



Chicago Teachers' Pension Fund

2023 Retirement Webinar

RETIREMENT ON THE HORIZON



AGENDA



Stakeholder Introductions



Important CTPF Reminders & Tips

UNDERSTANDING THE RETIREMENT PROCESS



Resignation Process with Your Employer



Retirement Process with CTPF



Questions & Answers



STAKEHOLDER ORGANIZATIONS



**Retired Teachers
Association of
Chicago (RTAC)**
www.rtac.org



**CHICAGO
TEACHERS
UNION**

**Chicago Teachers
Union (CTU)
Retiree Unit**
www.ctulocal1.org



**Chicago Principals and
Administrators
Association,
Auxiliary 16**
chicago.theschoolleader.org

Important CTPF Reminders & Tips

SUBMITTING DOCUMENTS

The best way to send documents to CTPF is electronically:

- Fax to 312.641.7185 or
- Email with attachment to imaging@ctpf.org

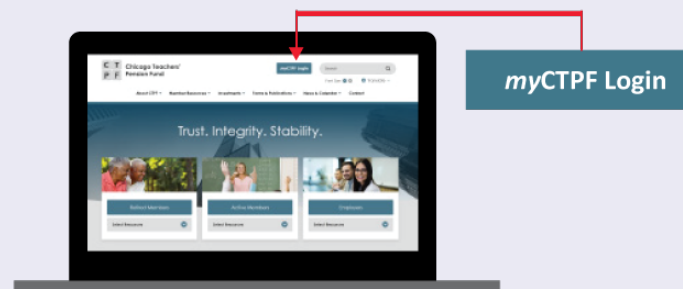
We highly encourage electronic document submission.

After documents are sent via fax or e-mail please send the originals to CTPF.

The image shows a stack of two forms from the Chicago Teachers' Pension Fund (CTPF). The top form is the 'Retirement Application' (FORM 705, REV. 9/2018), which includes a photo of a woman and the text 'Applying for retirement is a process, and the process begins by completing this Retirement Application Packet. An incomplete form will delay the processing of your retirement benefit.' The bottom form is the 'CTPF DIRECT DEPOSIT AUTHORIZATION' (FORM 425, REV. 9/2018), which contains sections for 'SECTION 1 - MEMBER INFORMATION', 'SECTION 2 - ACCOUNT INFORMATION', and 'SECTION 3 - VERIFICATION AND DOCUMENTATION'. It includes fields for bank name, account number, and routing number, and checkboxes for 'direct deposit' and 'voided check'.

REGISTER FOR *my*CTPF

CTPF has launched a Self-Service Portal, *my*CTPF. Members who register for *my*CTPF create their own unique User ID and password. Once an account is created, members can use *my*CTPF to securely access CTPF documents and information.



Registered members can:

- View and update your address (*if you are not currently contributing to CTPF*).
- Keep your phone number and email address up to date with CTPF.
- View your benefit status information.
- View and download your annual Member Statement if you have service credit with CTPF.
- Request an estimate of your CTPF retirement benefit (*if you meet the eligibility requirements*).

Chicago Public Schools

Resignation Process

RESIGNATION PROCESS WITH YOUR EMPLOYER

Resignation Process & Your Responsibilities

Sick Day Payout

*COBRA

***Discussed during Post-Retirement Health Insurance Options**



RESIGNATION PROCESS

Contact CTPF for pre-retirement counseling (*obtaining pension estimate*)

Complete an **Application for Resignation** before applying for your pension

- ✓ Resignations are irrevocable upon receipt by the CPS Talent Office
- ✓ Although paper submissions are still accepted, completing and submitting your resignation electronically by going to cps.edu/staff under “Frequently Used” is faster and more efficient.
- ✓ Due to COVID-19, submit completed resignation form electronically via email to staffingservices@cps.edu
- ✓ Employee Services mailing address is 2651 W. Washington Blvd, Chicago, IL 60612.

NOTE: Charter employees should contact their employer.



FINAL PAYOUT—BENEFIT DAYS

It is the goal of CPS to process retirees' final payout of vacation days on the pay date which follows your last regular paycheck following your separation.

- Spring and/or winter vacation days accrued will be paid, as applicable, with the final payout.
- Be mindful, that while CTPF uses outside service time for pension purposes, CPS uses internal service time to calculate final payout of grandfather sick days .
- After the final payout, employees will receive a statement from CPS Payroll Services that will show details used to calculate the payout of grandfather sick days, such as: daily rate, years of service, age.



FINAL PAYOUT (*CONT'D*)

Key points

- Be sure to update your contact information with your Employer.
- CPS will mail check/pay advice to the last address on file.
- During these extraordinary times of COVID-19, payment distribution via direct deposit is the only way to ensure a benefit payment.

UNUSED SICK DAY PAYOUT

The payout of **unused grandfather** sick days is determined pursuant to the Board Policy on Paid Time Off, section 302.9 of board report 21-0428-PO2. This does not apply to employees in a job category listed as 'not benefits-eligible' which includes the substitute teacher job categories. Below are the criteria used to determine the payout if deemed eligible.

ELIGIBILITY CRITERIA	CALCULATION RATE
Have 33.95 years of service or more with CPS	100%
Have a minimum of 20 years of service with CPS but less than 33.95 years	90%
Have attained the age of 65 and have less than 20 years of service before the start of the following school year	85%

UNUSED SICK DAY PAYOUT METHOD*

The payout amounts derived using the calculation rates noted will be paid as cash or deposited into an annuity.

Following are the rules for payout:

PAYOUT AMOUNT	PAYOUT METHOD
Equal to or less than \$2,000	Cash
Between \$2,000.01 and \$80,000	Annuity Rollover
Amounts in excess of \$80,000	Cash

** Only sick days granted before 06/30/12, grandfather sick days, are included in the sick day payout calculation. Sick days granted after 06/30/12 are non-compensable and thus will not be included in the sick day payout calculation*



ROLLOVER OF UNUSED SICK DAYS INTO AN ANNUITY

Chicago Public Schools contributes, on behalf of eligible retirees, the value of their unused sick pay to a 403(b) plan.

For A Participant Currently Enrolled in the 403(b) Plan:

- The contribution amount will be sent to the CPS service provider, AIG Retirement Services, within 60 days of the employee's last check being issued to them.
- If you have an account at the time of separation, the contribution amount will be directed to a 403(b) fixed account within the new investment platform administered by AIG.
- The employee has the option to leave the funds invested in the account after retirement or to move the funds (*such as to an Individual Retirement Account*).



