June 30, 2026

Ms. Bethany Rhodes, Director
Ohio Retirement Study Council
30 East Broad Street, 2nd Floor
Columbus, OH 43215-3414

Dear Ms. Rhodes:

In accordance with Ohio Revised Code Section 5505.12(E), I am attaching a full accounting of the revenues and costs of health care by the Highway Patrol Retirement System at December 31, 2025, utilizing the ORSC-approved standard template.

If you have any questions, please contact me.

Sincerely,

Carl Roark

Carl Roark, PhD.
Executive Director
direct dial 614.430.3557
c.roark@ohprs.org

cc: The Honorable Mike DeWine, Governor
The Ohio Retirement Study Council
Director Kimberly Murnieks, Office of Budget and Management
The Honorable Matt Huffman, Speaker of the House
The Honorable Rob McColley, Senate President
The Honorable Adam Bird, Chair, Ohio Retirement Study Council
The Honorable Terry Johnson, Chair, Senate Armed Services, Veterans Affairs and Public Safety

State Highway Patrol Retirement System
ORSC Health Care Report as of December 31, 2025
For period January 1, 2025-December 31, 2025

(Submitted to ORSC 06/30/2026)

Year in Review-2025

In 2025, HPRS offered health care coverage—including a Health Reimbursement Arrangement, as well as dental and vision benefits—to 1,944 eligible retirees and dependents, at a total cost of $8,476,337.

In 2025 all eligible pre-Medicare retirees were offered participation in a Health Reimbursement Arrangement (HRA). The monthly HRA allocation is determined by the HPRS Board and is based on each retiree's total service credit and a percentage of the maximum base rate. The maximum monthly HRA allowance is $800, with actual amounts adjusted according to the retiree's service credit. Surviving spouses of pre-Medicare retirees receive a fixed HRA allocation of $350 per month.

Medicare-eligible retirees also receive a monthly HRA allocation, which can be used to purchase a Medicare Advantage or Medicare Supplement plan through the exchange. For 2025, the HRA allocation was $225 per month (or $2,700 annually) for retirees, and $112.50 per month (or $1,350 annually) for surviving spouses.

Both Pre-Medicare and Medicare-eligible participants may use their HRA funds to cover any qualified medical expenses for themselves or their eligible dependents.

A dental plan, administered by Delta Dental, is available to all HPRS benefit recipients and eligible dependents. In 2025, retirees paid a monthly premium of $10.00, spouses and children paid $25.00, and surviving spouses and surviving children paid $10.00. Dental expenses totaled $744,540 for the year.

