

Weekly Insight
August 11, 2025

What KPERS Really Covers in Retirement

This Week's Focus

KPERS gives Kansas public school teachers a foundational pension. However, it is not the full retirement strategy many expect.

If your plan depends on KPERS alone, you could be facing serious shortfalls. There is no cost-of-living adjustment (COLA), no inflation protection, and no built-in healthcare.

This week's issue breaks down what KPERS does and does not cover, and walks you through how to build a complete, tax-efficient retirement plan designed for Kansas educators.

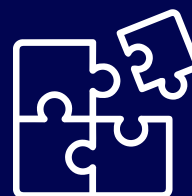
Content Overview



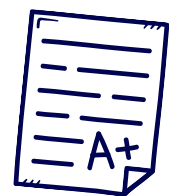
What KPERS includes, and where the gaps begin



Why pensions fall short without tax or inflation protection



How to add income tools to supplement KPERS



Our educator retirement cheat-sheet to help you plan accordingly



What KPERS Does Cover and What It Leaves Out



Many educators rely on the Kansas Public Employees Retirement System as their main source of income in retirement. However, they often discover that KPERS alone may not be sufficient to support the retirement lifestyle they had envisioned.

Take a closer look at what KPERS really offers, what it does not, and how you can build a stronger retirement plan.

KPERS Basics: How Your Pension Is Calculated

KPERS is a defined benefit pension. **This means the amount you receive in retirement is based on a formula, not a savings balance.** The formula looks like this:

$$\text{Annual benefit} = \text{Final average salary} \times \text{years of service} \times \text{multiplier (usually 1.85\%*)}$$

For example, if your average salary was \$50,000 and you worked 30 years, your annual pension might be around \$27,750.

KPERS gives you steady monthly income, but that income is fixed. To retire with full benefits, many use the 85-point rule, where your age *plus* years of service *equals* 85. You can choose different payout options, such as a payment that covers only your life or one that continues for a surviving spouse.

Understand What KPERS Does Not Cover

KPERS is helpful, but it can come with some big gaps.

No cost-of-living increases. Your payment stays the same every year, even if prices go up.

No healthcare or long-term care coverage. You will need separate plans for medical needs in retirement.

Limited support for spouses or family. Some payout options stop after you or your spouse pass away.

Fully taxable income. Your KPERS payments count as income and may raise your tax bill.

When they are not properly explained, these coverage gaps are why many educators feel surprised when their retirement costs more than what was expected.

How To Fill The Gaps In KPERS

To build a complete retirement strategy, Kansas teachers often add extra tools to their plan that are designed to relieve stress and uncertainty.

A **Roth IRA** gives you tax-free income later and more flexibility. A Guaranteed Income annuity can help protect against inflation. **Life insurance** or **long-term care coverage** can protect your spouse or your estate. And **Social Security** benefits, if available, need to be carefully timed alongside your KPERS start date to maximize benefit payouts.

These tools help cover what KPERS does not: inflation, outliving savings, rising taxes, healthcare costs, and legacy planning. To many Kansans, these are the fears that keep people up at night.



How To Build a Plan *Beyond* KPERs



KPERs gives Kansas teachers a solid foundation, but most need more than a pension to retire confidently. If you have ever asked, “*Is KPERs enough to retire?*”, this section will teach you **how to identify what your KPERs does not cover** *AND* **how to build a complete plan around it.**

Know What Your KPERs *Actually* Covers

Start by reviewing your KPERs estimate. Your benefit will provide fixed monthly income, but it does not increase over time. That means your dollars will lose buying power as inflation rises.

Many teachers also assume KPERs includes extras like healthcare, cost-of-living adjustments (COLAs), or long-term care coverage. It does not. Spousal protection is another key concern. Depending on the option you choose at retirement, your spouse may receive reduced or no benefits after your death. And remember: **KPERs income is fully taxable**, which could affect your net retirement income more than expected.

Add What Your Plan Is Missing

Do you have any tax-free income sources built into your plan, like a Roth IRA? Have you accounted for rising medical or housing costs over the next 20-to-30 years? Do you know how long your income will last if your spouse lives longer than expected?

These are all gaps KPERs alone cannot fill and they are why many Kansas teachers decide to expand their plan before they retire. **You do not have to abandon KPERs, you just need to build along with it.**

Your Next Step Starts Here

This week’s demo cheat-sheet walks you through what KPERs covers and what it does not. It is designed for Kansas educators like you while being clear, direct, and easy to follow.

If you want help reviewing your KPERs estimate, understanding your payout options, or learning what to add to your plan, [we are here to help.](#)

You can download more interactive resources at
www.SolutionsForLifeKS.com/SFLVault

Book a no-cost, no-pressure KPERs retirement session at
www.SolutionsForLifeKS.com/book-appointment

1. Ignoring Pensions

Summary: Failing to understand pension benefits can result in miscalculating retirement income and savings needs.

Action Point: *Review your pension plan thoroughly and calculate how much income you'll need to supplement it.*

2. Procrastinating Saving

Summary: Delaying contributions to retirement plans can leave educators with inadequate savings for their future needs.

Action Point: *Start saving early and regularly contribute to retirement accounts to build sufficient savings.*

3. Underestimating Inflation

Summary: Ignoring inflation's impact on the cost of living can erode purchasing power and deplete retirement income over time.

Action Point: *Factor in inflation when planning your retirement budget to preserve purchasing power.*

4. Neglecting Investments

Summary: Not investing retirement funds wisely can lead to insufficient growth, limiting wealth accumulation over time.

Action Point: *Diversify and adjust your investments to ensure adequate growth over the years.*



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