

**Kentucky Public Pensions Authority
Quarterly Board Meeting
September 29, 2022 at 10:00 a.m. EST
Live Video Conference/Facebook Live
AGENDA**

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|---|---|
| 1. Call to Order | Jerry Powell |
| 2. Legal Opening Statement | Legal Services |
| 3. Roll Call | Sherry Rankin |
| 4. Public Comment | Sherry Rankin |
| 5. Approval of Minutes – June 16, 2022 and September 2, 2022* | Jerry Powell |
| 6. Joint Audit Committee Reports** | Kristen Coffey |
| 7. FY23 Budget | Rebecca Adkins |
| 8. Board Separation Expenses** | Rebecca Adkins |
| 9. Quarterly Financial Statements | Rebecca Adkins |
| 10. Investment Department Update | Steve Willer |
| 11. Administrative Regulations 105 KAR 1:071, 105 KAR 1:360 and 105 KAR 1:411* | Carrie Bass
Jessica Beaubien |
| 12. KPPA Meeting Calendar 2023* | Jerry Powell |
| 13. KPPA Update | David Eager |
| 14. New Business**
a. KPPA Regulation Committee | Jerry Powell |
| 15. Closed Session** | Jerry Powell |
| 16. Adjourn* | Jerry Powell |

**Board Action Required*

***Board Action May Be Required*

**MINUTES OF MEETING
KENTUCKY PUBLIC PENSIONS AUTHORITY
MEETING VIA LIVE VIDEO TELECONFERENCE
June 16, 2022 AT 10:00 AM ET**

At the meeting of the Board of the Kentucky Public Pensions Authority held on June 16, 2022, the following members were present: Jerry Powell (Chair), John Cheshire, Prewitt Lane, William O'Mara, Betty Pendergrass, Lynn Hampton, Dr. Merl Hackbart, and Keith Peercy. Other Trustee present was Ramsey Bova. Staff members present were KRS CEO John Chilton, CERS CEO Ed Owens, III, David Eager, Rebecca Adkins, Erin Surratt, Steve Willer, Connie Pettyjohn, Connie Davis, Kristen Coffey, Ashley Gabbard, Jessica Beaubien, Abby Sutherland, Leigh Ann Davis, Elizabeth Smith, Carrie Bass, Ann Case, Glenna Frasher, and Sherry Rankin. Others presented included Janie Shaw with GRS and Allen Norvell with Blue & Co.

Mr. Powell called the meeting to order.

Ms. Leigh Ann Davis read the Legal Opening Statement.

Ms. Rankin called roll and read the two *Public Comments* submitted:

“Public Statement to KPPA Board June 12, 2022 On behalf of stakeholders, I am writing to request that the KPPA board publicly endorse a prefunded cost-of-living adjustment for retirees. We ask that this endorsement be posted on social media and conveyed to the General Assembly. We recognize that the board has a fiduciary duty to the fund itself, rather than to members. In the past, the board has generally taken a neutral position on issues relating to benefits. We note that other public pension boards have a similar fiduciary duty, yet they believe that this duty does not prevent them from taking an advocacy position on benefits. For example, the Louisiana State Employees' Retirement System this year publicly supported a COLA for its retirees. The current situation is dire. We have not received a COLA since 2011 and the current inflation rate is skyrocketing. It is the intent of the Kentucky Government Retirees to engage with legislators to seek a lump-sum, prefunded COLA to help ease the burden of the decline in real income. While we realize that KPPA cannot take the lead in advocating a COLA, we believe it is entirely proper for the board to express its support for such an adjustment. Thank you for your consideration in this matter. Jim Carroll president, Kentucky Government Retirees.”

Ms. Rankin read the second public comment: “Will retirees get a raise. Gas and food are more expensive and other commodities. Robert Cash”

Mr. Powell introduced agenda item *Approval of Meeting Minutes – March 24, 2022 and April 28, 2022*. Mr. Cheshire made a motion and was seconded by Dr. Hackbart to approve the minutes as presented. The motion passed unanimously.

Mr. Powell stated that the item, *Personnel Request for Establishment of an Unclassified Position and Request to Approve the Position Descriptions and Salary Ranges for the Office of Investments* would be presented out of order of the meeting agenda due to staff time constraints. Mr. Eager presented the material and stated that per House Bill 297, it is required that the Board approve and set the compensation ranges for these positions. Mr. Eager advocated the importance of quality talent in the Investment Department and the necessity of an attractive compensation. Mr. Eager said the Executive Director, along with the Investment Chairs, will select the specific compensation within the approved range for each position. Mr. Eager consulted with KPPA Human Resources Staff and utilized a variety of sources to determine the appropriate ranges for the industry. Mr. Eager requested that Ms. Rankin display the Investment Industry Salaries spreadsheet. The spreadsheet was unable to be located; therefore, it was decided to move onto another item for the time being.

Mr. Powell introduced agenda item *Investment Department Update*. Mr. Willer presented the material to the Board. He stated that performance data and updates through May have been provided to the KRS and CERS Boards. Mr. Willer explained that April was a difficult month, however, the plans performed relatively well against their benchmarks. There was an outperformance of about 80 to 155 basis points across plans. In May, the plans held up well and outperformed by an average of about 20 basis points. Mr. Willer added that he and Staff are drafting the Strategic Allocation Plan which will include a timeline and road map with actionable steps to reach IPS targets. The Investment Department is also working to conduct commodity and real estate searches as well as researching co-investment opportunities. Mr. Percy stated that there was a recent infusion of cash into SPRS. He stated that according to GRS, this cash will bring the plan to about 50% funded and will put it in line with the KERS Hazardous plan which has about a 6.25% assumed rate and a more aggressive portfolio. Mr. Percy asked Mr. Willer if there has been any discussion of recommending to the Board that SPRS goes to the higher assumed rate and takes on more risk. Mr. Willer replied and stated that there has been internal discussion and agreed that it would be worth looking into since

the plans have similar profiles. Mr. Eager advised the actuary will be asked to weigh in on this topic at the next Board Meeting. Ms. Hampton requested that Staff add this item to the agenda for the upcoming KRS Board Meeting. Mr. Eager added that the Actuarial Committee should also be consider discussing.

The Investment Industry Salaries spreadsheet was located and Mr. Eager continued his presentation of the *Personnel Request for Establishment of an Unclassified Position and Request to Approve the Position Descriptions and Salary Ranges for the Office of Investments*. Mr. Eager stated that the increased use of telecommuting has also created an added hurdle to overcome when seeking top talent. Candidates now have the opportunity to accept offers from employers outside of their home state with no relocation needed; therefore, compensation should be competitive to avoid flight risk. Ms. Pendergrass referred to the language on the spreadsheet which notes that other employers may offer cash incentives. She asked that the Legal Department research if this is permissible. Mr. Eager stated that there is has been no discussion of offering cash incentives. Dr. Hackbart thanked Mr. Eager and added that the methodology used is reasonable, provides a good perspective, and is the appropriate approach to setting the salary ranges. Ms. Hampton asked for clarification regarding the additional compensation given for the responsibilities of Deputy CIO. Mr. Eager clarified that a specialized position moving to Deputy CIO would receive a salary adjustment since the job duties for Deputy CIO extend far beyond the product area. Ms. Hampton made a motion to approve the Salary Ranges for the positions within the Office of Investments as presented. The motion was seconded by Mr. Cheshire. The motion passed unanimously. Mr. Eager voiced that approval of the Position Descriptions would also be needed. Dr. Hackbart made a motion to approve the Position Descriptions for the positions within the Office of Investments as presented. The motion was seconded by Mr. Lane. The motion passed unanimously.

Mr. Powell introduced agenda item *Joint Audit Committee Report*. Ms. Kristen Coffey stated that the Joint Audit Committee met on May 24, 2022 and reviewed the Updates to the Charter for the Joint Audit Committee and the Updates to the Charter for the Division of Internal Audit Administration. Ms. Coffey stated that the Committee approved these updates and that the Charters have been ratified by the CERS and KRS Board of Trustees. She requested that the KPPA Board also ratify the actions made for the Charters. Mr. O'Mara made a motion to ratify the actions of the Joint Audit Committee that were taken on May 24, 2022. The motion was seconded by Ms. Pendergrass and the motion passed unanimously. Ms. Coffey added that a discussion of the audit

portion of the CERS Strategic Plan was tabled until the August 25, 2022 Joint Audit Committee Meeting. Lastly, she reviewed the audits discussed at the May 24, 2022 meeting; two of the audits had no reportable findings and suggestions have been implemented; and The Plan Liquidity Phase 1 Audit had six findings and will be further reviewed at the August Joint Audit Committee Meeting. Mr. Powell thanked Ms. Coffey.

Mr. Powell introduced agenda item *GASB 68 and GASB 75 Proportionate Share Audit*. Mr. Allen Norvell of Blue & Co. presented the material to the Board. Mr. Norvell extended his gratitude to the Board for the opportunity to serve and to KPPA Staff and GRS for their assistance. Mr. Norvell reviewed the second phase of the annual engagement for the external auditors which audits the employer allocation schedules as of June 30, 2021. He reminded the Board that the first phase was the audit of the financial statements for fiscal year ending June 30, 2021 which was conducted in the fall of 2021 and released in December 2021. These reports are used by participating employers and their external auditors to prepare their upcoming financial statements for fiscal year ending June 30, 2022. Mr. Norvell reviewed GASB 68 and GASB 75 and advised the Board that these reports are marked as ‘draft’ pending KPPA Board approval. He directed the Board to the unmodified opinions on GASB 68 and GASB 75 and the issued reports on compliance and internal control over the financial reporting related to GASB 68 and GASB 75 and stated that there were no compliance related findings on either report. Ms. Hampton stated that a positive of the recent legislation is that these reports are now expected to be available by late February. Ms. Pendergrass made a motion to approve the GASB 68 and GASB 75 Proportional Share Audit as presented. The motion was seconded by Mr. O’Mara and the motion passed unanimously.

Mr. Powell introduced agenda item *Allocation of Board Separation Expenses*. Ms. Rebecca Adkins presented the material on behalf of the working group assigned to identify the types/expenses to be designated as Separation Expenses. These expenses are defined as those that are attributable solely to the establishing of separate boards for KRS and CERS and these expenses will continue through June 30, 2024. The working group consisted of Prewitt Lane (KRS), Bill O’Mara (CERS), KRS CEO John Chilton, CERS CEO Ed Owens, III, Executive Director David Eager, Head of Accounting Connie Davis, and Deputy Executive Director Rebecca Adkins. Ms. Adkins reviewed the types and allocations of the Board Separation Expenses and asked the Board to consider the recommended initial (\$329,788.25) and ongoing (\$198,489.26 as of 3/31/2021) Separation Expenses. Mr. O’Mara made a motion to approve the allocation of the Separation Expenses as presented. The motion was

seconded by Mr. Cheshire. The motion passed unanimously. Mr. Lane commended Mr. Bill O'Mara for his diligent work on this matter in partnership with Ms. Adkins. Mr. Powell agreed and thanked Mr. O'Mara on behalf of the CERS and KPPA Boards.

Mr. Powell introduced agenda item *FY 2023 Budget*. Ms. Adkins presented the material to the Board and advised that this item was also assigned to the working group which included Prewitt Lane (KRS), Bill O'Mara (CERS), KRS CEO John Chilton, CERS CEO Ed Owens, III, Executive Director David Eager, Director of Accounting Connie Davis, and Deputy Executive Director Rebecca Adkins. Ms. Adkins stated that the group was to provide a recommendation to the KPPA Board for the fiscal year 2023 budget; statutorily the FY 2023 budget must be approved by the KPPA Board prior to submission. She further explained the budget process and reviewed a summary of the FY 2023 budget with the Board. She advised that all of the administrative budget is restricted funds as the money derives from the pension trust. The working group held extensive discussion regarding salaries, legal contracts, medical reviewers, and the reserve. Ms. Hampton asked for clarification as to why Employee Paid FICA, Employee Paid Retirement, and Employee Paid Health Insurance would increase in FY 2023 and why Employee Paid Life Insurance would decrease. Ms. Adkins explained that Employee Paid Life Insurance was overestimated in FY 2022 and that a multiplier was used with FY 2022 actual spending data to calculate the Employee Paid FICA and Employee Paid Retirement for FY 2023. Mr. Eager reminded Ms. Hampton that these numbers are the budgeted amounts, not the actual amounts which may be higher. Ms. Pendergrass suggested that the FY 2022 actuals and the FY 2023 actuals to date be added as columns in the schedule to aid in the understanding of the new budgeted figures. Mr. Eager advised that the working group did review historical, year-to-date, and projected data. Mr. O'Mara complimented and thanked Ms. Adkins and Staff for their support. He also confirmed that a high level of detail was presented to the working group and reminded the Board that the material being presented is a summary. Further, Mr. O'Mara stated that the methodology used by the working group to prepare the FY 2023 budget was not necessarily used to prepare the FY 2022 budget, therefore, cannot be compared equally for variances. Mr. Peercy asked Ms. Adkins if it is permissible to utilize less than a full complement of Staff. Ms. Adkins explained that this budget is for quarterly reporting and far more detailed than the budget that is rigid and set by the Office of State Budget Director and the budget bill. Further, Mr. Peercy expressed concern that should the KPPA Board approve this budget with underfunded salaries due to ten less positions being accounted for, will there be issues later requiring emergency action by the Board to mitigate. Ms. Adkins clarified that the Board would just be voting on the detailed version

of the budget for FY 2023. The KPPA Board will vote on the next biennial budget in the fall of 2023. Ms. Adkins stated that she will work with Ms. Rankin to provide the Board with historical spending data and will take another look at the Employee Paid FICA and Employee Paid Retirement figures and report back at a later date. Ms. Hampton suggested that breaking out FICA and Medicare payroll taxes into two separate line items would improve accuracy. Ms. Adkins said she would also explore that for Ms. Hampton. Ms. Hampton also asked about the decrease in employee training. Ms. Adkins stated that approximately only \$3,900 has been spent to date in employee training and that this decrease is due to additional conferences being attended by Staff which is a slightly different budget item. Next, Ms. Adkins reviewed trust spending with the Board. This spending comes from pension and insurance funds. The working group recommended that a budget be developed for trust spending and that a budget-to-actual report be provided to the Investment Committees on a quarterly basis. The line items of the trust budget were separated into three subcategories: manager fees, non-manager fees, and legal contracts. Ms. Adkins reviewed the proposed FY23 trust budget with the Board. Ms. Pendergrass stated that a historical analysis of management and performance fees would be beneficial. Mr. Eager stated that this analysis is very important and will be conducted using a five year period; however, these management fees are uncontrollable. Mr. Lane added that the working group discussed this matter over the course of two meetings and it is not a budget item, but rather an expense that occurs. Ms. Hampton agreed with Mr. Lane and stated that reporting actual spending is beneficial information but the budgeting of these fees is unrealistic. Mr. Willer added that the most relevant information would be to identify where the fees are in a historical context. Mr. Eager stated that he would like to determine how the current management fees compare to that of other funds. Mr. Willer stated that this analysis and comparison should be the focus of the Investment Committee and hopes to provide that data to the Board and Staff in the near future. Mr. O'Mara explained that the working group decided that a new budget within the trust was needed and that it would be useful for education and full disclosure. The group also felt that management fees were important and needed to be reported for people to understand what they are; therefore, the reporting and analysis of these fees is the recommended direction of the group. Ms. Adkins agreed with Mr. O'Mara and asked the Board to consider the recommendations of the working group. Mr. O'Mara made a motion to approve the 2023 Budget for Administrative Expenses and to approve the 2023 Budget for Trust Expenses that will be reported to the CERS and KRS Investment Committees on a quarterly basis. The motion was seconded by Mr. Cheshire and the motion passed unanimously.

Mr. Powell introduced agenda item *Quarterly Financial Statements*. Ms. Adkins reviewed the

Combining Statement of Fiduciary Net Position of all of the pension funds as of March 31, 2022 with the Board. She stated that the pension funds are up 7.97% and that this figure reflects cessation but does not reflect House Bill 1 additions to State Police. Next, Ms. Adkins reviewed the Combining Statement of Changes in Fiduciary Net Position for the pension funds. CERS Nonhazardous is up .3% and CERS Hazardous is up .9%. KERS Nonhazardous is up 5.69% and KERS Hazardous is up 1.08%. SPRS is up 1.68%. Combining Statement of Fiduciary Net Position of the Insurance Funds was also reviewed with an overall increase of 8.74%. Combining Statement of Changes in Fiduciary Net Position for the Insurance Funds illustrated an increase in CERS Nonhazardous of 3.48% and 1.93% for CERS Hazardous. Insurance funds for KERS Nonhazardous was up 3.6% and .22% for KERS Hazardous. Insurance funds for SPRS were up .92%. Ms. Adkins reviewed the Pension Funds Contribution Reports and stated that CERS Nonhazardous was up .3%, Hazardous was up .9%, Member and Employer Contributions have also increased, however, Investment Income has slightly decreased. Also, benefits continue to increase as the number of retirees increase. The cash flow of CERS Hazardous is positive and CERS Nonhazardous cash flow is negative but has improved. The most significant difference is in Unrealized Gains due to market performance. KERS and SPRS Member Contributions were flat, stated Ms. Adkins, and Employer Contributions and Benefits increased. As a whole, KERS Nonhazardous was up 5.69%, 1.8% for Hazardous, and 1.16% for SPRS. The CERS Insurance Fund Contribution Report showed an increase of 3.48% in Nonhazardous and 1.93% in Hazardous. Insurance Premiums have decreased significantly due to the Humana gain share. The KERS/SPRS Insurance Fund Contribution Report illustrated a negative cash flow in KERS Hazardous. Ms. Hampton asked how much of the revenue for SPRS received from HB 1 will be included in FY22. Ms. Adkins stated that 100% of those funds will be in FY22. The funds were not received prior to March 31, 2022, therefore were not included in the presented report. Further, Ms. Hampton asked if the funds will be accounted for as Cash or as Accounts Receivables. Ms. Adkins stated that the funds are Cash. Mr. Eager added that the total cash flow for all ten plans is approximately 300 million dollars; eight to ten years ago the cash flow for these plans was about -700 million dollars. Ms. Pendergrass asked if it would be possible to split the Employer Contributions between fixed allocation from HB 8 and regular service contributions in order to track the fluctuation in HB 8 contributions and how HB 8 affects cash flow. Ms. Adkins and Mr. Eager agreed that this suggestion would be beneficial and that an additional line would be added to the Pension and Insurance Funds Contribution Reports for KERS Nonhazardous. Ms. Adkins briefly reviewed the Administrative Budget with the Board. She stated that there are a few line items that will be over budget, however, approximately 38% remains in the budget and Ms. Adkins is confident

that KPPA will stay under budget. Outstanding invoices were up about 4% for the quarter and 58 penalty invoices were waived, 23 issued, and 36 were paid. Ms. Pendergrass asked if the additional funds for the State Police would allow the agency to pay down SPRS outstanding invoices. Mr. Peercy stated that about 7 million dollars was budgeted by SPRS to pay down those invoices. Lastly, Ms. Adkins reviewed the updated allocation of administrative expenses with the Board. These expenses were split on the basis of membership and will be effective as of July 1, 2021.

A portion of item 12, *Personnel Request for Establishment of an Unclassified Position and Request to Approve the Position Descriptions and Salary Ranges for the Office of Investments*, was overlooked. Ms. Rankin and Mr. Eager advised the Board that approval is needed to petition for a new unclassified position, CFO. Ms. Pendergrass made a motion to authorize the KPPA Executive Director to petition the Secretary of the Personnel Cabinet for the creation of new unclassified position to serve as KPPA's Chief Financial Officer. The motion was seconded by Mr. Cheshire and the motion passed unanimously. Mr. Eager stated that Ms. Hampton and Ms. Pendergrass assisted in the drafting of the job description and the salary range which was suggested to be approximately \$115,000 to \$140,000. Ms. Pendergrass asked how a salary will be selected. Mr. Eager stated that based on candidate qualifications and experience a salary within that range will be offered. The specific compensation request will be taken to the Personnel Cabinet for approval. Ms. Adkins added that statutorily the Board must approve the investment range but not every non-classified position. Mr. Eager stated that Board approval of the salary range/specific compensation is not required, however, he would keep the Board informed should the salary exceed the suggested \$115,000 to \$140,000.

Mr. Powell introduced agenda item *New Administrative Regulations – 105 KAR 1:415 and 105 KAR 1:415E*. Ms. Carrie Bass began her presentation by introducing her colleague Jessica Beaubien who recently joined the Office of Legal Services. Ms. Beaubien is a Policy Specialist focusing on administrative regulation. Ms. Bass directed the Board to the memorandum in their materials which summarizes the new administrative regulations, 105 KAR 1:415 and 105 KAR 1:415E. Effective October 1, 2022, the systems operated by KPPA will establish a new hospital and medical insurance plan through the Kentucky Employees' Health Plan for retired members who are Medicare eligible and reemployed in a regular full-time position with a participating employer. Ms. Bass stated that 105 KAR 1:415 is a new administrative regulation outlining eligibility requirements, procedures, and necessary documentation and forms for the reimbursement of hospital and medical insurance

benefit premiums paid by Medicare eligible retired members who were reemployed in a regular full-time position with a participating employer and were informed by the Kentucky Retirement Systems or the KPPA that they were not eligible for enrollment in an existing group hospital and medical insurance plan through the Kentucky Retirement Systems or the KPPA from March 1, 2017 through September 30, 2022. Ms. Bass advised that KPPA will begin receiving requests for reimbursements beginning August 1, 2022. Mr. Peercy asked about the proof required for reimbursement and expressed concern that it may be difficult for members to gather the required information. Ms. Bass stated that the difficulty, time, and effort expenditure that members may face was discussed by KPPA Staff while drafting the regulation. The June 30, 2023 deadline to submit the form should be sufficient time for members, said Ms. Bass. She and her team will also work with members up to six months after this deadline should further documentation be needed. She also stated that two additional types of documentation are to be added to the list of acceptable proof, pending Board approval. Mr. Powell asked if members would need to submit the form annually. Ms. Bass stated that only one form is needed for all periods of reimbursement being requested. Mr. Peercy made a motion to authorize staff to file the Administrative Regulations as presented. The motion was seconded by Ms. Pendergrass and the motion passed unanimously.

Mr. Powell introduced agenda item *KPPA Update*. Mr. Eager presented the item and stated that KPPA is currently operating with 25% of Staff working onsite. He anticipates that the percentage will grow overtime, however, rising gas prices are a large deterrent as of late. The Actuarial RFP is almost at completion and results will be announced once permitted to do so. Mr. Eager also provided an update regarding experience studies and stated that he continues to meet with the KRS and CERS CEOs every two weeks. The KPPA SAFR and Annual Reports will include the financial and demographic information for all 10 plans. The Government Officials' newsletter was sent out recently and Mr. Eager stated that he has been pleased with the response. A member newsletter is also going out in the coming weeks. Marlane Robinson, Director of Human Resources announced her retirement and will be replaced by Lori Casey effective August 1, 2022. A single source exemption is being requested with the Finance Cabinet for the CEM study. Ms. Ashley Gabbard continues to work with Board Smart on building the dashboard and creating beneficial and informational tools for the Board to increase their knowledge and fulfill their continuing education requirements. Mr. Eager commended Ashley for her work on this project. Ms. Gabbard added that Board Smart has been an excellent tool for Trustees and that the new resources should be available in the near future. Mr. Eager announced that the Executive team is in the process of posting a new

position for an Assistant to Ms. Sherry Rankin and hope to have someone in the position soon.

Ms. Hampton exited the meeting

Lastly, Mr. Eager provided an update on the Strategic Plan. He stated that KPPA is responsible for staffing, facilities, IT, serving members, etc. and it would be helpful to create measureable and realistic expectations through this Strategic Plan. Mr. Eager explained that this is a rough draft which includes the six KPPA mandates with two additional long-term needs. Mr. Powell stated that this is a great first step to see where KPPA needs to go moving going forward. Ms. Pendergrass asked if these six mandates were approved by the KRS Board. Mr. Eager said that the mandates have not been approved and that this is a working document from Staff. Mr. Eager added that he did not see the need for Board approval because the document is guidance for staff in their day-to-day operations and that the mandates have been in place since 2017.

There being no *New Business*, Mr. Powell introduced agenda item *Closed Session*. Ms. Pendergrass made a motion and was seconded by Mr. Peercy enter into closed session. The motion passed unanimously.

Ms. Davis read the following closed session statement and the meeting moved into Closed Session: A motion having been made in opensession to move into a closed session for a specific purpose, and such motion having carried by majority vote in open, public session, the Board shall now enter close session to consider litigation,pursuant to KRS 61.810(1)(c), because of the necessity of protecting the confidentiality of the Systems' litigation strategy and preserving any available attorney-client privilege.

Mr. Powell stated that the Board will be taking no action as the result of the closed session discussions and opened the floor for adjournment. Ms. Pendergrass made a motion and seconded by Mr. Lane to adjourn the meeting. The motion passed unanimously.

Copies of all documents presented are incorporated as part of the Minutes of the KPPA Board held June 16, 2022 except documents provided during a closed session conducted pursuant to the open meetings act and exempt under the open records act.

CERTIFICATION

I do certify that I was present at this meeting, and I have recorded the above actions of the Board on the various items considered by it at this meeting. Further, I certify that all requirements of KRS 61.805-61.850 were met in conjunction with this meeting.

Recording Secretary

We, the Chair of the Board of Kentucky Public Pensions Authority and Executive Director, do certify that the Minutes of Meeting held on June 16, 2022 were approved on September 29, 2022.

KPPA Board Chair

Executive Director

I have reviewed the Minutes of the June 16, 2022 Kentucky Public Pensions Authority Meeting for content, form, and legality.

Executive Director. Office of Legal Services

**MINUTES OF MEETING
KENTUCKY PUBLIC PENSIONS AUTHORITY
SPECIAL CALLED MEETING
SEPTEMBER 2, 2022 AT 9:00 AM
VIA LIVE VIDEO TELECONFERENCE**

At the special called meeting of the Board of the Kentucky Public Pensions Authority held on September 2, 2022, the following members were present: Jerry Powell (Chair), Keith Peercy, John Cheshire, Dr. Merl Hackbart, Prewitt Lane, William O'Mara, Betty Pendergrass, and Lynn Hampton. Staff members present were KRS CEO John Chilton, CERS CEO Ed Owens, III, David Eager, Erin Surratt, Michael Board, Shaun Case, and Sherry Rankin. Others present included Sarah Bishop, Paul Harnice, and Chris Schaefer with Stoll Keenon Ogden PLLC.

Mr. Powell called the meeting to order.

Mr. Board read the Legal Opening Statement.

Ms. Rankin took Roll Call.

There being no *Public Comment* submitted, Mr. Powell introduced agenda item *Closed Session*. Ms. Hampton made a motion and was seconded by Ms. Pendergrass to enter into closed session for the purpose of litigation. The motion passed unanimously.

Mr. Board read the following closed session statement, "A motion having been made in open session to move into a closed session for a specific purpose, and such motion having carried by majority vote in open, public session, the Board shall now enter closed session to consider litigation, pursuant to KRS 61.810(1)(c), because of the necessity of protecting the confidentiality of the Systems' litigation strategy and preserving any available attorney-client privilege." The meeting moved in to closed session.

Mr. Powell called the meeting back to open session and stated that there are no reportable actions. Mr. Lane made a motion and was seconded by Ms. Pendergrass to adjourn the meeting. The motion passed unanimously.

CERTIFICATION

I do certify that I was present at this meeting, and I have recorded the above actions of the Board on the various items considered by it at this meeting. Further, I certify that all requirements of KRS 61.805-61.850 were met in conjunction with this meeting.

Recording Secretary

We, the Chair of the Board of Kentucky Public Pensions Authority and Executive Director, do certify that the Minutes of Meeting held on September 2, 2022 were approved on September 29, 2022.

KPPA Board Chair

Executive Director

I have reviewed the Minutes of the September 2, 2022 Kentucky Public Pensions Authority Board Meeting for content, form, and legality.

Executive Director. Office of Legal Services



KENTUCKY PUBLIC PENSIONS AUTHORITY

David L. Eager, Executive Director
1260 Louisville Road • Frankfort, Kentucky 40601
kyret.ky.gov • Phone: 502-696-8800 • Fax: 502-696-8822



To: Kentucky Public Pensions Authority

From: William O'Mara, Chair
Joint Audit Committee
Kristen N. Coffey, CICA *KNC*
Division Director, Internal Audit Administration

Date: September 29, 2022

Subject: Summary of Joint Audit Committee Meeting

The County Employees Retirement System and Kentucky Retirement Systems Joint Audit Committee held a regularly scheduled meeting on August 25, 2022. No items were presented that need ratification by the Kentucky Public Pensions Authority.

The following items were discussed during the Joint Audit Committee meeting. These are presented for informational purposes only.

