



WCPS Pre-Retirement Information

In this packet, you will find information on the following subjects. Please review the information carefully. Feel free to contact the Benefit Office for any questions you may have.

YOUR PENSION –THE MARYLAND STATE RETIREMENT & PENSION SYSTEM

EARLY RETIREMENT NOTICE

HEALTHCARE OFFERINGS

MEDICAL/PRESCRIPTION COVERAGE

DENTAL COVERAGE

VISION COVERAGE

LIFE INSURANCE

UNUSED SICK LEAVE

RETIREE READY CHECKLIST

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Maryland State Retirement Agency



MARYLAND
STATE RETIREMENT
and PENSION SYSTEM

Alternate Contributory Pension System

- Referred to as the 'new' system – established 7/1/2006 – closed 6/30/2011
- Pension System: 3 highest *consecutive* years of salary
- Service Retirement (full benefit)
 - Age 62 with at least 5 years of eligibility service **or**
 - 30 years of eligibility service regardless of age
- Early Retirement (reduced benefit)
 - Age 55 with at least 15 years of eligibility service
 - Greatest reduction is 42%

Teachers & Employees Retirement System

- Referred to as the 'old' system
- Retirement System: 3 highest years of salary
- Service Retirement (full benefit)
 - Age 60 **or**
 - 30 years of service regardless of age
- Early Retirement (reduced benefit)
 - 25 years of service regardless of age
 - Greatest reduction is 30%

Purchasing Service

Military Credit

Prior to Membership

- Must have 10 years of creditable service as a member
- File Form 43, along with proper military documentation
- Eligible for a maximum of 5 years of service

During Membership

- File Form 46 prior to leaving active employment
- File Form 43 upon returning to work
- Eligible for a maximum of 5 years of service

Purchasing Service

Full Service → you pay the cost to fund the benefit

Examples:

Federal government

Public, private, or parochial school teaching

Municipal employment

Prior State service for which you are not receiving credit

Normal Cost → you pay missed contributions plus interest

Example: absence for an approved leave of absence

*Can use investment funds to purchase service credit

A video explaining all of this can be found at this [link](#), or

<http://www.sra.state.md.us/Participants/Members/Resources/Default.asp>

select Retirement Part 2: Service Credit and Purchase Video.

Monthly Benefit

How much will my pension be each month?

Personal Statement of Benefits—shows your contributions and an estimate of your monthly benefit

MSRA website -- offers benefit worksheets and estimators at this link <http://www.sra.state.md.us/Participants/Members/Resources/Estimators/Default.aspx>

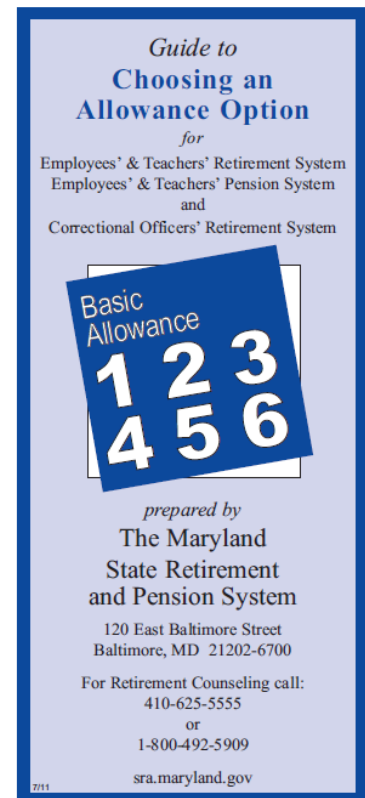
Form 9 – Request your estimates—retirement agency audits your account and provides you with your options for your monthly pension payment. It can take up to 12 weeks to receive your estimates from the MSRA.

You have 7 different pension payment options. Review the video for details, then contact your Benefits Office if you have further questions. It is best to discuss your options after you have received your estimates.

Options Video

or

<http://www.sra.state.md.us/Participants/Members/Resources/Default.aspx>
select Retirement Part 3: Preparing for Retirement Payment Options Video



Options Overview

The Basic Allowance

The Basic Allowance provides the maximum lifetime allowance to the retiree with all payments ceasing upon the retiree's death. Your survivor(s) will not receive a monetary benefit or, if eligible, continuing health insurance coverage. If you believe your spouse or other survivor(s) may need some form of income continuation after your death, you may wish to consider one of the other payment options.

