

**State Teachers Retirement  
System of Ohio  
Retiree Health Care  
Benefits Plan**

**Actuarial Valuation and  
GASB 74 and 75 Report  
as of June 30, 2025**

**Produced by Cheiron**

**December 2025**

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**STATE TEACHERS RETIREMENT SYSTEM OF OHIO  
ACTUARIAL VALUATION AND GASB 74/75 REPORTING  
FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION I – VALUATION SUMMARY**

## **Purpose of Valuation Report**

The State Teachers Retirement System of Ohio has engaged Cheiron to provide an analysis of its post-employment benefit liabilities as of June 30, 2025. The primary purposes of performing this actuarial valuation are to:

- Determine the Actuarially Determined Contribution (ADC) and the Net OPEB Liability (NOL) of the retiree health benefits using GASB 74 and 75 methodology under the current funding strategy for the current year,
- Provide disclosures for financial statements, and
- Provide projections for the ADC and Unfunded Actuarial Liability.

We have determined costs, liabilities, and trends for the substantive plan using actuarial assumptions and methods that we consider reasonable for the purpose of this report. This report has been prepared in accordance with Ohio Revised Code Section 3307.51(E), which requires the Board to have prepared annually a report giving a full accounting of the revenues and costs related to the provision of benefits under Section 3307.39 of the Revised Code.

Numbers in the tables in this report may not add up to the total due to rounding.

## **GASB’s OPEB Requirements**

GASB’s Statement 74 refers to the financial reporting for post-employment benefit plans other than pension plans, and Statement 75 refers to the employer accounting for these plans. Statement 74 is generally applicable where an entity has a separate trust or fund for OPEB benefits. We understand that the State Teachers Retirement System of Ohio (STRS Ohio) has a trust used to fund future OPEB obligations. The GASB No. 74 Statements are effective for the plan year ending June 30, 2017.

Statement 75, which was adopted in the Fiscal Year Ending (FYE) June 30, 2018, requires the employers to book the actuarial cost (net of employee, retiree, and their dependents’ contributions) of the Plan as an expense on its financial statements.

Additional disclosures required by GASB 74 and 75 include a description of the substantive plan, summary of significant accounting policies (which we have not included in this report), contributions, and a statement of funding progress, along with the methods and assumptions used for these disclosures. The GASB 74 and 75 valuation sections are provided in this report.

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**SECTION I – VALUATION SUMMARY**

**Key Valuation Results**

Table I-1 below summarizes the June 30, 2025 and June 30, 2024 actuarial valuation results.

<b>Table I-1 Summary of Key Valuation Results</b>		
<b>Valuation Date</b>	<b>June 30, 2025</b>	<b>June 30, 2024</b>
Discount Rate	7.00%	7.00%
<b>Actuarial Liability</b>		
Pre-Medicare in pay members	410,502,464	300,532,387
Medicare in pay members	<u>1,200,174,232</u>	<u>855,072,998</u>
<b>Current retirees, beneficiaries, and dependents</b>	<b>\$ 1,610,676,696</b>	<b>\$ 1,155,605,385</b>
Pre-Medicare active members	1,965,546,845	1,591,301,673
Medicare active members	<u>686,542,729</u>	<u>512,739,498</u>
<b>Current active members</b>	<b>\$ 2,652,089,574</b>	<b>\$ 2,104,041,171</b>
Pre-Medicare terminated members	10,264,159	8,518,348
Medicare terminated members	<u>3,260,318</u>	<u>1,713,141</u>
<b>Terminated members entitled but not yet eligible</b>	<b>\$ 13,524,477</b>	<b>\$ 10,231,489</b>
Pre-Medicare members	2,386,313,468	1,900,352,408
Medicare members	<u>1,889,977,279</u>	<u>1,369,525,637</u>
<b>Total Actuarial Liability</b>	<b>\$ 4,276,290,747</b>	<b>\$ 3,269,878,045</b>
Health care fund assets	5,488,071,202	5,166,687,016
<b>(Funding Surplus)</b>	<b>\$ (1,211,780,455)</b>	<b>\$ (1,896,808,971)</b>
Funded Ratio	128.34%	158.01%

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**Reconciliation of Actuarial Liability**

Table I-2 shows a reconciliation of the Actuarial Liability from the prior valuation to this valuation.

<b>Table I-2 Reconciliation of Actuarial Liability (\$ thousands)</b>	
<b>Actuarial Liability at June 30, 2024</b>	<b>\$ 3,269,878</b>
Normal Cost	75,534
Net Benefits paid throughout the year	(208,972)
Interest	226,865
Expected Actuarial Liability at June 30, 2025	<u>\$ 3,363,305</u>
<b>Actuarial Liability at June 30, 2025</b>	<b>4,276,291</b>
Actuarial Liability (Gain) or Loss	\$ 912,986
(Gain) or Loss due to:	
Census Changes	\$ 81,622
Premium Updates	(180,164)
Claims Updates	759,378
Plan Changes (Pension Eligibility & Subsidy Changes)	161,372
Assumption Changes	90,777
Total changes	<u>\$ 912,986</u>

The *expected value* is what the Actuarial Liability would have been had experience matched all the assumptions between the prior valuation and this valuation.

*Census Changes*: represents the impact of population changes between the prior valuation and this valuation.

*Premium & Claims Updates*: represent the impact of the difference between actual premiums and health care claims compared to projected costs using the assumptions from the prior valuation.

*Plan Changes*: refers to the Board’s decision to (1) temporarily change the eligibility for an unreduced and a reduced pension, and (2) align the health care subsidy reimbursement levels with the changes to pension eligibility.

*Assumption Changes*: refers to the change in the health care trend assumptions.

The census data, assumption changes, and plan provisions are described in the appendices to this report.

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**SECTION I – VALUATION SUMMARY**

**Plan Funding**

The ADC, calculated in Table I-3 below, is the recommended contribution to the Retiree Health Care Benefits Plan for the reporting period, determined in conformity with Actuarial Standards of Practice. The ADC calculation consists of adding the Normal Cost of the Plan to the amortization of the Unfunded Liability or Surplus. When the Plan is in a surplus position, as it is now, the surplus is amortized using an open 30-year amortization period calculated as a level percent of payroll. The ADC for June 30, 2025 was calculated to be greater than \$0 due to the normal cost being larger than the amortization of surplus.

<b>Table I-3</b>		
<b>Calculation of Actuarially Determined Contribution (ADC)</b>		
(\$ thousands)		
<b>For Fiscal Year Ending</b>	<b>June 30, 2026</b>	<b>June 30, 2025</b>
Normal cost	\$ 91,777	\$ 75,534
Amortization of Surplus	(66,507)	(104,103)
Interest adjustment	1,769	(2,000)
Total ADC (not less than \$0)	<u>\$ 27,039</u>	<u>\$ 0</u>
Projected payroll	\$ 13,976,767	\$ 13,657,640
ADC as a percentage of pay	0.19%	0.00%
Expected/Actual Net Benefit Payments	\$ 195,325	\$ 208,972

We note that the State Teachers Retirement System of Ohio Retiree Health Care Benefits Plan currently does not receive employer or employee contributions. Without contributions to the Plan, the Plan relies on investment returns to fund the payment of benefits into the future.

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**SECTION I – VALUATION SUMMARY**

**Summary of Plan Assets**

Table I-4 below summarizes the assets for the OPEB Trust as of June 30, 2025 and June 30, 2024. The actual return on assets for the period ending June 30, 2025 was 10.48%, which was more than the assumed rate of 7.00%.

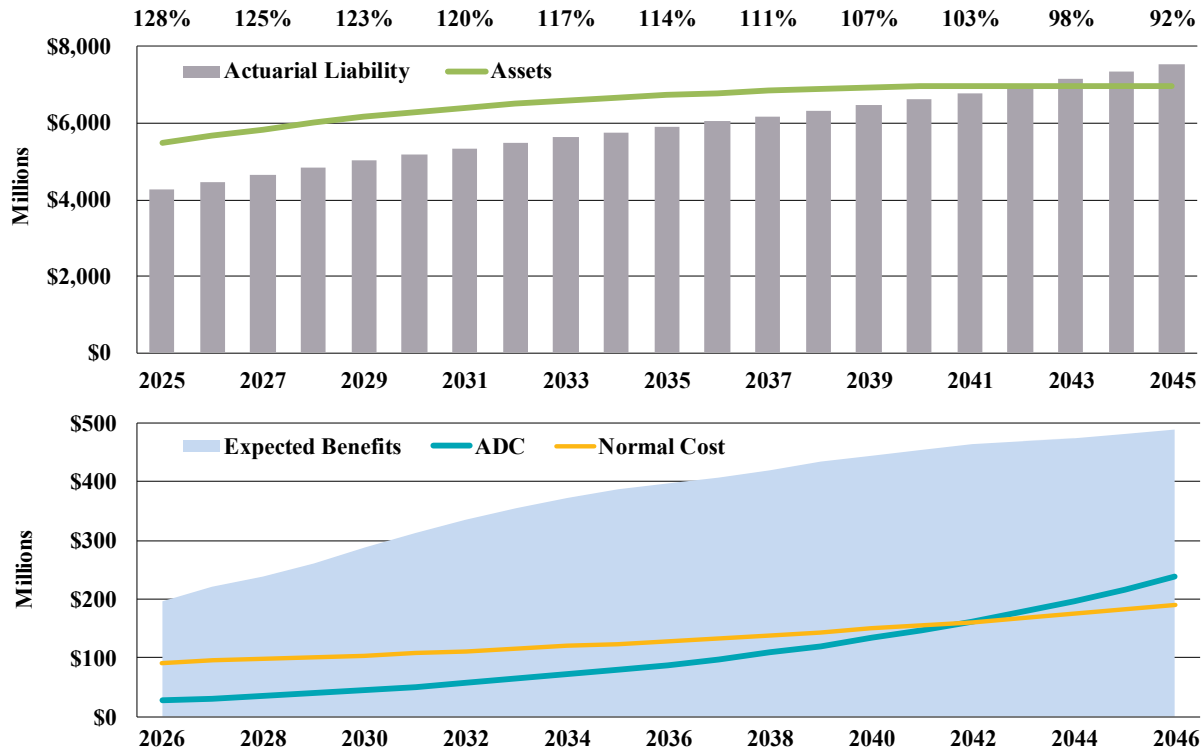
<b>Table I-4 Reconciliation of OPEB Assets</b>		
<b>Fiscal Year Ending</b>	<b>June 30, 2025</b>	<b>June 30, 2024</b>
<b>Additions</b>		
Contributions received		
Employer	\$ 0	\$ 0
Government reimbursements	148,074,327	91,899,603
Total contributions	\$ 148,074,327	\$ 91,899,603
Net investment income	533,000,000	476,300,000
Total Additions	\$ 681,074,327	\$ 568,199,603
<b>Deductions</b>		
Benefit Payments	\$ 491,870,878	\$ 333,468,650
Administrative expense	2,643,527	2,089,579
Benefit recipient healthcare premiums	(134,824,264)	(150,641,295)
Other	0	0
Total Deductions	\$ 359,690,141	\$ 184,916,934
<b>Net increase in net position</b>	<b>\$ 321,384,186</b>	<b>\$ 383,282,669</b>
<b>Net position restricted to OPEB</b>		
Beginning of Year	\$ 5,166,687,016	\$ 4,783,404,347
End of Year	\$ 5,488,071,202	\$ 5,166,687,016
<b>Asset return for the year</b>	<b>10.48%</b>	<b>10.01%</b>
<b>Development of Net Benefit Payments (from table above)</b>		
Benefit Payments	\$ 491,870,878	\$ 333,468,650
Government reimbursements	(148,074,327)	(91,899,603)
Benefit recipient healthcare premiums	(134,824,264)	(150,641,295)
<b>Net Benefit Payments</b>	<b>\$ 208,972,287</b>	<b>\$ 90,927,752</b>

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**SECTION I – VALUATION SUMMARY**

**Funding Projections – Asset Return 7.00% (Baseline Scenario)**

Looking beyond 2025, the charts below project the assets and liabilities and the funding costs for the next 20 years. The projection below assumes that no employer or employee contributions are made to the Plan. Without contributions to the Plan, the Plan relies on investment returns to fund the payment of benefits into the future. The projection also assumes the Plan earns 7.00% return each year over the entire period.



The top chart shows the projected Actuarial Liability (grey bars) increasing from \$4.3 billion to \$7.6 billion over the next 20 years. The green line projects the assets in the Plan increasing from \$5.5 billion to just under \$7.0 billion. The funding percentage is expected to decrease from 128% to 92% over the next 20 years.

The bottom chart shows the annual costs. Benefit payments, net of retiree contributions and including health-related administrative expenses, are shown by the light blue area and are projected to increase from \$195 million to \$488 million over the next 20 years. The benefit payments are based on an open group of active employees and include new entrants to the Plan. The yellow line represents the normal cost, or the cost of benefits accrued by active members during the year. The normal cost is projected to increase from \$92 million to \$190 million over the next 20 years. The ADC is projected to increase from \$27 million to \$237 million over the next 20 years, with the surplus / unfunded liability amortized using an open 30-year amortization period calculated as a level percent of payroll based on the Plan’s Funding Policy as of the Measurement Date.

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**SECTION I – VALUATION SUMMARY**

Table I-5 below provides the dollar amounts of the measures depicted in the charts on the previous page.