ROLLOVER OF UNUSED SICK DAYS INTO AN ANNUITY

Rollover of Unused Sick Days into an Annuity

For an employee not currently enrolled in the 403(b) plan:

- At the time of the payout, if an employee is not enrolled in the 403(b) Plan, CPS will send the payout to AIG Retirement Services on the employee's behalf. The payout will be issued within 60 days of the last paycheck being issued to the employee and will be placed in the Fixed Account investment option.
- The retiree may change the investment allocation and/or leave the funds in this account with the service provider after retirement, or elect to move the funds (*such as to an Individual Retirement Account*).
- Any benefit eligible employee may voluntarily enroll in the 403(b) Plan by contacting AIG Retirement Services to begin making tax deferred contributions from one's paycheck.



ROLLOVER OF UNUSED SICK DAYS INTO AN ANNUITY

Contribution Amount

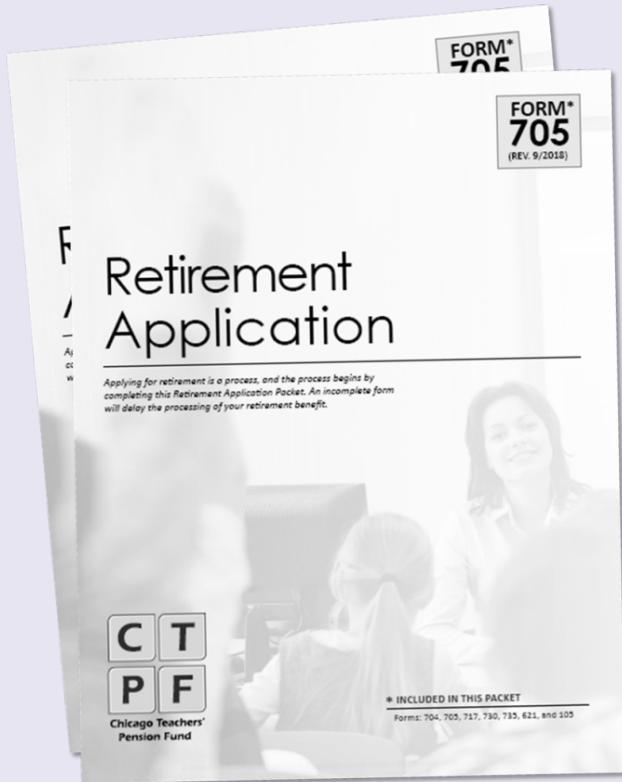
- The overall maximum contribution to rollover is \$80,000.
- If a retired employee has more than \$80,000 in accumulated sick pay, the excess will be paid directly to the retired employee.
- For 2023 the maximum annual contribution limit is \$66,000 and up to \$73,500 for ages 50 and over. If the retired employee was contributing to a 403(b) plan in 2023, the amount would be subtracted from the maximum allowed in 2023.
- Example: Using the lower maximum of \$66,000, if in 2023 the retired employee had already contributed \$17,000, the remaining contribution allowed from the unused grandfather sick pay would be \$49,000 for the 2023 calendar year. If the sick pay were greater than \$49,000, the excess payment would be made in subsequent years.



Chicago Teachers' Pension Fund

Retirement Process

OVERVIEW



- ✓ Maximizing Your Pension
- ✓ Pension Facts
- ✓ The Retirement Process
- ✓ Pension Payment
- ✓ Eligible Refunds
- ✓ Understanding the Health Insurance Process
- ✓ Reciprocity

MAKING THE MOST OF YOUR BENEFIT

$$\text{Service} \times \text{Pension Multiplier} \times \text{Final Average Salary} = \text{Pension Benefit (for both Tiers)}$$

Understanding The 2.2 Upgrade

For service credit earned prior to July 1, 1998, the percentage used in the pension formula is determined using pension multipliers as low as 1.67%.

What is the 2.2 Upgrade?

The 2.2 upgrade refers to increasing the pension multiplier for years of service earned prior to July 1, 1998. The goal is to upgrade to the highest percentage possible which is 2.2%.

Years of Service Credit	Before July 1, 1998	After July 1, 1998
First 10 years	1.67% per year	2.2% per year
Second 10 years	1.9% per year	2.2% per year
Third 10 Years	2.1% per year	2.2% per year
Years beyond 30	2.3% per year	2.2% per year

PAYING FOR THE 2.2 FORMULA

Cost to Upgrade

Cost: The upgrade is based on your highest annual salary in the 4 years prior to the year in which you apply for the upgrade, multiplied by 1% for each year of service. The cost to upgrade is shown on your estimate, if applicable.

Discount: Each 3 years of service after July 1, 1998, decreases the cost by 1 year.

Members with 30+ years receive the upgrade at no cost (includes reciprocal time if CTPF is final system).

Payment options from retirement app:

- Choose 24 deductions from finalized pension (recommended)
- Lump Sum



EXAMPLE OF THE 2.2 FORMULA

How the 2.2 Upgrade Works

Jerry is a current Tier 1 member who plans to retire at age 60 with 29 years of service credit. He earned 9 years before July 1, 1998, and 20 years after July 1, 1998. His highest salary in the previous 4 years was \$90,000.

Annual Pension without the 2.2 upgrade

\$53,127

Annual Pension with the 2.2 upgrade

\$57,420

Pension Increase

If Jerry decides to purchase the 2.2 upgrade, his annual base pension will increase by \$4,293.

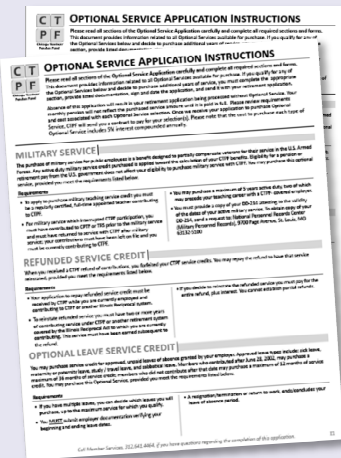
Cost to Upgrade

$1\% \times \$90,000 \times 3 \text{ years} = \$2,700$ (In Jerry's case, CTPF upgraded 6 years at no cost)



PURCHASING SERVICE

Service may be purchased for the following:



- Approved, unpaid leaves (**Form 645**)
- Refunded service (**Form 635**)
- Public teaching service as a certified teacher in a public school (**Form 655**)
- Military service (**Form 625**)
- Application to Purchase Private Teaching Service (**Form 685**)
- If you are purchasing service at the time you submit your retirement application, you must use **Form 621** instead.

