



Ohio Public Employees Retirement System

# Summary Plan Description

*for Pre-Medicare Health Reimbursement Arrangement Plan*



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## **INTRODUCTION**

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The Public Employees Retirement System of Ohio ("System") provides a health reimbursement arrangement ("Plan")<sup>1</sup> for the purpose of allowing certain retirees covered under the System to obtain reimbursement of Qualified Medical Expenses incurred by such retirees and their Dependents.

The Plan is intended to be a health reimbursement arrangement as defined under IRS Notice 2002-45 and a medical reimbursement plan under Code sections 105 and 106. The Qualifying Medical Expenses reimbursed under the Plan are intended to be eligible for exclusion from a Participant's gross income under Code section 106 and 105(b).

This Summary is to help you understand how the Plan works. It describes the benefits available, the advantages of a health reimbursement arrangement and the key features of the Plan. Please take the time to familiarize yourself with the contents of this Summary and keep it for your future reference.

If you have questions about the Plan, feel free to contact the Third-Party Administrator that is listed below under "**PLAN INFORMATION.**"

This Summary Plan Description (the "Summary") highlights the important features of the Plan. It is not intended to give all details of the Plan. The Plan, and not this Summary Plan Description, is the official document that controls your rights, benefits, and duties under the Plan. Any future revision of the Summary shall completely replace and override this Summary in all respects.

Numerous terms are capitalized and used throughout this Summary. Terms not explained when first used are explained in the back of the Summary in the section "**DEFINITION OF TERMS.**"

## **PLAN INFORMATION**

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### **Name of the Plan**

Public Employees Retirement System of Ohio Pre-Medicare Health Reimbursement Arrangement Plan.

### **The Plan Sponsor and Plan Administrator**

The Public Employees Retirement System of Ohio (OPERS), the sponsor of the Plan, is located at 277 East Town Street, Columbus, OH 43215-4642. If you have any questions of the Plan Sponsor regarding the Plan, you may contact OPERS at (614) 222-7377 or 1-800-222-PERS (7377). Its employer identification number, assigned by the Internal Revenue Service, is 31-6401653.

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<sup>1</sup> The Plan is a component plan of the Public Employees Retirement System of Ohio Health Reimbursement Arrangement Plan.

### **The Third-Party Administrator**

#### ***For Pre-Medicare Plan Selection and Enrollment in the Plan and For Reimbursement from HRA Accounts***

OPERS has engaged the services of a Third-Party Administrator to assist Participants in selecting a Pre-Medicare Plan offered through the Connector and in the day-to-day administrative duties of the HRA Accounts. The current Third-Party Administrator is Via Benefits.

Via Benefits

Participant Services

10975 S. Sterling View Drive

South Jordan, UT 84095

(Toll Free) 1-844-287-9945

[marketplace.viabenefits.com/opers](http://marketplace.viabenefits.com/opers)

Download the Via Benefits Accounts mobile app from the App Store or Google Play

### **Plan Year**

The Plan Year is the calendar year (January 1 through December 31). All of the Plan's records, administrative and financial, are maintained on a Plan Year basis.

## **THE PURPOSE OF THE PLAN**

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The Plan offers each Participant the opportunity to receive reimbursement through an HRA Account for Qualifying Medical Expenses incurred by the Participant, the Participant's Spouse, and the Participant's Dependent(s). An HRA Account is established on behalf of each Participant upon opting into the HRA. The System intends to deposit a monthly Reimbursement Allowance to the HRA Account on behalf of each eligible Participant. A Participant is not required or allowed to contribute to his or her HRA Account. The reimbursement payments from a Participant's HRA Account are not includible in the Participant's gross income and consequently are not taxable to the Participant. Important details of the HRA Account, eligibility for the Reimbursement Allowance, and the rules regarding the reimbursement of Qualifying Medical Expenses are described under the section "**YOUR HRA ACCOUNT**" of this Summary.

## **ELIGIBILITY FOR PLAN PARTICIPATION**

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### **Eligible Persons**

The Plan covers Eligible Retirees who meet health care eligibility guidelines. However, there are some persons that are not eligible to participate in the Plan as described under the section "**Ineligible Persons**" below.

If you are an Eligible Retiree, then you are eligible to become a Participant in the Plan on:

- the effective date of your retirement benefits under either the Ohio Revised Code (sections 145.32, 145.33, 145.331, 145.332, and 145.37) or the Combined Plan (Article IX); or
- the effective date of your disability benefits under either the Ohio Revised Code (section 145.35) or the Combined Plan (Article X).

For details on how to enroll in the Plan, see the section "**ENROLLING IN THE PLAN**" below.

### **Ineligible Persons**

The following persons are not eligible to participate in the Plan:

- Any Eligible Retiree or Eligible Survivor Benefit Recipient who is eligible to enroll in Medicare Parts A and B;
- Any Member who is a participant in the Defined Contribution Plan;
- Any age or service retiree of the Defined Benefit Plan or Combined Plan who does not satisfy the definition of Eligible Retiree;
- Any Eligible Retiree who is employed or re-employed as an Employee of an Employer; and
- Any disability benefit recipient who does not satisfy the definition of Eligible Retiree.

