

145-1-01 Organization

(A) Offices

- (1) The general offices of the public employees retirement board and its address of record is “277 East Town Street, Columbus, Ohio 43215-4642.”
- (2) The location of the office may be changed or additional offices may be established or closed by appropriate board resolution.

(B) Meetings

- (1) Regular meetings shall be held at nine a.m. on the third Wednesday of each calendar month. The date and hour of a regular meeting may be changed by appropriate board resolution.
- (2) Special meetings may be held at the call of the chair, or in the event of the chair’s incapacity, at the call of the vice chair. Should both the chair and vice chair be incapacitated, a special meeting of the board may be called by any two members of the board.
- (3) The January meeting in each year shall be the annual meeting, at which time as the first order of new business the board shall elect from its members a chair and a vice chair who shall take office immediately following their election. The chair-elect shall announce committee appointments for the coming year no later than the regular February meeting. The composition of the committees shall remain the same until the new appointments. New board members and re-elected board members shall be sworn in at the annual meeting.
- (4) The director of administrative services may designate a member of such individual’s staff to act on the board in such individual’s absence, provided the person designated is not disqualified by operation of law to act as such a representative.
- (5) A majority of the actual number of members that have been elected or appointed to and are serving on the board at the time of a meeting where official action is to be taken constitutes a quorum to conduct a meeting. A majority of those members present and voting yes on a proposal shall constitute a favorable vote. An abstention from voting shall not be counted as either an affirmative or negative vote, and a member who abstains shall not be counted as a member present to determine whether a majority needed for a favorable vote has been reached. A roll call shall occur if there is a division in the vote. Any board member may request a roll call on any vote.
- (6) The regular order of business for any meeting of the board shall be as follows:
 - (a) Roll call. An employee or retirant member of the board not able to be present may request to be excused. A request to be excused shall be moved by the chair and voted on by the board.
 - (b) Items of business as presented on a written agenda sent to each board member, and made available to the public, prior to the meeting and such other items that may arise between the release date of the written agenda and the meeting date.
 - (c) Announcement of next regular or special meeting date, hour and place.
 - (d) Adjournment.

145-1-01 (continued)

(e) Without objection, the regular order of business may be changed by the chair or upon the request of a board member. If there is an objection, a motion, second and vote to consider an item out of turn is in order.

(7) When a question of parliamentary procedure arises, the most current edition of "Robert's Rules of Order" shall be followed unless in conflict with Chapter 145. of the Revised Code, or this rule.

(8) The minutes shall be the record of the proceedings of the board. Draft copies of the written minutes shall be circulated to the board in advance of each meeting. After approval, the final form shall be inserted in the minutes book of the board.

(C) Officers and their duties

(1) The chair shall be elected and take office at the annual meeting in January of each year for a one-year term. The chair shall be the voice of the board and shall preside at all board meetings. The chair may call upon the vice chair to preside during a meeting. The chair shall appoint committees; make the determination whether a special meeting of the board is required; and when required, call the meeting. The chair shall present to the board for a vote the member's request to be excused for members unable to attend meetings.

(2) The vice chair shall be elected and take office at the annual meeting in January of each year for a one-year term. The vice chair shall succeed to the chair in the event of the resignation, retirement or death of the chair. The vice chair shall preside in the event of the absence or incapacity of the chair or upon the request of the chair.

(3) Under the direction of the chair, the executive director or other designated person shall keep the minutes of board proceedings.

(4) Other officers of the board shall include the chairs of standing or special committees.

(D) Committees

(1) The investment committee shall consist of all board members. The chair of the investment committee shall be appointed by the board chair. The investment committee shall, through its chair and its written reports, make recommendations to the board on investment related policies and actions. Meetings of the investment committee will be held on the Tuesday before the third Wednesday of each calendar month, however, such meetings may be changed by vote of the committee.

(2) The personnel and salary review committee shall consist of five an odd number of board members up to a maximum of seven members. The exact number of members on the committee, the committee chair, and members shall be determined and appointed by the board chair. This committee shall meet at the call of its chair as occasion requires, to review compensation and personnel matters and to make recommendations through its chair and reports to the board on these matters.

(3) The audit committee shall consist of five members: the board chair, the director of administrative services, an employee member appointed by the board chair, a retirant member appointed by the board chair, and one additional member appointed by the board chair. The board chair shall make appointments to the committee by considering the accounting, finance, or business management background of the board members. This committee shall meet twice annually, and at any other time at the call of the board

chair, to review audit plans and audit findings of the retirement system's independent and/or internal auditors. The committee shall, through the board chair, make its reports to the board. The committee shall prepare and submit an annual report of its activities to the Ohio Retirement Study Council.

- (4) Appointments of the committee chairs and appointments of members to the regular committees listed are concurrent with the board chair who makes the appointment.
- (5) The chair of the board may, at times as required, appoint temporary or special committees for such purposes as the chair deems necessary. The chair of a temporary or special committee shall be announced when the members are named. Unless otherwise stated for a shorter period in the appointment, temporary or special committee appointments shall be concurrent with the board chair who makes such appointment.
- (6) The minutes shall be the record of the proceedings of a committee or subcommittee. Draft copies of the written minutes shall be circulated to the committee or subcommittee for approval. After approval, the final form shall be inserted in the minutes book of the board.

