

HOLOMUA

RETIREES & ACTIVE MEMBERS



Employees' Retirement System
of the State of Hawaii

Waahila Ridge Trail, Oahu

ERS Investment Return Ranked #1

The Employees' Retirement System of the State of Hawaii's investment return of 3.7% for the fiscal year ended June 30 topped the list of public pension funds, according to a list published in Pensions & Investments' (P&I) Sept. 5, 2022, issue.

The ERS was one of only seven public pension funds nationwide to achieve a positive fiscal year return, according to P&I.

The market value of the ERS portfolio at the end of the fiscal year was \$21.97 billion, down from \$22.38 billion at the end of the first quarter, but up from \$21.44 billion a year ago, according to the performance report by ERS investment adviser Meketa Investment Group.

"This year's return as of June 30 is perhaps our most meaningful," said ERS Executive Director Thomas Williams. "Not so much because it tops our peers, but because it validates our strategic portfolio decision-making and keeps us

on pace to full-funding."

The fund reported a -1.6 return for the second quarter ending June 30, but the ERS's portfolio performance still placed ERS among the top-performing funds for the quarter, year-to-date and one-year trailing periods, according to Meketa.

"Our 'risk-aware strategy' has served us extremely well," Williams said. "In fact, recent markets and our resulting return have served as a proof statement to the wisdom of our design. While the average public pension fund is down this year somewhere between a negative 6% and 8%, our fund experienced a positive return."

The ERS structures its portfolio to offset most material-market declines with increases in allocations to Diversifying Strategies and Real Assets, with most capital coming from the Public Growth portfolio.

"The investment team here at the ERS has been working diligently over the past

few years to build diversification and resilience into the portfolio and at the same time have considerable exposure to capital appreciation, so we were well-prepared for the first half downturn," said Acting Chief Investment Officer Howard Hodel. "It was fortuitous to be able to monetize profitable defensive strategies quickly during the second quarter and redeploy capital to undervalued assets to stay ahead of the markets, which is an ongoing challenge, especially with so many macro-economic headwinds."

The ERS relies on investment returns and employee and employer contributions to fund retiree benefits.

"It's extremely difficult to attain No. 1 status amongst this group of the most highly regarded and resourced public pension funds in the nation. While we don't shoot for the stars, we must celebrate our proximity while we can," Williams said.



ERS Benefits Manager Karl Kaneshiro spoke to members at a general information session hosted by the Hawaii Government Employees Association's Retirees Unit on November 5.

IRS Updates Withholding Forms

The Internal Revenue Service (IRS) updated federal tax withholding forms that will affect new retirees and others receiving taxable ERS payments starting in 2023.

Monthly ERS pension payments

The IRS released an updated Form W-4P (*Withholding Certificate for Periodic Pension or Annuity Payments*) that includes substantial changes to the federal tax withholding elections available, as well as changes to the calculation the ERS performs to determine the amount to be withheld. Monthly ERS pensions, with few exceptions, are federally taxable.

The purpose of the revised Form W-4P is to allow for more accurate federal tax withholding from pension payments throughout the year as well as offer more marital status filing descriptions. It also permits users to optionally incorporate additional income, tax credits and deductions directly on the form rather than applying allowances as in previous versions.

New retirees who start receiving pension payments in February 2023 and after will be required to use the updated Form W-4P. (The updated form is dated 2022 and will be used until the IRS releases the 2023 form.) The latest W-4P will be included in ERS retirement application packets and the standalone W-4P forms on the ERS website may be mailed upon request. Those who submitted a W-4P 2021 form for February

2023 retirements and after that will be sent a new form to complete.

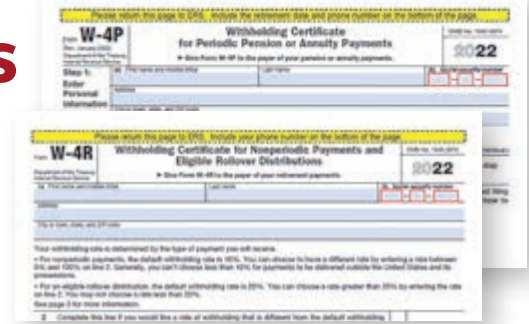
For current retirees and those receiving their first payments in January 2023, there is no action needed unless a federal tax withholding change is being requested. Starting Jan. 1, 2023, the ERS will require the updated W-4P for pensioners who wish to change their federal tax withholding election. Please allow four to eight weeks for your tax withholding election to take effect. You will receive a mailed statement from the ERS if there is a change in your deposit amount.