How the Options Work

Options 1 through 6 guarantee you a monthly allowance during your lifetime and may provide either:

Single-Life Annuity

- a return of a single payment to your survivor(s) at your death

or

Dual-Life Annuity

- a continuing monthly payment after your death to your surviving beneficiary.

Points to Remember:

- You cannot change your option selection after your first payment becomes normally due.
- At retirement, you may be able to provide health insurance coverage for you and your eligible dependents. The payment option you choose may affect your beneficiary's eligibility for continued health coverage after your death. Check with your personnel office for the availability of health coverage after retirement.

Single-Life Annuities

These options are classified as "single-life" because they provide benefits over the retiree's lifetime only. Upon the retiree's death, any reserve funds remaining in the retiree's account are distributed in a one-time, lump-sum payment to the retiree's designated beneficiary(ies).

Multiple beneficiaries may be named under the single-life annuities. These beneficiaries may be changed as often as desired.

OPTION 1 - Full Return of Present Value of Retiree's Basic Allowance

Guarantees the full return of the present value of the retiree's Basic Allowance computed at the time of retirement. If the retiree dies before receiving the full guaranteed amount, the remainder is paid in a single sum to one beneficiary or divided equally among multiple beneficiaries.

OPTION 4 - Full Return of Employee Contributions

Provides a return of the value of the member's accumulated contributions (employee contributions and interest). If the retiree dies before receiving the full guaranteed amount, the remainder is paid in a single sum to the retiree's beneficiary or divided equally among multiple beneficiaries.

Dual-Life Annuities

The following options pay benefits over two lifetimes. They provide a benefit throughout the life of the retiree and then provide a continuing lifetime monthly benefit to a sole surviving beneficiary. The monthly benefit amount is based on the retiree's age and the age of the beneficiary at the retirement date.

Only one beneficiary may be named under the dual-life annuities. This beneficiary may be changed, but it will cause a recalculation of the retiree's benefit amount. Changing beneficiaries is a two step process and requires a positive election by the retiree. In most cases, the recalculated amount may be less than the current amount.

Dual-life annuities may provide continuing health-care coverage for eligible beneficiaries of qualifying state retirees. Your employer can provide you with details on any available healthcare benefits.

OPTION 2 - 100% Survivor's Benefit

Guarantees that at the retiree's death, the retiree's entire monthly benefit will continue to be paid to his or her beneficiary for the remainder of the beneficiary's lifetime. Payments cease upon the death of the beneficiary. Retirees electing Option 2 cannot designate a beneficiary who is more than 10 years younger unless the beneficiary is the retiree's spouse or disabled child.

OPTION 3 - 50% Survivor's Benefit

Guarantees that at the retiree's death, one-half of the retiree's monthly benefit will continue to be paid to his or her beneficiary for the remainder of the beneficiary's lifetime. Payments cease upon the death of the beneficiary.

OPTION 5 - 100% Survivor's Benefit with Pop-Up Provision

Guarantees that at the retiree's death, the retiree's entire monthly benefit will continue to be paid to his or her beneficiary for the remainder of the beneficiary's lifetime. If the beneficiary predeceases the retiree, the retiree's monthly amount will increase, or "pop up," to the Basic Allowance. If you are collecting the Basic Allowance and decide to name a new beneficiary, your benefit will be recalculated based on your age and the age of your new beneficiary and revert back to the provisions under Option 5. Retirees electing Option 5 cannot designate a beneficiary who is more than 10 years younger unless the beneficiary is the retiree's spouse or disabled child.