Table I-5 Expected Net Benefits, Assets, AL and ADC Funding Policy as of Measurement Date (\$ thousands)					
Valuation Date as of June 30,	Expected Market Value of Assets	Expected Actuarial Liability	Fiscal Year Ending June 30,	Expected Net Benefit Payments & Health-Related Administrative Expenses	Expected ADC
2025	\$ 5,488,071	\$ 4,276,291	2026	\$ 195,326	\$ 27,039
2026	5,670,190	4,471,786	2027	221,361	31,096
2027	5,838,126	4,657,307	2028	237,992	35,304
2028	6,000,614	4,841,785	2029	261,711	39,948
2029	6,149,940	5,017,994	2030	288,274	45,068
2030	6,282,243	5,182,602	2031	312,152	50,704
2031	6,399,108	5,337,773	2032	334,340	56,904
2032	6,501,201	5,484,804	2033	354,563	63,700
2033	6,589,523	5,625,365	2034	370,895	71,160
2034	6,667,133	5,763,265	2035	386,356	79,323
2035	6,734,182	5,899,446	2036	397,782	88,267
2036	6,794,105	6,038,225	2037	407,689	98,056
2037	6,847,976	6,181,629	2038	419,993	108,757
2038	6,892,890	6,327,788	2039	433,115	120,440
2039	6,927,375	6,476,341	2040	443,445	133,186

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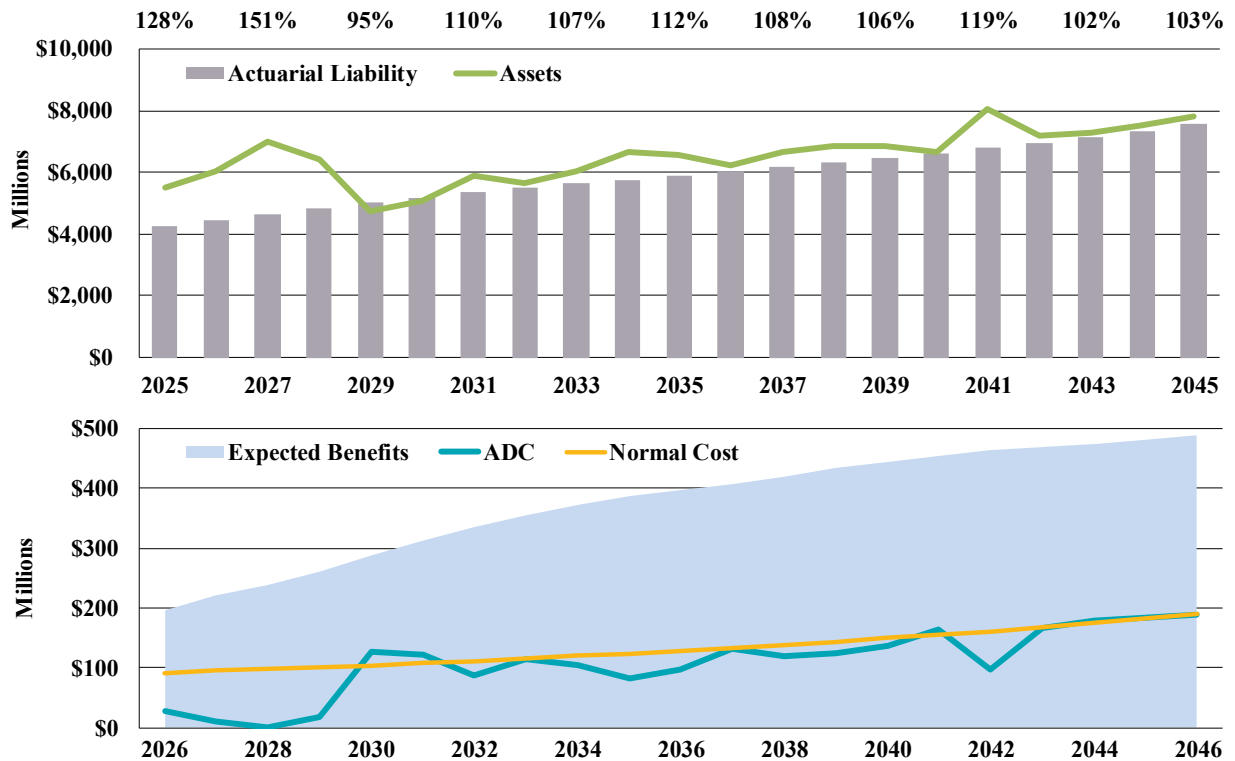
**SECTION I – VALUATION SUMMARY**

**Projected Trends – Variable Asset Returns**

As a demonstration of a single scenario of investment volatility, the following projection is included. This scenario is based on the STRS pension plan’s actual returns from July 1, 2005 to June 30, 2025. The annual returns used for this scenario are:

FYE	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Return	13.50%	20.60%	-5.60%	-22.00%	13.50%	22.50%	1.70%	13.50%	16.50%	5.20%
FYE	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Return	0.40%	14.10%	9.51%	6.59%	3.62%	29.04%	-5.40%	8.43%	10.01%	10.45%

The average return over this 20-year period was 7.71%. Projecting these varied returns for the next 20 years shows there can be significant swings in funded status. As with the baseline scenario, these projections assume that no employer or employee contributions are made to the plan.



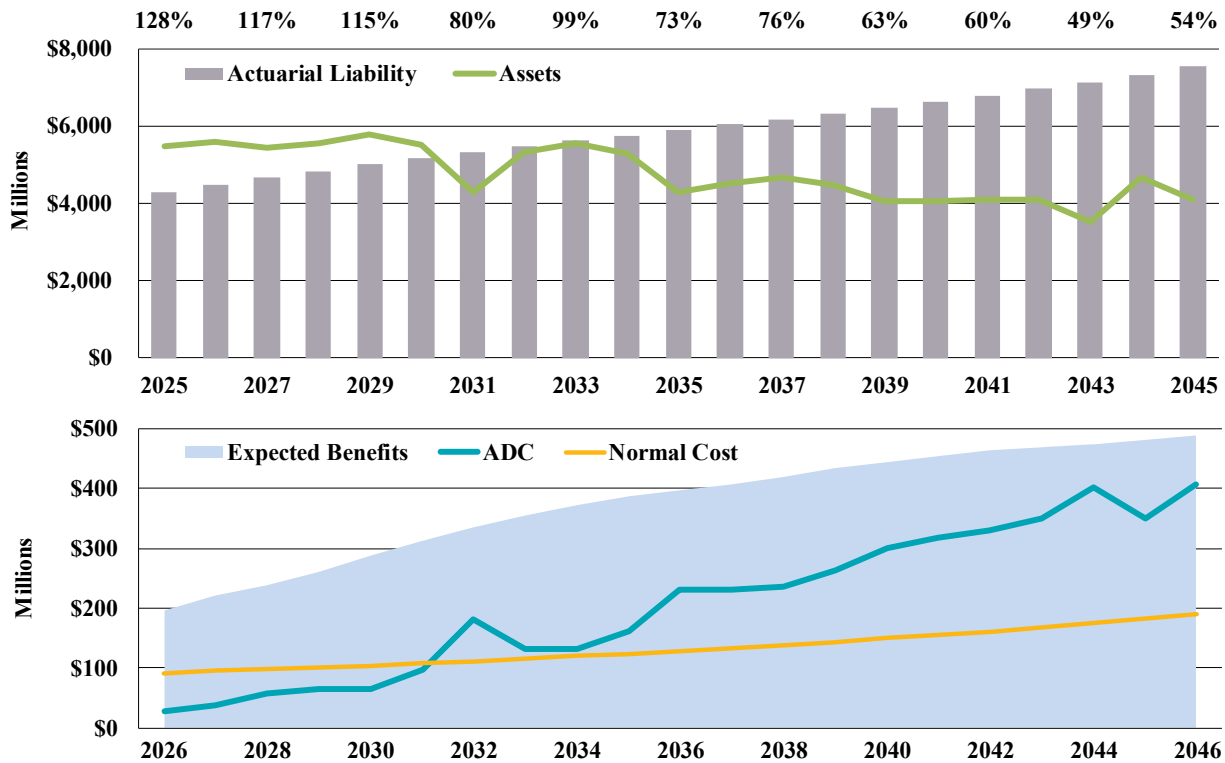
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Another scenario is based on the STRS pension plan’s actual returns July 1, 1965 to June 30, 1985. The annual returns used for this scenario are:

FYE	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Return	5.29%	1.56%	6.81%	9.01%	-0.03%	-17.15%	33.77%	11.31%	1.74%	-11.95%
FYE	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Return	15.70%	12.94%	4.70%	0.41%	11.60%	12.48%	11.50%	-2.76%	50.24%	-2.44%

The average return over this 20-year period was 6.86%. Projecting these varied returns for the next 20 years shows there can be significant swings in funded status. As with the baseline scenario, these projections assume that no employer or employee contributions are made to the plan.



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**SECTION II – GASB 74 AND 75 SUMMARY**

The purpose of the remainder of this report is to provide accounting and financial disclosure information under the Governmental Accounting Standards Board (GASB) Statement No. 74 and 75 for the Other Postemployment Benefits Plan provided by the State Teachers Retirement System of Ohio. This information includes:

- Determination of the discount rate as of June 30, 2025,
- Sensitivity of the Net OPEB Liability to changes in discount rates and health care cost trend rates,
- Note disclosures and required supplementary information under GASB 74 for the Plan, and
- Note disclosures and required supplementary information under GASB 75 for the collective employers.

**Highlights**

The OPEB Plan is currently funded in an OPEB trust. As a result, this report also contains disclosures required by GASB 74. The measurement date is June 30, 2025, which is used for the Plan’s GASB 74 reporting. The employers’ GASB 75 reporting as of June 30, 2026, is based on the June 30, 2025 measurement date. Measurements are based on the Total OPEB Liability and the fair value of assets as of June 30, 2025.

Table II-1 provides a summary of the key GASB 74/75 results during this measurement period.

<b>Table II-1</b>			
<b>Summary of Key Results</b>			
<b>Reporting Date under GASB 75</b>		<b>6/30/2026</b>	<b>6/30/2025</b>
<b>Reporting Date under GASB 74</b>		<b>6/30/2025</b>	<b>6/30/2024</b>
<b>Measurement Date under GASB 74 and 75</b>		<b>6/30/2025</b>	<b>6/30/2024</b>
Net OPEB Liability	\$	(1,211,780)	\$ (1,896,809)
Deferred Outflows		994,935	315,929
Deferred Inflows		1,015,674	1,141,304
Net Impact on Statement of Net Position	\$	(1,191,042)	\$ (1,071,434)
OPEB Expense (\$ Amount)	\$	(119,608)	\$ (413,392)
OPEB Expense (% of Payroll)		(0.88%)	(3.15%)

*Amounts in Thousands*

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**SECTION II – GASB 74 AND 75 SUMMARY**

As of the June 30, 2025 measurement date, the collective employers of the State Teachers Retirement System will report a Net OPEB Liability (NOL) of (\$1,211.8) million, Deferred Outflows of \$994.9 million, and Deferred Inflows of \$1,015.7 million. Consequently, the net impact on the State Teachers Retirement System’s collective employers’ statement of net position due to the Plan would be (\$1,191.0) million at the end of the reporting year. In addition, any contributions between the measurement date and the reporting date would be reported as Deferred Outflows of Resources to offset the cash outflows reported (although no additional contributions are expected).

For the measurement year ending June 30, 2025, the collective annual OPEB expense is (\$119.6) million or (0.88%) of covered-employee payroll. This amount reflects the employer’s contributions to the Plan during the measurement period, \$0, plus the change in the net impact on the collective employers’ statement of net position [ $(\$119.6) = \$0 + (\$1,191.0) - (\$1,071.4)$ ]. Volatility in OPEB expense from year to year is to be expected. A breakdown of the components of the net OPEB expense is shown in Section VI – GASB 75 Reporting Information of this report.

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**SECTION III – CERTIFICATION**

This report presents the most recent annual actuarial valuation as of June 30, 2025 and disclosure information under the Governmental Accounting Standards Board (GASB) Statement Nos. 74 and 75 for the Other Postemployment Benefits (OPEB) Plan provided by the State Teachers Retirement System of Ohio (STRS Ohio). This report has been prepared in accordance with Ohio Revised Code Section 3307.51(E), which requires the Board to have prepared annually a report giving a full accounting of the revenues and costs related to the provision of benefits under section 3307.39 of the Revised Code.

Included in the report are the following supporting schedules prepared by Cheiron to be included in the Financial and Actuarial Sections of the *Annual Comprehensive Financial Report*:

- Financial/Required Supplementary Information
  - Schedule of Changes in Employers’ Net OPEB Liability
  - Schedule of Employers’ Net OPEB Liability
  - Schedule of Employers’ Contributions – OPEB
  - Notes to Required Supplementary Information – OPEB
  - Sensitivity of the Net OPEB Liability to the Discount Rate and Trend Rate Assumptions
  
- Actuarial
  - Health Care Solvency Test
  - Schedule of Valuation Data – Active Members
  - Schedule of Valuation Data – Benefit Recipients
  - Benefit Recipients Added to and Removed from the Rolls
  - Summary of Membership Data
  - Health Care Cost Trends Rates

In preparing our report, we relied on information (some oral and some written) supplied by STRS Ohio. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23. Future actuarial measurements may differ significantly from the current measurements due to such factors as the following: plan experience differing from that anticipated by the assumptions, changes in assumptions, and changes in plan provisions or applicable law. While this report reflects the estimated impact on 2026 benefit recoveries and administrative costs due to the Inflation Reduction Act (IRA), it does not reflect any IRA related future changes beyond that year.

