

PRINTABLE ARTICLE + CHECKLIST

A Simple Review for Your Teacher Retirement

What to Consider as You Plan Your Retirement

Model Teaching · 2026

[Read this article online](https://www.modelteaching.com/education-articles/teacher-wellness/teacher-retirement-checklist) · www.modelteaching.com/education-articles/teacher-wellness/teacher-retirement-checklist

For educational purposes only. This article is not financial, tax, legal, or insurance advice. See the full disclaimer at the end.

Retirement takes planning, in addition to all the hard work you have put in over your career to save and prepare for life after teaching! You already know that all the paperwork, the benefits, and the life you want to build after you retire will go more smoothly when you start your planning early. After years of retirement contributions, you can finally start envisioning life after teaching. You can use this article to help you stay on track in the year before you leave and in the months after so that you engage in a stress-free retirement from the beginning.

12 mo

Money and benefits

6 mo

Health coverage

3 mo

Make it official

After

Life after teaching

Step 1 · 12 Months (or Earlier) Before Retirement

About 12 months before your retirement (or, ideally, earlier!), you should take a look at all your accounts, from your pension to your other investments to your Social Security, to make sure that you can actually afford to retire. There are a few things you should consider and be sure of before you plan to retire:

Your Current Living Expenses

First, are you actually ready to retire? Confirm you are eligible to retire and that the numbers will work for your lifestyle and your expenses once you retire. A detailed budget is the best way to identify what you actually spend each month and whether the money you have available to you during retirement will be enough to continue funding your same or a similar lifestyle. You can also use a living expenses calculator like the [Vanguard Retirement Expenses Worksheet](#) to help give you clarity on what your actual expenses are.

Your Teacher Pension

Next, if you are eligible for a teacher pension, you should evaluate where you stand with your pension, whether you will receive a pension, and for how much. Also, if you decide to retire later, do you know whether your pension amount would change if you waited a bit longer? Understanding exactly what you might get if you are eligible for a teacher pension is one of the most important considerations of your retirement planning.

To figure out what your pension will be and how it will affect your retirement, contact your state teacher retirement system and request a written benefit estimate based on your target retirement date. For most public school teachers, the pension is a defined benefit plan, which means a formula sets your payment, and not a balance of cash you have saved in an account somewhere. Most formulas multiply three things: your years of service credit, a multiplier set by your state (typically [around 2 percent](#)), and your final average salary, which is usually the average of your three or five highest-earning years. You want to understand your state's exact formula, including any service or age milestones you might need to meet in order to maximize your pension. This is important because if you are close to a specific milestone, working one more year can sometimes increase your monthly benefit for the rest of your retirement.

THE FORMULA, WORKED EXAMPLE

Years of service credit

30

×

Multiplier

2.0%

×

Final average salary

\$65,000

=

Annual pension

\$39,000 (\$3,250/mo)



Replaces **60%** of final average salary (each block = one year). **One more year: +\$1,300 a year (+\$108 a month).**

Illustration only. Your system may use a different multiplier, salary average, caps, or reductions for retiring early, and your payout option changes the monthly amount. Plan with your written benefit estimate.

Understand Your Survivor and Beneficiary Options

If you receive a pension, you will be able to choose how it pays out when you retire, and in most systems, you can't change that choice later. The main options are:



Single-life annuity: Pays the highest monthly amount but stops when you die.



Joint-and-survivor annuity: Pays less each month but continues to a spouse or beneficiary after your death.

The difference between these options can be pretty significant, but ultimately the choice you make will be based on your own lifestyle and needs, so take the time to consider which one will be best for you now but also down the road.

Check Your Social Security

The [Social Security Fairness Act](#), signed in January 2025, repealed the Windfall Elimination Provision and the Government Pension Offset, which had reduced benefits for teachers whose positions were not covered by Social Security. If you were affected in the past, your Social Security or spousal benefit may now be higher than old estimates showed, so you should confirm your current figures directly with the Social Security Administration. You can [estimate your Social Security benefits](#) before retirement to get an idea of what you can receive. Understanding what you get with Social Security allows you to view the full picture of retirement, from your pension to your Social Security, as well as any additional investment accounts you may also have.

SOCIAL SECURITY FAIRNESS ACT · SIGNED JANUARY 2025

~~Windfall Elimination Provision (WEP)~~ **REPEALED** ~~Government Pension Offset (GPO)~~ **REPEALED**

Calculate all retirement income

Understanding your pensions, your Social Security benefits, your other retirement accounts like stock accounts, old 403(b) plans, Roth IRA plans, or any other investments you may have allows you to get the full picture of your income during retirement. Compare that total income to your monthly expenses to ensure that you are able to live your retirement within your means.