OPTION 6 - 50% Survivor's Benefit with Pop-Up Provision

Guarantees that at the retiree's death, one-half of the retiree's monthly benefit will continue to be paid to his or her beneficiary for the remainder of the beneficiary's lifetime. If the beneficiary predeceases the retiree, the retiree's monthly benefit will increase, or "pop up," to the Basic Allowance. If you are collecting the Basic Allowance and decide to name a new beneficiary, your benefit will be recalculated based on your age and the age of your new beneficiary and revert back to the provisions under Option 6. 🌐

Unused Sick Leave

- Must retire within 30 days of terminating employment
- Increases monthly benefit
- May not be used to qualify for a benefit
- Amount of days certified by employer at time of retirement
- 22 days of unused sick leave equals one month
- If 11 or more days remain, an additional month is credited
- Maximum of 15 sick days per year of service may be credited
- A copy of the Unused Sick Leave Conversion Chart has been provided to you

UNUSED SICK LEAVE CREDIT CHART				
Years of Service	Maximum UNUSED Sick Leave DAYS	UNUSED Sick Leave Days	Retirement Credit 10 month Teachers & Employees	Retirement Credit 12 Month Employees
0 - 1	0 - 15	1 - 10	0	0
1 - 2	16 - 30	11 - 32	1	1
2 - 3	31 - 45	33 - 54	2	2
3 - 4	46 - 60	55 - 76	3	3
4 - 5	61 - 75	77 - 98	4	4
5 - 6	76 - 90	99 - 120	5	5
6 - 7	91 - 105	121 - 142	6	6
7 - 8	106 - 120	143 - 164	7	7
8 - 9	121 - 135	165 - 186	8	8
9 - 10	136 - 150	187 - 208	9	9
10 - 11	151 - 165	209 - 230	10	10
11 - 12	166 - 180	231 - 252	10	11
12 - 13	181 - 195	253 - 274	10	12
13 - 14	196 - 210	275 - 296	11	13
14 - 15	211 - 225	297 - 318	12	14
15 - 16	226 - 240	319 - 340	13	15
16 - 17	241 - 255	341 - 362	14	16
17 - 18	256 - 270	363 - 384	15	17
18 - 19	271 - 285	385 - 406	16	18
19 - 20	286 - 300	407 - 428	17	19
20 - 21	301 - 315	429 - 450	18	20
21 - 22	316 - 330	451 - 472	19	21
22 - 23	331 - 345	473 - 494	20	22
23 - 24	346 - 360	495 - 516	20	23
24 - 25	361 - 375	517 - 538	20	24
25 - 26	376 - 390	539 - 560	21	25
26 - 27	391 - 405	561 - 582	22	26
27 - 28	406 - 420	583 - 604	23	27
28 - 29	421 - 435	605 - 626	24	28
29 - 30	436 - 450	627 - 648	25	29
30 - 31	451 - 465	649 - 670	26	30
31 - 32	466 - 480			
32 - 33	481 - 495			
33 - 34	496 - 510			
34 - 35	511 - 525			
35 - 36	526 - 540			
36 - 37	541 - 555			
37 - 38	556 - 570			
38 - 39	571 - 585			
39 - 40	586 - 600			
40 - 39	601 - 615			
41 - 42	616 - 630			
42 - 43	631 - 645			
43 - 44	646 - 660			
44 - 45	661 - 675			

Coordinator **must** certify **all** unused leave days regardless of whether it exceeds the maximum credit allowed or is insufficient to any unused sick leave credit.

Maryland State Retirement Agency determines unused sick leave retirement credit.

MD State Retirement Agency Contact Information

Telephone

410-625-5555 or
toll-free 1-800-492-5909

Mail/Office Visits

State Retirement Agency of MD
120 East Baltimore St. Baltimore, MD 21202-6700

Internet Web Site

www.sra.state.md.us

E-Mail

sra@sra.state.md.us

For the MSRA Resource Page, follow the link below. This page contains more videos and information.

<http://www.sra.state.md.us/Participants/Members/Resources/Default.aspx>

EARLY RETIREMENT NOTICE

In order to receive the early notice incentive, you must notify Human Resources in writing within the parameters described below.

Be sure to review your Negotiated Agreement for how the incentive is paid out.

Educational Support Personnel & Teachers

- ▶ January 15th deadline
- ▶ July 1st retirement only
- ▶ receive an additional \$1,000.00

Educational Support Personnel

- ▶ Six (6) months advance notice will have a one-time \$850.00

Administrators and Supervisors

- ▶ Five (5) month notice of a retirement date will receive \$3,000
- ▶ Three (3) month notice of a retirement date will receive \$1,500

BENEFIT ELIGIBILITY & DETAILS

Employees who have worked at least five (5) years with Washington County Public Schools are eligible for Retiree Benefits. The employee must also be receiving an immediate retirement benefit from the Maryland State Retirement Agency to be eligible.

