

Health care open enrollment to begin Nov. 1 Board approves plan enhancements for 2024

Open enrollment for STRS Ohio's medical and prescription plans will take place from Nov. 1–21. This is the time for benefit recipients to decide if they want to enroll in a plan without a qualifying event. There are several new enhancements to the program for 2024, including monthly premiums that lower the costs for 99% of current plan enrollees. See separate story on program enhancements (Page 3) and a sample of the new premiums (Page 2).

Medical and prescription plan administrators announced for 2024

In 2024, Aetna will administer all medical coverage. Current Medical Mutual, AultCare and Paramount enrollees will automatically be enrolled in an Aetna plan. Current Aetna enrollees will remain in their current plan. The Aetna Medicare Plan is making several coverage improvements, including a \$0 in-network annual deductible and \$0 copay for in-network primary care physician visits.

New for 2024, the prescription plan will transition to CVS Caremark (CVS) from Express Scripts. All enrollees will transition to CVS on Jan. 1, and most enrollees should experience no disruption to their services. Those who may see a disruption (such as a change to a higher or lower tier in the drug formulary) will be notified by mid-December. There are no changes to the prescription annual deductible, maximum out-of-pocket limit or drug tier copayments/coinsurance. Medicare enrollees will be covered by SilverScript, a Medicare Part D plan. SilverScript is an affiliate of CVS. Non-Medicare enrollees will be covered by CVS Caremark.

Access to providers covers most current physicians and pharmacies

Aetna's provider network includes nearly all the providers currently used by Medical Mutual, AultCare and Paramount enrollees. The same is true for the CVS network — it covers nearly all Express Scripts pharmacies currently being accessed. The CVS network includes about 66,000 chain and independent pharmacies, including Kroger, and about 9,000 CVS pharmacies. Enrollees may use any in-network pharmacy; they are not limited to CVS store locations.

Watch for open-enrollment materials in late October

If you are currently enrolled in a medical plan, you will receive open-enrollment materials in late October with more details about the plan changes. You will also receive a personalized letter with your plan option(s) and premiums. This open-enrollment period is for medical plans only. It does not include the dental and vision plans.

If you are not currently enrolled in an STRS Ohio plan and would like a personalized enrollment packet, visit www.strsoh.org and select "Contact" from the top menu or call STRS Ohio's Member Services Center toll-free at 888-227-7877 to request these materials.

Board approves 1% cost-of-living adjustment for fiscal 2024

The Retirement Board approved a cost-of-living adjustment for fiscal 2024 (July 1, 2023–June 30, 2024). Retirees who started receiving benefits on June 1, 2019, or earlier will receive the adjustment. The increase will be added to the base benefit beginning on the anniversary of their retirement date. If you are eligible and retired in July, August, September or October, you already received your 1% increase.

For teachers now in the classroom, the retirement eligibility rule requiring 34 years of service for an unreduced retirement has been extended five years (through July 2028). The requirement was scheduled to increase to 35 years of service on Aug. 1, 2023.

The board and its actuary will review benefits again, no later than spring 2024, to evaluate whether additional plan design changes may be made in accordance with the laws in effect at that time.

Auditor of State report issues no findings against STRS Ohio

The Auditor of State's special audit of the retirement system was completed late last year and found no evidence of fraud, illegal acts or data manipulation related to the funds held in trust by STRS Ohio for its members. The report said, "STRS' organizational structure, control environment and operations are suitably designed and well monitored, both internally

and by independent experts. These experts help assure that STRS follows applicable asset and liability measurement, reporting, investing and case management laws, professional standards, and best practices. Our conclusions are consistent with the findings of these independent firms."

The complete report is available at www.strsoh.org.

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Updated health care premiums for 2024

In August, the Retirement Board approved new monthly premiums that will result in lower premiums for about 99% of current health care program enrollees. A complete list of premiums is available on the STRS Ohio website at www.strsoh.org or by request through our Member Services Center toll-free at 888-227-7877.