HOW TO PURCHASE SERVICE

Steps for Completing the Purchase Process

1. It is your responsibility to complete an application for the specific type of service for which you wish to apply. Applications are available on the CTPF Website or contact Member Services.
2. Upon receipt of your application with required supporting documentation, CTPF will send you a bill for the service purchase. You must pay the Fund in full or indicate in writing that you do not intend to purchase service.
3. You must complete payment in order for CTPF to finalize your pension. Your pension cannot be finalized until you complete Step 2.



UNDERSTANDING RECIPROCITY

The provisions of the Illinois Retirement Systems Reciprocal Act (*reciprocal act or reciprocity*) allow individuals who earn service in more than one covered system to combine their service and coordinate benefits at retirement. Thirteen Illinois public pension systems are covered under the Reciprocal Act.

When you choose to retire with a reciprocal pension, each system calculates benefits based on your highest final average salary (FAS) and pays a proportion of your pension. Concurrent service will not be awarded.



ADVANTAGES OF RECIPROCITY

If you do not have enough service to retire, combining service from reciprocal systems may allow you to meet eligibility requirements and receive pensions from all systems.

- With reciprocity, your highest Final Average Salary from all systems is used to calculate benefits. In most cases, this enhances your final pension.

Who Is Eligible?

To retire under the Reciprocal Act you must meet the following conditions:

- The service you earned in each reciprocal system must equal one year or more.
- Your combined service must meet the vesting and age requirements of each system.

Each reciprocal system has different vesting requirements. The CTPF vesting requirement is 5 years of service for employees who joined CTPF or a reciprocal system before January 1, 2011, and 10 years of service for employees who joined on or after January 1, 2011.

RECIPROCITY & CONCURRENT SERVICE

Your total service credit with all retirement systems must meet the longest vesting requirement of all the systems under which you plan to retire.

Example:

If your first system requires 10 years of service credit to vest and your second system requires five years of service credit to vest and you have only eight years of combined service credit under both systems—you are not eligible to retire under the Reciprocal Act because you have not met the longest vesting period of 10 years.

Concurrent Service:

Concurrent service occurs when a member earned service by more than one reciprocal fund for the same year. By law, the member can only be credited with one year of service in a 12-month period.

If a member has concurrent service, a reduction in service will be made to maintain the maximum of one year in the 12-month time frame.

THE RECIPROCAL PROCESS

To retire under the reciprocal act, you must meet the following conditions:

- Resign with all employers and *apply with each system.*
- The service you earned in each reciprocal system must be at least one year.
- Your combined service must meet the vesting and age requirements of each system before payment can begin.



Note: You will receive a payment from each system.

PARTICIPATING RECIPROCAL SYSTEMS

1. Chicago Teachers' Pension Fund
2. County Employees' Annuity and Benefit Fund of Cook County
3. Forest Preserve Employees' Annuity and Benefit Fund of Cook County
4. General Assembly Retirement System
5. Judges' Retirement System of Illinois
6. Illinois Municipal Retirement Fund
7. Laborers' Annuity and Benefit Fund of Chicago
8. Metropolitan Water Reclamation District Retirement Fund
9. Municipal Employees' Annuity and Benefit Fund of Chicago
10. Park Employees' Annuity and Benefit Fund of Chicago
11. State Employees' Retirement System of Illinois
12. State Universities Retirement System of Illinois
13. State Teachers' Retirement System

Contact information for each reciprocal fund is available on ctpf.org

PENSION FACTS

- Pension effective date is the first day after resignation, **unless the resignation date falls within the last payroll period worked, then the effective date becomes the day following the close of that payroll period**, or the time the person resigning or retiring attains eligibility age, or on a date elected by the teacher, whichever shall be latest
- Paid for life
- Payable on the first business day of each month
- Pensions may be exempt from state income tax depending on state of residence (*e.g., Illinois exempt*)
- Pensions are subject to federal income tax
- The last day of work for CPS teachers in the 2022/2023 school year is *currently* scheduled to be 6/09/2023. If you work up until the last day, the earliest possible effective date of your pension is 6/18/2023.

AUTOMATIC ANNUAL INCREASE

Tier 1

3% of pension compounded annually, beginning 1 year after retirement, or at age 61, whichever occurs later.

Tier 2

Lesser of 3% or 1/2 of any increase in the CPI for the preceding year, beginning 1 year after retirement or at age 67, whichever occurs later.





•“Participation in this presentation does not constitute an endorsement by the Social Security Administration (SSA) or its employees of the organizations and information and products not provided by SSA.”



Securing today
and tomorrow





Securing today
and tomorrow

•Social Security 101



How to Get Help from Social Security

Social Security is here to help. We want you to know how to get the service you need and to be prepared so we can help you as quickly and safely as possible.



Go online to **SSA.gov**. Our website is the best way for most people to get help.



If you cannot use our website call our National 800 Number (1-800-772-1213) or your local Social Security office for help.



We will schedule an **appointment** for you, **if necessary**, to serve you by phone or in person.

What to Know if You Must Visit an Office:

- **You must have an appointment** to visit an office.
- **Masks are required** for all office visitors and employees, regardless of vaccination status.
- **Visitor capacity is limited** to follow physical distancing requirements. This means **you may need to wait outside**, so plan for cold or bad weather.
- We ask that you **come alone unless you require help with your visit**. If you require help, we can only permit one person to accompany you.

We appreciate your patience and understanding.



Securing today
and tomorrow

• [SocialSecurity.gov](https://www.SocialSecurity.gov)



•Please visit our Field Office Locator

Social Security Office Locator

•www.ssa.gov/locator



We are OPEN to receive your calls

On Tuesday, March 17, 2020, we suspended face-to-face service to the public in our field offices and hearings offices nationwide until further notice. However, we are still able to provide critical services via phone, fax and online.

Find the Office for this ZIP Code.

ZIP:

Locate

[Zip Code Look Up](#)

[Services Outside the United States](#)

Using our online services, you can:



- Apply for most types of benefits
- Estimate your future benefits
- Do so much more

To learn more, visit [What You Can Do Online](#)

National 800 Number

Toll-Free: 1-800-772-1213



Securing today
and tomorrow

•SocialSecurity.gov



•We're With You Through Life's Journey



Securing today
and tomorrow

•[SocialSecurity.gov](https://www.SocialSecurity.gov)



•How Do You Qualify for Retirement Benefits?

