Planning Your Retirement

CalPERS

Welcome!

This class is designed to help you learn about your CalPERS benefits and the retirement process, along with the useful tools and resources that are available to you. It will also provide you with the information you need to consider in order to answer one of the most important questions of your life: "When can I retire?"

We will guide you through preparation for decisions you will need to make and explain the steps you will negotiate during your retirement process.

Planning for retirement can be an exciting time— let us show you all the resources at your fingertips to help you as you transition to this new phase in your life.

Personal Information Worksheet

Retirement Benefit Calculation Formula

If any of these three factors increase, your pension increases.

Service Credit (years)	x	Benefit Factor (% per year)	x	Final Compensation (average pay rate)	=	Unmodified Allowance (basic pension)

Service Credit

My current service credit is _________ years.

You can increase your service credit in three ways:

- Work longer
- Convert unused sick leave (if your employer contracts for this benefit)
- Purchase service credit

Possible types of service credit purchases:

Eligible?	Service Credit Type	Eligible?	Service Credit Type
☐	Redeposit of Withdrawn Contributions	☐	Leave of Absence
☐	Service Prior to Membership	☐	Layoff
☐	Military Service	☐	Prior Service
☐	Peace Corps, AmeriCorps, AmeriCorps VISTA	☐	Optional Member Service

Benefit Factor

My current retirement formula is __________% at _________

My birthday quarters are:

Quarter	Month/Day	Quarter	Month/Day
Birthday		½ year	
¼ year		¾ year	

Final Compensation

Your final compensation is a 12- or 36-month average of your full-time monthly base pay. The time period used is dependent on your employer's contract.

My current final compensation period is _________ months.

Retirement Planning Checklist

Planning for retirement is all about looking ahead — and planning. As you plan for your retirement and get ready to submit your retirement application, use the following checklist as a reminder of what you need to consider:

- ☐ Create my personal myCalPERS account.
- ☐ Request CalPERS-generated estimates within 12 months of retirement.
- ☐ Review my recent Annual Member Statement for accuracy.
- ☐ Do I have an unresolved community property claim?
  - ☐ I have resolved my community property claim.
- ☐ Do I qualify for reciprocity with another retirement system?
  - ☐ I have established reciprocity.
- ☐ Do I have service credit to purchase?
  - ☐ I have asked CalPERS for information on service credit purchase options into retirement.
- ☐ Watch retirement education webinars, CalPERS YouTube videos and attend additional retirement classes.
- ☐ Read my member publication(s).
- ☐ Contact my credit union, employee organization, or insurance plan and ask if payroll deductions can continue into retirement.
- ☐ Call CalPERS Long-Term Care to ask how premium deductions continue into retirement.
- ☐ Fill out dental and vision enrollment forms with my employer so my enrollment can be processed 30 to 60 days prior to retirement (State of California/CSU only).

CalPERS Publications Checklist

CalPERS Retirement

- ☐ ***Planning Your Service Retirement*** (PUB 1)
- ☐ ***Service Retirement Election Application*** (PUB 43)
- ☐ ***Disability Retirement Election Application*** (PUB 35) (includes industrial disability retirement)

CalPERS Member Benefits Publications

- ☐ ***A Benefits Guide for School Members*** (PUB 3)
- ☐ ***A Benefits Guide for State Members*** (PUB 4)
- ☐ ***A Benefits Guide for Public Agency Members*** (PUB 5)

CalPERS Health Publications

- ☐ ***Health Program Guide*** (HBD-120)
- ☐ ***Health Benefit Summary*** (HBD-110)
- ☐ ***CalPERS Medicare Enrollment Guide*** (HBD-65)

Other CalPERS Publications

- ☐ ***Power of Attorney*** (PUB 30)
- ☐ ***Community Property*** (PUB 38A)
- ☐ ***Employment After Retirement*** (PUB 33)
- ☐ ***Military Service Credit Options*** (PUB 15)
- ☐ ***Service Credit Purchase Options*** (PUB 12)
- ☐ ***When You Change Retirement Systems*** (PUB 16)

How to Get a CalPERS Publication

You can request CalPERS publications and forms several ways:

- Download and print from **Forms & Publications** on our website.
- Order through your myCalPERS account and we will mail it to you.
- Call us and we will mail it to you.

Table of Contents

CalPERS is governed by the Public Employees' Retirement Law. The statements in this publication are general. The Retirement Law is complex and subject to change. If there is a conflict between the law and this publication, any decisions will be based on the law and not this publication.

Retirement Income Planning

Retirement Income Sources

Disclaimer

This information does not, nor is intended to, provide legal, tax, investment, or financial advice. For such advice or other professional assistance, you should consult with an advisor or other competent professional who specializes in these fields. CalPERS does not recommend or endorse any financial company or individual.

Note: CalPERS employees are neither Certified Financial Planners nor Registered Investment Advisors. We are not able to give advice regarding your retirement option selections or retirement income planning.

Retirement Income Sources

Many financial experts believe you'll need approximately 85 percent of your pre-retirement income to maintain your standard of living in retirement.

This percentage may vary, based on your plans in retirement. Some expenses may end at retirement, such as retirement contributions and some taxes like FICA (Social Security/Medicare) and SDI (State Disability Insurance), but some may increase, such as healthcare support for aging family members and leisure activities.

Your retirement income may include one or more of the following sources:

- Personal savings and investments
- Social Security
- CalPERS pension

In this section, we'll briefly discuss all three of these sources and how they can work together to provide your total retirement income.

Personal Savings

Your CalPERS pension and Social Security (if you qualify) may not be enough to support your desired lifestyle in retirement. If that's the case, you can supplement your retirement income with personal savings.

Examples of personal savings include:

- Employer-sponsored retirement savings plans such as a 401(k), a 457, or a 403(b) plan
- Personal savings accounts
- Individual Retirement Accounts (both standard IRA and Roth IRA)
- Brokerage accounts, stocks, bonds, and mutual funds
- Real estate (investment/rental properties)

Consider consulting a qualified financial planner for more information on these possible retirement income sources and how they can work together with your pension to provide your total retirement income.

Defined Contribution Plans

Defined contribution plans such as a 401(k), 457, or 403(b) can be a significant component of your retirement savings. The key elements of a defined contribution plan are:

- The retirement benefit is determined by your contributions into the plan and the investment earnings (or losses) they produce.
- There is no guaranteed benefit.
- You decide how much to contribute into the plan and how to invest the funds.
- Most plans allow you to make additional "catch up" contributions after age 50.

You may have one of the following defined contribution plans available to you:

Public Agency and School Members

- CalPERS Supplemental Income 457 Plan — By contract only
- Other deferred compensation plans — Check with your employer

State Members

- Savings Plus Program
- CalPERS Supplemental Contribution Plan — Already taxed contributions

Social Security

Social Security is another possible source of retirement income. It is a federally mandated social insurance program. The amount of income you are eligible for is based on the year you were born and the average wages you've earned over your lifetime. Social Security benefits may also be available to eligible family members.

How You Qualify for Social Security

When you work and pay Social Security taxes you earn Social Security credits.
To qualify for Social Security benefits, you need 40 credits which is approximately 10 years of work. Once you have the minimum credits, you can retire as early as age 62 with a reduced benefit.

To be eligible for your 100% entitlement from Social Security, you need to be between ages 65-67 depending on your year of birth. If you were born in 1960 or later than 67 is your full retirement age.

Social Security has two provisions that may reduce your Social Security benefit if any of your CalPERS pension is based on work that wasn't coordinated with Social Security.

Windfall Elimination Provision (WEP)

This can affect you when you earn a retirement or disability pension from a public employer who didn't withhold Social Security taxes, but you still qualify for Social Security retirement or disability benefits from work in other jobs for which you did pay taxes. If you have "substantial" earnings of more than 30 years WEP will not apply, however, with 20 to 30 years WEP may be reduced.

Government Pension Offset (GPO)

Your Social Security spouse's, widow's, or widower's benefit may be reduced if you receive a retirement or disability pension from a federal, state, or local government based on your own work for which you didn't pay Social Security taxes.

When planning for your retirement and applying for Social Security, it's a good idea to be aware of these provisions and whether you will be subject to either of them. Review your Social Security statement carefully throughout your career to ensure that your wages are being accurately reported. If you find a discrepancy, contact the Social Security Administration to resolve it.

Visit the **Social Security & Your CalPERS Pension** page on our website for more information about WEP and GPO. Contact Social Security directly for specific questions. Set up your own **mySocialSecurity** account to access your annual statements and retirement calculators.

Note: Your Social Security benefit may be affected by your CalPERS employment even if you choose to take a refund of your contributions.

CalPERS Pension

Your CalPERS pension is a 401(a) defined benefit plan that provides a lifetime monthly benefit based on a formula. It makes up a portion of your total retirement income. The percentage of your retirement income covered by your pension will depend on your other income sources. Disability and death benefits may also be available.

CalPERS Retirement Types

There are three retirement types:

- Service
- Disability
- Industrial disability

Classic vs New Member

The Public Employees' Pension Reform Act (PEPRA) changed the way CalPERS benefits are applied for those who become a "new" member as of January 1, 2013. "Classic" applies if you became a CalPERS member prior to January 1, 2013.

Classic Member:

If you move to another California public employer within six months, you retain classic member status and are under the benefits that were in place prior to January 1, 2013.

State agencies, including California State University (CSU) are considered one single employer and all California schools including community colleges are considered one employer. If you move from one state agency or CSU to another or one school district to another, the 6-month break would not apply. You retain classic member status and your CalPERS retirement benefits doesn't change.

