



Highway Patrol Retirement System

Newsletter

June 2014

Health Care Premiums: An Ongoing Discussion

Health care and the cost associated with providing it have been the source of much debate and angst. Our health care fund continues to be underfunded and the most recent actuarial report shows our fund will be insolvent in less than ten years unless changes are made. The Health Care Funding Committee and Board have met numerous times in public meetings during the last six months to discuss how to deal with health care funding.

In April, you received information about future premiums for non-Medicare eligible beneficiaries. This

information is also posted on our website at www.ohprs.org. On June 19, 2014, the Board finalized 2015 premiums for dental, vision, tobacco usage, dependent children, and secondary coverage. All of these premiums will remain unchanged from 2014. The maximum charge for dependent children, capped at six children, has been removed.

The Board is still vetting premiums for Medicare eligible beneficiaries, and a final decision will be made in August. Please see comments on the back page from the executive director for more information.

Stay in the Loop! Attend Upcoming Town Hall Meetings

In continuing our efforts to keep our membership informed on important issues, we will be conducting town hall-style meetings around the state beginning in July. Health care will be the main focus of these meetings. We encourage all active and retired members and spouses to attend.

The dates of the meetings are:



July 7 10 AM	Findlay DHQ
July 7 2 PM	Kehoe Auditorium, North Central State College, 175 Mansfield Ave. Shelby, Ohio
July 14 10 AM	Cambridge DHQ
July 14 2 PM	Academy
July 21 10 AM	Kent State University, Trumbull Branch, Public Safety Bldg, 4314 Mahoning Ave NW, Warren, Ohio
July 21 1:30 PM	Jackson Township PD— Training Room, 7383 Fulton Drive NW, Massillon, Ohio
July 23 12 PM	Wilmington Municipal Building, 69 N. South Street (US-68), Wilmington, Ohio
July 23 4 PM	Piqua DHQ
July 24 1 PM	Jackson DHQ

Election Reminder

Two board seats are up for election in 2014. Cory Davies is unopposed for the active (employee) seat, so there will be no election. Darryl Anderson and Dennis Gorski are vying for the retiree seat.

Retirees should have already received ballots in the mail; they must be received by 4:30 pm on July 21, 2014. The deadline to request a ballot, if you did not receive one, is July 10, 2014.





HPRS Staff Developments

On Friday, May 30, 2014, Wayne Warner retired from HPRS. He was hired in early 2012 as Chief Financial Officer. HPRS appreciates Wayne's service and commitment to the System.

Wayne will continue to work with HPRS as a consultant on health care and other projects.

We wish Wayne the best in his retirement!



Michael Press was hired on May 19, 2014 as Finance Director/Benefits Administrator. Mike graduated from Ohio University with a degree in accounting, finance and business pre-law. Upon graduating from OU, Mike passed the Ohio CPA exam. He then attended Capital University Law School and graduated in 2011. Mike came to HPRS from the Ohio Auditor of State's Office, where he served as Assistant Legal Counsel.

We welcome Mike to the HPRS team!!



Bean Luncheon

On April 14th, Colonel Paul Pride hosted probably one of the largest bean luncheons and retiree outreach meetings in recent memory at the Academy. Over 150 retirees and active members attended.



The Ohio Department of Taxation has released revised employer withholding tables, [effective July 1, 2014](#). As a result, you may notice a decrease in your state withholding and an increase in net pay on your check.

Gabfest

On May 16th, the annual Gabfest was held at the Das Dutch Kitchen in Dalton, Ohio. Over 50 retirees, active members, and spouses were in attendance.

The program was emceed by J.P. Allen and included comments from Colonel Paul Pride and Executive Director Mark Atkeson. Thanks go out to Jim Chapman for hosting this year's event.