- By earning “credits” when you work and pay Social Security taxes
- You need 40 credits (10 years of work) and you must be 62 or older
- Each \$1,640 in earnings gives you one credit
- You can earn a maximum of 4 credits per year

•*Note: To earn 4 credits in 2023, you must earn at least **\$6,560**.*



Securing today
and tomorrow

•[SocialSecurity.gov](https://www.SocialSecurity.gov)



[What should I do if I get a call claiming there's a problem with my Social Security number or account?](#)



Social Security

Benefits ▼

Medicare ▼

Card & record ▼

Search SSA.gov



[Español](#)

[Sign in](#)

Securing your **today** and **tomorrow**



Prepare

Check eligibility for benefits

Plan for retirement



Apply

Apply for benefits

Sign up for Medicare

After you apply

Check application or appeal status

Appeal application decision

Feedback

Manage benefits & information



Documents

Get benefit verification letter

Get tax form (1099/1042s)



Number & card

Replace card

Request number for the first time


Report stolen number




Securing today
and tomorrow

• [SocialSecurity.gov](https://www.SocialSecurity.gov)

•my Social Security

 Social Security

Benefits ▾ Medicare ▾ Card & record ▾

Search SSA.gov 


Español | Account

Create your personal *my* Social Security account today

A free and secure *my* Social Security account provides personalized tools for everyone, whether you receive benefits or not. You can use your account to request a replacement Social Security card, check the status of an application, estimate future benefits, or manage the benefits you already receive.

[Create an Account](#)[Sign In](#)

[Finish Setting Up Your Account](#)



•ssa.gov/myaccount



Securing today
and tomorrow

•SocialSecurity.gov

What can you do with a *my* Social Security account?

- Request a replacement Social Security card

If you are not receiving benefits:

- Get personalized retirement benefit estimates
- Get estimates for spouse's benefits
- Get proof that you do not receive benefits
- Check your application status
- Get your *Social Security Statement*

If you are receiving benefits:

- Set up or change direct deposit
- Get a Social Security 1099 (SSA-1099) form
- Opt out of mailed notices for those available online
- Print a benefit verification letter
- Change your address

Sign In or Create Your Free Account




Securing today
and tomorrow

• [SocialSecurity.gov](https://www.SocialSecurity.gov)

•How To Apply

•For Your Replacement Social Security Card



Benefits & Payments

You are not currently receiving Social Security benefits.

[Get a Benefit Verification Letter](#)

Need proof that you do not receive Social Security benefits?

Report Wages

[Submit Paystub Information](#)

If you are receiving Social Security Disability and are someone receiving Social Security Disability, you may be eligible for a tax credit.

Social Security Card Replacement

[Request a Replacement Card](#)

Social Security Number:
xxx-xx-0000

Date of Birth:
July 13, 1983

Your Email Address:
john.q.public@ssa.gov

[Update Email Address](#)

John Q. Public | [Sign Out](#) | Text Size | Accessibility Help

my Social Security

[My Home](#) | [Help Center](#) | [Security Settings](#)


[Overview](#) | [Estimated Benefits](#) | [Earnings Record](#) | [Replacement Documents](#)

Request a Replacement Social Security Card

OMB No. 0960-0066
[Paperwork Reduction Act](#)

1 Background Information 2 Identity Verification 3 Confirmation

Do You Really Need a Card?



- You will rarely need to show your Social Security card.
- Knowing your Social Security number is what is important.
- Many organizations can verify your Social Security number directly with us.

Can You Request a Card Online?

Is your email address still john.q.public@ssa.gov?

☐ Yes ☐ No

[Cancel](#)

Your privacy is important.
For details about our use of your information, we encourage you to read our [Privacy Act Statement](#).



Securing today
and tomorrow

•[SocialSecurity.gov](https://www.SocialSecurity.gov)



Securing today
and tomorrow

Beware of Social Security Phone Scams



Securing today
and tomorrow

Telephone scammers are pretending to be government employees. They may threaten you and may demand immediate payment to avoid arrest or other legal action. Do not be fooled!

If you receive a suspicious call:

1. **HANG UP!**
2. **DO NOT GIVE THEM MONEY OR PERSONAL INFORMATION!**
3. **REPORT THE SCAM AT [OIG.SSA.GOV](https://oig.ssa.gov)**



What to look out for



The caller says there is a **problem** with your Social Security number or account.



Any call asking you to pay a fine or debt with retail gift cards, cash, wire transfers, or pre-paid debit cards.



Scammers **pretend** they're from Social Security or another government agency. Caller ID or documents sent by email may look official but **they are not**.



Callers threaten you with arrest or other legal action.

Be Alert

Social Security may call you in some situations but will **never**:

- » Threaten you
- » Suspend your Social Security Number
- » Demand immediate payment from you
- » Require payment by cash, gift card, pre-paid debit card, or wire transfer

Be Active

Protect yourself and your friends and family!

- » If you receive a questionable call, just hang up and report the call at oig.ssa.gov
- » Learn more at oig.ssa.gov/scam
- » Share this information with others



Securing today
and tomorrow

• [SocialSecurity.gov](https://www.SocialSecurity.gov)



•Follow Us on Social Media!



•@SocialSecurity

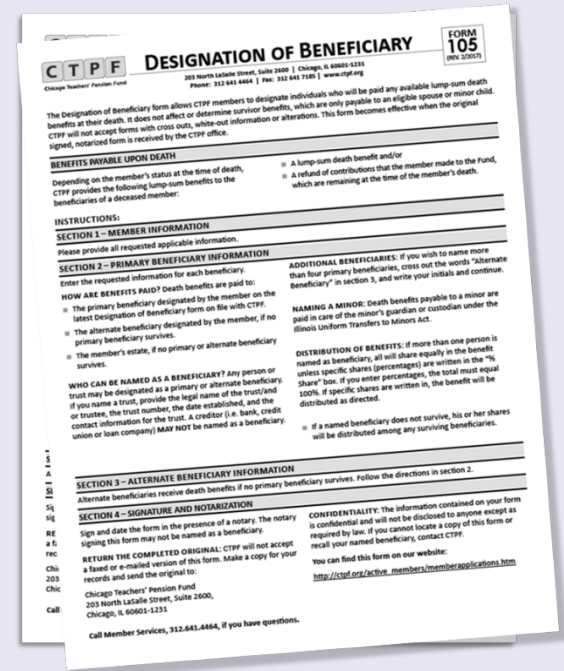


Securing today
and tomorrow

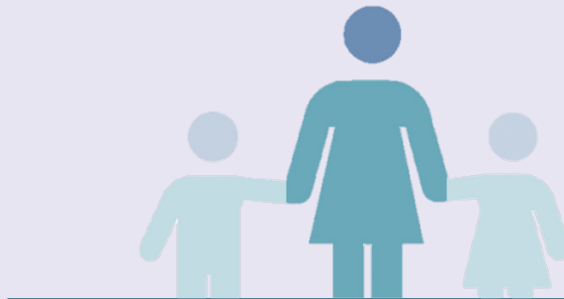
•[SocialSecurity.gov](https://www.SocialSecurity.gov)

