



OPERS Health Care Preservation Plan

Revised December 2013

In September 2012, the OPERS Board of Trustees adopted a set of changes to the OPERS health care plan that will allow OPERS to continue offering retirees access to health care coverage. In March 2013, the Board voted to delay the effective date of SOME of these changes to allow OPERS members and retirees additional time to learn about and prepare for major alterations to their health care coverage.

The components of the plan adopted in 2012 are not changing, only some of the effective dates. The chart below illustrates the key components of the plan with new effective dates and the components not affected by a date change.

COMPONENT	CHANGES	ORIGINAL DATE(S)	NEW DATE(S)
Age and qualifying service member eligibility requirements <i>(excludes those with a retirement effective date of Dec. 1, 2014 or before)</i>	<p>Minimum eligibility for allowance: Age 60 with 20 years of qualifying service. Members retiring at any age with 30 or more years of qualifying service are eligible for coverage.</p> <p>Members must retire with an effective date of Dec. 1, 2014 or before (off their employers' payroll no later than Nov. 30, 2014), in order to qualify for OPERS retiree health care with 10 years of qualifying service.</p>	2014	2015
New age and qualifying service retiree monthly allowance table <i>(Applies to all retirees)</i>	<p>Monthly allowances will range between 51% and 90% of the full monthly premium. The same allowance table will be used for current and future retirees.</p> <p>Members retiring prior to Jan. 1, 2015 with an allowance at or above 75% will not have an allowance below 75%. Members retiring at any age with 30 or more years of qualifying service will have at least a 71% allowance.</p>	2014	2015
Spouse coverage <i>(Applies to all retirees)</i>	<p>Spouses will transition to a \$0 allowance over three years (2015-2017).</p> <p>Spouses under age 65 will have access to OPERS coverage at full cost through at least 2020.</p> <p>Spouses over age 65 will have access to the OPERS Medicare Connector beginning in 2016.</p> <p>Spouses of recipients who die before or after retirement will no longer assume the retiree's health care allowance.</p>	2014 - 2016	2015 - 2017
Child coverage <i>(Applies to all retirees)</i>	<p>If the retiree has at least 20 years of qualifying service and is enrolled in the health care plan: children (up to age 26) will receive half of the retiree's allowance percentage.</p> <p>If the recipient has less than 20 years of qualifying service: children (up to age 26) will transition to a \$0 allowance over three years (2015 - 2017) and then have access to OPERS coverage at the full cost through at least 2020.</p>	2014 - 2016	2015 - 2017
Health Care Plans	<p>Medicare-eligible retirees: OPERS will continue offering a medical plan and prescription drug plan for Medicare retirees through 2015.</p> <p>In 2016, OPERS will introduce the OPERS Medicare Connector for those enrolled in Medicare Parts A and B. Retirees and their spouses will have access to a Licensed Medicare Counselor who will help them select a plan on the individual market to supplement Medicare. Eligible retirees will receive an allowance to purchase coverage via the connector. Eligible spouses will receive an allowance through 2017.</p> <p>Non-Medicare retirees: OPERS will continue offering a medical plan and prescription drug plan for non-Medicare participants.</p>	2015	2016

Shown here are the key components of the plan but not a complete, inclusive list.

The items listed below are the **ONLY** components that will **NOT** have a new implementation date.

Health Care Overview *(continued)*

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COMPONENT	CHANGES
Recipient Medicare B Premium Reimbursement	<p>For those eligible, Medicare Part B premium reimbursement will transition to a \$0 reimbursement in 2017 with the first reduction occurring in 2015.</p> <ul style="list-style-type: none"> • 2014 reimbursement: \$96.40 • 2015 reimbursement: \$63.62 • 2016 reimbursement: \$31.81 • 2017 and after: \$0
Medicare Part A Equivalent Coverage	<p>For those retirees and their spouses who do not qualify for Medicare Part A, OPERS will provide Medicare Part A equivalent coverage. The retiree's allowance will be in accordance with the allowance table. Spouses will be charged half of the cost of coverage.</p>
Service Credit <i>(excludes those with a retirement effective date of Dec. 1, 2013 or before)</i>	<p>Only the following types of service credit will apply to health care eligibility on or after Jan. 1, 2014: Contributing service, Ohio Retirement System transfers, interrupted military (USERRA), unreported time and restored (refunded) service.</p>
Disability Recipients	<p>Members receiving a disability benefit prior to Jan. 1, 2014 will have continued access to health care coverage based on the annual review and approval of their disabled status and will not be subject to the five year rule described below. Allowance will be determined in the same way as an age and service retiree. If recipient does not meet minimum age and service requirements, the minimum allowance will be used.</p> <p>Members first receiving a disability benefit on or after Jan. 1, 2014 will have coverage during the first five years of disability benefits. After 5 years, recipient must meet minimum age and service health care requirements or be enrolled in Medicare due to disability status to remain enrolled in the OPERS plan. If enrolled, allowance will be determined in the same way as an age and service retiree.</p>
Delayed Enrollment <i>(Applies to all retirees)</i>	<p>Retirees may delay entry into the OPERS health plan. Beginning Jan. 1, 2014 allowance will be determined based on their years of service at retirement and age at enrollment.</p>
Voluntary withdrawal	<p>Retirees who voluntarily elect to withdraw from the OPERS health care plan on or after Jan. 1, 2014 may re-enroll, but only if they provide proof of creditable coverage in another health care plan.</p>
Minimum Earnings <i>(excludes those with a retirement effective date of Dec. 1, 2013 or before)</i>	<p>Beginning Jan. 1, 2014, contributing service credit for health care will be accumulated only if the member earns at least \$1,000 per month. Partial health care credit will not be granted for months in which less than \$1000 is earned. Credit earned prior to January 2014 will not be affected by this change.</p>

Shown here are the key components of the plan but not a complete, inclusive list.

Health care eligibility requirements will begin Jan. 1, 2015. This means, if your effective date for retirement is Jan. 1, 2015 or later, you must have at least 20 years of qualifying service and be age 60 or have 30 or more years of qualifying service at any age to qualify for OPERS health care coverage. Those in Group B (pension benefit) will need 31 years of qualifying service and those in Group C will need 32 years of qualifying service.

Changes to applicable service credit for health care eligibility will take effect Jan. 1, 2014. This means any noncontributing service you have purchased will not apply to your health care eligibility nor will it apply in determining your health care allowance if your effective date for retirement is Jan. 1, 2014 or later.

This document reflects information as of the date listed herein. There is no promise, guarantee, contract or vested right to access to health care coverage or a premium allowance. The Board has the discretion to review, rescind, modify or change the health care plan at any time.