

# Ohio PERS NEWS

Your Benefit Connection



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

## Proposed pension plan changes support our goal of a secure retirement for all

A message from Chris DeRose, CEO

Late last year, the OPERS Board of Trustees proposed a set of pension benefit plan design changes to the Ohio Retirement Study Council (ORSC). This set of Board-recommended changes will have no direct impact on our current retiree population. However,

However, due to the General Assembly's summer recess and November elections, it is likely that the pension bill will not be introduced until after the elections. Until the



Chris DeRose

legislation is introduced, we are actively educating our retirees, members, legislators, interested parties and the public on the importance of these changes and the positive impact they will have.

it is important for our retirees to realize that these changes are part of a proactive, comprehensive funding plan designed to strengthen the pension system, adjust for the increased longevity of our retirees, and allow us to continue to provide access to retiree health care coverage for as long as possible.

Our work to advocate changes to our benefit plan demonstrates our belief that everyone deserves a secure retirement. As the process of enacting pension changes moves forward and in light of recent media coverage of Ohio public pensions, it is important to reiterate that the long-term sustainability of OPERS is not in question. For 75 years, we have provided retirement security to our members and demonstrated our responsibility to remain well-funded during turbulent times. When enacted, the changes we

The proposed changes must be enacted by the Ohio General Assembly before they can be implemented. We have strongly advocated for the introduction of pension legislation and we look forward to its passage.

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## Proposed pension plan changes

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*OPERS NEWS – Your Benefit Connection* is a quarterly newsletter providing news and information to more than 160,000 age and service retirees, disability benefit recipients and survivor benefit recipients of the Ohio Public Employees Retirement System. This publication allows us to communicate vital information concerning retirement benefits and health care coverage to our retirees and also educate them on the services we provide.

### **CONTACT INFORMATION:**

[www.opers.org](http://www.opers.org)

1-800-222-7377

Monday - Friday

7:30 a.m. to 5:00 p.m.

[newsfeedback@opers.org](mailto:newsfeedback@opers.org)

are seeking will allow us to continue to provide retirement security despite a steadily increasing retiree population, without seeking contribution rate increases from employers or members in a challenging economic environment.

All public pension plans including OPERS have been the subject of much media scrutiny in recent months. As the state deals with an expected budget deficit in the next biennium, we know that contribution rates and retirement benefits for public workers will remain a focal point in the news. While most of the media coverage has not been focused directly on OPERS, we continue to use our interaction with the media and the legislature to share the value we provide to our members and the state as well as details about our pension fund and the proposed plan design changes. We have also corrected the record any time the media incorrectly reported information about OPERS.

To keep you informed, our responses to the recent media coverage and the most up-to-date information on pension design changes are posted on our website, [www.opers.org](http://www.opers.org). The OPERS Board is committed to member involvement and communication on this process. If you have comments or questions, please feel free to send them to: [givesyourthoughts@opers.org](mailto:givesyourthoughts@opers.org).

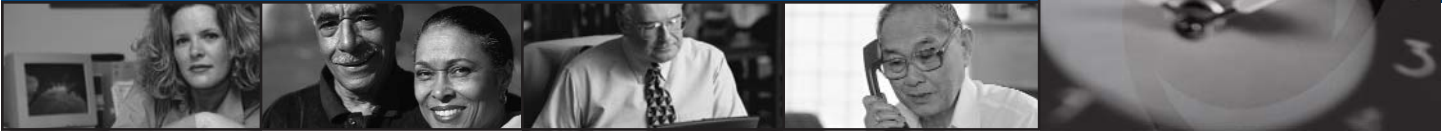
Thank you for your continued support of OPERS.

*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.*

# THE RIGHT HELP AT THE RIGHT TIME

Helping our retirees 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 retirees 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 call 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 customer 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 retirees can access the information they need in the most timely manner possible.