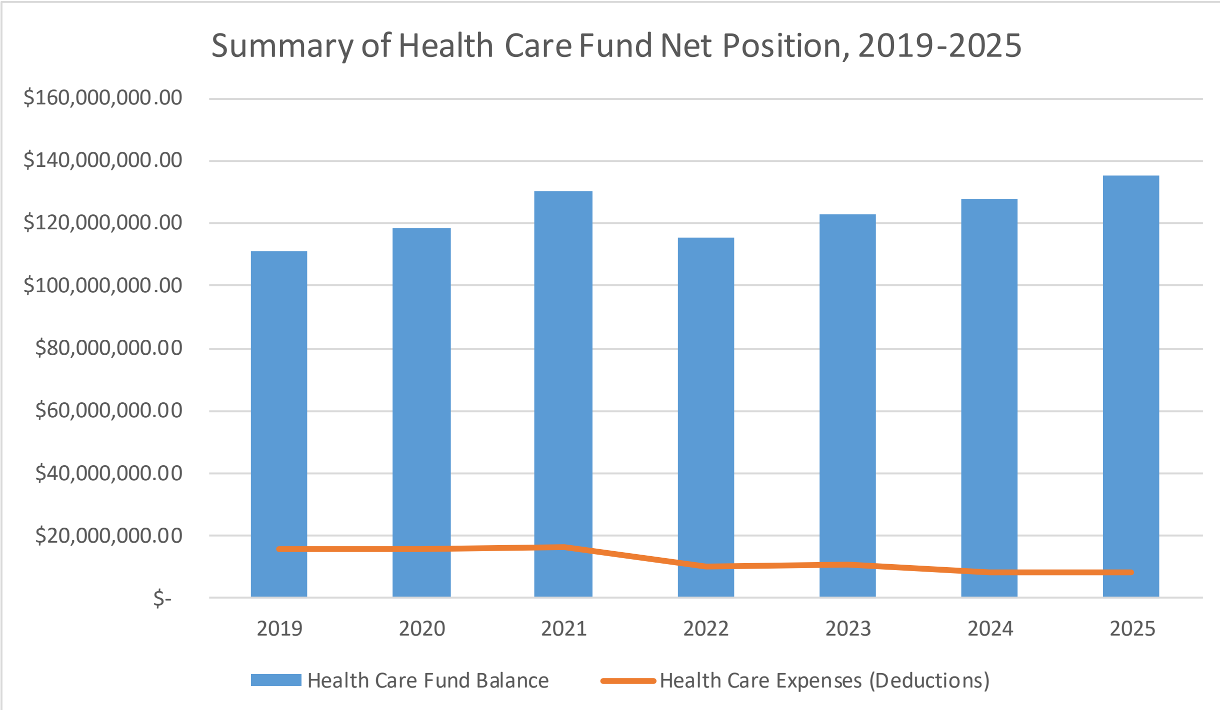
A vision plan, administered by Aetna Vision and EyeMed, is available to all HPRS benefit recipients and eligible dependents. Retirees paid $8 per month, spouses and children paid $10.00, and surviving spouses and surviving children paid $8.00 in 2025. Vision expenses totaled $262,943 for the year.

Any changes in coverage must occur during the annual open enrollment period unless a qualifying event occurs.

Ohio Revised Code Section 5505.33 permits HPRS's participation in contracts for long-term care insurance. Participants pay the full cost of the premium.

Financial Information

Additions	Deductions	Fund Balance	Solvency Period	Employer Allocation
$ 15,704,470.00	$ 8,476,337.00	$ 134,932,755.00	2045	0.00%



Health Care Fund Balance (as graphed above)		
Year	Health Care Fund Balance	Health Care Expenses (Deductions)
2019	$ 110,986,378.00	$ 15,609,344.00
2020	$ 118,622,893.00	$ 15,725,987.00
2021	$ 130,128,731.00	$ 16,307,426.00
2022	$ 115,135,795.00	$ 10,078,185.00
2023	$ 123,036,032.00	$ 10,718,549.00
2024	$ 127,704,622.00	$ 8,567,765.00
2025	$ 134,932,755.00	$ 8,476,337.00

[1]Solvency period based on each system's individual valuation and underlining assumptions.

Average Cost Per Participant Paid by State Highway Patrol Retirement System

Non-Medicare Recipients	Re-employed non-Medicare Recipients	Medicare Recipients
$7,758	$--	$3,255

Pre-Medicare Recipients include retirees and eligible spouses/dependent children who are not yet eligible for Medicare coverage, generally those under 65 years of age.

HPRS has no re-employed non-Medicare recipients.

Medicare Recipients includes retirees and spouses 65 years of age and older and eligible for both Medicare Parts A and B, as well as those under 65 who qualify due to a disabling condition.

Population of Recipients Receiving the HRA Allowance

Age and Service	Disability	All Others (Survivors, Beneficiaries, etc.)*	Total Recipients	Percent Medicare
1,292	124	181	1,597	58%

*Includes surviving spouses.

Health Care Plan – Medicare HRA

	In-Network	Out-of-Network	Out of Area
Deductible			
Out-of-Pocket limit			
Lifetime Maximum			
Medical Services (% covered by plan)			
Outpatient			
Mental health			
Surgery			
Emergency Services			
Emergency Room			
Urgent Care			
Preventative Services			
Annual physical			
Flu vaccines			
EKG, Cholesterol, Blood Sugar, Lipid, Colonoscopy, Sigmoidoscopy, Bone Density Testing			

Since July 1974, the Highway Patrol Retirement System (HPRS) has offered a health care benefit, although it is not mandated by statute. To promote long-term sustainability, HPRS initiated a multi-year transition to a Health Reimbursement Arrangement (HRA) model.

