EMPLOYER Outreach

OPERS

National rating service ranks Employer Reporting as 94

FOURTH QUARTER 2008

Still excellent

Cost-Effective Measurement, or CEM, is an independent benchmarking service specializing in analysis of pension systems. Nationally recognized, international in scope, CEM gathers information via surveys and then reviews—and rates—a pension system's activities by analyzing costs, service levels to specific target groups (members, retirees and employers), plan complexity, transaction volume, and cost of environment (city in which system is located).

OPERS, as an extremely large pension system, is evaluated to comparable pension systems; those systems comprise OPERS' peer group. In OPERS' case, the peer group includes 13 systems such as CalPERS, Arizona SRS, Michigan ORS, NYSLRS and Virginia RS, to name a few. Just so you know, peer group is based on membership size.

The most recent report shows that, for the third consecutive year, the Employer Reporting statistics were outstanding—an overall ranking of 94. The previous year's survey ranked OPERS at 95.

Let's take a closer look:

- OPERS received 94 (out of 100) for overall service to employers; the peer-group average was 70.

- Employer Reporting processes information from 3,270 employers—that's significantly above the peer median of 1,094. As a result, and not surprisingly, the cost for data from employers was slightly higher than the peer median: $10 per active member for OPERS rather than the average of $8.

- Despite the significantly larger employer base, the OPERS cost for billing and inspection was exactly equal to the peer median.

- The cost for service to employers is $490 per employer—significantly below the peer median of $704. This is especially noteworthy in light of the service score rating of 94.

The story behind the numbers

Why do we review this information so carefully? (And why should you care?) Well, the main purpose of this report is to let us know how, as a system, we're managing costs and providing service to all stakeholders—including members, employers and retirees. Employer Reporting, as a business unit, is reviewed on a variety of employer-oriented activities, including:

- Training provided for employers,
- Site visits provided,
- Employer-specific communications,
- Number of calls received,
- Actions to monitor employer satisfaction,
- Employer Web site presence, and
- Availability of processing software.

Employer Reporting scored extremely well in these categories:

- Fewer employer calls and emails—meaning outbound communications does the job with the right explanations from the start.

- Providing an employer-specific, up-to-date and regularly maintained manual.

- Providing reporting software that is available via the Web and provides for error checking and feedback.

OPERS—the System as a whole

As a pension system, OPERS received excellent ratings on a wide variety of topics.

- Regarding administrative costs, OPERS continues to show itself a prudent steward of funds. The adjusted administrative cost is $50, well below the median of $54. OPERS' ability to score below the median is especially important when you consider that we have a higher volume of member transactions (emails and letters), a higher number of refunds and transfers, and the cost of our location is higher.

- Regarding service scores by activity, in addition to the outstanding employer scoring, OPERS received some seriously high ratings:
  - ❖ *Counseling:* OPERS 97; peer group average 79

Pay Period Begin and End codes—the rest of the story

Employer Outreach representatives continue to receive many questions about using Pay Period Begin (PPB) and Pay Period End (PPE) codes. Following are all the facts…

First things first

Why does OPERS even need pay period codes? Well, Pay Period Begin (PPB) and Pay Period End (PPE) codes have always been a requirement for accurate retirement contribution reporting. We need the information so accurate service dates for a new or terminating employee will be reflected on each account and the proper amount of service credit issued. Dates are especially important as all pension benefits and health care coverage are determined by the amount of time (service credit) individuals have worked in public service.

Proper use of pay period codes lets OPERS provide better service to your employees and in many ways helps protect employers by providing a complete and accurate work history for every public employee. Correct service dates result in OPERS having the ability to:

- Quickly identify leave time that may be eligible for purchase or granted at no charge,

- Maintain a complete work history that provides for quicker service when processing your employee's retirement or refund,

- Maintain accurate employee lists, and

- Prevent future reporting errors by removing terminated employees from reports.

History

A few years ago, employer feedback generated a request for the list of codes to be expanded. This revision to the codes resulted in more descriptive codes, such as the PPE code for seasonal or intermittent employees. At the same time, the use of these expanded codes was required with the implementation of the enhanced retirement reporting standards.

