

Rules

March 9, 2023

STRS

3307-3-01	Employer duties (No change)
3307-3-02	Employer reporting (No change)
3307-3-03	Contributions
3307-3-04	Back posting (No change)
3307-3-05	Employer penalties and interest
3307-4-01	Membership and contribution
3307-5-01	Alternative retirement plans (No change)
3307-6-01	Compensation for services to teacher professional organizations (No change)
3307-7-01	Guardianship (No change)
3307-8-01	Payments of benefits
3307-9-01	Division of property orders (No change)
3307-10-01	Faculty practice plan
3307:1-11-03	Health care services – medical plan
3307:1-14-01	Intersystem transfers with non-uniform systems (No change)

3307-3-01

Employer duties.

Each employer shall timely contribute, deduct, make payments and report in compliance with the provisions of Chapter 3307. of the Revised Code and the Administrative Code and shall provide the retirement system with the information it requires to carry out its duties.

Five Year Review (FYR) Dates: 2/17/2023 and 02/17/2028

CERTIFIED ELECTRONICALLY

Certification

02/17/2023

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.211, 3307.213, 3307.26, 3307.28, 3307.29
Prior Effective Dates: 07/01/2001 (Emer.), 09/17/2001, 05/03/2018

3307-3-02

Employer reporting.

- (A) Each employer shall annually on or before the first Friday of August submit a report for the preceding school year certifying service credit, contributions on earned compensation and such other information as the retirement system may specify for each teacher employed during the twelve-month period ending on the preceding thirtieth of June.
- (1) Such annual report shall be in the form and format specified by the retirement system; and
 - (2) Such annual report shall include each teacher employed in a position covered by the retirement system during that twelve-month period.
- (B) Each employer shall no later than five business days after any pay date report contributions on compensation paid or earned based on payroll records for each teacher employed during the payroll period in a position covered by the retirement system. Such payroll report:
- (1) Shall be in the form and format specified by the retirement system; and
 - (2) Shall include contributions on compensation paid or earned during the payroll period and such other information as may be specified by the retirement system.
- (C) Each employer shall notify the retirement system no later than the tenth day after an employee's first date on the payroll in a position covered by the retirement system of the employee's first date of employment. Notice shall be given in the manner and format specified by the retirement system and shall include the employee's name, address, social security number, birth date and gender and such other information as the retirement system may specify.
- (D) Each employer shall notify the retirement system no later than the tenth day after an individual who is retired under an Ohio public retirement system or alternative retirement plan under Chapter 3305. of the Revised Code of the date that the individual first renders service as a reemployed retirant in a position covered by the retirement system. Notice shall be given in the manner and format specified by the retirement system and shall include the employee's name, address, social security number, birth date and gender and such other information as the retirement system may specify.

Five Year Review (FYR) Dates: 2/17/2023 and 02/17/2028

CERTIFIED ELECTRONICALLY

Certification

02/17/2023

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.211, 3307.212, 3307.213, 3307.26, 3307.28,
3307.29, 3307.291
Prior Effective Dates: 07/01/2001 (Emer.), 09/17/2001, 09/17/2002,
07/18/2003, 07/24/2008, 06/02/2013, 05/03/2018

3307-3-03

Contributions.

- (A) Member contributions made pursuant to section 3307.26 of the Revised Code shall be due with the payroll report specified by paragraph (B) of rule 3307-3-02 of the Administrative Code, but shall in no case be paid by an employer later than the fifth business day after a pay date.
- (B) Any employer contributions not made by deduction from ~~foundation funds~~amounts allocated under Chapter 3317 of the Revised Code as specified by section 3307.31 of the Revised Code shall be due with the payroll report specified by rule 3307-3-02 of the Administrative Code, but shall in no case be paid by an employer later than the fifth business day after a pay date.

Effective:

Five Year Review (FYR) Dates: 2/17/2023

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.212, 3307.213, 3307.26, 3307.28, 3307.31
Prior Effective Dates: 07/01/2001 (Emer.), 09/17/2001, 07/24/2008

3307-3-04

Back posting.

- (A) An employer may in writing request that the certification made by its prior annual reports be amended, provided:
- (1) Its request explains the reasons for its omission or error.
 - (2) It is in the form and format specified by the retirement system.
- (B) Member and employer contributions paid and reported after the close of the fiscal year in which compensation was earned will be accepted only upon payment of interest compounded annually at the actuarially assumed rate, beginning with the first month after the end of the fiscal year in which the compensation was earned and through the month payment is made to the retirement system. Interest for a full month shall be paid for any portion of a month.
- (C) Except as provided in paragraph (D) of this rule, the retirement system will return unauthorized or improperly made member and employer contributions to the employer.
- (D) If an employer has requested a membership determination from the retirement system and the retirement system determines membership is not required, any member and employer contributions already made on compensation earned during the current fiscal year will be returned to the party that remitted the payment of contributions.

Five Year Review (FYR) Dates: 2/17/2023 and 02/17/2028

CERTIFIED ELECTRONICALLY

Certification

02/17/2023

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.213, 3307.26, 3307.28, 3307.292
Prior Effective Dates: 07/01/2001 (Emer.), 09/17/2001, 07/24/2008,
11/03/2016, 05/03/2018

3307-3-05

Employer penalties and interest.