New Member:

Pension reform became effective on January 1, 2013 for those who come into membership on or after that date.
If you're a new member you:

- Were brought into CalPERS membership with no prior membership in any California public retirement system.
- Established CalPERS membership prior to January 1, 2013, and you then were rehired by a different CalPERS employer after a break in service of **greater** than six months.

New members have different formulas and may have a limit on the final compensation amount that can be used to calculate their pension

Retirement Eligibility

You may apply for a **service** retirement with five years of CalPERS service credit and meet the minimum age requirement. If you became a member prior to January 1, 2013, in most cases you must be age 50.

If you became a member on or after January 1, 2013, you must be at least age 52. The exception are safety members who can retire at age 50.

State Second Tier members must be at least age 55 with 10 years of service.

To be eligible to apply for a **disability** retirement, you can be of any age, but you must have at least five years of service credit.

Note: If you've worked part time at least five years, but don't have five years of service credit, you may still be eligible for a service or disability retirement. Contact us for more information.

An **industrial disability** is for safety members, or miscellaneous and industrial members whose employers' contract for this benefit. You can be of any age and there is no minimum service credit requirement, but your disability must be work-related.

You should consider applying for disability retirement as soon as you believe you are unable to perform your usual job duties because of an illness or injury that is expected to be of permanent or extended and uncertain duration.

Calculating Your Retirement Benefit

The key to increasing your retirement benefit is to understand how your service credit, benefit factor, and final compensation are used in the basic retirement calculation. Increase any one of these factors and you'll increase your overall benefit.

Service Credit (years)	x	Benefit Factor (% per year)	x	Final Compensation (average pay rate)	=	Unmodified Allowance (basic pension)

Service Credit

Service credit is the first of three factors used in calculating your retirement pension. The longer you work for your CalPERS-covered employer, the more service credit you earn.

How You Earn Service Credit

Service credit accumulates on a fiscal year basis from July 1 through June 30.

If You Are Paid:	To Earn One Year of Service Credit, You Need:
Hourly	1,720 Hours
Daily	215 Days
Monthly	10 Months

You accrue service credit according to how you are paid. If you are an hourly or part-time employee, you earn service credit in direct proportion to the number of hours worked.

The examples below are based on a member who is paid a monthly pay rate.

Example: Full Time (start of fiscal year)

Jul	Aug	Sep	Oct	Nov	Dec
0.1	0.1	0.1	0.1	0.1	0.1

Jan	Feb	Mar	Apr	May	Jun
0.1	0.1	0.1	0.1	X	X

Total = 1.0 year

July 1 is the beginning of the fiscal year, and when your service credit year begins. If you work full time, you'll earn one tenth of a year by the end of July. You earn another tenth each month until the end of April, when you'll hit one year.

In May and June, you won't earn any more service credit because you cannot earn more than one year of service credit in any fiscal year.

Example: Full Time (start later in fiscal year)

Jul	Aug	Sep	Oct	Nov	Dec
				0.05	0.1

Jan	Feb	Mar	Apr	May	Jun
0.1	0.1	0.1	0.1	0.1	0.1

Total = 0.75 year

If you begin working in the middle of a fiscal year, for example halfway through November, you earn .05 or half a month of service credit. You then continue to earn a full month of service credit the rest of the year including May and June.

For those of you who are paid on a bi-weekly basis, you will have to work a few days into May before you earn one full year of service credit.

Example: Half Time

Jul	Aug	Sep	Oct	Nov	Dec
0.05	0.05	0.05	0.05	0.05	0.05

Jan	Feb	Mar	Apr	May	Jun
0.05	0.05	0.05	0.05	0.05	0.05

Total = 0.6 year

If you work half time, you will earn 0.05 years of service credit per month. Since you did not earn a full year by the end of April, you continue earning service credit through the end of the fiscal year. The example shows that a half-time employee will earn 0.6 years of service credit in a fiscal year.

Whether you work full time or part time, if you check your service credit online in your myCalPERS account, you will most likely see a fractional year of service credit. This is because your service credit is updated monthly. Check your Annual Member Statement every year to ensure your service credit is being reported to us accurately. Contact us immediately if you notice a discrepancy.

Benefit Factors and Retirement Formulas

Your benefit factor is the second of three factors used in calculating your retirement pension. It is based on your retirement formula and your age at retirement. The benefit factor determines the percentage of final compensation you will receive for each year of service credit in your account, so the higher your benefit factor is at retirement, the higher your pension amount.

Your retirement formula is based on your employer's contract with us and it determines the benefit factors available to you.

Birthday Quarters

Your benefit factor increases with each quarter year of age, or every three months, based on your birthday. For example, if your birthday is March 10, your birthday quarters are:

Birthday – March 10
¼ year – June 10
½ year – September 10
¾ year – December 10

Note: The safety formula 3% at 50 does not change with age.

Benefit Factor Chart Example

State or Schools 2% at 55

Age	Birthday 3/10	¼ Year 6/10	½ Year 9/10	¾ Year 12/10
50	1.100%	1.146%	1.190%	1.236%
51	1.280%	1.326%	1.370%	1.416%
52	1.460%	1.506%	1.550%	1.596%
53	1.640%	1.686%	1.730%	1.776%
54	1.820%	1.866%	1.910%	1.956%
55	2.000%	2.016%	2.032%	2.048%
56	2.064%	2.080%	2.096%	2.110%
57	2.126%	2.142%	2.158%	2.172%
58	2.188%	2.204%	2.220%	2.236%
59	2.250%	2.268%	2.282%	2.298%
60	2.314%	2.330%	2.346%	2.360%
61	2.376%	2.392%	2.406%	2.422%
62	2.438%	2.454%	2.470%	2.486%
63+	2.500%	2.500%	2.500%	2.500%

You can find the benefit factor charts and formulas currently in use for all state, school, and public agencies in the “Member Retirement Formulas” section.

Final Compensation

Final compensation is the third of the three factors used in calculating your retirement pension.

It takes the average of your highest 12 or 36 consecutive months of your full-time base pay rate, not your actual earnings. This means that even if you work part-time, we still use your full time pay rate; however, you are earning less service credit.

Special compensation, pay that may be reported in addition to your base pay rate, may include payment received by you for special skills, knowledge, or work assignments. Your employer must contract to have special compensation included in your final compensation calculation. Check with your employer to find out what is being reported on your behalf.

Safety members: The percentage of final compensation you can receive may be capped.

Classic members: Hired on or after July 1, 1996 may have a compensation limit. (Compensation limits do not apply if you became a member prior to July 1, 1996.)

New members: Hired after January 1, 2013 may have a compensation limit

How Do I Calculate My Full-Time Base Pay Rate?

If you are paid monthly: Your gross monthly amount is your base pay rate

If you are paid hourly: Multiply your hourly pay rate by 173.33

If you are paid bi-weekly: Multiply your bi-weekly pay rate by 2.167

How Do I Know What My Final Compensation Period Is?

If you became a member under a state or a public agency employer before January 1, 2013:

- You may have either a 12- or 36-month final compensation period. Check with your employer to find out what applies to you.

If you became a member under a school employer before January 1, 2013:

- Your final compensation period is 12 months.

If you became a member under any employer on or after January 1, 2013:

- Your final compensation period is 36 months.

Compensation Calculations

Example: 12-month final compensation, November 1 retirement date

Date	Pay Rate	Total Pay
11/1 – 4/30	$4,400 x 6 months =	$ 26,400
5/1 – 10/31	$4,600 x 6 months =	+$ 27,600
		$ 54,000 ÷ 12 months
		$ 4,500 final compensation

Example: 12-month final compensation calculation for 10-month school members, November 1 retirement date

Date	Pay Rate	Total Pay
11/1 – 6/30	$4,400 x 8 months =	$ 35,200
7/1 – 8/31	$0 x 2 months =	$ 0
9/1 – 10/31	$4,600 x 2 months =	+$ 9,200
		$ 44,400 ÷ 12 months
		$ 3,700 final compensation

Example: 36-month final compensation calculation, November 1 retirement date.

Date	Pay Rate	Total Pay
11/1 – 10/31	$4,300 x 12 months =	$ 51,600
11/1 – 10/31	$4,500 x 12 months =	$ 54,000
11/1 – 10/31	$4,700 x 12 months =	+$ 56,400
		$162,000 ÷ 36 months
		$ 4,500 final compensation

Final Compensation Adjustment

If you paid into Social Security while under CalPERS-covered employment, a one-time adjustment of $133.33 will be made to your final compensation.

Example: $4,500 minus $133.33 equals $4,366.67

This is because you didn't pay CalPERS contributions on your full earnings; therefore, not all earnings are used in your calculation.

This is a **one-time** adjustment to the final compensation used in your retirement calculation, not a monthly reduction to your check.

Based on state law, service credit earned by school members on or after January 1, 2001 is not subject to the final compensation adjustment.

This adjustment does not apply if you became a new member for the California State University or a public agency after January 1, 2013.

Putting It All Together – Your Retirement Calculation

The three factors that go into the calculation are years of service credit, the benefit factor based on your age at retirement, and your final compensation. These three factors are multiplied together to calculate the unmodified retirement pension. Any increase in one or more of the three factors may mean a higher pension at retirement.

Example 1: Basic Pension Calculation

Step 1:
25 years of service credit multiplied by the 2% per year benefit factor equals 50% of final compensation

Step 2:
The resulting 50% is then multiplied by the $4,366.67 final compensation, which equals the Unmodified Allowance of $2,183.34

25 years x 2% = 50%

50% x $4,366.67 = $2,183.34

More Than One, or "Split," Pension Calculations

What is a split calculation?

