Rules

October 14, 2021

Part II

PERS

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145-1-43 **Alternative retirement programs.**

(A) For the purpose of this rule:

~~(1) "Administrative employee" means an administrative employee as defined in division (A) of section 3305.05 of the Revised Code for whom the public employees retirement system would be the applicable state retirement system.~~

~~(2)~~(1) "Eligible employee" means an employee as defined in division (C) of section 3305.01 of the Revised Code for whom this retirement system would be the applicable state retirement system.

~~(3)~~(2) "Election period" means~~:~~ for an eligible employee who is eligible to make an election under division (B)(2) or (B)(3) of section 3305.05 of the Revised Code, the one hundred twenty days after the employee's first day on the institution's payroll or, in the case of a part-time employee who is transferred to a full-time position, one hundred twenty days from the first date of full-time employment.

~~(a) For an administrative employee who was eligible to make an election under division (B) of section 3305.051 of the Revised Code, the one hundred twenty days after the employee's first day on the institution's payroll or the employee was reclassified as an administrative employee.~~

~~(b) For administrative employees who were eligible to make elections under division (C) of section 3305.051 of the Revised Code, the one hundred twenty days after the effective date of the alternative retirement program adopted by the institution.~~

~~(c) For an eligible employee who is eligible to make an election under division (B)(2) or (B)(3) of section 3305.05 of the Revised Code, the one hundred twenty days after the employee's first day on the institution's payroll or, in the case of a part-time employee who is transferred to a full-time position, one hundred twenty days from the first date of full-time employment.~~

~~(4)~~(3) "Employee" means ~~either~~ an ~~administrative employee or an~~ eligible employee.

~~(5)~~(4) "Institution" means a public institution of higher education as defined in division (A) of section 3305.01 of the Revised Code.

~~(B) Within thirty days of its adoption of an alternative retirement plan under Chapter 3305. of the Revised Code, an institution shall notify the retirement system of its adoption of the plan on a form provided by the retirement system. A copy of the plan adopted~~

~~shall be attached to the form. The institution also shall file a report in the manner and form prescribed by the retirement system of all current employees.~~

~~(C)~~(B)

(1) Each institution that employs an employee eligible to elect an alternative retirement program shall:

(a) Notify the retirement system at the time it employs the employee, but in no event later than ten days after the employee's first day on the institution's payroll.

(b) Notify the retirement system at the time an employee of the institution changes to a classification which qualifies the employee to elect an alternative retirement plan, but in no event later than ten days after such change.

(2) The notice required under paragraph ~~(C)~~(B)(1) of this rule shall be given on a form provided by the retirement system, and shall include the employee's name, address, social security number, date of birth, and any other information required by the retirement system.

~~(D)~~(C)

(1) Elections by an employee of an alternative retirement plan shall be made on a form provided by the retirement system and completed by the employee and the institution.

(2) Not later than ten days after an election is filed with the institution, the institution shall file a copy with the retirement system of the election made by an employee.

~~(E)~~(D)

(1) Elections made by employees under division (B)(2) or (B)(3) of section 3305.05 of the Revised Code ~~or division 3305.051 of the Revised Code~~ will be implemented no later than thirty days after a copy of the employee's election is filed with the retirement system.

(2) The election, when implemented, shall be effective as of the first day upon which the employee appears on the institution's payroll or was reclassified to a position as an ~~administrative or~~ eligible employee.

(3) Once an election is filed with the retirement system, the death of the employee shall not affect such election and the election shall be implemented and effective as set forth in this rule.

~~(F)~~

~~(1) Elections made by employees under division (C) of section 3305.051 of the Revised Code will be implemented no later than thirty days after the copy of the employee's election is filed with the retirement system.~~

~~(2) The election, when implemented, shall be effective as of the following dates:~~

~~(a) On March 31, 1998, where the public institution's alternative retirement program is established on or after December 8, 1998, but no later than March 31, 1999; or~~

~~(b) On the first day of the month in which the public institution's alternative retirement program is established where the program is established after March 31, 1999.~~

~~(3) Once an election is filed with the retirement system, the death of the employee shall not affect such election and the election shall be implemented and effective as set forth in this rule.~~

~~(G)~~(E)

(1) Employee and employer contributions for an employee shall be collected and remitted to the retirement system until an election is implemented pursuant to paragraph ~~(E)~~(D)(1) ~~or (F)(1)~~ of this rule.

(2) Those employee and employer contributions received after the effective date of an election as determined by this rule for an employee who elects an alternative retirement plan shall be returned as unauthorized contributions to the provider identified on the form required by paragraph ~~(D)~~(C) of this rule. The amount of employer contributions refunded shall be less the amount due pursuant to division (D) of section 3305.06 of the Revised Code.

~~(H)~~

~~(1) An application under division (B) of section 145.40 of the Revised Code for transfer of a member's accumulated contributions to the provider of an alternative retirement plan shall be made on a form provided by the retirement system.~~

~~(2) The institution shall certify:~~

~~(a) The name and address of the institution's plan administrator; and~~

~~(b) The plan is eligible to receive a trustee-to-trustee transfer from the retirement system, which is a plan qualified under Internal Revenue Code section 401(a).~~

~~(3) If an employee dies prior to the transfer of their account to an alternative retirement plan, the application shall be cancelled.~~

~~(I)~~(F) Not later than the thirtieth day of each month following a month in which an employee who elected an alternative retirement plan was on the institution's payroll, the institution shall:

(1) Remit to the retirement system the contributions required under division (D) of section 3305.06 of the Revised Code.

(2) Submit a report in a form and manner prescribed by the retirement system of all employees who elected an alternative retirement plan and appeared on the institution's payroll for the preceding month.

Effective:

Five Year Review (FYR) Dates: 9/25/2025

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Certification

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Date

Promulgated Under:	111.15
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Rule Amplifies:	145.012, 145.40, 3305.05, 3305.051, 3305.052, 3305.06
Prior Effective Dates:	08/01/1998, 10/31/1998, 03/27/1999, 04/05/2001, 01/01/2003, 01/01/2006, 01/01/2016

145-1-71 **Withdrawal of benefit application.**

(A) Except as provided in paragraph (F) of this rule, a member or contributor of the public employees retirement system may withdraw an application for retirement, disability, or annuity payments pursuant to section 145.384 or 145.64 of the Revised Code by either of the following methods:

(1) Returning to the retirement system not later than thirty days after issuance of the initial benefit payment, all uncashed payments, along with a written request over the member's or retirant's signature to withdraw the application;

(2) Remitting to the retirement system a personal check or money order repaying the benefit payment(s) transmitted by or on behalf of the retirement system to the member's or retirant's financial institution not later than thirty days after the institution's receipt of the initial benefit payment, along with a written request over the member's or retirant's signature to withdraw the application.

(B) Except as provided in division (C)(1) of section 145.45 of the Revised Code or paragraph (F) of this rule, a beneficiary eligible for monthly benefits pursuant to division (A) or (B) of section 145.45 of the Revised Code may withdraw an application for those benefits by either of the following methods:

(1) Returning to the retirement system not later than thirty days after issuance of the initial benefit payment, all uncashed payments, along with a written request over the beneficiary's signature to withdraw the application and a completed application for a lump sum payment of the member's accumulated account;

(2) Remitting to the retirement system a personal check or money order repaying the benefit payments(s) transmitted by the retirement system to the beneficiary's financial institution, not later than thirty days after the institution's receipt of the initial benefit payment, along with a written request over the beneficiary's signature to withdraw the application and a completed application for a lump sum payment of the member's accumulated account.

(C) If a member participating in the member-directed or combined plan, or the member's beneficiary, withdraws an application as provided in this rule and all or any portion of the member's individual defined contribution account is used to pay the benefit, the member or the beneficiary is not entitled to any investment gains or losses on the amount that was used to pay the benefit for the period beginning on the date the retirement system converts the units in the account for payment and ending on the date the account is reestablished by the retirement system as provided in this rule. The amount used to pay the benefit as provided in this rule shall be credited to the member's individual defined contribution account and invested in the same OPERS

investment options and in the same proportion as the account existed immediately prior to the payment.

(D) Any non-vested amounts that were forfeited by a member participating in the member-directed plan or the member's beneficiary who withdraws a retirement application under this rule shall be restored to the member's individual defined contribution account or retiree medical account, as defined in rule 145-4-01 of the Administrative Code. Investment gains or losses shall not be applied to the amounts for the period that the amounts were not in the member's individual defined contribution account.

(E)

(1) If a member or contributor participating in the traditional pension plan withdraws an application as provided in this rule, the application of the member or contributor for an additional annuity payment under section 145.64 of the Revised Code, if any, shall also be withdrawn.

(2) All payments issued pursuant to section 145.64 of the Revised Code shall be returned to the retirement system in accordance with paragraph (A) of this rule.

(3) A member is not entitled to any investment gains or losses on the additional annuity account for the period beginning on the date the retirement system converts the units in the account for payment and ending on the date the account is reestablished by the retirement system. The member's additional annuity account shall be credited based on the daily value of the OPERS stable value fund on the date the account is reestablished by the retirement system.

(F) A member, contributor, or beneficiary may not withdraw an application as described in this rule if ~~either~~ any of the following have occurred:

(1) The retirement system has made a distribution from the health reimbursement arrangement, as defined in rule 145-4-27 of the Administrative Code, retiree medical account or wellness retiree medical account ~~or the retirement system or third-party health care administrator has paid claims for health care coverage~~, as those terms are defined in rule 145-4-01 of the Administrative Code, for an eligible benefit recipient or eligible dependent~~, as those terms are defined in rule 145-4-01 of the Administrative Code~~.

(2) The retirement system has paid a portion of the benefit to satisfy a court order.

(3) The retirement system has made a distribution in accordance with paragraph (E) of rule 145-1-21 of the Administrative Code.

(4) In the case of an application for an additional annuity payment under section 145.64 of the Revised Code, the member, contributor, or beneficiary fails to also withdraw the individual's application for retirement, disability, or annuity payments under section 145.384 of the Revised Code.

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145-1-73 **Withdrawal of application for refund or money purchase or additional annuity lump sum payments.**

(A)

(1) Except as provided in paragraph (A)(2), (B), or (E) of this rule, a member or contributor of the public employees retirement system may withdraw a refund application by one or more of the following methods:

(a) Returning all uncashed refund payments to the retirement system not later than thirty days after issuance of the initial payment, along with a written request over the member's or contributor's signature to withdraw the application;

(b) Remitting to the retirement system ~~to~~ a personal check or money order repaying the refund payment(s) transmitted by or on behalf of the retirement system to the member's or contributor's financial institution not later than thirty days after the institution's receipt of the refund payment(s), along with a written request over the member's or contributor's signature to withdraw the application.

(2) A member or contributor who requested a rollover of a refund or lump sum payment to a financial institution may withdraw the application if both of the following occur:

(a) The member or contributor submits to the retirement system, not later than thirty days after issuance of the initial rollover payment, a written request over the member's or contributor's signature to withdraw the application;

(b) The financial institution transmits to the retirement system, not later than sixty days after issuance of the initial rollover payment, the amounts transmitted to the financial institution.

(B)

(1) Except as provided in paragraph (B)(2) or (E) of this rule, a beneficiary who elects to receive a lump sum payment of the member's contributions in lieu of a benefit pursuant to division (A) or (B) of section 145.45 of the Revised Code or article XI of the combined plan document may withdraw an application for that payment by one or more of the following methods:

(a) Returning all uncashed refund payments to the retirement system not later than thirty days after issuance of the initial payment, along with a written request over the beneficiary's signature to withdraw the application and

a completed application for a benefit under division (A) or (B) of section 145.45 of the Revised Code or article XI of the combined plan document;

(b) Remitting to the retirement system a personal check or money order repaying the lump sum payment(s) transmitted by or on behalf of the retirement system to the beneficiary's financial institution not later than thirty days after the institution's receipt of the lump sum payment(s), along with a written request over the beneficiary's signature to withdraw the application.

(2) A qualified spouse who elects to rollover the member's contributions to a financial institution may withdraw a refund application if all of the following occur:

(a) The qualified spouse submits to the retirement system, not later than thirty days after issuance of the initial rollover payment, a written request over the spouse's signature to withdraw the application;

(b) The qualified spouse submits to the retirement system, not later than thirty days after issuance of the initial rollover payment, a completed application for benefits pursuant to division (A) or (B) of section 145.45 of the Revised Code or article XI of the combined plan document;

(c) The financial institution transmits to the retirement system, not later than sixty days after issuance of the initial rollover payment, the amounts transmitted to the financial institution.

(C) If a member participating in the member-directed or combined plan, or the member's beneficiary, withdraws an application as provided in this rule, the member or the beneficiary is not entitled to any investment gains or losses on the amount that was paid from the member's individual defined contribution account for the period beginning on the date the retirement system converts the units in the account for payment and ending on the date the payment(s) is reestablished in the account by the retirement system as provided in this rule. The amount paid from the member's individual defined contribution account that is returned to the retirement system as provided in this rule shall be credited to the member's individual defined contribution account and invested in the same OPERS investment options and in the same proportion as the account existed immediately prior to the refund.

(D) Any non-vested amounts forfeited by a member participating in the member-directed plan or the member's beneficiary who withdraws a refund application under this rule shall be restored to the member's individual defined contribution account or retiree medical account, as defined in rule 145-4-01 of the Administrative Code. Investment

gains and losses shall not be applied to the amounts for the period that the amounts were not in the member's individual defined contribution account.

(E) A member, contributor, or beneficiary may not withdraw a refund application as provided in this rule if any of the following have occurred:

(1) The retirement system has made a distribution from the ~~health reimbursement arrangement,~~ retiree medical account ~~or wellness retiree medical account,~~ as ~~those terms are~~ defined in rule 145-4-01 of the Administrative Code;

(2) The retirement system has paid a portion of the refund or lump sum payment to satisfy a court order.

(3) The retirement system has made a distribution in accordance with paragraph (E) of rule 145-1-21 of the Administrative Code.

(4) In the case of an application for payment under section 145.63 of the Revised Code, the member, contributor, or beneficiary fails to also withdraw the individual's application for a refund or for retirement, disability, or annuity payments under section 145.384 of the Revised Code.

(F) A member, contributor, or beneficiary who withdraws an application for an additional annuity payment under section 145.63 of the Revised Code is not entitled to any investment gains or losses on the additional annuity account for the period beginning on the date the retirement system converts the units in the account for payment and ending on the date the account is reestablished by the retirement system. The member's additional annuity account shall be credited based on the daily value of the OPERS stable value fund on the date the account is reestablished by the retirement system.

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Certification

Date

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145-1-75 **Re-employment of a retirant.**

(A) Definitions

For the purpose of this rule and section 145.362, 145.37, 145.38, 145.382, 145.384, or 145.385 of the Revised Code:

(1) "PERS retirant" means any former member of the public employees retirement system who retires as provided in section 145.32, 145.331, 145.332, or 145.37 of the Revised Code and is receiving a retirement allowance as provided in section 145.33, 145.331, 145.332, or 145.46 of the Revised Code.

(2) "Combined retirement" means retirement based upon section 145.37 of the Revised Code.

(3) "A contract to provide services, or for services, as an independent contractor" means an agreement that establishes a relationship in which the individual is an independent contractor and not a public employee.

(4) "Disability benefit recipient" means an individual defined in division (N) of section 145.01 of the Revised Code.

(5) "Employed" means the relationship between a public employer and an individual who is a public employee rather than an independent contractor.

(6) "Other system retirant" means an individual defined in division (A)(2) of section 145.38 of the Revised Code.

(B) Elective positions

(1) The provisions of section 145.38 of the Revised Code, and this rule shall apply to an age and service or other system retirant who is elected to an office, or is appointed to an elective office, of the state or its political subdivisions covered by this retirement system.

(2) The provisions of section 145.362 of the Revised Code, and these rules shall apply to a disability retirant who is elected to an office of the state or its political subdivisions covered by this retirement system.

(C) Employed positions

A PERS retirant who has received a retirement allowance for less than two months and who becomes employed by a public employer shall forfeit the retirement allowance for any month in which such retirant is employed during the two month period immediately following such retirant's effective retirement benefit date.

