

Find Your 1099-R Form Online

Misplace the 1099-R Form we mailed you in January? No problem. Just call us toll-free at 800-878-5853 to request a new one. Remember, you don't want to miss the tax deadline, so call today if you need a replacement form.

You also can log in to your online account on SERS' website at www.ohsers.org and print your 1099-R Form. If you

haven't yet set up an online account, it's easy. On the home page, click on "Retirees," click on "Member Account Login," and then just follow the instructions to set up your account. Once you have entered the required information, you have instant access to your personal retirement information, including monthly check stubs and 1099-R Forms. ■

Direct Deposit Schedule

March	March 1
April	April 1
May	May 1
June	May 31
July	July 1
August	August 1
September	August 30
October	October 1
November	November 1
December	November 29

Your payment will be directly deposited into your bank account on the dates listed. You will receive a quarterly payment stub as well as a stub anytime there is a change in your benefit. Your next quarterly payment stub will be mailed in March. ■

New 'Partners in Health & Wellness'



Don't miss the new *Partners in Health & Wellness* insert mailed with this issue of *Focus*. It covers a range of health and wellness topics, and provides practical advice and useful tips. Find out what other SERS retirees just like you are doing to make wellness an important part of their lives. Learn how Spencer (left) helped his owner walk toward a healthier lifestyle. ■



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Employee-Member

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Employee-Member

Vacant
Appointed Member

Lisa J. Morris
Executive Director



Post Office to Cut Saturday Delivery

The U.S. Postal Service will cut mail delivery from six days a week to five, Monday through Friday. The five-day mail delivery schedule will begin in August.

This schedule change, which includes mail delivery to businesses and homes, and collection from blue mailboxes, would save the Postal Service about \$3 billion annually.

The Postal Service will continue to deliver packages six days a week, and post offices will still be open on Saturdays.

Although this change will not occur until August, now might be a good

time to sign up for direct deposit. Instead of waiting around for your payment to arrive by mail, your money will be deposited directly into your bank account and will be ready to use as soon as you need it.

With direct deposit, your money will be deposited on time, and your payment will not be delayed, even when there's no Saturday mail delivery.

To sign up for direct deposit, call SERS toll-free at 800-878-5853.

For more information about the changes to the mail delivery schedule, visit www.usps.com. ■

Printable CAFR Available on Website

The *Comprehensive Annual Financial Report* (CAFR) for FY2012 is now available on SERS' website.

The CAFR contains a summary of information about SERS' financial operations for the period from July 1, 2011, to June 30, 2012. It outlines initiatives and investments, and includes financial, actuarial, and statistical information. It also details compliance with the legal requirements placed on SERS by the state.

To access the 2012 CAFR, visit SERS' website at www.ohsers.org and click on "Publications." From our website, you also can download a printable version. ■



School Employees Retirement System of Ohio
Comprehensive Annual

FINANCIAL REPORT

For the year ended June 30, 2012
Serving the People Who Serve Our Schools®



Fiscal Year Overview 2012

In FY2012, SERS realized an investment gain of 0.9%. While the gain was positive, it was below the 7.75% assumed rate of return.

With the exception of Non-US equity, all of the other investment portfolios – US equity, private equity, fixed income, real estate, hedge funds, and short term – had positive returns for the fiscal year. Net investment assets of the fund as of June 30, 2012, were \$10.4 billion.

Over the last 28 years, SERS' annualized returns average 8.89%, well above the current 7.75% assumed rate of return.

Health Care Status

Ensuring accessible and quality health care for retirees is an ongoing challenge for SERS, as well as other public and private pension funds. SERS continues to investigate different options and structural changes to the health care program in order to strengthen its longevity.

During FY2012, health care expenses totaled about \$212 million. The health care fund ended FY2012 at \$355 million, nearly the same level where it began the year.

Income from employer contributions and investments, traditionally the largest sources of revenue for the health care fund, were not the largest sources of revenue in 2012; rather, funding from retiree premiums and Medicare reimbursements provided the majority of the income for the health care program.

Although the 2013 health care program and premium structure is already in place, planning for future years has already begun.

In February, the Health Care staff presented a five-year plan to the Board. For the five-year plan, staff will discuss with the Board achieving a balance between offering a meaningful, affordable benefit, and maintaining the long-term sustainability of the health care fund.

