

## Traditional Pension Plan Information

**For Group A, B and C Members**




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### Three Retirement Groups

**Introduced by Sub. S.B. 343**

Groups are determined by attainment of age and service credit eligibility requirements prior to the legislation (55/25, 60/5, any age/30) by specific dates stated for each group

**A**

**B**

**C**

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### YOUR OPERS 2016 ANNUAL STATEMENT

JOHN DOE  
277 EAST TOWN ST  
COLUMBUS OH 43215

GO PAPERLESS  
opers.org

Your retirement group:  
**GROUP A**

This statement is a summary of your OPERS account and benefits. All information in this statement reflects our records as of December 31, 2016 and is not a guarantee of the type or amount of your benefits. To learn more go to [www.opers.org/annualstatement](http://www.opers.org/annualstatement)

TRADITIONAL PENSION PLAN	
<small>CONTRIBUTIONS</small>	
Contributions made during 2016	\$6,672.80
Total contributions as of December 31, 2016	\$119,603.12
Additional Annuity contribution	\$0.00
<small>REFUNDABLE ACCOUNT</small>	
Account value as of December 31, 2016	\$243,341.38
<small>SERVICE CREDIT</small>	
Service credit earned and/or purchased during 2016	1.000 years
Total service credit as of December 31, 2016	27,333 years

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## Your Annual Statement

My Account   My Profile   Tools and Resources   **Documents**

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**Milestone Notifications/Alerts**

One PERS correspondence is currently mailed to you. [Would you like to change your preferences to email?](#)  
 Your current year annual statement is available for viewing and/or printing. [View My Annual Statement Now](#) [Dismiss](#)

**Account Summary**

Traditional Pension Plan

All interest is current with postings received as of 01/26/2013 and represents all transactions posted through this date.

Current Account Value:	Current Service Credit:	Beneficiary Designation Status:
\$119,999.39	22.606	Designated

**Requestable Documents**

Traditional Pension Plan

Most computers should be able to automatically open the below documents, which are provided in PDF format. [You may need to download the Adobe Acrobat Reader to view and print these PDF documents.](#)

[Pension Credit History](#)  
[Accounts Values Letter](#)

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## Progress Check

Do you know your pension group?

- A) Group A
- B) Group B
- C) Group C



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## Major Components of Sub. S.B. 343

1.	<b>Age and Service Eligibility</b>	Impacts Group B	
2.	<b>Age and Service Eligibility Reduction Factors</b>	Impacts Group B	
3.	<b>Benefit Formula</b>		
4.	<b>Final Average Salary</b>		
5.	<b>Cost of Living Adjustment</b>	Impacts Group A	Impacts Group B

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## PENSION

### Learning Objectives:

- Service credit
- Eligibility
- Before You Retire
- After You Retire
- Resources



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## Earning Service Credit



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## Other System Service Credit

If you have service credit with one of the other Ohio retirement systems you have a few options.



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## Service Credit Purchase Options

**Identify eligibility**

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**Estimate cost**

- *Service Purchase Estimator*

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**Determine benefit to you**

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**Making a purchase**

- *60 month purchase window, one opportunity thereafter*



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Group A
Retirement Eligibility

<p><b>REDUCED</b></p>  <p>Age 55 with 25 years Age 60 with 60 months</p>	<p><b>UNREDUCED</b></p>  <p>Any age with 30 years Age 65 with 60 months</p>
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*Law enforcement and public safety retirement eligibility is different.*

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Group B
Retirement Eligibility

<p><b>REDUCED</b></p>  <p>Age 55 with 25 years Age 60 with 60 months</p>	<p><b>UNREDUCED</b></p>  <p>Age 52 with 31 years Any age with 32 years Age 66 with 60 months</p>
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*Law enforcement and public safety retirement eligibility is different.*

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### Defined Benefit Formula

**2.2% x FAS x Years of Service**

2.2% is the statutory multiplier used in the calculation  
(2.5% is used for years of service over 30)

Final average salary is the average of your **three** high years of earnable salary

Years of service includes all contributing and purchased service credit

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Group  
C

### Retirement Eligibility

**REDUCED**



Age 57 with 25 years  
Age 62 with 60 months

**UNREDUCED**



Age 55 with 32 years  
Age 67 with 60 months

*Law enforcement and public safety retirement eligibility is different.*

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Group  
C

### Defined Benefit Formula

**2.2% x FAS x Years of Service**

2.2% is the statutory multiplier used in the calculation  
(2.5% is used for years of service over 35)

Final average salary is the average of your **five** high years of earnable salary

Years of service includes all contributing and purchased service credit

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Group  
**A**

### Defined Benefit Formula

**Mary retires at age 60  
with 30 years of service**

*2.2% x FAS x 30 Years of Service*

**= 66% of FAS**



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### Defined Benefit Formula Reduced

