

Ohio PERS NEWS

YOUR BENEFIT CONNECTION

News and information for active members of the Ohio Public Employees Retirement System

Traditional
Pension Plan

Pension reform legislation introduced

A message from Chris DeRose, CEO

In 2010, the OPERS Board and staff concentrated their efforts on seeking the introduction of legislation to enact a series of incremental changes to the current benefit plan, and on Feb. 1, 2011, House Bill 69, sponsored by Rep. Lynn Wachtmann (R-Napoleon), and Senate Bill 3, sponsored by Sen. Keith Faber (R-Celina), were introduced.

The 129th Ohio General Assembly acted swiftly to introduce pension reform legislation, identifying it as one of the top priority bills. Both H.B. 69 and S.B. 3 are considered simply “placeholder” bills, meaning that we should expect more changes to be introduced in substitute bills in the future.

While H.B. 69 closely reflects the plan modifications recommended by the OPERS Board of Trustees, Rep. Wachtmann added that there will be an opportunity for debate as the bill makes its way through subcommittees. I, along with the executive directors of Ohio’s other four

pension systems, presented our board’s proposed benefit plan modifications to members of the Ohio House Health and Aging Committee during its first hearing

Jan. 26. With a few exceptions, they were similar to the proposals presented to the Ohio Retirement Study Council at the end of 2009.

During my presentation, I emphasized that OPERS remains compliant with Ohio law requiring the pension fund be within a 30-year window for paying off obligations. I stressed the need for benefit plan design legislation to be passed quickly in order for OPERS to maintain its long-term solvency and continue providing retirees access to health care. I stressed that OPERS is a major economic engine for Ohio, pumping more than \$5.2 billion in pension and health care payments into the Ohio economy. I mentioned that OPERS’ preliminary, unaudited investment returns for 2010 were 13.91 percent, well above the annual actuarial target rate of 8 percent, and the pension and health-care funds totaled \$75.7 billion as of Dec. 31, 2010.



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pension reform legislation

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Ohio PERS NEWS – Your Benefit Connection is a quarterly newsletter providing news and information to more than 374,000 active members of the Ohio Public Employees Retirement System. An active member is anyone currently contributing toward an Ohio PERS retirement benefit. This publication allows us to communicate vital information concerning retirement benefits to our active members and also educate them on the services we provide.

CONTACT INFORMATION:

www.opers.org

1-800-222-7377

newsfeedback@opers.org

It is your responsibility to be certain that OPERS has your current address on file. If OPERS is not made aware of address changes, we cannot guarantee that you will receive important information pertaining to your OPERS account.

This newsletter is written in plain language for use by members of 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.

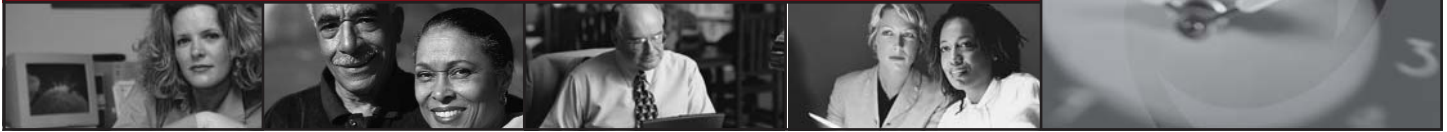
Our government relations team continues to meet with members of the Ohio General Assembly in an effort to advocate for support of our board's benefit plan design recommendations. We will keep our members, retirees and stakeholders informed as the legislation is debated and will post regular updates on our website, www.OPERS.org. In addition to the OPERS website, important news, legislative activity and requests for member and retiree involvement also will be communicated through e-mail news bulletins. In order to receive these e-mail bulletins, please be sure you are a registered user of My Benefits System (MBS) and your e-mail address in MBS is current. If you haven't registered, MBS is easily accessed from the front page of the OPERS website, www.opers.org. Our newsletters will still be provided three times per year, covering legislative activity and events that occurred in the previous four months.

2011 promises to be a pivotal year and OPERS will need the support and involvement of our member population more than ever before. We need to ensure that elected officials, as well as the general public, understand how vital OPERS pensions and access to health care coverage are – not only to public employers and employees but to Ohio's economy as a whole. OPERS provides the state of Ohio with an economic engine fueled by benefit and health care payments to our retirees all across the state, who in turn, are consumers of goods and services from Ohio companies.

Thank you for your continued support of OPERS.