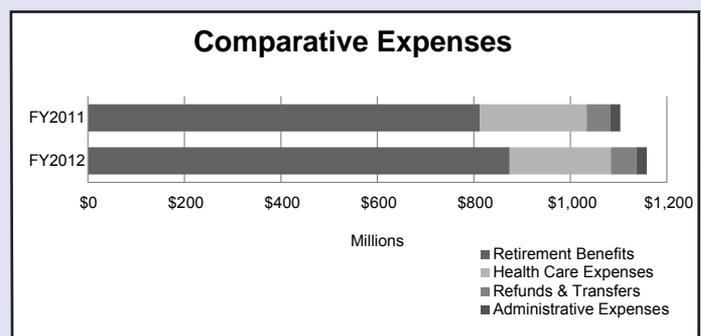
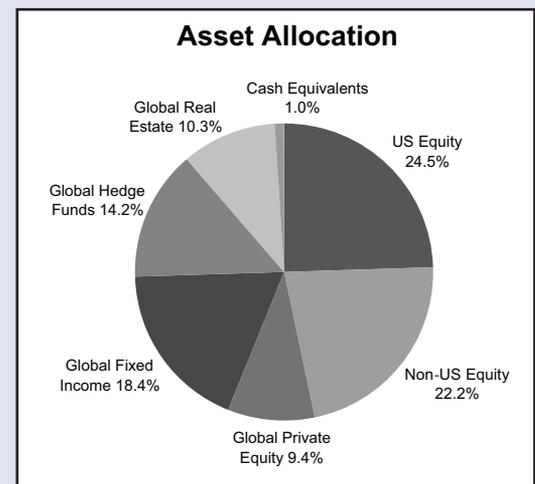
In 2011, SERS contracted with Buck Consultants to perform a claims audit and

operational audit of Express Scripts, Inc. (ESI) for the 2009 and 2010 plan years. The results were shared with the Board in FY2012. These audits ensured that all claims from SERS enrollees were being processed accurately, and that all pricing and rebates guaranteed in SERS' contracts with ESI were being received.

Of the more than three million claims audited, the error rate was 0.01%, which earned an acceptable rating.

Health Care staff also reported that 665 people attended open enrollment meetings around the state. There was less interest this year because premiums are staying mostly flat for 2013.

For the first time this year, staff hosted open enrollment webinars, where members could participate in a live presentation from Health Care staff through the internet. Two webinars were held. A total of 35 people logged on to the presentations.



Pension Legislation Signed into Law

After nearly four years of working on pension reform, the Ohio legislature unanimously passed Senate Bill 341, SERS' Board-approved plan, on

Sept. 12, 2012. Gov. John Kasich signed the bill on Sept. 26, 2012.

In November 2011, after the Ohio Retirement Study Council (ORSC) approved funding for an independent actuary to review the pension reform plans of all five Ohio retirement systems, there was little expectation that pension reform would be debated in the legislature before the report was received in July.

However, in May, the Senate introduced bills for each of the five pension systems based on their Board-approved plans. After three hearings in the Senate Insurance, Commerce and Labor Committee, the bills were passed and sent to the House.

After the independent actuary delivered its report to the ORSC in July – a report that verified that

the systems' pension reform plans did resolve the problems for which they were created – the House went to work on the Senate bills.

SERS testified three times in support of S.B. 341 in July and September, and after eight public hearings that demonstrated broad stakeholder support for our bill, the House also passed pension reform. ■

DEMOGRAPHICS

	<u>FY2012</u>	<u>FY2011</u>
Active Members	121,811	125,337
Male	36,586	37,374
Female	85,225	87,963
Average Age	48.7	48.4
Average Service Credit	10.1	9.9
Average Earnings	\$22,889	\$22,758
Retirees	69,038	67,221
Average Age	74.5	74.7
Average Monthly Benefit	\$ 1,023	\$ 973
FY2012 New Retirees	Service	Disability
Average Age	63.6	54.9
Average Service Credit	22.9	16.0
Average Monthly Benefit	\$ 1,246	\$ 1,249

CONDENSED SUMMARY OF TOTAL PLAN NET ASSETS

(in millions)