In January 2022, HPRS successfully completed the transition of the Medicare Exchange Project, providing Medicare-eligible members with access to an HRA.

An HRA is an account funded by HPRS that allows retirees, surviving spouses, and eligible dependents to receive tax-free reimbursements for qualified medical expenses. These expenses may include Medicare premiums, monthly post-tax insurance premiums, deductibles, co-insurance, copayments, and other IRS-approved medical costs.

Health Care Plan – Pre Medicare HRA

	In-Network	Out-of-Network	Out of Area
Deductible			
Out-of-Pocket limit			
Lifetime Maximum			
Medical Services (% covered by plan)			
Outpatient			
Mental health			
Surgery			
Emergency Services			
Emergency Room			
Urgent Care			
Preventative Services			
Annual physical			
Flu vaccines			
EKG, Cholesterol, Blood Sugar, Lipid, Colonoscopy, Sigmoidoscopy, Bone Density Testing			

In January 2024, HPRS successfully completed the transition of the pre-Medicare group providing pre-Medicare eligible members with access to an HRA.

Prescription Plan for Medicare - None

	Retail Preferred/Home Delivery	Retail/Non-Preferred Network
Annual deductible	N/A	N/A
Generic	N/A	N/A
Formulary	N/A	N/A
Non-formulary Brand	N/A	N/A
Specialty Drugs	N/A	N/A

Prescription Plan for Pre-Medicare – None

	Retail Preferred/Home Delivery	Retail/Non-Preferred Network
Annual deductible	N/A	N/A
Generic	N/A	N/A
Formulary	N/A	N/A
Non-formulary Brand	N/A	N/A
Specialty Drugs	N/A	N/A

Supplemental Drug List (by request-currently no requests) - None

	Drug name	Formulary Y/N	Plan Design	Notes
Specialty				

	Drug name	Formulary Y/N	Plan Design	Notes
Brand				

	Drug name	Formulary Y/N	Plan Design	Notes
Generic				

Health Care Future - 2027

In June 2026, HPRS' actuary, Foster & Foster, presented the preliminary Other Post-Employment Benefits (OPEB) actuarial report as of December 31, 2025. The report projects that the current health care fund will remain solvent through 2045. At the most recent board meeting in June 2026, and in alignment with the funding policy adopted by the Board in 2022 and revised in 2024, the board voted to add $3.5 million to the healthcare fund from the employer contributions for the 2027 plan year. No employee contributions will be allocated to the health care fund.

For 2027, the Medicare HRA allocation was increased to $255 per month for retirees and $127.50 per month for surviving spouses.

The pre-Medicare HRA allocation is based on health care service credit, which includes Deferred Retirement Option Plan (DROP) time and purchased interrupted military service. For 2027 the pre-Medicare HRA allocation increase was approved by the board. Monthly HRA amounts for retirees will range from $549 to $900, while surviving spouses will receive a flat monthly amount of $375.

Supplementary Statutory Requirements

The following is provided in accordance with the requirements of Revised Code section 5505.12(E)

(1) A description of the statutory authority for the benefits provided:

See ORC 5505.28 Health Care Coverage which is attached.

(2) A summary of coverage for 2025:

A summary of coverage for 2025 is located on page 4 and 5 and a snapshot of future healthcare is on page 9.

(3) A summary of the eligibility requirements for the benefits:

All age and service retirees of the Ohio Highway Patrol are eligible for HPRS health care benefits upon receiving their pension. An HRA is provided for those qualifying members within the Medicare and pre-Medicare age and premiums are charged for dental and vision coverage for members, spouses, dependents, surviving spouses, and surviving children. Please see attached OAC 5505-7-04 Health Care for additional detail regarding eligibility.

