



Focus

Winter

DECEMBER 2016

FOR RETIRED MEMBERS

Payment Schedule

Your pension payment is directly deposited into your bank account, usually on the first day of every month, unless that day falls on a weekend.

Because of tax laws, your January payment will not be deposited early. Instead, it will be deposited on January 3, 2017, the first business day of the month.

December	December 1, 2016
January	January 3, 2017
February	February 1, 2017
March	March 1, 2017
April	March 31, 2017
May	May 1, 2017
June	June 1, 2017
July	June 30, 2017
August	August 1, 2017
September	September 1, 2017
October	September 29, 2017
November	November 1, 2017
December	December 1, 2017

Payment Stubs

You receive a payment stub from SERS four times a year. This quarter's stub is enclosed with this issue of the *Focus*.

You also receive a stub anytime there is a change in your benefit, such as a change to your tax withholdings or health care premiums. ■

On the Way: 1099-R Tax Forms

We are required by federal law to mail your 1099-R tax form by the end of January.

Along with the form, you will receive a handout in the mail explaining how federal and Ohio income tax laws apply to your SERS pension payments.

The form also will be available online before the end of January.

You can access it through your online account. To set up an online account, visit the SERS website at www.ohsers.org. Next, click "Retirees" and "Member Account Login," then follow the registration instructions.

Once your account is set up, you will be able to access your 1099-R forms online. ■

Attend a Retiree Session

Interested in attending an informative session designed just for you? Sessions for the Retiree Informational Series cover a variety of topics, including Social Security issues, emergency preparedness, fraud prevention, Medicare considerations, and proposed Cost-of-Living Adjustment changes. It also features speakers from local agencies, and provides a question-and-answer section.

The next session will be held from 1 p.m. - 4 p.m., on Thursday, March 16, 2017, at SERS' headquarters, 300 E. Broad St., 43215, in Columbus. Refreshments will be offered.

The session is free, but registration is required. To register, visit us online at www.ohsers.org/events, or call us toll-free at 800-837-5853. ■



Enrolled in a Non-Medicare SERS Plan?

You Will Receive a 1095-B Tax Form

In January, SERS will report to the IRS that in 2016 it provided non-Medicare plan participants with minimum essential coverage as required by the Affordable Care Act.

Benefit recipients will receive a 1095-B form in the mail showing the months that they and/or any of their dependents had SERS non-Medicare health care coverage.

Some benefit recipients will receive more than one 1095-B form because they were enrolled in more than one non-Medicare plan during the year.

For example, benefit recipients enrolled in the HealthSpan HMO plan who moved mid-year into the Aetna Choice POS II plan will receive two forms. One form will show the months they had HealthSpan coverage; another form will show the months they had Aetna coverage.

Medicare plan participants will not receive the form because being enrolled in Medicare meets the Affordable Care Act's coverage requirements.

Taxpayers are not required to send in proof of health care coverage to the IRS when filing their tax returns. However, it's a good idea to keep these records to verify coverage. ■

COLA Changes Awaiting Legislation

After a year of analyzing SERS' financial situation and looking at all possible changes to improve immediate financial challenges, the Board voted to make Cost-of-Living Adjustment (COLA) changes that will affect active members and retirees beginning in 2018.

Including retirees in the solution was difficult knowing the importance of that benefit to those on a fixed income. The reality of SERS' financial challenges is that retirees account for 60% of SERS' unfunded liabilities, mainly because of the continued increase in life expectancy. People are living longer in retirement, and investment returns are not enough to cover this gap.

In 2012, SERS changed age and service requirements for active members to address this concern for future retirees. SERS' actuary made it clear that to reduce SERS' unfunded liabilities and financially stabilize the System long term, retirees had to be included in the solution.

Proposed Changes

After extended discussions with advocacy groups, the Board decided to:

- replace the current 3% COLA with a COLA based on the Consumer Price Index capped at 2.5%
- implement a 4-year waiting period for new retirees
- temporarily suspend COLAs for retired members and benefit recipients for three years

To understand why the COLA changes are necessary, visit the SERS website at www.ohsers.org and read the *COLA Changes – What You Need to Know* handout.

