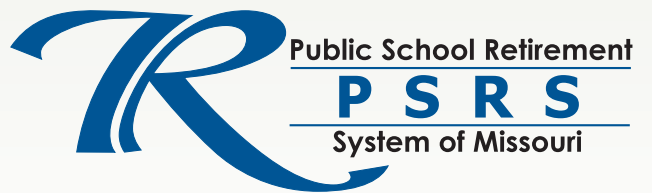


# General Information



*Partners in Your Retirement Security*

## General Information

# Contacting the Public School Retirement System of Missouri

## Written Communication

When you write PSRS, include your full name (printed and signed), your current mailing address, Social Security number or member number, and telephone number. Address your correspondence to:

**The Public School Retirement System of Missouri**  
**PO Box 268**  
**Jefferson City, MO 65102-0268**

## The PSRS Website

If you have questions about PSRS, visit our website, [www.psr-peers.org](http://www.psr-peers.org), or email your comments or questions to [psrpeers@psrpeers.org](mailto:psrpeers@psrpeers.org).

## Telephone and Fax

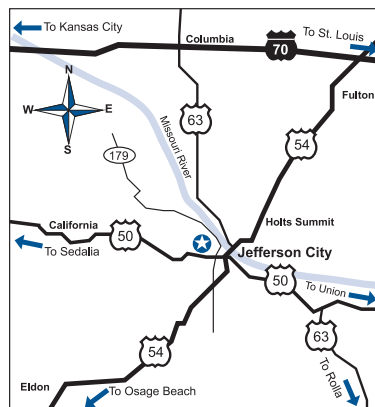
Toll-free line: (800) 392-6848  
Toll line: (573) 634-5290  
Fax: (573) 634-7934

## Office Visits

You may visit the Public School Retirement System of Missouri between 7:30 a.m. and 5:00 p.m., Monday through Friday, except on holidays. Calling ahead allows us to prepare your retirement information and have it available for you upon your arrival. Our office is located at 3210 West Truman Boulevard in Jefferson City. Please refer to the maps below for directions, or click here to use MapQuest.

**NOTE:** By law, we can only release PSRS member account information to the PSRS member.

## Maps



Highway View



Neighborhood View

## General Information

### PSRS/PEERS Board of Trustees



Aaron Zalis, Chair  
Elected PSRS Member



Wayne Wheeler, Vice Chair  
Appointed Retired Member



Donald Cupps  
Appointed Member



Yvonne Heath  
Elected PSRS Member



Jason Hoffman  
Elected PEERS Member



Scott Hunt  
Appointed Member



Susan McClintic  
Elected PSRS Member

# Administration

## The PSRS/PEERS Board of Trustees

The PSRS/PEERS Board of Trustees is charged by law with the administration of the Public School Retirement System of Missouri (PSRS) and the Public Education Employee Retirement System of Missouri (PEERS). The law empowers the Board to adopt rules to govern its own proceedings and to operate the Systems within the framework of the law.

The seven-member Board is made up of three elected PSRS members, one elected PEERS member, and three appointed trustees.

The four elected trustees are selected by vote of the members and retirees of both Systems. Two are elected each even-numbered calendar year to serve four-year terms. The three appointed trustees are named by the governor. One must be a PSRS or a PEERS retiree. The appointed trustees must be residents of school districts included in the Retirement System but not employees of such districts, nor state employees, nor state elected officials.

The Board meets regularly six times a year in February, April, June, August, October and December. Special meetings are called when necessary.

Trustees serve without compensation but are reimbursed for necessary expenses incurred through Board service.

## Executive Director

While the Board of Trustees governs the general operation of the Systems, the daily administrative functions are delegated to a full-time director appointed by the Board to serve as its executive officer. The Executive Director is responsible for employment of the retirement office staff and for the routine operation of the Systems within the scope of the law and the Board's rules and policies.

## Provisions of Law

PSRS was created with the adoption of The Public School Retirement Act of Missouri which became effective on July 1, 1946. Changes to the law can be made only by an act of the Missouri Legislature. Laws governing the operations and administration of the System may be found in Chapter 169, Revised Statutes of Missouri and in The Public School Laws of Missouri published by the Missouri Department of Elementary and Secondary Education.

The Retirement System is established as a corporate body and is not assigned to any department of state government. Administrative expenses are paid entirely out of investment earnings.

The Public School Retirement System and the Public Education Employee Retirement System are separate entities and operate under separate state laws.

### The Appeal Process

As a PSRS member, beneficiary, survivor, retiree or employer, you may request a review by the Board of Trustees if you disagree with an administrative decision made by the Executive Director or a PSRS staff member concerning your membership, benefits, service, contributions or refunds.