(4) A statement of the number of participants eligible for the benefits:

As of December 31, 2025, there were 1,944 retirees and dependents who were eligible to participate in the health care programs offered by HPRS.

(5) A description of the accounting, asset valuation, and funding method used to provide the benefits:

HPRS's financial statements are prepared using the accrual basis of accounting, under which expenses are recorded when incurred and revenues are recorded when earned and measurable. Income on all investments is recognized on the accrual basis. All investments are recorded at fair value, which is the amount the plan could reasonably expect to receive in a current sale between a willing buyer and willing seller, other than in a forced or liquidation sale.

HPRS is funded with employee and employer contributions. In 2025, the employee contribution rate was 14.0% and the employer rate was 26.5%. Of the 26.5% employer contributions, the HPRS Board allocated 26.5% to pension and 0.0% to healthcare. The allocation for 2026 is determined by the Board. No employee contributions are used to fund health care.

(6) A statement of the net assets available for the provision of the benefits as of the last day of the fiscal year:

As of December 31, 2025, the net assets available for the provision of health care benefits were $134,932,755.

(7) A statement of any changes in the net assets available for the provision of benefits, including participant and employer contributions, net investment income, administrative expenses, and benefits provided to participants, as of the last day of the fiscal year:

Please see the attached Statement of Changes in Fiduciary Net Position 2019-2025.

(8) For the last six consecutive fiscal years, a schedule of the net assets available for the benefits, the annual cost of benefits, administrative expenses incurred, and annual employer contributions allocated for the provision of benefits:

Please see the attached Statement of Fiduciary Net Position 2019-2025.

(9) A description of any significant changes that affect the comparability of the report required under this division:

None.

(10) As applicable, a statement of the amount paid under division (B) of section 5505.28 of the Revised Code:

Medicare Part B reimbursement was eliminated in 2017, therefore HPRS paid $0 in 2025.

2025 Health Care Coverage & HRA

Health Reimbursement Arrangement - Non-Medicare (Contact Via Benefits at 1.800.667.2184)

HPRS Pre-Medicare HRA Allowance for Retirees			
	Base = $800.00		
***Total HCSC**	**% of Base**	**Monthly HRA Amount**	**Annual HRA Amount**
20	61%	$488	$5,856
21	64%	$512	$6,144
22	67%	$536	$6,432
23	70%	$560	$6,720
24	73%	$584	$7,008
25	76%	$608	$7,296
26	79%	$632	$7,584
27	82%	$656	$7,872
28	85%	$680	$8,160
29	88%	$704	$8,448
30	91%	$728	$8,736
31	94%	$752	$9,024
32	97%	$776	$9,312
33+	100%	$800	$9,600

* Health Care service credit includes (HCSC): HPRS service credit, DROP participation time, purchased interrupted military service credit, and purchased or transferred OP&F service credit.

Disability Retirees:
- In-the-line-of-duty disability retirees receive the 25 years of HCSC allowance, unless they have earned more.
- Not-in-the-line-of-duty disability retirees with 20 or less HCSC will receive the minimum HRA amount (61% of Base).

Surviving Spouses receive an HRA in the amount of $350 per month in 2025 (if qualify).

Health Reimbursement Arrangement - Medicare (Contact Via Benefits at 1.833.431.1358)

HPRS Medicare HRA Allowance for Retirees & Surviving Spouses		
	Monthly HRA Amount	**Annual HRA Amount**
Retiree	$225.00	$2,700.00
Surviving Spouse	$112.50	$1,350.00

Dental & Vision

	Monthly Retiree Premium	Monthly Spouse Premium	Monthly Dependent Child Premium*	Monthly Surviving Spouse Premium	Monthly Surviving Children Premium
Dental	$10	$25	$25	$10	$10
Vision	$8	$10	$10	$8	$8

*A single Dental & Vision premium provides coverage for all dependent children regardless of number.