**2.2% x FAS x Years of Service x  
Reduction Multiplier**

If a member is retiring with less than **30 years** of service **and** is younger than **age 65**, there is a reduction multiplier used when calculating the monthly benefit

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Group  
**A**

### Defined Benefit Formula

**Joe retires at age 55  
With 25 years of service**

*2.2% x FAS x 25 Years of Service  
x 75% Reduction Multiplier*

**= 41.2% of FAS**



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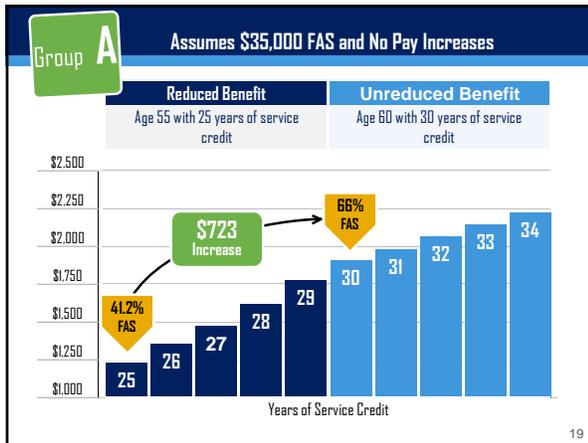
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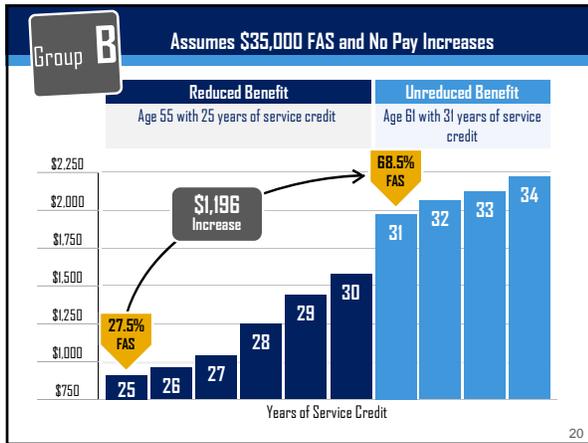
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**OPERS** YOUR OPERS 2016 ANNUAL STATEMENT

JOHN DOE  
277 EAST TOWN ST  
COLUMBUS OH 43215

GO PAPERLESS  
opers.org

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SERVICE CREDIT	
Service credit earned and/or purchased during 2016	1.000 years
Total service credit as of December 31, 2016	27.333 years

	EARLIEST RETIREMENT (REDUCED)		EARLIEST RETIREMENT (UNREduced)	
	DATE	AGE	15000/2018	11/01/2018
MONTHLY	\$3,000	\$3,592	\$3,753	\$3,995
LIFETIME PENSION	\$65,597	\$67,381	\$67,810	\$68,514
SERVICE CREDIT	27.333	28.167	30.167	31.167

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**Payment Plans**

Single Life Plan  
Joint Life Plan  
Multiple Life Plan

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**Group A** **Payment Plans**

**Member:** Steve, age 63  
**Spouse:** Connie, age 62  
**Service:** 30 years  
**FAS:** \$35,000



Single Life Plan	Steve's Amount	Connie's Amount
	<b>\$1,925</b>	<b>\$0</b>

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**Group A** **Payment Plans**

Joint Life Plan Options	Age 63	Age 62
	Steve's Amount	Connie's Amount
Member selects 100%	<b>\$1,593</b>	<b>\$1,593</b>
2 to 4 survivors, percentages chosen by the member	Varies based on number and ages of survivors	Varies based on number and ages of survivors

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## Partial Lump Sum Option Payment (PLOP)

One-time, lump sum payment at retirement

Reduces your monthly pension amount

Six to 36 times your monthly pension amount

Example: Steve selects a \$50,000 PLOP

Plan	Without PLOP	Reduction	After PLOP
Single Life Plan	\$1,925	\$334	\$1,591

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## PLOP Distribution and Taxes

Direct Deposit

- Checking
- Savings



Federal Tax  
20% Mandatory  
Withholding

State Tax

AND/OR

Rollover

- Tax-deferred  
Plan



Non-taxable Event

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## Social Security

Social Security benefits may be reduced if you are eligible for a pension from a federal, state, or local government.

This includes OPERS.

