

Update on Medicare Part B Premium Increase

Your voice has been heard!



On Nov. 10, 2016, The U.S. Department of Health and Human Services' Centers for Medicare and Medicaid Services announced 2017 premiums for the Medicare inpatient hospital (Part A) and physician and outpatient hospital services (Part B) programs. The projected 20 percent increase in Medicare Part B premiums was reduced to an approximate 10 percent increase.

This means OPERS retirees who do not draw Social Security retirement benefits or are a recent Medicare beneficiary will see their premiums rise to \$134 per month from the current \$121.80. Medicare Part B premiums for those who do receive a Social Security benefit will increase from \$104.90 to approximately \$109. Those who do not qualify for premium-free Medicare Part A will see only a very minimal increase in their 2017 Part A premiums.

OPERS issued a call to action on this issue several weeks ago and retirees overwhelmingly responded. Thank you

so much for your interest and for taking action. Your assistance was invaluable in getting this issue in front of members of Congress.

Even though the 2017 premium increase is not as significant as first projected, OPERS believes retired public employees in Ohio should not be part of a minority bearing the brunt of increased Medicare costs. Your OPERS representatives will continue to work with the members of the Ohio congressional delegation to identify a permanent solution to this problem.

OPERS has prepared a page on opers.org that details this issue and makes it easy to call or write your members of Congress to request a permanent solution. Visit opers.org/medb to find contact information for your members of Congress and any further updates on 2017 Medicare Part B premiums.

Medicare Part B Reimbursement Ends

If you currently receive the OPERS Medicare Part B premium reimbursement of \$31.81, effective Jan. 1 the OPERS reimbursement is \$0. This will complete the transition that began in 2015. Keep in mind, many retirees have enough money leftover in their HRA to use toward the cost of this premium. For more information on how to file for reimbursement, turn to page 4.



OPERS Adapts to Changes in Investment Environment

Like many other pension plans, OPERS is reducing its investment return expectations because of changes in the global economy.

This adjustment in OPERS' expected rate of return is part of our continuing effort to keep our pension plan healthy and sustainable. The changes OPERS made in 2012 to our pension and health care funds strengthened our system and allowed us to lower our expected returns now.

OPERS' long-term investment assumption had been 8 percent since 2002, but at their October meeting the OPERS Board of Trustees lowered the rate to 7.5 percent. The vote followed the review of a five-year experience study by independent financial experts

that projected a future investment environment less conducive to earning the 8 percent return.

This allocation change will not alter the OPERS health care plan for 2017, and the plan will remain on sound footing into the future.

Visit the OPERS YouTube channel (OhioPERS1) to view a video on the change to our expected rate of return or read the *PERSpective* blog for more details.

The OPERS Investments division skillfully manages more than **\$87 billion** used to pay pension benefits and provide retirees access to health care coverage. Visit our YouTube channel or *PERSpective* blog to view a brief video on how the OPERS Investments team approaches its task, seeking solid returns while maintaining transparency in all its actions.



2017 Open Enrollment Wrap-Up

Medicare participants

Any changes you made to your medical or prescription drug plans during open enrollment will become effective Jan. 1, 2017. If you have questions regarding your medical or prescription drug plans, call OneExchange at 1-844-287-9945.

In response to feedback received, OneExchange has implemented a number of improvements and expects to deliver a higher level of customer service going forward than some experienced in 2016.

While only OneExchange can answer questions or help you make changes to

your individual Medicare plans, OPERS is still here to help and serve as your advocate if you're ever unable to get the help you need. If you still have questions pertaining to your health plan or HRA after talking with OneExchange, please contact OPERS at 1-800-222-7377.

You will receive the annual \$300 HRA deposit in January. The \$300 is in addition to your monthly HRA deposit.

Pre-Medicare and re-employed participants

Any adjustments you made to your OPERS medical or optional vision and/or dental coverage during open enrollment will become effective Jan. 1, 2017.

Any changes you made to your optional OPERS vision and/or dental coverage will become effective Jan. 1, 2017.



Connector Reimbursement Reminders for 2017

Automatic Reimbursement Action Required? NO.