Included with the IRS Form W-4P are instructions from the IRS and frequently asked questions (FAQ) from the ERS. The ERS does not offer tax advice. Consult a tax professional to discuss the impact of tax withholdings on your benefit payment.

Nonperiodic Payments and Eligible Rollover Distributions

The IRS released Form W-4R (*Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions*), a new form used to assign a withholding rate for nonperiodic and eligible rollover distributions. It will be used by the ERS as of Jan. 1, 2023.

Eligible rollover distributions are part of a pension payment when the retiree selects a retirement option with a refund (Contributory and Hybrid) or when an ERS



member chooses to withdraw their accumulated contributions upon termination.

For rollover eligible distributions, the mandatory minimum withholding is 20% of the taxable gross of the amount that is not directly rolled over to another qualified plan. The Form W-4R is not required to be submitted for the 20% default withholding to be applied.

Form W-4R should be submitted only if you are electing to have a withholding amount different than the default for your payment.

For other nonperiodic payments, the default withholding is 10%. If submitting the Form W-4R, you should input a withholding rate different from the 10% default by filling in line 2 with a withholding from 0% to 100%.

Those requesting an eligible rollover distribution will fill out Form ERS-123B to designate how the refund should be distributed.

The Form W-4R should not be used to designate withholdings for monthly pension payments. Instead, use Form W-4P.

2023 Pension Payment Schedule and Notices

15th*	End of Month
January 13	January 31
February 15	February 28
March 15	March 31
April 14	April 28
May 15	May 31
June 15	June 30
July 14	July 31
August 15	August 31
September 15	September 29
October 13	October 31
November 15	November 30
December 15	December 29

Payment Date: Pension payments are paid on the 15th* and/or the end of the month. If any of these dates fall on a weekend or a holiday, the payment date will be the last business day prior to the weekend or holiday.

*Effective July 1, 2011, only those who meet ALL three exemption requirements are eligible to receive semi-monthly payments:

1. Gross semi-monthly payment is \$400 or less (\$800 per month) on Jan. 1, 2011
2. Attain 80 years old on Jan. 1, 2011 (i.e. date of birth is before January 2, 1931)
3. Began receiving semi-monthly payments by Dec. 31, 2002

Federal Income Tax Withholding: Payments from the ERS are subject to federal income tax withholding unless you elect to not have taxes withheld. Complete IRS Form W-4P, Withholding Certificate for Periodic Pension or Annuity Payments, to change your withholding or to

elect no withholding. Please allow four to eight weeks for your tax withholding election to take effect. Refer to the tax withholding tables for the approximate federal income taxes to be withheld.

Direct Deposit: Complete Form ERS-210, Direct Deposit Agreement, to change the bank account and/or financial institution for your direct deposit. Please keep your original account open until the first ERS deposit is made to the new account. Closing your original account too early will delay the timely receipt of a pension payment, as undeposited payments will be returned to the ERS for reissue.

Mailing Address: Contact our office or complete Form ERS-211, Mailing Address Change, to update your address to ensure you receive Form 1099-R tax statements, annual July pension statements, quarterly *Holomua* newsletters and ERS correspondence.

Managing Risks for ERS Investments



Andrew Chen

Andrew Chen is an investment specialist who joined the ERS in October 2013. In this role, he helps to manage the ERS’s investment portfolio, which consists of public equities and fixed income, private equity and real estate, and several other types of investments.

“The essence of investment management is the management of risks, not the management of returns.” - Benjamin Graham

People are faced with risks in their daily lives. As a father of two young daughters, I constantly worry about their safety. To most people, “risk” is something to mitigate or avoid. It is no different for investors like ERS as it must decide between risk and reward since there is no ‘free lunch’ in investments—that is, getting a higher return comes with greater risk. There are many investment risks, both at the portfolio and security levels. Some of these risks include liquidity, inflation, and concentration.

