

# Ready To Retire Health Care

Traditional and Combined Plan Members



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## Health Care Disclaimer



- This presentation reflects current information. 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.

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## Learning Objectives



- Transition to OPERS Health Care
- Current Health Care Plan
- Approved Health Care Changes
- Resources

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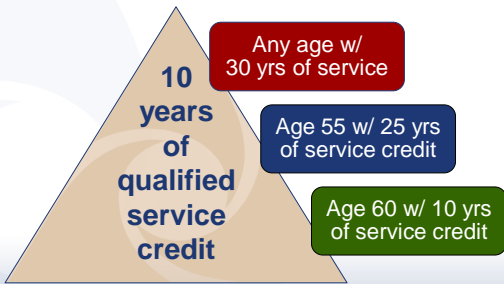
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**Current Health Care Eligibility**



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**Termination Date**



NOVEMBER 2014						
SUN	MON	TUE	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	HAPPY RETIREMENT					

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**Retirement Effective Date**



DECEMBER 2014						
SUN	MON	TUE	WED	THU	FRI	SAT
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

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**Qualified Service Credit**



Service Credit that counts toward health care eligibility and allowance

- 1) Contributing
- 2) Ohio Retirement System
- 3) Unreported
- 4) Redeposit
- 5) USERRA

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**Waive or Enroll**



Waive health care and enroll later

During Open Enrollment

Within 60 days of loss of coverage

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**Leaving Employer HC**



- Determine when your employer coverage terminates
- Consider filling maintenance prescriptions




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**OPERS HC FAQs**



- Pre-existing conditions accepted
- New plan deductibles and out-of-pocket expenses
- Voluntary withdrawal



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**Progress Check**



Jane retires and waives health care coverage. She can later enroll in health care coverage \_\_\_\_\_.

- a) at her convenience
- b) within 60 days of a qualifying event
- c) at open enrollment
- d) both b) and c)



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**Learning Objectives**



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### Dependent Eligibility



#### Legal Spouse

Spouse under age 55, you pay 100% of cost



#### Children

Under age 26, biological or legally adopted



#### Grandchildren

Legally adopted or with court order

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### Administrators



#### Medical & Pharmacy Coverage

- Medical Mutual (non-Medicare)
- Humana (Medicare)
- HealthSpan (Cleveland area)
- Express Scripts

#### Dental

- MetLife

#### Vision

- Aetna



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### Transition to Medicare



### Turning 65? Need Medicare?

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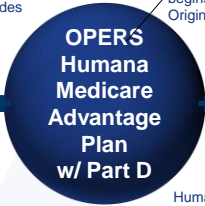
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### Current Plan for Medicare Recipients



OPERS sponsors a Medicare plan and provides an allowance



Your OPERS Medicare plan begins with enrollment into Original Medicare



Humana and Express Scripts are the administrators of the OPERS Plan

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### Wellness Programs and RMA



#### COMPLETE - Two of the following:

- Online Health Care Assessment
- Annual Physical Exam
- Lifestyle Coaching Program (*smoking, weight, stress or nutrition*)
- Disease Management Program (*chronic conditions*)

#### RECEIVE - Earn up to \$100 in a rolling 12 month period

- Example: April 1<sup>st</sup> to March 31<sup>st</sup>
- Funds carry from year to year

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### Using Your RMA



**DOWNLOAD & COMPLETE** a claim form at [www.aetna.com/fsa](http://www.aetna.com/fsa) or [www.opers.org](http://www.opers.org).



**MAIL OR FAX** form and documents to Aetna.



**RECEIVE FUNDS** by check or direct deposit.

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### Monthly Earnings for Eligibility



2014						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
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### Allowance for Medical/Pharmacy Costs



Non-Medicare Example

**OPERS Cost \$383**

**ALLOWANCE \$286**

**PREMIUM \$97**

We will use your **years of service** at retirement and your **age at enrollment** to determine your allowance.

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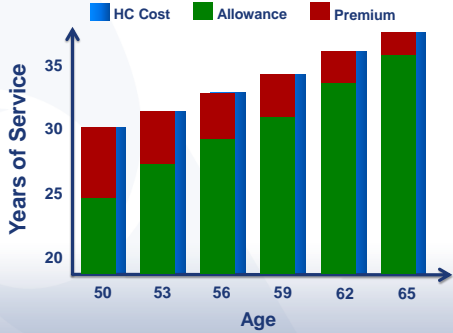
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### Premium Determination at Retirement



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### Retiree Premiums Will be Changing



0-25% Premium      10-49% Premium      26-75% Premium



Pre-2018 Premiums Beginning 2018

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### Progress Check



To qualify for OPERS health care with 10 years of service, you must be off the payroll on or before what date?