Highway Patrol Retirement System
Statement of Fiduciary Net Position
Health Care
2019-2025

	2025	2024	2023	2022	2021	2020	2019
Assets							
Cash and Short-Term Investments	$ 7,663,502	$ 6,039,620	$ 5,830,968	$ 6,331,612	$ 5,105,603	$ 4,346,579	$ 5,105,603
Receivables							
Contributions							
Employer	-	-	-	-	-	-	-
Employee	-	-	-	-	-	-	-
Accrued Investment Income	196,685	313,931	82,770	372,558	332,055	140,085	332,055
Health Care Receivable	-	-	59,741	436,169	1,618,909	-	1,618,909
Total Receivables	196,685	313,931	142,511	808,727	1,950,964	140,085	1,950,964
Investments, at Fair Value							
Domestic Equity	31,596,245	29,178,879	25,280,585	23,920,986	27,607,350	37,600,691	27,607,350
International Equity	232,054	2,937,905	6,588,231	6,405,751	7,975,339	17,876,937	7,975,339
Fixed Income	24,293,609	18,250,729	12,925,444	9,889,319	17,286,242	23,253,096	17,286,242
Real Estate	7,746,901	8,377,205	9,591,307	9,986,410	8,005,118	7,894,383	8,005,118
Private Equity	26,236,118	28,424,764	29,061,903	25,514,529	21,332,896	17,087,078	21,332,896
Hedge Funds	7,219,841	6,463,316	6,857,320	8,246,184	11,380,960	10,700,919	11,380,960
Direct Infrastructure	2,681,151	2,859,287	2,230,793	2,069,730	1,756,017	911,803	1,756,017.00
Global Equity	33,058,131	28,650,480	25,825,973	23,392,396	28,932,428		28,932,428.00
Total Investments	133,064,050	125,142,565	118,361,556	109,425,305	124,276,350	115,324,907	124,276,350
Prepaid Expense	-	-	610	-	-	-	-
Property and Equipment, Net	376	526	682	-	-	-	-
Net OPEB Asset	110,437	87,180	-	147,554	85,656	-	85,656
Total Assets	141,035,050	131,583,822	124,336,327	116,713,198	131,418,573	119,811,571	131,418,573
Liabilities							
Accrued Health Care Liabilities	6,017,743	3,792,750	1,275,970	1,354,177	998,281	446,046	998,281
Accounts Payable	25,218	24,047	43,932	28,268	40,635	61,379	40,635
Accrued Payroll Liabilities	41,902	38,459	37,468	40,085	32,175	29,033	32,175
Net OPEB Liability	-	43,590	32,594	-	-	667,427.00	-
Total Liabilities	6,084,863	3,898,846	1,389,964	1,422,530	1,071,091	1,203,885	1,071,091
Deferred Outflows of Resources - GASB 75	4,496	49,654	110,355	1,683	45,656	113,744.00	45,656.00
Deferred Inflows of Resources - GASB 75	21,928	30,008	20,686	156,556	264,408	98,537.00	264,408.00
Net Position - Restricted for Post-Employment Health Care Benefits	**$ 134,932,755**	**$ 127,704,622**	**$ 123,036,032**	**$ 115,135,795**	**$ 130,128,730**	**$ 118,622,893**	**$ 130,128,730**

Highway Patrol Retirement System
Statement of Changes in Fiduciary Net Position
Health Care
2019-2025