A split calculation means that more than one calculation is needed to get your basic pension amount.

There are reasons you may need more than one calculation to figure out your pension:

- You've had more than one employer.
- You've had more than one job, with more than one formula.
- You have both classic and PEPRA formulas.
- Your jobs have had different final compensation periods.
- You've paid into Social Security in some of your jobs but not others.
- You've been employed by a school since before January 1, 2001.

Example 2: Split Calculation — Final Compensation Adjustment

20 years of service credit × 2% per year x $4,366.67 (adjusted final compensation) = $1,746.67 basic pension

5 years of service credit × 2% per year x $4,500.00 final compensation = $450.00 basic pension

Sum of both = $2,196.67 total Unmodified Allowance

Example 3: Split Calculation — Different Formulas

20 years of service credit × 2% per year x $4,366.67 (adjusted final compensation) = $1,746.67 basic pension

5 years of service credit × 2.7% per year x $4,500.00 final compensation = $607.50 basic pension

Sum of both = $2,354.17 total Unmodified Allowance

Ways to Increase Your Retirement Benefit

There are some ways you may be able to increase your retirement benefit, if eligible:

- Service credit purchase
- Unused sick leave conversion
- State Second Tier conversion (State of California members only)

Service Credit Purchase Options

In addition to earning more service credit by working longer, you may be able to increase your retirement benefit by purchasing service credit. We offer a variety of service credit purchase options. If you purchase service credit, the amount you purchase will be added to the amount you earn, and the total will be used in your pension calculation at retirement.

The types of service credit you may be able to purchase are:

- Redeposit of Withdrawn Contributions
- Service Prior to Membership
- Military Service (including Military Leave of Absence)
- Other types available

Service Credit Purchase Process

There are some steps to take when considering the purchase of service credit.

1. Review ***CalPERS Service Credit Purchase Options*** (PUB 12) or, for military service, review ***Military Service Credit Options*** (PUB 15) which provides the types of service credit available, eligibility for each type, and what is needed to submit a request. These publications are found on our website.
2. There are two ways you can submit your request:
    a. You can submit a request through your myCalPERS account. Before submitting your request, you'll see an estimate of the cost and approximately how much your unmodified allowance may be increased.
    b. You can complete and mail the appropriate request form.
3. Submit your request as soon as possible.

Use the Retirement Estimate Calculator to see the difference purchasing service credit would make to your monthly benefit.

Payment Options

As of January 1, 2020, new payment rules became effective when electing to purchase service credit.

Purchased **prior** to 1/1/2020:

- If you purchased service credit prior to 1/1/2020 and do not pay it in full by your retirement date, your payments will automatically continue as a deduction to your retirement check until paid off. You can pay off the balance at any time at or after retirement.
- You have the option of converting to the Actuarial Equivalent Reduction or AER. The AER takes your unpaid balance and stretches it over an actuarial lifetime reducing your monthly benefit.

Purchase **after** 1/1/2020:

- If you elect to purchase service credit in the future, then the balance must be paid in full by retirement. If no lump sum is received, then your monthly payments will automatically convert to the AER.
- You can make a partial lump sum payment and the balance will be converted to AER.

If you submit your request through your myCalPERS account, you will be notified by email that your request has been completed and your packet will be in your account.

Important: We recommend you elect to purchase service credit as early as possible. In most cases the earlier you buy it, the less the cost; and you can have it paid off before you retire. In most cases your service credit **election** must be received prior to your retirement date.

Note: The Social Security Administration (SSA) may treat service credit purchased as time that is uncoordinated with Social Security. This may subject you to the Social Security Windfall Elimination Provision. We cannot advise or determine if you will be subject to this provision. For questions, contact the SSA.

If you are making service credit payments, you'll find your balance and purchase details in your own **myCalPERS** account.

Unused Sick Leave Conversion

Converting Unused Sick Leave to Service Credit

Accrued sick leave can be converted to service credit at the time of your retirement. Sick leave service credit does not change your age factor at retirement or your effective retirement date. It simply increases the amount of service credit used in determining your retirement benefit.

All state and school members are eligible to convert sick leave to service credit. Public agency members are eligible only if their employers contracted for this benefit. To qualify, your effective retirement date must be within 120 days of your separation from employment.

We use years of service credit in the pension calculation, so you need to know how to convert your hours of sick leave balance into years. There are 2000 hours in one year of service credit. To calculate sick leave credit:

1. Determine the amount of sick leave hours you have at retirement.
2. Divide your sick leave hours by 2000.

Example: Using 656 hours of sick leave

656 hours divided by 2000 gives you the result of .328, or more than one third of a year of additional service credit. Vacation and other types of leave time cannot be converted to service credit. If you have unused vacation or other leave, you can either receive a lump-sum payout or you may be able to use the time before you retire. You should contact your employer regarding the use or payout of your leave time.

State Tier Conversion

Another way to increase your retirement benefit is to convert any Second Tier service you have to First Tier. This is only available to State of California employees.

First Tier members

- Are eligible for retirement at:
  - Age 50 with 5 years of service credit (became a member prior to January 1, 2013) or
  - Age 52 with 5 years of service credit (became a member on or after January 1, 2013)
- Make higher CalPERS member contributions while they work
- At retirement have a higher benefit factor used in their pension calculation

Second Tier members

- Are eligible to retire at age 55 with 10 years of service credit
- Make lower CalPERS member contributions while they work
- Have a lower benefit factor used in their pension calculation

Example: First Tier vs. Second Tier

In this example we have two members, one in First Tier and one in Second Tier, with the same number of years and final compensation.

Sally (2% at 55 **First Tier** formula)

25	x	**2.00%**	=	**50.00%**	x	**$4,366.67**	=	**$2,183.34**
Years of Service		Benefit Factor		% of Final Compensation		Final Compensation		Unmodified Allowance

Sandy (1.25% at 65 **Second Tier** formula)

25	x	**0.75%**	=	**18.75%**	x	**$4,500.00**	=	**$843.75**
Years of Service		Benefit Factor		% of Final Compensation		Final Compensation		Unmodified Allowance

Sandy does not have the adjustment of $133.33 because she pays a much lower contribution into CalPERS, so her final compensation is not reduced to $4,366.67.

In this example, the First Tier benefit is $1,339.59 more per month than the Second Tier benefit.

Review the ***State Miscellaneous & Industrial Members Second Tier Benefit Election Package*** (PUB 52) for more information about converting your time.

Survivor Continuance

What Is the Difference Between a Beneficiary and a Survivor?

Beneficiary

- Can be anyone you choose
- Is not defined by law

Survivor

- Defined by state law

All state and school employers' contract for a benefit called Survivor Continuance, which is paid to your eligible survivor after your death in retirement; public agency employers can choose to contract for this benefit. This benefit is paid by your employer at no cost to you.

Survivor Eligibility

Survivors in order of eligibility are:

- Spouse or registered domestic partner*
- Unmarried children under age 18
- Unmarried disabled child**
- Dependent parents

* Must have been married or registered for at least one year before your retirement date and continuously until your death. Domestic partners must be registered with the Secretary of State.

** Must have been disabled before the age of 18 and have remained disabled.

Benefit Amount

The benefit amount depends on whether you contributed to Social Security under your CalPERS employer.

If you were coordinated with Social Security:

- Your survivor will receive 25 percent of your Unmodified Allowance.

If you were not coordinated with Social Security:

- Your survivor will receive 50 percent of your Unmodified Allowance.

If you have worked for multiple employers:

- Some may have been coordinated with Social Security and some may not have; the benefit will be prorated in such instances.

Retirement Payment Options

Retirement benefit payment options allow you to choose your basic pension (Unmodified Allowance) or take a reduced pension at retirement to provide a lump sum or a monthly income to your beneficiary.

Retirement Payment Option Descriptions

Unmodified Allowance: Provides the highest monthly allowance paid for life. There is no continuing monthly benefit to a beneficiary and no return of unused member contributions. If payable, survivor continuance is 25 or 50 percent.

Return of Remaining Contributions: Upon your death, provides a lump-sum payout of any remaining member contributions will be paid to one or more named beneficiaries. This option does not provide an ongoing monthly benefit.

Note: *It takes approximately 9-13 years in retirement to return your contributions to you as part of your monthly allowance. Once your contributions have been returned to you, your benefit does not change. It continues to be covered by your employer and CalPERS investments.*

100 Percent Beneficiary: Provides 100 percent of the option portion of your ongoing monthly benefit to your named beneficiary upon your death. Upon both your deaths, a lump-sum payout of any remaining member contributions will be paid to one or more named secondary beneficiaries.

100 Percent Beneficiary with Allowance Increase: Provides 100 percent of the option portion of your ongoing monthly benefit to your named beneficiary upon your death. If your beneficiary dies before you, or you have another qualifying event, your benefit will increase to the Unmodified Allowance.

50 Percent Beneficiary: Provides 50 percent of the option portion of your ongoing monthly benefit to your named beneficiary upon your death. Upon both your deaths, a lump-sum payout of any remaining member contributions will be paid to one or more named secondary beneficiaries.

50 Percent Beneficiary with Allowance Increase: Provides 50 percent of the option portion of your ongoing monthly benefit to your named beneficiary upon your death. If your beneficiary dies before you, or you have another qualifying event, your benefit will increase to the Unmodified Allowance.

Flexible Beneficiary: Provides an ongoing monthly benefit of a specific percentage or dollar amount of your retirement benefits to one **or more** named beneficiaries upon your death.