ASSETS	2012	2011	Change	
			Amount	Percent
Cash	\$ 411.4	\$478.8	\$(67.4)	(14.1)%
Receivables	400.3	422.8	(22.5)	(5.3)
Investments	10,653.6	10,753.4	(99.8)	(0.9)
Capital Assets	48.5	44.2	4.3	9.7
Other Assets	52.8	-	52.8	100.0
Total Assets	<u>11,566.6</u>	<u>11,699.2</u>	<u>(132.6)</u>	<u>(1.1)</u>
LIABILITIES				
Benefits & Accounts Payable	14.3	12.0	2.3	19.2
Other Liabilities	865.4	712.2	153.2	21.5
Total Liabilities	<u>879.7</u>	<u>724.2</u>	<u>155.5</u>	<u>21.5</u>
Net Assets Held in Trust	<u>\$10,686.9</u>	<u>\$10,975.0</u>	<u>\$(288.1)</u>	<u>(2.6)%</u>

CONDENSED SUMMARY OF CHANGES IN TOTAL PLAN NET ASSETS

(in millions)

ADDITIONS	2012	2011	Change	
			Amount	Percent
Contributions	\$ 908.2	\$ 891.7	\$16.5	1.9%
Net Investment Income (Loss)	<u>(37.9)</u>	<u>1,789.9</u>	<u>(1,827.8)</u>	<u>(102.1)</u>
Total Additions	870.3	2,681.6	(1,811.3)	(67.5)
DEDUCTIONS				
Benefits	1,083.9	1,033.8	50.1	4.8
Refunds & Transfers	52.9	48.6	4.3	8.8
Administrative Expenses	21.6	21.2	0.4	1.9
Total Deductions	<u>1,158.4</u>	<u>1,103.6</u>	<u>54.8</u>	<u>5.0</u>
Net Increase (Decrease)	(288.1)	1,578.0	(1,866.1)	(118.3)
Balance, Beginning of Year	<u>10,975.0</u>	<u>9,397.0</u>	<u>1,578.0</u>	<u>16.8</u>
Balance, End of Year	<u>\$10,686.9</u>	<u>\$10,975.0</u>	<u>\$(288.1)</u>	<u>(2.6)%</u>

Federal Tax Withholding Tables Ready, W-4P Forms Available

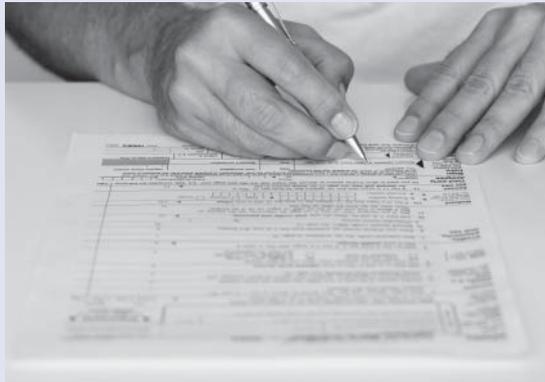
We have received the 2013 federal tax withholding tables. They are effective for your February benefit payment.

If you had federal taxes withheld from your January payment, you will see a slight decrease in the tax withheld. However, if you received your cost-of-living adjustment in February, you may see an increase in withholding as a result of the increased benefit amount. For some of you, this means that the net amount of your benefit will be less than it was last month.

If you want to change the amount withheld from your

benefit, you must complete a new IRS withholding form, the Federal Withholding Certificate for Monthly Pension Payments (W-4P).

The form can be found on our website at www.ohsers.org in the "Forms and Publications" section. You also can request



it by calling SERS toll-free at 800-878-5853.

The completed W-4P must be returned to SERS by the middle of the month in order to go into effect for the following month's benefit payment. For example, if we receive your W-4P by March 15, the tax withholding change would be reflected in your April benefit payment.

SERS cannot advise you on tax issues, including the amount you should have withheld from your benefit. If you have questions, please consult your tax advisor or call the IRS toll-free at 800-829-1040. ■

No Regular Board Elections in 2013 for Three Open Seats

Following staff and Secretary of State certifications of Board candidate petitions, the SERS Board officially certified that Mary Ann Howell was the only retiree-member, and Debra J. Basham and Barbra M. Phillips were the only employee-members who submitted sufficient petitions to be certified as qualified candidates.

Under Ohio law, because only one candidate qualified for each open seat, no election was held.

Basham, Howell, and Phillips will begin their new four-year terms on July 1, 2013. This will be Basham's first term on the Board, while Howell and Phillips will be serving their third terms.

Special Election: Two Candidates Selected for Interviews

In December 2012, retiring Board Member Mark Anderson resigned from the SERS Retirement Board after more than seven years of service.