If you arranged auto reimbursement for plan premiums through OneExchange for 2016 and you do not change plans, these arrangements will continue as long as you remain enrolled in the same medical and/or pharmacy plan.

Recurring Claims Action Required? YES.

If you currently receive recurring reimbursement for Medicare Part B premiums, OPERS vision and dental premiums, or premiums for plans that OneExchange does not offer auto reimbursement, you must resubmit claim forms for 2017. These forms must be submitted to OneExchange along with the required documentation.

The chart on the following page illustrates different types of reimbursement forms, how each form is used, additional documents required and where to send the forms. You can access these HRA forms at medicare.oneexchange/opers or opers.org or you can call OneExchange (1-844-287-9945) or OPERS (1-800-222-7377) to have these forms mailed to you.

REIMBURSEMENT FORMS	HOW DO I USE THIS FORM?	DO I NEED SUPPORTING DOCUMENTS?	WHERE DO I GET THE SUPPORTING DOCUMENTS?
Manual reimbursement claim form <i>(Must be submitted once per calendar year)</i>	Reimbursement of any qualified out-of-pocket expense. Such as: <ul style="list-style-type: none"> • Copays • Deductibles • Prescriptions 	With the manual and/or recurring reimbursement form, please submit documents that contain the following: <ul style="list-style-type: none"> • Covered participant name • Provider name • Date of service • Description of coverage • Proof of payment 	<ul style="list-style-type: none"> • Explanation of Benefits (EOB) from insurance carrier • Invoice from provider • Receipt from pharmacy
Recurring reimbursement claim form <i>(Must be submitted once per calendar year)</i>	Reimbursement of monthly premiums <ul style="list-style-type: none"> • Medical • Prescription • Dental (OneExchange or OPERS) • Vision (OneExchange or OPERS) 		<ul style="list-style-type: none"> • Vision/dental premium receipt from OPERS • Other docs from insurance carrier
Recurring Medicare Part B claim form <i>(Must be submitted once per calendar year)</i>	Medicare Part B premiums (reimbursable every month throughout the year)	Social Security Award letter or Medicare coupon (monthly or quarterly) containing: <ul style="list-style-type: none"> • Proof of payment • Monthly amount • Date of service • Premium type • Participant name 	<ul style="list-style-type: none"> • Award letter from Social Security • Monthly or quarterly Medicare coupon (billing, invoice)

WHERE DO I SEND THE FORMS AND DOCUMENTS?
Send all reimbursement forms and supporting documents to: OneExchange P.O. Box 981155 El Paso, TX 79998-1155
Forms and documents can also be scanned and uploaded at: medicare.oneexchange.com/OPERS

WHERE DO I GET THIS FORM?
All forms can be obtained from: OneExchange medicare.oneexchange.com/opers 1-844-287-9945 OPERS opers.org 1-800-222-7377

Important things to remember about reimbursements

- Sign the form before mailing it to OneExchange.
- Include the retiree's name as the "Account Holder" on the reimbursement forms. The claim will be denied if any other individual is listed on that line.
- Request reimbursement of the full Medicare Part B premium amount in 2017. In 2016, you were required to subtract the amount OPERS reimbursed you toward your premium.
- Provide all the required supporting documents as listed on the above chart.
- Maintain your current direct deposit information with OneExchange or you may fail to receive your reimbursement.

Optional Aetna Vision Coverage Change

If you are enrolled in OPERS optional vision coverage through Aetna, your coverage will change from a rolling 12-month system to a per calendar year system in 2017. For example, if you received a vision exam in July 2016, you can schedule another vision exam for January 2017. If you have questions, please contact Aetna Vision at 1-866-591-1913.



A Healthier YOU – For Pre-Medicare Retirees

Did your 2016 New Year's resolution include improving upon personal health and wellness? If you haven't gotten started, there's still time and OPERS can help. We offer valuable and clinically proven programs through our OPERS Medical Mutual Plan and programs available in your community.

These programs include Healthy U, Weight Watchers, QuitLine, Case Management and Lifestyle Coaching.