Example 1: Beneficiary with 25 percent Survivor Continuance

If your beneficiary is also your survivor under the 50 percent, 100 percent or flexible beneficiary options, you add the totals under **For Your Beneficiary** and **For Your Survivor** together to get the total amount that will be paid upon your death.

Option	Monthly Amount	For Your Beneficiary	For Your Survivor	For You if Beneficiary Dies Before You
Unmodified Allowance	$2,325	No Monthly Benefit	$581	N/A
Return of Remaining Contributions *	$2,315	No Monthly Benefit	$581	N/A
100% Beneficiary	$2,231	$1,650	$581	$2,231
100% Beneficiary w/Allowance Increase	$2,205	$1,624	$581	$2,325
50% Beneficiary	$2,276	$847	$581	$2,276
50% Beneficiary w/Allowance Increase	$2,263	$841	$581	$2,325

***** For Return of Remaining Contributions, the total contributions of $63,963.39 will be reduced by $421.30 for each month that the allowance is received. The contributions will be reduced to zero in approximately 12.65 years. Your monthly benefit payment doesn't end or change when your contributions are exhausted.

Option	Monthly Amount	For Your Beneficiary	For Your Survivor	For You if Beneficiary Dies Before You
Flexible Options: Specific Percentage *(Based on 25%)*	$2,301	$430	$581	$2,301
Flexible Options: Specific Dollar Amount	$2,297	$500	$581	$2,297

The specific percentage or dollar amount options are the only options where you can name more than one beneficiary to receive a monthly benefit.

Example 2: Beneficiary with 50 percent Survivor Continuance

If your beneficiary is also your survivor under the 50 percent, 100 percent or flexible beneficiary options, you add the totals under **For Your Beneficiary** and **For Your Survivor** together to get the total amount that will be paid upon your death.

Option	Monthly Amount	For Your Beneficiary	For Your Survivor	For You if Beneficiary Dies Before You
Unmodified Allowance	$6,660	No Monthly Benefit	$3,330	N/A
Return of Remaining Contributions *	$6,547	No Monthly Benefit	$3,330	N/A
100% Beneficiary	$6,184	$2,854	$3,330	$6,184
100% Beneficiary w/Allowance Increase	$6,148	$2,818	$3,330	$6,660
50% Beneficiary	$6,400	$1,535	$3,330	$6,400
50% Beneficiary w/Allowance Increase	$6,382	$1,526	$3,330	$6,660

***** For Return of Remaining Contributions, the total contributions of $513,765.29 will be reduced by $3,564.11 for each month that the allowance is received. The contributions will be reduced to zero in approximately 12.01 years. Your monthly benefit payment doesn't end or change when your contributions are exhausted.

Option	Monthly Amount	For Your Beneficiary	For Your Survivor	For You if Beneficiary Dies Before You
Flexible Options: Specific Percentage *(Based on 25%)*	$6,528	$800	$3,330	$6,528
Flexible Options: Specific Dollar Amount	$6,495	$1,000	$3,330	$6,495

The specific percentage or dollar amount options are the only options where you can name more than one beneficiary to receive a monthly benefit.

Example 3: Beneficiary with No Survivor Continuance

Survivor Continuance is not paid if you do not have an eligible survivor or your employer does not contract for this benefit. The options available are still the same.

Option	Monthly Amount	For Your Beneficiary	For Your Survivor	For You if Beneficiary Dies Before You
Unmodified Allowance	$2,389	No Monthly Benefit	$0	N/A
Return of Remaining Contributions *	$2,365	No Monthly Benefit	$0	N/A
100% Beneficiary	$2,150	$2,150	$0	$2,150
100% Beneficiary w/Allowance Increase	$2,133	$2,133	$0	$2,389
50% Beneficiary	$2,263	$1,131	$0	$2,263
50% Beneficiary w/Allowance Increase	$2,254	$1,127	$0	$2,389

***** For Return of Remaining Contributions, the total contributions of $182,362.15 will be reduced by $1,163.85 for each month that the allowance is received. The contributions will be reduced to zero in approximately 13.06 years. Your monthly benefit payment doesn't end or change when your contributions are exhausted.

Option	Monthly Amount	For Your Beneficiary	For Your Survivor	For You if Beneficiary Dies Before You
Flexible Options: Specific Percentage *(Based on 25%)*	$2,324	$581	$0	$2,324
Flexible Options: Specific Dollar Amount	$2,333	$500	$0	$2,333

The specific percentage or dollar amount options are the only options where you can name more than one beneficiary to receive a monthly benefit.

Community Property

If you are required by a court order to designate your nonmember spouse or domestic partner for an ongoing monthly benefit, you must choose one of the Court-Ordered Community Property options.

For more information, review ***Community Property*** (PUB 38A).

How to Get an Estimate

Retirement Is More Than a Year Away

You have two choices for generating retirement estimates when you are more than one year from your expected retirement date:

- Generate and save estimates through your personal myCalPERS account at **my.calpers.ca.gov**. You can generate a variety of scenarios and save them in myCalPERS for future reference.
- Use the CalPERS Retirement Estimate Calculator on our website at **www.calpers.ca.gov**. This calculator allows you to input your own information and generate only the Unmodified Allowance. You can print but not save these estimates.

Important: If you manually entered a final compensation and you have more than one final compensation type (Classic, PEPRA, 1 year, 3 year, etc.) then this estimate may not accurately reflect your final compensation per employer, which may overstate your estimated benefit.

You're Within a Year of Retirement

When you're within one year of your expected service retirement date, you can submit your ***Retirement Allowance Estimate Request*** to us through your myCalPERS account. You'll find the Start Estimate Letter Request button at the bottom of the estimate that you've just completed or when you open a saved estimate. You are allowed up to two CalPERS-generated estimates in a 12-month period. An estimate uses your current account information to project your benefit as of your estimated retirement date. For retirement estimates, we do not project salary increases, special compensation, or anticipated service credit purchases.

Commented [DL1]: Work on wording

It's important you know what your estimated retirement allowance will be before you choose a retirement payment option and retire. You only have 30 days from the issue date of your first retirement check to make any changes to your option.

You'll also need to submit an estimate request form for:

- Disability retirement
- Industrial disability retirement
- Service accrued as a local elected or appointed official
- Retired from CalPERS and returned to active employment

If you have a community property claim, you can request two time-rule retirement estimates per year if you are within **three years** of your projected retirement date. You must have an acceptable Model Order B before an estimate can be done. Use the ***Community Property Retirement Allowance Estimate Request*** form.

Temporary Annuity

Temporary annuity is additional monthly income you may choose to enhance your pension for a specific period of time when retiring on a service retirement only. A temporary annuity benefit is funded through a lifetime reduction of your monthly retirement allowance. The type of temporary annuity you are eligible for depends on your CalPERS membership date.

Example:

Say you are retiring at age 55 and requesting a $500 temporary annuity to stop at age 62. The cost is $38.63 per $100.

Hypothetical pension at age 55	$ 1,433.33
$500 temporary annuity at cost of $38.63	-$ 193.15
Permanently reduced lifetime pension	**$ 1,240.18**
Temporary annuity for seven years	+$ 500.00
Total CalPERS income from age 55 to 62	**$ 1,740.18**
Temporary annuity ends at age 62	-$ 500.00
Permanently reduced pension from age 62	**$ 1,240.18**

If you're thinking about electing a temporary annuity, it's important to request a CalPERS-generated retirement estimate prior to completing your application for retirement.

For more information, review ***A Guide to Your CalPERS Temporary Annuity*** (PUB 13).

Post-Retirement Lump-Sum Death Benefit

Retired Lump-Sum Death Benefit

If you pass away after you retire, a one-time lump-sum death benefit may be available.

The benefit payable to your named beneficiary (or beneficiaries) upon your death in retirement depends on your retirement benefit option, your marital or legal domestic partnership status, and the benefit provided by your former employer.

The amount payable is based on your employer's contract with CalPERS.

- $2,000 for state and California State University members
- $500 to $5,000 for public agency and school members

If you have had multiple employers over your career, the highest contracted amount is what is paid out to your beneficiaries.

Beneficiary Designation and Revocation

The lump sum death benefit is paid out to who you designate as your beneficiary. For a lump sum benefit, you can change your beneficiaries at any time. I's important to keep your beneficiary designation up to date.

Events may revoke your designation (such as marriage or registration of a domestic partnership, dissolution or annulment of marriage or termination of partnership, or the birth or adoption of a child).

If you don't have a valid beneficiary in effect at the time of your death, benefits will be paid by law to your closest surviving family members in the order of:

1. Spouse or registered domestic partner
2. Children (natural or adopted)
3. Parents
4. Brothers and sisters
5. Probated estate
6. Trust
7. Stepchildren
8. Grandchildren (including step-grandchildren)
9. Nieces and nephews
10. Great grandchildren
11. Cousins

After retirement, the easiest way to add or change your lump-sum beneficiary designation is through your myCalPERS account, or you can submit a *Post-Retirement Lump-Sum Beneficiary Designation (PERS-BSD-509P)* form.

Cost-of-Living Adjustment

What Is a COLA?

COLA is a cost-of-living adjustment that may increase your pension in retirement.

The COLA amount is based on:

- The Consumer Price Index (CPI) for All Urban Consumers
- Your employer's contract

Your COLA is:

- 2 percent maximum for state and school members
- Usually 2 percent but up to 5 percent for public agency members, depending on your employers' contract

The COLA is not guaranteed.

When Will You Receive Your First COLA?

If eligible, your first COLA adjustment is processed on May 1 of the second calendar year after you retire, and annually after that.