## **ENROLLING IN THE PLAN**

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If you are an Eligible Retiree, you enroll in the Plan by opting into receiving the HRA administered by the Third-Party Administrator.

Your participation in the Plan becomes effective on January 1<sup>st</sup> following open enrollment or the first day of the month after you opted into the HRA if you opt-in during any special enrollment period.

## **YOUR HRA ACCOUNT**

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To opt into the Plan, a Participant needs to contact the Third-Party Administrator. Upon opting in, an HRA Account is set up for you in the Plan. The HRA Account is a bookkeeping entry which records the additions of the Reimbursement Allowances and the subtraction of reimbursements and administration fees as explained below. The System and the Plan

Administrators are not required to maintain any fund or to segregate any amount for the benefit of Participants. A Participant does not have any claim, right to, or security or other interest in any fund, account, or asset of the System from which reimbursement payments may be paid.

### **Reimbursement Allowances**

The System intends, though is not required, to deposit a monthly Reimbursement Allowance to an eligible Participant's HRA Account on the first day of each calendar month. The dollar amount of the monthly Reimbursement Allowance is determined by the System. You may telephone the Third-Party Administrator or visit its website to find out the amount of your monthly Reimbursement Allowance (for the telephone number and website address, see the section "**Third-Party Administrator**" above). The eligibility requirements to receive a Reimbursement Allowance are explained below.

### **Eligibility for a Reimbursement Allowance**

A Participant must authorize direct deposit of reimbursement payments from his or her HRA Account to his or her account with a financial institution (such as a bank or a credit union) in order to be eligible to receive a Reimbursement Allowance. In limited circumstances, the System may permit a Participant to be exempt from this direct deposit requirement.

A Participant is eligible for a monthly Reimbursement Allowance for a calendar month if he or she satisfies the following conditions on the first day of the calendar month:

- If you are an Eligible Retiree and are opted into the HRA.
- If you are an Eligible Retiree, but you are re-employed. You will remain eligible for a monthly Reimbursement Allowance, which will be credited to a Re-employed Accumulated HRA. You will have access to the amount credited to the Re-employed Accumulated HRA the first day of the month following termination of re-employment.

If you do not satisfy the requirements for a monthly Reimbursement Allowance for a calendar month, then a Reimbursement Allowance will not be deposited to your HRA Account for that calendar month. If the Reimbursement Allowance has been deposited and it is later determined that you were not eligible for it, the Retirement Allowance may be debited from your HRA Account. If you satisfy the requirements for a monthly Reimbursement Allowance for a later calendar month, then any Reimbursement Allowance will be deposited to your HRA Account for that calendar month.

### **How an HRA Account Works**

The amount of the Reimbursement Allowance deposited to your HRA Account for a calendar month is available to reimburse Qualifying Medical Expenses on the first day of such calendar month. See "**Qualifying Medical Expenses**" below for details on the expenses that are eligible for reimbursement from your HRA Account. You may only be reimbursed for Qualifying Medical Expenses which are incurred while you are a Participant in the Plan.

You may request reimbursement of Qualifying Medical Expenses from your HRA Account at any time during the Plan Year. You will only be reimbursed up to the unused amount in your HRA Account. If the amount of any Qualifying Medical Expense for which you are requesting reimbursement is more than the unused amount in your HRA Account, then the amount of the Qualifying Medical Expense will be carried forward until the unused amount in your HRA Account is sufficient to reimburse the Qualifying Medical Expense.

Any unused amount credited to your HRA Account is carried over month to month and Plan Year to Plan Year and is available to reimburse Qualifying Medical Expenses.

A monthly administration fee of \$2.60 will be deducted from your HRA balance to cover the administrative costs to manage your HRA.

### **Qualifying Medical Expenses**

For purposes of your HRA Account, Qualifying Medical Expenses are expenses incurred by you, your Spouse, and your Dependent for "medical care" as defined in Code section 213(d) which are not reimbursed through insurance or otherwise. The following is a partial list of Qualifying Medical Expenses:

- premiums for medical, dental and vision care plans which are not paid on a pre-tax basis through a Code section 125 plan ("cafeteria" plan),
- premiums for coverage under a long-term care plan,
- deductibles under medical, dental and vision care plans,
- co-payments under medical, dental and vision care plans,
- medical equipment,
- cosmetic surgery for reconstructive purposes,
- laser eye surgery if it is done primarily to promote the correct function of the eye;
- physical exams,
- chiropractic services,
- insulin,
- prescription drugs (excluding any imported prescription drugs),
- podiatrist fees,
- support or corrective devices (such as orthopedic shoes),

- charges in excess of reasonable and customary charges as determined under medical, dental and vision care plans,
- uninsured dental services (excludes certain services for cosmetic purposes),
- orthodontic services,
- eye exams, eyeglasses, and contact lenses,
- hearing exams and aids,
- acupuncture fee,
- smoking cessation programs
- deductibles and premiums for Medicare Parts A and B coverage (see below for additional information) incurred by your spouse or dependent,
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- • deductibles and premiums for Medicare Plan and Part D coverage incurred by your spouse or dependent, and
- 
- • excess Medicare Part B charges incurred by your spouse or dependent,
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Reimbursement of Medicare Parts A premiums is limited to the amount you pay for this coverage, less the amounts that the System or other payer reimburses to you directly. If you are unsure whether your benefits already include a partial or full reimbursement of Medicare Part A premium, you should inquire with the System at 1-800-222-7377.

