

OEA Retirement Systems Update **Report to the OEA Board of Directors: November 2012**

Please distribute to other OEA members

SERS Expands Eligibility for Health Care Premium Subsidy

The SERS Board has voted to expand the eligibility standard for receiving a subsidy on retiree health care premiums. The changes affect retirees whose benefit effective date is on or after August 1, 2008. Under the new standard, a retiree must have at least 20 years of service credit and have either been eligible for health coverage with his or her employer at the time of retirement or eligible at least three of the last five years of employment. This change may allow for someone who moved into a part-time position prior to retirement or lost eligibility for the school's health care coverage to be eligible for a subsidy.

SERS has mailed letters to retirees who may now qualify for a subsidy. A special health care coverage reinstatement period runs through December 14, 2012. Any SERS retiree who believes they may now qualify and has not been contacted is encouraged to call SERS at 1-800-878-5853.

OPERS Clarifies Health Care Eligibility

As outlined in last month's OEA Retirement Systems Update, the OPERS Board voted in September 2012 to make substantive changes to the OPERS retiree health care program. A common question that OPERS has received since that time concerns eligibility for health care. Current health care eligibility rules will be grandfathered for anyone with a retirement date prior to January 1, 2014. This also applies to current retirees who are eligible under current rules but not currently enrolled in the health care program.

Under the current health care plan, members need to have only 10 years of qualifying service credit. For those who retire after January 1, 2014, members will need to have 30 years of service credit, or be at least age 60 and have earned 20 years of qualifying service credit to be eligible for OPERS health care coverage. However, all members will be subject to the new premium allowance schedule in force beginning in 2014, no matter when they retire. Premium allowances will be based on years of service and the member's age when first enrolling in the health care plan.

In order to be grandfathered under the current health care eligibility requirements, members must have an effective retirement date prior to January 1, 2014. To have an effective retirement date prior to this deadline, members must not be on their employers' payroll any later than November 30, 2013.

More information is available at www.opers.org. Additionally, OPERS has mailed a comprehensive guide to the changes in health care and pension benefits to each of its members.

Brooks Reappointed to STRS Board

Craig Brooks has been reappointed to the STRS Board as the designated investment expert appointed by the legislature. Brooks was first appointed to the Board in 2007. His new term will extend through November 4, 2016.

Additionally, Michael Sawyers, the interim Superintendent of Public Instruction, has named Jason Rafeld to represent him on the STRS Board. Rafeld replaces John Childs who had been the designee of the Superintendent since January 2011.