DEATH BENEFITS

- Death benefits payable to designated beneficiaries
- Must have current designation on file
- Keep designations and beneficiary contact information up to date: submit updated form at least every five years
- Check your annual member statement



The image shows a sample of the CTPF Designation of Beneficiary Form 105. The form is titled "CTPF DESIGNATION OF BENEFICIARY" and includes the CTPF logo. It contains sections for member information, primary beneficiary designation, alternate beneficiary designation, and signature. The form also includes a "BENEFITS PAYABLE UPON DEATH" section and a "DISTRIBUTION OF BENEFITS" section. The form is dated 10/2017.



SURVIVOR PENSIONS

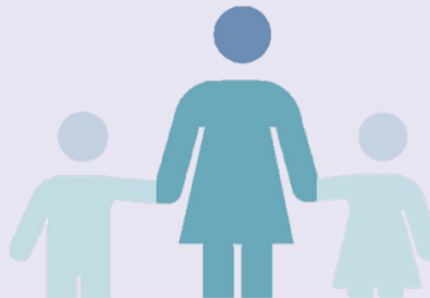
Tier 1

50% of the retired member's
retirement annuity

Tier 2

66 2/3% of the retired member's
retirement annuity

Surviving spouse must be
age 50 or have surviving minor children.



SURVIVOR PENSIONS *CONT.*

Tier 1

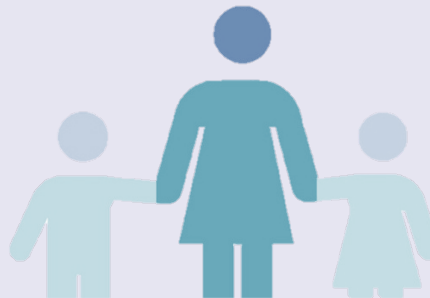
50% of the retired member's retirement annuity

Example: If members monthly benefit is \$5,000 the surviving spouse pension will be \$2,500

Tier 2

66 2/3% of the retired member's retirement annuity

Example: If members monthly benefit is \$5,000 the surviving spouse pension will be \$3,333



TEMPORARY NEW RE-EMPLOYMENT RULES

Permanent Re-Employment in the Chicago Public Schools, a charter school or contract school in Chicago on a permanent or annual basis cancels your CTPF pension on the date your re-employment begins or on the first day of the payroll period for which service credit is validated, whichever is earlier.

Temporary and Non-Annual Employment

Prior to July 1, 2022, a retiree who was re-employed as a teacher in a Chicago Public school, charter school or contract school, on a temporary or non-annual basis was subject to both employment and compensation limits. The compensation limit was eliminated on July 1, 2022.

Reminder: Working in a Subject Shortage Area

It is your responsibility to ensure you are working in a subject shortage area. You must contact your employer to confirm that the position qualifies and provide CTPF with written documentation. Failure to confirm may result in cancellation of pension benefits and health insurance subsidies.

RE-EMPLOYMENT

Rules for Temporary and Non-Annual Employment

Retiree Type	Employment Limit	Compensation Limit prior to July 1, 2022	Employment Limit for the period July 1, 2022-June 30, 2024	Compensation Limit beginning July 1, 2022
CTPF retirees who only teach drivers education courses in the school year	900 hours*	\$30,000 or The daily rate normally paid to retired multiplied by 100 for individuals who retired with at least 5 years of service as a principal.	900 hours	None
All other CTPF retirees	120 days (prior to July 1, 2022)	\$30,000 or The daily rate normally paid to retired principals multiplied by 100 for individuals who retired with at least 5 years of service as a principal.	140 days	None

**Applies before July 1, 2022, and after June 30, 2024. The days worked limit returns to 120 days on July 1, 2024.*

RE-EMPLOYMENT

- The Re-employment Rules are included in the retirement packet. *(See Form 717)*
- If you are thinking about future re-employment with either CPS, a charter or contract school, you must submit CTPF Form 770 or Form 773.
- If your benefit is cancelled due to re-employment and you retired under reciprocity, your benefit may also be cancelled with the reciprocal system.

CTPF ACKNOWLEDGEMENT OF PENSION CODE PROVISIONS GOVERNING RE-EMPLOYMENT

Chicago Teachers' Pension Fund 425 South Financial Plaza, Suite 1400 | Chicago, IL 60605-1000 | 312.641.4864 | Fax 312.641.7185 | www.ctpf.org

FORM 717 (REV. 12/2022)

SECTION 1: MEMBER INFORMATION

Member Name: First	M.I.	Last	Last 4 digits of SSN or Member ID:	Date of Birth: mm/dd/yyyy
--------------------	------	------	------------------------------------	---------------------------

SECTION 2: CTPF RE-EMPLOYMENT RULES

I. RETURN TO WORK LIMITS

The Illinois Pension Code limits the number of days a retiree can work and the amount of compensation a retiree can earn when returning to work in an ISBE licensed/certified position for the Chicago Board of Education or a charter or contract school (Employer) while receiving a pension from CTPF.

The CTPF Board of Trustees adopted rules for the implementation and administration of the statutory limitations on retirees returning to work for one or more Employer(s). All contributors, as defined by Section 17-100 of the Illinois Pension Code, are subject to the return to work limitations.

A. Permanent or Annual Re-Employment
A retiree may go to work for any entity other than an Employer without restriction. However, if a retiree is re-employed on a permanent or annual basis by an Employer, the pension shall be canceled on the date the re-employment begins, or on the first day of a payroll period for which service credit was validated, whichever is earlier.

Example 1
A retiree accepts a full-time non-temporary teaching position with the Chicago Board of Education and works for 115 days before terminating employment. The retiree's pension will be canceled because the re-employment was permanent in nature.

Example 2
A retiree accepts a full-time non-temporary paraprofessional position at a Chicago charter school and works for 70 days before terminating employment. The retiree's pension will be canceled because the re-employment was permanent in nature.