Please refer to Internal Revenue Service Publications 969 and 502 for the definition of qualified medical expenses and a list of medical expenses.

**Ordering of Reimbursements from the Plan**

The Plan is designed to execute transactions against your HRA in the following order:

1. Deposit monthly contribution amount.
2. Deduct monthly administration fee.
3. Recover overpayment amount (if applicable).
4. Pay any pended expense from prior month(s) (if applicable).
5. Pay any remaining expense on a first in/first out basis. (Note: If a recurring premium expense is on file, that expense will be paid first. If no recurring premium expense is on file, each expense will be paid in the order received).

If your Qualifying Medical Expenses are also eligible for reimbursement under a Health FSA, you may only receive reimbursement from one funding account. If you have multiple funding accounts and have questions about the best way to use the available balance in each account, please consult with your tax professional.

**Requesting Reimbursement**

You may request reimbursement for Qualifying Medical Expenses by submitting your request to the Third-Party Administrator. You may submit your reimbursement request via the following ways: mail, online and/or mobile application. The Third-Party Administrator's mailing address, and website address are listed above under the section "The Third-Party Administrator."

For premium expenses, you may be able to use Automatic Premium Reimbursement or Recurring Premium Reimbursement. For out-of-pocket or one-time expenses, like doctor visits or prescription drug copays, you can submit a manual reimbursement request.

	<b>Automatic Premium Reimbursement</b>	<b>Recurring Premium Reimbursement</b>
<b>For which premiums can this be used?</b>	Individual and family dental and vision premiums, and OPERS dental and vision premiums.	Medicare medical and prescription drug plan premiums, Medicare Part B, individual and family medical, dental and vision premiums, and OPERS dental and vision premiums.
<b>How do I set this up?</b>	Call Via Benefits or sign in to your Via Benefits online account, select "View accounts" under "Funds & Reimbursements", and scroll to your "Automatic Premium Reimbursement" settings.	Submit your request on the Via Benefits website or mobile app, or by mailing a reimbursement form to Via Benefits.
<b>Do I need to renew the request each year?</b>	No, as long you stay in the same plan.	Yes, you need to submit a new request each year, and whenever your premium changes, even if mid-year.
<b>How long does it take to get my first reimbursement?</b>	It typically takes around six weeks to get your first reimbursement after you make your first premium payment.	Once we receive your request, your reimbursement request will typically be processed within 10 business days.
<b>How often will I get subsequent reimbursements?</b>	Every 4 - 6 weeks.	Monthly, at the same time each month.

The first thing to do when preparing your reimbursement request is to gather your supporting documentation. Without supporting documentation, your request may be denied. Review the

details below to understand what documents are considered acceptable for both premium reimbursements and out-of-pocket expense reimbursements.

If you haven't set up Automatic or Recurring Premium Reimbursement and you want to be reimbursed for your plan premiums, you'll need to provide a Proof of Coverage letter or premium statement from your insurance carrier. The premium payment amount must match the amount on your supporting documentation. When submitting a request for your premium reimbursement, the coverage period start date should be used as the date of service, not the date of payment.

These three types of documents can be used as supporting documentation for eligible out-of-pocket expenses.

- **Explanation of Benefits (EOB)** - Provided by your health insurance carrier once they have paid their portion of expenses, an Explanation of Benefits (EOB) will typically include all the required information for out-of-pocket costs. These statements contain information about the cost of the expense, the amount covered by your plan, and the amount that is the patient's responsibility.
- **Invoice from a provider** - A health care provider is anyone who provides health care services to you. He or she can be a physician, dentist, surgeon, podiatrist, acupuncturist, optician, or a hospital at which health services are provided. The invoice is typically offered to you at the time of service and serves as a receipt of any payment you made during your visit.
- **Prescription drug receipt** - An acceptable receipt is one from the pharmacy or mail-order pharmacy for your covered medications.

### **When Claims Are Paid**

Approved claims will be paid within 30 days after the date the claim is filed provided there is an available balance. In the event your claim is denied, in whole or in part, please refer to "**Claim Procedures**" below.

### **Repayment of Ineligible HRA Account Payment**

If any Participant receives one or more payments or reimbursements from his or her HRA Account for expenses that are not eligible for reimbursement ("Ineligible Reimbursements"), then the Participant must repay the Plan for the amount of the Ineligible Reimbursement.

The Participant (or former Participant or any other individual that received an Ineligible Reimbursement) agrees, upon written request by the Plan Administrator or Third-Party Administrator, to fully repay the Plan Administrator for such Ineligible Reimbursement. The Third-Party Administrator will automatically use the Participant's other claims for reimbursement of Qualifying Medical Expenses to offset the amount of the Ineligible Reimbursement. The Participant (or former Participant) specifically agrees to allow the Plan Administrator to offset the amount of the Ineligible Reimbursement against the Participant's

other claims. If the Participant (or former Participant) fails to reimburse the Plan Administrator for an Ineligible Reimbursement within four months, such amount will be treated the same as any other amount to which the person is not entitled and may be withheld or collected as permitted in Ohio Revised Code section 145.563.

