



STATE OF ALASKA

TEACHERS' RETIREMENT SYSTEM

Tiers I and II Retirement Application Instruction Booklet



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Introduction

Congratulations! You are about to realize your retirement dreams! This packet has been designed to provide the information and forms necessary to apply for and begin receiving your retirement benefits from the Teachers' Retirement System (TRS).

Your TRS retirement includes both pension and access to health benefits. Please read this information booklet carefully to be sure you understand all the benefit provisions to which you are entitled. Also, make sure you have taken advantage of any claimed service options that might increase your benefit and, most importantly, that you meet retirement eligibility requirements.

What Tier Am I?

TRS is a three-tier system. Some benefits differ depending on your tier. This packet is intended for Tier I and II ONLY. If you are Tier III, please contact the Division for information applicable to your benefit package. The following table will assist you in determining your tier.

Tier I – entered TRS prior to July 1, 1990	Tier II – entered TRS on or after July 1, 1990, but prior to July 1, 2006
Early retirement at age 50.	Early retirement at age 55.
Normal retirement at age 55 or any age with 20 years of service.	Normal retirement at age 60 or any age with 20 years of service.
System-paid AlaskaCare medical premiums at either early or normal retirement. The AlaskaCare Retiree Health Plan becomes supplemental to Medicare at age 65. There is a cost to you for Medicare Part B when you enroll.	System-paid AlaskaCare medical premiums at normal retirement age 60 or at any age with 25 membership years service. The medical benefits available under the AlaskaCare Retiree Health Plan become supplemental to Medicare at age 65. There is a cost to you for Medicare Part B when you enroll.
Average Base Salary (ABS) calculated using three highest salary years.	Average Base Salary (ABS) calculated using three highest salary years.
Alaska Cost-of-Living Allowance available to eligible members at retirement.	Alaska Cost-of-Living Allowance available to eligible members at age 65.
Eligible for either Ad Hoc or Automatic Post Retirement Pension Adjustment.	Eligible for only Automatic Post Retirement Pension Adjustment.

Section I. Minimum Requirements for Pension Benefits

Retirement Effective Date

You may become eligible for retirement by either age or service (see tier chart on page 1). By law, your retirement effective date will be July 1, assuming you are an active member and have worked a full school year during your last school year. If you have worked a partial year and are not receiving a full year of service credit, or if you are a deferred member, your retirement effective date will be the first of the month after all the following requirements are met:

- You meet the minimum service and age requirements for retirement.
You should not leave employment until you are absolutely certain that you are eligible to retire if you are close to being vested or completing other retirement requirements. It is your responsibility to be sure you are eligible for retirement before you terminate employment.
- You have terminated employment. Active members must terminate employment no later than June 30 to be eligible for retirement benefits effective July 1. If you terminate your employment on the first day of the month, you will not be appointed to retirement until the following month.
- Your Retirement Application is received by the Division of Retirement and Benefits prior to the date you plan to retire.

Retirement Eligibility

You reach retirement eligibility by meeting either age or service requirements.

Age Requirements

You are eligible to retire and receive monthly benefits when you reach retirement age and meet the minimum service requirements (see tier chart on page 1).

Under early retirement, your monthly benefit is actuarially reduced based on age for each month under normal age. The closer you are to normal retirement age, the smaller the reduction. Under normal retirement, your monthly benefit is not reduced.

Caution: If you request a refund of your TRS contributions and interest, you will not be eligible for TRS retirement benefits.

Service Requirements

You will be eligible to retire after you reach retirement age and satisfy one of the following service requirements.

You must have at least:

- eight paid-up years of TRS membership service;
- five paid-up years of TRS membership and three paid-up years of Alaska Bureau of Indian Affairs (BIA) service;
- fifteen paid-up years of TRS credited service, if the last five years are membership service and you were first hired under the TRS before July 1, 1975;

- twelve paid-up years of combined part-time and full-time TRS membership service (you must have at least one-half year of membership service as a part-time teacher or one full year of membership service as a full-time teacher in each of 12 school years);
- one paid-up year of TRS membership service if you are retired from the Public Employees' Retirement System (PERS); or
- two paid-up years of TRS membership service if you are vested in the Public Employees' Retirement System (PERS) defined benefit plan (Tier I, II, or III) or 100% vested in the PERS defined contribution retirement plan (Tier IV).

You may retire at any age and receive a normal (unreduced) benefit if you have:

- 20 paid-up years of TRS membership service;
- 20 paid-up years of combined TRS membership and Alaska BIA service, if the last five years are membership service;
- 20 paid-up years of combined part-time and full-time TRS membership service (you must have at least one-half year of membership service as a part-time teacher or one full year of membership service as a full-time teacher in each of 20 school years); or
- 25 paid-up years of credited service, if the last five years are TRS membership service.

Claimed military service for service performed prior to membership in the TRS does not count toward retirement eligibility (vesting), but may increase your TRS service. Military service performed during a call to active duty while an active TRS member does count toward retirement eligibility (vesting) when it is claimed and appropriate contributions have been paid.

Sabbatical Leave Credit

You may receive membership credit while you are on approved sabbatical leave if:

- 1) you pay the employee contribution and your employer pays the employer contributions to the TRS each month (contributions are based on the contract salary that you would have earned had you worked instead of taken sabbatical leave); and
- 2) you return to your teaching position for a full year after your sabbatical leave ends. If you are unable to return because of sickness, injury, or death, this requirement does not apply.

When you retire, the actual salary that you were paid while on sabbatical leave will be used in the benefit calculation if it is one of your three highest.

Sabbatical leave is membership service and counts toward vesting and retirement eligibility.

Leave of Absence Without Pay (LWOP)

You may receive TRS credit for LWOP if your LWOP was authorized by your employer.

Contributions for LWOP are required and are based on the salary that you would have earned had you continued to work instead of taking LWOP. There are two types of LWOP:

Active LWOP

You must pay both the employee and employer contributions to the TRS each month while on LWOP. Contributions should be paid through your payroll office. No interest accrues on the contributions due.

Inactive LWOP

You are not required to pay TRS contributions while on LWOP. When you return to work and claim LWOP, an indebtedness equal to the employee and employer contributions will be established. Interest on the contributions due begins accruing as of the day you began inactive LWOP.

If you want to receive credit for inactive LWOP, contact the TRS.

Although LWOP credit does not count toward vesting and/or retirement eligibility, it will increase your TRS credit.

It is always a good idea to ask your employer(s) to verify your TRS service before you terminate employment. Verifying your service is especially important if: (1) you have worked part-time, or (2) you just barely have enough TRS service to retire.

Simultaneous PERS and TRS Credit

If you are a member of the TRS and Public Employees' Retirement System (PERS) at the same time, you may receive partial credit under both systems. To be eligible, you must be employed at least half-time in both the PERS and the TRS concurrently and you must make the required contributions.

The total combined PERS and TRS credit that you may earn during a school year (July 1 through June 30 of the following year) may not exceed one year.

Section II. Pension Benefit Calculation

Service

The pension benefit calculation is dependent upon the number of years of service you have as well as your average base salary.

Since the number of years of service is a fundamental part of the retirement calculation, the more years of service you have, the higher your pension benefit will be. The TRS has several different types of non-TRS service that can be claimed. Please read **Section III: Using Claimed Service Credit to Potentially Increase Pension Benefits** on page 7 for more information. You will need to complete and submit a claim form if you have any of the service listed. Claim forms are available from our Web site at doa.alaska.gov/drb or you may contact the Division.

Average Base Salary

Your salary history during your TRS employment is reviewed to determine which of your base contract salaries are the three highest. These salaries represent compensation earned during the school year beginning July 1 and ending June 30 each year. The salaries are added together and the total is divided by three to determine your Average Base Salary (ABS).

To include your contract salary as one of your highest, you must work at least two-thirds of a school year either full-time or part-time.

