

Alaska Supreme Court Decision

Metcalfe vs State of Alaska

This is a class action brought on behalf of all former members of PERS Tiers I-III and TRS Tiers I-II. The court held that former members of these tiers have a constitutional right to return to PERS/TRS service and buy back into the same tier in which they were previously enrolled.


Prior to 2010, the State offered former employees who cashed out their contributions the ability to reenter the system and buy back their previous status. The statute was repealed at the same time the state closed those tiers, but the State provided notice to all former members, and gave them an additional five (5) years to return to PERS/TRS service and seek reinstatement.

The Alaska Supreme Court held that this reinstatement right is an accrued benefit protected by the diminishment clause of the Alaska Constitution. Practically speaking, this means all former members of PERS Tiers I-III and TRS Tiers I-II have the right to return to PERS/TRS service and seek reinstatement.

The superior court heard oral argument on the remaining issues and on January 25, 2022, directed the State of Alaska (Division of Retirement and Benefits) to notify all affected members within four (4) months of their right to

seek reinstatement and the procedures to do so. Notice letters to active members and letters to former members will be mailed by late May 2022. Affected members should wait until they receive their notice letter before contacting the Division.

If you have any questions or do not have access to the Internet, please feel free to contact our office toll free at (800) 821-2251, in Juneau at (907) 465-4460, or by email at doa.drb.msc@alaska.gov.

For additional information pertaining to the Metcalfe decision, please visit drb.alaska.gov/employee/conversionprocess.html. 

2022 Post Retirement Pension Adjustment

The 2022 automatic Post Retirement Pension Adjustment (PRPA) will be paid with the July check.

The automatic PRPA is payable to a Public Employees' Retirement System (PERS) retiree under age 60, if retired for five years or more on or before July 1, 2022, and a Teachers' Retirement System (TRS) retiree under age 60, if retired for eight years on or before July 1, 2022.

In addition to the above requirements, a retiree must have been receiving a benefit in the prior year (2021) to be eligible for the 2022 PRPA. Eligible recipients, who have not received pension benefits during the entire preceding calendar year, will receive a prorated PRPA.

If you meet these requirements or are age 60 to 64 on July 1, 2022, you will receive 50% (2.532%) of the Consumer Price Index (CPI) change during 2021.

Retirees aged 65 or older and all disability benefit

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2022 Post Retirement Pension Adjustment

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recipients receive 75% (3.798%) of the CPI. The PRPA for survivor benefit recipients is calculated on the member's eligibility.

The CPI for the 2022 PRPA is 5.065%.

If you do not meet any of the above criteria, you are not eligible.

Due to fund conditions, the Division did not recommend an ad hoc PRPA for 2022. The ad hoc PRPA is defined in statute as, "...based on the financial condition of the retirement funds."

Example of monthly statement:

Monthly Benefit Summary			
Base Benefits		Deductions	
PERS ORIGINAL BASE	\$XX.XX	PERS DENTAL, VISION, AUDIO	\$XX.XX
1) PERS PRIOR PRPAS	\$XX.XX	PERS FED INCOME WITHHOLD	\$XX.XX
2) PERS 2022 AUTOMATIC PRPA	\$XX.XX	PERS OPTIONAL LIFE INSUR	\$XX.XX
		PERS LONG TERM CARE – RET	\$XX.XX

Example

- This example shows a retiree who is receiving a benefit from the PERS.
 - Your statement will show more than one benefit if you worked for both retirement systems or if you are also receiving a survivor's benefit.
- Prior PRPAs:** The combined monthly amount of all PRPAs paid from the date you retired through June 30, 2022.
 - 2022 Automatic PRPA:** This is effective July 1, 2022, based on the change in consumer price index (CPI).

Retirees In Touch

Ray and Yen-ti Verg-in, Two Decades in Micronesia

Ray Verg-in had just retired from teaching in Sand Point, Alaska when he discovered an advertisement for two



teaching positions in Majuro on the Marshall Islands chain. Majuro is the capital and largest city of the Marshall Islands and is located just north of the equator. It is an atoll—a ring-shaped reef—25 miles long with a total land area of four square miles. Within a week of applying, a contract and transportation voucher was sent from the CO-OP School and Ray and his wife Yen-ti had decided to trade the frozen north for the melting south.

After packing some essentials, the Verg-ins left for the equator to start their new adventure. Little did they know they would spend the next 20 years in the Micronesia region.

