

PERSPECTIVES

Retired
Member
Edition

Annual Variable Annuity adjustment February 1

If you are one of some 11,000 PERS retirees who remained in the Variable Annuity Program at retirement, the variable annuity portion of your monthly retirement benefit is adjusted every January for the payment beginning February 1. The change will begin in your February 1, 2009 benefit payment and you will receive a check stub in the mail regarding your benefit adjustment.

The adjustment is based on the variable account's 12-month period of gains or losses as of the preceding October 31 (e.g., November 1, 2007 to October 31, 2008).

At retirement, your benefit is calculated using an assumed rate of return for each year of your actuarially determined life expectancy. As a result, the annual variable adjustment uses the "assumed" investment rate of return in effect when you retired (e.g., 8 percent for retirements since June 1, 1992; 7 percent for retirements January 1, 1978 through May 31, 1992; and 5.5 percent for retirements prior to December 31, 1977).

For retirements since June 1, 1992, the variable fund must earn more than 8 percent for you to receive a benefit increase. If the fund earns less than 8 percent, the variable portion of your benefit decreases.

If the variable fund earns 0 percent or less, the 8 percent "assumed" rate is added to the loss.

PERS Health Insurance Program premiums

Although health insurance premium costs are usually going up, up, and up, most of the PERS retiree health insurance plans experienced only small premium increases for 2009. Premiums for some of the non-Medicare insurance plans decreased (see page 2).

With the exception of changes mandated by Medicare for 2009, most of the plans retained the benefits offered in 2008.

Medicare increased the prescription drug out-of-pocket maximum per person for calendar year 2009 to \$4,350, an increase of \$300. Once this out-of-pocket maximum is reached, the PERS Prescription Drug plan pays 100 percent.

Medicare also held the Part B (outpatient services) premium cost to \$96.40 for 2009. The Medicare calendar year deductible for the ODS Supplemental Plan also remained the same for 2009 at \$135 per member.

PERS recently mailed the 2009 PERS Health Insurance Program Member Handbook and Benefit Guide to all PERS health insurance enrollees with a benefit change summary (beginning on page 22). If you did not receive a booklet, or have questions, please contact PERS' Health Insurance Program Customer Service at 800-768-7377.

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PERS Health Insurance Program premiums

If you participate in the PERS Health Insurance Program, your monthly premium changes January 1, 2009.

Below are 2008-2009 PERS Health Insurance Program monthly rate comparisons for **Medicare** participants (the rates shown below are AFTER the \$60 PERS Retirement Health Insurance Account monthly contribution).

Plan	Retiree with Medicare		Retiree and family with Medicare		Retiree with Medicare; family without Medicare	
	2008	2009	2008	2009	2008	2009
ODS Supplement Plan	\$143.39	\$150.95	\$334.42	\$349.00	\$939.96	\$872.74
Clear Choice Health Plans	\$119.89	\$142.45	\$297.78	\$342.90	\$827.38	\$906.15
Kaiser Permanente	\$136.72	\$144.42	\$331.44	\$346.84	\$725.22	\$715.33
ODS Advantage PPO	\$116.03	\$119.19	\$289.46	\$295.78	\$898.18	\$831.74
Providence Medicare Choice	\$80.39	\$87.95	\$218.95	\$234.07	\$748.67	\$688.73
Providence Medicare Extra	\$110.39	\$117.95	\$279.04	\$294.16	\$778.67	\$718.73

Below are 2008-2009 PERS Health Insurance Program monthly rate comparisons for **non-Medicare** participants (does not include the varying PERS Retiree Health Insurance Premium Account monthly contribution).

Plan	Retiree without Medicare		Retiree and family without Medicare		Retiree without Medicare; family with Medicare	
	2008	2009	2008	2009	2008	2009
Clear Choice Health Plans	\$661.09	\$711.01	\$1,368.58	\$1,474.70	\$827.71	\$899.52
Kaiser Permanente	\$590.50	\$572.91	\$1,179.00	\$1,143.82	\$785.22	\$775.33
ODS PPO Plan	\$829.11	\$765.74	\$1,440.87	\$1,398.21	Refer to handbook	
Providence Health Plans	\$634.68	\$571.27	\$1,302.96	\$1,172.05	Refer to handbook	

Annual tax statements to be mailed in January 2009

In January 2009, PERS will mail an Internal Revenue Service Form 1099-R to each individual who received a benefit or an account balance withdrawal payment from PERS in calendar year 2008. You will receive more than one 1099-R if you received your monthly benefits *and*

- ♦ police and fire unit benefits,
- ♦ beneficiary benefits,
- ♦ turned age 59 1/2 in 2008, or
- ♦ directly rolled over your benefit.

If you do not receive your 1099-R by February 13, 2009, you may request a duplicate by writing or faxing your request to PERS.