This article will briefly discuss how the ERS Investments office manages these risks.

Three key portfolio risks:

Liquidity risk is how easily an asset can be converted into cash at a fair, non-discounted value.

Inflation erodes the value of an investment when the return does not keep up with inflation.

Concentration risk is the potential loss from having too much dependency on a single or a group of similar investments, e.g., in an industry or geography.

Managing Risks with Diverse Investments & Strategies

Liquidity risk management is an integral part of the investment process at ERS. The investment staff must choose and balance between liquid assets (cash, equity, and bonds) and less liquid assets (private equity,

real assets and alternatives) with better returns in exchange for illiquidity. Liquid assets are 61% of ERS’s total assets as of September 2022. Furthermore, ERS’s total fund has sufficient liquid assets to cover projected cash needs over the next five years under a 30% market decline stress scenario. Managing and stressing liquidity allows ERS to plan and meet operations and pension benefits obligations.

With inflation at a 40-year high (7.75% in October), inflation risk is one of the biggest worries for many retirees. According to a recent survey, more than 70% of Americans say they are very concerned about the impact of inflation on their retirement savings plan. So, how does ERS manage inflation risk?

In recent years, ERS has increased the allocations in investments that have traditionally performed well in an inflationary environment. For example, ERS holds investments in Real Assets such as real estate, farmland, timber, and infrastructure, which have traditionally performed well when inflation is high. Real Assets also provide diversification benefits as they exhibit a low correlation to traditional assets, such as equity and bonds. Private credit is another asset class that has traditionally performed well in an inflationary cycle.

ERS increased its Real Assets allocation from 6% to 16% over the past seven years. Over this period, the Real Assets investments have generated a 9.4% return.

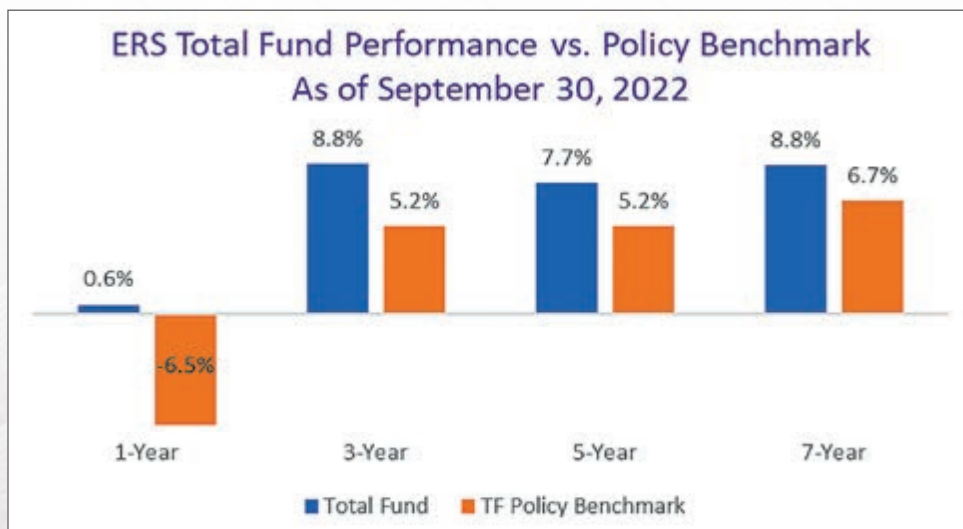
For the 1 year ending September 2022, it had a positive 15.7% return, while the S&P Index declined by 16.8%. In addition, ERS increased the Private Equity allocation to 18% from 4% in 2014. The Private Equity program has since posted an 18% return. ERS also added the Global Credit Private strategy in 2019, which has generated a 13% return since inception.