We certify that this report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. In particular, the assumptions and

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methods used for funding purposes meet the requirements of the Actuarial Standards of Practice, in particular Standards Nos. 6, 27, and 44. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

This report is for the use of STRS Ohio and its auditors in preparing financial reports in accordance with applicable law and accounting requirements. This report is not appropriate for other purposes. Other users of this report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to such other users.



Daniel J. Rhodes, FSA, MAAA  
Principal Consulting Actuary



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Consulting Actuary

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**SECTION IV – DETERMINATION OF DISCOUNT RATE**

The discount rate as of June 30, 2025 is 7.00%, which is the assumed long-term expected rate of return on plan investments. Projections of the Plan’s Fiduciary Net Position have indicated that it is expected to be sufficient to make projected benefit payments for current plan members following the procedures described in paragraphs 48-53 of GASB Statement 74. As such, the single rate of return, as required by the Statement, is equal to the long-term expected rate of return on the Plan’s assets, which is 7.00%. The prior year’s discount rate was 7.00% based on the assumed long-term expected rate of return on plan investments of 7.00%.

In developing the projection of cash flows used to determine the discount rate, we assumed that no employer or employee contributions would go into the Health Care Fund. Projections indicate that all future net claims will be covered by current plan assets and trust fund earnings on investments. The expected return on the fiduciary net position is assumed to remain at 7.00%. The projected administrative expenses are assumed to grow at 3.00%.

Table IV-1 below summarizes the expected fiduciary net position and total expected net benefit payments for the next 30 years.

Table IV-1 Expected Fiduciary Net Position and Net Benefit Payments (\$ thousands)								
Fiscal Year Ending June 30	Projected Beginning Fiduciary Net Position (a)	Projected Contributions (b)	Projected Net Benefits Retirees (c)	Projected Net Benefits Future Retirees (d)	Projected Total Net Benefits (e) = (c) + (d)	Projected Administrative Expenses (f)	Projected Investment Earnings (g)	Projected Ending Fiduciary Net Position (h) = (a) + (b) - (c) - (f) + (g)
2025	\$ 5,166,687				\$ 208,972	\$ 2,644	\$ 533,000	\$ 5,488,071
2026	5,488,071	\$ 0	\$ 176,792	\$ 18,533	\$ 195,325	\$ 2,723	\$ 377,351	\$ 5,667,374
2027	5,667,374	0	181,273	40,087	221,360	2,805	389,003	5,832,212
2028	5,832,212	0	172,973	65,018	237,991	2,889	399,967	5,991,299
2029	5,991,299	0	167,944	93,765	261,709	2,976	410,284	6,136,898
2030	6,136,898	0	162,662	125,609	288,271	3,065	419,559	6,265,121
2031	6,265,121	0	152,887	159,200	312,087	3,157	427,712	6,377,589
2032	6,377,589	0	143,737	190,451	334,188	3,252	434,821	6,474,970
2033	6,474,970	0	134,624	219,672	354,297	3,350	440,942	6,558,265
2034	6,558,265	0	126,436	244,052	370,488	3,451	446,212	6,630,538
2035	6,630,538	0	121,272	264,512	385,784	3,555	450,741	6,691,940
2036	6,691,940	0	117,233	279,784	397,017	3,662	454,649	6,745,910
2037	6,745,910	0	113,395	293,308	406,703	3,772	458,090	6,793,525
2038	6,793,525	0	109,749	309,008	418,757	3,885	461,004	6,831,887
2039	6,831,887	0	105,581	326,016	431,596	4,002	463,244	6,859,533
2040	6,859,533	0	101,036	340,573	441,608	4,122	464,831	6,878,634
2041	6,878,634	0	94,747	356,495	451,242	4,246	465,832	6,888,978
2042	6,888,978	0	88,812	371,484	460,296	4,373	466,240	6,890,549
2043	6,890,549	0	82,893	382,238	465,131	4,504	466,179	6,887,093
2044	6,887,093	0	76,970	393,891	470,861	4,639	465,735	6,877,328
2045	6,877,328	0	71,133	405,093	476,227	4,778	464,863	6,861,186
2046	6,861,186	0	65,383	417,196	482,579	4,921	463,509	6,837,195
2047	6,837,195	0	59,770	428,668	488,438	5,069	461,623	6,805,311
2048	6,805,311	0	54,328	437,855	492,183	5,221	459,257	6,767,164
2049	6,767,164	0	49,163	449,204	498,367	5,378	456,369	6,719,788
2050	6,719,788	0	44,219	460,081	504,300	5,539	452,843	6,662,792
2051	6,662,792	0	39,572	470,370	509,942	5,705	448,653	6,595,798
2052	6,595,798	0	35,215	484,211	519,427	5,876	443,631	6,514,126
2053	6,514,126	0	31,155	499,606	530,761	6,052	437,518	6,414,831
2054	6,414,831	0	27,404	511,330	538,734	6,234	430,287	6,300,150
2055	6,300,150	0	23,950	521,866	545,816	6,421	422,009	6,169,922

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**Note Disclosures**

The table below shows the changes in the Total OPEB Liability (TOL), the Plan Fiduciary Net Position (i.e., fair value of plan assets) (FNP), and the Net OPEB Liability (NOL) during the measurement period ending on June 30, 2025.

<b>Table V - 1 Change in Net OPEB Liability</b>			
	<b>Total OPEB Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net OPEB Liability</b>
<b>Balances at 6/30/2024</b>	\$ 3,269,878	\$ 5,166,687	\$ (1,896,809)
<b>Changes for the year:</b>			
Beginning of year service cost	75,534		75,534
Interest	226,865		226,865
Changes of benefits	161,372		161,372
Differences between expected and actual experience	(98,542)		(98,542)
Changes of assumptions	850,155		850,155
Contributions - employer		0	0
Government reimbursements		148,074	(148,074)
Net investment income		533,000	(533,000)
Benefit payments	(208,972)	(357,047)	148,074
Administrative expense		(2,644)	2,644
<b>Net changes</b>	<u>1,006,412</u>	<u>321,384</u>	<u>685,028</u>
<b>Balances at 6/30/2025</b>	<u>\$ 4,276,291</u>	<u>\$ 5,488,071</u>	<u>\$ (1,211,780)</u>

*Amounts in Thousands*

During the measurement year, the NOL increased by approximately \$0.69 billion. The service cost and interest cost increased the NOL by approximately \$0.30 billion, while investment gains offset by administrative expenses decreased the NOL by approximately \$0.68 billion. The changes in benefits during the year increased the TOL by approximately \$0.16 billion. The assumption changes effective at the end of the measurement year increased the TOL by approximately \$0.85 billion. There was a liability experience gain which decreased the TOL by \$0.10 billion.

Plan changes are recognized immediately, investment gains and losses are recognized over five years, and experience gains and losses and assumption changes are recognized over the average remaining service life of eight years. Unrecognized amounts are reported as deferred outflows and deferred inflows of resources.

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Changes in the discount rate affect the measurement of the TOL. Lower discount rates produce a higher TOL, and higher discount rates produce a lower TOL. The table below shows the sensitivity of the NOL to the discount rate.

Table V - 2 Sensitivity of Net OPEB Liability to Changes in Discount Rate			
	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Total OPEB Liability	\$ 4,742,860	\$ 4,276,291	\$ 3,873,029
Plan Fiduciary Net Position	<u>5,488,071</u>	<u>5,488,071</u>	<u>5,488,071</u>
Net OPEB Liability	<u>\$ (745,211)</u>	<u>\$ (1,211,780)</u>	<u>\$ (1,615,043)</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.7%	128.3%	141.7%

*Amounts in Thousands*

A one percent decrease in the discount rate increases the TOL by approximately 11% and increases the NOL by approximately 39%. A one percent increase in the discount rate decreases the TOL by approximately 9% and decreases the NOL by approximately 33%.

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Changes in health care trends also affect the measurement of the TOL. Lower health care trends produce lower TOL, and higher health care trends produce a higher TOL. The table below shows the sensitivity of the NOL to health care trends.

Table V - 3 Sensitivity of Net OPEB Liability to Changes in Health Care Cost Trend Rates			
	1% Decrease	Health Care Trend	1% Increase
Total OPEB Liability	\$ 3,847,508	\$ 4,276,291	\$ 4,792,691
Plan Fiduciary Net Position	<u>5,488,071</u>	<u>5,488,071</u>	<u>5,488,071</u>
Net OPEB Liability	<u>\$ (1,640,563)</u>	<u>\$ (1,211,780)</u>	<u>\$ (695,381)</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	142.6%	128.3%	114.5%

*Amounts in Thousands*

A one percent decrease in health care trends decreases the TOL by approximately 10% and decreases the NOL by approximately 35%. A one percent increase in health care trends increases the TOL by approximately 12% and increases the NOL by approximately 43%.

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**SECTION V – GASB 74 REPORTING INFORMATION**

**Required Supplementary Information**

The schedules of required supplementary information generally start with information as of the implementation of GASB 74 and eventually will build up to 10 years of information. The schedules below show the changes in NOL and related ratios required by GASB.

Table V - 4A Schedule of Changes in Net OPEB Liability and Related Ratios				
	FYE 2025	FYE 2024	FYE 2023	FYE 2022
<b><u>Total OPEB Liability</u></b>				
Beginning of year service cost*	\$ 75,534	\$ 61,724	\$ 26,796	\$ 38,323
Interest (includes interest on service cost)	226,865	199,836	134,747	196,820
Changes of benefit terms	161,372	252,604	628,670	246,059
Differences between expected and actual experience	(98,542)	91,268	3,465	(94,797)
Changes of assumptions	850,155	(83,168)	229,246	(1,131,159)
Benefit payments net of premiums and reimbursements	(208,972)	(90,927)	(165,088)	(95,860)
<b>Net change in total OPEB liability</b>	<b>\$ 1,006,412</b>	<b>\$ 431,337</b>	<b>\$ 857,836</b>	<b>\$ (840,614)</b>
<b>Total OPEB liability - beginning</b>	<b>3,269,878</b>	<b>2,838,543</b>	<b>1,980,707</b>	<b>2,821,321</b>
<b>Total OPEB liability - ending</b>	<b>\$ 4,276,291</b>	<b>\$ 3,269,878</b>	<b>\$ 2,838,543</b>	<b>\$ 1,980,707</b>
<b><u>Plan fiduciary net position</u></b>				
Contributions - employer	\$ 0	\$ 0	\$ 0	\$ 0
Government reimbursements	148,074	91,900	100,515	97,712
Contributions - retired members*	0	0	0	0
Net investment income	533,000	476,300	380,700	(261,500)
Benefit payments	(357,047)	(182,827)	(265,603)	(193,572)
Administrative expense	(2,644)	(2,090)	(2,248)	(2,340)
<b>Net change in plan fiduciary net position</b>	<b>\$ 321,384</b>	<b>\$ 383,283</b>	<b>\$ 213,364</b>	<b>\$ (359,700)</b>
<b>Plan fiduciary net position - beginning</b>	<b>5,166,687</b>	<b>4,783,404</b>	<b>4,570,040</b>	<b>4,929,740</b>
<b>Plan fiduciary net position - ending</b>	<b>\$ 5,488,071</b>	<b>\$ 5,166,687</b>	<b>\$ 4,783,404</b>	<b>\$ 4,570,040</b>
<b>Net OPEB liability - ending</b>	<b>\$ (1,211,780)</b>	<b>\$ (1,896,809)</b>	<b>\$ (1,944,861)</b>	<b>\$ (2,589,333)</b>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	<b>128.34%</b>	<b>158.01%</b>	<b>168.52%</b>	<b>230.73%</b>
<b>Covered payroll</b>	<b>\$ 13,584,827</b>	<b>\$ 13,118,569</b>	<b>\$ 12,733,104</b>	<b>\$ 12,224,438</b>
<b>Net OPEB liability as a percentage of covered employee payroll</b>	<b>-8.92%</b>	<b>-14.46%</b>	<b>-15.27%</b>	<b>-21.18%</b>

\*Beginning in FYE 2021, health care premiums are reported against health care benefit payments.