- a. Overview of the fiscal year 2022 external audit.
- b. Unaudited financial statements for the fiscal year ended June 30, 2022.
- c. Timeline for the fiscal year 2022 annual comprehensive financial report.
- d. Information disclosures – *13 disclosures identified, effecting 13 members. One breach did result in the disclosure of protected health information. Managed Medical Review Organization (vendor) caused 11 of the disclosures.*
- e. Anonymous Tips – *Four open cases.*
- f. Internal Audit Budget – *12.79% of the budget remained at year end.*
- g. Status of current internal audits – *16 current projects.*
- h. Strategic Audit Plan

ADMINISTRATIVE BUDGET						
		Actual 2019	Actual 2020	Actual 2021	Actual 2022	Proposed Budget 2023 Allocation
	PERSONNEL					
111	Salaries	\$13,392,499	\$14,084,665	\$14,349,829	\$15,628,481	\$ 17,000,000
115	Wages (Overtime)	\$395,697	\$210,939	\$63,302	\$152,358	\$ 250,000
119	Wages (Block 50)	\$61,564	\$25,687	\$13,015	\$21,801	\$ 35,000
120	Miscellaneous	\$0	\$0	\$0	\$2,779	
121	Emp Paid FICA	\$990,331	\$1,020,471	\$1,024,218	\$1,113,391	\$ 1,270,448
122	Emp Paid Retirement	\$10,544,113	\$11,350,048	\$11,566,766	\$12,421,914	\$ 13,482,300
123	Emp Paid Health Ins	\$2,120,498	\$2,189,619	\$2,189,835	\$2,455,352	\$ 2,700,000
124	Emp Paid Life Ins	\$2,928	\$3,005	\$2,949	\$2,905	\$ 3,000
128	Emp Paid Sick Leave	\$119,303	\$41,240	\$13,786	\$86,032	\$ 115,000
129	Adoption Assistance Benefit	\$0	\$0	\$0	\$7,000	\$ 8,000
	Subtotal - Salaries & Fringe	\$27,626,934	\$28,925,674	\$29,223,700	\$31,892,013	\$ 34,863,748
111A	Escrow For Admin Fees	(\$9,333)	(\$98,667)	\$0	\$0	\$0
131	Workers Compensation	\$11,719	\$11,719	\$75,163	\$75,163	\$ 75,000
132	Unemployment	\$7,834	\$6,105	(\$0)	\$0	\$ 8,000
133	Employee Training	\$16,655	\$11,906	\$9,685	\$9,685	\$ 12,000
133I	Investment Employee Training	\$0	\$0	\$0	\$0	\$ 5,000
133T	Audit Employee Training	\$0	\$0	\$0	\$0	\$ 1,000
135	Bonds	\$81	\$0	\$0	\$81	
141	LEGAL & AUDITING SERVICES					
141A	Legal Hearing Officers	\$124,554	\$82,831	\$77,000	\$117,998	\$ 100,000
141B	Legal (Stoll, Keenon)	\$800,171	\$191,692	\$145,595	\$88,189	\$ 150,000
141D	Frost Brown (Tax Advisor)	\$62,108	\$103,870	\$226,388	\$40,458	\$ 80,000
141E	Reinhart	\$195,428	\$31,837	\$10,460	\$29,878	\$ 25,000
141F	Ice Miller	\$284,333	\$169,741	\$304,712	\$701,266	\$ 300,000
141G	Johnson, Bowman, Branco LLC	N/A	N/A	N/A	\$95,428	\$ 150,000

		Actual 2019	Actual 2020	Actual 2021	Actual 2022	Proposed Budget 2023 Allocation
141H	Dentons Bingham & Greenebaum	N/A	N/A	N/A	\$52,661	\$ 150,000
141L	Legal Expense	\$34,525	\$114,045	\$202	\$138	\$ 25,000
142	Auditing	\$258,875	\$160,351	\$72,047	\$141,883	\$ 200,000
146	CONSULTING SERVICES					
146A	Medical Reviewers	\$242,490	\$248,966	\$316,186	\$1,593,144	\$ 1,800,000
146C	Medical Exams	\$4,187	\$0	\$0	\$0	\$0
146E	Escrow for Actuary Fees	(\$36,291)	(\$44,159)	(\$20,000)	\$0	\$0
150	CONTRACTUAL SERVICES					
150C	Miscellaneous Contracts	\$20,557	\$19,758	\$12,077	\$20,124	\$ 100,000
150G	Human Resources Consulting	\$6,767	\$6,767	\$5,794	\$5,794	\$ 8,000
159	Actuarial Services	\$678,339	\$556,123	\$468,490	\$474,411	\$ 500,000
162	Facility Security Charges	\$64,422	\$73,108	\$70,222	\$104,067	\$ 80,000
193	Tuition Assistance	\$0	\$0	\$0	\$0	\$8,000
	PERSONNEL SUBTOTAL	\$31,189,170	\$30,571,666	\$30,997,722	\$35,442,380	\$ 38,640,748
	OPERATIONAL					
211	Natural Gas	\$22,721	\$20,430	\$22,951	\$31,229	\$ 35,000
212	Electric	\$179,054	\$160,423	\$124,816	\$105,960	\$ 125,000
221	Rent-NonState Building	\$52,589	\$65,043	\$55,443	\$50,643	\$ 56,000
222	Building Rental - PPW	\$735,549	\$934,317	\$1,005,815	\$962,097	\$ 1,000,000
223	Equipment Rental	\$0	\$0	\$7,163	\$0	\$0
224	Copier Rental	\$79,596	\$66,334	\$55,520	\$86,605	\$ 67,000
226	Rental Carpool	\$10,305	\$8,251	\$3,881	\$3,881	\$ 5,500
232	Vehicle/Equip. Mainten.	\$15,971	\$1,204	\$912	\$249	\$ 1,000
241	Postage	\$320,599	\$411,514	\$552,199	\$376,335	\$ 420,000
242	Freight	\$131	\$41	\$0	\$155	\$ 200
251	Printing (State)	\$10,830	\$10,616	\$4,992	\$6,508	\$ 12,000
252	Printing (non-state)	\$88,879	\$93,357	\$102,293	\$71,162	\$ 105,000
254	Insurance	\$253	\$10,556	\$3,802	\$5,422	\$ 12,000
256	Garbage Collection	\$5,368	\$4,919	\$5,294	\$4,853	\$ 6,000
259	Conference Expense	\$23,120	\$16,516	\$13,499	\$24,816	\$ 35,000
259I	Conference Exp. Investment	\$5,000	\$0	\$0	\$0	\$ -

KPPA Board Meeting - FY23 Budget

		Actual 2019	Actual 2020	Actual 2021	Actual 2022	Proposed Budget 2023 Allocation
259T	Conference Exp. Audit	\$0	\$420	\$720	\$2,072	\$ 2,000
300	MARS Usage	\$46,566	\$46,600	\$47,646	\$27,100	\$ 50,000
302	COVID-19 Expenses	N/A	\$ 133,419.43	\$ 153,031.87	\$ 12,686	\$12,000
321	Office Supplies	\$107,752	\$84,582	\$38,837	\$82,826	\$ 75,000
346	Furniture & Office Equipment	\$0	\$22,793	\$8,215	\$1,825	\$ 20,000
361	Travel (In-State)	\$35,920	\$26,925	\$1,473	\$5,487	\$ 15,000
361I	Travel (In-State) Investment	\$161	\$137	\$0	\$39	\$ 1,000
361T	Travel (In-State) Audit	\$0	\$0	\$0	\$0	\$ 500
362	Travel (Out of State)	\$18,610	\$18,317	\$0	\$1,755	\$ 75,000
362I	Travel (Out of State) Invest	\$14,505	\$35,168	\$397	\$7,393	\$ 100,000
362T	Travel (Out of State) Audit	\$0	\$398	\$0	\$0	\$ 500
381	Dues & Subscriptions	\$48,626	\$56,023	\$44,834	\$52,488	\$ 70,000
381I	Dues & Subscriptions Invest	\$2,650	\$1,250	\$8,551	\$12,228	\$ 17,000
381T	Dues & Subscriptions Audit	\$0	\$0	\$2,037	\$738	\$ 1,500
399	Miscellaneous	\$22,288	\$2,445	\$788	\$34,336	\$ 70,000
399I	Miscellaneous Investment	\$97	\$185	\$0	\$0	
399T	Miscellaneous Audit	\$0	\$0	\$0	\$0	\$ 200
802	COT Charges	\$22,290	\$20,200	\$21,640	\$28,640	\$ 25,000
814	Telephone - Wireless	\$3,692	\$4,635	\$4,734	\$5,420	\$ 7,000
815	Telephone - Other	\$123,297	\$108,014	\$100,686	\$117,806	\$ 150,000
847	Computer Equip./Software	\$2,406,891	\$3,023,406	\$2,360,814	\$2,916,313	\$ 3,500,000
847I	Comp. Equip./Software Invest	\$0	\$0	\$0	\$0	\$ -
847T	Comp. Equip./Software Audit	\$0	\$0	\$0	\$0	\$ 3,000
	Reserve	N/A	N/A	\$0	\$0	\$ 5,469,353
						11%
	OPERATIONAL SUBTOTAL	\$4,403,311	\$5,388,438	\$4,752,984	\$5,039,064	\$ 11,543,753
	TOTALS	\$35,592,481	\$35,960,105	\$35,750,705	\$40,481,445	\$ 50,184,500
	% of Budget Expended	75%	75%	73%	84%	
	BUDGETED AMOUNT	\$47,307,300	\$47,702,500	\$48,888,200	\$48,005,500	\$50,184,500

Examination of Base Salary Changes FY21 to FY22

Base Salary as Reported in Quarterly Administrative Expenses

Administrative Budget	FY2021	FY2022	Incr/Decr
111 - Salary	\$14,349,829	\$15,628,481	\$1,278,652

FY21 Salary	\$14,349,829
Payroll Changes (below)	\$757,510
25th payroll (approx)	\$553,562
	\$15,660,901

Base Salary By Business Area

Division	FY2021 Employee Count	FY2021 Salary		FY2022 Employee Count	FY2022 Salary	INC/DEC FY21 to FY22
IT	39	\$2,420,847		41	\$2,583,463	\$162,615
Boards	25	\$59,224		31	\$211,555	\$152,331
Legal	20	\$998,847		25	\$1,108,758	\$109,911
Exec	5	\$647,195		7	\$731,920	\$84,725
Investments	8	\$842,622		8	\$919,458	\$76,835
IA	2	\$128,925		5	\$181,535	\$52,609
ACCT	14	\$827,502		14	\$876,395	\$48,892
POS	19	\$641,714		19	\$675,900	\$34,186
HR	3	\$205,397		4	\$227,691	\$22,294
Comm	4	\$303,728		5	\$310,503	\$6,775
Benefits	156	\$7,156,767		165	\$7,163,103	\$6,336
TOTAL	0	\$0.00		0	\$0.00	\$757,510

KPPA Board Meeting - FY23 Budget

FY2022 Position Titles	FY21 Employee Count	FY21 Gross Pay	FY22 Employee Count	FY22 Gross Pay	Increase EE Count FY21 to FY22	Increase Salary FY21 to FY22
CERS Chief Executive Officer -KPPA			1	\$119,411	1	\$119,411
Retirement System Counselor I	10	\$269,403	22	\$382,709	12	\$113,306
Executive Director - Investments	2	\$170,214	1	\$256,843	-1	\$86,629
Staff Attorney III	6	\$254,386	9	\$333,643	3	\$79,258
Information Systems Manager	6	\$413,859	6	\$476,500	0	\$62,641
Human Resource Adminr			1	\$59,449	1	\$59,449
Network Engineer IT	2	\$132,460	3	\$190,817	1	\$58,357
Retirement System Counselor II	9	\$282,787	9	\$333,154	0	\$50,367
Staff Assistant	3	\$131,558	3	\$181,064	0	\$49,505
Administrative Branch Manager			1	\$42,900	1	\$42,900
Retirement Investment Specialist II	3	\$100,087	3	\$141,690	0	\$41,603
Paralegal Consultant	3	\$126,685	4	\$165,978	1	\$39,293
Systems Engineer IT	10	\$572,105	9	\$611,288	-1	\$39,184
Executive Director - Legal	1	\$120,690	2	\$159,205	1	\$38,515
KRS Chief Executive Officer -KPPA			1	\$38,443	1	\$38,443
Programmer/Analyst I			2	\$37,776	2	\$37,776
Purchasing Branch Manager			1	\$37,500	1	\$37,500
Auditor I			1	\$34,333	1	\$34,333
Document Processing Specialist I			2	\$32,041	2	\$32,041
Retirement Benefit Consultant	3	\$130,421	3	\$156,972	0	\$26,552
General Counsel	2	\$176,027	2	\$199,998	0	\$23,971
Special Assistant	1	\$71,700	1	\$90,000	0	\$18,300
Document Processing Specialist II	4	\$84,901	4	\$102,508	0	\$17,606
Co-Op/Intern			5	\$15,600	5	\$15,600
Systems Support Technician II	1	\$41,190	2	\$56,314	1	\$15,125
Portfolio Manager -KPPA	2	\$307,396	2	\$320,000	0	\$12,604
Administrative Secretary	1	\$45,249	1	\$56,244	0	\$10,995
Systems Consultant IT	3	\$198,174	3	\$209,128	0	\$10,955
Assistant Director	11	\$873,252	11	\$883,460	0	\$10,209
Document Processing Specialist III	5	\$154,512	5	\$164,009	0	\$9,498
Policy Specialist			1	\$8,720	1	\$8,720
Retirement Systems Investment Br Mgr	1	\$69,372	1	\$77,247	0	\$7,876
Executive Director - Benefits	1	\$135,546	1	\$142,354	0	\$6,808
Administrative Specialist II	5	\$175,965	6	\$181,758	1	\$5,793
Retirement Investment Specialist III	2	\$111,405	2	\$117,159	0	\$5,754
Systems Support Technician III	2	\$84,206	2	\$89,577	0	\$5,371
Staff Attorney Supervisor	2	\$155,788	2	\$161,118	0	\$5,330
Deputy Executive Director - KPPA	1	\$142,355	1	\$147,575	0	\$5,220
Purchasing Agent II	2	\$104,033	2	\$108,207	0	\$4,175
Systems Support Coordinator	1	\$56,112	1	\$59,492	0	\$3,380
Network Analyst III	1	\$50,898	1	\$54,000	0	\$3,102
Legal Secretary			1	\$3,050	1	\$3,050
Systems Analyst III	2	\$105,702	2	\$108,203	0	\$2,502
Database Analyst IT	1	\$75,052	1	\$77,008	0	\$1,956
Administrative Section Supervisor	1	\$37,868	1	\$39,288	0	\$1,420
Information Officer III	2	\$111,781	2	\$112,788	0	\$1,007
Graduate Accountant II	1	\$56,394	1	\$56,763	0	\$369
Graduate Accountant Manager	1	\$69,849	1	\$69,876	0	\$27
Accountant II	1	\$46,570	1	\$46,570	0	\$0
Executive Director - KPPA	1	\$200,004	1	\$200,004	0	\$0
Graduate Accountant I	3	\$141,324	3	\$141,324	0	\$0
Postal Technician III	1	\$37,776	1	\$37,776	0	\$0
Programmer/Analyst II	1	\$46,691	1	\$46,691	0	\$0
Resource Management Analyst III	3	\$158,400	3	\$158,400	0	\$0
Investigator II	1	\$46,637	1	\$46,512	0	-\$125
Medicaid/Medicare Svcs Specialist III	2	\$140,625	2	\$139,074	0	-\$1,551
Postal Technician II	2	\$47,850	2	\$46,179	0	-\$1,671
Postal Services Supervisor	1	\$42,912	1	\$39,698	0	-\$3,214
Board Member	25	\$59,224	29	\$53,701	4	-\$5,524
Retirement Programs Manager	20	\$1,151,266	20	\$1,134,108	0	-\$17,158
Staff Attorney I	1	\$18,876			-1	-\$18,876
Internal Auditor	1	\$50,925	1	\$26,105	0	-\$24,821
Administrative Specialist III	1	\$32,115	1	\$3,835	0	-\$28,280
Division Director	14	\$1,152,924	13	\$1,123,925	-1	-\$28,999
Personnel Program Consultant	1	\$38,770	1	\$1,615	0	-\$37,155
Programmer/Analyst III	3	\$156,577	2	\$118,217	-1	-\$38,360
Retirement System Counselor III	17	\$547,556	16	\$508,781	-1	-\$38,775
Executive Administrative Secretary	1	\$48,600	1	\$5,224	0	-\$43,376
Systems Technician Specialist IT	2	\$119,102	1	\$73,769	-1	-\$45,333
Deputy Executive Director - Investments	2	\$248,064	1	\$190,000	-1	-\$58,064
Executive Advisor	1	\$68,250	1	\$8,531	0	-\$59,719
Retirement System Counselor IV	76	\$3,432,352	72	\$3,337,078	-4	-\$95,274
TOTALS	295	\$14,232,770	324	\$14,990,280	29	\$757,510



KENTUCKY PUBLIC PENSIONS AUTHORITY

David L. Eager, Executive Director
 1260 Louisville Road • Frankfort, Kentucky 40601
 kyret.ky.gov • Phone: 502-696-8800 • Fax: 502-696-8822



To: Kentucky Public Pensions Authority Board
 From: Rebecca H Adkins, Deputy Executive Director
 Date: September 29, 2022
 Subject: Plan Accounting Adjustments for Board Separation Expenses

In accordance with KRS 61.505 11(a)(2), the Kentucky Public Pensions Authority (KPPA) Board determined initial costs and any ongoing annual administrative and investment expenses that are “attributable solely to establishing a separate County Employees Retirement System board and the Kentucky Public Pensions Authority.” These costs shall be paid by the County Employees Retirement System until June 30, 2024.

On June 16, 2022, the KPPA Board approved the types of expenses considered as separation costs. At fiscal year end, the Accounting staff reviewed and finalized the expenses according to the Board’s decision. The following is a summary of the accounting adjustments created to move the costs from KERS and SPRS to CERS.

FY21 Expenditures			
Expenditure	Presented June 16	Finalized Expenses	Comments
CERS Board Mtg Expenses	\$9,629.38	\$9,629.38	Initial meetings for set up of new boards
KRS Board Mtg Expenses	\$7,377.31	\$7,377.31	Initial meetings for set up of new boards
KPPA Board Mtg Expenses	\$1,189.33	\$1,189.33	Initial meetings for set up of new boards
Staff Salary	\$182,426.00	\$182,426.00	Represents staff implementation hours
Legal Fees	\$112,305.23	\$0.00	These legal fees were determined not to be separation expenses.
Logo Design	\$9,600.00	\$9,600.00	Contract with KY Interactive for KPPA, KRS, CERS logos
KPPA ID badges	\$1,407.00	\$1,407.00	New staff and trustee ID badges
TOTAL	\$323,934.25	\$211,629.02	

FY22 Expenditures		
Expenditure	As of March 31, 2022	As of June 30, 2022
CERS CEO Salary/benefits	\$106,976.70	\$135,423.32
KRS CEO Salary/benefits	\$32,295.06	\$41,384.32
CERS General Counsel	\$53,007.50	\$95,427.50
KRS General Counsel	\$0.00	\$52,660.55
CERS CEO equipment, conferences, training, software, etc.	\$1,900.00	\$1,900.00
KRS CEO equipment, conferences, training, software, etc.	\$2,410.00	\$2,410.00
18th Board member - training, equipment, software, etc.	\$1,900.00	\$1,900.00
Updating external Office Signs with new name	\$1,434.00	\$1,434.00
TOTAL	\$199,923.26	\$332,539.69

Total Separation Expenses		CERS	CERS Hz		KERS	KERS Hz	SPRS
FY21							
FY21 - Membership%		59.50%	5.24%		31.24%	3.34%	0.68%
FY21	\$211,629.02	\$125,919.27	\$11,089.36		\$66,112.91	\$7,068.41	\$1,439.08
FY21 Board Total		CERS	64.74%		KRS	35.26%	
			\$137,008.63			\$74,620.39	
FY22							
Hybrid %		57.58%	5.10%		32.97%	3.64%	0.72%
	\$332,539.69	\$191,476.35	\$16,959.52		\$109,621.71	\$12,087.82	\$2,394.29
Board Total		CERS	62.68%		KRS	37.32%	
			\$208,435.88				
Fund Total	\$544,168.71	\$317,395.62	\$28,048.88		\$175,734.61	\$19,156.23	\$3,833.36
Board Total		CERS	\$345,444.51		KRS	\$198,724.20	

Plan - Specific	CERS	CERS	KERS	KERS	SPRS
Expenses	Nonhazardous	Hazardous	Nonhazardous	Hazardous	
FY 2022 Expense	\$24,187,663	\$2,141,468	\$12,500,670	\$1,380,417	\$271,226
Hybrid Percent Adjustment	(879,443)	(78,768)	846,555	91,355	20,301
Plan Specific Adjustment	(365,417)	(32,305)	364,002	40,261	(6,541)
Separation Expense Adjustment	182,519	16,205	(175,735)	(19,156)	(3,833)
Total Expenses	\$23,125,322	\$2,046,600	\$13,535,492	\$1,492,877	\$281,153

This memo is for informational purposes.



Combining Statement of Fiduciary Net Position - Pension Funds

As of June 30, 2022, with Comparative Totals as of June 30, 2021 (\$ in Thousands) (Unaudited)

	CERS		KERS		SPRS	KPPA TOTAL		Percentage	
ASSETS	Nonhazardous	Hazardous	Nonhazardous	Hazardous		FY 2022	FY 2021	of Change	Note
CASH AND SHORT-TERM INVESTMENTS									
Cash Deposits	\$170	\$17	\$128	\$35	\$17	\$367	\$712	(48.40)%	1
Short-term Investments	286,874	114,933	492,114	77,439	145,573	1,116,933	935,745	19.36%	2
Total Cash and Short-term Investments	287,044	114,950	492,242	77,473	145,590	1,117,301	936,457	19.31%	
RECEIVABLES									
Accounts Receivable	75,064	23,810	85,356	3,808	10,606	198,644	147,299	34.86%	3
Accounts Receivable - Investments	43,002	14,694	16,447	4,626	3,263	82,031	214,130	(61.69)%	4
Total Receivables	118,066	38,504	101,803	8,434	13,869	280,675	361,429	(22.34)%	
INVESTMENTS, AT FAIR VALUE									
Core Fixed Income	894,977	303,150	619,736	103,032	109,439	2,030,333	2,287,124	(11.23)%	5
Public Equities	3,592,281	1,224,633	894,601	329,331	152,378	6,193,224	6,877,977	(9.96)%	
Private Equities	753,384	251,589	196,183	69,313	19,462	1,289,932	1,235,393	4.41%	
Specialty Credit	1,692,750	574,069	573,266	169,678	88,065	3,097,828	2,617,612	18.35%	6
Derivatives	(1,091)	(373)	(1,076)	(141)	(183)	(2,864)	(84)	3,290.53%	7
Real Return	244,801	80,777	60,546	22,365	9,328	417,815	998,142	(58.14)%	8
Opportunistic	-	-	-	-	-	-	404,069	(100.00)%	9
Real Estate	494,607	157,478	164,991	45,860	19,823	882,759	610,214	44.66%	10
Total Investments, at Fair Value	7,671,709	2,591,322	2,508,247	739,438	398,310	13,909,026	15,030,446	(7.46)%	
Securities Lending Collateral Invested	208,156	70,856	77,505	21,277	13,957	391,750	424,235	(7.66)%	
CAPITAL/INTANGIBLE ASSETS									
Capital Assets	1,701	153	929	91	11	2,885	2,885	0.00%	
Intangible Assets	9,961	827	5,920	494	100	17,301	17,301	0.00%	
Accumulated Depreciation	(1,701)	(153)	(929)	(91)	(11)	(2,885)	(2,885)	0.00%	
Accumulated Amortization	(9,794)	(823)	(5,772)	(488)	(100)	(16,977)	(16,624)	2.12%	
Total Capital Assets	167	4	148	5	-	324	677	(52.17)%	
Total Assets	8,285,141	2,815,635	3,179,945	846,628	571,726	15,699,076	16,753,243	(6.29)%	
LIABILITIES									
Accounts Payable	4,156	811	1,766	254	61	7,048	13,983	(49.60)%	11
Investment Accounts Payable	52,888	17,847	23,931	5,860	4,781	105,308	392,335	(73.16)%	12
Securities Lending Collateral	208,156	70,856	77,505	21,277	13,957	391,750	424,235	(7.66)%	
Total Liabilities	265,200	89,513	103,202	27,391	18,800	504,106	830,553	(39.30)%	
Total Fiduciary Net Position Restricted for Pension Benefits									
	\$8,019,942	\$2,726,122	\$3,076,743	\$819,237	\$552,926	\$15,194,970	\$15,922,691	(4.57)%	

NOTE - Variance Explanation Differences due to rounding

- 1) Variance is a result of continuous fluctuation of deposits and transactions that flow through the cash account.
- 2) Short Term Investments are primarily comprised of the cash on hand at the custodial bank, the balance is larger than the prior year due to additional General Fund appropriations for SPRS received in May 2022.
- 3) The increase in Accounts Receivable is due to an increase in the month-end employer contributions accrual (increase in covered payroll and contribution rates) for CERS and CERH, as well as the AALC invoices being created prior to month end, and paid the following month.
- 4) The variance in Investment Accounts Receivable is due to pending trades.
- 5) The decrease in Core Fixed Income is due to a rebalance of the portfolio as a result of the revised IPS and a decline in market value of the assets
- 6) The increase in Specialty Credit is due to the merging of the Specialty Credit asset class and the Opportunistic asset class.
- 7) Variance is a result of hedging and arbitration of risk within the portfolios.
- 8) The decrease in Real Return is a result of the redemption of Putnam and continued liquidation of hedge funds.
- 9) The decrease in Opportunistic is a result of the merging of the Opportunistic asset class with the Specialty Credit asset class.
- 10) The increase in Real Estate is due to additional funding and increasing market values for current managers.
- 11) The decrease in Accounts Payable is due to a decline in outstanding credit employer invoices.
- 12) The variance in Investment Accounts Payable is due to pending trades.



Combining Statement of Changes In Fiduciary Net Position - Pension Funds

For the twelve month period ending June 30, 2022, with Comparative Totals for the twelve month period June 30, 2021 (\$ in Thousands) (Unaudited)

	CERS	CERS	KERS	KERS	SPRS	KPPA Total		Percentage	
	Nonhazardous	Hazardous	Nonhazardous	Hazardous		FY 2022	FY 2021	of Change	Note
ADDITIONS									
Member Contributions	\$186,648	\$69,565	\$89,607	\$20,588	\$4,773	\$371,180	\$342,979	8.22%	
Employer Contributions	561,214	210,370	1,053,732	59,052	62,341	1,946,710	1,724,309	12.90%	1
General Fund Appropriation	-	-	-	-	215,000	215,000	384	55,889.58%	2
Pension Spiking Contributions	35	60	24	3	-	122	222	(45.13)%	3
Health Insurance Contributions (HB1)	(60)	(104)	(13)	(5)	(26)	(208)	(4)	(5694.03)%	4
Employer Cessation Contributions	-	-	63,113	-	-	63,113	175,600	(64.06)%	5
Total Contributions	747,837	279,891	1,206,463	79,638	282,088	2,595,917	2,243,491	15.71%	
INVESTMENT INCOME									
From Investing Activities									
Net Appreciation (Depreciation) in FV of Investments	(637,765)	(224,086)	(218,585)	(66,952)	(28,495)	(1,175,882)	2,898,269	(140.57)%	6
Interest/Dividends	242,796	82,117	75,029	24,179	9,201	433,322	390,618	10.93%	7
Total Investing Activities Income	(394,969)	(141,969)	(143,555)	(42,773)	(19,294)	(742,561)	3,288,887		
Less: Investment Expense	45,455	14,044	10,406	3,921	1,362	75,188	62,508	20.28%	8
Less: Performance Fees	58,431	18,972	12,277	5,250	1,532	96,461	77,482	24.50%	9
Net Income from Investing Activities	(498,854)	(174,985)	(166,238)	(51,944)	(22,188)	(914,209)	3,148,897		
From Securities Lending Activities									
Securities Lending Income	892	308	321	92	40	1,652	935		
Less: Securities Lending Borrower Rebates (Income)/Expense	(298)	(100)	(72)	(29)	(7)	(506)	(702)		
Less: Securities Lending Agent Fees	178	61	59	18	7	324	245		
Net Income from Securities Lending	1,011	346	334	103	40	1,834	1,392	31.81%	10
Net Investment Income	(497,843)	(174,639)	(165,904)	(51,841)	(22,148)	(912,375)	3,150,289	(128.96)%	
Total Additions	249,994	105,252	1,040,559	27,797	259,940	1,683,542	5,393,780	(68.79)%	
DEDUCTIONS									
Benefit Payments	858,261	305,789	1,023,375	77,047	64,120	2,328,592	2,263,388	2.88%	
Refunds	19,789	5,766	12,116	4,976	280	42,927	32,130	33.61%	11
Administrative Expenses	22,670	1,995	13,339	1,465	273	39,743	36,789	8.03%	
Total Deductions	900,720	313,551	1,048,830	83,488	64,674	2,411,263	2,332,307	3.39%	
Net Increase (Decrease) in Fiduciary Net Position Restricted for Pension Benefits	(650,726)	(208,299)	(8,271)	(55,691)	195,266	(727,720)	3,061,473		
Total Fiduciary Net Position Restricted for Pension Benefits									
Beginning of Period	8,670,667	2,934,421	3,085,014	874,928	357,660	15,922,691	12,861,218	23.80%	
End of Period	\$8,019,942	\$2,726,122	\$3,076,743	\$819,237	\$552,926	\$15,194,970	\$15,922,691	(4.57)%	

NOTE - Variance Explanation

Differences due to rounding.

- 1) Employer contributions increased due to an increase in covered payroll for CERS, CERH, KERH and SPRS as well as an increase in the employer contribution rates for CERS, CERH and SPRS.
- 2) General Fund Appropriations increased due to the HB1 appropriation of \$215M to SPRS for FY2022.
- 3) Pension Spiking contributions decreased due to a change in statute. Pension spiking is now the member's responsibility.
- 4) Health Insurance Contributions continue to fluctuate in the Pension accounts due to Tier 2 and Tier 3 retiree health insurance system costs as well as corrections being processed to previous fiscal years.
- 5) Employer Cessation payment received from Kentucky Housing Corporation FY2022 versus NKU payment received FY2021.
- 6) The decrease in Net Appreciation in Fair Value of Investments is due to unfavorable market conditions resulting in unrealized losses primarily within the public equity asset class.
- 7) The increase in Interest/Dividends is a result of the increased allocation to Public Equities and Fixed Income asset classes.

NOTE - Variance Explanation continued on next page.

- 8) *The increase in Investment Expense is a result of increased market values primarily in the Private Equity, Specialty Credit and Real Estate asset classes which have higher fees.*
- 9) *The increase in Performance fees is due to an increase in realized gains in Private Equity and Real Estate.*
- 10) *Variance is a result of the demand of the Securities Lending Program.*
- 11) *The increase in Refunds is due to an increase in refunds taken by members who terminated employment and were not eligible for a retirement benefit (all systems).*



Combining Statement of Fiduciary Net Position - Insurance Funds

As of June 30, 2022, with Comparative Totals as of June 30, 2021 (\$ in Thousands) (Unaudited)

	CERS	CERS	KERS	KERS	SPRS	KPPA Total		Percentage	Note
	Nonhazardous	Hazardous	Nonhazardous	Hazardous		FY 2022	FY 2021	of Change	
ASSETS									
CASH AND SHORT-TERM INVESTMENTS									
Cash Deposits	\$101	\$19	\$91	\$25	\$18	\$255	\$416	(38.74)%	1
Short-term Investments	144,399	46,793	187,678	39,120	13,697	431,686	429,500	0.51%	
Total Cash and Short-term Investments	144,499	46,812	187,770	39,145	13,715	431,941	429,916	0.47%	
RECEIVABLES									
Accounts Receivable	19,338	6,289	12,995	344	949	39,914	36,356	9.78%	
Investment Accounts Receivable	15,241	7,491	6,922	2,735	1,161	33,550	85,777	(60.89)%	2
Total Receivables	34,579	13,779	19,917	3,079	2,110	73,464	122,133	(39.85)%	
INVESTMENTS, AT FAIR VALUE									
Core Fixed Income	334,374	168,783	155,502	68,122	26,732	753,514	856,629	(12.04)%	3
Public Equities	1,354,736	672,979	518,642	233,378	91,893	2,871,630	3,085,629	(6.94)%	
Specialty Credit	292,493	164,729	84,753	57,568	25,912	625,456	584,979	6.92%	
Private Equities	637,910	324,019	263,472	126,429	50,056	1,401,887	1,163,959	20.44%	4
Derivatives	(390)	(185)	(202)	(128)	(29)	(934)	53	(1,877.11)%	5
Real Return	74,169	39,857	27,755	16,365	6,096	164,241	422,669	(61.14)%	6
Opportunistic	-	-	-	-	-	-	205,754	(100.00)%	7
Real Estate	171,044	93,762	53,737	39,387	15,064	372,995	258,215	44.45%	8
Total Investments, at Fair Value	2,864,337	1,463,945	1,103,660	541,122	215,724	6,188,789	6,577,887	(5.92)%	
Securities Lending Collateral Invested	66,459	33,425	28,391	12,806	5,063	146,144	176,602	(17.25)%	9
Total Assets	3,109,875	1,557,962	1,339,738	596,152	236,612	6,840,338	7,306,539	(6.38)%	
LIABILITIES									
Accounts Payable	154	56	133	-	2	345	461	(25.14)%	10
Investment Accounts Payable	19,633	9,698	9,692	3,444	1,532	43,999	155,862	(71.77)%	11
Securities Lending Collateral	66,459	33,425	28,391	12,806	5,063	146,144	176,602	(17.25)%	12
Total Liabilities	86,246	43,179	38,216	16,250	6,597	190,488	332,925	(42.78)%	
Total Fiduciary Net Position Restricted for OPEB	\$3,023,628	\$1,514,783	\$1,301,522	\$579,902	\$230,015	\$6,649,850	\$6,973,613	(4.64)%	

NOTE - Variance Explanation

Differences due to rounding

- 1) Variance is a result of continuous fluctuation of deposits and transactions that flow through the cash account.
- 2) The variance in Investment Accounts Receivable is due to pending trades.
- 3) The decrease in Core Fixed Income is due to a rebalance of the portfolio as a result of the revised IPS and a decline in market value of the assets due to the unfavorable market conditions.
- 4) The increase in Private Equity is a result of the funding of 3 new managers, additional funding of current managers, and increasing market values of current investments.
- 5) Variance is a result of hedging and arbitration of risk within the portfolios.
- 6) The decrease in Real Return is a result of the redemption of Putnam and continued liquidation of hedge funds.
- 7) The decrease in Opportunistic is a result of the merging of the Opportunistic asset class with the Specialty Credit asset class.
- 8) The increase in Real Estate is due to additional funding and increasing market values for current managers.
- 9) Variance is a result of the demands of the Securities Lending Program.
- 10) The decrease in Accounts Payable is due to a decline in outstanding credit employer invoices.
- 11) The variance In Investment Accounts Payable is due to pending trades.
- 12) Variance is a result of the demands of the Securities Lending Program.