We all have heard the phrase, “Don’t put all your eggs in one basket.” This is especially true in investing. Diversification is vital in reducing concentration risk and lowering the volatility of the portfolio over time. Since adopting the risk-based allocation in 2014, ERS has added Diversifying Strategies (April 2017) to the portfolio. The Diversifying Strategies now accounts for 34% of the ERS total fund and has been especially impactful to the overall portfolio return in 2022. The Diversifying Strategies posted a positive 16% over the past year, the best-performing asset class in the total fund. More importantly, the Diversifying Strategies lowered the total fund volatility to 8% from 20% over the past year.

Final Thoughts

ERS’s total fund has outperformed the policy benchmark in 1-Year, 3-Year, 5-Year, and 7-Year periods (see chart ERS Total Fund Performance vs. Policy Benchmark). Equally impressive, ERS was one of only seven pension funds nationwide to achieve a positive fiscal year in 2022 (Source: Pension & Investments).

Knowing and managing risks is critical to ERS’s mission to “obtain a reasonable return on investments consistent with the preservation of principal, while maintaining sufficient liquidity to react to the changing environment and to pay benefits when due,” as outlined in the Investment Policy. Asset allocation decisions impact not only the portfolio’s return but also the portfolio’s risk. By utilizing risk systems, such as Bloomberg and BlackRock Aladdin, as well as working with ERS’s managers and consultants, the investment office can quantify and manage portfolio risks and optimize portfolio returns.



Year-end Tax Information

If you received benefits from the ERS during 2022, your 2022 Form 1099-R will be mailed to your home address by January 31, 2023. Reprint/duplicate Form 1099-R requests will only be processed after February 4, 2023 to allow time for mail delivery. To submit an address change, contact our office or complete the ERS-211 Mailing Address Change form on our website at ers.hawaii.gov (Resources > All Forms > General > ERS-211 Address Change).

The ERS is a “government defined benefit pension plan,” therefore, all benefits paid by the ERS are classified as “pension” benefits and reported to you on the Internal Revenue Service (IRS) Form 1099-R. For terminated members, this benefit includes refund of contributions; and for retirees, this includes option refund payments and disability benefits. (Certain retirees receiving service-connected disability benefits will receive the Annual Non-reportable Benefit Notice.) If you have a professional tax advisor, accountant, and/or tax preparer, we suggest you make this information available for their review.

In most cases, you will receive only one Form 1099-R. However, you may receive several different 1099-R forms if you:

- took a refund option with a rollover to another retirement account;
- became age 59½ during 2022; or
- received benefits as a retiree and as a beneficiary.

For more information, you may want to review

- the Retiree FAQ section of the ERS website ers.hawaii.gov (Retirees/Retirees FAQs) or
- information on the IRS website (<http://www.irs.gov>) such as IRS Publication 575, Pension and Annuity Income, or the instructions for IRS Form 1040, U.S. Individual Income Tax Return

How is the IRS Form Organized?

The 1099-R is a four-part form with instructions on the back of the form. Copy B is to be used in preparing your federal return. Retain Copy C for your records and keep it in a safe place for future financial purposes. You may disregard Copy 2, since all benefits received from the ERS are exempt from State of Hawaii income tax. If you are living out of state, you should

Form 1099-R		<input type="checkbox"/> CORRECTED (if checked)	OMB No. 1545-0047	2022
1 Gross Distribution		2a Taxable Amount		Distributions From Pensions, Annuities, Retirement or Profit-sharing Plans, IRAs, Insurance Contracts, etc.
25000.00		20000.00		
2b Taxable Amount not determined		Total distribution		
<input type="checkbox"/>		<input type="checkbox"/>		
PAYER'S name, street address, city, state and ZIP code				
EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF HAWAII				
201 MERCHANT ST SUITE 1400				
HONOLULU, HI 96813-2980				
PAYER'S federal identification number			RECIPIENT'S identification number	
99-6011493			XXX-XX-1234	
3 Capital gain (included in box 2a)		4 Federal income tax withheld		5 Employee contributions /Designated Roth contributions or insurance premiums
0.00		3000.00		5000.00
6 Net unrealized appreciation in employer's securities		7 Distribution code(s)	IRA/ SEP/ SIMPLE	8 Other
		7		
9a Your percentage of total distribution		9b Total employee contributions		10 Amount allocable to IRR within 5 years
%		75000.00		
RECIPIENT'S name, street address (including apt. no), city, state and ZIP code				
PENSIONER				
ADDRESS				
Account number (see instructions)		11 1st year of desig. Roth contrib.	12 FATCA filing requirement	13 Date of Payment
2022123456			<input type="checkbox"/>	
14 State tax withheld		15 State/Payer's state no		16 State distribution
		HI-0		
17 Local tax withheld		18 Name of locality		19 Local distribution
<small>Copy B Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return. This information is being furnished to the Internal Revenue Service.</small>				
			www.irs.gov/Form1099R	Department of the Treasury Internal Revenue Service