- (A) Annual reports submitted later than the date specified by paragraph (A) of rule 3307-3-02 of the Administrative Code shall be subject to a penalty of five hundred dollars per day, up to a maximum of two thousand dollars. Such penalty may, at the sole discretion of the retirement system, be waived if before the original due date the retirement system approved an employer's request to submit its report by a date mutually agreed upon at the time of the request, but in no case later than five days after the report was due. If a report is received after the date mutually agreed upon under this paragraph, the penalty will be assessed beginning with the original date the report was due.
- (B) Payroll reports submitted later than the dates specified by paragraph (B) of rule 3307-3-02 of the Administrative Code may be subject to a penalty of up to five hundred dollars per day, up to a maximum of two thousand dollars.
- (C) Member and employer contribution payments shall be due with each payroll report and late payments may, at the sole discretion of the retirement system, be subject to interest as specified by paragraph (E) of this rule.
- (D) Employers shall calculate, report and certify contributions, credit and compensation in accordance with the applicable provisions of the statutes and rules. An employer may, at the sole discretion of the retirement system, be required to repay the retirement system for any amounts paid by the retirement system as the result of employer errors in reporting or certifying information to the retirement system.
- (E) Interest may, at the sole discretion of the retirement system, be charged to an employer for past due payments of member and employer contributions, or other employer obligations, as follows:
- (1) Interest will be compounded beginning with the month payment is due through the month of payment; and
 - (2) Interest will be compounded at the actuarially assumed rate; and
 - (3) Interest will be compounded for a full month for any portion of a month.
- (F) New hire or reemployed retiree notifications submitted later than the dates specified by paragraphs (C) and (D) of rule 3307-3-02 of the Administrative Code may be subject to a penalty of up to five dollars per day per individual, up to a maximum of one hundred dollars.

(G) Penalties and interest shall be due as incurred and may be netted from future ~~foundation payments~~ amounts allocated under Chapter 3317 of the Revised Code as specified by section 3307.31 of the Revised Code.

Effective:

Five Year Review (FYR) Dates: 2/17/2023

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.213, 3307.292
Prior Effective Dates: 07/01/2001 (Emer.), 09/17/2001, 07/18/2003,
06/02/2013, 05/03/2018

3307-4-01

Membership and contribution.

(A) Membership in the ~~state teachers~~ retirement system may be denied to the following categories of teachers employed on a temporary basis:

Visiting faculty members appointed to an academic chair in Ohio, provided;

- (1) The appointment will not exceed two years;
- (2) The faculty member will terminate employment upon completion of the appointment;
- (3) The faculty member will remain the employee of a school, college or university other than an Ohio public employer.

(B) A member employed on a part-time basis as a student employee by a school, college or university in which he or she is regularly attending classes may make application to be exempt from contributions to the retirement system, provided that:

- (1) Application for exemption from contribution is made within thirty days of such employment or enrollment as a student on a form provided by the retirement system;
- (2) The exemption from contribution remains in effect until employment as a student employee of that employer is terminated or contributions are made upon compensation paid by that employer, whichever occurs earlier;
- (3) A member on leave of absence from a teaching position covered by the retirement system shall be ineligible for exemption from contribution;
- (4) Membership shall be maintained throughout any period of exemption from contribution and such exemption shall not constitute termination of covered employment within the meaning of section 3307.56 of the Revised Code.

(C) Requests for denial of membership or contribution pursuant to this rule shall be made jointly by the teacher and employer involved. Failure to comply with any of the conditions specified in paragraph (A) or paragraph (B) of this rule shall void any denial of membership or contribution previously granted and contributions will thereupon be due beginning with the initial date of appointment.

(D) No service credit will be awarded for any period for which a person is exempted from contribution. A person shall be forever barred from claiming credit for any such period, except as provided by section 3307.73 of the Revised Code.

- (E) Supplemental salaried service: Compensation received as a result of reimbursement from a contracted third party or agency for supplemental services rendered in addition to the full-time contracted work period or workload shall not be subject to contributions to the retirement system as provided in division (B) of section 3307.01 of the Revised Code and section 3307.26 of the Revised Code. As such, no service credit is granted for these services.

Effective:

Five Year Review (FYR) Dates: 2/17/2023

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.01, 3307.24
Prior Effective Dates: 12/23/1976, 05/26/1979, 02/25/1980, 12/26/1981,
12/31/1981, 09/23/1991 (Emer.), 12/23/1991,
08/24/1992 (Emer.), 11/05/1992, 01/19/1996,
07/01/2001 (Emer.), 09/17/2001, 07/24/2008,
06/11/2010, 06/02/2013, 05/07/2015, 05/03/2018,
07/01/2019, 05/07/2020, 05/05/2022

3307-5-01

Alternative retirement plans.

- (A) Each institution of higher education with an academic employee eligible to elect an alternative retirement plan under division (B) of section 3305.05 of the Revised Code shall give notice of the hiring to the retirement system.
- (1) Notice shall be given when the institution enters into a contractual relationship with the employee, but in no case later than ten days after the employee's first day on the institution's payroll.
 - (2) Notice shall be given when an employee changes to a classification that qualifies the employee to elect an alternative retirement plan, but in no case later than ten days after the effective date of the employee's new classification.
 - (3) Notice shall be given when an employee participating in an alternative retirement plan who is employed in a position covered by the public employees retirement system or school employees retirement system becomes employed in a position covered by this retirement system and continues participation in the alternative retirement system, but in no case later than ten days after the effective date of the first date of employment in a position covered by this system.
 - (4) Notice shall be given in the manner and form prescribed by the retirement system, and shall set forth the employee's name, address, social security number, date of birth, gender and any other information required by the retirement system.
- (B) Employer contributions required by division (D) of section 3305.06 of the Revised Code shall be remitted monthly no later than the fifteenth day of the month following the month during which the compensation is paid.
- (C) Employers shall submit a monthly report for contributions required under division (D) of section 3305.06 of the Revised Code in a manner and form prescribed by the retirement system for all employees in positions covered by this retirement system who have elected an alternative retirement plan under Chapter 3305. of the Revised Code.
- (D) The institution shall file a certified copy of any election made by an employee with the retirement system no later than ten days after it is filed with the institution by the electing employee. Elections shall be made on forms provided by the retirement system and completed by the institution and employee to provide all information requested by the retirement system, including the employee's name, address, social security number, alternative retirement plan selected, payroll and contribution data and any other information specified by the retirement system.