Combining Statement of Changes In Fiduciary Net Position - Insurance Funds

For the twelve month period ending June 30, 2022, with Comparative Totals for the twelve month period ending June 30, 2021 (\$ In Thousands) (Unaudited)

	CERS Non-hazardous	CERS Hazardous	KERS Non-hazardous	KERS Hazardous	SPRS	KPPA Total		Percentage of Change	Note
						FY 2022	FY 2021		
ADDITIONS									
Employer Contributions	\$164,108	\$69,973	\$133,248	\$1	\$8,782	\$376,112	\$346,027	8.69%	
Medicare Drug Reimbursement	1	-	-	1	-	3	3	(4.99)%	
Insurance Premiums	534	(271)	182	(54)	(27)	364	563	(35.38)%	1
Humana Gain Share Payment	8,912	1,259	7,321	548	342	18,381	42,896	(57.15)%	2
Retired Re-employed Healthcare	4,816	1,530	5,041	1,279	-	12,666	12,535	1.05%	
Health Insurance Contributions (HB1)	15,985	3,758	6,560	1,232	256	27,790	24,409	13.86%	3
Employer Cessation Contributions	-	-	2,404	-	-	2,404	28,400	(91.53)%	4
Total Contributions	194,356	76,248	154,756	3,008	9,353	437,721	454,832	(3.76)%	
INVESTMENT INCOME									
From Investing Activities									
Net Appreciation (Depreciation) in FV of Investments	(222,333)	(103,270)	(105,577)	(36,877)	(14,419)	(482,475)	1,286,326	(137.51)%	5
Interest/Dividends	85,850	44,489	34,138	17,519	6,861	188,857	161,770	16.74%	6
Total Investing Activities Income	(136,482)	(58,781)	(71,439)	(19,358)	(7,557)	(293,618)	1,448,096		
Less: Investment Expense	15,664	8,279	5,992	3,264	1,279	34,478	30,077	14.63%	7
Less: Performance Fees	22,044	12,355	8,270	4,849	1,976	49,495	41,085	20.47%	8
Net Income from Investing Activities	(174,190)	(79,415)	(85,701)	(27,471)	(10,813)	(377,590)	1,376,934		
From Securities Lending Activities									
Securities Lending Income	312	154	134	56	23	679	402		
Less: Securities Lending Borrower Rebates (Income)/Expense	(85)	(46)	(39)	(20)	(7)	(198)	(300)		
Less: Securities Lending Agent Fees	60	30	26	11	5	131	105		
Net Income from Securities Lending	338	170	147	64	26	745	597	24.85%	9
Net Investment Income	(173,852)	(79,245)	(85,555)	(27,407)	(10,787)	(376,845)	1,377,531	(127.36)%	
Total Additions	20,503	(2,998)	69,202	(24,398)	(1,434)	60,876	1,832,363	(96.68)%	
DEDUCTIONS									
Healthcare Premiums Subsidies	134,427	89,320	118,451	20,355	14,461	377,015	375,599	0.38%	
Administrative Expenses	933	502	820	125	73	2,453	2,353	4.27%	
Self-Funded Healthcare Costs	3,288	210	1,525	109	21	5,152	5,465	(5.72)%	
Excise Tax Insurance	12	-	6	-	-	19	-		
Total Deductions	138,661	90,031	120,803	20,589	14,556	384,639	383,416	0.32%	
Net Increase (Decrease) in Fiduciary Net Position									
Restricted for OPEB	(118,158)	(93,028)	(51,601)	(44,988)	(15,989)	(323,764)	1,448,947		
Total Fiduciary Net Position Restricted for OPEB									
Beginning of Period	3,141,786	1,607,811	1,353,123	624,889	246,004	6,973,613	5,524,666	26.23%	
End of Period	\$3,023,628	\$1,514,783	\$1,301,522	\$579,902	\$230,015	\$6,649,850	\$6,973,613	(4.64)%	

NOTE - Variance Explanation. Differences due to rounding

- 1) Health Insurance Premiums decreased due to refunds processed to hazardous retirees for premiums paid for dependents that should have been covered by KPPA.
- 2) Humana Gain Share payments will fluctuate based on timing and actual claims paid.
- 3) Health Insurance Contributions will continue to rise as Tier 3 members increase.
- 4) Employer Cessation payment received from Kentucky Housing Corporation FY2022 versus NKU payment received FY2021.
- 5) The decrease in Net Appreciation in Fair Value of Investments is due to unfavorable market conditions resulting in unrealized losses primarily within the Public Equity asset class.

NOTE - Variance Explanation continued on next page.

- 6) *The increase in Interest/Dividends is a result of the increased allocation to Public Equities and Fixed Income asset classes.*
- 7) *The increase in Investment Expense is a result of increased market values primarily in the Private Equity, Specialty Credit and Real Estate asset classes which have higher fees associated.*
- 8) *The increase in Performance fees is due to an increase in realized gains in Private Equity and Real Estate.*
- 9) *Variance is a result of the demand of the Securities Lending Program.*

Pension Funds Contribution Report

For the twelve month period ending June 30, 2022, with Comparative Totals for the twelve month period ending June 30, 2021 (\$ in Millions)





	County Employees Retirement System			
	Nonhazardous		Hazardous	
	FY22	FY21	FY22	FY21
Member Contributions	\$186.6	\$165.7	\$69.6	\$62.4
Employer Contributions	561.2	472.2	210.4	172.2
Net Investment Income	139.9	135.7	49.4	45.8
Total Inflows	887.7	773.6	329.4	280.4
Benefit Payments/Refunds	878.0	840.6	311.6	294.7
Administrative Expenses	22.7	21.7	2.0	1.9
Total Outflows	900.7	862.3	313.6	296.6
NET Contributions	(13.0)	(88.7)	15.8	(16.2)
Realized Gain/(Loss)	374.1	316.8	126.0	107.0
Unrealized Gain/(Loss)	(1,011.8)	1,331.7	(350.1)	447.9
Change in Net Position	(650.7)	1,559.8	(208.3)	538.7
Beginning of Period	8,670.7	7,110.9	2,934.4	2,395.7
End of Period	\$8,020.0	\$8,670.7	\$2,726.1	\$2,934.4

Differences due to rounding.

Pension Funds Contribution Report

For the twelve month period ending June 30, 2022, with Comparative Totals for the twelve month period ending June 30, 2021 (\$ in Millions)

 	Kentucky Employees Retirement System				State Police Retirement System	
	Nonhazardous		Hazardous			
	FY22	FY21	FY22	FY21	FY22	FY21
Member Contributions	\$89.6	\$90.2	\$20.6	\$20.0	\$4.8	\$4.8
Employer Contributions	141.1	958.6	59.1	62.2	62.3	59.3
Actuarially Accrued Liability Contributions	912.7	-	-	-	-	-
Employer Cessation Contributions	63.1	175.6	-	-	-	-
General Fund Appropriations	-	-	-	-	215.0	0.4
Net Investment Income	52.7	50.6	15.1	13.9	6.3	5.9
Total Inflows	1,259.2	1,275.0	94.8	96.1	288.4	70.4
Benefit Payments/Refund	1,035.5	1,018.5	82.0	78.3	64.4	63.5
Administrative Expenses	13.3	11.6	1.5	1.3	0.3	0.2
Total Outflows	1,048.8	1,030.1	83.5	79.6	64.7	63.7
NET Contributions	210.4	244.9	11.3	16.5	223.7	6.7
Realized Gain/(Loss)	91.4	97.0	35.3	31.2	11.3	11.0
Unrealized Gain/(Loss)	(310.0)	380.9	(102.3)	129.8	(39.8)	45.0
Change in Net Position	(8.2)	722.8	(55.7)	177.5	195.2	62.7
Beginning of Period	3,085.0	2,362.2	874.9	697.4	357.7	295.0
End of Period	\$3,076.8	\$3,085.0	\$819.2	\$874.9	\$552.9	\$357.7

Insurance Fund Contribution Report

For the twelve month period ending June 30, 2022, with Comparative Totals for the twelve month period ending June 30, 2021 (\$ in Millions)




County Employees Retirement System
Nonhazardous Hazardous

	FY22	FY21	FY22	FY21
Employer Contributions	\$164.1	\$124.7	\$70.0	\$58.5
Insurance Premiums	0.5	0.5	(0.3)	(0.2)
Humana Gain Share	8.9	20.7	1.3	3.0
Retired Reemployed Healthcare	4.8	5.2	1.5	1.4
Health Insurance Contributions	15.9	13.6	3.7	3.1
Net Investment Income	48.5	41.0	24.0	20.3
Total Inflows	242.7	205.7	100.2	86.1
Healthcare Premiums	137.7	139.7	89.5	85.4
Administrative Expenses	0.9	0.9	0.5	0.5
Total Outflows	138.6	140.6	90.0	85.9
NET Contributions	104.1	65.1	10.2	0.2
Realized Gain/(Loss)	138.0	109.4	74.1	57.0
Unrealized Gain/(Loss)	(360.3)	469.2	(177.4)	245.5
Change in Net Position	(118.1)	643.7	(93.1)	302.7
Beginning of Period	3,141.8	2,498.1	1,607.8	1,305.1
End of Period	\$3,023.6	\$3,141.8	\$1,514.7	\$1,607.8

Differences due to rounding.

Insurance Fund Contribution Report

For the twelve month period ending June 30, 2022, with Comparative Totals for the twelve month period ending June 30, 2021 (\$ in Millions)

 	Kentucky Employees Retirement System				State Police Retirement System	
	Nonhazardous		Hazardous			
	FY22	FY21	FY22	FY21	FY22	FY21
Employer Contributions	\$31.6	\$153.6	-	-	\$8.8	\$9.3
Actuarially Accrued Liability Contributions	101.7	-	-	-	-	-
Employer Cessation Contributions	2.4	28.4	-	-	-	-
Insurance Premiums	0.2	0.2	-	-	-	-
Humana Gain Share	7.3	17.1	0.5	1.2	0.3	0.8
Retired Reemployed Healthcare	5.0	4.7	1.3	1.3	-	-
Health Insurance Contributions	6.6	6.3	1.2	1.2	0.2	0.2
Net Investment Income	20.0	18.5	9.5	8.4	3.6	3.1
Total Inflows	174.8	228.8	12.5	12.1	12.9	13.4
Healthcare Premiums	120.0	121.5	20.5	19.9	14.4	14.5
Administrative Expenses	0.8	0.8	0.1	0.1	0.1	0.1
Total Outflows	120.8	122.3	20.6	20.0	14.5	14.6
NET Contributions	54.0	106.4	(8.1)	(7.9)	(1.6)	(1.2)
Realized Gain/(Loss)	40.9	45.0	26.9	21.8	11.3	8.7
Unrealized Gain/(Loss)	(146.5)	195.1	(63.8)	96.3	(25.7)	38.3
Change in Net Position	(51.5)	346.6	(44.9)	110.2	(16.0)	45.8
Beginning of Period	1,353.1	1,006.5	624.9	514.7	246.0	200.2
End of Period	\$1,301.5	\$1,353.1	\$579.9	\$624.9	\$230.0	\$246.0

KPPA ADMINISTRATIVE BUDGET FY 2021-2022 BUDGET-TO-ACTUAL ANALYSIS						
FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2022, WITH COMPARATIVE TOTALS FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2021						
Account Name	Budgeted	FY 2022 Expense	Remaining	Percent Remaining	FY 2021 Expense	Percent Difference
PERSONNEL						
Staff						
Salaries/Wages	\$16,900,000	\$15,628,481	\$1,271,519	7.52%	\$14,349,829	8.91%
Wages (Overtime)	342,000	174,159	167,841	49.08%	76,317	128.20%
Fringe Benefits	-	2,779	(2,779)	0.00%	-	100.00%
Emp Paid Retirement	14,478,107	12,421,914	2,056,194	14.20%	11,566,766	7.39%
Emp Paid Health Ins	2,500,000	2,455,352	44,648	1.23%	2,189,835	12.12%
Emp Paid Sick Leave	115,650	86,032	29,618	25.61%	13,786	524.05%
Adoption Assistance Benefit	-	7,000	(7,000)	0.00%	-	100.00%
Workers Compensation	77,100	75,163	1,937	2.51%	75,163	0.00%
Unemployment	3,600	-	3,600	100.00%	-	0.00%
Other Personnel	1,130,250	1,116,296	13,954	1.23%	1,027,167	8.68%
Employee Training	18,400	9,685	8,715	47.36%	9,685	0.00%
Bonds	-	81	(81)	0.00%	-	100.00%
Staff Subtotal	35,565,107	31,976,942	3,588,166	10.10%	29,308,548	9.10%
LEGAL & AUDITING SERVICES						
Legal Hearing Officers	84,600	117,998	(33,398)	(39.48)%	77,000	53.24%
Legal (Stoll, Keenon)	180,000	88,189	91,811	51.01%	145,595	(39.43)%
Frost Brown (Tax Advisor)	173,000	40,458	132,542	76.61%	226,388	(82.13)%
Reinhart	24,000	29,878	(5,878)	(24.49)%	-	-
Ice Miller	336,000	701,266	(365,266)	(108.71)%	304,712	130.14%
Johnson, Bowman, Branco LLC	150,000	95,428	54,573	36.38%	-	100.00%
Dentons Bingham & Greenebaum	150,000	52,661	97,339	64.89%	-	0.00%
Legal Expense	12,000	138	11,862	98.85%	202	(31.68)%
Auditing	118,350	141,883	(23,533)	(19.88)%	72,047	96.93%
CONSULTING SERVICES						
Medical Reviewers	1,200,000	1,593,144	(393,144)	(32.76)%	316,186	403.86%
Escrow for Actuary Fees	12,000	-	12,000	100.00%	-	0.00%
CONTRACTUAL SERVICES						
Miscellaneous Contracts	22,750	20,124	2,626	11.54%	12,077	66.63%
Human Resources Consulting	6,600	5,794	806	12.22%	5,794	0.00%
Actuarial Services	700,000	474,411	225,589	32.23%	468,490	1.26%
Facility Security Charges	112,000	104,067	7,933	7.08%	70,222	48.20%
PERSONNEL SUBTOTAL	\$38,846,407	\$35,442,380	\$3,404,029	8.91%	\$30,997,722	14.34%
OPERATIONAL						
Natural Gas	25,200	31,229	(6,029)	(23.92)%	22,951	36.07%
Electric	138,000	105,960	32,040	23.22%	124,816	(15.11)%
Rent-NonState Building	52,000	50,643	1,357	2.61%	55,443	(8.66)%
Building Rental - PPW	1,100,000	962,097	137,903	12.54%	1,005,815	(4.35)%
Equipment Rental	-	-	-	-	7,163	(100.00)%
Copier Rental	122,587	86,605	35,982	29.35%	55,520	55.99%
Rental Carpool	4,800	3,881	919	19.15%	3,881	0.00%
Vehicle/Equip. Mainten.	1,350	249	1,101	81.56%	912	(72.70)%
Postage	610,000	376,335	233,665	38.31%	552,199	(31.85)%
Freight	600	155	445	74.13%	-	100.00%
Printing (State)	6,000	6,508	(508)	(8.46)%	4,992	30.37%
Printing (non-state)	112,500	71,162	41,338	36.74%	102,293	(30.43)%
Insurance	6,000	5,422	578	9.63%	3,802	42.61%
Garbage Collection	6,000	4,853	1,147	19.12%	5,294	(8.33)%
Conference Expense	18,250	24,816	(6,566)	(35.98)%	13,499	83.84%
Conference Exp. Investment	6,000	-	6,000	100.00%	-	0.00%
Conference Exp. Audit	1,500	2,072	(572)	(38.14)%	-	100.00%
MARS Usage	52,800	27,100	25,700	48.67%	47,646	(43.12)%
COVID-19 Expenses	168,000	12,686	155,314	92.45%	153,032	(91.71)%
Office Supplies	42,600	82,826	(40,226)	(94.43)%	38,837	113.27%
Furniture & Office Equipment	9,600	1,825	7,775	80.99%	8,215	(77.78)%
Travel (In-State)	12,000	5,487	6,513	54.28%	1,473	272.51%
Travel (In-State) Investment	300	39	261	87.09%	-	100.00%
Travel (In-State) Audit	300	-	300	100.00%	-	0.00%

KPPA ADMINISTRATIVE BUDGET 2021-22 BUDGET-TO-ACTUAL ANALYSIS

FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2022, WITH COMPARATIVE TOTALS FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2021

Account Name	Budgeted	FY 2022 Expense	Remaining	Percent Remaining	FY 2021 Expense	Percent Difference
Travel (Out of State)	6,000	1,755	4,245	70.75%	397	0,342.07%
Travel (Out of State) Investment	38,700	7,393	31,307	80.90%	397	1,762.22%
Travel (Out of State) Audit	450	-	450	100.00%	-	0.00%
Dues & Subscriptions	49,000	52,488	(3,488)	(7.12)%	2,037	2,476.81%
Dues & Subscriptions Invest	9,600	12,228	(2,628)	(27.37)%	8,551	43.00%
Dues & Subscriptions Audit	3,000	738	2,262	75.40%	2,037	(63.77)%
Miscellaneous	1,200	34,336	(33,136)	(2,761.33)%	788	4,257.36%
Miscellaneous Investment	200	-	200	100.00%	-	0.00%
Miscellaneous Audit	200	-	200	100.00%	-	0.00%
COT Charges	24,000	28,640	(4,640)	(19.33)%	21,640	32.35%
Telephone - Wireless	5,400	5,420	(20)	(0.37)%	4,734	14.49%
Telephone - Other	120,000	117,806	2,194	1.83%	100,686	17.00%
Computer Equip./Software	2,640,000	2,916,313	(276,313)	(10.47)%	-	100.00%
OPERATIONAL SUBTOTAL	\$5,394,137	\$5,039,065	\$355,070	6.58%	\$4,752,984	6.02%
SUB-TOTAL	\$44,240,544	\$40,481,445	\$3,759,100	8.50%	\$35,750,706	13.23%
Reserve	3,764,956	-	3,764,956	0.00%		
TOTAL	\$48,005,500	\$40,481,445	\$7,524,056	15.67%	\$35,750,706	13.23%

Differences due to rounding

Plan	Budgeted	FY 2022 Expense	% of Total KPPA FY 2022 Expense	FY 22 Hybrid Percentage
CERS Nonhazardous	\$28,683,286	\$24,187,663	59.75%	57.58%
CERS Hazardous	2,539,491	2,141,468	5.29%	5.10%
KERS Nonhazardous	14,824,098	12,500,670	30.88%	32.965%
KERS Hazardous	1,636,988	1,380,417	3.41%	3.635%
SPRS	321,637	271,226	0.67%	0.720%
TOTAL	\$48,005,500	\$40,481,445		

Plan - Specific Expenses	CERS Nonhazardous	CERS Hazardous	KERS Nonhazardous	KERS Hazardous	SPRS
FY 2022 Expense	\$24,187,663	\$2,141,469	\$12,500,670	\$1,380,417	\$271,226
Hybrid Percent Adjustment	(879,443)	(78,768)	846,555	91,355	20,301
Plan Specific Adjustment	(365,417)	(32,305)	364,002	40,261	(6,541)
Separation Expense Adjustment	182,519	16,205	(175,735)	(19,156)	(3,833)
Total Expenses	\$23,125,322	\$2,046,601	\$13,535,492	\$1,492,877	\$281,153



KENTUCKY PUBLIC PENSIONS AUTHORITY Outstanding Invoices by Type and Employer

Invoice Type	6/30/2022	3/31/2022	Change H/(L)
Averaging Refund to Employer	\$(202,340)	\$(174,525)	15.94%
Employer Free Military and Decompression Service	284,093	277,801	2%
Member Pension Spiking Refund	(33,439)	(27,824)	20.18%
Monthly Reporting Invoice	14,638	226,558	(93.54)%
Penalty – Monthly Reporting	217,435	198,721	9.42%
Reinstatement	173,603	177,018	-2%
Actuarially Accrued Liability Contribution	1,597,576	1,140,296	40%
Total	2,051,567	1,818,044	
Health Insurance Reimbursement	1,286,064	990,679	29.82%
Omitted Employer	1,557,398	1,525,783	2.07%
Employer Pension Spiking*	1,600,597	1,573,962	2%
Standard Sick Leave	9,684,063	9,044,195	7%
Total	14,128,121	13,134,620	8%
Grand Total	\$16,179,688	\$14,952,664	8%

*Pension Spiking invoices on this report are Employer Pension Spiking. By statute these invoices are due 12 months from the invoice date. Employer Pension Spiking is in effect only for retirements prior to July 1, 2018, therefore, unless there has been a recently created invoice for a backdated retirement, all of these invoices are greater than 12 months old.

Employer Name (Top Ten)	6/30/2022	3/31/2022	Change H/(L)
Kentucky State Police	\$9,870,468	\$8,732,481	13%
Kentucky River Community Care	1,449,809	1,087,076	33%
Kentucky River Regional Jail	893,893	893,893	0%
City of Covington	385,017	382,559	1%
Kenton County Airport Board	355,440	352,292	1%
City of Fort Thomas	235,834	232,927	1%
Livingston County Fiscal Court	228,710	228,567	0%
Henry County Fiscal Court	206,904	206,696	0%
TARC - Transit Authority River City	188,996	210,266	(10)%
Judicial Depart. Administrative Office of the Courts	\$126,845	\$746	16,914.07%

	Total Unpaid Balance	Average Invoice Age
CERS	\$2,285,048	756
CERH	1,657,503	888
KERS	3,634,022	1,051
KERH	709,816	596
SPRS	8,080,069	681
Grand Total:	\$16,366,457.53	3,972

KENTUCKY PUBLIC PENSIONS AUTHORITY

Penalty Invoices Report

From: 4/1/2022 To: 6/30/2022

Note: Delinquent Interest amounts are included in the totals for the invoice

Invoice Amount	Invoice Remaining Balance	Delinquent Interest	Invoice Status Date	Invoice Due Date	Invoice Status	Employer Classification	Plan	Comments
\$1,000	-	-	5/11/2022	6/2/2016	CANC	Master Commissioner	KERS	Agency had no active employees.
1,000	-	-	6/14/2022	8/6/2020	CANC	Cities	CERS	New employer reporting official.
1,000	-	-	6/14/2022	8/20/2020	CANC	Cities	CERS	New employer reporting official.
1,000	-	-	6/14/2022	9/23/2020	CANC	Cities	CERS	New employer reporting official.
1,000	-	-	6/14/2022	10/17/2020	CANC	Cities	CERS	New employer reporting official.
1,000	-	-	6/14/2022	11/29/2020	CANC	Cities	CERS	New employer reporting official.
1,000	-	-	6/14/2022	4/16/2021	CANC	Cities	CERS	New employer reporting official.
1,000	-	-	4/8/2022	4/10/2022	CANC	County Attorneys	KERS	Agency in good standing with KPPA.
1,000	-	-	4/12/2022	4/17/2022	CANC	Master Commissioner	KERS	Agency had no active employees.
1,000	-	-	4/14/2022	5/11/2022	CANC	Cities	CERS	Agency in good standing with KPPA.
1,000	-	-	4/14/2022	5/11/2022	CANC	Cities	CERS	Agency in good standing with KPPA.
1,000	-	-	4/14/2022	5/11/2022	CANC	Cities	CERS	Agency in good standing with KPPA.
1,000	-	-	5/31/2022	6/15/2022	CANC	Cities	CERS	New employer reporting official.
1,000	-	-	5/31/2022	6/24/2022	CANC	Cities	CERS	New employer reporting official.
\$14,000								
\$1,000	1,000	-	4/11/2022	5/11/2022	CRTD	County Attorneys	CERS	
1,000	1,000	-	4/11/2022	5/11/2022	CRTD	County Attorneys	CERS	
1,000	1,000	-	4/14/2022	5/14/2022	CRTD	Planning Commissions	CERS	
1,000	1,000	-	4/18/2022	5/18/2022	CRTD	County Attorneys	KERS	
1,000	1,000	-	4/18/2022	5/18/2022	CRTD	Cities	CERS	
1,395	1,395	-	4/20/2022	5/20/2022	CRTD	Cities	CERS	
1,000	1,000	-	4/25/2022	5/25/2022	CRTD	County Attorneys	KERS	
1,000	1,000	-	5/3/2022	6/2/2022	CRTD	Conservation Districts	CERS	
1,000	1,000	-	5/10/2022	6/9/2022	CRTD	County Attorneys	KERS	
1,000	1,000	-	5/16/2022	6/15/2022	CRTD	Cities	CERS	
1,000	1,000	-	5/16/2022	6/15/2022	CRTD	County Attorneys	KERS	
1,000	1,000	-	5/16/2022	6/15/2022	CRTD	County Attorneys	KERS	
1,000	1,000	-	5/18/2022	6/17/2022	CRTD	County Attorneys	CERS	
1,691	1,691	-	5/19/2022	6/18/2022	CRTD	Cities	CERS	
1,842	1,842	-	5/20/2022	6/19/2022	CRTD	Cities	CERS	
1,809	1,809	-	5/20/2022	6/19/2022	CRTD	Cities	CERS	
1,000	1,000	-	5/23/2022	6/22/2022	CRTD	Fiscal Courts	CERS	

KENTUCKY PUBLIC PENSIONS AUTHORITY

Penalty Invoices Report

From: 4/1/2022 To: 6/30/2022

Note: Delinquent Interest amounts are included in the totals for the invoice

Invoice Amount	Invoice Remaining Balance	Delinquent Interest	Invoice Status Date	Invoice Due Date	Invoice Status	Employer Classification	Plan	Comments
1,000	1,000	-	5/23/2022	6/22/2022	CRTD	Fiscal Courts	CERS	
1,000	1,000	-	5/31/2022	6/30/2022	CRTD	Cities	CERS	
1,000	1,000	-	5/31/2022	6/30/2022	CRTD	Planning Commissions	CERS	
2,699	2,699	-	6/1/2022	7/1/2022	CRTD	Cities	CERS	
1,000	1,000	-	6/16/2022	7/16/2022	CRTD	Fiscal Courts	CERS	
\$26,435								
\$1,000	-	-	6/16/2022	11/20/2013	PAID	Cities	CERS	
1,000	-	-	6/16/2022	2/1/2014	PAID	Cities	CERS	
1,000	-	-	6/16/2022	2/20/2014	PAID	Cities	CERS	
1,000	-	-	4/19/2022	9/18/2014	PAID	County Attorneys	CERS	
1,000	-	-	4/19/2022	9/26/2014	PAID	Fiscal Courts	CERS	
1,000	-	-	4/19/2022	10/22/2014	PAID	County Attorneys	CERS	
1,000	-	-	4/14/2022	12/16/2016	PAID	Sanitation Districts	CERS	
1,000	-	-	4/14/2022	8/18/2017	PAID	Sanitation Districts	CERS	
1,000	-	-	5/11/2022	9/17/2017	PAID	Sanitation Districts	CERS	
1,000	-	-	5/11/2022	2/18/2018	PAID	Sanitation Districts	CERS	
1,000	-	-	5/11/2022	9/15/2018	PAID	Sanitation Districts	CERS	
1,000	-	-	5/11/2022	4/17/2019	PAID	Sanitation Districts	CERS	
1,000	-	-	5/11/2022	10/18/2019	PAID	Sanitation Districts	CERS	
1,000	-	-	5/11/2022	11/17/2019	PAID	Sanitation Districts	CERS	
1,000	-	-	5/11/2022	2/15/2020	PAID	Sanitation Districts	CERS	
1,000	-	-	5/11/2022	11/20/2020	PAID	Sanitation Districts	CERS	
1,000	-	-	5/10/2022	2/12/2021	PAID	Boards of Education	CERS	
1,000	-	-	5/10/2022	3/19/2021	PAID	Boards of Education	CERS	
1,000	-	-	4/5/2022	9/23/2021	PAID	Boards of Education	CERS	
1,000	-	-	5/4/2022	9/26/2021	PAID	Fiscal Courts	CERS	
1,000	-	-	5/4/2022	11/7/2021	PAID	Fiscal Courts	CERS	
1,000	-	-	4/5/2022	2/2/2022	PAID	Boards of Education	CERS	
1,000	-	-	5/11/2022	2/10/2022	PAID	Sanitation Districts	CERS	
1,000	-	-	4/1/2022	4/8/2022	PAID	Conservation Districts	CERS	
1,000	-	-	4/11/2022	4/27/2022	PAID	Utility Boards	CERS	
1,000	-	-	4/11/2022	4/29/2022	PAID	Utility Boards	CERS	
1,000	-	-	4/11/2022	4/30/2022	PAID	Utility Boards	CERS	
1,000	-	-	5/16/2022	5/12/2022	PAID	Parks and Recreation	CERS	
1,000	-	-	5/16/2022	5/15/2022	PAID	Parks and Recreation	CERS	

KENTUCKY PUBLIC PENSIONS AUTHORITY

Penalty Invoices Report

From: 4/1/2022 To: 6/30/2022

Note: Delinquent Interest amounts are included in the totals for the invoice

Invoice Amount	Invoice Remaining Balance	Delinquent Interest	Invoice Status Date	Invoice Due Date	Invoice Status	Employer Classification	Plan	Comments
1,000	-	-	6/7/2022	5/18/2022	PAID	Universities	KERS	
1,000	-	-	5/16/2022	5/18/2022	PAID	Parks and Recreation	CERS	
1,000	-	-	5/16/2022	5/19/2022	PAID	Parks and Recreation	CERS	
1,000	-	-	5/23/2022	6/3/2022	PAID	Fiscal Courts	CERS	
1,000	-	-	5/23/2022	6/3/2022	PAID	Fiscal Courts	CERS	
1,000	-	-	5/23/2022	6/3/2022	PAID	Fiscal Courts	CERS	
1,000	-	-	6/14/2022	6/16/2022	PAID	Cities	CERS	
7,360	-	-	6/10/2022	6/17/2022	PAID	Utility Boards	CERS	
1,000	-	-	6/15/2022	7/8/2022	PAID	Cities	CERS	
1,000	-	-	6/14/2022	7/13/2022	PAID	Libraries	CERS	
\$45,360								

Notes:**Invoice Status:**

CANC - Cancelled

CRTD - Created

July 2022

KPPA MONTHLY PERFORMANCE UPDATE

CERS/CERS-H

What's going on in the marketplace?

Weaker economic data (and perhaps a bit of a rebound after a tough June) led to a rally of global equity markets. Investors' sentiment shifted as markets began anticipating less Central Bank tightening and even began to price in the prospects of interest rate cuts in 2023 following signs of a slowing global economy. Market gains were broad as US stocks outpaced their international counterparts. Fixed Income markets rose as bond yields fell and credit spreads narrowed. Like in the equity markets, US bond markets outperformed their NonUS counterparts.

The KPPA pension investment portfolio returned 4.0% during the month of July, outperforming its benchmark by 0.7%. The CERS Pension Composite returned 4.3% during the month with the CERS and CERS-H portfolios both returning 4.3%, while their benchmark returned 3.5%. The funds outperformed their respective benchmarks with similar drivers of attribution. Relative outperformance was a product of solid performance in the Public Equity and Real Estate allocations of the portfolios versus their respective benchmarks; this was partially offset by relative underperformance in the Specialty Credit allocation.

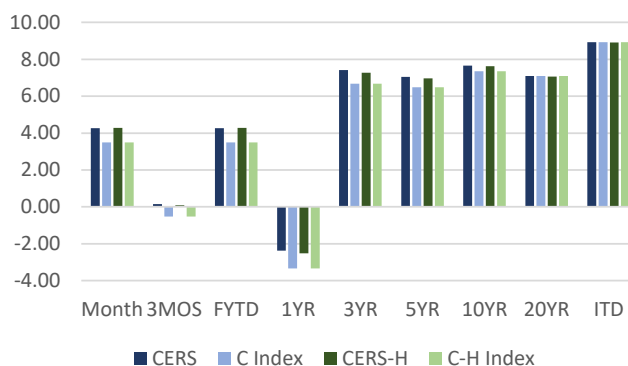
Global equity markets experienced a strong rebound in July, with the MSCI ACWI returning 7.0%. US markets outperformed their International market counterparts (9.4% versus 3.8%).

US equity markets gained 9.4% during the month (Russell 3000), the KPPA portfolio fared slightly better, returning 9.5%. While all market segments performed well, midcaps were the best performers, returning 10.9%, followed by small caps (10.45%) and large caps (9.2%). From a style perspective, growth significantly outperformed value (R300G: 12.0% vs R3000V: 6.8%). The KPPA portfolio's relative outperformance was driven by a combination of stock selection and allocation. A number of the individual strategies outpaced their respective indices, and the overweight to small caps proved beneficial during the period.

