A schedule is available on the TRS website during the fall.
- Request a benefit estimate online in the secure Member Account Access area or by calling us. We will need to know your estimated retirement date; the number of unused, uncompensated sick leave



days at retirement; and current and estimated future salary rates, including TRS contributions. Also include any bonuses and extra-duty pay.

2 Years Before Retirement

- Request an updated benefit estimate (online or by phone).
- ☐ Attend a pre-retirement meeting.
- Finish reporting all optional service; this task may take time and research.
- Complete payment to reciprocal system for refunded service, if applicable.

6 - 12 Weeks Before Retirement

- Ocomplete the Personalized Retirement Interview by calling us or logging on to the Member Account Access area of our website. You'll be asked a few questions that will complete information in the retirement packet for you. You will receive the packet within 15 working days. If you have reciprocal service, you also will need to call the other retirement system(s) to apply.
- Be certain you have provided us with your home email address in the secure Member Account Access area online. You will receive important information about the status of your retirement via email.
- Check on the status of any optional service or 2.2 balances still owed.

During the retirement process, you will be asked how you wish to pay any remaining 2.2 balance. Payment can be made either through a lump sum, rollover, or pre-tax reduction from your monthly annuity check. If you have any optional service balances, they must be paid prior to retirement, with the exception of pregnancy or adoption leaves.



Tier 1 Retirement Countdown

Finalizing Your Retirement Packet

bank account on the first banking day of the month. Within 15 days of your personalized retirement interview, you will receive: **Teachers' Retirement Insurance** ☐ Age Retirement Annuity Application **Program (TRIP)** Review, sign, and return the application to us. The TRIP election form must be received within 30 ☐ Direct Deposit form days of your retirement date. Sign, date, and take this form to your financial ☐ If you enroll, please choose your insurance institution for completion. using the MyBenefits.illinois.gov website or call ☐ Teachers' Retirement Insurance Program (TRIP) 844-251-1777. Participation Election form and summary After you enroll in the insurance program, the If you are considering enrollment in a managed identification cards will be mailed directly by your care plan, contact the plans that are available in insurance carrier. Allow 60 days to receive your your county for their doctor and hospital lists. identification and claim forms. **Return the Forms Other Important Information** ☐ Application for Age Retirement Annuity ☐ With post-retirement employment, you are lim-We will send you a letter or email when your appliited to 120-paid days or 600-paid hours per year in cation is received. a TRS-covered position. The 120 days/600 hours ☐ Direct Deposit form limit is in effect through June 30, 2023. You can-You and your financial institution must complete not return to work in the same school year that this form. you last contributed to TRS and you must wait 30 ☐ TRIP Participation Election form (optional) calendar days before returning to work with the same employer. You must return this form to us no more than 30 If you have no dependents, you will be offered days after your retirement date if you want insurance when you retire. a refund of your 1 percent survivor benefit contributions along with your first pay notification. **Retirement Processing - Allow 60-90 days** Acceptance of the refund waives all rights of your beneficiaries from receiving survivor benefits. TRS begins the calculation process. Allow 60-90 days As an annuitant, you are entitled to an annual 3 after all balances have been paid in full and all forms percent cost of living increase. Your first posthave been received and reviewed to receive your first retirement annuity increase will begin the later pension check. If you have reciprocal service, we will of the January 1 following your first anniversary contact the other systems. in retirement or the January 1 following your 61st ☐ Your employer may not submit the Supplementary birthday. Report or Sick Leave Certification to TRS until on ☐ Call the Social Security Administration to deteror after your last day. These will be submitted mine your available benefits including your electronically by your employer on your behalf. Medicare eligibility. After your retirement is processed, we will send you a notice with the issue date of your first payment and the gross amount of your first and regular checks. Your first check may be mailed to your home.

Need a form or publication?

Visit https://www.trsil.org and download/print what you need.

