



PSERS Active Member Newsletter

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Inside this Issue:

- ◆ Life Expectancy Assumption Changes Take Effect 7/1/2022
- ◆ Disability Retirement Benefit
- ◆ New! Tracking the Status of Applications in Your MSS Account
- ◆ Retirement Checklist

& More...

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PSERS Active Certified Member/Participant Board Election

The PSERS Board of Trustees will conduct an active certified member/participant election this fall. The active certified member/participant will serve a three-year term on the Board beginning January 1, 2023. Certification is issued by the Department of Education.

Members desiring to run for election for the **active certified member/participant** seat must:

- Be an active certified member of the System or Class DC participant (certified voting status designated on the annual Statement of Account).
- Submit an affidavit and nominating petition with 500 or more valid signatures from among the PSERS active, certified members and participants. Five different employers must be represented by no less than 25 signatures each.
- Submit a completed biographical form.

Due to the ongoing pandemic-related school closures and virtual education, the Board election process will be conducted later this year. Members may request to receive a nomination packet and more information on the duties and responsibilities of Board members starting August 1, 2022. Interested members may write or email to:

Mercedes Evans
PSERS Election Coordinator
5 North 5th Street
Harrisburg, PA 17101
mercevans@pa.gov

Your completed affidavit, nominating petition, and biographical form must be returned to Ms. Evans at the email address or mailing address above by 5:00 p.m. on September 19, 2022. Late receipt will disqualify any candidate from the election ballot.

Publication #9291



New! Tracking the Status of Applications in Your MSS Account

PSERS is pleased to introduce a new Status Tracker function available in the Member Self-Service (MSS) Portal! You can log in to your secure account and access the following pages to check the status of your applications:

- Request for Retirement Estimate
- My Refund Application
- My Retirement Application

You can track the status of these select applications from their receipt by PSERS through each processing step. The status tracker also estimates a completion date or payment date, as applicable, just like tracking a package!

Reminder: PSERS Life Expectancy Assumption Changes Take Effect July 1, 2022

Every five years, the PSERS actuaries review our member experience within PSERS.

During the most recent review, our actuaries recommended an adjustment to the life expectancy assumptions used in benefit calculations and the actuarial tables. This change will take effect on July 1, 2022, and will only affect members retiring on or after that date. Current retirees will not be impacted.

The impact on your pension benefit resulting from the change to the life expectancy assumptions will depend on your age at the time of retirement, if you retire before normal retirement eligibility, and whether you choose a retirement option other than the Maximum Single Life Annuity (MSLA). Additionally, if you choose a survivor annuitant, their life expectancy also will impact the benefit calculation but the impact will be minimal.

If you're considering retirement around June or July 2022, you should log into your MSS account to create your own comparative estimates. You will be able to enter different retirement dates to see the impact these changes may have if you retire before or after they go into effect. You also may request a staff-prepared estimate from PSERS showing how these changes in actuarial factors may affect your benefit. Simply note on your request that you would like the comparative estimate. Remember, retirement estimates done by PSERS staff take 4 – 6 weeks. Estimates can be requested by contacting PSERS or submitting a *Request for Estimate* (PSRS-151) form.

Borrowing from Your Account

To protect your PSERS benefit until retirement, the Public School Employees' Retirement Code prohibits members from borrowing money from or against their Defined Benefit or Defined Contribution account.

Funds in your PSERS account also cannot be used for collateral and, generally, cannot be attached or assigned. You can receive funds from your account only when you terminate service and apply for a retirement, distribution, or a refund. Additionally, you may not liquidate your monthly benefit into a lump-sum payment when you retire.

Disability Retirement Benefit

A disability retirement benefit is available to members who are unable to perform their current public school employment duties for medical reasons. A PSERS disability retirement benefit is comprised of a disability supplement and your regular (normal or early) retirement benefit.