### **Termination of Participation**

Upon your termination of participation in the Plan, you may be eligible to continue to receive reimbursement of Qualifying Medical Expenses. The extent to which Qualifying Medical Expenses are reimbursable depends on the reason for your termination of participation in the Plan as explained under the section below "**Reimbursement of Qualifying Medical Expenses After Termination of Participation**".

## **WHEN YOUR PARTICIPATION IN THE PLAN TERMINATES**

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Your participation in the Plan terminates on the earlier of:

- the first day of the calendar month in which you no longer meet the definition of Eligible Retiree;
- the first day of the calendar month following your date of death;
- the first day of the calendar month in which you are employed or re-employed as an Employee of an Employer;
- the first day of the calendar month that you are eligible for coverage under Medicare Parts A and B;
- the date that this Plan is terminated by the System.

### **Reimbursement of Qualifying Medical Expenses After Termination of Participation**

You will continue to be eligible to receive reimbursement of Qualifying Medical Expenses except if your termination of participation is because (1) of any period of suspension or forfeiture of retirement or disability benefits from the System, you are no longer classified as an Eligible Retiree or (2) the Plan is terminated. Qualifying Medical Expenses incurred before and after your termination of participation are eligible for reimbursement. You will only be able to be reimbursed from the unused amount in your HRA Account as of the date of your termination of participation. Your HRA Account will be debited for reimbursements of Qualifying Medical Expenses until your HRA Account is depleted.

If your termination of participation is due to your re-employment or employment with the Employer, then you are eligible to receive reimbursement of Qualifying Medical Expenses which are incurred prior to the date of your termination of participation in the Plan. Any unused amount in your HRA Account (after reimbursement of claims incurred prior to your termination in the Plan) will be forfeited on the date of your termination of participation in the Plan. If later

on you resume participation in the Plan, then the forfeited amount will be restored to your HRA Account.

### **Reimbursement of Qualifying Medical Expenses Upon Death**

#### **Eligible Retiree.**

Upon the death of a Participant who is an Eligible Retiree, the deceased Participant's authorized representative (which may be the Participant's surviving Spouse or Dependent) may submit a claim for reimbursement of any Qualifying Medical Expenses incurred by the deceased Participant prior to his or her termination of participation in the Plan. The available HRA Account balance is determined as of the date of the Participant's death which will then be debited for reimbursements of Qualifying Medical Expenses.

The unused amount in the deceased Participant's HRA Account will be forfeited 24 months following the deceased Participant's date of death.

#### **Dependent(s) of Eligible Retiree.**

A surviving Spouse or Dependent(s) who waives COBRA continuation coverage may elect an alternative to COBRA continuation coverage. The alternative to COBRA continuation coverage allows the Spouse (or Dependent(s)) to submit claims for Qualifying Medical Expenses which were incurred by the Participant through his or her date of death, and Qualifying Medical Expenses incurred by the Spouse (or Dependent(s)) until the HRA Account is depleted. The available HRA Account balance that may be used by the Spouse (or Dependent(s)) is determined as of the date of the Participant's death. It will then be debited for reimbursements of Qualifying Medical Expenses until the HRA Account is depleted.

The unused amount in the deceased Participant's HRA Account will be forfeited 24 months following the deceased Participant's date of death.

### **Continuation Coverage Rights Under COBRA**

COBRA continuation coverage is a continuation of coverage under the Plan when coverage would otherwise end because of a life event known as a "qualifying event". Specific qualifying events are listed below. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary". Your Spouse and your Child may become qualified beneficiaries if coverage under the Plan is lost because of a qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

The Spouse of a Covered Participant will become a qualified beneficiary if he or she loses coverage under the Plan because any of the following qualifying events happen:

- The Covered Participant dies; or
- Your divorce or legal separation from the Covered Participant.

The Child of a Covered Participant will become a qualified beneficiary if he or she loses coverage under the Plan because any of the following qualifying events happen:

- The Covered Participant dies;
- The Covered Participant becomes divorced or legally separated from his or her Spouse; or
- The Child stops being an eligible Dependent under the terms of the Plan.

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. When you become a Participant in the Plan, you will receive a notice that explains your COBRA rights and obligations in detail.

## **FUNDING**

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The HRA Allowances made on behalf of eligible Participants may be funded by the System through a trust established under Code section 115 or other funding vehicle. Regardless of any trust or funding vehicle established by the System, the System has no obligation or liability to maintain any fund or to segregate any amount on behalf of any Participant. The HRA Account is a bookkeeping entry only and does not represent assets that are actually set aside for the exclusive purpose of providing reimbursements to Participants under the Plan. A Participant does not have any claim, right to, or security or other interest in any fund, account or asset of the System from which reimbursement payments may be paid.

## **CLAIM PROCEDURES**

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### **Denial of Claims**

If you have followed the appropriate submission procedure for the HRA Account as outlined in this Summary and the Third-Party Administrator denies all or part of your claim, you will be notified by the Third-Party Administrator within 30 days (or an additional 15 days, if more time is required and you are provided with a notice of extension within the initial 30 day period) of filing your claim. If an extension is necessary because you fail to provide the information necessary to decide the claim, the notice of extension will explain the additional information needed to decide the claim and you will be given at least 45 days within which to submit the requested information.