Also, we opened an email address at pensionreform@ohsers.org for anyone who wants to ask questions about the COLA changes or provide feedback to the Board. ■

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Health Care News

Part B Premium Going Up

In 2017, SERS benefit recipients who do not receive a monthly Social Security benefit will see a 10% increase in their Medicare Part B premium. Just like last year, because of a small Social Security COLA increase (0.3%), the entire burden of the Part B increase falls disproportionately on public employees who receive a public pension rather than Social Security retirees.

Due to Social Security's Hold Harmless provision, which prevents an increase in Medicare Part B premiums greater than the dollar amount of the Social Security COLA increase, 30% of Medicare recipients must cover 100% of the 2017 Part B premiums. We believe this is unfair.

We need your help in fighting the increase and getting the Hold Harmless provision changed to a fairer formula.

On the SERS website at www.ohsers.org, we have a Legislative Action Center where you can email messages to your federal legislators. There is a sample "Stop the Medicare Part B Premium Increase" letter you can use or you can write your own letter. You can make a big difference in just 5 minutes. ■

Keep Your Part B Coverage

If your Medicare Part B coverage is cancelled for non-payment of premiums, your out-of-pocket costs for medical services will increase.

You will become responsible for paying 100% of the costs for doctor visits, X-rays, and other services normally covered under Part B.

In addition, you cannot remain enrolled in a Medicare Advantage or a Medicare supplemental plan.

It's important to contact Social Security immediately if you receive a warning letter about Part B cancellation. When you are cancelled, it can be very expensive to get the coverage reinstated.

SERS can help you work with Social Security to regain your Part B coverage. ■

Some SERS Health Care Plans Sending New ID Cards

Most SERS health care plan participants will not receive a new ID card in 2017. You will be sent a new ID card only if you are:

- a PrimeTime Health Plan participant
- an Express Scripts plan participant with Medicare ONLY

If you have one of these plans, your new ID card will be sent in late December. If not, continue using your current ID card.

Vision and Dental Cards

When you have vision coverage through SERS, you do not need an ID card to receive your benefits. Tell your provider that you have Vision Service Plan (VSP) coverage through SERS. Providers

in the VSP network have access to your benefit information. Find VSP providers online at www.vsp.com, or call toll-free at 800-877-7195.

Delta Dental of Ohio only mails ID cards to new enrollees. If you had the plan last year, continue to use the card you already have.

Also, tell your dentist's office that you have Delta Dental. Your dentist can access Delta's benefits information to confirm your coverage.

To find a network provider, go to www.deltadental.com, and complete the information in the "Find a Dentist" box. Dentists in the Delta Dental PPO network provide you the best benefit. For more information, call toll-free at 800-524-0149. ■

Spot a Scam

It's not always easy to spot a scam, but if you follow these rules, you may spare yourself some aggravation. They might also keep you out of harm's way by keeping your money in your own pocket.

Be suspicious of:

1. Phone messages with a computer-generated voice stating that you won a prize.
2. Phone calls from a family member, particularly a grandson or granddaughter, saying he/she has car trouble, or is in some kind of trouble, and needs you to send money.
3. Phone calls or emails from the IRS.
4. Emails from your bank requesting personal information or account numbers due to a security breach.
5. Phone calls or emails from charity organizations asking for your debit card number.
6. Phone calls from federal courts, U.S. Marshals, or law enforcement officers threatening arrest and seeking to collect a fine for failing to report for jury duty.
7. Phone calls saying that you won a money prize, but in order to be awarded the prize, you need to pay the taxes on it.

Always look up phone numbers and email addresses. Those given over the phone or on listed emails are often bogus. Double check, or you may pay the price.

Joanne's Story

"Joanne" never felt luckier. She just received a phone call informing her that she was one of the winners of the Publishers Clearing House sweepstakes.

She couldn't believe it. However, before the prize patrol could deliver the big check—she needed to pay the taxes on the money first—and she needed to pay with a money order. She also was cautioned not to tell any family members that she had won. "As soon as you win a prize like this, people come out of the woodwork," she was told.

Joanne wasted no time. She sent off the money order immediately, and told no one about becoming a big winner.

Surprisingly — the prize patrol never came — even though she paid the \$2,000 in taxes. She was so confused. What happened?

It's easy; Joanne got scammed. ■

Did You Know?

System Upgrade:

We are upgrading our benefit system. This means better service to you; but while we are in transition, you may experience some longer than usual turnaround times and new login procedures. Please be patient.