Just plain important

The Pay Period Begin (PPB) codes are required on the *Report of Retirement*

Contributions when reporting an employee's salary and retirement contribution for the first time—this is when an employee is newly hired to your organization, when an employee returns from a leave or intermittent/seasonal status, or when an employee becomes a re-employed retiree.

Colleges and universities should realize that PPB codes are required when a student no longer meets the eligibility requirements for exempt status and must begin making contributions to the retirement system.

Pay Period End (PPE) codes are required to let OPERS know when an employee is no longer on active payroll. OPERS has 10 PPE codes. Use of these codes when an employee is no longer actively working advises OPERS of the employee's status for what will appear as a break in service. Accurate use of the PPE code by employers helps trigger processes at OPERS that help us communicate with your employees about their status with the retirement system.

Just so you know, for employees returning to work from inactive status, the PPB code must correspond to the previously reported PPE code. Simply put, the PPE code used when the employee was last reported must align—not contradict—the new PPB code. For example, the PPE code M (for Military Leave) must be aligned to the PPB code of T (for Return from Military Leave).

Errors and omissions

Everyone can make a mistake and sometimes a code is incorrect or omitted.

ECS-reporting employers can quickly and easily add or correct a PPE code via the *Pay Period End Code Management* feature on ECS. (Another great reason to use ECS.) Paper-reporting employers can make changes to PPE codes via notes on the *Report of Retirement Contribution* or by written communication to Data Maintenance at OPERS.

Forgetting to use PPB codes, both on ECS or on paper, will result in reports being rejected for errors and require correction prior to processing.

Tis the season…the seasonal employee

Some employers have a significant number of seasonal/intermittent employees, and processing these employees can mean a significant amount of work. Here are some quick tips on how to handle these employees.

- Paper-reporting employers should:
  - ❖ At the beginning of the seasonal or intermittent employee's return to work, use the PPB code of S (Seasonal/Intermittent) the first time the employee is back on your payroll.

  - ❖ When reporting the last consecutive payroll for the seasonal/intermittent employee's return to work, use the PPE code of S. This indicates to OPERS the employee is remaining on your payroll and you anticipate their return to work at a future date.

  - ❖ If an employee is only working a single pay period or a single month, or you are not certain how frequently they will be working, you may report with both a PPB and PPE code of S on the same contribution report.

  - ❖ Colleges and universities with students coming on and off exemption should apply the same rules, but use PPB and PPE code of X (Student Exemption).

- ECS-reporting employers should:
  - ❖ On the initial *Report of Retirement Contributions,* use the PPB code of S (Seasonal/Intermittent) or X (Student Exemption) with the correct payroll dates.

  - ❖ Report the employee as you normally would in subsequent reporting periods.

  - ❖ When presented with a blocking error directing you to Pay Period End Code Management on ECS, add a PPE code of S to the last reported contribution for the employee and use a PPB code of S on the current report.

ECS provides immediate feedback of errors, and provides for an immediate fix via the code management system.

2009 Preview: Targeted training for employers

Recognizing that one-size-fits-all rarely fits anyone, Employer Outreach has revamped its 2009 training with a new strategy in mind—targeted training. Beginning with the first quarter lineup, employers will see that the training schedule for 2009 is segmented by employer group and content so that sending employees to OPERS-sponsored training will be a far more rewarding experience.

More than 30 employer representatives attended Employer Reporting's college and university-specific training in November.

What's changed?

Well, many elements will be changing. Recognizing that traditional timing of our training offerings hasn't suited all employers, the first thing you'll notice is the number, timing and location of offerings will be more varied in 2009:

- Late-day and early evening seminars will be offered in all regions throughout the year— especially in those areas where we have a high concentration of villages and townships, which means many individuals are handling retirement contribution processing on a part-time or second-job basis.

- More, more, more— we'll be looking for more locations in each region so that training is even more convenient for employers.

- And, you'll see in 2009 that we'll be test marketing new ways to deliver our materials; the schedule will note when topics will be delivered via Web-based seminars.