*Amounts in Thousands*



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**SECTION V – GASB 74 REPORTING INFORMATION**

<b>Table V - 4B</b>					
<b>Schedule of Changes in Net OPEB Liability and Related Ratios</b>					
	FYE 2021	FYE 2020	FYE 2019	FYE 2018	FYE 2017
<b><u>Total OPEB Liability</u></b>					
Beginning of year service cost*	\$ 30,123	\$ 324,526	\$ 338,776	\$ 633,316	\$ 225,094
Interest (includes interest on service cost)	167,884	174,040	164,544	320,157	277,562
Changes of benefit terms	556,994	428,480	53,985	(3,340,847)	(1,065,892)
Differences between expected and actual experience	(116,611)	(329,525)	(7,285)	(109,227)	262,764
Changes of assumptions	130,045	(264,958)	40,616	(2,248,888)	(366,671)
Benefit payments net of premiums and reimbursements	(86,912)	(408,683)	(489,169)	(517,470)	(489,101)
<b>Net change in total OPEB liability</b>	<b>\$ 681,523</b>	<b>\$ (76,120)</b>	<b>\$ 101,467</b>	<b>\$ (5,262,959)</b>	<b>\$ (1,156,244)</b>
<b>Total OPEB liability - beginning</b>	<b>2,139,798</b>	<b>2,215,918</b>	<b>2,114,451</b>	<b>7,377,410</b>	<b>8,533,654</b>
<b>Total OPEB liability - ending</b>	<b>\$ 2,821,321</b>	<b>\$ 2,139,798</b>	<b>\$ 2,215,918</b>	<b>\$ 2,114,451</b>	<b>\$ 7,377,410</b>
<b><u>Plan fiduciary net position</u></b>					
Contributions - employer	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Government reimbursements	96,478	81,876	84,789	107,197	79,357
Contributions - retired members*	0	295,779	312,842	329,305	339,056
Net investment income	1,121,700	140,299	244,699	328,965	440,196
Benefit payments	(183,390)	(490,559)	(489,169)	(517,470)	(565,962)
Administrative expense	(2,344)	(2,257)	(2,352)	(2,427)	(2,496)
<b>Net change in plan fiduciary net position</b>	<b>\$ 1,032,444</b>	<b>\$ 25,138</b>	<b>\$ 150,809</b>	<b>\$ 245,570</b>	<b>\$ 290,151</b>
<b>Plan fiduciary net position - beginning</b>	<b>3,897,296</b>	<b>3,872,158</b>	<b>3,721,349</b>	<b>3,475,779</b>	<b>3,185,628</b>
<b>Plan fiduciary net position - ending</b>	<b>\$ 4,929,740</b>	<b>\$ 3,897,296</b>	<b>\$ 3,872,158</b>	<b>\$ 3,721,349</b>	<b>\$ 3,475,779</b>
<b>Net OPEB liability - ending</b>	<b>\$ (2,108,419)</b>	<b>\$ (1,757,498)</b>	<b>\$ (1,656,240)</b>	<b>\$ (1,606,898)</b>	<b>\$ 3,901,631</b>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	<b>174.73%</b>	<b>182.13%</b>	<b>174.74%</b>	<b>176.00%</b>	<b>47.11%</b>
<b>Covered payroll</b>	<b>\$ 11,610,016</b>	<b>\$ 11,392,013</b>	<b>\$ 11,088,785</b>	<b>\$ 10,775,526</b>	<b>\$ 10,767,964</b>
<b>Net OPEB liability as a percentage of covered employee payroll</b>	<b>-18.16%</b>	<b>-15.43%</b>	<b>-14.94%</b>	<b>-14.91%</b>	<b>36.23%</b>

*Amounts in Thousands*

\*For FYE 2021 and prior, service cose includes retired member contributions. Beginning in FYE 2021, health care premiums are reported against health care benefit payments.

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**SECTION V – GASB 74 REPORTING INFORMATION**

We have provided the FYE 2017 through FYE 2025 columns in the schedule of employer contributions below. An additional year will be added each year until a full ten-year history is shown in this schedule.

<b>Table V - 5 Schedule of Employer Contributions</b>					
	<b>FYE 2025</b>	<b>FYE 2024</b>	<b>FYE 2023</b>	<b>FYE 2022</b>	<b>FYE 2021</b>
Actuarially Determined Contribution (ADC)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Actual Contribution related to ADC	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency/(Excess) relative to ADC	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered-Payroll (Pay)	\$ 13,584,827	\$ 13,118,569	\$ 12,733,104	\$ 12,224,438	\$ 11,610,016
Actual Contributions as % of Pay	0.00%	0.00%	0.00%	0.00%	0.00%
	<b>FYE 2020</b>	<b>FYE 2019</b>	<b>FYE 2018</b>	<b>FYE 2017</b>	
Actuarially Determined Contribution (ADC)	\$ 0	\$ 0	\$ 0	\$ 239,430	
Actual Contribution related to ADC	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Contribution Deficiency/(Excess) relative to ADC	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 239,430</u>	
Covered-Payroll (Pay)	\$ 11,392,013	\$ 11,088,785	\$ 10,775,526	\$ 10,767,964	
Actual Contributions as % of Pay	0.00%	0.00%	0.00%	0.00%	

*Amounts in Thousands*

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**SECTION VI – GASB 75 REPORTING INFORMATION**

The schedules in this section provide the collective information the participating employers in the State Teachers Retirement System will use to report under GASB 75 for reporting as of June 30, 2026. The impact of experience gains or losses and assumption changes on the TOL are recognized in the collective expense over the average expected remaining service life of all active and inactive members of the Plan. As of the measurement date, this recognition period was eight years.

The table below summarizes the current balances of Deferred Outflows of Resources and Deferred Inflows of Resources related to the Plan along with the net recognition over the next five years and the total recognition thereafter if any.

<b>Table VI - 1</b>		
<b>Schedule of Deferred Inflows and Outflows of Resources as of June 30, 2025 Measurement Date</b>		
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 70,616	\$ 214,013
Changes in assumptions	924,319	665,807
Net difference between projected and actual earnings on OPEB plan investments	0	135,854
<b>Total</b>	<b>\$ 994,935</b>	<b>\$ 1,015,674</b>
Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:		
<b>Year ended June 30:</b>		
2026	(69,592)	
2027	(105,292)	
2028	(93,884)	
2029	(64,935)	
2030	124,053	
Thereafter	\$	188,912

*Amounts in Thousands*

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**SECTION VI – GASB 75 REPORTING INFORMATION**

Table VI – 2 below provides details on the current balances of deferred inflows and outflows of resources, the recognition of each base for future years.

Table VI - 2 Schedule of Deferred Inflows and Outflows of Resources as of June 30, 2025 Measurement Date												
Recognition of Experience (Gains) and Losses												
Experience	Recognition	Total	BOY Remaining	EOY Remaining	Recognition Year							
Year	Period	Amount	Amount	Amount	2025	2026	2027	2028	2029	2030	2031	2032
2025	8.00	\$ (98,542)	\$ (98,542)	\$ (86,225)	\$ (12,318)	\$ (12,318)	\$ (12,318)	\$ (12,318)	\$ (12,318)	\$ (12,318)	\$ (12,318)	\$ (12,318)
2024	8.00	\$ 91,268	\$ 79,859	\$ 68,450	\$ 11,409	\$ 11,409	\$ 11,409	\$ 11,409	\$ 11,409	\$ 11,409	\$ 11,405	\$ 0
2023	8.00	\$ 3,465	\$ 2,599	\$ 2,166	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 434	\$ 0	\$ 0
2022	8.00	\$ (94,797)	\$ (59,247)	\$ (47,397)	\$ (11,850)	\$ (11,850)	\$ (11,850)	\$ (11,850)	\$ (11,847)	\$ 0	\$ 0	\$ 0
2021	7.00	\$ (116,611)	\$ (49,975)	\$ (33,316)	\$ (16,659)	\$ (16,659)	\$ (16,657)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2020	7.00	\$ (329,525)	\$ (94,150)	\$ (47,075)	\$ (47,075)	\$ (47,075)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2019	7.00	\$ (7,285)	\$ (1,039)	\$ 0	\$ (1,039)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Recognition of liability gains and losses</b>			<b>\$ (220,495)</b>	<b>\$ (143,397)</b>	<b>\$ (77,099)</b>	<b>\$ (76,060)</b>	<b>\$ (28,983)</b>	<b>\$ (12,326)</b>	<b>\$ (12,323)</b>	<b>\$ (475)</b>	<b>\$ (913)</b>	<b>\$ (12,318)</b>
Recognition of Assumption Changes												
Experience	Recognition	Total	BOY Remaining	EOY Remaining	Recognition Year							
Year	Period	Amount	Amount	Amount	2025	2026	2027	2028	2029	2030	2031	2032
2025	8.00	\$ 850,155	\$ 850,155	\$ 743,886	\$ 106,269	\$ 106,269	\$ 106,269	\$ 106,269	\$ 106,269	\$ 106,269	\$ 106,269	\$ 106,269
2024	8.00	\$ (83,168)	\$ (72,772)	\$ (62,376)	\$ (10,396)	\$ (10,396)	\$ (10,396)	\$ (10,396)	\$ (10,396)	\$ (10,396)	\$ (10,396)	\$ 0
2023	8.00	\$ 229,246	\$ 171,934	\$ 143,278	\$ 28,656	\$ 28,656	\$ 28,656	\$ 28,656	\$ 28,656	\$ 28,654	\$ 0	\$ 0
2022	8.00	\$ (1,131,159)	\$ (706,974)	\$ (565,579)	\$ (141,395)	\$ (141,395)	\$ (141,395)	\$ (141,395)	\$ (141,394)	\$ 0	\$ 0	\$ 0
2021	7.00	\$ 130,045	\$ 55,733	\$ 37,155	\$ 18,578	\$ 18,578	\$ 18,577	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2020	7.00	\$ (264,958)	\$ (75,703)	\$ (37,852)	\$ (37,851)	\$ (37,852)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2019	7.00	\$ 40,616	\$ 5,804	\$ 0	\$ 5,804	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Recognition of assumption changes</b>			<b>\$ 228,177</b>	<b>\$ 258,512</b>	<b>\$ (30,335)</b>	<b>\$ (36,140)</b>	<b>\$ 1,711</b>	<b>\$ (16,866)</b>	<b>\$ (16,865)</b>	<b>\$ 124,527</b>	<b>\$ 95,873</b>	<b>\$ 106,269</b>
Recognition of Investment (Gains) and Losses												
Experience	Recognition	Total	BOY Remaining	EOY Remaining	Recognition Year							
Year	Period	Amount	Amount	Amount	2025	2026	2027	2028	2029	2030	2031	2032
2025	5.00	\$ (178,739)	\$ (178,739)	\$ (142,991)	\$ (35,748)	\$ (35,748)	\$ (35,748)	\$ (35,748)	\$ (35,748)	\$ 0	\$ 0	\$ 0
2024	5.00	\$ (144,717)	\$ (115,774)	\$ (86,831)	\$ (28,943)	\$ (28,943)	\$ (28,943)	\$ (28,945)	\$ 0	\$ 0	\$ 0	\$ 0
2023	5.00	\$ (66,654)	\$ (39,992)	\$ (26,661)	\$ (13,331)	\$ (13,331)	\$ (13,330)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2022	5.00	\$ 603,145	\$ 241,258	\$ 120,629	\$ 120,629	\$ 120,629	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2021	5.00	\$ (834,676)	\$ (166,936)	\$ 0	\$ (166,936)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>Recognition of investment gains and losses</b>			<b>\$ (260,183)</b>	<b>\$ (135,854)</b>	<b>\$ (124,329)</b>	<b>\$ 42,607</b>	<b>\$ (78,021)</b>	<b>\$ (64,693)</b>	<b>\$ (35,748)</b>	\$ 0	\$ 0	\$ 0
Total (Gains) and Losses		Total	Remaining Amounts		Recognition Year							
		Amount	BOY	EOY	2025	2026	2027	2028	2029	2030	2031	2032
<b>Total (Gains) and Losses</b>		<b>\$ (1,402,891)</b>	<b>\$ (252,501)</b>	<b>\$ (20,739)</b>	<b>\$ (231,762)</b>	<b>\$ (69,592)</b>	<b>\$ (105,292)</b>	<b>\$ (93,884)</b>	<b>\$ (64,935)</b>	<b>\$ 124,053</b>	<b>\$ 94,961</b>	<b>\$ 93,952</b>

*Amounts in Thousands*

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**SECTION VI – GASB 75 REPORTING INFORMATION**

**Annual OPEB Expense**

The annual OPEB expense can be calculated in two different ways. First, it is the change in the amounts reported on the employers' collective Statement of Net Position that relate to the Plan and are not attributable to employer contributions. That is, it is the change in the Net OPEB Liability minus the change in Deferred Outflows plus the change in Deferred Inflows plus employer contributions.

Alternatively, annual OPEB expense can be calculated by its individual components. While GASB does not require or suggest the organization of the individual components shown in the table on the next page, we believe it helps to understand the level and volatility of the OPEB expense.

In the calculation of OPEB expense by individual components, there are three separate sections.

- First, there are components referred to as operating expenses. These are items directly attributable to the operation of the Plan during the measurement year. Service cost less employee contributions represents the increase in employer-provided benefits attributable to the measurement year, and administrative expenses are the cost of operating the Plan for the year.
- Second, there are the financing expenses: the interest on the Total OPEB Liability less the expected return on assets.
- The final category is changes. This category will drive most of the volatility in OPEB expense from year to year. It includes any changes in benefits made during the year and the recognized amounts due to assumption changes, gains or losses on the TOL, and investment gains or losses.

The table on the following page shows the development of the OPEB expense through both of these methodologies. In addition, to the information shown below, any contributions between the measurement date and the reporting date would be reported as Deferred Outflows of Resources to offset the cash outflows reported.

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**SECTION VI – GASB 75 REPORTING INFORMATION**

**Table VI - 3  
Calculation of OPEB Expense**

Fiscal Year	Measurement Year Ending	
	2025	2024
Change in Net OPEB Liability	\$ 685,029	\$ 48,052
Change in Deferred Outflows	(679,006)	(22,918)
Change in Deferred Inflows	(125,630)	(438,526)
Employer Contributions	<u>0</u>	<u>0</u>
<b>OPEB Expense</b>	<b>\$ (119,608)</b>	<b>\$ (413,392)</b>
<b>OPEB Expense as % of Payroll</b>	<b>(0.88%)</b>	<b>(3.15%)</b>
<b>Operating Expenses</b>		
Service cost	\$ 75,534	\$ 61,724
On behalf contributions	(148,074)	(91,900)
Retired members contributions	0	0
Benefits Paid by on Behalf	148,074	91,900
Administrative expenses	<u>2,644</u>	<u>2,090</u>
Total	\$ 78,178	\$ 63,814
<b>Financing Expenses</b>		
Interest cost	\$ 226,865	\$ 199,836
Expected return on assets	<u>(354,261)</u>	<u>(331,585)</u>
Total	\$ (127,396)	\$ (131,749)
<b>Changes</b>		
Benefit changes	\$ 161,372	\$ 252,604
Recognition of assumption changes	(30,335)	(457,874)
Recognition of liability gains and losses	(77,099)	(80,386)
Recognition of investment gains and losses	<u>(124,329)</u>	<u>(59,801)</u>
Total	\$ (70,390)	\$ (345,457)
<b>OPEB Expense</b>	<b>\$ (119,608)</b>	<b>\$ (413,392)</b>

*Amounts in Thousands*

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**APPENDIX A – MEMBERSHIP INFORMATION**

The census data used to develop the Total OPEB Liability (TOL) as of June 30, 2025 was provided by the State Teachers Retirement System.