Monthly Enrollee Premiums for 2024 — With Medicare

(Premiums for benefit recipients with Medicare have been reduced by a \$30 Medicare Part B credit.)

Benefit Recipient Years of Service		Aetna Medicare Plan	Aetna Basic Plan
Retired before 8/1/2023	Retire on or after 8/1/2023		
30+	35+	\$25	\$137
25	30	\$42	\$154
20	25	\$60	\$172
15	20	\$78	\$190
<15	<20	\$131	\$243
Spouse		\$161	\$273
Per Child		\$161	\$273
Disabled Adult Child		\$161	\$273

Monthly Enrollee Premiums for 2024 — Without Medicare

Benefit Recipient Years of Service		Aetna Basic Plan
Retired before 8/1/2023	Retire on or after 8/1/2023	
30+	35+	\$279
25	30	\$419
20	25	\$558
15	20	\$698
<15	<20	\$1,117
Spouse		\$1,117
Per Child		\$296
Disabled Adult Child		\$1,117

Health care plan enhancements for calendar year 2024



Aetna Medicare Plan:

- \$0 in-network annual deductible
- \$0 copay for visits to in-network primary care physician
- Up to \$1,000 reimbursement for hearing aids per 36 months
- Unlimited transportation for medical appointments for dialysis patients

CVS Plans:

- 90-day transition allowance for drugs not on formulary
- Enrollees can receive a 90-day supply at CVS retail locations for the same copay as mail order (for non-specialty prescriptions)

The Aetna and CVS toll-free customer service centers are available to take calls about your coverage. **If you have questions about your coverage, you can reach Aetna and CVS at:**

	Medicare	Non-Medicare
Aetna	833-383-4612 Weekdays, 8 a.m.–9 p.m.	800-645-5677 Weekdays, 8 a.m.–6 p.m.
CVS	800-756-6859 Available 24/7	800-756-6841 Available 24/7

Health Care Assistance Program available to benefit recipients who qualify

STRS Ohio offers a Health Care Assistance Program (HCAP) to service retirement benefit recipients with 25 years of service and disability recipients. The program provides medical and prescription coverage for a \$0 premium. Eligibility for the program is based in part on an annual family income limit of 175% of the federal poverty level for a family household of two persons (\$34,510 for service retirement benefit recipients currently applying based on your most recent tax returns) and a household liquid asset limit of \$34,510 (a home is not considered a liquid asset).

New HCAP applicants must be eligible for a subsidy under the STRS Ohio Health Care Program to qualify for HCAP enrollment. New and current STRS Ohio Health Care Program enrollees may apply. The application and additional program details are available on the STRS Ohio website at www.strsoh.org or by request from the Member Services Center (toll-free) 888-227-7877.

Investments and Financial News Update

STRS Ohio investments post net return of 7.55%

At the August Retirement Board meeting, STRS Ohio reported that the pension fund posted a net return of 7.55% for the year ended June 30, 2023. This translates into \$2.4 billion more for the teachers of Ohio, even after payment of more than \$7 billion in benefits. The pension fund ended fiscal year 2023 with \$90.1 billion in investment assets.

As a mature pension system that pays out more in benefits than it receives in contributions, STRS Ohio relies on the performance of its investments as a key source for funding benefits. STRS Ohio's investment consultant, Callan, shared that STRS Ohio's total fund return outperformed its benchmarks and ranked in the top 10% of public funds tracked by Callan for the three-, five- and 10-year periods ending June 30, 2023.

Board adopts fiscal 2024 budgets

The Retirement Board adopted the system's operating and capital budgets for fiscal year 2024 (July 1, 2023–June 30, 2024). The approved operating budget totals \$115.6 million, a 2.8% increase over the previous fiscal year. The approved capital budget totals \$8.3 million.



Board approves revisions to PBI Program

The board approved several changes to the Performance-Based Incentive (PBI) Program that is part of the compensation package for eligible Investment staff. Such programs are common among large pension plans like STRS Ohio that manage a significant portion of assets with internal staff instead of outside money managers.