Visit opers.org for detailed program descriptions or aging.ohio.gov for a list of Healthy U programs available and the value they can bring to your life.

You will also soon receive communications from Medical Mutual asking you to complete the new OPERS Eye on Health questionnaire. While not required to access programs, it helps identify which programs best suit your needs. Look for more information soon!



RMA Incentive Program Closes in 2016



The vast majority of our retirees with money in their Retiree Medical Account (RMA) have never submitted a claim. It costs OPERS more than \$2 million each year to maintain these RMA accounts. For these reasons Nov. 30, 2016 will be the last date to complete or enroll in a wellness program to qualify for a \$50 wellness RMA program incentive. OPERS will reach out to retirees who have an RMA account balance with information about how to use available funds.



Diabetes Prevention

The Good News

Research studies have found that moderate weight loss and exercise can prevent or delay type 2 diabetes among adults at high-risk of diabetes. To help prevent type 2 diabetes in the U.S., the National Diabetes Education Program has created the **Small Steps, Big Rewards** campaign.

Small Steps: If you have prediabetes, losing a modest amount of weight - for example, 10 to 15 pounds for a 200-pound person - can help you prevent or delay type 2 diabetes. You can do it by building up to 30 minutes of physical activity a day, five days a week and following a low-calorie, low-fat eating plan.

Big Rewards: Preventing type 2 diabetes can mean a healthier and longer life without serious complications from the disease such as heart disease, stroke, blindness, kidney failure and amputations.



For more information about preventing type 2 diabetes, contact the National Institute of Diabetes and Digestive Kidney Disorders (NIDDK) at niddk.nih.gov or call NIDDK at 1-800-860-8747.

Did You Know?



86 million, or 1 out of 3 American adults, have prediabetes, a condition where blood sugar levels are higher than normal but not high enough to be considered diabetes



9 out of 10 people with prediabetes don't know they have it



15 to 30 percent of people with prediabetes will develop type 2 diabetes **within 5 years** if they take no action to prevent or delay the disease



Diabetes is a leading cause of heart disease, stroke, blindness, kidney disease and nerve disease



Medicare Part A Recertification

OPERS reimburses the Medicare Part A premium to benefit recipients and eligible spouses who are enrolled in and paying a premium for Medicare Part A. On a yearly basis, we check in to ensure OPERS is reimbursing the correct amount. This requires those receiving a reimbursement to report the amount they are paying for Medicare Part A. **A letter with detailed instructions will be mailed in mid-December** to those receiving this reimbursement. Without this information, OPERS will not be able to provide the reimbursement.

Spouse Coverage Resource Page Available at opers.org

OPERS has created a Web page to help retirees and spouses learn more about health plans available on the open market. Medical premiums for pre-Medicare spouses continue to increase as we move toward a \$0 spouse allowance in 2018. Visit opers.org/healthcare/enrollment/open/spouses for links to a



number of valuable state and federal resources such as Ohio Department of Insurance Consumer Services, Ohio Department of Aging and Ohio Department of Medicaid.

Note: If you are terminating coverage for your dependents, you must do so by Dec. 7, 2016 in order to have a Dec. 31, 2016 termination date.

Coverage Maximum - Save Money on Certain Laboratory Tests

Coverage maximum is the maximum amount Medical Mutual will pay for certain lab tests done by SuperMed network providers. Save money on lab work by using providers whose rates do not exceed the coverage maximums. To learn more, visit medmutual.com or call Medical Mutual's Customer Care at (877) 520-6728.





Keeping Your Personal Information Secure

4 Things You Need to Know About Your OPERS ID

Beginning in January 2017, your OPERS ID will be visible on the home page of your online account. You will also begin to see this ID on correspondence you receive from us. Here are four important things to know about this unique identifier.

