

3307-2-04

**Payment of allowances and benefits.**

The state teachers retirement system is authorized to pay monthly retirement allowances disability benefits and other statutorily mandated benefits during the interim period which may occur between the date such allowances and benefits are payable and the date the retirement board can act as provided in Chapter 3307. of the Revised Code, as such authority so granted is considered necessary to the proper operation of the retirement system.

~~Payment of disability benefits stipulated in section 3307.63 or 3307.631 of the Revised Code is authorized to be paid by the state teachers retirement system when the board has acted to grant the benefit.~~

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Certification

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Date

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3307:1-11-03      **Health care services - cost.**

(A) A plan enrollee's cost to participate in the health care program will be determined as follows:

(1) Costs shall be based upon service credit, the effective date of benefits, and such other factors as the retirement board may find relevant. Except as provided in paragraph (A)(3)(c) of this rule, service credit used in calculating a plan enrollee's cost shall be the service credit used in the calculation of service retirement benefits . The retirement board shall annually review costs and premiums charged for participation in the health care program and shall establish a schedule for determining or calculating plan enrollee costs and premiums.

(2) Enrolled benefit recipients shall pay all costs or premiums through benefit deduction unless the amount of a benefit will not cover such costs. In that case, the benefit recipient will be billed directly by the retirement system for any balance remaining through invoices for an initial period not to exceed three months and then by monthly electronic debit of the balance owed. 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. In all events, if 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 retirement board will not waive any portion of the cost for:

(a) Service benefit recipients with less than fifteen years of total service credit with an effective date of benefits before January 1, 2004.

(b) Spouses or dependents of service and disability benefit recipients.

(c) Any service benefit recipient who retires or who makes application to retire on or after March 17, 1989 and who has purchased service credit under former section 3307.741 of the Revised Code in order to become eligible for benefits under section 3307.58 of the Revised Code.

Until such time as the service benefit recipient is eligible for benefits under section 3307.58 of the Revised Code without regard to service credit purchased under such section, the benefit recipient and all eligible dependents are eligible for participation in the health care program only by paying all premium and associated costs. At such time

as the benefit recipient would be eligible for service retirement benefits under section 3307.58 of the Revised Code without regard to service credit purchased under such section, the retirement board may waive a portion of the cost for a benefit recipient with fifteen or more years of total service credit.

(4) If any person is receiving benefits under a joint and survivor annuity or annuity certain plan of payment described in section 3307.60 of the Revised Code and the effective date of the retiree's monthly benefits is:

(a) ~~If benefits have been granted under section 3307.60 of the Revised Code and the effective date of the benefit recipient's retiree's monthly benefits is before~~ Before January 1, 2004, for the later of five years from January 1, 2004 or the effective date of ~~survivor~~ survivor benefits as ~~defined under the above section benefits~~ to a service retiree's beneficiary that begins no later than December 1, 2014, costs for the ~~survivor benefit recipients~~ beneficiary and dependents shall be calculated based upon the ~~member's~~ retiree's years of service and other factors as the retirement board may find relevant. After the five year subsidy period, the ~~state teachers~~ retirement board will not waive any portion of the cost. The retirement board will not waive any portion of the cost for a service retiree's beneficiary whose effective date of benefits is on or after January 1, 2015.

(b) ~~If benefits have been granted under section 3307.60 of the Revised Code and the effective date of the retiree's monthly benefits is on~~ On or after January 1, 2004, the retiree must have had fifteen or more years of service credit and the effective date of benefits to a service retiree's beneficiary must begin no later than December 1, 2014, for the service retiree's beneficiary and dependents to qualify for the five year subsidy period. In the event the retiree named multiple beneficiaries under division (A)(4) of section 3307.60 of the Revised Code, the percent subsidy for which the retiree was eligible will be allocated equally among the surviving beneficiaries for the five year subsidy period. After the five year subsidy period, the retirement board will not waive any portion of the cost. The retirement board will not waive any portion of the cost for a service retiree's beneficiary whose effective date of benefits is on or after January 1, 2015.

(c) On or after January 1, 2015, the retirement board will not waive any portion of the cost for a service retiree's beneficiary.