(D) Employment by legislative authority

(1) A PERS retirant may be employed irrespective of the length of time such retirant has received a retirement benefit:

(a) In a position authorized by section 101.31, 121.03 or 121.04 of the Revised Code; or

(b) In a position to which appointment is made by the governor with the advice and consent of the senate; or

(c) As the head of a division of a state department.

(2) A retirant described in paragraph (D)(1) of this rule, upon employment, shall elect in writing to the retirement system to have such employment covered either by:

(a) Section 145.38 of the Revised Code; or

(b) Section 145.382 of the Revised Code and paragraph (D)(3) of this rule.

(3)

(a) A retirant described in paragraph (D)(1) of this rule who elects to have such employment covered by section 145.382 of the Revised Code, upon employment, shall become a member of the retirement system based upon such employment with all obligations and rights except those pursuant to section 145.45 of the Revised Code, and shall forfeit such retirant's retirement allowance.

(b) Upon termination of employment, the retirant shall have a retirement allowance recalculated based on an allowance described in section 145.33 or 145.46 of the Revised Code utilizing the retirant's original service and service after retirement covered by section 145.382 of the Revised Code.

~~(E) Health care coverage~~

~~(1) The public employer for which a PERS retirant is employed on February 9, 1994, or after, shall provide health care coverage for such retirant if such coverage is provided to its employees doing comparable work or in a comparable position.~~

~~(2) The employer shall notify the retirement system of the status of health care coverage for a PERS retirant who is re-employed.~~

~~(3) If the retirant should be covered under the employer's health care plan as required by section 145.38 of the Revised Code but fails to enroll in the employer's health care plan, the retirant is ineligible to participate in a plan provided under section 145.58 of the Revised Code.~~

~~(F)~~(E) Restoration to service by a disability benefit recipient shall be governed by section 145.362 of the Revised Code and rule 145-2-22 of the Administrative Code.

~~(G)~~(F) Determinations

A retirant or benefit recipient may request a determination from the retirement system as to the effect on the benefit of the retirant or recipient of a return to employment or restoration to service covered by Chapter 145. of the Revised Code, rule 145-2-22 of the Administrative Code, or other employment.

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145-1-81 **Retirement plans.**

(A) As used in Chapters 145-1 to 145-4 of the Administrative Code:

(1) "Traditional pension plan" means the PERS defined benefit plan established under sections 145.201 to 145.70 of the Revised Code.

(2) "Combined plan" means the PERS combined defined benefit/defined contribution plan established under section 145.81 of the Revised Code. Unless specifically identified otherwise within the text of the Administrative Code, references to the combined plan document refer to the version that includes amendments adopted through January 1, ~~2021~~2022.

(3) "Member-directed plan" means the PERS defined contribution plan established under section 145.81 of the Revised Code. Unless specifically identified otherwise within the text of the Administrative Code, references to the member-directed plan document refer to the version that includes amendments adopted through January 1, ~~2021~~2022.

(B) The text of the combined and member-directed plan documents shall not be incorporated into this or any other rule of the Administrative Code. Current versions of the plan documents are available on the web site of the public employees retirement system at www.opers.org.

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Date

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145-1-88 **Changes to election to participate.**

(A) This rule amplifies section 145.814 of the Revised Code and section 2.03 of the combined and member-directed plan documents.

(B) As used in this rule and rules 145-1-89, 145-2-18, and 145-3-40 of the Administrative Code:

(1) "Eligible member" has the same meaning as in section 145.814 of the Revised Code and includes a member who was not eligible to make an election under section 145.19 or 145.191 of the Revised Code due to the member's status as a law enforcement or public safety officer and who is not currently contributing as a law enforcement or public safety officer;

(2) "Amount on deposit" means the sum of the amounts available to a member to purchase service credit in the member's new plan as described in section 6.01 of the combined plan or section 6.01 or 6.02 of the member-directed plan.

(C)

(1) As used in this rule, "total service credit" means the sum of a member's service credit in the traditional pension plan, service credit in the combined plan, and contributing months in the member-directed plan.

(2) Subject to the requirements of this rule and rule 145-1-89 of the Administrative Code, in addition to the enrollment period described in sections 145.19 and 145.191 of the Revised Code, an eligible member who is actively contributing to the retirement system may elect to participate in a different plan as follows:

(a) For elections effective on or before July 1, 2015, during the following periods of service as a public employee:

(i) Once prior to attaining five years of total service credit;

(ii) Once after attaining five and prior to attaining ten years of total service credit;

(iii) Once after attaining ten years of total service credit.

An election that is not used within the specified time period may not be made in a subsequent time period.

(b) For elections effective on and after August 1, 2015, once at any time prior to retirement under any of the plans defined in rule 145-1-81 of the Administrative Code or a refund from the member's current plan.

(c) For elections effective on and after January 1, 2022, an eligible member will no longer be permitted to elect to participate in the combined plan.

(D) Except as provided in rule 145-1-89 of the Administrative Code, an election under this rule applies only to employer and employee contributions made after the effective date of the election.

(E) An election to transfer to the traditional pension plan under section 10.03(a) of the combined plan document for the payment of a disability benefit is irrevocable. Any member that returns to service as a public employee following receipt of a disability benefit shall remain a member of the traditional pension plan and is not eligible to make an election under paragraph (C) of this rule.

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145-1-89 **Transfer of contributions under rule 145-1-88 of the Administrative Code.**

(A) This rule amplifies section 145.814 of the Revised Code and sections 2.03 and 2.04 and article VI of the combined and member-directed plan documents.

(B) Except as provided in paragraph (C) of this rule, an eligible member who elects a different plan under rule 145-1-88 of the Administrative Code may have the amounts on deposit for the prior plan transferred in accordance with the member's new plan if one of the following applies:

(1) The member, by an election under rule 145-1-88 of the Administrative Code, will cease participation in the member-directed plan and begin participating in the ~~combined plan or~~ traditional pension plan;

(2) The member, by an election under rule 145-1-88 of the Administrative Code, will cease participating in the combined plan and begin participating in the traditional pension plan.

(C) For an election under rule 145-1-88 of the Administrative Code that is effective on or before July 1, 2015, the eligible member may transfer the amounts described in paragraph (B) of this rule to the member's new plan not later than one hundred eighty days after the effective date of the election. For an election that is effective on and after August 1, 2015, an eligible member may transfer such amounts at any time prior to retirement or distribution under any of the plans defined in rule 145-1-81 of the Administrative Code or a refund from the member's current plan.

(D) <u>For</u>

~~(1) For~~ a member described in paragraph (B)(1) or (B)(2) of this rule who will begin participating in the traditional pension plan, the amount on deposit shall be transferred in accordance with rule 145-2-18 of the Administrative Code.

~~(2) For a member described in paragraph (B)(1) of this rule who will begin participating in the combined plan, the amount on deposit shall be transferred in accordance with rule 145-3-40 of the Administrative Code.~~

Effective:

Five Year Review (FYR) Dates: 9/25/2025

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.80
Rule Amplifies:	145.81, 145.814
Prior Effective Dates:	01/01/2003, 03/23/2015 (Emer.), 06/06/2015, 01/01/2021

145-2-04 **Purchase of credit pursuant to section 145.293 of the Revised Code.**

(A) For the purpose of section 145.293 of the Revised Code "comparable position" means a comparable public position that, if it had been performed for an Ohio public employer, would have been covered by an Ohio state retirement system;.

(B) A member shall have ~~a~~ at least twelve months of contributing service for purposes of the calculation described in rules 145-2-02 and 145-3-23 of the Administrative Code and shall apply for the purchase of service credit on a form provided by the public employees retirement system.

(C) Service credit under section 145.293 of the Revised Code may be purchased if such credit cannot be purchased in another Ohio state retirement system and will not exceed the limitations of section 145.293 of the Revised Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09
Rule Amplifies:	145.29, 145.293
Prior Effective Dates:	05/21/1975, 01/01/1978, 08/06/1990, 01/01/2003, 01/01/2007, 01/07/2013 (Emer.), 03/24/2013

145-2-07 **Additional service credit under section 145.201 of the Revised Code.**

(A) This rule amplifies section 145.201 of the Revised Code.

(B)

(1) For contributing service that occurred prior to January 1, 2014, "full-time service" does not include service computed as part-time pursuant to section 145.016 of the Revised Code. For contributing service that occurred on and after January 1, 2014, "full-time service" means service for which the monthly earnable salary, as reported for each month, equals or exceeds one thousand dollars.

(2) The public employees retirement system shall prepare a statement of cost for the additional service credit to be purchased based on the request of an eligible member.

(3) The statement of cost shall be based on thirty-five per cent of all eligible full-time service.

(4) Each statement of cost issued under section 145.201 of the Revised Code prior to July 7, 2013, shall include full calendar years of eligible service; however, payment for the service credit may be made in full or partial year increments, provided the system has issued a full calendar year statement of cost for the service credit being purchased or a partial calendar year statement of cost as provided in this rule. A statement of cost may include a partial calendar year if the partial calendar year is:

(a) The only eligible service;

(b) The first year of a term of eligible service; or

(c) The last year of a term of eligible service.

(5) Each statement of cost issued under section 145.201 of the Revised Code on and after July 7, 2013, shall include the cost of full calendar years and any portion of a year the member elects to purchase.

(6) A member shall have at least twelve months of contributing service for purposes of the calculation described in rules 145-2-02 and 145-3-23 of the Administrative Code.

(C) A member who purchased service under section 145.201 of the Revised Code may elect to receive all or a portion of the amount paid under that section if, in calculating the member's age and service retirement allowance, either of the following apply:

(1) In the case of a member of the traditional pension plan whose retirement allowance is calculated under division (A) of section 145.33 of the Revised Code, the member's total annual single lifetime allowance exceeds the lesser of one hundred per cent of the member's final average salary or the limit established by section 415 of the Internal Revenue Code of 1986, 26 U.S.C.A. 415.

(2) In the case of a participant in the combined plan, the participant's total annual single lifetime allowance exceeds the lesser of the limits described in section 9.03(a) of the combined plan document.

(D)

(1) Upon the member's election under paragraph (C) of this rule, the retirement system shall refund to the member all or a portion of the amount paid to purchase service. The retirement system shall refund the amounts paid to purchase service credit in the reverse order of the member's purchase, with the most recent service purchased being the first amount refunded.

(2) The amount refunded to the member shall not exceed the actual amount paid by the member for the service credit to be refunded. No interest shall be paid on the amount refunded. If applicable, the retirement system shall withhold taxes on amounts paid to a member that have not yet been taxed.

(3) The amount refunded to the member shall not be paid prior to the issuance of the members retirement benefit, as defined in rule 145-1-65 of the Administrative Code.

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Statutory Authority:	145.09
Rule Amplifies:	145.201, 145.29
Prior Effective Dates:	04/07/1988, 09/06/1988, 01/01/2003, 01/01/2007, 12/30/2007, 01/01/2009, 01/07/2013 (Emer.), 03/24/2013, 07/07/2013 (Emer.), 09/16/2013, 01/01/2017

145-2-13 **Purchase of leave of absence.**

(A) This rule amplifies section 145.291 of the Revised Code.

(B) A member can purchase service credit for a leave of absence period that occurred during a period of contributing service for which the member received a refund of contributions pursuant to section 145.40 of the Revised Code, only if the member has made a redeposit of the refund pursuant to section 145.31 of the Revised Code.

(C) The service credit purchased pursuant to section 145.291 of the Revised Code shall be adjusted to the extent:

(1) The service is concurrent with any other service that will be used in calculating a benefit;

(2) The purchase of the service credit results in more than twelve months of credit in a year.

(D)

(1) The member's employer at the time the member was off the payroll shall certify the member's earnable salary for the period, and the member's authorized leave or resignation.

(2) A member purchasing service credit for a period of time when the member was off the payroll due to resignation because of pregnancy shall submit a certified copy of the child's birth certificate or, because of adoption of a child, shall submit evidence of such adoption.

(3) A member described in paragraphs (D)(1) and (2) of this rule shall submit the required information on a form provided by the public employees retirement system.

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Rule Amplifies:	145.29, 145.291
Prior Effective Dates:	03/27/1999, 11/02/2000, 01/01/2003, 01/01/2007, 01/07/2013 (Emer.), 03/24/2013

145-2-16 **Conversion or proration of service credit to law enforcement service credit.**

(A) For purposes of this rule and section 145.2914 of the Revised Code:

(1) "Law enforcement service credit" means service earned as a PERS law enforcement officer, as defined in section 145.01 of the Revised Code.

(2) "Public safety service credit" means service credit earned as a PERS public safety officer, as defined in section 145.01 of the Revised Code.

(3) "Regular service credit" means service credit earned as a contributor under section 145.47 of the Revised Code that is not concurrent with any public safety or law enforcement service credit, including service purchased under section 145.31, 145.312, 145.814 of the Revised Code, or for which contributions should have been deducted as described in section 145.483 of the Revised Code. "Regular service credit" does not include any other type of service credit that may be purchased or transferred under Chapter 145. of the Revised Code.

(4) "Notice of the additional liability" is the cost statement provided to the member that specifies the number of years, or portions of a year, the member may convert and includes the amount of service credit that may be prorated under paragraph (B)(1) of this rule, if applicable.

(B) Subject to the requirements described in section 145.2914 of the Revised Code and this rule, a member who has contributed to the retirement system as a PERS public safety officer or PERS law enforcement officer and has regular service credit or public safety service credit that the member would like to be treated as law enforcement or public safety service credit may elect to do one of the following:

(1) To have the total amount of the regular service credit and public safety service credit reduced to an amount of public safety service credit or law enforcement service credit that has no additional liability to the system, which shall be referred to as proration;

(2) To convert up to five total years of regular service credit or public safety service credit, or a combination of both types of credit.

If the member is eligible to retire as a PERS law enforcement officer or will be eligible to retire as a PERS law enforcement officer as a result of the proration or conversion, the member may prorate or convert regular service credit, public safety service credit, or both types of service credit to law enforcement service credit. If the member is eligible to retire as a PERS public safety officer or will be eligible to retire as a PERS

public safety officer as a result of the proration or conversion, the member may prorate or convert regular service credit to public safety service credit.

(C) The cost to convert service credit under paragraph (B)(2) of this rule shall be an amount specified by the public employees retirement board that is not less than one hundred per cent of the additional liability resulting from the conversion of a year, or portion of a year, of service as recommended by the actuary for the board. The actuary shall recommend to the board a cost calculation to convert each of the types of service credit described in this rule. The cost calculation shall be based on the final average salary that will be used in calculating the member's monthly benefit as determined at the time the cost statement is prepared. The actuary may recommend modifications to the cost calculations if the actuary determines it is necessary to mitigate any negative financial impact on the retirement system.

(D)

(1) The retirement system shall not accept any other payments for the purchase or transfer of service credit after the issuance of the cost statement for proration or conversion of service credit, except for payments made pursuant to an irrevocable, pre-tax payroll deduction agreement.

(2) If a member converts only a portion of the service credit that is eligible for conversion or the member has more than five years of service credit that is eligible for conversion, the service credit that is converted shall be the most recent regular service credit.

(3) A member who elects to prorate under paragraph (B)(1) of this rule shall prorate all regular service credit or public safety service credit.

(4) If a member has regular or public safety service credit that is concurrent with the public safety or law enforcement service credit and is not eligible for conversion or proration, the accumulated contributions for the concurrent service shall be paid as provided in section 145.332 of the Revised Code.

(5) Service credit converted under this rule shall be considered in determining the member's final average salary. Service credit prorated under this rule shall not be considered in determining the member's final average salary.

(6) For service credit prorated under this rule, contributing service credit, as defined in ~~rule 145-4-01 of the Administrative Code~~section 145.01 of the Revised Code, shall be determined based on the lesser of the number of months of contributing service prior to the proration or the number of months of contributing service after the proration.

(E) Not later than ninety days after receiving notice of the additional liability or of the prorated amount of service credit, the member shall agree to retire by submitting to the retirement system an executed cost statement and, if the member had elected conversion, the first partial or total payment for the service credit. The member may make direct payment to the retirement system for the cost of the conversion or the member's financial institution may transmit the amount directly to the retirement system.