Thereafter, your check will be deposited into your



TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

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Tier 2 Retirement Time Line Checklist

As Soon as Possible

- If you have not already submitted a "proof of birth" online in the Member Account Access area, it must be provided to TRS in order to process your retirement benefit.
- Update your years of service. Obtain the cost of reinstating a TRS refund, record sick leave from former employers and report optional service. Types of optional service include:
 - prior refunded TRS service,
 - substitute teaching,
 - homebound or part-time service before July 1, 1990,
 - out-of-system service,
 - military service,
 - board-approved leaves of absence,
 - leaves of absence due to pregnancy or adoption prior to July 1983,
 - involuntary layoffs and
 - recognized Illinois private school service (must apply on or before June 30, 2023).
- Update your Beneficiary Designation form to ensure that survivor benefits will be paid according to your wishes.
- Provide us with your home email address in the secure Account Access area. Emails about legislation and other important events will also be sent periodically.
- Review the TRS Tier 2 Member Guide, www.trsil.org/Tier2_Member_Guide, on the TRS website.
- ☐ Consider consulting with a financial planner. TRS does not provide financial advice.
- Determine if any reciprocal service you have accrued will be beneficial to use in retirement. Each retirement system has specific rules about reinstating refunded service.

4 to 5 Years Before Retirement

- Attend a pre-retirement meeting. A schedule is available on the TRS website during the fall.
- Request a benefit estimate online in the secure Member Account Access area or by calling us. We will need to know your estimated retirement date; the number of unused, uncompensated sick leave days at retirement; and current and estimated



future salary rates, including TRS contributions. Also include any bonuses and extra-duty pay.

2 Years Before Retirement

- Request an updated benefit estimate (online or by phone).
- ☐ Attend a pre-retirement meeting.
- Finish reporting all optional service; this task may take time and research.
- Complete payment to reciprocal system for refunded service, if applicable.

6 - 12 Weeks Before Retirement

- Complete the Personalized Retirement Interview by calling us or logging on to the Member Account Access area of our website. You'll be asked a few questions that will complete information in the retirement packet for you. You will receive the packet within 15 working days. If you have reciprocal service, you also will need to call the other retirement system(s) to apply.
- Be certain you have provided us with your home email address in the secure Member Account Access area online. You will receive important information about the status of your retirement via email.
- Check on the status of any optional service balances still owed. If you have any optional service balances, they must be paid prior to retirement, with the exception of pregnancy or adoption leaves.

Need a form or publication?

Visit https://www.trsil.org and download/print what you need.



Tier 2 Retirement Countdown

Finalizing Your Retirement Packet

Within 15 days of your personalized retirement interview, you will receive:

Age Retirement Annuity Application

Review, sign, and return the application to us.

☐ Direct Deposit form

Sign, date, and take this form to your financial institution for completion.

Teachers' Retirement Insurance Program (TRIP)
Participation Election form and summary

If you are considering enrollment in a managed care plan, contact the plans that are available in your county for their doctor and hospital lists.

Return the Forms

Application for Age Retirement Annuity

We will send you a letter or email when your application is received.

☐ Direct Deposit form

You and your financial institution must complete this form.

☐ TRIP Participation Election form (optional)

You must return this form to us **no more than 30** days after your retirement date if you want insurance when you retire.

Retirement Processing - Allow 60-90 days

TRS begins the calculation process. Allow 60-90 days after all balances have been paid in full and all forms have been received and reviewed to receive your first pension check. If you have reciprocal service, we will contact the other systems.

- Your employer may not submit the Supplementary Report or Sick Leave Certification to TRS until on or after your last day. These will be submitted electronically by your employer on your behalf.
- After your retirement is processed, we will send you a notice with the issue date of your first payment and the gross amount of your first and regular checks.
- Your first check may be mailed to your home.
 Thereafter, your check will be deposited into your bank account on the first banking day of the month.

Teachers' Retirement Insurance Program (TRIP)

- The TRIP election form must be received within 30 days of your retirement date.
- ☐ If you enroll, please choose your insurance using the MyBenefits.illinois.gov website or call 844-251-1777.
- After you enroll in the insurance program, the identification cards will be mailed directly by your insurance carrier. Allow 60 days to receive your identification and claim forms.