Promulgated Under: R.C. 111.15

Authorized By: 145.09

Rule Amplifies: 145.04, 145.05, 145.06, 145.07, 145.08, 145.09

Rule Review Date: 10/29/97, 9/14/07, 10/15/02, 9/29/12, 9/14/17

Effective Date History: 3/29/76, 12/12/76, 2/1/88; 5/9/88, 10/11/88, 4/5/93, 4/30/94, 6/1/96, 7/6/00, 1/5/01, 3/22/02, 12/24/04, 11/30/07, 10/1/09 (Emer.), 1/1/10

145-1-72 **Division of property orders**

- (A) For purposes of this rule:
- (1) “Order” means an order described in section 3105.81 of the Revised Code.
 - (2) “Alternate payee,” “benefit,” “lump sum payment,” and “participant” have the meanings set forth in divisions (A) to (D) of section 3105.80 of the Revised Code.
- (B)
- (1) The retirement system may retain an order that provides the last four digits of the participant or alternate payee’s Social Security numbers.
 - (2) After the public employees retirement system retains an order, the alternate payee shall provide information required on a form provided by the retirement system. The retirement system shall not issue payment to the alternate payee until the retirement system receives the information required for payment. The alternate payee shall notify this retirement system in writing of any change in the information.
- (C) Pursuant to section 3105.90 of the Revised Code, an order shall be on the form prescribed by the appendix to this rule. The retirement system shall accept both the version of the form prescribed by the appendix to former rule 145-1-72 of the Administrative Code that was effective ~~August 22, 2003~~ January 1, 2010, and the version of the form prescribed by the current appendix until June 30, ~~2010~~ 2014. After June 30, ~~2010~~ 2014, the retirement system shall only accept the form prescribed by the current appendix.
- (D) Any benefit or lump sum payment that is owed and unpaid to an alternate payee at the time of the alternate payee’s death shall be paid to the estate of the alternate payee.

Promulgated Under: 111.15

Statutory Authority: 145.09

Rule Amplifies: 145.561, 3105.80, 3105.81, 3105.82, 3105.821, 3105.83, 3105.84, 3105.85, 3105.86, 3105.87, 3105.88, 3105.89, 3105.90

Rule Review Date: 9/29/10, 9/29/15

Effective Date History: 1/1/02 (Emer.), 3/22/02, 1/1/03, 8/22/03, 1/1/10

IN THE COURT OF COMMON PLEAS OF _____ COUNTY, OHIO
DIVISION OF DOMESTIC RELATIONS

Plaintiff/Petitioner,
v.

Defendant/Petitioner.

:
:
:
:
:
:

Case No.
Judge

DIVISION OF PROPERTY ORDER

The Court finds the following facts and issues the following Order pursuant to Sections 3105.80 to 3105.90, Revised Code: ¹

I. Terms:

- A. The "Plan Participant" or "Participant" means _____, Social Security number _____, whose date of birth is _____, whose current address is _____, and whose current mailing address is _____.
- B. The "Alternate Payee" means _____, Social Security number _____, whose date of birth is _____, whose current address is _____, and whose current mailing address is _____.
- C. The "Public Retirement Program(s)" means (please check the name and address of the public retirement program(s) and/or University/College Alternative Retirement Plan Administrator):
 - Ohio Public Employees Retirement System
277 East Town Street
Columbus, Ohio 43215-4642
 - State Teachers Retirement System of Ohio
275 East Broad Street
Columbus, Ohio 43215-3771

¹ This form was created under Ohio Revised Code Section 3105.90. Since Ohio Revised Code Section 3105.82 requires that this form be used, variance from this form will result in non-acceptance of the order by the Public Retirement Program.

- School Employees Retirement System of Ohio
300 East Broad Street
Suite 100
Columbus, Ohio 43215-3746
- Ohio Police and Fire Pension Fund
140 East Town Street
Columbus, Ohio 43215
- Ohio State Highway Patrol Retirement System
6161 Busch Boulevard
Suite 119
Columbus, Ohio 43229-2553
- University/College Alternative Retirement Plan
Name and address of University/College Plan Administrator:

D. Obligation of Plan Participant and Alternate Payee: The Plan Participant and the Alternate Payee are ordered to notify in writing the Public Retirement Program of a change in the individual's mailing address.

II. Amount Payable to the Alternate Payee: Upon the Plan Participant receiving a payment from the Public Retirement Program, the court orders that the Alternate Payee shall receive payment in accordance with and subject to the limitations set forth in Sections 3105.82 to 3105.90, Revised Code. The Public Retirement Program is required to distribute amounts to the Alternate Payee in the same manner selected by the Participant. For example, if only a lump sum dollar amount is provided in Paragraphs II(B)(1)(a) and (b), then the Alternate Payee also receives a lump sum payment. Please designate the type and the method of payment:

A. Type of Payment: If the Participant is eligible to receive more than one benefit payment or more than one lump sum payment, please check the benefit(s) or lump sum payment(s) from which payment to the Alternate Payee shall be made. If no benefit or lump sum payment is designated, the Alternate Payee shall receive payment from the first benefit payment or lump sum payment for which the Participant is eligible to apply and to receive. Please check ALL APPLICABLE BENEFIT(S) OR LUMP SUM PAYMENT(S):

- Age and service retirement benefit, INCLUDING Partial Lump Sum Payments ("PLOP") received under Sections 145.46(E)(1), 3307.60(B), 3309.46(B)(4), or 5505.162(A)(3), Revised Code, and Deferred Retirement Option Plan ("DROP") under Section 742.43 or 5505.50, Revised Code.
- Age and service retirement benefit, BUT EXCLUDING Partial Lump Sum Payments ("PLOP") received under Sections 145.46(E)(1), 3307.60(B), 3309.46(B)(4) or 5505.162(A)(3), Revised Code, and Deferred Retirement Option Plan ("DROP") under Section 742.43 or 5505.50, Revised Code.