<b>Table A-1 Data Exhibit</b>			
	June 30, 2025	June 30, 2024	% Change
<b>Active Participants</b>			
Number	172,499	174,832	-1.3%
Average age	44.52	44.56	-0.1%
Average years of service	13.45	13.46	-0.1%
Projected payroll (in thousands)	\$ 13,976,767	\$ 13,657,640	2.3%
Average expected retirement age	62.0	62.3	-0.4%
<b>Retirees Enrolled in Health Care</b>			
Number of retirees	92,919	92,766	0.2%
Average age of retirees	75.9	75.7	0.2%
Numbers of spouses and dependents (excluding children)	11,306	11,416	-1.0%
Average age of spouses	76.0	75.8	0.3%
<b>Surviving Spouses Enrolled in Health Care</b>			
Number	3,871	3,915	-1.1%
Average age	83.87	83.52	0.4%
<b>Terminated Members</b>			
Number of terminated members	21,687	21,417	1.3%
Average age	50.6	50.5	0.2%
Number of terminated members eligible	2,285	2,234	2.3%
Average age	56.0	55.5	0.8%

**Active Member Data as of June 30, 2025**

<b>Table A-2 Counts by Age &amp; Service</b>											
Age	Service										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	
Under 25	3,505	3,891	0	0	0	0	0	0	0	0	7,396
25 to 29	1,795	9,548	3,714	1	0	0	0	0	0	0	15,058
30 to 34	1,378	4,828	7,230	3,820	0	0	0	0	0	0	17,256
35 to 39	1,402	4,172	3,770	8,823	2,980	0	0	0	0	0	21,147
40 to 44	1,318	3,885	3,416	4,796	8,950	3,812	0	0	0	0	26,177
45 to 49	999	3,031	2,535	3,301	3,782	9,135	4,372	0	0	0	27,155
50 to 54	715	2,243	1,882	2,434	2,506	3,540	9,083	2,949	0	0	25,352
55 to 59	565	1,579	1,289	1,627	1,923	2,431	3,691	4,477	457	0	18,039
60 to 64	406	898	768	1,015	1,116	1,546	1,834	1,375	515	71	9,544
65 to 69	322	579	367	352	316	377	396	303	202	79	3,293
70 & up	331	505	275	171	136	137	107	119	142	159	2,082
<b>Total</b>	<b>12,736</b>	<b>35,159</b>	<b>25,246</b>	<b>26,340</b>	<b>21,709</b>	<b>20,978</b>	<b>19,483</b>	<b>9,223</b>	<b>1,316</b>	<b>309</b>	<b>172,499</b>

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**APPENDIX A – MEMBERSHIP INFORMATION**

<b>Table A-3 Reconciliation of Members</b>							
	Active	Retired	Surviving Spouse	Disabled	Spouse of Retiree	Term Vested	Total
<b>June 30, 2024</b>	<b>174,832</b>	<b>90,025</b>	<b>3,915</b>	<b>2,741</b>	<b>11,416</b>	<b>21,417</b>	<b>304,346</b>
<b>Changes due to:</b>							
<b>Active</b>							
To Retired	(2,897)	2,897	0	0	0	0	0
To Disabled	(9)	0	0	9	0	0	0
To Term Vested	(3,056)	0	0	0	0	3,056	0
<b>Disabled</b>							
To Active	3	0	0	(3)	0	0	0
To Retired	0	21	0	(21)	0	0	0
<b>Spouse of Retiree</b>							
To Surviving Spouse	0	0	283	0	(283)	0	0
<b>Term Vested</b>							
To Active	1,230	0	0	0	0	(1,230)	0
To Retired	0	64	0	0	0	(64)	0
<b>Additions-New Hires</b>	<b>13,680</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,680</b>
<b>Additions-Other</b>	<b>3,971</b>	<b>1,136</b>	<b>59</b>	<b>48</b>	<b>820</b>	<b>45</b>	<b>6,079</b>
<b>Departures</b>	<b>(15,255)</b>	<b>(3,799)</b>	<b>(386)</b>	<b>(199)</b>	<b>(647)</b>	<b>(1,537)</b>	<b>(21,823)</b>
<b>June 30, 2025</b>	<b>172,499</b>	<b>90,344</b>	<b>3,871</b>	<b>2,575</b>	<b>11,306</b>	<b>21,687</b>	<b>302,282</b>

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**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

The assumptions for this valuation were selected based on recent experience and expectations for the future. Demographic assumptions were reviewed and adopted by the Board on February 17, 2022 as part of an experience study performed (report dated and accepted March 11, 2022) covering the period from July 1, 2015 to June 30, 2021, with changes going into effect June 30, 2022.

**Economic Assumptions**

- 1. Expected Return on Assets**      7.00% per year net of administrative and investment expenses, based on the long-term rate of return on invested plan assets
- 2. Municipal Bond Yield**            5.20% as of June 30, 2025  
Bond Buyer 20-Bond GO Index as of June 26, 2025
- 3. Discount Rate**                    7.00%, based on a blend of 5.20% municipal bond yield rate and the expected return on invested plan assets. The assets are sufficient to cover all expected benefits; thus, the long-term rate of return is used.
- 4. Payroll Increase Rate**            3.00% per year for purposes of attributing individual costs under the Entry Age actuarial cost method
- 5. Salary Increase Rate**            Varies by service from 2.5% to 8.5%
- 6. Per Person Health Care Cost Trends**

Medical trend assumptions used were developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model. The SOA model was released in December 2007, and version 2025\_1b was used for this valuation. The following assumptions were used as input variables into this model:

Trend Assumption Inputs	
Variable	Rate
Rate of Inflation	2.50%
Rate of Growth in Real Income/GDP per capita 2033+	1.40%
Extra Trend due to Taste/Technology 2033+	0.90%
Expected Health Share of GDP 2033	20.5%
Health Share of GDP Resistance Point	18.0%
Year for Limiting Cost Growth to GDP Growth	2045

The SOA Long-Run Medical Cost Trend Model and its baseline projection are based on an econometric analysis of historical U.S. medical expenditures and the judgments of experts in the field. The long-run baseline projection and input variables have been developed under the guidance of the SOA Project Oversight Group.

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Short-term trends, i.e., the first 4 years of trends that were inputted in the SOA Long-Run Medical Cost Trend Model were set based on STRS historical trends for medical and prescription drug (Rx), and anticipated health care market changes. The table below summarizes the short-term trends by Calendar Year (CY) (e.g., 2026 trend is the increase from CY2026 to CY 2027) and coverage type. Note that trends are applicable to underlying gross cost, meaning prior to recognizing any recoveries or subsidies for the Part D Employee Group Waiver Program (EGWP) plans, and prior to recognizing the CMS revenue and current contractual guarantees for the Medicare Advantage plans.

Year	Medical Non-Medicare	Rx Non-Medicare	Medical Medicare	Rx Medicare	CMS Revenue
<b>2026</b>	7.0%	8.0%	7.0%	9.0%	8.9%
<b>2027</b>	6.5%	7.5%	6.5%	8.0%	6.5%
<b>2028</b>	6.2%	7.0%	6.2%	7.0%	6.2%
<b>2029</b>	5.6%	6.0%	5.6%	6.0%	5.6%

*The CMS revenue trend is assumed match the medical Medicare trend thereafter.*

The table below shows the annual rates applied to the claims curves when projecting liabilities. These are by Fiscal Year, and labeled based on valuation year (e.g., Year 2025 is the first year of trend, increasing the FYB 2025 claims costs and expenses to FYB 2026).

Year	Medical + Prescription		Premium + Subsidy	
	Pre-Medicare	Medicare	Pre-Medicare	Medicare
<b>2025</b>	7.20%	29.57%	7.20%	15.40%
<b>2026</b>	6.70%	11.30%	6.70%	9.49%
<b>2027</b>	6.36%	14.22%	6.36%	11.38%
<b>2028</b>	5.68%	12.57%	5.68%	10.23%
<b>2029</b>	5.23%	7.96%	5.23%	6.96%
<b>2030</b>	5.16%	7.67%	5.16%	6.76%
<b>2031</b>	5.09%	7.39%	5.09%	6.57%
<b>2032</b>	5.01%	7.14%	5.01%	6.39%
<b>2033</b>	4.94%	6.90%	4.94%	6.22%
<b>2034</b>	4.87%	6.43%	4.87%	5.85%
<b>2035</b>	4.52%	5.89%	4.52%	5.40%
<b>2036</b>	4.32%	5.58%	4.32%	5.15%
<b>2037</b>	4.22%	5.40%	4.22%	5.01%
<b>2038</b>	4.16%	5.27%	4.16%	4.91%
<b>2039</b>	4.12%	3.18%	4.12%	2.86%
<b>2040</b>	4.10%	4.10%	4.10%	4.10%
<b>2041</b>	4.08%	4.08%	4.08%	4.08%
<b>2042</b>	4.06%	4.06%	4.06%	4.06%
<b>2043</b>	4.05%	4.05%	4.05%	4.05%
<b>2044</b>	3.99%	3.99%	3.99%	3.99%
<b>2045+</b>	3.94%	3.94%	3.94%	3.93%

The ultimate trend rate reflects an assumed nominal per capita GDP growth.

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**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

**7. Changes Since the Last Valuation**

Health care trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2026. The larger Medicare trends for years 2027 and 2028 reflect the assumed impact of the expiration of current Medicare Advantage contract on December 31, 2028.

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**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

**Demographic Assumptions**

**1. Retirement Rates**

The age and service credit requirements for pension eligibility are as follows:

Retirement Effective Date	Reduced Retirement	Unreduced Retirement
7/1/2015	Age 55 and 26 years	30 years
8/1/2015 - 7/1/2017	Age 55 and 26 years	31 years
8/1/2017 - 7/1/2019	Age 55 and 27 years	32 years
8/1/2019 - 7/1/2021	Age 55 and 28 years	33 years
8/1/2021 - 7/1/2023	Age 55 and 29 years	34 years
8/1/2023 - 5/1/2024	Age 55 and 30 years	34 years
6/1/2024 - 5/1/2025	Age 55 and 29 years	34 years
6/1/2025 - 5/1/2030	Age 55 and 27 years	32 years
6/1/2030 - 5/1/2032	Age 55 and 28 years	33 years
6/1/2032	Age 55 and 29 years	34 years

After meeting pension eligibility requirements, the following rates apply based on the Plan and type of retirement (reduced or unreduced).

Combined Plan		
Age	Male	Female
60	10.00%	10.00%
61-63	10.00%	15.00%
64	18.00%	20.00%
65	25.00%	30.00%
66	10.00%	25.00%
67	10.00%	15.00%
68	10.00%	15.00%
69-74	15.00%	15.00%
75	100.00%	100.00%

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Age	Reduced Retirement		Unreduced Retirement	
	Male	Female	Male	Female
<= 49	2.00%	2.00%	20.00%	20.00%
50-51	2.00%	2.00%	20.00%	20.00%
52	3.00%	3.00%	20.00%	20.00%
53	5.00%	5.00%	20.00%	20.00%
54	9.00%	9.00%	20.00%	20.00%
55	12.00%	13.00%	23.00%	18.00%
56	10.00%	11.00%	20.00%	20.00%
57	10.00%	11.00%	18.00%	20.00%
58	8.00%	10.00%	22.00%	22.00%
59	11.00%	10.00%	23.00%	26.00%
60	6.50%	9.00%	21.00%	28.00%
61	8.00%	10.00%	20.00%	28.00%
62	8.00%	11.00%	20.00%	28.00%
63	10.00%	12.00%	20.00%	30.00%
64	15.00%	25.00%	24.00%	30.00%
65	N/A	N/A	28.00%	36.00%
66	N/A	N/A	23.00%	28.00%
67	N/A	N/A	22.00%	26.00%
68	N/A	N/A	20.00%	25.00%
69	N/A	N/A	21.00%	25.00%
70-71	N/A	N/A	22.00%	25.00%
72	N/A	N/A	24.00%	25.00%
73	N/A	N/A	20.00%	25.00%
74	N/A	N/A	23.00%	28.00%
75+	N/A	N/A	100.00%	100.00%

For terminated members: we assumed 100% at age 62 or the first age at which unreduced benefits are available.

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**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

**2. Rates of Termination/Withdrawal**

<b>Vested Termination Rate Withdrawal* **</b>			
<b>Age</b>	<b>Male</b>	<b>Female</b>	<b>Disability</b>
20	6.00%	6.00%	0.007%
30	2.70%	3.55%	0.007%
40	1.75%	1.40%	0.035%
50	1.95%	1.60%	0.126%
60	4.00%	3.60%	0.175%

*\*Termination rates stop at first retirement eligibility.*

*\*\* During the first five years of service, the following rates apply:*

<b>Non-Vested Termination Rate</b>		
<b>Service</b>	<b>Male</b>	<b>Female</b>
< 1 Year	40.00%	35.00%
1-2 Years	16.00%	15.00%
2-3 Years	12.00%	8.00%
3-5 Years	9.00%	8.00%

**3. Rates of Mortality**

*Pre-Retirement:* Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020.