The notice denying your claim will state the following: (1) the reason your claim was denied, (2) specific references to the provisions of the Plan upon which the denial is based, (3) a description of any additional information or material necessary to review your claim and an explanation of why such material or information is necessary, (4) advise you of any internal rules, guideline, or protocol relied upon in making the adverse determination or that the protocol relied on may be obtained by you free of charge upon request, (5) provide an explanation of the scientific and clinical judgment for the determination if the adverse determination is based on a medical

necessity or experimental treatment or similar exclusion or limit, and (6) the procedures you must take to submit your claim for appeal, including the applicable time limits.

### **Appeal of Denied Claim**

The Plan provides for one level of mandatory appeal for denied claims. Under the appeal, you must file a written appeal with the Third-Party Administrator requesting review of your denied claim. The due date for filing your written appeal is 180 days after receiving the written notice that your claim was denied. You will be given the opportunity to submit written comments, documents, records, and other information relating to the claim for reimbursements, and you shall be provided, upon request and free of charge, reasonable access to, and copies of all documents, records, and other information relevant to your claim for reimbursements. The review will take into account all comments, documents, records, and other information submitted by you relating to your claim, without regard to whether such information was submitted or considered in the initial reimbursement determination.

Within 30 days after the Third-Party Administrator receives your written appeal, you will be given a written notice of the Third-Party Administrator's decision. The written response of the Third Party Administrator will include (1) the reasons for their decision and references to the Plan's provisions on which the decision is based, (2) specific references to the provisions of the Plan upon which the denial is based, (3) a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for reimbursements, (4) a description of any appeal procedures offered by the Plan and your right to obtain information about such procedures, (5) advise you of any internal rules, guideline, or protocol relied upon in making the adverse determination or that the protocol relied on may be obtained by you free of charge upon request, and (6) if the adverse determination is based on medical necessity or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances or a statement that such explanation will be provided free of charge upon request.

### **Exhaustion of Administrative Remedies and Pursuit of Legal Action**

The exhaustion of the claim procedure and single level of appeal for the Plan is mandatory for resolving every claim and dispute arising under this Plan. An Eligible Retiree, Eligible Survivor Benefit Recipient, Participant, Spouse, or Dependent, as applicable, or his or her authorized representative may not pursue any legal action or equitable remedy otherwise available after the expiration of two (2) years from the date of the written final adverse determination as provided in this claim procedure.

## **PLAN ADMINISTRATION**

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The System has the full power and authority to control and manage the operation and proper administration of the Plan. Such power and authority shall include, but not be limited to, doing or causing to be done the following:

- To appoint and remove, by written notice to such person, the Third-Party Administrator, or successor Third Party Administrator from time to time as it deems necessary.
- To provide the Third-Party Administrator with complete and timely information on matters of Participants and other facts necessary to the Third-Party Administrator's proper performance of its duties.

The Plan Administrator has full power to construe the terms of this Plan, and the authority (including discretion with respect to the exercise of that power and authority) to control and manage the operation and administration of this Plan. Such power and authority of the Plan Administrator shall include, but is not limited to, doing or causing to be done the following:

- To furnish Participants with Summary Plan Descriptions and other information as required to be furnished under the Code or the Ohio Revised Code or as otherwise deemed proper;
- To prepare and file any reports, notifications, registrations, and other disclosures required by the Code, the Ohio Revised Code or other applicable laws;
- To appoint, retain, employ or otherwise consult with legal counsel, qualified public accountants and other advisors and agents (any of which may be appointed, retained or employed by the System), and to allocate such responsibilities, powers and authority in the administration of this Plan as deemed necessary or advisable;
- To determine eligibility of Participants and other determinations required hereunder in the administration of this Plan, and to notify the Participants of the same;
- To establish rules, regulations, and procedures with respect to administration of the Plan, not inconsistent with the Plan and the Code, and to amend or rescind such rules, regulations, or procedures;
- To establish and maintain such separate accounts and accountings in respect of each Participant as may be required by the Plan;
- To prescribe procedures to be followed and the forms to be used by Participants to enroll in and submit claims pursuant to this Plan;
- To prepare and distribute information explaining this Plan and reimbursements under this Plan in such manner as the Plan Administrator determines to be appropriate;
- To request and receive from all Participants such information as the Plan Administrator determines reasonable and appropriate;
- To make such distributions at such time or times to such Participants and beneficiaries as shall be directed or as otherwise required pursuant to the terms of the Plan;

- To keep full and accurate records showing all receipts, expenses, distributions and payments and complete records of the administration and operation of the Plan which may be examined at any time during regular business hours, and summary copies of shall be furnished to the System at such periodic intervals as may be agreed upon, but not less frequently than annually;
- Not to engage in any transaction, nor to cause the Plan to engage in any transaction, nor to deal in any way with the assets set aside for the Plan, which are prohibited by the provisions of the Code or the Ohio Revised Code applicable to fiduciaries of employee welfare benefit plans;
- To sign documents for the purposes of administering this Plan, or to designate an individual or individuals to sign documents for the purposes of administering this Plan;
- To interpret this Plan, to promulgate rules regarding the administration of this Plan, to determine all questions regarding eligibility, participation, benefits, reimbursements and coverage, to control its own proceedings, and to correct any defect, supply any omission, or reconcile any inconsistency in the Plan with respect to the same; and
- To exercise all powers and authority conferred upon it herein, and to perform all acts and exercise all discretion as may be deemed necessary for or incidental to the administration of this Plan as long as consistent with the objectives hereof and the requirements of the Code and the Ohio Revised Code.