## One-on-one retirement counseling

### at the OPERS office in Columbus

The most common reason for one-on-one counseling appointments is to file for retirement. With the baby boomer population now retiring, the demand for our counseling service has increased and we expect this trend to continue. In order for our counselors to meet with more members and because counseling appointments may take longer to schedule, we want to be certain retirees are aware of alternate options available to them.

***Listed here are some common reasons retirees schedule counseling appointments. In most situations, these issues can be resolved more quickly using a different customer service option.***

***“Checking on my Account”*** - In the past it was common for a retiree to make an appointment with a counselor or stop by the OPERS offices to check

on their account and confirm we had their correct personal and beneficiary information. The introduction of My Benefits System (MBS) has resolved the need for this type of appointment. MBS offers instant access to your personal account, beneficiary and monthly payment information. Please see instructions on registering for MBS on page 5.

#### ***Health care cost estimates*** -

Retirees contemplating a change to their health care coverage often need to know what impact the change will have on their monthly premium. These estimates are available instantly using the health care cost calculator within MBS.

***Tax withholding changes*** - Retirees considering a change to their tax withholding amount often make an appointment with a counselor only to

learn that OPERS counselors are unable to advise them on federal or state tax questions. We recommend consulting your tax advisor for these types of questions and answers.

***Forms*** - Any OPERS form requiring notarization can be notarized and submitted at our reception desk. All OPERS reception staff are notaries and no counseling appointment is necessary.

In addition to self-service options, retirees are always welcome to contact our member services staff by phone at 1-800-222-7377. Member services staff members are all trained to help with a variety of retirement issues. Those answering the phone can provide the same services as a one-on-one counselor.

# Your Voice, Your Choice

## 2010 OPERS Board of Trustees Election

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Elections for four seats on the OPERS and Ohio Deferred Compensation Boards of Trustees will be held in September. Those elected will serve four-year terms beginning in January 2011.

The four seats up for election in 2010 include one representative for each of the following groups:

**Retirees**—One of two seats representing approximately 171,000 age and service and disability retirees

**State employees**—Representing those working at a job for the state of Ohio (approximately 55,432 employees)

**State colleges and universities**—Representing approximately 55,141 non-teaching employees at state colleges and universities in Ohio

**Municipal employees**—Representing approximately 65,783 employees working for Ohio's municipalities

### ***Your Voice, Your Choice - Every vote counts!***

It's important to realize every single OPERS retiree and member is represented by a Board member. Just as in

national and local elections for public office, your vote—your voice—is vital. Members of the Board of Trustees serve four-year terms. That means that every four years you have the opportunity, and the responsibility, to select your Board representative.



Please plan to cast your vote this year! Voter participation in the 2009 Board election averaged only about 29 percent for retirees. Your retirement and your representation on the OPERS Board are too important not to participate in the election process.

Voting materials will be mailed to those eligible to vote on August 23. Voting will take place until October 1. You can vote online, by phone or by mail. OPERS does not endorse any candidate.

The election count is scheduled for Monday, October 4. The final results will be certified by the Secretary of State's office.

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## Legislative update

### **OPERS will modify our retiree health care plan in response to federal health care reform legislation in 2011**

Earlier this year, a comprehensive federal health care reform bill was passed and signed into law by President Obama. OPERS has spent the last few months conducting an in-depth analysis to determine what impact the many provisions would have on the OPERS retiree health care plan. We examined all aspects of the legislation in collaboration with actuaries and legal counsel. With our initial analysis complete, OPERS will comply by making three modifications to our retiree health care plan for 2011.

Effective Jan. 1, 2011:

1. Retirees participating in our health care plan may cover eligible children up to age 26 regardless of marital status or enrollment as a full time student.
2. OPERS will remove the lifetime maximum for medical/pharmacy coverage currently in place for retirees not yet eligible for Medicare.
3. OPERS will make slight modifications to our current coverage structure for preventative tests and procedures to align with the provisions of the legislation.