(F) If a member has elected conversion, the member's effective date of retirement shall be no earlier than the first day of the month following receipt by the retirement system of the first partial payment or total payment, if paid in full in one payment. If the member has elected proration, the member's effective date of retirement shall be no earlier that the first day of the month following receipt by the retirement system of the executed cost statement. In both instances, the member's effective date of retirement shall be no later than the first day of the month following the ninetieth day after receipt by the retirement system of the first partial payment or total payment, if paid in full by one payment, or the executed cost statement, whichever is applicable. If the member fails to retire as described in this paragraph, the retirement system shall return the amount paid by the member to the member. If the payment was transmitted to the retirement system by a financial institution, the amount received by the retirement system shall be returned to the financial institution.

(G) Notwithstanding rule 145-1-71 of the Administrative Code, a member who prorates or converts service credit and retires as provided in this rule may not withdraw his or her retirement application.

(H) No amount paid under this rule to convert service credit shall be used in calculating the additional payment described in section 145.401 of the Revised Code.

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Rule Amplifies:	145.2914, 145.33, 145.332, 145.401
Prior Effective Dates:	08/03/2009 (Emer.), 10/19/2009, 01/07/2013 (Emer.), 03/24/2013, 06/01/2014

145-2-18 **Service credit in the traditional pension plan for participation in combined plan or member-directed plan.**

(A) This rule amplifies section 145.814 of the Revised Code and sections 2.03, 2.04, and 6.01 of the combined and member-directed plan documents.

(B) For each member participating in the traditional pension plan who elects under division (D) of section 145.814 of the Revised Code, the public employees retirement system shall prepare a statement of cost for service credit to be purchased in the traditional pension plan based on participation in the combined plan or member-directed plan, as appropriate, at the request of an eligible member. An actuary employed by the public employees retirement board shall determine the additional liability, as defined in section 145.814 of the Revised Code, as described in rule 145-2-02 of the Administrative Code.

(C) An eligible member shall purchase the service credit only by a lump-sum payment of the amount on deposit, as defined in rule 145-1-35 of the Administrative Code, except that a member described in division (D)(1) of section 145.814 of the Revised Code may pay any additional liability that exceeds the amount on deposit by initiating payroll deduction under rule 145-1-38 of the Administrative Code or by direct partial payment. For plan elections effective on or before July 1, 2015, the payroll deduction must be initiated or direct partial payment shall be made not later than one hundred eighty days after the effective date of an election to participate in the traditional pension plan under section 2.03 of the combined plan document. Service credit purchased under this rule shall be included in the member's total service credit in the traditional pension plan but shall not be used in the calculation of a benefit under section 145.332 of the Revised Code. If the member elects to receive pro-rated service credit, the period of service upon which contributing service is based shall be the member's earliest service credit available to purchase under this rule.

(D) Any funds remaining in an eligible member's accounts, as defined in section 1.01 of the combined or member-directed plan document, after the purchase of service credit under this rule shall be deposited in an additional annuity account in accordance with rule 145-2-43 of the Administrative Code. A member may also elect, at the time of service purchase, to leave any remaining funds on deposit in the prior plan; any funds remaining in the prior plan shall be credited to the member's rollover account, as defined in section 1.35 of the combined plan document and section 1.31 of the member-directed plan document, and treated as a rollover.

(E)

(1) Service credit purchased under this rule cancels the corresponding years of service credit in the combined plan or years of participation in the member-directed plan, as applicable.

(2) For plan elections effective on or before July 1, 2015, service credit that is not purchased under this rule shall be cancelled immediately upon the expiration of the one hundred eighty day period following the effective date of an election to participate in the traditional pension plan under section 2.03 of the combined or member-directed plan document.

(F) For each member described in paragraph (B) of this rule who transferred the member's accumulated contributions under section 145.191 of the Revised Code, the statement of cost shall include the cost to restore in the traditional pension plan the accumulated contributions and service credit cancelled under that section. The cost shall consist of the amount transferred, with interest on such amount, compounded annually at a rate to be determined by the public employees retirement board from the first day of the month of transfer to and including the month of redeposit. The amount redeposited shall be considered the accumulated contributions of the member and shall be credited in the same manner as a redeposit under section 145.31 of the Revised Code.

(G) For each member described in paragraph (B) of this rule who purchased service credit under rule 145-3-21 or rule 145-3-40 of the Administrative Code, the statement of cost shall include, if applicable, the difference between the amount paid in the combined plan to purchase the service credit and the cost to purchase the service credit in the traditional pension plan as determined at the time the statement of cost is issued under this rule. Pursuant to section 6.01 of the combined plan document, if the amount paid in the combined plan to purchase the service credit was less than the cost to purchase the service credit in the traditional pension plan, the member may elect to receive a pro-rated amount of service credit in the traditional pension plan or may make an additional payment equal to the difference in order to receive the full amount of service credit.

(H) This paragraph applies to former member of the combined plan who terminated service and received a refund under Article VIII of the combined plan prior to January 1, 2022. If such former member returns to public employment on or after January 1, 2022, and elects to participate in the traditional pension plan, the member may purchase plan change service credit for the amount of service credit that was refunded from the combined plan after participating in the traditional pension plan for at least twelve contributing months. Such former member shall be treated as if the former member was a participant in the combined plan and elected to plan change to the traditional pension plan.

The public employees retirement system shall prepare a statement of cost for service credit to be purchased in the traditional pension plan based on participation in the combined plan at the request of an eligible member. An actuary employed by the public employees retirement board shall determine the additional liability, as defined in section 145.814 of the Revised Code, as described in rule 145-2-02 of the

Administrative Code. Paragraphs (C), (D), (E), (F), and (G) of this rule shall apply to the purchase described in this paragraph.

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Date

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Rule Amplifies:	145.20, 145.201, 145.28, 145.291, 145.292, 145.293, 145.299, 145.301, 145.47, 145.81, 145.814
Prior Effective Dates:	01/01/2003, 11/15/2003, 01/01/2009, 01/01/2010, 01/01/2011, 01/01/2012, 01/07/2013 (Emer.), 03/24/2013, 07/07/2013 (Emer.), 09/16/2013, 03/23/2015 (Emer.), 06/06/2015, 01/01/2017, 01/01/2021

145-2-21 **Application for a disability benefit.**

(A) For the purpose of sections 145.35, 145.36, 145.361, ~~145,362~~145.362, and 145.37 of the Revised Code and ~~agency~~Chapter 145. of the Administrative Code:

(1) "Disability" means a presumed permanent mental or physical incapacity for the performance of the member's present or most recent public duty that is the result of a disabling condition that has occurred or has increased since an individual became a member.

(2) "Has not attained the applicable age " means a member has filed an application for a disability retirement with the public employees retirement system and not become the applicable age before the last day public service terminated.

(3) "On-duty illness or injury" means an illness or injury that: (a) occurred during or resulted from performance of duties under the direct supervision of a member's public employer, and (b) is not an exacerbation of an existing illness or injury medically diagnosed before the first day of employment with the employer reporting to the retirement system.

(4) "Original disability plan" means the plan that provides a benefit pursuant to section 145.36 of the Revised Code.

(5) "Revised disability plan" means the plan that provides a benefit pursuant to section 145.361 of the Revised Code.

(6) "Medical examination" means a physical or psychological examination, as appropriate, or an examination of the entire disability application and medical reports.

(7) "Rehabilitative services" includes, but is not limited to, treatment, evaluations, or training, or any combination of them, that is acceptable to the physician(s) selected by the board.

(8) "Receiving rehabilitative services" means that the recipient has elected to participate in rehabilitative services not less than six months prior to the beginning of the third year following the benefit effective date.

(9) "Regional job market" means within a seventy-five mile radius of the member's address on file with the retirement system.

(B) A member shall make application for a disability benefit on a form provided by the retirement system.

(1) A complete disability application shall consist of the member's disability benefit application, the report of the employer, job description, and the report of physician that has been completed by the member's physician and affirmatively indicates the existence of the member's disability and the date on which the illness or injury occurred. The application and supporting reports must be submitted on forms provided by the retirement system. Medical information submitted in support of a member's application shall not be accepted after the business day immediately prior to the member's first or only medical examination.

(2) Consideration of a member's application shall be limited to the disabling condition(s) listed in the report of attending physician(s) that was completed by the member's physician(s).

(3) Upon receipt of a complete disability application, as described in paragraph (B) (1) of this rule, the retirement system's medical consultant(s) shall review all such documentation and prepare a recommendation to the board.

(a) Payment of any administrative fees or fees for the preparation of the report of the member's physician(s) shall be the responsibility of the member.

(b) Payment of any fees for the preparation of the report of the examining physician(s) shall be the responsibility of the retirement system. Fees assessed by the examining physician(s) due to the member's cancellation of an examination are the responsibility of the member.

(C) The board shall review disability applications and the written recommendations of its medical consultant at its regular meetings. The determination by the board on any application is final.

The board may approve a member's application contingent on the following conditions.

(1) The medical consultant determines that:

(a) The member has a disability as defined in section 145.35 of the Revised Code and this rule, and whichever of the following apply:

(b)

(i) For disability benefit applications received before January 7, 2013, and for disability benefit recipients whose applications were received on or after January 7, 2013, and who are on leave of absence as defined in section 145.362 of the Revised Code, additional medical

treatment offers an expectation of improvement of the disabling condition to the extent a member may return to the member's previous or similar job duties; or

(ii) For disability benefit recipients whose application is received on or after January 7, 2013, and who are not on leave of absence as defined in section 145.362 of the Revised Code, additional medical treatment or rehabilitative services offers an expectation of improvement of the disabling condition to the extent a member may return to work in any position described in division (B) of that section.

(2) Such additional medical treatment shall be of common medical acceptance and readily available, and may include, but is not limited to, medicine, alcohol or drug rehabilitation, or mechanical devices but would exclude surgery or other invasive procedures.

~~(3) If enrolled in health care coverage sponsored by the retirement system, such additional medical treatment is an allowable medical expense under the retirement system's health care plan.~~

~~(4)~~(3) The member, prior to receipt of disability benefits, shall agree in writing on a form provided by the board to obtain the recommended treatment and submit required medical reports during the treatment period.

~~(5)~~(4) The member terminates public employment not later than the end of the month following the month in which the board made its decision to approve the disability benefit application. If a member fails to terminate public employment within this time frame, the disability application is void and the disability benefit shall not be paid and is forfeited. If eligible, the member may file a new disability application.

(D) A member may withdraw an application for a disability benefit prior to receipt of the initial benefit payment in the same method as described in rule 145-1-65 of the Administrative Code.

(E) The following apply to disability applications filed after the board's decision is final:

(1) Any subsequent applications for a disability benefit filed within the two years following the board's final decision of denial shall be submitted with medical evidence supporting progression of the disabling condition or evidence of a new disabling condition.

(2) The retirement board shall not consider an application under this paragraph if the medical consultant or examining physician concludes there is no evidence of progression or a new disabling condition and the application shall be voided.

(3) Notwithstanding paragraphs (E)(1) and (E)(2) of this rule, a member may file a new disability application without showing progression or a new condition if the member has changed his or her position of public employment since the board's decision became final.

(4) If two years have elapsed since the date the member's contributing service terminated, no subsequent application shall be accepted.

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145-2-23 **Disability appeals.**

(A) Except as provided in this paragraph, this rule applies when an application for a disability benefit filed pursuant to section 145.35 of the Revised Code is denied or a disability benefit pursuant to section 145.362 of the Revised Code is terminated due to the recipient no longer being disabled. The termination of a disability benefit due to any of the following are not subject to the discretion of nor appeal to the public employees retirement board:

(1) The disability benefit recipient being restored to service, refusing to undergo medical examination, or noncompliance with the annual statement requirement as provided in section 145.362 of the Revised Code and rule 145-2-22 of the Administrative Code;

(2) The disability benefit recipient's failure to obtain treatment or submit a medical report as provided in division (F) of section 145.35 of the Revised Code and rule 145-2-22 of the Administrative Code.

(B)

(1) After an application is denied or a disability benefit is terminated, the member shall be notified in writing of such action.

(2) The notice shall be sent by regular mail.

(3) The notice shall include the following information:

(a) The denial or termination of the disability benefit.

(b) The member's right to file a written request to appeal. Such written request to appeal must be received by the public employees retirement system no later than thirty days from the date of the notice of denial or termination.

(c) Failure of a member to submit a written request to appeal shall make the action final as to such application or benefit.

(d) In addition to the written request to appeal, the member must also submit additional objective medical evidence. For appeals under the own occupation standard of review, such additional evidence shall be current medical evidence documented by a licensed physician specially trained in the field of medicine covering the illness or injury for which the disability is claimed and such evidence has not been considered previously by the examining physician or medical consultant. For appeals under the any occupation standard of review, such additional medical evidence shall be current medical evidence documented by a licensed physician

specially trained in the field of medicine covering the illness or injury that supports the member's inability to perform the duties of any occupation described in division (B) of section 145.362 of the Revised Code and such evidence has not been considered previously by the examining physician or medical consultant. Such additional medical evidence shall be presented on a form provided by the retirement system.

(e) Failure to provide the additional medical evidence within forty-five days of the member's appeal request shall make the action final to such application or benefit unless an extension for submission of such evidence has been requested and granted within the forty-five days. Only one extension, not to exceed forty-five days, may be granted by the retirement system.

(f) All medical costs of physicians selected by the member and incident to the appeal shall be at the expense of the member.

(g) Returning to public employment covered by Chapter 145. of the Revised Code during an appeal process that follows a termination of benefits automatically voids the member's appeal and the termination of disability benefits is final.

(C)

(1) After submission of any additional medical evidence as described in paragraph (B)(3)(d) of this rule, all evidence shall be reviewed by the medical consultant(s) who shall recommend action for concurrence by the board.

(2) If the board concurs with a recommendation for approval of the appeal, disability benefits shall be paid from the date that was established when the original application for a disability benefit was filed. If a recommendation for termination of a disability benefit was appealed and the appeal is approved by the board, the payments shall be resumed from the date of termination. The member shall be notified by regular mail of the board's decision.

(3) If the board concurs with a recommendation for denial of the appeal, the member shall be notified by regular mail of the board's decision and such decision shall be final.

(D) The following apply to disability appeals or applications after the board's decision on an appeal is final:

(1) .If two years have elapsed since the date the member's contributing service terminated, no subsequent application shall be accepted.

(2) Any subsequent applications for a disability benefit filed after the board's final decision on a denial of an appeal and within the two years following the date the member's contributing service terminated shall be submitted with medical evidence supporting progression of the disabling condition or a new disabling condition. The board shall not consider an application under this paragraph if the medical consultant or examining physician concludes there is no evidence of progression or a new disabling condition and the application shall be voided.

(3) Notwithstanding paragraph (D)(2) of this rule, a member may file a new disability application without showing progression or a new condition if the member has changed his or her position of public employment since the board's decision on the appeal became final.

(E) If an appeal is pending, the retirement system shall void the appeal of a member who returns to public employment covered by Chapter 145. of the Revised Code or files a new disability application and the board's denial or termination of disability benefits is final.

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Statutory Authority:	145.09
Rule Amplifies:	145.35, 145.36, 145.361, 145.362, 145.37
Prior Effective Dates:	09/18/1963, 02/01/1993, 10/07/1999, 01/01/2003, 02/01/2011 (Emer.), 04/18/2011, 01/01/2012, 12/10/2012, 01/07/2013 (Emer.), 03/24/2013, 11/06/2014, 03/23/2015 (Emer.), 06/06/2015, 01/01/2017, 01/01/2020

145-2-25 **Combined disability benefits.**

(A) This rule amplifies section 145.37 of the Revised Code.

(B) "Paying system" shall have the same meaning as defined in section 145.37 of the Revised Code.

(C) As used in this rule, "last date of service" means the last day of compensated service, either for a day worked or used paid leave, under the public employees retirement system, state teachers retirement system, or school employees retirement system.

(D) If a member of the public employees retirement system files an application for a disability benefit pursuant to section 145.35 of the Revised Code, and also chooses to apply for a combined disability benefit with the state teachers retirement system or school employees retirement system, the following shall apply.

(1) If this system receives the application for combined disability, it shall notify the other retirement system(s).

(2) If this system is the paying system, it shall request and pay for the examining physician(s) report(s).

(3) Disability shall be determined on the basis of the duties for the position held on the member's last date of service under school employees retirement system, public employees retirement system, or state teachers retirement system. If the member's last date of service is concurrent under two or more systems, disability for the performance of duty shall be determined on the basis of the duties for the position with the greater annual compensation or earnable salary at the time of application.