Other Important Information

- With post-retirement employment, you are limited to 120-paid days or 600-paid hours per year in a TRS-covered position. The 120 days/600 hours limit is in effect through June 30, 2023. You cannot return to work in the same school year that you last contributed to TRS and you must wait 30 calendar days before returning to work with the same employer.
- The law suspends a Tier 2 member's retirement benefit if the member accepts full-time employment in a position covered by a reciprocal system.
- If you have no dependents, you will be offered a refund of your 1 percent survivor benefit contributions along with your first pay notification. Acceptance of the refund waives all rights of your beneficiaries from receiving survivor benefits.
- As an annuitant, annual cost-of-living increases will be calculated using either 3 percent or one-half of the Consumer Price Index as of the preceding September, whichever is less, of the originally granted retirement annuity. You will receive an annual increase on the Jan. 1 occurring either on or after the attainment of age 67 or the first anniversary of the annuity start date, whichever is later.
- Call the Social Security Administration to determine your available benefits including your Medicare eligibility.



TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

2815 W. Washington | P.O. Box 19253 | Springfield, IL 62794-9253 877-927-5877 (877-9-ASK-TRS) | FAX: (217) 753-0964 members@trsil.org | https://www.trsil.org





Total Retiree Advantage Illinois (TRAIL) Summary

January 1, 2022 — December 31, 2022

This summary provides current TRAIL premiums and accessibility information for January 1, 2022 through December 31, 2022.

What is a Medicare Advantage with Prescription Drug Plan?

A Medicare Advantage with Prescription Drug (MAPD) plan is a healthcare plan administered by a private insurer who processes and pays your health and prescription drug claims. That means that federal Medicare no longer pays your health or prescription drug claims but will instead subsidize the MAPD plan with the Medicare premiums you pay. Although federal Medicare no longer pays healthcare claims, you still need to pay your Medicare premiums in order to remain enrolled in the MAPD plan. If you do not pay your Medicare premiums, your health and prescription drug coverage through the Teachers' Retirement Insurance Program (TRIP) will terminate.

Listing of current health care plan providers

Please call the toll-free number or visit the plan online for specific coverage details. *Note: TRAIL only offers MAPD plans.*

HMOs	Administrators' Address	Customer Service Phone Numbers	Website Address
Aetna Medicare Plan	P.O. Box 981106 El Paso, TX 79998-1106	(855) 223-4807	stateofillinois.aetnamedicare.com
Health Alliance MAPD	3310 Fields South Drive Champaign, IL 61822	(877) 795-6131	healthalliance.org/stateofillinois
Humana Employer Medicare	P. O. Box 14168 Lexington, KY 40512	(800) 951-0125	our.humana.com/soi
PPO	Administrators' Address	Customer Service Phone Numbers	Website Address
UnitedHealthcare	Customer Service Dept. P.O. Box 30769 Salt Lake City, UT 84130-0769	(888) 223-1092	uhcretiree.com/soi

For questions regarding TRAIL benefits, please visit <u>MyBenefits.illinois.gov</u> or call toll free, Monday-Friday, CST, 8 a.m. to 6 p.m., (844) 251-1777 or for TDD/TTY call toll free (844) 251-1778. For questions regarding eligibility or enrollment, please contact TRS at (877) 927-5877.



TRAIL Eligibility and Enrollment

Members or survivors of members must be:

- · receiving a TRS monthly benefit,
- · living in the United States or a U.S. territory, and
- eligible and enrolled in Medicare Parts A and B due to age or disability.

Special Information about TRAIL Medicare Advantage (MAPD) Plans

Participants retain Medicare coverage and continue to pay Medicare Part B premiums. Failure to maintain your Medicare A and B coverage will terminate your MAPD enrollment.

If applicable, IRMAA (Income-Related Monthly Adjustment Amount) applies to both Medicare Parts B and D. Therefore, members who pay an additional premium for their Medicare Part B coverage are the same members who will be charged the Medicare Part D IRMAA amount. This is required to be paid to remain in the plan.

The TRAIL MAPD plan includes prescription drug coverage. Participants should **not** enroll in a separate Medicare Part D plan or enroll in a separate Medicare Advantage Plan. Members who enroll in a separate Medicare Part D plan or Medicare Advantage plan will lose TRIP coverage.

The TRAIL Medicare Advantage plan offers wellness/clinical programs at no additional cost. Some of the plans offer fitness incentives, disease management and discount programs.

Participants use one identification card for medical providers, hospitals and pharmacies.

Members who are newly eligible **must** elect a state-sponsored TRAIL MAPD plan to continue coverage. Coverage will be **terminated** if members do not respond. Newly eligible members are notified by CMS that they must enroll in a TRAIL plan.

