



Retirement Guidelines

1. **Make sure you have made all Purchase of Service requests**, if applicable. Purchase of service applications must be submitted prior to termination of employment. Not sure what purchase of service is? Did you ever work for an out-of-state school district? Call the Fund and ask to speak with a retirement counselor and we will help you determine if you have service time available to purchase.
2. **You can get an application to purchase service** by calling the local regional office in Warminster at (215) 443-3495 or from the PSERS website at www.psers.state.pa.us or by downloading the form from the School District's Retirement Department website. Go to www.philasd.org and in the purple box for 'Employees', click on the quick link to Retirement, then click on Forms, then click on the Purchase of Service form. It may take PSERS up to 3 years to process, but when calculated, they will go back and pay you the additional amount from the first day of retirement.

Complete the member information and then submit the form to the School District Retirement Department. This is for In-State school service only.

- The SDP Retirement Department must certify that the in-state service was rendered and then they will forward the request form to PSERS. You will receive a postcard in the mail when the application has been forwarded to PSERS.
 - To purchase out-of-state service: you, your former out-of-state employer(s), and your former retirement system must complete the Application for Credit of Out-of-State Service (PSRS-278). You may only purchase out-of-state school service if you were not vested in the former retirement system, and your contributions must have been withdrawn.
3. If you have divorced and never submitted a copy of the Domestic Relations Order, you should call PSERS to find out whether or not this applies to you. Not having an approved Domestic Relations Order on file with PSERS can delay the processing of your retirement benefit. PSERS needs to review the terms of the order, if applicable, to ensure it meets PSERS distribution requirements.
 4. Be aware that, depending on the time of year, it could take anywhere from 6 to 12 weeks from your date of retirement to process your retirement application. Plan accordingly. Make sure you can live without a paycheck, or pension check, for this estimated period of time.

5. **Request a PSERS retirement estimate** using Request for Retirement Estimate, form PSRS -151. To obtain a form you can:
 - a. Call PSERS at 215-443-3495 or go to the forms section of their website (www.psers.com) –or-
 - b. Go to www.pfthw.org, click on the link to Retirement, then Retirement Guidelines. Click on the link at item #5 marked Request for Retirement Estimate.
 - c. Attend a Foundations for your Future meeting. These presentations are held at various locations, including 440 N. Broad, to give members general information and an overview of the pension. Call the local PSERS Warminster office at (215) 443-3495 for dates and locations.

A PSERS staff-prepared retirement estimate is needed to attend exit counseling.
You cannot use your annual statement or the online calculator information for exit counseling.

- a. **If you are leaving employment due to medical reasons, check the disability box as well as the regular box on the Request for Retirement Estimate form, and you will receive a disability and regular retirement estimate.** If you are applying for disability retirement, contact the regional PSERS office in Warminster, and a counselor will provide you with the PSERS Application for Disability Retirement packet, and any assistance you may need to complete the application.
 - b. **Review the PSERS estimate** information and verify years of service. You should receive this estimate approximately 2-4 weeks after submitting the request, depending on the time of year.
6. **Review your health insurance coverage options for retirement.**
 - a. Call the PFT Health & Welfare Fund office at (215) 561-2722 to get rates for continuation of dental, vision and prescription coverage (COBRA). **Please specify whether you are under or over age 65, since coverage options change when you are Medicare eligible.**
 - b. *When you submit the notification of your retirement to the School District of Philadelphia (SDP) Retirement Office, the third party administrator for medical coverage COBRA, **Discovery Benefits, will send you an application for continuation of medical coverage.*** Contact the PFT Health & Welfare Fund office if you need assistance completing these forms.

- c. Rates for continuation of medical coverage with the SDP. Note that rates change every year.

Personal Choice

Keystone

Single	Parent/Child	Parent/Children	Couple	Family
\$632.01	\$884.83	\$1,137.64	\$1,264.05	\$1,896.06
\$540.58	\$756.81	\$ 973.04	\$1,081.15	\$1,621.74

- d. You should also contact PSERS Health Options Program for information on coverage through PSERS at 1-800-773-7725, if you or your spouse are Medicare eligible.

