

BEFORE WE BEGIN



- If you'd like to download the slideshow, please scan the QR code above, or visit the website:
www.trsil.org/whats-next
- Questions will be addressed after each section and at the end of the presentation as time permits



This presentation is intended to provide basic information summarizing TRS benefits and services and your responsibilities as a TRS member. TRS must comply with all applicable federal and state laws, rules, and regulations. If there is any conflict between the information contained in this presentation and the applicable law, rule, or regulation, the law, rule, or regulation takes precedence. No TRS employee has authority to bind the System to any statement or action contrary to law. Laws are subject to change. TRS must correct errors upon discovery even if payment has begun. Any information is for the specific purpose provided and does not represent tax, legal, or other professional advice. Seek personal professional advice as needed.

Teachers' Retirement System of the State of Illinois

What's Next?

The Retirement Process and Beyond



Topics

- Retirement Timeline
- Health Insurance
- Post-retirement Employment
- Benefit Increases
- Taxes
- Online Account Access

Q/A



Retirement Timeline





Information from You

Necessary forms:

- Retirement Application
- Depository Agreement
- Health Insurance (TRIP/TRAIL) Participation Election

Balances paid:

- Optional Service
 - Personal Check
 - Rollover
- 2.2 Upgrade
 - Pension Reduction option



Information from Your Employers

Supplementary Report:

- Final year's service and earnings
- Unused, uncompensated sick leave days

Sick Leave Granting Certificate:

- Reports sick leave granted outside of contractual allotment
- May generate cost to the employer

These are electronic forms, and cannot be submitted to TRS until after you have worked your last day.

TRS Claim Processing

Elected “NO” for AAI



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



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.



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



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



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. The amount of TRS service credit is also shown.



Let the Payments Begin!

- Our top priority is getting your monthly pension started
- Your monthly benefits will continue for your lifetime
 - Currently, our oldest retiree is over 107, so this could be a while!
- Payments deposited on the first banking day of each month as payment for the previous month



Excess Contribution Refunds

- Refunds
 - 2.2 Upgrade overpayment
 - ERO – if not already claimed
- 1% Survivor Benefit Refund (if eligible)
 - Offered **only** if you have no dependents
 - 1% of every dollar earned during active service
 - Eliminates survivor benefit paid upon your death
- Issued after you have received your Notification of First Payment letter
- Refund checks are always **mailed** by the Illinois Comptroller's Office
- Taxable refunds over \$200.00 are eligible for rollover
 - If not rolled over, 20% withheld for federal tax

Accelerated Annual Increase (AAI)

If elected:

- **AAI Direct Transfer/Rollover form** mailed after “Notification of First Payment” letter
- Processed as a separate claim
- 8-12 weeks to process

Payment options

- Rollover entire AAI lump sum – no tax withheld
- Receive a check for entire AAI lump sum – 20% tax withheld
- A combination of the two



Health Insurance (TRIP/TRAIL)





TRIP/TRAIL Enrollment – Step 1

- Must have at least 8 years of TRS service to be eligible
- Must submit TRIP Participation Election form within 60 days of your retirement claim date
- Coverage begins on the first of a month



TRIP/TRAIL Enrollment – Step 2

- Must Call the **MyBenefits Service Center (MBSC)** to elect your TRIP/TRAIL carrier within 60 days of the effective date of your coverage
- Insurance ID cards will come from selected carriers
 - Health and prescription drugs
 - Dental
 - Vision
- Premiums are withheld from your TRS Pension Check
 - Premiums are withheld for the month of pension paid
 - Example: August insurance premium withheld from September 1 pension check

TRIP Premiums: All Participants <65


Type of Participant	Type of Plan	Not Medicare Primary	Not Medicare Primary	Not Medicare Primary
		Under Age 26	Age 26-64	Age 65+
Benefit Recipient	HMO/ OAP	\$121.18	\$370.76	\$503.81
	PPO	\$308.40	\$857.02	\$1,300.03
	PPO when HMO/OAP not available	\$156.11	\$431.60	\$653.58
Dependent Beneficiary	HMO/ OAP	\$484.89	\$1,483.01	\$2,015.19
	PPO	\$624.46	\$1,726.40	\$2,614.28
	PPO when HMO/OAP not available	\$624.46	\$1,726.40	\$2,614.28

TRAIL Premiums



Aetna MAPD PPO (Effective Jan. 1, 2025)		
Monthly Contributions	Member Rate	\$7.35
	Dependent Rate	\$27.14