NonUS equity markets gained 3.8% (MSCI ACWI Ex-US) during the month. Developed markets returned 5.0% (MSCI World Ex-US) during the period while emerging markets fell 25bps (MSCI EM) in response to higher commodity prices and interest rates, along with geopolitical pressures, such as China and a strengthening USD. Small caps performed even better, gaining 5.8%. The KPPA portfolio gained 5.0% during the month, outpacing its benchmark by 120bps. All but one individual mandate produced relative outperformance. Those strategies with a growth tilt and small cap bias performed extremely well. The slight overweight to emerging markets tempered the allocations overall outperformance.

The specialty credit portfolio underperformed its benchmark during the month, returning 1.5% versus 4.0%. The High Yield market rallied sharply as rates fell and credit spreads snapped tighter supported by risk-on sentiment. Leveraged loans rebounded as well but failed to keep pace given their lower sensitivity to rates. Relative underperformance was due primarily to security selection with certain mandates struggling to match the performance of their stated benchmarks.

The core fixed income portfolio returned 1.3% compared to the Bloomberg Aggregate Index return of 2.4%. Relative underperformance was attributable to

C & CH Pension Performance - 07/31/22

positioning with the allocation; the portfolios remain underweight overall duration given the outlook for rising rates and elevated volatility.

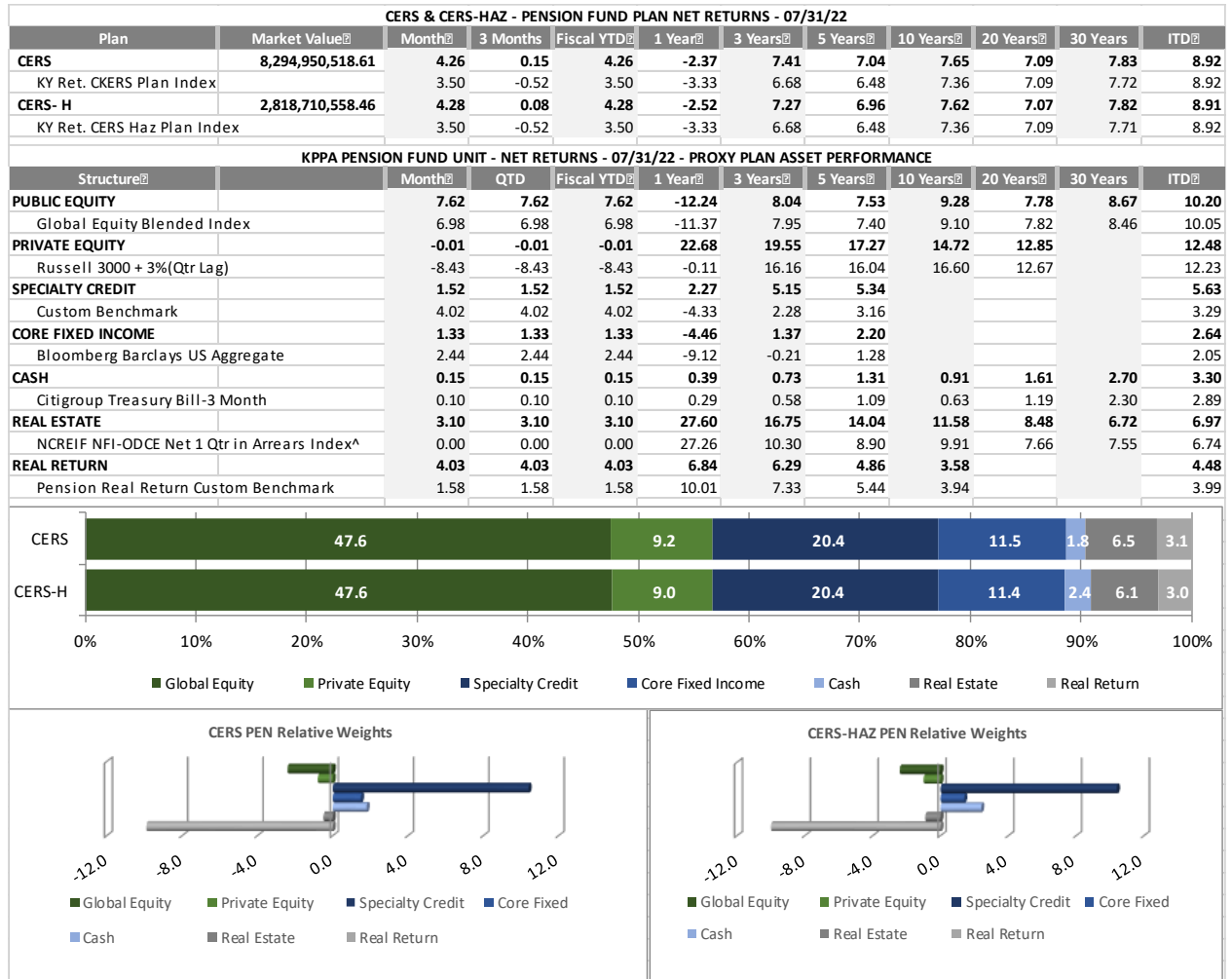
The private equity allocation was flat during the month. The 1-year return remains in excess of 22%.

The real return portfolio gained 4.0% during the month, compared to its benchmark return of 1.6%. Performance was driven almost entirely by the MLP portion of the portfolio, which gained 12.6%.

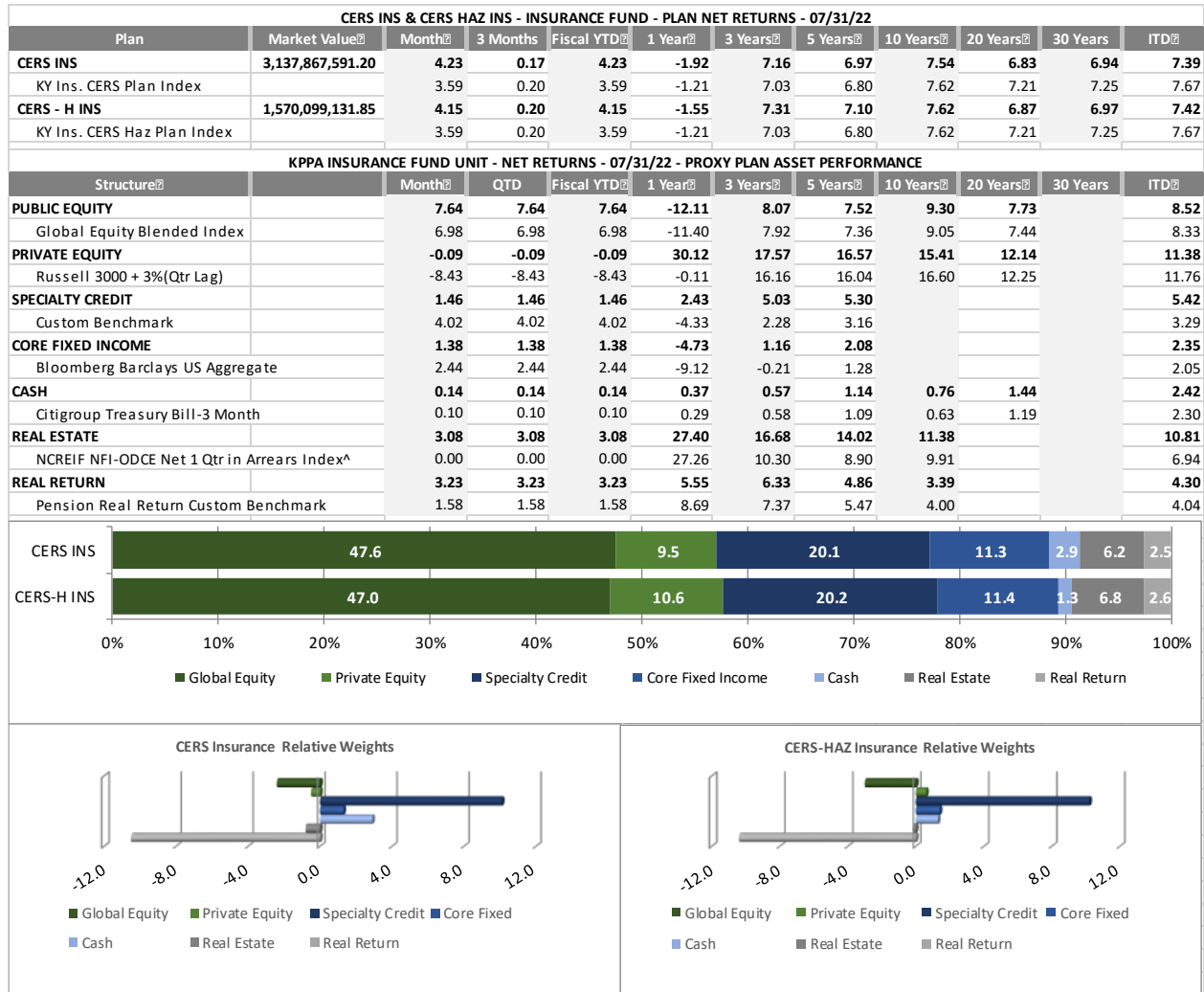
Real estate continued to perform well, returning another 3.1% for the month, bringing the 1-year return to 27.6%. The portfolio continues to benefit from strength in industrial, multi-family, and storage properties.

The cash portfolio outperformed its benchmark, the 3-month T-bill for the month returning 0.2% versus 0.1% for the benchmark.

KPPA Board Meeting - Investment Department Update



KPPA Board Meeting - Investment Department Update



July 2022

KPPA MONTHLY PERFORMANCE UPDATE

KERS/KERS-H/SPRS

What's going on in the marketplace?

Weaker economic data (and perhaps a bit of a rebound after a tough June) led to a rally of global equity markets. Investors' sentiment shifted as markets began anticipating less Central Bank tightening and even began to price in the prospects of interest rate cuts in 2023 following signs of a slowing global economy. Market gains were broad as US stocks outpaced their international counterparts. Fixed Income markets rose as bond yields fell and credit spreads narrowed. Like in the equity markets, US bond markets outperformed their NonUS counterparts.

The KPPA pension investment portfolio returned 4.0% during the month of July, outperforming its benchmark by 0.7%.

The KRS Pension Composite returned 3.3% during the month with the KERS and SPRS Pension portfolios returning 3.2% and 3.1%, respectively, while their benchmark returned 3.0%. The KERS-H Pension portfolio returned 4.0% versus its benchmark return of 3.2%. All three funds outperformed their respective benchmarks with similar drivers of attribution. Relative outperformance was a product of solid performance in the Public Equity and Real Estate allocations of the portfolios versus their respective benchmarks; this was partially offset higher cash balances during a strong market period.

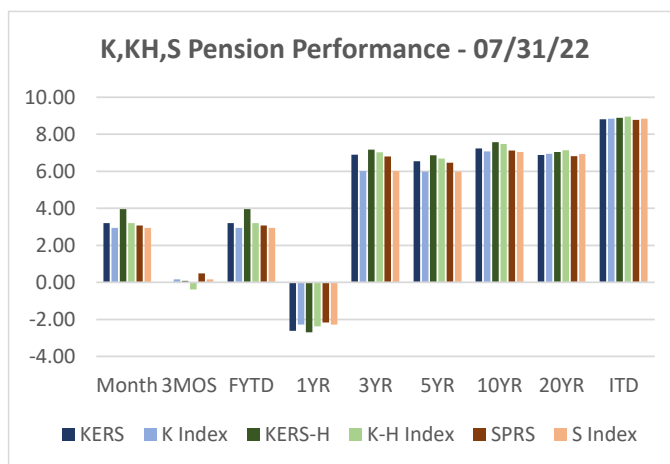
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The specialty credit portfolio underperformed its benchmark during the month, returning 1.5% versus 4.0%. The High Yield market rallied sharply as rates fell and credit spreads snapped tighter supported by risk-on sentiment. Leveraged loans rebounded as well but failed to keep pace given their lower sensitivity to rates. Relative underperformance was due primarily to security selection with certain mandates struggling to match the performance of their stated benchmarks.

The core fixed income portfolio returned 1.3% compared to the Bloomberg Aggregate Index return of 2.4%. Relative underperformance was attributable to



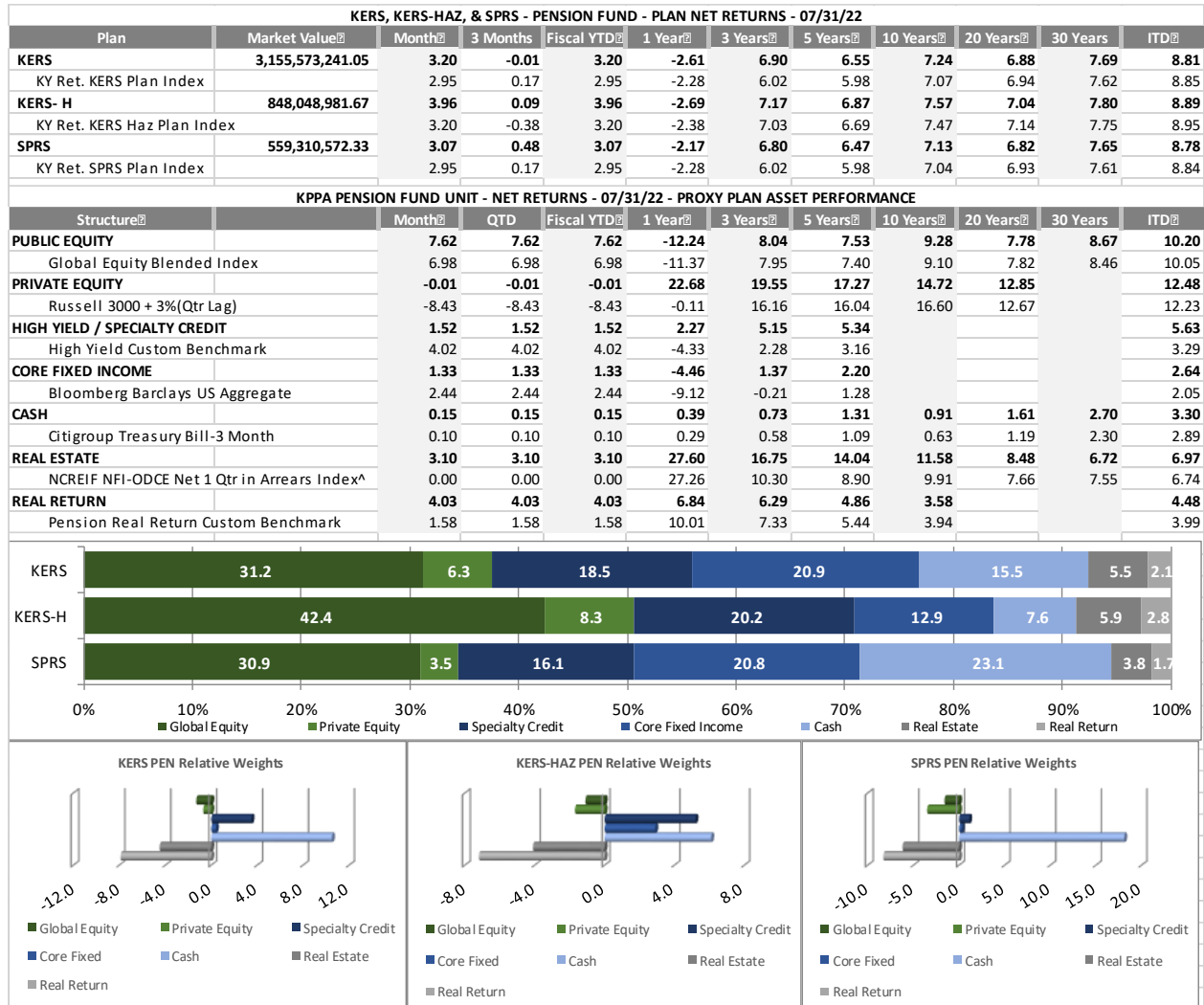
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The private equity allocation was flat during the month. The 1-year return remains in excess of 22%.

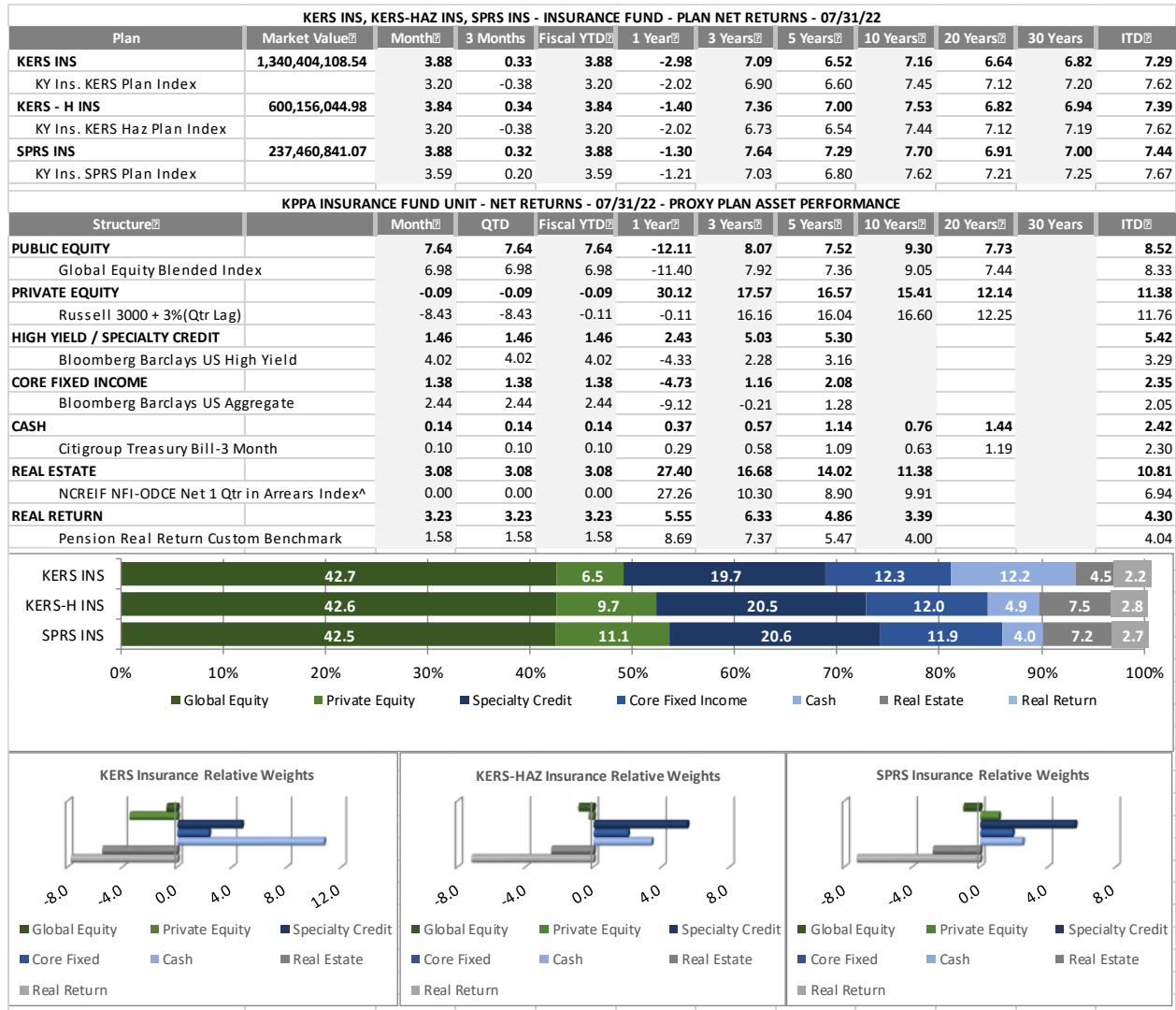
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The cash portfolio outperformed its benchmark, the 3-month T-bill for the month returning 0.2% versus 0.1% for the benchmark.



KPPA Board Meeting - Investment Department Update



MEMORANDUM

TO: Board of the Kentucky Public Pension Authority (“Board”)

FROM: Carrie Bass, Staff Attorney Supervisor, Non-Advocacy Division, Office of Legal Services
Jessica Beaubien, Policy Specialist, Non-Advocacy Division, Office of Legal Services

DATE: September 21, 2022

RE: Board approval and authorization of staff to file a repealer administrative regulation, 105 KAR 1:071, Repeal of 105 KAR 1:070, with the Office of the Regulations Compiler at the Legislative Research Commission (“Regulations Compiler”)

Purpose of new administrative regulation:

Kentucky Revised Statutes 61.505(1)(g) authorizes the Board to promulgate and amend administrative regulations “on behalf of the Kentucky Retirement Systems and the County Employees Retirement System, individually or collectively” as long as the regulations are consistent with the provisions of Kentucky Revised Statutes 16.505 to 16.652, 61.510 to 61.705, 78.510 to 78.852, and 61.505. 105 KAR 1:071, Repeal of 105 KAR 1:070, is consistent with these provisions of the Kentucky Revised Statutes.

105 KAR 1:071 is a repealer regulation (repealing 105 KAR 1:070). 105 KAR 1:070 addresses a special allocation previously authorized by KRS 61.555(4) that could have been made by the General Assembly for a specific type of military service. KRS 61.555, including subsection (4), was repealed in 2021, and subsection (4) was not moved to another statute. Prior to the 2021 repeal of KRS 61.555(4), the General Assembly had not funded this special allocation in many years. As a result of the repeal of KRS 61.555(4), 105 KAR 1:070 has no statutory authority.

Staff Recommendation:

The Office of Legal Services requests that the Board review the attached materials and authorize 105 1:071, Repeal of 105 KAR 1:070, to be filed with the Regulations Compiler.

List of attached materials:

1. 105 KAR 1:071, Repeal of 105 KAR 1:070.

FINANCE AND ADMINISTRATION CABINET

Kentucky Retirement Systems

(Repealer)

105 KAR 1:071. Repeal of 105 KAR 1:070.

RELATES TO: KRS 61.505, 61.555

STATUTORY AUTHORITY: KRS 61.505(1)(g)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of the Kentucky Retirement Systems and the County Employees Retirement System that are consistent with KRS 61.510 to 61.705, 16.505 to 16.652, and 78.510 to 78.852. 105 KAR 1:070 provided special appropriation for up to four (4) years of military service credit pursuant to KRS 61.555(4). KRS 61.555(4) was repealed in 2021, as a result 105 KAR 1:070 has no statutory authority. This administrative regulation repeals 105 KAR 1:070.

Section 1. 105 KAR 1:070, Allocation of special appropriation for military service credit, is hereby repealed.

APPROVED:

DAVID L. EAGER,
EXECUTIVE DIRECTOR
KENTUCKY PUBLIC PENSIONS AUTHORITY

DATE

PUBLIC HEARING AND PUBLIC COMMENT PERIOD: A public hearing on this administrative regulation shall be held on Wednesday, December 21, 2022, at 10:00 a.m. Eastern Time at the Kentucky Public Pensions Authority, 1270 Louisville Road, Frankfort, Kentucky 40601. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made.

If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through December 31, 2022. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

Contact person: Jessica Beaubien, Policy Specialist, Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, KY 40601, email Legal.NonAdvocacy@kyret.ky.gov, telephone (502) 696-8800 ext. 8570, facsimile (502) 696-8615.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation Number: 105 KAR 1:071

Contact Person: Jessica Beaubien, Policy Specialist

Phone: (502) 696-8800 ext. 8570

Email: Legal.Non-Advocacy@kyret.ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does:

This administrative regulation repeals 105 KAR 1:070.

(b) The necessity of this administrative regulation:

This administrative regulation is necessary due to repeal of statutory authority KRS 61.555(4).

(c) How this administrative regulation conforms to the content of the authorizing statutes:

KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of the Kentucky Retirement Systems and the County Employees Retirement System that are consistent with KRS 61.510 to 61.705, 16.505 to 16.652, and 78.510 to 78.852. KRS 61.555(4), the statutory authority for 105 KAR 1:070, was repealed.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:

This administrative regulation will assist with the administration of the statutes by repealing 105 KAR 1:070 since it no longer has statutory authority.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation:

This is a repealer.

(b) The necessity of the amendment to this administrative regulation:

This is a repealer.

(c) How the amendment conforms to the content of the authorizing statutes:

This is a repealer.

(d) How the amendment will assist in the effective administration of the statutes:

This is a repealer.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Unknown number of individuals. No businesses, organizations, or state or local governments will be affected.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: No action required.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): There is no cost for compliance.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): None.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: There are no costs associated with the implementation of this repealer.

(b) On a continuing basis: There are no costs associated with the implementation of this repealer.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: No funding is needed.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: No increase in fees or funding is required to implement this repealer.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This repealer does not establish any fees or directly or indirectly increase any fees.

(9) TIERING: Is tiering applied? (Explain why or why not) Tiering is not applied. All affected public retirement systems are treated in the same manner by this repealer.

FISCAL NOTE

Regulation Number: 105 KAR 1:071

Contact Person: Jessica Beaubien, Policy Specialist

Phone: (502) 696-8800 ext. 8570

Email: Legal.Non-Advocacy@kyret.ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? None.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 61.505(1)(g).

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? None.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? None.

(c) How much will it cost to administer this program for the first year? Nothing.

(d) How much will it cost to administer this program for subsequent years? Nothing.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-): None.

Expenditures (+/-): None.

Other Explanation: None.

(4) Estimate the effect of this administrative regulation on the expenditures and cost savings of regulated entities for the first full year the administrative regulation is to be in effect.

(a) How much cost savings will this administrative regulation generate for the regulated entities for the first year? Unknown.

(b) How much cost savings will this administrative regulation generate for the regulated entities for subsequent years? Unknown.

(c) How much will it cost the regulated entities for the first year? Unknown.

(d) How much will it cost the regulated entities for subsequent years? Unknown.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Cost Savings (+/-): Unknown.

Expenditures (+/-): None.

Other Explanation: The fiscal impact of this repealer is minimal, if there is any fiscal impact at all. The service credit provided for in KRS 61.555(4) and 105 KAR 1:070 had not received funding for many years prior to the repeal of KRS 61.555(4).

(5) Explain whether this administrative regulation will have a major economic impact, as defined below. *"Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies.* [KRS 13A.010(13)] This repealer will not have a "major economic impact" because it will not have a negative or adverse economic impact on the Kentucky Public Pensions Authority or the three (3) public retirement systems for which it provides day-to-day operations (the Kentucky Employees Retirement System, the County Employees Retirement System, and the State Police Retirement System).

MEMORANDUM

TO: Board of the Kentucky Public Pension Authority (“Board”)

FROM: Carrie Bass, Staff Attorney Supervisor, Non-Advocacy Division, Office of Legal Services
Jessica Beaubien, Policy Specialist, Non-Advocacy Division, Office of Legal Services

DATE: September 21, 2022

RE: Board approval and authorization of staff to file a new ordinary administrative regulation, 105 KAR 1:360, Hybrid Cash Balance Plan, with the Office of the Regulations Compiler at the Legislative Research Commission (“Regulations Compiler”)

Purpose of new administrative regulation:

Kentucky Revised Statutes 61.505(1)(g) authorizes the Board to promulgate and amend administrative regulations “on behalf of the Kentucky Retirement Systems and the County Employees Retirement System, individually or collectively” as long as the regulations are consistent with the provisions of Kentucky Revised Statutes 16.505 to 16.652, 61.510 to 61.705, 78.510 to 78.852, and 61.505. 105 KAR 1:360, Hybrid Cash Balance Plan, is consistent with these provisions of the Kentucky Revised Statutes.

105 KAR 1:360 is a new administrative regulation outlining the hybrid cash balance plan tier for members of the State Police Retirement System, Kentucky Employees Retirement System, and County Employees Retirement System with participation dates on or after January 1, 2014, or members making an election pursuant to KRS 61.5955 and 78.545.

This new administrative regulation establishes the procedures and requirements for the administration of the hybrid cash balance plan tier.

Finally, this new administrative regulation incorporates the Form 2013, “Hybrid Cash Balance Plan Opt-In Election,” members use to opt-in to the hybrid cash balance plan tier, and the Form 2022, “Separation of Accounts,” members use to separate their retirement accounts with any state-administered retirement system.

Staff Recommendation:

The Office of Legal Services requests that the Board review the attached materials and authorize 105 1:360, Hybrid Cash Balance Plan, to be filed with the Regulations Compiler.

List of attached materials:

1. 105 KAR 1:360, Hybrid Cash Balance Plan.
2. The Form 2013, “Hybrid Cash Balance Plan Opt-In Election,” February 2021.
3. The Form 2022, “Separation of Accounts,” September 2022.

1 FINANCE AND ADMINISTRATION CABINET

2 Kentucky Retirement Systems

3 (New Administrative Regulation)

4 105 KAR 1:360. Hybrid cash balance plan.

5 RELATES TO: KRS 16.505, 16.583, 61.505, 61.510, 61.542, 61.552, 61.5955,
6 61.597, 61.637, 61.680, 61.702, 78.510, 78.545, 78.5512, 78.5516, 78.5536, 78.5540,
7 78.5542

8 STATUTORY AUTHORITY: KRS 61.505(1)(g)

9 NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g) authorizes the
10 Kentucky Public Pensions Authority on behalf of the Kentucky Retirement Systems and
11 the County Employees Retirement System to promulgate all administrative regulations
12 that are consistent with the provisions of KRS 61.510 to 61.705, 16.505 to 16.652, and
13 78.510 to 78.852. KRS 16.583, 61.597, 78.5512, and 78.5516 create a hybrid cash
14 balance plan tier for members of the State Police Retirement System, Kentucky
15 Employees Retirement System, and County Employees Retirement System with
16 participation dates on or after January 1, 2014, or members making an election pursuant
17 to KRS 61.5955 and 78.545. This administrative regulation establishes the procedures
18 and requirements for the administration of the hybrid cash balance plan tier.

19 Section 1. Definitions.

1 (1) "Accumulated employer credit" is defined in KRS 16.505(39), 61.510(40), and
2 78.510(37).

3 (2) "Accumulated account balance" is defined in KRS 16.505(40), 61.510(41), and
4 78.510(38).

5 (3) "Accumulated contributions" is defined in KRS 16.505(7), 61.510(12) and
6 78.510(12).

7 (4) "Agency" means:

8 (a) Prior to April 1, 2021, the Kentucky Retirement Systems, which administered
9 the State Police Retirement System, the Kentucky Employees Retirement System, and
10 the County Employees Retirement System; and

11 (b) Beginning April 1, 2021, the Kentucky Public Pensions Authority, which is
12 authorized to carry out the day-to-day administrative needs of the Kentucky Retirement
13 Systems (comprised of the State Police Retirement System and the Kentucky Employees
14 Retirement System) and the County Employees Retirement System.

15 (5) "Beneficiary" is defined in KRS 16.505(25), 61.510(26), and 78.510(25).

16 (6) "Creditable compensation" is defined in KRS 16.505(8), 61.510(13) and
17 78.510(13).

18 (7) "Decompression" means service purchased by a member for a period of time
19 not to exceed ninety (90) days between the member's discharge from active duty military
20 service and the member's return to employment with a participating employer, if the
21 member returned from military leave and did not immediately return to work.
22 Decompression is credited to the member's account only if the member has paid the
23 employee contributions that would have been paid by the member for this period of time

1 in accordance with KRS 16.543, 61.543, and 78.615. The employer also shall pay the
2 employer contributions for this period of time in accordance with KRS 61.565 and 78.635.

3 (8) "File" means a form or document has been received at the retirement office by
4 mail, fax, secure email, in-person delivery, or upload via Self Service on the Web site
5 maintained by the agency (if available).

6 (9) "Hazardous position" means a regular full-time officer as defined in KRS
7 16.505(22) or a "hazardous position" as defined in KRS 61.592(1)(a) and 78.510(42).

8 (10) "Member" is defined in KRS 16.505(21), 61.510(8), and 78.510(8).