At the January Board meeting, resumes of seven members who applied for his open employee-



member seat were distributed to the current Board members for a special election. At the 2013 Board Retreat in February, each Board member was permitted to select one candidate from the seven applicants for an interview. The Board members selected Phillip H. Hacker III and Christine D. Holland as the candidates to be interviewed.

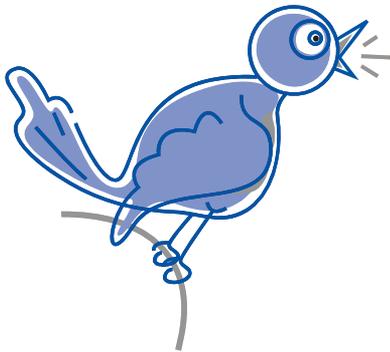
A vote of the Board in open session determines which candidate will fill the open seat. The term for this Board seat runs from March 21, 2013, to June 30, 2015. ■

New Look for Vouchers and Direct Deposit Statements

Starting in April, your payment stub and direct deposit pay statement will look a little different.

We have redesigned them with you in mind.

The new payment stubs and direct deposit pay statements will contain all the same information, but they will be more readable, and hopefully, more attractive. ■



Snow Birds Fly Home

Once the cold weather passes and spring returns to Ohio, so do many of our snowbird retirees. If you are returning home to your permanent residence in the spring, remember to make sure we have your updated address. If your pension payment goes directly to a bank or financial institution, you can update your address by calling us toll-free at 800-878-5853. ■



School Employees Retirement System of Ohio

300 E. Broad St., Suite 100, Columbus, Ohio 43215-3746

614-222-5853 • Toll-free Number for Retirees 800-878-5853 • www.ohsers.org

Personal Information Change Form

OLD INFORMATION

Name (Please Print) _____

Marital Status: Married Single Divorced Widowed

Address (Number and Street) _____ Apt. _____

City _____ State _____ ZIP _____

Area Code + Phone Number _____

Signature (Do Not Print) _____

5.201B Rev. 4/2012

Social Security number _____

NEW INFORMATION

Name (Please Print) _____

Marital Status: Married Single Divorced Widowed

Address (Number and Street) _____ Apt. _____

City _____ State _____ ZIP _____

Area Code + Phone Number _____

Email Address _____

Date _____

Partners

IN HEALTH & WELLNESS



March 1, 2013

Saving Spencer: Retiree Adopts Healthier Lifestyle along with Pup

Spencer has been a life changer for SERS retiree Jeff Goodwin.

Thanks to daily dog walking, Goodwin has lost 30 pounds since adopting the puppy-mill beagle four years ago. Spencer and Goodwin walk about 2.5 miles a day.



Goodwin, a former computer operations supervisor with Columbus City Schools, said it didn't take long to realize the exercise gave him more energy. "After a couple of weeks, I started to feel stronger," he said. "I have better focus and feel better both physically and mentally."

Spencer and Goodwin have become a familiar sight around the neighborhood, and because of their walks, Goodwin also has become better acquainted with his neighbors.

"Now you walk down the street, people wave to you," he said.

With Spencer's positive influence, Goodwin is focusing on losing even more weight this year. He has been working out regularly at the McConnell Heart Health Center in Columbus.

Goodwin is committed to

improving his health after a diagnosis of adult-onset diabetes. His doctor said that if he loses 30-40 pounds, the adult-onset diabetes "might just disappear," said Goodwin.

Because he has several friends affected by the disease, one who has lost limbs and another who needs a kidney transplant, Goodwin is trying to make smarter choices when it comes to what he eats. He also is consciously choosing to drink more water and less soda.

The choices have not been that difficult, said Goodwin, because he's committed to making the change.

His efforts paid off. Goodwin lost six pounds during the month of January.

As for Spencer, he's always ready to go out for a walk. ■

Increasing Physical Activity Can Improve Your Health

The National Institutes of Health (NIH) suggests that regular exercise can contribute to overall good health.

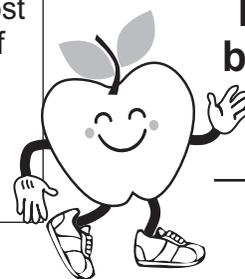
Studies show that a lack of physical activity can lead to more doctor visits, hospitalizations, and need for medicines, according to the NIH.

When older people lose their ability to do activities on their own, it doesn't happen just because they've grown older. It usually happens because they've become less active.

According to the U.S. Surgeon General's Report on Physical Activity and Health, inactive people are nearly twice as likely to develop heart disease as those who are active.