The base salaries for part-time members will be figured at the full-time rate for this calculation.

Benefit Formula

The TRS benefit formula is:

First 20 years of service and all years served prior to July 1, 1990	All years over 20
2% of ABS per year of service	2.5% of ABS per year of service over 20 years

This base pension would then be adjusted for early retirement, indebtedness, or joint and survivor option, depending on the member's election.

Indebtedness Payments

An indebtedness can be established on your TRS account for several reasons:

- A prior refund of TRS contributions
- Qualified claimed service
- Deficient contributions

Payment(s) on an post-tax basis may be made directly to our Juneau office, or by arranging payroll deductions through your payroll office. Payments that are made with post-tax monies are not eligible for IRA rollover or tax deferred status.

There is also an option for payment that involves using a pre-tax transfer from certain Defined Contribution plans. **Please note: Statutes allowing for a pre-tax payment of an indebtedness for refunded and reinstated service were repealed on July 1, 2010.** Because of the variety of allowed and non-allowed plan transfer types, you must contact the Division directly to determine if you, and the plan you wish to transfer the money from, are eligible to be used to pay an indebtedness.

If you plan on using a pre-tax transfer to pay your indebtedness, it must be initiated six weeks prior to your retirement date. Your retirement benefit cannot be processed until the pre-tax transfer is received.

If at retirement, you have an indebtedness that has not been paid to the TRS, your monthly retirement benefit may be actuarially reduced over your lifetime, depending on the type of indebtedness.

Usually, indebtedness for service that is being used for retirement eligibility must be paid in full prior to retirement. Contact the Division for more information regarding this type of indebtedness.

For other types of indebtedness, a lifetime reduction to pay the indebtedness will only be applied if the resulting benefit is greater than the benefit calculated without the indebtedness and associated service.

Section III. Using Claimed Service Credit to Potentially Increase Pension Benefits

Claimed Service Used for Vesting or Retirement Eligibility

Claimed service increases the number of years of service used to calculate your pension benefit and can result in a higher pension amount.

The following types of claimed service may, when paid in full, count toward vesting or retirement eligibility and have the potential to increase your monthly pension benefit.

Note: Claimed service does not change your tier.

Type of Service	Description	Use for Vesting	Use for Retirement Eligibility
Alaska Bureau of Indian Affairs Service	Certified full-time teaching service with an Alaska BIA school.	Yes	Yes
Alaska Native Language and Culture Credit	<p>Your employment as a teacher of Alaska Native language and culture is covered under the TRS if you were working for a TRS employer in a permanent full-time or part-time position on or after June 4, 1988, and you:</p> <ol style="list-style-type: none"> 1) teach Alaska Native language and culture; 2) learned the subject being taught by living in the culture or using the language in daily life; and 3) are qualified to teach elementary or secondary students according to Department of Education and Early Development regulations. <p>Exceptions: If you were employed as a teacher of Alaska Native language and culture on June 3, 1988, under the Public Employees' Retirement System (PERS) and you did not elect to transfer to the TRS before September 3, 1988, your employment is covered by the PERS.</p>	Yes	Yes
Workers Compensation Leave Without Pay	If you were in Leave Without Pay (LWOP) status due to an on-the-job injury or occupational illness, you may claim this time for service credit.	Yes	Yes
Call to Active Military Duty	If you are called to active military duty from your TRS employment and report to your employer within 90 days of an honorable discharge, you may claim this time for service credit.	Yes	Yes

**Claimed Service
for Benefit
Calculation Only**

The following service can be claimed to potentially increase your benefit, but cannot be used to satisfy either vesting or retirement eligibility requirements:

Type of Service	Description
Leave Without Pay (LWOP)	Contributions for LWOP are required and are based on the salary you would have earned had you continued to work instead of taking LWOP. (See page 4 for more information.)
Military Service Served Prior to entering the TRS	Can claim up to 5 years of active military service in the U.S. Armed Forces if honorably discharged. Tier II may only claim if they are not receiving or eligible to receive a U.S. Government retirement benefit based on the same service.
Outside Service Credit	Can claim up to 10 years of full-time teaching service in an out-of-state school or Alaska private school.

Outside service includes employment as a:

- 1) certified full-time elementary or secondary teacher or certified employee in a full-time position which requires a teaching certificate as a condition of employment in an:
 - out-of-state public school either inside or outside of the United States supported by U.S. funds; or
 - approved or accredited nonpublic school either inside or outside the United States supported by U.S. funds.
- 2) full-time employee in an out-of-state institution of higher learning requiring academic standing and accreditation by a nationally recognized accrediting agency listed in the Education Directory, Colleges and Universities, by the National Center for Education Statistics; or
- 3) full-time teacher in an approved or accredited nonpublic institution of higher learning in Alaska.

You may claim up to 10 years of outside service (only full years are creditable). However, the combined total of outside and military service that may be claimed may not exceed 10 years.

Although outside service is not membership service, in certain cases it does count toward vesting and retirement eligibility.

After your claim is received, an indebtedness is established. You may choose to pay the cost prior to retirement on a pre-tax or post-tax basis or take a lifetime reduction to your benefit to do so. You must indicate on Section III of the Retirement Application form how you intend to pay the indebtedness.

Contact the TRS to find out how to claim service and how much it would cost.

Claimed service that can be used to meet retirement eligibility requirements usually must be paid in full prior to retirement.

Section IV. Medical Benefits and Optional Dental-Vision-Audio and Long-Term Care Programs

All tiers must pay a premium for the optional insurance benefits if they are elected. Tier II and Tier III members must pay for medical insurance if elected and are not eligible for system paid benefits.

Premium payments will be deducted from your retirement check each month. If your monthly check is not sufficient to cover the cost of the premiums, you are responsible to pay the premiums directly to the health plan.

You will be sent a *Retiree Direct Bill Health Enrollment* form once you are appointed to retirement. You must submit this form directly to the claims administrator within 60 days of the date you were notified of your right to enroll in this plan. You will receive a monthly bill from the claims administrator. If you do not receive a form please contact the Division.

If you fail to pay the monthly premiums your insurance benefits will be stopped and you will not be allowed to reinstate them.

Health benefits available from the Alaska Retiree Health Plan include medical, Dental-Vision-Audio (DVA), and Long-Term Care (LTC). Enrollment information and available options are summarized in this section. Please refer to page 1 of this booklet to determine your tier for eligibility purposes.

This is only a summary of the benefits available. Complete descriptions are available in the Retiree Insurance Information Booklet and Long-Term Care booklets. These will be sent following the receipt of your retirement packet and are available on our Web site. In the event of a conflict between this information and the plan booklets, the plan booklets will prevail.

Health Plan — Who May Be Covered

- You.
- Your spouse. You may be legally separated, but not divorced.
- Your qualified same-sex partner.
- Your children from birth (exclusive of hospital nursery charges at birth and well-baby care) up to 23 years of age *only* if they are:
 - Your natural children, stepchildren, foster children placed through a State foster child program, legally adopted children, children in your physical custody and for whom bona fide adoption proceedings are underway, or children for whom you are the legal, court-appointed guardian. If a child is not your or your qualified same-sex partner's natural born child, please provide a court certified copy of the adoption paperwork or court orders.
 - Unmarried and chiefly dependent upon you for support;
- and

- Living with you in a normal parent-child relationship.
 - This provision is waived for natural/adopted children of the benefit recipient who are living with a divorced spouse, assuming all other criteria are met.
 - Only stepchildren living with the retiree more than 50% of the time are covered under this plan.

In accordance with Alaska Statutes 39.35.680(12):

- If your dependent child is age 19 or older, they are required to be registered at, and attending on a full-time basis, an accredited educational or technical institution recognized by the Department of Education and Early Development.
- If your dependent child is age 19 or older and is not a full-time student, then the dependent is eligible for coverage only if he or she is totally and permanently disabled. Please contact the Division for additional information about eligibility, and for information about how to provide proof of your dependent's disability.

