

ASRS REPORT

ARIZONA STATE RETIREMENT SYSTEM

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This report provides a briefing of news and notices important to our members, retirees and employer partners, as well as other interested parties. It is produced by the ASRS on a periodic basis and posted to the ASRS website.

ASRS News

The 50th Legislature—First Regular Session is now underway. A number of bills that could impact the ASRS and its members are under consideration. The ASRS will again be tracking legislation via our ASRS Bill Tracker. You can find it and follow the process, on our website. The Bill Tracker will be updated weekly and can be found on our homepage – www.azasrs.gov – under the News & Events Calendar.

A summary of selected bills currently making their way through the legislative process:

House Bill 2027 – ASRS Return to Work, Alternate Contribution Rate (ACR)

This bill would institute an alternate contribution rate to be paid to the ASRS by the employer on behalf of a retiree who is collecting an ASRS pension but also returns to work with the employer. The purpose of this bill is to capture the contributions that would have been paid to the ASRS had the retiree not returned to work and the employer filled the position with a new hire. The ACR would capture the portion of the ASRS contribution rate that pays into the ASRS deficit. It would be actuarially determined each year and would generally be less than the traditional contribution rate.

Cost savings over time could range from \$27 million to more than \$545 million.
If passed as introduced, the ACR would take effect July 1, 2014.

HB 2023 – ASRS Long Term Disability modifications

This bill would require disability claims to be submitted within 24 months of the date of disability and would permit the ASRS to suspend benefits or terminate claims when a member refused to provide requested information to the ASRS.

HB 2024 – Various Amendments; all provisions contained in HB 2027 & HB 2023

This bill would affect ASRS collections from employers; qualified domestic relations orders; add clarification to survivor benefit statutes and authorize federal conforming changes.

To read more details about these and other bills, including senate bills that contain many of the same provisions, view the ASRS Bill Tracker on our website.

New Secure Email Available for Members, Retirees

ASRS members and retirees can access their personal information on the ASRS website by logging into a secure section. If you haven't set up your ASRS Homepage, we encourage you to do so.

A new function has recently been added to this area: Secure Email. This will allow members and retirees to email personal questions and information to the ASRS, and for the ASRS to respond back by delivering mail to your personal email box.

To do this, begin by clicking on the My ASRS Login button located at the bottom of the homepage. After creating a personal login, members have access to their personal ASRS Homepage and secure email.

News for Members

Check Out Our "Know Your Benefits" Webinar!

The ASRS is pleased to announce a new opportunity for members to participate in online meetings!

The ASRS has long offered "Know Your Benefits" meetings to our members at our Phoenix and Tucson offices. We've even taken the meeting on the road throughout the state. Now, ASRS members can participate in this meeting online via a new webinar!

"Know Your Benefits" provides an overview of the ASRS and a summary of the many benefits you have as a member. Through this one-hour webinar, members can participate right from their computer. You'll see and hear from one of our Benefit Advisors, follow along with a slide presentation and have the opportunity to email questions in real time. This will be a great way for members to learn about their membership in the ASRS!

Webinars take place monthly. To learn more, and sign up, visit our website and look under the Interactive Center tab at the top of our homepage.

News for Retirees

New Prescription Drug Discount Program Available to All Retirees!

As part of your benefits as a retiree with the ASRS, a new prescription drug discount card is available to all retirees and their families, regardless of health insurance provider.

The ASRS has contracted with WellDyne for the new WellCard, a valuable addition to your benefits.

Using the WellCard Prescription Discount Card is an easy and convenient way to save money on all your prescription drugs. This one card will cover your entire family at no cost to you. Take your prescription and your WellCard to any one of the 59,000 participating pharmacies nationwide to save up to 65 percent on the cost of your medications. Over 60,000 drugs are covered by the card, which means you will receive great savings on nearly every brand name and generic drug available.

There is no charge for the WellCard Prescription Discount Card! To learn more visit the ASRS website.

Watch for *Your Retirement* newsletter

The ASRS publishes a quarterly newsletter, *Your Retirement*, which is mailed to retirees, surviving beneficiaries and members on the ASRS Long Term Disability program.

The next issue is scheduled to be mailed in early February. Watch your mailbox for it! It will include additional information on the new prescription drug discount card, including a card that you can cut out and begin using!

Your Retirement is made possible with participation from our health care providers – UnitedHealthcare of Arizona, Assurant Employee Benefits, Arizona HearCare Network, WellDyne WellCard and SilverSneakers.

News for Employers

New Secure Email Available to Employers

ASRS member employers now have access to a new secure email function that will allow you to correspond with the Employer Relations department.

This new feature is accessible from the secure employer section of our website. Employer representatives must have a login ID and Password. If you have not registered, please contact us so we can get you set up. EmployerRelations@azasrs.gov

Once logged in, the Secure Email function is located in the left navigation bar. It works similar to other secure email functions you may have experienced, such as banking sites. You can be confident in sending emails with such data as employee names and all forms. When we respond, you will receive a notification that you have a secure email in your Inbox.