consult a qualified tax preparer regarding the tax laws in your area.

Your 2022 IRS Form 1099-R will include the following information:

Box 1 - Gross distribution: Total benefit payment(s) the ERS paid to you in calendar year 2022 per IRS Distribution Code (in Box 7).

Box 2a - Taxable amount: The taxable portion of your benefit payment(s) on this 1099-R.

Box 4 - Federal income tax withheld: The amount of federal income tax the ERS withheld from your benefit payment(s), if any, during calendar year 2022.

Box 5 - Employee contributions/ Designated Roth contributions or insurance premiums: The portion of your gross benefit payment(s) not subject to taxes and the difference between Box 1 and Box 2a. This is the amount of after-tax contributions that the IRS allows you to recover tax-free for the year.

Note: Box 5 only applies to certain retirees of the Contributory or Hybrid Plan

who made contributions on an “after-tax” basis to the ERS.

Box 7 - Distribution code(s): Denotes the type of payment you received. The IRS uses this code to determine the proper tax treatment of your benefit payments.

The IRS Distribution codes used for payments made by the ERS include:

- 1—Early distribution, no known exception (in most cases, under age 59½). (Note certain distributions may be subject to an additional 10% tax.)
- 2—Early distribution, exception applies (under age 59½).
- 3—Disability.
- 4—Death.
- 7—Normal distribution.
- G—Direct rollover of a distribution to a qualified plan, a section 403(b) plan, a governmental section 457(b) plan, or an IRA.

Account Number: A unique number for each ERS 1099-R Form that helps identify duplicate forms if you request a reprint.

Quick Guide to the ERS Web Page

ers.ehawaii.gov

The Employees' Retirement System is encouraging members and retirees to utilize the resources on our website and contact us by phone and email. Here's a quick look at some of the information available on our website.

The screenshot shows the homepage of the Employees' Retirement System of the State of Hawaii. The header includes the Hawaii logo and navigation links for ERS Home, Budget & Finance, and Stay Connected. The main banner features a tree logo and a family photo. A navigation menu is located below the banner. The main content area includes a search bar, a 'NEWS AND UPDATES' section, and a list of services. Red callout boxes with numbers 1 through 8 are overlaid on the screenshot to highlight specific features.

<p>1 Menu Bar. Resources can be accessed by either clicking on the menu item or pull-down menu. Click on “Contact Us” for our addresses and phone numbers.</p>	<p>5 Retirement Planning. An excellent place to start if you are considering retirement. Forms, retirement dates and plan information can be found here.</p>
<p>2 Members Tab. Information for members or former members, retirement planning, death benefits, disability, leaving employment, forms and videos.</p>	<p>6 Active Membership Information. With an eHawaii.gov log-in, active members (does not include retirees or beneficiaries) can access their membership date, accumulated contributions (Contributory and Hybrid only) and years of service.</p>
<p>3 Retirees Tab. Pension information, retirees returning to work, death reporting and benefits, FAQ, forms and ethics code for retirees.</p>	<p>7 Benefits Calculator. You can generate estimates of future retirement benefits using the calculator. It does not replace the actual calculation when you retire.</p>
<p>4 News and Updates. The latest information about the ERS.</p>	<p>8 Financial Report: The ERS’s Annual Comprehensive Financial Report and other reports.</p>

Member Online Information Update

The ERS has updated its website with member information through October 2022. The updated online information is for active members in the Contributory, Noncontributory and Hybrid plans. Retirement information and account balances may vary between members due to payroll lags and adjustments.