Members who are already enrolled in the TRAIL MAPD plan can enroll an eligible dependent during open enrollment in the fall or change their coverage to a new carrier. Eligible dependents may also be added mid-year if the dependent becomes eligible to enroll in Medicare Parts A and B.

Federal Medicare law requires all plans to send new ID cards annually to participants.

Medical Contributions

TRAIL	. MAPD Plan Mont	hly Contribution	ons Effective Jan	uary 1, 2022
	Humana Employer Medicare HMO	Aetna Medicare Plan HMO	Health Alliance MAPD HMO	UnitedHealthcare PPO
Member Rate	\$36.31	\$35.46	\$43.42	\$38.17
Dependent Rate	\$108.93	\$106.38	\$130.25	\$114.50

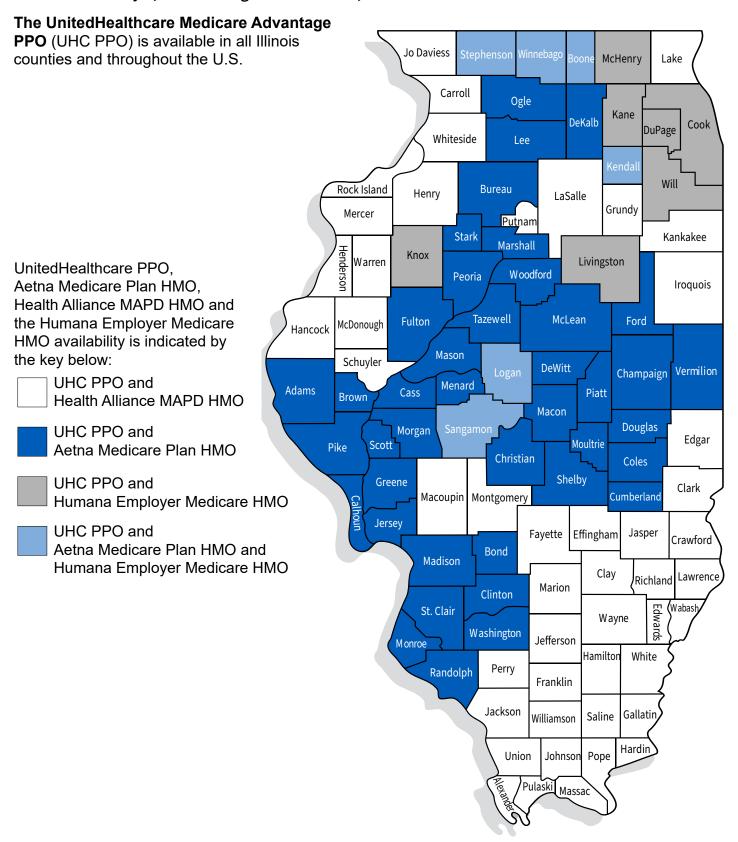
Coverage Comparison Table

	UnitedHealthcare PPO	Health Alliance MAPD, Aetna Medicare Plan and Humana Employer Medicare HMOs*
Annual medical deductible	\$250	None
Annual out-of-pocket maximum	\$1,100	\$3,000
Doctor office visit	Plan pays 80%; you pay 20% after annual deductible	Plan pays 100% after you pay \$20 copay per visit
Specialist office visit	Plan pays 80%; you pay 20% after annual deductible	Plan pays 100% after you pay \$20 copay per visit
Preventive services	Plan pays 100%; you pay 0%	Plan pays 100%; you pay 0%
Emergency	Plan pays 100% after you pay \$120 copay per visit; copay is waived if you are ad- mitted within 24 hours	Plan pays 100% after you pay \$120 copay per visit (can use non-network provider if nearer to you than network provider); copay is waived if you are admitted within 24 hours
Inpatient hospital	Plan pays 80%; you pay 20% after annual deductible	Plan pays 100% after you pay \$250 copay per admission
Outpatient surgery	Plan pays 80%; you pay 20% after annual deductible	Plan pays 100% after you pay \$150 copay
Diagnostic tests (lab, x-ray, radiology)	Plan pays 80%; you pay 20% after annual deductible	Plan pays 100%; you pay 0%
Hearing instruments and related services	\$2,500 for hearing instrument and related services every 24 months when a hearing care professional prescribes a hearing instrument. Contact plan for additional details.	\$2,500 for hearing instrument and related services every 24 months when a hearing care professional prescribes a hearing instrument. Contact plan for additional details.
Acupuncture for chronic lower back pain	\$16 (in and out-of-network) for each Medicare-covered visit. Up to 12 visits in 90 days, if medically necessary.	\$20 copayment. For further information regarding coverage, contact the plan administrator.
	Generic: \$10 copay	Generic brand: \$10
Prescription drugs (30-day supply)	Preferred brand: \$25 copay	Preferred brand: \$20
	Non-preferred brand and specialty drugs: \$50 copay	Non-preferred brand & specialty drugs: \$40