In addition, the Plan Administrator has the power and authority to employ, appoint or otherwise designate such other person or persons (including any office, department, or other personnel of the System) to carry out such of its responsibilities as Plan Administrator under this Plan as the Plan Administrator in its sole discretion deem appropriate, and the Plan Administrator may delegate to and otherwise allocate among such other persons as so designated by it any of the power and authority of the Plan Administrator hereunder for the operation and administration of the Plan.

If you have any questions or requests with respect to the Plan, you may contact the Plan Administrator at the Plan Administrator's address and telephone number listed above. Information regarding the Plan is also available online at the System's website address [www.opers.org](http://www.opers.org) and [marketplace.viabenefits.com/opers](http://marketplace.viabenefits.com/opers).

## **MORE ABOUT THE PLAN**

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### **HIPAA Privacy Rights**

The Plan is required to take steps to ensure that certain protected health information is kept confidential with respect to the Plan. You may receive a separate notice from the Plan Administrator that outlines its health privacy policies.

### **Non-Alienation**

Unless otherwise required by law, the reimbursements and HRA Allowances provided by this Plan shall not in any way directly or indirectly be assignable, alienable, or subject to attachment, execution, garnishment, operation of bankruptcy or insolvency laws, or other legal or equitable process, either voluntarily or involuntarily. The Plan Administrator in its sole discretion may pay any reimbursement of a claim payable to a Participant directly to a third-party provider of services or insurer.

### **Amendment or Termination of the Plan**

The System has reserved the right to amend or discontinue the Plan at any time. If the Plan is discontinued, your elections will terminate.

### **Nondiscrimination**

The Plan Administrator may adjust the amount of the HRA Allowance or limit the amounts reimbursed or paid with respect to any Participant who is a highly compensated individual (within the meaning of section 105(h)(5) of the Code), without the consent of such person, to the extent the Plan Administrator deems such limitation to be advisable to assure compliance with any nondiscrimination provision of the Code. Any such adjustment shall be made in a nondiscriminatory manner that treats similarly situated persons in substantially the same manner.

### **Applicable Law**

The Plan shall be construed and enforced according to the laws of the State of Ohio, to the extent not preempted by any Federal law.

### **Facility of Payment**

Whenever a Participant or provider to whom payments are directed to be made is determined to be mentally, physically, or legally incapable of receiving or acknowledging receipt of such payments, neither the System nor the Plan Administrator shall be under any obligation to see that a legal representative is appointed or to make payments to such legal representative if appointed. If a Participant to whom a payment would otherwise be due is deceased, the System or the Plan Administrator may make such payment to the estate or personal representative of such Participant. A determination of payment made in good faith shall be conclusive on all persons. The System and the Plan Administrator shall not be liable to any person as the result of a payment made and shall be fully discharged from all future liability with respect to a payment made. Nothing herein shall restrict or impair the right of the System to recover any excess or duplicate payment or payment made in error.

### **Lost Participant**

If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan because it cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person, then such payment and all subsequent payments otherwise due to such Participant or other person shall be forfeited following a reasonable time after the date that any such payment first became due.

### **Newborn and Mothers' Health Protection Act of 1996**

Group health plans and health insurance issuers generally may not, under federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery or to less than 96 hours following a cesarean section. However, federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than the 48 hours (or 96 hours, as applicable). In any case, plans and issuers may not, under federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

### **Women's Health and Cancer Rights Act Notice**

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 ("WHCRA"). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient, for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prostheses; and
- Treatment of physical complications of the mastectomy, including lymphedemas.

If you would like more information on WHCRA benefits, call the Plan Administrator at the telephone number listed above under the section "**Plan Administrator**".

## **DEFINITION OF TERMS**

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The following definitions are used throughout this Summary:

**"Child"** is a non-Spouse biological or legally adopted Dependent of a Participant who is under the age of twenty-six (26), or the grandchild of a Participant for whom the Participant has been ordered to provide coverage pursuant to section 3109.19 of the Ohio Revised Code, or equivalent order from another state.

**"Code"** is the Internal Revenue Code of 1986, as amended.

**"Combined Plan"** is the Public Employees Retirement System of Ohio Combined Defined Benefit/Defined Contribution Plan established pursuant to sections 145.80 to 145.98 of the Ohio Revised Code.

**"Connector"** is the retiree health care exchange for Pre-Medicare Eligible Retirees operated by the Third-Party Administrator and its subcontractors.

**"Covered Participant"** is a Retired Employee who is covered under the Plan on the day prior to the COBRA qualifying event.

