



PSERS Active Member Newsletter

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A publication of the Commonwealth of Pennsylvania's Public School Employees' Retirement System

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The Public School Employees' Retirement System (PSERS) provides this document for educational and informational purposes. Information in this document is general in nature, does not cover all factual circumstances, and is not a complete statement of the law or administrative rules. The statements in this document are not binding. In any conflict between the statements in this document and applicable law or administrative rules, the law and administrative rules will prevail. This document is designed solely to provide an overview of benefits available to PSERS members and is not intended to be a substitute for retirement counseling. The contents of this newsletter may not be used for any commercial purpose without PSERS' prior written permission.

PSERS Active Certified Board Member Election

The PSERS Board of Trustees will conduct an active certified board member election this fall. The active certified board member will serve a three-year term on the Board beginning January 1, 2024. Certification is issued by the Department of Education.

Members desiring to run for election for the active certified board member seat must:

- Be an active certified member of the System or Class DC participant. Please contact the Department of Education if you have questions regarding your certification status.
- 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.

Members may request to receive a nomination packet and more information on the duties and responsibilities of Board members starting July 24, 2023. Interested members may write or email to:

PSERS Election Coordinator
PSERS Executive Office
5 North 5th Street Harrisburg, PA 17101
RA-PSELECCOORDINATOR@pa.gov

Your completed affidavit, nominating petition, and biographical form must be returned to PSERS Election Coordinator at the email address or mailing address above by 5:00 p.m. on September 11, 2023. Late receipt will disqualify any candidate from the election ballot.

Working with a Financial Advisor

PSERS retirement representatives can provide you with information about your PSERS retirement account but are unable to offer financial or investment advice. Some members may benefit from working with a financial advisor.

Even if you have a financial advisor, you should attend a PSERS Retirement Exit Counseling session with one of our trained retirement representatives who will help you understand your PSERS retirement benefits when you're ready to retire. Your advisor may also attend.

Also, be aware of PSERS deadlines. Submit your *Application for Retirement* (PSRS-8) within 90 days of termination from school service so that you can receive retroactive payments to the day after your termination.

(Continued on page 3)



Three Things to Know Before Retiring

Planning ahead will enable you to reflect on your career and celebrate your retirement. Accurate knowledge, rather than information from family, friends, and coworkers, will ease your transition and help to clarify the process. Here are three reminders to help smooth your path to retirement.

1. Obtain information from the correct source:

PSERS: Contact PSERS for information about your PSERS retirement account, your available options, and how to apply for retirement benefits. A staff-prepared estimate (allow 4-6 weeks) and Retirement Exit Counseling (REC) session will provide you with the information needed to complete your retirement application. At REC sessions, you have an opportunity speak with PSERS' knowledgeable staff and ask questions as well as thoroughly review and complete an application. Your retirement payments do not begin automatically. You must submit an *Application for Retirement* (PSRS-8) to PSERS to initiate your benefits. To begin receiving retirement benefits the day following your termination date, PSERS must receive your application within 90 days of your last day of work.

Your employer: Contact your employer about terminating your employment. Without a termination record reported to PSERS by your employer, you may experience delays in receiving your benefit. Also inquire about your eligibility for any employment incentives and benefits, like continued health insurance coverage and payment for unused sick, vacation, or personal days. Your employer may have a deadline regarding such matters. You should also check to see if any balance of contract payments can be made in a lump sum in June, which will speed up the processing of your retirement benefit.

2. **Consider other sources of income:** Be certain to consider other potential benefits, income streams, and resources, such as Social Security, annuities, or investments you may have. You should also account for out-of-pocket costs for things after retirement, such as medication, health and life insurance premiums, and daily expenses. Financial wellness education articles are available on our website: <https://www.psers.pa.gov/FPP/Publications/Active/Pages/Financial-Wellness-Education-Articles.aspx>

Please note, PSERS representatives can provide information and answer questions about PSERS monthly payment options, but they cannot provide financial advice. You may wish to work with a financial advisor for assistance with retirement planning, and with an accountant, tax preparer, or the IRS for tax planning. Refer to the *Working with a Financial Advisor* article in this newsletter for more information.

