

OP&F Pension Fund Report, September 2018

The Fund closed at \$15.9 Billion on September 26, 2018.

Director Gallagher commented on several items at the meeting.

Earlier this year the Fund advertised a “request for proposals” from actuarial firms. Five firms applied and staff had narrowed the responses to two firms: Segal Consulting and Cavanaugh Macdonald Consulting. Both firms made presentations to the board. The final choice was deferred until the October board meeting.

Pre-retirement seminars that were held in August drew 700+ attendees.

September health care meetings throughout the state have concluded. More than 8,000 members and spouses attended these meetings. Both webinars that are scheduled on 9/27 and 10/3 are full with the maximum number of 500 per session. There is a possibility of scheduling a third webinar. Trustee Patton added that a recorded webinar is now available on the Aon website at www.myexchangeconnection.com/OP-F, under the heading of “View a Webinar.”

There is a FAQ link on the above listed website and on the Fund’s website that can answer many of your questions.

A HOST meeting is still being considered for later this year.

DISABILITY COMMITTEE

- There were (19) Initial Determination Hearings (IDH) this month. The recommendations were (15) for approval and (4) were denied.
- There was (1) reconsideration hearing this month with a recommendation to remain the same.
- There were (5) appeal hearings this month.
- There were (2) Death Benefit fund cases. Both were recommended for approval.
- Staff presented a list of disability benefit recipients who have yet to return an Annual Earning Statement. Those not received by December 7, 2018 risk a suspension of benefits.

BENEFITS COMMITTEE

- The Benefits Committee did not meet this month.

HEALTH CARE COMMITTEE

- Staff presented the 2nd Quarter 2018 Health Care Stabilization Fund report. The balance at the end of June was just under \$895 million. At the end of the previous quarter the balance was almost \$907 million. The estimated annual return on the investments held in the fund for the period was 1.82%.
- Staff also presented the Medicare Part D Attestation for the 2019 Plan Year certifying that OP&F's prescription drug benefits are equal to or better than those provided by Medicare Part D.
- Aon representatives Jane Funk, Mark Chandler and Matt Burkley, briefed the committee with an update of the health care transition with a recap of the statewide meetings and presented a timeline for coming events as follows:
 - 10/1/2018 2019 Rates available on Aon Landing Page
 - 10/15/2018 Medicare enrollment begins thru 12/7/2018
 - 11/1/2018 Pre-Medicare enrollment begins thru 12/15/2018 (strict window)
 - 12/17/2018 HRA / Stipend welcome letters mailed by Aon which will introduce members to "Your Spending Account" and reimbursement process instructions.
 - 1/1/2019 Medicare supplement, pre-Medicare medical and prescription drug coverage begins.

There was also some discussion about "Searchlight," and efforts to contact members who have not responded to confirm their scheduled appointments to speak with an Aon representative. There will be outbound calls, reminder postcards, contacts with POA's, monitoring returned mail and certified letters.

COMMENTARY

The next board meeting is scheduled for October 23 and October 24. The agenda for the next board meeting should be available on the pension fund's website, www.op-f.org, on October 18.

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OP&F/PFRO Liaisons