PERS will mail 2008 1099-Rs to a benefit recipient's address on file at PERS. If your address has changed, you need to complete the Change of Address form available on the PERS website at <http://oregon.gov/PERS>.

Alternatively, you can contact Customer Service at 503-598-7377 or 888-320-7377 to have the form mailed to you. You can also fax the completed, signed Change of Address form to 503-598-0561.

Your December 1, 2008 check stub has additional information that may be helpful in tax planning. The check stub shows your total PERS benefit payments you received in 2008 and the total amount withheld in 2008 for state income taxes if you are an Oregon resident. Also shown on your check stub is the total annual deduction for health insurance if you participate in the PERS Health Insurance Program.

All benefit recipients receive a check stub in December, and you will receive a check stub in the mail whenever your benefit amount changes.

Notify PERS

Please remember that PERS must be notified of the death of a member, alternate payee, and/or beneficiary receiving PERS benefits.

Send a copy of the death certificate to:

PERS
P.O. Box 23700
Tigard, OR 97281-3700



Long term care meetings continue. Pre-registration is not required.

Long term care helps those who need assistance with daily living activities, either at home or in a facility. This can be due to an accident, an illness, or advancing age. The need for long term care is not limited to the elderly. Anyone who cannot function independently may need the protection of long term care insurance. Accidents and unexpected illness can happen at any time and at any age. These meetings explain the options available to PERS retirees and do not require pre-registration.

Perspectives is published by the Oregon Public Employees Retirement System for the benefit of PERS/OPSRP members and employers. Address all correspondence to **PERS, P.O. Box 23700, Tigard, OR 97281-3700**. PERS headquarters is located at **11410 SW 68th Parkway, Tigard, Oregon**. Phone **503-598-PERS** or toll free **888-320-7377**; TTY: **503-603-7766**. Telephone hours are 8:30 a.m. to 5:00 p.m., Monday through Friday, except holidays. PERS' Internet address is <http://oregon.gov/PERS>.

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Date	Location	Meeting Time	Seats
Jan 12	Rivershore Grill 1900 Clackamette Dr. Oregon City	9:30 - 10:30 a.m.	50
Feb 6	Benton County Fairgrounds 110 SW 53rd St. Corvallis	9:30 - 10:30 a.m.	50
Mar 5	Roth's Hospitality Center 1130 Wallace Rd. NW Salem	9:30 - 10:30 a.m.	50
Apr 9	Rivershore Grill 1900 Clackamette Dr. Oregon City	9:30 - 10:30 a.m.	50



2009 schedule to mail monthly benefit checks from Salem

2009 Paydate	Date check mails from printing facility in Salem...
January 1	December 31, 2008 (Wednesday)
February 1	January 30 (Friday)
March 1	February 27 (Friday)
April 1	March 31 (Tuesday)
May 1	April 30 (Thursday)
June 1	May 29 (Friday)
July 1	June 30 (Tuesday)
August 1	July 31 (Friday)
September 1	August 31 (Monday)
October 1	September 30 (Wednesday)
November 1	October 30 (Friday)
December 1	November 30 (Monday)

Customer service survey results and strategies

PERS' 2008 customer service survey shows improvement in every category compared to the 2007 results. More than 4,100 people responded online and via hard copy during August.

Participants rated PERS in eight areas: timeliness of services, ability to provide services correctly the first time, helpfulness, knowledge and expertise of PERS' employees, availability of information, the overall quality of service PERS provides, the PERS website, and how our service in the past year compared to previous years.

The key issues and suggestions from the comments we received are shown below along with PERS' strategies to address those items.

1. It is sometimes difficult to get consistent, accurate answers to questions.

Members request information through telephone calls, e-mail, letters, and by visiting a PERS office.

Survey comments indicate that regardless of the method members use to contact PERS, they sometimes receive inconsistent answers to questions.

To address this concern, we are:

- Continuing to offer core staff training in features of the Tier One/Tier Two and OPSRP programs;
- Using the incoming telephone message to encourage callers to use the website and the A-Z topic listings.
- Distributing internal newsletters to keep staff abreast of changes in business rules, Oregon Administrative Rules, Board policy decisions and actions; and
- Ensuring our Information Center response scripting uses the same verbiage as publications and the A-Z directory to provide consistent answers.

2. Provide on-line account and individual information access.

Members and retirees would like on-line account access, including the ability to view individual annual statements on-line and make demographic changes (addresses, beneficiaries, etc.).

PERS is converting our legacy computer system to an upgraded system that will allow on-line access and transactions. We began the conversion in 2004 and plan to complete the project in 2010, at which time many of these services will be available.

Percent of respondents rating “excellent” or “good” (the state’s Key Performance Measures do not include the “Don’t Know” responses; the numbers in the graph have been rebaselined to exclude those responses)

