the portion of the refund used for that purchase and from the date of the refund to the date of repayment under division (I)(1) of this section for the portion of the refund not used for that purchase.

The interest shall be at the actuarial assumption rate of the fund at

the time of repayment or purchase, as applicable.

- (2) Upon receipt of the repayment, the fund shall immediately transfer to the public employees retirement system an amount equal to the former member's accumulated contributions AND PAYMENTS FOR CREDIT FOR SERVICE IN THE ARMED FORCES OF THE UNITED STATES, with interest compounded annually thereon as follows:
- (a) From the date the last contribution was made to the police and firemen's disability and pension fund to the date the transfer is made in the case of a former member who had not purchased credit for the service under former division (A)(1) of section 145.295 of the Revised Code as it existed before August 25, 1995;

(b) In the case of a former member who had used the entire amount of the refund to purchase credit for the service under former division (A)(1) of section 145.295 of the Revised Code as it existed before August 25, 1995, from the date the last contribution was made to the police and firemen's

disability and pension fund to the date of such purchase;

(c) In the case of a former member who had purchased credit for the service under former division (A)(1) of section 145.295 of the Revised Code, as it existed before August 25, 1995, using only a portion of the refund amount, from the date the last contribution was made to the police and firemen's disability and pension fund to the date of the purchase for the portion of the refund used for that purchase and from the date the last contribution was made to the date of transfer for the portion of the refund not used for that purchase.

The interest shall be at the actuarial assumption rate of the fund at the time of transfer or at the time of purchase under that former division, as applicable.

The fund shall certify to the public employees retirement system a copy of the records of the former member's service and contributions.

A former member of the fund who makes the repayment required under this division does not thereby become a member of the fund or have any of the rights, privileges, or member of the fund or have any of the rights, privileges, or member of the fund or have any of the rights, privileges, or obligations of membership.

Sec. 742.3720. As used in this section, "disability benefit recipient" means a member of the fund who is receiving a disability benefit pursuant to division (C)(2), (3), (4), or (5) of section 742.37 of the Revised Code.

(A) For purposes of this section, a disability benefit recipient shall be considered on leave of absence from the recipient's position of employment as a member of a police or fire department during the first three years following the effective date of the recipient's disability benefit, notwithstanding any contrary provisions in this chapter.

(B)(1) The board of trustees of the police and firemen's disability and pension fund may SHALL require a disability benefit recipient WHO

HAS BEEN A MEMBER OF THE FUND FOR LESS THAN TWEN-TY-FIVE YEARS AND HAS NOT ATTAINED AGE FORTY-EIGHT to undergo a AN ANNUAL medical examination at any time the board considers necessary, EXCEPT THAT THE BOARD MAY WAIVE THE MEDICAL EXAMINATION IF THE BOARD'S PHYSICIAN OR PHYSICIANS SPECIFY THAT THE RECIPIENT'S DISABILITY IS ONGOING. HE

- (2) THE BOARD MAY REQUIRE A DISABILITY BENEFIT RECIPIENT NOT DESCRIBED IN DIVISION (B)(1) OF THIS SECTION TO UNDERGO A MEDICAL EXAMINATION AT ANY TIME THE BOARD CONSIDERS NECESSARY.
- (3) IF a disability benefit recipient refuses to submit to a medical examination, the recipient's disability benefit shall be discontinued until the recipient withdraws the refusal. If the refusal continues for one year, all the recipient's rights under and to the disability benefit shall be forfeited.
- (C) The board shall select one or more physicians to conduct an THE MEDICAL examination required under this section. Upon completion of the examination, the physicians shall determine and certify to the board whether the disability benefit recipient is physically and mentally capable of resuming employment similar to that from which the recipient was found disabled, either as an employee or in another employment position in the public or private sector. If the board concurs in the report that the disability benefit recipient is so capable, the payment of the disability benefit shall be terminated ninety days after the date of the board's concurrence or upon employment as an employee, whichever is earlier. The board shall adopt rules establishing a procedure for appealing the board's concurrence in the physicians' report. If the leave of absence provided under this section has not expired, the board shall certify to the recipient's last employer before being found disabled that the recipient is capable of resuming service and, if the recipient requests, the employer shall restore the recipient to the previous position and salary or to a position and salary similar to it, with all previous rights, including civil service status.
- (D) The board shall adopt rules requiring each disability benefit recipient to file with the board an annual statement of earnings and current medical information on the recipient's health condition.

Sec. 742.45. (A) The board of trustees of the police and firemen's disability and pension fund may enter into an agreement with insurance companies, medical or health care corporations, health maintenance organizations, or government agencies authorized to do business in the state for issuance of a policy or contract of health, medical, hospital, or surgical benefits, or any combination thereof, for those persons INDIVIDUALS receiving service or disability pensions or survivor benefits subscribing to the plan. NOTWITHSTANDING

Notwithstanding any other provision of this chapter, the policy or contract may also include coverage for any eligible person's INDIVID-UAL'S spouse and dependent children and for such ANY of his THE