Director’s Message
by Paul Matson, ASRS Director

Now, more than one year into the pandemic that has altered our lives and our economy in so many ways, I thought I would provide an update on our focus here at the Arizona State Retirement System.

Along with our management team, I remain keenly centered on the following key areas:

Customer Service
Since the pandemic began, the ASRS has remained fully operational in all core services, including making all pension, disability and health insurance payments.

While we continue to operate from a primarily home-based workforce, we continue to process all retirement applications, forfeitures and similar service requests, as well as facilitate all the various activities required in order to keep member accounts accurate and up-to-date.

For everyone’s safety, our in-person individual and group meetings continue to be replaced with robust online learning opportunities.

We continue to evaluate the safety and efficacy of opening our Phoenix and Tucson offices for in-person business and meetings, with the timeframe depending on various health related data and recommendations.

Finally, our Board of Trustee and Board Committee meetings continue to be conducted virtually, while still allowing for public participation.

Investment Portfolio and Returns
Within ranges around a long term strategic asset allocation, we are constantly reviewing our investments with a goal of making adjustments to either create added returns or reduce risk. While the capital markets largely dictate investment returns, we are finding nuanced ways to out-perform in certain areas.

Our 2020 fiscal-year-end return was 0.8 percent, and our 2021 fiscal-year-to-date return is more than 16 percent as of late February – which – assuming no further investment returns or losses for the year – would result in a combined two year return above our current 7.5% average long term expectation.

Data Security and Cyber Safety
Suffice it to say that protecting our members’ data as well as ensuring security of our assets is of critical importance. We continue to invest significant staff and resources to ensure your information and our systems are safe and secure.
UnitedHealthcare’s Virtual Education Center®

2020 was a year that presented us all with new challenges. Since it was not possible to share information face-to-face during the pandemic, UnitedHealthcare® brought resources together in one place so you can access all the information you may need wherever and whenever you need it.

Introducing the UnitedHealthcare Virtual Education Center!

There are two Virtual Education Centers set up for ASRS retirees: one for Medicare-eligible retirees and one for retirees who are not yet Medicare eligible.

UnitedHealthcare designed each Virtual Education Center to be a place where you and your family members can go to learn about your benefits and services for the 2021 plan year. Through the Virtual Education Center, you can get information regarding the basics of Medicare, the benefits offered in ASRS plans, programs available to you, how to find providers, and how to enroll.

Both Medicare and non-Medicare retirees have the opportunity to visit a number of virtual booths, including: How the Plan Works, Health & Wellness, Virtual Visits/NurseLine, Clinical Resources Support, and more. Each booth contains helpful information, materials to download, and informative videos.

For example, the Health & Wellness virtual booth provides information on annual wellness visits, and no-cost programs such as SilverSneakers®. It also includes links to additional member resources and an annual care checklist, which makes it a breeze to have healthy reminders close at hand.

The How The Plan(s) Work booth is a “Benefits 101” for all retirees. Non-Medicare retirees will find resource links to all various plan options available, as well as information on how to get the most from your plan with UnitedHealthcare. Medicare retirees will also find plenty of plan information, along with links to helpful guides such as a four-step guide to register for your secure account, and the UnitedHealthcare New To Medicare Advantage guide.

Understanding your health care choices or current plan is important. UnitedHealthcare hopes to make each step of your health care experience easier through our Virtual Education Centers!
Health Insurance Costs
We recognize that providing choice and value with the ASRS Retiree Group Health Insurance programs is very important. One technique that we utilized to drive down health insurance costs was the implementation several years ago of a Retrospective Rate Agreement. As a result, ASRS retirees medical premiums have been reduced by more than $127 million over the three-year distribution period of those funds, with potential for additional savings in future years.

Cost Containment
Over the past three years, the ASRS has managed to revert more than $2 million in appropriated funding back into the ASRS trust fund. Internal savings have come from a variety of budget areas as we continuously look at ways to save money without sacrificing services to you, our members.

Thank you for allowing me to share these key focus areas with you. We at the ASRS wish you, your family and friends, good health and happiness.

Sincerely,
Paul Matson,ASRS Executive Director

Alternatives to In-Person Appointments
by Nathaniel Brengle,Strategic Communications

As more of the population gains access to the COVID-19 vaccine, some may be wondering if the ASRS has resumed in-person appointments. The answer: not yet! At this time, the Phoenix and Tucson offices remain open for document drop-off purposes and for urgent member service requests, with no staff available for general in-person appointments.

As a reminder, you can always mail documents to the ASRS at PO Box 33910 Phoenix, AZ 85067-3910, or provide documents to the ASRS digitally via your secure messaging in your myASRS account.

Should you need guidance from the ASRS, don’t worry – we’re still here to help!

