



FRATERNAL ORDER OF POLICE OF OHIO, INC.

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HOW WE GOT HERE

Healthcare for the OP-F Retirees has been a long term problem for the Fund and our members. OP-F Trustees have been warning our members and the FOP for years that changes would have to be made due to the rising costs of prescription drugs; the shortage of people paying into the system due to cuts in local government funds and people living longer and the most importantly, employer contributed funds for healthcare being reduced from 6.5% to .5% in order to become 30 year funding compliant as mandated by the Ohio legislature.

There is no conspiracy about why these changes were made, it is a simple math problem of not having enough revenue to deliver healthcare the way it has been done before.

What has the Fraternal Order of Police of Ohio done in response to the Ohio Police and Fire Pension Fund changing the way healthcare is being delivered to our retired members?

The FOP has worked for years to delay departure from the Self-funded model, which is becoming common among pension systems. OPERS voted to make this change in 2014 over our strenuous objection. The OPERS plan also eliminated spousal participation in the group plan for current and future members making the insurance situation much worse for the group of FOP members in that system.

The majority of our members, under OP&F, retained the most generous benefits for the longest period of time of all five systems, thanks to the efforts of the FOP.

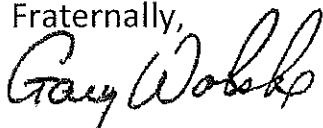
As it became clear that the Health Care Trust continued to be depleted at an alarming rate, we took the following actions in the last several months:

- We lobbied to delay the implementation of the healthcare change for a year for all members in order to better prepare for this change.
- We lobbied to delay the implementation of the healthcare change for the pre-Medicare segment of our membership in order to better prepare for this change.
- We lobbied our Congressional delegation for changes in Medicare to permit 1st Responders to join Medicare at age 55.
- We organized multiple meetings for OP-F to explain the changes to our membership and have used our social media platforms to help amplify the messaging of OP-F about their efforts once this change was in motion.
- We have worked with individual members who had issues that they could not solve on their own to get them in touch with the right people to get those issues corrected.

Recognizing some of the problems with the new healthcare system, the FOP will concentrate on the following steps to improve the situation of our membership:

- Work with OP-F to allow members to purchase healthcare plans of their choosing and still receive their stipend tax free by purchasing IRS tax deferred plans. (IRS publication 502)
- Work to make changes in federal law that will assist our members in the cost of healthcare
 - Medicare at 55 for 1st Responders
- Work to make changes in Ohio law that will assist our members
 - Increase the revenue for OP-F to be used to supplement the healthcare stabilization fund
- Work with OP-F and the Legislature to make changes to DROP to allow our members to better prepare financially for retiree healthcare
 - Work to allow members in DROP to “unwind” out of DROP and re-enter without penalty
 - Work to increase the maximum years of DROP participation to 10
- Work with OP-F to establish a financial education plan so that younger members can prepare for a retirement without healthcare funding from OP-F.

Fraternally,



Gary Wolske
President