TRIP/TRAIL/Split Family

Type of Participant	Type of Plan	Not Medicare Primary	Not Medicare Primary	Not Medicare Primary	Medicare Primary 
		Under Age 26	Age 26-64	Age 65+	Medicare Eligible
Benefit Recipient	HMO/ OAP	\$121.18	\$370.76	\$503.81	\$7.35
	PPO	\$308.40	\$857.02	\$1,300.03	
	PPO when HMO/OAP not available	\$156.11	\$431.60	\$653.58	
Dependent Beneficiary	HMO/ OAP	\$484.89	\$1,483.01	\$2,015.19	\$27.14
	PPO	\$624.46	\$1,726.40	\$2,614.28	
	PPO when HMO/OAP not available	\$624.46	\$1,726.40	\$2,614.28	

TRIP Notes

- “When Managed Care is Not Available in Your County”:
 - A Managed Care plan is available to all Illinois residents as well as residents in most other states.
 - The choices are by County and are shown on the map in the TRIP Summary for Illinois residents or on the TRS website for residents outside Illinois.
 - **VERY** few counties in the United States don’t have managed care available
- The member will pay the lower PPO rate ONLY if no Managed Care plan is available in their county. counties.

Don't need TRIP/TRAIL yet?

Other Enrollment Opportunities

- Benefit Choice Period
 - May 1-May 31 for TRIP non-Medicare (Plan runs July 1-June 30)
 - Mid-October to mid-November for TRAIL Medicare Advantage (Plan runs January 1-December 31)
- Involuntary termination of previous insurance coverage
- Medicare becomes available (age 65 in most cases)
- Dependents may enroll at same opportunities and must be enrolled in same insurance plan as the member

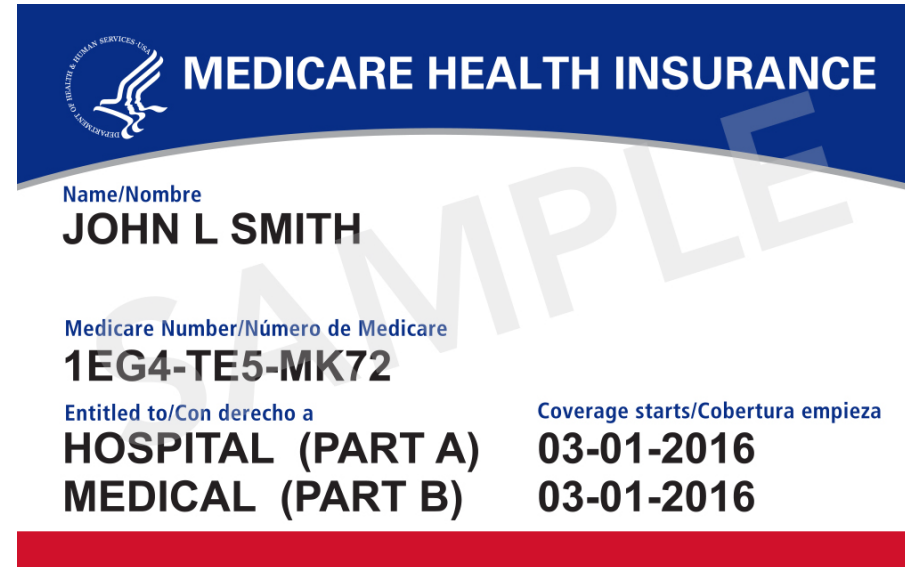
Dental and Vision Coverage

- Dental and Vision coverage will be included in TRIP/TRAIL effective July 1, 2025
- Part of the TRIP/TRAIL coverage and premiums
- Cannot opt out of just dental/vision

Medicare

- Qualify through non-TRS employment
- TRS employment after March 1, 1986
- Qualify through spouse
- Medicare election in 2004
- Social Security/Medicare
(800) 772-1213

- www.socialsecurity.gov



A sample Medicare Health Insurance card for John L. Smith. The card has a blue header with the Illinois Department of Human Services logo and the text "MEDICARE HEALTH INSURANCE". Below the header, the cardholder's name "JOHN L. SMITH" is listed. The Medicare Number is "1EG4-TE5-MK72". The card also shows coverage for Hospital (Part A) and Medical (Part B), both starting on 03-01-2016. A large "SAMPLE" watermark is visible across the card.

Name/Nombre JOHN L. SMITH	
Medicare Number/Número de Medicare 1EG4-TE5-MK72	
Entitled to/Con derecho a HOSPITAL (PART A)	Coverage starts/Cobertura empieza 03-01-2016
MEDICAL (PART B)	03-01-2016

TRIP to TRAIL Transition

- Must enroll in Medicare Parts A & B
- Once your Medicare card is received, submit copy to TRS
- 1 month prior to the effective date, contact the MyBenefits Service Center to enroll in your TRAIL Medicare Advantage plan
- Medicare checklist available on TRS website



3 Months Before Your 65th Birth Month

- ☐ Contact the Social Security Administration (SSA) and apply for Medicare Parts A and B online by visiting www.ssa.gov/benefits/medicare or by phone at (800) 772-1213. Use the chart on the right to know when to apply.
- ☐ Establish how your Medicare Part B premium will be paid to the SSA. This premium is separate from your retirement insurance premium and cannot be deducted from your monthly benefit check.

