



EMPLOYER DISCLOSURES For Fiscal Year Ended June 30, 2008

The following information is provided for compliance with disclosure requirements in Governmental Accounting Standards Board (GASB) Statement No. 12 regarding post-employment benefits other than pension benefits:

- A. State Teachers Retirement System of Ohio (STRS Ohio) provides access to health care coverage to retirees who participated in the Defined Benefit or Combined Plans and their dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Pursuant to the Revised Code (R.C.), the State Teachers Retirement Board (the board) has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of the health care cost in the form of a monthly premium.
- B. The R.C. grants authority to STRS Ohio to provide health care coverage to eligible benefit recipients, spouses and dependents. By Ohio law, health care benefits are not guaranteed and the cost of the coverage paid from STRS Ohio funds shall be included in the employer contribution rate, currently 14% of covered payroll.
- C. The Retirement Board allocates employer contributions to the Health Care Stabilization Fund from which health care benefits are paid. For the fiscal years ended June 30, 2008, and June 30, 2007, the board allocated employer contributions equal to 1% of covered payroll to the Health Care Stabilization Fund. The balance in the Health Care Stabilization Fund was \$3.7 billion on June 30, 2008.
- D. For the fiscal year ended June 30, 2008, net health care costs paid by STRS Ohio were \$288,878,000. There were 126,506 eligible benefit recipients.

Robert A. Slater
Deputy Executive Director
Chief Financial Officer

Dec. 16, 2008