



PENSION NOTES

Winter 2013 Employee Member Newsletter

A Message from the Executive Director

Dear members,

Welcome to the latest edition of Pension Notes, the member newsletter of the Cook County Pension Fund ("the Fund"). As always, we hope you will read this newsletter carefully to stay informed about your benefits. We look forward to hearing from you with any questions or suggestions you may have.

What's New?

Please join me in welcoming Brenda Deming to the Fund! Brenda joined us in August as the Health Benefits Director, getting to work immediately on health plan renewals and Open Enrollment. The Fund's Open Enrollment period for the 2014 plan year ended on November 30. Working diligently to manage costs, we successfully reduced the projected program expense by \$2.6 million for 2014 through negotiation with providers and modest plan design changes, while limiting the impact to members. For more on health benefits and information on the Affordable Care Act, please see p. 3.

The Fund recently formalized a Military Service Policy, which outlines the coordination of benefits available to members under the Illinois Pension Code, USERRA

and the HEART Act. Please see p. 3 for additional details. The full Military Service Policy is available on our website or by contacting the office.

On December 3, the Illinois General Assembly passed SB1, a pension reform package that primarily impacts the state retirement systems. Governor Quinn is expected to sign the bill. At this time, SB1 does not impact local funds and, as such, it does not impact any of our Fund's benefits for current employees or retirees. Additional updates will be posted on our website as more information becomes available.

Looking Ahead to 2014

In 2014 we will continue several important initiatives started this year to help us better serve you now and in the future, from behind-the-scenes systems upgrades to cost management of health benefits. We encourage you to visit our website regularly to find the most current information about your benefits as well as any legislative or policy changes that may affect the Fund.

Enjoy a safe and happy holiday season, and a healthy new year.

Nickol R. Hackett
Executive Director

Affordable Care Act

Starting in 2014, many provisions of the Affordable Care Act (also called "Obamacare") go into effect, including the requirement that most people obtain health coverage or pay a federal tax penalty. Individuals under age 65 without affordable employer-sponsored coverage are now able to compare and purchase health plans online through state-run health insurance exchanges or through the federal Health Insurance Marketplace. Illinois residents will use the federal Marketplace at www.healthcare.gov. Coverage begins as early as January 1, 2014.

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Retirement Board Update

Trustee Election Results

Pursuant to the Illinois Pension Code, a Trustee election was held on October 30, 2013 for the position of Cook County Employee Trustee. The Independent Election Administrator has certified Alexis Herrera as the winner. Trustee Herrera's new three-year term began on December 1, 2013. Thank you to all those employee members who participated by voting or running as a candidate.

Cook County Annuitant Trustee Jack Fitzgerald and Forest Preserve District Annuitant Trustee Robert Janura were unopposed for re-election in 2013. They retained their seats and also began new three-year terms on December 1, 2013.

Appointed Trustee Update

The Cook County Treasurer and Comptroller, or their designees, serve as *ex officio* members of the Retirement Board. Trustee Ivan Samstein and Trustee Robert Benjamin represented these offices on the Board until recently. As of year-end, Patrick Nester has been appointed as the Treasurer's designee and Lawrence Wilson, the County Comptroller, will assume his own seat on the Board.

We are grateful to Mr. Samstein and Mr. Benjamin for their skillful leadership and service to the membership during their tenure. Please join us in welcoming Trustee Wilson and Trustee Nester to the Board!

Disability Benefits Overview

The Fund provides disability benefits to active employee members who are unable to work due to illness or injury. There is no negative impact on your pension from receiving disability benefits. You will continue to accrue pension service credit for periods during which you are receiving disability benefits.

How do I get disability benefits?

You must apply for disability benefits with the Fund while you are disabled. Contact the disability department at (312) 603-1200 to request an application. To be eligible for consideration, the completed application must be received within 6 months of the date the disability ends, unless the Retirement Board determines that there was reasonable cause for delay.

What are disability benefits?

Duty disability benefits

are available to employees who become disabled as a result of an injury or illness incurred in the performance of an act of duty ("on the job").