(E) If this system is the paying system of a combined disability benefit, this system's rules and statutes shall govern the disability benefits. A finding of disability shall be based on the member's ability to perform the member's last date of service under school employees retirement system, public employees retirement system, or state teachers retirement system. If a combined disability benefit is terminated and the member applies for a refund of accumulated contributions, the refund shall include any unused employee contributions received from the school employees retirement system or the state teachers retirement system.

(F) For purposes of division (B)(9) of section 145.37 of the Revised Code, "employment amenable to coverage in any state retirement system" means employment that would impact a retirement or disability benefit under any state retirement system that participated in the former member's combined retirement or disability benefit.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

Certification

Date

Promulgated Under:	111.15
Statutory Authority:	145.09
Rule Amplifies:	145.35, 145.37
Prior Effective Dates:	06/30/1961, 02/01/1993, 01/01/2003, 01/01/2007, 01/01/2011, 01/07/2013 (Emer.), 03/24/2013, 03/23/2015 (Emer.), 06/06/2015

TO BE RESCINDED

145-2-33 **Educational benefits.**

(A) For the purpose of this rule and division (B)(2) of section 145.45 of the Revised Code:

(1) "Qualified student" means a qualified child as defined in division (B)(2)(b)(i) of section 145.45 of the Revised Code;

(2) "School year" means the twelve-month period commencing on the first date of instruction at the institution of learning or training program and ending on that date twelve months later;

(3) "Two-thirds of the full-time curriculum" means that in any one school year, the number of semester or credit hours required to maintain two-thirds of the full-time status for the entire school year with one semester or quarterly break.

(B)

(1) Benefits payable to a qualified student shall be paid to the qualified student for the month in which eligibility is attained or terminated, providing the child is over eighteen years of age and under age twenty-two and a student in a school pursuing a program designed to complete at least two-thirds of the full-time curriculum in each school year.

(2) If a qualified spouse is eligible for a monthly benefit as provided in division (B)(2)(a) of section 145.45 of the Revised Code solely due to the qualified spouse's care of a qualified student, the qualified spouse's benefits shall be suspended or terminated for any period that the qualified student is not eligible for a monthly benefit.

(C) Benefits to a qualified student shall be paid during a school vacation period that does not exceed four calendar months provided the child:

(1) Was qualified to receive benefits before the vacation period began;

(2) Intends to, and subsequently does, return to qualified attendance after the end of the vacation period, unless the child has otherwise met the two-thirds of the full-time curriculum requirement for the school year; and,

(3) Does not receive such benefits for more than one vacation period during any one school year.

(D) Not later than the last day of the month next following the public employees retirement system's request, a qualified student shall provide proof of registration and completion of all courses for which monthly benefits are paid.

(E) Any overpayment of benefits may be recovered by withholding the amount of the overpayment from any benefits due to the beneficiary(ies) who accrued the overpayment. If no benefits are due to the beneficiary(ies) who accrued an overpayment, the amount may be collected pursuant to section 145.563 of the Revised Code.

(F) At no time shall a child be eligible for a monthly benefit as a qualified student for the period following completion of the course of study or graduation from the institution of learning or training program, unless the qualified student continues in the qualified attendance of an institution of learning or training program while under the age of twenty-two.

(G) This rule applies only to eligibility requirements under section 145.45 of the Revised Code as it existed immediately prior to April 6, 2017.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09
Rule Amplifies:	145.45, 145.563
Prior Effective Dates:	08/27/1970, 09/27/1998, 01/01/2003, 07/01/2004, 01/01/2009, 09/01/2017

145-2-39 **Survivors of law enforcement officers with non-law enforcement service.**

(A) Definitions

(1) "Law enforcement officer" means a member described in division (YY) of section 145.01 of the Revised Code.

(2) "Law enforcement service" means service as a law enforcement officer or public safety officer.

(3) "Non-law enforcement service" means service covered by the public employees retirement system that is other than law enforcement service.

(4) "Public safety officer" means a member described in division (AAA) of section 145.01 of the Revised Code.

(B) If a member who has both law enforcement service credit and non-law enforcement service credit dies prior to retirement, the member's qualifying beneficiary or beneficiaries as determined in accordance with section 143.43, 145.431, or 145.45 of the Revised Code may elect to have benefits paid pursuant to section 145.33, 145.332, 145.43, or 145.45 of the Revised Code. If the benefit is calculated pursuant to division (I)(2) or (I)(3) of section 145.332 of the Revised Code, the beneficiary shall be paid ~~a lump sum payment discounted to present value~~ an amount equal to the amount the member would have received for the non-law enforcement service.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09
Rule Amplifies:	145.01, 145.33, 145.332, 145.43, 145.431, 145.45
Prior Effective Dates:	08/20/1976, 07/31/1989, 12/30/1991, 12/06/1993, 02/03/2000, 04/05/2001, 01/01/2003, 01/01/2007, 01/01/2010, 01/07/2013 (Emer.), 03/24/2013, 09/01/2017

145-2-43 **Additional annuity accounts.**

(A) A member or contributor who makes a deposit for an additional annuity pursuant to section 145.62 of the Revised Code shall remit the first deposit with a form provided by the public employees retirement system. The retirement system shall not accept a payment for less than fifteen dollars. Deposits shall be credited to the ~~current~~ tax year~~, except that a deposit may be credited to the prior tax year if the deposit was received by the retirement system or postmarked on or before December thirty-first of the prior tax year~~ in which the deposit is posted to the account of the member or contributor.

(B) A member or contributor may elect to have an eligible rollover distribution paid directly to an additional annuity account as a direct rollover. Any non-taxable portion of an eligible rollover distribution shall be separately accounted for by the retirement system and shall only be accepted in a direct trustee-to-trustee transfer to the additional annuity account. The following definitions apply to this paragraph:

(1) "Eligible rollover distribution" means any distribution of all or any portion of the balance to the credit of a member or contributor from an eligible retirement plan. An eligible rollover distribution does not include:

(a) Any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the member or contributor or the joint lives (or joint life expectancies) of the member or contributor and the member or contributor's designated beneficiary, or for a specified period of ten years or more;

(b) Any distribution to the extent such distribution is required under section 401(a)(9) of the Internal Revenue Code of 1986, 26 U.S.C.A. 401;

(c) Any distribution that is made upon hardship of the member or participant; or

(d) The portion of any distribution that is not includible in gross income, unless the distribution is being rolled over to either (i) a traditional individual retirement account or individual retirement annuity under sections 408(a) or 408(b) of the Internal Revenue Code of 1986, 26 U.S.C.A. 408, or (ii) a qualified trust which is part of a plan which is a defined contribution plan under sections 401(a) or 403(a) of the Internal Revenue Code of 1986, 26 U.S.C.A. 403, that will separately account for the distribution, including the taxable and non-taxable portions of the distribution, in a direct trustee-to-trustee transfer.

(2) "Eligible retirement plan" means any program defined in sections 401(a)(31) and 402(c)(8)(B) of the Internal Revenue Code of 1986, 26 U.S.C.A. 402, from

which the member or contributor has a right to an eligible rollover distribution, as follows:

(a) An individual retirement account under section 408(a) of the Internal Revenue Code;

(b) An individual retirement annuity under section 408(b) of the Internal Revenue Code (other than an endowment contract);

(c) A qualified trust;

(d) An annuity plan under section 403(a) of the Internal Revenue Code;

(e) An eligible deferred compensation plan under section 457(b) of the Internal Revenue Code of 1986, 26 U.S.C.A. 457, that is maintained by an eligible employer under section 457(e)(1)(A) of the Internal Revenue Code;

(f) An annuity contract under section 403(b) of the Internal Revenue Code; and

(g) Effective January 1, 2008, a Roth individual retirement account or annuity described in section 408A of the Internal Revenue Code, subject to the limitations set forth in such Internal Revenue Code provision; provided, however, that the plan is not responsible for assuring that a distributee is eligible to make such a rollover.

(3) "Direct rollover" means a payment to the additional annuity account from an eligible retirement plan specified by the member or contributor.

(C) A member or contributor shall make application for an additional annuity payment under section 145.64 of the Revised Code or a one-time lump sum payment under section 145.63 of the Revised Code on a form provided by the public employees retirement system. In the event a member or contributor is deceased, the qualifying beneficiary shall make application. Except as provided in this paragraph, a member or contributor may apply for a one-time lump sum payment at any time. If, at the time of application for a one-time lump sum payment, the additional annuity account of the member or contributor includes mandatory employee or employer contributions that were transferred to the account in accordance with rule 145-1-74 or 145-2-18 of the Administrative Code, the member or contributor may only apply for a one-time lump sum payment under the circumstances described in section 145.63 of the Revised Code if the member has terminated service.

(D) Except as provided in this paragraph, monthly additional annuity payments shall commence at the time of issuance of an initial benefit payment, as defined in paragraph (A)(5) of rule 145-1-65 of the Administrative Code. In the case of a

member or contributor who indicates on a form provided by the retirement system that the member or contributor will be making additional deposits into their additional annuity account, monthly additional annuity payments shall not be issued until one hundred twenty days following the initial benefit payment or, in the case of an additional annuity commenced in connection with a benefit under section 145.384 of the Revised Code, one hundred twenty days from issuance of the first payment under that section.

(E) All amounts on deposit with the retirement system on December 31, 2007, for an additional annuity, including any interest as may have been allowed by the public employees retirement board under former section 145.23 of the Revised Code, section 145.62 of the Revised Code, or prior versions of this rule, and any deposits made on or after January 1, 2008, shall be invested in the OPERS stable value fund, as described in the statement of investment objectives and policies for the defined contribution fund. The retirement system shall value the amounts described in this paragraph in accordance with the daily values determined for the OPERS stable value fund and acceptable industry practices. The board and the retirement system are not liable for losses or depreciation in the value of the amounts described in this paragraph.

(F) Pursuant to division (B)(6) of section 145.64 of the Revised Code, a member or contributor who fails to select a plan of payment for the monthly additional annuity shall receive monthly annuity payments under a plan of payment that is consistent with the marital status of the member or contributor.

(G) On application for a payment under section 145.63 or 145.64 of the Revised Code by a member, contributor, or beneficiary whose deposits were transferred to the income fund as described in section 145.41 of the Revised Code, the retirement system shall credit interest and invest the deposits as described in paragraph (E) of this rule.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.62
Rule Amplifies:	145.62, 145.63, 145.64, 145.65
Prior Effective Dates:	02/03/1992, 10/09/2000, 01/01/2002 (Emer.), 03/22/2002, 01/01/2003, 01/01/2007, 04/06/2007 (Emer.), 07/01/2007, 01/01/2008 (Emer.), 01/19/2008, 04/01/2008 (Emer.), 06/23/2008, 01/01/2011, 02/01/2011 (Emer.), 04/18/2011, 01/01/2012, 01/07/2013 (Emer.), 03/24/2013, 08/01/2015 (Emer.), 09/30/2015, 01/01/2017, 01/01/2021

145-2-55 **Death benefit payment.**

(A) This rule shall apply only to the death benefit payable pursuant to section 145.451 of the Revised Code.

(B) A retirant or a disability benefit recipient may designate a beneficiary or beneficiaries to receive only the death benefit payment.

(1) Such designation must be on a form provided by the public employees retirement system and filed with the system prior to the retirant or disability benefit recipient's death.

(2) ~~Unless a different distribution is specified, the~~The death benefit payment shall be divided equally among the surviving beneficiaries if the retirant or the disability benefit recipient designated multiple beneficiaries.

(C) If the death benefit is payable to the person responsible for the retirant's or disability benefit recipient's burial expenses, such person shall submit proof of financial liability ~~for~~and proof of payment of these expenses ~~by paid bills or cancelled checks~~.

(D) If a beneficiary of the death benefit payment or portion of a death benefit payment dies prior to the distribution of the amount, the payment shall be issued to the beneficiary's estate.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09
Rule Amplifies:	145.451
Prior Effective Dates:	08/20/1976, 09/29/1986, 08/06/1990, 12/06/1993, 05/29/1995, 08/31/1996, 01/01/2003, 11/30/2007, 01/01/2017

145-3-22 **Restored service.**

(A) This rule amplifies section 145.97 of the Revised Code and section 3.06 of the combined plan document.

(B) A member participating in the combined plan ~~or a former member who participated in the combined plan~~on December 31, 2021, may redeposit the amounts withdrawn under article VIII of the combined plan, subject to all of the following:

(1) The member ~~or former member~~ has at least eighteen months of contributing service in the combined plan or in the Ohio police and fire pension fund or state highway patrol retirement system;

(2) The member ~~or former member~~ shall redeposit the amount withdrawn with interest on that amount compounded annually at a rate to be determined by the public employees retirement board from the first day of the month of withdrawal to and including the month of redeposit.

~~(3) If a former member is eligible to buy the service credit as a member of the Ohio police and fire pension fund, state highway patrol retirement system, or the city of Cincinnati retirement system, the former member is ineligible to restore that service credit under this section.~~

(C) The amount withdrawn shall be redeposited and credited as follows:

(1) To the employers' accumulation fund, the amount that equals the amount, if any, distributed under section 8.02 of the combined plan document.

(2) To the member's accounts, as defined in section 1.01 of the combined plan document, the amount distributed under section 8.01 of the combined plan document.

(3) To the member's account in the employees' savings fund, any remaining amount including the interest required in paragraph (B)(2) of this rule.

(D) The member may choose to purchase only part of such credit in any one payment, subject to rules adopted by the board. Except for the amount described in paragraph (C)(1) of this rule, the amounts paid to restore service credit under this rule shall vest as described in section 7.01 of the combined plan document.

Effective:

Five Year Review (FYR) Dates: 9/29/2024

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.80
Rule Amplifies:	145.81, 145.82, 145.97
Prior Effective Dates:	01/01/2003, 12/24/2004, 01/07/2013 (Emer.), 03/24/2013

145-3-23 **Additional liability for service purchases in the combined plan.**

(A) This rule amplifies section 145.29 of the Revised Code.

(B) As used in this rule, "service credit" means both of the following:

(1) Service credit that may be purchased or obtained under sections 145.20, 145.201, 145.291, 145.292, 145.293, 145.299, and 145.47 of the Revised Code, as those sections existed on and after January 7, 2013.

(2) Service credit that may be purchased or obtained under section 145.814 of the Revised Code or rule 145-3-40 of the Administrative Code for a plan change that is effective on or after July 7, 2013, and prior to January 1, 2022, under section 2.03 of the combined or member-directed plan document, as amended on January 7, 2013.

(C)

(1) Except as provided in this paragraph, the public employees retirement system shall calculate the cost to purchase service credit by using the greater of the member's final average salary or the member's earnable salary for the twelve months of contributing service under the combined plan immediately preceding the month in which the application to purchase is received by the system. If the member's election to purchase service described in paragraph (B)(2) of this rule occurs less than twelve months after the effective date of a plan change, the system shall calculate the cost to purchase service credit by using the final average salary or last twelve months of earnable salary in the prior plan.

(2) The public employees retirement board shall, based upon its actuary's recommendation, establish the percentage rate for the cost of the service credit under the combined plan.

(D) Payments made by a member to purchase service credit under section 145.29 of the Revised Code and this rule shall be credited to the employees' savings fund and shall be considered the accumulated contributions of the member.

Effective:

Five Year Review (FYR) Dates: 9/29/2024

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09
Rule Amplifies:	145.29
Prior Effective Dates:	01/07/2013 (Emer.), 03/24/2013, 07/07/2013 (Emer.), 09/16/2013, 05/08/2014, 03/23/2015 (Emer.), 06/06/2015

145-3-40 **Service credit in the combined plan for participation in member-directed plan.**

(A) This rule amplifies section 145.814 of the Revised Code and sections 2.03, 2.04, and 6.02 of the member-directed plan document. This rule applies to members participating in the combined plan on December 31, 2021.

(B) For each member who elects to transfer funds from the member-directed plan to purchase service in the combined plan under division (D) of section 145.814 of the Revised Code and section 2.03 of the member-directed plan document, the public employees retirement system shall prepare a statement of cost for service credit to be purchased in the combined plan based on participation in the member-directed plan, at the request of an eligible member. An actuary employed by the public employees retirement board shall determine the additional liability, as defined in section 145.814 of the Revised Code, as described in rule 145-3-23 of the Adminstrative Code.