New Topics

As mentioned above, we'll work to segment especially large employer types who have traditionally had precise questions and training specifications.   To that end, you'll see:

- Library–specific seminars,
- Seminars geared to large employers,
- Township and village-specific seminars, and
- New administrators' overview.

Some of our most popular seminars will be revamped to provide better and more information. That includes the ECS seminars that will again be featuring the basics as well as advanced applications.

At employer request, additional topic-specific seminars are under consideration including:

- Basic monthly reporting seminar (especially ideal if you're onboarding new employees responsible for OPERS-related functions), and

- Helping retiring employees— empowering employers with all the information needed to ensure your retiring employees are making knowledgeable decisions about their financial futures (this will include a health care segment).

More information

All this change won't do any good if we don't get the information out to you in time to sign up. We've planned more seminar communications for 2009 so that you'll be up-to-date in keeping your employees informed about upcoming training.

Some things never change

As always, the Employer Outreach seminars are free of charge. However, registration will always be requested to ensure the supply of seminar materials. And, we know that some people just do better with one-on-one training—one-on-one training is always just a phone call away.

You're invited

Consider this your save-the-date for 2009 being the year of training. Join us and bring your staff—empower them to know about, select and attend the training designed to help make their job more productive, more rewarding and more enjoyable.

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- ❖ *Mass communication:* OPERS 83; peer group average, 67

- ❖ *Member statements:* OPERS 94; peer group average 70

Why participate in CEM?

To quote the old axiom, *What gets measured, gets managed.* At the ongoing direction of the Board of Trustees, all OPERS divisions are working to do more with less. For our employer stakeholders, that means we're working to provide you with the best possible service, products and technology to make your retirement contribution work less complicated and more accurate. The CEM tool helps us glean best practices from our pension peers, identify what's important and focus on our activities. The result? We're constantly evolving so that we can positively position this System to deliver on its promise to all members— meaning you and your employees.

Enhanced Employer Call Center service— virtual hold a hit

Is there anything more annoying than waiting in queue for the next available service representative? Studies show a long-hold wait time (and the definition of long is surprisingly short) erodes customer satisfaction almost immediately. It also diminishes productivity for the caller and internal employees. Recognizing the many positives to be realized, the Employer Call Center implemented important changes to ensure shorter hold times for employers. As of September, the Employer Call Center put into practice virtual hold service—and the reaction has been overwhelmingly positive.

Virtual hold. Defined.

Virtual hold is basically a service that gives employers an option to stay on the line and wait for the next available customer service representative OR choose to input your phone number, state your name and receive a call back.

The system will let you know how long your anticipated wait will be then…you just hang up. You'll be connected by the system when the next available customer service representative is available.

The virtual hold option kicks in to action only when needed—when all representatives in the Employer Call Center are engaged with calls.

Common questions

Some employers have asked if the system can delete the call. More good news—it is impossible to be forgotten; the virtual hold system queues up calls and your call will be returned:

- In the order in which calls are received, and
- By the time estimate given.

In the work place, the unexpected is the expected. What happens if you're

not available when the call is returned? If you step away or become otherwise engaged? No worries. When the return call finds you unavailable (no answer) or busy, the Virtual Hold system automatically places you on redial and makes three attempts to call you back—with the call-back attempts spaced at five-minute intervals. However, to date, the redial system has not been needed because employers have been available for the initial call back 100% of the time.