Benefits continue for the entirety of the retiree's life, as long as premiums are paid in a timely manner. Most retirees will have the benefit premiums deducted directly from their pension check.

If a retiree drops all offerings, medical/Rx, dental, and vision coverage, they may not re-enroll in the future. Should a retiree keep at least one of the offered benefits, medical/prescription, dental, or vision, they may re-elect the other coverages in the future.

If you and your spouse both work for WCPS, upon retirement, the Benefits office works with you to determine the most cost effective formula for retiree benefits. For example, one person may have a higher factor, thus, providing the couple with a less costly option.

WCPS offers surviving spouse and dependent benefits. Upon the death of a retiree, a currently covered surviving spouse may continue coverage by paying the current retiree individual premium for the plan chosen until the surviving spouse remarries or becomes eligible under another policy, excluding Medicare. If dependent children are covered at the time of a retiree's death, the dependent children may continue coverage as long as they are eligible under the terms of the policy, by paying 50% of the actual monthly premium in place at the time of retiree's death.

Changes to enrollment may take place during the annual open enrollment, or within 31 days of a qualifying event. Qualifying events include; marriage, divorce, or the loss/gain of other insurance coverage.

Please keep in mind that Medical/Rx, dental, and vision premiums may increase.

MEDICAL/PRESCRIPTION COVERAGE

Non-Medicare Eligible

Retirees who are not eligible for Medicare are offered the same medical options as active employees. You may choose the best medical plan option for you and/or your family; Premium, Standard, & Limited plans.

Upon retirement you will receive a new insurance card.

REMEMBER: Medical and Prescription coverage is combined. If you cancel your medical coverage, you also cancel your prescription coverage.

Medicare Eligible

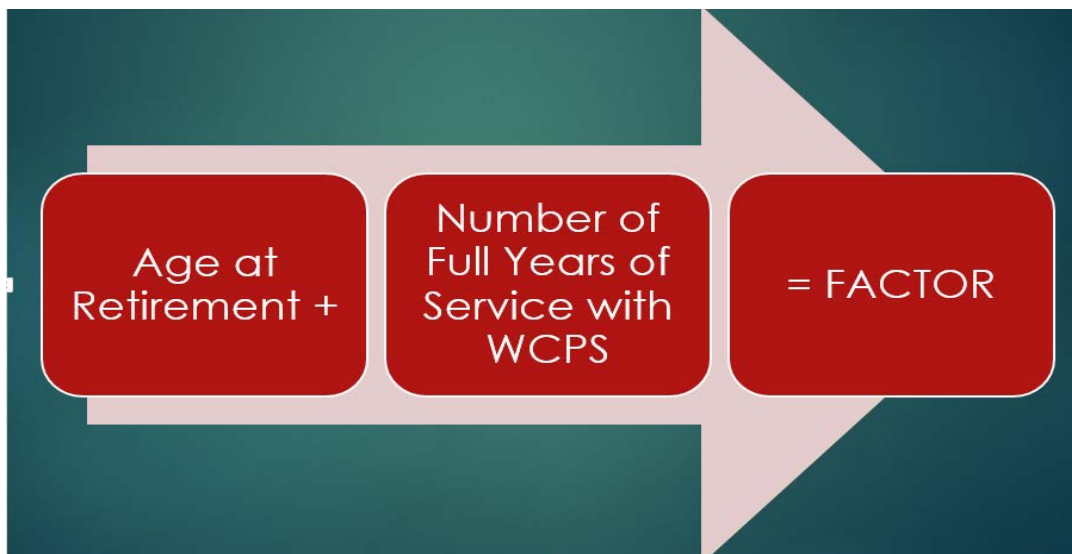
A retiree or retiree's dependent must enroll for Medicare Part A and Part B when eligible at age 65 or due to a disability. A retiree or retiree dependent does not need to enroll in Medicare Parts C or D. Be certain to notify the Benefits Office of any retiree or covered dependent that becomes eligible for Medicare before the age of 65.

If an insured member is offered Medicare, and fails to enroll, they will lose WCPS's medical coverage.