YOUR MONTHLY PICTURE (FILL IN)

Pension	Social Security	403(b), IRA, other	Total income	Monthly expenses
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

Step 2 · 6 Months Before Retirement

Health coverage is one of the largest expenses for retirees, and the rules for coverage and enrollment have very firm deadlines you need to be aware of and plan for. Planning about six months out from your retirement helps you plan properly for your healthcare.

If You Are Retiring Before 65

You will need coverage for every month between your last day of district insurance and the month you turn 65. There are typically a few options available to you:

Retiree medical coverage through your district or state, if it's offered. You should make sure to ask for the premium, the deductible, and how long coverage lasts so you are aware of all costs associated with this coverage.

[COBRA](#), which generally lets you keep your current plan for up to 18 months. It is the same coverage, but you pay the full premium yourself (plus a small administrative fee). This will typically be much more out of your pocket than what you paid as an employee, so if you choose this option, make sure you understand the costs.

An ACA marketplace plan through [HealthCare.gov](https://www.healthcare.gov) or your state exchange. This is another option for coverage until you turn 65 if the other options do not work for you.

If You Are 65 or Older, or Approaching 65

Medicare has set enrollment windows, so it is very important that you understand them so you can enroll. Your [Initial Enrollment Period](#) is a seven-month window: the three months before the month you turn 65, that month, and the three months after. There may be some slight differences in that window if you are still employed at 65, so be certain you understand your enrollment window.

If you are still covered by active employer insurance past 65, you may have an eight-month Special Enrollment Period after that coverage ends. Retiree coverage and COBRA do not count as active employer coverage for this purpose (see Medicare's guidance on [working past 65](#)).

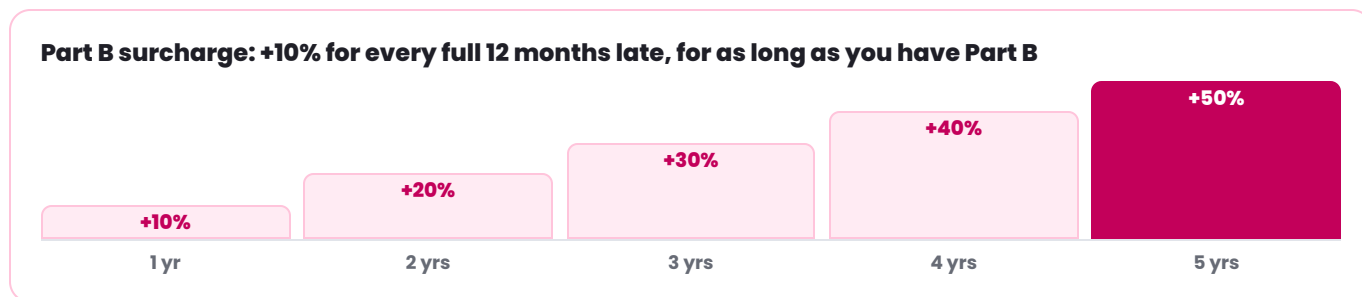
Initial Enrollment Period · 7 MONTHS Write your months in the boxes

-3	-2	-1	Turn 65	+1	+2	+3
----	----	----	----------------	----	----	----

Special Enrollment Period · 8 MONTHS AFTER ACTIVE EMPLOYER COVERAGE ENDS

1	2	3	4	5	6	7	8
---	---	---	---	---	---	---	---

Here is what is incredibly important! Medicare Part B covers doctor visits, outpatient care, and preventive services. Enrolling late in Part B without a qualifying exception adds a [permanent surcharge](#) to your premium for as long as you have it. That surcharge is an extra 10 percent for each full 12-month period you could have signed up but did not. Confirming your enrollment deadline ahead of time and knowing your enrollment window will help you avoid permanent premium increases.



Evaluate Your HSA, If You Have One

You cannot contribute to a Health Savings Account once you enroll in Medicare, so you should ask your benefits office when to stop contributions. Hopefully, your HSA contributions result in a healthy balance you can use for future medical expenses in retirement.

Step 3 · 3 Months Before Retirement

With 3 months left before retirement, this is the time when you make it official with your district! Since some districts don't let you easily withdraw your retirement notice once you submit it, you'll want to be sure you plan to retire in the coming months.

Meet Your Upcoming Deadline

Districts and retirement systems set their own notice and application requirements, and timelines can vary across the country and within individual districts. You should reach out to your HR department to request the exact deadline and form required to submit your notice. Make sure to submit it in writing and keep a dated copy of it for your own records. Always follow up with HR afterward to ensure you didn't miss any forms you need to complete.

Confirm Your Last Work Day

Your last work day and your official retirement date are not always the same. If it is not the same, it could affect your pension start date as well as your final leave payout. You also need to consider your insurance transition so that you don't experience any gaps in coverage. Ask for both dates in writing from your HR representative, and then make sure that you have no gaps in coverage or funds that could affect you immediately at the start of your retirement.