The Retiree Section of AzASRS.gov
If you find yourself looking for information, the Retiree section of AzASRS.gov is a good place to start. We have pages dedicated to helpful retiree videos, benefit payments, healthcare, tax information, returning to work, and more. Within those pages, there are many helpful videos, answers to frequently asked questions, and an abundance of information on just about every topic related to being an ASRS retiree.

Your Secure myASRS Account
While the main AzASRS.gov website provides general information on a variety of topics, your myASRS account is where you’ll find information specific to your account. myASRS is also where you can update your mailing address, email address, or beneficiary on file with the ASRS.

Member Secure Messaging
Need to connect with a retirement specialist? Check out Member Secure Messaging, available in your myASRS account. With secure messaging, you’re able to message directly with a retirement specialist about any topic, and you’re also able to upload documents. If you’d like to learn more about secure messaging, we have a helpful how-to video with step-by-step directions which you can find on the Retiree Videos page at AzASRS.gov.

Director’s Message, continued

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Sincerely,
Paul Matson,ASRS Executive Director

Log into you myASRS account to send a secure message to an ASRS Retirement Specialist!
Moving Out of the State?

If you’ve recently moved outside of Arizona – or plan on it – there’s some important information you should know regarding your pension and benefits provided by the ASRS.

STATE TAX IMPLICATIONS

If you’re not living in Arizona, you might not want to keep paying Arizona state taxes. Just because you changed your mailing address doesn’t mean the tax withholding stops – you have to stop that on your own in your myASRS account. Also, the ASRS cannot withhold taxes for other states, so you’ll need to contact the state tax authority in your new state to see if your pension is taxable there.

MEDICAL & DENTAL INSURANCE

While both dental carriers available through the ASRS – Delta Dental and Cigna Dental – have U.S. coverage outside of Arizona, there are exceptions, and you’ll want to research whether or not there is in-network coverage in the area you plan to move.

For medical insurance, United-Healthcare has both Medicare and non-Medicare plans with coverage for those not living in Arizona: for Medicare retirees, it’s the Medicare Advantage PPO plan. For non-Medicare retirees, it’s the Choice Plus PPO plan. Make sure to look up which plan you’re enrolled in and remember that any time you’re thinking of changing plans to compare benefits and research network availability in the area you plan to move.

Also, if you’re moving out of state and you wish to make changes to your medical or dental coverage outside of our annual November open enrollment period, a change in primary residence can be a Qualifying Life Event if the change in your place of residence affects your current coverage through the ASRS. For more information about Qualifying Life Events, visit the Healthcare page of the Retiree section of AzASRS.gov and look for the Qualifying Life Events link. (Also, see the article “Qualifying Life Events and Health Insurance Coverage” on page five.)

EXPAT LIFE

If you’ve decided to move out of the country, keep in mind that the ASRS cannot make direct deposits to foreign banks – pension benefits must be deposited to a U.S. bank or financial institution.

As for taxes, if you’re a U.S. citizen living outside the United States, your worldwide income is subject to U.S. income tax, regardless of where you live. However, you may qualify for certain foreign earned income exclusions and/or foreign income tax credits. For more information, visit IRS.gov and search “international taxpayer.” (Don’t forget - if you ever decide to permanently move back to the U.S., please notify the ASRS upon your return!)

Also, ASRS medical and dental insurance plans are U.S. based plans and coverage for services outside of the U.S. is
Qualifying Life Events & Health Insurance Coverage

As you’re likely aware, the ASRS makes medical and dental coverage available to its retirees, with an annual open enrollment period each November that allows our retirees to enroll in or change their coverage. But with the open enrollment period for this year’s coverage over and the 2022 open enrollment seven months away, you may be wondering if you can change or add coverage in the meantime. In some instances, you may have a life event that allows you to make a change in your coverage with the ASRS. This is where Qualifying Life Events come in.

What is a Qualifying Life Event (QLE)?

A QLE is a specific life situation that provides a small window to enroll in or make changes to existing coverage for yourself or your dependents outside of our annual November open enrollment period. What situations are deemed Qualifying Life Events? Among other things, they include:

- Retirement
- Change in marital status
- Change in dependent status
- Change in primary residence
- Change in Medicare eligibility
- Loss of other coverage

ASRS Long term disability eligibility

To see the entire list of Qualifying Life Events, visit AzASRS.gov/content/qualifying_life_events. There you’ll also see an explanation of each QLE so you can better determine if your specific situation qualifies.

As a reminder, the ASRS has the sole discretion to determine whether a QLE has occurred and whether your situation allows you to enroll or make changes to existing coverage. Additional supporting documentation showing the reason for the qualifying life event is required. Voluntarily terminating your existing group coverage or individual insurance plan is not a Qualifying Life Event.

If you wish to enroll or make changes to your coverage and believe your situation is a Qualifying Life Event, make sure to submit your enrollment application quickly! You must submit your enrollment application within 31 days of the date of your qualifying life event. Coverage will be effective on the first day of the month after your enrollment application has been reviewed and accepted.