^{*}Members must use network providers, except for emergency services.

A Map of Medicare Advantage Plans by Illinois County

Effective January 1, 2022 through December 31, 2022



TEACHERS' RETIREMENT INSURANCE PROGRAM (TRIP) SUMMARY



JULY 1, 2022 - JUNE 30, 2023

This summary provides current TRIP premiums and accessibility information for July 1, 2022 through June 30, 2023.

Enrollment and assistance

You will make your benefit elections online through the MyBenefits website, MyBenefits.illinois.gov. Contact MyBenefits Service Center with questions about navigating the MyBenefits website or how to elect benefits, Monday – Friday, 8 a.m. – 6 p.m. Central Time, 844-251-1777 or 844-251-1778 (TDD). For questions regarding eligibility, please contact Teachers' Retirement System of the State of Illinois at 877-927-5877. More detailed information is available on the TRS website at: https://www.trsil.org.

Medicare Advantage TRAIL Program

Since 2014, the state has administered a Medicare Advantage Program called TRAIL for annuitants and survivors enrolled in both Medicare Parts A and B. Visit www.cms.illinois.gov/thetrail for eligibility information.

Listing of Current Health Care Plan Providers

Please call the toll-free number or visit the plan online for specific coverage details.

Purpose	Administrator Name and/or Address	Group No.	Phone	Website
Enrollment/ Customer Service	MyBenefits Service Center	N/A	844-251-1777 TDD: 844-251-1778	MyBenefits.illinois.gov
Health Plan	BlueAdvantage HMO Blue Cross Blue Shield OAP	B06802 263998	800-868-9520 TDD: 866-876-2194 855-810-6537	bcbsil.com/stateofillinois
	Aetna HMO/ Aetna OAP	285655 285651	855-339-9731 TDD: 800-628-3323	aetnastateofillinois.com
	Health Alliance HMO	2001741	800-851-3379 TDD: 800-526-0844	healthalliance.org/stateofillinois
	HealthLink OAP	160002	877-379-5802 TDD: 877-232-8388	healthlink.com/soi/learn-more
	HMO Illinois	Ho6802	800-868-9520 TDD: 866-876-2194	bcbsil.com/stateofillinois
	Teachers' Choice Health Plan (TCHP), Aetna PPO	285659	855-339-9731 TDD: 800-628-3323	aetnastateofillinois.com
Prescription Drug Plan	CVS/Caremark (for TCHP or OAP)	TCHP: 1402TD3 Aetna OAP: 1402TCH BCBSIL OAP: 1402TCJ HealthLink OAP: 1402TCF	877-232-8128 TDD: 800-231-4403	caremark.com



Enrollment

If you are eligible, you can enroll yourself and qualifying dependents during the following periods:

- When you apply for monthly pension benefits. If you want to enroll at this point, you must enroll no later than 60 days after the effective date of the pension benefits.
- When you turn 65. TRS will mail you enrollment information within 90 days of your 65th birthday along with a checklist to assist with your Medicare enrollment. Benefit recipients deemed eligible for Medicare Parts A and B have an opportunity to enroll into the Medicare Advantage TRAIL Program within 60 days of their 65th birth months. Benefit recipients who are not deemed eligible for Medicare Parts A and B can still enroll in a standard TRIP plan (see next page), but will be subject to a higher Not Medicare Primary Age 65 & Above premium. See the Monthly Premiums chart listed below.
- When coverage is terminated by a former plan. You may continue coverage with another plan rather than enroll in TRIP. If this occurs, you and your eligible dependents may enroll in TRIP when coverage under the other plan is terminated. The termination must be initiated by the plan. You must enroll with a letter from the plan stating the effective date of termination no later than 60 days after the termination of the plan's coverage.
- **During the Benefit Choice Period.** You may be eligible to enroll in TRIP during the Benefit Choice Period (usually May 1 through May 31 each year). The insurance becomes effective on July 1. Additionally, a fall enrollment occurs for those eligible for the Medicare Advantage TRAIL Program.