- Disability monthly benefit
- Account refund
- Additional money purchase annuity/additional annuity lump sum refund
- Reemployed retiree money purchase annuity (when monthly payment exceeds \$25.00) or lump sum refund
- Defined contribution plan benefit

B. Method of Payment: If the Plan Participant is a reemployed retiree contributing to a money purchase annuity or is eligible to receive or is receiving monthly benefits or a lump sum payment from a reemployed retiree money purchase annuity, the Alternate Payee shall receive payment from the reemployed retiree money purchase annuity and any other type of payment designated in Paragraph II(A) above in a monthly or one-time dollar amount as specified in Paragraph II(B)(1)(a) below. If the Plan Participant is participating in the defined contribution program, or any of its constituent plans, the Alternate Payee shall receive payment from the defined contribution program, or any of its constituent plans, and any other type of payment designated in Paragraph II(A) above in a percentage of a fraction as specified in Paragraph II(B)(2) below. If the Plan Participant is participating in any other plan in a Public Retirement Program, the Alternate Payee shall receive payment in either a dollar amount **OR** a percentage of a fraction as specified below (i.e. Please complete Dollar Amount **OR** Percentage).

1. Dollar Amount: Paragraphs II(B)(1)(a) and (b) must be fully completed, even if the indication is to pay the Alternate Payee "\$0.00" from the Participant's periodic benefit or/and lump sum payment.

a. If the Participant elects a plan of payment that consists of a lump sum payment **OR** a plan of payment that consists of periodic benefits:

\$ _____ per benefit from the Participant's periodic benefit upon the Participant's receipt of the aggregate periodic benefit; **or**

\$ _____ from the Participant's lump sum payment upon the Participant's receipt of the payment.

- b. If the Participant elects a plan of payment consisting of both a lump sum benefit **AND** a periodic benefit:

\$ _____ per benefit from the Participant's periodic benefit upon the Participant's receipt of the periodic benefit; **and**

\$ _____ from the Participant's lump sum benefit upon the Participant's receipt of the payment.

OR

2. Percentage: Please provide percentages in both Paragraph II(B)(2)(a) and (b) even if the percentage is "0%".

- a. If the Participant elects a plan of payment that consists of either periodic benefits **OR** a lump sum payment, the Public Retirement Program shall pay directly to the Alternate Payee per benefit or in a one-time lump sum payment _____ percent (_____ %) of a fraction as set forth in Paragraph II(B)(2)(c) below of the Plan Participant's periodic benefit or one-time lump sum payment.

- b. If the Plan Participant elects a plan of payment consisting of both a lump sum benefit **AND** a periodic benefit, the Public Retirement Program shall pay directly to the Alternate Payee _____ percent (_____ %) of a fraction as set forth in Paragraph II(B)(2)(c) below of the Plan Participant's periodic benefit and _____ percent (_____ %) of a fraction as set forth below of the Plan Participant's lump sum benefit.

- c. Fraction:

- i. The numerator of the fraction shall be _____, which is the number of years during which the Plan Participant was both a contributing member of the Public Retirement Program and married to the Alternate Payee. The date of marriage is _____.

- ii. The denominator, which shall be determined by the Public Retirement Program at the time that the Plan Participant elects to take a benefit or a payment, shall be the Participant's total years of service credit with the Public Retirement Program or, in the case of a Participant in a retirement plan established under Chapter 3305, Revised Code, the years of participation in the plan.

- C. Applicable Benefit: The monthly benefit amount used to determine the amount paid to the Alternate Payee from the Participant's monthly benefit shall be whichever applies:
1. If the Participant is receiving a monthly benefit, the monthly benefit shall be the gross monthly benefit the Participant is receiving at the time the decree of divorce or dissolution becomes final. The effective date of the decree of divorce, dissolution, or legal separation is _____;
 2. If the Participant has applied for but is not yet receiving a monthly benefit, the monthly benefit shall be the benefit for which the Participant is eligible;
 3. If the Participant has not applied for a benefit, the monthly benefit shall be the benefit calculated at the time the Participant elects to take the benefit.
- D. Minimum Benefit Notice: The total amount paid to the Alternate Payee pursuant to this order plus any administrative fee charged to the Participant and Alternate Payee as authorized by Section 3105.84, Revised Code, shall not exceed fifty percent of the amount of a benefit or lump sum payment that the Plan Participant is to receive or, if withholding is to be made from more than one benefit or lump sum payment, fifty percent of the total of the benefits or lump sum payments that the Plan Participant is to receive. If the Plan Participant's benefit or lump sum payment is or will be subject to more than one order issued pursuant to Section 3105.81, Revised Code, the Public Retirement Program shall not withhold an aggregate amount for all the orders plus the administrative fee(s) charged to the Participant and Alternate Payee as authorized by Section 3105.84, Revised Code, that exceeds fifty percent of the benefit or lump sum payment.
- E. Cost of living allowances: Any cost-of-living allowance ("COLA") granted to a Participant while this Order is in effect shall be apportioned between the Participant and Alternate Payee in the same proportion that the amount being paid the Alternate Payee bears to the amount paid the Participant, as provided under Sections 145.323(B), 742.3711(G), 742.3716(F), 742.3717(B)(3), 3307.67(C), 3309.374(B), and 5505.174(C), Revised Code.