During their time in Majuro, they learned to scuba dive and explored most of the corners of the island. They beachcombed, snorkeled vibrant coral reefs, experienced severe drought, and a devastating typhoon. After a year full of new experiences, they moved on to their next station in Pohnpei in the Federated States of Micronesia,

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The Division's Website Gets a New Look!

New AlaskaCare Webpage Design

The Division of Retirement and Benefits is excited to announce that we unveiled a brand-new, completely redesigned website on May 3, 2022. The new website has a similar look and feel as the main State of Alaska (SOA) and most SOA department and division websites, with a streamlined layout designed to be easy to use and navigate.

You can find the new Division of Retirement and Benefits website at drb.alaska.gov.

Our team has been working to bring you an improved user experience. Some of the new features include:

- An interface designed for you, the user. You can access the information you need based on whether you are an employee, a retiree, or an employer.
- No hidden or buried pages. All the information on the website is available from the drop-down menus at the top of the home page. Quick links and helpful tools are also available from the right-side

fly-out menu. Access this menu by clicking the hamburger icon (☰) on the upper right side of your browser window.

- No duplicate information. The website contains the same helpful information organized in a way that is easier to locate, ensuring that what you read is correct and up-to-date.
- ADA-accessibility. The State of Alaska and the Division is committed to serving all Alaskans. We use the Web Content Accessibility Guidelines 2.1, Level AA as our guide to make our website more accessible for everyone and our content easy to use and understand.
- More responsive design for mobile devices. You should see improved usability on your phone or tablet.

Questions? Visit the Welcome page on our website for more help to find the information you need, or contact our Member Service Center toll-free at (800) 821-2251 or in Juneau at (907) 465-4460 or by email at doa.drb.mscc@alaska.gov.

Retirees In Touch

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teaching math at the College of Micronesia.

Pohnpei is a beautiful island amid tropical rainforests, mangroves, high mountains, and waterfalls. During the weekdays Ray and Yen-ti worked hard and taught, but on the weekends, they fished, camped, and played. During breaks from school, the Verg-ins managed to travel, packing in an African safari during their Christmas break one year. However, every year as school

concluded, Ray and Yen-ti returned to Alaska to commercial fish east of the Aleutian chain.

Two decades of snowbird lifestyle worked well for the retirees, but after 20 years of roaming, the wanderlust faded, and they soon decided it was time to return home to Alaska.

"Here we are in the lovely town of Kenai, which we'll call home—maybe—for the NEXT 20 years."

2022 Retiree Benefit Mailing Dates

Retiree benefits will be mailed on the following dates in 2022:

- January 25
- February 25
- March 24
- April 25
- May 25
- June 24
- July 25
- August 25
- September 22
- October 25
- November 23
- December 22

The mailing date is also the date that funds are available from your financial institution. If you would like to have your benefit directly deposited, complete the Electronic Direct Deposit Authorization for Retirees form and return it to the Alaska Division of Retirement and Benefits. You can find the form at drb.alaska.gov/docs/payroll.

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Member Service Center

8:30 a.m. – 4 p.m.
Monday – Thursday

8:30 a.m. – 3 p.m.
Friday

(907) 465-4460
(800) 821-2251
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drb.alaska.gov

The Alaska Department of Administration complies with Title II of the 1990 Americans with Disabilities Act (ADA). The PERS Newsbreak is available in alternative communication formats upon request. DRB ADA Coordinator: (800) 821-2251; in Juneau: (907) 465-4460, or contact the TDD for the hearing impaired at (907) 465-2805.

Note: The Division of Retirement and Benefits is unable to unsubscribe members from our mailing list at this time. The Division has a fiduciary duty to provide both its active and retired members with information regarding their health and retirement benefits, including—but not limited to—benefit education, plan enrollment, and any changes in the plans. While we acknowledge that it can be frustrating to receive a high volume of communication from the Division, it is necessary to keep our members up to date on current information and educational opportunities concerning their health and retirement benefits. We apologize for any inconvenience this may cause you.

State of Alaska Division of Retirement and Benefits
P.O. Box 110203
Juneau, AK 99811-0203

We Want to Share Your Retirement Story

We want to share your retirement story with your fellow members. Are you volunteering, traveling, involved in the community or just enjoying life? Let us know where you are living now, what you are involved in, where you were employed, and how your State of Alaska retirement has allowed you to enjoy new adventures in retirement. Submit your stories on our website at drb.alaska.gov/retiree/intouch, email your stories to doa.drb@alaska.gov, or mail your stories and photos to the address on this newsletter, Attention: Newsbreak Editor. Please keep your stories to 500 words or less. 



Stay up to date on upcoming seminars, events, and tips for your retirement.

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