*(continued on page 6)*

# Help OPERS cut costs and go green

## Register for MBS and select online publications

OPERS is committed to offering electronic communication options whenever possible. Communications via e-mail have increased, online application processes and forms have been introduced, and we offer an electronic version of *Ohio PERS News for Retirees*. Online communications offer immediacy, cost savings and a positive impact on the environment. For these reasons, we are asking our retirees to please help us in this effort by signing up to receive their OPERS publications online.

OPERS currently spends more than \$60,000 to print and mail a single issue of the retiree newsletter. These costs

are reduced each time a retiree signs up to receive their newsletter online. Signing up for online publications is fast and easy. Simply follow the step-by-step directions below.

Registering for MBS automatically provides OPERS with your e-mail address. We will soon begin providing news alerts to retirees via e-mail. Alerts will be sent when the need arises to communicate an important issue to our retiree population quickly. Register for MBS and be one of the first to receive news about your retirement.

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### MBS Registration

**There's no reason to wait on the phone or wait for the mail to receive personalized information about your retirement benefit. Register for MBS today – it's quick and easy.**

1. Log on to [www.opers.org](http://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.

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### Selecting to receive your OPERS newsletter online

**Once registered, it's simple to select online publications which saves time and significant paper and postage costs:**

1. 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 one. Please remember to update your e-mail address in MBS if it changes.
2. The second box on the page contains your correspondence preferences. Click on the word "Edit" on the right side of the box to adjust your preferences to online publications.
3. Check the box next to "*Ohio PERS NEWS – Your Benefit Connection*" that reads, "I elect to be notified via email when newsletters are available at [www.opers.org](http://www.opers.org)." In the future, you will receive an e-mail containing a link to the latest newsletter issue on the day it's posted to the site.

## No internet access at home? Try your local library!

Not having a home computer doesn't mean you can't take advantage of online services from OPERS and many other organizations. Most, if not all, public libraries offer internet access to patrons at no charge.

Library personnel can help you to establish a free e-mail account through services such as gmail or yahoo mail. Many libraries offer basic computer training - some even offer classes designed specifically for seniors. Check out the offerings at your local library and be online in no time.

## Health care seminars for retirees

The 2010/2011 OPERS retiree health care seminar schedule is listed below. These seminars are designed to address the needs of those participating in the OPERS health care plan. Topics include medical/pharmacy coverage, dental and vision coverage, preventive coverage and wellness programs. Each seminar will also feature a question and answer session at the end.

**In 2011, we will begin holding different seminars for Medicare and non-Medicare retirees.**

Registration is required and seminars do fill quickly. Please register by calling OPERS at 1-800-222-7377 or visiting [www.opers.org](http://www.opers.org) to register using My Benefits System (MBS). All seminars last approximately two hours.

### 2010 - All Retirees, 10:00 a.m.

<b>Cincinnati</b> (Sharonville) Nov. 12	<b>Independence</b> Nov. 12	<b>Mentor</b> Dec. 3
<b>Columbus</b> (OPERS) Nov. 19	<b>Lima</b> Dec. 3	<b>Ravenna</b> (Rootstown) Dec. 10
	<b>Mansfield</b> (Bellville) Nov. 19	

### 2011 - Medicare Retirees, 10:00 a.m.

<b>Akron</b> Jan. 28 June 17	<b>Columbus</b> (Plain City) May 6	<b>Mentor</b> April 15
<b>Cambridge</b> May 20	<b>Huron</b> June 10	<b>Miamisburg</b> March 18
<b>Athens</b> June 24	<b>Independence</b> Jan. 21	<b>Perrysburg</b> March 25
<b>Cincinnati</b> March 11	<b>Lima</b> April 1	<b>Portsmouth</b> June 3
<b>Columbus</b> (OPERS) Feb. 18	<b>Mansfield</b> (Bellville) Feb. 25	<b>Youngstown</b> April 22

### 2011 - Non-Medicare Retirees, 1:00 p.m.

<b>Akron</b> June 17	<b>Columbus</b> (OPERS) Feb. 18	<b>Mentor</b> April 15
<b>Athens</b> June 24	<b>Columbus</b> (Plain City) May 6	<b>Perrysburg</b> March 25
<b>Cincinnati</b> March 11	<b>Independence</b> Jan. 21	<b>Youngstown</b> April 22

## Legislative update *(continued)*

In addition to these changes, OPERS has applied to receive funds as part of the legislation's reinsurance provision. This provision allows for insurers to receive reimbursement for paying high-dollar medical claims incurred by retirees not yet eligible for Medicare.