Eligibility

To be eligible to apply for a disability retirement benefit, you must:

- Be a Class T-C, Class T-D, Class T-E, Class T-F, Class T-G, or Class T-H member. Class DC members are not eligible for a PSERS disability retirement benefit.
- Have at least five years of credited service with PSERS.
- Be found by a PSERS medical examiner to be physically or mentally unable to perform the duties stated in your job description. You have the responsibility to provide PSERS with sufficient medical evidence to support your disability and to respond timely to any requests for additional medical evidence.
- Have become disabled while an active, contributing member of PSERS. Should you become disabled while inactive or after you terminate service, you are not eligible for a PSERS disability retirement benefit.
- Be disabled at the time you submit your *Application for Disability Retirement* (PSRS-49).
- Apply for disability retirement benefits within two full school years of your last day of active PSERS service or qualifying paid leave, whichever is later.*
**Example: Member's last day of active PSERS service is February 15, 2021. Because this date occurs within the 2020-2021 school year, the disability filing deadline would be June 30, 2023, as shown below:*
Last active service occurred within school year 2020-2021
Full school year #1 – July 1, 2021 – June 30, 2022
Full school year #2 – July 1, 2022 – June 30, 2023

If you do not apply within the two school years, you will not be eligible to apply for a disability retirement benefit regardless of your physical or mental incapacity to

perform your job. The application, approval, or receipt of disability employment benefits, such as workers' compensation or Social Security benefits, will not determine your eligibility or extend the time frame to apply with PSERS.

You must either be terminated or on an unpaid leave to receive a PSERS disability retirement benefit. If you submit an *Application for a Disability Retirement* while still in active status (paid and reported to PSERS by your school employer), your employer must either terminate your employment or place you on an unpaid leave of absence within 30 days after PSERS receives your *Application for Disability Retirement*.

Renewals and Earnings Statements

A disability retirement benefit may be granted on a long-term or short-term basis, but there is no partial disability that would allow you to continue to work in your position. If granted on a short-term basis, you will be required to request a renewal of your disability retirement benefit. A renewal of a disability retirement benefit is based on our medical examiner's review of your updated medical information. Failure to submit adequate documentation by the specified deadline will result in a termination of your disability retirement benefit.

You may work outside of school service while receiving a disability benefit, but a disability retirement benefit is subject to review by PSERS at any time for any reason to ensure continued disability and compliance with the Retirement Code. You must also annually report all earned income to PSERS while you are under superannuation retirement age.

Please refer to the *Let's Talk About Disability Retirement Benefits* pamphlet, which is available on the PSERS website at PSERS.pa.gov, or contact PSERS for more information. Please contact PSERS for counseling and to apply for a PSERS disability retirement benefit. A PSERS retirement representative will assist you with the disability application process.

PSERS is conducting disability counseling sessions remotely and in-person.

If you have Paperless Delivery, you will receive all documents related to your disability benefit electronically, including your renewals and earnings statements. You will receive an email notifying you when a new document is available in your Member Self-Service (MSS) account.

PSERS Board of Trustees Meeting Schedule

January 13, 2022
March 10-11, 2022
June 16-17, 2022
August 4-5, 2022
October 17-18, 2022
December 15-16, 2022

PSERS Board meetings are held in Harrisburg at PSERS, located at 5 N 5th Street.

In addition to Board meetings, Committee meetings are held throughout the year. All PSERS Board meetings are open to the public.

For exact meeting times or if you would like to attend and require an accommodation to participate, please contact Tivia Danner, PSERS Executive Office at tidanner@pa.gov.

PSERS is proud to be an equal opportunity employer supporting workforce diversity.

PSERS Retirement Checklist

If you plan to retire within the next 12 months, be sure to:

- Contact PSERS at 1.888.773.7748 for a staff-prepared estimate. A *Request for Retirement Estimate* (PSRS-151) form is also available on the PSERS website and the MSS Portal. Keep in mind: To retain a retirement date of the day following your termination date, you must file your *Application for Retirement* (PSRS-8) within 90 days of your termination date.
- Contact your employer to discuss benefits available through them such as: health insurance*, payment for unused vacation, personal, or sick leave, and balance of contract payments.
- Research your employer's guidelines for retiring, terminating, and resigning.
- Consult with a financial planner or tax consultant, if appropriate.
- Research your Social Security benefits, if applicable.
- Review helpful resources on the PSERS website such as the online estimate calculator, tax calculator, pamphlets, and handbooks.
- View a recording of our Foundations for Your Future (FFYF) program online. [PSERS.pa.gov>Leaving Employment>Foundations for Your Future](https://www.pasers.pa.gov/Leaving-Employment/Foundations-for-Your-Future)
- Schedule and attend a small group Retirement Exit Counseling session. Both in-person and virtual sessions are available. Be sure to bring your staff-prepared estimate to your counseling session.

