

OPERS Update

PERI Annual Meeting – Retirement Security

May 11, 2026



Agenda

- Pension Funding and Health Care Funding
- Open Enrollment
- Legislative
- Summary
- Q&A



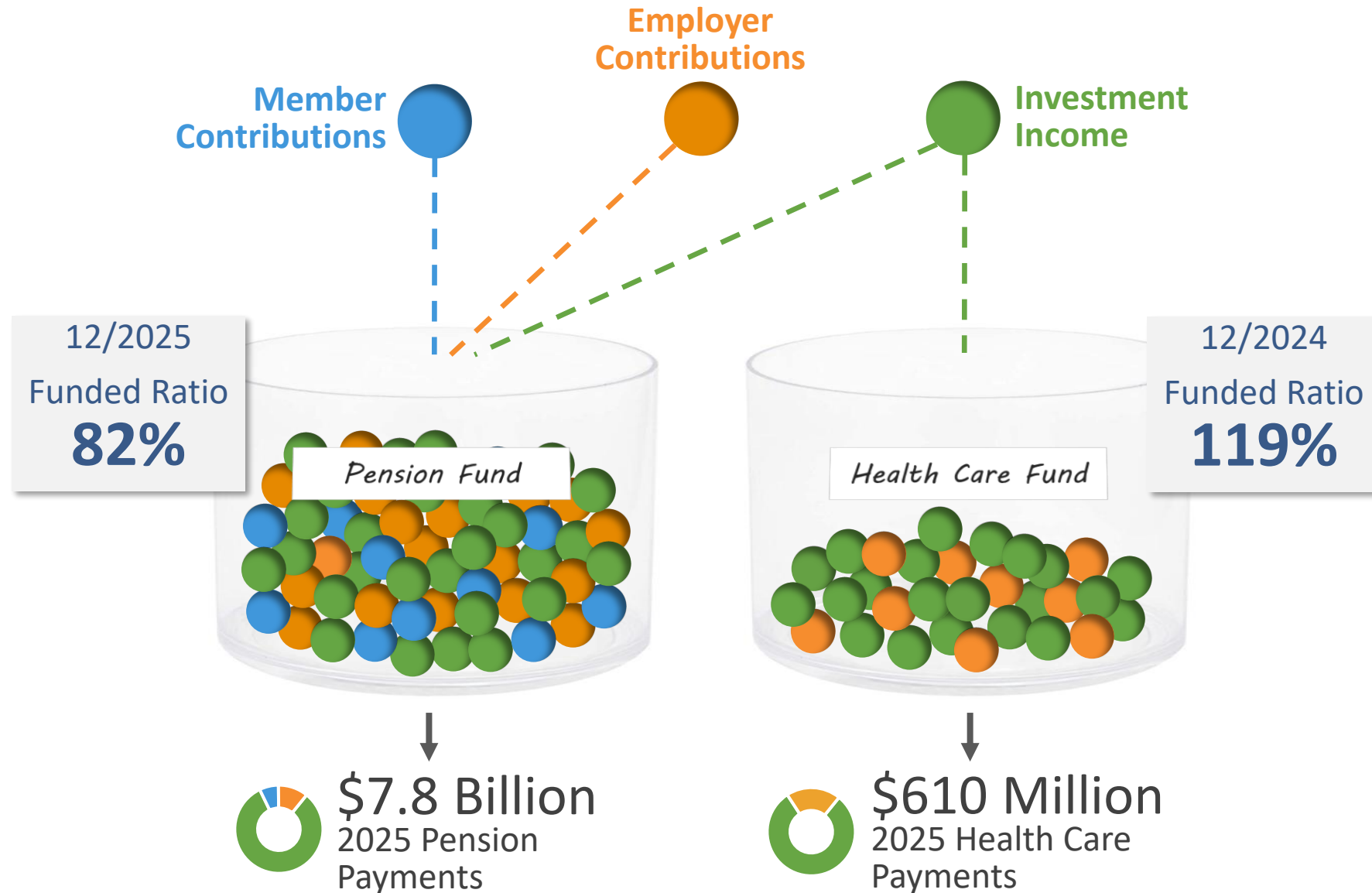


Pension Funding

Our Goals as a Retirement System

- 1 Provide a stable pension for all OPERS retirees
- 2 Provide a meaningful retiree health care program
- 3 Minimize drastic plan design changes
- 4 Be financially positioned to react to market volatility
- 5 Maintain intergenerational equity

How Pension and Health Care is Funded

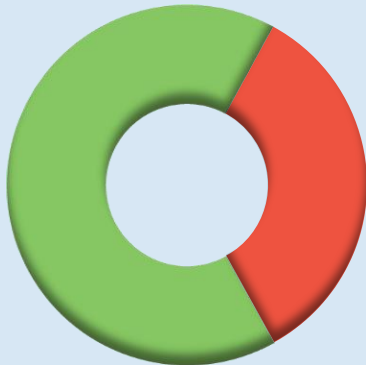


We are a Mature System

Pre-1990s

(1980)

Immature System



REVENUES

Contributions
In

(\$708M)

EXPENSES

Payments
Out

(\$370M)

+\$338M

1990s – 2000s

(2000)

Maturing System



REVENUES

Contributions
In

(\$2,052M)