Employer reaction

Simply put, virtual hold has proven to be very popular. Employers love it because time is freed up to accomplish other tasks. Employer Call Center associates are thrilled because it gives employers much better service—and the virtual hold option has virtually eliminated the conversations about wait time.
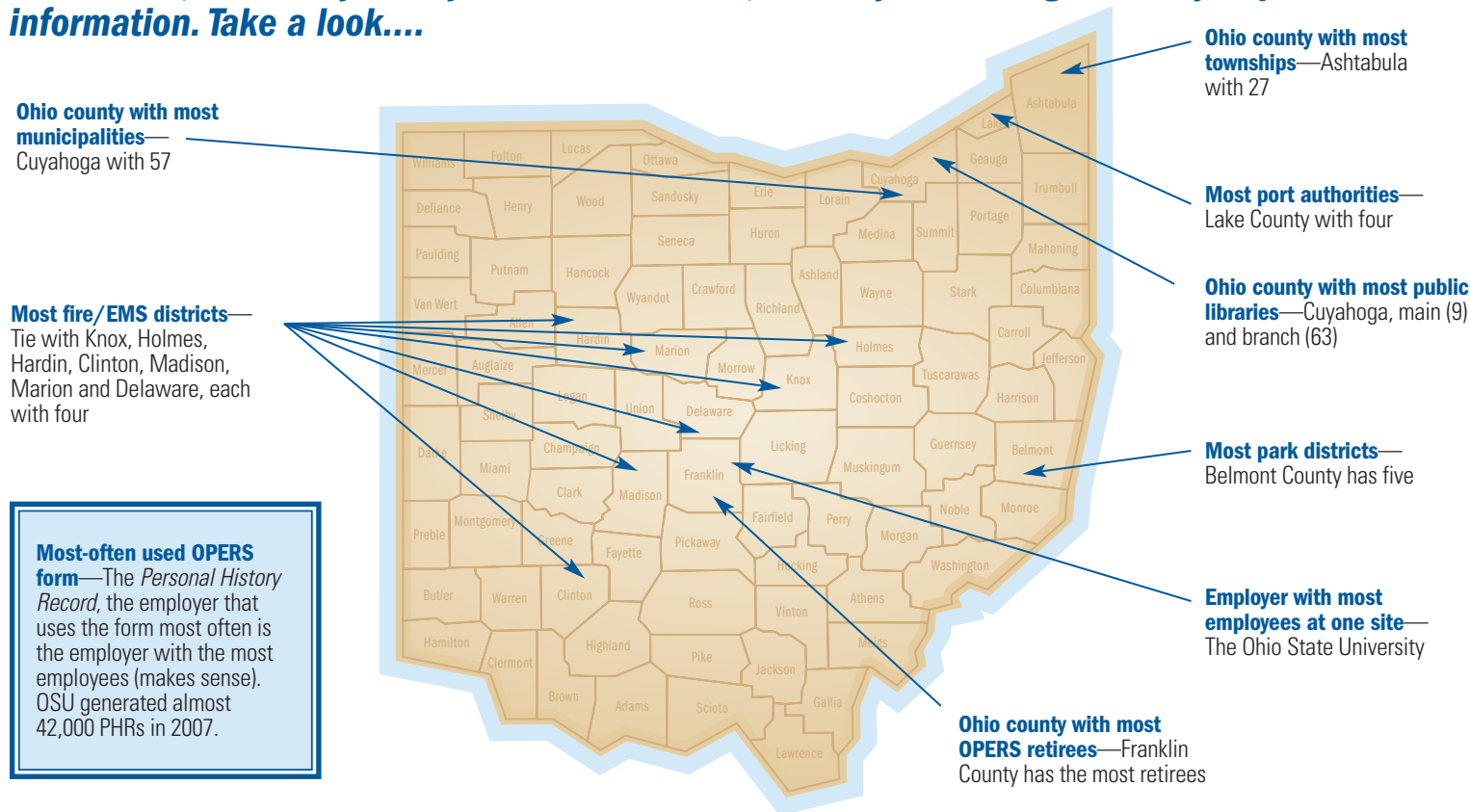
Employer Honor Roll

Electronic Distribution of Employer Communications

EDEC Registrations: September 2008 – November 2008

Marion Correctional Institute
Ohio Arts Council
Industrial Commission
Franklin Pre-release Center
Gallia County
Joel Pomerene Memorial Hospital
Morrow County
Preble County
Sandusky County
City of Highland Heights
City of Indian Hill
City of Lockland
City of Mentor
City of North College Hill
Greater Cleveland Regional Transit
Hocking Metropolitan Housing Authority
Village of Bellville
Village of Cumberland
Village of Fairport
Village of Madison
Village of New Lebanon
Village of Oakwood - Paulding County
Village of Peebles
Village of Roseville
Village of Sebring
Village of Shawnee
Village of Woodsfield
Village of Yorkville
Williams County Public Library
Franklin Public Library
Germantown Public Library
McComb Public Library
Medina County District Library
Peninsula Public Library
Garnet A Wilson Public Library