The changes approved for fiscal 2024 (current fiscal year) include:

- **Removing more than 30 positions from the PBI Program.**
- **For those still participating in the PBI Program, reducing the maximum incentive possible.**
- **A simplified formula to calculate PBI reductions when the pension fund has a negative absolute return.**
- **A 10% reduction to PBI payments in any year where the board's actuary determines there is not sufficient funding to enhance member benefits.**

Based on the performance of STRS Ohio investments for fiscal year 2023 and the trailing five-year period, the board approved approximately \$8.6 million in performance-based incentive payments. Incentives are more heavily weighted to five-year returns, aligning with STRS Ohio's interests as a long-term investor.

Direct deposit dates

Direct deposit dates for the rest of 2023 and all of 2024 (always on the first banking day of the month):

2023 Calendar Year

Nov. 1	Dec. 1
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2024 Calendar Year

Jan. 2	July 1
Feb. 1	Aug. 1
March 1	Sept. 3
April 1	Oct. 1
May 1	Nov. 1
June 3	Dec. 2



Webinars offer 2024 health care plan coverage information

STRS Ohio will hold webinars this fall targeted to members who want to learn more about health care plan features. The *Understanding Your Health Care Plan* webinar will include details about:

- Key terms related to out-of-pocket expenses;
- Medical and prescription plan coverage; and
- Changes and open-enrollment details for the 2024 plan year.



All members who are eligible to enroll in the STRS Ohio Health Care Program will receive an email invitation with further details. If you do not have an email address on file with the system, you can update your contact information in your Online Personal Account on the STRS Ohio website (www.strsoh.org).



1099-R
**TAX
FORM**

available
online in
January

STRS Ohio benefit recipients will have two options in January for accessing 1099-R tax forms for 2023. The form provides your 2023 pension distribution to use when preparing your income tax return. It will be available through your Online Personal Account on the STRS Ohio website in early January. The form will also be mailed by the end of January. You can log in to your Online Personal Account to view your form online and to update your correspondence preferences to opt out of the paper mailing.



RESOURCES

VISIT

STRS Ohio
275 E. Broad St.
Columbus, OH 43215-3771

ONLINE

www.strsoh.org
24 hours a day
Select "Contact" from
the top menu to email

BY PHONE

Member Services Center
888-227-7877 (toll-free)
614-233-8713 (fax)
Monday through Friday
8 a.m. to 5 p.m.



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Davidson wins seat on Retirement Board; board names chair, vice chair

Contributing teacher member Pat Davidson was elected to the State Teachers Retirement Board in the 2023 election. Davidson is a business/computer teacher for Berea City Schools and his four-year term on the Retirement Board started on Sept. 1.

The Retirement Board elected contributing teacher member Carol Correthers (Lorain City Schools, Lorain County) as its vice chair for the Sept. 1, 2023–Aug. 31, 2024, board year. According to Board Policy, Dale Price (Toledo Public Schools, Lucas County), who previously served as vice chair, assumed position of chair on Sept. 1. Retirement Board members receive no compensation for service on the board other than reimbursement for actual necessary expenses.

Retirement Board meetings available online in real time and posted on website

The State Teachers Retirement Board meetings are open to the public. For those who cannot attend, the meetings are accessible in real time through a link to Zoom. The link is available through the Public Meeting Notice that is posted on the system's website one week before each meeting (www.strsoh.org). STRS Ohio also posts a recording of the meeting along with the meeting presentation slides on the Most Recent Board Meeting Materials page on its website in the Retirement Board section (www.strsoh.org/aboutus/board/materials). The recording is typically posted the day following the board meeting.

If you have any questions about the material printed in this publication, please contact STRS Ohio toll-free at 888-227-7877. This publication is intended merely as a general information reference for members of STRS Ohio. If you have any specific questions about the subjects covered by this publication, you should contact the retirement office. This publication is not intended as a substitute for applicable federal or state law, nor will its interpretation prevail should a conflict arise between its contents and applicable federal or state law. Before making decisions regarding your retirement, you should always consult with STRS Ohio as well as your personal tax, legal and financial advisors.

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