THE RIGHT HELP AT THE RIGHT TIME

Helping our members understand how to best utilize OPERS services



The Right Help At The Right Time is a new series of articles OPERS has designed to help members understand how to best utilize the member service options we provide.

Over the past few years, we have introduced several new service options including some online, self-service tools. These tools are available to provide you with information and answers beyond our Member Services Center or office hours. We encourage you to register for My Benefits System (MBS) to receive information about your account at any time.

Our goal in making these changes is to maintain a level of service while serving an ever-increasing number of customers. Our member and retiree populations have grown steadily in recent years and are projected to continue rising for the foreseeable future.

Each article within this series will focus on one area of customer service offered by OPERS. We'll describe how the service option has changed in recent years and how members can access the information they need in the most timely manner possible.

Educational seminars for OPERS members

OPERS offers a number of seminars, designed exclusively for OPERS members, to assist them through all the stages of their OPERS life cycle. From the time you begin work in your OPERS-covered position, to the time you are ready to apply for retirement, OPERS offers a seminar to keep you well-educated and prepared for each stage.

New hire – The *How to Select Your OPERS Retirement Plan* seminar is intended to help new employees within the first 180 days of their employment in deciding which OPERS retirement plan is best for your career and retirement goals.

Once you've chosen your OPERS retirement plan, you can learn more about investing and managing your account by attending a *Managing Your*

Individual OPERS Account Workshop. These workshops are held across Ohio for Member-Directed and Combined Plan members.

Members within five years of retirement – The *Retirement Awareness Program (RAP)* is intended for those members who are ready to begin planning for retirement and covers such topics as your OPERS benefits, deferred compensation and Social Security.

The member-specific health care seminar is designed to help prepare members for the transition from employer-sponsored health care coverage to the OPERS retiree plan. Members will learn the details of their coverage options and how to navigate the application process.

Twelve to 18 months from retirement – The *Retirement Readiness* seminar will review your OPERS benefits, along with timeframes and details of the retirement process.

Alternatives to attending a member-specific seminar – A variety of resources are easily accessible on the OPERS website. The site provides instant access to a number of online publications, which you can view or print, and certain publications that can be ordered online for mail delivery. A number of webinars and audio/visual presentations are also available online for you to view at your convenience.

You can register for seminars using My Benefits System (MBS) at www.opers.org or by calling 1-800-222-7377.

Don't be the last to know

Take advantage of OPERS' online communication options

OPERS is committed to offering online communications whenever possible. Communications via e-mail have increased, online application processes have been introduced, and we offer online publications including newsletters and annual statements.

Electronic annual statements – OPERS will begin mailing the *2010 Personal Statement of Estimated Benefits* in March 2011 and will continue through April. Members who are registered to use the My Benefits System (MBS) can choose to view their *Personal Statement of Estimated Benefits* online rather than receiving a copy by mail.

If you wish to view your statement online, you must select this option via MBS. Members who select this option will receive an e-mail notification when their statement is available to view online. Online statements can be viewed throughout the year and full color copies can be printed at any time.

Members who signed up to receive their statement online last year will receive it online going forward unless they change this preference via MBS. This statement is full of valuable, personalized information. Please keep it with your important financial records so you can refer to it as needed. If you misplace your statement or require a duplicate for any reason throughout the year, you can view and print a copy of your 2010 statement through MBS at www.opers.org.

Contact OPERS if you have not received your 2010 statement by April 30, 2011.

Online publications - Online publications offer immediacy, cost savings and a positive impact on the environment. The OPERS website offers instant access to a variety of publications from newsletters and leaflets to forms and health care coverage guides. Log in to MBS and select the "My Contact Info" tab to set your correspondence preferences to online.

E-mail address – If you change your e-mail address, you can update your contact information in MBS to ensure you continue receiving important news from OPERS. Log in to MBS and select the "My Contact Info" tab. The first box on the page allows you to be sure your e-mail address is correct. If not, click on "Edit" (on right side of box) and enter the correct address.

Stay connected to OPERS by registering for MBS and be one of the first to receive news about your retirement benefits! Here's how:

1. Log on to www.opers.org
2. Click on the MBS "Register" button in the top, right corner of the home page. You will need your Social Security number and an active e-mail account. MBS will guide you through the registration process

New! OPERS e-mail news alerts - *what you need to know now*

OPERS now brings you up-to-the-minute news about the issues affecting your retirement with eNewsNow. This e-mail capability allows us to provide members with timely information in a fast and efficient manner. The first eNewsNow was sent Jan. 28 to more than 200,000 OPERS members and retirees. If you did not receive eNewNow, you are either not registered for MBS, or your current e-mail address is not on file with OPERS. To begin receiving these important e-mail alerts, register for MBS or call OPERS at 1-800-222-7377 to update your contact information. With many important issues on the horizon for 2011 it's important for you to stay informed.