B. Temporary and Non-Annual Employment
A retiree may return or go to work for one or more Employer(s) without having his or her pension canceled, if the employment is temporary and non-annual, or on an hourly basis, so long as the following limitations are not exceeded:

1. Days/Hours Worked Limit
A retiree who returns to work on a temporary and non-annual basis is limited to working on no more than 120 days in a year* for an Employer(s). This includes retirees who are employees of third party contractors, of an employment agency, or of any other vendor who are licensed/certified and who contract with the Board of Education or a Chicago charter or contract school to provide services in a position that requires an ISBE license/certificate. Also included are retirees with a contract or agreement with an Employer that characterizes the retiree as an independent contractor.

A retiree who teaches only drivers' education courses, is limited to working no more than 900 hours in a year.*

Example 1
A retiree who returns to work to teach drivers' education courses and teaches as a day-for-day substitute teacher has worked on 121 days in a year. The retiree's pension will be canceled because the retiree does not exclusively teach drivers' education courses after regular school hours and the total number of days worked is more than 120 days in the year.

Example 2
A retiree who returns to work for an Employer as school psychologist, and is an employee of a third party contractor, has worked 121 days in a year. The retiree's pension will be canceled because the total number of days worked is more than 120 days in the year.

2. Compensation Limit
In addition to the days-worked limit, a retiree who returns to work on a temporary and non-annual basis must not earn more than \$30,000 gross compensation from the Employer(s) in a year.* In the case of a person who retires with at least 5 years of service as an administrator, the limit is the daily rate normally paid to retired principals multiplied by 100. The gross compensation limit applies to all retirees, including retirees who teach only drivers' education courses after regular school hours.

Example 1
A retiree has worked for an Employer on fewer than 120 days in a year. The total amount of gross compensation earned was \$32,000. The retiree's pension will be canceled because the amount of compensation exceeded the \$30,000 limit.

Example 2
A retiree had 4.5 years of active service as a principal. The total amount of gross compensation earned was \$45,000. The retiree has worked fewer than 120 days. The retiree's pension will be canceled because the \$30,000 gross compensation limit has been exceeded and the retiree did not have 5 years of active service as an administrator.

Example 3
A retiree who teaches drivers' education courses after regular school hours has worked 890 hours in a year. The total gross compensation earned was \$32,000. The retiree's pension will be canceled because the amount of compensation exceeded the \$30,000 limit.

3. Retiree's Obligation to Notify CTPF
A retiree who intends to return to work must notify his or her Employer(s) and CTPF before re-employment begins. CTPF notification is made by filing CTPF Form 770 for temporary and non-annual employment, or filing CTPF Form 773 for permanent or annual re-employment. The Employer(s) will establish its own notification process and retirees are responsible for completing those requirements.

*A year is July 1 - June 30.

RETIREMENT PROCESS YOUR TO-DO LIST

1. Resign from Board of Education and/or Charter School
2. Complete the Retirement Application in full and Submit to CTPF:
 - ✓ **Form 705** Retirement Application
 - ✓ **Form 717** Acknowledgement of CTPF Re-employment Rules
 - ✓ **Form 720** Withholding Certificate
 - ✓ **Form 730** Retiree Acknowledgement of Health Insurance Responsibility and Intent



Phone, video chat and office counseling appointments with Member Services representatives are available to review your application and answer questions.

ADDITIONAL REQUIRED FORMS



Form 735 (If Applicable) Health Information Release



Form 105 Designation of Beneficiary



Form 621 (If Applicable)
Optional Service Application

The image shows a stack of three CTPF forms. The top form is Form 105, 'DESIGNATION OF BENEFICIARY', which includes sections for member information, primary beneficiary designation, alternate beneficiary designation, and signature/notarization. The form also includes a 'CONFIDENTIALITY' statement and contact information for CTPF. The forms are labeled 'FORM 735', 'FORM 105', and 'FORM 621'.



Reminder:

If retiring under reciprocity you must resign and submit an application to the reciprocal system as well.

REQUIRED DOCUMENTS

Notice of Legal Name Requirement

You must provide evidence of your legal name at retirement. The documents you present as proof of identity including your Social Security card, photo identification, and Medicare card/letter (if applicable), must bear the same legal name.

All Applicants:

1. **Proof of age:** birth certificate, naturalization papers, or current passport
2. **Proof of Social Security number:** Social Security card or recent W-2
3. **Photo identification:** current (not expired) driver's license, state identification, or current passport
4. **If 65, a copy of Medicare A & B card** or letter of entitlement from Medicare



REQUIRED DOCUMENTS

Applicants who are married or joined in a civil union, widowed, or divorced

Confirm that copies of the following additional documents are included (as applicable):

Married or joined in a civil union

- Spouse's birth certificate or current passport
- Marriage or civil union license

Widowed

- Marriage or civil union license
- Spouse's death certificate

Divorced

- Certified divorce or dissolution of marriage or civil union decree
- Court certified QILDRO (if applicable)



Important Note:

Only complete applications with **ALL** required documents will be accepted.

PENSION PAYMENT

Once the employer has confirmed your resignation, CTPF will process **preliminary** monthly benefits determined by the following:

- ☑ Eligibility based on age, service, and salary records as reported by your employer to CTPF
- ☑ Confirmed reciprocal service *(if applicable)*
- ☑ Verification of payment of any optional service i.e., sick, study, military leaves *(if applicable)*
- ☑ Your account will be audited once final records from your employer are received. Your benefit will be revised and reconciled at that time.



MONTHLY PENSION BENEFIT PAYMENT

- Assuming retirement in June, expect your first preliminary monthly pension benefit by September, assuming all required documents are received in a timely manner.
- Direct deposit is the preferred payment method. Please be sure to **submit a voided check** with your application when you elect this method.
- If your pension includes any reciprocal service, receipt of your first preliminary monthly pension benefit will depend upon when CTPF receives certification from the other system(s). This notification process can often take 3 months or more.



ELIGIBLE REFUNDS

- 2.2 Upgrade refund with interest, if you previously paid the 2.2 Upgrade cost and meet the criteria to receive the upgrade for free or at a reduced cost based on:
 - 30 or more years of service credit
 - 3 for 1 calculation
- Members with at least 37.8 years of service credit may qualify for an additional (1%) refund.
- Refund of survivor's contributions
 - No eligible spouse or minor children at the time of retirement
- Refund of Previously Purchased Service
 - If total service is in excess of amount required to pay the maximum pension percentage



A photograph of two women sitting together, looking at a document. The woman on the left is younger, with long dark hair in a ponytail, wearing a light blue shirt. The woman on the right is older, with short dark hair and glasses, wearing a light blue button-down shirt over a white top. They are both smiling and looking at a yellow folder or document held by the younger woman. The background is a bright, indoor setting with a white brick wall and a wooden cabinet.