Willoughby Eastlake Public Library
Geneva Union Cemeteries
Conneaut Port Authority
Reno Area Water and Sewer District
Lorain County Metropolitan Parks
Martins Ferry Park District
Lien Forward Ohio Council Of Government
Union Cemetery of Port Washington
Geneva Township
Lewis Township
Genoa Township
Jackson Township
Washington Township
Clay Township
Columbia Township
Huntington Township
Columbia Township
Put In Bay Township
Barlow Township
Springfield Township
London Correctional Institute
North Central Correctional Institution
Champaign County
Jefferson County
Mahoning County
Cincinnati Law Library
City of Avon
City of Barberton
City of East Palestine
City of Galion
City of Geneva
City of Mansfield
City of Niles
City of Uhrichsville

City of Wilmington
City of Willoughby Hills
Fairfield Metropolitan Housing Authority
Springfield Metropolitan Housing Authority
Athens Metropolitan Housing Authority
Village of Andover
Village of Chippewa Lake
Village of Galena
Village of Garrettsville
Village of Georgetown
Village of Germantown
Village of Green Springs
Village of Harveysburg
Village of La Rue
Village of Mendon
Village of Meyers Lake
City of Munroe Falls
City of Pataskala
Village of Powhatan Point
Village of Swanton
Logan County Library
Claymont School District Public Library
Galion Public Library
Greenwood Union Cemetery
Lake County Port Authority
Madison Fire District
Clinton County Memorial Hospital
McKesson Information Solutions Carryover
Glendale Cemetery
Jefferson Water and Sewer District
Warren County Community Mental Health Centers
Southwest Licking Community Water District
Ada Liberty Joint Ambulance District

Hillgrove Union Cemetery
Wellington Community Fire District
Marion Township
Perry Township
Monroe Township
Rose Township
Batavia Township
Union Township
Vernon Township
Claridon Township
Adams Township
Springfield Township
Saline Township
Concord Township
Newton Township
Lafayette Township
Summit Township
Chester Township
Jackson Township
Ravenna Township
Clinton Township
Mclean Township
Van Buren Township
Vienna Township
Weathersfield Township
Regulatory and Licensing Boards
Chemical Dependency Professionals Board
Ohio Tuition Trust Authority
Commission on Latino/Hispanic Affairs
Ohio Medical Transportation Board
Board of Orthotics & Prosthetics
Lake Erie Commission
Ohio Commission on Minority Health
State Board of Career Colleges and Schools
Liquor Control Commission
Allen Correctional Institution

Summit County Carryovers
City of Beachwood
City of Brooklyn
City of Warrensville Heights
City of Xenia
Village of Dillonvale
Village of Gates Mills
Village of Loudonville
Village of Martinsville
Village of Middlefield
Village of Miller City
Village of Moscow
Village of North Fairfield
Village of Pioneer
Village of South Lebanon
Village of Strasburg
Ashtabula County Public Library
Stark County District Library
Warren-Trumbull County Public Library
Western Guernsey Regional Water District
Henry County South Joint Ambulance District
Greene County Transit Board
Stillwater Hospital
West Licking Joint Fire District
Blanchester-Marion Township Joint Fire District
Sandusky Township Sewer District
Ohio Mideastern Government Association
Metro Regional Transit Authority
Berlin Township
Washington Township
Auburn Township
Marion Township
Madison Township
Blanchard Township

Employer Spotlight

Ohio's public employers have an impressive number of gee-whiz facts associated with them. Sometimes, in the day-to-day crush of business, it's easy to lose sight of very impressive information. Take a look....

Ohio county with most townships—Ashtabula with 27

Ohio county with most municipalities—Cuyahoga with 57

Most port authorities—Lake County with four

Ohio county with most public libraries—Cuyahoga, main (9) and branch (63)

Most fire/EMS districts—Tie with Knox, Holmes, Hardin, Clinton, Madison, Marion and Delaware, each with four

Most park districts—Belmont County has five

Employer with most employees at one site—The Ohio State University

Most-often used OPERS form—The *Personal History Record*, the employer that uses the form most often is the employer with the most employees (makes sense). OSU generated almost 42,000 PHRs in 2007.

