



EMPLOYER NOTICE

Administrative Rule amendments effective Jan. 1, 2017

WHO SHOULD READ THIS NOTICE

Finance directors, chief administrative officers, human resources and benefits professionals

SITUATION OVERVIEW

Ohio Revised Code Section 106.03 requires OPERS to review Administrative Rules every five years or as needed to determine whether they require amendment, rescission or to continue without change. During its September and December meetings, the OPERS Board of Trustees approved changes to Administrative Rules which will be effective Jan. 1, 2017:

Summary of Five Year Review Amendments

Rule 145-2-06 — [Purchase of military service credit](#)

The amendment to this rule provides more details about the military service information that is necessary to process a service purchase request.

Rule 145-2-07 — [Additional service credit under section 145.201 of the Revised Code](#)

Paragraph (C) of the rule was amended to clarify that a form is not required to elect the withdrawal of excess service credit until R.C. 145.201 and this rule.

Rule 145-2-18 — [Service credit in the traditional pension plan for participation in combined plan or member-directed plan](#)

Paragraph (H) of this rule was deleted as obsolete and Paragraphs (B) and (C) received technical cross reference corrections.

Rule 145-2-22 — [Receipt of disability benefits](#)

Paragraph (F)(2) was amended to provide that non-compliance with the case management treatment plan is measured at the conclusion of the third year following the benefit effective date. Paragraph (G)(2) was added to clarify that the measuring criteria of the any occupation review are fixed at the beginning of the review.

Rule 145-2-23 — [Disability appeals](#)

Paragraph (B)(3)(d) has been amended to clarify the different medical evidence submitted on appeal under the "own occupation" and "any occupation" standards of review.

Rule 145-2-32 — This new rule will assist OPERS with the timely and equal distributions of deceased member's accounts when only lump sum payments are available to the beneficiaries. Payments to multiple beneficiaries can be issued as each beneficiary completes his or her application process rather than waiting for every beneficiary to complete the application process.

Rule 145-2-41 — [Bonus points eligibility](#)
This rule is being repealed because it is no longer relevant to current retirement benefit calculations.

Rule 145-2-42 — [Retirement incentive plans](#)
Paragraph (D) of the rule has been amended to remove the detailed monthly payment options available for ERI payments. Employers will remain eligible to make lump sum ERI payments or enter into an ERI payment contract with OPERS that will set forth its own terms of payment.

Rule 145-2-43 — [Additional annuity accounts](#)
Paragraph (C) of the rule was amended to clarify that, if a member's Additional Annuity account contains member or employer contributions following a retirement plan change, the member or contributor may apply for a one-time lump sum payment of the account after the termination of service.

Rule 145-2-47 — [Beneficiary and payment plan changes after retirement](#)
Paragraph (F) of the rule received technical clarifications on the impact of a deceased or disqualified beneficiary to a retirement annuity both before and after a retirant's death.

Rule 145-2-55 — [Death benefit payment](#)
New paragraph (D) of the rule was added to clarify that a beneficiary's estate shall receive the death benefit payment if the beneficiary dies prior to its distribution.

Summary of Other amendments

Rule 145-1-10 — [Staff determination of membership](#)
Paragraph (B) of the rule has been amended to clarify that a timely appeal is based on OPERS' receipt of the appeal within thirty days of the initial determination.

Rule 145-1-11 — [Appeal of staff determination](#)
Paragraph (B) of this rule is amended to clarify that OPERS' receipt of the appeal defines its timeliness. Paragraphs (C)(1)(a) and (b) received amendments to permit a hearing examiner to review a determination based on written submissions if the parties agree to that method of addressing the appeal.

Rule 145-1-41 — [Membership determinations](#)

New paragraph (D) clarifies that a public employer is not required to gather the written acknowledgment of non-member status from a business entity (which is defined in R.C. 145.037 as an entity with five or more employees that is a corporation, association, firm, limited liability company, partnership, sole proprietorship, or other entity engaged in business).

Rule 145-1-66 — [Forms provided by OPERS](#)

This new rule is provided to account for the newer electronic methods of interacting with OPERS and clarifies that if OPERS provides an electronic medium to perform an action, it will meet the requirement of a form provided by OPERS.

Rule 145-1-72 — [Division of Property Orders](#)

New paragraph (E) provides that electronic filing of a Division of Property Order meets OPERS' obligation to return non-compliant orders to the court.

Rule 145-1-81 — [Retirement plans](#)

The technical amendments to this rule describe the updated versions of the Combined and Member-Directed Plan Documents that will be dated Jan. 1, 2017.

Rule 145-4-01 — [Health care definitions](#)

The definition of the Wellness Retiree Medical Account in paragraph (A) was amended to incorporate the new plan document.

Rule 145-4-40 — [Wellness retiree medical account](#)

This rule was repealed to allow the new plan document to govern the administration of the plan.

Rule 145-4-42 — [Administration of the wellness retiree medical account – claims and appeals](#)

This rule was repealed to allow the new plan document to govern the administration of the plan.

Rule 145-4-44 — [Administration of the wellness retiree medical account – forfeiture and unclaimed accounts](#)

This rule was repealed to allow the new plan document to govern the administration of the plan.

Amendment Fourteen to the Combined Plan. Article VIII of the plan was amended to clarify that participants in the Combined Plan are not eligible for a refund of contributions if the participant remains employed with the last public employer for which they contributed to the plan. This occurs when OPERS-covered employment ends and employment covered by another Ohio retirement system begins under the same public employer.

Amendment Fifteen to the Member-Directed Plan. Section 3.06 of the Member-Directed Plan is amended to delete the denied salary contribution provisions because the statutory authority for the purchase (R.C. 145.2915) does not apply to the Member-Directed Plan. The member's ability to make additional contributions remains despite this deletion. Article VIII of the plan was also amended to clarify that participants in the Member-Directed Plan are not eligible for a refund of contributions if the participant remains employed with the last public employer for which they contributed to the plan.

Amendment One to the Health Reimbursement Arrangement Plan. One amendment to the HRA was adopted for the 2017 plan year. The amendment removed the right to a second level administrative appeal of a denied claim for reimbursement. Participants may appeal to the third party administrator one time before exhausting their administrative remedies.

Adoption of the Wellness Retiree Medical Account Plan. The operative provisions of the Wellness RMA have been removed from the Administrative Code Rules cited above and are now incorporated into a formal plan document for the 2017 plan year. The new plan document contains the existing provisions of the repealed rules and new administrative permission to credit Wellness RMA balances to existing HRAs and permit automatic substantiation and reimbursement of OPERS dental, vision, or medical premiums from the Wellness RMA.

WHAT EMPLOYERS NEED TO DO

The information contained here is a high-level overview to keep employers informed of changes to Administrative Rules pertaining to the organization, operational policies, definitions and administration. Employers are encouraged to be knowledgeable about all aspects of each Administrative Rule change.

Those who want to read the primary documentation for all Administrative Rule changes will find exact information about all Administrative Rules on the Register of Ohio website, <http://www.registerofohio.state.oh.us>. Plan documents and information regarding the Combined Plan and Member-Directed Plan can be found on www.opers.org/about/legal.

WHOM TO CONTACT FOR MORE INFORMATION

After you review this Employer Notice, contact Employer Services with questions or comments at 888-400-0965, or by e-mail at employeroutreach@opers.org.

For a current listing of OPERS Board members, please visit www.opers.org

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