You may enroll dependents when you enroll in the program, the dependent turns 65, a qualifying change in family status occurs (marriage or birth/adoption of child), or coverage is involuntarily terminated by a former plan. You may also enroll dependents during the annual Benefit Choice Period. Dependents will be enrolled in the same health plan as the benefit recipient.

It is your responsibility to ensure monthly premium deductions are accurate for the insurance coverage you selected.

Monthly Premiums Through June 30, 2023

	Type of Plan	Not Medicare Primary Under Age 26	Not Medicare Primary Age 26-64	Not Medicare Primary Age 65 & Above	Medicare Primary* All Ages
	Managed Care Plan (OAP & HMO)	\$101.38	\$314.92	\$429.07	\$124.46
Benefit Recipient	TCHP (PPO) when a managed care plan is available	\$263.11	\$734.96	\$1,116.87	\$295.10
	TCHP (PPO) when a managed care plan is unavailable in your county	\$131.55	\$367.48	\$558.45	\$147.56
	Managed Care Plan (OAP & HMO)	\$405.68	\$1,259.67	\$1,716.24	\$428.80**
Dependent Beneficiary	TCHP (PPO) when a managed care plan is available	\$526.24	\$1,469.91	\$2,233.75	\$590.21
Demendary	TCHP (PPO) when a managed care plan is unavailable in your county	\$526.24	\$1,469.91	\$2,233.75	\$442.67**

^{*} You must enroll in both Medicare Parts A and B to qualify for the lower premiums. Send a copy of your Medicare card to TRS. If you or your dependent is actively working and eligible for Medicare, or you have additional questions about this requirement, contact the CMS Group Insurance Division, Medicare Coordination of Benefits (COB) Unit at 800-442-1300 or 217-782-7007.

Out-of-State Managed Care

Managed care is available in some counties in Arkansas, Indiana, Iowa, Kentucky, Missouri, and Wisconsin. View the list online for more information at https://www.trsil.org/health-insurance/out-of-state-accessibility or directly contact the managed care plan for information regarding availability. Some OAP carriers can be in every state.

Hearing Instruments and Related Services

Beginning July 1, 2020, a \$2,500 benefit for hearing instruments and related services every 24 months is available through all plans when a hearing care professional prescribes a hearing instrument. Contact your plan for additional details.

^{**} Medicare Primary dependent beneficiaries enrolled in a managed care plan, or in TCHP when no managed care plan is available, receive a premium subsidy.