9 (11) "Military omitted" means service purchased by a member with a participation
10 date on or after January 1, 2014 who was called to active duty military in accordance with
11 KRS 61.552(1) and 78.545. Military omitted is credited to the member's account only if
12 the member has paid the employee contributions that would have been paid by the
13 member for this period of time in accordance with KRS 16.543, 61.543, and 78.615. The
14 employer also shall pay the employer contributions for this period of time in accordance
15 with KRS 61.565 and 78.635.

16 (12) "Nonhazardous position" is defined in KRS 61.510(44) and 78.510(41).

17 (13) "Nonvested member" means a member of the Systems who has less than five
18 (5) years of service credited under KRS 16.543, 61.543, and 78.615 and who participates
19 in the hybrid cash balance plan tier based on:

20 (a) A participation date on or after January 1, 2014, or

21 (b) Opting into the hybrid cash balance plan with a participation date between
22 September 1, 2008 and December 31, 2013.

1 (14) "Normal retirement age" is defined in KRS 16.505(15), 61.510(18), and
2 78.510(18).

3 (15) "Participation date," unless otherwise stated, means the earlier of
4 "membership date" as defined in KRS 16.505, 61.510, and 78.510 or the date on which
5 the member began participating in another state-administered retirement system if the
6 member has not retired or taken a refund from the other state-administered retirement
7 system.

8 (16) "Participating employer" is defined in KRS 16.505(3), 61.510(6), and
9 78.510(7).

10 (17) "Provide" means the agency makes a form or document available to a
11 member, retired member, or person by mail, fax, secure email, upload via Self Service on
12 the Web site maintained by the agency (if available), or on a public webpage on the Web
13 Site maintained by the agency.

14 (18) "Recontribution of refund" is defined in KRS 61.552(3).

15 (19) "Reemployment" means the retired member's first date of employment with a
16 participating employer following his or her most recent retirement date.

17 (20) "Regular full-time position" is defined in KRS 61.510(21) and 78.510(21).

18 (21) "Retired member" is defined in KRS 16.505(11), 61.510(24), and 78.510(23).

19 (22) "Retirement allowance" is defined in KRS 16.505(12), 61.510(16), and
20 8.510(16).

21 (23) "Retirement office" is defined in KRS 16.505(28), 61.510(31), and 78.510(29).

22 (24) "Service" is defined in KRS 16.505(6), 61.510(9), and 78.510(9).

1 (25) "Systems" means the State Police Retirement System (KRS 16.505 to 16.652),
2 the Kentucky Employees Retirement System (KRS 61.510 to 61.705), and the County
3 Employees Retirement System (KRS 78.510 to 78.852).

4 (26) "Vested member" means a member of the Systems who has five (5) or more
5 years of service credited under KRS 16.543, 61.543, and 78.615 and who participates in
6 the hybrid cash balance plan tier based on:

7 (a) A participation date on or after January 1, 2014, or

8 (b) Opting in to the hybrid cash balance plan with a participation date between
9 September 1, 2008 and December 31, 2013.

10 Section 2. Application.

11 (1) Systems. This administrative regulation applies to the hybrid cash balance plan
12 tier within each of the Systems.

13 (2) Members. Except as provided in subsections (3) and (4), this administrative
14 regulation applies solely to members who begin participating in the Systems on or after
15 January 1, 2014, and who do not have a participation date in any other state-administered
16 retirement system that is prior to January 1, 2014.

17 (3) Irrevocable Election. This subsection applies only to members with a
18 participation date in the Systems between September 1, 2008 and December 31, 2013
19 who have not received a retirement benefit from the Systems.

20 (a) Pursuant to KRS 61.5955 and 78.545, a member with a participation date in
21 the Systems between September 1, 2008 and December 31, 2013 may make a one-time,
22 irrevocable election to receive the benefits and rights provided under the hybrid cash

1 balance plan tier as defined in KRS 16.583, 61.597, 78.5512, and 78.5516 in lieu of
2 benefits he or she is currently eligible to receive from the Systems.

3 1. A member with a participation date based on service in the Systems or service
4 in another state-administered retirement system prior to September 1, 2008 shall not be
5 eligible to make this one-time, irrevocable election upon separation of accounts in
6 accordance with KRS 61.680, 78.5542, and 105 KAR 1:020.

7 2. A member with a participation date in the Systems between September 1, 2008
8 and December 31, 2013 who also has service in another state-administered retirement
9 system between September 1, 2008 and December 31, 2013 shall be eligible to make
10 this one-time, irrevocable election only upon separation of the member's account in the
11 Systems from the member's account in the other state-administered retirement system
12 as indicated in Section 5(6) of this administrative regulation and in accordance with KRS
13 61.680, 78.5542, and 105 KAR 1:020.

14 (b) 1. Eligible members who make the one-time, irrevocable election as described
15 in paragraph (a) of this subsection shall only be entitled to retain purchased service that
16 is recontribution of a refund, omitted, omitted with interest, decompression, or service
17 purchased in accordance with the Uniformed Services Employment and Reemployment
18 Rights Act (USERRA); the agency shall remove any other purchased service from total
19 months of service credit and refund the cost of that service back to the source of the
20 purchase.

21 2. Eligible members who make the one-time, irrevocable election as described in
22 paragraph (a) of this subsection shall not retain any active duty military service pursuant

1 to KRS 61.552(1) and 78.545, unless the eligible member is currently participating in one
2 of the systems and pays the military omitted.

3 (c) Members eligible to make the one-time, irrevocable election as described in
4 paragraph (a) of this subsection shall be provided information detailing the potential
5 results of such an election via Member Self Service on the Web site maintained by the
6 agency, which shall reflect service credit purchases retained and refunded as described
7 in paragraph (b) of this subsection, and may receive additional information from the
8 agency's counselors upon request.

9 (d) The agency shall provide Form 2013, Hybrid Cash Balance Plan Opt-In
10 Election, on which the member can make a one-time, irrevocable election as described
11 in paragraph (a) of this subsection, available to the member via Member Self Service on
12 the Web site maintained by the agency.

13 (e) The agency shall not process an eligible member's one-time, irrevocable
14 election as described in paragraph (a) of this subsection until a complete and correct
15 Form 2013, Hybrid Cash Balance Plan Opt-In Election, is on file at the retirement office.

16 (f) The effective date of the eligible member's one-time, irrevocable election as
17 described in paragraph (a) of this subsection shall be the date on which the completed
18 Form 2013, Hybrid Cash Balance Plan Opt-In Election, is received at the retirement office.

19 (4) Prior Participation that has been refunded. This subsection applies to a
20 member with a participation date with the Systems prior to January 1, 2014, who
21 terminates employment, and who takes a refund of accumulated contributions pursuant
22 to KRS 61.625 and 78.545. If such a person is reemployed on or after January 1, 2014 in
23 a regular full-time position required to participate in one of the Systems and does not have

a participation date with any other state-administered retirement plan prior to January 1, 2014, the person becomes a member of the hybrid cash balance plan tier. If such a member purchases his or her previously refunded service in accordance with KRS 61.552(3) and 78.545(7), the purchased service shall only be used to determine the member's years of service credited and shall not be used to determine the member's participation date.

Section 3. Construction of Regulation. KRS 16.505 to 16.652, KRS 61.510 to 61.705, KRS 78.510 to 78.852, and Title 105 of the Kentucky Administrative Regulations shall apply to the hybrid cash balance plan tier except where required by or as necessary for the administration of the hybrid cash balance plan tier under KRS 16.583, 61.597, 78.5512, and 78.5516.

Section 4. Trust Assets. All contributions made with respect to each Systems' hybrid cash balance plan tier shall be held in the trust for the respective System. There shall be no segregation of assets for the hybrid cash balance plan tier from the assets for other tiers for the respective System.

Section 5. Reciprocity.

(1) All service credit with other state-administered retirement systems, including the Judicial and Legislators' Plan and the Teachers' Retirement System, shall be used for determining a member's years of service credited for purposes of eligibility for annuitization, unless:

(a) The member has separated their account(s) with another state-administered retirement systems by filing a complete Form 2022, Separation of Accounts, or

1 (b) The member previously retired based on the service with the other state-
2 administered retirement system.

3 (2) Service credit in another state-administered retirement system shall not be
4 used for determining whether a member who is not eligible to retire in the hybrid cash
5 balance plan tier has the five (5) years of service required in order to receive a full refund
6 of his or her accumulated account balance under KRS 16.583(5)(b), 61.597(5)(b),
7 78.5512(5)(b), and 78.5516(5)(b).

8 (3) Service credit in the cash balance plan tier will be counted as service for the
9 other state-administered retirement systems and as service for hospital and medical
10 insurance and managed care plan coverage pursuant to KRS 61.702 and 78.5536.

11 (4) In no event will the same service credit be counted for benefit calculation
12 purposes for more than one state-administered retirement system or tier.

13 (5) A member who is participating in the hybrid cash balance tier in more than one
14 of the Systems will have to retire at the same time and elect the same retirement benefit
15 option in all applicable Systems, unless the member has requested that his or her
16 accounts be separated in accordance with 105 KAR 1:020.

17 (6) A member with a participation date in the Systems between September 1, 2008
18 and December 31, 2013 may make a one-time, irrevocable election to have each system
19 treat his or her service credit in that system without regard to any other service credit, by
20 filing a Form 2022, Separation of Accounts, requesting that his or her accounts be
21 separated in accordance with KRS 61.680 and 78.5542. If so requested, "final
22 compensation" shall be based on the creditable compensation earned under each system
23 separately.

1 (a) Members eligible to make the one-time, irrevocable election to separate
2 accounts shall be provided information detailing the potential results of such an election
3 from the agency's counselors upon request.

4 (b) The agency shall provide Form 2022, Separation of Accounts, on which the
5 member can make the one-time, irrevocable election to separate accounts.

6 (c) The agency shall not process an eligible member's one-time, irrevocable
7 election to separate accounts until a complete and correct Form 2022, Separation of
8 Accounts, is on file at the retirement office.

9 (d) The effective date of the eligible member's one-time, irrevocable election to
10 separate accounts shall be the date on which the completed Form 2022, Separation of
11 Accounts, is received at the retirement office.

12 Section 6. Lump-sum Distributions upon Termination of Employment or Death for
13 Nonvested Members.

14 (1) Termination of Employment. A nonvested member eligible for a refund pursuant
15 to KRS 61.625 and 78.545 shall only be refunded his or her accumulated contributions,
16 and shall forfeit any accumulated employer credit.

17 (2) Death before Retirement. Upon the death of a nonvested member, the
18 beneficiary designated by the member pursuant to KRS 61.542(1)-(2) and 78.545 (2) (or
19 if no designated beneficiary, the member's estate) shall only be entitled to receive a lump-
20 sum payment of the nonvested member's accumulated contributions, and shall not be
21 entitled to receive payment of any accumulated employer credits.

22 (3) Rollovers. A nonvested member or the designated beneficiary of a nonvested
23 member who receives a refund of accumulated contributions may elect to have the

1 refunded accumulated contributions paid directly to an eligible retirement plan in
2 accordance with 105 KAR 1:270 and 105 KAR 1:345.

3 Section 7. Lump-sum Distributions upon Termination or Distributions upon Death
4 of Vested Members.

5 (1) Termination of Employment.

6 (a) Upon termination of employment with all employers participating in the same
7 Systems in which the member has service credit, a vested member who is not otherwise
8 eligible to retire may elect to take a refund of his or her accumulated account balance.

9 (b) 1. Upon termination of employment with all employers participating in one or
10 more of the Systems, a vested member who is eligible for retirement may elect to take a
11 refund of his or her accumulated account balance, in lieu of other retirement payment
12 options provided in KRS 16.583(7), 61.597(7), 78.5512(7), and 78.5516(7).

13 2. The member's election to take a refund of his or her accumulated account
14 balance as described in subparagraph 1 of this paragraph shall be treated as a retirement
15 and the member shall be a retired member ineligible to participate or accrue additional
16 benefits in the Systems upon subsequent reemployment with any participating employer
17 pursuant to KRS 61.637 and 78.5540. Additionally, the member who has made the
18 election described in subparagraph 1 of this paragraph shall be subject to all requirements
19 and restrictions for reemploying with a participating employer in KRS 61.637, 78.5540
20 and 105 KAR 1:390.

21 (2) Death before Retirement. (a) Upon the death of a vested member participating
22 in the Systems, the vested member's designated beneficiary (or if no designated
23 beneficiary, the member's estate) is entitled to a lump-sum distribution of the vested

1 member's accumulated account balance. The designated beneficiary may also be entitled
2 to the other payment options available for a death before retirement under the respective
3 Systems' statutory provisions.

4 (b) Upon the death of a vested member who is not participating at the time of death
5 and who has not taken a refund or retirement benefit, if the vested member has fewer
6 than twelve (12) years of service credited, the vested member's designated beneficiary
7 (or if no designated beneficiary the member's estate) is entitled to a lump-sum distribution
8 of the member's accumulated account balance. If the vested member has twelve (12) or
9 more years of service credited, the designated beneficiary may also be entitled to other
10 payment options available for a death before retirement under the respective Systems'
11 statutory provisions.

12 (3) Rollover. A vested member or the designated beneficiary of a vested member
13 who takes a lump-sum distribution of the vested member's accumulated account balance
14 under this section may elect to have the lump-sum distribution paid directly to an eligible
15 retirement plan in accordance with 105 KAR 1:270 and 105 KAR 1:345.

16 Section 8. Eligibility for an Annuity.

17 (1) At Normal Retirement Age. Subject to Section 5, a vested member who
18 reaches normal retirement age under the applicable System's statutory provisions and
19 who terminates employment with all participating employers is eligible to retire and may
20 elect to annuitize his or her accumulated account balance or take a lump-sum distribution
21 of his or her accumulated account balance as provided in Section 7(1)(b).

22 (2) Additional Eligibility for Annuitization for Members with Hazardous position
23 Service. A member who has hazardous position service as provided in KRS 16.505-

16.652, 61.592 and 78.5520, who has 25 or more years of service credited under KRS 16.543(1), 61.543(1), or 78.615(1) or any other Kentucky state-administered system, and who terminates employment with all employers participating in the Systems is eligible to retire and may elect to annuitize his or her accumulated account balance or take a lump-sum distribution of his or her accumulated account balance as provided in Section 7(1)(b).

(3) Additional Eligibility for Annuitization for Members with Service Only in a Nonhazardous Position. A member with exclusively nonhazardous position service who is at least age fifty-seven (57), who has an age plus years of service total of at least eighty-seven (87) years, and who terminates employment with all employers participating in the Systems is eligible to retire and may elect to annuitize his or her accumulated account balance or take a lump-sum distribution of his or her accumulated account balance as provided in Section 7(1)(b).

(4) Annuitization. A member who elects to annuitize his or her accumulated account balance may receive a retirement benefit determined in accordance with actuarial assumptions and actuarial methods adopted under subsection (6) of this Section and in effect on the member's retirement date.

(5) Return of Contributions. If the retirement benefit payment option selected by the vested member includes a guaranteed return of contributions, that retirement benefit payment option shall be interpreted to mean that guarantee applies to the accumulated account balance.

(6) Board Action with respect to Annuitization. The actions of the Board of Trustees of the Kentucky Retirement Systems and the Board of Trustees of the County Employees Retirement System to adopt assumptions and methods are incorporated by reference

1 under this regulation. Each Board shall adopt the actuarial assumptions that will apply to
2 a specific fiscal year prior to the start of that fiscal year.

3 (7) Eligibility for Retiree Hospital and Medical Benefit. Only a member who is
4 receiving a monthly annuitized benefit is eligible for hospital and medical insurance and
5 managed care plan coverage. A member who takes a lump-sum refund or lump-sum
6 retirement benefit is not eligible for hospital and medical insurance and managed care
7 plan coverage.

8 Section 9. Disability retirement. A member participating in the hybrid cash balance
9 plan tier in one or more of the Systems whose disability retirement allowance is
10 discontinued pursuant to KRS 61.615 and 78.5528 shall begin receiving retirement
11 benefits, if eligible, under KRS 61.597(6), 78.5512(6), 78.5516(6), or 16.583(6), but shall
12 not be eligible for early retirement benefits under KRS 61.559, 78.5510, 78.5514, or
13 16.577.

14 Section 10. Purchase of Service Credit.

15 (1) Members participating in the hybrid cash balance plan tier shall only be eligible
16 to purchase service credit that is recontribution of a refund, omitted, omitted with interest,
17 military omitted, decompression, or under the Uniformed Services Employment and
18 Reemployment Rights Act (USERRA), and shall not be eligible to make any other types
19 of service purchases.

20 (2) Uniformed Services Employment and Reemployment Rights Act (USERRA)
21 Service.

22 (a) Years of service credited shall be determined as required by USERRA.

1 (b) In order to receive service credit for military omitted, decompression, or under
2 the Uniformed Services Employment and Reemployment Rights Act (USERRA), the
3 member shall pay the member contributions in accordance with KRS 16.543, 61.543, and
4 78.615, as though the member was employed during the period of his or her active military
5 duty or decompression.

6 (c) The employer shall pay all employer contributions owed in accordance with
7 KRS 61.552, 61.565, 78.545, and 78.635.

8 (3) Repayment of Refunded Contributions Plus Interest Credits or Accumulated
9 Account Balance.

10 (a) Upon reemployment with a participating employer in a regular full-time position
11 required to participate in the Systems or participation in another state-administered
12 retirement system, a nonvested member who took a refund of his or her member
13 contributions plus interest credits may regain the refunded service credit by repaying, with
14 interest at a rate determined by the board of the respective retirement system, the amount
15 refunded with post-tax employee contributions or a rollover or transfer allowed under the
16 Internal Revenue Code. Although the repayments of refunded contributions plus interest
17 credit shall be used to determine the member's service credited, the repayment of the
18 amount refunded shall not be used to determine a member's participation date.

19 (b) Upon reemployment with a participating employer in a regular full-time position
20 required to participate in the Systems or participation in another state-administered
21 retirement system, a vested member who was not eligible to retire and who took a refund
22 of his or her accumulated account balance may regain the refunded service credit by
23 repaying, with interest at a rate determined by the board of the respective retirement

system, the amount refunded with post-tax employee contributions or a rollover or transfer allowed under the Internal Revenue Code. Although the repayments of the refunded accumulated account balance shall be used to determine the member's service credited, the repayment of the amount refunded shall not be used to determine a member's participation date.

(4) Omitted Service. Any person who is entitled to service credit in the hybrid cash balance plan tier that was not reported in accordance with KRS 16.543, 61.543, or 78.615 may pay the amount of member contributions that would have been due on that service in order to receive credit for the service in the hybrid cash balance plan tier. However, the service shall not be credited to the member's account until employer contributions for the service are received by the Systems. Once member and employer contributions have been received, accumulated employer credits shall be reflected in the member's account.

Section 11. Incorporation by Reference. (1) The following material is incorporated by reference:

(a) Form 2013, "Hybrid Cash Balance Plan Opt-In Election", February 2021; and

(b) Form 2022, "Separation of Accounts", September 2022.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. This material is also available on the Kentucky Public Pensions Authority's Web site at kyret.ky.gov.

APPROVED:

DAVID L. EAGER,
EXECUTIVE DIRECTOR
KENTUCKY PUBLIC PENSIONS AUTHORITY

DATE

PUBLIC HEARING AND PUBLIC COMMENT PERIOD: A public hearing on this administrative regulation shall be held on December 22, 2022, at 2:00 p.m. Eastern Time at the Kentucky Public Pensions Authority, 1270 Louisville Road, Frankfort, Kentucky 40601. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing of their intent to attend. If no notification of intent to attend the hearing was received by that date, the hearing may be cancelled. A transcript of the public hearing will not be made unless a written request for a transcript is made.

If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted until December 31, 2022. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Jessica Beaubien, Policy Specialist, Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, KY 40601, email Legal.Non-Advocacy@kyret.ky.gov, telephone (502) 696-8800 ext. 8570, facsimile (502) 696-8615.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation number: 105 KAR 1:360

Contact person: Jessica Beaubien

Phone number: 502-696-8800 ext. 8570

Email: Legal.Non-Advocacy@kyret.ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes the procedures and requirements for the administration of the hybrid cash balance plan tier.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish the procedures and requirements for the administration of the hybrid cash balance plan tier.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of the Kentucky Retirement Systems and the County Employees Retirement System that are consistent with KRS 61.510 to 61.705, 16.505 to 16.652, and 78.510 to 78.852. This administrative regulation conforms to the authorizing statute by establishing the procedures and requirements for the administration of the hybrid cash balance plan tier established in KRS 16.583, 61.597, 78.5512, and 78.5516 for the systems that comprise the Kentucky Retirement Systems and the County Employees Retirement System.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation will assist in the effective administration of the statutes by establishing the procedures and requirements for the administration of the hybrid cash balance plan tier.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This is a new regulation.

(b) The necessity of the amendment to this administrative regulation: This is a new regulation.

(c) How the amendment conforms to the content of the authorizing statutes: This is a new regulation.

(d) How the amendment will assist in the effective administration of the statutes: This is a new regulation.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: One (1) entity that provides day-to-day operations for three (3) public pensions systems: Kentucky Public Pensions Authority (the public pension systems are the Kentucky Employees Retirement System, the County Employees Retirement System, and the State Police Retirement System), and at least 98,148 members of the hybrid cash balance plan tier (this number will continue to grow over time).

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if

it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: This regulation establishes the procedures and requirements for the administration of the hybrid cash balance plan tier pursuant to KRS 16.583, 61.597, 78.5512, and 78.5516. Employers and members do not need to take any action to comply with the regulation as it addresses the way the statutory scheme is already being administered.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): This regulation should not cost any additional funds, as the hybrid cash balance plan is currently being administered by the Kentucky Public Pensions Authority.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): This administrative regulation will assist the Kentucky Public Pensions Authority in implementing the hybrid cash balance plan tier, a tier that was designed to reduce unfunded liability of the systems operated by the Kentucky Public Pensions Authority.

(5) Provide an estimate of how much it will cost to implement this administrative regulation:

(a) Initially: The cost should be negligible as the hybrid cash balance plan is currently being administered.

(b) On a continuing basis: The cost should be negligible as the hybrid cash balance plan is currently being administered.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: Administrative expenses of the Kentucky Public Pensions Authority are paid from the Retirement Allowance Account (trust and agency funds).

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: There is no increase in fees or funding required.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This administrative regulation does not establish any fees or directly or indirectly increase any fees.

(9) TIERING: Is tiering applied? (Explain why or why not) Tiering is not applied. All members of the hybrid cash balance plan are treated equally.

FISCAL NOTE

Regulation number: 105 KAR 1:360
Contact person: Jessica Beaubien
Phone number: 502-696-8800 ext. 8570
Email: Legal.Non-Advocacy@kyret.ky.gov

(1) What units, parts, or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? One (1) entity that provides day-to-day operations for the three (3) public pensions systems: Kentucky Public Pensions Authority (the public pension systems are the Kentucky Employees Retirement System, the County Employees Retirement System, and the State Police Retirement System).

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 16.583, 61.505, 61.597, 61.5955, 78.5512, 78.5516, and 78.545.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? None.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? None.

(c) How much will it cost to administer this program for the first year? The cost to administer this administrative regulation for the first year should be negligible because the hybrid cash balance plan is currently being administered.

(d) How much will it cost to administer this program for subsequent years? The cost to administer this administrative regulation for subsequent years should be negligible as the hybrid cash balance plan is currently being administered.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-): None.

Expenditures (+/-): None.

Other Explanation: The cost to administer this administrative regulation should be negligible because the hybrid cash balance plan is currently being administered.

(4) Estimate the effect of this administrative regulation on the expenditures and cost savings of regulated entities for the first full year the administrative regulation is to be in effect.

(a) How much cost savings will this administrative regulation generate for the regulated entities for the first year? None.

(b) How much cost savings will this administrative regulation generate for the regulated entities for subsequent years? None.

(c) How much will it cost the regulated entities for the first year? Unknown.

(d) How much will it cost the regulated entities for subsequent years? Unknown.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Cost Savings(+/-): None.

Expenditures (+/-): Unknown.

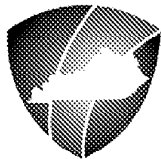
Other Explanation: The fiscal impact of this administrative regulation should be negligible because the hybrid cash balance plan is currently being administered.

(5) Explain whether this administrative regulation will have a major economic impact, as defined below. *"Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies. [KRS 13A.010(13)].* This administrative regulation will not have a major economic impact because the hybrid cash balance plan is currently being administered.

SUMMARY OF MATERIAL INCORPORATED BY REFERENCE

The Form 2013, "Hybrid Cash Balance Plan Opt-In Election," revised in February 2021, is a one (1) page form that members of the Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System with a participation date between September 1, 2008 and December 31, 2013 can use to opt-in to the hybrid cash balance plan tier.

The Form 2022, "Separation of Accounts," revised in September 2022, is a 1 page form that members of the Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System can use to separate their retirement accounts with any state-administered retirement system.


KENTUCKY PUBLIC PENSIONS AUTHORITY

1260 Louisville Road • Frankfort, KY 40601

Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov

**Form 2013**

02/2021

Hybrid Cash Balance Plan Opt-In Election
Member Information

Member Name: [REDACTED]		Member ID: [REDACTED]	
Address: [REDACTED]		City: [REDACTED]	State: [REDACTED] Zip Code: [REDACTED]
Phone (select type) <input type="radio"/> Mobile <input checked="" type="radio"/> Home <input type="radio"/> Work [REDACTED]		Email: [REDACTED]	

Certification of Irrevocable Election

I, [REDACTED] (print member name), in lieu of benefits I am currently eligible to receive from the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System ("the Systems") based on my participation date in the Systems between September 1, 2008 and December 31, 2013, elect to receive the benefits and rights provided to members participating in the Systems on or after January 1, 2014, including participating in the hybrid cash balance plan created pursuant to KRS 61.597 for members in nonhazardous duty positions and KRS 16.583 for members in hazardous duty positions. I understand that my election to receive the benefits and rights provided to members participating in the Systems on or after January 1, 2014 pursuant to KRS 61.597 and KRS 16.583 in lieu of benefits I am currently eligible to receive will become effective immediately once this fully completed form is on file at the retirement office, and that **this election is irrevocable**. I understand that effective with my election to participate in the hybrid cash balance plan, my accumulated contributions, less any interest, shall be deposited into a hybrid cash balance account and employer pay credits shall be added to the accumulated account balance for each month I contributed to the Systems prior to my effective election date. Additionally, I understand that interest credits shall only be applied for periods occurring on or after the effective date of my election. I further understand that effective with my election to participate in the cash balance plan, I forfeit the right to keep any purchased service on my account that is not a Recontribution of a Refund, Omitted Service, Omitted Service with Interest, Military Omitted, USERRA, or Decompression. I understand that any purchased service on my account that is not a Recontribution of a Refund, Omitted Service, Omitted Service with Interest, Military Omitted, USERRA, or Decompression will be removed from my total months of service credit and the cost of that service will be refunded back to the source of the purchase.

Signature: [REDACTED]

Date: [REDACTED]


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Form 2022
 Revised 09/2022

Separation of Accounts
Section 1: Member Information

Member Name:

Member ID:

Address:

City:

State:

Zip Code:

Section 2: State Administered Retirement Systems

Identify the state-administered retirement systems in which you have an account by checking the appropriate boxes below:

- | | |
|--|--|
| <input type="checkbox"/> Kentucky Employees Retirement System (KERS)
(state employees, health departments, universities) | <input type="checkbox"/> Kentucky Teachers' Retirement System (TRS)
(certified employees of boards of education) |
| <input type="checkbox"/> County Employees Retirement System (CERS)
(city, county and local governments, classified employees of boards of education) | <input type="checkbox"/> Legislators' Retirement Plan (LRP)
(State Senators and Representatives) |
| <input type="checkbox"/> State Police Retirement System (SPRS)
(full-time officers) | <input type="checkbox"/> Judicial Retirement Plan (JRP)
(Judges) |

Section 3: Waiver of Reciprocity and Acknowledgment

I, _____ (print member name), hereby waive the reciprocity provisions of KRS 61.680 and 78.545 as follows:

☐ I elect to separate all of my retirement account(s) marked in Section 2.

☐ I elect to only separate the following retirement account(s) from all other systems marked in Section 2:

(select ALL accounts to be maintained and administered individually. Accounts selected below will not be eligible for reciprocity.)
☐ KERS ☐ CERS ☐ SPRS ☐ TRS ☐ LRP ☐ JRP.

I acknowledge that by waiving reciprocity and separating my retirement accounts as marked, my salary and service used to determine my benefit eligibility will not be combined. Upon election to separate my accounts, I acknowledge I must meet separate vesting and eligibility requirements in order to receive benefits for each relevant system. I acknowledge that the waiver of reciprocity and election to separate my retirement accounts is effective immediately once this form is on file at the retirement office, and that my waiver of reciprocity and election to separate retirement accounts is permanent and irrevocable once this form is on file at the retirement office.

Signature: _____ Date: _____

Section 4: Notorization

State of _____

County of _____

The foregoing was acknowledged by _____ (print member name)

before me this _____ day of _____, 20 _____.

Notary Public _____

(Notary Seal)

My Commission Expires: _____

MEMORANDUM

TO: Board of the Kentucky Public Pension Authority (“Board”)

FROM: Carrie Bass, Staff Attorney Supervisor, Non-Advocacy Division, Office of Legal Services
Jessica Beaubien, Policy Specialist, Non-Advocacy Division, Office of Legal Services

DATE: September 21, 2022

RE: Board approval and authorization of staff to file a new ordinary administrative regulation, 105 KAR 1:411, Hospital and Medical Insurance for Retired Members and Kentucky Retirement Systems Insurance Fund Trust, with the Office of the Regulations Compiler at the Legislative Research Commission (“Regulations Compiler”)

Purpose of new administrative regulation:

Kentucky Revised Statutes 61.505(1)(g) authorizes the Board to promulgate and amend administrative regulations “on behalf of the Kentucky Retirement Systems and the County Employees Retirement System, individually or collectively” as long as the regulations are consistent with the provisions of Kentucky Revised Statutes 16.505 to 16.652, 61.510 to 61.705, 78.510 to 78.852, and 61.505. 105 KAR 1:411, Hospital and Medical Insurance for Retired Members and Kentucky Retirement Systems Insurance Fund Trust, is consistent with these provisions of the Kentucky Revised Statutes.

105 KAR 1:411 is a new administrative regulation outlining eligibility requirements, procedures, and necessary documentation and forms for enrollment in hospital and medical insurance for retired members and beneficiaries receiving a monthly retirement allowance as well as their spouses and dependent or disabled children.

This new administrative regulation further establishes procedures, eligibility, and documentation requirements for the out-of-state hospital and medical insurance premium reimbursement plan (“out-of-state reimbursement plan”) and the dollar contribution hospital and medical insurance premium reimbursement plan (“dollar contribution reimbursement plan”) as required by KRS 61.702(6) and 78.5536(6). The out-of-state reimbursement plan has been authorized by statute for many years and was previously outlined in other regulations. The prior regulation provisions outlining the out-of-state reimbursement plan will now be carried over into 105 KAR 1:411. By contrast, the dollar contribution reimbursement plan is a new reimbursement plan authorized by Senate Bill 209 (2022) effective January 1, 2023.

In addition, Senate Bill 209 (2022) provides that an additional \$5 contribution will be paid toward health insurance premiums for retired members with a membership date on or after July 1, 2003 and are eligible for the dollar contribution benefit, who accrued an additional year of service beyond the “career threshold,” and who are not eligible for Medicare, if the funding level of retired member health benefits for any of the systems in which the retired member participated reach 90%. 105 KAR 1:411 provides for how the additional \$5 contribution will be paid by the County Employees Retirement System, the Kentucky Employees Retirement System, and/or the State Police Retirement System in the

event that some or all of these systems reach the required funding level for retired member health benefits.

Finally, this new administrative regulation incorporates the required forms for enrollment in hospital and medical insurance coverage for both non-Medicare and Medicare eligible retirees, for establishing eligibility of a spouse or dependent to receive monthly contributions toward health insurance premiums paid on their behalf, for bank draft premium payments, and for requesting out-of-state or dollar contribution hospital and medical insurance premium reimbursement.

Staff Recommendation:

The Office of Legal Services requests that the Board authorize 105 KAR 1:411, Hospital and Medical Insurance for Retired Members and Kentucky Retirement Systems Insurance Fund Trust, to be filed with the Regulations Compiler.

