

## Your annuity

As an employee of an institution of higher education, you have the option of contributing to the Teacher Retirement System (TRS) or participating in the Optional Retirement Program (ORP). This means your annuity will come from either TRS or your ORP not from ERS.

If you have service in both TRS and ERS contact both systems for a retirement estimate. If you combine service at retirement, you'll receive one monthly annuity check that reflects your service from both systems.

## Eligibility for retiree insurance

ERS administers the Texas Group Benefits Program (GBP) benefits, including health insurance for eligible retirees of higher education institutions.

TRS and ORP retirees may be eligible for GBP retiree insurance if:

- you have at least 10 years of service with an agency that participates in the GBP and
- your last place of public employment was with an agency or higher education institution that participates in the GBP Note: Independent school districts (ISD) don't participate in the GBP. If your last place of public employment is with an ISD, you won't be eligible for GBP retiree insurance. The University of Texas and Texas A&M University don't participate in the GBP but service with either system might count toward insurance eligibility. Contact your benefits coordinator for more information.

If you participate in the ORP, you will need an ORP account from which you're eligible to start drawing payments. If you withdraw or roll over your account to another account at retirement, you will not be eligible for retiree insurance through the GBP.



ERS doesn't determine your eligibility for retiree insurance. Your benefits coordinator needs to notify ERS of your eligibility for retiree insurance by submitting the TRS/ORP Retiree Insurance Enrollment Form. Be sure to contact your benefits coordinator about submitting this form as soon as you start your retirement process.

## When am I eligible?

Your years of service and age at retirement determine when you're eligible for retiree health insurance.

Some members are eligible to retire with health insurance before they turn age 65. This is most common for members who retire under the Rule of 80 (when your age plus your service equals 80). Others may be eligible to retire and start receiving a retirement payment before the age of 65, but won't be eligible for retiree health insurance until age 65. Your benefits coordinator determines when you are eligible for retiree health insurance.

## Health Insurance Waiting Period

Your status at retirement determines if you'll have a health insurance waiting period.

### Contributing member

If you retire as a contributing member (directly from state service) and qualify for health insurance you won't have a health insurance waiting period. Your health coverage will start the first of the month you are eligible for retiree coverage.

### Non-contributing member

If you separate from state service before you're eligible to retire, and retire at a later date as a non-contributing member, you'll have a 60 day waiting period from your retirement date. However, you won't have a waiting period for optional coverage (like dental, vision, life insurance, etc.). You'll be eligible for optional coverage the first of the month following your retirement date. Some optional coverage may require evidence of insurability.

### Coverage doesn't start automatically.

Whether you retire as a contributing member or a non-contributing member, reach out to your benefits coordinator before your last day of employment and fill out your insurance enrollment form.

## Retiree coverage options

After ERS receives your TRS/ORP Retiree Insurance Enrollment form from your benefits coordinator, we'll mail you your ERS Retiree Insurance Enrollment Statement which lists the coverage you're enrolled in and all of your options. You'll have 30 days to make changes, should you need to.

For more information on the GBP health insurance plans, visit [www.ers.texas.gov/Retirees/Health-Benefits](http://www.ers.texas.gov/Retirees/Health-Benefits). And for more information on retiree optional benefits like, dental, life insurance, vision, etc. visit, [www.ers.texas.gov/Retirees/Optional-Add-on-Benefits](http://www.ers.texas.gov/Retirees/Optional-Add-on-Benefits).

### Retiree health insurance premium

If you had at least five years of service with a GBP participating agency or higher education institution by September 1, 2014, the state pays 100% of your retiree health insurance premium (50% if you retired as a part-time employee).

If not, the state's contribution toward your health insurance premium will be based on the number of years of service you have with a GBP participating agency, as follows:

- 100% with 20 or more years;
- 75% with 15 up to 20 years or
- 50% with 10 up to 15 years

## Paying your insurance premiums

If you aren't eligible for the state to cover 100% of your health insurance premium, have dependents enrolled in GBP health coverage, or are enrolled in optional benefits, you'll be responsible for paying your monthly premiums.

Because your monthly annuity check won't come from ERS, you have the following options:

- send in a check or money order to ERS (Note: the payment is due on the first of each month);
- contact TRS and request your premiums be deducted from your TRS annuity (for TRS retirees); or
- contact ERS and set up auto-pay to have your monthly premium deducted from a bank account.

Health and other insurance benefits for employees and retirees are subject to change based on available state funding. The Texas Legislature determines the level of funding for such benefits and has no continuing obligation to provide those benefits beyond each fiscal year.



## Medicare and your state health insurance

When you've retired your GBP health coverage will no longer be your primary health coverage once you turn age 65 (or become eligible for Medicare due to disability, before age 65).

This is why we encourage you to sign up for Medicare Part A and B. After you enroll in Medicare Part A and B, call ERS and provide your Medicare info, then you'll be able to enroll in the HealthSelect Medicare Advantage Plan and HealthSelect Medicare Rx.

If you plan to work past age 65, you can delay your enrollment in Part B. When you're ready to retire, contact the Social Security Administration (SSA) to enroll in Part B. They'll send you a form that you'll need to have filled out by your benefits coordinator, verifying your employment. Send the completed form back to SSA to avoid the penalty for signing up for Medicare Part B after age 65.

Take a look at the ERS Events Calendar online and register for a Medicare Preparation webinar.

## Returning to state employment

Depending on lifestyle and family needs, some retirees return to work after retirement. There is no waiting period if you're returning to a job in the private sector.

However, if you plan to return to work for a higher education institution and retired with only TRS/ORP service, you'll need to contact TRS to ask if you'll have a waiting period.

If you combined TRS and ERS service when you retired under TRS, you'll have a 30 day waiting period before you can return to work for a higher education institution.