

S.O.S. NEWSLETTER

“SERVICE OFFICERS FOR SERVICE”

SERVICE OFFICER NEWSLETTER

VOLUME 10-2

April 2010

EDITORS COMMENTS

Here we are another year and almost in the half year period. Hopefully all completed their Census Questionnaire, paid their Income Tax and Property tax for the year. We are working on State Federation Convention Plans in Ontario California which hopefully Service Officer will plan to attend.

To date we have had District III training for Chapter members covering the topics of Membership, Legislation and Service. There will be District I training on May 12th in San Diego and District II training later in the year. Service Officers should try to attend one of these sessions.

As usual, I am concerned about the number of Service Officers who don't have Internet capabilities. I must again suggest that those Chapters with Service Officers who don't use the Internet make positive arrangements to work with other officers so that they can get access to important issues with NARFE and OPM. The Service Officer (SOS) Newsletter is in its 11th year and many are not using the benefit of the website with all issues of the newsletter.

I want to remind Service Officers of the Directory on a variety of subjects that is available on the web site. (See CSFCNarfe.org – Publications – Service). Please make sure your Chapter members are kept informed by preparing articles for your Newsletter and periodic chapter meeting presentations.

This issue has a number of important articles covering: Unused leave dollars deposit into TSP; Tricare correction proposal; a Medicare Pilot Project; OPM Tools; Reminder about Child Survivor Benefits and timelines on the new Health Reform Plan.

Mary Venerable
Chair, Service Committee

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Dist. IX. –Lynn Kritsch, #068 (661) 392-6265

Dist. X - Millie Rogers, #1245 (530) 898-1510 millie6@sbcglobal.net

NARFE SERVICE CENTERS IN STATE OF CALIFORNIA

1 – NARFE Service Center, Residence - P.O. Box 69, Patton, CA. 92369, (909) 862-7685 – Vaudis Pennell - By Appointment, quovau@sbcglobal.net

4 – Vallejo, Ca. (707) 552-2546 Gordon Triemert, - By Phone – any time 946 Heartwood Ave., Vallejo, CA 94591 jay94591@yahoo.com

8 – NARFE Federal Retiree Service Center 5440 Dudley Blvd, McClellan, CA. 95652 (916)971-2888 Mgr. Robert Johnson (916) 635-4576. Mon. & Thurs. 9 a.m. to Noon.
frjohnson4@aol.com

12 - Oceanside Senior Center, 455 Country Club Lane, Oceanside, CA.92054 Josephine M. Murphy – (760) 757-5559 Wednesdays 12 Noon to 3pm. jomurphy@oco.net

#21 – Service by phone (619) 460-7992 – William Doll – after 9 a.m. imadoll@earthlink.net

35 – Residence of JoAnne Rowles 3916 Marilyn Place, Bakersfield, Ca. 93309-5924 (661) 833-1647– By Appt.
jrowles@bak.rr.com

#42 – Residence of Vernon Rood, Service by Phone (707) 578-3180 –vrood@aol.com

#55 – NARFE Service Center, 1524 Jefferson St., Napa, CA 94558 – Oliver E. Sheridan – (707) 257-2228 Monday thru Saturday – By Appt.

#78 – Fresno Service by Phone Charles Hedrick, (559)299-4207.

#133 – Service by Phone, Jean Stone, – (530) 222-2321 –
logeneaa@wmconnection.com

#145 – Naval Air Weapons Station, 1 Admin. Circle, Mail Stop 1323, China Lake, CA. – Donald W. Cooper, (760) 939-0978. Mon. – Friday from 9 to 11 a.m. & 1-3 p.m.
dat.cooper@verizon.net

149 – Antelope Valley Senior Center, 777 W. Jackman Street, Lancaster, CA 93534 - Norma Keipe, (661) 726-4409. – Mondays 9 a.m. to Noon (except holidays)

171 – Service by phone - Gerald Sprouse, 1650 Christina Ct. Paso Robles, CA. 93446 (805) 237-0051
Jerrysprouse@charter.net.

183 – Service by phone - Bob Willis, Port Hueneme, Ca. (805) 486-1235

#202 – Norman P. Murray Com. & Senior Center, 24932 Veterans Way, Mission Viejo, CA. 92692, Bert Zucker, (949) 470-3063. 2nd & 4th Mondays 1 to 3 p.m.