If you are retiring before age 65, be sure to contact the PFT H&W office when you reach age 65 to learn about Medicare plans offered through PSERS' Health Options Program. We do Medicare Counseling.

- d. Premium assistance reimbursement of up to \$100 per month is available to eligible retirees. To qualify, your medical insurance coverage must be obtained through an approved SDP plan or through the PSERS Health Options Program (HOP) as well as meet one of the following conditions:

- Receive a PSERS disability retirement
- Be retired with at least 24.5 years of credited service
- Be age 62 or older on your date of termination and retired with at least 15 years of credited service.
- The application is automatically sent to new retirees who meet the eligibility requirements. *If you are enrolling in the District's Personal Choice or Keystone plans, simply sign the form when you receive it from PSERS, and then forward to the SDP Benefits Department at 440 N. Broad Street, room G-10. They will confirm you enrolled with Discovery Benefits and will forward the form to PSERS.*
- If you are enrolling in the PSERS Health Options Program, simply sign the form and return to PSERS.

- e. Contact Social Security, if applicable at 1-800-772-1213 or check their web site at www.socialsecurity.gov

- f. Be sure to apply for Medicare Part B three months before you retire, **if you or your spouse are or will be age 65 at retirement.** This can be done online at www.medicare.gov or call 1-800-MEDICARE.

You do not need to have Part B if you are still working and covered under the SDP medical plan.

- **If your spouse will be age 65 or older** and is currently covered under your medical plan, he or she will also need to enroll in Part B when you retire. Social Security may require a *Request for Employment Information* form,

which is provided by the SDP Employee Benefits Office. Contact them at (215) 400-4630 to get the completed form.

7. When you have made your decision to retire, you must submit a Notification of Retirement Form to the SDP Retirement office.

- a. This form can be downloaded from the www.pfthw.org site. Click on Retirement, then Retirement Guidelines, then go to #7 and click on the link to the form.
- b. The form can also be obtained from the SDP Retirement Office by calling (215) 400-4680.
- c. Be advised that if you are considered a Professional Employee under the PA Public School Code, and you do not give 60 days notice, your termination pay may be withheld by the SDP.

You are permitted to change or rescind your retirement up to the effective date of retirement, although depending on the date you submit the rescission, you are not guaranteed your existing position. The form to make the change is on the Retirement Department web site.

For Classroom Teachers, Counselors, Librarians, Teachers on Leave, Special Education Teachers, Itinerant Teachers, Museum Education Teachers, Demonstration Teachers, Collaborating or Consulting Teachers, Provisional Teachers, Long-Term Substitute Teachers, Department Heads, Coordinators, Released Teachers, Nurses, Therapists (OT & PT) and School Psychologists, your letters must be received by the Retirement office and date stamped by March 15th in order to continue paid medical benefits through the summer. The effective date of retirement must be June 30. For all others, benefits end on the last day of the month in which you are retiring.

8. Receive an Acknowledgement Letter. Approximately a week after you submit the Notification of Retirement form to the Retirement office, you will receive an official Acknowledgement letter.

- **It is important to keep this letter for your records**, as you may need it to provide proof to other institutions, such as Social Security.

9. Contact the PFT Health & Welfare Fund office. H&W Coordinators provide retirement counseling to assist you in preparing for the PSERS exit counseling meeting. They will also review dental, vision and prescription benefits available to retirees and COBRA options for eligible dependents. PFT Health & Welfare benefits will continue through August 31 if you retire June 30.

- **Two ‘retiree’ prescription plans are available:**

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| <ul style="list-style-type: none">○ Retirees age 65 or older, or approved for Medicare via Social Security disability may enroll in the Health & Welfare SilverScript Medicare Rx plan. |
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- **Retirees under age 65** may enroll in the Health & Welfare CVS/Caremark plan.

- The only continuing prescription coverage option available for dependents is COBRA, however if the dependent is Medicare eligible, there are Medicare Part D plans available. To review available plans, go to www.medicare.gov and click on the 'Compare Drug and Health Plans' link. **A Medicare Rx plan is available for dependents with the Health Options Program as well.**
- Dependents can remain on the retiree dental coverage. Vision coverage is a discount plan with no monthly premium.