For a more detailed checklist about preparing for retirement, visit our website and select "Countdown to Retirement" under "Nearing Retirement."

**PSERS sponsors the Health Options Program (HOP) to provide retirees and their dependents access to group health insurance. Participation in HOP is voluntary. Premium assistance may also be available to eligible retirees. Please refer to the next page or visit [HOPbenefits.com](https://www.pasers.pa.gov/HOPbenefits.com) for more information.*

Premium Assistance for Retiree Health Benefits

Premium Assistance is a special benefit provided by PSERS to help eligible retirees pay for health coverage.

You may be eligible for Premium Assistance if you are a PSERS retiree who meets one of the following service or retirement type requirements and enrolled in the PSERS Health Options Program, or a Commonwealth public school employer or district health plan:

- You have at least 24 ½ eligibility points regardless of age, or
- You are receiving a disability retirement benefit from PSERS,
- You have reached normal retirement age on your date of termination from school employment with at least 15 eligibility points,
- If a Class DC participant, you have attained Medicare eligibility with at least 24 ½ eligibility points and have received all or part of your distributions, or
- If a Class DC participant, you have 15 or more eligibility points, terminate school service on or after attaining age 67, and receive all or part of your distribution.

What is my normal retirement age?

Your normal retirement age is based on your membership class:

- Class T-C and Class T-D: Age 62
- Class T-E and Class T-F: Age 65
- Class T-G and Class T-H: Age 67

The **Health Options Program** is the retiree health coverage program that operates for the sole benefit of annuitants (retirees) of PSERS and their dependents and survivors. The Health Options Program offers comprehensive medical and prescription drug coverage before and after you become eligible for Medicare.

If eligible, you may be entitled to a special benefit of up to \$100 a month that is not available with a commercial program such as AARP or Blue Cross/Blue Shield. This can significantly lower your monthly premium.

How it works. Below is an example of how Premium Assistance works. Actual plans and premiums will vary depending on where you live.

- Frank is turning age 65, which makes him eligible to enroll in the Health Options Program. He is also eligible for the full \$100 in Premium Assistance.
- He is in good health and generally only sees his doctor for wellness exams.
- He enrolls in the Value Medical Plan with Value Rx Option. For illustration purposes, his monthly premium is \$124. **After his Premium Assistance benefit is applied, his monthly premium is \$24.**
- In the next few years, Frank will need additional coverage as his health changes. During the annual Option Selection Period, he enrolls in the HOP Medical Plan with dental and vision coverage. For illustration purposes, his month premium increases to \$217. **After his Premium Assistance benefit is applied, his monthly premium is \$117.**

Premium Assistance is added to your monthly retirement benefit as nontaxable income. If you are receiving Premium Assistance for coverage in your school employer plan and that coverage terminates, you must enroll in the Health Options Program to maintain your Premium Assistance.

For more information and eligibility rules, visit [HOPbenefits.com](https://www.hopbenefits.com). You can also call the HOP Administration Unit at 1.800.773.7725 or the Premium Assistance Unit at 1.866.483.5509.

Board Chairman and Vice Chair

PSERS Board of Trustees voted to elect a chairman and vice chairman at the annual public organizational meeting on January 13, 2022, each with one-year terms.

Trustee Christopher Santa Maria, an active certified member representative, was re-elected to the post of board chairman. Trustee Francis X. Ryan, who represents the state House Republican Caucus, was re-elected vice chairman.

Mr. Santa Maria has been a trustee since 2017. He is a social studies teacher in the Lower Merion School District in Montgomery County and former president of the Lower Merion Education Association. Mr. Santa Maria holds a bachelor's degree in history from Washington College and a master's degree in education from Cabrini College.