- (E) Payment under section 3305.052 of the Revised Code on behalf of an employee will be made to the provider of the alternative retirement plan in which the employee had chosen to participate within thirty days of receipt by the retirement system of a certified copy of the election form, including complete certification, payroll and contribution data and selected provider information. The employer shall be responsible for the recovery of any overpayment made under section 3305.052 of the Revised Code as a result of employer payroll and contribution certification error.
- (F) Unauthorized or improper employer and employee contributions received by the retirement system after the effective date of an election and not included in the payment under section 3305.052 of the Revised Code shall be returned to the employer, less any amount due pursuant to division (D) of section 3305.06 of the Revised Code.

Five Year Review (FYR) Dates: 2/17/2023 and 02/17/2028

CERTIFIED ELECTRONICALLY

Certification

02/17/2023

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.01, 3307.05, 3307.06, 3307.33, 3307.56
Prior Effective Dates: 04/17/1998 (Emer.), 07/03/1998, 07/01/2001 (Emer.),
09/27/2001, 09/17/2002, 07/18/2003, 07/24/2008,
06/02/2013, 05/03/2018

3307-6-01

Compensation for services to teacher professional organizations.

(A) As used in this rule:

- (1) "Base compensation" shall mean the base salary specified by a contract under section 3319.08 of the Revised Code for employment as a teacher.
- (2) "Base contract daily rate" shall mean the base salary specified by a contract under section 3319.08 of the Revised Code divided by the number of days or partial days of service required by that contract.
- (3) "Employer" shall be as defined by section 3307.01 of the Revised Code.
- (4) "Teacher professional organization" shall mean an organization of teaching professionals that qualified as an employee organization under the terms of section 4117.01 of the Revised Code.

(B) Service to a teacher professional organization by a member performing such service in addition to teaching duty shall constitute teaching service for the purposes of Chapter 3307. of the Revised Code if employer and employee contributions are made for each year of such service as specified by this paragraph. Compensation upon which contributions are based for each year shall include the following amounts paid for services actually rendered, whether paid or reimbursed in whole or in part by the employer or the teacher professional organization:

- (1) Base compensation.
- (2) Amounts paid pursuant to a supplemental written contract for additional duties unrelated to service to the teacher professional organization.
- (3) If provided by a collectively bargained agreement between the employer and the teacher professional organization, amounts paid as compensation for service to the teacher professional organization, up to a maximum amount calculated by:
 - (a) Multiplying the base contract daily rate by;
 - (b) A number of days determined by subtracting from two hundred fifty the number of days of service full-time teachers are required to work under an employer's standard teaching contracts for each year.

(C) Absence for full-time service to a teacher professional organization is hereby approved as a reason qualifying under section 3307.77 of the Revised Code for purchase of credit or completion of contributions, provided:

- (1) The payments described in this paragraph shall constitute compensation for purposes of this rule, whether paid or reimbursed in whole or in part by the employer or the teacher professional organization.
 - (2) Compensation upon which contributions are based shall be the base compensation under the contract in place under section 3319.08 of the Revised Code between the member and the employer on the thirtieth day of June before service to the teacher professional organization began, plus compensation under any supplemental contract in effect on that date, adjusted as follows:
 - (a) After the first year of absence due to service to the organization, compensation under such contracts shall be increased in accordance with the employer's salary schedules, if the schedules continue to specify a salary for the position or duties; and
 - (b) Compensation shall also include amounts actually paid by an employer, a teacher professional organization or either of them as compensation for service to the organization, if provided by specific provision of the collectively bargained agreement between the employer and the teacher professional organization, up to a maximum amount calculated by:
 - (i) Multiplying the base contract daily rate as adjusted under paragraph (C)(2)(a) of this rule by;
 - (ii) A number of days determined by subtracting from two hundred fifty the number of days of service full-time teachers are required to work under an employer's standard teaching contract for each year.
- (D) A member is ineligible to contribute, complete contributions or purchase credit under this rule for any service to a teacher professional organization that is used in the calculation of any retirement benefit currently being paid or payable in the future under any other retirement program, except social security.
- (E) To the extent that contributions on compensation included by this rule are not otherwise included with contributions transmitted or paid by an employer, the member may request that contributions be permitted on a form provided by the retirement system and signed by the member, the teacher professional organization and the employer, which shall include such information as the retirement system finds necessary. If an application is approved, contributions shall be transmitted by the employer in accordance with instructions provided by the retirement system.

Five Year Review (FYR) Dates: 2/17/2023 and 02/17/2028

CERTIFIED ELECTRONICALLY

Certification

02/17/2023

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.01, 3307.24, 3307.77
Prior Effective Dates: 07/01/2001 (Emer.), 09/17/2001, 07/24/2008

3307-7-01

Guardianship.