Plan for Taxes

Your pension income is generally taxable at the federal level, and state treatment varies widely. While some states might exempt teacher pensions from taxes, others can tax them fully. In addition, any other retirement accounts you may have, like a Roth IRA or a 403(b), have their own tax rules. Distributions from a traditional 403(b) are generally taxed as income, while qualified Roth IRA distributions (generally those taken after age 59½ from an account open at least five years) are tax-free. You should consider all forms of income for your retirement and then determine how much money you may need to set aside when you have to pay taxes at the end of the year.

Teacher pension

Federal: **generally taxable**
State: **varies by state**

Traditional 403(b)

Distributions: **generally taxed as income**

Roth IRA

Qualified distributions: **tax-free**
(generally after 59½, account open 5+ years)

Wrap up your Responsibilities

Within your 3-month window before retirement, and likely closer to about a month or so before retirement, you will want to make sure that any curriculum, unit plans, or other resources you have are ready to be handed off to the teacher who comes after you. You may also want to wrap up your relationships with students and colleagues, perhaps writing thank-you notes or heartfelt wishes to anyone you feel may benefit from it. And, of course, celebrate! Whether it's a small gathering or a large retirement party, this milestone in your life is worth celebrating with close friends and family.

Step 4 • After Retirement

There's still plenty more to do after retirement! Planning for your life after retirement is important, especially because for many people, the transition to a life without work can sometimes be hard to get used to. Your planning does not end on your last day. The financial and paperwork tasks are the visible part of retirement, but the harder transition is what fills your days and keeps you well. Plan for it with the same intention.

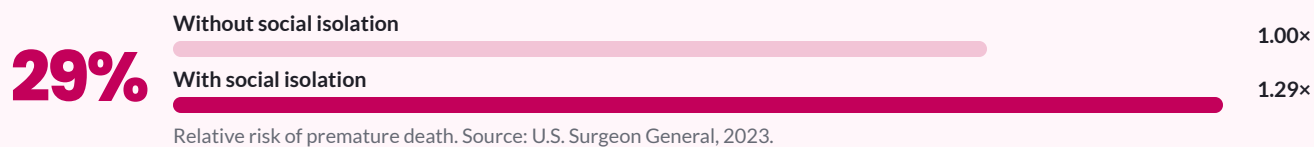
Develop and Expand Your Hobbies

Teaching structures your time for decades, and once that regular working structure is gone, it might be hard for some people to plan for how to fill their day. Think about the hobbies and interests you have that were maybe set aside during your working years that you can pick up again. Think about ideas you could pick up as something

new, like joining a new group or class to learn a new skill that maybe you didn't have time for before. And, if you feel you miss the day-to-day structure of working and teaching, you can always find a part-time job or volunteer work to keep that routine.

Create Routine, Structure, and Social Engagements

The [National Institute on Aging](#) lists retirement as one of the life changes that can lead to isolation, and it links isolation and loneliness to higher risks of depression and cognitive decline. The U.S. Surgeon General's 2023 advisory, [Our Epidemic of Loneliness and Isolation](#), reports that social isolation is associated with a 29 percent increase in the risk of premature death. Retirement can reduce the daily contact that a school building provides, so it helps to mindfully build routine and structure to avoid loneliness and social isolation.



You might consider a simple weekly routine like setting consistent waking times, planning for exercise out of your home, and scheduling at least one meaningful contact a day. While structure doesn't have to be rigid, you do want to make sure you are planning for social engagements, exercise, and routine to create a solid structure for retirement.

Keep Your Teaching License Current

Many teachers do not intend to fully stop working, or at the very least want to keep that door open in the future. Returning to the classroom part-time generally requires an active license, and in many states an active license also makes substitute teaching a lot simpler. And, even though you may not need an active teaching license for something like tutoring or coaching, it is helpful to maintain the license for credibility and will likely make finding roles easier.

In most states, continuing education keeps a license active, and in many states you don't need to be employed by a district to earn the hours or credits. Model Teaching offers [self-paced online continuing education courses](#) built for teachers, and they can count toward license renewal in most states. Requirements vary by state, and some states offer an inactive or retired status, so check your state's rules so you know which courses are right for you. If you plan to return to work for a district, also check your retirement system's return-to-work rules, since some limit how much you can work or earn while receiving a pension. If you might want to step back into a classroom, keep your license current from the start.

To plan your renewal:

- 1 **Check your renewal date.** Find your license expiration date on your state education agency's website.
- 2 **Review your state's requirements.** Use the Model Teaching [Professional Development Requirements by State](#) page to see how many hours or credits your state requires and which courses are accepted.
- 3 **Choose courses that match your plans.** If you expect to substitute, tutor, or mentor, select courses that build skills you will use in those roles.
- 4 **Spread the work out.** Completing one course at a time across your renewal cycle is more manageable than completing all of your hours near the deadline.
- 5 **Keep your records.** Save your certificates and transcripts in one place so they are ready when you renew. Model Teaching can also [send copies of your completion certificates](#), and official transcripts for university credit are available through Model Teaching's university partners.