Retirement Date	First COLA Eligibility Date
12/31/2023	5/01/2025
1/01/2024	5/01/2026

Power of Attorney

The CalPERS Power of Attorney

CalPERS has a power of attorney form specifically designed for your retirement benefits.

The form enables you to designate a person or persons as your attorney-in-fact to conduct business with us on your behalf during your lifetime.

The form cannot:

- Be used to make medical decisions
- Provide authority over real or personal property
- Be used after your death
- Grant anyone access to your myCalPERS account

Having this form on file ensures that your designated attorney-in-fact is able to perform important duties based on the authority you give them, including:

- Changing your address
- Submitting a retirement application and selecting a payment option
- Designating beneficiaries
- Requesting information about CalPERS retirement checks
- Changing tax withholding

Our power of attorney form is specifically designed for use by active and retired CalPERS members and beneficiaries. You may already have a power of attorney set up through another resource; however, it may not address your CalPERS retirement benefits.

For more information, read ***CalPERS Special Power of Attorney*** (PUB 30).

Retirement Process

Planning for Your Retirement

As part of the planning process, you should:

- ✓ Attend a CalPERS retirement planning class
- Register for your myCalPERS account
- Generate your retirement estimate
- Discuss your retirement plans with family
- Meet with your financial and tax advisors
- Read your retirement application

Choosing a Retirement Date

When you choose your retirement date, these elements can impact your pension amount:

- Birthday quarters – Retire on or after your birthday quarter to maximize your age factor.
- Final compensation – Work longer under a higher pay rate.
- Cost-of-living adjustment – Begins the second calendar year after you retire.

Retirement Application

Things to keep in mind:

- Your retirement date must be at least one day after your last day on payroll.
- Your signature and, if applicable, the signature of your spouse or registered domestic partner must be witnessed by a CalPERS representative or a notary public.
- Supporting documents may be required, such as marriage certificate and beneficiary's birth certificate.
- Your option election is irrevocable 30 days after your first retirement check is issued.

Taxes and Your Retirement

You will indicate on your application how you want your taxes deducted from your retirement check.

- You can change your tax withholdings at any time.
- You may not be required to pay California state taxes on your CalPERS pension if you do not live in California.

Submitting Your Retirement Application

You can submit your application online, by mail, or at a regional office up to 120 days prior to your retirement date.

Shortly before you receive your first retirement check, we send a letter providing:

- The date of your first retirement check
- Your monthly retirement income and income tax information

Health benefits information, if applicable, will be sent in a different letter.

Retirement Process Tips

To get your first check on time:

- Complete any service credit purchases.
- Resolve any open issues, such as community property cases and home loan defaults.
- Submit your application 60 to 120 days before your retirement date.

Working After Retirement

Returning to Work After Service Retirement

After spending some time in retirement, you may decide to return to work.

As a retiree, you can be self-employed or work for a non-CalPERS employer with no limitations or restrictions.

If you return to work for a CalPERS-covered employer, you can:

- Work as a retired annuitant
- Reinstate as a CalPERS member

Returning to Work as a Retired Annuitant

If you return to work for a CalPERS employer and intend to remain retired:

- You must wait at least 180 days before you return to work (some exceptions apply).
- The position must be **temporary**.
- You may work up to 960 hours in a fiscal year.

If you retire prior to your retirement formula age for example you retire at age 52 and you're under the 2%@55 formula, additional restrictions apply. Read ***Employment After Retirement*** (PUB 33) for more information.

How to Return to Work as a Retired Annuitant

To return to work for a CalPERS employer as a retiree, apply for temporary positions directly through the employer. The employer decides whether to hire you.

Before accepting employment with any employer, it is your responsibility to ask if they contract with CalPERS for retirement benefits and inform them that you are a CalPERS retiree. Your pay cannot exceed the maximum monthly base salary paid to employees performing comparable duties as listed on a publicly available pay schedule.

We may consider positions with third-party employers or independent contractors to be employee-employer relationships which are subject to the rules regarding returning to work as a retiree. You should submit a copy of the employment contract to us so that we may review it before you accept the position.

Once hired, both you and your employer are responsible for ensuring that your employment remains in compliance with CalPERS rules and State law. You want to make sure that your employment does not jeopardize your retirement benefits.

Consequences of Unlawful Employment

Employment found to be in violation of CalPERS rules or state law can result in your mandatory reinstatement from retirement into active employment, retroactive to the date your unlawful employment began.

You would have to pay back any pension payments you received since the violation started, and then make up the employee contributions you should have been paying during that time.

Reinstatement from Retirement

When you reinstate from retirement, your retirement benefits from us stop.
You then:

- Become an active member of CalPERS again
- Earn more service credit
- Will retire again at a later date

Reinstatement and re-retiring could affect other benefits such as health benefits or a golden handshake.

Returning to Work as a Reinstated CalPERS Member

If you choose to reinstate from service retirement into active employment with a CalPERS-covered employer, you'll need to:

- Have a position that is either permanent (full or part time), or expected to last more than 960 hours or 120 days in a fiscal year.
- Have a firm start date or hire date from the CalPERS employer.
- Complete the reinstatement application and submit it to us.

Note: You may not reinstate with an employer until CalPERS has confirmed receipt of your form and approved the date of reinstatement.

There are rules and restrictions related to both options. Before accepting any position, read ***Employment After Retirement*** (PUB 33) and/or ***Reinstatement From Retirement*** (PUB 37) regarding the requirements and limitations.

Online Resources

Become A More Informed Member

myCalPERS

Log in at **my.calpers.ca.gov** to access real-time details and balances of your CalPERS accounts. With myCalPERS you can:

- View, print, and save current and past statements.
- Select mailing preferences for your statements, newsletters, and retirement checks.
- Search for medical premium rates and health plans available in your area and confirm which dependents are covered on your health plan (if applicable).
- Estimate your future retirement benefit and save estimates to view later.
- Send and receive secure messages.
- Download or order publications.
- Send account information to third parties, such as banks.
- Apply for service retirement.
- Change your beneficiary designation.
- Update your contact information, set up direct deposit, and change tax withholdings if you are a retiree.

Experience CalPERS Through Social Media

Facebook: www.facebook.com/myCalPERS

Twitter: www.twitter.com/**CalPERS**

Instagram: www.instagram.com/**CalPERS**

YouTube: www.youtube.com/**CalPERS**

LinkedIn: www.linkedin.com/company/**CalPERS**

Education

We recognize that as you go through life there are certain events that can impact your CalPERS benefits. Our training and education resources include information on key career and life events.

Our classes offer quick access to all the details you need to be prepared and informed while making your CalPERS decisions.

Career

- New CalPERS Member
- Employment Changes
- Preparing for Retirement

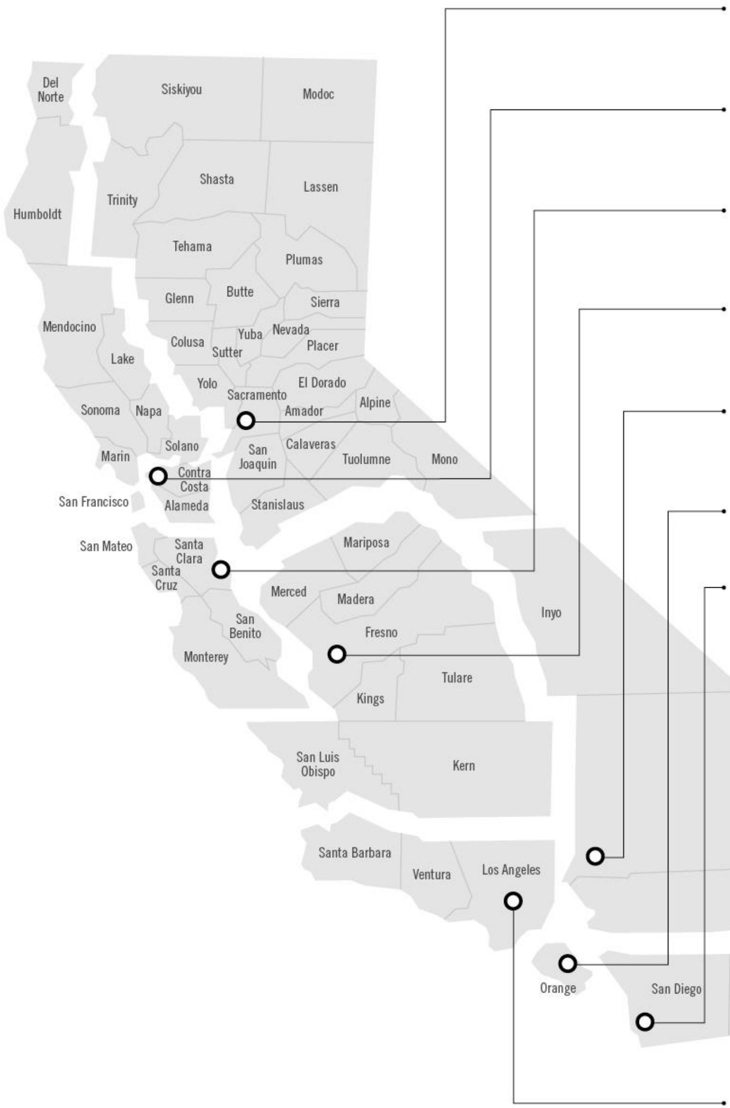
Life

- Family Changes
- Illness/Injury/Disability
- Personal Information Changes
- Death

Through your myCalPERS account you can enroll in instructor-led or online education classes, and the CalPERS Benefits Education Events or make an appointment with a CalPERS retirement counselor.

Take advantage of our free member events and training to learn about your benefits by visiting the **Member Education** page on our website. Subscribe to our **Member Education Bulletin** to receive emails regarding our educational opportunities.