III. Notification to Alternate Payee: The Alternate Payee is hereby notified of the following:

- A. The Alternate Payee's right to payment under this Order is conditional on the Plan Participant's right to a benefit payment or lump sum payment from the Public Retirement Program;
- B. When the Plan Participant's benefit or lump sum payment is subject to more than one order under Section 3105.81, Revised Code, or to an order described in Section 3105.81, Revised Code and a withholding order under Section 3121.03, Revised Code, the amount paid to the Alternate Payee under this order may be reduced based on the priority of the other orders;

- C. The Alternate Payee's right under this order to receive an amount from the benefit payment or lump sum payment to the Plan Participant shall terminate upon:
1. The death of the Plan Participant;
 2. The death of the Alternate Payee;
 3. The termination of a benefit pursuant to the governing laws of the Public Retirement Program.
- IV. Administrative Fee: Pursuant to Section 3105.84, Revised Code, this order authorizes the Public Retirement Program that is or will be paying the benefit or lump sum payment to withhold from any benefit or payment that is subject to this order an amount determined by the Public Retirement Program to be necessary to defray the cost of administering the order. This amount shall be divided equally between the Plan Participant and the Alternate Payee.
- V. Application of Order: This order applies to payments made by the Public Retirement Program after retention of the Order under Section 145.571, 742.462, 3305.21, 3307.371, 3309.671, or 5505.261, Revised Code.
- VI. Additional Limitations on Order:
- A. Payments under this order shall commence as provided under Section 145.571, 742.462, 3305.21, 3307.371, 3309.671, or 5505.261, Revised Code.
 - B. The Alternate Payee has no right or privilege under the law governing the Public Retirement Program that is not otherwise provided in the governing law.
 - C. This order shall not require the Public Retirement Program to take any action or provide any benefit, allowance, or payment not authorized under the law governing the Public Retirement Program.
- VII. Notice of Order:
- A. The clerk of courts shall transmit a certified copy of this order to the Public Retirement Program(s) named in the order.
 - B. On receipt of this order, the Public Retirement Program shall determine whether the order meets the requirements as set forth in Sections 3105.80 to 3105.90, Revised Code.
 - C. The Public Retirement Program shall retain the order in the Plan Participant's record if the order meets the requirements in Sections 3105.80 to 3105.90, Revised Code.
 - D. The Public Retirement Program shall return, by regular mail, to the clerk of courts of the court that issued the order any order the Public Retirement Program determines does not meet the requirements in Sections 3105.80 to 3105.90, Revised Code, no later than sixty days after the Public Retirement Program's receipt of the order.
- VIII. Jurisdiction of the Court: The Court shall retain jurisdiction to modify, supervise, or enforce the implementation of this order notwithstanding Section 3105.171(I), Revised Code.

APPROVED:

Signature of Attorney for Plaintiff/Petitioner

Attorney for Plaintiff/Petitioner (please type or print name)

Supreme Court No.

Address

Address

Signature of Attorney for Defendant/Petitioner

Attorney for Defendant/Petitioner (please type or print name)

Supreme Court No.

Address

Address

SO ORDERED.

Judge

Division of Property Order approved per Section 145.571, 742.462, 3305.21, 3307.371, 3309.671, or 5505.261, Revised Code, for filing and submission.

Retirement System

Retirement System

145-2-40 Benefits payable under section 145.333 of the Revised Code

- (A) As used in this rule, “retirement allowance” ~~and “CBBC” have~~ has the same ~~meanings~~ meaning as defined in section 145.333 of the Revised Code.
- (B) If a retirement allowance is reduced under section 145.333 of the Revised Code, the reduced retirement allowance shall become the member’s single lifetime allowance for purposes of sections 145.33, 145.332, and 145.45 of the Revised Code.
- (C) As used in division (E) of section 145.333 of the Revised Code, “full month of service” means any month during which a public employee has earnable salary in the public employees retirement system and does not include the first or last month of employment with a public employer or a leave of absence approved by a public employer.

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.333
Rule Review Date: 9/29/16
Effective Date History: 1/7/13 (Emer.), 3/24/13

145-3-14 Designation of beneficiaries under ~~“plan F”~~ the multiple-life plan

- (A) This rule amplifies section 9.03(e) of the combined plan document and, in the case of a monthly annuity payment option only, sections 9.02 of the combined and member-directed plan documents.
- (B) Designation of beneficiaries pursuant to a plan of payment under which a portion of the benefit continues, after the death of the retirant, to two, three, or four surviving beneficiaries shall be made in accordance with rule 145-2-60 of the Administrative Code.