**"Defined Benefit Plan"** is the Public Employees Retirement System of Ohio Defined Benefit Plan established and described in sections 145.201 through 145.70 of the Ohio Revised Code.

**"Defined Contribution Plan"** is the Public Employees Retirement System of Ohio Defined Contribution established pursuant to sections 145.80 to 145.98 of the Ohio Revised Code.

**"Dependent"** shall mean a Spouse or Child who is considered a dependent for purposes of Code sections 105 and 106.

**"Eligible Retiree"** is an individual who is not yet eligible for Medicare and is described in one of the following:

1. An age and service retirant who is receiving benefits pursuant to sections 145.32, 145.33, 145.332, 145.37, or 145.46 of the Ohio Revised Code, or former section 145.34 of the Ohio Revised Code or section 9.03 of the Combined Plan, and who meets one of the following:
  - a. The retirant's effective date of benefits was before January 1, 2014, and the retirant had accrued at least ten (10) Years of Employer Contributions, or for the retirant for whom eligibility is established after June 13, 1986, and the retirant, at the time of establishing eligibility, had accrued less than ten (10) Years of Employer Contributions, exclusive of credit obtained pursuant to sections 145.297 or 145.298 of the Ohio Revised Code, credit obtained after January 29, 1981, pursuant to sections 145.293 or 145.301 of the Ohio Revised Code, credit obtained after May 4, 1992 pursuant to section 145.28 of the Ohio Revised Code, and credit obtained in the Combined Plan after

January 1, 2003, pursuant to sections 145.28, 145.293, or 145.301 of the Ohio Revised Code;

- b. The retirant's effective date of benefits was on or after January 1, 2014, but before January 1, 2015, and the retirant had accrued at least ten (10) Qualified Years of Employer Contributions as of his effective date of benefits; or
  
- c. The retirant's effective date of benefits was on or after January 1, 2015, but before January 1, 2022, and meets one of the following:
  - i. A retirant described in this paragraph who has attained age sixty (60) and has accrued at least twenty (20) Qualified Years of Employer Contributions or qualifies for a benefit described in division (A)(3) of section 145.32 or divisions (A)(1) or (A)(2) of section 145.332 and has accrued at least thirty (30) Qualified Years of Employer Contributions. The retirant shall be receiving benefits pursuant to division (A) of section 145.32, section 145.33, division (A) of 145.332, section 145.46 or former section 145.34 of the Ohio Revised Code or sections 9.01(a) and 9.03 of the Combined Plan.
  
  - ii. A retirant described in this paragraph who has attained age sixty (60) and has accrued at least twenty (20) Qualified Years of Employer Contributions, or qualifies for a benefit described in division (B)(1)(c) of section 145.32 or divisions (B)(1)(a) or (B)(1)(b) of section 145.332 and has accrued at least thirty-one (31) Qualified Years of Employer Contributions, or division (B)(1)(d) of section 145.32 or divisions (B)(1)(a) or (B)(1)(b) of section 145.332 and has accrued at least thirty-two (32) Qualified Years of Employer Contributions. The retirant shall be receiving benefits pursuant to division (B) of section 145.32, section 145.33, division (B) of 145.332, or section 145.46 of the Ohio Revised Code or sections 9.01(b) and 9.03 of the Combined Plan.
  
  - iii. A retirant described in the paragraph who has attained age sixty (60) and has accrued at least twenty (20) Qualified Years of Employer Contributions or qualifies for a benefit described in division (C)(3) of section 145.32 or divisions (C)(1) or (C)(2) of section 145.332 and has accrued at least thirty-two (32) Qualified Years of Employer Contributions. The retirant shall be receiving benefits pursuant to division (C) of section 145.32, division (C) of section 145.332, or

section 145.46 of the Ohio Revised Code or sections 9.01(c) and 9.03 of the Combined Plan;

- d. The retiree's effective date of benefits was on or after January 1, 2022, and the retiree meets one of the following:
- i. A retiree qualifies for a benefit described in division (A)(3) of section 145.32 or divisions (A)(1) or (A)(2) of section 145.332, has accrued at least thirty (30) Qualified Years of Employer Contributions, and is receiving benefits pursuant to division (A) of section 145.32, section 145.33, division (A) of 145.332, section 145.46 or former section 145.34 of the Ohio Revised Code or sections 9.01(a) and 9.03 of the Combined Plan.
  - ii. A retiree qualifies for a benefit described in division (B)(1)(c) of section 145.32 or divisions (B)(1)(a) or (B)(1)(b) of section 145.332 and has accrued at least thirty-one (31) Qualified Years of Employer Contributions, or division (B)(1)(d) of section 145.32 or divisions (B)(1)(a) or (B)(1)(b) of section 145.332 and has accrued at least thirty-two (32) Qualified Years of Employer Contributions, and is receiving benefits pursuant to division (B) of section 145.32, section 145.33, division (B) of 145.332, or section 145.46 of the Ohio Revised Code or sections 9.01(b) and 9.03 of the Combined Plan.
  - iii. A retiree qualifies for a benefit described in division (C)(3) of section 145.32 or divisions (C)(1) or (C)(2) of section 145.332, has accrued at least thirty-two (32) Qualified Years of Employer Contributions, and is receiving benefits pursuant to division (C) of section 145.32, division (C) of section 145.332, or section 145.46 of the Ohio Revised Code or sections 9.01(c) and 9.03 of the Combined Plan.
  - iv. A retiree described in one of the above Sections 1.12(a)(4)(i), (ii) or (iii), and that qualifies for a benefit described in division (A)(3), division (B)(1)(c), division (B)(1)(d), or division (C)(3) of section 145.32 of the Ohio Revised Code but who has not obtained the requisite Qualified Years of Employer Contributions and who is age sixty (60) or older with at least twenty (20) Qualified Years of Employer Contributions.