(C) An eligible member shall purchase the service credit only by a lump-sum payment of the amount on deposit, as defined in rule 145-1-35 of the Administrative Code, except that a member described in division (D)(1) of section 145.814 of the Revised Code may, pay any additional liability that exceeds the amount on deposit by initiating payroll deduction under rule 145-1-38 of the Administrative Code or by direct partial payment. For plan elections effective on or before July 1, 2015, the payroll deduction shall be initiated or direct partial payment shall be made not later than one hundred eighty days after the effective date of an election to participate in the combined plan under section 2.03 of the member-directed plan document. Service credit purchased under this rule shall be included in the member's total service credit in the combined plan. If the member elects to receive pro-rated service credit, for purposes of section 1.41 of the combined plan document, the period of service upon which contributing service is based shall be the member's earliest service credit available to purchase under this rule.

(D) Any funds remaining in an eligible member's accounts, as defined in section 1.01 of the member-directed plan document, after the purchase of service credit under this rule shall be credited to the member's rollover account in the combined plan and treated as a rollover, except that amounts transferred to the member-directed plan under section 2.02 of the member-directed plan document shall be credited to the participant contribution account in the combined plan, as if the contributions had been originally transferred under section 2.02 of the combined plan document. A member may also elect, at the time of service purchase, to leave any remaining funds on deposit in the member-directed plan; any funds remaining shall be credited to the member's rollover account, as defined in section 1.31 of the member-directed plan document, and treated as a rollover.

(E)

(1) Service credit purchased under this rule cancels the corresponding years of participation in the member-directed plan.

(2) For plan elections effective on or before July 1, 2015, years of participation in the member-directed plan that are not purchased under this rule shall be cancelled immediately upon the expiration of the one hundred eighty day period following the effective date of an election to participate in the combined plan under section 2.03 of the member-directed plan document.

Effective:

Five Year Review (FYR) Dates: 9/29/2024

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.80
Rule Amplifies:	145.81, 145.814
Prior Effective Dates:	01/01/2003, 11/15/2003, 12/24/2004, 01/01/2009, 07/11/2009, 01/01/2010, 01/01/2011, 01/07/2013 (Emer.), 03/24/2013, 06/06/2015, 01/01/2021

145-3-75 **Death benefit payment.**

(A) This rule shall apply only to the death benefit payable pursuant to section 145.451 of the Revised Code.

(B) A retirant may designate a beneficiary or beneficiaries to receive only the death benefit payment.

(1) Such designation may be changed on a form provided by the public employees retirement system.

(2) ~~Unless a different distribution is specified, the~~The death benefit payment shall be divided equally among the surviving beneficiaries if the retirant designated multiple beneficiaries.

(C) If the death benefit is payable to the person responsible for the retirant's burial expenses, such person shall submit proof of financial liability ~~for~~and proof of payment of these expenses~~ these expenses by paid bills or cancelled checks~~.

(D) If a beneficiary of the death benefit payment or portion of a death benefit payment dies prior to the distribution of the amount, the payment shall be issued to the beneficiary's estate.

Effective:

Five Year Review (FYR) Dates: 9/29/2024

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.80
Rule Amplifies:	145.451, 145.81, 145.82
Prior Effective Dates:	01/01/2003

145-4-01 **Health care definitions.**

As used in this chapter:

(A) "Wellness retiree medical account" means the public employees retirement system of Ohio retiree medical account plan established on January 1, 2007 by the former versions of rules 145-4-40, 145-4-42, and 145-4-44 of the Administrative Code, funded by the 115 trust~~, and integrated with the pre-medicare health care coverage sponsored by the retirement system~~.

(B) "115 trust" means the Ohio public employees retirement system trust agreement for funding employee benefit plans, the assets of which qualify for exclusion from federal income taxation under section 115 of the Internal Revenue Code of 1986, 26 U.S.C.A. 115.

~~(C) "Age and service retirant" means a former member who is receiving a retirement allowance pursuant to section 145.33, 145.331, 145.332, 145.37 or 145.46 of the Revised Code or section 9.03 of the combined plan document.~~

~~(D) "Benefit recipient" means the primary benefit recipient who is eligible for health care coverage or the health reimbursment arrangement, if living. If the member or primary benefit recipient is deceased, "benefit recipient" shall mean the survivor benefit recipient who is eligible for health care coverage.~~

~~(E) " Disability benefit recipient" has the same meaning as in section 145.01 of the Revised Code and includes a member or former member who is receiving a disability benefit pursuant to article X of the combined plan document.~~

~~(F) "Health care coverage" means the coverage authorized under sections 145.58 and 145.584 of the Revised Code, excluding the reimbursement of the medicare part A and B premiums, the and dental and vision coverage, and the health reimbursement arrangement.~~

~~(G) "Health reimbursement arrangement" or "HRA" means the public employees retirement system of Ohio health reimbursement arrangement plan, effective October 1, 2015, funded by the 115 trust or such other funding vehicle or mechanism established by the retirement system, from which the reimbursement of qualifying medical expenses may be made. The text of the public employees retirement system of Ohio health reimbursement arrangement plan shall not be incorporated into this or any other rule of the Administrative Code. The current version is available at www.opers.org.~~

~~(H) "Initial benefit payment" has the same meaning as in rule 145-1-65 of the Administrative Code.~~

~~(I) "Monthly health care allowance" or "monthly allowance" means the monthly amount that is allocated to each individual enrolled in health care coverage or health reimbursement arrangement. For health care coverage, this allowance shall be used to purchase health care coverage sponsored by the board and is based on the self-supporting rate, as determined by the board, and as adjusted by the member or primary benefit recipient's qualified years of employer contributions. For a medicare-eligible benefit recipient who is not subject to rule 145-4-62 of the Administrative Code, the monthly allowance shall be determined by the board and offered in the form of a notional credit to the health reimbursement arrangement consistent with the provisions of that plan. For effective dates of retirement on and after January 1, 2015, the monthly health care allowance shall also be based on the member or primary benefit recipient's attained age at the time of initial enrollment in the coverage.~~

~~(J) "Ohio retirement system" means the public employees retirement system, state teachers retirement system, school employees retirement system, Ohio police and fire pension fund, or highway patrol retirement system.~~

~~(K) "Primary benefit recipient" means an age and service retirant or disability benefit recipient is eligible for health care coverage or the health reimbursement arrangement.~~

~~(L) "Qualified medical expense" means medical care, as defined in section 213(d) of the Internal Revenue Code of 1986, 26 U.S.C.A. 213(d), and applicable regulations thereunder and are excludable from income in accordance with sections 105 and 106 of the Internal Revenue Code.~~

~~(M) "Qualified years of employer contributions" means years of employer contributions and the years purchased or transferred under section 145.295, 145.2911, or 145.37 of the Revised Code that, if earned or obtained in the public employees retirement system, would be the equivalent of the years of employer contributions. Qualified years of employer contributions do not include the contributions that are the basis of a lump sum payment or refund pursuant to paragraph (B) of rule 145-2-49 of the Administrative Code, unless the payment or refund are issued pursuant to division (N)(3) of section 145.332 of the Revised Code.~~

~~(N)~~(C) "Retiree medical account" means the group health plan described in the document entitled the "public employees retirement system of Ohio retiree medical account" that was effective on January 1, 2003, and includes amendments adopted through June 30, 2016. The text of the public employees retirement system of Ohio retiree medical account shall not be incorporated into this or any other rule of the Administrative Code. The current version is available at www.opers.org.

~~(O) "Self-supporting rate" means the adjusted per capita cost for providing health care coverage for any given year, as determined by the board.~~

~~(P) "Service manager" means the individual or entity appointed by the public employees retirement system to administer the retiree medical accounts or the wellness retiree medical accounts.~~

~~(Q) "Survivor benefit recipient" means a qualified spouse or child who is eligible for health care coverage and receiving a benefit pursuant to section 145.45 or 145.46 of the Revised Code or section 9.03 of the combined plan document.~~

~~(R) "Years of employer contributions" means the years or portions of a year for which the member's employer contributed to the public employees retirement system under section 145.302, 145.48, or 145.483 of the Revised Code, section 3.02 of the combined plan document, or article VI of the combined or member-directed plan document. Beginning January 1, 2014, "years of employer contributions" means the years or portions of a year described in this paragraph for which the member's monthly earnable salary on and after January 1, 2014, is one thousand dollars or greater.~~

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Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58, 145.584
Prior Effective Dates:	01/01/2007, 01/01/2009, 01/07/2013 (Emer.), 03/24/2013, 01/01/2014, 01/01/2015, 01/01/2016, 07/01/2016 (Emer.), 09/01/2016, 01/01/2017 (Emer.), 03/24/2017, 01/01/2019, 01/01/2021

145-4-02 **Health care fund.**

(A) Within the funds described in section 145.23 of the Revised Code, there shall be a separate account established pursuant to section 115 of the Internal Revenue Code of 1986, 26 U.S.C.A. 115, for the purpose of funding the ~~coverage~~agreements authorized under sections 145.58 and 145.584 of the Revised Code. The account shall be known as the "health care fund." The assets in the health care fund shall be accounted for separately from the other assets of the public employees retirement system, but may be commingled with the other assets of the system for investment purposes. Investment earnings and expenses shall be allocated on a reasonable basis. All assets in the health care fund shall be held in trust for the exclusive benefit of members, benefit recipients, and eligible dependents.

(B) Contributions to the health care fund shall be funded by employer contributions as described in sections 145.48, 145.51, 145.58 and 145.584 of the Revised Code. Contributions to the health care fund are subordinate to the contributions to the funds for retirement benefits under the traditional pension plan and combined plan. Such contributions shall be reasonable and ascertainable.

(C) Forfeitures shall be used to fund ~~health care coverage,~~ qualified medical expenses, dental and vision coverage, administrative expenses of the health care fund, reimbursement of the medicare part A and B premiums, if provided by the system, and as provided in former rule 145-4-44 of the Administrative Code and section 145.584 of the Revised Code.

(D) The assets of the health care fund shall only be used for the payment of ~~health care coverage,~~ qualified medical expenses, dental and vision coverage, and reimbursement of the medicare part A and B premiums, if provided by the system.

(E) At no time prior to the satisfaction of all liabilities under this rule and sections 145.58 and 145.584 of the Revised Code shall any assets in the health care fund be used for, or diverted to, any purpose other than as provided in paragraph (D) of this rule and for the payment of administrative expenses. Assets in the health care fund may not be used for retirement, disability, or survivor benefits, or for any other purpose for which the other funds of the system are used.

(F)

(1) Effective as of July 1, 2016, the public employees retirement board herein terminates the accounts established pursuant to section 401(h) of the Internal Revenue Code of 1986, 26 U.S.C.A. 401. Upon satisfaction of all liabilities to be paid from the prior 401(h) account under this rule, as requied by the Internal Revenue Code, the public employees retirement system has the authority, acting on behalf of itself and as the employers' agent, to terminate the 401(h) account.

Upon termiantion, the assets in the 401(h) account, if any, shall be returned to the retirement system, as the employers' agent, in accordance with section 401(h)(5) of the Internal Revenue Code. The system shall notionally credit each contributing employer with the contributing employer's respective share of the terminated 401(h) account assets and immediately assess each employer a contribution due to the 115 trust in an equal amount.

(2) Upon satisfaction of all liabilities under this rule, any assets in the 115 trust, if any, that are not used as provided in paragraph (E) of this rule shall revert to a vehicle designated by the public employees retirement board, and in no case will the assets be distributed to any entity that is not a state, a political subdivision of a state, or an entity the income of which is excluded from gross income under section 115 of the Internal Revenue Code.

(G) It is the intent of the public employees retirement board in adopting this rule to comply in all respects with sections 115, 401(a) and 401(h) (for purposes of compliance with the section 401(h) termination requirements) of the Internal Revenue Code and regulations interpreting those sections. In applying this rule, the board will apply the interpretation that achieves compliance with those sections and preserves the qualified status of the system as a governmental plan in accordance with sections 401(a) and 414(d) of the Internal Revenue Code of 1986, 26 U.S.C.A. 401 and 414.

(H) This rule is intended to codify past practices and procedures of the system with respect to funding the former coverage authorized under sections 145.58 and 145.584 of the Revised Code and does not confer any new rights to members, retirants, survivors, beneficiaries, or their dependents.

Effective:

Five Year Review (FYR) Dates: 9/20/2023

Certification

Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58, 145.584
Prior Effective Dates:	01/01/2007, 01/01/2009, 01/07/2013 (Emer.), 03/24/2013, 01/01/2014, 01/01/2016, 04/20/2016 (Emer.), 07/01/2016 (Emer.), 09/01/2016

TO BE RESCINDED

145-4-06 **Eligibility for health care in traditional pension and combined plans.**

(A) For effective dates of benefits before January 1, 2014, "ineligible individual" means all of the following:

(1) A former member receiving benefits pursuant to section 145.32, 145.33, 145.331, 145.332, or 145.46 or former section 145.34 of the Revised Code or section 9.03 of the combined plan for whom eligibility is established after June 13, 1986, and who, at the time of establishing eligibility, has accrued less than ten years of service credit, exclusive of credit obtained pursuant to section 145.297 or 145.298 of the Revised Code, credit obtained after January 29, 1981, pursuant to section 145.293 or 145.301 of the Revised Code, credit obtained after May 4, 1992, pursuant to section 145.28 of the Revised Code, and credit obtained in the combined plan after January 1, 2003, pursuant to section 145.28, 145.293, or 145.301 of the Revised Code;

(2) The spouse of the former member;

(3) The beneficiary of the former member receiving benefits pursuant to section 145.46 of the Revised Code or section 9.03(e) of the combined plan, as amended on January 7, 2013.

(B) For effective dates of benefits on and after January 1, 2014, but before January 1, 2015, "ineligible individual" means any individual who does not meet any of the following:

(1) A former member receiving benefits pursuant to section 145.32, 145.33, 145.331, 145.332, or 145.46 or former section 145.34 of the Revised Code or section 9.03 of the combined plan, and who has accrued at least ten years of qualified years of employer contributions.

(2) The spouse of the former member;

(3) The beneficiary of the former member receiving benefits pursuant to section 145.46 of the Revised Code or section 9.03(e) of the combined plan, as amended on January 7, 2013.

(C) For effective dates of benefits on or after January 1, 2015, "ineligible individual" means any individual who does not meet any of the following:

(1) A former member described in this paragraph who has attained age sixty and has accrued at least twenty qualified years of employer contributions or is any age and has accrued at least thirty qualified years of employer contributions.

The former member shall be receiving benefits pursuant to division (A) of section 145.32, section 145.33, division (A) of 145.332, section 145.46 or former section 145.34 of the Revised Code or sections 9.01(a) and 9.03 of the combined plan.

(2) A former member described in this paragraph who has attained age sixty and has accrued at least twenty qualified years of employer contributions, has attained age fifty-two and has accrued at least thirty-one qualified years of employer contributions, or is any age and has accrued at least thirty-two qualified years of employer contributions. The former member shall be receiving benefits pursuant to division (B) of section 145.32, section 145.33, division (B) of 145.332, or section 145.46 of the Revised Code or sections 9.01(b) and 9.03 of the combined plan.

(3) A former member described in the paragraph who has attained age sixty and has accrued at least twenty qualified years of employer contributions or is any age and has accrued at least thirty-two qualified years of employer contributions. The former member shall be reciving benefits pursuant to division (C) of section 145.32, division (C) of section 145.332, or section 145.46 of the Revised Code or sections 9.01(c) and 9.03 of the combined plan.

(4) A former member receiving benefits pursuant to section 145.331 of the Revised Code who is one of the following:

(a) Had an effective date of benefits under section 145.361 of the Revised Code prior to January 1, 2015, and had accrued at least ten qualified years of employer contributions; or

(b) Had an effective date of benefits under section 145.361 of the Revised Code on or after January 1, 2015, and either attained age sixty and accrued at least twenty years of qualified employer contributions or meets one of the following criteria:

(i) If, had the member retired on age and service retirement, the member would have recevied benefits described in paragraph (C)(1) of this rule, the member is any age and has accrued a least thirty qualified years of employer contributions;

(ii) If, had the member retired on age and service retiremement, the member would have received benefits described in paragraph (C) (2) of this rule, the member is either age fifty-two and has accrued at least thirty-one qualified years of employer contributions or is any

age and has accrued at least thirty-two qualifed years of employer contributions;

(iii) If, had the member retired on age and service retirement, the member would have received benefits described in paragraph (C)(3) of this rule, the member is any age and has accrued at least thirty-two qualified years of employer contributions.