Representative Ryan has been a trustee since 2019. He is an elected state representative, representing parts of Lebanon County. He is a certified public accountant and a retired Marine Reserve colonel. He holds a bachelor's degree from Mount St. Mary's College and a master's degree in business administration from the University of Maryland.

The 15-member Board of Trustees is an independent administrative board of the Commonwealth. The Board stands in a fiduciary relationship to the members of PSERS and oversees the operational and investment activities of the funds.

PSERS Board of Trustees Releases Internal Investigation Report; No Evidence Of Criminal Conduct

On January 31, 2022, the Board of Trustees of the Public School Employees' Retirement System authorized the public release of the complete results of the nearly year-long internal investigation into the shared risk calculation error that occurred in late 2020. The internal investigation, conducted by the law firm Womble Bond Dickinson, also included a review of Harrisburg real estate purchases by the System. After receiving the report during the meeting, the Board released the Womble Bond report, including all appendices and exhibits on the PSERS website. Womble Bond Dickinson found no evidence of criminal conduct. "Today marked an important milestone in the internal investigation and provided an opportunity at PSERS for both the Board and staff," said Board Chairman Christopher Santa Maria. "We are committed to learning from this process and will continue our best efforts to serve our members."

In March 2021, the PSERS Board delegated authority to the Audit/Compliance Committee to oversee an internal investigation of the circumstances surrounding an error in the reporting of investment performance results used by the Board in its December 3, 2020, certification of member contribution rates and shared risk calculation. "I am thankful for the efforts of the PSERS Board and Audit/Compliance Committee over the past year," said Audit Committee Chairman Rep. Frank Ryan. "It was our goal to have an independent and fair investigation and I believe we achieved that. I am also pleased that the board has chosen to make the entire results of the investigation available to the public." The report can be found on PSERS website at: <https://www.psers.pa.gov/About/Board/Documents/Reports/2022.02.01%20-%20Final%20Womble%20Bond%20Report%20with%20Exhibits.PDF>

PSERS Member Self-Service Portal Turns Four!

PSERS Member Self-Service (MSS) Portal launched in 2018. Since then, PSERS has saved more than \$1 million in printing and mailing costs through MSS' Paperless Delivery option.

As of February 28, 2022, PSERS has sent more than 4.3 million pieces of correspondence electronically!

Thank you for your continued commitment to help PSERS Go Green. If you do not receive your correspondence electronically, PSERS encourages you to register for an MSS account and retain Paperless Delivery.

Members also completed more than 255,000 transactions online. Commonly completed transactions include:

- Retirement Estimates
- Nomination of Beneficiary
- Address Change
- Income Verification

PSERS continues to make enhancements to the MSS Portal to improve user experience. In addition to an improved navigation and the application status trackers, the MSS Portal was recently upgraded to be more user friendly on mobile devices.

Don't have an MSS account? Register today! MSS is a secure portal that provides 24-hour access to your retirement account online, anytime. You can update your home address, email address, and telephone numbers, nominate beneficiaries, view your annual *Statement of Account*, and so much more. Simply visit PSERS.pa.gov and select the Member Login (MSS) link. You will need your PSERS ID, Social Security number, date of birth, and a valid email address to create your account.

Need Your PSERS ID? The PSERS ID is a safe alternative to using your Social Security number when corresponding with PSERS and is needed to create your MSS account. If you are new to PSERS, your PSERS ID is printed on the materials in your Welcome Packet. Otherwise, look for your PSERS ID in the top right corner of most of your recent PSERS correspondence mailed to your home (e.g., Statement of Account). You also can connect with PSERS at ContactPSERS@pa.gov or 1.888.773.7748 to have your PSERS ID mailed to you.

Follow PSERS on Social Media

Follow PSERS on social media for retirement information, educational videos and fact sheets, PSERS investment highlights, and more! PSERS is on Twitter, Facebook, and YouTube (PA Public School Employees' Retirement System)!

 @PA_PSERS

 @PennPSERS

PSERS

5 N 5th Street
Harrisburg PA 17101-1905

Toll-Free: 1.888.773.7748

Local Calls: 717.787.8540

FAX: 717.772.3860

Website Address:

PSERS.pa.gov

Email Address:

ContactPSERS@pa.gov

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Public School Employees' Retirement System
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