Please note information for retirees and beneficiaries is not included.

Help us ensure that we have the most accurate information possible by logging on to the website at ers.ehawaii.gov and clicking on Active Member Information. To report discrepancies

with your account information, print and mail the completed ERS 243 Member Information Form to ERS with a copy of your My Retirement Account screen print. Once we have completed our research, corrections will be applied and you will be notified of any changes.



IMPORTANT

The EUTF is a separate organization from the ERS. If you have any questions about information in these articles, please contact the EUTF directly. Contact information: (808) 586-7390, 1 (800) 295-0089 toll free; email: eutf@hawaii.gov

FOR ACTIVE EMPLOYEES & RETIREES

HMSA After-Hours Care

Save time and money by choosing the right care. Remember that emergency room visits are expensive and aren't necessary for illnesses or injuries that aren't life-threatening. Get the right care when you need it.

- **Primary care provider (PCP):** See your PCP for routine and preventive care that isn't an emergency. Your PCP may offer telehealth options, such as a video visit or email check-in.

- **HMSA's Online Care:** Connect with doctors and specialists online from anywhere in Hawaii 24/7. There's no copay for Online Care visits. Use Online Care for the same reasons you'd see your PCP.

- **Urgent care provider:** Go to an urgent care provider if you have a health concern that isn't an emergency but needs attention sooner than you can see your doctor.

- **Emergency room:** Go to the emergency room if you need immediate care in a hospital setting and/or you're experiencing a life-threatening symptom.

To sign up for HMSA's Online Care or to find a participating urgent care clinic, visit hmsa.com/eutf. Be sure to follow up with your PCP after an Online Care or urgent care visit.

Amwell® is an independent company providing hosting and software services for HMSA's Online Care platform.

Kaiser Permanente Care Options

You have many ways to get care when and where it works for you.

- **Online:** To access all your online care options, including email, video, and e-visits, log into your kp.org account.

- **Phone:** We offer scheduled same-day phone appointments, 24/7 on-demand phone appointments, and 24/7 medical advice. Call us at (833)833-3333 (TTY: 711).

- **In-person:** Go to the West Oahu Medical Office, Honolulu Medical Office, or Maui Lani Medical Office urgent care center to get care after Kaiser Permanente facilities are closed, including weekends and most holidays. You can also visit many affiliated urgent care centers on Maui, Hawaii Island, and Kauai. Before your visit, we recommend calling us at (833)833-3333 (TTY: 711).

If you need help choosing the care that's right for you, visit kp.org/getcare or call us 24/7 at (833)574-2273 (TTY: 711). If you're having a medical or mental health emergency, call 911 or go to the nearest hospital.

Need new insurance ID cards?

Not sure if your insurance ID card is current or misplaced your insurance ID card? You can request a new card at no cost to you. Once you receive your new card, it's a good idea to keep it in your wallet so that you always have it with you.

HMSA members: Visit hmsa.com. Log into your HMSA MyAccount. Scroll down to the "About your plan" section and

click "View membership card" to see if the card you have is current. If not, go back to the "About your plan" section and click "Request membership card." Membership cards will be mailed to the address of the subscriber of the plan. Or, call HMSA at (808)948-6499 on Oahu or toll free (800)776-4672.

Humana members: Visit Humana.com. Sign into your MyHumana account. The landing page will identify your Medical plan and includes a link to "View ID Card." Click the link to view and print. Click on "Manage ID Cards" to request a new ID card by mail. Or call Humana at (888)908-6517 (TTY: 711).

CVS/SSI members: Visit Caremark.com. Sign into your CVS Caremark account. Under Plan & Benefits, click "Print Member ID Card" to view or print your current card. Call CVS at toll free (855)801-8263 or SilverScript (for Medicare retirees) at toll free (877)878-5715 to request that a new card be mailed to you. You can also view a digital card through the CVS Caremark mobile app.