Promulgated Under: 111.15
Statutory Authority: 145.09
Rule Amplifies: 145.80
Rule Review Date: 9/24/09, 9/24/14
Effective Date History: 10/27/06

145-4-01 Health care definitions

As used in this chapter:

- (A) “401(h) retiree medical account” means the retiree medical account of a benefit recipient within the account established by the public employees retirement board under rule 145-4-02 of the Administrative Code and described in rules 145-4-26, 145-4-28, and 145-4-30 of the Administrative Code.
- (B) “Age and service retirant” means a former member who is receiving a retirement allowance pursuant to section 145.33, 145.331, 145.332, 145.37 or 145.46 of the Revised Code or section 9.03 of the combined plan document.
- (C) “Benefit recipient” means the primary benefit recipient, if living. If the member or primary benefit recipient is deceased, “benefit recipient” shall mean the survivor benefit recipient.
- (D) “Contributing service credit” means service credit earned or obtained under sections 145.31, 145.302, 145.47, or 145.483 of the Revised Code, section 3.03 of the combined plan document, or article VI of the combined or member-directed plan document. Beginning January 1, 2014, “contributing service credit” means service credit described in this paragraph for which the monthly earnable salary on and after January 1, 2014, is one thousand dollars or greater.
- (E) “Health care coverage” means the coverage authorized under sections 145.58 and 145.584 of the Revised Code, except for reimbursement of the medicare part B premium, and dental and vision coverage.
- ~~(E)~~(F) “Initial benefit payment” has the same meaning as in rule 145-1-65 of the Administrative Code.
- ~~(F)~~(G) “Ohio retirement system” means the public employees retirement system, state teachers retirement system, school employees retirement system, Ohio police and fire pension fund, or highway patrol retirement system.
- ~~(G)~~(H) “Primary benefit recipient” means an age and service retirant or disability benefit recipient who meets the requirements specified in rule 145-4-06 of the Administrative Code and is enrolled in health care coverage.
- ~~(H)~~(I) “Qualified medical expense” means medical care, as defined in section 213(d) of the Internal Revenue Code of 1986, 26 U.S.C.A. 213(d), and applicable regulations thereunder and are excludable from income in accordance with sections 105 and 106 of the Internal Revenue Code.
- ~~(I)~~(J) “Qualified service credit” means contributing service credit and service credit purchased or transferred under sections 145.295, 145.2911, or 145.37 of the Revised Code that, if earned or obtained in the public employees retirement system, would be the equivalent of the contributing service credit.
- (K) “Retiree medical account” means the voluntary employees beneficiary association (VEBA) established by the public employees retirement board in accordance with section 501(c)(9) of the Internal Revenue Code of 1986, 26 U.S.C.A. 501, and described in the document entitled the “public employees retirement system of Ohio VEBA health plan” that was effective on January 1, 2003, and is available at www.opers.org.
- ~~(J)~~(L) “Self-supporting rate” means the adjusted per capita cost for providing health care coverage for any given year, as determined by the board.
- ~~(K)~~(M) “Service manager” means the individual or entity appointed by the public employees retirement system to administer the retiree medical accounts or the 401(h) retiree medical accounts.
- ~~(L)~~(N) “Survivor benefit recipient” means a beneficiary receiving a benefit pursuant to section 145.45 or 145.46 of the Revised Code or section 9.03 of the combined plan document.

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.58
Rule Amplifies: 145.58, 145.584
Rule Review Date: 9/26/08, 9/29/13
Effective Date History: 1/1/07, 1/1/09, 1/7/13 (Emer.), 3/24/13

145-4-03 Health care coverage

- (A) Dental, vision, and health care coverage for an eligible primary benefit recipient may be available upon application on a form provided by the public employees retirement system. A primary benefit recipient may enroll an eligible dependent as defined in rule 145-4-09 of the Administrative Code.
- (B) (1) Except as provided in this paragraph, applications for health care coverage must be received by the public employees retirement system not later than sixty days after the benefit recipient's initial benefit payment. During the sixty-day period, a recipient may make one change to the filed application. If the application is received more than sixty days after the benefit recipient's initial benefit payment, ~~the retirement system shall not accept the application and enrollment may occur only during the next annual health care open enrollment or the benefit recipient fails to file an application within that period, the benefit recipient shall be treated as described in paragraph (E) of this rule.~~
- (2) The system may accept and process an application received more than sixty days after the benefit recipient's initial benefit payment if either of the following occur:
- (a) The system determines that a physical or mental incapacity prevented the benefit recipient from making application within the initial sixty day benefit period. The effective date of coverage shall be determined in accordance with rule 145-4-04 of the Administrative Code.
- (b) The benefit recipient did not apply for coverage and later submits an application due to involuntary termination of coverage under another group plan. The benefit recipient shall submit the application within ~~thirty-one~~ sixty days of the involuntary termination together with proof of such termination. If the application is received on or before the tenth day of a month, the coverage is effective on the first day of the month following receipt of the application. Otherwise, the coverage is effective on the first day of the second month following receipt of the application.
- (C) Upon the recommendation of the actuary retained by the board, the board shall determine annually the portion of the self-supporting rate it shall pay for eligible benefit recipients and eligible dependents enrolled in health care coverage.
- (D) An ineligible individual, as defined in rule 145-4-06 of the Administrative Code, may be enrolled in a health care plan administered by a third party health care administrator(s). Such ineligible individual shall pay all required premiums directly to the health care administrator in the time and manner prescribed by the third party health care administrator. Except to the extent required under paragraph (I) of this rule, the retirement system shall not be responsible for any premiums, claims, or withholding of premiums for such health care plan.
- (E) (1) An eligible benefit recipient may waive ~~defer enrollment in~~ health care coverage. The ~~waiver is effective as deferral applies~~ to both the benefit recipient ~~waiving coverage~~ and the benefit recipient's dependents.
- (1) ~~The effective date of the waiver shall be determined as follows:~~
- (a) ~~If the waiver is received by the retirement system not later than thirty days after issuance of the initial benefit payment, the waiver is effective on the effective date of benefits.~~
- (b) ~~If the waiver is received by the retirement system more than thirty days after the issuance of the initial benefit payment but not later than the tenth day of a month, the waiver is effective on the first day of the month following receipt of the waiver.~~