Children incapable of employment because of a mental or physical incapacity are covered even if they are past age 23. However, the incapacity must have existed before age 23 and the children must continue to meet all other eligibility criteria. You must furnish the division with evidence of the incapacity, proof the incapacity existed before age 23, and proof of financial dependency. This proof must be submitted within 60 days of your retirement date or the date the child turns 23, whichever is later. Children are covered as long as the incapacity exists, they meet the definition of children except for age, and you continue to provide periodic proof of the continued incapacity as required.

Children are not eligible for Long-Term Care (LTC) coverage.

When you retire, you must list your dependents under the health plan so claims may be paid. If your dependents change later, you must complete a form to add or delete dependents from your account.

If more than one family member is retired under a retirement plan sponsored by the State of Alaska, each eligible family member may be covered by this program both as a benefit recipient and as a dependent, or as the dependent of more than one benefit recipient.

If you elect or are provided with coverage for dependents, your dependents are eligible for benefits on the same day you are eligible if they meet all eligibility requirements. Medical coverage provided by the retirement system is family coverage. Those who must pay for Medical coverage are required to elect the level of coverage that you want. If you add new dependents, they will be covered immediately if you are purchasing coverage for them.

If you elect dependent coverage during an open enrollment period, your dependents are covered on January 1, assuming you pay the required premium.

If you increase your coverage to include dependents following marriage, qualification of a same-sex partner, or birth or adoption of a first child, their coverage begins on the first of the month following receipt of your written request.

To report your eligibility for health insurance to the claims administrator timely, you must file your retirement application at least 60 days prior to your retirement date. Once your eligibility has been reported, you will be sent a welcome kit with information and forms for using your health plan. Shortly afterward, the claims administrator will send you identification cards.

Medical Benefits Highlights

Benefit Year	January 1 – December 31
Annual Deductible	<ul style="list-style-type: none"> • The amount you must pay before the plan pays. • \$150 per individual annually. • Maximum 3 deductibles per family annually.
Coinsurance	The amount the plan pays – 80% of the recognized charge.
Annual Out of Pocket Maximum	When your 20% reaches this amount, the plan pays 100% for the rest of the year — \$800 per person.
Lifetime Maximum	\$2 million per person.
Prescription Drugs	Maximum allowed for each fill – 90 day supply: Retail/local pharmacy: <ul style="list-style-type: none"> • Brand-name drug — \$8 copay • Generic drug — \$4 copay Mail-order pharmacy: <ul style="list-style-type: none"> • All drugs — No copay
Outpatient Surgery, Preoperative Testing, Second Opinions	100% with no deductible.
Skilled Nursing Facilities	Subject to deductible.
Travel	<ul style="list-style-type: none"> • For treatment or second opinions not available locally. • Round trip. • Must be pre-authorized.
Healthy Pregnancy Program	Available.

Medical coverage provided by the retirement system or elected at retirement has no pre-existing conditions limitation. A pre-existing conditions limitation is applied if you select coverage for yourself or your dependents during open enrollment.

Pre-existing conditions are conditions, excluding pregnancy for which you received diagnosis, tests, or treatment (including taking medication) during the three consecutive months before the most recent day you became covered under this plan. For example, if your coverage begins on April 1, a pre-existing condition would be one for which you received diagnosis, testing, or treatment during January, February, and/or March.

Under this provision, only the first \$1,000 of covered medical expenses are paid for pre-existing conditions. If you or your dependent had other group coverage that ended less than 92 days before coverage under this plan began, some or all of this pre-existing condition limitation may be waived. After 12 consecutive months of coverage, this limitation is cancelled and the claims incurred after the 12-month period are covered the same as all other services with no pre-existing limitation.

MEDICAL COVERAGE	Tier I	Tier II
Eligibility	Vested and at least age 50; or 20 years of service.	Vested and at least age 55-60; or 25 years of service.
Premiums Required	No premium payment required.	No premium required if age 60; or with 25 years of service. If under 60, pay full premium until age 60.
Medical Coverage Enrollment	Automatic at retirement.	May enroll at retirement or during an annual open enrollment. Automatically enrolled at age 60.
Coverage Starts	Effective date of your retirement.	Effective date of your retirement, January 1 of year following enrollment during an open enrollment, or on the first of the month following age 60.
Coverage Ends	When a pension benefit is no longer being paid.	When a pension benefit is no longer being paid or if required premiums are not paid.
Pre-Existing Conditions Limit	None.	None if elected at retirement or received at age 60. A limit may be applied if you elect medical coverage during an open enrollment.

Tier I members have family coverage at retirement which includes the member, spouse or qualified same-sex partner, dependent children or dependent children of the qualified same-sex partner.

Eligible Tier II members who are electing coverage may elect for:

- Retiree only
 - Retiree and spouse or qualified same-sex partner
 - Retiree and child(ren)
- or
- Retiree and family (spouse or qualified same-sex partner and child(ren)).

You may decrease the level of coverage at any time. For example, you may change from retiree and family coverage to retiree and spouse or qualified same-sex partner coverage at any time. To decrease your coverage, you must submit a written request to the Division. Changes in coverage are effective on the first of the month following the receipt of your written request. Once you decrease your coverage, you cannot reinstate it except as described below.

You may only increase coverage:

- During an annual open enrollment (Tier II);
- Within 120 days of marriage to include a new spouse and their child(ren); or

- Within 120 days of qualifying for qualified same-sex partner benefits for the partner and child(ren);
- Within 120 days of birth or adoption of a first child to include coverage for the new child.

Premiums for coverage are based on the level of coverage selected. It is your responsibility to notify the Division in writing if your level of coverage changes because your dependents no longer meet the eligibility requirements.

**Dental-Vision-Audio
(DVA)**

The DVA plan is optional and premiums are required from all tiers. No pre-existing conditions limitation applies to the DVA plan. The DVA benefit year is January 1 through December 31 of each year.

Dental Plan Highlights
<ul style="list-style-type: none"> • Pays 100% of the recognized charge for most preventive services (X-rays, exams, cleaning, etc.) with no deductible. • Pays 80% of the recognized charge for most restorative services (fillings, extractions, etc.) after the annual deductible is met. • Pays 50% of the recognized charge for most prosthetic services (crowns, dentures, etc.) after the annual deductible is met. • Requires an annual deductible of \$50 per person for restorative or prosthetic services. • Pays up to \$2,000 of covered expenses per person per year.

Vision Plan Highlights
<ul style="list-style-type: none"> • Requires no deductible. • Pays 80% of the recognized charges. • Covers one complete eye examination, including a required refraction, per year. • Covers two lenses during each calendar year. • Covers one set of frames during every two consecutive calendar years.

Audio Plan Highlights
<ul style="list-style-type: none"> • Pays 80% of the usual, customary, and reasonable charges. • Requires no deductibles. • Allows a maximum benefit of \$2,000 in a three-year period.

DVA Enrollment

DENTAL-VISION-AUDIO (Optional Plan)	Tier I	Tier II
Enrollment	One-time opportunity at retirement. If you do not enroll in DVA prior to your retirement, you waive your right to elect this coverage permanently.	You may elect DVA with or without the medical plan at retirement. You may elect DVA during an open enrollment only if you did not enroll in the medical plan at retirement and are electing medical for the first time. If you first become eligible for medical at age 60, you will have a final chance to enroll at that time.
Premiums Required	Monthly premiums are required based on the level of coverage elected. Premiums are deducted from your retirement benefit or if your benefit is insufficient, you pay the premiums directly to the claims administrator.	Monthly premiums are required based on the level of coverage elected. Premiums are deducted from your retirement benefit or if your benefit is insufficient, you pay the premiums directly to the claims administrator.
Coverage Starts	Effective date of your retirement.	Effective date of your retirement, January 1 of year following enrollment during an open enrollment or on the first of the month following age 60.
Coverage Ends	When a pension benefit is no longer being paid, if premiums are not paid, or when you drop coverage.	When a pension benefit is no longer being paid, if premiums are not paid, or when you drop coverage.