Kaiser Permanente members: To access your digital member ID card, register for a kp.org account online or on the Kaiser Permanente mobile app. Just follow the sign-on instructions. You'll need your medical record number. Tap on the card icon to access your digital member ID card. The next time you check in for an appointment, show us your digital member ID card and a photo ID. You can also order replacement ID cards at kp.org or by calling (808)432-5250 (Oahu), (844)276-6628 (toll free from the neighbor islands), or 711 (TTY).

HDS members: Visit hawaiidentalsservice.com. Log into your HDS account. In the left navigation panel, click "ID Card." You can either Print or Request ID Cards by mail. Or call HDS at (808)529-9310 on Oahu or toll free (866)702-3883.

VSP members: Although you don't need an insurance ID card to use your VSP benefit, be sure to identify yourself as a VSP member when seeing a vision provider. VSP doesn't provide ID cards by mail, but if you'd like one as a reference, log into your vsp.com account and click "View Member ID Card." You can save, print or email your card for future reference or simply access it from your smartphone. If you have any questions, call VSP at toll free (866)240-8420.

HMSA Members: Prevent the Gain

Preventing weight gain over the holidays can be a challenge, but it is possible! Here are three tips to help you control your weight this holiday season.

Aiming for 10,000 steps a day is a good way to walk off calories. Don't have time? Short bouts of exercise, as little as 10 minutes at a time, can be effective for weight control. If you're particularly motivated, check out HMSA365 to get discounts on fitness center memberships and health and well-being products and services.

Before attending a holiday celebration, top off hunger pangs with a healthy snack. Eating it slowly will help your mind and body feel more satisfied. When the food is served at the party,

you'll be less likely to overeat. If the celebration is a potluck, bring a healthy dish. Check out islandscene.com/food for lots of healthy recipes.

Get help from an expert. Team up with a health coach to get free personalized support to reach your healthy weight goals. Call HMSA Health and Well-being Support at 1 (855)329-5461, option 1, Monday through Friday, 8 a.m. to 5 p.m.

Plan to manage your stress levels. If you're having trouble finding time to ease stress and anxiety, schedule a daily 10-minute stress break (walk, meditate, listen to music, etc.) and tag it with an alert on your calendar. HMSA's Online Care is available at no cost for emotional support, stress and anxiety management, and for couples or family counseling.

Kaiser Permanente Members: Why your weight matters

Adding on extra weight may drag down your mood, energy and self-confidence. At the same time, it may raise your risk for many serious health conditions. If this is your battle, we encourage you to choose a Kaiser weight-management resource that's right for you.

Your personal wellness coach. If you need extra support, Kaiser offers Wellness Coaching by phone at no additional cost to our members. You'll work one-on-one with a wellness coach to help you reach your weight management goals.

Healthy Balance program. This one-year lifestyle program is based on three basic ideas for success: healthy eating, daily habits and getting active. For the first six months, you'll work on reaching your goals during 16 weekly group workshops. After that, you'll have a monthly phone call with a personal wellness coach to help you stay on track. Available at no additional cost to most Kaiser members.

Call a wellness coach today at (808)432-2260 to sign-up for a coaching session or an orientation to the Healthy Balance class. Talk to your doctor about other weight management options and resources available to you.

FOR RETIREES

ATTENTION MEDICARE RETIREES: Medicare Part B Premium Reimbursements for 2023

IMPORTANT: Please DO NOT send documentation to the EUTF if you were reimbursed the standard Medicare Part B premium amount for 2022 (\$170.10) and will be paying the standard Medicare Part B premium amount for 2023 (\$164.90) as EUTF will automatically move your 2023 reimbursement to \$164.90.

If your 2023 Medicare Part B premium is more than the Standard amount (\$164.90/month), you must provide EUTF

with a copy of the letter you and/or your spouse/partner received from the Social Security Administration (SSA) or Medicare showing your higher premium due to income-related monthly adjustment amounts. EUTF will reimburse the amount stated on the letter (less any penalties). If EUTF does not receive the SSA or Medicare letter from you, your reimbursement will be the standard \$164.90 per month for 2023.