Your written request for review addressed to the Board or to the Executive Director must be received within 120 days following notification of the administrative decision. Your letter should state **1) the decision you are asking the Board to review and 2) the action you are requesting the Board to take**. The review will be held at the next regularly scheduled Board meeting that is at least 30 days after the request for review is received. You will be informed of the review date, and additional details regarding the appeal process will be mailed to the home address we have on file.

After considering all the background information and your request for review, the Board will vote to confirm, reverse or amend the previous decision. You will be notified of the action taken and of your further right to appeal to the circuit court if you are dissatisfied with the Board's ruling.

### Plan Information

#### Type of Plan

The Public School Retirement System of Missouri is a **defined benefit plan** that provides disability and service retirement benefits to members, and survivor benefits to qualified beneficiaries. Membership in PSRS is automatic for certificated staff employed to work by an employer within the Retirement System in a position that normally requires the employee to work the full school day, or at least the same number of hours per week as required for such a position, and also normally requires the employee to work at least 600 hours during the school term.

Your retirement benefit is based on a formula (**pages 49-52**). Generally, the longer you work in PSRS-covered employment, the higher your benefit. However, the law limits your benefit to 100% of your **Final Average Salary (FAS)**.

PSRS operates as a tax qualified plan under section 401(a) of the Internal Revenue Code.

### Plan Funding

PSRS is an **actuarial reserve**, joint-contributory program, and its funding comes from three sources:

- Member contributions
- Employer contributions
- Investment earnings

## General Information

### Plan Year

The plan year is July 1 through June 30.

## Staff Services

**All staff services to PSRS members, retirees, beneficiaries and employers are free of charge.**

### Publications

The following are some of the publications available to PSRS members and retirees through the PSRS office at PO Box 268, Jefferson City, MO 65102-0268. You may also telephone the office at **(800) 392-6848** or email us at **psrspeers@psrspeers.org**. Some publications are available on our website.

***For Your Benefit*** - A newsletter that informs members about legislation, benefit provisions and other retirement-related news. This newsletter is mailed or emailed quarterly to all active members.

***Benefit Check*** - A newsletter that informs retirees about retirement legislation, current events affecting retirees, and other subjects of interest. This newsletter is mailed or emailed biannually to all retirees, with special editions when necessary.

***Comprehensive Annual Financial Report*** - This report includes an independent auditor's report of the System's financial statements, a summary plan description, and information on the System's **actuarial status** and investments. This report is available on the PSRS website. Copies are available upon request.

***Summary Report to Members*** - This annual report includes retiree statistics, membership statistics, information about the System's investments, a statement of plan net assets, System expenses and revenues, and actuarial information. This report is available on the PSRS website.

***PSRS Retirement Planning Guide-Destination Retirementville*** - This booklet contains detailed information about planning for your retirement, understanding a PSRS benefit estimate, purchasing credit (**page 30**), and working after retirement (**pages 68-73**).

This booklet is distributed to individuals who attend Pre-Retirement Planning Seminars and who visit our office for retirement counseling.

***Your PSRS Benefit - PSRS Retirement Packet*** - This packet is distributed to individuals upon retirement from the Public School Retirement System of Missouri. The packet includes an official benefit determination, a confirmation of the retirement plan chosen, information about taxes, **electronic funds transfer**, working after retirement, and **cost-of-living adjustments**.

## General Information

### Annual Legislative Meeting

The Board of Trustees hosts a late summer legislative meeting each year and invites representatives of member and retiree organizations to discuss possible changes in the retirement law. PSRS members seeking legislative changes should work through their professional groups that have the experience and expertise to promote such efforts.

Occasionally, the Board does sponsor legislation that the membership has indicated a willingness to support. The Board will not oppose changes that have the general backing of members and that include adequate financing. However, any proposal that would weaken the Retirement System financially or structurally may be opposed by the Board as a part of its responsibility to the System's general membership.

### Educational and Counseling Opportunities

PSRS is committed to providing services to assist you in your retirement planning efforts. A variety of free educational programs and counseling sessions are open to members throughout the year.

**Pre-Retirement Planning Seminars** are geared to members who are within five years of retirement but all members, as well as their guests, are welcome to attend. Seminars are held throughout the year at various locations across the state. These seminars are also held on a smaller scale (limited to 15 members) for PSRS members every business day at 1:30 p.m. at the PSRS office in Jefferson City.

Registration is required to attend a seminar so personalized retirement information can be prepared for participants. Members may register online or by calling **(800) 392-6848**.

**Financial Planning Awareness Seminars** provide all members with basic information on the various components and issues that need to be addressed when developing a comprehensive financial plan. The program also provides general information on PSRS. These seminars are hosted by school districts and educational organizations.

