

OP&F Pension Fund Report, September 2015

The Fund was fluctuating around \$14.00 Billion on September 30, 2015.

The sudden death of OP&F lobbyist Daryl Dever is a loss to all he came in contact with. He represented OP&F for many years and kept many at the statehouse informed about OP&F and helped to convince them to let our members run our fund. A resolution from the Ohio Senate about Mr. Dever was read by OP&F Chairman Desmond.

It was announced by Director Gallagher that his associate Adam Hewitt will continue to represent OP&F.

DISABILITY COMMITTEE

- There were 23 Initial Determination Hearings (IDH) this month. The recommendations were 17 for approval, 3 were denied and 3 recommended for re-exam.
- There were no reconsideration hearings. The committee/board voted to approve all of this month's appeals.
- There were 3 Death Benefit Fund consideration hearings this month and all were approved.
- The committee was informed by staff that 13 "2014 Annual Earnings Statements" were not returned and the members were sent certified letters and this starts the 90 day notice of suspension of their disability benefits.

ADMINISTRATION / AUDIT COMMITTEE

- OP&F will participate in the Ohio Treasurer of State's OhioCheckbook.com.

FINANCE COMMITTEE

- The Status of past due employers was presented to the committee with a note that some have paid since the report was prepared.
- Staff presented to the committee the 2nd Quarter Budget to Actual Report and there was discussion regarding the Drop liability.

HEALTH CARE COMMITTEE

- Staff presented to the committee the 2nd Quarter Health Care Stabilization Report. The fund decreased from \$1,038,574,953 in the 1st quarter to \$1,013,665,781 in the 2nd quarter.
- UHC representative Geoff Rensi presented the committee the power point presentation for the Annual Change period meetings and the open enrollment booklet sent to 26,917 members. He confirmed the added enhancements to the Vision and Dental Plans will slightly increase all Vision and Dental premiums equally to all members. There will be a single plan.
- UHC representative Geoff Rensi also presented the committee the 2016 AARP Medicare Supplemental Rate information. The increases for OHIO effective April 1st 2016 are: Plan B 1.4%, Plan L 0%, and Plan F 1.4%. With no increase in Plan L the subsidies for 2016 will remain: \$102.19 for the member, \$68.13 for pre-1986 spouses and \$34.06 for post-1986 spouses.
- Staff presented to the committee a health care net cost report with comparisons from 2011 up to June 30, 2015.
- The committee discussed the number of members who will be allowed to re-enroll in OP&F health care after losing their spousal coverage in OPERS. OPERS clarified that they will lose all coverage thus giving them a qualifying event as per OP&F rules. They also discussed the Medicare B premiums for 2016; we may have two rates again according to those who are knowledgeable about Medicare.
- The RFP process for a Health Care Consultant is proceeding.

COMMENTARY

We previously understood and reported the Vision and Dental enhancements would have an added cost if elected but it was decided to have single plans with slightly higher premiums.

Trustee Wm Deighton, chairperson of the health care committee, expressed his displeasure about the board not being able to review the open enrollment booklet and health care meetings power point before being presented to members. The board always approved the materials in the past.

This will be the only time to make dental & vision changes for 2016.

FYI

Retiree health costs from January to June 2015 are **\$103,057,500** which is below budget by 4.6 Million.

Next meeting of OP&F Pension Board October 20 & 21 2015 (1 week early)

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OP&F/PFRO Liaisons