- (e) ~~If the waiver is received by the retirement system more than thirty days after the issuance of the initial benefit payment and after the tenth day of a month, the waiver is effective on the first day of the second month following receipt of the waiver.~~
- (2) A benefit recipient who is described in paragraph (E)(1) of this rule or who waived coverage under a version of this rule in effect prior to January 1, 2014, may ~~revoke the waiver~~ enroll by filing an application for enrollment in health care coverage during one of the following:
- (a) The annual open enrollment period for health care coverage, except that the deferral or waiver remains effective until January first of the next year;
 - (b) Within ~~thirty-one~~ sixty days of involuntary termination of coverage under another group plan, and with proof of such termination, except that the deferral or waiver remains effective until the first day of the month following receipt if the application is received by the tenth day of the preceding month, otherwise the deferral or waiver remains effective until the first day of the second month following receipt of the application.
- (F) An individual who is eligible for health care coverage from more than one benefit may not enroll for health care coverage simultaneously under more than one benefit.
- (G) (1) Regardless of the reason for eligibility, all enrolled benefit recipients and dependents shall enroll in medicare part B at the benefit recipient or eligible dependent's first eligible date.
- (2) All enrolled benefit recipients and dependents shall enroll in medicare part A at the benefit recipient or eligible dependent's first eligible date if the benefit recipient or dependent can do so without payment of a premium for the coverage.
- (3) For any period that a benefit recipient or dependent is eligible but fails to enroll in medicare part A or B as required by this paragraph, the health care claims paid by the retirement system shall be reduced by the coverage the individual should have received if enrolled in medicare part A or B.
- (H) The retirement system shall offer continuation coverage, as applicable, in accordance with the requirements of the Consolidated Omnibus Budget and Reconciliation Act of 1985 ("COBRA"), 42 United States Code 300gg-1.
- (I) An enrolled benefit recipient's coverage shall be rescinded if the benefit recipient is convicted of falsification under section 2921.13 of the Revised Code regarding the health care coverage or performs an act, practice or omission that constitutes fraud or makes an intentional misrepresentation of material fact regarding the health care coverage. The effective date of the termination of coverage shall be the earlier of the date of the conviction or the act, practice or omission that constitutes fraud or an intentional misrepresentation of material fact, unless otherwise limited by Ohio law. The retirement system shall notify the benefit recipient of the rescission at least thirty days prior to processing the rescission. The rescission applies to all enrolled dependents and all coverage options.

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.58
Rule Amplifies: 145.58, 145.584
Rule Review Date: 9/26/08, 9/29/13

Effective Date History: 8/20/76, 12/9/88, 4/1/93, 6/29/96, 5/4/00,
10/9/00, 3/22/02, 8/8/02, 1/1/03, 4/15/04, 1/1/05, 1/1/07, 1/1/09, 1/1/11,
1/1/12, 9/7/12, 12/10/12, 1/7/13 (Emer.), 3/24/13

145-4-05 Monthly health care allowance

- (A) As used in this chapter, “monthly health care allowance” means the monthly amount that is allocated to each individual enrolled in health care coverage. This allowance is based on the self-supporting rate, as determined by the public employees retirement board, and as adjusted by the benefit recipient’s years and type of qualified service credit, and for effective dates of retirement on and after January 1, 2015, attained age at the time of initial enrollment in the plan.
- (B) The monthly health care allowance shall only be used to purchase ~~dental, vision, and~~ health care coverage. ~~The remaining portion of the allowance that is not used as described in this paragraph shall be credited to a 401(h) retiree medical account.~~
- ~~(C) The projected number of years and fractions thereof described in section 145.36 of the Revised Code shall not be included in determining the monthly health care allowance of a disability benefit recipient.~~

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.58
Rule Amplifies: 145.58, 145.584
Rule Review Date: 9/26/08, 9/29/13
Effective Date History: 1/1/07, 1/1/09, 1/7/13 (Emer.), 3/24/13

145-4-06

Eligibility for health care in traditional pension and combined plans

- (A) As For effective dates of benefits before January 1, 2014, as used in section 145.58 of the Revised Code, “ineligible individual” means all of the following:
- (1) A former member receiving benefits pursuant to section 145.32, 145.33, 145.331, 145.332, or 145.46 or former section 145.34 of the Revised Code or section 9.03 of the combined plan document for whom eligibility is established after June 13, 1986, and who, at the time of establishing eligibility, has accrued less than ten years of service credit, exclusive of credit obtained pursuant to section 145.297 or 145.298 of the Revised Code, credit obtained after January 29, 1981, pursuant to section 145.293 or 145.301 of the Revised Code, credit obtained after May 4, 1992, pursuant to section 145.28 of the Revised Code, and credit obtained in the combined plan after January 1, 2003, pursuant to section 145.28, 145.293, or 145.301 of the Revised Code;
 - (2) The spouse of the former member;
 - (3) The beneficiary of the former member receiving benefits pursuant to section 145.46 of the Revised Code or section 9.03(e) of the combined plan document, as amended on January 7, 2013.
- (B) For effective dates of benefits on and after January 1, 2014, but before January 1, 2015, as used in section 145.58 of the Revised Code, “ineligible individual” means any individual who does not meet any of the following:
- (1) A former member receiving benefits pursuant to section 145.32, 145.33, 145.331, 145.332, or 145.46 or former section 145.34 of the Revised Code or section 9.03 of the combined plan document with an effective date of benefits on and after January 1, 2014, but before January 1, 2015, and who has accrued at least ten years of qualified service credit.
 - (2) The spouse of the former member;
 - (3) The beneficiary of the former member receiving benefits pursuant to section 145.46 of the Revised Code or section 9.03(e) of the combined plan document, as amended on January 7, 2013.
- (C) For effective dates of benefits on or after January 1, 2015, as used in section 145.58 of the Revised Code, “ineligible individual” means any individual who does not meet any of the following:
- (1) A former member receiving benefits pursuant to section 145.32, 145.33, 145.331, 145.332, or 145.46 or former section 145.34 of the Revised Code or section 9.03 of the combined plan document with an effective date of benefits on and after January 1, 2015, and who has attained age sixty and has accrued at least twenty years of qualified service credit or is any age and has accrued at least thirty years of qualified service credit.
 - (2) The spouse of the former member;
 - (3) The beneficiary of the former member receiving benefits pursuant to section 145.46 of the Revised Code or section 9.03(e) of the combined plan document, as amended on January 7, 2013.
- (D) Beginning January 1, 2014, as used in section 145.58 of the Revised Code, an “ineligible individual” includes a disability benefit recipient who has an effective date of benefits that is on or after January 1, 2014, and has been receiving a disability benefit for more than five years unless the recipient meets one of the following:
- (1) The recipient has met the eligibility requirements described in paragraphs (B) or (C) of this rule;