EXPENSES

Payments
Out

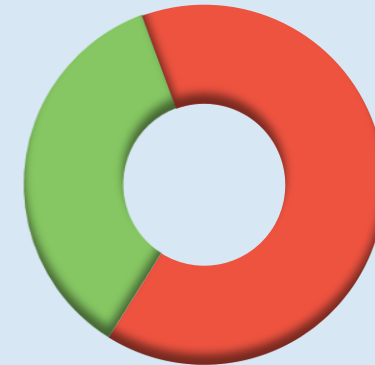
(\$2,327M)

-\$275M

Today

(2025)

Mature System



REVENUES

Contributions
In

(\$4,866M)

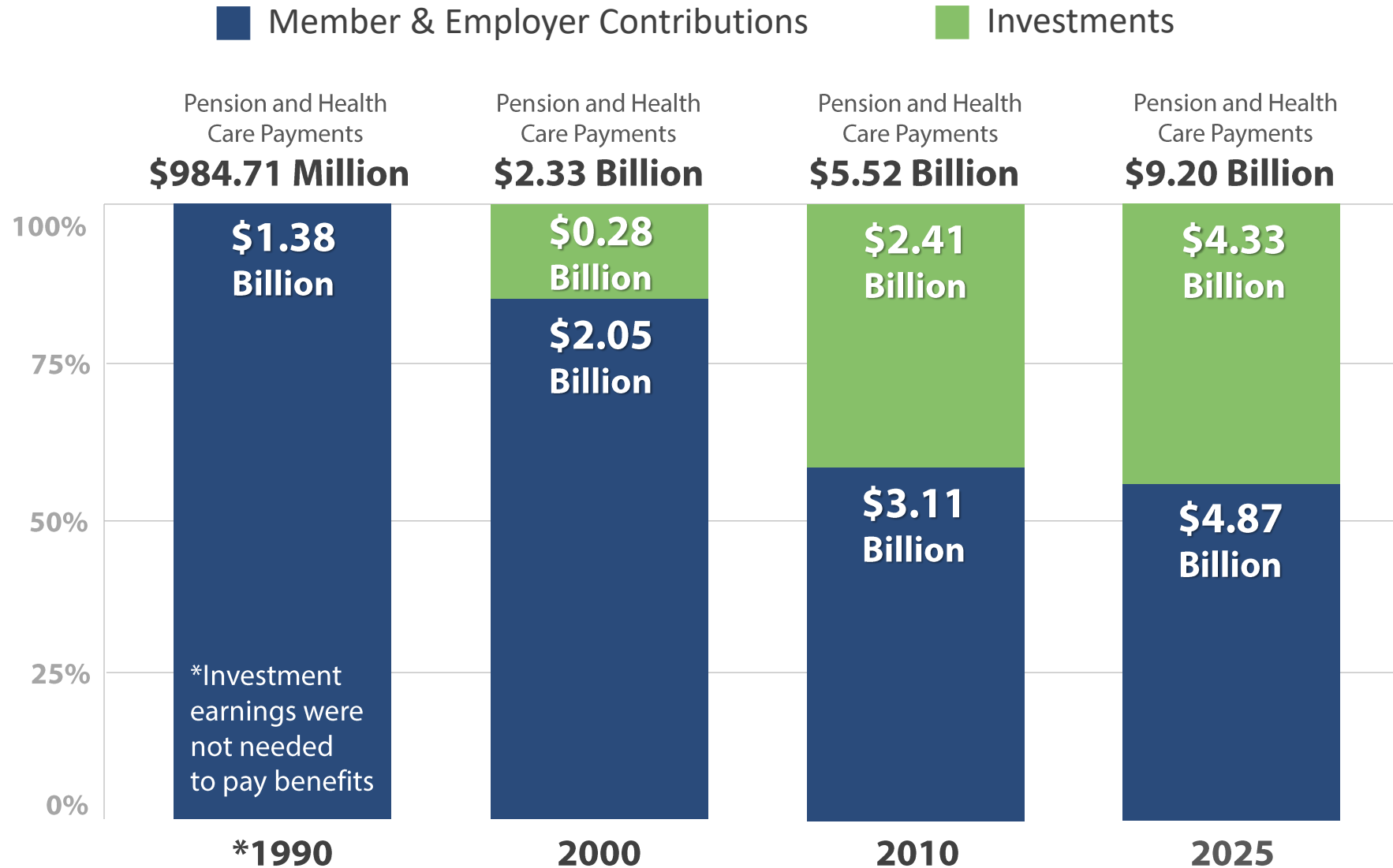
EXPENSES

Payments
Out

(\$9,199M)

-\$4,334M

Reliance on Investments and Paying Benefits



Liquidity Needs

Year	Annual Total Benefit Payments (Pension & HC)	Monthly Average Benefit Payments	Number of Pension Recipients
1970	\$65.9 Million	\$5.4 Million	37,973
1980	\$299.6 Million	\$24.9 Million	73,336
1990	\$984.7 Million	\$82.0 Million	105,191
2000	\$2.33 Billion	\$194.2 Million	131,428
2010	\$5.52 Billion	\$460.2 Million	179,565
2020	\$7.24 Billion	\$603.5 Million	215,728
2025	\$9.20 Billion	\$766.6 Million	223,623

Pension Funding/Amortization

7-Year History (\$ in billions)