..... **BENEFIT**
75% of pensionable salary¹

Ordinary disability benefits

are available to employees who become disabled as a result of an injury or illness incurred outside of work.

..... **BENEFIT**
50% of pensionable salary

Is disability different from workers' comp?

Receiving workers' comp does not automatically trigger disability benefits. You will not receive pension service credit if you do not apply for and receive disability benefits from the Fund, even if you are receiving workers' comp. You must apply for duty disability from the Fund separately from workers' comp, which is administered through Cook County Risk Management. Duty disability payments are subject to an offset/reduction by any payment received from the County under the Worker's Compensation Act or the Workers' Occupational Disease Act.

More information is available in the Disability Benefits Handbook, which can be found on our website at www.cookcountypension.com or by calling (312) 603-1200.

¹ 50% if the disability resulted from any physical defect or disease which existed at the time the injury was sustained.

Affordable Care Act

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What does this mean for retiree health benefits in Cook County?

The Fund currently administers retiree health benefits for eligible Cook County annuitants. For our retirees under age 65, the new Health Insurance Marketplace offers an additional option to consider as you look for the best coverage at the best price to manage your health care needs. (Note that Medicare supplement plans are not available through the Marketplace.)

How do the Fund's health benefits compare to plans available through the Health Insurance Marketplace?

Plans on the Marketplace are sorted by color (bronze, silver, gold, and platinum), which corresponds to the amount you pay in monthly premiums versus out-of-pocket costs. Generally speaking, the three plans offered by the Fund for 2014 are comparable to a "platinum" plan.

Tax credits based on income are available through the Marketplace that may result in lower premiums and other costs. The Marketplace offers a wide range of plans with different coverage and cost structures, although all plans must cover the same set of essential services. Plans are generally less expensive for

younger people through the Marketplace.

Who might benefit from purchasing coverage on the Health Insurance Marketplace?

For retirees between the ages of 50 and 64, it is possible that less expensive health coverage is available through the Marketplace, particularly if:

- Your income is between 100% and 400% of the federal poverty level
- You want to cover children or younger dependents
- You would prefer a health plan option with a higher deductible and other out-of-pocket costs in exchange for lower monthly premiums

While most active employees are not likely to be eligible for the Marketplace, we encourage those considering retirement before age 65 to explore it as an option. Every individual's personal circumstances are different, so we recommend that you carefully research all your options before making a decision about health benefits for yourself or your family.

Visit www.getcoveredillinois.gov or www.healthcare.gov for more information including specific plan details and monthly rates, or call (866) 311-1119.

Military Service Policy: USERRA Compliance

The Cook County Pension Fund commends employees who protect our country through service in the United States Armed Forces.

In accordance with guidelines set forth in the Uniformed Services Employment and Reemployment Rights Act (USERRA) members of the Fund can purchase pension service credit for periods of service in the uniformed services during their Cook County or Forest Preserve District employment. Depending on the length of the member's period of service, he or she is entitled to take from one to ninety days following service before reporting back to work or applying for reemployment. This period of time will be treated as continuous service with the Cook County or Forest Preserve District for purposes of determining participation, vesting and accrual of pension benefits under the plan. Any payment to the plan described in this paragraph shall be made during the period beginning with the date of reemployment and whose duration is three times the period of the member's services in the uniformed services, such payment period not to exceed five years.

The Fund's complete Military Service Policy can be found online at www.cookcountypension.com or can be requested by contacting the Fund at (312) 603-1200. Additional information is also available at <http://www.dol.gov/elaws/userra.htm>.



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Retirement Board

Alexis Herrera, President

Brent Lewandowski, Vice-President

Patrick McFadden, Secretary

John E. Fitzgerald

Diahann Goode

Robert Janura

Patrick Nester

Samuel Richardson, Jr.

Lawrence Wilson

Office Closed

Christmas Day, December 25

New Year's Day, January 1

Martin Luther King Day, January 20

Washington's Birthday, February 17

Casimir Pulaski Day, March 3