(5) The spouse of the former member;

(6) The beneficiary of the former member receiving benefits pursuant to section 145.46 of the Revised Code or section 9.03(e) of the combined plan, as amended on January 7, 2013.

(D) Beginning January 1, 2014, as used in section 145.58 of the Revised Code, an "ineligible individual" includes a disability benefit recipient who has an effective date of benefits that is on or after January 1, 2014, and has been receiving a disability benefit for more than five years unless the recipient meets one of the following:

(1) The recipient has met the eligibility requirements described in paragraph (B) or (C) of this rule;

(2) The recipient qualifies for federal hospital insurance benefits under the Social Security Amendments of 1965, 79 Stat. 291, 42 U.S.C.A. 1395c, on the basis of a disability and has not attained age sixty-five;.

(3) The recipient is not eligible to participate in medicare part A at no cost to the recipient and has not attained age sixty-five.

(E) A member participating in the combined plan shall be a member of the traditional pension plan for purposes of the coverage described in sections 145.58 and 145.584 of the Revised Code.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58, 145.82
Rule Amplifies:	145.58, 145.584, 145.82
Prior Effective Dates:	04/15/2004, 01/01/2007, 01/07/2013 (Emer.), 03/24/2013, 01/01/2014, 01/01/2015, 01/21/2015 (Emer.), 04/17/2015, 01/01/2016, 09/01/2017, 01/01/2019, 01/01/2021

TO BE RESCINDED

145-4-08 **Eligibility for health care coverage for years of employer contributions in traditional pension and combined plans.**

For purposes of determining eligibility for health care coverage and the monthly health care allowance, the public employees retirement system shall aggregate years of employer contributions earned and purchased in both the traditional pension plan and the combined plan if both of the following apply:

(A) The member is eligible to retire independently from both the traditional pension plan and the combined plan;

(B) The member applies for retirement under both the traditional pension plan and the combined plan with the same effective date of benefits under both plans.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

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Statutory Authority:	145.09
Rule Amplifies:	145.58, 145.82
Prior Effective Dates:	01/01/2007, 01/01/2015, 01/01/2016

TO BE RESCINDED

145-4-09 **Definition of "eligible dependent" for health care coverage.**

"Eligible dependent" is a dependent for purposes of sections 105 and 106 of the Internal Revenue Code of 1986, 26 U.S.C.A. 105, 106, and is described as one of the following:

(A) The spouse of a primary benefit recipient.

(B) The biological or legally adopted child of a primary benefit recipient who is under the age of twenty-six or is permanently and totally disabled prior to age twenty-two. For purposes of this paragraph "permanently and totally disabled" means the individual is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death, or which has lasted or can be expected to last for a continuous period of not less than twelve months.

(C) The grandchild of a primary benefit recipient for whom the benefit recipient has been ordered pursuant to section 3109.19 of the Revised Code, or equivalent order from another state, to provide for the health care coverage.

(D) For effective dates of disability benefits on and after January 1, 2014, an eligible dependent described in paragraph (B) or (C) of this rule if the disability benefit recipient has been receiving a disability benefit for more than five years and meets one of the following:

(1) The disability benefit recipient meets one of the criteria specified in paragraph (C)(4)(b) of rule 145-4-06 of the Administrative Code;

(2) The disability benefit recipient has attained age sixty and has twenty or more qualified years of employer contributions; or

(3) The disability benefit recipient qualifies for federal hospital insurance benefits under the Social Security Amendments of 1965, 79 Stat. 291, 42 U.S.C.A. 1395c, on the basis of disability before the age of sixty-five.

(E) Except as provided in paragraph (D) of this rule, for benefit effective dates on and after January 1, 2015, an eligible dependent described in paragraph (B) or (C) of this rule may be newly enrolled in health care coverage only if the primary benefit recipient had at least twenty qualified years of employer contributions at the time the benefit commenced.

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145-4-11 **Rescission of coverage.**

The ~~health care,~~ dental~~;~~ and vision coverage of an enrolled benefit recipient or dependent and eligibility for participation in the health reimbursement arrangement plan shall be rescinded if the individual is convicted of falsification under section 2921.13 of the Revised Code regarding any coverage or plan or performs an act, practice or omission that constitutes fraud or makes an intentional misrepresentation of material fact regarding the coverage or plan. The effective date of the termination of coverage or plan participation shall be the earlier of the date of the conviction or the act, practice or omission that constitutes fraud or an intentional misrepresentation of material fact, unless otherwise limited by Ohio law. The retirement system shall notify the individual of the rescission at least thirty days prior to processing the rescission. The rescission of a benefit recipient's coverage applies to all enrolled dependents and all coverage and plan options.

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Date

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TO BE RESCINDED

145-4-14 **Coordination of coverage.**

(A) This rule amplifies division (D) of section 145.58 of the Revised Code.

(B) As used in this rule, "available coverage" means health care coverage available from another Ohio retirement system. It includes any payment, stipend, funds, reimbursement, or other remuneration of any kind provided from another Ohio retirement system for the purpose of obtaining medical or prescription drug coverage.

(C) Health care coverage provided by this retirement system under sections 145.58 and 145.584 of the Revised Code shall pay covered medical expenses for benefit recipients of this retirement system prior to payment under any available coverage if the available coverage is provided to the individual as the spouse or dependent of another person.

(D) Health care coverage provided by this system shall pay only the covered medical expenses not paid or reimbursed by any available coverage if either of the following occurs:

(1) In the case of a benefit recipient, the available coverage is not provided as a dependent of another person, and has been in effect for a longer time than the health care coverage provided by this system;

(2) In the case of a dependent, the available coverage is not provided as the dependent of another person or is provided as the dependent of another person but has been in effect for a longer time than the health care coverage provided by this system.

(E) Except as otherwise provided in this rule, the public employees retirement system shall not be the system responsible for health care coverage for eligible benefit recipients or eligible dependents of eligible benefit recipients of this system who waive or are otherwise eligible for any available coverage after January 1, 2007.

(F) Each benefit recipient and eligible dependent enrolled in health care coverage provided by this system shall annually make a report to the system or, an entity designated by the system, stating whether the person has other available coverage. The report shall include any information requested by the system or entity.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58, 145.584
Prior Effective Dates:	01/01/2007, 01/01/2009, 01/07/2013 (Emer.), 03/24/2013, 01/01/2019

TO BE RESCINDED

145-4-15 **Income-based discount program.**

(A) As used in this rule, "household income" means the aggregate of all income and wages of a primary benefit recipient enrolled in health care coverage, plus the income and wages of the spouse and any individual that could be claimed as the dependent of the primary benefit recipient for purposes of federal income taxes.

(B) The public employees retirement board may offer a discount on the monthly premium for health care coverage to eligible primary benefit recipients whose household income is below an amount determined by the board. The board shall establish the requirements that must be met to qualify for the discount. Beginning January 1, 2015, a primary benefit recipient shall have at least twenty qualified years of employer contributions to be eligible for the discount. A primary benefit recipient who was receiving the discount as of December 2014 is not subject to this requirement but must meet all other eligibility requirements established by the board.

(C) If offered under paragraph (B) of this rule, an eligible primary benefit recipient must apply for the discount annually on a form provided by the public employees retirement system. The system may request documentation to validate the primary benefit recipient's eligibility for the program. Failure to accurately complete the enrollment form or provide the requested documentation will prevent enrollment in the program for that year.

(D) If the retirement system determines that the primary benefit recipient has made false or incomplete representations to qualify for the discount described in this rule, the primary benefit recipient shall reimburse the retirement system for any discounts improperly received and shall be ineligible to receive the discount at any time in the future.

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Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58
Prior Effective Dates:	01/01/2007, 01/01/2015

TO BE RESCINDED

145-4-17 **Payment of health care charges and disenrollment for nonpayment.**

(A)

(1) Benefit receipients enrolled in health care coverage sponsored by the public employees retirement system shall pay all health care premiums and associated costs through deduction from the benefit.

(2) If the benefit does not satisfy the amounts due, the public employees retirement system or designated third party shall bill the benefit recipient for the amount due or the remainder of the amount due after partial deduction from the available benefit.

(B) A benefit receipient who fails to timely remit payment for amounts due pursuant to paragraph (A)(2) of this rule shall be disenrolled from all health care coverage as provided in this rule.

(1) A benefit recipient may prevent disenrollment only by remitting all amounts due prior to the due date.

(2) A benefit recipient who has failed to remit the amount due by the due date shall be notified of disenrollment from health care coverage not less than fifteen days prior to the date on which the retirement system will process the disenrollment.

(3) The effective date of disenrollment shall be the last day of the month following the month the benefit recipient failed to remit the amount due, in coordination with the centers for medicare and medicaid services, as necessary.

(4) Any unpaid amounts due through the effective date of disenrollment shall be deducted from the benefit following disenrollment.

(5) Disenrollment of a benefit recipient pursuant to this rule applies to all enrolled dependents and coverage options.

(C) A benefit receipient whose coverage was terminated pursuant to this rule may re-enroll in coverage once during the annual open enrollment period if full payment of all amounts due is received by the first day of December of the year preceding the coverage period.

(D) A second termiantion of coverage pursuant to this rule is permanent and ends all eligibility to participate in this plan.

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145-4-25 **Dental and vision coverage.**

(A) As used in this rule:

(1) "Benefit recipient" means person receiving a benefit from the public employees retirement system. "Benefit" means monthly amounts paid to an individual pursuant to section 145.32, 145.33, 145.331, 145.332, 145.35, 145.36, 145.361, 145.37, 145.384, 145.45, or 145.46 of the Revised Code, or section 9.02, article X, or article XI of the combined plan docment.

(2) "Dependent" means:

(a) The spouse of a benefit recipient.

(b) The biological or legally adopted child of a benefit recipient who is under the age of twenty-six.

(c) The grandchild of a benefit recipient for whom the benefit recipient has been ordered pursuant to section 3109.19 of the Revised Code, or equivalent order from another state, to provide dental and vision coverage.

A benefit recipient shall inform the retirement system, in writing, not later than thirty days after an eligible dependent no longer meets the requirements of this rule. The retirement system may require a benefit recipient to certify the status of an individual as an eligible dependent for coverage. Failure to provide certification within sixty days of the request by the retirement system shall result in the denial or withdrawal of coverage for such individual until the open enrollment period.

(3) "Initial benefit payment" has the same meaning as in rule 145-1-65 of the Administrative Code.

(B)

(1) Except as provided in paragraph (B)(2) of this rule, the public employees retirement system may offer dental or vision coverage that is administered by a third party administrator(s) to benefit recipients and dependents provided that the benefit exceeds the premium set by the public employees retirement board for coverage under this rule.

(2)

(a) A spouse of a benefit recipient shall cease to be eligible for coverage on the first day of the month following the date of the final decree of divorce or dissolution from the benefit recipient.

(b) A dependent described in paragraph (A)(2)(b) of this rule shall cease to be eligible for coverage on the first day of the month following the child's twenty-sixth birthday. A dependent described in paragraph (A)(2)(c) of this rule shall cease to be eligible for dental and vision coverage on the first day of the month following the dependent's eighteenth birthday.

(C) Enrollment

(1) Except as provided in paragraph (C)(2) of this rule, a benefit recipient's application for dental or vision coverage must be received by the retirement system not later than thirty days after the benefit recipient's initial benefit payment. During the thirty-day period, the applicant may make one change to the filed application.

(2) A benefit recipient that does not enroll as provided in paragraph (C)(1) of this rule may enroll by filing an application for enrollment in dental or vision coverage during one of the following:

(a) The annual open enrollment period;

(b) Within sixty days of involuntary termination of coverage under another group plan, and with proof of such termination.

(3) A benefit recipient may enroll an eligible dependent in coverage during the annual open enrollment period or at any time outside of open enrollment if any of the following apply and the application is received not later than sixty days after the occurrence of the event:

(a) The benefit recipient may enroll a new spouse upon marriage;

(b) The benefit recipient may enroll an eligible child upon the birth or adoption of the child;

(c) The benefit recipient may enroll an eligible dependent who has involuntarily lost vision and dental coverage from another source;

(d) The benfit recipient is ordered to enroll a child pursuant to a national medical support order;

(e) The dependent first achieves an eligibility threshold descibed in this rule.

(4) Enrollment of a benefit recipient or eligible dependent under this rule shall be made on an application provided by the retirement system.

(D) Effective date of coverage

(1) The effective date of dental and vision coverage of a benefit recipient receiving a benefit pursuant to section 145.32, 145.33, 145.331, 145.332, division (B)(1) of section 145.37, or 145.384 of the Revised Code, or section 9.02 of the combined plan document shall be the later of the following:

(a) The effective benefit date of the benefit that is the basis of the coverage;

(b) The first day of the month during which an application for the benefit is received by the retirement system.

(c) If the retirement system or health care administrator has not paid claims for coverage for an eligible benefit recipient or eligible dependent, the benefit recipient may elect an effective date of coverage that is after the date descibed in paragraph (D)(1)(a) or (b) of this rule but is not later than thirty days after the inital benefit payment. An election under this paragraph shall be made not later than thirty days after the initial benefit payment.

(2) The effective date of dental and vision coverage of a benefit recipient receiving a benefit pursuant to section 145.35, 145.36, 145.361, division (B)(2) of section 145.37, 145.45, or 145.46 of the Revised Code, or Article X or Article XI of the combined plan document shall be the first day of the month following the initial benefit payment.

(3) Notwithstanding paragraphs (D)(1) and (D)(2) of this rule, in the case of enrollment during open enrollment, the effective date of coverage shall be January 1 of the following year.

(E) The following provisions apply to the dental and vision coverage offered by the retirement system:

(1) The coverage shall be in effect for a calendar year.

(2) An individual enrolled in coverage can voluntarily terminate the individual's enrollment in the coverage or a dependent's enrollment in the coverage only at the end of each calendar year by filing the notice of cancellation in a form and manner approved by the retirement system during the open enrollment period.

(3) The system shall require the automatic withholding of coverage premiums from the benefit paid to the enrolled individual.

(F) The retirement system shall offer continuation coverage, as applicable, in accordance with the requirements of the Consolidated Omnibus Budget and Reconciliation Act 1985 ("COBRA"), 42 U.S.C.A. 300gg-1.

Effective:

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Certification

Date

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Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58

TO BE RESCINDED

145-4-26 **Dental and vision coverage.**

(A) The public employees retirement system may offer dental or vision coverage that is administered by a third party administrator(s) to individuals who are receiving a benefit from the system and eligible dependents. For purposes of this rule, "benefit" includes monthly amounts paid to an individual pursuant to section 145.32, 145.33, 145.331, 145.332, 145.35, 145.36, 145.361, 145.37, 145.384, 145.45, or 145.46 of the Revised Code, or section 9.02, article X, or article XI of the combined plan document.

(B) The dental and vision coverage offered by the system shall be administered consistent with health care coverage as follows: enrollment in the coverage as described in paragraphs (B), (D), and (E) of rule 145-4-30 of the Administrative Code and paragraph (D) of rule 145-4-62 of the Administrative Code; effective dates of coverage as described in rule 145-4-32 of the Administrative Code; and enrollment of dependents as described rules 145-4-30, 145-4-34, 145-4-36, 145-4-62, 145-4-62, and 145-4-66 of the Administrative Code; and payment of charges and disenrollment for nonpayment as described in rule 145-4-17 of the Administrative Code.

(C) The following provisions also apply to the dental and vision coverage offered by the system:

(1) The coverage shall be in effect for a calendar year.

(2) An individual enrolled in dental or vision coverage can voluntarily terminate the individual's enrollment in the coverage or a dependent's enrollment in the coverage only at the end of each calendar year by filing the notice of cancellation in a form and manner approved by the system during the annual open enrollment period.

(3) The system may require the automatic withholding of coverage premiums from the benefit paid to the enrolled individuals or, if necessary, may require the direct payment of premiums by the individual to the system or the third party administrator(s).