30 years is the legal requirement

Valuation Year	Valuation Liabilities	Valuation Assets	UAAL (debt)	Funded Ratio (of assets to debt)	Amortization Period
2025	\$132.84	\$108.36	\$24.48	82%	17 Years
2024	\$129.01	\$106.87	\$22.14	83%	15 Years
2023	\$125.47	\$105.13	\$20.34	84%	15 Years
2022	\$122.46	\$102.85	\$19.61	84%	16 Years
2021	\$118.51	\$99.71	\$18.80	84%	16 Years
2020	\$115.24	\$93.97	\$21.27	82%	21 Years
2019	\$111.37	\$88.57	\$22.80	80%	23 Years



Health Care Funding

Health Care Disclaimer

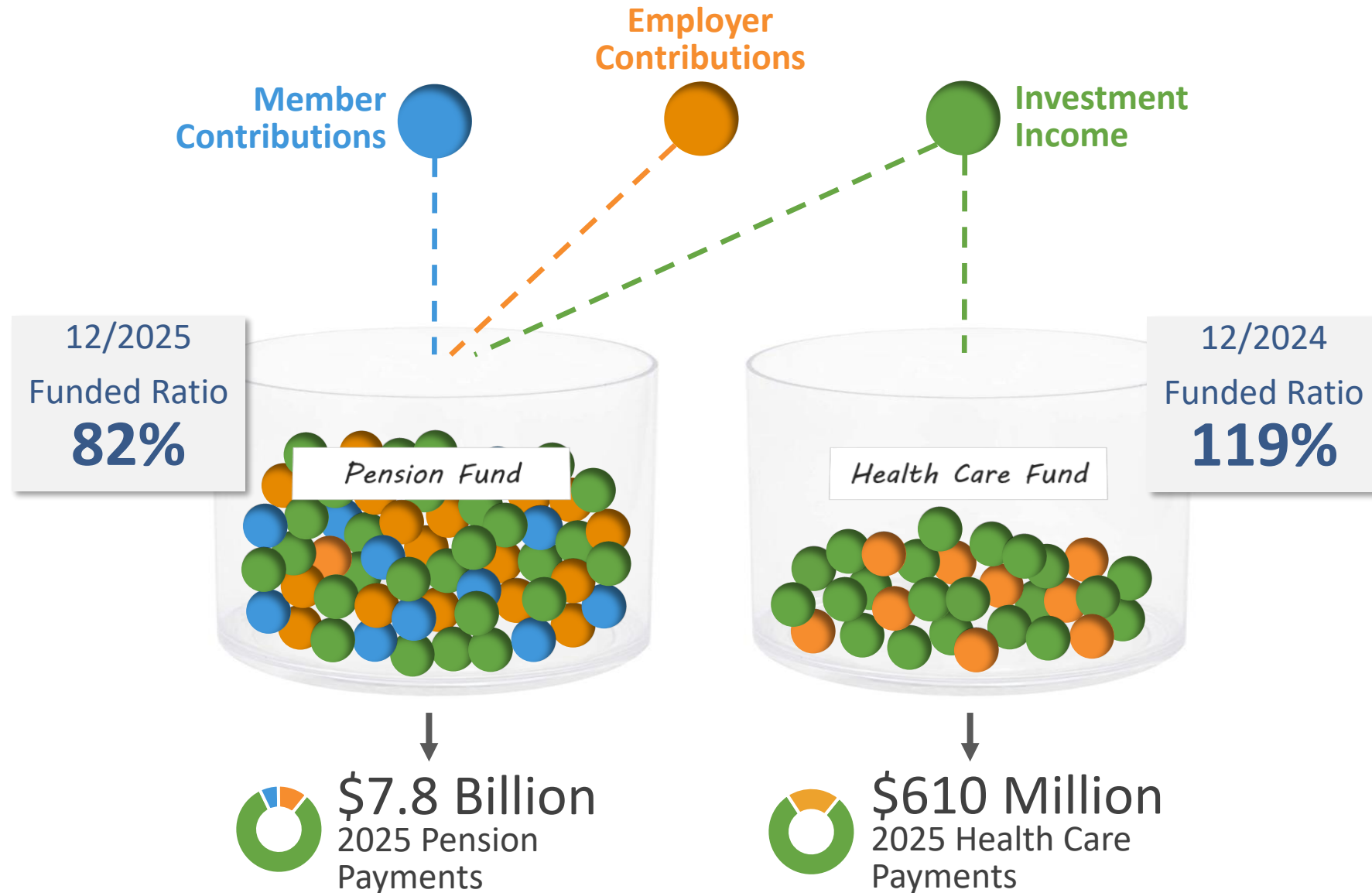
This presentation reflects current information. There is no promise, guarantee, contract or vested right to the health care program or allowance.

The OPERS Board of Trustees has the discretion to review, rescind, modify or change the health care program at any time.

