

**OEA Retirement Systems Update**  
**Report to the OEA Board of Directors: December 2019**

**Please distribute to other OEA members**

**SERS Fills Employee-Member Vacancy**

At its November Board meeting, the SERS Board elected Matthew King to fill a board vacancy for an open employee-member seat. King is the treasurer and chief fiscal officer at East Central Ohio Education Service Center. He has previously served as treasurer for the Barnesville Exempted Village School District and as an assistant auditor for the Ohio Auditor of State. King's term for this seat will run through June 30, 2020. The same seat is up for election next year.

Additionally, members of the SERS Board will select someone to fill a vacancy for an open retiree-member seat on the Board. Three candidates have been selected to be interviewed for this vacancy. The candidates are Robert Hancock, Timothy Penton and Frank Weglarz. The Board will interview candidates and discuss their qualifications at its December meeting. The candidate who receives a majority vote of the Board will fill the open seat with a term running through June 30, 2021.

**OPERS Board Considers Health Care Allowance Changes**

The OPERS Board continues to consider changes in the health care plan that would take effect in 2022. At its November meeting, the Board heard a presentation from OPERS staff regarding future Medicare and pre-Medicare allowances for health care.

Regarding Medicare retirees, OPERS staff noted that the average balance of an OPERS retiree's health reimbursement account is over \$3,700. More than two-thirds of the Medicare eligible retirees are enrolled in a Medigap plan with premiums that range from \$152-\$240. Approximately 25% enroll in a Medicare Advantage plan with the most popular plan being the Humana Choice PPO with an average monthly premium of \$155. OPERS staff is recommending lowering the monthly base allowance for participants in the OPERS Medicare Connector from \$450 to \$350.

Regarding pre-Medicare retirees, the Board has been discussing converting to market-based coverage rather than continuing to sponsor health care coverage. Currently over 25,000 retirees are enrolled in OPERS-sponsored coverage. Most receive an allowance of 75% of the \$1,306 premium, meaning they pay \$327 a month. OPERS staff is recommending an initial base allowance of \$1,200 that may decrease over time. It should be noted that premiums in Ohio range from \$570-\$1,235 with higher costs in rural counties.

The OPERS Board will continue its discussion on all components of health care in January in preparation for a vote early in 2020.