2. A disability benefit recipient who is receiving benefits pursuant to section 145.36 or 145.361 of the Ohio Revised Code and who meets one of the following:
  - a. The disability benefit recipient's effective date of the disability benefits was before January 1, 2014;
  - b. The effective date of the disability benefits was on or after January 1, 2014 but before January 1, 2022, and the disability benefit recipient (1) has been receiving disability benefits for less than five (5) years; or (2) has been receiving disability benefits for more than five (5) years and meets the applicable eligibility requirements of an Eligible Retiree as defined by 1(b) or 1(c) above.
  - c. The effective date of the disability benefits was on or after January 1, 2022, and the disability benefit recipient (1) has been receiving disability benefits for less than five (5) years; or (2) has been receiving disability benefits for more than five (5) years and meets the applicable eligibility requirements of an Eligible Retiree as defined by 1(d) above;
  
3. An age and service retirant who is receiving a conversion retirement benefit pursuant to section 145.331 of the Ohio Revised Code and who meets one of the following:
  - a. The conversion retirant's effective date of benefits under section 145.361 of the Ohio Revised Code was before January 1, 2015 and the retirant had accrued at least ten (10) Qualified Years of Employer Contributions;
  - b. The conversion retirant's effective date of benefits under section 145.361 was on or after January 1, 2015 but before January 1, 2020 and the retirant described in this paragraph meets the applicable eligibility requirements of an Eligible Retiree as defined by 1(c) above.
  - c. The conversion retirant's effective date of benefits under section 145.361 was on or after January 1, 2022 and the retirant described in this paragraph meets the applicable eligibility requirements of an Eligible Retiree as defined by 1(b) or 1(d) above.

**"Employee"** is a public employee, as defined in section 145.01 of the Ohio Revised Code.

**"Employer"** has the same meaning as set forth in section 145.01 of the Ohio Revised Code.

**"Health FSA"** is a health flexible spending arrangement as defined in Prop. Treasury Regulation section 1.125-5(a)(1).

**"HRA Account"** is the bookkeeping account maintained by the Third-Party Administrator for each Participant in the Plan and to which shall be credited any monthly Reimbursement Allowance that the Participant receives under the Plan.

**"Medicare"** is the coverage provided under Subchapter XVIII of Chapter 7 of Title 42 of the United States Code (Medicare Parts A and B).

**"Medicare Cost Plan"** is an individual plan which supplements the benefits provided by Medicare based on reasonable cost of the services and meets the requirements of a standard Medicare Cost Plan under applicable law. A Medicare Cost Plan may or may not include Medicare Part D prescription coverage.

**"Medicare Plan"** is one of the following plans made available through the Connector and is purchased through the Connector:

- an individual Medicare Advantage Plan which excludes Medicare Part D prescription drug coverage (issued by an Insurance Carrier pursuant to a contract with the Centers for Medicare and Medicaid Services);
- an individual Medicare Advantage Plan which includes Medicare Part D prescription drug coverage (issued by an Insurance Carrier pursuant to a contract with the Centers for Medicare and Medicaid Services);
- a Medicare Supplemental Plan;
- a Medicare Cost Plan; or
- a Special Needs Plan which is purchased through the Connector.

**"Medicare Supplemental Plan"** is an individual plan which supplements the benefits provided by Medicare, and which meets the requirements of a standard Medicare Supplemental Plan under applicable law.

**"Member"** has the same meaning as set forth in section 145.01 of the Ohio Revised Code.

**"Participant"** is any Eligible Retiree who participates in the Plan.

**"Reimbursement Allowance"** is the amount credited to the Participant's HRA Account.

**"Special Needs Plan"** is an individual Medicare Advantage coordinated care plan which targets individuals with special needs, issued by an Insurance Carrier pursuant to a contract with the Centers for Medicare and Medicaid Services.

**"Spouse"** shall mean an individual who is legally married to a Participant as determined under the laws of the State of Ohio.

**"System"** shall mean the Public Employees Retirement System of Ohio.

**"Third Party Administrator"** shall mean the individual or entity appointed by the Administrator to perform third party administrative services for the Plan.

**"Years of Employer Contribution"** and **"Qualified Years of Employer Contribution"** shall have the same meaning as provided in Ohio Administrative Code section 145-4-01.

## **CONCLUSION**

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We hope this Summary Plan Description gives you an easy-to-understand explanation of the Plan. Please keep your copy for future reference. Remember, if any conflict should arise between this Summary Plan Description and the Plan documents, the information in the actual Plan documents will be used in all cases.

**Version** 1/1/2023