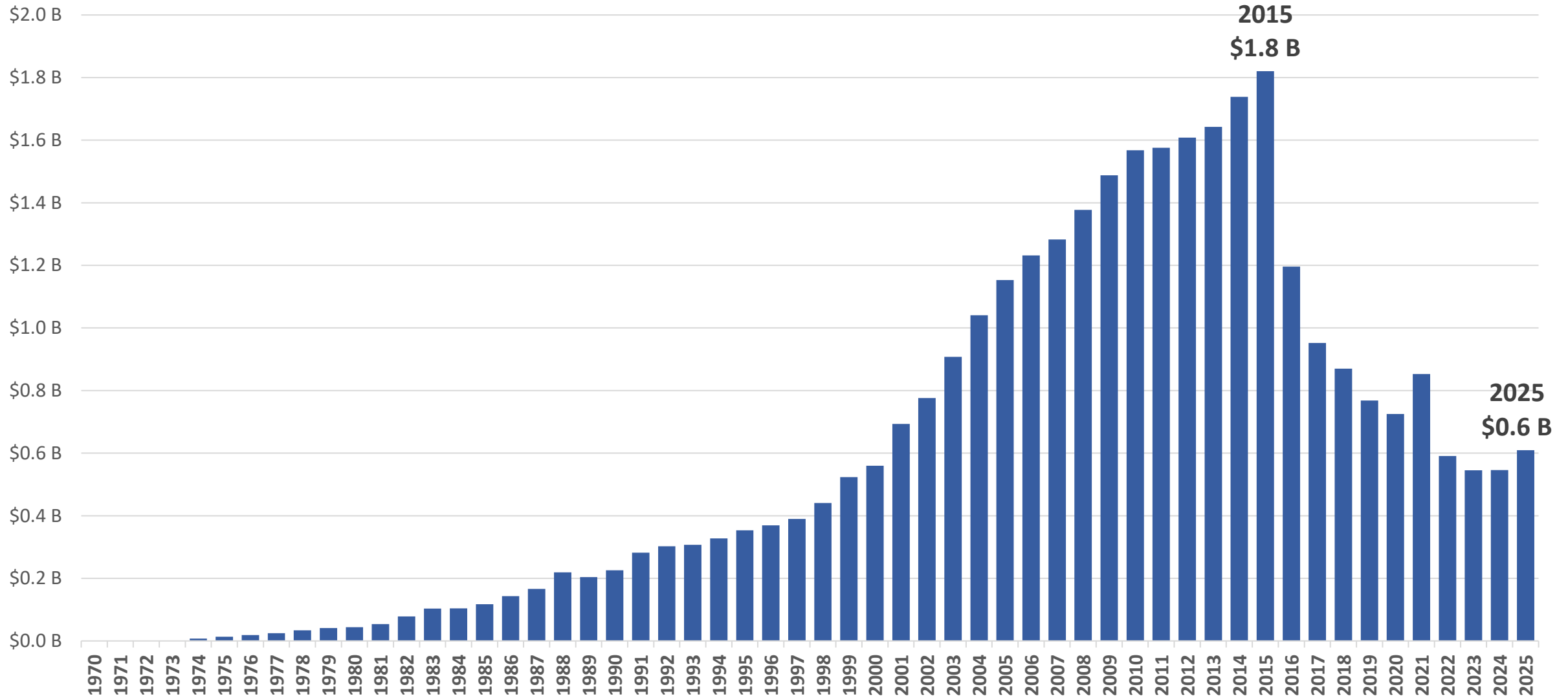
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How Pension and Health Care is Funded



Health Care Payments



Health Care Funding/Solvency

7-Year History (\$ in billions)