Ohio county with most OPERS retirees—Franklin County has the most retirees

Mailbox

Q: I'm new at my job and it seems to me that I send many documents both electronically and then follow up with a hard copy. Is this really how you want things done?

A: We're glad you asked. This is duplicative work—for employers and for OPERS. Together, we can end the madness. Here's a listing of what documents should no longer be sent to OPERS via hard copy:

➢ **ECS-paying employers:**
You do not need to complete and send the *Employer Remittance Advice* (form E-3) if you are scheduling a payment for the total amount of your report; this information is captured online. If you are scheduling an additional payment, we still need the E-3 but very soon this requirement will disappear as well.

➢ **ECS-reporting employers:**
If you submit any of the following forms via ECS, do not follow up with a hard copy, or confirmation page:
• *Personal History Records* (PHR or form A),
• Large Earning breakdown, and
• *Report of Retirement Contributions.*

➢ **All employers:**
Please be aware the following documents should never be sent to OPERS:
• UAN report printout for a previously sent prelist report,
• Pages from your payroll reports; payment information will already be reported to OPERS via the *Employer Remittance Advice* form,
• The instruction page for the SSA-1945 (We only need the form itself), and

• The *Payroll Recap* form—because OPERS no longer uses it.

In addition, there are some documents that are regularly misdirected to OPERS. State of Ohio forms such as *Personnel Action* form and *New Hire Notification* should never be sent to OPERS.

Q: What forms can be filled out online?

A: OPERS is beginning to convert some of the forms on the Web site so the form can be filled out online. However, note that these forms still need to be printed and sent in. As of December 2008, the following forms are loaded on the Web site for online completion:

• Application for a *Transfer to an Alternative Retirement Plan* (ARP) (form A-4 ARP),
• *Retirement Plan Election* form (form ARP-3),
• *Report of Employer for Disability* Applicant (form DR-4),
• *Personal History Record* (form A)*,
• *Combined Plan Refund Application* (form A-4CO),
• *Member-Directed Plan Refund Application* (form A-4MD),
• *Certification of Unreported Public Service* (form AA), and
• *Certification of Interrupted Military Service* (form IM-1).

* This form is also available to be submitted electronically via the Employer Contribution System (ECS).

Please note that while the employee may fill out these forms electronically, a printed version must be provided to you to complete the employer section. Once you have completed your section, please send the form to OPERS.

Health Care Update

Pharmacy FAQs for Traditional and Combined plan participants only

Employers are a valuable resource of information for employees—especially when employees are facing the transition to retirement. Employer Outreach wants to ensure you have all the necessary information so that you can assist your employees facing this important stage of life. Few topics generate more questions than information on prescription drugs. Here are some of the most-often asked questions from soon-to-be retirees—and, of course, the at-a-glance accurate answers.

Q: Are active employee prescriptions automatically included in retiree coverage?
No. Retirees will need to obtain new prescriptions from their physician and submit them to Express Scripts. Express Scripts sends retirees a mail order form in the *Express Scripts Welcome* packet at retirement. OPERS packages pharmacy coverage with its medical plans. So, regardless of the OPERS medical plan chosen at retirement, pharmacy coverage is included. However, retirees will see a difference in medication co-payments based on the medical plan level chosen.

Q: What medicines are not covered?
Retirees are not limited to certain medications. Co-payments will be different, based on whether the medication is generic, formulary brand (preferred) or non-formulary brand (non-preferred). Retirees are encouraged to use generic medications because generic medications have the lowest co-payment. Formulary medications have a slightly higher co-payment and non-formulary medications will have the highest co-payment. A formulary list of the most commonly prescribed drugs is issued every year. This list can change periodically and can be found on the OPERS Web site at www.opers.org by accessing the Retirees section, then selecting RX Coverage.

