

## **OP&F Pension Fund Report, January 2020**

### **The Fund closed at \$16.4 Billion on January 21, 2020**

Director Gallagher commented about the continuing push for Medicare eligibility to begin at 55 for public safety personnel.

#### **DISABILITY COMMITTEE**

- The committee was advised that the 4th Quarter Disability Experience Report was online for review.
- There were (20) Initial Determination Hearings (IDH) this month. (17) were recommended for approval and (3) hearings were denied.
- There were (0) reconsideration hearings this month.
- There were (5) Death Benefit fund cases. (4) were recommended for approval and (1) was recommended for disapproval.
- There were (5) appeal hearings this month and (5) were recommended for approval.
- The committee recommended the Board approve the (1) Special initial determination hearing

#### **BENEFITS COMMITTEE**

- Staff reviewed the following rules as part of the ORC 5-year rule review. No changes were recommended to 742-3-10, 742-10-02. Amendments were recommended to 742-15-01 to remove references to the group healthcare plan and other technical changes.
  - 742-3-10 Annual medical examinations, termination of benefits and appeal of terminations.
  - 742-10-02 Qualified investment manager.
  - 742-15-01 Rules of compliance with “sunshine law.”
- Staff presented the 4th Quarter 2019 DROP Experience Report. Statistics remained fairly consistent. There are 4,406 members (police 2,357 and fire 2,049) participating in the DROP program and an additional 505 members who are eligible but not yet participating. The average number of years in DROP at termination is about 5.27 years.

#### **HEALTH CARE COMMITTEE**

- Representatives from AFLAC and Boston Mutual Life Insurance addressed the Board with information on several voluntary retiree product offerings. Board members had several questions for the representatives and there was further discussion about how to bring these product offerings to the members. These offerings included:
  - Boston Mutual Accident
    - Off the job coverage
    - Guaranteed issue
    - Effective the day of enrollment
  - Boston Mutual Critical Illness
    - Up to \$10,000 for the retiree member
    - Effective 30 days after enrollment
    - Initial diagnosis, re-occurrence and additional occurrence benefits
  - Boston Mutual Whole Life Insurance
    - Guaranteed level premiums
    - Guaranteed death benefit
    - Optional riders
    - Issue age up to 80 years
- Mark Chandler and Mat Burkley from Aon presented the committee with a statistical update on health care enrollment statistics for 2019 and 2020.
  - Total claims paid through December 31<sup>st</sup> were 377,150 totaling \$61 million. 336,719 of those were for premiums.
  - Catastrophic prescription claims paid was \$33,459 (10 claims)
  - Total Medicare eligible enrollment for 2020 was 18,210.
  - Total pre-Medicare enrollment for 2020 was 5,363. The three major insurance companies chosen were Medical Mutual, Oscar and Anthem.

## **COMMENTARY**

Notifications were mailed out to members who still have balances in their stipend accounts for 2019. Claims can be made against these funds until March 31<sup>st</sup>. Unused funds will be returned to the Health Care Stabilization Fund and will not be rolled over to your 2020 balance.

The next Board Meeting is scheduled for February 25-26.

*Report compiled by:*

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*OP&F/PFRO Liaisons*