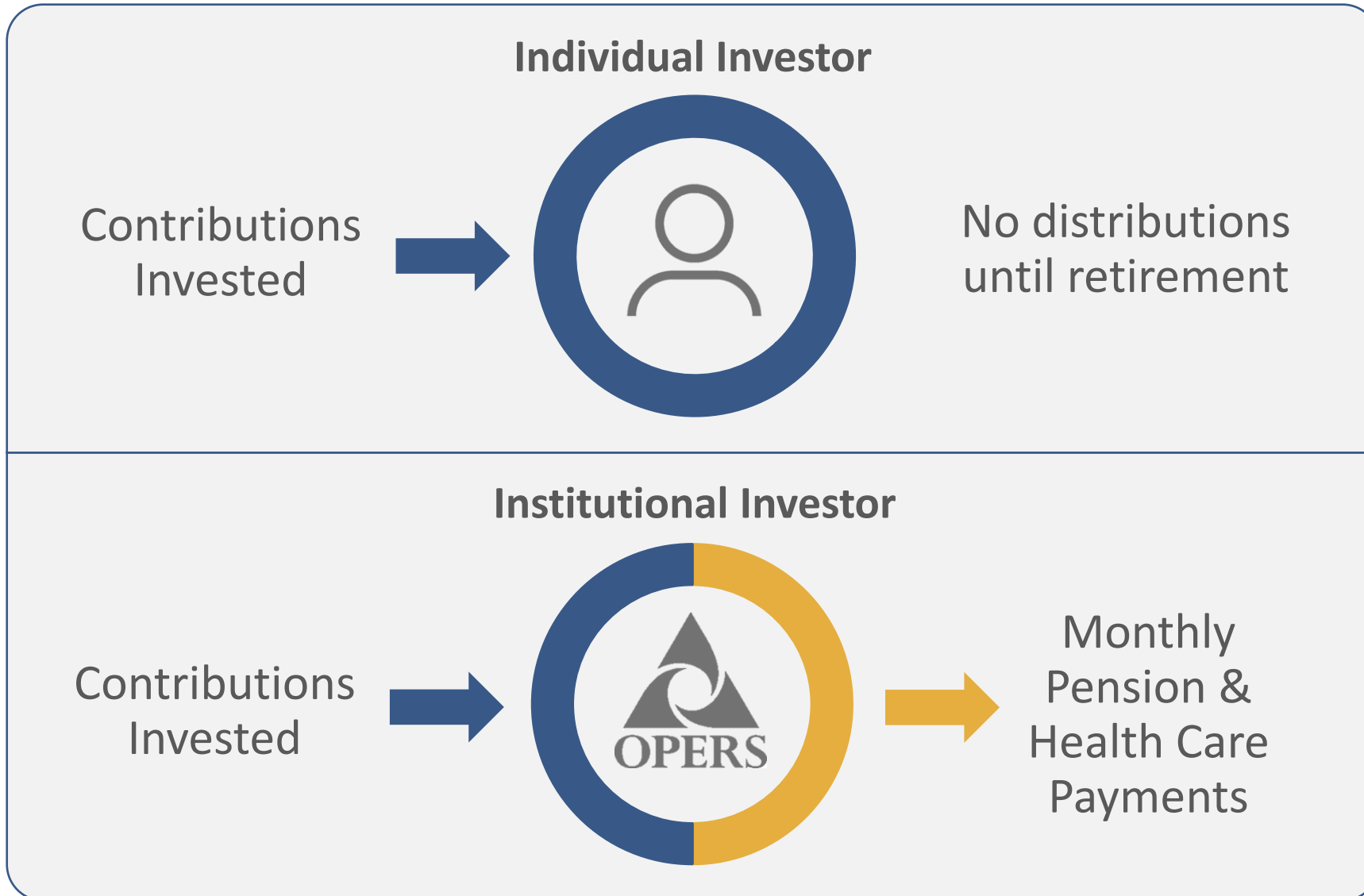
The greater number of years the better

Valuation Year	Valuation Assets	Funded Ratio (of assets to debt)	Solvency Period
2024	\$12.92	119%	27 Years
2023	\$12.82	119%	25 Years
2022	\$12.84	116%	21 Years
2021	\$12.71	115%	29 Years
2020	\$12.39	110%	25 Years
2019	\$11.94	104%	23 Years
2018	\$11.64	65%	11 Years

A person in a dark suit is pointing at a pen on a desk. The desk is covered with various financial charts, including pie charts and bar graphs. A laptop is open in the background. The scene is set in a modern office environment.

Investment Returns and Their Impact on Funding

Individual vs. Institutional Investors



2025 Investment Returns

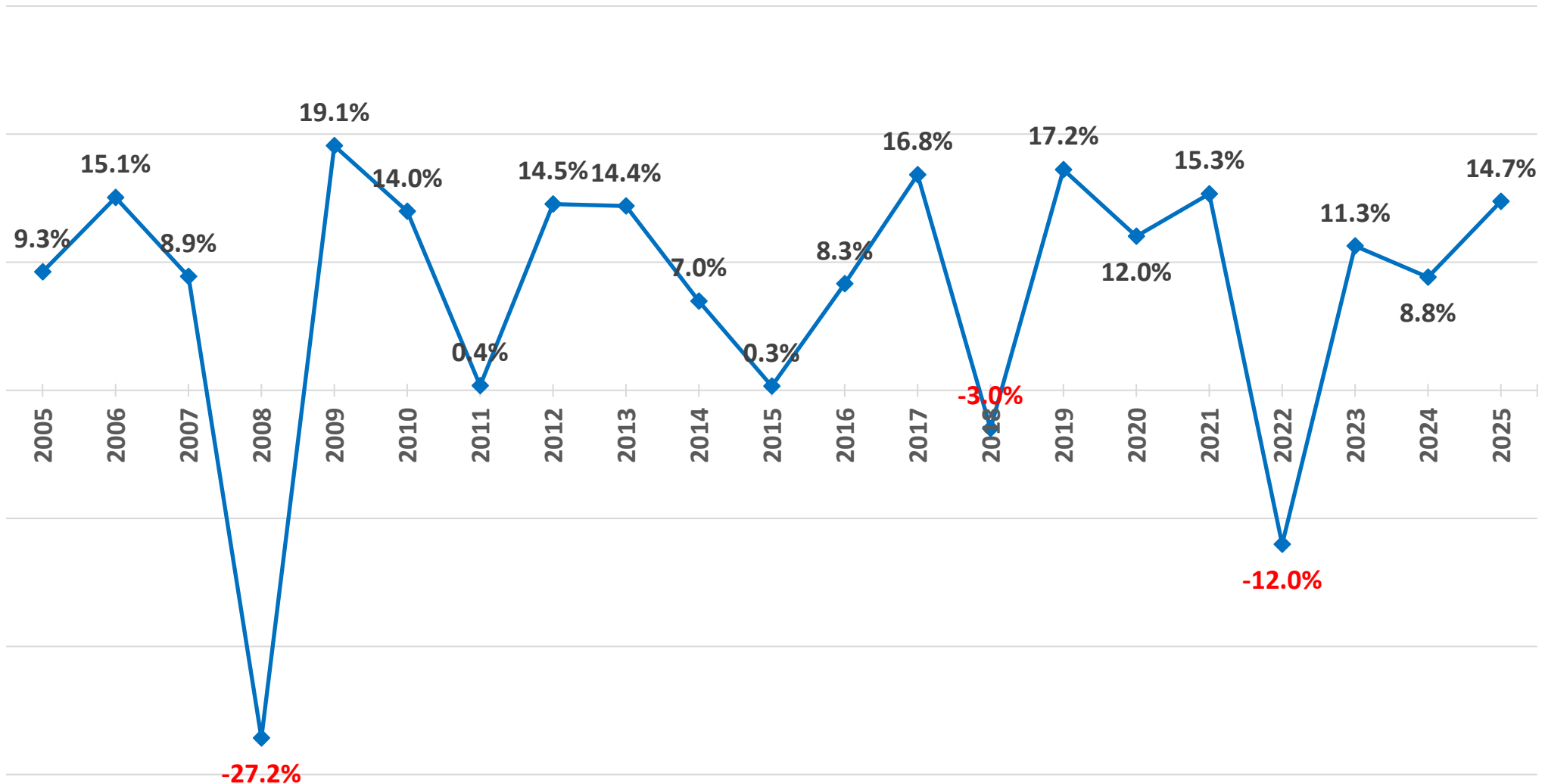
Defined Benefit portfolio:

14.7%

Health Care portfolio:

16.4%

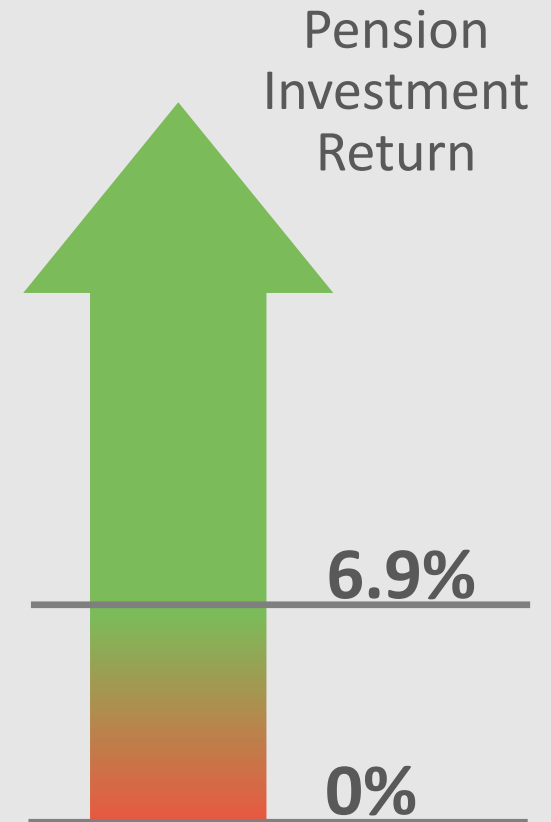
Historical Investment Return



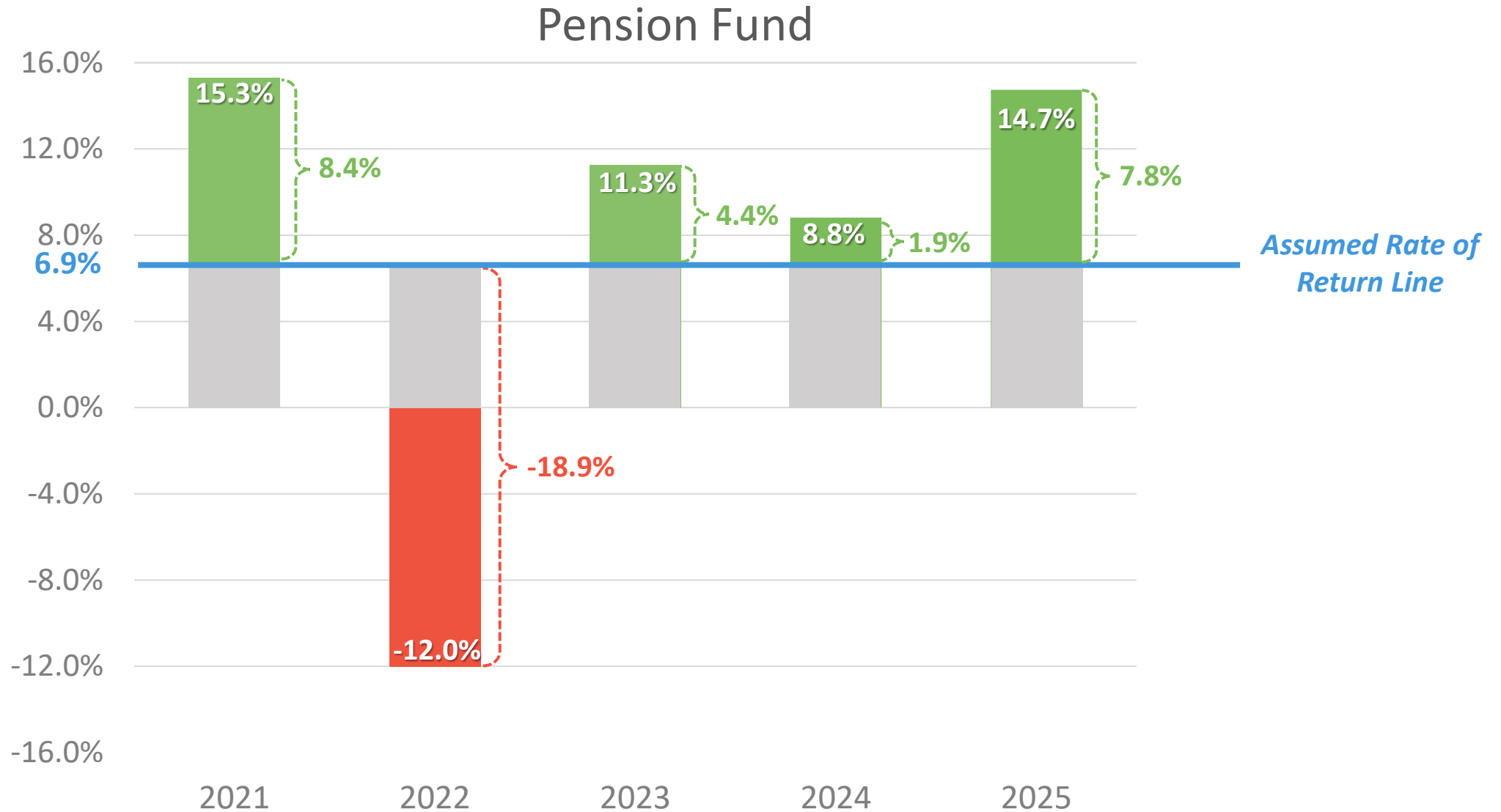
Assumed Rate of Return (Discount Rate)