HPRS Investment Returns

Date	Investment Portfolio Market Value	YTD Increase/
6/6/2014 (est.)	\$831,209,000	3.9%
12/31/2013	\$813,953,000	19.6%
12/31/2012	\$717,036,000	11.9%
12/31/2011	\$679,404,000	



Purchasing Service Credit

Service credit is important to all of our members – it determines when you can retire and how much of a pension you receive. Basically, you receive a day of service credit for every day you work. But, there are many other ways you can purchase service credit, the most common of which is military service. You can also transfer service from other Ohio retirement systems such as OP&F. The following are some of the basics on military service credit (we will hit service from other systems in the future).

You can purchase two types of active military time. You can purchase up to seven years of service that occurs while you are an employee of the Patrol (most commonly a Reservist that is called-up) and up to five years of service that occurred prior to your employment with the Patrol (up to ten if you were a POW). The system for the purchase is fairly straightforward: (1) call HPRS to request an estimate of the cost; (2) find or request your DD-214 (this is the only form we can accept); (3) complete a short application and make the payment and you will receive your credit. Simple enough. But there are a few points you should remember.

First, your duty as a Reservist (and with the National Guard) usually is eligible for purchase. Many believe they can only purchase time when they are overseas – this is not the case. But you still cannot have more than

one year of service credit. So, if you work for the Patrol the entire year, you cannot also purchase your weekends with the Reserve or Guard and get over a year. Second, the longer you wait, the more expensive your purchase. The cost of your service is based on the member contribution rate at the time (right now it is 11.5%) plus interest. The current interest rate is 8% and it compounds annually, so again, please call us as soon as you can. If your service occurs while you are an employee of the Patrol, you can avoid interest if you purchase soon enough. You usually have to make the purchase within five years or three times your length of service, whichever is less.

Finally, even if you call right away, the cost can be high. For instance, assume you serve for a year and your salary is around \$45,000, the cost, without interest, would be \$5,175 (assuming the current 11.5% rate). You have several options to make this payment. You can write a check if that is feasible, or you can pay with funds from your tax deferred accounts such as deferred compensation. You can also have deductions made from your pay. You would have to complete the purchase before you retire OR enter DROP. We would be happy to discuss these options with you, so please give us a call and, most importantly, thank you for your service.

North Coast Sunbird

Make plans to attend the OSHP Retirees' Association Sunbird on August 9, 2014 at the Ohio Veteran's Home Pavilion in Sandusky, Ohio. Reservations are due by July 25, 2014.

Further information can be obtained by logging into the Retirees' Association website at www.oshpretiree.org. You may also contact Doris Blosser at 614-430-3554.

HPRS Facts & Figures

	Number	Average Benefit	Average Age
Service Retirees	1,114	\$43,425	66.2
Surviving Spouses/ Children	248/24	\$16,767/\$2,224	75.2/20.8
Disability Retirees	125	\$33,940	53.3
Total	1,511	\$37,690	65.9

Data as of 6/19/2014



From the Director

Health care continues to be the focus of discussion in our committee and board meetings, newsletters, and other correspondence disseminated to our membership. The Board persistently struggles to balance providing high-level benefits with affordable premiums. And as you know, health care costs have increased dramatically over the past several years.

On the front page of this newsletter, 2015 premiums were addressed for non-Medicare eligible recipients, secondary coverage, dependent children, dental, vision,

and tobacco usage. The Board is still debating premiums for Medicare eligible recipients, with a final decision coming at the August board meeting. I applaud the membership for its participation in these discussions and the Board for its diligence in the hard decisions it must make.

The Board resists raising premiums, but without changes, our health care fund will run out of money in less than ten years. Please consider attending one of the district town hall-style meetings around the state scheduled

in July. These meetings are designed to address all of your health care questions. The schedule is on page 1.

—Mark Atkeson



HPRS Board of Trustees

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6161 Busch Boulevard, Suite 119
Columbus, OH 43229-2553



614-431-0781 (Columbus)
800-860-2268 (Toll-Free)
(Press * for a dial-by-name directory)



Email: system@ohprs.org
Website: www.ohprs.org

*Our office will be closed on —
Friday, July 4 (Independence Day)
Monday, September 1 (Labor Day)*



6161 Busch Boulevard, Suite 119
Columbus, OH 43229-2553

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