For more detailed information, visit the ASRS website at AzASRS.gov by selecting Healthcare under the Retirees tab.
The road to retirement is exciting—but often filled with questions about life planning. From setting up savings goals to managing your health, there’s a lot to think about as you enter this new phase. But one thing that shouldn’t have you scratching your head is understanding all the ways your benefits benefit you.

At Delta Dental of Arizona, we’ve taken the guesswork out of helping our members understand their dental plans by creating the Member Connection. This is a one-stop shop for Delta Dental members to get the information they need about their benefits, claims, coverage and more.

If you’re enrolled in the Delta Dental High Plan Option or Delta Dental Low Plan Option, here are the top 3 reasons you should create a Member Connection account:

1. **Understand your coverage with a click.** Before heading to the dentist, you can sign in to the Member Connection to confirm what your plan covers and view eligibility for certain services. Plus, after you visit the dentist, you can check the status of your claims and view your Explanation of Benefits (a breakdown of the treatments that were covered under your dental plan, treatments that may not have been covered and why, and any costs for dental care you are responsible for).

2. **Lost your ID card? No problem.** Although you don’t need an ID card to visit the dentist, it’s nice to have for peace of mind. The Member Connection gives you 24/7 access to view or print your ID card.

3. **It’s easy being green.** Going green and accessing your important member documents online isn’t just good for the environment, it’s good for your safety. Because electronic statements are less likely to be stolen, lost or encounter delivery delays, you can help protect your personal information by going paperless.

Ready to set up your Member Connection account? Simply go to deltadentalaz.com/asrs and click the Create Account button to get started.

Do You Know Who Your Dental Carrier is?

As you know, the ASRS introduced two new dental carriers - Cigna and Delta Dental - to its retirees for the 2021 plan year. Retirees were automatically enrolled in plans with their new dental carrier on January 1 based on which of the new plans most closely aligned with their previous plan in 2020.

You should have received your new ID card in the mail by now. If not, you’ll need to reach out to your new carrier. Unsure who your carrier is? You can log into your secure myASRS account at any time to check who your carriers are for both your medical and dental coverage.

For detailed instructions on how to check your current coverage, we have a helpful “Your Current Health Insurance Coverage” video on the Retiree Video page.
Dental Benefits through Cigna

If you selected Cigna DHMO for your Dental plan for the 2021 plan year don’t forget about some key features

At Cigna Dental, we’re committed to providing valuable tools and resources in a clear, easy-to-understand way to help you use your plan. Some of these tools and resources are below.

Activate your myCigna account

Now that your dental plan is active, it’s a great time to log in to myCigna.com so you can make the most of your plan all year. On the myCigna website, you can:

• Access your ID card information
• Choose a Network General Dentist (NGD), or change your current NGD.
• Use the Brighter Score feature to compare in-network dentists
• Get a list of covered procedures (Patient Charge Schedule) to help avoid surprise dental costs.

Customer Service Available 24/7

Your Cigna Customer Service Team is available by phone 24 hours a day 7 days a week 365 days a year at: 800-244-6224

Website created just for you

Visit Cigna.com/ASRS to learn more on your Cigna benefits.

Preventive Care 100% Covered

Routine cleanings, exams and associated X-rays are fully covered. (After a $5 office visit fee)

Savings, Choice, and Value

Lower premiums than a DPPO plan with no deductible, no annual dollar maximum, and the ability to choose a dentist in the largest network of its kind. Includes Orthodontia for the whole family, teeth whitening and athletic mouth guards.

Healthy Rewards

With Cigna Healthy Rewards, just by being a Cigna member you can get discounts on a full range of health and wellness programs and services. Visit your myCigna.com site to learn more.

Oral Health Integration Program

Dental services used to treat or help prevent gum disease and tooth decay may also improve certain medical conditions. The Oral Health Integration program reimburses out-of-pocket costs for people with eligible medical conditions that may improve with dental care. To learn more and see if you are eligible visit your myCigna.com site.

It’s Tax Time!

Need a Copy of Your 1099R?

The deadline for filing your taxes is just around the corner. If you need a digital copy of your 1099R form, you can log into your myASRS account to view, download, or print a copy at any time.

Retirees wondering about changes to their 2021 pension amount can also log into myASRS to view their deposit statements which show tax and other withholdings. As a reminder, new federal tax tables and 2021 retiree insurance premiums went into effect this past January and may have affected your net benefit payments.

For additional information about tax reporting, withholdings, how to read your 1099R form, links to the IRS withholding calculator and ASRS’ special tax notices, visit the Tax Information page on the ASRS website: AzASRS.gov/content/tax-information.
Comments?

*Your Retirement* is published quarterly and mailed to all benefit recipients of the Arizona State Retirement System. We welcome comments from our readers!

**Publications Editor**
P.O. Box 33910
Phoenix, AZ 85067-3910

Or email us at:
DigitalCommunications@AzASRS.gov

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