- ▶ When a retiree/dependent becomes eligible for Medicare, you must enroll for Medicare Part A & B.
- ▶ The current WCPS policy is ended, and individual is enrolled for a Medicare supplement policy.
- ▶ Medicare will be the primary payer for medical claims. Your WCPS coverage is secondary and supplemental.
- ▶ Prescription coverage (covered drugs, copayments, etc.) remains the same.
- ▶ The Medicare supplement premium is different. Typically lower than the under age 65 rates.
- ▶ All rates are subject to yearly increases.

DETERMINING THE COST OF COVERAGE

PLEASE NOTE: Years of service with the State Retirement Plan may not necessarily match years of service with WCPS.



Washington County Public Schools
 Monthly Insurance Rates for Retiree or Dependent without Medicare
 If retired 8/1/11 or after
 Rates effective July 1, 2018 - June 30, 2019

OAP Premium Medical/Prescription					
Factor	Retiree Cost Sharing Percent	Retiree Only	Retiree + Spouse	Retiree + Child(ren)	Family
85 +	18.7	188.38	376.76	288.60	477.00
80-84	31.5	317.32	634.65	486.14	803.51
75-79	52.7	530.88	1,061.77	813.32	1,344.28
70-74	74.0	745.45	1,490.92	1,142.04	1,887.60
66-69	95.2	959.02	1,918.04	1,469.22	2,428.37
less	100	1,007.37	2,014.75	1,543.30	2,550.81
OAP Standard Medical/Prescription					
Factor	Retiree Cost Sharing Percent	Retiree Only	Retiree + Spouse	Retiree + Child(ren)	Family
85+	18.7	180.18	360.36	276.04	456.24
80-84	31.5	303.51	607.02	464.98	768.53
75-79	52.7	507.78	1,015.56	777.92	1,285.76
70-74	74.0	713.00	1,426.02	1,092.34	1,805.43
66-69	95.2	917.27	1,834.55	1,405.28	2,322.66
less	100	963.52	1,927.05	1,476.13	2,439.77
OAP Limited Medical/Prescription					
Factor	Retiree Cost Sharing Percent	Retiree Only	Retiree + Spouse	Retiree + Child(ren)	Family
85 +	18.7	177.47	354.93	271.88	449.36
80-84	31.5	298.94	597.88	457.98	756.95
75-79	52.7	500.13	1,000.26	766.21	1,266.39
70-74	74.0	702.27	1,404.53	1,075.89	1,778.23
66-69	95.2	903.47	1,806.92	1,384.11	2,287.68
less	100	949.02	1,898.02	1,453.90	2,403.02
Dental, Vision and Life Insurance					
		Retiree Only	Retiree + Spouse	Retiree + Child(ren)	Family
Dental		22.33	44.65	48.00	94.34
Vision		3.65	6.62	6.95	10.72
Life	\$10,000 policy	2.00			
Note: <ul style="list-style-type: none"> •These rates apply to non-Medicare eligible 65 retirees and dependents. •These rates are subject to change annually. 					

Washington County Public Schools
 Monthly Insurance Rates for Retiree or Dependent with Medicare
 If retired 8/1/11 or after
 Rates effective July 1, 2018 - June 30, 2019

Medical/Prescription

Factor	Cost Sharing	Retiree Only	Retiree + Spouse	Retiree + Spouse	Retiree + Child(ren)	Family	Family
		1 w/Medicare	2 w/Medicare	1 w,1 w/o Medicare	1 w/Medicare	2+ w/Medicare	1 w/Medicare
85 or more	18.7%	94.70	189.40	283.08	194.92	265.76	383.33
80-84	31.5%	159.53	319.05	476.85	328.34	447.67	645.71
75-79	52.7%	266.89	533.78	797.77	549.32	748.97	1,080.28
70-74	74.0%	374.76	749.52	1,120.21	771.35	1,051.68	1,516.90
66-69	95.2%	482.12	964.24	1,441.14	992.33	1,352.97	1,951.48
65 or less	100.0%	506.43	1,012.86	1,513.80	1,042.36	1,421.19	2,049.87

Dental	
Retiree Only	22.33
Retiree + Spouse	44.65
Retiree + Child(ren)	48.00
Family	94.34

Vision	
Retiree Only	3.65
Retiree + Spouse	6.62
Retiree + Child(ren)	6.95
Family	10.72

LIFE INSURANCE

Retiree coverage: \$10,000 Policy = \$2.00/month

- ▶ Current active life insurance coverage can be converted to an individual policy with the life insurance carrier. The rates are determined by the life insurance company.
- ▶ Dependent Life Insurance coverage is not available at retirement.