Notice: For up-to-date information see the Federation's website. Please notify Jo Murphy of changes by FAX (760) 757-5559 or E-mail at JoMurphy@oco.net

YOUR ATTENTION IS INVITED TO THE FOLLOWING WEBSITES

WEBSITES OF INTEREST

Issues of all SOS Newsletters and a Directory of Topics are available on line on the NARFE California Federation's Website in Publications at: <http://www.csfcnarfe.org>

NARFE National Office at <http://www.narfe.org>

Publications on FEGLI Life Insurance at:
<http://www.opm.gov/insure/life> Index.htm . Or (800) 633-4542

OPM Retirement at: www.opm.gov.retire for inquiries and changes.

OPM has posted a new Web Site:

www.opm.gov/insure/quickguide.asp

It is well organized and easy to navigate. It includes information on FEHBP, FEGLI, and civil service retirement. It also includes a section on retirement planning, tools to calculate federal income taxes, a menu of publications for downloading and printing, and links to other federal agencies as well as to NARFE Web Site,

OTHER IMPORTANT WEB SITES

Social Security and Survivor Benefit Plan for military:

<http://www.military.com/newcontent/0,13190,Philpott>

[_040105,00.html](http://www.military.com/resources/resourcesContent/0,13964,13964,31301,00.html) and <http://www.military.com/resources/resourcesContent/0,13964,13964,31301,00.html>

Military Surviving Benefits – Covers Survivor Family Benefits, e.g. Dependency and Indemnity Compensation (DIC), Death Gratuity Death Pension, Tricare, and other survivor related benefits. <http://www.military.com/benefits/survivor-benefits-family-benefits>

U.S. Coast Guard, Benefits Information and Financial Education

Department – Military Officers Association of America at

800-234.6622, x-106 (703) 838-8106 and website at www.moaa.org

Medicare Part D Plan premiums

<http://www.cms.hhs.gov/MedicareAdvgt>

SpecRateStats/RSD/list.asp?

Free Cell phone number for 411. Information Calls

(800) Free 411 (800) 373-3411 --. This also works on your home phone .

California Legislative Bills: Telephone number to make your voice heard. Governor Schwarzenegger has set up a number to call regarding California Legislative Bills being processed. The number is (961)-445-2841.

White House Comment Line: (202) 456-1111 - E-mail –

president@whitehouse.gov

NARFE Capitol Hill Toll Free No: (866) 220-0044 You can call these numbers, give the name of your Senator or Representative and you will be switched to their office.

NARFE Legislative Hotline by phone – (877-217-8234 (Toll-Free)

Links to Membership Renewal, Join GEMS, Update Your Record, etc., are located on the Members Home Page in the left panel under What You Can Do Online.

Links to Forms (including interactive), Publications and NARFE Online Reports are found on the Leadership Home Page in the left panel.

New Service Officer BLOG. The Service Officers Bulletin Board or SOBB can be accessed at www.narfe.org/sobb. What is a 'blog'? The word blog is a blend of the older term 'weblog' and is a website where you can enter comments

that are commonly displayed and read by other users who have access to the blog. With a blog, you can access the site anytime the system is available.

Current Service Officers can now create their own messages instead of commenting on existing ones found under the 4 different categories. When you log on just click on "Create New Entry" and a screen will come up that allows you to title and write your message. David Snell, Director, Retirement Benefits Service Department suggests that you should give it a try – your will like it.

IRS PUBLICATION 721

This is the publication that retirees can refer to when issues about annuity tax on retirement contributions. Persons interested can now go to the IRS.gov web site under Publications and view the new edition. The front cover under "What's New" describes the Government Retiree Tax Credit.

OPM INFORMATION

Director John Berry and Deputy Director Christine M. Griffin in charge of Federal Employee Civil Service System

Staffing of five core divisions include:

1. Employee Services, headed by Nancy Kichak,
2. Retirement & Benefits, headed by Kathleen McGettigan
3. Merit System Audit & Compliance, headed by Jeff Sumberg,
4. Federal Investigative Services, headed by Kathy Dillaman, and
5. Human Resources Solutions, headed by Marl Reinhold

To see more information on the reorganization, go to:

www.opm.gov/about_OPM/reorg-2010/Functional Description, www.opm.gov/about_OPM/reorg-2010/orgchart.pdf, and www.opm.gov/news/opm-reorganizes-to-better-meet-the-needs-of-its-customers,1500.aspx.

NOTE: There have been changes for Service Officer inquiries with OPM. Communication via the internet, (Retire @OPM.gov.) will result in an email message indicating how OPM will not handle personal information. I was given instructions on How to Register and advice on what to do after registration. At this point I have established a Pass Word and other identification used to reach at <https://smail.opm.gov/websafe/register> and a registration number. Once completed, I am now able to go to an e-mail message site which provided an OPM response to my e-mail notification with instructions and a contact person. This is a plus for Service Officers to get information from OPM in a timely manner.

BILL WOULD ALLOW DEPOSIT OF UNUSED LEAVE DOLLARS INTO THRIFT SAVINGS PLAN

Lawmakers introduced a bill that would—if signed into law—allow retiring federal employees and those leaving federal civil service to deposit money received from unused annual leave into their Thrift Savings Plan.

The bill, H.R. 4865, the Federal Employees and Uniformed Services Retirement Equity Act of 2010, was introduced March 17 by Rep. Stephen Lynch, D-Mass., chairman of the House Oversight and Government Reform Subcommittee on the Federal Workforce and the panel's ranking member, Rep. Jason Chaffetz, R-Utah. The bill would cover those employed under the Civil Service Retirement System, Federal Employees Retirement System, postal workers and service members. National Treasury Employees Union President Colleen M. Kelley applauded the TSP bill, and said it closely tracked a similar proposal the union offered last fall.

"This is a sound proposal that allows federal employees to add to their retirement accounts, boosting their savings and giving them an option for investing a lump sum of money they may receive when leaving federal service," Kelley said. "Many federal employees carry over the maximum amount of 240 hours of annual leave on a yearly basis and this legislation could significantly boost their accounts." To see more, go to:

www.nteu.org/PressKits/PressRelease.aspx?ID=1541.

PROPOSAL WOULD AFFIRM THAT TRICARE ENROLLEES MEET NEW COVERAGE LAW

A proposed Senate bill, the TRICARE Affirmation Act, would change the IRS tax code to state that those covered under TRICARE and other DOD nonappropriated fund health plans meet the minimum essential individual health insurance coverage requirement that is part of the health care reform bill signed into law March 23 by President Obama. The bill was introduced March 22 by Sen. Jim Webb, D-Va.

Webb said the bill was necessary to clear up any potential confusion over whether enrollees in TRICARE and related plans meet the new act's minimum coverage requirements. Beneficiaries of TRICARE for Life and military veterans' health care programs also satisfy requirements under the Webb measure. A companion bill in the House, H.R.4887, introduced by House Armed Services Committee Chairman Ike Skelton, D-Mo., was approved by the House on March 20 by a vote of 403 to 0.

"This bill sets the record straight," Webb said. "Supporting this bill will reassure our service members that the coverage provided by TRICARE will exceed the minimal essential coverage required under the health care reform bill."

EMPLOYEE GROUP PRAISES OPM FOR CONSULTATION ON MEDICARE PILOT PROJECT

National Active and Retired Federal Employees Association President Margaret Baptiste had nothing but praise for Office of Personnel Management John Berry for consulting with the group on a proposed Medicare-related pilot project within the Federal Employees Health Benefits Program.

The pilot in question would test the viability of a proposed voluntary sub-option within the FEHBP that would pay for all or part of Medicare Part B premiums, as appropriate, for Medicare-eligible federal annuitants. The sub-option would not become a regular feature unless OPM decided it merited continuation after a post-pilot evaluation. The proposal was contained in OPM's 2010 FEHBP Carrier Letter released this week.

Baptiste said that through NARFE's consultation with Berry, the call letter clarifies that the sub-option would not open the door to separately rated annuitant plans, which the group figures would "result in retirees and survivors paying substantially higher premiums than other FEHBP enrollees." NARFE said it would oppose any new FEHBP plan for annuitants with premiums based on age and health costs.

"If proven feasible, the Medicare sub-option could save some federal annuitants money and help to contain costs in FEHBP for workers, retirees and survivors," Baptiste said. "Given the potential savings to federal annuitants, and the voluntary nature of the pilot, we believe that the Medicare sub-option ought to be given a chance."

MEDICARE PILOT PROJECT IN FEHBP

National Active and Retired Federal Employees Association (NARFE) President Margaret L. Baptiste praised John Berry, director of the Office of Personnel Management (OPM), for consulting with NARFE on a proposed Medicare-related pilot project in the Federal Employees Health Benefits Program (FEHBP). The proposed project would test the viability of a voluntary "sub-option" within the FEHBP that would pay all or part of a Medicare Part B (as appropriate) for Medicare-eligible federal annuitants. The proposal was released yesterday in OPM's "2010 FEHBP Carrier Letter" (also known as the "Call Letter").

"If proven feasible, the Medicare sub-option could save some federal annuitants money and help to contain costs in FEHBP for workers, retirees and survivors," said Baptiste. "What's more, we appreciate that, through our consultation with Director Berry, the call letter clarifies that the 'sub-option' would not open the door for separately rated annuitant plans, which we believe would result in retirees and survivors paying substantially higher premiums than other FEHBP enrollees. NARFE would oppose the creation of any FEHBP plan for annuitants with premiums based on their age and health costs."

The OPM letter stipulates: "We do not support splitting risk pools for annuitants and active employees and believe that these pilots can demonstrate ways of stemming cost growth through strengthened benefits coordination."

The new coverage would be offered to Medicare-eligible annuitants as a sub-option of an existing FEHBP plan. If an annuitant chose the sub-option of an insurance carrier's "standard option," they would pay the same premium share as a worker or retiree enrolled in the traditional standard option. However, unlike the standard plan, the sub-option would pay all or part of a Medicare Part B premium, as appropriate. As a result, an annuitant enrolled in the sub-option would save about \$1,200 a year on Part B premiums. However, a sub-option participant would be required to pay the same deductibles, co-payments and coinsurance as workers or retirees who are age 64 and younger and not yet eligible for Medicare. With the exception of premiums and prescription drug co-payments, most annuitants age 65 and older who are enrolled in Medicare and a traditional FEHBP fee-for-service or preferred provider plan pay no out-of-pocket costs. Therefore, the sub-option could be cost-effective for an annuitant who does not have high out-of-pocket costs. In addition, annuitants might appreciate an option for what is basically seamless coverage, which mirrors what they had while they were on the payroll.

"Given the potential savings to federal annuitants, and the voluntary nature of the pilot, we believe that the Medicare sub-option ought to be given a chance. We are pleased that the Call Letter clarifies that the sub-option will not automatically become a regular feature of FEHBP until OPM evaluates it and decides whether it merits continuation after the second year of the demonstration. NARFE will continue to review the development of the new option with OPM as the pilot project moves forward," Baptiste added.

ALZHEIMER'S PROGRAM

Alzheimer's patients who are prescribed antipsychotic drugs face a higher risk of death than similar patients not given

these medications do, British researchers report. While the short-term use of antipsychotics has been found to benefit Alzheimer's patients, studies have found that prolonged use can have serious side effects. The researchers found that, for the whole 2 year study period, the risk of death was 42% lower among people taking a placebo compared with those taking antipsychotics.

Despite the findings, there's still a place for antipsychotics. If there is no other way to stop an Alzheimer's patient from acting dangerously, then antipsychotics can be used as a measurer of last resort, but only for the shortest possible time at the lowest possible dose.

Families need to question their doctor if he/she recommends an antipsychotic. Families need to ask these questions: What is it for? Why did you choose it? Is this the lowest dose that works? Have you considered an alternative? How long will my relative need to be on it? How often will my relative be checked for side effectives?

Thanks again to Karen J. Baird of Red Bluff Chapter 1655 for her articles on Alzheimer's Program

OPM TOOLS

Service Officers should be aware of various Internet inquiries with OPM. You can use your Internet online OPM tools to make the following calculations and changes to your benefit payment.

- Compute the [tax-free portion](#) of your annuity payments.
- Figure your [monthly Federal income tax withholding](#).
- Use [Services Online](#) to view a statement of your annuity, start, change, or stop your Federal and State income tax withholdings, purchase savings bonds, and obtain duplicate tax statements (1099Rs), notify us of changes in your mailing address, sign up for or change your account or financial institution for direct deposit of your annuity payment, and make allotments to organizations, or create checking or savings allotments.
- Find the last day to make changes to your next payment in the [Payment Schedule](#).

The [FEGLI Calculator](#) is an on-line, interactive calculator that allows you to determine the face value of your FEGLI insurance; calculate how much you are paying for this coverage; see how choosing different options can change the amount of your life insurance and your premium withholdings; and see how the life insurance carried into retirement will change over time.

EMPLOYEE EXPRESS

Service Officers may occasionally receive questions on many of the following subjects related to pay changes, FEGLI value, pin number. etc. The following information is provided in the form of questions and answers:

Q. What is Employee Express?

A. Employee Express is an innovative automated system that Federal employees use to make their personnel and payroll transactions electronically.

Q. Can every employee use Employee Express?

A. No. Only employees of agencies that subscribe to Employee Express can use it.

Q. Why use Employee Express?

A. It saves time. It's convenient. It's reliable. Employee Express eliminates the need for completing and submitting forms by replacing forms with user-friendly technology. You'll never again make a special trip to personnel to drop off forms; instead, **you** can process changes or review your current information anytime and nearly anyplace. And perhaps best of all, Employee Express automatically checks your transaction -- a feature that wasn't available using paper forms.

Q. When can I use Employee Express?

A. You can use Employee Express anytime, 24-hours a day, seven days a week.

Q. What can I do on Employee Express?

A. You can change most "discretionary" personnel and payroll transactions, including your:

- Financial allotments
- Savings bonds
- Health benefits
- Thrift Savings Plan (TSP)
- Direct deposit
- Federal and state tax withholdings
- Your home address
- Combined Federal Campaign (CFC)
- Your Employee Express PIN
- New! – Current employees can also get a copy of your Leave and Earnings Statement or the current pay period and two previous pay periods.

(You can't change your life insurance on Employee Express.)

Q. I thought I could change my health plan and my Thrift Savings plan. These options are not listed on my Employee Express menu. Why?

A. Not all screens are accessible by all employees or available at all agencies. For example, if you participate in premium conversion, you may not change from self and family to self only or cancel your FEHB enrollment at any time. Therefore, this menu option will not appear. You may still be able to change your enrollment if you have experienced a [qualifying life event, or QLE](#). If you don't find the change option on your menu, see your Human Resources office.

Q. How do I access Employee Express?

A. You can use Employee Express by touch-tone phone and through the Internet. For security reasons, we don't recommend using a cellular phone. For information about Employee Express in your agency, contact your Human Resources office.

Q. What information will Employee Express need?

A. To use Employee Express, you'll need to provide your social security number (SSN) and an Employee Express personal identification number (PIN). For a few transactions, you may need to give more information.

Q. I am a new employee. How do I get my Personal Identification Number (PIN)?

A. The Office of Personnel Management in Macon, Georgia (OPM-Macon), will mail a PIN to you within your first two weeks on the job.

Q. Can I get a new PIN if I lose or want to change it?

A. Call the OPM-Macon Help Desk at 478-757-3030, choose the PIN option, and request a new PIN. The Help Desk will mail your new PIN the next day. Since the Help Desk will mail your new PIN to the address your agency has on file, make sure that your Human Resources office has your current address. We suggest you change your PIN to something easy to remember and be sure to keep your PIN in a safe place. You won't be able to use Employee Express until you get your new PIN.

Q. How safe is the system?

A. Your information is as secure as using an ATM. Your using a combination of SSN, PIN, and agency-specific information makes it secure.

Q. Is someone there to help me if I need it?

A. Help is always there when you use Employee Express. You can call the OPM-Macon Help Desk at 478-757-3030 Monday through Friday from 7 a.m. to 7 p.m. EST. At other times, leave a message and someone will call you back. You can also send email to EEXHELP@opm.gov. Contact your Human Resources office if you have questions about your specific personnel or payroll records.

Q. What does the help desk do?

A. The Help Desk:

- Tells you what transactions you can do (link to question #4) and how to do them using Employee Express;
- Gives numbers for the Employee Express phone system;
- Gives locations for touch screens (kiosks) and contacts for Human Resources offices;
- Gives the Employee Express email address;
- Issues new PIN's
- Automatically sends a verification letter to you for health benefits changes you make in Employee Express. (For paperwork on other changes, contact your Human Resources office.)

Q. How can I get help from the help desk?

A. You can reach the Help desk by phone at 478-757-3030 or email at EEXHELP@opm.gov. When you email the Help Desk, be sure to include this information in your message:

- Your full name
- Your agency's name
- Your phone number
- A brief description of your problem
- **Do NOT include your SSN or PIN in your email.**

Q. How will I know whether Employee Express processed the change?

A. You can check Employee Express for pending actions. You will also see the change on your Leave and Earnings Statement. Employee Express will set an effective date of change and give you the date the change should show on your Leave and Earnings Statement.

Q. What should I do if the change is not on my leave and earnings statement?

A. See your Human Resources office if the effective date Employee Express gave you is passed and you do not see the change on your Leave and Earnings Statement. (If Employee Express did not give you a confirmation date, call the OPM-Macon Help Desk at 478-757-3030 or email them at EEXHELP@opm.gov; they will track the transaction to verify the change was made.)

Q. Will I get a paper confirmation of the change?

A. Employee Express is essentially paperless. The only time you'll get a paper confirmation is when you make a health benefits change.

Q. I transferred to another agency -- will I get a record of the changes I made through employee express?

A. The agency you are leaving will file a report in your Official Personnel Folder of all the health benefits and Thrift Savings Plan changes you made using Employee Express. You can get a copy from your Human Resources office.

U.S. Office of Personnel Management 1900 E Street NW, Washington, DC 20415 | (202) 606-1800 | TTY (202) 606-2532.

CHILDREN SURVIVOR BENEFITS

There was a recent question referred to me by a Service Center representative regarding the matter of a disabled daughter qualifying for Child Survivor Benefits. Background on this story is that the daughter (now 54) was disabled before the age of 18 and has been carried on her father's health plan even after her father's retirement.

Her father passed away on May 9, 2009. Following the death of the annuitant, the health carrier, Blue Cross/Blue Shield, notified the sister who is her "representative payee" that the daughter no longer qualified to continue health insurance coverage.

After review, it was discovered that FEHBP law provides that if the child's disability occurred prior to age 18, and the disability is such that the child is incapable of self-support, the daughter would be eligible to receive Child Survivor Benefits. By law the amount in this case where both parents are deceased is \$563 per month.

In this case is retroactive to the date of death of her father (5/9/09)? Also included was a reactivation of her Health Insurance Coverage with Blue Cross/Blue Shield on the same date. The insurance premium will be deducted from her monthly annuity.

I provided the details in this story because it is important that Service Officers' ask the question "is a disabled child". We cannot assume that OPM will automatically pick this information up from the files. Therefore, I strongly recommend including the question when preparing OPM notifications of death of an annuitant.

Thanks to David Snell, NARFE Retirement Benefit Services for getting me on track.

THE ACT/BILL IS THE BEGINNING OF HEALTHCARE REFORM

Timelines for Implementation:

• 2010

- Bars insurance companies from denying coverage to children who have pre-existing conditions.
- Prohibits insurance companies from dropping your coverage because you get sick.
- Enables uninsured people with pre-existing conditions to get coverage through a temporary subsidized high-risk pool.

- Eliminates lifetime caps on coverage limits and restricts annual limits on new plans effective 2014.
- Allows you to keep your children on your plan until they turn 26.
- Starts closing the Medicare prescription drug "donut hole" with a \$250 rebate for people who fall into the donut hole. (Drug rebate by manufacturers after 12/31/2010) (See (1) "donut hole" explanation below)
- Allows free preventative care under Medicare. Eliminates co-payments and exempts preventive services from deductibles under the Medicare program.
- Helps companies offset the cost of providing coverage to early retirees age 55-64.
- Ensures consumers in new plans have access to an effective internal and external appeals.
- Process to appeal decisions by the health insurance plan.
- Provides aid to states in establishing offices of health insurance consumer's assistance in order to help individuals with the filing of complaints and appeals.