Warm up with Winter Activities

Looking for some fun this winter? There are plenty of activities around Ohio to keep you busy.

Buckeye Lake: Frozen Fun on the Lake

As a state-owned park, Buckeye Lake sports ice-fishing during the winter season. Bring your pole, and your fishing license.

740-467-2690

Cincinnati: All Aboard for Train Display

The Cincinnati Museum Center features an elaborate model train display and family-friendly activities.

800-733-2077

Cleveland: Ice Cabin Fever

Celebrate all things winter at the annual Medina Ice Festival. Held on the village square downtown, the festival includes ice-carving displays and contests, vendors, and family activities.

330-722-6186

Columbus: Lace Up Your Skates

Skate outdoors at the Columbus Blue Jackets Winter Park. The NHL-size ice rink, located near Nationwide Arena, opens January 22, 2017. Cost to skate is \$5, and includes skate rental.

614-246-2000

Toledo: Jump Back in Time

Nostalgic for days gone past? Visit Toledo's Historic Old West End to tour this vintage neighborhood which features one of the oldest and largest collection of Victorian and Edwardian homes in the nation.

419-244-6781

Partners

IN HEALTH & WELLNESS



December 1, 2016

Waiting for the Body to Heal

Retiree More Than Ready to Return to Active Lifestyle

Anyone who has enjoyed a dip in the Worthington community pools during the past 26 years has Stan Arsenault to thank for helping to keep the pools in working order. Stan has been involved in the pools' maintenance since retiring from Worthington City Schools as facilities manager in 1989.

When the adult swimmers take to the water for early morning workouts, Stan works behind the scenes doing heating repairs to light plumbing to painting.

"I get up at 5 a.m. and I am at the pool by 6 a.m.," says Stan.

A mechanical whiz at fixing things, Stan also recognizes that he is not as young as he once was. "You weigh the situation you're in and you don't put yourself at risk," he says.

While not keen on swimming himself, Stan enjoys having a regular routine and the interaction with the staff and swimmers.

"It keeps you moving," says Stan, of the job. "I have a lot of good friends there."

Swiminc, a non-profit, operates the four pools located at the Thomas Worthington High School campus. The little kids love the splash pad that was added several years ago, says Stan.

Stan underwent surgery in early October to repair



Stan Arsenault with Sweet Pea.

disconnected tendons and ligaments in his ankle. He has been under doctor's orders not to put any weight on the ankle for at least 12 weeks.

For someone as active as Stan, it has been a challenge for him to stay off his feet for so long. Get-well cards fill the top of the Arsenaults' piano, including a card signed by the pool staff and many of the swimmers.

Sweet Pea – the family's pet Havanese – has not minded having Stan all to herself. She has a lap to sit in whenever she chooses.

Stan's wife, Gale, also has not minded having her husband around more. "He's a good patient. He tries not to be grumpy," she says.

"It doesn't do you any good to alienate the people looking after you," chimes in Stan.

In February, the Arsenaults will celebrate their 60th wedding anniversary. They have four daughters and five grandchildren. The two met at a USO dance while Stan was on active duty serving in the U.S. Air Force as a mechanic.

His plans are to return to his pool job once his ankle is strong enough and he has completed his physical therapy.

"I think I will be ready for the summer pool season," says Stan. ■

SERS Marketplace Wraparound Plan

Clock Ticking for Non-Medicare Plan Enrollees to Consider New Coverage Option

SERS health care participants who are considering the new SERS Wraparound Plan option only have until December 15 to enroll in a Marketplace plan if they want their coverage to start on January 1, 2017.

The first step is to contact a counselor at our partner, HealthSCOPE Benefits, to learn more about the Health Insurance Marketplace and the SERS Wraparound Plan.

The counselor will review the Marketplace plans available where you live, what each plan will cost, what benefits are provided, and which hospitals and doctors are in each plan's network. The counselor will provide you with a comparison between the best plans available in the Marketplace that fit your needs and your current SERS coverage.

The counselor also will tell you whether you are eligible for a federal subsidy to help pay your premium and what your premium would be.

In addition to the federal subsidy that may be available to you, the SERS Wraparound Plan will provide benefits to lower your out-of-pocket health care costs. You pay no additional premium for the SERS Wraparound Plan.

The SERS Wraparound Plan is not available to anyone who has waived SERS coverage or who is eligible for Medicare.