Other Health Plan Information

Coordination of Benefits

The AlaskaCare health plans coordinate benefits with other group health care plans to which you or your covered dependents belong.

You may be covered both as a retiree and as a dependent of another covered retiree or you may have more than one health plan. If that occurs, you will receive benefits from both plans (except for Long-Term Care which prohibits double AlaskaCare coverage). However, the benefits received will be subject to the coordination of benefits provisions as indicated in this section. Coordination of benefits assures no one receives more than 100% of **covered** benefits.

Order of payment for coordination of benefits

To pay benefits, health plans must determine which plan pays first. Like most other health plans, the AlaskaCare plans follow the standard coordination of benefits rules adopted by the National Association of Insurance Commissioners. The most common of these rules are:

- The retiree plan is secondary to Medicare except if Medicare is provided before age 65 due to end stage renal disease. Then the retiree plan remains primary for 30 months after Medicare was effective.
- If you are covered by Medicare and a plan that covers you as an active employee or the spouse/qualified same-sex partner of an active employee, the active plan is primary, Medicare is secondary, and the retiree plan pays third.
- The plan covering the retiree directly, rather than as a dependent, is the primary plan.
- A plan covering the person as a retiree is secondary to a plan covering that person as an active employee.
- If a child is covered under both parents' plans, the plan of the parent whose birthday falls earlier in the year is the primary plan. If both parents have the same birthday, the plan that has covered a parent longer is the primary plan.

If none of these rules apply, the plan that has covered you longer is the primary plan.

If you have two health plans, any dollar limits are doubled. For example, the dental annual maximum pays up to \$2,000 of covered expenses under one plan and another \$2,000 under the second plan for a total of \$4,000 of **covered** expenses. Any services that are limited to a maximum number of services in a year are not doubled. For example, if you have two plans that each cover a single vision exam each year, the plans coordinate to cover up to 100% of a single vision exam; they do not pay for two vision exams in a year.

For further information and details on coordination of benefits, please see the *Retiree Health Plan Information* booklet.

It is your responsibility to report the existence of, or benefits payable under any plan, and to file for those benefits.

Effects of Medicare

You or your eligible dependent must elect Medicare Part A and B at age 65, regardless of any other coverage you have.

If you or your eligible dependent are eligible for Medicare coverage (and most people are eligible at age 65), the benefits available under the retiree plan will become supplemental to your Medicare coverage. The claims administrator will assume that you and/or your dependents have coverage under both Medicare Part A and Part B when you or your dependent reach age 65. If you are not provided with Medicare Part A free of charge, you should submit a copy of your letter from Medicare stating that you are not eligible to the claims administrator.

Everyone is eligible for Medicare Part B.

If you do not enroll in Medicare Part B coverage, the estimated amount that Medicare would have paid will be deducted from your claim before processing by this plan. If you receive care outside the United States, Medicare does not cover your expenses and the retiree plan will take this into account when processing your claims.

Long-Term Care (LTC)

The Long-Term Care (LTC) plan has a pre-existing conditions limitation.

No benefits are payable for any covered Program of Care provided or begun prior to the effective date of your coverage or during the first 12 months of coverage caused by a pre-existing condition. Pre-existing conditions are conditions for which you received diagnosis, tests, or treatment (including taking medication) during the three consecutive months before the most recent day you became covered under this plan. For example, if your coverage begins on April 1, a pre-existing condition would be one for which you received diagnosis, testing or treatment during January, February, and/or March.

You may elect to cover your spouse or qualified same-sex partner if you elect coverage for yourself before the effective date of your retirement. You may be legally separated from your spouse but not divorced.

Spouses or qualified same-sex partners of benefit recipients who lose coverage because of death or divorce may elect coverage for themselves only and may not elect coverage for a new spouse or qualified same-sex partner. If you choose coverage for yourself only because you are not married or do not have a qualified same-sex partner at the time you retire, or if you remarry following divorce or the death of your spouse or partner and elected coverage for yourself, you may request in writing to cover your new spouse or qualified same-sex partner. Your new spouse or qualified same-sex partner will be required to provide information on his or her health and will be subject to approval or denial by the claims administrator.

You may be covered by only one AlaskaCare LTC plan at a time. If you are covered by your own LTC plan, your spouse or qualified same-sex partner cannot have LTC coverage for you under their retirement benefit. If you are covered under your spouse's or qualified same-sex partner's LTC plan, notify the Division when you retire, so the LTC coverage can be moved to your own retirement benefit or terminated if you elect a new option.

Premiums are based on your or your spouse's or qualified same-sex partner's age at the time coverage begins. You pay the premiums for this coverage through deduction from your monthly retirement check. You self-pay premiums directly to the claims administrator if your monthly retirement check is insufficient to pay your premiums. Your premium does not increase with age; however, overall premiums are subject to change. When premiums change, you will pay the new rate for the age you were at the time you enrolled in the plan.

Long-Term Care Plan Comparison

	Silver Option	Gold Option	Platinum Option
Lifetime Maximum and Inflation Protection	\$400,000 Maximum No inflation protection.	\$300,000 Simple inflation protection at 5% of original benefit each year. Applies to daily and lifetime benefit amounts.	\$300,000 Compound inflation protection at 5% of the prior year's benefit each year. Applies to all daily and lifetime benefit amounts.
Deductible	90 days of covered Long-Term Care.		
Benefit Eligibility	Inability to perform 2 of 6 activities of daily living or severe cognitive impairment.		
Nursing Care Facility Daily Benefit	\$200 per day		
Assisted Living Facility Daily Benefit	\$150 per day		
Home Health Care Daily Benefit	\$125 per day		
Hospice Care Daily Benefit	\$125 per day		
Respite Care Daily Benefit	Up to \$200 per day, maximum of 14 days per calendar year.		
Pre-Existing Condition Limitation	Yes.		
Coverage Begins	Effective date of retirement. New spouse or qualified same-sex partner's coverage begins the first of the month following approval, if requested after retirement.		
Coverage Ends	When pension benefit is no longer being paid or when required premiums are not paid.		

Example of Inflation Protection

Year	Nursing Facility Daily Benefit		Lifetime Maximum Benefit	
	Simple Inflation (Gold)	Compound Inflation (Platinum)	Simple Inflation (Gold)	Compound Inflation (Platinum)
Start	\$200	\$200	\$300,000	\$300,000
5	250	255	375,000	382,884
10	300	326	450,000	488,668
15	350	416	525,000	623,678
20	400	531	600,000	795,989
25	450	677	675,000	1,015,906
30	500	711	750,000	1,296,583

Limitations and Exclusions

The following services are not covered and no benefits are payable for:

- A loss caused by declared or undeclared war or any such act.
- A loss caused by a suicide attempt or an intentionally self-inflicted injury.
- A confinement in a government institution, unless the covered individual is legally obligated to pay a charge.
- Services received or expenses incurred on any day the covered individual is confined to a hospital.
- Services or expenses that are covered by the AlaskaCare retiree group medical plan.
- Services received or expenses incurred outside the United States.
- Services provided by a person who usually resides in the covered individual's home or is a member of the covered individual's family, or when the person performing the service normally does not charge for the service.
- Services received for which the covered individual is not legally obligated to pay.
- Services received which are covered by Medicare.
- Services provided or required because of the past or present service of any person in the armed forces of a government.
- Services provided or required under any law or governmental program except Medicaid.

If you have questions on actual coverage under this plan, contact the Benefits section at (800) 821-2251 or (907) 465-4460.