- (A) As used herein, "recipient" shall mean any person who is eligible to receive a payment or benefit under Chapter 3307. of the Revised Code.
- (B) Election of or payment of benefits or other monies shall be by and through a duly appointed guardian of the estate or other person specified by court order if:
- (1) A recipient is under the age of eighteen and is not in the custody and care of a natural or adoptive parent; or
 - (2) A recipient is age eighteen or older, but has been adjudicated incompetent by a court with jurisdiction over the recipient; or
 - (3) A recipient is age eighteen or older and has been determined to qualify for benefits under section 3307.66 of the Revised Code as a result of physical or mental incompetency determined by a doctor of medicine or osteopathic medicine appointed by the retirement board and the recipient's attending doctor of medicine or osteopathic medicine determines the recipient is incapable of handling his or her financial matters because of the physical or mental incompetency. Such determination shall be made in accordance with section 3307.66 of the Revised Code and the procedures set forth in paragraph (H) of rule 3307:1-8-01 of the Administrative Code.
- (C) Notwithstanding paragraph (B) of this rule, guardianship will not be required for payment of benefits or other monies due a recipient described in paragraph (B)(1) or paragraph (B)(2) of this rule if documentation has been provided to the retirement system to support one of the following:
- (1) Guardianship has been terminated pursuant to section 2111.05 of the Revised Code or its counterpart under the laws of the state with jurisdiction over the recipient, and the court has authorized payment to a person or entity designated by the court; or
 - (2) A court has authorized payments due to a recipient under the age of eighteen pursuant to section 2111.131 of the Revised Code or its counterpart under the laws of the state with jurisdiction over the recipient to a person or entity designated by the court; or
 - (3) A court has authorized payments to a representative payee designated by the court, pursuant to some other section of the Revised Code or the laws of the state with jurisdiction over the benefit recipient.

- (4) If a guardian, permanent custodian or authorized payee has not been appointed by the courts for a minor child who has no natural guardian or whose natural guardian cannot be located, monthly benefits may be paid to the person in whose custody a minor child resides, provided:
- (a) If the natural guardian cannot be located, an application for payment to the person in whose custody a minor child resides must be supported by affidavits from that person and at least two other persons, at least one of whom shall be unrelated to the applicant, attesting that the whereabouts of the natural guardian are unknown.
 - (b) If a court has awarded temporary custody, monthly benefits will be delayed for a period up to three months following the date of death of the member. If no permanent custody, guardianship or payee order has been made within that period and if no court order directs otherwise, payment may be made to the person who has temporary custody.
- (5) For lump sum withdrawals authorized by Chapter 3307. of the Revised Code payable to members, superannuates or other system retirants as defined in section 3307.35 of the Revised Code, including member account withdrawals pursuant to section 3307.56 of the Revised Code and withdrawals pursuant to section 3307.352 of the Revised Code:
- (a) With a value of ten thousand dollars or more an application must be signed by the member or by the superannuate or other system retirant, or by the guardian of the estate of the member, superannuate or other system retirant with approval of the court that created the guardianship; or
 - (b) With a value of less than ten thousand dollars an application must be signed by the member or by the superannuate or other system retirant, or by an attorney in fact who has authority pursuant to a power of attorney to execute financial transactions with the retirement system on behalf of the member, superannuate or other system retirant.
- (6) For lump sum payments authorized by Chapter 3307. of the Revised Code payable to beneficiaries and qualified survivors as defined in sections 3307.562, 3307.60 and 3306.66 of the Revised Code:
- (a) With a value of ten thousand dollars or more, or of any value if payment is pursuant to division (D) of section 3307.60 of the Revised Code, an application must be signed by either the beneficiary or qualified survivor or by the guardian of the estate for the beneficiary or the qualified survivor with approval of the court that created the guardianship; or

- (b) With a value of less than ten thousand dollars, except for lump sum payments pursuant to division (D) of section 3307.60 of the Revised Code, an application must be signed by either the beneficiary or qualified survivor, or by an attorney in fact who has authority pursuant to a power of attorney to execute financial transactions with the retirement system on behalf of the beneficiary or qualified survivor.
- (D) Absent a court order otherwise specifying or the consent of the guardian of the estate, account or benefit information shall not be provided to persons appointed to serve only as guardians of the person. Such persons may not exercise rights specified by Chapter 3307. of the Revised Code or the Administrative Code on behalf of a minor child.
- (E) Where there is no person clearly identified to the retirement system as authorized to make binding financial decisions or where the appointment by a court of a guardian or payee so requires, that person shall obtain an order of the court approving withdrawal, election of rights, selection of a plan of payment except as provided in division (F) of section 3307.60 of the Revised Code, or designation of beneficiaries.

Five Year Review (FYR) Dates: 2/17/2023 and 02/17/2028

CERTIFIED ELECTRONICALLY

Certification

02/17/2023

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.56, 3307.562, 3307.58, 3307.60, 3307.63,
3307.631, 3307.66
Prior Effective Dates: 12/23/1976, 12/26/1981, 11/02/1989, 05/25/1999,
07/01/2001 (Emer.), 09/17/2001, 07/24/2008,
06/02/2013, 05/03/2018

3307-8-01

Payments of benefits.