List of attached materials:

1. 105 KAR 1:411, Hospital and Medical Insurance for Retired Members and Kentucky Retirement Systems Insurance Fund Trust.
2. The Form 6131, "Bank Draft Authorization for Direct Pay Accounts", April 2021.
3. Form 6200, "KPPA Health Plans for Medicare Eligible Persons," September 2022.
4. Form 6200 "Retiree Health Insurance Enrollment/Change Form," September 2022.
5. Form 6240, "Application for Out of State Reimbursement for Medical Insurance," September 2022.
6. Form 6241, "Employer Certification of Health Insurance for Health Insurance Reimbursement Plan," September 2022.
7. Form 6242, "Insurance Agency/Company Certification of Health Insurance for Health Insurance Reimbursement Plan," September 2022.
8. Form 6256, "Designation of Spouse and/or Dependent Child for Health Insurance Contributions," September 2022.
9. Form 6280, "Application for Dollar Contribution Reimbursement for Medical Insurance," September 2022.
10. Form 6281, "Employer Certification of Health Insurance for Dollar Contribution Reimbursement Plan," September 2022.
11. Form 6282, "Insurance Agency/Company Certification of Health Insurance for Dollar Contribution Reimbursement Plan," September 2022.

1 FINANCE AND ADMINISTRATION CABINET

2 Kentucky Retirement Systems

3 (New Administrative Regulation)

4 105 KAR 1:411. Hospital and medical insurance for retired members and Kentucky
5 Retirement Systems Insurance Fund Trust.

6 RELATES TO: KRS 16.505, 16.576(4), 61.505(1)(g), 61.510, 61.701, 61.702, 78.510,
7 78.5536, 26 U.S.C. 105(b), 115, 213(d), 42 U.S.C. 1395y(b), Pub.L. 111-148

8 STATUTORY AUTHORITY: KRS 61.505(1)(g), 61.702, 78.5536

9 NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g) authorizes the
10 Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of
11 the Kentucky Retirement Systems and the County Employees Retirement System that
12 are consistent with KRS 61.510 to 61.705, 16.505 to 16.652, and 78.510 to 78.852. KRS
13 61.702 and 78.5536 provide for the systems operated by the Kentucky Public Pensions
14 Authority to offer hospital and medical insurance coverage to recipients (including retired
15 members and some beneficiaries of deceased members), their spouses, and their
16 disabled or dependent children, and require the promulgation of administrative
17 regulations concerning requirements for medical insurance reimbursement programs.
18 This administrative regulation establishes procedures for the administration of the hospital
19 and medical insurance benefits provided by the Kentucky Retirement Systems and the
20 County Employees Retirement System, as well as establishes eligibility requirements,

1 necessary documentation for proof of insurance, deadlines for filing for reimbursement,
2 and forms.

3 Section 1. Definitions.

4 (1) "Agency" means

5 (a) Prior to April 1, 2021, the Kentucky Retirement Systems, which administered
6 the State Police Retirement System, the Kentucky Employees Retirement System, and
7 the County Employees Retirement System; and

8 (b) Beginning April 1, 2021, the Kentucky Public Pensions Authority, which is
9 authorized to carry out the day-to-day administrative needs of the Kentucky Retirement
10 Systems (comprised of the State Police Retirement System and the Kentucky Employees
11 Retirement System) and the County Employees Retirement System.

12 (2) "Boards" means the Board of Trustees of the Kentucky Retirement Systems
13 and the Board of Trustees of the County Employees Retirement System.

14 (3) "Complete" means all required sections of a form are filled out, the form has
15 been fully executed by the recipient or the recipient's legal representative, and all
16 supporting documentation required by the form is included with the form.

17 (4) "Dependent child" is defined in KRS 16.505(17) and 78.510(49).

18 (5) "Eligible spouse and dependent children" means spouses and dependent
19 children who are eligible to receive all or a portion of their premiums paid for by the Boards
20 in accordance with KRS 61.702 and 78.5536.

21 (6) "File" means a form or document has been received at the retirement office by
22 mail, fax, secure email, in-person delivery, or via Self Service on the Web site maintained
23 by the agency (if available).

1 (7) "MEM" means:

2 (a) A Medicare eligible member who is retired and reemployed with a participating
3 employer which offers the member a hospital and medical insurance benefit, or by a
4 participating employer which is prevented from offering a hospital and medical benefit to
5 the member as a condition of reemployment under KRS 70.293, 95.022, or 164.952; and

6 (b) A Medicare eligible member who is retired and whose spouse meets the
7 following criteria:

8 1. The spouse is also a retired member;

9 2. The spouse is reemployed with a participating employer which offers the spouse
10 a hospital and medical insurance benefit, or by a participating employer which is
11 prevented from offering a hospital and medical benefit to the spouse as a condition of
12 reemployment under KRS 70.293, 95.022, or 164.952; and

13 3. The premium required to provide the spouse with hospital and medical
14 insurance plan coverage is fully or partially paid based on the Medicare eligible retired
15 member's benefits as provided in KRS 61.702(4) and 78.5536(4).

16 (8) "Member" is defined in KRS 16.505(21), 61.510(8), and 78.510(8).

17 (9) "Monthly contribution rate" means:

18 (a) The amount determined by the Boards as the maximum contribution the
19 systems will pay toward the premium of a retired member who began participating in the
20 systems on or before June 30, 2003; or

21 (b) For a retired member who began participating in the system on or after July 1,
22 2003, the amount per month earned by the retired member based on years of service as
23 provided in KRS 61.702(4)(e) and 78.5536(4)(e).

1 (10) "Premium" means the monthly dollar cost required to provide hospital and
2 medical insurance plan coverage for a recipient, a recipient's spouse, or a disabled or
3 dependent child.

4 (11) "Provide" when used in reference to a form or other document, means the
5 agency makes a form or document available on its Web site (if appropriate) or, upon
6 request by a recipient or other person, by mail, fax, secure email, or via Self Service on
7 the Web site maintained by the agency (if available).

8 (1) "Qualifying event" means a change in life circumstances that meet the agency's
9 requirement for a member to alter an existing hospital and medical insurance plan, or sign
10 up for a new one outside of new or open enrollment when the alteration is consistent with
11 the change; the agency shall provide a list of qualifying events annually to the members.

12 (13) "Recipient" is defined in KRS 16.505(26), 61.510(27), and 78.510(26).

13 (14) "Retired member" is defined in KRS 16.505(11), 61.510(24), and 78.510(23).

14 (15) "Retirement allowance" is defined in KRS 16.505(12), 61.510(16), and
15 78.510(16).

16 (16) "Retirement office" is defined in KRS 16.505(28), 61.510(31), and 78.510(29).

17 (17) "Systems" means the State Police Retirement System, the Kentucky
18 Employees Retirement System, and the County Employees Retirement System.

19 Section 2. Trust Fund. (1) Pursuant to KRS 61.701, fund assets shall be dedicated
20 for use toward health benefits, as provided in KRS 61.702 and 78.5536, and as permitted
21 under 26 U.S.C. 105 and 106 of the United States Internal Revenue Code, to retired
22 recipients and employees of employers participating in the systems. Certain dependents

1 or beneficiaries shall be included, such as qualified beneficiaries as described in 42
2 U.S.C. 300bb-8(3) of the United States Public Health Service Act.

3 (2) The Boards may adopt a trust agreement and take all action authorized by KRS
4 61.701(6).

5 Section 3. Contribution rates. (1)(a)The Boards shall adopt monthly contribution
6 rates as follows:

- 7 1. Medicare eligible coverage;
- 8 2. Non-Medicare eligible coverage; and
- 9 3. MEM coverage.

10 (b) The Boards may choose to adopt a monthly contribution rate for MEM coverage
11 that is separate from the monthly contribution rate the Boards adopts for Medicare and
12 non-Medicare eligible coverage, or may choose to adopt a monthly contribution rate that
13 is the same for Non-Medicare eligible coverage and MEM coverage.

14 (2) The Boards shall adopt a contribution plan for each monthly contribution rate
15 in subsection (1) of this section.

16 (3) The Boards may adopt separate contribution rates for:

- 17 (a) Tobacco and non-tobacco users, and
- 18 (b) Wellness or wellbeing promise completion and incompleteness.

19 Section 4. Payments by the Boards. (1) The monthly contribution rate paid by the
20 Boards towards premiums for a recipient or eligible spouse or dependent child shall not
21 exceed the monthly contribution rate to which the recipient is entitled under KRS 61.702
22 and 78.5536.

1 (2) For a retired member who retired based on reciprocity with any other state-
2 administered retirement system, the Boards shall not pay more than a portion of the single
3 monthly contribution rate for the hospital and medical insurance plan chosen by the retired
4 member based on the retired member's service credit with the systems.

5 (3)(a) A retired member who is not Medicare eligible or is a MEM may cross-
6 reference health insurance coverage with a spouse enrolled in the same hospital and
7 medical insurance plan.

8 (b) A retired member identified in paragraph (a) of this subsection who has
9 hazardous service and a membership date prior to July 1, 2003 may be able to use any
10 unused portion of the monthly contribution rate the retired member is entitled to receive
11 toward the premium cost attributable to the spouse, if the spouse's portion of the premium
12 is not fully paid by the Boards pursuant to KRS 61.702 and 78.5536.

13 (4) Pursuant to KRS 61.702(4)(d), 61.702(4)(e)5., 78.5536(4)(d), and
14 78.5536(4)(e)5., funds from the insurance trust fund or the 401(h) accounts provided for
15 in KRS 61.702(3)(b) and 78.5536(3)(b) shall be used to pay a percentage of the monthly
16 contribution rate for family coverage for eligible spouses and dependent children as
17 defined in KRS 16.505(17) and 78.510(49).

18 (5)(a) Members not eligible for Medicare who began participation in the system on
19 or after July 1, 2003 and have accrued an additional full year of service as a participating
20 employee beyond his or her career threshold may receive an additional five dollar (\$5)
21 contribution toward monthly hospital and medical insurance premiums in accordance with
22 KRS 61.702(4)(e)6.b. and 78.5536(4)(e)6.b.

(b)1. If a member who is eligible for an additional five dollar (\$5) contribution pursuant to paragraph (a) of this subsection has service in multiple systems operated by the agency, each system in which the member participates that meets the requirements of KRS 61.702(4)(e)6.b.iii. and 78.5536(4)(e)6.b.iii shall pay a portion of the additional five dollar (\$5) contribution based on the percentage of the member's service in each system.

2. If a member who is eligible for an additional five dollar (\$5) contribution pursuant to paragraph (a) of this subsection has service in multiple systems operated by the agency, and not all of the systems in which the member participates meet the requirements of KRS 61.702(4)(e)6.b.iii. and 78.5536(4)(e)6.b.iii, only those systems that meet the requirements of KRS 61.702(4)(e)6.b.iii. and 78.5536(4)(e)6.b.iii shall pay a portion of the additional five dollar (\$5) contribution based on the percentage of the member's service in each system.

Section 5. Premiums paid by recipient. (1) Any premium amount that is not paid or payable by the insurance trust fund established under KRS 61.701 or a 401(h) account in accordance KRS 61.702 and 78.5536 shall be deducted from the monthly retirement allowance of the recipient.

(2)(a) If the amount of a premium is not fully paid by the insurance trust fund established under KRS 61.701, a 401(h) account, and the recipient's monthly retirement allowance, then the recipient shall pay the balance of the premium monthly by electronic transfer of funds by filing a complete Form 6131, Bank Draft Authorization for Direct Pay Accounts, at the retirement office.

1 (b) If a complete Form 6131, Bank Draft Authorization for Direct Pay Accounts, is
2 required and is not filed at the retirement office, then the recipient, their spouse, and any
3 disabled or dependent children shall not be enrolled in a hospital and medical insurance
4 plan established pursuant to KRS 61.702 and 78.5536.

5 (c)1. If the electronic transfer of funds based on a complete Form 6131, Bank Draft
6 Authorization for Direct Pay Accounts, on file at the retirement office fails, then the agency
7 shall provide an invoice to the recipient.

8 2. If a recipient fails to remit the balance of the premium by the date provided on
9 the invoice, then the enrollment of the recipient, their spouse, and any disabled or
10 dependent children in the hospital and medical insurance plan shall be cancelled the
11 month after the last month the recipient paid the premium.

12 (d) If the hospital and medical insurance plan coverage of a recipient, their spouse,
13 or any disabled or dependent children is cancelled pursuant to this subsection, the
14 recipient shall not be eligible to enroll in a hospital and medical insurance plan established
15 pursuant to KRS 61.702 and 78.5536 until the next open enrollment period for hospital
16 and medical insurance plan coverage.

17 Section 6. Eligibility to participate in hospital and medical insurance plans. (1) A
18 person shall not be eligible to participate in the hospital and medical insurance plans
19 established pursuant to KRS 61.702 and 78.5536 until the person is a recipient of a
20 monthly retirement allowance, except as provided in KRS 16.576(4).

21 (2) A person who retires under disability retirement shall not be eligible to
22 participate in the hospital and medical insurance plans established pursuant to KRS

1 61.702 and 78.5536 until the month the person receives his or her first monthly retirement
2 allowance payment.

3 (3) A recipient's spouse, disabled child, or dependent child shall not be eligible to
4 participate in the hospital and medical insurance plans established pursuant to KRS
5 61.702 and 78.5536 unless the recipient is participating in the hospital and medical
6 insurance plans established pursuant to KRS 61.702 and 78.5536.

7 (4) An alternate payee shall not be eligible for participation in the hospital and
8 medical insurance plans established pursuant to KRS 61.702 and 78.5536.

9 Section 7. Participation in a hospital and medical insurance plan. (1) A recipient,
10 spouse, or disabled or dependent child who is Medicare eligible, except individuals
11 identified in subsection (2) of this section, shall participate in the hospital and medical
12 insurance plan established for Medicare eligible recipients pursuant to KRS 61.702 and
13 78.5536.

14 (2) MEMs, and spouses of MEMs and disabled or dependent children of MEMs
15 who are Medicare eligible, shall participate in the group hospital and medical insurance
16 plan established for MEMs pursuant to KRS 61.702(2)(b)3.b. and 78.5536(2)(b)3.b..

17 (3) A recipient, spouse, or disabled or dependent child who is not Medicare eligible
18 shall participate in a non-Medicare eligible group hospital and medical insurance plan
19 established pursuant to KRS 61.702 and 78.5536.

20 (4) If a recipient, spouse, or disabled or dependent child is eligible for Medicare but
21 the other persons enrolled in a group hospital and medical insurance plan are not, then
22 the recipient, spouse, or disabled or dependent child who is not eligible for Medicare may

1 continue to participate in the non-Medicare eligible group hospital and medical insurance
2 plan established pursuant to KRS 61.702 and 78.5536.

3 (5) Members identified in subsections (1) through (4) of this section may waive
4 enrollment in the hospital and medical insurance plan by filing:

5 (a) A completed form 6200, KPPA Health Plans for Medicare Eligible Persons, for
6 Medicare eligible recipients, or

7 (b) A completed form 6200, Retiree Health Insurance Enrollment/Change Form,
8 for MEMs and non-Medicare eligible recipients.

9 (6) Members identified in subsections (1) through (4) of this section who do not
10 enroll in or waive the hospital and medical insurance plan shall be automatically enrolled
11 in an appropriate default plan in accordance with Section 9 of this administrative
12 regulation.

13 Section 8. Required forms. (1) If the Boards use the group hospital and medical
14 insurance provided by the Kentucky Department of Employee Insurance to provide health
15 insurance coverage for its non-Medicare eligible recipients, spouses, disabled or
16 dependent children, and MEMs, then the agency shall provide these recipients and MEMs
17 with the Form 6200, Retiree Health Insurance Enrollment/Change Form, required for
18 enrollment, waiver, or changes to the group hospital and medical insurance plan.

19 (2) On behalf of the Boards, the agency shall arrange hospital and medical
20 insurance coverage for Medicare eligible recipients, spouses, and disabled or dependent
21 children, except MEMs. The agency shall provide these recipients with the Form 6200,
22 KPPA Health Plans for Medicare Eligible Persons, required for enrollment, waiver, or
23 changes to the hospital and medical insurance plans.

1 (3) The agency shall provide the Form 6256, Designation of Spouse and/or
2 Dependent Child for Health Insurance Contributions, for recipients to complete to receive
3 health insurance contributions toward an eligible spouse and dependent children who are
4 between the ages of eighteen (18) and twenty-two (22).

5 Section 9. Default plans. (1)(a) The Boards shall adopt a default plan for new
6 retired members upon initial enrollment, and for recipients who do not file a complete
7 insurance enrollment form during annual open enrollment, when required.

8 (b) The Boards shall adopt a default plan for retired members and recipients who
9 are Medicare eligible, and a default plan for retired members and recipients who are non-
10 Medicare eligible and recipients who are subject to 42 U.S.C. 1395y.

11 Section 10. Initial and annual enrollment and qualifying events. (1)(a)The recipient
12 shall file complete insurance enrollment forms as described in Section 8 of this
13 administrative regulation at the retirement office by the last day of the month the initial
14 retirement allowance is paid.

15 (b) If the recipient fails to file the complete insurance enrollment forms as described
16 in Section 8 of this administrative regulation at the retirement office by the last day of the
17 month prior to the month the initial retirement allowance is paid, the retired member shall
18 be automatically enrolled in the appropriate default plan adopted by the Boards as
19 described in Section 9 of this administrative regulation.

20 (c) If the recipient identified in paragraph (a) of this subsection files the completed
21 insurance enrollment forms as described in Section 8 of this administrative regulation by
22 the last day of the month in which he or she receives his or her initial retirement allowance

1 payment, the retired member will be enrolled in the selection indicated on the form
2 effective the first day of the following month.

3 (2) If a recipient has a qualifying event, the recipient shall file the complete
4 insurance enrollment forms as described in subsections (1) or (2) of Section 8 of this
5 administrative regulation at the retirement office within the time period prescribed by state
6 and federal law and the health insurance plan documents.

7 (3)(a) The recipient shall file the complete insurance enrollment forms as described
8 in Section 8 of this administrative regulation at the retirement office by the last day of the
9 month of the annual open enrollment period when enrollment is mandatory.

10 (b) If the recipient fails to file the complete insurance enrollment forms as described
11 in Section 8 of this administrative regulation at the retirement office by the last day of the
12 month of the annual open enrollment period when enrollment is mandatory, the recipient
13 shall be automatically enrolled in the default plan adopted by the Boards as described in
14 Section 9 of this administrative regulation..

15 (c) When enrollment is not mandatory, the recipient, and the recipient's spouse
16 and disabled or dependent children as applicable, will remain in the same plan with the
17 same level of coverage as the previous plan year.

18 (4)(a)1. In order to receive health insurance contributions toward an eligible spouse
19 or a dependent child who is between the ages of eighteen (18) and twenty-two (22), the
20 recipient shall file a complete Form 6256, Designation of Spouse and/or Dependent Child
21 for Health Insurance Contributions, by November 30th of the calendar year prior to the
22 calendar year in which coverage is effective, regardless of whether enrollment is
23 mandatory or not mandatory.

1 2. If a qualifying event results in a new eligible spouse or dependent child, in order
2 to receive health insurance contributions toward the eligible spouse or a dependent child
3 who is between the ages of eighteen (18) and twenty-two (22), the recipient shall file a
4 complete Form 6256, Designation of Spouse and/or Dependent Child for Health
5 Insurance Contributions.

6 (b)1. If the recipient does not file a complete Form 6256, Designation of Spouse
7 and/or Dependent Child for Health Insurance Contributions, in accordance with paragraph
8 (a) of this subsection, health insurance contributions shall not be paid toward the
9 premiums for an eligible spouse or dependent children unless a complete Form 6256 is
10 filed at the retirement office in the calendar year in which coverage is in effect.

11 2. If the recipient files a complete Form 6256, Designation of Spouse and/or
12 Dependent Child for Health Insurance Contributions, between December 1 and
13 December 31 of the calendar year prior to the calendar year in which coverage is
14 effective, then health insurance contributions may be paid for an eligible spouse or a
15 dependent child who is between the ages of eighteen (18) and twenty-two (22) as of
16 January of the calendar year in which coverage is effective. If the health insurance
17 contributions are not paid for an eligible spouse or a dependent child as of January of the
18 calendar year in which coverage is effective, then health insurance contributions shall be
19 paid starting in February of the calendar year in which coverage is effective and the
20 recipient shall also be reimbursed for the January health insurance contributions for the
21 eligible spouse or dependent child.

22 3. If the recipient files a complete Form 6256, Designation of Spouse and/or
23 Dependent Child for Health Insurance Contributions, prior to December 31 of the calendar

1 year in which coverage is in effect, health insurance contributions shall be paid toward
2 premiums for an eligible spouse or a dependent child who is between the ages of eighteen
3 (18) and twenty-two (22) in any month in the calendar year in which coverage is effective
4 after the Form 6256 is filed at the retirement office. If a complete Form 6256 is filed at the
5 retirement office prior to December 31 of the calendar year in which coverage is in effect,
6 the recipient shall also be reimbursed for up to three (3) months of health insurance
7 contributions for the eligible spouse and dependent children.

8 Section 11. Changes in spouse and disabled or dependent child eligibility. (1)
9 Recipients, spouses, and disabled or dependent children shall notify the agency of any
10 change that may affect the eligibility of the spouse, disabled child, or dependent child to
11 enroll in a hospital and medical insurance plan offered by the agency or the eligibility of
12 the spouse or dependent child to have all or a portion of their premiums paid for by the
13 Boards in accordance with KRS 61.702 and 78.5536.

14 (2)(a) The recipient shall be required to repay any premiums that were paid by the
15 Boards after the spouse or dependent child ceased to be eligible to have all or portion of
16 their premiums paid in accordance with KRS 61.702 and 78.5536.

17 (b) If the agency is unable to recover from the recipient the full amount of premiums
18 paid in accordance with paragraph (a) of this subsection, the agency may withhold any
19 remaining amount from the recipient's monthly retirement allowance payment.

20 (c) If the agency is not able to recover the full amount of the premiums paid in
21 accordance with paragraphs (a) and (b) of this subsection, the agency may recover any
22 remaining amount from the spouse or dependent child.

Section 12. Medical insurance reimbursement plan for recipients living outside of Kentucky. (1) A recipient may participate in the medical insurance reimbursement plan pursuant to KRS 61.702(6) and 78.5536(6) if the recipient lives in an area outside of the coverage of the group hospital and medical insurance plans offered by the agency.

(2) The medical insurance reimbursement plan shall be available in any month the recipient:

(a) Resides outside of Kentucky,

(b) Is not eligible for the same level of hospital and medical benefits as recipients who resided inside of Kentucky with the same Medicare status, and

(c) Has paid hospital and medical insurance plan premiums capable of being reimbursed.

(3) Recipients eligible to participate in the medical insurance reimbursement plan shall be reimbursed up to the applicable monthly contribution rate for premiums paid for hospital and medical coverage less any premiums paid by the recipient's employer.

(4)(a) In order to receive the applicable reimbursement, an eligible recipient shall file a Form 6240, Application for Out of State Reimbursement for Medical Insurance, and as applicable Form 6256, Designation of Spouse and/or Dependent Child for Health Insurance Contributions, at the retirement office with one (1) or more of the following as proof of coverage and payment of premiums for hospital and medical insurance that covers the entire time period for the requested reimbursement:

1. Form 6241, Employer Certification of Health Insurance for Health Insurance Reimbursement Plan, completed by the employer;

1 2. Form 6242, Insurance Agency/Company Certification of Health Insurance for
2 Health Insurance Reimbursement Plan, completed by the insurance agency or company;

3 3. A signed statement from the employer listing individual(s) covered, dates of
4 hospital and medical insurance coverage, amount of premiums deducted from wages,
5 and the cost of the single coverage; or

6 4. A signed statement or invoice from the insurance company listing individual(s)
7 covered, the dates and cost of single hospital and medical insurance coverage, along
8 with proof of payment such as a receipt or bank statement clearly indicating payment for
9 the statement or invoice provided.

10 (b)1. If any provided documentation is deemed insufficient by the agency, the
11 agency may request additional proof of medical and hospital insurance coverage or
12 payment.

13 2. The agency may verify the recipient's eligibility for reimbursement for hospital
14 and medical insurance by requesting verification of coverage and payments directly from
15 the insurance company indicated on the Form 6240, Application for Out of State
16 Reimbursement for Medical Insurance.

17 (5) An eligible recipient may file for reimbursement quarterly each calendar year in
18 accordance with subsection (4) of this section.

19 (6) If the eligible recipient files for reimbursement in accordance with subsection
20 (4) of this section, the eligible recipient shall be reimbursed on the following schedule:

21 (a) In February, when all documentation is filed at the retirement office by January
22 20;

23 (b) In May, when all documentation is filed at the retirement office by April 20;

1 (c) In August, when all documentation is filed at the retirement office by July 20; or

2 (d) In November, when all documentation is filed at the retirement office by October

3 20.

4 (7) The agency shall not reimburse an eligible recipient for premiums for a

5 calendar year in which the eligible recipient failed to file a request for reimbursement in

6 accordance with subsection (4) of this section by March 20 of the following calendar year.

7 (8)(a) If a recipient receives a payment from the agency that does not qualify as a

8 premium reimbursement, the recipient shall return the payment to the agency at the

9 retirement office.

10 (b) If the recipient fails to return the payment, the agency may withhold the payment

11 from the recipient's monthly retirement allowance payment.

12 Section 13. Dollar Contribution medical insurance reimbursement plan for

13 recipients hired on or after July 1, 2003. (1) Beginning January 1, 2023, a recipient with

14 a hire date on or after July 1, 2003 may participate in the hospital and medical insurance

15 dollar contribution reimbursement plan pursuant to KRS 61.702(6) and 78.5536(6), if the

16 recipient chooses to purchase a hospital and medical insurance plan not provided by the

17 systems.

18 (2) Recipients eligible to participate in the dollar contribution medical insurance

19 reimbursement plan shall be reimbursed up to the applicable monthly contribution rate for

20 premiums paid for hospital and medical coverage less any premiums paid by the

21 recipient's employer.

22 (3)(a) In order to receive the applicable reimbursement, an eligible recipient shall

23 file a Form 6280, Application for Dollar Contribution Reimbursement for Medical

Insurance, at the retirement office with one (1) or more of the following as proof of payment of premiums for hospital and medical insurance coverage that covers the entire time period for the requested reimbursement:

1. Form 6281, Employer Certification of Health Insurance for Dollar Contribution Reimbursement Plan, completed by the employer;

2. Form 6282, Insurance Agency/Company Certification of Health Insurance for Dollar Contribution Reimbursement Plan, completed by the insurance agency or company;

3. A signed statement from the employer listing individual(s) covered, dates of hospital and medical insurance coverage, amount of premiums deducted from wages, and the cost of the single coverage; or

4. A signed statement or invoice from the insurance company listing the individual(s) covered, dates, and cost of single hospital and medical insurance coverage; along with proof of payment such as a receipt or bank statement clearly indicating payment for the statement or invoice provided.

(b)1. If any provided documentation is deemed insufficient by the agency, the agency may request additional proof of medical and hospital insurance coverage or payment.

2. The agency may verify the recipient's eligibility for reimbursement for hospital and medical insurance by requesting verification of coverage and payments directly from the insurance company indicated on the Form 6280, Application for Dollar Contribution Reimbursement for Medical Insurance.

1 (4) An eligible recipient may file for reimbursement in accordance with subsection
2 (3) of this section, quarterly each calendar year.

3 (5) If the eligible recipient files a request for reimbursement in accordance with
4 subsection (3) of this section, the eligible recipient shall be reimbursed on the following
5 schedule:

6 (a) In February, when all documentation is filed at the retirement office by January
7 20;

8 (b) In May, when all documentation is filed at the retirement office by April 20;

9 (c) In August, when all documentation is filed at the retirement office by July 20; or

10 (d) In November, when all documentation is filed at the retirement office by October
11 20.

12 (6) The agency shall not reimburse an eligible recipient for premiums for a
13 calendar year in which the eligible recipient failed to file a request for reimbursement in
14 accordance with subsection (3) of this section by March 20 of the following calendar year.

15 (8)(a) If a recipient receives a payment from the agency that does not qualify as a
16 premium reimbursement, the recipient shall return the payment to the agency at the
17 retirement office.

18 (b) If the recipient fails to return the payment, the agency may withhold the payment
19 from the recipient's monthly retirement allowance payment.

20 Section 14. Incorporation by Reference. (1) The following material is incorporated
21 by reference:

22 (a) Form 6131, "Bank Draft Authorization for Direct Pay Accounts", April 2021;

(b) Form 6200, "KPPA Health Plans for Medicare Eligible Persons", September 2022;

(c) Form 6200 "Retiree Health Insurance Enrollment/Change Form", September 2022;

(d) Form 6256, 'Designation of Spouse and/or Dependent Child for Health Insurance Contributions", September 2022;

(e) Form 6240, "Application for Out of State Reimbursement for Medical Insurance," September 2022;

(f) Form 6241, "Employer Certification of Health Insurance for Health Insurance Reimbursement Plan", September 2022;

(g) Form 6242, "Insurance Agency/Company Certification of Health Insurance for Health Insurance Reimbursement Plan", September 2022;

(h) Form 6280, "Application for Dollar Contribution Reimbursement for Medical Insurance", September 2022;

(i) Form 6281, "Employer Certification of Health Insurance for Dollar Contribution Reimbursement Plan", September 2022;

(j) Form 6282, "Insurance Agency/Company Certification of Health Insurance for Dollar Contribution Reimbursement Plan", September 2022;

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m., or on the agency's Web site at kyret.ky.gov.

APPROVED:

<hr/>	<hr/>
DAVID L. EAGER, EXECUTIVE DIRECTOR KENTUCKY PUBLIC PENSIONS AUTHORITY	DATE

PUBLIC HEARING: A public hearing on this administrative regulation shall be held on Wednesday, December 21, 2022 at 10:00 a.m. at the Kentucky Public Pensions Authority, 1270 Louisville Road, Frankfort, Kentucky. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing of their intent to attend. If no notification of intent to attend the hearing was received by that date, the hearing may be cancelled. This hearing is open to the public. Any person who wishes to be heard will be given the opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made.

If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted until December 31, 2022. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Jessica Beaubien, Policy Specialist, Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, KY 40601, Legal.Non-Advocacy@kyret.ky.gov, telephone (502) 696-8570, facsimile (502) 696-8801.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation number: 105 KAR 1:411
Contact person: Jessica Beaubien
Phone number: 502-696-8570
Email: Legal.Non-Advocacy@kyret.ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes procedures for the administration of the health and hospital insurance benefits provided by the Kentucky Retirement Systems and the County Employees Retirement System, as well as establishes eligibility requirements, necessary documentation for proof of insurance, deadlines for filing for reimbursement, and forms.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish procedures for the administration of the health and hospital insurance benefits provided by the Kentucky Retirement Systems and the County Employees Retirement System, as well as establishes eligibility requirements, necessary documentation for proof of insurance, and forms. In addition, this administrative regulation satisfies the requirements in KRS 61.702(6) and 78.5536(6) to promulgate an administrative regulation to establish medical insurance reimbursement programs for members who began participating in the system on or after July 1, 2003 and purchase their own hospital and medical insurance, and for retirees who are not eligible for the same level of hospital and medical benefits as recipients living in Kentucky.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of the Kentucky Retirement Systems and the County Employees Retirement System that are consistent with KRS 61.510 to 61.705, 16.505 to 16.652, and 78.510 to 78.852. KRS 61.702 and 78.5536 provide for the systems operated by the Kentucky Public Pensions Authority to offer hospital and medical insurance coverage to recipients (including retired members and some beneficiaries of deceased members), their spouses, and their disabled or dependent children, this administrative regulation conforms to the authorizing statute by establishing procedures for the administration of the health and hospital insurance benefits by the systems. Additionally, this administrative regulation satisfies the requirements in KRS 61.702(6) and 78.5536(6) to promulgate an administrative regulation to establish medical insurance reimbursement programs for members who began participating in the system on or after July 1, 2003 and purchase their own hospital and medical insurance, and for retirees who are not eligible for the same level of hospital and medical benefits as recipients living in Kentucky.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation assists in the effective administration of the statutes by establishing procedures for the administration of the health and hospital insurance benefits provided by the Kentucky Retirement Systems and the County Employees Retirement System, as well as establishes eligibility requirements,

necessary documentation for proof of insurance, deadlines for filing for reimbursement, and forms in accordance with KRS 61.702 and 78.5536.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This is a new administrative regulation, not an amendment to an existing regulation.

