



**OPERS**  
277 East Town St.  
Columbus, OH 43215

## EMPLOYER NOTICE

### OPERS offers health care coverage options for retirees choosing to return to work

#### WHO SHOULD READ THIS NOTICE

Finance directors, human resources professionals and individuals involved in retirement processing

#### SITUATION OVERVIEW

The idea of retirement is changing. In the past, most employees planned to leave the workforce, for good, upon reaching a set age. Today, more people are embracing the idea of a “phased retirement” which keeps them involved in paid work while also allowing time for hobbies, volunteer opportunities or travel.

OPERS understands these desires and offers health care options to meet your employees’ needs, regardless of their retirement plans.

Understandably, there are questions and even some misconceptions about how returning to work may impact health care coverage. We hope the below Myth vs. Fact information provides clarity for those who choose to embrace “phased retirement”.

**MYTH:** Once retired, OPERS retirees cannot return to work in an OPERS-covered position.

**FACT:** Retirees absolutely can return to work in an OPERS-covered position following retirement. And, as long as they are eligible for OPERS health care, re-employed retirees can still enjoy the coverage for which they qualify. The limitation affecting this group is the fact that Federal law does not permit active employees to participate in the Health Reimbursement Arrangement (HRA) while working in an OPERS-covered position. However, OPERS offers alternate solutions.

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Available options for those re-employed in an OPERS-covered position:

**Medicare-eligible retirees eligible for OPERS health care can:**

1. Enroll in their OPERS employer's health care coverage (required if it is offered to be eligible to have OPERS health care as secondary coverage).
2. Enroll in the Humana Interim Plan. OPERS will provide an allowance towards the cost of this plan. **The Humana Interim Plan is the exact plan that existed before the Connector and is administered in exactly the same manner that OPERS administered it before the new Connector option. OPERS provides the same allowance but the allowance is netted against the cost of the health care plan, so the retiree pays the net amount. The Humana Interim Plan features the exact same coverage, deductibles and out-of-pocket costs as the Humana plan OPERS provided prior to the implementation of the Connector (administered by OneExchange) in 2016.**
3. Enroll in an individual Medicare plan through the Connector, but forgo their HRA allowance and access to any balance until they are no longer re-employed. Premiums and claims are paid 100% out of pocket during re-employment.

**Pre-Medicare retirees can:**

1. Enroll in their OPERS employer's health care coverage (required if it is offered in order to have OPERS health care as secondary coverage).
2. Enroll in the Medical Mutual Interim Plan. OPERS will provide an allowance towards the cost of this plan. **The Medical Mutual Interim Plan is the exact same plan provided to pre-Medicare retirees who are not re-employed and is administered in the same manner. The only difference is the premium is slightly higher.**

**MYTH:** If a retiree eligible for OPERS health care accepts a job that is not covered by OPERS, they cannot participate in OPERS health care coverage.

**FACT:** If a retiree receives an OPERS pension and returns to work for a private employer or a public employer who is not covered by OPERS, there are no restrictions on their participation in the OPERS health care plan. The retiree can participate in the Medical Mutual plan (pre-Medicare) or enroll in a plan through the Connector (Medicare-eligible) and participate in the HRA. However, if their employer offers health care coverage, they must take that coverage before enrolling in an OPERS plan or with OneExchange.

**MYTH:** A retiree re-employed in an OPERS-covered position opting for the Humana Interim Plan or the Medical Mutual Interim Plan is losing out on the income that they would receive if they participated in the HRA.

**FACT:** The inability to participate in an HRA because a retiree is an active employee does not equate to loss of income. HRA funds can only be used to pay health care coverage premiums and qualified health care expenses. A retiree's gross annual pension income is not affected.

**Retirees employed in an OPERS-covered position can choose to enroll in the Humana Interim Plan. OPERS does provide the same allowance toward the monthly premium of this plan administered in the manner it has been prior to the Connector.**

**MYTH:** If a retiree is enrolled in a Medicare plan through OneExchange, they must remain enrolled in that plan and continue to participate in the HRA until the next open enrollment period.

**FACT:** Retirees who become re-employed in an OPERS-covered position while enrolled in a plan through OneExchange can remain enrolled in that plan. They will not be able to participate in the HRA during re-employment or have access to any accumulated balance. Once the retiree is no longer re-employed, they can resume participation in the HRA subject to plan rules. There are limitations on how many times per year a retiree can move in and out of the HRA.

## DECISION TOOLS AND RESOURCES

Retirees may explore the interactive Re-employed Retiree Decision Tool located at [opers.org/retirees/re-employment](https://opers.org/retirees/re-employment) as well as reference the OPERS "Returning to Work After Retirement" leaflet or "Re-employment and Health Care Coverage Fact Sheet" for more detailed information on this topic.

## WHAT YOU NEED TO DO

### *Contact OPERS for help*

Please direct questions regarding OPERS re-employment and health care coverage to OPERS at 1-800-222-7377. Our counselors are available to meet one-on-one or over the phone with soon-to-be retirees, retirees currently re-employed or those contemplating re-employment.

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For a current listing of OPERS Board members, please visit [www.opers.org](http://www.opers.org)

It is your responsibility to be certain that OPERS has your current physical and e-mail address on file. If OPERS is not made aware of address changes, we cannot guarantee that you will receive important information pertaining to OPERS public employers. This Employer Notice is written in plain language for use by public employers who are subject to coverage under the Ohio Public Employees Retirement System. It is not intended as a substitute for the federal or state law, namely the Ohio Revised Code, the Ohio Administrative Code, or the Internal Revenue Code, nor will its interpretation prevail should a conflict arise between it and the Ohio Revised Code, Ohio Administrative Code, or Internal Revenue Code. Rules governing the retirement system are subject to change periodically either by statute of the Ohio General Assembly, regulation of the Ohio Public Employees Retirement Board, or regulation of the Internal Revenue Code. If you have questions about this material, please contact our office or seek legal advice from your attorney.