*Healthy Mortality:* Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020.

*Disabled Mortality:* Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

**4. Percent of Retirees Electing Coverage**

- 65% of future eligible service retirees and 65% of future eligible disabled retirees are assumed to elect coverage.
- 100% of combined plan and 20% of defined benefit plan future inactive vested participants are assumed to cash out.
- 30% of inactive vested participants who do not cash out are assumed to elect coverage.
- Current and future participants for whom the value of the benefits received is less than their contribution are assumed to drop coverage.

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**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

**5. Benefit Elections**

Below is a summary of the medical plan election rates for future retirees by Medicare status.

Pre-Medicare Medical Plans	Benefit Election Rate
Aetna Basic PPO	100.0%

Medicare Medical Plans	Benefit Election Rate
Aetna Medicare Advantage	99.4%
Aetna Basic PPO	0.6%

These weights were used to blend premium rates developed by Wakely, less applicable subsidies, discounts, and rebates (the “Recoveries”), to estimate individual retiree and spouse costs by age and gender.

**6. Spousal Coverage**

Of those future retirees who elect to continue health coverage, 20% were assumed to have an eligible spouse who also opts for health coverage at that time.

**7. Dependent Age**

For current retirees, the actual spouse date of birth was used when available. For future retirees, male retirees are assumed to be three-years older than their partners, and female retirees are assumed to be one-year younger than their partners.

**8. Changes Since the Last Valuation**

None.

**9. Rationale for Assumptions**

The assumptions were adopted by the Board of Trustees at their February 17, 2022 meeting. The demographic assumptions adopted are based on an experience study covering the period from July 1, 2015 through June 30, 2021 (report dated and accepted March 11, 2022). Other assumptions related specifically to participation in the health plan, were reviewed and updated based on recent experience and benefit elections projected by STRS.

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**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

**Claim and Expense Assumptions**

The claims costs are developed based on CY 2025 and CY 2026 projected premiums provided by STRS Ohio and developed by its vendor (Wakely, Aetna, CVS). For the Part D EGWP plans, claims costs are defined as the Plan cost net of all recoveries (i.e., net of Rx rebates, Gap Discount rebates, Part D direct subsidy, Low-income cost share, and Federal Reinsurance), using the gross paid claims Per Member Per Month (PMPM), the Rx rebates and pharma Gap Discounts PMPM, and the CMS Part D Direct subsidy and Federal Reinsurance payment PMPM as projected by Wakely and documented in Wakely’s 2026 Final Self Funded Rates memo dated June 9, 2025, For each plan (e.g., Basic vs. Aetna’s Medicare Advantage), each benefit (i.e., medical vs. Rx), and each population (i.e., Non-Medicare vs Medicare A&B vs. Medicare B only) we calculate the projected FYE 2026 rate PMPM as the average of the CY 2025 and CY 2026 rate. Using the June 30, 2025, retiree membership distribution by plan and population, we calculate four rates: a Non-Medicare Eligible (NME) medical rate, an NME Rx rate, a Medicare Eligible (ME) medical rate, and a ME Rx rate. The resulting PMPM rates are then adjusted using Cheiron’s proprietary age curves.

**1. Average Annual Claims and Expense Assumptions**

The following 7/1/2025-6/30/2026 claims costs were developed based on:

- The average of the 2025 and 2026 premium rates the State Teachers Retirement System pays its vendors,
- The average Wakely’s projected 2025 and 2026 Employer Group Waiver Program (EGWP) Recoveries that the State Teachers Retirement System is expected to receive for CY 2025 and CY 2026 prescription filled dates, and

All rates were converted from a Per Adult or Per Child rate to a composite Per Person rate. A child load of 3.30% for medical and 2.04% for Rx was added onto the NME pre-65 claims and expenses to account for the fact that only adults are inputted in the valuation system, ProVal.

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**Average Claim and Expense Assumptions:  
For Fiscal Year 7/1/2025-6/30/2026:**

Fiscal Year Ending 6/30/2025 Average Claim and Expense Assumptions				
Age	Non-Medicare		Medicare	
	Male	Female	Male	Female
40	\$5,734	\$9,620	\$1,315	\$1,257
45	\$7,541	\$10,230	\$1,893	\$1,810
50	\$9,811	\$11,837	\$2,403	\$2,298
55	\$12,546	\$14,363	\$2,633	\$2,518
60	\$15,745	\$16,863	\$2,483	\$2,374
64	\$18,639	\$17,464	\$2,088	\$1,997
65	\$18,510	\$17,339	\$1,265	\$1,231
70	\$20,666	\$19,345	\$1,428	\$1,292
75	\$23,027	\$21,553	\$1,406	\$1,279
80	\$25,609	\$23,980	\$1,292	\$1,220
85	\$28,425	\$26,644	\$1,158	\$1,141

**2. Retiree Contributions**

A weighted average total cost across the Plans shown above is used as the STRS Ohio subsidy. These amounts are assumed to increase with health trends.

Weighted Average Premiums	
Pre-65 retirees	\$ 15,822.00
Retirees age 65+	\$ 2,111.73

**3. Medicare Part D Subsidy**

The Medicare Part D direct subsidy is assumed to be \$131 in 2025 and to increase by 3% for the next 15 years; subsequently, the Part D Direct subsidy is implicitly trended when the trends shown above in this report are applied to the net Medicare Rx claims and expenses. Per GASB guidance, RDS Part D Subsidies are not reflected in valuations.

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**4. Medicare Eligibility**

All retirees who turn age 65 are assumed to be eligible for Medicare.

**5. Geography**

Implicitly assumed to remain the same as current retirees.

**6. Administrative Expenses**

Health plan administrative expenses are included in the per capita claims costs. Other administrative expenses are taken from the most recent plan financial statements and are assumed to grow at 3.0% per year.

**7. Changes Since the Last Valuation**

Per capita health care costs were updated based on recent experience, as described above.

**Disclosure of Models Used**

**ProVal**

Cheiron utilizes ProVal, an actuarial valuation software leased from Winklevoss Technologies (WinTech) to calculate the liabilities, Normal Costs, and projected benefit payments. We have relied on WinTech as the developer of ProVal. We have reviewed ProVal and have a basic understanding of it and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this actuarial valuation.

**Getzen Trend Model**

Medical Trend assumptions were developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model version 2025\_1b. We have relied on the Society of Actuaries as the developer of the Model. We have reviewed the Model and have a basic understanding of the Model and have used the Model in accordance with its original intended purpose. We have not identified any material inconsistencies in the assumptions or output of the Model that would affect this report.

**Projection Model**

Projections in this report were developed using *H-Scan*, our proprietary tool for developing deterministic projections to illustrate the impact of changes in assumptions, methods, plan provisions, or actual experience (particularly investment experience) on the future financial status of the Plan.

The *H-Scan* projection uses standard roll-forward techniques that implicitly assume a stable active population. Changes in the demographic characteristics of the active population will lead to different results.

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**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

***Methodology***

The Entry Age Actuarial Cost Method was used to measure the Plan's Actuarial Liability and Service Cost. Under this method, the Service Cost rate is the percentage of pay contribution that is expected to be sufficient to fund the Plan benefits if it were paid from each member's hire date until termination or retirement.

A Service Cost rate is determined for each individual by taking the value, as of age at entry into the Plan, of the member's projected future benefits and dividing it by the value, also as of the member's entry age, of the member's expected future salary.

The Actuarial Liability is that portion of the present value of projected benefits that is not expected to be paid by future Service Costs. The difference between the Actuarial Liability and the plan assets as of the same date is the Surplus / Unfunded Actuarial Liability (UAL).

Plan assets are valued at market value. For purposes of calculating the Actuarially Determined Contribution, the amortization method utilized is a rolling 30-year method, as a level percentage of pay. This method will not fully amortize the Surplus / UAL. The Board is currently reviewing this amortization policy as part of their review of their Funding Policy.

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**APPENDIX C – SUMMARY OF PLAN PROVISIONS**

## **Summary of Key Substantive Plan Provisions**

### **Eligibility**

The eligibility requirements for access to retiree health care benefits coverage and premium subsidies are as follows:

#### **Service Retiree Who Retires Before August 2023**

If with 15 or more years of service, then retirees receive access to health care coverage and a premium subsidy if they enroll.

If with less than 15 years of service and a benefit effective date prior to January 1, 2004, then the retiree receives access to health care coverage but no premium subsidy.

If with less than 15 years of service and a benefit effective date on or after January 1, 2004, then the retiree is not eligible for health care coverage.

#### **Service Retiree Who Retires After August 2023**

If with 20 or more years of service, then retirees receive access to health care coverage and a premium subsidy if they enroll.

If with less than 20 years of service and a benefit effective date on or after January 1, 2004, then the retiree is not eligible for health care coverage.

### **Disabled Retiree**

Receives access to health care coverage and a premium subsidy if they enroll.

### **Effective Date of Coverage**

#### **Service Retirement Benefit of Survivor Benefit Recipients**

The first of the month following the date the STRS Ohio Retirement Board approves the application, or the effective date of retirement, whichever is later.

#### **Service Retirement Benefit of Disability Benefit Recipients**

The first of the month following the date the STRS Ohio Retirement Board approves the disability benefits, or the first of the month following the date the application is received by STRS Ohio, whichever is later.

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**APPENDIX C – SUMMARY OF PLAN PROVISIONS**

**Duration of Coverage**

Lifetime

**Dependent Benefits**

Same as retirees, except for no partial reimbursement towards Medicare Part B premium.

**Dependent Coverage**

Dependents of retirees and survivors are eligible to enroll in health care coverage but do not receive a premium subsidy. Individuals who became surviving spouses prior to January 1, 2015 receive a premium subsidy at the same level as the deceased member for five years with first-year beginning the later of January 1, 2004, or the effective date of benefit commencement. After five years, surviving spouses receive access to coverage with no premium subsidy. Individuals who become surviving spouses on or after January 1, 2015, do not receive a premium subsidy.

**Medicare Part B Premium Credit**

Service retirees, disabled retirees and surviving spouses who are enrolled in a Medicare STRS Ohio medical plan must be enrolled in Medicare Part B. They receive \$30 monthly credit towards the Part B premiums. The credit is bundled with the retiree premium, effectively reducing the monthly Medicare Eligible Retiree contribution by \$30.

**Retiree Subsidies**

In 2025, Non-Medicare and Medicare AMA retirees receive a subsidy of 2.5% and 2.2% per year of service, respectively, capped at 75% and 66%, respectively. There is no change to the subsidy multiplier in 2026.

The current subsidy schedule adopted by the Board is shown on the following page:

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**APPENDIX C – SUMMARY OF PLAN PROVISIONS**

Retirement Date Years of Service	Non-Medicare Subsidies (Multiplier = 2.5%)			Medicare Subsidies (Multiplier = 2.2%)		
	Before Aug 2023	Aug 2023 - July 2032*	Aug 2032 and Later	Before Aug 2023	Aug 2023 - July 2032*	Aug 2032 and Later
	Subsidy (%)	Subsidy (%)	Subsidy (%)	Subsidy (%)	Subsidy (%)	Subsidy (%)
15	37.5%	N/A	N/A	33.0%	N/A	N/A
16	40.0%	N/A	N/A	35.2%	N/A	N/A
17	42.5%	N/A	N/A	37.4%	N/A	N/A
18	45.0%	N/A	N/A	39.6%	N/A	N/A
19	47.5%	N/A	N/A	41.8%	N/A	N/A
20	50.0%	37.5%	45.0%	44.0%	33.0%	39.6%
21	52.5%	40.0%	47.5%	46.2%	35.2%	41.8%
22	55.0%	42.5%	50.0%	48.4%	37.4%	44.0%
23	57.5%	45.0%	52.5%	50.6%	39.6%	46.2%
24	60.0%	47.5%	55.0%	52.8%	41.8%	48.4%
25	62.5%	50.0%	57.5%	55.0%	44.0%	50.6%
26	65.0%	52.5%	60.0%	57.2%	46.2%	52.8%
27	67.5%	67.5%	62.5%	59.4%	59.4%	55.0%
28	70.0%	70.0%	65.0%	61.6%	61.6%	57.2%
29	72.5%	72.5%	67.5%	63.8%	63.8%	59.4%
30	75.0%	75.0%	70.0%	66.0%	66.0%	61.6%
31	75.0%	75.0%	72.5%	66.0%	66.0%	63.8%
32	75.0%	75.0%	75.0%	66.0%	66.0%	66.0%
33	75.0%	75.0%	75.0%	66.0%	66.0%	66.0%
34	75.0%	75.0%	75.0%	66.0%	66.0%	66.0%
35	75.0%	75.0%	75.0%	66.0%	66.0%	66.0%

\* Changes to subsidy adopted in May 2025 effective June 2025, retroactive to those who retired between August 2023 and May 2025.

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**APPENDIX C – SUMMARY OF PLAN PROVISIONS**

Sample monthly premium subsidies paid by STRS Ohio for Eligible Retirees for the years beginning January 1, 2026 and January 1, 2025 are shown below.

