Agenda

- PERS/OPSRP Overview
- Optional Retirement Plan (ORP) Overview
- Retiree Medical and Dental Insurance
  - Medicare Ineligible
  - Medicare Eligible
  - Coverage while working
PERS/OPSRP Overview

- **PERS Members**
  - Tier One: Hired before January 1, 1996
  - Tier Two: Hired January 1, 1996 through August 28, 2003

- **OPSRP Members**
  - Hired on or after August 29, 2003
Individual Account Program (IAP)

- HB 2020 (effective date of change January 1, 2004)

- No contributions to PERS member account after this date

- Member contributions of 6% to IAP paid by University of Oregon

- Oregon Investment Council provides investment oversight for IAP and PERS/OPSRP pension funds
Employer makes separate contributions to fund PERS/OPSRP

Pension benefit is separate from IAP
PERS/OPSRP Retirement

- PERS retiree receives IAP benefit, and chooses between thirteen options for PERS pension benefit

- OPSRP retiree receives IAP benefit, and chooses between five options for OPSRP pension benefits
IAP Distributions

- Inactive member (withdrawal)
  - Lump Sum

- PERS retiree (retirement)
  - Lump Sum (mailed direct to member)
  - Installments over 5-10-15-20 year period, or
  - Anticipated Life Span Option
  - Roll over to another tax sheltered plan (IRA, 403b, etc.)

- Must take IAP distribution when filing for pension benefits
30 years PERS Total Creditable Service Time, or

Age

- 58 — Tier 1
- 60 — Tier 2

Early retirement

- 55
The PERS Retirement Benefit

- Calculation Factors
  - Age
  - Service Time
  - Final Average Salary
  - Account balance
Calculation Methods

- **Full Formula**
  - Service time x final average salary x .0167

- **Money Match**
  - Age factor x account balance x 2

- **Formula + Annuity (Service prior to August 21, 1981)**
  - Service time x final average salary x .01 + Age factor x account balance

- Member receives benefit based on highest calculation
Normal retirement age

- Age 65, or
- Age 58 with 30 years of creditable service time
- Early retirement age 55
Benefit determined by formula

- Final average salary x years of service x 1.5%
Member Resources

- Websites and email link for PERS website
  - PERS: http://oregon.gov/PERS
  - PERS Insurance: http://pershealth.com
  - IAP account: https://iap.csplans.com

- Toll-free telephone numbers
  - PERS
    - 1-888-320-7377 or 503-598-7377
  - PERS Insurance
    - 1-800-768-7377 or 503-224-7377
## Optional Retirement Plan (ORP) Overview

<table>
<thead>
<tr>
<th>Fund Sponsor</th>
<th>Employer Contributions</th>
<th>Employee Contributions (paid by UO)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIAA-CREF</td>
<td>Varies</td>
<td>6%</td>
</tr>
<tr>
<td>OUS – Fidelity Investments</td>
<td>Varies</td>
<td>6%</td>
</tr>
<tr>
<td>AIG Valic (closed after 10/07)</td>
<td>Varies</td>
<td>6%</td>
</tr>
</tbody>
</table>
ORP Plan Highlights

- All monthly contributions directed to chosen fund sponsor
- Employee decides how funds are invested
- Employee can change fund sponsor once per year
- Actual investment returns credited by each mutual fund or annuity selected by participant
- Fund contributions and earnings grow and are available for withdrawal at termination or retirement
- No contributions will be made during the 5 years of the TRP
## ORP Fund Sponsors

<table>
<thead>
<tr>
<th>ORP: tiaa-cref</th>
<th>Teachers Insurance and Annuity Association – College Retirement Equities Fund</th>
<th><a href="http://www.tiaa-cref.org/ous">http://www.tiaa-cref.org/ous</a></th>
<th>(800) 842-2888</th>
</tr>
</thead>
<tbody>
<tr>
<td>ORP: ous</td>
<td>Fidelity Investments</td>
<td><a href="http://mysavingsatwork.com/ous">http://mysavingsatwork.com/ous</a></td>
<td>(800) 343-0860</td>
</tr>
<tr>
<td>ORP: aig valic</td>
<td>AIG VALIC</td>
<td><a href="http://aigvalic.com">http://aigvalic.com</a></td>
<td>(800) 283-4892</td>
</tr>
</tbody>
</table>
Retiree Medical and Dental Insurance

- Insurance coverage – Not working
  - Medicare Ineligible
  - Medicare Eligible

- Coverage while working
Medicare Ineligible – Not Working

- Public Employee Benefit Board (PEBB) Full Time and Retiree plans available on a self pay basis for retiree and eligible dependents

- PERS plans available to retiree and eligible dependents on a self pay basis; PERS Tier 1 and Tier 2 rates are subsidized
 Medicare Eligible (Age 65+) - Not Working

- PERS Medicare Supplement and Medicare Advantage plans available to retirees (eligible for PERS benefit) and their eligible dependents

- Must be enrolled in Medicare Parts A (hospital) and B (physician and related services)

- Premiums can be deducted from PERS benefit payment or paid directly by retiree

- Non-PERS retirees can purchase Medicare Supplement or Medicare Advantage plans directly from carriers not affiliated with the PERS Retiree Health Insurance program.
Coverage While Working - .50 fte or more

- Stop retiree insurance
- Re-enroll in University insurance program
- All employees pay 5% of the medical/vision, dental and basic life premiums.

March 2014