OPERS will continue to utilize our website and printed newsletters to communicate important messages to members, but eNewsNow allows us to reach our members immediately, as needed, when something important or newsworthy happens between scheduled publications.

OPERS introduces new online refund application

Once you have terminated public employment and have made the decision to refund your contributions, the last thing you want to face is a delay in the process. Luckily, OPERS provides a new way to avoid delays and receive your refund faster.

As part of our commitment to increase self-service opportunities and in response to our members' demands, OPERS now offers an electronic refund application through My Benefits System (MBS). The new online application features a tool that provides simple, step-by-step instructions tailored specifically to your situation. Members can use the tool to complete, submit and print a copy of their refund application. The tool can also give you an estimate of your net refund amount so you know what you can expect.

Delays in the refund process are largely due to incomplete or incorrectly completed applications. The new online application eliminates this problem by flagging incompletions or errors and alerting the member so the problem can be fixed before the application is submitted. Using the new tool, members can complete and submit their application(s) electronically and receive instant confirmation that the application has been received by OPERS.

Members will also be instantly notified if OPERS requires any additional information or documents in order to process the application. The tool allows you to print any required documents and check the status of your refund. You also have the ability to cancel or withdraw your application.

Save a stamp and take advantage of the new online refund application. The online refund application is available to those members who register for MBS. If you aren't registered for MBS, registration is fast and easy. Visit www.opers.org to register today!

Health care seminars for active members

Our member-specific health care seminar is designed to address the needs and concerns of active members within five years of retirement. The seminar will help prepare members for the transition from employer-sponsored health care coverage to the OPERS retiree plan. Members will learn the details of their coverage options and how to navigate the application process.

All active member seminars begin at 1 p.m. Registration is required and seminars do fill quickly. Please call 1-800-222-7377 or visit www.opers.org to register via MBS.

2011 OPERS health care seminars

Cambridge May 20	Mansfield (Bellville) Feb. 25
Cincinnati Aug. 26	Mentor Dec. 2
Columbus Dec. 9	Miamisburg March 18
Columbus (Reynoldsburg) Aug. 19	Perrysburg Nov. 17
Huron June 10	Portsmouth June 3
Independence Sept. 9	Rootstown (Ravenna) Aug. 5
Lima April 1	Westlake July 22

2011 calendar of educational seminars

OPERS offers a wide variety of educational seminars. To register online, log onto My Benefits System (MBS) or call 1-800-222-7377. Additional dates and locations will be announced as bookings become available. Please check our website, www.opers.org, for the latest information. Seminars fill up quickly, so please register as early as possible.

Please note: All dates and locations are subject to change. Those registered for a seminar will be notified of any changes at the earliest possible time.

2011 HOW TO SELECT YOUR OPERS RETIREMENT PLAN

Cincinnati Feb. 16 May 18	Port Clinton March 16	Web Seminars Feb. 25 March 1 March 9 March 18 March 24 March 30
Columbus Feb. 24 March 2 March 31 April 27 April 28 May 26	Reynoldsburg May 10	April 8 April 13 April 22 April 28 May 5
Dayton Feb. 24	Seaman March 28 May 23	May 11 May 20 May 25
Elyria Feb. 18	Springfield March 21 April 18 May 16	June 2 June 7 June 17
Lancaster May 4	Toledo March 17	June 22 June 29
Lebanon Feb. 16 May 18	Warren April 21	
Medina May 4	Wooster March 14 April 11 May 9	ONLINE REGISTRATION for web seminars is available at www.opers.org
	<i>Registration for live seminars is not required.</i>	

2011 RETIREMENT AWARENESS PROGRAM

Canton Sept. 13	Columbus OPERS Feb. 17 June 29 Aug. 16 Oct. 5 Dec. 7	Independence Aug. 10
Cincinnati East April 13 Aug. 24	Dayton Feb. 23 June 16	Ohio University May 24
Cincinnati North May 18 Oct. 19	Eastlake July 13	Perrysburg July 20
		Strongsville May 4 Oct. 25
		<i>Registration is required.</i>