- (A) As used in this rule, "alternate payee" and "participant" shall be as defined by section 3105.80 of the Revised Code.
- (B) All monthly benefits or partial lump-sum option plan benefits paid directly to the recipient on and after October 1, 2010 shall be paid by electronic funds transfer.
- (C) Notwithstanding paragraph (B) of this rule;
- (1) Benefit recipients or alternate payees whose addresses are outside of the United States may choose to receive benefits by electronic funds transfer to a bank in the United States, but are not required to do so; and
 - (2) The retirement system, in its sole discretion, may issue payment by paper checks to any benefit recipient or alternate payee if determined to be necessary for administrative purposes and/or if payment by electronic funds transfer is impracticable.
- (D) Each benefit recipient and each alternate payee shall notify the retirement system on a form it supplies of:
- (1) The name of the financial institution to which benefits will be transferred electronically;~~and~~
 - ~~(2) The mailing address of that financial institution; and~~
 - ~~(3)~~(2) The routing number of that financial institution;~~and~~
 - ~~(4)~~(3) The account number to which funds are to be transferred; and
 - ~~(5)~~(4) Such other information as the retirement system may specify.
- (E) No payment will be made to a benefit recipient or to an alternate payee of estimated or regular monthly benefits until such recipient or alternate payee provides full information about the financial institution to the retirement system.
- (F) Amounts payable under an optional plan of payment selected pursuant to division (B)(1) or ~~(D)(2)(a)~~(E)(2)(a) of section 3307.60 of the Revised Code or the defined contribution program under section 3307.81 of the Revised Code shall be paid by electronic transfer of funds to the same financial institution to which monthly benefits will be paid except in the case of amounts paid directly to another retirement savings plan eligible to receive rollovers from a qualified plan.

- (G) Selection of a plan of payment pursuant to section 3307.60 of the Revised Code or 6.2(e) of the document establishing the defined contribution program under section 3307.81 of the Revised Code shall become final on the fifteenth day of the month of the first regular benefit payment. Regular benefits begin once a final benefit, as defined by rule, is paid. Retirement may not be canceled thereafter and no change may be made thereafter in the plan of payment selected, the retirement date or the amount of any lump sum option selected pursuant to division (B)(1) of section 3307.60 of the Revised Code or the account to which it is to be deposited. The member's ability to purchase service credit or to replace contributions as outlined in paragraph (C) (2) of rule 3307:1-3-02, paragraph (D)(2)(n) of rule 3307:1-3-13, and paragraph ~~(C)~~ ~~(+)(D)~~ of rule ~~3307:2-4-01~~ 3307:2-4-02 and paragraph (C) of rule 3307:2-4-03 of the Administrative Code ceases on the fifteenth day of the month following the first regular benefit payment. The repayment of any lump sum must be made no later than the thirtieth day after the fifteenth day of the month of the first regular benefit.
- (H) Selection of an annuitized benefit under section 6.3 of the document establishing the defined contribution program under section 3307.81 of the Revised Code shall become final on the effective date of retirement. Retirement may not be canceled thereafter and no change may be made in the effective date of retirement. Selection of a plan of payment pursuant to section 6.3(c) shall become final on the fifteenth day of the month of the first regular benefit payment and no change may be made thereafter. Regular benefits begin once a final benefit, as defined by rule, is paid.
- (I) The benefit effective date of a benefit paid under section 3307.63 or 3307.631 of the Revised Code shall be final on the fifteenth day of the month of the first regular benefit payment.
- (J) Payment to an alternate payee shall occur no earlier than the sixteenth day of the month of the first regular benefit payment to the participant.
- (K) The right to a benefit, including a lump sum withdrawal, under Chapter 3307. of the Revised Code is a personal right. Benefits may be suspended or terminated by the retirement system in the event the system has good cause to believe that a benefit recipient may be incapacitated and no other person has legal authority to act or receive benefits on the benefit recipient's behalf or in the event the system learns that a benefit recipient is missing and unable to present himself or herself to establish to the retirement system's satisfaction that he or she is in fact alive and entitled to receive benefits.

Effective:

Five Year Review (FYR) Dates: 2/17/2023

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.04, 3307.42
Prior Effective Dates: 07/01/2001 (Emer.), 09/17/2001, 09/17/2002,
07/18/2003, 07/24/2008, 06/11/2010, 06/14/2012,
06/02/2013, 10/18/2013 (Emer.), 01/01/2014 (Emer.),
02/02/2014, 05/03/2018, 05/07/2020

3307-9-01

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) The retirement system may retain an order that provides the last four digits of the participant's or alternate payee's social security numbers. After the 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) The retirement system shall charge a fee to defray the cost of administering an order as follows:

- (1) The fee hereby established shall be deducted prior to calculation of the limit specified by section 3105.85 of the Revised Code.
- (2) The fee hereby established shall be divided between the participant and the alternate payee. The fee shall be deducted from the first payment made after retention of an order, except to the extent that the deduction in such manner would exceed the limitation specified by section 3105.85 of the Revised Code, in which case fees shall be paid by deduction from future payments.
- (3) The fee shall be calculated under the terms of this rule in effect at the time payment is made.
 - (a) The fee shall be calculated as an amount equal to the lesser of four hundred dollars or one per cent of the amount a participant in the defined benefit plan is or would be eligible to receive as a lump sum payment under section 3307.56 of the Revised Code.
 - (b) In the case of a participant in the defined contribution plan, the fee shall be calculated as an amount equal to the lesser of four hundred dollars or one per cent of the amount the participant is or would be eligible to receive as a lump sum payment under the plan in which he or she participates.

- (c) In the event a participant is ineligible for a lump sum distribution because benefits have been granted prior to the retention of an order, the fee shall be four hundred dollars.
- (D) Pursuant to section 3105.90 of the Revised Code, an order shall be on the form prescribed by the appendix to this rule.
- (E) 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.
- (F) Any beneficiary designations previously received by the retirement system from an alternate payee shall be voided as of the effective date of this rule and all due and unpaid payments shall be paid as outlined in paragraph (E) of this rule.