Chicago Teachers' Pension Fund

Post-Retirement Health Insurance Options

HEALTH INSURANCE

What are Your Insurance Options?

- Up to 18 months Continuation of Coverage (COBRA) through your employer (CPS, Charter or Contract Schools) if under Age 65
- A CTPF-Sponsored Health Insurance Plan
- Other coverage (*group insurance through a spouse or private coverage on open market*)

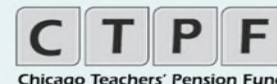
PLEASE NOTE: CTPF does not offer vision, dental insurance or a FSA. Make sure you utilize all your FSA funds before you terminate coverage. You may incur claims up to the last day worked. You have until March 31 of the next year to be reimbursed for claims incurred in the previous year.

CTPF Subsidizes Health Insurance Premiums

- 2023: Currently 60% of health plan premiums, including COBRA (under age 65) and base Medicare premiums

Retiree Health Insurance Options

(BY RETIREMENT AGE)



RETIREMENT AGE	RECOMMENDED ACTIONS	CTPF SUBSIDY OF HEALTH INSURANCE PREMIUM*
Under age 65	<p>PRIOR TO RETIREMENT</p> <ul style="list-style-type: none"> Enroll in health insurance continuation coverage (COBRA) through the CPS COBRA administrator. COBRA enrollment forms will be mailed to you if you are eligible. This is typically your least expensive health insurance option. COBRA coverage generally lasts up to 18 months. Spouse and dependents are also eligible for COBRA. <p>THREE MONTHS PRIOR TO COBRA COVERAGE ENDING</p> <ul style="list-style-type: none"> Make an appointment with CTPF to discuss health insurance options. Obtain enrollment application(s) for the plan of your choice. <p>AT LEAST ONE MONTH PRIOR TO COBRA COVERAGE ENDING</p> <ul style="list-style-type: none"> Submit enrollment application(s) to CTPF for the plan of your choice, to be effective the 1st of the month following COBRA termination. 	<ul style="list-style-type: none"> CTPF provides a partial subsidy of CPS/Charter School COBRA premium cost through your pension benefit with completion of CTPF Form 735. The CTPF subsidy of COBRA premiums ends when you become Medicare eligible.
Age 65 or Over	<p>THREE MONTHS PRIOR TO RETIREMENT</p> <ul style="list-style-type: none"> Contact the Social Security Administration to initiate enrollment in Medicare Part A and Part B. Ask for an effective date the first month following retirement (typically July). Make an appointment with CTPF to discuss your health insurance options. All CTPF plans are comprehensive and include enhanced Medicare Part D prescription coverage. Obtain enrollment application(s) for the plan of your choice. <p>AT LEAST ONE MONTH PRIOR TO RETIREMENT</p> <ul style="list-style-type: none"> Submit enrollment forms for a CTPF-sponsored Medicare Supplement-type plan (or non-CTPF Medicare Supplement-type plan) with proof of Medicare Part A and Part B enrollment. 	<ul style="list-style-type: none"> When enrolled in a CTPF plan, subsidy is paid in your pension benefit. CTPF provides partial subsidy of health insurance premiums as well as Medicare Part A and Part B.⁺ If you choose to enroll in a non-CTPF health plan, you can apply for a subsidy of health insurance premiums. The subsidy is paid retroactively with appropriate documentation of other coverage (CTPF mails subsidy applications annually). If you do not enroll in a Part D prescription plan or equivalent at retirement, the Centers for Medicare and Medicaid Services (CMS) may assess a penalty. If you enroll in a CTPF health plan at a later date, CTPF will not subsidize this penalty.
Turning age 65 while on COBRA coverage	<p>IF UNDER AGE 65 AT RETIREMENT</p> <ul style="list-style-type: none"> Enroll in health insurance continuation coverage (COBRA) through the CPS COBRA administrator. <p>THREE MONTHS PRIOR TO 65TH BIRTHDAY</p> <ul style="list-style-type: none"> You will receive an invitation to a CTPF Medicare Birthday Party where you will have the opportunity to enroll in a CTPF Medicare health plan. All CTPF plans are comprehensive and include enhanced Medicare Part D prescription coverage. You may also contact the Social Security Administration yourself to enroll in Medicare Part A and Part B. Ask for an effective date the 1st of the month following COBRA termination. Although Medicare enrollment can be delayed without penalties while working, if you do not enroll in Medicare when turning age 65 while on COBRA, it may result in penalties and limit your opportunity to enroll in Medicare. Obtain enrollment application(s) for the plan of your choice. <p>AT LEAST ONE MONTH PRIOR TO 65TH BIRTHDAY</p> <ul style="list-style-type: none"> Submit an enrollment application(s) for the health insurance plan of your choice along with proof of Medicare Part A and Part B. 	<ul style="list-style-type: none"> CTPF provides a partial subsidy of CPS/Charter School COBRA premium cost through your pension benefit with completion of CTPF Form 735. This CPS COBRA subsidy ends when you become Medicare eligible. When you enroll in Medicare in Part A and Part B and enroll in a CTPF plan, the CTPF subsidy is paid in your pension benefit.⁺ If you choose to enroll in a non-CTPF health plan, you can apply for a subsidy of your health insurance premiums. The subsidy is paid retroactively with appropriate documentation of other coverage (CTPF mails subsidy applications annually). <p>⁺Members who retire with a pension benefit effective date of July 1, 2016, or later, who must pay for Medicare Part A, do not receive a CTPF premium subsidy for this cost.</p>

COBRA PREMIUMS AND PAYMENTS

- The premium includes the individual monthly cost plus a 2% administration fee.
- Once you have elected COBRA coverage, you have 45 days to make your initial premium payment. Your initial premium payment may include several months. All CPS COBRA payments are made payable to PayFlex. Charter and Contract school members should check payment arrangements with their employer.
- Remaining payments are due on the first day of each month. If payment is not received within your 30-day grace period, your coverage will be terminated.

Terminated coverage cannot be reinstated.