10. Schedule a Retirement Exit counseling session with the local PSERS regional office in Warminster at (215) 443-3495. Exit counseling sessions are held in Philadelphia, Warminster, Morton, Norristown and Pottstown. The requirements for attendance at an exit counseling session are:

- a. You plan to retire during or at the end of the current school year.
- b. You have obtained from PSERS a current, staff-prepared estimate of your retirement benefits.

After you make the appointment, you will be sent an Exit Counseling packet. Exit counseling is where all retirement options are decided. The meetings take approximately 2 hours, and it is strongly recommended that you attend. PSERS staff will provide an overview of all options, taxes on your benefits and the availability of health insurance offered by PSERS Health Options Program.

Be sure to bring the following with you:

1. Your PSERS prepared Retirement Estimate.
2. An [Authorization for Direct Rollover](#) completed by you and your financial institution if you are electing to roll any of your contributions and interest.
3. The social security number, date of birth, and address information of your beneficiary(ies).
4. A copy of your survivor's birth certificate or driver's license if you are electing a survivor option (Option 2, 3, or Customized).

Part of the session will be spent completing your retirement forms. It is also helpful to have met with a PFT Health & Welfare Coordinator prior to this exit counseling session. Be prepared to answer the following questions at the PSERS exit counseling session:

- a. Which option do I want?
- b. Do I want to withdraw my contributions and interest in a lump sum?

c. If yes, do I want my contributions and interest paid to me, or directly rolled over into a tax-deferred account? If you want to roll over any portion of your money into an eligible retirement plan, you will need an Authorization for Direct Rollover (PSRS-1264.) You will need to contact the financial institution of your choice for information about establishing a qualified plan and completing the Authorization for Direct Rollover form.

You do not have to roll over the PSERS lump sum to a SDP tax shelter account.

If you are electing to have your monthly pension benefit payment sent directly to your financial institution, you should bring the following:

- name of the financial institution
- name of the financial institution's representative
- financial institution's phone number
- financial institution's routing number and check digit
- your financial institution account number
- whether it is a checking account or a savings account

11. Submit your completed retirement application packet to PSERS, if you did not do so at the exit counseling meeting. To make sure your retirement date is the day after you end public school employment, PSERS must receive your retirement application within 90 days of your termination date.

- If you go beyond the 90-day time frame, your retirement becomes the day PSERS receives your application unless you selected a specific future date.

12. If you are separating from service from the School District of Philadelphia AND you are at least 55 years of age or you will turn 55 in the calendar year in which you retire, **the School District must distribute your Termination Pay** (accumulated personal illness, personal leave or vacation days) **to an account under the School District's 403(b) Plan (and 457(b) Plan, if applicable), which must be invested with one of the School District's approved Plan providers.**

Be aware that this is **completely separate** from the contributions and interest you may elect to rollover from your PSERS pension account. The contributions and interest from your pension can be rolled over into the financial institution of your choice.

- Prior to your separation, you must contact your 403b plan provider and complete the necessary forms which will give SDP consent to transfer your termination pay into the plan.

- *Federal income tax will not be withheld from contributions to 403(b) Plan and 457(b) Plan accounts and you **will not** be required to pay **federal income tax** until you withdraw the money from your Plan account(s). Current IRS guidelines indicate that School District contributions of Termination Pay to a **403(b) Plan account are not subject to FICA or Medicare taxes. However, FICA and Medicare deductions are withheld on amounts contributed to 457(b) Plan accounts.** According to the SDP, you **will not** have to **pay Pennsylvania income tax and Philadelphia City Wage tax** on the School District's contribution of your Termination Pay to your 403(b) Plan account or your 457(b) Plan account.*
- *Please check with your financial advisor regarding your specific contribution limits.*
- *Your Termination Pay will be available for distribution to you shortly after it is contributed to the Plans by the School District. Alternatively, you may continue to invest your account balance under the Plan(s) until a later distribution date.*

Be advised that if you are considered a Professional Employee under the PA Public School Code, and you do not give 60 days notice, your termination pay may be withheld.