3. Tie up loose ends:

Service credit: Check that all of your service has been credited. Service credit impacts the calculation of your retirement benefit. If you believe there is an error in your account or that you are missing qualifying service, contact PSERS immediately.

Divorce/court order: If a divorce settlement or court order for support, will impact your retirement benefit, you must notify PSERS and provide the necessary documents. Submit these documents promptly to avoid a delay in processing your benefit.

Health Insurance: See page 6 for more information regarding the PSERS-sponsored Health Options Program (HOP).

This list, while not exhaustive, provides steps to assist you as you approach your retirement.

Scan the QR Code below to view PSERS Countdown to Retirement Checklist!



Working with a Financial Advisor: Questions to Ask before You Hire an Advisor

Information Courtesy of the Commonwealth of Pennsylvania Department of Banking and Securities

Source: *Getting Help with Your Investments*

- **What is your training and experience?** How long have you been in the business and what did you do before? You are looking for someone who has been in business for several years and has the background to deal with your particular issues.
- **What is your investment philosophy and your track record?** You want someone whose investment philosophy is in sync with yours and who will appreciate and abide by your tolerance for risk. An advisor you're considering should be willing to give you references to other clients. If he or she is reluctant, that should be a red flag.
- **Will you always act in my best interests?** Some advisors, such as certified financial planners, are held to a fiduciary standard—your interests must come before theirs—when they give you financial advice. Ask the advisor if he or she is a fiduciary.
- **Can I have a copy of your regulatory disclosure forms?** Planners and advisors who are paid to give advice about investing in securities must disclose details about their investment style and philosophy, training, disciplinary record, fees and charges, and more. The best and most widely used disclosure is *Form ADV*, which has two parts. Part 1 has information about the advisor's business and if he or she has had problems with regulators or clients. Part 2 outlines the advisor's services, fees and strategies. You can view an advisor's most recent *Form ADV* at the SEC or FINRA website, but it should be posted on an advisor's personal website as well. Check with your state securities regulator to find out about advisors licensed in your state.
- **How will our relationship work?** You'll want to know whether you can expect to talk to your advisor directly or, more likely, interact with a member of his or her staff. And how often can you expect to speak? Once a year? Every three months? Is the advisor willing to take spur-of-the-moment phone calls? How much do you charge? Financial advisors used to charge for their services in two different ways: by accepting commissions on the sale of specific products or by charging fees, either hourly (typically \$200 to \$400) or as a percentage (generally about 1%) of your assets under management. Now you may pay a combination of fees—perhaps an hourly rate for consultations, an annual retainer for general financial advice, plus a percentage of your assets if you sign up to have the advisor manage your money. Any arrangement can work as long as you are aware of and comfortable with the terms.

For more information, visit dobs.pa.gov.

Small-Group Retirement Exit Counseling

For those members planning on completing their application for retirement within the next twelve months, PSERS provides retirement education to ensure members understand the details and impact of their PSERS retirement choices.

When you attend a Retirement Exit Counseling (REC) session, trained retirement representatives will provide an overview of your retirement options and answer all your questions. Our retirement representatives will also assist you in the completion of your retirement paperwork. Sessions are offered in-person and online. Retirement counseling is for all public school employees, from part-time support staff such as cafeteria workers to full-time teachers and administrators...every public school employee who is a member of PSERS!

To attend a small group counseling session, you must have a current, PSERS staff-prepared retirement estimate. You can request one by completing a *Request for Retirement Estimate* (PSRS-151) or calling PSERS during normal business hours. Because PSERS will perform a thorough account review for your estimate, please allow 4 – 6 weeks for processing. Once you have requested your estimate, you can schedule a REC session. You must contact PSERS to make your appointment for this small-group counseling session by calling 1.888.773.7748 (1.888.PSERS4U).

If you need immediate assistance or if you can't request an estimate in time, please contact PSERS for options.

PSERS is conducting retirement exit counseling sessions remotely and in-person.

You May Not Borrow 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 from all PSERS employers 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.