A calculated goal return on the investments in the Pension Fund

- We need to earn a **6.9%** return to meet pension obligations
- Earnings less than **6.9%** have a negative impact



Assumed Rate of Return (Discount Rate)




Investment Returns

7-Year History

Valuation Year	Defined Benefit Portfolio	Health Care Portfolio
2025	14.7%	16.4%
2024	8.8%	10.0%
2023	11.3%	14.0%
2022	(12.0%)	(15.5%)
2021	15.3%	14.3%
2020	12.0%	11.0%
2019	17.2%	19.6%

Economic Impact of OPERS Pensions

As of December 31, 2025



Of our 223,588 retirees, **89%** remained Ohio residents

Last year, **\$7.8 billion** in pension benefits were paid out, however **\$7.0 billion stayed in Ohio.**



Open Enrollment

Open Enrollment Expectations

- The collaboration between OPERS and Via Benefits for the 2026 open enrollment experience resulted in overall improved service levels. This was driven by increased staffing, enhancements to the telephony system, and a restructure of call processes and training.
- **IMPORTANT: Please take the time to authenticate when calling into Via Benefits. OPERS retirees receive priority treatment.**
- Market disruption and cost pressures are expected to remain elevated for the 2027 open enrollment period, with a strong likelihood of plan changes and increased premiums.
- Medicare Retirees: Ohio is one of six states participating in a Prior Authorization Pilot.
- The Dental and Vision plan design will remain the same, rates are TBD until plan experience results are final

Health Care Program Update

No Health Care Program Changes for 2027

- Via Benefits and MetLife remain our Health Care Vendors
- The Health Reimbursement (HRA) base allowance amount will remain the same
 - Medicare retirees base allowance rate is \$400 per month
 - Pre-Medicare retirees base allowance rate is \$1,200 per month
- Both rates are expected to remain at these levels through 2030

“Base allowance amount” refers to the maximum amount on which an individual’s monthly HRA allowance is based. Depending on their age and years of service at retirement, benefit recipients receive between 51% and 90% of the base allowance amount.

Health Care Open Enrollment Reminders

October 15, 2026 – December 15, 2026

- Watch for your Open Enrollment Packet – Provides your monthly HRA amount.
- Review the OPERS and Via Benefits newsletters for important information about this year's open enrollment and market impacts.

OPERS OPEN ENROLLMENT 2026

The information on the following pages will help you navigate the open enrollment period for 2026 as an OPERS benefit recipient receiving (or eligible to receive) a monthly Health Reimbursement Arrangement (HRA) allowance. We've included tips for interacting with Via Benefits, answers to some frequently asked questions and general information about the OPERS Health Care Program.

Questions about your medical plan?
If you have questions regarding your medical plan for 2026, call Via Benefits and schedule an appointment. This will reduce your wait time on the phone and ensure that you get the help you need.
It is your responsibility to call at your scheduled appointment time. Via Benefits will not call you.

Via Benefits – Medicare
1-844-287-9945
Via Benefits – Pre-Medicare
1-833-939-1215

Don't Skip this Step when Calling Via Benefits
Always take a moment to authenticate your identity as an OPERS benefit recipient

As an OPERS benefit recipient, you receive prioritized treatment when calling Via Benefits. That's right—Via Benefits prioritizes your calls. However, it's crucial for you to let them know who you are when you call so they can give you that priority.

How is that done? By providing some simple information. When calling Via Benefits, you'll first encounter an Interactive Voice Response (IVR) system, which identifies who you are and routes your call. **It's essential to listen carefully to the prompts and respond to them.**

Authenticate your identity by providing this information when asked by the IVR:

- The last four digits of your Social Security Number (SSN)
- Your ZIP Code
- Your date of birth

Once you confirm that information, Via Benefits will know you're an OPERS benefit recipient and prioritize your call.