Five Year Review (FYR) Dates: 2/17/2023 and 02/17/2028

CERTIFIED ELECTRONICALLY

Certification

02/17/2023

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3105.80, 3105.81, 3105.82, 3105.821, 3105.83,
3105.84, 3105.85, 3105.86, 3105.87, 3105.88,
3105.89, 3105.90, 3307.371
Prior Effective Dates: 01/01/2002 (Emer.), 03/25/2002, 08/22/2003,
07/24/2008, 01/01/2010, 03/09/2010 (Emer.),
05/27/2010, 06/02/2013, 01/01/2014 (Emer.),
02/10/2014, 05/03/2018

3307-10-01 **Faculty practice plan.**

(A) As used in this rule:

- (1) Employer shall mean a state university as defined in section 3345.011 of the Revised Code ~~and the northeast Ohio medical university.~~
- (2) Academic services shall mean services provided as a faculty member of the employer including instructional services, other class-room related services or research.
- (3) Faculty practice plan shall mean an affiliated entity of an employer recognized by the employer as its college of medicine central practice group.
- (4) Implementation date shall mean any date after the initial effective date of this rule on which a physician who was employed by both an employer and its faculty practice plan: (a) becomes employed solely by an employer and (b) is no longer employed by both an employer and its faculty practice plan.
- (5) Clinical services shall mean services involving medical treatment, practice, observation or diagnosis.
- (6) Physician shall mean a person employed by an employer who provides academic services or clinical services and whose earnings include payment for academic services or clinical services.
- (7) Base compensation shall mean that amount of annualized compensation on which the physician contributed to STRS Ohio for the fiscal year immediately preceding the implementation date, or the most recent fiscal year prior to the fiscal year immediately preceding the implementation date in which the physician had contributing service with STRS Ohio, and such increases as are permitted under paragraph (B)(3) of this rule.
- (8) Academic promotion shall mean promotion in any faculty track from assistant professor to associate professor or promotion in any faculty track from associate professor to full professor.
- (9) Administrative promotion shall mean the addition of any administrative responsibilities for the provision of academic services for which the physician is paid, except an academic promotion.

- (B) Clinical services performed by a physician in addition to academic service shall constitute teaching service for the purpose of Chapter 3307. of the Revised Code, and compensation upon which contributions are based for purposes of Chapter 3307.

of the Revised Code shall include the following amounts paid for service actually rendered:

- (1) For any physician who has no service credit with the retirement system prior to the physician's implementation date, the physician's entire income paid by the employer for academic and clinical services shall be included as compensation under section 3307.01 of the Revised Code.
- (2) For any physician who does not have an implementation date, the physician's entire income paid by the employer for academic and clinical services shall be included as compensation under section 3307.01 of the Revised Code.
- (3) For any physician who has service credit with the retirement system prior to the physician's implementation date, the following shall be included as compensation under section 3307.01 of the Revised Code on and after the physician's implementation date:
 - (a) The physician's base compensation; plus,
 - (b) The physician's merit increase, expressed as a percentage, paid to the physician in accordance with the uniform criteria established by the physician's employer for all similarly employed employees multiplied by the physician's then current base compensation; plus,
 - (c) The physician's academic or administrative promotion, expressed as a percentage, paid to the physician in accordance with usual and customary criteria established by the physician's employer multiplied by the physician's then current base compensation.
 - (d) All other compensation authorized by the employer which relates to the physician's academic services and is paid in accordance with the employer's usual and customary compensation practices.

Effective:

Five Year Review (FYR) Dates: 2/17/2023

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.01, 3307.24
Prior Effective Dates: 02/10/2011, 06/10/2016, 05/03/2018

3307:1-11-03

Health care services - medical plan.**(A) Eligibility**

The following individuals shall be eligible to participate in a medical plan offered by the retirement system:

- (1) A service retiree with an effective benefit date:
 - (a) Before January 1, 2004; or
 - (b) Between January 1, 2004 and July 1, 2023 and the benefit is based on fifteen or more years of total service credit; or
 - (c) After July 1, 2023 and the benefit is based on twenty or more years of total service credit.
- (2) A service retiree who began receiving service retirement benefits with no break in monthly benefits following the termination of disability benefits, with a disability effective benefit date:
 - (a) Before January 1, 2004; or
 - (b) Between January 1, 2004 and July 1, 2023 and the service retiree benefit is based on fifteen or more years of total service credit; or
 - (c) After July 1, 2023 and the service retiree benefit is based on twenty or more years of total service credit.
- (3) A disability benefit recipient.
- (4) A survivor annuitant who was eligible for health care coverage as a dependent at the time of the service retiree's death.
- (5) A survivor benefit recipient under division (C)(1) of section 3307.66 of the Revised Code who was eligible for coverage as a dependent at the time of the member's or disability benefit recipient's death where the effective date of survivor benefits or the effective date of disability benefits of the deceased member is:
 - (a) Before January 1, 2004; or
 - (b) Between January 1, 2004 and July 1, 2023 provided that the deceased member or disability benefit recipient had fifteen or more years of total service credit at the time of death; or