(D) The retirement system shall offer continuation coverage, as applicable, in accordance with the requirements of the Consolidated Omnibus Budget and Reconciliation Act of 1985 ("COBRA"), 42 U.S.C.A. 300gg-1.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Rule Amplifies:	145.58, 145.584
Prior Effective Dates:	01/01/2015, 01/01/2016, 01/01/2019, 01/01/2021

145-4-27 **Health reimbursement arrangement.**

(A) As used in this rule:

(1) "Health reimbursement arrangement" or "HRA" means the public employees retirement system of Ohio health reimbursement arrangement plan, effective November 1, 2021, funded by the 115 trust or such other funding vehicle or mechanism established by the retirement system, from which the reimbursement of qualifying medical expenses may be made. The HRA may have component plans as determined by the public employees retirement board. The text of the public employees retirement system of Ohio health reimbursement arrangement plan shall not be incorporated into this or any other rule of the Administrative Code. The current version is available at www.opers.org.

(2) "Pre-Medicare health reimbursement arrangement" or "PMCR" means the public employees retirement system of Ohio pre-medicare health reimbursement arrangement plan, a component plan of the HRA, effective November 1, 2021, funded by the 115 trust or such other funding vehicle or mechanism established by the retirement system, from which the reimbursement of qualifying medical expenses may be made. The text of the public employees retirement system of Ohio pre-medicare health reimbursement arrangement plan shall not be incoporated into this or any other rule of the Administrative Code. The current version is available at www. opers.org.

(3) "Medicare health reimbursement arrangement" or "MCR" means the public employees retirement system of Ohio medicare health reimbursement arrangement plan, a component plan of the HRA, effective October 1, 2015, and restated January 1, 2022, funded by the 115 trust or such other funding vehicle or mechanism established by the retirement system, from which the reimbursement of qualifying medical expenses may be made. The text of the public employees retirement system of Ohio medicare health reimbursement arrangement plan shall not be incorporated into this or any other rule of the Administrative Code. The current version is available at www. opers.org.

(4) "Monthly health care allowance" or "monthly allowance" means the monthly amount that is allocated to each individual enrolled in the HRA. The monthly allowance shall be determined by the board and offered in the form of a notional credit to the health reimbursement arrangement consistent with the provisions of that plan.

(5) "Qualified years of employer contributions" shall mean years of employer contributions and the years purchased or transferred under section 145.295, 145.2911, or 145.37 of the Revised Code that, if earned or obtained in the public

employees retirement system, would be the equivalent of the years of employer contributions. Qualified years of employer contributions do not include the contributions that are the basis of a lump sum pursuant to division (I)(2)(b) or (I)(3)(b) of section 145.332 of the Revised Code, unless the lump sum is issued pursuant to division (N)(3) of section 145.332 of the Revised Code.

(6) "Years of employer contributions" means the years or portions of a year for which the member's employer contributed to the public empoyees retirement system under section 145.302, 145.48, or 145.483 of the Revised Code, section 3.02 of the combined plan document, or article VI of the combined or member-directed plan document. Beginning January 1, 2014, "years of employer contributions" means the years or portions of a year described in this paragraph for which the member's monthly earnable salary on and after January 1, 2014, is one thousand dollars or greater.

(B) Except as provided in this rule, the rights of an individual participating in the PMCR or MCR to a monthly allowance or to reimbursement under the PMCR or MCR, including eligibility to participate and coordination of coverage, shall be governed exclusively by the provisions of the health reimbursement arrangement plans described in paragraphs (A)(2) or (3) of this rule.

(1) Eligibility to participate shall be set by the board and described in the PMCR and MCR and shall be based upon qualified years of employer contibutions, age, and medicare eligibility. The board shall set the minimum required qualified years of employer contibutions subject to the following:

(a) Except as provided in paragraph (B)(1)(c) of this rule, the board shall require at least ten years of service credit, as described in paragraph (A)(1) of former rule 145-4-06 of the Administrative Code, for individuals with a benefit effective date prior to January 1, 2015.

(b) Except as provided in paragraph (B)(1)(c) of this rule, the board shall not set the minimum required qualified years of employer contributions below twenty years of qualified years of employer contributions for individuals with a benefit effective date on or after January 1, 2015.

(c) The following individuals shall not be subject to the requirements of (B)(1)(a) and (b) of this rule:

(i) A disability benefit recipient with a benefit effective date prior to January 1, 2014;

(ii) A disability benefit recipient with a benefit effective date on or after Januray 1, 2014, who has been receiving disability benefits for less than five years;

(iii) A disability benefit recipient that is eligible for medicare prior to age 65 on the basis of disability.

(C) For purposes of determining eligibility, the retirement system shall aggregate years of employer contributions earned and purchased in both the traditional pension plan and the combined plan if both of the following apply:

(1) The member is eligible to retire independently from both the traditional pension plan and the combined plan;

(2) The member applies for retirement under both the traditional pension plan and the combined plan with the same effective date of benefits under both plans.

(D) Any person eligible to receive a monthly allowance or reimbursement under the PMCR or MCR shall inform the retirement system, in writing, not later than thirty days after the person no longer meets the requirements of the health reimbursement arrangement plans described in paragraphs (A)(2) or (3) of this rule.

Effective:

Five Year Review (FYR) Dates:

Certification

Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58

TO BE RESCINDED

145-4-30 **Pre-medicare coverage sponsored by the system.**

(A) This rule applies to health care coverage sponsored by the Ohio public employees retirement system to eligible recipients and dependents who are not yet eligible for coverage under medicare. Health care coverage for an eligible primary benefit recipient may be available upon application on a form provided by the public employees retirement system. A primary benefit recipient may enroll an eligible dependent as defined in rule 145-4-09 of the Administrative Code. Except as provided in paragraph (G) of this rule, eligibility for coverage described in this rule terminates upon the individual's attainment of eligibility for coverage under medicare.

(B)

(1) Except as provided in this paragraph, applications for health care coverage must be received by the public employees retirement system not later than thirty days after the benefit recipient's initial benefit payment. During this thirty-day period, the applicant may make one change to the filed application. If the application is received more than thirty days after the initial benefit payment or the benefit recipient fails to file an application within that period, the benefit recipient shall be treated as described in paragraph (E) of this rule.

(2) The system may accept and process an application received more than thirty days after the benefit recipient's initial benefit payment if either of the following occur:

(a) The system determines that a physical or mental incapacity prevented the benefit recipient from making application within the initial thirty-day benefit period. The effective date of coverage shall be determined in accordance with rule 145-4-32 of the Administrative Code.

(b) The benefit recipient did not apply for coverage and later submits an application due to involuntary termination of coverage under another group plan. The benefit recipient shall submit the application within thirty-one days of the involuntary termination together with proof of such termination.

(C) Upon the recommendation of the actuary retained by the board, the board shall determine annually the portion of the self-supporting rate it may pay for eligible benefit recipients and eligible dependents enrolled in health care coverage.

(D) An ineligible individual, as defined in rule 145-4-06 of the Administrative Code, may remain enrolled in a health care plan administered by a third party health care

administrator(s). Such ineligible individual shall pay all required premiums directly to the health care administrator in the time and manner prescribed by the third party health care administrator. New enrollments to this plan shall not be permitted on or after January 1, 2014. Except to the extent required under paragraph (I) of this rule, the retirement system shall not be responsible for any premiums, claims, or withholding of premiums for such health care plan.

(E)

(1) An eligible benefit recipient may defer enrollment in health care coverage. The deferral applies to both the benefit recipient and the benefit recipient's dependents.

(2) A benefit recipient who is described in paragraph (E)(1) of this rule or who waived coverage under a version of this rule in effect prior to January 1, 2014, may enroll by filing an application for enrollment in health care coverage during one of the following:

(a) The annual open enrollment period for health care coverage, except that the deferral or waiver remains effective until January first of the next year;

(b) Within sixty days of involuntary termination of coverage under another group plan, and with proof of such termination.

(F) An individual who is eligible for health care coverage from more than one benefit may not enroll for health care coverage simultaneously under more than one benefit.

(G)

(1) Except as provided in paragraph (G)(2) of this rule and regardless of the reason for eligibility, all enrolled benefit recipients and dependents shall enroll in medicare parts A and B at the benefit recipient or eligible dependent's first eligible date.

(2) A benefit recipient or dependent approved for early medicare coverage shall enroll in and provide the retirement system with evidence of the medicare coverage not later than thirty days after the recipient is notified of coverage by the centers for medicare and medicaid services. The system may cover or coordinate the benefit recipient's retroactive claims with medicare and continue the coverage or coordination for not more than four months following the date the recipient was notified of coverage by the centers for medicare and medicaid services.

When the coordination period described in this paragraph or other medicare coordination period required for end-stage renal disease expires, the benefit

recipient is no longer eligible for participation in pre-medicare coverage sponsored by the retirement system and may be eligible to participate in the plans described in paragraph (C) or (D) of rule 145-4-60 of the Administrative Code.

(H) The retirement system shall offer continuation coverage, as applicable, in accordance with the requirements of the Consolidated Omnibus Budget and Reconciliation Act of 1985 ("COBRA"), 42 United States Code 300gg-1.

(I) Benefit recipients under this rule are not eligible for coverage during any period of benefit suspension or forfeiture.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

Certification

Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58, 145.584
Prior Effective Dates:	08/20/1976, 12/09/1988, 04/01/1993, 06/29/1996, 05/04/2000, 10/09/2000, 03/22/2002, 08/08/2002, 01/01/2003, 04/15/2004, 01/01/2005, 01/01/2007, 01/01/2009, 01/01/2011, 01/01/2012, 09/10/2012, 12/10/2012, 01/07/2013 (Emer.), 03/24/2013, 01/01/2014, 01/01/2015, 01/01/2016, 09/01/2017, 01/01/2019

TO BE RESCINDED

145-4-32 **Effective date of pre-medicare health care coverage.**

(A) Except as otherwise provided in this rule or rule 145-4-30 of the Administrative Code, the effective date of health care coverage shall be the later of the following:

(1) The effective benefit date of the benefit that is the basis of the health care coverage, or

(2) The first day of the month during which an application for the benefit is received by the public employees retirement system.

(B) For benefit receipients of survivor benefits under section 145.45 of the Revised Code and article XI of the combined plan document, the effective date of health care coverage shall be the effective date of the survivor benefit, but shall not exceed more than one year prior to the date on which the system receives an application for enrollment in health care coverage.

(C) If the retirement system or health care administrator has not paid claims for health care coverage for an eligible benefit recipient or eligible dependent, the benefit recipient may elect an effective date of health care coverage that is after the date described in paragraph (A) of this rule but is not later than thirty days after the initial benefit payment. An election under this paragraph shall be made not later than thirty days after the initial benefit payment.

(D) The effective date of health care coverage shall be on the first day of a month.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58
Prior Effective Dates:	08/20/1976, 12/09/1988, 04/01/1993, 06/29/1996, 05/04/2000, 10/09/2000, 03/22/2002, 08/08/2002, 01/01/2003, 04/15/2004, 01/01/2005, 01/01/2007, 01/01/2012, 12/10/2012, 01/01/2016, 09/01/2017

TO BE RESCINDED

145-4-34 **Eligibility for pre-medicare health care coverage for the dependents and survivors of this system's members and retirants.**

(A) Health care coverage may be available to an eligible survivor benefit recipient or an eligible dependent upon application on a form provided by the public employees retirement system.

(B) An eligible survivor benefit recipient may enroll in health care coverage if the survivor benefit recipient is an eligible dependent, as defined in rule 145-4-09 of the Administrative Code.

(C) The primary benefit recipient, or surviving spouse of an age and service retirant or member, who is enrolled in health care coverage or participating in the health reimbursement arrangement, may enroll an eligible dependent in pre-medicare health care coverage while the dependent continues to be eligible under this rule and rule 145-4-09 of the Administrative Code. A survivor benefit recipient who is a surviving child of the member may enroll in health care coverage regardless of a surviving spouse's enrollment, provided the child continues to be eligible under this rule and rule 145-4-09 of the Administrative Code.

(D) A spouse of a primary benefit recipient shall cease to be eligible for health care coverage on the first day of the month following the date of the final decree of divorce or dissolution from the primary benefit recipient.

(E) An eligible dependent described in paragraph (B) of rule 145-4-09 of the Administrative Code shall cease to be eligible for health care coverage on the first day of the month following the dependent's twenty-sixth birthday. An eligible dependent described in paragraph (C) of rule 145-4-09 of the Administrative Code shall cease to be eligible for health care coverage on the first day of the month following the eighteenth birthday of the primary benefit recipient's child who is the parent of the primary benefit recipient's enrolled grandchild.

(F) Upon the death of a primary benefit recipient, any individual who would have been treated as an eligible dependent of the primary benefit recipient but for the recipient's death shall be treated as an eligible dependent of the primary benefit recipient for purposes of this chapter until the individual reaches the age limitation set forth in rule 145-4-09 of the Administrative Code.

(G) A benefit recipient shall inform the retirement system, in writing, not later than thirty days after an eligible dependent no longer meets the requirements of this rule.

(H) The retirement system may require a benefit recipient to certify the status of an individual as an eligible dependent for purposes of health care coverage. Failure to provide certification within sixty days of the request by the retirement system shall result in the denial or withdrawal of health care coverage for such individual until the next annual health care open enrollment period.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58
Prior Effective Dates:	01/01/2005, 10/27/2006, 01/01/2009, 01/01/2011, 01/01/2015, 01/01/2016

ACTION: Original

DATE: 09/30/2021 9:13 AM

TO BE RESCINDED

145-4-36 **Enrollment of eligible dependents outside of open enrollment period.**

(A) A benefit recipient may enroll an eligible dependent in pre-medicare health care coverage at any time outside of the annual health care open enrollment period if any of the following apply:

(1) The primary benefit recipient may enroll a new spouse upon marriage;

(2) The benefit recipient may enroll an eligible child upon the birth or adoption of that child;

(3) The benefit recipient may enroll an eligible dependent who has involuntarily lost health care coverage from another source;

(4) The primary benefit recipient is ordered to enroll a child pursuant to a national medical support order;

(5) The dependent first achieves an eligibility threshold described in rule 145-4-09 of the Administrative Code.

(B) Enrollment of an eligible dependent under this rule shall be made on an application provided by the public employees retirement system and must be received not later than sixty days after of the occurrence of the event described in paragraph (A) of this rule.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58
Prior Effective Dates:	01/01/2007, 01/01/2011, 01/01/2015, 01/01/2016

TO BE RESCINDED

145-4-38 **Reenrollment following voluntary termination of pre-medicare health care coverage.**

(A) An eligible benefit recipient enrolled in health care coverage under rule 145-4-30 of the Administrative Code may voluntarily terminate coverage. The termination of coverage applies to both the benefit recipient and the benefit recipient's dependents. The effective date of the termination of coverage shall be determined as follows:

(1) If the termination of coverage is received by the retirement system not later than thirty days after issuance of the initial benefit payment and the public employees retirement system has not paid claims for health care coverage of the benefit recipient or dependent, the termination is effective on the effective date of benefits. The benefit recipient shall be treated as an individual who did not enroll in coverage under paragraph (E)(1) of rule 145-4-30 of the Administrative Code.

(2) If the termination of coverage is received by the retirement system more than thirty days after the issuance of the initial benefit payment, the termination is effective on the first day of the month following receipt of the termination.

(B) A benefit recipient who voluntarily terminated coverage as described in paragraph (A) of this rule on or after January 1, 2014, may reenroll in coverage by one of the following actions:

(1) During the annual open enrollment period, the benefit recipient applies for health care coverage and provides proof of creditable coverage in another health care plan that is effective at the time of application; or

(2) Within sixty days of involuntary termination of health care coverage under another plan, the benefit recipient submits and application for health care coverage and provides proof of creditable coverage in the prior plan.

(C) This rule does not apply to any of the following:

(1) A benefit recipient whose disenrollment occurred under rule 145-4-17 of the Administrative Code;

(2) A benefit recipient whose health care coverage has been suspended for failure to submit the documentation necessary to administer the individual's enrollment in the coverage.