Becoming more active can be easy. Try taking a daily walk, or make a commitment with a friend or neighbor to walk together a few times a week.

Most health care plans offer health and fitness discounts. Check with your plan to learn more. ■



Find a walking buddy and meet once a week for a walk.

Enrollment in Another Medicare Part D Plan Cancels Your SERS Coverage

Recently, some SERS health care plan participants' coverage was cancelled when they were enrolled in another Medicare Part D prescription drug plan. In many cases, they had been enrolled in another Medicare Part D plan by their spouses' retiree plans.

Under Medicare rules, a Medicare beneficiary can only be

enrolled in one Medicare Part D prescription plan or Medicare Advantage plan at a time.

When the retirees were enrolled in the new plan, Medicare cancelled their enrollment in the SERS plan.

After Express Scripts sent letters to those SERS retirees informing them that their SERS coverage was ending, our own health care

specialists were available to clear up any confusion. They assisted retirees by explaining the cause of the change and restoring their SERS health care coverage.

We are here to help. If you have questions about your coverage, call Health Care Services toll-free at 800-878-5853 or email us at healthcare@ohsers.org. ■

Nurse Lines for SERS' health care participants

Aetna: Informed Health Line
800-556-1555
TDD at 800-270-2386

www.Aetna.com. To set up your access to the Aetna Navigator, select "Care & Treatment," and click on "Talk to a Nurse."

AultCare/PrimeTime
AultCare PPO plan participants:
330-363-7620
866-422-9603

PrimeTime Health Plan participants:
330-363-7600
800-393-9337
TTY/TDD is 800-508-6010

Kaiser: Kaiser's Care Line
800-524-7377
TDD at 877-398-3187

Medical Mutual: SuperWell Nurse Line
888-912-0636
www.MedMutual.com. Login with your user name and password, and select the Nurse Line link under "Resources & Tools." Emails are answered within 24 hours.

Paramount: Ask Paramount
877-336-1616
AskParamount@promedica.org.

The Nurse Line: A Registered Nurse Is Just a Phone Call Away

Have you ever been in a situation where you or a family member experienced a health problem but weren't sure if immediate attention was needed?

Should you go to the doctor's office, an urgent care center, or the emergency room? Is the situation critical, or can you wait to make an appointment with your doctor tomorrow?

When facing such questions, it's comforting to know you can talk to a registered nurse to help you make wise health care decisions.

All of SERS' health care plans offer registered nurse lines. Even if you do not have SERS' coverage, your health plan may offer a similar service. Check your plan for more information.

These free services are available 24-hours a day. All you need is your member ID when you call.

A nurse information line can help you:

- Decide whether to visit a doctor or the emergency room
- Answer medication or first aid questions
- Prepare for doctor visits by knowing what to ask the doctor
- Make decisions about your health care



Be sure to keep your health plan's nurse line number handy. ■

Consult Your Doctor on Vaccination Against Whooping Cough

Whooping cough, also known as pertussis, is a common bacterial infection in the United States. The disease affects all ages. Infants and children are at the greatest risk, but adults also can get the infection. In some cases, it can lead to pneumonia.

Whooping cough is not as common as it once was, but outbreaks are occurring more frequently.

Adults who are child caregivers or have frequent contact with young children or infants should consult their doctor about the need for the Tdap vaccine. Generally, the vaccine is given in the doctor's office.

The vaccine is covered by many prescription drug plans.

The Tdap vaccine is covered under the Express Scripts prescription plan for Aetna

Medicare Plan (PPO) and Paramount Medicare plan participants.

If you paid out of pocket or your claim for the vaccine was denied by Aetna/Paramount, you can request a manual claim form from Express Scripts directly or contact SERS for assistance.

The vaccine is covered under the prescription plan for the PrimeTime Health Plan. Your doctor should give you a prescription and have you pick it up at the pharmacy. If your doctor gives you the vaccine from his own supply, you may pay higher out-of-pocket expenses.

For Kaiser Permanente Medicare Plus, the vaccine is covered as long as you see a participating plan provider.

An office visit co-payment may apply for all plans. ■



We want to hear from you. Please send comments or story suggestions to:

SERS Health Care Services
300 E. Broad St., Suite 100
Columbus, Ohio, 43215-3746

Or email:
healthcare@ohsers.org

The information in this newsletter is intended to complement – not take the place of – your health care provider's recommendations.

Consult your physician before making major changes in your lifestyle or health care regimen.