Q: What about medical devices for chronic issues?
Usually, durable medical equipment will be covered. However, this is based on the coverage chosen. Some medical devices are not classified as a pharmaceutical claim, but items such as diabetic meters and testing strips or inhalers are covered under the pharmacy plan. These items still have formulary and non-formulary designations.

Q: Will prescription coverage be the same as the employer's plan?
No. The OPERS health care plan is a completely different plan than employers' plans. Although some aspects of the coverage may be the same, formulary lists may differ, medications may have different co-payments and may have different plan requirements.

Q: Which is preferable, local pharmacy or mail order?
Retirees have a choice to receive medications either via the local pharmacy or Express Scripts, OPERS' mail order delivery provider. Generally, a 30-day supply is available via the local pharmacy and up to a 90-day supply through mail order. The co-payment for a 90-day supply will be three times the co-payment for a 30-day supply.

Q: Do certain medications have lower co-payments than others?
Yes. Co-payments for prescription medications vary depending upon whether the medication is formulary or non-formulary, and how the medication is supplied, via participating retail pharmacy or the mail-order program. Retirees will always save money by using generic and formulary (preferred brand-name) drugs. To check the formulary status of a medication or the estimated price of a prescription, retirees can contact Express Scripts at 1-866-727-5873 or visit www.express-scripts.com.

Q: If Express Scripts is the employer's prescription provider, will existing prescriptions automatically transfer?
No. Retirees will need to obtain new prescriptions from their physician and submit them to Express Scripts. Express Scripts sends retirees a mail order form in the *Express Scripts Welcome* packet at retirement.

Q: What happens if retirees do not receive ID cards prior to coverage starting?
Identification cards will automatically be sent to retirees once the first monthly benefit has been released. If a retiree is in need of medication prior to receipt of their ID card, they must obtain the medication at their local pharmacy and pay for it out-of-pocket. Then, submit the claim to Express Scripts for reimbursement. Retirees will need to contact Express Scripts for a claim form, at 1-866-727-5873 or visit www.express-scripts.com.

Q: Are all local pharmacies in the Express Scripts network?
The Express Scripts network has more than 59,000 retail pharmacies throughout the U.S. and includes most large retail chains. If a retiree's local pharmacy is not included in the Express Scripts' network, Express Scripts will help locate a network neighborhood pharmacy that is.

Q: Do retirees have to get doctor approval for all medications?
Some medications may require prior approval from Express Scripts to ensure coverage by the plan. Retirees should contact Express Scripts prior to ordering medication(s) to determine coverage. Sometimes, a retiree's physician will be required to submit information for Express Scripts to review and determine coverage.

Of course, these are only some of the most common questions. Employers are encouraged to make sure soon-to-be retirees get all the information needed to make the right decisions for a secure retirement. Employees—especially soon-to-be retirees-are urged to contact OPERS directly with any questions about retirement benefits and health care coverage.

Info to Go...

Schedule of Due Dates

Month*	Due Date for employee & employer payments & *Report of Retirement Contributions*
January	March 2
February	March 31
March	April 30
April	May 31
May	June 30
June	July 31
July	August 31
August	September 30
September	October 31
October	November 30
November	December 31
December	January 31

*Pay period must end within the month indicated. Pay periods containing multiple weeks that cross months are carried over to the next month's reporting schedule.

Changes to clarifications for ECS-reporting employers

Based on employer input, the following changes have been made, effective immediately:

- **Pay Period Code changes**—you will no longer receive clarification notices for Pay Period Code changes made to your *Report of Retirement Contributions.* Existing clarifications will remain until you clear them by submitting an answer, but no new ones will be generated.

- **Large Earnings clarifications**—via warnings, will still be sent asking for clarification of reported earnings that flag on the employee's account as larger than normal. As always, your prompt attention is requested.

Year-end reminders:

- **It's important to have your employees update home addresses** with both you, as the employer, and with OPERS to ensure year-end financial forms, such as the OPERS *Annual Statements,* are mailed to the correct address. Employees can notify OPERS of a change of address one of three ways: by completing the *Address/Bank/Name Change Request* (form F-50), via the Member Benefit System (MBS), or by calling the Member Services Center at 1-800-222-7377.