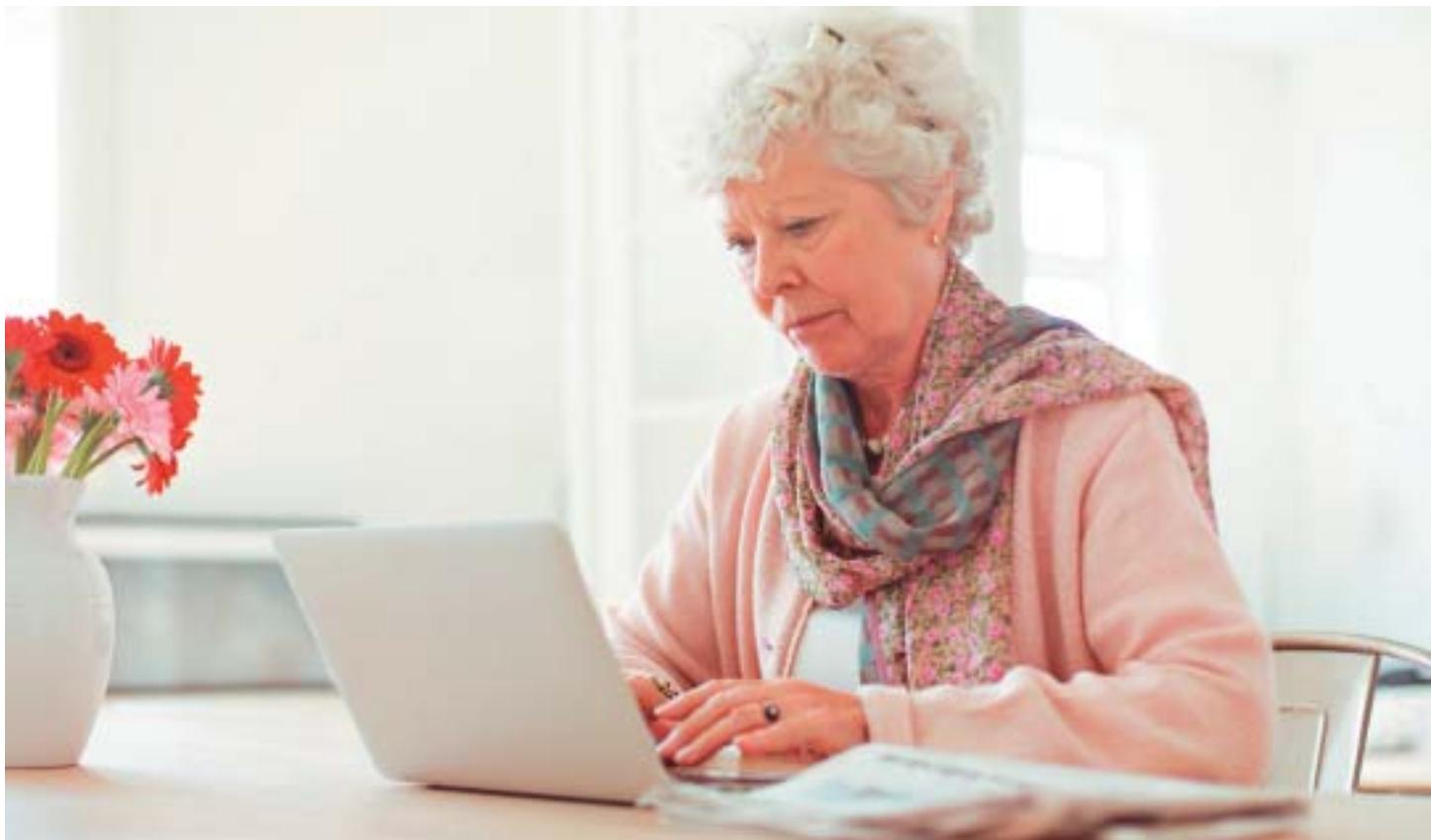
- 1. Your OPERS ID is a unique, randomly generated 11-digit number assigned to you by OPERS.** This number provides you with an option other than your Social Security Number for identification in an effort to keep your personal information as secure as possible.
- 2. You will have the option to use your OPERS ID if you are not comfortable using your SSN,** or you can continue using your SSN as your identifier. OPERS will always be able to identify you by your SSN, should you not have your OPERS ID available.
- 3. You will always have the option to use your ID, but will never be required to know it.** Your OPERS ID will serve as your secure identity with OPERS, and can be used in many instances from verifying your identity over the phone to submitting OPERS forms. If you are completing a form which includes a field for your OPERS ID and you do not know it, you can choose to leave that field blank.
- 4. Retirees can find their OPERS ID on their online account.** After logging in, your ID can either be found in the header of any online account page or within the "Personal Information" panel after clicking the "My Profile" tab.