NON-MEDICARE RETIREES

Public Consulting Group

The EUTF has partnered with Public Consulting Group (PCG), a nationally recognized leader in Social Security disability advocacy services, to assist retirees under 65 who may be eligible for federal Social Security Disability Insurance (SSDI) benefits and Medicare Part B. PCG will be mailing a welcome letter with a Medicare Assessment Questionnaire to non-Medicare retirees and non-Medicare dependents. If you have any questions or need assistance with your questionnaire, please contact PCG at toll-free 1-800-805-8329.

FOR ACTIVE EMPLOYEES

EUTF Pre-Retirement Health Benefits Workshops

Attend a Pre-Retirement Health Benefits Webinar and learn about the EUTF retiree health insurance benefits. It's never too early to start planning for your future. Whether you plan to retire in a few months or a few years, join us for a 60-minute presentation to learn about your EUTF retiree health insurance benefits. We'll cover:

- Dependent eligibility
- Health plan options
- Medicare
- Differences between active employee and retiree plan
- Premiums and contributions
- Making changes to your plans
- Completing the EC-2 enrollment form

Date	Time
12/05/2022	From 11 a.m. to noon From noon to 1 p.m.
12/12/2022	
1/09/2023	
1/30/2023	
2/13/2023	
2/27/2023	

To access the webinar, go to eutf.hawaii.gov on the day of the event and select "Learning Center" in the menu bar. Click the "Webinar" button and select the desired webinar. Registration is not required.



Employees' Retirement System
of the State of Hawaii

201 Merchant St, Suite 1400
Honolulu, HI 96813-2980

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Acting Chief Investment Officer

Contact ERS-Pension
Monday-Friday 7:45am-4:30pm
(Except State Holidays)

For pension related questions,
please contact ERS at:

O'ahu: (808) 586-1735
Kaua'i: (808) 274-3010
Hawai'i: (808) 974-4077
Maui: (808) 984-8181

Moloka'i & Lāna'i
toll-free to Maui:
1 (800) 468-4644, ext. 48181

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toll-free to O'ahu:
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ers.hawaii.gov

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Medical coverage/Medicare
reimbursements

Monday-Friday: 7:45am-4:30pm
(Except State Holidays)
(808) 586-7390;
Toll-free: 1 (800) 295-0089
email at eutf@hawaii.gov,
or mail: 201 Merchant Street,
Suite 1700
Honolulu, HI 96813

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WINTER 2022

HOLOMUA
RETIRES & ACTIVE MEMBERS

Makua Valley, Waianae, Oahu
by Judith Carluccio

Ask ERS

Answers to some frequently asked questions

Q: I am currently an ERS retiree but thinking about returning to work in a job for the state or one of the counties, what do I need to know before accepting a position?

A: You should check with the hiring department or agency to see what kind of position is being offered. If you return to a position that requires that you rejoin the ERS, you will need to suspend your pension and will continue your pension when you re-retire. Some positions that do not require ERS membership can be accepted without pension suspension, but only after a six- or 12-month break following retirement. Both the department or agency and the rehired retiree must complete Form ERS-209 Certification of Compliance with Requirements for Employment of a Retirant or be subject to penalty. General information about an ERS retiree returning to work in a state or county position can

be found at ers.hawaii.gov/retirees/retirees-return-to-work.

Q: Why is the ERS identified as a "Trust Fund?"

A: ERS funds are held in trust and must be used for the exclusive benefit of its members. ERS is also a "defined benefit" plan, which means that it needs to have enough assets to pay benefits to current retirees and surviving beneficiaries as well as future benefits being earned by active employees. As a "prefunded" system, investment earnings and employee and employer contributions paid over a member's career should pay for the future retirement benefits of those members. These contributions are invested to gain the best possible return while maintaining a reasonable level of risk. Your Board of Trustees oversees the investment of the ERS Trust Fund, and their decisions (investments, benefits, or otherwise) are for the sole and exclusive benefit of the ERS members and beneficiaries.

UA 'IKE ANEI 'OUKOU? DID YOU KNOW?

As of March 2021, about 76% of ERS' 65,561 active members were enrolled in the Hybrid class, with about 16% in the Noncontributory class and 8% in the Contributory class (including police and firefighters).