We have received several questions from retirees regarding whether the health care reform legislation will require workers to pay income tax on the value of their employer-provided health insurance. This is a rumor generated by a misinterpretation of the new rules. The legislation requires employers to display the value of health insurance on employees' W-2 forms for information purposes, but it will not be considered taxable income. This provision will only affect retirees who are employed and receiving a W-2 form.

Listed previously are the modifications we will make to our health care plan in 2011. Other provisions are scheduled for implementation over a period of years. Please continue to read issues of this newsletter and check our website for further updates on our implementation of federal health care reform legislation.

## 2010 and 2011 benefit payment schedule

 [Clip & Save](#) 

Pension benefit payments will be issued on the first business day of the month. If that day falls on a weekend or holiday, payments will be issued on the last business day of the previous month (except January when, for tax purposes, the payment must be issued on the first business day of the month).

<b>2010</b>
<b>September 1</b>
<b>October 1</b>
<b>November 1</b>
<b>December 1</b>
<b>2011</b>
<b>January 3, 2011</b>
<b>February 1</b>
<b>March 1</b>

## 2010 and 2011 calendar of educational seminars

**RETIREE SEMINAR** – This three-hour seminar is designed exclusively for OPERS retirees and benefit recipients. Topics range from taxation of your pension benefits and re-employment to health care coverage and Social Security. There is no cost to attend and you may bring a guest. Please register your guest's name when you enroll yourself. You can also register for this seminar using My Benefits System (MBS) at [www.opers.org](http://www.opers.org).

### 2010 RETIREE SEMINARS

<b>Cincinnati East</b> Aug. 24	<b>Dayton</b> Dec. 1	<b>Youngstown/ Boardman</b> Sept. 21
<b>Columbus OPERS</b> Oct. 12	<b>Perrysburg</b> Oct. 19	

### 2011 RETIREE SEMINARS

<b>Cincinnati North</b> May 17	<b>Dayton</b> June 15	<b>Youngstown/ Boardman</b> April 5
<b>Columbus OPERS</b> April 19	<b>Strongsville</b> May 3	

## Ohio PERS Board of Trustees

The 11-member Ohio PERS Board of Trustees is responsible for the administration and management of Ohio PERS. Seven of the 11 members are elected by the groups that they represent (i.e., college and university non-teaching employees, state, county, municipal, 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

**Eddie Parks**  
State Employees

**Sharon M. Downs**  
Retired Members

**John W. Maurer**  
Retired Members

**Kimberly Russell**  
State College and University Employees

**Cynthia Sledz**  
**Vice Chair**  
Miscellaneous Employees

**Ken Thomas**  
**Chair**  
Municipal Employees

**Helen Youngblood**  
County Employees

### Statutory Board Member

**Hugh Quill**  
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*



Ohio Public Employees  
Retirement System

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# Ohio PERS NEWS

YOUR BENEFIT CONNECTION

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## OPERS' Summary Comprehensive Annual Financial Report available online

A summary of the OPERS Comprehensive Annual Financial Report (CAFR) for the years ended Dec. 31, 2009 and Dec. 31, 2008 is available to view and print from our website, [www.opers.org](http://www.opers.org). The full CAFR is available on the site as well.

The 8-page summary presents the highlights of the full report in a smaller format which is easier to print and read. Both versions of the report can be found within the 'Investments' section of OPERS Web site.