Keep Your Contact Information Up to Date with PSERS

It is important to maintain up-to-date information with PSERS. You can update your information with PSERS online anytime in your Member Self-Service (MSS) account.

If you do not have an MSS account, you need the following to get started:

- PSERS ID
- Social security number
- Date of birth
- A valid email address
-

Need Your PSERS ID?

If you do not have your PSERS ID, you can connect with PSERS at ContactPSERS@pa.gov or 1.888.773.7748 to have your ID mailed to you.

Mailing Address

Because there are a few documents that PSERS cannot deliver electronically, it is essential for PSERS to have a valid mailing address on file for you even if you have paperless delivery through the Member Self-Service (MSS) Portal.

We need to make sure that our communication will reach you in the event that PSERS needs to contact you via the mail.

To change your address without an MSS account, submit your address change to PSERS in writing. Be sure to include your signature, your PSERS ID or last four digits of your social security number, and the effective date of the change when you write to us.

Email Address

If you have paperless delivery, you must keep your email address current with PSERS to ensure that you will continue to receive time-sensitive documents and correspondence from PSERS. PSERS recommends you use a personal email address instead of an employer-provided email address to avoid problems accessing your MSS account or PSERS contacting you if you change employers or retire.

Phone Number

It is also important for you to keep your phone number up to date with PSERS. Not only is your phone number used as a part of the authentication process for logging into your MSS account, PSERS staff may also need it to contact you.

Important! Keep your Nomination of Beneficiaries Current

As another school year comes to an end, now is a good time to review your beneficiary information with PSERS. Keeping your nomination up to date ensures that your death benefits are paid according to your wishes.

Did you know that if you do not have a beneficiary on file with PSERS or if your named beneficiary dies before you, your death benefit is paid to your estate? Naming a beneficiary with PSERS ensures that you have the final say on how your death benefit is distributed.

Nominating beneficiaries and updating beneficiary information is quick and easy through the PSERS Member Self-Service (MSS) Portal. If you cannot access the MSS Portal, you can complete a *Nomination of Beneficiary* (PSRS-187) form—please remember, the most current form on file supersedes all previously filed nominations.

When should you review your beneficiary information?

Keeping your beneficiary information up to date with PSERS ensures that your death benefit is paid promptly and in accordance with your wishes. At a minimum, we encourage you to review beneficiary information if:

- You marry or divorce.
- You have a child or adopt a child.
- One or more of your beneficiaries changes their name or address.
- One of your beneficiaries dies.

PSERS regularly encounters scenarios similar to the following, after a member dies:

- **The member did not nominate a beneficiary.** Mike, a Pennsylvania public school employee, forgot to nominate beneficiaries. His wife and children depend on his income.

Mike passes away and his death benefit of \$500,000 is payable to his estate. To obtain that money, his family has to open an estate, which requires the payment of additional taxes and fees. If he would have nominated his wife and/or children as beneficiaries, they would have received his death benefit directly and sooner, without having to pay estate taxes.

- **The member did not keep their nomination of beneficiaries up to date.**

Kate began her career as a Pennsylvania public school employee and nominated her parents as her beneficiaries. Years later, she marries and has two children, but never updates her nomination of beneficiaries.

Kate passes away, leaving behind her husband and two children. Her husband contacts PSERS inquiring about the death benefit of about \$700,000. Because Kate did not update her nomination, the death benefit is payable to her parents. Her husband and sons receive nothing. Even if her parents attempt to share the death benefit, the full amount is taxable to her parents. Any amounts given to Kate's husband or children would be subject to the tax rules regarding gifts.

You can view your most recent beneficiaries through the MSS Portal. Your beneficiaries are also listed in your annual *Statement of Account**, unless you opt not to display that information.

**Some annual statements displayed the message "Beneficiaries Not Shown at Your Request" even though beneficiaries were never nominated and the member had not elected to hide their beneficiary information. This has been corrected for all future annual statements.*



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

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

Discover the Health Options Program

When you retire, PSERS has you covered! The Health Options Program operates for the sole benefit of annuitants of PSERS and their eligible dependents and survivors. Under the Health Options Program, you will have access to comprehensive coverage before and after you become eligible for Medicare.