**Individual Counseling Sessions** are available to all interested members who would like to meet one-on-one with a retirement counselor at the PSRS office in Jefferson City. Walk-ins are welcome but we suggest calling the office to make an appointment so that information can be prepared prior to your arrival.

**Web Counseling Sessions** are available to all members who would like to meet one-on-one with a retirement counselor without the drive to Jefferson City. Members can attend a web counseling session at any computer with a high-speed internet connection and a web cam. Members can see and speak with a counselor and share documents during the session. An appointment can be made on the PSRS website or by calling the office.

School officials and organizational leaders desiring to arrange for retirement informational programs should call PSRS at **(800) 392-6848**, email **psrspeers@psrspeers.org**, or use the meeting request form on our website. These programs are offered free of charge.

### Social Security

**Information provided in this handbook regarding potential Social Security benefits is general in nature. Any decisions regarding these benefits should only be made after contacting the Social Security Administration.**

Currently, most members employed by public school districts and two-year public college districts covered by the Public School Retirement System of Missouri **do not** contribute to Social Security on their PSRS-covered earnings. A limited number of members have PSRS credit and Social Security credit for service at the five state regional universities, the three state colleges, the Missouri Department of Mental Health and the Missouri Department of Corrections. The PSRS contributions and benefits applicable to such employment are two-thirds the value of those stated herein for public school service.

Effective July 1, 2010, members employed in certain positions, determined by the employer and the Social Security Administration, pay into PSRS at a two-thirds rate and also pay into Social Security at the full rate. Consequently, these members will receive PSRS benefits for years worked in these positions that are calculated at a two-thirds rate, and may also receive Social Security units based on their earnings.

Age and service requirements for benefit eligibility, however, are the same for all members.

You may qualify for Social Security benefits if you have 40 units (minimum of 10 years) of Social Security-covered employment. You may also be eligible for benefits from Social Security through your spouse or ex-spouse (living or deceased).

If you qualify for PSRS retirement benefits and also for Social Security benefits either because you have sufficient Social Security-covered employment or through a spouse, two Social Security laws could cause a reduction of your Social Security benefits. They are the Windfall Elimination Provision and the Government Pension Offset. These laws apply beginning with the first month you receive both a PSRS and a Social Security benefit.

**Members who may qualify for PSRS benefits and also for Social Security benefits or spousal rights should call Social Security at (800) 772-1213 concerning potential offsets or reductions in Social Security payments.**

#### Windfall Elimination Provision (WEP)

**Who is Affected?** People who earn a pension from work not covered by Social Security (like most PSRS members) and also work at other jobs where Social Security taxes were paid long enough to qualify for those benefits.

**How Does it Work?** The Social Security program is structured to give a higher percentage of pre-retirement income to lower paid workers. PSRS members who do not pay Social Security taxes on their income appear to be lower-paid workers on their Social Security record. Their Social Security benefit is, therefore, calculated giving them a higher percentage of their pre-retirement income, resulting in a

## General Information

“windfall.” The WEP prevents this windfall by reducing their Social Security benefit. The WEP cannot reduce the Social Security benefit to zero. A good rule of thumb is to apply a reduction of about 50%.

If you get a relatively low PSRS pension, you are protected. The reduction in your Social Security benefit cannot be more than one-half the amount of your pension based on earnings after 1956 on which you did not pay Social Security taxes.

**Exception:** The WEP does not apply if you were eligible to retire from PSRS before 1986 or have 30 years of “substantial” Social Security earnings.

## Government Pension Offset (GPO)

**Who is Affected?** Individuals who earn a pension from work not covered by Social Security (like most PSRS members) and who qualify for spousal Social Security benefits.

**How Does it Work?** Spousal benefits through Social Security are intended to be “dependents” benefits. All spouses who have worked and earned wages have a reduction applied to their spousal benefit from Social Security because they are not considered to be dependent. For individuals who do not pay Social Security taxes on wages (like most PSRS members), the reduction is calculated differently because their Social Security record is not an accurate reflection of their actual wages earned. For PSRS members who have not paid Social Security taxes, the GPO applies a reduction that equals two-thirds of their PSRS benefit, which typically eliminates their entire spousal Social Security benefit. In effect, this is similar to the reduction applied to working spouses who have paid Social Security taxes throughout their careers. These spouses typically receive their own Social Security benefit because it is a greater amount than what their spousal benefit would be given the applicable reduction.

If you take your PSRS benefit in a lump sum, Social Security may still calculate the reduction as if you chose to get monthly benefit payments from PSRS.