2026 Rates		Non-Medicare Plans		Medicare Plans		
Years of Service		STRS Cost	Retiree Cost - Aetna Basic	STRS Cost	Retiree Cost - Aetna MA	Retiree Cost - Aetna Basic
<b>Total Cost</b>		\$1,359		\$194      \$379		
<b>Retire before 8/1/2023</b>	<b>Retire on or after 8/1/2023</b>					
30 +	30 +	\$1,019	\$340	\$157	\$37	\$222
29	29	\$985	\$374	\$153	\$41	\$226
28	28	\$951	\$408	\$149	\$45	\$230
27	27	\$917	\$442	\$145	\$49	\$234
26		\$883	\$476	\$140	\$54	\$239
25		\$849	\$510	\$136	\$58	\$243
24		\$815	\$544	\$132	\$62	\$247
23		\$781	\$578	\$128	\$66	\$251
22		\$747	\$612	\$123	\$71	\$256
21	26	\$713	\$646	\$119	\$75	\$260
20	25	\$680	\$679	\$115	\$79	\$264
19	24	\$646	\$713	\$111	\$83	\$268
18	23	\$612	\$747	\$106	\$88	\$273
17	22	\$578	\$781	\$102	\$92	\$277
16	21	\$544	\$815	\$98	\$96	\$281
15	20	\$510	\$849	\$94	\$100	\$285
<b>Unsubsidized Costs</b>						
<b>Cost Per BR</b>		\$0	\$1,359	\$30	\$164	\$349
<b>Cost Per Spouse<sup>1</sup></b>		\$0	\$1,359	\$0	\$194	\$379
<b>Cost Per Child</b>		\$0	\$329	\$0	\$194	\$379

<sup>1</sup> Also applies to disabled adult child (sponsored dependent)

**STATE TEACHERS RETIREMENT SYSTEM OF OHIO  
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**APPENDIX C – SUMMARY OF PLAN PROVISIONS**

2025 Rates		Non-Medicare Plans		Medicare Plans		
		STRS Cost	Retiree Cost - Aetna Basic	STRS Cost	Retiree Cost - Aetna MA	Retiree Cost - Aetna Basic
Years of Service						
<b>Total Cost</b>			\$1,278		\$159	\$275
<b>Retire before 8/1/2023</b>	<b>Retire on or after 8/1/2023</b>					
30 +	30 +	\$959	\$319	\$134	\$25	\$141
29	29	\$927	\$351	\$130	\$29	\$145
28	28	\$895	\$383	\$127	\$32	\$148
27	27	\$863	\$415	\$123	\$36	\$152
26		\$831	\$447	\$120	\$39	\$155
25		\$799	\$479	\$116	\$43	\$159
24		\$767	\$511	\$113	\$46	\$162
23		\$735	\$543	\$109	\$50	\$166
22		\$703	\$575	\$106	\$53	\$169
21	26	\$671	\$607	\$103	\$56	\$172
20	25	\$639	\$639	\$99	\$60	\$176
19	24	\$607	\$671	\$96	\$63	\$179
18	23	\$575	\$703	\$92	\$67	\$183
17	22	\$543	\$735	\$89	\$70	\$186
16	21	\$511	\$767	\$85	\$74	\$190
15	20	\$479	\$799	\$82	\$77	\$193
<b>Unsubsidized Costs</b>						
<b>Cost Per BR</b>		\$0	\$1,278	\$30	\$129	\$245
<b>Cost Per Spouse<sup>1</sup></b>		\$0	\$1,278	\$0	\$159	\$275
<b>Cost Per Child</b>		\$0	\$302	\$0	\$159	\$275

<sup>1</sup> Also applies to disabled adult child (sponsored dependent)

The \$30 per month Medicare Part B premium credit is included in the table above.

**Changes Since the Last Valuation**

This valuation reflects the impact of the temporary changes to the eligibility for reduced and unreduced pension, as previously described, and the associated changes to the health care subsidy reimbursement levels, as adopted by the Board at the December 2024 and April 2025 meetings.

**STATE TEACHERS RETIREMENT SYSTEM OF OHIO  
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**APPENDIX C – SUMMARY OF PLAN PROVISIONS**

**Summary of 2026 Benefit Plans**

State Teachers Retirement System of Ohio Medicare Retirees		
Plan	Aetna Medicare Plan (Medicare Advantage PPO)	Aetna Basic PPO
<b><u>In-Network (INN) Benefits</u></b>		
Deductible per Enrollee	\$0	\$2,500
Plan Coinsurance	96%	80%
Out-of-Pocket Max per Enrollee	\$1,500	\$6,500
<b>Coverages</b>		
Preventive Care	Fully Covered	Fully Covered
Well Woman	Fully Covered	Fully Covered
Office Visit (OV)-Primary Care	\$0 Copay	\$20 Copay
OV - Specialist Care Provider (SCP)	\$25 Copay	DC*
Hospital Emergency Room (ER)	\$75 Copay	\$150 Copay + DC*
Urgent Care (UC)	\$40 Copay	\$40 Copay + DC*
Outpatient Surgery	DC*	DC*
Hospital Inpatient	DC*	DC*
Lifetime Max	No Limit	No Limit
<b><u>Out-of-Network (OON) Benefits</u></b>		
Deductible per Enrollee	\$500	\$5,000
Plan Coinsurance	92%	50%
Out-of-Pocket Max per Enrollee	\$2,500	\$13,000
Office Visit (OV)-Primary Care (PCP)	\$40 after deductible	DC*
OV - Specialist Care Provider (SCP)	\$55 after deductible	20%
<b><u>Mental Health and Substance Abuse</u></b>		
Mental Health and Substance Abuse Inpatient	DC*	DC*
Mental Health and Substance Abuse Outpatient	\$25 Copay	DC*
<b><u>Prescription Drug Benefits</u></b>		
Deductible (Brand and Specialty Only)	\$275	\$275
Out-of-Pocket Max per Person	\$2,100	\$2,100
<b>Preferred Pharmacy Coverage:</b>		
Retail: Generic / Preferred Brand / non-Preferred Brand / Specialty	\$10 / \$30 / \$75 / 8% up to max \$450 **	\$10 / \$30 / \$75 / 8% up to max \$450 **
Mail Order: Low-Cost Generic / Generic / Preferred Brand / non-Preferred Brand / Specialty	\$9 / \$25 / \$75 / \$187.50 / 8% up to max \$1,350 **	\$9 / \$25 / \$75 / \$187.50 / 8% up to max \$1,350 **
<b>Non-Preferred Pharmacy Coverage:</b>		
Retail	Preferred Pharmacy copays + \$0	Preferred Pharmacy copays + \$0

\*DC = Deductible and Coinsurance

\*\* Specific max is \$450 for 1-30, \$900 for 31-60 and \$1,350 for 61-90 day script

<sup>1</sup> No network, benefits same as in-network benefits

State Teachers Retirement System of Ohio Non Medicare Retirees	
Plan	Aetna Non-Medicare Basic Plan
<b><u>In-Network (INN) Benefits</u></b>	
Deductible per Enrollee	\$2,500
Plan Coinsurance	80%
Out-of-Pocket Max per Enrollee	\$6,500
<b>Coverages</b>	
Preventive Care	Fully Covered
Well Woman	Fully Covered
Office Visit (OV)-Primary Care	\$20 Copay
OV - Specialist Care Provider (SCP)	DC*
Hospital Emergency Room (ER)	\$150 Copay + DC*
Urgent Care (UC)	\$40 Copay + DC*
Outpatient Surgery	DC*
Hospital Inpatient	DC*
Lifetime Max	No Limit
<b><u>Out-of-Network (OON) Benefits</u></b>	
Deductible per Enrollee	\$5,000
Plan Coinsurance	50%
Out-of-Pocket Max per Enrollee	\$13,000
Office Visit (OV)-Primary Care (PCP)	DC*
OV - Specialist Care Provider (SCP)	DC*
<b><u>Mental Health and Substance Abuse</u></b>	
Mental Health and Substance Abuse Inpatient	DC*
Mental Health and Substance Abuse Outpatient	\$20 Copay
<b><u>Prescription Drug Benefits</u></b>	
Deductible (Brand and Specialty Only)	\$275
Out-of-Pocket Max per Person	\$4,000
<b>Preferred Pharmacy Coverage:</b>	
Retail: Generic / Preferred Brand / non-Preferred Brand / Specialty	\$10 / \$30 / \$75 / 8% up to max \$450 **
Mail Order: Low-Cost Generic / Generic / Preferred Brand / non-Preferred Brand / Specialty	\$9 / \$25 / \$75 / \$187.50 / 8% up to max \$1,350 **
<b>Non-Preferred Pharmacy Coverage:</b>	
Retail	Preferred Pharmacy copays + \$0

\*DC = Deductible and Coinsurance

\*\* Specific max is \$450 for 1-30, \$900 for 31-60 and \$1,350 for 61-90 day script

<sup>1</sup> No network, benefits same as in-network benefits

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**APPENDIX C – SUMMARY OF PLAN PROVISIONS**

**Summary of 2025 Benefit Plans**

State Teachers Retirement System of Ohio Medicare Retirees		
Plan	Aetna Medicare Plan (Medicare Advantage)	
	PPO	Aetna Basic PPO
<b><u>In-Network (INN) Benefits</u></b>		
Deductible per Enrollee	\$0	\$2,500
Plan Coinsurance	96%	80%
Out-of-Pocket Max per Enrollee	\$1,500	\$6,500
Coverages		
Preventive Care	Fully Covered	Fully Covered
Well Woman	Fully Covered	Fully Covered
Office Visit (OV)-Primary Care	\$0 Copay	\$20 Copay
OV - Specialist Care Provider (SCP)	\$25 Copay	DC*
Hospital Emergency Room (ER)	\$75 Copay	\$150 Copay + DC*
Urgent Care (UC)	\$40 Copay	\$40 Copay + DC*
Outpatient Surgery	DC*	DC*
Hospital Inpatient	DC*	DC*
Lifetime Max	No Limit	No Limit
<b><u>Out-of-Network (OON) Benefits</u></b>		
Deductible per Enrollee	\$500	\$5,000
Plan Coinsurance	92%	50%
Out-of-Pocket Max per Enrollee	\$2,500	\$13,000
Office Visit (OV)-Primary Care (PCP)	\$40 after deductible	DC*
OV - Specialist Care Provider (SCP)	\$55 after deductible	20%
<b><u>Mental Health and Substance Abuse</u></b>		
Mental Health and Substance Abuse Inpatient	DC*	DC*
Mental Health and Substance Abuse Outpatient	\$25 Copay	DC*
<b><u>Prescription Drug Benefits</u></b>		
Deductible (Brand and Specialty Only)	\$275	\$275
Out-of-Pocket Max per Person	<b>\$2,000</b>	<b>\$2,000</b>
Preferred Pharmacy Coverage:		
Retail: Generic / Preferred Brand / non-Preferred Brand / Specialty	\$10 / \$30 / \$75 / 8% up to max \$450 **	\$10 / \$30 / \$75 / 8% up to max \$450 **
Mail Order: Low-Cost Generic / Generic / Preferred Brand / non-Preferred Brand / Specialty	\$9 / \$25 / \$75 / \$187.50 / 8% up to max \$1,350 **	\$9 / \$25 / \$75 / \$187.50 / 8% up to max \$1,350 **
Non Preferred Pharmacy Coverage:		
Retail	Preferred Pharmacy copays + \$0	Preferred Pharmacy copays + \$0

\*DC = Deductible and Coinsurance

\*\* Specific max is \$450 for 1-30, \$900 for 31-60 and \$1,350 for 61-90 day script

<sup>1</sup> No network, benefits same as in-network benefits

State Teachers Retirement System of Ohio Non Medicare Retirees	
Plan	Aetna Non-Medicare Basic Plan
	<b><u>In-Network (INN) Benefits</u></b>
Deductible per Enrollee	\$2,500
Plan Coinsurance	80%
Out-of-Pocket Max per Enrollee	\$6,500
Coverages	
Preventive Care	Fully Covered
Well Woman	Fully Covered
Office Visit (OV)-Primary Care	\$20 Copay
OV - Specialist Care Provider (SCP)	DC*
Hospital Emergency Room (ER)	\$150 Copay + DC*
Urgent Care (UC)	\$40 Copay + DC*
Outpatient Surgery	DC*
Hospital Inpatient	DC*
Lifetime Max	No Limit
<b><u>Out-of-Network (OON) Benefits</u></b>	
Deductible per Enrollee	\$5,000
Plan Coinsurance	50%
Out-of-Pocket Max per Enrollee	\$13,000
Office Visit (OV)-Primary Care (PCP)	DC*
OV - Specialist Care Provider (SCP)	DC*
<b><u>Mental Health and Substance Abuse</u></b>	
Mental Health and Substance Abuse Inpatient	DC*
Mental Health and Substance Abuse Outpatient	\$20 Copay
<b><u>Prescription Drug Benefits</u></b>	
Deductible (Brand and Specialty Only)	\$275
Out-of-Pocket Max per Person	\$4,000
Preferred Pharmacy Coverage:	
Retail: Generic / Preferred Brand / non-Preferred Brand / Specialty	\$10 / \$30 / \$75 / 8% up to max \$450 **
Mail Order: Low-Cost Generic / Generic / Preferred Brand / non-Preferred Brand / Specialty	\$9 / \$25 / \$75 / \$187.50 / 8% up to max \$1,350 **
Non-Preferred Pharmacy Coverage:	
Retail	Preferred Pharmacy copays + \$0

\*DC = Deductible and Coinsurance

\*\* Specific max is \$450 for 1-30, \$900 for 31-60 and \$1,350 for 61-90 day script

<sup>1</sup> No network, benefits same as in-network benefits

Highlighted cells denote the main benefits changes from 2025 to 2026.