What sets the Health Options Program apart from other commercial plans?

- **Substantial premium subsidy.** If you meet the requirements for Premium Assistance, you can receive up to \$100 a month reimbursement.
- **Age 65 discount.** If you enroll in the HOP Medical Plan at age 65, you will pay a discounted premium.
- **Choice.** You can choose between Medicare Supplement plans and Medicare Advantage plans, as well as Medicare prescription drug (Part D) plans, and a dental and vision option.

Visit our virtual benefits fair to learn more: discoverHOPbenefits.com. You'll find helpful information from all our benefits partners, including videos, decision support tools, and more.

HOP Pennsylvania Public School Employees' Retirement System (PSERS)

PSERS Health Options Program
Virtual Benefits Fair

Home Why Members Love Us Supplements to Medicare Medicare Advantage Plans Pre-65 Medical Plans Resources

Welcome to the PSERS Health Options Program Virtual Benefits Fair!

Get to Know the Health Options Program

Retiree health benefits designed especially for you! The Health Options Program is exclusively for Pennsylvania Public School Employees' Retirement System (PSERS) retirees and their eligible dependents.

Watch this video, and consider whether the Health Options Program is right for you. Added bonus: Premium Assistance—a special financial incentive that is not available with a commercial program. Don't miss out on your chance to save \$100 per month toward your monthly premium!

[Get to know us](#)

Member Self-Service Portal: Five Year Milestone

PSERS Member Self-Service (MSS) Portal launched in 2018. Since then, PSERS has saved nearly \$2 Million in printing and mailing costs through MSS' Paperless Delivery option. As of February 28, 2023, PSERS has sent more than 5.5 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 select Paperless Delivery.

PSERS continues to enhance the MSS Portal to improve user experience. PSERS is also working on offering new MSS functionality, such as applying for a refund and updating direct deposit information. Stay tuned!



Since its inception in April 2018, members have completed nearly 455,000 transactions online through their MSS Portal instead of using paper forms.

Commonly completed transactions include:

**182,275 Retirement Estimates
118,038 Nominations of Beneficiaries
70,744 Income Verifications
72,064 Address Changes**

(as of February 28, 2023)

Through MSS, you may:

- Access your DC account through single sign on, if applicable.
- See alerts specific to you upon logging in (e.g., notification of an invalid address).
- Update your email address, mailing address, and phone number.
- View work history as reported by your employer, current account balances, and current debts and associated payment history.
- View documents PSERS sends to you.
- Track status of your staff prepared retirement estimate, refund application, and retirement application.
- Change your paperless preferences.
- Send and receive secure messages with PSERS.



PSERS Board of Trustees Meeting Schedule

May 31, 2023 - Audit, Compliance, and Risk Committee Meeting

June 1, 2023 - Investment Information/Deliberation Committee Meeting

June 8-9, 2023 - Board and Committee Meetings

August 9, 2023 - Audit, Compliance, and Risk Committee Meeting

August 10, 2023 - Investment Information/Deliberation Committee Meeting

August 17-18, 2023 - Board and Committee Meetings

October 11, 2023 - Audit, Compliance, and Risk Committee Meeting

October 12, 2023 - Investment Information/Deliberation Committee Meeting

October 19-20, 2023 - Board and Committee Meetings

December 6, 2023 - Audit, Compliance, and Risk Committee Meeting

December 7, 2023 - Investment Information/Deliberation Committee Meeting

December 14-15, 2023 - Board and Committee Meetings

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
5 N 5th Street
Harrisburg PA 17101-1905

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**Important Information from the
Commonwealth of Pennsylvania
Public School Employees' Retirement System**



Website
psers.pa.gov

Register for PSERS' Member Self-Service (MSS) Portal to access your retirement account online, anytime!



Call or Fax

Toll-Free: 1.888.773.7748
Local Calls: 717.787.8540
FAX: 717.772.3860



**Send us a Secure Message
through your MSS Account!**

Don't have an MSS Account?
Complete the Contact Form on our
website.