(5) If any person has been granted survivor benefits under division (C)(1) of section 3307.66 of the Revised Code and the effective date of survivor benefits is:

- (a) ~~If benefits have been granted under division (C)(1) of section 3307.66 of the Revised Code as the result of the death of a member eligible for service retirement, and the effective date of survivor benefits is before January 1, 2004, for the later of five years from January 1, 2004 or the effective date of survivor benefits, costs for the survivor benefit recipients and dependents shall be calculated based upon the member's years of total service credit and other factors as the retirement board may find relevant. After the five year subsidy period, the retirement board will not waive any portion of the cost.~~
- (b)(a) ~~If benefits have been granted under division (C)(1) of section 3307.66 of the Revised Code as the result of the death of a member eligible for service retirement, and the effective date of survivor benefits is on On or after January 1, 2004 and before January 1, 2015, the member must have had fifteen or more years of total service credit for the survivor benefit recipient and dependents to qualify for the five year subsidy period unless the member was receiving disability benefits pursuant to section 3307.62 of the Revised Code at the time of death. If the member was a disability recipient at the time of death, the effective date of disability benefits is used for determining whether the member had fifteen or more years of total service credit for the survivor benefit recipient to qualify for the five year subsidy period.~~
- (b) On or after January 1, 2015, the retirement board will not waive any portion of the cost.
- (e)(6) ~~If any person has been granted survivor benefits are granted under division (C)(2) of section 3307.66 of the Revised Code before January 1, 2015: as~~
- (a) ~~the result of the death of a member, for~~For the later of five years from January 1, 2004 or the effective date of survivor benefits, costs for the survivor benefit recipients and dependents shall be calculated based upon the greater of the member's years of total service credit or fifteen years and other factors as the retirement board may find relevant. After the five year subsidy period, the retirement board will not waive any portion of the cost.
- (b) On or after January 1, 2015, the retirement board will not waive any portion of the cost.
- (B) A plan enrollee's cost to participate in an ancillary plan shall be the full cost of coverage as specified by the retirement board.

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3307:1-11-05      **Health care services - medicare part B reimbursement.**

- (A) Pursuant to section 3307.39 of the Revised Code, each recipient of a service retirement, disability or survivor benefit under the STRS defined benefit plan described in sections 3307.50 to 3307.79 of the Revised Code who qualifies to enroll in medicare part B shall be eligible for reimbursement for a portion of the cost of the basic medicare part B premium provided the benefit recipient provides the board with certification of participation in the medicare part B insurance program. Each benefit recipient who qualifies for medicare part B ~~in the future~~ shall certify such participation. The board shall establish eligibility for medicare part B reimbursement and make reimbursement effective the first of the month following receipt of proper certification and such reimbursement shall be based upon service credit and an amount determined by the board, provided the reimbursement amount shall not be less than twenty-nine dollars and ninety cents nor more than ninety per cent of the basic medicare part B premium. Certification of a survivor's medicare part B received within three months of the member's death shall be deemed as being received in the month of the member's death. Beginning January 1, 2015, medicare Part B reimbursement shall only be provided if the recipient of a service retirement, disability or survivor benefit is enrolled in a medical plan offered pursuant to section 3307.39 of the Revised Code. A person who begins receiving survivor benefits under section 3307.66 of the Revised Code on or after January 1, 2015 is not eligible to receive medicare part B reimbursement.
- (B) If a service retirement benefit recipient dies and the benefit recipient had selected a joint and survivor annuity or annuity certain plan of payment to provide benefits continuing after the recipient's death to more than one beneficiary pursuant to division (A)(4) of section 3307.60 of the Revised Code, the monthly reimbursement amount for medicare part B for which the benefit recipient was eligible shall be divided equally among all beneficiaries and shall only be paid to a beneficiary if he or she becomes eligible for medicare part B for the period as specified in paragraph (C) of this rule.
- (C) Each beneficiary eligible under rule 3307:1-11-02 of the Administrative Code who is receiving a continuing monthly benefit under a joint and survivor annuity or annuity certain plan of payment described in pursuant to section 3307.60 of the Revised Code, who qualifies to enroll in medicare part B, and who, on or after January 1, 2015 is enrolled in a medical plan offered pursuant to section 3307.39 of the Revised Code shall be eligible for reimbursement for a portion of the cost of the medicare part B premium provided the ~~recipient~~ beneficiary provides the board with certification of participation in the medicare part B insurance program. Each beneficiary who qualifies for medicare part B in the future shall certify such participation. For the time periods outlined in paragraphs (C)(1), (C)(2) and (C)(3) of this rule, the board shall establish eligibility for medicare part B reimbursement and make reimbursement effective the first of the month following receipt of proper certification and such reimbursement shall be based upon service credit and an

amount determined by the board. The reimbursement amount shall not be less than twenty-nine dollars and ninety cents nor more than ninety per cent of the basic medicare part B premium, except as provided in paragraph (B) of this rule. Certification of a beneficiary's medicare part B received within three months of the retiree's death shall be deemed as being received in the month of the retiree's death. Reimbursement shall be paid to beneficiaries for the period of time as follows:

- (1) The board shall make reimbursement for a portion of the cost of medicare part B to a beneficiary or beneficiaries who are receiving continuing monthly benefits under a joint and survivor annuity or annuity certain plan of payment described in ~~pursuant to~~ section 3307.60 of the Revised Code and who are qualified to enroll in the medicare part B insurance program before January 1, 2008.
- (2) When monthly benefits are paid to a beneficiary or beneficiaries who was named by a primary service retirement benefit recipient before January 1, 2008 under a joint and survivor annuity or annuity certain plan of payment pursuant to described in section 3307.60 of the Revised Code and who begins receiving continuing benefits no later than December 1, 2014, the board shall make reimbursement for a portion of the cost of medicare part B only to a beneficiary or beneficiaries who qualified to enroll in the medicare part B insurance program before January 1, 2008.
- (3) The board shall make reimbursement for a portion of the cost of medicare part B for a five-year period starting January 1, 2008 to all beneficiaries who began receiving continuing monthly benefits under a joint and survivor annuity or annuity certain plan of payment described in ~~pursuant to~~ section 3307.60 of the Revised Code prior to January 1, 2008, and who are not covered by paragraph (C)(1) of this rule. During the five-year time period, reimbursement shall only be paid for the period of time the beneficiary qualifies for such reimbursement pursuant to paragraph (C) of this rule. After the five-year period, the board shall not provide any reimbursement and the beneficiary or beneficiaries shall be responsible for the full cost of the medicare part B premium.

For beneficiaries who begin receiving continuing benefits under a joint and survivor annuity or annuity certain plan of payment described in ~~pursuant to~~ section 3307.60 of the Revised Code effective January 1, 2008, ~~or~~ but no later than December 1, 2014, and are not covered by paragraph (C)(2) of this rule, the board shall make reimbursement for a portion of the cost of medicare part B for a five-year period beginning the later of January 1, 2008, or the beneficiary's effective date of receipt of the continuing benefit. During the five-year time period, reimbursement shall only be paid for the period of time the beneficiary qualifies for such reimbursement pursuant to paragraph (C) of



this rule. After the five-year period, the board shall not provide any reimbursement and the beneficiary or beneficiaries shall be responsible for the full cost of the medicare part B premium.

- (4) The board shall make no reimbursement for the cost of medicare part B to any beneficiary or beneficiaries who do not otherwise qualify as outlined in paragraph (C) of this rule.
- (D) The recipient or beneficiary shall certify the amount paid by the recipient or beneficiary for medicare part B coverage, and no reimbursement amount provided under this rule shall exceed the amount paid by the recipient or beneficiary.
- (E) For purposes of section 3307.39 of the Revised Code and this rule, "~~basic premium~~" ~~and~~ "basic medicare part B premium" mean the amount of the standard monthly premium for individuals enrolled in medicare part B coverage as determined by the secretary of health and human services before any adjustments made to the premium, such as an increase in premium for late enrollment or an increase in premium due to a reduction in the premium subsidy based on income.

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3307:1-11-06

**Health care services - open enrollment and plan changes.**

- (A) The state teachers retirement system may annually offer an open-enrollment period during which eligible benefit recipients may enroll or change medical plans for themselves and eligible dependents.
- (B) The ~~health~~ medical plan option selected by the eligible benefit recipient during open enrollment cannot be changed for the next calendar year, with the following exceptions:
- (1) A change in plan administrators, plan levels or both may occur if any of the following conditions are met:
- (a) The plan enrollee requests the change within three months before or after the effective date of medicare benefits.
  - (b) The plan enrollee requests the changes within thirty-one days of receiving a first full monthly benefit.
  - (c) The plan enrollee is enrolled in a medicare health maintenance organization (HMO) and requests the change at any time.
  - (d) The plan enrollee requests the change within thirty-one days of one of the following qualifying events:
    - (i) Marriage
    - (ii) Birth, adoption, placement for adoption or legal guardianship of a child
    - (iii) Death
    - (iv) Divorce or dissolution
    - (v) Legal separation, ~~or~~
    - (vi) Full loss of premium subsidy
    - (vii) Termination of other coverage, or
    - (viii) Upon initial eligibility and enrollment into Medicare Parts A & B or Part B only.

- (e) The plan enrollee who enrolls as the beneficiary of a service retirement benefit recipient and who was enrolled as a dependent at the time of the service retirement benefit recipient's death requests a change of plans or plan administrators by the end of the third month following the month of the service retirement benefit recipient's death.

(2) A plan enrollee may change plan administrators only if the following occur:

- (a) The plan enrollee is enrolled in a commercial health maintenance organization (HMO) or preferred provider organization (PPO) and experiences a loss of a key provider from the network.
- (b) The plan enrollee moves to another service area, which results in different state teachers retirement system sponsored ~~health~~ medical care plans being available.
- (c) The plan enrollee wants to add a sponsored dependent to his or her coverage and the ~~health~~ medical plan he or she is enrolled in does not allow sponsored dependents.

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