Please contact one of the approved providers to open a 403(b) Plan account and (if necessary) a 457(b) Plan account and for a more detailed explanation of the tax benefits and consequences of the Plans.

TSA CONTACT INFORMATION

If you already have a tax shelter account, call your adviser to let him or her know that paperwork must be completed. If you need to open an account, the approved providers for the School District's **403(b) and 457(b) Plans** are:

AXA-Equitable	Ernest L. Repice	(888) 660-4108
Lincoln Investment Planning	April Reavy	(800) 242-1421 x1417
MetLife	Fatima Katz	(610) 832-3700 x4032
TIAA-CREF	Calvin Thompson	(267) 675-8119
VALIC	Susan Essig	(877) 889-1589

13. Life Insurance: If you are retiring under normal retirement and have had the SDP life insurance policy for 10 years, your designated beneficiary will be eligible to receive a \$2,000 death benefit. The SDP Benefits office will send you information on this policy within 12 weeks of your retirement. You may want to call the office at (215) 400-4630 to confirm eligibility and to update beneficiary information.

****Be sure to keep copies of everything you submit****

Working After Retirement

According to the Retirement Code, **you may not be employed by a Pennsylvania public school employer and receive a PSERS retirement benefit at the same time** unless you meet certain exceptions.

Employment Emergency or Shortage of Personnel

An employment emergency is described as an increase in workload which creates a serious impairment of service to the public. The Pennsylvania public school employer makes the initial determination that an emergency exists.

A public school employer may also hire a PSERS retiree if no other appropriate certified teachers or other personnel are available within the required subject or work area. The school employer is expected to make a “good faith” effort to secure non-retired personnel first before hiring a PSERS retiree.

Employment may continue throughout the school year so long as the emergency or shortage of personnel exists. PSERS reserves the right to review an employer’s determination that a qualifying emergency or shortage exists and that all appropriate efforts were made to hire an employee who is not a PSERS retiree.

Extracurricular Employment

A PSERS retiree may work for a Pennsylvania public school entity in an extracurricular position provided the employment:

- Is performed primarily outside regular instructional hours.
- Is not part of the mandated educational curriculum.

You must have a separate written contract with the school employer which must contain both:

- A waiver by you of any potential retirement benefits that could result from the post-retirement employment.
- A release of both the employer and PSERS from any liability for benefits related to the postretirement employment.

PFT Health and Welfare Fund COBRA

*Note: this is not for Medical Coverage. **Medical is through the School District.***

COBRA coverage and co-pays are exactly the same as active member coverage.

- Currently these are \$9.50 for Brand and \$6.75 for Generic.
- Mail order provides a 90 day supply for one co-pay.
- Retail provides a 30 day supply for one co-pay.
- Retirees and eligible dependents may enroll in COBRA for up to 18 months.
- A letter will be sent from the PFT H&W office detailing the benefits and costs and how to enroll.

• **Remember, while the retiree may chose the Retiree Rx plan, dependents can only enroll in the COBRA plan.**

- Prescription only – single coverage \$154.76
- Prescription, dental and vision – single coverage \$175.96
- Prescription only – 2 or more people \$386.90
- Prescription, dental and vision – 2 or more people \$439.90

Eligible retirees can chose between COBRA and the Retiree Plan. The COBRA plan is \$154.76 per month verses the Retiree plan cost of \$84.00 per month. *Why would someone take COBRA over the Retiree plan, at least for the first 18 months of retirement?* The co-pays are lower with the COBRA (\$9.50 and \$6.75) plan (\$40.00 and \$11.25 Retiree) and mail order provides a 90 day supply verses the 60 day supply with the Retiree plan. You’d have to do the math to see which option is more cost effective for you.

