

Legislative Proposed Changes to State Pension and Health Benefits				
Pension	Current Law	Administration's Proposal	House's Modifications	Senate's Modifications
Average Final Compensation	3 consecutive years with highest average	<i>New or Non-vested</i> : 5 consecutive years with highest average	Concur with BFRA	Concur with House
Employee Contribution	5%	<i>Current Members</i> : 7% to Maintain 1.8% multiplier or 5% with a reduced multiplier of 1.5%. <i>New employees</i> : 7% with a 1.5% multiplier	<i>Current members</i> : 7% contribution and 1.8% multiplier. <i>New Employees</i> : 7% contribution and 1.5% multiplier	Concur with House
Vesting for Pension	5 years	<i>New Employees (only)</i> : 10 years	Concur with BFRA	Concur with House
Early Retirement	55 with 15 years of service -- reduced .5% for every month before age 62	<i>Current members</i> : No Change. <i>New employees</i> : Age 60 with at least 15 years of service -- reduced .5% for every month before age 65	Concur with BFRA	Concur with House
Retirement Eligibility	30 years of service regardless of age, or 62 with at least 5 years of service	<i>Current members</i> : No change. <i>New Employees</i> : 30 years of service regardless of age, or age 65 with ten years of service.	Concur with BFRA	"Rule of 92" ( Age + years of service must add up to 92), or 65 years old and 10 years of service. "30 and out" out.
Cost-of-living adjustments	Capped at 3%	<i>Current members</i> : no change. <i>New Employees</i> : Capped at 3% when pension fund achieves projected earned rate of return and capped at 1% when fund does not meet its projected rate of return.	<i>All Employees</i> : Capped at 3% when pension fund achieves projected earned rate of return and capped at 1% when fund does not meet its projected rate of return.	<i>All employees</i> : Capped at 2% when pension fund achieves projected earned rate of return and capped at 0 % when fund does not meet its projected rate of return.
Retiree healthcare eligibility PENSION	Eligible at 5 years with full benefit achieved at 16 years. Premium subsidy prorated for service between 5-16 years.	No Change	<i>New Employees only</i> : 1) 10 years to qualify 2) full premium at 25 years 3) premium subsidy prorated for service between 10-25 years	<i>Existing employees with more than 10 years</i> : No change. <i>Existing employees with less and 10 years and new employees</i> : 1) 10 years to qualify 2) full premium at 25 years 3) premium subsidy prorated for service between 10-25 years 4) must retire directly from state to qualify

<b>Retiree healthcare eligibility ORP</b>	Eligible at 5 years with full benefit achieved at 16 years. Premium subsidy prorated for service between 5-16 years Spouse eligible at 25 years	No Change	Concur with BFRA	Existing employees with more than 10 years: No change. Existing employees with less and 10 years and new employees: 1) 10 years to qualify 2) full premium at 25 years 3) premium subsidy prorated for service between 10-25 years 4) must retire directly from state to qualify
<b>Retiree Prescription Drug Benefit</b>				
	<b>Current Benefit</b>	<b>Administrations Proposal (Medicare D look-alike)</b>	<b>House's Proposal</b>	<b>Senate's Proposal</b>
<b>Co-pays (generic, preferred and non-preferred)</b>	\$5, \$15 and \$25	n/a	\$10, \$25 and \$40	n/a
<b>Deductible</b>	\$0	\$310	\$0	\$500
<b>Coinsurance</b>	\$0	25%	\$0	25%
<b>Out-of-pocket cap for retiree only/retiree and spouse</b>	\$700/\$700	\$4,500/\$9,100	\$1,000/\$1,500	\$2,000/3,000 with annual escalation by CPI-Rx costs
<b>Annual retiree premium (retiree/retiree and spouse)</b>	\$474/\$787	\$388/\$604	\$593/\$984	\$388/\$604
<b>Monthly retiree premium (retiree/retiree and spouse)</b>	\$39.50/\$65.58	\$32.33/\$50.33	\$49.42/\$82	\$32.33/\$50.33
<b>Retiree share of total premium</b>	20%	20%	25%	20%
<b>Savings to state</b>	n/a	\$21.9 million	\$11.9 million	\$21.7 million
<b>Medicare Part D</b>		Shift to Part D in 2020	Shift to Part D in 2020	Shift to Part D in 2020