Coverage Comparison Table

			Managed Care Plans	are Plans	
			0	Open Access Plans (OAP))
	PPO Teachers' Choice	HMO In-network	Tier I In-network	Tier II	Tier III Out-of-network
Benefit	Health Plan (TCHP) Nationwide	coverage only All IL counties	coverage only Most IL counties	In-network coverage Nationwide	coverage Nationwide
Plan year maximum benefit	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Lifetime maximum benefit	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Annual out-of-pocket maximum	Individual: \$1,200 in network; \$4,400 out-of-network Family: \$2,750 in network; \$8,800 out-of-network	Individual: \$3,000 Family: \$6,000	Individual: \$6,600 Family: \$13,200 (includes eligible charges from Tier I and Tier II combined)	s eligible charges from	NA
Annual plan deductible Must be satisfied for all services	\$500 per participant	\$0	\$0	\$300 per enrollee*	\$400 per enrollee*
Out-of-network hospital admission	60% covered; deductible applies after \$400 per admission	No coverage	Contact plan administrator	tor	
Inpatient/hospital admission	80% covered; deductible applies after \$200 per admission	100% after \$250 copayment	100% after \$250 copayment	80% network charges after \$300 copayment	60% allowable charges after \$400 copayment
Outpatient surgery	80% in network; 60% allowable charges out-of-network*	100% after \$150 copayment	100% after \$150 copayment	80% network charges after \$150 copayment	60% allowable charges after \$150 copayment
Diagnostic lab & x-ray	80% in network; 60% allowable charges out-of-network*	100%	100%	80% network charges	60% allowable charges
Emergency room hospital services	\$400 additional deductible	100% after \$200 copayment	100% after \$200 copayment	ent	
Physician & Specialist office visits	80% in network; 60% allowable charges out-of-network**	\$20 copayment	100% after \$20 copayment	80% network charges	60% allowable charges
Preventive services, including immunizations	100% in network; 60% allowable charges out-of-network**	100%	100%	%	Covered under Tier I and Tier II
Telemedicine benefit	\$10 copayment, deductible applies. In-network only.	\$10 copayment	\$10 copayment	No coverage	No coverage
Durable medical equipment	80% in network; 60% allowable charges out- of-network**	80% network charges	80% network charges	80% network charges	60% allowable charges
Prescription Drugs copayment (30-day supply)	\$7-\$50 generic \$14-\$100 preferred brand \$28-\$150 nonpreferred brand	\$10 generic \$20 preferred brand \$40 nonpreferred brand	\$10 generic \$20 preferred brand \$40 nonpreferred brand		

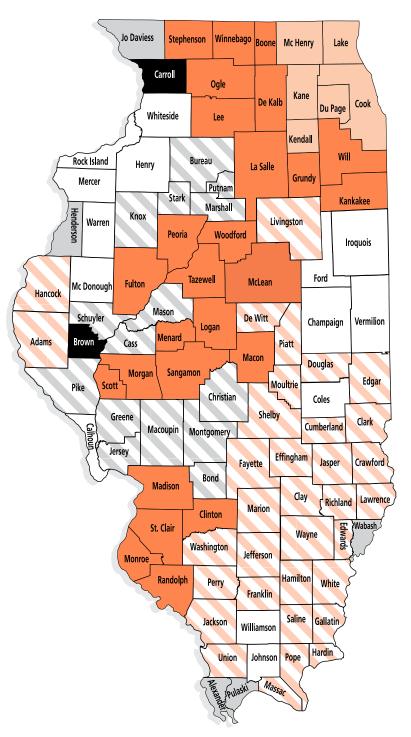
^{*} Open Access Plans: The benefit level is determined by the Tier in which the healthcare provider is contracted. An annual plan deductible must be met before Tier II and Tier III plan benefits apply. Benefit limits are measured on a plan year. Amounts over the plan's allowable charges do not count toward the out-of-pocket maximum.

^{**} TCHP: Sixty percent of allowable charges are paid for out-of-network charges after the annual plan deductible has been met.

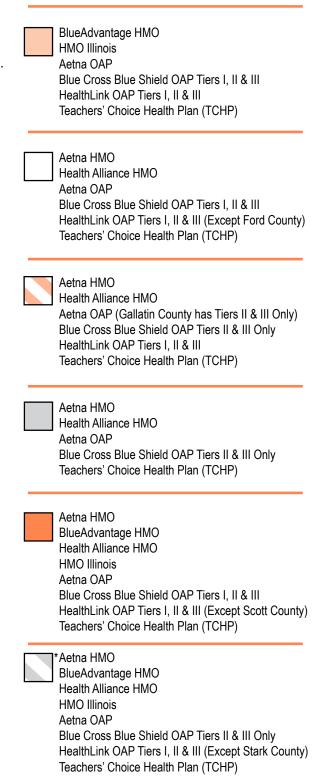
Health Plans by Illinois County

Effective July 1, 2022 - June 30, 2023

The Teachers' Choice Health Plan (TCHP/PPO) is available nationwide.



* Please be aware that some counties in the black and striped gray areas do not have provider coverage for either HMO Illinois or BlueAdvantage HMO; members in these counties may have access to the aforementioned health plan providers in a neighboring county. Please check with your provider for details.



*Aetna HMO
BlueAdvantage HMO
Health Alliance HMO
HMO Illinois
Aetna OAP

Blue Cross Blue Shield OAP Tiers II & III Only HealthLink OAP Tiers II & III Only Teachers' Choice Health Plan (TCHP)



TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS