EMPLOYER SERVICES FACT SHEET

Surcharge

SERS has compiled everything an employer needs to know about the surcharge and surcharge-related issues.

What is the Surcharge?

- An additional employer charge used exclusively to fund health care
- Calculated at 14% of the difference between an employee's annual compensation and the minimum compensation amount
- Limited to 2% of each district's total qualified SERS payroll
- Subject to a statewide limit of 1.5% of SERS' eligible compensation
- Applicable to SERS members reported during the fiscal year, except reemployed retirees and those who died prior to July 1

Payments are subject to penalties if submitted after the due date.

What is the Minimum Compensation?

- $23,700 for fiscal year 2018
- Amount is determined annually by the System's actuaries

For further information on the surcharge calculation, visit the Employer page at www.ohsers.org. You will find surcharge information under the Reporting and Payment tab on the menu located on the left of the screen.

Where Do I Find My Surcharge Report?

- Once logged into eSERS, click on **Surcharge** under the Financial Information tab on the left side of the screen.
- The surcharge application will give you a breakdown of the charge along with a list of employees that appear on the report.
- Click the **Export to Excel** button to print the surcharge report.

Who Should Show on My Surcharge Report?

SERS members reported during the fiscal year that made below the minimum compensation, **except** reemployed retirees and those who died prior to July 1.

How Do I Report Exemptions?

For reemployed retirees or members who passed away during the fiscal year, email their name(s) and the last four digits of their Social Security number(s) to Employer Services at employerservices@ohsers.org.

Foundation Program and Surcharge

If your district is participating in the Foundation Program and chose to have the surcharge collected from its Foundation payments, SERS will automatically deduct the surcharge payment from your September Foundation payment. Please refer to your Foundation Deduction notice if you are unsure if SERS is collecting for your surcharge.

- **If your district is NOT having SERS collect the surcharge from its Foundation payment OR you are a direct pay district,** the surcharge amount to be paid will be located in the Payment Remittance application under the Unpaid Liabilities panel. Please submit the surcharge payment in the same manner you would contribution payments.
- The surcharge is due within 30 days of the surcharge report's availability on eSERS, if the district is not paying through the Foundation Program.

For questions regarding your surcharge report and payment, please contact Employer Services at 877-231-0861 or employerservices@ohsers.org.