	2025	2024	2023	2022	2021	2020	2019
Additions							
Contributions:							
Employer	$ -	$ -	$ -	$ 3,890,000	$ -	$ -	$ -
Member	-	-	-	-	-	-	-
Transfer from Other Systems	-	-	-	-	-	-	-
Other Income	649,571	1,060,984	2,969,060	4,049,465	10,019,749	7,422,942	6,990,639
Total Contributions	649,571	1,060,984	2,969,060	7,939,465	10,019,749	7,422,942	6,990,639
Investment income:							
Net Appreciation in Fair Value of Investments	13,933,095	10,220,820	13,893,421	(14,078,779)	14,807,458	15,159,724	16,855,493
Interest & Dividend Income	2,073,756	2,811,762	2,679,844	2,237,283	4,015,470	1,993,333	2,119,472
Real Estate Operating Income, Net	-	-	-	-	45	2	113
	16,006,851	13,032,582	16,573,265	(11,841,496)	18,822,973	17,153,059	18,975,078
Less Investment Expense	(951,952)	(857,211)	(923,539)	(1,012,720)	(1,029,458)	(1,012,538)	(968,525)
Net Investment Income	15,054,899	12,175,371	15,649,726	(12,854,216)	17,793,515	16,140,521	18,006,553
Total Additions	15,704,470	13,236,355	18,618,786	(4,914,751)	27,813,264	23,563,463	24,997,192
Deductions							
Benefits Paid Directly to Participants	8,255,295	8,358,839	10,462,275	9,900,250	16,181,130	15,725,987	15,609,344
Refunds of Employee Contributions	-	-	-	-	-	-	-
Administrative Expenses	221,042	208,926	256,274	177,935	126,296	200,961	229,044
Transfers to Other Systems	-	-	-	-	-	-	-
Total Deductions	8,476,337	8,567,765	10,718,549	10,078,185	16,307,426	15,926,948	15,838,388
Net Increase (Decrease)	7,228,133	4,668,590	7,900,237	(14,992,936)	11,505,838	7,636,515	9,158,804
Restatement - GASB 75	-	-	-	-	-	-	-
Balance at End of Year	**134,932,755**	**127,704,622**	**123,036,032**	**115,135,795**	**130,128,731**	**118,622,893**	**110,986,378**

Ohio Revised Code

Section 5505.28 Health insurance.

Effective: January 7, 2013
Legislation: Senate Bill 345 - 129th General Assembly

(A) The state highway patrol retirement board may enter into an agreement with insurance companies, health insuring corporations, or government agencies authorized to do business in the state for issuance of a policy or contract of health, medical, hospital, or surgical benefits, or any combination thereof, for those persons receiving pensions and subscribing to the plan. Notwithstanding any other provision of this chapter, the policy or contract may also include coverage for any eligible individual's spouse and dependent children and for any of the individual's sponsored dependents as the board considers appropriate.

If all or any portion of the policy or contract premium is to be paid by any individual receiving a service, disability, or survivor pension or benefit, the individual shall, by written authorization, instruct the board to deduct from the individual's pension or benefit the premium agreed to be paid by the individual to the company, corporation, or agency.

The board may contract for coverage on the basis of part or all of the cost of the coverage to be paid from appropriate funds of the state highway patrol retirement system. The cost paid from the funds of the system shall be included in the employer's contribution rate as provided by section 5505.15 of the Revised Code.

(B) The board shall, beginning the month following receipt of satisfactory evidence of the payment for coverage, pay monthly to each recipient of a pension under the state highway patrol retirement system who is eligible for coverage under part B of the medicare program established under Title XVIII of "The Social Security Amendments of 1965," 79 Stat. 301 (1965), 42 U.S.C.A. 1395j, as amended, an amount established by board rule not exceeding the basic premium for such coverage.

(C) The board shall establish by rule requirements for the coordination of any coverage, payment, or benefit provided under this section with any similar coverage, payment, or benefit made available to the same individual by the public employees retirement system, Ohio police and fire pension fund, state teachers retirement system, or school employees retirement system.

(D) The board shall make all other necessary rules pursuant to the purpose and intent of this section.

Ohio Administrative Code
Rule 5505-7-04 Health care.
Effective: February 19, 2024

(A) For the purpose of this rule:

(1) "Age and service retirant" shall mean a former member that applied for and was granted retirement benefits as described in section 5505.16 of the Revised Code.

(2) "Benefit recipient" shall mean an age and service retirant or disability retirant that is receiving a pension benefit as described in division (A)(1) of section 5505.17 of the Revised Code that qualifies for health care coverage pursuant to paragraph (D) of this rule. Benefit recipient does not include a member participating in the "Deferred Retirement Option Plan."