Frequently Asked Questions

My spouse or qualified same-sex partner is retired and has the LTC plan for both of us. Can I elect LTC too?

You may not have two LTC plans for either you or your spouse or qualified same-sex partner. If your spouse or qualified same-sex partner has LTC, you may either keep the coverage you have under that plan or you may elect a different LTC option for you, your spouse or qualified same-sex partner, or both of you under your benefit. If you elect to keep the LTC your spouse or qualified same-sex partner has for you, be sure to let the Division know so that your coverage/premium can be moved to your retirement benefit.

What if my check isn't enough to pay the premium(s) for my health benefits?

You may pay the premium directly to the claim administrator—the Division will provide you with the forms and procedure to do this after your benefit is calculated.

Can I have two DVA plans?

Yes. If you have a second retirement (you retire from TRS and then from PERS, for example), you may elect coverage under both plans. Or if you are covered by your spouse or qualified same-sex partner's plan, you may elect to have a second plan for yourself or yourself and your eligible dependents.

The benefit to having two DVA plans is they coordinate to pay 100% of **covered** expenses. For example, a filling is covered at 80% under one plan and the second plan pays the remaining 20%. In addition, any annual dollar limits are doubled. For example, the dental plan has a \$2,000 maximum and each plan pays up to \$2,000, for a total of \$4,000, for covered expenses. Service limits, one eye examination per year for example, are not doubled.

What if I travel or live outside the United States?

Your medical and DVA coverage is good worldwide, with the exception of the travel benefit which is only available for medical services in the contiguous United States and the states of Alaska and Hawaii. You may have to pay the cost of the claim up front and file for reimbursement. LTC is not available outside the United States.

How is this plan different from the plan I have while I'm working?

The retirement systems cover over 200 employers in Alaska, all with different health plans. It is impossible to replicate or be familiar with all the different plans. However, the retiree plan is different from the State's plan for active employees and from any other employer plan of which we are aware.

Section V. Rights of Spouses and Dependents

Under the TRS, there are provisions that recognize the rights of spouses and dependents to receive TRS benefits. These provisions:

- require that the benefit payable to a married member who retires be in the form of a Joint and Survivor (J&S) pension, unless the spouse consents to another form of benefit;
- allow a former spouse to be treated as a spouse/surviving spouse of a member, to the extent required in a qualified domestic relations order (QDRO), as part of the property settlement in a divorce or dissolution judgment. Rights of a former spouse and dependents under a QDRO may take precedence over other rights under the retirement system statutes.

If you wish to continue both pension benefits and health benefits to your spouse or qualified same-sex partner in the event of your death, you must have elected a survivor option, otherwise all benefits cease at your death.

Joint and Survivor Options

There are various types of benefits available, including the 50% and 75% Joint and Survivor (J&S) options and the 66-2/3% Last Survivor.

Selection of any one of the J&S options will provide a continuing, lifetime monthly benefit, including eligibility for health benefits, to your spouse or qualified same-sex partner, or other eligible dependent, if you die before your spouse or qualified same-sex partner, or other eligible dependent. Otherwise all benefits, including medical, cease at your death.

Married members are required by TRS statutes to select a J&S option when they retire. This requirement will be waived if a member's spouse gives written consent to another type of benefit to the TRS administrator.

The 50% J&S option is automatically required when (1) a member fails to select a J&S option, and the spouse does not consent to another type of benefit, or (2) a member dies prior to being appointed to retirement (even if an application designating a different J&S option was previously submitted).

If the spouse consents, the member may select another retirement option (normal or early) that will pay monthly benefits to the member during his or her lifetime, but will not pay monthly benefits to the spouse after the member's death. The spouse's consent to another type of benefit may be made BEFORE the member's retirement date on the *Application for Retirement Benefits* in Section II B.

Members in a qualified same-sex partnership may choose to select a J&S option for their partner when they retire. The member may select another retirement option (normal or early) that will pay benefits to the member during his or her lifetime, but will not pay monthly benefits to the qualified same-sex partner after the member's death without the qualified same-sex partner's consent.

A joint and survivor benefit election will reduce your regular retirement benefit.

Caution: Under the 66-2/3% Last Survivor option, your benefit will be reduced to the 66-2/3% survivor benefit if your spouse or qualified same-sex partner dies first. Only a spouse or qualified same-sex partner of the member at the time the member retired may be treated as a surviving spouse or qualified same-sex partner.

A joint survivor option elected at retirement is irrevocable.

Supplemental Contributions

Members who first entered the TRS before July 1, 1982, who elected participation in the 1% Supplemental Contribution program receive survivor benefits or a spouse's pension with no reduction to their retirement benefit if the member paid 1% supplemental contributions for at least five years immediately before terminating TRS employment.

Dependent Child

A monthly survivor's allowance is payable if a deceased member has dependent children and meets the eligibility requirements.

The survivor's allowance is based on the member's annual base salary immediately before the member's retirement. The monthly allowance is calculated by multiplying that salary by the percentage listed below and dividing by 12 months.

- 10% for each dependent child up to a maximum of four children (40%). The allowance ceases when a child is no longer eligible.
- 35% for an eligible spouse or qualified same-sex partner. The spouse or qualified same-sex partner must be legally responsible for the member's dependent child(ren). This allowance is paid in addition to the above dependent child's allowance. When a child is no longer eligible for the dependent child's allowance, the survivor's allowance ceases and the spouse or qualified same-sex partner becomes eligible for the spouse's pension.
- 10% for each court-appointed guardian up to a maximum of four guardians (40%) if there are four or more children. This allowance is limited to one guardian (10%) for each child and is in addition to the dependent child's allowance. When there is no longer a dependent child eligible for an allowance, the guardian's allowance ceases. If a spouse or same-sex partner is eligible for the spouse's allowance, a guardian's allowance will not be paid.

Spouse's Pension

A monthly spouse's pension is payable to the surviving spouse or qualified same-sex partner if there are no dependent children and the eligibility requirements have been satisfied. The spouse's pension is equal to:

- 50% of the member's retirement benefit, including post retirement pension adjustments (PRPAs), at the time of the retired member's death; or
- 50% of the normal retirement benefit that would have been payable had the member been retired (see Benefit Formula on page 5).

An unmarried child of a member, including one adopted, who is dependent upon the member for support and is under age 19, or 23 if registered as a full-time student and attending an accredited educational or technical institution recognized by the Department of Education and Early Development. There is no age restriction if the child is totally and permanently disabled.

Beneficiary Designation

If you are married at the time of your death and you were married to the same person during part of your TRS employment, your spouse is automatically your beneficiary, regardless of your written designation, unless:

- your spouse consents to another beneficiary; or
- another person (such as a former spouse) is eligible for the benefits under a qualified domestic relations order (QDRO). That person would be entitled to the portion of the benefit that is ordered by the QDRO.

See *Designation of Beneficiary* in the *TRS Information Handbook* for more information.

How a Divorce Affects Retirement Benefits

If you have been divorced or had your marriage dissolved during your TRS employment, you are required to submit a court-certified copy of your divorce decree and the property settlement agreement or your petition for dissolution.

Following a post retirement divorce/dissolution, an ex-spouse who was married to a member when the member retired and elected a joint and survivor option continues to be eligible for the survivor benefit (and any associated medical benefits) in the event of the death of the member. A future spouse of a retired member who married the member AFTER the member retired may not be treated as a surviving spouse under any circumstances. A former spouse may be eligible for all or part of a TRS benefit under a qualified domestic relations order (QDRO).

Required Information in the Event of a Divorce

Individuals who are entitled to benefits because of a qualified domestic relations order (QDRO) must file evidence of their entitlement with the TRS administrator to protect their rights.

Evidence of entitlement (court certified divorce or dissolution decree, or QDRO) should be filed with the TRS administrator immediately after the change in marital status.

