

IMPORTANT

Health Care **2022** Information for Pre-Medicare Re-employed Retirees



BEGINNING JAN. 1, 2022

OPERS will no longer offer group medical and pharmacy plans effective Dec. 31, 2021. Instead, you will have the opportunity to opt in to a Health Reimbursement Arrangement (HRA) and receive monthly deposits from OPERS beginning in 2022. **The information in this fact sheet applies to Pre-Medicare OPERS retirees who are employed in an OPERS-covered position.**

The OPERS HRA is a retiree-only plan, which means it will work a little differently for those receiving a monthly benefit from OPERS and also employed in an OPERS-covered position (re-employed retirees).

YOUR SITUATION NOW:

As a re-employed OPERS retiree, if your employer offers health care coverage, you are required to enroll in the employer's plan as your primary coverage. If employer coverage is not available to you and you meet the OPERS health care eligibility requirements, you may enroll in the OPERS Pre-Medicare group plan as your primary coverage. If enrolled in the OPERS Pre-Medicare group plan, your health care allowance from OPERS is applied to your monthly premium and reduces your cost for the plan.

YOUR SITUATION EFFECTIVE JAN. 1, 2022:

Effective Jan. 1, 2022, OPERS will no longer offer a group medical plan. Instead, you can opt in to the OPERS Health Reimbursement Arrangement (HRA) and begin receiving monthly deposits. **The HRA will work a little differently for re-employed retirees than it does for OPERS retirees that are not employed in an OPERS-covered position.**

If you are re-employed in 2022 and you meet the OPERS health care eligibility requirements:

- If you are currently enrolled in your employer's health coverage, you may remain enrolled in that plan, but you will no longer be required to do so.
- If you are currently enrolled in the OPERS Pre-Medicare group plan, you will no longer have premiums for that plan deducted from your pension. Your monthly payment will increase by the amount you are currently

paying for coverage. You will be responsible for choosing a new plan and paying the insurance carrier directly.

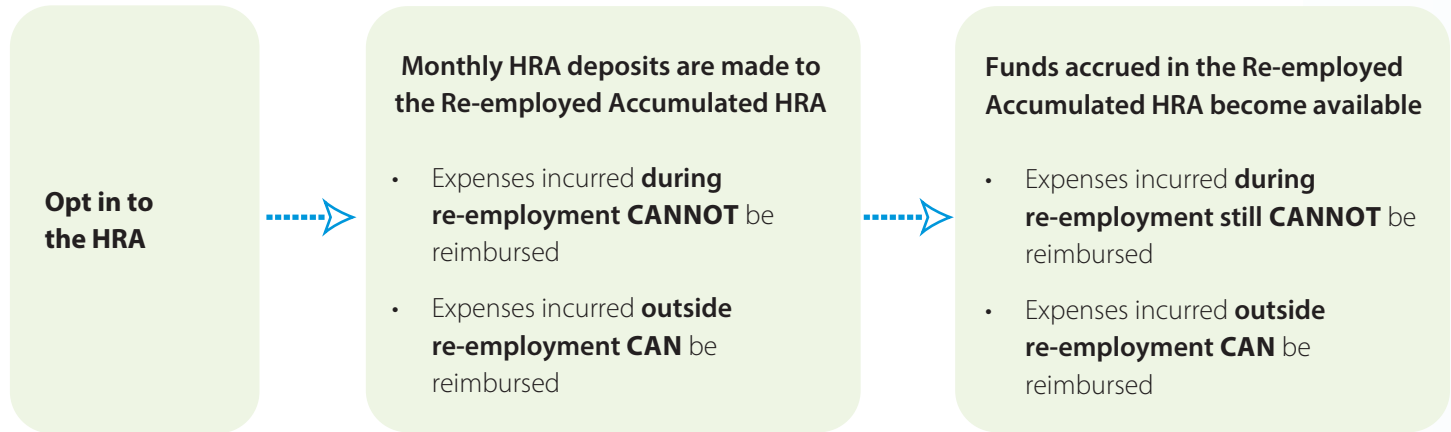
- If you opt in to the HRA during open enrollment between Nov. 1, 2021 and Dec. 15, 2021, you will receive deposits in a **Re-employed Accumulated HRA. Think of this as a holding place for your HRA deposits while you are re-employed.**
- To view your **Re-employed Accumulated HRA** balance at any time, log into your OPERS online account.
- You will not be able to receive reimbursements for expenses that are incurred while you are re-employed.
- Upon termination of your re-employment, you will be able to use the balance you accrued within your **Re-employed Accumulated HRA** while you were re-employed to receive reimbursement for expenses that are incurred outside of re-employment. In other words, you can build up an HRA balance while working to be used after you end your re-employment.
- Upon termination of your re-employment an administrative fee of \$2.60 will be deducted from the balance in your **Re-employed Accumulated HRA** for each month you were re-employed.



OPEN ENROLLMENT
NOV. 1 – DEC. 15, 2021

WHILE RE-EMPLOYED

WHEN RE-EMPLOYMENT ENDS



What is a Health Reimbursement Arrangement or HRA?

An HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as post-tax monthly insurance premiums, deductibles, co-insurance and copays incurred by eligible retirees and their eligible dependents. Pre-Medicare retirees can use their HRA to get reimbursed for qualified medical expenses. **As a re-employed retiree, your deposits will go into a Re-employed Accumulated HRA until your re-employment ends.**

If you are eligible and opt in to the HRA through Via Benefits, your monthly deposit will be a percentage of the \$1,200 base allowance amount in 2022. Your allowance percentage is determined by:

1. The years of qualified health care service credit as of your benefit effective date; and
2. Your age when you first enrolled in the OPERS group medical plan or, if you never enrolled, your age as of Jan. 31, 2022.