UNUSED SICK LEAVE

Education Support Personnel

- ▶ \$40.00 per day up to 200 days
- ▶ \$50.00 per day beyond 200 days
- For workdays less than 8 hours, service credit pay will be prorated based upon the standard workday for the job performed by the recipient.
- Must have worked a minimum of 15 years with WCPS.

Teachers

- ▶ \$50.00 per day up to 150 days
- ▶ \$60.00 per day for days 151-200
- ▶ \$75.00 per day for days in excess of 200

Administrators and Supervisors

- ▶ \$50.00 per day if less than ten years of service with WCPS
- ▶ 35% of final per diem, but not less than \$50.00 per day, with ten or more years of service with WCPS

Disbursement options:

- ▶ Payment one pay period after the last regular pay period as an active employee.
- ▶ Payment deferred until the first regular pay period in January of the year following retirement.
- ▶ Full or partial payment may be deposited into your WCPS approved Tax Sheltered Annuity account.

Retire Ready Checklist

This retirement checklist provides employees with a starting point in the planning process of retiring from Washington County Public Schools (WCPS). Each item on the checklist may not apply to each employee, but it is designed to ensure employees receive benefits and meet deadlines in a timely fashion.

Three to five years prior to retirement

- Attend a Maryland State Retirement Agency (MSRA) Pre-Retirement Seminar sponsored by the Community College of Baltimore County. Pre-Retirement Seminars are held in numerous locations during the year across Maryland. WCPS sponsors one Pre-Retirement Seminar annually usually in November. Mini Pre-Retirement Seminars will also be conducted by the WCPS Benefits Office as necessary.
- Meet with a financial planning professional if you are having concerns with being able to fund or budget during retirement.
- Review the details of doing a “catch-up” with your 403(b) plan and/or 457(b) plan if you are a participant. If you are not a current participant, it is never too late to start.

One year prior to retirement

- IMPORTANT!** Request an estimate of monthly retirement allowances. Provide an estimated retirement date no further than one year away. (MSRS Form 9)
- Attend a Mini Pre-Retirement Seminar to become aware of any updates since the previous educational seminar attended.
- Purchase any eligible service through the MSRA. (MSRS Form 26)
- Apply for military credit, if applicable. (MSRS Form 43)
- Upon receipt of your estimated monthly retirement allowances, prepare a retirement budget, estimating retirement expenses against your MSRA benefit, Social Security benefit and any other income and/or savings.
- Thoroughly review Social Security options and requirements. The Social Security Administration no longer sends out annual statements, but personal information can be reviewed at www.ssa.gov.
- Select a retirement date for planning purposes. Your effective date of retirement must be the first of the month in which you wish to retire.

Six months prior to retirement

- Submit a formal letter of retirement to the Human Resources Office. Certain financial incentives may be available to you if you provide notice a minimum of six months prior to your retirement date. Review your negotiated agreement for details, or contact a member of HR or the Benefits team. **The HR Office must receive your letter of retirement in order to start any retirement processing.** Discuss your retirement with your Supervisor or Principal before submitting a letter.
- Discuss your estimated benefits/options from the MSRA with your family and your financial advisor.

Three months prior to retirement

- Contact Social Security to file for benefits, if necessary.
- Sign up for Medicare if you are at least 65 years of age. If a spouse is staying on WCPS health insurance coverage, they may need to sign up for Medicare as well.
- Attend a retirement forms assistance workshop conducted by the WCPS Benefits Office. If no workshops are scheduled, plan to meet with a team member to complete all required retirement paperwork. Gather all necessary paperwork or information needed, such as tax withholding consideration, direct deposit information, and proof of birth for joint survivor beneficiary.
- Finalize outstanding issues or projects at your worksite.

At retirement

- Turn in your work keys, badge, and any other WCPS issued equipment to your supervisor.
- Smile and enjoy!