Section VI. Taxes and Your Benefits

TRS benefits are taxable by the federal government as soon as they are received. Division of Retirement and Benefits employees do not give tax advice. Please see your tax advisor for information regarding the level of taxation you should select.

Tax Excludable Benefits

Pension benefits are taxable by the federal government upon receipt. However, a portion of your monthly benefit may be tax excludable if you paid contributions to the system prior to 1991 or made taxed contributions for an indebtedness.

The federal government requires that the tax excludable amount be calculated based on your total contributions which have been taxed and a factor which takes into account your life expectancy. If a survivor's benefit will be payable after your death, your spouse's or qualified same-sex partner's life expectancy will also be taken into account.

This results in a payout of your tax-excludable contributions over your expected lifetime and your spouse's or qualified same-sex partner's, if a survivor's benefit will be payable after your death.

You will be notified of the tax excludable portion upon your appointment to retirement.

Monthly survivor's benefits are taxable by the federal government upon receipt. However, a portion of the monthly survivor's benefit may also be tax excludable depending on the member's circumstances at the time of death.

Federal Income Tax Withholding

There are three withholding options available.

You may:

- 1) Elect no withholding and pay your taxes directly to the Internal Revenue Service (IRS). In that case, you should contact the IRS about filing requirements and deadlines.
- 2) Specify your withholding allowance(s).
- 3) Specify your withholding allowance(s) plus have an additional amount withheld.

You may change your withholding option at any time by submitting a new Withholding Certificate for Pension or Annuity Payments (W-4P)

Federal income tax will automatically be withheld from your benefit if, when you are appointed to receive monthly benefits, you do not complete Section XI of the Retirement Application specifying one of the above withholding options. The tax rate for a married person with three allowances will be used to determine the withholding amount.

Same-Sex Partner Dependents for Federal Income Tax Purposes

If your same-sex partner and same-sex partner's eligible dependent children qualify as your dependents under IRC Section 152 (as modified by IRC Section 105(b)), the costs for their benefits are not considered taxable income to you. Generally, to qualify as an IRC Section 152 dependent (as modified by IRC Section 105(b)), of a retiree during a given tax year, the same-sex partner (and, if eligible under Plan's rules, the same-sex partner's children) must be a "qualifying relative" of the retiree. To be a "qualifying relative," the same-sex partner and/or children of the same-sex partner must meet the following requirements:

- 1) Have the same principle place of abode as the retiree for the full tax year (January 1 through December 31), except for temporary absences such as vacation, military service, or education. If the partnership dissolves other than on December 31, for reasons other than the death of the same-sex partner, the tax exclusion is lost for the entire year. If the relationship terminates due to the death of the partner, the partner would continue to be treated as a dependent for the entire tax year.
- 2) Receive more than half of his or her support from you, the retiree;
- 3) Be a U.S. citizen, U.S. national or resident of U.S., Canada, or Mexico; and
- 4) Not be anyone else's "qualifying child" under IRC Section 152.

Whether or not you will be claiming your same-sex partner and partner's dependent children as tax dependent for insurance purposes under IRS Section 152 (as modified by IRC Section 105(b)) you must complete and sign the Declaration of Tax Status form. It may be required that Section 152 dependent status be declared each tax year. Retirees are strongly encouraged to consult with a tax advisor before declaring a same-sex partner satisfies each of the above requirements to be considered a qualifying relative as defined by the IRS. The TRS will assume your same-sex partner does not qualify as your tax dependent for tax-free health insurance if you do not file a declaration that the same-sex partner meets the requirements to be considered a qualifying relative.

Please Note: This information is not intended as tax advice but rather to alert you of potential tax ramifications and IRS rules.

All retirees wishing to enroll their same-sex partner under the retiree health plan are strongly encouraged to consult with a qualified tax advisor to fully understand the tax issues involved.

State Income Tax If You Live Outside of Alaska

Although Alaska does not have a state income tax, members who live outside Alaska may be required to pay state and local income taxes on benefits that they receive. Check with a tax expert in your area for more information.

Section VII. After Retirement Benefit Increases

Alaska Cost-of-Living Allowance (COLA)

The Alaska COLA was developed in 1966 to help those retirees who remained principally domiciled in the state of Alaska to defray some of the higher cost of living in Alaska. The amount of COLA for eligible participants is 10% of their final base retirement benefit per month. Eligible members must be principally domiciled and physically present in the state to receive this benefit.

If you reside in Alaska after you retire, you may receive an Alaska Cost-of-Living Allowance (COLA) in addition to your regular monthly benefit. (See tier chart on page 1 for eligibility information.)

“Residing in Alaska” means domiciled and physically present in Alaska. A domicile is that place where you have your true, fixed, and permanent home and principal establishment and to which, whenever you are absent, you intend to return. An absence, which exceeds 90 days, constitutes a break in residency for COLA purposes.

Post Retirement Pension Adjustments (PRPA)

Your TRS benefit will grow over time if there are increases in the Consumer Price Index for Urban Wage Earners in the Anchorage area. The PRPA is paid to all eligible retirees regardless of where they live. (See tier chart on page 1 for eligibility information.)

The amount of the PRPA will depend upon the recipient’s age and how long the recipient has been receiving TRS benefits.

PRPAs are calculated effective July 1 each year by multiplying the recipient’s base pension benefit, including any prior PRPAs, times:

- 75% of the cost-of-living increase in the preceding calendar year or 9%, whichever is less, if the recipient is at least age 65 or on TRS disability on July 1.
- 50% of the cost-of-living increase in the preceding calendar year or 6%, whichever is less, if the recipient is at least age 60 or has been receiving TRS benefits for at least eight years as of July 1.

Eligible recipients who have not received pension benefits during the entire preceding calendar year will receive a prorated PRPA.

Section VIII. Life Insurance

Converting Employer-Sponsored Life Insurance Plans

If you are participating in a group life insurance plan sponsored by your employer you may be able to convert this coverage to a private policy. Please contact your employer's human resources office for more information.

State of Alaska Sponsored Optional Life Insurance Plan

State of Alaska employees, political subdivision employees, and Department of Education and Early Development employees participating in the State of Alaska Optional Life Insurance benefits may elect to continue this coverage while retired. Premiums will be deducted from the monthly benefit check.

- Decreases in coverage are allowed upon appointment to retirement or one time each calendar year after.
- Decreases are allowed in \$5,000 increments.
- Complete & submit the *State of Alaska Retirees Optional Life Insurance Continuation/Waiver* form (02-1858) to request a decrease in coverage.
- Coverage may not be decreased below a total of \$5,000.
- Once decreased, coverage may never be increased under this plan.

Section IX. Unused Sick Leave

When you retire, you may receive additional TRS credit by claiming your unused sick leave. To be eligible:

- you must have been an active TRS member after June 30, 1977; and
- your claim for unused sick leave, as verified by your last employer, must be received by the TRS no later than one year after you are appointed to retirement.

Retired members who return to work under the TRS may claim unused sick leave earned while they are reemployed in the TRS. Unused sick leave earned while a member is participating in the University of Alaska's optional retirement program is not creditable in the TRS.

Contributions are not required for sick leave credit. Sick leave is credited on a day-for-day basis according to the current Membership Service Chart (only full days are creditable). For example, 172 days of sick leave equals 1.0 year of credit.

Unused sick leave credit will be added to your TRS service and your retirement benefit will be increased after you are on retirement for a period equal to the number of sick leave days claimed. The benefit increase will be effective on the first of the month following that date.

For instance, if you are claiming 94 days of sick leave, you will receive an additional .5 year credit on the first of the month after your 94th day of retirement. If you retired on July 1, your benefit would increase on November 1 (October 2 is the 94th day), and the check paid to you at the end of November would be larger.