CalPERS Regional Offices



Sacramento Regional Office
Lincoln Plaza East
400 Q Street, Suite 1820
Sacramento, CA 95811

Walnut Creek Regional Office
Pacific Plaza
1340 Treat Blvd., Suite 200
Walnut Creek, CA 94597

San Jose Regional Office
181 Metro Drive, Suite 520
San Jose, CA 95110

Fresno Regional Office
10 River Park Place East, Suite 230
Fresno, CA 93720

San Bernardino Regional Office
650 East Hospitality Lane, Suite 330
San Bernardino, CA 92408

Orange Regional Office
500 North State College Blvd., Suite 750
Orange, CA 92868

San Diego Regional Office
7676 Hazard Center Drive, Suite 350
San Diego, CA 92108

Glendale Regional Office
Glendale Plaza
655 North Central Ave., Suite 1400
Glendale, CA 91203

Retiree Health Benefits

Retired Member Eligibility Requirements

To be eligible for CalPERS retiree health benefits:

- Your employer must contract for the CalPERS Health Benefits Program.
- You must retire within 120 days of separating from your CalPERS employer.
- You must be eligible for health benefits on the date of permanent separation.
- You must receive a monthly retirement benefit.

Health Plan Changes

As an active member, you'll contact your personnel or human resources office for health benefit questions and changes. Once you are retired, you should contact us.

If you move, you can change your health plan 31 days before and up to 60 days after. You should check to see if your health plan is offered in the area you're moving to. If not, you will need to change your health plan. You can use the **Health Plan Search by Zip Code** tool on our website to see what's available. If you can keep your same plan, provide us with your new address so we can update your health plan.

You can also change your plan when you, or any of your dependents, go onto Medicare. It may be necessary to change your health plan if the you are currently in does not offer a Medicare supplement or managed Medicare plan.

Open enrollment occurs in the fall of each year with changes becoming effective January 1 of the new year. You can add eligible dependents outside of open enrollment when the following qualifying events occur:

- You must receive a monthly retirement benefit.
- Marriage or Domestic Partnership
- Birth of a dependent or adoption
- Involuntary loss of coverage

Dependent Coverage

Your dependents may also be eligible for health benefits under your health plan. Eligible dependents are your:

- Spouse or registered domestic partner
- Children (natural, step-, adopted, or domestic partner's) up to the age of 26
- Children up to the age of 26 if a parent-child relationship exists
- Certified disabled dependent children over the age of 26

Any dependents enrolled on your health plan prior to retirement will continue to be on your plan after retirement, if they remain eligible. Any eligible dependents who aren't enrolled when you retire may enroll during open enrollment.

Note: Not all employers contribute toward dependent coverage in retirement. Check with your employer prior to retiring to verify whether they will contribute toward dependent coverage in retirement and at what cost.

Coverage for Your Dependents After Your Death

Your surviving family members may be eligible for health coverage after your death in retirement, if they:

- Receive a monthly survivor or beneficiary check from us
- Were enrolled (or were eligible to enroll) as dependents on your health plan at the time of your death
- Continue to qualify as eligible family members

Dependent Coverage

You can add a dependent upon a qualifying event, such as getting married or entering a registered domestic partnership, birth of a dependent, or involuntary loss of coverage through another source. You can change your health plan or make changes to your existing plan during Open Enrollment or if you have a qualifying event, such as moving or enrolling in Medicare.

Important Dates for Maintaining CalPERS Health Coverage at Retirement

If you are enrolled in a CalPERS health plan at the time of retirement, and you separate from your employer and:

Your Retirement Date Is	Then Your Health Coverage
Within 30 days	Continues automatically – unless you decline continuing coverage on your retirement application
31- 120 days after your date of separation	Does not continue automatically — you must re-enroll within 60 days of your retirement date
More than 120 days after your date of separation	Is cancelled — you and your dependents are no longer eligible to be on a CalPERS health plan

You can use the **Health Plan Search by ZIP Code** tool on our website to find the health plans that are available in all 50 states.

You can use the **Health Plan Search by ZIP Code** tool on our website to find the health plans that are available in all 50 states. Use the **Search Health Plans** link in your myCalPERS account compare health plans including searching by your doctor to see what plans they participate in. Use the **Health Into Retirement Calculator** to estimate how much your health will cost you in retirement.

Coordinating CalPERS Health Coverage with Medicare

If you and your dependents are enrolled in a CalPERS Basic health plan when you retire, and you qualify for Medicare, you must enroll in Medicare Parts A and B. You must provide your Medicare information to CalPERS and then transfer to a CalPERS Medicare health plan to continue CalPERS coverage.

Be sure to read our ***Medicare Enrollment Guide*** *(HBD 65)* for more detailed information on how your CalPERS health benefits are coordinated with Medicare.

If you have questions about whether you qualify for Medicare Parts A and B, or about Medicare premiums or enrollment, contact the Social Security Administration.

State Health Benefit Vesting

State Retiree Contributions

Upon your retirement, the state may contribute toward the cost of your health insurance premiums.

The state's contribution amount is based on:

- Date you were first hired by the state
- Amount of service credit you've earned
- Your employer's Memorandum of Understanding (MOU)

The state's contribution may cover all or only a part of your health plan premiums, so even if you qualify for 100 percent of the state's contribution, you may still have a deduction coming out of your retirement check for your health coverage.

State Health Vesting Requirements

Your "first-hired" date for determining eligibility is the first day you came to work for the State of California, regardless of whether you were in CalPERS membership or not.

- **If you were hired by the state prior to January 1, 1985**
  Then you receive 100 percent of the state's contribution toward your health premium in retirement
- **If you were hired by the state from January 1, 1985, through December 31, 1988**
  Then you receive a percentage of the state's contribution based on:

Years of CalPERS Service Credit	State Contribution Toward Premium
Fewer than 10 years	Prorated based on your years of service
10 or more years	100%

- **If you were hired by the state on or after January 1, 1989**
  Then you receive a percentage of the state's contribution based on the following table. Only service credit earned in State of California employment counts.

Years of State Service Credit	State Contribution Toward Premium
Fewer than 10 years	0%
10 years	50%
11 through 19 years	Add 5% for each additional full year over 10
20 years or more	100%

Most bargaining unit Memorandum of Understandings now have a 25-year vesting requirement to be eligible for 100 percent of the states' share towards your health premiums.

Years of State Service Credit	State Contribution Toward Premium
Fewer than 15 years	0%
15 years	50%
16 through 24 years	Add 5% for each additional full year over 15
25 years or more	100%

The vesting varies by the bargaining units below:

Hired On or After:	Bargaining Unit
January 1, 2011	12
January 1, 2016	9 and 10
January 1, 2017	1, 2, 3, 4, 6, 7, 8, 11, 13, 14, 15, 17, 18, 19, 20, 21
April 1, 2017	16
January 1, 2020	5

CSU Health Vesting Requirements

If you were hired prior to July 1, 2017, you will receive 100 percent of the state's share towards your health benefits in retirement.

Hired On or After:	Bargaining Unit
July 1, 2017	3
July 1, 2018	Non-represented employees
July 1, 2018	1, 2, 4, 6, 7, 9, 10

You can find more information about retiree health benefits on our website.

State Dental and Vision Coverage After Retirement

Eligibility Requirements

Only State of California and California State University (CSU) members may be eligible for dental and vision. Eligibility and vesting varies by bargaining unit. To be eligible for dental and vision into retirement, you must:

- Separate and retire within 120 days
- Receive a monthly retirement allowance

Dental and vision is administered by:

- California Department of Human Resources (CalHR) – State members
- Chancellor's Office – CSU members

Your dental and vision coverages do not automatically continue into retirement; you must re-enroll with your employer prior to retirement.

Note: Public agencies and schools are not eligible for dental and vision coverage through the state. Please check with your employer regarding continuation of these benefits.

Dental and Vision Premiums

Your **dental** premium will be deducted every month from your retirement check. The amount depends on what you are eligible for, based on your bargaining unit.

Your **vision** premium is solely your responsibility. The state does not contribute toward vision coverage in retirement. This can be deducted monthly from your retirement check as a direct authorization upon successful enrollment.

Check with your personnel office to determine what percentage the state will pay toward your dental premium into retirement.

Dental and Vision Changes

You can make changes or add dependents to your dental plan during open enrollment or upon a qualifying event.

You will need to contact the Vision Services Plan (VSP) to make changes to your plan.

Additional Information

Reciprocity

Reciprocity is an agreement among public retirement systems in California that allows you to move from one retirement system to another, within a specified time limit, without losing certain retirement benefits. You maintain membership in each retirement system separately.

When you are ready to retire, you apply to each system for the same retirement date. Both systems may use your highest final compensation period from either to calculate your retirement benefit from each system in accordance with the applicable statutes and regulations. Some items of compensation that do not comply with the Public Employees' Retirement Law (PERL) may be excluded from the calculation of your CalPERS retirement benefit even though the other retirement system includes it in the calculation of your benefit from them. The amounts reported to us will be subject to review.

You should notify us and the reciprocal or non-reciprocal retirement system when moving from one system to another. If you work concurrently for both systems, this may void the reciprocal agreement. You also may be restricted from withdrawing your member contributions once reciprocity has been established.

For more information read ***A Guide to When You Change Retirement Systems*** (PUB 16)**.**

Emergency Retirement

An emergency retirement is a special process to expedite retirement applications for members who are facing a terminal illness or imminent death. If a medical condition indicates you may not survive long enough to fully process your retirement application, an emergency retirement may be needed.

