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Senate Bill 247 Sponsor Testimony
Senate Insurance Committee
Tuesday, May 15, 2018

Chairman Hottinger, Vice Chair Hackett, Ranking Member Brown, and distinguished members of the Insurance Committee, thank you for the opportunity to provide sponsor testimony on Senate Bill 247. This bill would require the Public Employees Retirement System to permit the spouses of retired or deceased members over the age of 85 to continue receiving allowances to pay for health care expenses.

In 2015, OPERS began phasing out the spousal allowance provided under the System's group health care plans. Effective January 1st, 2018, spouses and surviving spouses of OPERS members were forced to go out onto the open market for health insurance. For many of these spouses, having to go onto the open market was a very difficult task, especially when their OPERS member had secured an allowance for them.

One of my constituents, a surviving spouse of an OPERS member, brought this to my attention and detailed the very difficult time she and many others were experiencing with the impending phase-out. Her husband had been a longtime OPERS member and contributed to the System that would ultimately support his wife in the event she was to survive him.

Through this legislation, I aim to assist Ohioans like my constituent that should be focused on matters other than the open market of health insurance. Therefore, SB247 would require a spouse or surviving spouse to receive the 2017 allowance amount they were already receiving. In addition, to account for inflation and yearly increases in the cost of health care coverage, the bill also provides for spouses to receive any increases in the allowance the retirant receives or the deceased member would have received. LSC conducted a fiscal analysis on this legislation and it was determined that PERS expenditures would increase by \$10.8 million per year beginning in 2018, and would gradually decrease over a 15 year period.

My intent with this legislation is to alleviate the burden many of these Ohioans have now been forced to deal with due to the phase-out. It is my belief that the OPERS member worked to pay for the healthcare of their spouse and ensure that a surviving spouse would be taken care of. SB247 will reinforce this idea and grandfather in spouses over the age of 85 that were removed from these plans.

Thank you, Chairman Hottinger and members of the committee, for allowing me to speak to this legislation. I would be happy to answer any questions at this time.