(b) The necessity of the amendment to this administrative regulation: This is a new administrative regulation, not an amendment to an existing regulation.

(c) How the amendment conforms to the content of the authorizing statutes: This is a new administrative regulation, not an amendment to an existing regulation.

(d) How the amendment will assist in the effective administration of the statutes: This is a new administrative regulation, not an amendment to an existing regulation.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: One (1) entity that provides day-to-day operations for three (3) public pensions systems: Kentucky Public Pensions Authority (the public pension systems are the Kentucky Employees Retirement System, the County Employees Retirement System, and the State Police Retirement System). Potentially, as many as 401,043 individuals who are members of the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System, and the spouses, disabled or dependent children, and beneficiaries of these members.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: This administrative regulation requires the Boards of Trustees responsible for the governance of the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System to adopt monthly contribution rates that comply with KRS 61.702 and 78.5536. The Kentucky Public Pensions Authority must administer the health and hospital insurance plans as well as the reimbursement programs required by KRS 61.702 and 78.5536.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): The cost of compliance with this administrative regulation for the Kentucky Public Pensions Authority and the systems for which it provides day-to-day operations should be negligible, as this administrative regulation is already being administered as written.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): The Kentucky Public Pensions Authority and the systems for which it provides day-to-day operations will have greater assurance that the statutory requirements for administering the health and hospital insurance benefits and reimbursement programs are met.

(5) Provide an estimate of how much it will cost to implement this administrative regulation:

(a) Initially: The costs associated with the implementation of this administrative regulation should be negligible.

(b) On a continuing basis: The costs associated with the implementation of this administrative regulation should be negligible.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: Administrative expenses of the Kentucky Public Pensions Authority are paid from the Retirement Allowance Account (trust and agency funds).

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: There is no increase in fees or funding required.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This administrative regulation does not establish any fees or directly or indirectly increase any fees.

(9) TIERING: Is tiering applied? (Explain why or why not) Tiering is not applied. All regulated entities are subject to the same processes and procedures.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation number: 105 KAR 1:411

Contact person: Jessica Beaubien

Phone number: 502-696-8570

Email: Legal.Non-Advocacy@kyret.ky.gov

(1) What units, parts, or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? This administrative regulation impacts the Kentucky Public Pensions Authority and the three systems for which it provides day-to-day operations (the County Employees Retirement System, the Kentucky Employees Retirement System, and the State Police Retirement System).

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 61.505(1)(g), 61.702, 78.5536.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. This administrative regulation will not significantly affect revenues of a state or local government agency.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? None.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? None.

(c) How much will it cost to administer this program for the first year? The cost to Kentucky Public Pensions Authority to administer this administrative regulation should be negligible because this administrative regulation is already being administered as written.

(d) How much will it cost to administer this program for subsequent years? The cost to Kentucky Public Pensions Authority to administer this administrative regulation should be negligible because this administrative regulation is already being administered as written..

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-): None.

Expenditures (+/-): None.

Other Explanation: The fiscal impact of this administrative regulation should be negligible because this administrative regulation is already being administered as written.

(4) Estimate the effect of this administrative regulation on the expenditures and cost savings of regulated entities for the first full year the administrative regulation is to be in effect.

(a) How much cost savings will this administrative regulation generate for the regulated entities for the first year? None.

(b) How much cost savings will this administrative regulation generate for the regulated entities for subsequent years? None.

(c) How much will it cost the regulated entities for the first year? Unknown.

(d) How much will it cost the regulated entities for subsequent years? Unknown.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Cost Savings (+/-): None.

Expenditures (+/-): Unknown.

Other Explanation: The fiscal impact of this administrative regulation should be negligible because this administrative regulation is already being administered as written.

(5) Explain whether this administrative regulation will have a major economic impact, as defined below. *"Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies. [KRS 13A.010(13)].* This administrative regulation will not have a "major economic impact" because this administrative regulation is already being administered as written.

SUMMARY OF MATERIAL INCORPORATED BY REFERENCE

The Form 6131, Bank Draft Authorization for Direct Pay Accounts, is a two (2) page form that retirees from the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System can use to authorize the withdrawal of the balance of his or her monthly health insurance premium directly from his or her account at a financial institution.

The Form 6200, KPPA Health Plans for Medicare Eligible Persons, is a three (3) page form that Medicare eligible retirees from the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System can use to enroll, dis-enroll, or waive coverage through the health care plans offered by the Kentucky Public Pensions Authority.

The Form 6200 Retiree Health Insurance Enrollment/Change Form, is a three (3) page form that Non-Medicare eligible retirees and MEMs from the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System can use to enroll, dis-enroll, or waive coverage through the health care plans offered by the Kentucky Public Pensions Authority.

The Form 6256, Designation of Spouse and/or Dependent Child for Health Insurance Contributions, is a two (2) page form that retirees from the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System can use to establish health insurance contributions for any eligible spouse or dependents.

The Form 6240, Application for Out of State Reimbursement for Medical Insurance, is a two (2) page form that retirees from the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System who reside in another state can use to request reimbursement for health insurance premiums.

The Form 6241, Employer Certification of Health Insurance for Health Insurance Reimbursement Plan, is a two (2) page form that retirees from the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System who reside in another state can use to have his or her employer verify the health insurance coverage and premiums paid.

The Form 6242, Insurance Agency/Company Certification of Health Insurance for Health Insurance Reimbursement Plan is a two (2) page form that retirees from the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System who reside in another state can use to have his or her insurance agency/company verify the health insurance coverage and premiums paid.

The Form 6280, Application for Dollar Contribution Reimbursement for Medical Insurance, is a two (2) page form that retirees from the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System can

use to request reimbursement for health insurance premiums under the Dollar Contribution Reimbursement Plan.

The Form 6281, Employer Certification of Health Insurance for Dollar Contribution Reimbursement Plan, is a two (2) page form that retirees from the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System can use to have his or her employer verify the health insurance coverage and premiums paid.

The Form 6282, Insurance Agency/Company Certification of Health Insurance for Dollar Contribution Reimbursement Plan is a two (2) page form that retirees from the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System can use to have his or her insurance agency/company verify the health insurance coverage and premiums paid.



Form 6131
Revised 04/2021

Bank Draft Authorization for Direct Pay Accounts

Recipient Information

The recipient is the person who is receiving the monthly benefit from the Kentucky Public Pensions Authority. Please provide your Member ID or Social Security Number in the Recipient ID box below.

Recipient Name:		Recipient ID:	
Address:	City:	State:	Zip Code:
Phone Number:	Email:		

Financial Institution Information

Financial Institution Name:
Depositor Account Number:
Depositor Routing Number:
Account Type: <input type="radio"/> Checking <input type="radio"/> Savings

Required Documents: Please indicate the documentation you are submitting with this form.

For debits from a Checking Account: I have attached to this form	<input type="radio"/> a VOIDED personalized check	<input type="radio"/> verification from my financial institution
For debits from a Savings Account: I have attached to this form	<input type="radio"/> verification from my financial institution	

A new Form 6131 must be completed to change your account number or financial institution.

I authorize and request the Kentucky Public Pensions Authority to withdraw the balance due of my monthly health insurance premiums from my account at the financial institution designated above. **I have attached with this form a VOIDED personalized check for deduction from my checking account or a deposit slip for deduction from my savings account.** I understand that failure to sign this authorization and provide a voided check or deposit slip will cause a delay in setting up or changing account information.

Signature: _____

Date: _____

For your convenience:

The sample check below shows where to locate the required bank information to complete your bank draft authorization.

My Name
My Address
My City, State, & Zip

DATE

PAY TO THE ORDER OF \$

DOLLARS

☐ Bank Name
Bank Address

MEMO

+1:001852862: 925 525 1152

9 Digit Bank Routing Number Your Account Number Check Number

Instructions for Completing Form 6131 Bank Draft Authorization for Direct Pay Accounts

You must complete this Form 6131, Bank Draft Authorization for Direct Pay Accounts, to authorize the withdrawal of the balance of your monthly health insurance premium directly from your account at a financial institution. A new Form 6131 must be completed to change your account number or financial institution. The financial institution may be a bank, savings bank, savings and loan association, credit union, or similar institution that is a member of the Automated Clearing House (ACH).

This form is to be used **ONLY** to authorize debits from your account by Kentucky Public Pensions Authority for the balance of your health insurance premiums. This form does not authorize deposits to your account at a financial institution.

The payment will be deducted from your account at your financial institution on the 14th calendar day of the month, unless the day is a weekend or holiday, then the payment will be deducted from your account on the last business day prior to the 14th.

Please provide the necessary information about the financial institution. You must sign and date the authorization form. You must attach a VOIDED personalized check or deposit slip from the account you are authorizing withdrawal. Your failure to sign and date the bank draft authorization form and provide a VOIDED personalized check or deposit slip will cause a delay in setting up or changing account information. If you are changing financial institutions or your account number, then the completed form and VOIDED personalized check or deposit slip must be received at Kentucky Public Pensions Authority before the 20th of the month prior to the month you want the change to become effective. Once the automatic bank draft has been processed by the Kentucky Public Pensions Authority, the bank draft may be cancelled for any of the following reasons:

1. A new bank draft authorization form is submitted and processed at KPPA. This new Form 6131 will supersede your previous bank draft authorization.
2. A written notice of cancellation by you is received and processed at KPPA. You should notify your financial institution if you decide to cancel this agreement.
3. The financial institution no longer accepts automatic bank draft withdrawals. If your financial institution no longer accepts automatic bank draft withdrawals, you must notify KPPA in writing.
4. KPPA discontinues the bank draft program with your financial institution. In this case, KPPA will notify you of the cancellation in advance.
5. Your monthly benefit covers the cost of your health insurance premium and you no longer remain in direct pay status for health insurance premiums.
6. Notice of your death is received at KPPA.

You may reach the Kentucky Public Pensions Authority at (800) 928-4646 or (502) 696-8800 if you have any questions. Written inquiries can be addressed to Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, Kentucky 40601. For general information or to obtain additional forms, visit the Kentucky Public Pensions Authority website: www.kyret.ky.gov

**Return your completed form to:**

Kentucky Public Pensions Authority
 1260 Louisville Rd. • Frankfort KY 40601-6124
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov

Form 6200
Plan Year 2023
 Revised 09/2022

Kentucky Public Pensions Authority Health Plans for Medicare Eligible Persons

Kentucky Public Pensions Authority Health Plans offer medical and prescription drug coverage.

To enroll in a Kentucky Public Pensions Authority Health Plan, please provide the following information.

Enrollee Information: The enrollee is the person applying for coverage.

Enrollee Name:		Enrollee SSN:	
Retiree Name:		Member ID:	
Enrollee DOB:	Email:		
Home Phone Number:		Mobile Phone Number:	
Permanent Residence Street Address (P.O. Box not allowed):			
City:	State:	Zip Code:	
Mailing Address (only if different from permanent residence):			
City:	State:	Zip Code:	
If you are not the retiree, what is your relationship to the retiree?			
<input type="checkbox"/> Spouse <input type="checkbox"/> Dependent Child <input type="checkbox"/> Other (please explain)			

A copy of your Medicare Card or Social Security Awards Letter is required to enroll. If a copy of your Medicare Card (Red, White, and Blue) is not already on file, please send a copy with this Enrollment Form.

Please read and answer these important questions.

Do you have End-Stage Renal Disease (ESRD)? ☐ Yes ☐ No
 If you have had a successful kidney transplant and/or you do not need regular dialysis any more, **please attach a note or records** from your doctor showing you have had a successful kidney transplant or you don't need dialysis, otherwise we may need to contact you to obtain additional information.

Employment After Retirement

If you return **to work with an employer** who participates in Kentucky Public Pension Authority, you may be **prevented from enrolling in the KPPA Medicare Advantage Plan**. Medicare eligible retiree who are not able to enroll in the KPPA Medicare Advantage plan may be eligible to enroll in a plan designated for retirees affected by the Medicare Secondary Payer Act. Please contact our office at KPPAMedicareSecondaryPayer@kyret.ky.gov for assistance.

Is the Enrollee employed? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, is the Enrollee Self-Employed? <input type="checkbox"/> Yes <input type="checkbox"/> No
Employer Name (without abbreviations):	
Employer Street Address:	
Is the Enrollee eligible for Employer's Group Health Plan? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Is the Enrollee enrolled in the Employer's Group Health Plan? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Is the Enrollee in the process of retiring? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, what is their retirement date?

Paying your plan premium.

If you are assessed a Part D-Income Related Monthly Adjustment Amount, you will be notified by the Social Security Administration. You will be responsible for paying this extra amount in addition to your plan premium. You will either have the amount withheld from your Social Security benefit check or be billed directly by Medicare or Railroad Retirement Board (RRB). DO NOT pay Kentucky Public Pensions Authority the Part D- IRMAA.

If you are an authorized representative, please read the important notice below.

If you are an authorized representative completing this form on behalf of the applicant, you must provide our office with documentation of your legal authority to act on their behalf. Documentation of legal authority to act may consist of one of the following: a completed [KPPA Form 6460](#) "Special Power of Attorney"; a valid guardianship or emergency guardianship order; a valid Power of Attorney containing provisions allowing for health care decisions; a valid Living Will with a designation of a health care surrogate(s); or other documentation as approved by the Kentucky Public Pensions Authority. You can find [KPPA Form 6460](#) on our website at <https://kyret.ky.gov> or contact our office at (800) 928-4646 to request a copy.

This Enrollment Form will not be valid until the appropriate documentation is filed with our office and approved by the Kentucky Public Pensions Authority's legal department.

By completing this Enrollment Form, I agree to the following:

I will need to keep my Medicare Part A and/or Part B coverage. Enrollment in this plan is generally for the entire year. Once I enroll, I may leave this plan or make changes if an enrollment period is available, generally during the Annual Enrollment Period unless I qualify for certain special circumstances.

Release of Information:

By joining this Medicare prescription drug plan, I acknowledge that Humana Group Medicare Advantage PPO will release my information to Medicare and other plans as is necessary for treatment, payment and health care operations. I also acknowledge that Humana Group Medicare Advantage PPO will release my information, including my prescription drug event data, to Medicare, who may release it for research and other purposes which follow all applicable Federal statutes and regulations. I authorize release of all Medicare Part A, Part B and Part D (Part C) claims information from any source for the purpose of processing my claims. This authorizes release of my Medicare claims information from the effective date of my coverage until termination of my coverage. The information on this Enrollment Form is correct to the best of my knowledge. I understand that if I intentionally provide false information on this form, I will be disenrolled from the plan.

Any person who knowingly and with intent to defraud any insurance company or other person files an Enrollment Form for insurance containing any materially false information or, for the purpose of misleading, conceals information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

I understand that my signature (or the signature of the person authorized to act on my behalf under State law where I live) on this Enrollment Form means that I have read and understand the contents of this Enrollment Form. If signed by an authorized individual (as described above), this signature certifies that: 1) this person is authorized under State law to complete this enrollment and 2) documentation of this authority is available upon request by Humana Group Medicare Advantage PPO, Kentucky Public Pensions Authority or by Medicare.

Waiver of Coverage/Disenrollment of Coverage

PLEASE BE ADVISED THAT IF YOU DO NOT WAIVE COVERAGE OR DISENROLL FROM COVERAGE, YOU WILL AUTOMATICALLY BE ENROLLED INTO A PLAN FOR THE 2023 PLAN YEAR

If you currently have coverage and wish to disenroll, please check the box below.

☐ I wish to waive coverage or disenroll* Reason:

* If you waive coverage or disenroll, you will not be allowed to change this election until the next open enrollment period unless you experience a qualifying event. If you wish to waive coverage or disenroll, complete all requested information on this form, then provide the necessary signatures on the last page of this form.

Available Plans

Please check which plan you want to enroll in.

☐ Kentucky Public Pensions Authority Medical Only** (The Medical Only Plan does not have prescription drug coverage).

☐ Humana Group Medicare Advantage PPO Plan - KPPA Essential Prescription Drug Plan

☐ Humana Group Medicare Advantage PPO Plan - KPPA Premium Prescription Drug Plan

** If you enroll for coverage under Medicare Part D, the only KPPA plan that you may elect is the Health Plan – Medical Only.

Certification

Applicant's Signature: _____ Date: _____

Retiree's Signature
(if different from applicant): _____ Date: _____

Return your completed Enrollment Form to:

Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, KY 40601-6124

Kentucky Employees' Health Plan
Department of Employee Insurance
KPPA 800-928-4646
TRS 800-618-1687
LRP/JRP 502-564-5310



TEAM KENTUCKY
PERSONNEL CABINET

Kentucky Employees'
Health Plan

Form 6200

Revised 09/22

Plan Year 2023 RETIREE HEALTH INSURANCE ENROLLMENT/CHANGE FORM

Section 1: To Be Completed by Insurance Coordinator

KHRIS Personnel Number	Hazardous Duty <input type="checkbox"/>	Date of Retirement	Qualifying Event Date	Coverage Effective Date
<input type="checkbox"/> KPPA 80000 10006416	<input type="checkbox"/> TRS 85000 10006418	<input type="checkbox"/> KTCRS 81000 10006417	<input type="checkbox"/> JRP 86000 10006419	<input type="checkbox"/> LRP 87000 10006420
KPPA Only: <input type="checkbox"/> KPPA-KERS <input type="checkbox"/> CERS - Oth.Ag <input type="checkbox"/> KPPA-SPRS				
Reason(s) for Application: <input type="checkbox"/> Open Enrollment <input type="checkbox"/> New Retiree <input type="checkbox"/> Returning Retiree <input type="checkbox"/> Return to Work Retiree <input type="checkbox"/> Qualifying Event <input type="checkbox"/> Exception <input type="checkbox"/> Demographic Change		Qualifying Event: <input type="checkbox"/> Marriage <input type="checkbox"/> Birth/Adoption/Placement <input type="checkbox"/> Court Order for Child <input type="checkbox"/> Divorce <input type="checkbox"/> Death - Date: _____ <input type="checkbox"/> Loss of Individual Health <input type="checkbox"/> Loss of Group Health		Termination: Coverage End Date
		<input type="checkbox"/> Begin Medicare/Medicaid <input type="checkbox"/> End Medicare/Medicaid <input type="checkbox"/> Loss of KCHIP <input type="checkbox"/> Spouse/Dependent Starting Employment <input type="checkbox"/> Spouse/Dependent Terminating Employment <input type="checkbox"/> Special Enrollment <input type="checkbox"/> Other		

Section 2: Demographic Information - Changes or Current (Circle one)

Retiree's SSN	Retiree's Name (Last, First, MI)	Retiree's Date of Birth
Applicant's SSN	Applicant's Name (Last, First, MI) If plan holder is not the Retiree	Applicant's Date of Birth
Mailing Address	Primary Phone #	Secondary Phone #
City, State, ZIP	Home County	Home Email Address
Sex: <input type="checkbox"/> Male <input type="checkbox"/> Female		Married: <input type="checkbox"/> Yes <input type="checkbox"/> No
***Required information for processing. Are you Medicare eligible due to Social Security disability? <input type="checkbox"/> Yes <input type="checkbox"/> No		

Section 3: Spouse Information - Skip to Section 5 if electing single coverage - Changes or Current (Circle one)

Spouse's SSN	Spouse's Name (Last, First, MI)	Date of Birth (mm/dd/yyyy)	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female
***Required information for processing. Is Spouse Medicare eligible due to Social Security disability? <input type="checkbox"/> Yes <input type="checkbox"/> No			
<input type="checkbox"/> I wish to utilize the Cross-reference payment option (two KEHP members, married with children - no LRP or JRP).			
KPPA Only: <input type="checkbox"/> KPPA-KERS <input type="checkbox"/> CERS - Oth.Ag <input type="checkbox"/> KPPA-SPRS			
Spouse's Date of Hire/Retirement	Spouse's Organizational Unit #	Spouse's Company #	
Spouse's Home Email Address		Spouse Work Email Address	

Section 4: Dependent Information Changes or Current (Circle one)

***Required information for processing:
Are any dependents Medicare eligible due to Social Security disability? ☐ Yes ☐ No

If yes, who?

Child #1 SSN	Name (Last, First, MI)	<input type="checkbox"/> Natural <input type="checkbox"/> Adopted <input type="checkbox"/> Court Ordered	<input type="checkbox"/> Foster <input type="checkbox"/> Step <input type="checkbox"/> Disabled	Date of Birth	<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Add <input type="checkbox"/> Drop <input type="checkbox"/> Remain
Child #2 SSN	Name (Last, First, MI)	<input type="checkbox"/> Natural <input type="checkbox"/> Adopted <input type="checkbox"/> Court Ordered	<input type="checkbox"/> Foster <input type="checkbox"/> Step <input type="checkbox"/> Disabled	Date of Birth	<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Add <input type="checkbox"/> Drop <input type="checkbox"/> Remain
Child #3 SSN	Name (Last, First, MI)	<input type="checkbox"/> Natural <input type="checkbox"/> Adopted <input type="checkbox"/> Court Ordered	<input type="checkbox"/> Foster <input type="checkbox"/> Step <input type="checkbox"/> Disabled	Date of Birth	<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Add <input type="checkbox"/> Drop <input type="checkbox"/> Remain
Child #4 SSN	Name (Last, First, MI)	<input type="checkbox"/> Natural <input type="checkbox"/> Adopted <input type="checkbox"/> Court Ordered	<input type="checkbox"/> Foster <input type="checkbox"/> Step <input type="checkbox"/> Disabled	Date of Birth	<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Add <input type="checkbox"/> Drop <input type="checkbox"/> Remain

Retiree's SSN:

Applicant's SSN:

Child #5 SSN	Name (Last, First, MI)	<input type="checkbox"/> Natural <input type="checkbox"/> Adopted <input type="checkbox"/> Court Ordered	<input type="checkbox"/> Foster <input type="checkbox"/> Step <input type="checkbox"/> Disabled	Date of Birth	<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Add <input type="checkbox"/> Drop <input type="checkbox"/> Remain
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Section 5: Tobacco Use Declaration Rules governing the Tobacco Use Declaration can be found in your Benefits Selection Guide or at kehpnky.gov. You are eligible for the non-tobacco user premium contribution rates provided you certify that you or any other person to be covered under your plan has not regularly used tobacco within the past six months.

Planholder: Within the past 6 months, have you used tobacco regularly? <input type="checkbox"/> Yes <input type="checkbox"/> No	Has your spouse, if covered under this plan, used tobacco regularly within the past 6 months? <input type="checkbox"/> Yes <input type="checkbox"/> No	Have any children covered under this plan age 18 or older used tobacco regularly within the past 6 months? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, who? _____
--	--	--

Section 6: Coverage Level - Verification documents may be required; check with your Insurance Coordinator or HR office.
Note: If adding newly covered dependents you may be required to provide verification documents to Alight, the dependent audit vendor. Alight will contact you if verification documents are required.

<input type="checkbox"/> Single (self only)	<input type="checkbox"/> Parent Plus (self and child(ren))	<input type="checkbox"/> Couple (self and spouse)	<input type="checkbox"/> Family (self, spouse and child(ren))
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Section 7: Plan Options - All plans require the LivingWell Promise to receive the monthly premium discount for the next plan year. Instructions on fulfilling your Promise can be found at LivingWell.ky.gov

<input type="checkbox"/> LivingWell CDHP
<input type="checkbox"/> LivingWell PPO
<input type="checkbox"/> LivingWell Basic CDHP
<input type="checkbox"/> Default LivingWell Basic CDHP (no HRA funds) - INSURANCE COORDINATOR USE ONLY
<input type="checkbox"/> Waive Coverage, No HRA - without \$ Reason for Waiving: _____

Section 8: Signatures - Please submit this application to your retirement agency Insurance Coordinator - ADDRESS

BELOW By signing this application, I certify that the information provided in this application is true and correct to the best of my knowledge. I also certify that I have read, understand and agree to the Terms and Conditions of participation in the KEHP, the KEHP Legal Notices, and the Tobacco Use Declaration. These documents can be found in your benefits Selection Guide or online at kehpnky.gov.

By typing my name in the space provided below, I am signing this application electronically and am agreeing to conduct this transaction by electronic means.

Employee/Retiree Signature	Date
Applicant Signature - if plan holder is not the retiree	Date
Spouse Signature - REQUIRED if electing the cross-reference payment option	Date
IC/HRG Signature	Date
IC/HRG Printed Name	IC/HRG Phone Number
Spouse's IC/HRG Signature - REQUIRED if electing the cross-reference payment option	Date
Spouse's IC/HRG Printed Name	Spouse's IC/HRG Phone Number

Kentucky Public Pensions Authority
1260 Louisville Road
Frankfort, KY 40601

Teachers' Retirement Systems
479 Versailles Road
Frankfort, KY 40601

Judicial Retirement Plan
Legislators Retirement Plan
305 Ann Street
Frankfort, KY 40601

**Form 6240**

Revised 09/2022

Application for Out of State Reimbursement for Medical Insurance

Applicant Information: Please provide your Member ID or Social Security Number in the Applicant ID box below.

Applicant Name:		Applicant ID:	
Address:	City:	State:	Zip Code:
Is this a new address? <input type="radio"/> Yes <input type="radio"/> No	Daytime Phone:		
Are you eligible for Medicare Part A or Part B? <input type="radio"/> Yes <input type="radio"/> No			
If yes, please contact our office immediately at 1-800-928-4646, prompt 1, to discuss your options. You may not need to complete this form.			
Medical Insurance Policy Information: If you have more than one medical insurance policy, complete a separate form for each policy.			
Company Name:		Policy Number:	
Company Address:			
City:	State:	Zip Code:	Company Phone:

The out of state reimbursement plan for hospital and medical insurance ("the reimbursement plan") is available to certain retired members and beneficiaries of the Kentucky Employees Retirement System (KERS), County Employees Retirement System (CERS), or State Police Retirement System (SPRS). In accordance with the provisions of Kentucky Revised Statutes 61.702(6)(a)1, 78.5536(6)(a)1, and 105 KAR 1:411, eligible members and beneficiaries may be reimbursed for a portion of hospital and medical insurance premiums paid. To be eligible for this reimbursement plan, the member or beneficiary must meet the following criteria:

- The member or beneficiary must not reside in Kentucky,
- The member or beneficiary must not be eligible for Medicare, and
- The member or beneficiary must not be eligible for the same level of health insurance coverage as non-Medicare eligible members and beneficiaries who live in Kentucky.

If you are a nonhazardous retiree, you will only be reimbursed the cost of single coverage up to the allowable maximum. Hazardous duty retirees may be eligible to receive premium contributions towards their spouse and eligible dependents. If you are a hazardous duty retiree and enrolled a spouse or health insurance dependents, the following documentation is required:

- Child age 17 and under: If your dependent child is under the age of 17, a legible copy of the birth certificate or a valid court order showing the name of the hazardous duty retiree as a parent will be required if not on file with KPPA.
- Child age 18-22: If your dependent child is between the ages of 18 and 22, a Form 6256, Designation of Spouse and/or Dependent Child for Health Insurance Contributions, and a legible copy of the birth certificate or a valid court order showing the name of the hazardous duty retiree as a parent will be required if not on file with KPPA.
- Spouse: A Form 6256, Designation of Spouse and/or Dependent Child for Health Insurance Contributions. A legible copy of the marriage certificate or a legible photocopy of the top half of the front page of the retiree's most recent federal tax return (Form 1040) will be required if not on file with KPPA.

ATTACH COPIES OF PROOF OF INSURANCE POLICY AND PAYMENT.

SEE BACK OF FORM FOR EXAMPLES OF ACCEPTABLE DOCUMENTATION.

**You may upload this form through Retiree Self Service at myretirement.ky.gov. Or you may return the form to:
Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, KY 40601**

I certify that all the information completed on this form is true and accurate. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to the penalty of perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefit, including reimbursements, the employer I represent and I (personally) may be liable for restitution of the reimbursements the member/beneficiary/recipient listed on this form was not eligible to receive, civil payments, legal fees, and costs.

Applicant Signature: _____

Date: _____

Kentucky Public Pensions Authority Medical Insurance Reimbursement Plan

An eligible recipient must submit to KPPA an Application for Out of State Reimbursement for Medical Insurance (this form) along with additional documents as proof of payment for hospital and medical insurance premiums.

- If the plan holder is receiving insurance coverage through an employer, refer to Option 1 and ensure that a Form 6241 completed by you and the employer or other documentation as indicated below is filed with the KPPA.
 - If the plan holder is not receiving insurance coverage through an employer, refer to Option 2 and ensure that a Form 6242 completed by you and the insurance company or other documentation as indicated below is filed with the KPPA.
-

Option 1

- Form 6241, Employer Certification or Health Insurance for Out of State Reimbursement Plan, may be submitted, OR
- A signed statement from the employer listing individual(s) covered, dates of hospital and medical insurance coverage, amount of premiums deducted from wages, and the cost of the single coverage.

Option 2

- Form 6242, Insurance Agent/Company Certification of Health Insurance for Out of State Reimbursement Plan, may be submitted, OR
- The following documents may be submitted:
 - A signed statement or invoice from the insurance company listing the individual(s) covered, dates, and cost of single hospital and medical insurance coverage; and
 - Proof of payment such as a receipt or bank statement clearly indicating payment for the statement or invoice provided.

If KPPA finds that submitted documentation is not sufficient, the KPPA may request additional documentation to prove payment for hospital and medical insurance premiums.

Eligible recipients who submit this completed form and proof of payment for hospital and medical insurance will be reimbursed based on the date all required documentation is on file with KPPA. When submitted by:

- April 20, reimbursed in May;
- July 20, reimbursed in August;
- October 20, reimbursed in November; or
- January 20, reimbursed in February.

KPPA will not reimburse eligible recipients for any premiums paid in a calendar year if the Application for Out of State Reimbursement for Medical Insurance and proof of payment for hospital and medical insurance premiums is received in the KPPA office after March 20 of the following year. If you have any questions, please call 1-800-928-4646.

Additional copies of the application can be obtained from the KPPA or downloaded from the KPPA website at kyret.ky.gov.

**Form 6241**

Revised 09/2022

Employer Certification of Health Insurance for Health Insurance Reimbursement Plan**This section to be completed by KPPA member.**

Member Name:		Member ID:	
Address:	City:	State:	Zip Code:
Daytime Phone:	Other Phone:	<input type="checkbox"/> Please check this box if your spouse is the plan holder.	

Kentucky law provides for the reimbursement of hospital and medical insurance premiums for recipients of a retirement allowance who are not eligible for the same level of hospital and medical benefits as recipients living in Kentucky and having the same medical insurance eligibility status. The recipient shall be eligible for reimbursement of substantiated medical insurance premiums for an amount not to exceed the monthly premium determined in KRS 61.702, KRS 78.5536 and 105 KAR 1:411.

The Kentucky Public Pensions Authority (KPPA) will reimburse eligible recipients who have submitted all required forms and documentation once each calendar year quarter. Pursuant to 105 KAR 1:411, proof of payment of medical insurance premiums for the requested time period is required to determine the recipient's eligibility for reimbursement under the out of state reimbursement for medical insurance premiums plan. This fully completed form can satisfy this requirement.

I wish to be reimbursed for my medical insurance premiums. I hereby authorize the release of all pertinent medical insurance information to KPPA for this purpose.

Signature: _____ Date: _____

The rest of this form is to be completed by Personnel and/or Benefits Administrator. All questions must be answered in order for this form to be valid.

Employee's Name:	Employee's Social Security Number:
Relation to Member:	If the spouse is the plan holder, does the employer pay any or all of the cost of the member's insurance coverage? <input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, what is the amount paid per month?	

Medical Insurance Policy Information

Company Name:		Policy Number:	
Company Address:		Company Phone:	
City:	State:	Zip Code:	Monthly Insurance Premium:

Please list the individuals covered under this policy:

Name	Social Security Number	Relationship	Date of Birth	Insurance Effective Date	Gender	Tobacco Usage*

*"Tobacco" means all tobacco products including, but not limited to, cigarettes, pipes, chewing tobacco, snuff, dip, cigars, and any other tobacco products regardless of the method of use.