2011 RETIREMENT READINESS

Canton Sept. 14	Columbus OPERS March 30 May 12 June 30 Aug. 17	Independence March 3 Aug. 11
Cincinnati East April 14 Aug. 25	Dayton Feb. 24	Ohio University May 25
Cincinnati North May 19 Oct. 20	Eastlake July 14	Perrysburg March 25 July 21
		Strongsville Oct. 26
		<i>Registration is required.</i>

OPERS Disability Benefits Program

New partnership with third party administrator

OPERS is committed to providing our members with a disability benefits program that is fair, equitable and aligned with accepted industry standards. To ensure our ability to provide and deliver benefits to those who truly need them, OPERS is partnering with the MLS Group of Companies, Inc. to provide quality medical assessment and customer service to our disability applicants and disability recipients.

About the MLS Group - The MLS Group of Companies, Inc. is a provider of independent medical evaluations, peer review services and functional capacity evaluations. The MLS Group of Companies, Inc. includes: Managed Medical Review Organization (MMro); MLS Peer Review Services; and MLS National Medical Evaluation Services. They have developed a qualified network of health care professionals throughout the U.S.

OPERS and MLS Partnership - OPERS and MLS will partner to better facilitate the processing of new applications, appeals, continued treatment, annual reviews, employment assessments, benefit termination requests and early survivor benefit disability decisions.

Members will continue to submit their applications and supporting medical documentation to OPERS. OPERS will then have MMro review and evaluate the information to determine the best path for assessment of each member's condition. If an independent medical examination is needed, MMro will work directly with the member to coordinate the date and time of the examination.

Once the medical examination is completed, MMro will review all the medical documentation and forward to OPERS a recommendation of their assessment. The OPERS Board of

Trustees continues to make a final determination of disability. This process will result in a fair and comprehensive assessment.

Disability recipients who are under a continued treatment program will work directly with MMro in managing their ongoing care.

Now that you have been introduced to MLS, if you receive or apply for disability benefits, you can expect to receive various correspondence and communication from a representative or physician who is part of this group. This new partnership is an important part of our program that will allow OPERS to continue delivering disability benefits efficiently and professionally.

Health care update for re-employed retirees

If you decide to become a re-employed retiree with OPERS benefits, it is important that you review and understand the following information to avoid any misinterpretation of your health care coverage through OPERS.

Federal law prohibits re-employed retirees from being covered by the OPERS health care plan as secondary when enrolled in an employer's high-deductible health plan (HDHP) and a health savings account (HSA).

If your employer offers a high-deductible health plan (HDHP) for employees, please note: If you are a re-employed retiree with access to employer coverage (even if it is an HDHP) you must take it according to Ohio Revised Code 145.38 and Ohio Administrative Code 145-1-75(E). However, if you take the HDHP plan, you are not eligible for and may not have OPERS' secondary health care coverage.

Please contact member services at 1-800-222-7377 for more information regarding this issue.



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2010 OPERS Board of Trustees election results

Last year's election for the OPERS Board of Trustees seat representing state employees was won by Matthew Schulz. Schulz began serving his four-year term Jan. 1, 2011. The retiree, college/university employee and municipal employee seats were uncontested races and thus no election was conducted. Sharon Downs, Kimberly Russell and Ken Thomas began new four-year terms Jan. 1, 2011.

Ohio PERS Board of Trustees

The 11-member OPERS Board of Trustees is responsible for the administration and management of OPERS. Seven of the 11 members are elected by the groups that they represent (i.e., college and university non-teaching employees, state, county, municipal, and miscellaneous employees, and retired members); the Director of the Department of Administrative Services for the state of Ohio is a statutory member, and three members are investment experts appointed by the Governor, the Treasurer of State, and jointly by the Speaker of the Ohio House of Representatives and the President of the Ohio Senate.

Elected Board Members

Sharon M. Downs
Retired Members

John W. Maurer
Retired Members

Kimberly Russell
State College and University Employees

Matthew Schulz
State Employees

Cynthia Sledz
Vice Chair
Miscellaneous Employees

Ken Thomas
Chair
Municipal Employees

Helen Youngblood
County Employees

Statutory Board Member

Bob Blair
Director, Department of Administrative Services

Appointed Board Members

Lennie Wyatt
Investment Expert
Governor Appointee

Charlie Adkins
Investment Expert
Treasurer of State
Appointee

James R. Tilling
Investment Expert
General Assembly
Appointee

Chris DeRose
Chief Executive Officer