



EMPLOYER NOTICE

Administrative Rule amendments effective Jan. 1, 2019

WHO SHOULD READ THIS NOTICE

Finance directors, chief administrative officers, human resources and benefits professionals of OPERS employers.

SITUATION OVERVIEW

Administrative rules are reviewed every five years or as needed to determine whether they require amendments, rescission or to continue without change. The OPERS Board of Trustees approved changes to the following Administrative Rules which became effective on Jan. 1, 2019.

SUMMARY OF AMENDMENTS

- 1. Rule 145-1-31:** *Payment for periods of non-contributing service.* Service credit for a period of non-contributing service will be granted on the date the payment in full is received from the employer or the due date of the employer's billing statement, whichever is later. Once the service credit is granted, the system will no longer accept a written exemption form.
- 2. Rules 145-1-41 and 145-1-42:** *Membership determinations.* Clarifies the current standard for when membership determinations are made. Determinations are based on the facts and circumstances of the relationship between the employer and the employee or independent contractor.
- 3. Rules 145-1-73 and 145-2-70:** *Withdrawal of refund application/mandatory direct deposit.* Adds a method for withdrawing a refund application when direct deposit refunds are issued and states that refund payments must be direct deposited in a recipient's financial institution based on current requirements for direct deposit of age and service retirement benefits.
- 4. Article XVI of the Combined Defined Benefit/Defined Contribution Plan:** Removes the requirement that, after a plan change from the Member-Directed Plan, a participant of the Combined Plan must contribute to the Combined Plan for at least one year to be eligible for a death benefit.

SUMMARY OF FIVE-YEAR RULE REVIEW AMENDMENTS

- 1. Rule 145-4-14:** *Coordination of coverage.* Acknowledges that "available coverage" at another Ohio retirement system may be a payment, stipend or other funds to purchase medical or prescription drug coverage.
- 2. Rules 145-4-06 and 145-4-09:** *Eligibility for health care in traditional pension and combined plans/ Definition of "eligible dependent" for health care coverage.* Adds language to acknowledge age and service retirement eligibility under Group C.

(Continued)

3. **Rule 145-4-26:** *Dental and vision coverage.* Specifies that the current rule regarding disenrollment in coverage for failure to pay (Rule 145-4-17) applies to dental and vision coverage. In addition, other non-substantive amendments were added.
4. **Rules 145-4-40 and 145-4-62:** *Pre-Medicare health care coverage during public employment/Coverage for Medicare-eligible benefit recipient during public employment.* Removes language that restricts the conditions when a benefit recipient may enroll in the system's health care coverage after an involuntary termination of other coverage. In addition, other non-substantive amendments were added.
5. **Rule 145-4-60:** *Plans offered to Medicare-eligible benefit recipients.* Acknowledges that benefit recipients may qualify for Medicare under the age of 65.
6. **Rule 145-4-70:** *Reimbursement of Medicare Part "A" premium.* Requires the retirement system to annually request proof of Medicare Part A eligibility. In addition, other non-substantive amendments were added.

Additionally, the following rules were amended or enacted for clarification purposes and are non-substantive in nature:

- **145-4-01:** Health care definitions
- **145-4-13:** Waiver program grandfathered (*Repealed*)
- **145-4-38:** Re-enrollment following voluntary termination of pre-Medicare health care coverage
- **145-4-30:** Pre-Medicare coverage sponsored by the system
- **145-4-69:** Re-enrollment following voluntary termination of health care coverage for Medicare-eligible benefit recipients (*New*)

WHAT EMPLOYERS NEED TO KNOW

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, www.registerofohio.state.oh.us.

WHOM TO CONTACT FOR MORE INFORMATION

After reviewing 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 opers.org

It is your responsibility to be certain that OPERS has your current physical and e-mail address on file. If OPERS is not made aware of address changes, we cannot guarantee that you will receive important information pertaining to OPERS public employers. This Employer Notice is written in plain language for use by public employers who are subject to coverage under the Ohio Public Employees Retirement System. It is not intended as a substitute for the federal or state law, namely the Ohio Revised Code, the Ohio Administrative Code, or the Internal Revenue Code, nor will its interpretation prevail should a conflict arise between it and the Ohio Revised Code, Ohio Administrative Code, or Internal Revenue Code. Rules governing the retirement system are subject to change periodically either by statute of the Ohio General Assembly, regulation of the Ohio Public Employees Retirement Board, or regulation of the Internal Revenue Code. If you have questions about this material, please contact our office or seek legal advice from your attorney.