To receive the SERS Wraparound benefits, you must complete the Marketplace enrollment process through HealthSCOPE Benefits toll-free at 888-236-2377.

Here is an example of how the Marketplace Wraparound Plan works. Let's say you enroll in a Marketplace plan that has a \$4,000 deductible. Your out-of-pocket expenses that apply to the deductible add up to \$2,400. With the SERS Wraparound Plan, you will be reimbursed for \$2,000 of the deductible that you paid out-of-pocket.

Marketplace Wraparound continued on back



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.

Getting Early Medicare?

If you are enrolled in SERS health care coverage and become eligible for Medicare before age 65, please contact Health Care Services toll-free at 800-878-5853. ■

Can You Have Too Much Health Insurance?

Health insurance is an important part of financial security in retirement. But, can you have too much insurance?

The answer is usually “no,” for anyone who is enrolled in Medicare, says Doreen Kimbler of SERS’ Health Care Services. Medicare rules only allow you to have one Medicare Advantage or Medicare Supplemental plan at a time, preventing enrollees from paying for more coverage than they need.

These rules don’t apply to younger retirees. People without Medicare can enroll in more than one plan, paying for more than they need.

For instance, some retirees may be enrolled in their spouse’s employer plan. At the same time, they are paying premiums for a SERS health care plan.

In Ohio, state rules determine which plan would be primary. The primary plan will first pay what it owes for covered services. Next, the secondary plan might pay a percentage of the remaining costs – or pay nothing at all.

In the past, the idea of buying a secondary plan was to make you “whole” or pick up charges not covered by the primary plan, says Kimbler. Today, secondary plans that cover what a primary plan did not cover, are not as common. Having two plans may not reduce out-of-pocket costs at all, because both plans cover the same services. Once the primary plan has paid, the second plan may consider the service to have been paid in full.

Before buying a second health plan, you should ask yourself, is it cost-effective to purchase this plan? ■

Medicaid Coverage

With Medicaid expansion in Ohio, many lower-income retirees now qualify for health care coverage paid for by the state.

When you are eligible for Medicaid, you have comprehensive coverage that is free to you.

Retirees who are enrolled in both Medicaid and a SERS plan can save money by canceling the SERS coverage. You do not need both. Before canceling any coverage, you should consult your Medicaid caseworker. ■

Marketplace Wraparound *continued from front*

For Marketplace coverage to start on January 1, you will need to enroll in a Marketplace plan and pay your first month’s premium no later than December 15. You can still enroll through the end of January, but your new coverage would not start until February or March.

Here are some common questions and answers on the SERS Marketplace Wraparound Plan:

Q: Is this plan in addition to the plan I already have?

A: No. You will be disenrolled from your current SERS plan if you select your health care coverage through a Marketplace plan with added benefits from the SERS Wraparound Plan.

Q: What if Congress repeals the Affordable Care Act (the Marketplace)?

A: A change in the Affordable Care Act will require legislation. It’s too early to know what changes will be made by the new Congress and President and when any changes will take effect. In the meantime, the Marketplace will continue to operate as it has for the last three years and SERS will continue to offer the Wraparound benefits.

Q: Does enrolling in a Marketplace plan mean I am waiving my SERS health care coverage?

A: No. The SERS Wraparound Plan works differently than the SERS coverage you have today; but, it is still part of the SERS Health Care

Program. If you want to choose a different SERS plan, you can do so at any time.

Q: Can I enroll in a Marketplace plan on my own, and still receive the additional benefits from the SERS Wraparound Plan?

A: No. In order to receive the SERS Wraparound Plan benefits you must sign up for a Marketplace plan through HealthSCOPE Benefits.

Q: How much will my premium for a Marketplace plan be?

A: The cost can be different for each person depending upon his or her household income, age, location, and which plan is chosen.

Q: Can I have my monthly Marketplace plan premium deducted from my pension check?

A: No. You must pay your Marketplace premium directly to your Marketplace insurer. SERS will no longer deduct the premium for your health care plan from your monthly check. We will only deduct premiums for SERS dental and/or vision coverage.

Q: What happens when I become eligible for Medicare?

A: Once you become Medicare eligible at age 65, you are no longer eligible to keep your Marketplace plan. At that point, you would cancel your Marketplace plan. SERS will enroll you into a SERS Medicare Advantage Plan. ■