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**Social Security**

**Windfall Elimination Provision (WEP)**

- Receiving benefit from **YOUR OWN** work history
- Determined by calculating reduction factors and years of substantial earnings

**Government Pension Offset (GPO)**

- Receiving benefit from a **SPOUSE'S** work history
- Reduction determined by the amount of your OPERS pension

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**Social Security**

**Contact info**

[ssa.gov](http://ssa.gov)

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Contact your local  
Social Security office

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**HEALTH CARE**

**Learning Objectives:**

- Eligibility
- Pre-Medicare/Medicare
- Allowance/Access
- Resources



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## Health Care Disclaimer

**This presentation reflects current information.  
 There is no promise, guarantee, contract or vested right to access to health care coverage or a premium allowance.**

**The OPERS Board of Trustees has the discretion to review, rescind, modify or change the health care plan at any time.**

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ELIGIBILITY REQUIREMENTS				
Pension eligibility			Am I eligible for health care?	
Pension Benefit*	Minimum Age	Years of Service Credit**		
GROUP A	Unreduced	ANY	30	YES
		65	5	NO - You need 20 years of qualifying service
	Reduced	55	25	NO - You can age in at 60
		60	5	NO - You need 20 years of qualifying service
GROUP B	Unreduced	ANY	32	YES
		52	31	YES
	Reduced	66	5	NO - You need 20 years of qualifying service
		55	25	NO - You can age in at 60
		60	5	NO - You need 20 years of qualifying service
GROUP C	Unreduced	55	32	YES
		67	5	NO - You need 20 years of qualifying service
	Reduced	57	25	NO - You can age in at 60
		62	5	NO - You need 20 years of qualifying service

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## Qualified Service Credit

**Credit that counts toward health care eligibility and allowance**

- 1) Contributing
- 2) Ohio Retirement System
- 3) Unreported
- 4) Redeposit
- 5) USERRA



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## Dependent Eligibility

**Legal Spouse**  
Retiree pays 100 percent of cost

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**Children**  
Under age 26, biological or legally adopted

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**Grandchildren**  
Legally adopted or with court order

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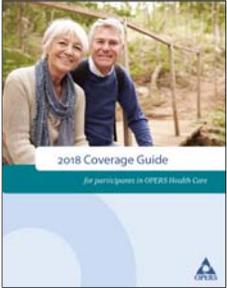
## Pre-Medicare Retirees

**Medical Mutual**  
• *Medical and Wellness Plan*

**Express Scripts**  
• *Pharmacy*

**MetLife**  
• *Dental*

**Aetna**  
• *Vision*



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## Medicare-Eligible Retirees

**Medical and Prescription**  
Plans available through the OPERS Medicare Connector



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### Allowance for Medical/Pharmacy Costs

Pre-Medicare Example

OPERS Cost

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ALLOWANCE

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PREMIUM

We use your years of qualified service at retirement and your age at enrollment to determine your allowance.

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### Allowance for Medical/Pharmacy Costs

Medicare Example

OPERS Cost

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ALLOWANCE

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HRA DEPOSIT

We use your years of qualified service at retirement and your age at enrollment to determine your allowance.

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### Coverage for Spouses

Retirees pay 100% of the cost to cover spouses

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Coverage for pre-Medicare spouses will continue through 2020

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The OPERS Board of Trustees will determine access to the OPERS health care plan for pre-Medicare spouses for 2021 and beyond

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Medicare eligible spouses will have use of the OPERS Medicare Connector

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## Dependent Child Allowance Reduction

Eligible children receive 50% of the retiree's allowance



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## Retirement Planner

Estimate monthly pension payment and cost for OPERS health care

Compare:

Working income to your retirement income

Working health care premium to your retirement health care premium

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## Retirement Planner Example

Assists you in evaluating when to retire



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## OPERS Contact Information

277 E. Town Street  
Columbus, Ohio 43215

1-800-222-7377

opers.org




If you are uncomfortable providing your SS# over the phone, use your OPERS ID

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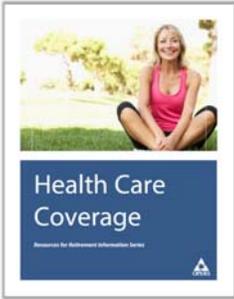
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## OPERS Resources

- 1 **opers.org**
  - Publications
  - Got Mail, Get Answers
  - Retirement Planner
  - Videos and webinars
- 2 **Online Account**
  - Benefit Estimator
  - Service Purchase Estimator
  - Health Care Calculator
- 3 **Counseling**
  - In-house and phone



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## OPERS Website



The screenshot shows the OPERS website interface. At the top, there is a navigation bar with links for Members, Retirees, Employers, Health Care, Financial, Forms, Videos, and About OPERS. A search bar is located in the top right corner. The main content area features a large banner for a "New video Diabetes Prevention Program" with a "Watch Now" button. Below the banner are three featured articles: "OPERS Medicare Connector & HRA", "OPERS Retirement Planner - Traditional Pension Plan", and "2018 Open Enrollment". A sidebar on the right contains a "From the OPERS Blog" section with recent posts and a list of quick links such as "New to OPERS?", "Ready to Retire?", "Connective & HRA", "Forms", "Got Mail? Get Answers.", and "OPERS Employer Lists".

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**THANK YOU.**  
**QUESTIONS?**

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