**Exception:** The GPO does not apply if you were **eligible** to retire from PSRS before December 1982. For PSRS members who work their last five years paying at two-thirds the PSRS contribution rate and are also subject to Social Security, the GPO may not apply.

We recommend that you contact Social Security at **(800) 772-1213** or visit your local Social Security office to determine if the WEP and GPO laws affect you. You can also visit Social Security online at **[www.socialsecurity.gov](http://www.socialsecurity.gov)**. **To get an accurate estimate of your Social Security benefit, you must inform them that you will be receiving a PSRS benefit.**

## Questions to Ask Social Security

When you contact the Social Security Administration, have the following information available:

- Your Social Security number and all spouses’ Social Security numbers
- Your PSRS benefit estimate
- Your expected PSRS retirement date

## General Information

Ask the following questions:

- Can you please explain “WEP” (the Windfall Elimination Provision)?
- Will my Social Security benefit be reduced because I am (or will be) receiving a public (non-Social Security-covered) pension? If so, how much?
- Is this reduction avoidable?
- Am I eligible for spousal benefits from Social Security while receiving a public pension?
- Is there sufficient Social Security service on my own record (or a spouse’s record) for Medicare benefits? If not, how may I secure those benefits?

Request the following fact sheets:

- “The Windfall Elimination Provision,” SSA Publication No. 05-10045 (relates to your own work experience)
- “Government Pension Offset,” SSA Publication No. 05-10007 (relates to spouse’s or widow(er)’s benefits)

**Important Note:** *When you receive your annual Social Security statement from the Social Security Administration, your benefit amount is not reduced by either the windfall or offset formula. You should specifically ask Social Security to calculate your benefit considering these laws.*

## Medicare

**Information provided in this handbook regarding potential Medicare benefits is general in nature. Any decisions regarding these benefits should only be made after contacting the Social Security Administration.**

If you are a U.S. citizen or a lawfully admitted alien who has lived in the U.S. for at least five years, you can receive Medicare benefits at age 65. **The real question for PSRS members is whether or not you will have to pay a premium for Medicare coverage.**

If you were hired by a PSRS-covered employer before April 1986 and have not changed employers since that time, you do not pay into Medicare on your PSRS-covered wages. If you were hired or have changed employers since March 1986, Medicare contributions are withheld from your pay. If you pay into Medicare, your employer matches your contributions. When you are paying into Medicare, you receive “units” based on your earnings. You can receive a maximum of four units in one calendar year.

Medicare benefits may be payable under special circumstances that are not explained in this handbook, such as with the occurrence of a disability. We recommend you contact Medicare at **(800) MEDICARE (633-4227)** for specific information about your entitlement to Medicare benefits.

There are four parts to Medicare – Part A, Hospital Insurance; Part B, Medical Insurance; Part C, Medicare Advantage Plans; and Part D, Prescription Drug Coverage.

## General Information

### Part A - Hospital Insurance

Medicare Part A, Hospital Insurance, pays for inpatient hospital expenses, hospice care and skilled home health services for home bound patients, and helps with short-term inpatient care in skilled nursing facilities if the patient is there for rehabilitation.

#### You can receive Part A free, if:

- You have 40 Medicare units from your own employment
- You qualify through an eligible spouse or ex-spouse

If you do not qualify to receive Part A free, you can pay a monthly premium.

### Part B - Medical Insurance

Medicare Part B helps pay for doctors' services, outpatient hospital care and some medical equipment and supplies. Everyone must pay a premium to receive Part B coverage regardless of the number of Social Security units they have. Premiums for Part B are deducted from your monthly Social Security benefit. If you are not eligible to receive Social Security benefits, you are billed quarterly for Part B coverage.

### Part C - Medicare Advantage Plans

Medicare Advantage Plans are health plan options approved by Medicare and run by private companies. Medicare Advantage Plans provide all of your Part A (hospital) and Part B (medical) coverage and must cover medically-necessary services. They generally offer extra benefits, and many include Part D coverage (see below).

### Part D - Prescription Drug Coverage

Medicare prescription drug plans are available to people with Medicare. Insurance companies and other private companies work with Medicare to offer these drug plans. They will negotiate discounts on drug prices.

Medicare prescription drug plans provide insurance coverage for prescription drugs. Like other insurance, if you join you will pay a monthly premium and pay a share of the cost of your prescriptions. Costs vary depending on the drug plan you choose.

Drug plans may vary in what prescription drugs are covered, how much you have to pay, and which pharmacies you can use. When you join or change a drug plan, it is important for you to choose one that meets your prescription drug needs.

For additional information about Medicare, visit [www.medicare.gov](http://www.medicare.gov) or call (800) MEDICARE(633-4227).