2017 Benefit Payment Schedule

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).

- **January 3**
- **February 1**
- **March 1**
- **March 31**
- **May 1**
- **June 1**
- **June 30**
- **August 1**
- **September 1**
- **September 29**
- **November 1**
- **December 1**



2017 Benefit Change Notices

Each time your pension amount changes, OPERS issues a Benefit Change Notice. If your pension amount changes for 2017, you will receive a Benefit Change Notice reflecting the new amount in January. The reasons your pension amount may change from year to year are discussed below. Remember, you can log into your online account at any time to see your current benefit amount as well as any deductions.

Things that will change your benefit payment

- **Tax changes** – If there is a change to the federal tax tables, this may change the amount withheld from your monthly benefit. You can also make manual adjustments to your withholding through your online account. You select a dollar amount for your Ohio state taxes, so adjustments to that must be initiated by you.
- **Cost-of-Living Adjustment (COLA)** – once a year on the anniversary

of your retirement you will receive your annual COLA which will increase your monthly benefit.

Note: It is important to remember, your COLA is always based on the amount of your original benefit, not your current benefit amount. For example, if your original benefit is \$1,000 and your COLA is 3 percent, your benefit amount will increase by \$30. If your COLA is 3 percent in the second year, it will be based on your original \$1,000 benefit. Your new benefit amount would be \$1,060.

- **Health care changes made by you** – if you add or drop coverage or dependents this will increase or decrease your benefit payment.
- **Health care changes made by OPERS** – increases in premiums, decreases in reimbursements, such as Medicare B, or changes in your Medicare status will be reflected in your benefit payment.
- **Life status changes** – getting married, divorced or the death of a spouse can also cause your monthly benefit to either increase or decrease. You will need to contact OPERS to notify us of these changes so adjustments can be made. You must notify us within one year of a marriage if you want to add a spouse and change your plan of payment to a joint life annuity.

OPERS to Mail 2016 IRS Forms 1099-R and 1095-B

OPERS will mail both Form 1099-R and Form 1095-B for tax year 2016 by Jan. 31, 2017. Retirees should expect to receive these forms by Feb. 15, 2017. **If you wish to access your 1099-R or 1095-B prior to receiving it in the mail, you can do so by logging into your OPERS online account after Jan. 23, 2017. Once in your online account, click on "Documents."**

Some retirees could receive more than one Form 1099-R. Reasons could include receiving more than one benefit or if you received a Partial Lump Sum Option Payment in 2016.

Form 1095-B is used to verify that you and your dependents have the minimum essential health insurance coverage. Under the Affordable Care Act, taxpayers who do not have minimum essential coverage must pay a penalty when they file their tax returns. Having a 1095-B in hand is proof you had the type of coverage required.

OPERS will not be sending a paper copy of the Benefit Recipient Tax Guide with your IRS forms for tax year 2016. The publication will be available to view and print at opers.org or you can contact OPERS to request a paper copy by mail after Jan. 31, 2017.



OPERS Educational Opportunities

To learn about live seminars and interactive webinars scheduled for retirees in 2017, please visit opers.org, click on 'Retirees' and then on 'Educational Opportunities.' Registration is required for these events. This page also features recorded presentations which can be viewed at any time. Registration is not required.

OPERS News

OPERS News is a quarterly newsletter providing news and information to retired members of the Ohio Public Employees Retirement System. This publication allows us to communicate vital information concerning retirement benefits to our retired members.

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 federal or state law, nor will its interpretation prevail should a conflict arise between it and the Ohio Revised Code, Ohio Administrative Code or Internal Revenue Code. If you have questions about this material, please contact our office or seek legal advice from your attorney.