- (c) After July 1, 2023 provided the deceased member or disability benefit recipient had twenty or more years of total service credit at the time of death.
- (6) A survivor benefit recipient under division (C)(2) of section 3307.66 of the Revised Code who was eligible for coverage as a dependent at the time of the member's or disability benefit recipient's death.
- (7) Dependents, to the extent that a medical plan and/or ancillary plan allows for dependent coverage.
- (8) Notwithstanding paragraphs (A)(1) to (A)(7) of this rule, an individual not eligible for medicare coverage is not eligible for primary coverage in a medical plan offered by the retirement system if the individual is employed and has access to an entity's medical plan or if similarly situated, non-retired employees have access to an entity's medical plan, provided the medical plan includes prescription coverage. The retirement board may require each enrollee to annually file a verification of employment statement disclosing the availability for enrollment as an employee in an entity's medical plan.
 - (a) When an individual is enrolled in an entity's medical plan and a medical plan offered by the retirement system, coverage in the retirement system's medical plan will be limited to secondary coverage applied only to those covered medical expenses not paid by the entity's medical plan.
 - (b) An employed individual not eligible for medicare who does not file a verification of employment statement with the retirement system when requested by the retirement system; does not enroll in the entity's medical plan when eligible to enroll, or is excluded from the entity's medical plan based upon being an enrollee in the retirement system's medical plan is not eligible to enroll or remain enrolled in a medical plan offered by the retirement system.
- (9) An individual enrolled in a medical plan offered by the retirement system shall enroll in medicare part A, if the enrollee is able to enroll in medicare part A without being required to pay a premium, and part B upon first attaining eligibility for each.

(B) Effective date

The effective date of coverage for enrollees in a medical plan shall be determined as follows:

(1) Initial enrollment: When a monthly benefit payment begins, medical coverage shall begin for a:

(a) Service retiree:

- (i) On the effective benefit date when the service retirement application is received on or before the effective benefit date, provided the service retiree enrolls by the end of the month of the effective benefit date;
or
- (ii) On the first day of the month following the date the service retirement application is received when the effective benefit date is prior to the date the service retirement application is received, provided the service retiree enrolls by the end of the month following the month the service retirement application is received.

(b) Disability benefit recipient:

- (i) On the effective benefit date when the disability benefit recipient is granted disability benefits on or before the effective benefit date, provided the disability benefit recipient enrolls by the end of the month of the effective benefit date.
- (ii) On the first day of the month following the date the disability benefit is granted when the effective benefit date is prior to the date the disability benefit is granted, provided the disability benefit recipient enrolls by the end of the month following the month the disability benefit is granted.

(c) Survivor benefit recipient:

- (i) On the effective benefit date when a survivor benefit recipient enrolls by the end of the third month following the month of the member's or disability benefit recipient's death.
- (ii) On the first of the month following the receipt of a survivor benefit application submitted after the third month following the month of the member's or disability benefit recipient's death provided the survivor benefit recipient enrolls by the end of the month following the month the survivor benefit application is received.

(d) Survivor annuitant:

- (i) On the first of the month following the month of the service retiree's death, provided a survivor annuitant enrolls by the end of the third month following the month of the service retiree's death.
 - (ii) On the first of the month following the month of the service retiree's death when a survivor annuitant was enrolled as a service retiree's dependent at the time of the service retiree's death.
- (2) Subsequent enrollment: Coverage shall begin as follows if a benefit recipient does not enroll as permitted under paragraph (B)(1) of this rule and later applies to enroll:
 - (a) Open enrollment: The retirement system may offer an open enrollment period during which eligible benefit recipients may enroll or change medical plans for themselves and eligible dependents. Coverage will begin on the first day of the next plan year following an open enrollment period specified by the retirement system.
 - (b) Special enrollment: A person may enroll under the following circumstances when a benefit recipient submits his or her application to enroll within thirty-one days from the date of a qualifying event, provides any other required documentation, the application is approved by the retirement system, and the person meets all other eligibility requirements:
 - (i) Benefit recipients:
 - (a) A benefit recipient may enroll based upon his or her loss of health care coverage that provided minimum essential coverage as defined under the federal Patient Protection and Affordable Care Act of 2010, 124 Stat. 119 (2010), as amended, for coverage beginning the first of the month in which coverage is lost.
 - (b) A benefit recipient may enroll based upon his or her enrolling in medicare parts A and B or only medicare part B for coverage beginning the first of the month medicare coverage begins.
 - (ii) Provided the benefit recipient is enrolled, dependents may be enrolled as follows:
 - (a) A primary recipient may enroll his or her new spouse for coverage beginning the first of the month following the date of marriage or the first day of the month of marriage when the date of marriage is on the first day of the month.

- (b) A benefit recipient may enroll a child for coverage beginning the day of birth, legal adoption, or the date the benefit recipient was legally appointed as guardian of that child.
- (c) A benefit recipient may enroll a dependent who lost health care coverage that provided minimum essential coverage as defined under the federal Patient Protection and Affordable Care Act of 2010 for coverage beginning the first of the month in which coverage is lost.
- (d) A benefit recipient may enroll a dependent based upon the dependent enrolling in medicare parts A and B or only medicare part B for coverage beginning the first of the month medicare coverage begins.