(3) "Dependent" shall mean a spouse as defined in this rule.

(4) "Disability retirant" shall mean a former member that applied for and was granted retirement benefits as described in section 5505.18 of the Revised Code.

(5) "Eligible dependent" shall mean a dependent that qualifies for health care coverage pursuant to paragraph (F) of this rule.

(6) "Health care service credit" shall include:

(a) Credit earned as an employee as defined by division (A) of section 5505.01 of the Revised Code;

(b) Military service credit purchased pursuant to division (D) of section 5505.16 of the Revised Code;

(c) Credit granted under section 5505.201 of the Revised Code; and

(d) Years of participation in the deferred retirement option plan pursuant to section 5505.51 of the

Revised Code.

(7) "Health reimbursement arrangement plan" or "HRA" shall mean the HPRS Amended and Restated Health Reimbursement Arrangement Plan, effective November 1, 2023, from which the reimbursement of qualifying medical expenses may be made. The HRA may have component plans as determined by the HPRS board. The text of the HPRS health reimbursement arrangement plan shall not be incorporated into this or any other rule of the Administrative Code.

(8) "Member" shall have the same meaning as division (I) of section 5505.01 of the Revised Code.

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

(10) "Retirant" shall mean an age and service retirant or disability retirant.

(11) "Spouse" shall mean a wife or husband of a retirant or member as set forth in a statutorily-valid certificate.

(B) Except as provided in this rule, the rights of an individual participating in the health reimbursement arrangement plan to a monthly allowance or to reimbursement, including eligibility and coordination of coverage, shall be governed exclusively by the provisions of the HPRS health reimbursement arrangement plan.

(1) All provisions of this rule are subject to current health care contracts and amendments.

(2) The board may implement cost control measures as it deems necessary.

(C) Notwithstanding any other provision of this rule, any benefit recipient or eligible dependent that is or becomes employed by the state highway patrol in any capacity shall be ineligible for health care or prescription coverage.

(D) The following benefit recipients shall be eligible for health care:

(1) Except as provided in paragraph (D)(3) of this rule, a benefit recipient that began receiving a pension pursuant to division (A)(1) of section 5505.17 of the Revised Code, or deferred retirement under section 5505.16 of the Revised Code, or elected to participate in the deferred retirement option plan pursuant to section 5505.51 of the Revised Code before November 1, 2023;

(2) Except as provided in paragraph (D)(3) of this rule, a benefit recipient that began receiving a pension pursuant to division (A)(1) of section 5505.17 of the Revised Code or elected to participate in the deferred retirement option plan pursuant to section 5505.51 of the Revised Code on or after November 1, 2023 shall be eligible for health care coverage only if he or she has twenty or more years of health care service credit;

(3) A benefit recipient granted a disability pursuant to section 5505.18 of the Revised Code.

(E) The board may require documented proof of marriage, guardianship, or parenthood. The board reserves the right to deny or cancel coverage if the benefit recipient or dependent does not comply with the board's request for documents.

(F) After the death of a retirant or member, dependents may become eligible for health care coverage, subject to the following conditions:

(1)

(a) If the retirant or member was or was eligible to be a benefit recipient, and was eligible for health care coverage under paragraph (D) of this rule, at the time of death; or

(b) If the retirant or member was not eligible to be a benefit recipient at the time of death, the dependent becomes eligible the date on which the member would have been eligible to enroll pursuant to paragraph (D) of this rule.

(G) An individual who receives benefits in accordance with section 5505.16, 5505.17, or 5505.18 of the Revised Code may be reimbursed for medicare part B premiums upon the receipt of evidence of coverage, up to a maximum amount established by the board.

(1) The reimbursement amount for calendar year 2017 and each year thereafter shall be zero.

(H) Any person eligible to receive a monthly allowance or reimbursement under the health reimbursement arrangement plan shall inform the retirement system, in writing, not later than thirty days after the person no longer meets the requirements of the health reimbursement arrangement plan.