- **Elected officials paid on each pay date throughout the year:** Contribution reports must show when employees earn their salary—regardless of when the employee is actually paid. Employers must remember to report earnings on the appropriate month's report, even if your employee is paid early.

If you have a payroll system where paying an elected official is required within the calendar year, you must ensure your retirement reports accurately show when the money was actually earned. This is sometimes reported in error—especially with elected officials who have a specific term of office—so you may need to report elected officials on a separate additional regular report.

- **Payments through the end of the year:** For employers who are trying to finalize year-end payroll by December 31 (but that's not the actual pay period end (PPE) date for your pay schedule), you'll want to make sure your retirement contribution report is accurate and not rejected due to a pay frequency code/date mismatch.

To avoid that error: If your organization requires you to end *all* pay periods on December 31, you'll need to code each employee with a pay period end (PPE) code of H (pay schedule or frequency change) in the month of December, and then a pay period begin (PPB) code of H in the month of January. This will prevent your report from being blocked.

- **Contribution rates for state and local employees and employers effective Jan.1, 2009:** This past January 2008, the last of the scheduled rate increases for state and local employees and employers was implemented. However, please note that because the stepped increase amount is greater for law enforcement groups, their scheduled increases continue to be phased in through 2011. Therefore, effective Jan. 1, 2009, the law enforcement/public safety classifications—the e*mployer* portion only—will experience a rate increase.

Here are the 2009 contribution rates beginning with **all pay periods ending** in January 2009:

	Local	State	Public Safety	Law Enforcement
Employer	14.00%	14.00%	17.63%	17.63%
Employee	10.00%	10.00%	10.10%	10.10%

Please make the necessary adjustments to your payroll and reporting systems.

Slated for 2009

ECS continues to save you time. Although the exact date isn't known, we anticipate that during the first quarter of 2009, employers will be able to submit the *Employer Payment Remittance Advice* (form E-3) electronically via the Online Forms function on ECS. Employers choosing to submit payment instructions via ECS will no longer be required to send in the paper form. As an added bonus, employers who remit payment electronically will not be required to submit separate payment instructions.

Thank you

Thanks to all employers who took the time to complete the recent survey that included questions on Employer Outreach training. In all, 1,312 surveys were completed and returned, an impressive 40% response rate. We value your insights and are working to implement your feedback into the 2009 Employer Seminar Series.

It's in the bag: Employers have paperless payment option

Paperless payments just make sense

Most organizations are looking for cost-savings ideas; we have a quick-and-easy suggestion that could save you significant amounts—starting with the very next pay cycle.

It's unbelievable that more employers haven't signed up for paperless payments. Take a moment to review this information—the ECS-based paperless payment option has significant advantages over traditional paper payments and wire transfers. Here are the main advantages…

➢ *Cost efficient*
Employers save two ways with paperless:

• The ECS paperless system allows you to retain interest-accruing funds in your account until the very last moment—wire transfers require scheduling a few days in advance, and
• The cost of making an electronic payment is pennies per transfer—significantly less than the cost of cutting a paper check (sometimes as much as $20 per check).

➢ *Fast*:
No concerns about late fines because you can choose the exact day of delivery—every time—you maintain control over your account—and the day you choose is the postmark date which can be the due date. No more float guesswork.

➢ *Secure:*
Electronic transmission of funds provides significantly better security than paper-based transfers via the U.S. mail.

➢ **User-Friendly:**
ECS provides you with reminder warnings based on the date you schedule the payment to occur to lessen the probability of penalty due to a keying error.

➢ **Controlled:**
The ECS paperless system allows you to determine the exact amount, the day, and from which account your funds are available to OPERS.

Already available

As an ECS-based employer, you can easily implement paperless payments with a minimum of training because the function is already available via ECS. Contact your dedicated customer service representative for a quick walk-through of the account authorization process.

Added benefit

Let's face it, the amount of paper in every aspect of our lives is diminishing (some cities have outlawed use of grocery bags). To promote the paperless payment system, we're sending out these reusable bags. Tuck it in the car or office and you can use it instead of paper-or-plastic. One more way the paperless payment system can enhance your life and save money (and the environment…).