Section X. Working After Retirement

Reemployment with a Non-TRS Employer

TRS members may work for any non-TRS employer or in a nonpermanent or temporary position with a TRS employer without affecting their retirement benefits.

Returning to TRS-covered employment, however, will cause your retirement benefit to cease.

Special restrictions exist for members who retire under a Retirement Incentive Program (RIP).

Returning to Work with a TRS Employer after a Normal Retirement

Normal retirement is defined as retiring with either age or service eligibility for an unreduced retirement benefit. Normal age retirement is age 55 for Tier I and age 60 for Tier II, or 20 years of membership service. (Normal retirement does not include RIP retirees.)

If you return to work in a permanent full-time or part-time position after a normal retirement, your retirement benefits are stopped and you earn a second pension benefit based on the service and salaries earned during the second period of employment.

It is your responsibility to notify the Division if you have returned to work in a TRS-eligible position so your benefit can be stopped and you can avoid an overpayment of benefits.

Returning to Work with a TRS Employer after an Early Retirement

If you retire under the early retirement provisions and subsequently return to TRS-covered employment, your retirement benefits will stop and you will earn a second pension benefit based on the service and salaries earned during the second period of employment.

Caution: A retired teacher who returns to a TRS participating position and earns a full year of service will have their retirement benefits stopped effective July 1 of the school year employed.

Additional Resources

The *TRS Information Handbook* is available at alaska.gov/drb.

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Claim and Verification of Unused Sick Leave Credit

FOR OFFICE USE ONLY

Toll-Free: (800) 821-2251
alaska.gov/drb

Division of Retirement and Benefits
P.O. Box 110203
Juneau, Alaska 99811-0203

Juneau: (907) 465-4460
TDD: (907) 465-2805
Fax: (907) 465-3086

Name	Social Security Number
------	------------------------

I wish to claim all creditable days (only full days will be credited) of sick leave accrued during my Teachers' Retirement System (TRS) membership service. I understand that I must claim the sick leave within one year of my retirement. I also understand that I must be on retirement the same number of days as the number of creditable sick leave days accrued, before a benefit will be paid on that portion of service and that my benefit will be increased effective the first day of the month following the expiration of this period. Further, I certify that this application denotes my full and entire claim for all my accrued sick leave during my TRS membership service and forfeits my right to a further claim for this service.

Date	Signature
------	-----------

FOR EMPLOYER USE ONLY:

Our records indicate that _____ has an unused sick leave balance
Name of Employee

of _____ full days from _____ to _____.
Number *Beginning date of employment* *Ending date of employment*

School District

Signature of Certifying Officer	Date
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Alaska Teachers' Retirement System
P.O. Box 110203, Juneau, AK 99811-0203
Fax: (907) 465-1470 | TDD: (907) 465-2805
Toll-Free: (800) 821-2251 | Juneau: (907) 465-4460

Spousal Waiver of Beneficiary

Spouse's Consent

I, _____, am the spouse of _____.

I understand that I may be entitled to the death benefits that will be paid if my spouse dies. I have reviewed the retirement benefit provisions described in the *TRS Information Handbook*. I understand that, depending upon the circumstances of my spouse's death, I may be eligible to receive either a lump sum benefit or monthly benefit for the rest of my life and that major medical insurance may be available to me and my eligible dependents while I am receiving monthly benefits.

By signing this consent, I agree to waive my right to any benefits that would be paid to me and consent to the naming of another beneficiary.

Spouse's Signature (*must be witnessed below*)

Date

Witness Signature (*must be a designated employee of the Division of Retirement and Benefits*)

Date

OR

Notary Public or Postmaster

State of: _____

Notary Stamp/Seal

My Commission Expires: _____

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Retiree Same-Sex Partner Affidavit

FOR OFFICE USE ONLY

Toll-Free: (800) 821-2251
alaska.gov/drb

Division of Retirement and Benefits
P.O. Box 110203
Juneau, Alaska 99811-0203

Juneau: (907) 465-4460
TDD: (907) 465-2805
Fax: (907) 465-3086

SECTION I. RETIREE INFORMATION

COMPLETE BOTH SIDES

Retiree Name (Last, First, MI)	Sex <input type="checkbox"/> Female <input type="checkbox"/> Male	Member RIN	Contact Phone
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Mailing Address (City, State, ZIP+4)

Same-Sex Partner Name (Last, First, MI)	Sex <input type="checkbox"/> Female <input type="checkbox"/> Male	Date of Birth
---	--	---------------

Before signing the affidavit and enrolling a same-sex partner in insurance coverage under the state's plans, you and your same-sex partner should contact an attorney and tax advisor about possible legal and tax consequences.

To enroll your same-sex partner and any children of the same-sex partner, you must also complete the applicable dependent enrollment forms. The same-sex partner affidavit and dependent enrollment forms must be received or postmarked no later than the last day of the month prior to your retirement effective date.

SECTION II. AFFIDAVIT

Under the penalty of perjury, we each hereby certify that we each:

- (1) are at least 18 years old and are each competent to enter into a contract;
- (2) have been in an exclusive, committed, and intimate relationship with each other for the last consecutive 12 months and intend to continue that relationship indefinitely;
- (3) have resided together at a common primary residence for the last 12 consecutive months and intend to reside together indefinitely;
- (4) consider ourselves to be members of each other's immediate family;
- (5) are not related to each other to a degree of closeness that would preclude us from marrying each other in Alaska if we were of the opposite sex from each other;
- (6) are neither one of us legally married to anyone else;
- (7) have not executed an affidavit affirming same-sex partner status with anyone else within the last 12 months;
- (8) are each other's sole domestic partner and are each responsible for the common welfare of the other;
- (9) share financial obligations, including joint responsibility for basic living expenses and health care costs;
- (10) understand that, under applicable federal income tax law, payments for medical coverage of a same-sex partner or child of a same-sex partner may not be eligible for pre-tax treatment, and coverage of a same-sex partner may result in additional imputed taxable income to the covered employee, retirement system member, or survivor and related withholding for payroll, income, or pension and annuity taxes; and
- (11) understand that, in addition to requirements of this section, there are terms and conditions of coverage set out in each group policy, state plan of self-insurance, or alternative insurance program to which we are bound.

SECTION III. SUPPORTING DOCUMENTATION

In order to enroll a same-sex partner in group insurance coverage, you must provide the Plan Administrator with documentation establishing that you and your same-sex partner meet at least five of the eight criteria set out below.

Please check five boxes that prove:

- joint interest in real property, as evidenced by title or mortgage, lease, or rental agreement, by the employee or retirement system member and the same-sex partner.
- joint ownership or purchase of a motor vehicle by the employee or retirement system member and the same-sex partner.
- joint ownership of a checking, savings, or investment account or joint liability for a loan or credit account by the employee or retirement system member and the same-sex partner.
- the same-sex partner is named as primary beneficiary for a life insurance policy of the employee or retirement system member.
- the same-sex partner is named as primary beneficiary for the employee's or retirement system member's pension or annuity plan benefits, deferred compensation plan, Individual Retirement Arrangement or Account, 401(k) plan, Keogh plan, or other tax-deferred or taxable plan.
- the same-sex partner is named as primary beneficiary in the employee's or retirement system member's will.
- the same-sex partner has authority to deal with property owned by the employee or retirement system member under a valid written power of attorney.
- the employee or retirement system member has given the same-sex partner written authority to make decisions concerning the employee's or retirement system member's health and well-being if the employee or retirement system member is unable to do so.

Supporting documentation does not need to be submitted with your retirement application, but it is required before your benefits can be finalized. All determinations of whether a particular item of proof is acceptable to prove financial interdependence shall be made by the Plan Administrator at his/her sole and absolute discretion.

- Check this box if you provide more than one-half of your same-sex partner's support in accordance with IRS Regulations.