8 Tips for a Smooth Via Benefits Call during Open Enrollment

1. Listen and respond to the Interactive Voice Response (IVR) system to route your call properly.
2. Authenticate your identity when asked by providing the last four digits of your SSN, your ZIP Code, and your date of birth.
3. If you need to speak with Via Benefits, make an appointment if one is available.
4. If you can't make an appointment and are calling about enrollment, contact Via Benefits as early as possible during the enrollment period. Things always get busier later in the season.
5. Make sure your online profile is updated with your current doctors and prescription drugs. This can significantly reduce the time you spend on the phone.
6. Use Virtual Hold when available to free your time while in queue.
7. Consider shopping for Medigap plans outside the open enrollment period, as these plans can be changed at any time of year.
8. Call Via Benefits as close to your appointment time as possible. They will not call you.

Open Enrollment Education

For more information about 2026 open enrollment, we have created a video tailored to those benefit recipients receiving (or eligible to receive) a monthly HRA allowance. Please scan this code with your smartphone camera to access the video. You can also view this video by visiting opers.org/health-care/open-enrollment.

2026 OPEN ENROLLMENT

For Medicare-eligible participants in the OPERS Health Care Program

2026 Health Reimbursement Arrangement Monthly Deposit

Below is the monthly HRA deposit you are eligible to receive as of Jan. 1, 2026 if you enroll in or maintain your enrollment in a medical plan through the OPERS Medicare Connector. **Please make sure to read your annual enrollment materials from Via Benefits and contact them by Dec. 7, 2025 if you need to make**

2026 Monthly HRA Deposit Amount you are eligible to receive: Your HRA Enrollment Status as of Sept. 1, 2025:

If you are currently enrolled or wish to enroll yourself and any eligible dependents in vision and/or dental coverage, the 2026 premiums are listed below. Use the attached form to enroll or change your level of coverage for 2026.

OPERS Vision Plan - 2026 Monthly Premiums			OPERS Dental Plan - 2026 Monthly Premiums		
Vision Coverage	Per Adult	Per Child	Dental Coverage	Per Adult	Per Child
High Option	\$4.64	\$3.59	High Option	\$39.03	\$23.18
Low Option	\$1.95	\$1.36	Low Option	\$23.16	\$14.07

IMPORTANT: Coverage for you and your dependents will NOT automatically terminate if you decide to enroll in plans elsewhere. To terminate your OPERS coverage, you must use the attached form or call us no later than Dec. 15.

Vision/Dental Open Enrollment Change Form

Before making any decisions, please review the enclosed 2026 vision and dental plan details. After OPERS receives the forms, they are electronically processed. To ensure your changes are communicated correctly, please follow these instructions:

- Complete the form using blue or black ink.
- Please use the circles provided to make coverage change selections. **Do not handwrite your selections.**
- If you are enrolled in a vision and/or dental plan with both OPERS and Via Benefits, take some time to review your coverage needs to determine if both plans are needed.
- Enrolling, making changes or canceling vision or dental coverage? Fill out the enclosed form. Or, you can call OPERS between Oct. 15 and Dec. 15, 2025 to change your plan level or cancel coverage.
- Because of limited space, all covered dependents may not be pre-printed on the form. If you need to confirm the dependents you have enrolled in vision/dental coverage, please log in to your OPERS online account.

No changes? No action is needed by you. You do not need to complete the attached Vision/Dental Open Enrollment Change Form or contact OPERS by phone as your current coverage will automatically continue in 2026.



Legislative Initiatives

Pending Legislative Proposals

HB 73 - Deferred Retirement Option Plan (DROP)

- An optional benefit allows eligible police officers and firefighters to accumulate a lump sum of money for retirement. Currently, this benefit is offered by only 2 of the 5 retirement systems: OP&F and OHPRS.
- The proposal **mandates** that OPERS offer a Deferred Retirement Option Plan (DROP) **exclusively for the Law Enforcement division**, which primarily includes deputy sheriffs. This division comprises approximately 8,000 members out of the total 300,000 active OPERS member.
- OPERS offers a Partial Lump Option Payment (**PLOP**) and allows for a Money Purchase Annuity which is a better financial option for our reemployed retirees.

Pending Legislative Proposals

Pension Bill SB 69

**Legislator's placeholder bill
for items to be determined**

- Statutory amortization period
- Other solutions – Systems and Legislators

Pending Legislative Proposals

Employer Contribution Rate Increase – HB 280 / Senate 239

- Ohio Police & Fire – legislative proposal to increase employer contribution rates from 19.5% to 24%
- Does not include OPERS law enforcement members.
- Creates further inequity.
- Consideration should be given to other system contribution rate requests.
- Strong employer pushback

Pending Legislative Proposals

OP&F Transfers – HB 424

- Would unwind the changes to the law that OPERS requested back in 2015.
- Change requirement that members who have service credit in multiple systems retire from the system with the most service (use example). This is the standard for all other Ohio systems, except OP&F.
- This is a re-introduction of last session's HB 94. It has received much attention, but there has been no consensus on how best to address the issue.



Summary

Summary

- Your HRA amount is expected to remain the same through 2030. Refer to your open enrollment statement to check your amount.
- Review all your open enrollment materials and information from OPERS and Via Benefits – the market will experience some changes this year.
- Our funding is strong, but we aim to further enhance it and strive for a funding level exceeding 100%.

Summary

- Stay informed about legislative issues that could affect your retirement by following our newsletters, blog, and email updates.
- Retirement security is essential not only for you and OPERS but also for the entire State of Ohio. OPERS continues to be a significant economic investment for the state, and your role is vital in maintaining this security.

Questions?