Employer Certification of Health Insurance for Health Insurance Reimbursement Plan**Medical Insurance Policy Information *continued***When are premiums paid? ☐ In Advance ☐ In Arrears

KPPA will not reimburse eligible members until the covered period has expired.

In accordance with KRS 61.702(6)(a)1, KRS 78.5536(6)(a)1, and 105 KAR 1:411, KPPA will reimburse eligible recipients on a quarterly basis. If the recipient is a nonhazardous member, the recipient will only be reimbursed the cost of single coverage up to the allowable maximum.

Please complete the following payment history for the applicable quarter.

1st Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Employer*	Employer Contribution for Member Coverage	Amount Paid by Employee	Date Paid
January								
February								
March								
2nd Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Employer*	Employer Contribution for Member Coverage	Amount Paid by Employee	Date Paid
April								
May								
June								
3rd Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Employer*	Employer Contribution for Member Coverage	Amount Paid by Employee	Date Paid
July								
August								
September								
4th Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Employer*	Employer Contribution for Member Coverage	Amount Paid by Employee	Date Paid
October								
November								
December								

*105 KAR 1:411 states that the reimbursement rate shall be reduced by the amount contributed by an employer toward the recipient's insurance premiums.

Employer Name: _____

Employer Address: _____ City: _____ State: _____ Zip Code: _____

I certify that all the information completed on this form is true and accurate. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to the penalty of perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefit, including reimbursements, the employer I represent and I (personally) may be liable for restitution of the reimbursements the member/beneficiary/recipient listed on this form was not eligible to receive, civil payments, legal fees, and costs.

Position Title: _____ Telephone Number: _____

Signature of Authorized Representative: _____ Date: _____

**You may upload this form through Retiree Self Service at myretirement.ky.gov. Or you may return the form to:
Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, KY 40601**

**Form 6242**

Revised 09/2022

Insurance Agent/Company Certification of Health Insurance for Health Insurance Reimbursement Plan

This section to be completed by KPPA member.

Member Name:		Member ID:	
Address:	City:	State:	Zip Code:
Daytime Phone:		Other Phone:	

Kentucky law provides for the reimbursement of hospital and medical insurance premiums for recipients of a retirement allowance who are not eligible for the same level of hospital and medical benefits as recipients living in Kentucky and having the same medical insurance eligibility status. The recipient shall be eligible for reimbursement of substantiated medical insurance premiums for an amount not to exceed the monthly premium determined in KRS 61.702, KRS 78.5536 and 105 KAR 1:411. If the recipient is a nonhazardous retiree, the recipient will only be reimbursed the cost of single coverage up to the allowable maximum.

The Kentucky Public Pensions Authority (KPPA) will reimburse eligible recipients who have submitted all required forms and documentation once each calendar year quarter. Pursuant to 105 KAR:1:411 proof of payment of medical insurance premiums for the requested time period is required to determine the recipient's eligibility for reimbursement under the -out of state reimbursement for medical insurance premiums plan. This fully completed form can satisfy this requirement.

I wish to be reimbursed for my medical insurance premiums. I hereby authorize the release of all pertinent medical insurance information to the KPPA for this purpose.

Signature: _____ Date: _____

This rest of this form should be completed by Agent or Authorized Representative of Insurance Company. All questions must be answered in order for this form to be valid.

Policy holder Name:			
Policy holder Social Security Number:		Relation to Member:	
Medical Insurance Policy Information			
Company Name:		Policy Number:	
Company Address:		Company Phone:	
City:	State:	Zip Code:	Monthly Insurance Premium:

Please list the individuals covered under this policy:

Name	Social Security Number	Relationship	Date of Birth	Effective Date of Coverage	Gender	Tobacco Usage*

Insurance Agent/Company Certification of Health Insurance for Health Insurance Reimbursement Plan**Medical Insurance Policy Information *continued***

When are premiums paid?

☐ In Advance☐ In Arrears

KPPA will not reimburse eligible members until the covered period has expired

In accordance with KRS 61.702(6)(a)1, KRS 78.5536(6)(a)1 and 105 KAR 1:411, the KPPA will reimburse eligible recipients on a quarterly basis. If the recipient is a nonhazardous retiree, the recipient will only be reimbursed the cost of single coverage up to the allowable maximum.

Please complete the following payment history for the applicable quarter.

1st Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Member	Date Paid
January						
February						
March						
2nd Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Member	Date Paid
April						
May						
June						
3rd Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Member	Date Paid
July						
August						
September						
4th Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Member	Date Paid
October						
November						
December						

Insurance Company/Agency Name: _____

Insurance Company/Agency Address: _____

City: _____ State: _____ Zip Code: _____

I certify that all the information completed on this form is true and accurate. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to the penalty of perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefits, including reimbursements, the employer I represent and I (personally) may be liable for restitution of the reimbursement the member/beneficiary/recipient listed on this form was not eligible to receive, civil payments, legal fees, and costs.

Position Title: _____ Telephone Number: _____

Signature of Authorized Representative/Agent: _____ Date: _____

**You may upload this form through Retiree Self Service at myretirement.ky.gov. Or you may return the form to:
Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, KY 40601**

**Form 6256**

Revised 09/2022

Designation of Spouse and/or Dependent Child for Health Insurance Contributions

Only dependents who meet the definition of a **Dependent Child** as defined by KRS 16.505(17) and 78.510(49) are eligible to receive health insurance contributions.

The Form 6256 DOES NOT enroll you or your dependents in a health insurance plan. The Form 6256 DOES NOT remove you or your dependents from a health insurance plan. This form ONLY establishes health insurance contribution for Spouse and Dependent Children.

Complete this form if you are a General Assembly Retiree, Hazardous Duty Retiree, or Surviving Spouse Beneficiary receiving General Assembly, Hazardous Duty, or duty related benefits under the Fred Capps Memorial Act and electing to cover a spouse and/or dependent child on health insurance.

If you are a recipient as outlined above, you must complete and submit Form 6256 Designation of Spouse and/or Dependent Child for Health Insurance Contributions to the Kentucky Public Pensions Authority (KPPA):

- During the annual open enrollment period prior to January 1 each year.
- Upon your health insurance dependent child obtaining 18 years of age.
- Upon initial enrollment of your health insurance dependent(s).
- When requesting reimbursement or premiums paid for a spouse and/or dependent child under a qualifying reimbursement plan.

You are required to notify KPPA when your health insurance dependent has a change in marital or full-time student status.

Member Information Please provide your Member ID or Social Security Number in the Member ID box below

Member Name:		Member ID:	
Address:	City:	State:	Zip Code:
Is this a new address? <input type="radio"/> Yes <input type="radio"/> No			
Phone (select type) <input type="radio"/> Mobile <input type="radio"/> Home <input type="radio"/> Work		Email:	

Spouse Information

Spouse Name:	Social Security Number:	Spouse Date of Birth:
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Only dependents who meet the definition of a **Dependent Child** as defined by KRS 16.505(17) and 78.510(49) are eligible to receive health insurance contributions. KRS 16.505(17) and 78.510(49) states "Dependent Child" means a child in the womb and a natural or legally adopted child of the member who has neither attained age eighteen (18) nor married or who is an unmarried full-time student who has not attained age twenty-two (22). Solely in the case of a member who dies or becomes totally and permanently disabled as a direct result of an act in line of duty or as a result of a duty-related injury and is eligible for the benefits provided by KRS 61.621(5)(a), "Dependent Child" also means a naturally or legally adopted disabled child regardless of age, to the member if the child has been determined to be eligible for federal Social Security disability benefits or is being claimed as a qualifying child for tax purposes due to the child's total and permanent disability. **Note: Stepchildren and Grandchildren must be legally adopted in order to qualify as Dependent Child per this statute.**

Dependent Child Information (Age 18-22 Dependent Information Only)

Dependent Child Name:	Social Security Number:	Dependent Child Date of Birth:	
Address:	City:	State:	Zip Code:

Relationship to Member: ☐ Natural Child ☐ Adopted Child

Is this dependent child married or has this dependent child been married previously? ☐ Yes ☐ No

Is this dependent child age 18 or older? ☐ Yes ☐ No

Is this dependent child a full-time student? ☐ Yes ☐ No

Dependent Child Information (Age 18-22 Dependent Information Only)

Dependent Child Name:	Social Security Number:	Dependent Child Date of Birth:	
Address:	City:	State:	Zip Code:

Relationship to Member: ☐ Natural Child ☐ Adopted ChildIs this dependent child married or has this dependent child been married previously? ☐ Yes ☐ NoIs this dependent child age 18 or older? ☐ Yes ☐ NoIs this dependent child a full-time student? ☐ Yes ☐ No**Dependent Child Information (Age 18-22 Dependent Information Only)**

Dependent Child Name:	Social Security Number:	Dependent Child Date of Birth:	
Address:	City:	State:	Zip Code:

Relationship to Member: ☐ Natural Child ☐ Adopted ChildIs this dependent child married or has this dependent child been married previously? ☐ Yes ☐ NoIs this dependent child age 18 or older? ☐ Yes ☐ NoIs this dependent child a full-time student? ☐ Yes ☐ No**Certification**

I, _____ (Member Name), do hereby certify that the person(s) designated above is the retiree's

spouse* and/or dependent child** as defined by law as, "a child in the womb and a natural or legally adopted child of the member who has neither attained age eighteen (18) nor married or who is an unmarried full-time student who has not attained age twenty-two (22). Solely in the case of a member who dies or becomes totally and permanently disabled as a direct result of an act in line of duty or as a result of a duty-related injury and is eligible for the benefits provided by KRS 61.621(5)(a), "dependent child" also means a naturally or legally adopted disabled child regardless of age, of the member if the child has been determined to be eligible for federal Social Security disability benefits or is being claimed as a qualifying child for tax purposes due to the child's total and permanent disability. I agree that I will immediately provide written notification to Kentucky Public Pensions Authority as soon as the person(s) designated above no longer qualifies as a spouse* and/or dependent child** as defined by KRS 16.505(17) and 78.510(49). I understand that Kentucky Public Pensions Authority shall immediately cease to pay the portion of the health insurance premium made on behalf of the person designated above when that person no longer qualifies as a spouse* or dependent child** as defined by KRS 16.505(17) and 78.510(49). I understand and agree that I will be responsible for and shall be required to repay any insurance benefits paid on behalf of the person(s) designated above if the said person is not a spouse* or dependent child** as defined by KRS 16.505(17) and 78.510(49) or if I fail to notify Kentucky Public Pensions Authority when a dependent child marries, ceases to be a full-time student, or otherwise ceases to qualify as a dependent child as defined by KRS 16.505(17) and 78.510(49).

*105 KAR 1:411

**KRS 16.505(17)

***KRS 78.510(49)

I hereby certify that the information provided on this Form 6256, Designation of Spouse and/or Dependent Child for Health Insurance Contributions, is true and correct. I further acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to the penalty or perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefits, including reimbursements, I may be liable not only to repay the reimbursements I was not entitled to receive, but also liable for civil payments, legal fees, and costs.

Member Signature: _____ Date: _____

You are required to notify KPPA when your health insurance dependent has a change in marital or full-time student status.


Form 6280
 09/2022

Application for Dollar Contribution Reimbursement for Medical Insurance

Applicant Information: Please provide your Member ID or Social Security Number in the Applicant ID box below.

Applicant Name:		Applicant ID:	
Address:	City:	State:	Zip Code:
Is this a new address? <input type="radio"/> Yes <input type="radio"/> No		Daytime Phone:	
Medical Insurance Policy Information: If you have more than one medical insurance policy, complete a separate form for each policy.			
Company Name:		Policy Number:	
Company Address:			
City:	State:	Zip Code:	Company Phone:

The dollar contribution reimbursement plan for hospital and medical insurance ("the reimbursement plan") is available to certain retired members and beneficiaries of the Kentucky Employees Retirement System (KERS), County Employees Retirement System (CERS), or State Police Retirement System (SPRS). In accordance with Kentucky Revised Statute 61.702(6)(a)2, 78.5536(6)(a)2, and 105 KAR 1:411, eligible members and beneficiaries may be reimbursed for a portion of hospital and medical insurance premiums paid if they chose to purchase a hospital and medical insurance plan not provided by the Kentucky Public Pensions Authority (KPPA). To be eligible for this reimbursement plan, the member or beneficiary must meet the following requirements:

- Member began participating in KERS, CERS, or SPRS on or after July 1, 2003;
- Member has earned enough service credit to be eligible for dollar contribution reimbursement in accordance with KRS 61.702(4)(d) and 78.5536(4)(d);
- Member or eligible beneficiary is not enrolled in a health insurance plan through the KPPA; and
- If a beneficiary:
 - The beneficiary must be a spouse of a deceased member; and
 - The member did not die as a result of an act in line of duty as defined in KRS 16.505(19) and 78.510(48), or as a result of a duty-related injury as defined in KRS 61.621.

I certify that the above information is correct and that I am eligible to participate in the reimbursement plan. I understand that I will not be reimbursed for hospital and medical insurance premiums for any period during which I was not eligible for participation in the reimbursement plan. I further understand that if I do receive reimbursement for premiums which were not eligible, the KPPA may recover those payments from my future retirement allowances. I also understand that the KPPA may contact the insurance company or employer directly to verify the coverage and amount of premiums. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to the penalty or perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefits, including reimbursements, I may be liable not only to repay the reimbursements I was not entitled to receive, but also liable for civil payments, legal fees, and costs.

Applicant Signature: _____

Date: _____

ATTACH COPIES OF PROOF OF INSURANCE POLICY AND PAYMENT.
SEE BACK OF FORM FOR EXAMPLES OF ACCEPTABLE DOCUMENTATION.
 You may upload this form through Retiree Self Service at myretirement.ky.gov. Or you may return the form to:
 Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, KY 40601

Kentucky Public Pensions Authority Medical Insurance Reimbursement Plan

An eligible recipient must submit to KPPA an Application for Dollar Contribution Reimbursement for Medical Insurance (this form) along with additional documents as proof of payment for hospital and medical insurance premiums.

- If the plan holder is receiving insurance coverage through an employer, refer to Option 1 and ensure that a Form 6281 completed by you and the employer or other documentation as indicated below is filed with the KPPA.
 - If the plan holder is not receiving insurance coverage through an employer, refer to Option 2 and ensure that a Form 6242 completed by you and the insurance company or other documentation as indicated below is filed with the KPPA.
-

Option 1

- Form 6281, Employer Certification or Health Insurance for Dollar Contribution Reimbursement Plan, may be submitted, OR
- A signed statement from the employer listing individual(s) covered, dates of hospital and medical insurance coverage, amount of premiums deducted from wages, and the cost of the single coverage.

If the KPPA finds that submitted documentation is not sufficient, the KPPA may request additional documentation to prove payment for hospital and medical insurance premiums.

Option 2

- Form 6242, Insurance Agent/Company Certification of Health Insurance for Dollar Contribution Reimbursement Plan, may be submitted, OR
- The following documents may be submitted:
 - A signed statement or invoice from the insurance company listing the individual(s) covered, dates, and cost of single hospital and medical insurance coverage; and
 - Proof of payment such as a receipt or bank statement clearly indicating payment for the statement or invoice provided.

If KPPA finds that submitted documentation is not sufficient, the KPPA may request additional documentation to prove payment for hospital and medical insurance premiums.

Eligible recipients who submit this completed form and proof of payment for hospital and medical insurance will be reimbursed based on the date all required documentation is on file with KPPA. When submitted by:

- April 20, reimbursed in May;
- July 20, reimbursed in August;
- October 20, reimbursed in November; or
- January 20, reimbursed in February.

KPPA will not reimburse eligible recipients for any premiums paid in a calendar year if the Application for Dollar Contribution for Medical Insurance and proof of payment for hospital and medical insurance premiums is received in the KPPA office after March 20 of the following year. If you have any questions, please call 800-928-4646.

Additional copies of the application can be obtained from the KPPA or downloaded from the KPPA website at kyret.ky.gov.


Form 6281
 09/2022

Employer Certification of Health Insurance for Dollar Contribution Reimbursement Plan
This section to be completed by KPPA member.

Member Name:		Member ID:	
Address:	City:	State:	Zip Code:
Daytime Phone:	Other Phone:	<input type="checkbox"/> Please check this box if your spouse is the plan holder.	

Kentucky law provides for the reimbursement of hospital and medical insurance premiums for recipients of a retirement allowance who are eligible for the dollar contribution health insurance benefit and are not enrolled in a health insurance plan through the Kentucky Public Pensions Authority (KPPA). The recipient shall be eligible for reimbursement of substantiated medical insurance premiums for their earned service dollar contribution rate determined in accordance with KRS 61.702(4)(d) and KRS 78.5536(4)(d). The KPPA will reimburse eligible recipients who have submitted all required forms and documentation once each calendar year quarter. Pursuant to 105 KAR 1:411, proof of payment of medical insurance premiums for the requested time period is required to determine the recipients eligibility for reimbursement under the dollar contribution reimbursement for medical insurance premiums plan. This fully completed form can satisfy this requirement.

I wish to be reimbursed for my medical insurance premiums. I hereby authorize the release of all pertinent medical insurance information to the KPPA for this purpose.

Signature: _____ Date: _____

The rest of this form is to be completed by Personnel and/or Benefits Administrator. All questions must be answered in order for this form to be valid.

Employee's Name:		Employee's Social Security Number:	
Relation to Member:	If the spouse is the plan holder, does the employer pay any or all of the cost of the member's insurance coverage?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, what is the amount paid per month?			

Medical Insurance Policy Information

Company Name:		Policy Number:	
Company Address:		Company Phone:	
City:	State:	Zip Code:	Monthly Insurance Premium:

Please list the individuals covered under this policy:

Name	Social Security Number	Relationship	Date of Birth	Insurance Effective Date	Gender	Tobacco Usage*

*"Tobacco" means all tobacco products including, but not limited to, cigarettes, pipes, chewing tobacco, snuff, dip, cigars, and any other tobacco products regardless of the method of use.

Employer Certification of Health Insurance for Dollar Contribution Reimbursement Plan**Medical Insurance Policy Information *continued***When are premiums paid? ☐ In Advance ☐ In Arrears

KPPA will not reimburse eligible members until the covered period has expired.

In accordance with KRS 61.702(6), KRS 78.5536(6), and 105 KAR 1:411, the KPPA will reimburse eligible recipients on a quarterly basis.

Please complete the following payment history for the applicable quarter.

1st Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Employer*	Employer Contribution for Member Coverage	Amount Paid by Employee	Date Paid
January								
February								
March								
2nd Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Employer*	Employer Contribution for Member Coverage	Amount Paid by Employee	Date Paid
April								
May								
June								
3rd Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Employer*	Employer Contribution for Member Coverage	Amount Paid by Employee	Date Paid
July								
August								
September								
4th Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Employer*	Employer Contribution for Member Coverage	Amount Paid by Employee	Date Paid
October								
November								
December								

*105 KAR 1:411 states that the reimbursement rate shall be reduced by the amount contributed by an employer toward the recipient's insurance premiums.

Employer Name: _____

Employer Address: _____ City: _____ State: _____ Zip Code: _____

I certify that all the information completed on this form is true and accurate. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to the penalty of perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefit, including reimbursements, the employer I represent and I (personally) may be liable for restitution of the reimbursements the member/beneficiary/recipient listed on this form was not eligible to receive, civil payments, legal fees, and costs.

Position Title: _____ Telephone Number: _____

Signature of Authorized Representative: _____ Date: _____

**You may upload this form through Retiree Self Service at myretirement.ky.gov. Or you may return the form to:
Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, KY 40601**



Form 6282
09/2022

**Insurance Agent/Company
Certification of Health Insurance for Dollar Contribution Reimbursement Plan**

This section to be completed by KPPA member.

Member Name:		Member ID:	
Address:	City:	State:	Zip Code:
Daytime Phone:		Other Phone:	

Kentucky law provides for the reimbursement of hospital and medical insurance premiums for recipients of a retirement allowance who are eligible for the dollar contribution health insurance benefit and are not enrolled in a health insurance plan through the Kentucky Public Pensions Authority (KPPA). The recipient shall be eligible for reimbursement of substantiated medical insurance premiums for their earned service dollar contribution rate determined in accordance with KR 61.702(4)(d) and KRS 78.5536(4)(d). The KPPA will reimburse eligible recipients who have submitted all required forms and documentation once each calendar year quarter. Pursuant to 105 KAR 1:411 proof of payment of medical insurance premiums for the requested time period is required to determine the recipient's eligibility for reimbursement under the dollar contribution reimbursement for medical insurance premiums plan. This fully completed form can satisfy this requirement.

I wish to be reimbursed for my medical insurance premiums. I hereby authorize the release of all pertinent medical insurance information to the KPPA for this purpose.

Signature: _____ Date: _____

This rest of this form should be completed by Agent or Authorized Representative of Insurance Company. All questions must be answered in order for this form to be valid.

Policy holder Name:			
Policy holder Social Security Number:		Relation to Member:	
Medical Insurance Policy Information			
Company Name:		Policy Number:	
Company Address:		Company Phone:	
City:	State:	Zip Code:	Monthly Insurance Premium:

Please list the individuals covered under this policy:

Name	Social Security Number	Relationship	Date of Birth	Insurance Effective Date	Gender	Tobacco Usage*

*"Tobacco" means all tobacco products including, but not limited to, cigarettes, pipes, chewing tobacco, snuff, dip, cigars, and any other tobacco products regardless of the method of use.

Insurance Agent/Company Certification of Health Insurance for Health Insurance Reimbursement Plan**Medical Insurance Policy Information *continued***When are premiums paid? ☐ In Advance ☐ In Arrears

KPPA will not reimburse eligible members until the covered period has expired

In accordance with KRS 61.702(6), KRS 78.5536(6) and 105 KAR 1:411, the KPPA will reimburse eligible recipients on a quarterly basis.

Please complete the following payment history for the applicable quarter.

1st Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Member	Date Paid
January						
February						
March						
2nd Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Member	Date Paid
April						
May						
June						
3rd Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Member	Date Paid
July						
August						
September						
4th Quarter	Year	Level of Coverage	Premium Owed	Cost of Single Coverage	Amount Paid by Member	Date Paid
October						
November						
December						

Insurance Company/Agency Name: _____

Insurance Company/Agency Address: _____

City: _____ State: _____ Zip Code: _____

I certify that all the information completed on this form is true and accurate. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to the penalty of perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefits, including reimbursements, the employer I represent and I (personally) may be liable for restitution of the reimbursement the member/beneficiary/recipient listed on this form was not eligible to receive, civil payments, legal fees, and costs.

Position Title: _____ Telephone Number: _____

Signature of Authorized Representative/Agent: _____ Date: _____

**You may upload this form through Retiree Self Service at myretirement.ky.gov. Or you may return the form to:
Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, KY 40601**

Calendar is printable and fully editable.

Calendar is printable and fully editable. Downloaded from [WinCalendar.com](https://www.wincalendar.com)

January 2023						
◀ Dec 2022						Feb 2023 ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February 2023						
◀ Jan 2023						Mar 2023 ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8 CERS Actuarial Committee Mtg	9	10	11
12	13	14 KRS Investment Committee Mtg	15	16 Joint RHP Committee Mtg	17	18
19	20 CERS Finance Committee Mtg	21	22 CERS Investment Committee Mtg	23	24	25
26	27	28 Joint Audit Committee Mtg				

March 2023						
◀ Feb 2023						Apr 2023 ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1 KRS Board Meeting	2	3	4
5	6	7	8	9 CERS Board Meeting	10	11
12	13	14	15	16	17	18
19	20	21	22	23 KPPA Board Meeting	24	25
26	27	28	29	30	31	

April 2023						
◀ Mar 2023						May 2023 ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11 KRS Annual Meeting	12	13	14	15
16	17	18	19 CERS Annual Meeting	20	21	22
23	24	25	26	27 KPPA Annual Meeting	28	29
30						

May 2023						
◀ Apr 2023						Jun 2023 ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11 Joint RHP Committee Mtg	12	13
14	15 KRS Investment Committee Mtg	16	17	18	19	20
21	22	23	24 CERS Investment Committee Mtg	25 Joint Audit Committee Mtg	26	27
28	29	30 CERS Finance Committee Mtg	31			

June 2023						
◀ May 2023						Jul 2023 ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5 KRS Board Meeting	6	7	8	9	10
11	12	13	14 CERS Board Meeting	15	16	17
18	19	20	21	22	23	24
25	26	27	28 KPPA Board Meeting	29	30	

July 2023						
◀ Jun 2023						Aug 2023 ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August 2023						
◀ Jul 2023						Sep 2023 ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8 KRS Investment Committee Mtg	9	10	11	12
13	14	15	16	17	18	19
20	21	22 CERS Finance Committee Mtg	23	24 Joint Audit Committee Mtg	25	26
27	28	29	30 CERS Investment Committee Mtg	31		

September 2023						
◀ Aug 2023						Oct 2023 ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5 Joint RHP Committee Mtg	6	7	8	9
10	11	12	13 CERS Board Meeting	14 KRS Board Meeting	15	16
17	18	19	20	21	22	23
24	25	26	27	28 KPPA Board Meeting	29	30

October 2023						
◀ Sep 2023						Nov 2023 ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23 Joint RHP Committee Mtg	24	25	26	27	28
29	30	31				

November 2023						
◀ Oct 2023						Dec 2023 ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1 CERS Actuarial Committee Mtg	2	3	4
5	6	7	8 CERS Board Meeting	9 KRS Investment Committee Mtg	10	11
12	13	14 KRS Board Meeting	15	16 CERS Finance Committee Mtg	17	18
19	20	21	22	23	24	25
26	27 Joint Audit Committee Mtg	28 CERS Investment Committee Mtg	29	30		

December 2023						
◀ Nov 2023						Jan 2024 ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4 CERS Board Meeting	5	6 KPPA Board Meeting	7 KRS Board Meeting	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Office of Benefits

KPI Dashboard

Erin Surratt



KPI Dashboard Office of Benefits

Current Year represents data from January through previous month end



Disability & Survivor Benefits CY 2022

Days Elapsed from Receipt of Retirement Application to Estimate Mail Date
Target Range: 20-22 days



14.65
Days
Exceptional

Previous Year Average = 17.35 days

Member Services CY 2022

Average Days to Complete a Benefits Request
Target Range: 13-15 days



23.07
Days
Needs Improvement

Previous Year Average = 24.83 days

Membership Support CY 2022

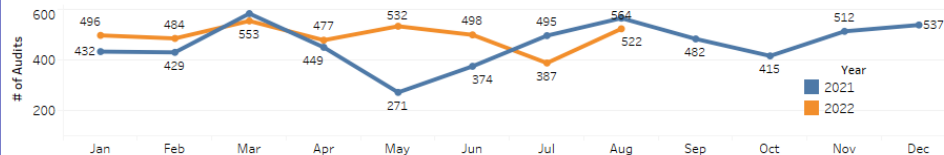
Average Length of Call
Target Range: 3.95 - 4.36 minutes



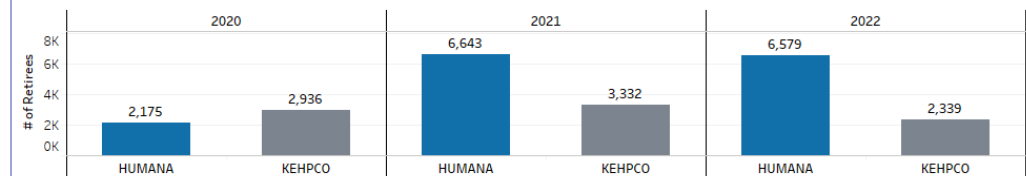
5.59
Minutes
Needs Improvement

Previous Year Average = 5.67 minutes

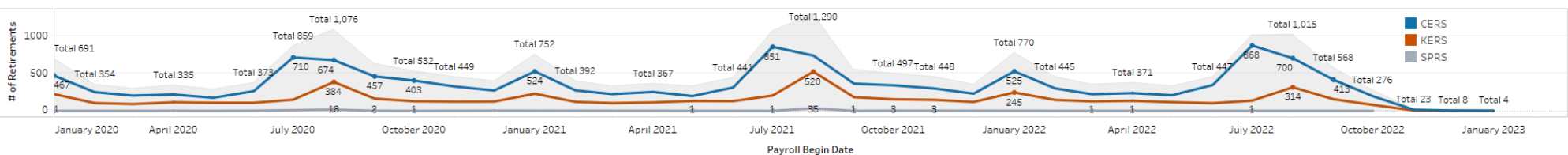
Quality Assurance Completed Post Retirement Audits CY



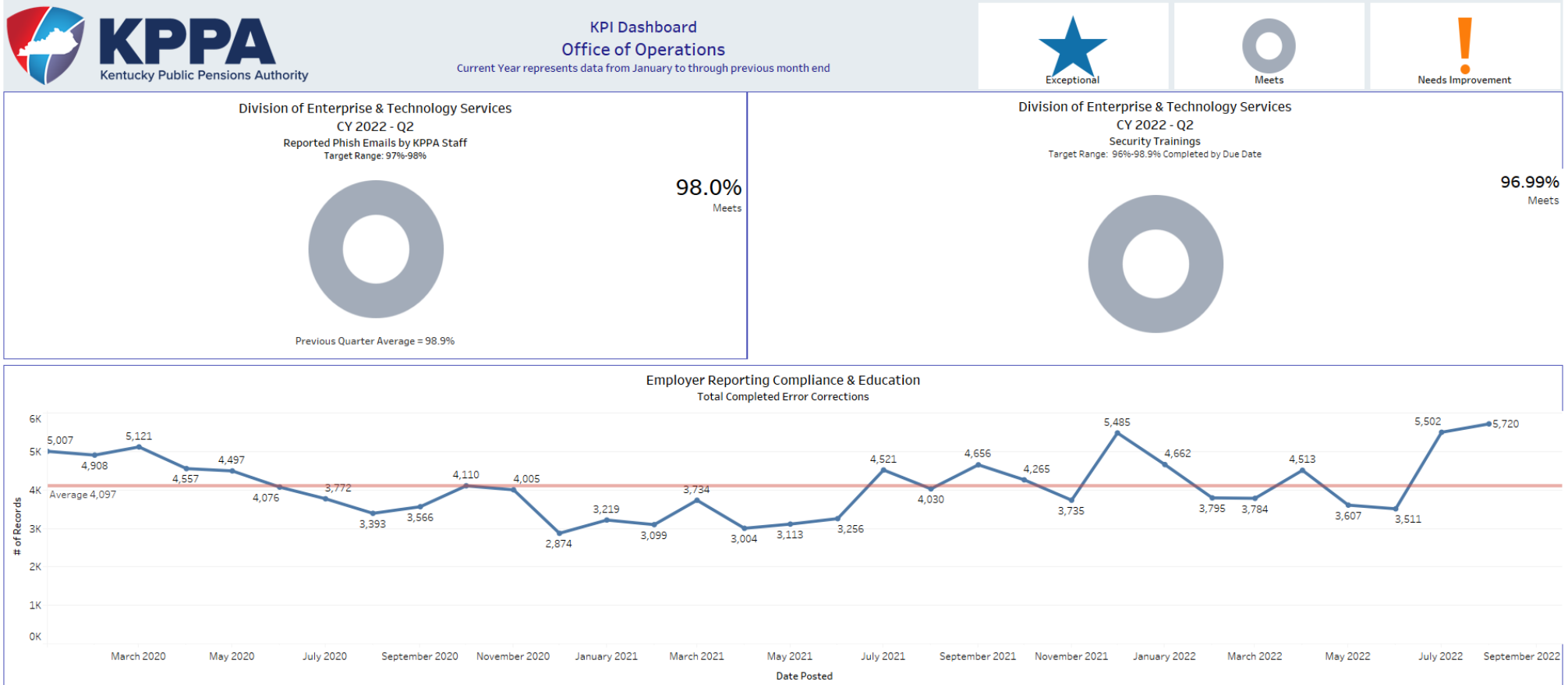
Retiree Health Insurance New Retiree Plan Holders, including Enrollments in the Default Plan



Payroll Retirement Trends



Office of Operations
KPI Dashboard
Rebecca Adkins



Executive
KPI Dashboard
David Eager