PRINT AND KEEP

Your Teacher Retirement Checklist

12 MONTHS OUT**Money and benefits**

- ☐ Build a detailed budget of your monthly expenses
- ☐ Request a written pension benefit estimate
- ☐ Compare single-life and joint-and-survivor payouts
- ☐ Confirm your Social Security figures with the SSA
- ☐ Compare total retirement income with your expenses

6 MONTHS OUT**Health coverage**

- ☐ Retiring before 65: line up coverage for every month until 65
- ☐ 65 or close to it: confirm your Medicare enrollment window
- ☐ Ask your benefits office when to stop HSA contributions

3 MONTHS OUT**Make it official**

- ☐ Submit your notice in writing and keep a dated copy
- ☐ Get your last work day and retirement date in writing
- ☐ Set aside money for taxes on each income source
- ☐ Hand off curriculum, unit plans, and resources
- ☐ Celebrate with friends and family

AFTER RETIREMENT**Life after teaching**

- ☐ Pick up a hobby, or join a new group or class
- ☐ Build a weekly routine with exercise and daily contact
- ☐ Check your license renewal date and state requirements

Full article, calculators, and links: www.modelteaching.com/education-articles/teacher-wellness/teacher-retirement-checklist

Frequently Asked Questions

When should I start planning for retirement?

Start at least 12 months before your planned retirement date, and earlier if you can. This gives you time to request a pension estimate, correct any errors in your service record, and compare health coverage options before deadlines arrive.

Is my teacher pension taxable?

Pension income is generally taxable at the federal level. State tax treatment varies, and some states exempt teacher pensions in whole or in part. Check your state's rules and consider talking with a tax professional.

What is the difference between Medicare Part A and Part B?

Part A is hospital insurance, which covers inpatient hospital stays, skilled nursing facility care, and hospice. Most people do not pay a premium for Part A. Part B is medical insurance, which covers doctor visits, outpatient care, and preventive services, and it has a monthly premium.

Can I keep my teaching license active after I retire?

In most states, yes. You will typically need to complete continuing education hours or credits during each renewal cycle, and in many states you do not need to be employed by a district to earn them. Use the Model Teaching [Professional Development Requirements by State](#) page to check your state's requirements.

Will returning to the classroom affect my pension?

It might. Many retirement systems have return-to-work rules that limit how many hours you can work or how much you can earn while receiving a pension. Contact your state retirement system before accepting a teaching or substitute position.

Disclaimer: for educational purposes only

This article and the calculators, charts, and checklist on this page are provided for general educational and informational purposes only. They are not financial, investment, tax, legal, insurance, or Medicare enrollment advice, and using them does not create an advisory or professional relationship with Model Teaching.

Pension formulas, Social Security and Medicare rules, district deadlines, and tax treatment vary by state, retirement system, and individual circumstances, and they can change. The worked examples are simplified illustrations, not estimates of your actual benefits.

Before you make retirement decisions, confirm your details with your state teacher retirement system, your district's HR or benefits office, the Social Security Administration, and Medicare, and consider talking with a qualified financial, tax, or legal professional. Model Teaching is not affiliated with or endorsed by the agencies or organizations referenced in this article.

References

Internal Revenue Service. [State and Local Government Employees Social Security and Medicare Coverage](#).

Medicare.gov. [Avoid Late Enrollment Penalties](#).

Medicare.gov. [When Can I Sign Up for Medicare?](#)

Medicare.gov. [Working Past 65](#).

National Institute on Aging. [Loneliness and Social Isolation: Tips for Staying Connected](#).

Social Security Administration. [Social Security Fairness Act: Windfall Elimination Provision \(WEP\) and Government Pension Offset \(GPO\) Update](#).

TeacherPensions.org (Bellwether). [How Do You Calculate a Teacher Pension?](#)

U.S. Department of Labor. [COBRA Continuation Coverage](#).

U.S. Surgeon General. [Our Epidemic of Loneliness and Isolation](#). 2023.

Vanguard. [Retirement Expenses Worksheet](#).

Suggested citation: Model Teaching. *A Simple Review for Your Teacher Retirement: What to Consider as You Plan Your Retirement*.

Model Teaching, 2026. <https://www.modelteaching.com/education-articles/teacher-wellness/teacher-retirement-checklist>

Model Teaching provides online professional development for K-12 educators, with PD clock hours and graduate credit. Keep your license current at [modelteaching.com/online-professional-development](https://www.modelteaching.com/online-professional-development).