Birth Month	Month to Apply for Medicare
January	October
February	November
March	December
April	January
May	February
June	March
July	April
August	May
September	June
October	July
November	August
December	September

If the SSA determines that you are not eligible for Medicare coverage:

- ☐ Request a statement of Medicare ineligibility from the SSA.

2 Months Before Your 65th Birth Month*

- ☐ Receive your Medicare Card or Statement of Medicare Ineligibility from SSA.
- ☐ Make a legible copy of the front side of your Medicare card or ineligibility statement and send to TRS. If you are not currently enrolled, you also need to send TRS the Participation Election Form. **See reverse for submission instructions.**

***Important:** If your birthdate is on the 1st of any month, you must elect coverage two months before your 65th birth month to avoid an interruption in coverage. See below on how to complete the enrollment process.

1 Month Before Your 65th Birth Month

- ☐ Review the TRAIL Medicare Advantage Initial Enrollment Guide mailed to you from the State of Illinois Department of Central Management Services and MyBenefits. You can also review the materials online at MyBenefits.illinois.gov, select the TRAIL MAPD Enrollment Information tile located on the home page.
- ☐ Review the TRAIL Medicare Advantage Enrollment materials mailed to you from the TRAIL insurance carriers available in your residential area.
- ☐ **Choose a TRAIL MAPD plan.** You may elect your plan by visiting the website at MyBenefits.illinois.gov or by calling MyBenefits Service Center toll free at (844) 251-1777.

Note: The TRAIL MAPD plan you choose will replace your current retirement insurance plan.

Post-Retirement Employment



Post-retirement Employment

- **MUST HAVE RECEIVED FIRST RETIREMENT CHECK**
- No work until July 1 of new school year
- Must wait 30 days from the effective date of your resignation with same employer
- Do **NOT** pre-arrange post-retirement employment
 - Strict penalties will apply
- TRS-covered employment restricted to 120 days/600 hours per school year
 - Subject to changes in legislation
- Tier II only: The law suspends your retirement benefits if you accept full-time employment in a position covered by another state of Illinois pension system that has reciprocal rights with TRS.
- No restrictions on non-TRS employment
 - If retiring reciprocally, check limitations of other reciprocal retirement system(s)

Post-retirement Employment

Email notifications to retired members

- An email is sent when any district reports the first day worked in a TRS-covered position each year
- A second email is sent when a member has accumulated 450 hours of post-retirement work each year
- These serve as reminders that there are limits to days/hours in retirement
- It is the responsibility of the member to be sure information is accurate

Post-retirement Employment

What is considered Post-Retirement Employment?

- Work requiring licensure by ISBE
- Not sure? Have a potential employer verify the position with TRS Employer Services prior to doing any work
- Penalties for exceeding the post-retirement work are significant



Benefit Increases



First Annual Increase

TIER 1

You will receive your first increase on the **latter** of:

- January 1 following your first anniversary in retirement, OR
- January 1 following 61st birthday (Tier 1)
- For your first increase only, you will receive a letter from TRS including the amount of the increase and your new monthly pension

TIER 2

You will receive your first increase on the **latter** of:

- January 1 following your first anniversary in retirement, OR
- January 1 following 67th birthday (Tier 2)
- For your first increase only, you will receive a letter from TRS including the amount of the increase and your new monthly pension

Increases are effective on January 1 of each year and are reflected in the payment issued on February 1.

Future Annual Increase

- Each January 1 after initial increase:
 - Tier 1 – 3% compounded on prior year's benefit
 - Tier 2 – The lesser of 3% of your original benefit or $\frac{1}{2}$ of the CPI for the 12 months ending each November
- If AAI elected (Tier 1), your first increase will occur on the latter of:
 - January 1 following your first anniversary in retirement, OR
 - January 1 following your 67th birthday
 - 1.5% of original benefit (flat rate) each January 1 thereafter

Taxes



Tax Reporting in Retirement

- Each January, you will receive a 1099-R form in the mail at the address we have on file as of Dec 10 of the tax year
 - Total benefit received (taxable and non-taxable portions)
 - Total tax withheld
- Additional 1099-R forms will be issued for EACH Excess Contributions Refund
 - Shows amount distributed (taxable and non-taxable)
- Tax withholding can be adjusted any time
 - Call TRS or go online for a W-4P form
- State taxes can be withheld for Illinois, Indiana, Iowa, Kentucky, Michigan and Wisconsin
 - Flat withholding amount that you choose

Social Security



Social Security

- TRS-covered employment is not reportable to Social Security
- You may collect Social Security benefits earned through outside work or that of a spouse
- Social Security (800) 772-1213
- www.socialsecurity.gov



