

ACT 110

Group Health Insurance

Important Notice for School Retirees Under Age 65

The Pennsylvania General Assembly has recently enacted legislation which requires school districts, Intermediate Units, and area Vocational-Technical schools to permit certain retirees to purchase continuing coverage in the school's group health insurance plan. Retirees who qualify for this continuing coverage are those who are under age 65 and:

- 1) Retired under normal retirement, or
- 2) Retired under disability retirement, or
- 3) Retired with 30 or more years of service.

It is the eligible retiree's responsibility to contact their former public school employer with written notification of their decision to enroll in the group health insurance plan.

Persons who are covered or eligible to be covered as an employee or dependent in any other employer provided group health insurance plan are not eligible to purchase coverage from their former school employer. The right to continue in the school group coverage extends until the retiree reaches age 65.

Because this legislation amends the school code and not the retirement code, PSERS is unable to rule on the intent of the legislation. We are asking that you refer all questions concerning this legislation to your former school employer.

If you do not qualify for the law stated above, you may take advantage of COBRA, a federal law. This law requires that all reporting units offer group health insurance for a period of 18 months to any employee who leaves their employment.

The group health insurance is paid by the employee at the school district's rate plus two percent for administrative cost.

Any questions regarding either law should be directed to your business office.

[New to PSERS?](#) [Active Members](#) [Nearing Retirement](#) [Leaving Employment](#) [Retired Members](#) [Employers](#)

Retiring

Members of PSERS who meet certain eligibility requirements qualify to receive a monthly retirement benefit for life.

Normal Retirement (Unreduced Benefit)

Normal retirement, also known as superannuation or full retirement, is a no-penalty benefit where all age and/or service requirements are met. You may receive a normal retirement benefit when you terminate public school employment and if:

Class T-C and Class T-D

- You are age 62 with at least one (1) full year of credited service at the time you terminate active or inactive service.
- You are age 60 and have 30 or more years of credited service.
- You have at least 35 years of credited service regardless of age.

*Class T-C and Class T-D members eligible for a retirement benefit may request to receive a refund of their contributions and interest **and** also receive a monthly retirement benefit for life.*

Class T-E and Class T-F

- You are age 65 with at least three (3) years of credited service at the time you terminate active or inactive service.
- You attain at least 35 years of credited service and reach an age that in combination is equal to or greater than 92 (for example, 36 years of service plus age 56 equals 92).

Early Retirement (Reduced Benefit)

Early retirement is available to members who do not meet the normal retirement requirements. Early retirement is available to:

- Class T-C* or Class T-D members who are under age 62 at termination and have at least five years of credited service.
- Class T-E or Class T-F members who are under age 65 at termination and have at least 10 years of credited service.

Disability Retirement

To apply for a PSERS disability retirement benefit, you must have at least five (5) years of credited service with PSERS. There are more eligibility requirements to apply for a disability retirement. [Click here](#) for more disability retirement information.

Steps to Retirement

PSERS strongly suggest all members who are planning for retirement complete the following steps:

1. Make sure to submit any purchase of service (POS) request, if applicable. Only actively working members of PSERS are eligible to purchase service credit. Once you terminate PA public school employment it will be too late to purchase service credit.
2. Attend a Foundation for Your Future Program. The PSERS Foundations For Your Future Programs are designed to give public school employees an overview of their retirement benefits. These programs provide all active members with general information about PSERS' benefits and services. Attendance at a Foundations for Your Future Program will help you begin to plan for your retirement early in your career. Each program lasts approximately 90 minutes. [Click here for the Foundations for Your Future meetings schedule.](#)