On the [Health Care 2022](#) page at [opers.org](#), you will find directions on how to determine your monthly HRA deposit in 2022. Your monthly HRA deposit will also be included within your 2022 Open Enrollment statement which will be mailed to you by OPERS in September.

Via Benefits will serve as the OPERS Pre-Medicare Connector

Although it's not required and you can enroll in any medical plan you choose for 2022, we highly recommend exploring coverage options with the OPERS Pre-Medicare Connector (Via Benefits). Via Benefits is a resource that helps benefit recipients understand and navigate individual and family health plan options. Via Benefits will also administer the HRA.

Via Benefits can also help you to evaluate your medical plan funding options. You will need to know your annual household income to help determine if you qualify for a federal subsidy in the form of a Premium Tax Credit (PTC) or Cost Sharing Reduction (CSR). If you accept a PTC or CSR, you are ineligible to receive the OPERS HRA at the same time.



YOUR ACTION STEPS *if you want to start accumulating funds within an HRA in 2022*

BEFORE NOV. 1, 2021 - GET READY FOR OPEN ENROLLMENT

- Read all communications from OPERS and Via Benefits and attend or watch an OPERS webinar
- Late August - Contact Via Benefits to schedule an appointment to opt into the HRA and discuss medical plan options.
 - Phone: 833-939-1215
 - Online: marketplace.viabenefits.com/opers

NOV. 1– DEC. 15, 2021 - OPEN ENROLLMENT APPOINTMENT WITH VIA BENEFITS

- Opt in to the HRA
- Enroll in a medical plan for 2022. If you are already enrolled in a medical plan other than the OPERS Pre-Medicare group plan and your plan will continue for 2022, you're all set. You don't need to enroll in a plan with Via Benefits, but you must still opt in to begin receiving HRA deposits.

EXAMPLE 1: A Pre-Medicare retiree currently enrolled in the OPERS group plan



Maria, age 63, is receiving an OPERS pension and is employed in an OPERS-covered job with Perry County.

- Perry County does not offer her health care coverage, so she is enrolled in the OPERS Pre-Medicare group plan in 2021. Each month, \$496.65 is deducted from her monthly OPERS benefit payment for the plan premium.
- She plans to remain re-employed in 2022 but wants to take advantage of monthly HRA deposits from OPERS, so she will opt in to the HRA during open enrollment.
- Maria's monthly HRA deposit amount will be **\$768** (64 percent of the \$1,200 base allowance amount).
- Maria plans to end her re-employment in December 2022.

NOV. 1, - DEC. 15, 2021

OPEN ENROLLMENT

Maria opts in to the HRA and enrolls in a new medical plan for 2022 using the OPERS Pre-Medicare Connector (Via Benefits).

JAN. 1 – DEC. 31, 2022

DURING RE-EMPLOYMENT

Maria's monthly benefit payment increases by **\$496.65** per month because she no longer pays premiums for the OPERS group plan.

Maria receives a monthly HRA deposit of **\$768** during her re-employment.

By the end of 2022, she has a total of **\$9,216** in her **Re-employed Accumulated HRA**.

(\$768 x 12 months = \$9,216)

JANUARY 2023

POST RE-EMPLOYMENT

Maria's OPERS HRA balance is **\$9,184** (Her **Re-employed Accumulated RMA** balance less an administrative fee of \$2.60 for each month in 2022).

Maria can now receive reimbursements for expenses incurred outside of re-employment.

EXAMPLE 2: A Pre-Medicare retiree currently enrolled in a plan through his employer



Joe, age 60, is receiving an OPERS pension and is employed in an OPERS-covered job with Wood County.

- Wood County offers him health care coverage, so he is enrolled in his employer's group plan for 2021. Each month, \$420 is deducted from his paycheck for the plan premium.
- He plans to remain re-employed briefly in 2022, but wants to take advantage of the OPERS HRA, so he will opt in during open enrollment. He intends to remain enrolled in his employer's group medical plan while re-employed.
- Joe's monthly HRA deposit will be **\$732** (61 percent of the \$1,200 base allowance amount).
- Joe plans to end his re-employment at the end of March 2022.

NOV. 1, - DEC. 15, 2021

OPEN ENROLLMENT

Joe opts in to the HRA by contacting the OPERS Pre-Medicare Connector (Via Benefits).

JAN. 1 – MARCH 31, 2022

DURING RE-EMPLOYMENT

Joe pays \$420 each month for his employer's group medical plan.

Joe receives a monthly HRA deposit of **\$732** during his re-employment.

By March 31, 2022, he has a total of **\$2,196** in his **Re-employed Accumulated HRA**.
($\$732 \times 3 \text{ months} = \$2,196$)

APRIL 2022

POST RE-EMPLOYMENT

Joe's OPERS HRA balance is **\$2,188.20** (His **Re-employed Accumulated HRA** balance less a \$2.60 monthly administrative fee for three months in 2022).

Joe can now receive reimbursements for expenses incurred outside of re-employment.

What happens when I become Medicare eligible?

When you turn 65, you will be eligible for Medicare. OPERS offers an HRA for Medicare retirees as well, but it's a little different. To continue receiving the HRA once Medicare-eligible, you will need to enroll in a medical plan through Via Benefits. OPERS and Via Benefits will send you information on the Medicare HRA requirements and how your HRA will be impacted by re-employment approximately six months prior to your 65th birthday.

For more information on this transition, visit the [Health Care 2022](#) page at [opers.org](#). In addition to general information, on this page you will find the answers to many frequently asked questions.

Please watch your mail for information from both OPERS and Via Benefits in the coming months. As we get closer to the enrollment period this fall, you will receive several important mailings.