In completing this form, the undersigned declare under penalty of perjury that the undersigned employee/member and same-sex partner meet the requirements of 2 AAC 38.010(b) that are set out in the affidavit. The undersigned employee/member of state retirement system agrees to notify the administrator in writing within 30 days after eligibility ends under the above requirements.

Signature of Employee/Retiree Date Signature of Same-Sex Partner Date

Signature witnessed by:

Division of Retirement and Benefits Plan Representative, Notary Public, or Postmaster Date

On this _____ day of _____, 20____, personally appeared before me, _____ whose identity I proved on the basis of satisfactory evidence to be the signer of the participant's signature above, and he/she acknowledged that he/she executed it.

Notary Public _____

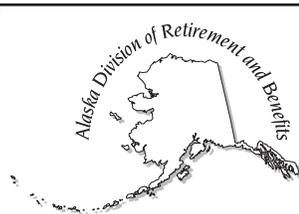
SEAL
OR
STAMP
REQUIRED

State of _____ and Borough/County of _____

Residing at _____ Commission Expires _____

Office Use Only:

Accepted Rejected Date verified _____ Initials _____



Declaration of Tax Status Alaska Benefit Plans

FOR OFFICE USE ONLY

Toll-Free: (800) 821-2251
alaska.gov/drb

Division of Retirement and Benefits
P.O. Box 110203
Juneau, Alaska 99811-0203

Juneau: (907) 465-4460
TDD: (907) 465-2805
Fax: (907) 465-3086



The State of Alaska offers coverage for same-sex partners and their eligible dependent children. In order to ensure proper tax treatment of the benefits for these dependents, the State must know the federal tax status of each dependent enrolled. The tax status of the dependent does not affect their eligibility for coverage but does impact the tax treatment of that coverage. The flowchart on the back of this form is provided to assist you in determining and verifying the federal tax status of your same-sex partner and dependent children. The chart is provided as an overview of the tax rules but given their complexity, we recommend you consult a tax advisor regarding your specific circumstances. Additional information regarding the tax implications is provided in "Retiree Important Tax Implications for Enrolling Same-sex Partners."

List every dependent you are enrolling for health coverage on your health dependent enrollment form in this packet and indicate whether they are a federal tax dependent, or not, after following the flowchart on the back of this form.

Member Name		Member RIN	
Health Dependent Name	Date of Birth	Relationship to Member	Federal Tax Status
		Same-Sex Partner	<input type="checkbox"/> This person is my tax dependent for purposes of this health plan. <input type="checkbox"/> This person is not my tax dependent for purposes of this health plan.
		Child of Same-Sex Partner	<input type="checkbox"/> This person is my tax dependent for purposes of this health plan. <input type="checkbox"/> This person is not my tax dependent for purposes of this health plan.
		Child of Same-Sex Partner	<input type="checkbox"/> This person is my tax dependent for purposes of this health plan. <input type="checkbox"/> This person is not my tax dependent for purposes of this health plan.
		Child of Same-Sex Partner	<input type="checkbox"/> This person is my tax dependent for purposes of this health plan. <input type="checkbox"/> This person is not my tax dependent for purposes of this health plan.
		Child of Same-Sex Partner	<input type="checkbox"/> This person is my tax dependent for purposes of this health plan. <input type="checkbox"/> This person is not my tax dependent for purposes of this health plan.

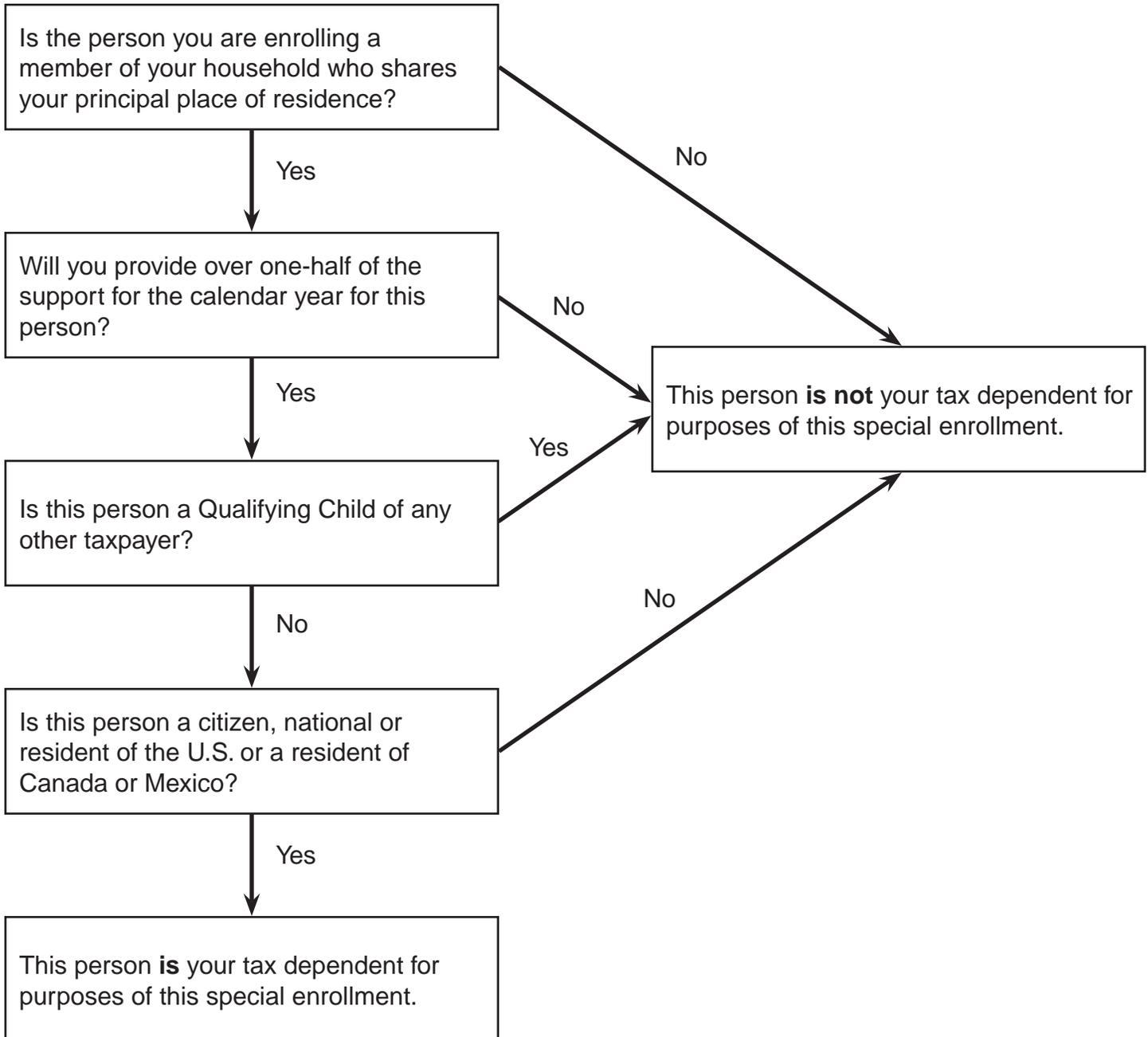
I understand that the division has a legitimate need to know the federal income tax status of my relationship with my same-sex partner and their child/children. I certify that the information I have listed above is true. I understand that this information will be held confidential and will be subject to disclosure only upon my express written authorization or if otherwise required by law. I understand that if any information I have provided is false or misleading, it could result in termination of eligibility under the health plan. I agree to notify the Division if there is any change in these circumstances within 30 days of the change. I am aware that changes may impact the tax treatment of my coverage.

Member Signature

Date

Declaration of Tax Status Alaska Benefit Plans

Answer the following questions for **each** person you listed on the other side of this form:



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Alaska Teachers' Retirement System
Division of Retirement and Benefits
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Juneau, AK 99811-0203
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