Also, the COBRA plan is \$386.90 for two or more people, so if you have at least two other family members who need prescription coverage, it may make sense for you to enroll in COBRA with them, at least for the 18 month period, since the monthly cost of \$386.90 is the same for two or more people. ***When the COBRA coverage expires the retiree would then enroll in the Retiree plan*.**

COBRA – ANY AGE	Co-pays are \$9.50 brand and \$6.75 generic	
Same as the active employee plan	Mail order provides a 90 day supply for one co-pay	
	Retail: 30 day supply for one co-pay	

RETIREE – UNDER AGE 65 – CVS/Caremark		
	Co-pays are \$40.00 brand and \$11.25 generic	
	Mail order provides a 60 day supply for one co-pay	
	Retail: 14 day supply for one co-pay	

RETIREE – OVER AGE 65 – SilverScript Medicare Rx Plan

Co-pays are \$60.00 brand and \$15.00 generic.

Mail order provides 90 day supply for one co-pay

Retail: 90 day supply for one co-pay.

COBRA Rates:

Prescription Only

Price

Individual \$154.76

Family \$386.90

Prescription, Vision & Dental

Individual \$175.96

Family \$439.90

Definition of Eligibility for Retiree Plans:

- a. Those who retire under a State Early Retirement Plan (30 years of service or more) – no age requirement;
- b. A person who has retired from a PFT bargaining unit and is at least 65 years of age.
- c. Approved PSERS Disability Retirement and/or the Health and Welfare Fund's Long Term Disability benefit.
- d. A person who has retired from a PFT bargaining unit and is at least age 55 with a combination of age and years of service that equal 65 or more.

- Cost is \$84 per month, billed on or about January 1 for the 6 month period starting March 1st and on or about July 1 for the 6 month period starting September 1st.
- **Retirees age 65 or older** or Medicare eligible must enroll **within 2 months** of retirement in accordance with Medicare regulations, or within 6 months if under age 65 and enrolling in the CVS/Caremark plan.
- If you drop out of the plan, you will not be permitted to re-enroll.

To receive Retiree Rx Benefits, fill out the following *forms*. They will be sent to you when you retire.

1. *PHILADELPHIA FEDERATION OF TEACHERS HEALTH AND WELFARE FUND RETIREE BENEFIT APPLICATION.*
2. *RETIREMENT PRESCRIPTION APPLICATION* – check the box next to the month that coverage is to begin.
3. Return forms and a check payable to PFT Health & Welfare fund in the enclosed pre-addressed envelope.

PFT Health & Welfare Fund Retiree Dental Plan

Retirees and eligible dependents may enroll.

Rates:

Individual	\$20.69 per month – billed by United Concordia quarterly (\$62.07)
Two People	\$40.04 per month – billed by United Concordia quarterly (\$120.12)
Family	\$53.04 per month – billed by United Concordia quarterly (\$159.12)

PFT Health & Welfare Fund Vision Care Program

Retirees may only use the N.V.A. Vision Plan. Note: This is a discount plan, and you are charged by the Fund for the privilege of using the discount.

- **If you elect to use one of the participating optometrists, ophthalmologists, or opticians, there is a basic charge for:**
 - Examination.....Up to \$25.00
 - Administrative fee.....\$6.69
 - Regular lenses (two)Up to \$28.00
 - Bifocal (two).....Up to \$39.00
 - Trifocal (two).....Up to \$48.00
 - Any frame which the wholesale cost is \$24.00 or less

 - The \$24.00 basic charge is applied to the wholesale cost of the frames. These typically sell for approximately \$48.00.

 - If you pick more expensive frames, you pay the difference between the \$24.00 and the actual wholesale cost, plus 20% of this difference.
- **There is no monthly premium.** Instead, you will be billed by Health and Welfare if you use the Plan.
- **How does an eligible person use the PFT Retirees N.V.A. Vision Program?**
 - Check the list of providers on the PFT Fund website at www.pfthw.org
 - Make an appointment and notify the NVA participating provider that our coverage is administered by NVA and sponsored by The Philadelphia Federation of Teachers.
 - You pay the provider for listed extras when you pick up your glasses.
 - **After you order your glasses you will receive a bill for the basic portion of your order from the Fund office. Pay the bill within 30 days.**
 - Remember, failure to pay the Fund bill could result in loss of the Prescription Benefit.