Enrolling New Employees Now Exclusively Done Online

Employers representatives charged with enrolling their new employees in the ASRS can now complete the process online. Nearly all our 730 employer partners are using the new online forms, which are quick, safe and convenient. Please do not send paper enrollment forms to the ASRS by mail or fax.

If you need assistance in setting up the online enrollment process, please contact us at EmployerRelations@azasrs.gov.

Employer Relations Welcomes Michael Carr to Our Team!

Employer Relations is pleased to announce the addition of Michael Carr to our team.

Michael has been a member services representative for six years and has much experience with the ASRS.

He joins Mark Muraoka and Wendy Tobin as Employer Liaisons, led by Michele Briggs, Manager of Employer Relations.

You can reach us at EmployerRelations@azasrs.gov

Supplemental Salary Deferral Plan Offered Through ASRS

The ASRS has a new voluntary program that employers may wish to participate in that allows eligible active members to save additional tax-deferred money for retirement.

The new ASRS Supplemental Salary Deferral Plan (SSDP) and is qualified under Section 403(b) and 457(b) of the Internal Revenue Code.

TIAA-CREF has been selected as the administrator of the new ASRS plan. Through TIAA-CREF, a leading provider of retirement services in the academic, research, medical and governmental fields, SSDP participants will have access to high-quality customer service, including telephone and web access to accounts, and a diverse selection of investment choices which they can manage.

Selection of TIAA-CREF by the ASRS for this exciting new program was made largely due to TIAA-CREF's ability to provide a high-quality, low-fee option for ASRS members wishing to save additional tax-deferred monies for retirement.

The SSDP program will be offered voluntarily to ASRS member employers. Eligible ASRS members will be able to participate once their employer signs up for the new plan. The plan will be offered to ASRS member employers, except for the State of Arizona and the state universities, which have another existing plan administered by the Arizona Department of Administration. TIAA-CREF will be contacting ASRS employers in the coming weeks to unveil the program and solicit participation.

The SSDP is offered in addition to the ASRS Defined Benefit Plan, the primary pension plan that provides members a lifelong income upon retirement.

To schedule an introductory meeting or learn more about the program, please contact Will Hurley at TIAA-CREF via phone at (602) 553-7702 or via email at whurley@tiaa-cref.org.

Member Meetings

Educational Meetings Offered to Inform, Assist Members

The Member Services Division of the ASRS conducts educational meetings available to all members. Whether you're newly hired and want to learn about the benefits available to you, or you're ready to retire and want assistance filling out your paperwork and making annuity selections, the ASRS has a meeting for you.

Know Your Benefits

This meeting is especially beneficial to new members. You'll learn about the many benefits of belonging to the Arizona State Retirement System, including a history and overview of the ASRS, how your pension is calculated and how to maximize your future benefit, member responsibilities, disability and survivor benefits, options should you leave ASRS employment, and more. Also covered will be the Service Purchase benefit, through which a member may purchase, under certain circumstances, time they worked under other qualified employer plans. This meeting is also offered as an online Webinar.

Getting Ready for Retirement

This meeting is vital for members who are planning to retire within a year. You'll learn about your pension benefit and how it's calculated, options for retiree health insurance and other benefits, return to work options and more. Members who register for this meeting will receive a personal benefit estimate and assistance in filling out the proper paperwork.

Know Your Insurance

This meeting has been created to provide information to members about the ASRS health insurance plans and benefits. Members planning to retire soon are encouraged to attend. You'll learn about health insurance options, meet the insurance carriers, learn about the ASRS Premium Benefit program, and other benefits available to you.

Visit our website and click on the "Member Education" section to see a full listing of meetings taking place in Phoenix, Tucson and throughout the state at various locations. Reservations are required and can be made by calling our Member Advisory Center at (602) 240-2000 in Phoenix, (520) 239-3100 in Tucson, or (800) 621-3778 outside Phoenix and Tucson.

ASRS Board & Committee Meetings

ASRS Board of Trustees

Friday, February 18, 8:30 a.m. – ASRS Phoenix office, 3300 N. Central Ave., 10th floor Board Room.

External Affairs Committee

Friday, February 4, 10 a.m. – ASRS Phoenix office, 3300 N. Central Ave., 14th floor.

Investment Committee

Monday, February 14, 2:30 p.m. – ASRS Phoenix office, 3300 N. Central Ave., 14th floor.

Operations Committee

Thursday, February 24, 10:30 a.m. – ASRS Phoenix office, 3300 N. Central Ave., 14th floor.

Note: All Board & Committee meetings are open to the public and your attendance is encouraged. Schedules, agendas and minutes of meetings are posted on our website and are available at our Phoenix and Tucson offices.