



Ohio Administrative Code Rule 5505-3-05 Selection of payment plan.

Effective: September 12, 2016

(A) A member of the state highway patrol retirement system who retires under section 5505.16 of the Revised Code may elect a plan of payment and nominate a beneficiary pursuant to section 5505.162 of the Revised Code. The plan of payment selection and beneficiary nomination may be changed at any time prior to the pension eligibility date of retirement benefits as defined in rule 5505-3-01 of the Administrative Code. After the pension eligibility date, the plan of payment and beneficiary nomination is irrevocable except for as defined in this rule.

(B) A retirant may submit an application to change the plan of payment and beneficiary on a form prescribed by the board. Upon receipt of an application submitted by the retirant, except as provided in paragraph (F) of this rule, an optional plan of payment will be changed to a single lifetime pension:

(1) Option plan cancellation the month following receipt of a completed application provided:

(a) The designated beneficiary consents to cancellation of his or her designation;

(b) The completed application is received from the retirant within one year of the retirants first pension payment.

(2) Death of a beneficiary the month after the date of death regardless of when the application is received. In the event appropriate documentation is not provided within ninety days of the beneficiary's death, HPRS shall reinstate the nomination of the beneficiary until such time as HPRS receives the appropriate supporting documentation on the death of the beneficiary.

(3) Divorce, annulment or marriage dissolution the first month following receipt of a completed application provided the retirant submits spousal consent or a court order specifically authorizing the reselection of plan of payment on the basis of the marriage termination.



(C) There shall be no retroactive adjustment for the period of time that a joint and survivor annuity was paid.

(D) The allowance payable under the optional plan of payment selected or reselected under this rule shall be based on the annuity factors tables in effect and the ages of the retirant and beneficiary at the time of plan selection.

(E) A retirant may elect an optional plan of payment following marriage or remarriage provided:

(1) The application is received from the retirant within one-year of marriage or remarriage;

(2) Only the new spouse may be nominated as a new beneficiary; and

(3) If the retirant had selected a plan of payment pursuant to division (A)(2)(d) of section 5505.162 of the Revised Code, the new spouse may be designated a beneficiary only if the retirant does not already have four beneficiaries designated under that plan at the time the retirant applies to add the new spouse.

(F) The death of any designated beneficiary under division (A)(2)(d) of section 5505.162 of the Revised Code shall not change the plan of payment. The plan benefit shall continue to the remaining designated beneficiaries in their same percentages and the deceased beneficiary's portion shall revert to the retirant for the remainder of his or her lifetime. A retirant may not cancel the plan of payment and return to a single lifetime pension equivalent until the date of death of all designated beneficiaries under that plan. The effective date of this change shall be the first day of the month following the date of death of the last living beneficiary.

(G) For purposes of determining the priority of court orders issued under section 3105.171 or 3105.65 of the Revised Code or the laws of another state regarding the division of marital property that require the member to elect a plan of payment set forth in division (A)(2)(d) of section 5505.162 of the Revised Code and designate a former spouse as beneficiary, HPRS shall process such court orders in the order in which they are received by HPRS. In no event shall the member's lesser allowance or portion of the lesser retirement allowance be paid to more than four surviving beneficiaries.



(H) Any benefit paid to a beneficiary under the joint and survivor annuity or life annuity certain and continuous is in addition to the automatic surviving spouse benefit in accordance with section 5505.17 of the Revised Code. Section 401(a)(9) of the Internal Revenue Code of 2015, 26 U.S.C.A. 401(a)(9) prohibits the payment of a benefit to a designated beneficiary or a combination of payments made to a surviving spouse and designated beneficiary that exceeds the amount the retirant was receiving at the time of death.