Any active or inactive member may request an emergency retirement if they are eligible for a service or disability retirement. Emergency situations include potential imminent comatose condition or imminent death where you may not live long enough to complete the normal retirement process.

You can begin the emergency retirement process by contacting us.

Member Retirement Formulas

The following formulas apply if you became a member prior to January 1, 2013. These are considered Classic Member formulas.

State Miscellaneous & Industrial

State Miscellaneous & Industrial 2% at 55

Age	Exact Year	¼ Year	½ Year	¾ Year
50	1.100%	1.146%	1.190%	1.236%
51	1.280%	1.326%	1.370%	1.416%
52	1.460%	1.506%	1.550%	1.596%
53	1.640%	1.686%	1.730%	1.776%
54	1.820%	1.866%	1.910%	1.956%
55	2.000%	2.016%	2.032%	2.048%
56	2.064%	2.080%	2.096%	2.110%
57	2.126%	2.142%	2.158%	2.172%
58	2.188%	2.204%	2.220%	2.236%
59	2.250%	2.268%	2.282%	2.298%
60	2.314%	2.330%	2.346%	2.360%
61	2.376%	2.392%	2.406%	2.422%
62	2.438%	2.454%	2.470%	2.486%
63+	2.500%	2.500%	2.500%	2.500%

This formula is the same as the Schools 2% at 55.

State Miscellaneous & Industrial 1.25% at 65

Age	Exact Year	¼ Year	½ Year	¾ Year
50	0.5000%	0.5125%	0.5250%	0.5375%
51	0.5500%	0.5625%	0.5750%	0.5875%
52	0.6000%	0.6125%	0.6250%	0.6375%
53	0.6500%	0.6625%	0.6750%	0.6875%
54	0.7000%	0.7125%	0.7250%	0.7375%
55	0.7500%	0.7625%	0.7750%	0.7875%
56	0.8000%	0.8125%	0.8250%	0.8375%
57	0.8500%	0.8625%	0.8750%	0.8875%
58	0.9000%	0.9125%	0.9250%	0.9375%
59	0.9500%	0.9625%	0.9750%	0.9875%
60	1.0000%	1.0125%	1.0250%	1.0375%
61	1.0500%	1.0625%	1.0750%	1.0875%
62	1.1000%	1.1125%	1.1250%	1.1375%
63	1.1500%	1.1625%	1.1750%	1.1875%
64	1.2000%	1.2125%	1.2250%	1.2375%
65+	1.2500%	1.2500%	1.2500%	1.2500%

State Miscellaneous & Industrial 2% at 60

Age	Exact Year	¼ Year	½ Year	¾ Year
50	1.092%	1.108%	1.124%	1.140%
51	1.156%	1.172%	1.190%	1.206%
52	1.224%	1.242%	1.260%	1.278%
53	1.296%	1.316%	1.336%	1.356%
54	1.376%	1.396%	1.418%	1.438%
55	1.460%	1.482%	1.506%	1.528%
56	1.552%	1.576%	1.600%	1.626%
57	1.650%	1.678%	1.704%	1.730%
58	1.758%	1.786%	1.816%	1.846%
59	1.874%	1.906%	1.938%	1.970%
60	2.000%	2.034%	2.068%	2.100%
61	2.134%	2.168%	2.202%	2.238%
62	2.272%	2.308%	2.346%	2.382%
63+	2.418%	2.418%	2.418%	2.418%

State Safety

State Safety 2% at 50

Age	Exact Year	¼ Year	½ Year	¾ Year
50	2.000%	2.035%	2.070%	2.105%
51	2.140%	2.175%	2.210%	2.245%
52	2.280%	2.315%	2.350%	2.385%
53	2.420%	2.455%	2.490%	2.525%
54	2.560%	2.595%	2.630%	2.665%
55+	2.700%	2.700%	2.700%	2.700%

This formula has a 90 percent cap.

State Safety 2% at 55

Age	Exact Year	¼ Year	½ Year	¾ Year
50	1.426%	1.450%	1.474%	1.498%
51	1.522%	1.550%	1.576%	1.602%
52	1.628%	1.656%	1.686%	1.714%
53	1.742%	1.772%	1.804%	1.834%
54	1.866%	1.900%	1.932%	1.966%
55+	2.000%	2.000%	2.000%	2.000%

This formula has an 80 percent cap.

State Safety 2.5% at 55 Peace Officer/Firefighter

Age	Exact Year	¼ Year	½ Year	¾ Year
50	2.000%	2.025%	2.050%	2.075%
51	2.100%	2.125%	2.150%	2.175%
52	2.200%	2.225%	2.250%	2.275%
53	2.300%	2.325%	2.350%	2.375%
54	2.400%	2.425%	2.450%	2.475%
55+	2.500%	2.500%	2.500%	2.500%

This formula has a 90 percent cap.

State Safety 2.5% at 55

Age	Exact Year	¼ Year	½ Year	¾ Year
50	1.700%	1.725%	1.750%	1.775%
51	1.800%	1.825%	1.850%	1.875%
52	1.900%	1.925%	1.950%	1.975%
53	2.000%	2.064%	2.126%	2.188%
54	2.250%	2.314%	2.376%	2.438%
55+	2.500%	2.500%	2.500%	2.500%

This formula has an 80 percent cap.

State Safety 2.5% at 60

Age	Exact Year	¼ Year	½ Year	¾ Year
50	1.426%	1.450%	1.474%	1.498%
51	1.522%	1.550%	1.576%	1.602%
52	1.628%	1.656%	1.686%	1.714%
53	1.742%	1.772%	1.804%	1.834%
54	1.866%	1.900%	1.932%	1.966%
55	2.000%	2.025%	2.050%	2.075%
56	2.100%	2.125%	2.150%	2.175%
57	2.200%	2.225%	2.250%	2.275%
58	2.300%	2.325%	2.350%	2.375%
59	2.400%	2.425%	2.450%	2.475%
60+	2.500%	2.500%	2.500%	2.500%

This formula has an 80 percent cap.

State Safety 3% at 50

Age	Exact Year	¼ Year	½ Year	¾ Year
50+	3.000%	3.000%	3.000%	3.000%

This formula has a 90 percent cap.

State Safety 3% at 55

Age	Exact Year	¼ Year	½ Year	¾ Year
50	2.400%	2.430%	2.460%	2.490%
51	2.520%	2.550%	2.580%	2.610%
52	2.640%	2.670%	2.700%	2.730%
53	2.760%	2.790%	2.820%	2.850%
54	2.880%	2.910%	2.940%	2.970%
55+	3.000%	3.000%	3.000%	3.000%

This formula has a 90 percent cap.

School Members

Schools 2% at 55

Age	Exact Year	¼ Year	½ Year	¾ Year
50	1.100%	1.146%	1.190%	1.236%
51	1.280%	1.326%	1.370%	1.416%
52	1.460%	1.506%	1.550%	1.596%
53	1.640%	1.686%	1.730%	1.776%
54	1.820%	1.866%	1.910%	1.956%
55	2.000%	2.016%	2.032%	2.048%
56	2.064%	2.080%	2.096%	2.110%
57	2.126%	2.142%	2.158%	2.172%
58	2.188%	2.204%	2.220%	2.236%
59	2.250%	2.268%	2.282%	2.298%
60	2.314%	2.330%	2.346%	2.360%
61	2.376%	2.392%	2.406%	2.422%
62	2.438%	2.454%	2.470%	2.486%
63+	2.500%	2.500%	2.500%	2.500%

This formula is the same as the state miscellaneous 2% at 55 formula.

Local Miscellaneous

Local Miscellaneous 2% at 55

Age	Exact Year	¼ Year	½ Year	¾ Year
50	1.426%	1.450%	1.474%	1.498%
51	1.522%	1.550%	1.576%	1.602%
52	1.628%	1.656%	1.686%	1.714%
53	1.742%	1.772%	1.804%	1.834%
54	1.866%	1.900%	1.932%	1.966%
55	2.000%	2.014%	2.026%	2.040%
56	2.052%	2.066%	2.078%	2.092%
57	2.104%	2.118%	2.130%	2.144%
58	2.156%	2.170%	2.182%	2.196%
59	2.210%	2.222%	2.236%	2.248%
60	2.262%	2.274%	2.288%	2.300%
61	2.314%	2.326%	2.340%	2.352%
62	2.366%	2.378%	2.392%	2.404%
63+	2.418%	2.418%	2.418%	2.418%

The local miscellaneous 2% at 55 formula is not the same as the state or schools 2% at 55 formula.