- a) November 30, 2014
- b) December 1, 2014
- c) December 31, 2014



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### New Eligibility Requirements



#### Retire with pension effective date on or after 1/1/2015

- 20 years of qualified service credit at age 60
- 30 years of qualified service credit at any age

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### Retirement Planner



#### Features:

- Estimate monthly pension payment and cost for OPERS health care
- Compare:
  - Working income to your retirement income
  - Working health care premium to your retirement health care premium
- Assist you in evaluating when to retire




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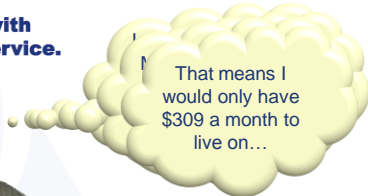
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### Retire or Continue to Work?



Ray is 60 with 14 years of service.




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Retire or Continue to Work?



What if I am not eligible to retire after January 1, 2015?



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Retire or Continue to Work?



Pay Stub

<b>Gross Pay</b>	<b>\$2917</b>
<b>Deductions</b>	
OPERS	\$292
Health Care	\$100
Taxes	\$400
Deferred Comp	\$100
<b>Net Pay</b>	<b>\$2025</b>

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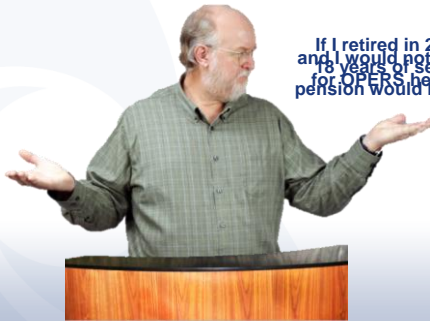
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Retire or Continue to Work?



If I retired in 2018 with 18 years of service my pension would be \$1,166... and I would not be eligible for OPERS health care...



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**Retire or Continue to Work?**



Ray decided to continue working.



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**Retire or Continue to Work?**



**Shelly is 55 with 25 years of service.**



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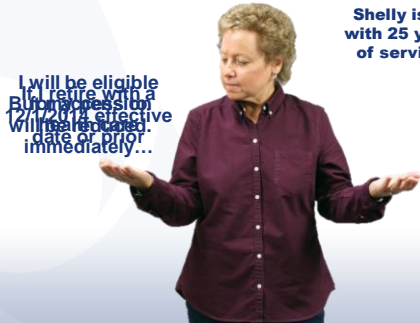
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**Retire or Continue to Work?**



**Shelly is 55 with 25 years of service.**



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**Retire or Continue to Work?**



Shelly is 55 with 25 years of service.

My pension amount would be \$1,202



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**Retire or Continue to Work?**



I would like to retire for health care by working longer.



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**Retire or Continue to Work?**



What if I worked until I had 30 years of service?



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### Retire or Continue to Work?



Shelly decided to retire.



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### Allowance and Access – Spouses/Children



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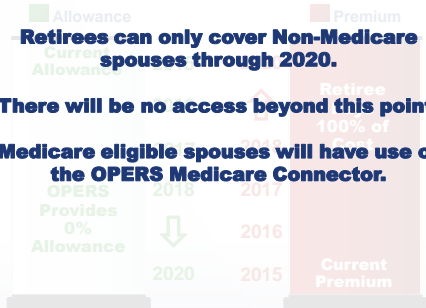
### Spousal Allowance Transition and Access



**Retirees can only cover Non-Medicare spouses through 2020.**

**There will be no access beyond this point.**

**Medicare eligible spouses will have use of the OPERS Medicare Connector.**



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**Dependent Child Allowance Reduction**



**For retirees with 20 or more years of qualified service, a child's allowance will equal 50% of the retiree's allowance.**



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**Progress Check**



Retirees will pay 100% of their spouse's health care cost beginning January 1<sup>st</sup> of what year?

- a) 2018
- b) 2020
- c) 2021



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**Progress Check**



Non-Medicare spouses can no longer participate in OPERS health care beginning January 1<sup>st</sup> of what year?