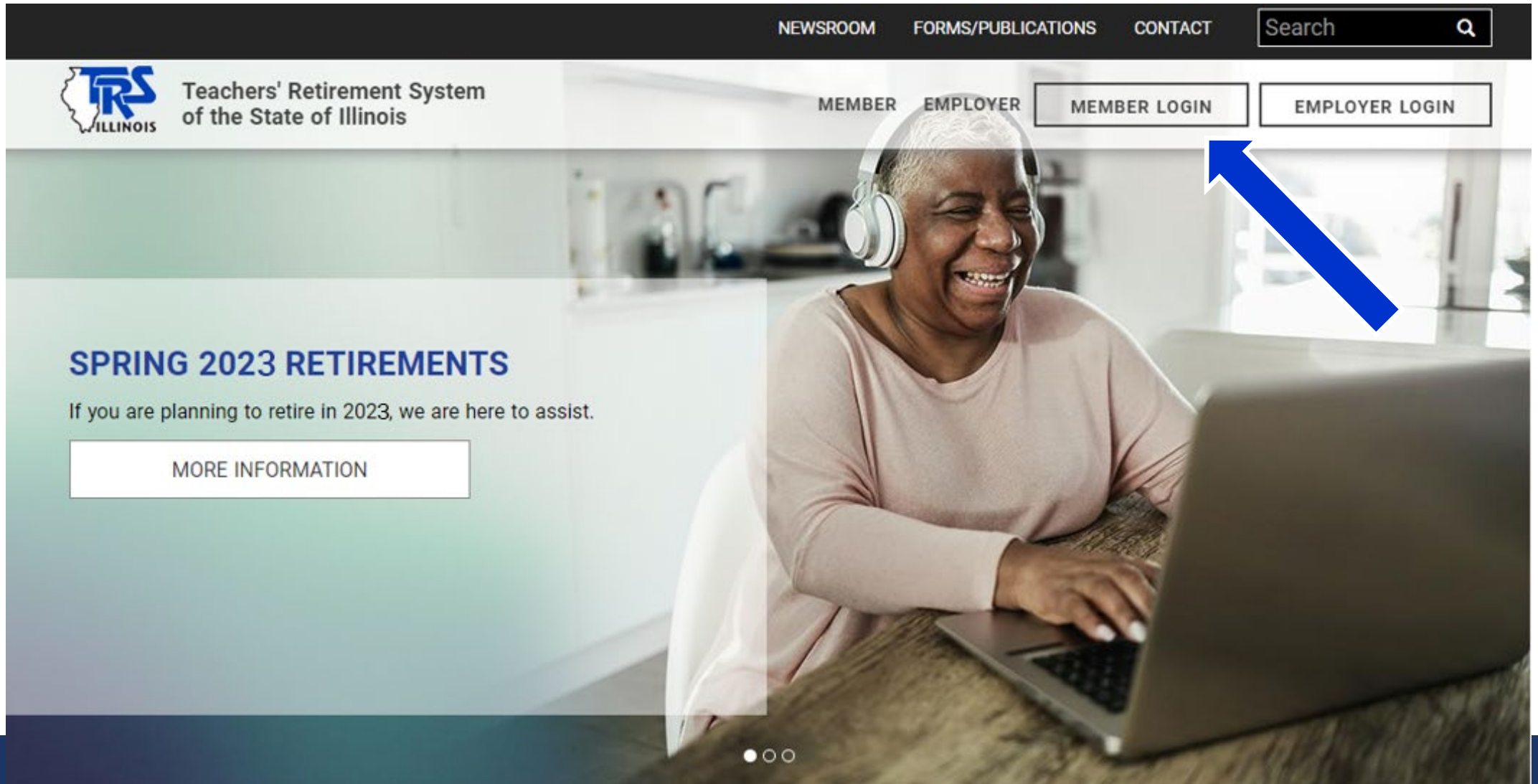
Online Account Access



Member Account Access

- Update address, phone, and email
- Secure Document Upload Center
- Monthly earnings statements or “paystubs”
- Annual Statements showing total gross benefit and insurance premiums
- Income Verification Letters
- Printable form to change beneficiaries, update tax withholding, etc.
- Request duplicate 1099R forms

Member Account Access



Contact Information

TRS Phone & Hours



Toll-free:
(877) 927-5877
M-F: 7:30 am to 4:30 pm



Visit us
<https://trsil.org>



Email Address
members@trsil.org



Connect
@TRSillinois



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@TRSIL



www.youtube.com/c/trsillinois



“What’s Next?” Slideshow Download

MyBenefits Service Center (MBSC):

1-844-251-1777

To select insurance carrier, add dependents, and transition
from TRIP to TRAIL