145-4-06 (continued)

(2) The recipient qualifies for federal hospital insurance benefits under the Social Security Amendments of 1965, 79 Stat. 291, 42 U.S.C.A. 1395c, on the basis of a disability and has not attained age sixty-five.

(E) A member participating in the combined plan shall be a member of the traditional pension plan for purposes of the coverage described in sections 145.58 and 145.584 of the Revised Code.

Promulgated Under: 111.15
Statutory Authority: 145.09, 145.58
Rule Amplifies: 145.58, 145.584
Rule Review Date: 9/29/13
Effective Date History: 1/7/13 (Emer.), 3/24/13

145-4-26 401(h) retiree medical account — excess health care allowance

- (A) ~~If the monthly health care allowance for an enrolled benefit recipient and enrolled dependent exceeds the monthly cost of the health care coverage of the benefit recipient and dependent, the public employees retirement system shall credit an amount equal to the excess allowance to the 401(h) retiree medical account of the benefit recipient.~~
- (B) — A 401(h) retiree medical account under this rule shall be invested by the public employees retirement board with other funds held in the 401(h) account. Each 401(h) retiree medical account shall be credited with interest or other earnings at a rate and at such intervals as determined by the board. An administrative fee may be assessed against a 401(h) retiree medical account as determined by the board.
- (C)(B) A 401(h) retiree medical account established under this rule shall be available solely for the payment of the qualified medical expenses of a benefit recipient or eligible dependent.
- (D)(C) Payment or reimbursement of a qualified medical expense shall occur only after submission of a claim and approval pursuant to rule 145-4-28 of the Administrative Code. Payment of a qualified medical expense shall occur only by payment of a premium for health care coverage. Reimbursement of a qualified medical expense shall occur by direct payment to the benefit recipient. Payment or reimbursement is limited to expenses not paid by social security, medicare, or any other medical and health insurance coverage held by the benefit recipient or eligible dependent, or their employers. Payment or reimbursement may not be made for qualified medical expenses that are deductible by the benefit recipient under any other section of the Internal Revenue Code.

Promulgated Under: 111.15

Statutory Authority: 145.09, 145.58

Rule Amplifies: 145.58, 145.584

Rule Review Date: 9/26/08, 9/29/13

Effective Date History: 1/1/07, 1/1/09, 1/7/13 (Emer.), 3/24/13

Health care plan provisions regarding the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")

- (A) As used in this rule:
- (1) "Electronic protected health information" means protected health information that is transmitted by electronic media or maintained in electronic media.
 - (2) "Enrollment/disenrollment information" means information on whether the individual is participating in the health plan, or is enrolled in or has disenrolled from a health insurance issuer, health maintenance organization, or health insuring corporation offered by the plan.
 - (3) "Plan" means any health plan maintained by the Ohio public employees retirement system under to the authority granted in section 145.58 of the Revised Code.
 - (4) "Plan administration functions" means administrative functions performed by the plan sponsor of a health plan on behalf of the health plan and excludes functions performed by the plan sponsor in connection with any other benefit or benefit plan of the plan sponsor.
 - (5) "Plan sponsor" means the Ohio public employees retirement system.
 - (6) "Protected health information" means individually identifiable health information that is transmitted by electronic media; maintained in electronic media; or transmitted or maintained in any other form or medium
 - (7) "Summary health information" means information (1) that summarizes the claims history, claims expenses, or type of claims experienced by individuals for whom a plan sponsor has provided health coverage under the plan; and (2) from which the information described at 42 C.F.R. Section 164.514(b)(2)(i), 67 F.R. 53270 (2002), has been deleted, except that the geographic information described in 42 C.F.R. Section 164.514(b)(2)(i)(B) need only be aggregated to the level of a five-digit ZIP code.
- (B) The plan may disclose to the plan sponsor enrollment/disenrollment information at any time.
- (C) The plan (or a health insurance issuer, health maintenance organization, or health insuring corporation with respect to the plan) may disclose summary health information to the plan sponsor, provided that the plan sponsor requests the summary health information for the purpose of (1) obtaining premium bids from health plans for providing health insurance coverage under the plan; or (2) modifying, amending, or terminating the plan.
- (D) (1) Unless otherwise permitted by law, and subject to the conditions of disclosure described in paragraph (E) of this rule and obtaining written certification pursuant to paragraph (G) of this rule, the plan (or a health insurance issuer, health maintenance organization, or health insuring corporation on behalf of the plan) may disclose protected health information and electronic protected health information to the plan sponsor, provided that the plan sponsor uses or discloses such protected health information and electronic protected health information only for plan administrative purposes. "Plan administration purposes" means administration functions performed by the plan sponsor on behalf of the plan, such as quality assurance, claims processing, auditing, and monitoring and other administrative services related to the plan. Plan administration functions do not include functions performed by the plan sponsor in connection with any other benefit or benefit plan of the plan sponsor or any employment-related actions or decisions.