(C) Premium

- (1) The premium for an enrollee in a medical plan shall be based upon the total service credit used in the calculation of the primary recipient's benefit, the effective benefit date, and such other factors as the retirement board may find relevant in its sole discretion.
- (2) The premium for an enrollee in a medical plan shall be pre-paid through a monthly deduction from the monthly benefit unless the amount of the monthly benefit will not cover the total premium. In that case, the benefit recipient will be billed directly by the retirement system for any premium balance owed for an initial period not to exceed three months and authorizes the retirement system to electronically debit the premium balance owed each month from the benefit recipient's bank account. It will be the sole responsibility of the benefit recipient to provide and maintain the information and available funds required for the retirement system to complete the monthly electronic debit. Should the retirement system be unable to debit the payment electronically after the initial three month period, enrollment in the health care program may be terminated. If for any reason payment is not received on or before the first business day of the month the premium is due, enrollment in the health care program may be terminated.
- (3) The following benefit recipients are eligible to receive a subsidy:
 - (a) A service retiree either with an effective benefit date prior to August 1, 2023 and fifteen or more years of total service credit, or with an effective benefit date on or after August 1, 2023 and twenty or more years of total service credit.

- (b) A disability benefit recipient either with five or more years total service credit with an effective benefit date prior to August 1, 2023, or with six or more years of total service credit with an effective benefit date on or after August 1, 2023.

(D) Open enrollment and plan changes

- (1) The retirement system may offer an open-enrollment period during which benefit recipients may enroll in or change medical plans for themselves and eligible dependents.
- (2) Once coverage under a medical plan begins, a benefit recipient can request a change of medical plans during the plan year as follows:
 - (a) A change to any other available medical plan may occur when an enrolled benefit recipient provides required documentation and requests a change:
 - (i) Within thirty-one days of: ~~receipt of the first regular monthly benefit payment; marriage, divorce, legal separation or dissolution; birth, adoption, or legal appointment as guardian of a child; death; or full loss of subsidy; or enrolling a dependent with a qualifying event as described in paragraph (B)(2)(b) of this rule.~~
 - (ii) Within three months of benefit recipient or enrolled dependent enrolling in medicare parts A and B or only medicare part B.
 - (b) A change to another medical plan may occur at any time when an enrolled benefit recipient requests a change and provides documentation that evidences one of the following events:
 - (i) Loss of a key provider from a medical plan's provider network.
 - (ii) Relocation of permanent residence to another service area not covered by the enrollee's current medical plan.
 - (iii) Benefit recipient enrolled in a medicare fully insured medical plan.

Effective:

Five Year Review (FYR) Dates: 6/3/2026

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.39, 3307.391
Prior Effective Dates: 12/23/1976, 11/28/1977, 03/17/1989 (Emer.),
06/01/1989, 09/23/1991 (Emer.), 05/28/1992,
06/22/1992 (Emer.), 09/10/1992, 02/13/1993,
09/01/1996, 07/03/1997, 09/16/1998 (Emer.),
11/27/1998, 05/25/2000, 07/01/2001 (Emer.),
09/17/2001, 09/27/2001, 09/17/2002, 01/01/2004
(Emer.), 03/22/2004, 07/01/2006, 10/27/2006,
01/08/2007, 12/06/2007, 01/06/2008, 05/14/2009,
08/12/2010 (Emer.), 10/28/2010, 06/06/2011,
01/01/2013, 01/01/2014 (Emer.), 02/10/2014,
06/12/2014, 09/04/2014, 12/10/2015, 06/10/2016,
06/03/2021

3307:1-14-01

Intersystem transfers with non-uniform systems.

(A) This rule amplifies section 3307.57 of the Revised Code and applies to members who retire with an effective date of retirement on or after February 1, 2013.

(B) For the purpose of this rule:

- (1) "State retirement system" and "retention percentage" have the same meaning as in section 3307.57 of the Revised Code.
- (2) "Fiscal year" means, for the public employees retirement system, a calendar year and, for the school employees retirement system and state teachers retirement system, the twelve-month period beginning on July first and ending on June thirtieth.

(C) For purposes of determining the amount transferred under division (B)(5)(a) of section 3307.57 of the Revised Code, all of the following applies:

- (1) The amount contributed by the member includes any amounts paid to restore service credit under section 3307.71 of the Revised Code and purchases made under sections 3307.72 and 3307.77 of the Revised Code.
- (2) The amount of employer contributions shall be determined using the lesser of the employer's contribution rate in effect at the beginning of the fiscal year for each of the state retirement systems involved in the transfer, less the retention percentage.
- (3) Any amounts paid by the member to purchase service credit shall include, if applicable, any amounts paid by the employer to purchase service credit.
- (4) Except as provided in this paragraph, interest shall be calculated beginning on the first day of the fiscal year following the year in which the contributions were made and ending on the last day of the month in which the transfer occurs. If the amount to be transferred includes any amounts paid to purchase service credit, other than amounts paid to restore service credit under section 3307.71 of the Revised Code and purchases made under sections 3307.72 and 3307.77 of the Revised Code, interest on the amounts paid to purchase service credit shall be calculated beginning on the first day of the fiscal year following the year in which the payment to purchase the credit was made and ending on the last day of the month in which the transfer occurs. For each year of service credit to be transferred, the interest rate shall be determined by using the lesser of the actuarial assumption rate in effect at the beginning of the fiscal year for each of the state retirement systems involved in the transfer.

- (D) If a member of the public employees retirement system has contributions to more than one employer division of the system, the employer contribution rate for the system shall be determined using the last division to which the member contributed. If the period of service and contributions to be transferred includes service that occurred prior to the date the member's most-recent division was established, the state teachers retirement system shall use the employer contribution rate for its system for that year.

Five Year Review (FYR) Dates: 2/17/2023 and 02/17/2028

CERTIFIED ELECTRONICALLY

Certification

02/17/2023

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.57
Prior Effective Dates: 01/07/2013 (Emer.), 03/24/2013, 03/23/2015 (Emer.),
06/05/2015