- a) 2018
- b) 2020
- c) 2021



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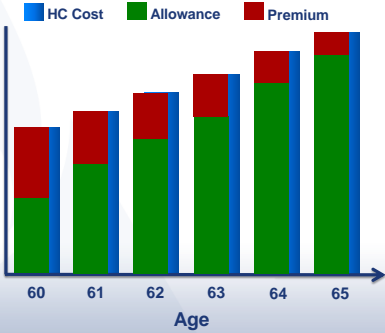
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### Delayed Health Care Enrollment



30 Yrs Service



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### 2016 Plan for Medicare Recipients



OPERS will provide an allowance which will be used to purchase coverage

Your Individual Medicare plan begins with enrollment into Original Medicare



The OPERS Medicare connector will assist you by assessing your needs and recommending plans that best suit your needs

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### Learning Objectives



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### Ohio PERS



277 E. Town Street  
Columbus, OH 43215

1-800-222-7377

www.opers.org

Available Media:



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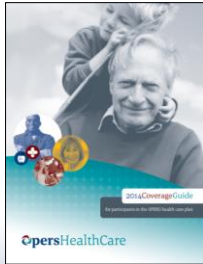
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### Additional Information



- **Counseling**
  - Especially for those eligible to retire prior to 11/30/14
    - In-House
    - Phone
- **www.opers.org**
  - Health Care Guide
  - Retirement Planner
- **On-line Account**
  - 2014 Health Care Calculator



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The screenshot shows the Ohio PERS website homepage. At the top, it says "Welcome to Ohio PERS - A partner in your future". Below this is a navigation menu with links for Board of Trustees, Investments, Health Care, Government Relations, Legal, Finance, Vendor Opportunities, and News. The main content area is divided into sections for "Forms", "Active & Inactive Members", "Contributing Employers", "Benefit Recipients", "Members", "Employers", and "Retirees". Each section contains a list of links to various resources. In the bottom left corner, there is a navigation bar with a link for "Additional Information" which is highlighted with a red box. Other links in this bar include "Open Disability for a Job" and "Notify Members".

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## Retirement Planner



### Use this tool to:

- Compare work income and health premiums to retirement
- Link to Health Care Calculator for current year premiums

**Retirement Planner**  
OPERS Pension & Health Care Information [Watch Tutorial](#)

Health Care Information

Years of qualifying health care service credit at retirement:

First retirement eligible date:

Will you qualify for medicare A at age 65?  Yes  No

Monthly single coverage premium cost with employer:

It is important to keep in mind that:

- There is no promise, guarantee, contract or vested right to access to health care coverage or a premium allowance. The OPERS board has the discretion to review, rescind, modify or change the health care plan at any time.
- If you are planning to retire this year, log on to [www.opers.org](#) and use the Health Care Calculator to see single and family health care premiums. This tool does not take into consideration spousal or dependent coverage.

For information that will impact your health care coverage in the future please review the [Health Care Change Summary](#).

[Previous](#) [Next](#)

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## Health Care Planning Tool



### Use this tool to:

- Project health care allowances and premiums through the 3 year transition period

**OPERS HEALTH CARE PLANNING TOOL**

Please note this Planning Tool report reflects health care premiums and allowance percentages generated as the result of the data an individual provides.

Original Retiree Information

Retirement Information:		
1) What is your current status?	Double click to select one	?
2) What will be your effective date of retirement (enter in mm/yyyy format)?	Click to type or Double click to select	?
3) How many years of service credit did you have as of your above retirement effective date?	Click to type or Double click to select	?
4) When did you begin Public Employment under an OPERS covered position?	Double click to select one	?
5) When were you first eligible to retire with Health Care?	Double click to select one	?
6) When will you first take OPERS health care Coverage?	Double click to select one	?
7) What is your date of birth (enter in format mm/dd/yyyy)?	Click Once then type retiree birthday	?
8) What is your current Medicare Status	Double click to select one	?
9) What type of Retirement Benefit will you retire with?	Double click to select one	?

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## Summary



- **Current Eligibility**
  - Must retire on or before Nov. 30, 2014
- **Service Credit**
  - 5 types and must earn \$1000/month
- **Allowance (Retiree)**
  - Determined by age and years of service at enrollment
- **Allowance (Spouse)**
  - Eliminated by 2018, retiree pays 100% of cost of coverage
- **Next Steps**
  - Use the Retirement Planner

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**Questions**



Revised 6/1/14



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