WHEN COBRA ENDS

- If you currently have insurance through your former employer's COBRA plan and wish to join a CTPF plan when your COBRA expires, you may enroll during Open Enrollment or within 30 days of your COBRA coverage expiring (unless coverage is cancelled due to non-payment of premium). *See page 9 of the 2023 Health Insurance Book.*
- If you are enrolled in COBRA continuation coverage, CTPF automatically applies a premium subsidy to your pension benefit. Notify CTPF immediately if you terminate COBRA coverage to ensure CTPF ceases the premium subsidy. Any premium subsidy paid after termination of COBRA will need to be repaid to CTPF.
- Enrollment from a COBRA plan to a CTPF plan is not automatic. Contact CTPF before your COBRA coverage ends to obtain CTPF plan enrollment information.

2023 CPS COBRA RATES

BCBS - BA HMO	COBRA Premium	60% CTPF Retiree Subsidy
EE Only	\$654.99	\$392.99
EE + 1 Dep	\$1,309.97	\$785.98*
BCBS - PPO		
EE Only	\$790.98	\$474.58
EE + 1 Dep	\$1,581.93	\$949.15*
BCBS - HSA Plan		
EE Only	\$651.29	\$390.77
EE + 1 Dep	\$1,302.60	\$781.56

**If your dependent is also a CTPF retiree whose final teaching service was with the Chicago Public, Charter or Contract Schools, they may qualify for a CTPF subsidy. Please contact CTPF to obtain further information.*

FOR MORE CPS COBRA INFORMATION



Talent Web Site - hr4u.cps.edu



Benefit Enrollment - Log on to hr4u.cps.edu, go to My Benefits, then click on Cobra, to obtain the COBRA enrollment information.

Please contact PayFlex for CPS COBRA questions at 800-359-3921.



NOTE: PayFlex is not able to process COBRA elections in advance of retirement/resignation/termination dates. They will not be equipped to answer specific questions for future participants.

ADVANTAGES OF CTPF INSURANCE PLANS

- ✓ Guaranteed enrollment
- ✓ Dependent coverage
- ✓ Comprehensive coverage with competitive premiums
- ✓ Your share of premium costs deducted monthly from pension check
- ✓ Your subsidy paid every month in your pension check



CTPF NON-MEDICARE PLANS

BCBS PPO

UnitedHealthcare Choice Plus
PPO

BCBS HMO Illinois

CTPF MEDICARE PLANS*

UnitedHealthcare Medicare Advantage
PPO with Express Scripts Part D Prescription Plan

Humana Group Medicare HMO with Part D Pharmacy
Prescription Plan

UnitedHealthcare AARP Medicare Supplement Plan F with
Express Scripts Part D Prescription Plan

** Must be enrolled in Medicare Parts A & B*



Note: Plan F is only available to those who turned 65 before 1/1/2020.

WHAT DOES MEDICARE COST?

2023 MEDICARE PREMIUMS

The Centers for Medicare and Medicaid Services (CMS) has announced Medicare premium rates for 2023.

Part A: (Hospital Insurance) Premium

Members who have 40 quarters or more of Medicare credit receive Medicare Part A at no charge once they reach age 65. If you do not have 40 quarters of credit, you must pay for this coverage.

Medicare Part A	Medicare Part A Cost	CTPF Subsidy
40 quarters	0	0
30-39 quarters	\$278	\$166.80
Less than 30	\$506.00	\$303.60



NOTE: Members who retire with a benefit effective date of July 1, 2016 or later, are not eligible for the Medicare Part A subsidy.

WHAT DOES MEDICARE COST?

2023 MEDICARE PREMIUMS

Part B: (Medical Insurance) Premium

For 2023, all eligible members will receive a Medicare Part B subsidy in the amount of \$97.14. This amount is based on the standard Part B premium of \$164.90 (*Of this amount, the included \$3 Part B government surcharge is not eligible for subsidy.*)

Medicare Part B	Medicare Part B Cost	CTPF Subsidy
Standard Part B	\$164.90	\$97.14
* IRMAA Adjusted Part B	\$164.90 - \$560.50	

IRMAA adjustments are applied to individuals whose gross income was higher than \$97,000, and to couples whose income was higher than \$194,000.

See pages 27-28 of the *2023 Health Insurance Handbook* for more information.

MEDICARE



**Administered by Centers for
Medicare & Medicaid Services (CMS)**

Medicare Enrollment Periods

- Initial: at age 65 (3 months prior to 65th birthday)
- Special: if still working and covered as an active employee in a group health plan (3 months prior to retirement)
- General: January-March

ENROLLING IN NON-CTPF INSURANCE PLANS

- You retain the option on your own to enroll in non-CTPF sponsored insurance
- You pay all premiums and can apply for a rebate of health insurance and Medicare premiums once a year, retroactively at the applicable subsidy percentage
- CTPF mails a rebate application to those eligible. Proof of premium payment is required. CTPF reserves the right to request additional proof if needed.
- Rebate Applications are mailed in the spring. Due 08/31/2023.

- “One and done” rule:

The CTPF Board of Trustees voted to allow eligible members to re-enroll in a CTPF health insurance plan one time without a qualified change in status. Previously, enrollment was only allowed once in a lifetime, unless the member experienced a qualifying event (marriage, birth, death, etc.). Individuals who want to rejoin a CTPF plan must do so during an open enrollment period. A member applying to re-enroll must have proof of insurance coverage (*medical and prescription drug*) as of the beginning of the open enrollment period (October 1) and maintain coverage through December 31 of that year. CTPF insurance coverage becomes effective the following January 1.

CTPF HEALTH INSURANCE HANDBOOK



Consult your insurance handbook for details on CTPF health insurance plans.

You can find the *CTPF Health Insurance Handbook* at ctpf.org

KEEP IN TOUCH WITH CTPF



Address changes



Bank account changes



Tax withholding changes



Designated beneficiary updates



Use *myCTPF* to securely access CTPF documents and information

CONTACT INFORMATION

CTPF Member Services

1-312-641-4464

memberservices@ctpf.org

www.ctpf.org

Chicago Public Schools: Talent Office

1-773-553-4748

<http://cps.edu/HR4U>

Social Security

1-800-772-1213

www.socialsecurity.gov

Medicare

1-800-633-4227

www.medicare.gov



Questions

Office/Mailing Information:

425 S. Financial Place | Suite 1400

Chicago, IL 60605-1000

Members: 312.641.4464

Fax: 312.641.7185

MemberServices@ctpf.org | ctpf.org



RETIREMENT ON THE HORIZON

2023