Local Miscellaneous 2% at 60

Age	Exact Year	¼ Year	½ Year	¾ Year
50	1.092%	1.108%	1.124%	1.140%
51	1.156%	1.172%	1.190%	1.206%
52	1.224%	1.242%	1.260%	1.278%
53	1.296%	1.316%	1.336%	1.356%
54	1.376%	1.396%	1.418%	1.438%
55	1.460%	1.482%	1.506%	1.528%
56	1.552%	1.576%	1.600%	1.626%
57	1.650%	1.678%	1.704%	1.730%
58	1.758%	1.786%	1.816%	1.846%
59	1.874%	1.906%	1.938%	1.970%
60	2.000%	2.034%	2.068%	2.100%
61	2.134%	2.168%	2.202%	2.238%
62	2.272%	2.308%	2.346%	2.382%
63+	2.418%	2.418%	2.418%	2.418%

Local Miscellaneous 2.5% at 55

Age	Exact Year	¼ Year	½ Year	¾ Year
50	2.000%	2.025%	2.050%	2.075%
51	2.100%	2.125%	2.150%	2.175%
52	2.200%	2.225%	2.250%	2.275%
53	2.300%	2.325%	2.350%	2.375%
54	2.400%	2.425%	2.450%	2.475%
55+	2.500%	2.500%	2.500%	2.500%

Local Miscellaneous 2.7% at 55

Age	Exact Year	¼ Year	½ Year	¾ Year
50	2.000%	2.035%	2.070%	2.105%
51	2.140%	2.175%	2.210%	2.245%
52	2.280%	2.315%	2.350%	2.385%
53	2.420%	2.455%	2.490%	2.525%
54	2.560%	2.595%	2.630%	2.665%
55+	2.700%	2.700%	2.700%	2.700%

Local Miscellaneous 3% at 60

Age	Exact Year	¼ Year	½ Year	¾ Year
50	2.000%	2.025%	2.050%	2.075%
51	2.100%	2.125%	2.150%	2.175%
52	2.200%	2.225%	2.250%	2.275%
53	2.300%	2.325%	2.350%	2.375%
54	2.400%	2.425%	2.450%	2.475%
55	2.500%	2.525%	2.550%	2.575%
56	2.600%	2.625%	2.650%	2.675%
57	2.700%	2.725%	2.750%	2.775%
58	2.800%	2.825%	2.850%	2.875%
59	2.900%	2.925%	2.950%	2.975%
60+	3.000%	3.000%	3.000%	3.000%

Local Miscellaneous 1.5% at 65

Age	Exact Year	¼ Year	½ Year	¾ Year
50	.5000%	.5167%	.5334%	.5500%
51	.5667%	.5834%	.6000%	.6167%
52	.6334%	.6500%	.6667%	.6834%
53	.7000%	.7167%	.7334%	.7500%
54	.7667%	.7834%	.8000%	.8167%
55	.8334%	.8500%	.8667%	.8834%
56	.9000%	.9167%	.9334%	.9500%
57	.9667%	.9834%	1.0000%	1.0167%
58	1.0334%	1.0500%	1.0667%	1.0834%
59	1.1000%	1.1167%	1.1334%	1.1500%
60	1.1667%	1.1834%	1.2000%	1.2167%
61	1.2334%	1.2500%	1.2667%	1.2834%
62	1.3000%	1.3167%	1.3334%	1.3500%
63	1.3667%	1.3834%	1.4000%	1.4167%
64	1.4334%	1.4500%	1.4667%	1.4834%
65+	1.5000%	1.5000%	1.5000%	1.5000%

Local Safety

Local Safety 2% at 50

Age	Exact Year	¼ Year	½ Year	¾ Year
50	2.000%	2.035%	2.070%	2.105%
51	2.140%	2.175%	2.210%	2.245%
52	2.280%	2.315%	2.350%	2.385%
53	2.420%	2.455%	2.490%	2.525%
54	2.560%	2.595%	2.630%	2.665%
55+	2.700%	2.700%	2.700%	2.700%

This formula has a 90 percent cap.

Local Safety 2% at 55

Age	Exact Year	¼ Year	½ Year	¾ Year
50	1.426%	1.450%	1.474%	1.498%
51	1.522%	1.550%	1.576%	1.602%
52	1.628%	1.656%	1.686%	1.714%
53	1.742%	1.772%	1.804%	1.834%
54	1.866%	1.900%	1.932%	1.966%
55+	2.000%	2.000%	2.000%	2.000%

This formula has a 90 percent cap.

Local Safety 2.5% at 55

Age	Exact Year	¼ Year	½ Year	¾ Year
50	2.000%	2.025%	2.050%	2.075%
51	2.100%	2.125%	2.150%	2.175%
52	2.200%	2.225%	2.250%	2.275%
53	2.300%	2.325%	2.350%	2.375%
54	2.400%	2.425%	2.450%	2.475%
55+	2.500%	2.500%	2.500%	2.500%

This formula has a 90 percent cap.

Local Safety 3% at 50

Age	Exact Year	¼ Year	½ Year	¾ Year
50+	3.000%	3.000%	3.000%	3.000%

This formula has a 90 percent cap.

Local Safety 3% at 55

Age	Exact Year	¼ Year	½ Year	¾ Year
50	2.400%	2.430%	2.460%	2.490%
51	2.520%	2.550%	2.580%	2.610%
52	2.640%	2.670%	2.700%	2.730%
53	2.760%	2.790%	2.820%	2.850%
54	2.880%	2.910%	2.940%	2.970%
55+	3.000%	3.000%	3.000%	3.000%

This formula has a 90 percent cap.

New Member Miscellaneous

The following formulas apply if you became a member on or after January 1, 2013 with public agency, school, and state employers.

Miscellaneous 2% at 62

Age	Exact Year	¼ Year	½ Year	¾ Year
52	1.000%	1.025%	1.050%	1.075%
53	1.100%	1.125%	1.150%	1.175%
54	1.200%	1.225%	1.250%	1.275%
55	1.300%	1.325%	1.350%	1.375%
56	1.400%	1.425%	1.450%	1.475%
57	1.500%	1.525%	1.550%	1.575%
58	1.600%	1.625%	1.650%	1.675%
59	1.700%	1.725%	1.750%	1.775%
60	1.800%	1.825%	1.850%	1.875%
61	1.900%	1.925%	1.950%	1.975%
62	2.000%	2.025%	2.050%	2.075%
63	2.100%	2.125%	2.150%	2.175%
64	2.200%	2.225%	2.250%	2.275%
65	2.300%	2.325%	2.350%	2.375%
66	2.400%	2.425%	2.450%	2.475%
67+	2.500%	2.500%	2.500%	2.500%

State Miscellaneous 1.25% at 67

Age	Exact Year	¼ Year	½ Year	¾ Year
52	0.650%	0.660%	0.670%	0.680%
53	0.690%	0.700%	0.710%	7.200%
54	0.730%	0.740%	0.750%	0.760%
55	0.770%	0.780%	0.790%	0.800%
56	0.810%	0.820%	0.830%	0.840%
57	0.850%	0.860%	0.870%	0.880%
58	0.890%	0.900%	0.910%	0.920%
59	0.930%	0.940%	0.950%	0.960%
60	0.970%	0.980%	0.990%	1.000%
61	1.010%	1.020%	1.030%	1.040%
62	1.050%	1.060%	1.070%	1.080%
63	1.090%	1.100%	1.110%	1.120%
64	1.130%	1.140%	1.150%	1.160%
65	1.170%	1.180%	1.190%	1.200%
66	1.210%	1.220%	1.230%	1.240%
67+	1.250%	1.250%	1.250%	1.250%

New Member Safety

Safety 2% at 57

Age	Exact Year	¼ Year	½ Year	¾ Year
50	1.426%	1.447%	1.467%	1.488%
51	1.508%	1.529%	1.549%	1.570%
52	1.590%	1.611%	1.631%	1.652%
53	1.672%	1.693%	1.713%	1.734%
54	1.754%	1.775%	1.795%	1.816%
55	1.836%	1.857%	1.877%	1.898%
56	1.918%	1.939%	1.959%	1.980%
57+	2.000%	2.000%	2.000%	2.000%

Safety 2.5% at 57

Age	Exact Year	¼ Year	½ Year	¾ Year
50	2.000%	2.018%	2.036%	2.054%
51	2.071%	2.089%	2.107%	2.125%
52	2.143%	2.161%	2.179%	2.196%
53	2.214%	2.232%	2.250%	2.268%
54	2.286%	2.304%	2.321%	2.339%
55	2.357%	2.375%	2.393%	2.411%
56	2.429%	2.446%	2.464%	2.482%
57+	2.500%	2.500%	2.500%	2.500%

Safety 2.7% at 57

Age	Exact Year	¼ Year	½ Year	¾ Year
50	2.000%	2.025%	2.050%	2.075%
51	2.100%	2.125%	2.150%	2.175%
52	2.200%	2.225%	2.250%	2.275%
53	2.300%	2.325%	2.350%	2.375%
54	2.400%	2.425%	2.450%	2.475%
55	2.500%	2.525%	2.550%	2.575%
56	2.600%	2.625%	2.650%	2.675%
57+	2.700%	2.700%	2.700%	2.700%

Contacts

CalPERS
www.calpers.ca.gov
my.calpers.ca.gov
888 CalPERS or **888**-225-7377

CalHR
www.calhr.ca.gov
(916) 324-0455

CalPERS Long-Term Care Program
CalPERS has temporarily suspended open enrollment due to current uncertainty in the long-term care market. Until further notice, we will not be accepting new applications.
www.calperslongtermcare.com
(800) 982-1775

CalPERS Supplemental Income 457 Plan (school and public agency members)
CalPERS Supplemental Contributions Plan (state members)
www.calpers.ca.gov
(800) 260-0659

Medicare
www.medicare.gov
(800) 633-4227

Savings Plus
www.savingsplusnow.com
(855) 616-4776

Social Security Administration
www.ssa.gov
(800) 772-1213
(800) 325-0778 TTY

If you believe your Social Security benefits are being reduced incorrectly by the Windfall Elimination Provision or Government Pension Offset and you are unable to resolve the issue with Social Security, you may escalate your case by one of the following methods:

- School members may contact the California School Employees Association (CSEA) at **csea.com** or by telephone (800) 632-2128.
- State Social Security Administrators act as a liaison with the Social Security Administration. Contact them by email at **sssa@calpers.ca.gov** or by phone at (916) 795-0810.

Vision Services Plan (VSP)
www.vsp.com
(800) 877-7195

Planning Your Retirement Class

PUB 101

December 2021

CalPERS