145-4-50 (continued)

- (2) Notwithstanding any provisions of this plan to the contrary, in no event shall the plan sponsor be permitted to use or disclose protected health information or electronic protected health information in a manner that is inconsistent with 45 C.F.R. Section 164.504(f), 68 F.R. 8381 (2003).
- (E) (1) Plan sponsor agrees that with respect to any protected health information (other than enrollment/disenrollment information and summary health information, and information disclosed pursuant to a signed authorization that complies with the requirements of 45 C.F.R. Section 164.508, 67 F.R. 53268 (2002), which are not subject to these restrictions) disclosed to it by the plan (or a health insurance issuer, health maintenance organization, or health insuring corporation on behalf of the plan), plan sponsor shall:
- (a) Not use or further disclose the protected health information other than as permitted or required by the plan or as required by law;
 - (b) Ensure that any agent, including a subcontractor, to whom it provides protected health information received from the plan agrees to the same restrictions and conditions that apply to the plan sponsor with respect to protected health information;
 - (c) Not use or disclose the protected health information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the plan sponsor;
 - (d) Report to the plan any use or disclosure of the protected health information of which it becomes aware that is inconsistent with the uses or disclosures provided for;
 - (e) Make available protected health information to comply with the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) right to access in accordance with 45 C.F.R. Section 164.524, 67 F.R. 53271 (2002);
 - (f) Make available protected health information for amendment, and incorporate any amendments to protected health information, in accordance with 45 C.F.R. Section 164.526, 65 F.R. 82802 (2002);
 - (g) Make available the information required to provide an accounting of disclosures in accordance with 45 C.F.R. Section 164.528;
 - (h) Make its internal practices, books, and records relating to the use and disclosure of protected health information received from the plan available to the secretary of health and human services for purposes of determining compliance by the plan with HIPAA's privacy requirements;
 - (i) If feasible, return or destroy all protected health information received from the plan that the plan sponsor still maintains in any form and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and
 - (j) Ensure that the adequate separation between plan and plan sponsor (i.e., the firewall), required by 45 C.F.R. Section 164.504(f)(2)(iii), is established.

145-4-50 (continued)

- (2) Plan sponsor further agrees that if it creates, receives, maintains, or transmits any electronic protected health information (other than enrollment/disenrollment information and summary health information, and information disclosed pursuant to a signed authorization that complies with the requirements of 45 C.F.R. Section 164.508, which are not subject to these restrictions) on behalf of the plan, it will:
- (a) Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic protected health information that it creates, receives, maintains, or transmits on behalf of the plan;
 - (b) Ensure that the adequate separation between the plan and plan sponsor (i.e., the firewall), required by 45 C.F.R. Section 164.504(f)(2)(iii) is supported by reasonable and appropriate security measures;
 - (c) Ensure that any agent, including a subcontractor, to whom it provides electronic protected health information agrees to implement reasonable and appropriate security measures to protect the information; and
 - (d) Report to the plan any security incident of which it becomes aware, as follows: plan sponsor will report to the plan, with such frequency and at such times as agreed, the aggregate number of unsuccessful, unauthorized attempts to access, use, disclose, modify, or destroy electronic protected health information or to interfere with systems operations in an information system containing electronic protected health information; in addition, plan sponsor will report to the plan as soon as feasible any successful unauthorized access, use, disclosure, modification, or destruction of electronic protected health information or interference with systems operations in an information system containing electronic protected health information.
- (F) (1) The plan sponsor shall allow only those employees or other persons under the control of the plan sponsor who are involved in the administration of the health plan access to the protected health information. No other persons shall have access to protected health information. These specified employees (or classes of employees) shall only have access to and use of protected health information to the extent necessary to perform the plan administration functions that the plan sponsor performs for the plan. In the event that any of these specified employees does not comply with the provisions of this rule, that employee shall be subject to disciplinary action by the plan sponsor for non-compliance pursuant to the plan sponsor's employee discipline and termination procedures.
- (2) The plan sponsor shall ensure that the provisions of this rule are supported by reasonable and appropriate security measures to the extent that the persons designated above create, receive, maintain, or transmit electronic protected health information on behalf of the plan.
- (G) The plan (or a health insurance issuer, health maintenance organization, or health insuring corporation with respect to the plan) shall disclose protected health information to the plan sponsor only upon the receipt of a certification by the plan sponsor that the plan has been amended to incorporate the provisions of 45 C.F.R. Section 164.504(f)(2)(ii), and that the plan sponsor agrees to the conditions of disclosure set forth in paragraph (E) of this rule.

145-4-50 (continued)

Promulgated Under: 111.15

Statutory Authority: 145.09, 145.58

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