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**APPENDIX D – GLOSSARY OF TERMS**

**1. Actuarial Assumptions**

Assumptions as to the occurrence of future events affecting OPEB costs, such as mortality, withdrawal, and retirement; changes in compensation; rates of investment earnings and asset appreciation or depreciation; procedures used to determine the Actuarial Value of Assets; and other relevant items.

**2. Actuarial Cost Method**

A procedure for determining the Actuarial Present Value of OPEB plan benefits and expenses and for developing an allocation of such value to each year of service, usually in the form of a Normal Cost and an Actuarial Liability.

**3. Actuarially Determined Contribution**

A target or recommended contribution for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.

**4. Actuarial Gain (Loss)**

A measure of the difference between actual experience and that expected based upon a set of actuarial assumptions during the period between two actuarial valuation dates, as determined in accordance with a particular actuarial cost method.

**5. Actuarial Liability**

The portion of the Actuarial Present Value of projected benefits which will not be paid by future Normal Costs. It represents the value of the past Normal Costs with interest to the valuation date.

**6. Actuarial Present Value (Present Value)**

The value as of a given date of a future amount or series of payments, the Actuarial Present Value discounts the payments to the given date at the assumed investment return and includes the probability of the payment being made. As a simple example: assume you owe \$100 to a friend one year from now. Also, assume there is a 1% probability of your friend dying over the next year, in which case you will not be obligated to pay him. If the assumed investment return is 10%, the Actuarial Present Value is:

$$\frac{\text{Amount}}{\$100} \times \frac{\text{Probability of Payment}}{(1 - .01)} \times \frac{1/}{(1+0.10)} = \frac{\text{Present Value}}{\$90}$$

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**APPENDIX D – GLOSSARY OF TERMS**

**7. Actuarial Valuation Date**

The date as of which an actuarial valuation is performed. This date may be up to 24 months prior to the measurement date and up to 30 months prior to the employer’s reporting date.

**8. Actuarial Value of Assets**

The value of cash, investments, and other property belonging to an OPEB plan as used by the actuary for the purpose of an actuarial valuation. The purpose of an Actuarial Value of Assets is to smooth out fluctuations in market values. This way long-term costs are not distorted by short-term fluctuations in the market.

**9. Amortization Payment**

The portion of the OPEB plan contribution which is designed to pay interest and principal on the Unfunded Actuarial Liability in order to pay for that liability in a given number of years.

**10. Deferred Inflow of Resources (DIR)**

An acquisition of net assets by a government employer that is applicable to a future reporting period. In the context of GASB 75, these are experience gains on the Total OPEB Liability, assumption changes reducing the Total OPEB Liability, or investment gains that are recognized in future reporting periods.

**11. Deferred Outflow of Resources (DOR)**

A consumption of net assets by a government employer that is applicable to a future reporting period. In the context of GASB 75, these are experience losses on the Total OPEB Liability, assumption changes increasing the Total OPEB Liability, or investment losses that are recognized in future reporting periods.

**12. Discount Rate**

The assumed interest rate used for converting projected dollar related values to a present value as of the valuation date.

**13. Entry Age Normal Actuarial Cost Method**

The actuarial cost method required for GASB 74 and 75 calculations. Under this method, the Actuarial Present Value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings of the individual between Entry Age and assumed exit ages. The portion of this Actuarial Present Value allocated to a valuation year is called the service cost. The portion of this Actuarial Present Value not provided for at a valuation date by the Actuarial Present Value of future service costs is called the Total OPEB Liability.

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**APPENDIX D – GLOSSARY OF TERMS**

**14. Funded Percentage**

The ratio of the Actuarial Value of Assets to Actuarial Liabilities.

**15. Funding Surplus**

The excess of the Actuarial Value of Assets over the Actuarial Liability.

**16. Measurement Date**

The date as of which the Total OPEB Liability and Plan Fiduciary Net Position are measured, the Total OPEB Liability may be projected from the actuarial valuation date to the measurement date. The measurement date must be the same as the reporting date for the Plan.

**17. Medical Trend**

The assumed increase in dollar related values in the future due to the increase in the cost of health care.

**18. Mortality Table**

A set of percentages which estimate the probability of death at a particular point in time. Typically, the rates are annual and based on age and sex.

**19. Net OPEB Liability (NOL)**

The liability of employers and non-employer contributing entities for employees for benefits provided through a defined benefit OPEB plan. It is calculated as the Total OPEB Liability less the Plan Fiduciary Net Position.

**20. Plan Fiduciary Net Position**

The fair or Market Value of Assets.

**21. Reporting Date**

The last day of the Plan or employer's fiscal year.

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**APPENDIX D – GLOSSARY OF TERMS**

**22. Service Cost**

The portion of the Actuarial Present Value of projected benefit payments that is attributed to the current period of employee service in conformity with the requirements of GASB 74 and 75.

**23. Total OPEB Liability**

The portion of the Actuarial Present Value of projected benefit payments that is attributed to past periods of employee service in conformity with the requirements of GASB 74 and 75. The Total OPEB Liability is the Actuarial Liability calculated under the Entry Age actuarial cost method.

**24. Unfunded Actuarial Liability**

The excess of the Actuarial Liability over the Actuarial Value of Assets.

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**APPENDIX E – SUPPORTING SCHEDULES**

The following tables provide supporting schedules for STRS Ohio to incorporate into their Annual Comprehensive Financial Report for the fiscal year ending June 30, 2025.

Table E-1								
Health Care Solvency Test, 2018 - 2025 (dollars in thousands)								
Actuarial Valuation Date	Accrued Liability For:				Fair Market Value of Assets	Portion of Accrued Liability Covered by Fair Value of Assets:		
	(1) Active Members	(2) Terminated Vested Members	(3) Retirees, Survivors & Dependents			(1)	(2)	(3)
June 30, 2018	\$ 784,921	\$ 1,965	\$ 1,327,565		\$ 3,721,349	100%	100%	221%
June 30, 2019	\$ 872,892	\$ 2,251	\$ 1,340,775		\$ 3,872,158	100%	100%	224%
June 30, 2020	\$ 930,668	\$ 2,279	\$ 1,206,851		\$ 3,897,296	100%	100%	246%
June 30, 2021	\$ 1,137,505	\$ 2,989	\$ 1,680,827		\$ 4,929,740	100%	100%	225%
June 30, 2022	\$ 816,952	\$ 3,987	\$ 1,159,768		\$ 4,570,040	100%	100%	323%
June 30, 2023	\$ 1,643,818	\$ 8,609	\$ 1,186,116		\$ 4,783,404	100%	100%	264%
June 30, 2024	\$ 2,104,041	\$ 10,231	\$ 1,155,605		\$ 5,166,687	100%	100%	264%
June 30, 2025	\$ 2,652,090	\$ 13,524	\$ 1,610,677		\$ 5,488,071	100%	100%	175%

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**APPENDIX E – SUPPORTING SCHEDULES**

Table E-2

Schedule of Valuation Data — Active Members, 2018–2025 (dollars in thousands)

Actuarial Valuation Date	Number of Active Members			Annualized Salaries*	Average Annual Pay*	% Increase in Average Pay*
	Under 65 (Non-Medicare eligible)	Over 65 (Medicare eligible)	Total			
June 30, 2018	165,309	5,018	170,327	\$ 10,581,345	N/A	N/A
June 30, 2019	164,823	5,181	170,004	\$ 10,849,863	N/A	N/A
June 30, 2020	162,827	5,011	167,838	\$ 11,192,069	N/A	N/A
June 30, 2021	161,844	4,580	166,424	\$ 11,404,226	N/A	N/A
June 30, 2022	168,891	5,140	174,031	\$ 12,144,257	N/A	N/A
June 30, 2023	169,541	5,487	175,028	\$ 12,533,620	N/A	N/A
June 30, 2024	169,178	5,654	174,832	\$ 12,900,197	N/A	N/A
June 30, 2025	167,124	5,375	172,499	\$ 13,222,583	N/A	N/A

\* Annualized salaries match those reported in pension section. Average pay not reported as contributions are not pay-related.

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**APPENDIX E – SUPPORTING SCHEDULES**

<b>Table E-3</b>					
<b>Schedule of Valuation Data —Benefit Recipients, 2018–2025</b>					
<b>Actuarial Valuation Date</b>	<b>Number of Benefit Recipients</b>	<b>Annual Allowances (\$ thousands)</b>	<b>Average Annual Allowances</b>	<b>% Increase in Annual Allowances</b>	
June 30, 2018	121,332	\$ 348,743	\$ 2,874	N/A	
June 30, 2019	118,526	\$ 326,560	\$ 2,755	-4.1%	
June 30, 2020	115,623	\$ 320,907	\$ 2,775	0.7%	
June 30, 2021	113,164	\$ 348,642	\$ 3,081	11.0%	
June 30, 2022	110,360	\$ 290,710	\$ 2,634	-14.5%	
June 30, 2023	109,119	\$ 206,054	\$ 1,888	-28.3%	
June 30, 2024	108,097	\$ 182,427	\$ 1,688	-10.6%	
June 30, 2025	108,096	\$ 226,717	\$ 2,097	24.3%	

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**APPENDIX E – SUPPORTING SCHEDULES**

Table E-4								
Benefit Recipients Added to and Removed From the Rolls, 2018–2025 (dollars in thousands)								
Fiscal Year Ended	Beginning						Ending	
	Number of Benefit Recipients	Annual Allowances	Benefit Recipients Added	Benefit Payments Added	Benefit Recipients Removed	Benefit Payments Removed	Number of Benefit Recipients	Annual Allowance
June 30, 2018*							121,332	\$ 348,743
June 30, 2019	121,332	\$ 348,743	3,548	\$ 15,080	6,354	\$ 37,263	118,526	\$ 326,560
June 30, 2020	118,526	\$ 326,560	3,272	\$ 8,087	6,175	\$ 13,740	115,623	\$ 320,907
June 30, 2021	115,623	\$ 320,907	3,984	\$ 28,348	6,443	\$ 613	113,164	\$ 348,642
June 30, 2022	113,164	\$ 348,642	3,376	\$ 11,190	6,180	\$ 69,122	110,360	\$ 290,710
June 30, 2023	110,360	\$ 290,710	4,323	\$ 18,380	5,564	\$ 103,036	109,119	\$ 206,054
June 30, 2024	109,119	\$ 206,054	4,269	\$ 7,363	5,291	\$ 30,990	108,097	\$ 182,427
June 30, 2025	108,097	\$ 182,427	5,337	\$ 8,585	5,338	\$ (35,705)	108,096	\$ 226,717

\* Information as of July 1, 2017 is not available, as no valuation was performed as of that date.

Note: Payments Removed shown above reflect changes in healthcare rates implemented throughout the year.

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**APPENDIX E – SUPPORTING SCHEDULES**

Table E-5 Health Care Cost Trend Rates									
Year	Medical		Prescription Drugs		Year	Medical		Prescription Drugs	
	Pre-Medicare	Medicare	Pre-Medicare	Medicare		Pre-Medicare	Medicare	Pre-Medicare	Medicare
<b>2025</b>	7.00%	86.77%	8.00%	26.60%	<b>2035</b>	4.52%	8.23%	4.52%	5.40%
<b>2026</b>	6.50%	0.80%	7.50%	12.11%	<b>2036</b>	4.32%	7.67%	4.32%	5.13%
<b>2027</b>	6.20%	78.42%	7.00%	9.79%	<b>2037</b>	4.22%	7.29%	4.22%	4.98%
<b>2028</b>	5.60%	54.05%	6.00%	7.92%	<b>2038</b>	4.16%	7.00%	4.16%	4.89%
<b>2029</b>	5.23%	13.66%	5.23%	7.05%	<b>2039</b>	4.12%	6.76%	4.12%	2.37%
<b>2030</b>	5.16%	12.47%	5.16%	6.85%	<b>2040</b>	4.10%	4.10%	4.10%	4.10%
<b>2031</b>	5.09%	11.49%	5.09%	6.66%	<b>2041</b>	4.08%	4.08%	4.08%	4.08%
<b>2032</b>	5.01%	10.67%	5.01%	6.48%	<b>2042</b>	4.06%	4.06%	4.06%	4.06%
<b>2033</b>	4.94%	9.98%	4.94%	6.31%	<b>2043</b>	4.05%	4.05%	4.05%	4.05%
<b>2034</b>	4.87%	9.10%	4.87%	5.90%	<b>2044</b>	3.99%	3.99%	3.99%	3.99%
					<b>2045+</b>	3.94%	3.94%	3.94%	3.94%

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**APPENDIX E – SUPPORTING SCHEDULES**

<b>Table E-6</b>							
<b>Summary of Membership Data</b>							
Valuation Date:	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024			June 30, 2025
Active Members	166,424	174,031	175,028	174,832			172,499
Terminated Vested Members	20,430	20,190	20,908	21,417			21,687
<b>STRS Ohio Health Care Program Enrollees</b>							
	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	Added	Terminated	June 30, 2025
Retirees	93,045	91,294	90,669	90,025	4,118	3,799	90,344
Disabled Retirees	3,277	3,055	2,909	2,741	57	223	2,575
Survivors	4,237	4,143	4,045	3,915	342	386	3,871
Spouses and Dependents (excluding Children)	12,605	11,868	11,496	11,416	820	930	11,306
<b>Total</b>	<b>113,164</b>	<b>110,360</b>	<b>109,119</b>	<b>108,097</b>	<b>5,337</b>	<b>5,338</b>	<b>108,096</b>
Annual Allowance (\$thousands)	\$ 348,642	\$ 290,710	\$ 206,054	\$ 182,427	\$ 8,585	\$ (35,705)	\$ 226,717