Contact information:

www.opers.org
1-800-222-7377
Monday - Friday
8 a.m. to 4:30 p.m.
newsfeedback@opers.org

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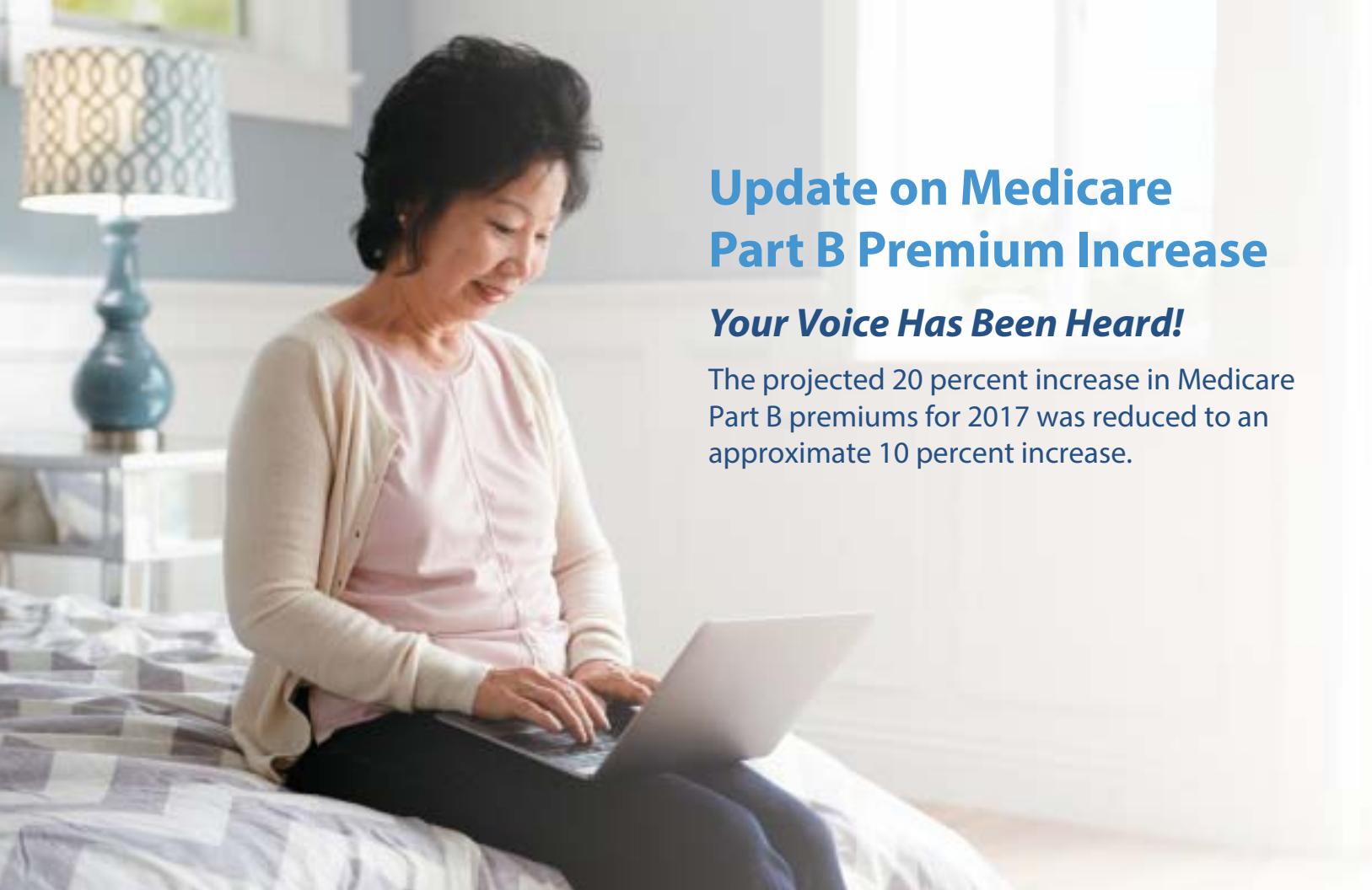
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OPERSNEWS

News and information for retired members of
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