(3) A benefit recipient who is eligible for medicare.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58, 145.584
Prior Effective Dates:	01/01/2014 (Emer.), 01/10/2014, 01/01/2016, 09/01/2017, 01/01/2019

TO BE RESCINDED

145-4-40 **Pre-medicare health care coverage during public employment.**

(A) Public employer and other coverage available

(1) A public employer that employs a primary benefit recipient shall provide health care coverage for such benefit recipient consistent with the provisions of section 145.38 of the Revised Code. At the time the employer provides notice of employment under section 145.38 of the Revised Code, the employer shall also notify the public employees retirement system of the status of health care coverage for the employed benefit recipient.

(2) If the primary benefit recipient should be covered under the employer's health care plan as required by section 145.38 of the Revised Code but fails to enroll in the employer's health care plan or other comparable coverage, the recipient is ineligible to participate in a plan provided by the retirement system during public employment.

(3) If the benefit recipient is covered under the public employer's health care coverage or other comparable coverage, this system's coverage shall pay only the remaining medical claims cost not paid or reimbursed by the comparable or employer's coverage, up to the systems's limits in coverage.

(B) The retirement system may offer health care coverage for pre-medicare benefit recipients during public employment. The benefit recipient shall apply for coverage on a form provided by the retirement system and received by the retirement system not later than sixty days after public employment commences. If applicable, a primary benefit recipient must provide evidence of enrollment in the employer's or other comparable coverage. A benefit recipient enrolled in the coverage described in this paragraph may enroll an eligible dependent in the appropriate coverage determined by the retirement system.

(C)

(1) An eligible benefit recipient may defer enrollment in health care coverage under paragraph (B) of this rule. The deferral applies to both the benefit recipient and the benefit recipient's dependents.

(2) A benefit recipient who is described in paragraph (C)(1) of this rule may enroll by filing an application for enrollment in health care coverage during one of the following:

(a) The annual open enrollment period for health care coverage, except that the deferral or waiver remains effective until January first of the next year;

(b) Within sixty days of involuntary termination of coverage under another group plan, and with proof of such termination.

(D) In all other regards, the coverage provided under this rule shall be administered substantially similar to other pre-medicare coverage sponsored by the retirement system and may differ or coordinate with such coverage as determined by the retirement system. For enrolled recipients, the retirement system shall transfer enrollment to the coverage described in rule 145-4-30 of the Administrative Code effective the first day of the month following termination of the public employment.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.38, 145.58, 145.584
Prior Effective Dates:	09/01/2017, 01/01/2019

TO BE RESCINDED

145-4-60 **Plans offered to medicare-eligible benefit recipients.**

(A) Rules 145-4-60 to 145-4-68 of the Administrative Code apply to the plans sponsored by the public employees retirement system and offered to medicare-eligible benefit recipients and their dependents.

(B) "Public employee" and "public employer" have the same meanings as in section 145.01 of the Revised Code.

(C) Upon a benefit recipient or dependent becoming eligible for medicare, the system may provide an eligible benefit recipient with access to a monthly allowance through a health reimbursement arrangement account. A benefit recipient who is a public employee shall not participate in the health reimbursement arrangement sponsored by the system during any month that the recipient is a public employee.

(D) The system may provide to a medicare-eligible benefit recipient who is a public employee health care coverage that pays secondary to medicare as described in rules 145-4-62 to 145-4-68 of the Administrative Code. In its sole discretion, the system may also make this coverage available on a temporary basis to eligible benefit recipients who are not public employees until such time as the benefit recipient : (1) begins participation in the health reimbursement arrangement or (2) becomes medicare-eligible following a medicare coordination period.

(E) Medicare-eligible benefit recipients are not eligible for coverage or allowances described in paragraph (C) or (D) of this rule during any period of benefit suspension or forfeiture.

(F) The retirement system shall offer continuation coverage, as applicable, in accordance with the requirements of the Consolidated Omnibus Budget and Reconciliation Act of 1985 ("COBRA"), 42 United States Code 300gg-1.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58, 145.584
Prior Effective Dates:	01/01/2016, 09/01/2017, 01/01/2019

TO BE RESCINDED

145-4-62 **Coverage for medicare-eligible benefit recipient during public employment.**

(A) Public employer or other coverage

(1) As used in section 145.38 of the Revised Code, "comparable coverage" does not include medicare coverage.

(2) A public employer that employs a primary benefit recipient shall provide health care coverage for such benefit recipient consistent with the provisions of section 145.38 of the Revised Code. At the time the employer provides notice of employment under section 145.38 of the Revised Code, the employer shall also notify the retirement system of the status of health care coverage for the employed benefit recipient.

(3) If the benefit recipient is covered under the public employer's health care coverage and the benefit recipient is also enrolled in coverage that pays secondary to medicare that is sponsored by the public employees retirement system, this system's coverage shall pay only the remaining medical claims costs not paid or reimbursed by the employer's coverage or medicare up to the system's limits in coverage.

(B) Except as provided in rule 145-4-68 of the Administrative Code, this system's health care coverage that pays secondary to medicare may be available to medicare-eligible benefit recipients who are public employees upon application on a form provided by the system and received by the system not later than sixty days after public employment commences. A primary benefit recipient enrolled in the coverage described in this paragraph may enroll an eligible dependent as defined in rule 145-4-09 of the Administrative Code.

(C) Upon the recommendation of the actuary retained by the board, the board shall determine annually the portion of the self-supporting rate it may pay for eligible benefit recipients and eligible dependents enrolled in health care coverage described in paragraph (B) of this rule.

(D)

(1) An eligible benefit recipient may defer enrollment in health care coverage under paragraph (B) of this rule. The deferral applies to both the benefit recipient and the benefit recipient's dependents

(2) A benefit recipient who is described in paragraph (E)(1) of this rule may enroll by filing an application for enrollment in health care coverage during one of the following:

(a) The annual open enrollment period for health care coverage, except that the deferral or waiver remains effective until January first of the next year;

(b) Within sixty days of involuntary termination of coverage under another group plan, and with proof of such termination.

(E) Except as provided in rule 145-4-68 of the Administrative Code, a benefit recipient is eligible for the health care coverage described in this rule while the recipient is a public employee. Eligibility for this coverage shall extend through the earlier of thirty days after the date a benefit recipient is notified of ineligibility for this coverage due to termination of public employment or the benefit recipient is a participant in the health reimbursement arrangement. The benefit recipient is eligible for participation in the health reimbursement arrangement on the first day of the month following termination of public employment.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.38, 145.58, 145.584
Prior Effective Dates:	01/01/2016, 01/01/2019

TO BE RESCINDED

145-4-64 **Eligibility for health care coverage for the medicare-eligible dependents and survivors of this system's members and retirants during public employment.**

(A) Except as provided in rule 145-4-68 of the Administrative Code, the health care coverage described in paragraph (B) of rule 145-4-62 of the Administrative Code may be available to medicare-eligible survivor benefit recipients who are public employees upon application on a form provided by the system and received by the system not later than sixty days after public employment commences.

(B) The primary benefit recipient, or surviving spouse of an age and service retirant or member, who is enrolled in the health care coverage described in paragraph (A) of this rule, may enroll an eligible dependent in the coverage while the dependent continues to be eligible under rule 145-4-09 of the Administrative Code.

(C) A spouse of a primary benefit recipient shall cease to be eligible for health care coverage on the first day of the month following the date of the final decree of divorce or dissolution from the primary benefit recipient.

(D) An eligible dependent described in paragraph (B) of rule 145-4-09 of the Administrative Code shall cease to be eligible for health care coverage on the first day of the month following the dependent's twenty-sixth birthday. An eligible dependent described in paragraph (C) of rule 145-4-09 of the Administrative Code shall cease to be eligible for health care coverage on the first day of the month following the eighteenth birthday of the primary benefit recipient's child who is the parent of the primary benefit recipient's enrolled grandchild.

(E) Upon the death of a primary benefit recipient, any individual who would have been treated as an eligible dependent of the primary benefit recipient but for the recipient's death shall be treated as an eligible dependent of the primary benefit recipient for purposes of this chapter until the individual reaches the age limitation set forth in rule 145-4-09 of the Administrative Code.

(F) A benefit recipient shall inform the retirement system, in writing, not later than thirty days after an eligible dependent no longer meets the requirements of this rule.

(G) The retirement system may require a benefit recipient to certify the status of an individual as an eligible dependent for purposes of health care coverage. Failure to provide certification within sixty days of the request by the retirement system shall result in the denial or withdrawal of health care coverage for such individual until the next annual health care open enrollment period.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58, 145.584
Prior Effective Dates:	01/01/2016

TO BE RESCINDED

145-4-66 **Enrollment of eligible dependents outside of open enrollment period.**

(A) A benefit recipient enrolled in coverage described in paragraph (B) of rule 145-4-62 of the Administrative Code may enroll an eligible dependent in health care coverage at any time outside of the annual health care open enrollment period if any of the following apply:

(1) The primary benefit recipient may enroll a new spouse upon marriage;

(2) The benefit recipient may enroll an eligible child upon the birth or adoption of that child;

(3) The benefit recipient may enroll an eligible dependent who has involuntarily lost health care coverage from another source;

(4) The primary benefit recipient is ordered to enroll a child pursuant to a national medical support order;

(5) The dependent first achieves an eligibility threshold described in rule 145-4-09 of the Administrative Code.

(B) Enrollment of an eligible dependent under this rule shall be made on an application provided by the public employees retirement system and must be received not later than sixty days after of the occurrence of the event described in paragraph (A) of this rule.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58
Prior Effective Dates:	01/01/2016

TO BE RESCINDED

145-4-68 **Return to HRA following termination of public employment and reenrollment.**

Regardless of the coverage options exercised by a benefit recipient during a period of public employment, a benefit recipient who terminated public employment, became eligible for participation in the health reimbursement arrangement, and entered a second period of public employment during the same plan year shall not be eligible for participation in the health reimbursement arrangement for the remainder of the plan year.

If eligible, such benefit recipient may enroll in or remain enrolled in the coverage described in paragraph (B) of rule 145-4-62 of the Administrative Code until the later of the end of the plan year or termination of public employment, at which time the recipient is eligible for participation in the health reimbursement arrangement.

Effective:

Five Year Review (FYR) Dates: 9/30/2021

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58, 145.584
Prior Effective Dates:	01/01/2016

ACTION: Original

DATE: 09/30/2021 9:13 AM

TO BE RESCINDED

145-4-69 **Reenrollment following voluntary termination of health care coverage for medicare-eligible benefit recipients.**

(A) An eligible benefit recipient enrolled in health care coverage under paragraph (D) of rule 145-4-60 of the Adminstrative Code may voluntarily terminate coverage. The termination of coverage applies to both the benefit recipient and the benefit recipient's dependents. The effective date of the termination of coverage shall be determined as follows:

(1) If the termination of coverage is received by the retirement system not later than thirty days after issuance of the initial benefit payment and the public employees retirement system has not paid claims for health care coverage of the benefit recipient or dependent, the termination is effective on the effective date of benefits. The benefit recipient shall be treated as an individual who did not enroll in coverage under paragraph (D)(1) of rule 145-4-62 of Administrative Code.

(2) If the termination of coverage is received by the retirement system more than thirty days after the issuance of the initial benefit payment, the termination is effective on the first day of the month following receipt of the termination.

(B) A benefit recipient who voluntarily terminated coverage as described in paragraph (A) of this rule on or after January 1, 2014, may reenroll in coverage by one of the following actions:

(1) During the annual open enrollment period, the benefit recipient applies for health care coverage and provides proof of creditable coverage in another health care plan that is effective at the time of application; or

(2) Within sixty days of involuntary termination of health care coverage under another plan, the benefit recipient submits an application for health care coverage and provides proof of creditable coverage in the prior plan.

(C) This rule does not apply to any of the following:

(1) A benefit recipient whose disenrollment occurred under rule 145-4-17 of the Administrative Code;

(2) A benefit recipient whose health care coverage has been suspended for failure to submit the documentation necessary to administer the individual's enrollment in coverage.

Effective:

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Certification

Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58, 145.584
Prior Effective Dates:	01/01/2019

145-4-70 **Reimbursement of medicare part "A" premium.**

(A) The public employees retirement system shall make available to each eligible benefit recipient and spouse, in its sole discretion, one of the following: the coverage equivalent to medicare part A hospital coverage or an amount determined by the public employees retirement board to reimburse the premium of such coverage as described in section 145.584 of the Revised Code.

(B) If the board provides a reimbursement amount described in paragraph (A) of this rule, all of the following requirements shall be met:

(1) The benefit recipient or spouse provides proof of enrollment in medicare part A coverage in the form required by the system containing the medicare part A premium amount and effective date;

(2) The benefit recipient or spouse certifies to the retirement system that the premium amount is not reimbursed from another source;

(3) ~~One of the following are in effect: coverage described in paragraph (B) of rule 145-4-62 of the Administrative Code or a~~A medicare supplemental plan that is not sponsored by the system and that would allow for participation in the health reimbursement arrangement is in effect.

The reimbursement shall be effective in the month that all of the requirements of this paragraph are met.

(C) The retirement system shall not pay to an eligible benefit recipient or spouse more than one monthly medicare part A premium reimbursement for any month of enrollment in medicare part A or to an individual who is receiving more than one monthly retirement allowance from this system.

(D) The system shall annually request evidence of an eligible benefit recipient's or spouse's medicare part A enrollment and premium amount and may specify a deadline for receipt of such information. If an eligible benefit recipient or spouse fails to provide the requested information or certification by the specified deadline, the system may, following notice to the benefit recipient or spouse, suspend or cancel the premium reimbursement for any month that the certification is not received. Any reimbursement paid for which the benefit recipient or spouse was not eligible may be collected as provided in section 145.563 of the Revised Code.

Effective:

Five Year Review (FYR) Dates: 9/20/2023

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.584
Prior Effective Dates:	01/01/2016, 01/01/2019

145-4-72 **Reimbursement of medicare part "B" premium.**

(A) The public employees retirement board shall determine the monthly amount paid to reimburse for medicare part "B" coverage, if any. The amount paid shall be the following, except that the board shall make no payment that exceeds the amount paid by the recipient for the coverage:

(1) For calendar year 2013, ninety-six dollars and forty cents;

(2) For calendar year 2014, ninety-six dollars and forty cents;

(3) For calendar year 2015, sixty-three dollars and sixty-two cents;

(4) For calendar year 2016, thirty-one dollars and eighty-one cents;

(5) For calendar year 2017 and each year thereafter, zero.

(B) The amount described in paragraph (A) of this rule shall be reimbursed to an eligible benefit recipient in each monthly benefit payment when such benefit recipient submits both of the following:

(1) Proof of enrollment in and evidence of the premium amount paid for medicare part B coverage;

(2) Certification that the benefit recipient is not receiving reimbursement for the premium and that it is not being paid by any other source.

(C) Except as provided in paragraph (D) of this rule, the effective date for the reimbursement of the premium amount pursuant to division (C) of section 145.58 of the Revised Code and this rule shall be the later of:

(1) The effective date of medicare part B coverage;

(2) The first day of the month following receipt by the system of the information described in paragraph (B) of this rule.

(D) If the benefit recipient's initial benefit payment was issued not later than thirty days prior to receipt of the information described in paragraph (B) of this rule, the effective date for the reimbursement shall be the first day of the month following the later of:

(1) The effective date ~~of health care coverage under rule 145-4-04 or 145-4-62 of the Administrative Code or an allowance under paragraph (C)~~ of participation in the health reimbursement arrangement as defined in rule ~~145-4-60~~145-4-27 of the Administrative Code;

(2) The effective date of medicare part B coverage.

(E) The retirement system shall not pay more than one monthly medicare part B premium to an eligible benefit recipient who is receiving more than one monthly retirement allowance from this system.

(F) If a benefit recipient fails to certify the amount paid for medicare part B coverage, the board may, following notice to the benefit recipient, suspend the premium reimbursement for any month that certification is not received. The board shall not reimburse the benefit recipient for any period of suspension.

Effective:

Five Year Review (FYR) Dates: 9/20/2023

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Certification

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Date

Promulgated Under:	111.15
Statutory Authority:	145.09, 145.58
Rule Amplifies:	145.58
Prior Effective Dates:	08/20/1976, 09/06/1988, 03/22/2002, 01/01/2003, 01/01/2007, 01/01/2009, 04/05/2010, 01/07/2013 (Emer.), 03/24/2013, 01/01/2016