• 2011

- Continues closing the Medicare prescription drug "donut hole" by providing a 50 percent discount on brand- name drugs in the donut hole. By 2011 institutes a 50% discount and completely closes "donut hole" by 2020
 - Provides grants to states for consumer assistance programs.
 - Ensures value for premium payments for plans in the individual and small group market to spend 80% of premium dollars on medical services, and plans in the large group market to spend 85%. Insurers that do not meet these thresholds must provide rebates to policyholders.
 - Increases funding for Community Health Centers to allow for nearly a doubling of the number of patients seen by the centers over the next 5 years.
 - Provides new investments to increase the number of primary care practitioners, including doctors, nurses, nurse practitioners, and physician assistants.
 - Prohibits new group health plans from establishing any eligibility rules for health

care coverage that have the effect of discriminating in favor of higher wage employees.

- 2012

- Begins payment reforms and incentives to encourage doctors and hospitals to provide more efficient and higher-quality care and reduce preventable hospital readmissions.

- 2014

- Bars insurance companies from denying coverage because of pre-existing conditions or charging more for groups with large numbers of women.
- Prohibits health plans from imposing annual limits on the amount of coverage you can get.
- Opens health insurance exchanges in each state to individuals and small employers, allowing people to comparison shop.
- Makes insurance affordable for lower-income people through tax credits and vouchers to use in the exchanges and by expanding access to Medicaid.
- Requires most people to have health insurance or pay a penalty.
- Requires employers with 50 or more employees that don't provide health coverage to pay a fee for employees who have to get subsidies to buy their own insurance in the exchanges.

- 2018

- Begins the excise tax on employer-provided health plans costing more than \$27,500 for family coverage and \$10,200 for individual coverage. For retirees and workers in high-risk professions, the thresholds are \$30,950 for family coverage and \$11,850 for individual coverage. Thresholds will increase with inflation and if the group has a large number of older members or women. The work of union activists reduced the excise tax by 85 percent from the original proposal by raising the thresholds and pushing back the effective date.

(Note: NARFE opposes this issue.)

- All health plans, including FEHBP, will be required to cover proven preventive services with no cost-sharing.

(1) The "donut hole", or coverage gap, has been one of the most controversial parts of Medicare Part D since the prescription coverage benefit went into effect 2006. Here's how the "donut hole" works for most Medicare recipients:

- patients have to pay for their prescription needs until a deductible is met; usually 310 dollars.
- after that, the drug plan covers 75% of prescription costs, the patient picks up the remaining 25%.

that benefit is available until total drug costs reach \$2,830.

once that total is met, Medicare recipients fall into the "donut hole". They are then responsible for the full cost of prescription drugs until their drug costs reach \$6,440. It's a situation that about one in four Medicare recipients find themselves in and is difficult for many. A provision in the newly passed health care reform bill has a structured plan that would, by 2020, ensure seniors won't have to pay full price for medications after meeting their deductible. Those who meet their deductible this year and pay full price for prescriptions can expect a \$250 refund, about election time, if the legislation passes.

It is noted that Members of Congress and their Washington, D.C. personal office and district or state offices' staff are required to receive their health coverage through the state-based "Health Insurance Exchanges" created by the legislation for the uninsured and small business workers. (Note: Members of Congress and Congressional staff are federal workers and some are NARFE members).

NEW RULES – RE-EMPLOYMENT WITHOUT OFFSET

On October 28, 2009 President Obama signed the Conference Report on the fiscal year 2010 National Defense Authorization Act (H.R. 2647, now P.L. 111-84). During the past several years, NARFE has played a leading role, in coalition with other federal and postal union and management organizations, in overcoming several obstacles to pass the needed civil service improvements included in the final Defense Authorization bill.

The new law **1)** allows federal agencies to re-employ federal retirees on a limited, part-time basis without offset of annuity; **2)** permits Federal Employees Retirement System (FERS) workers to initially credit half, and in 2014 all, of their unused sick leave toward retirement; **3)** phases out the non-foreign cost-of-living adjustment system for federal employees in Hawaii, Alaska and U.S. territories, replacing it over several years with locality pay, which can be counted for retirement purposes; and **4)** ends the Department of Defense's pay-for-performance personnel system, the National Security Personnel System (NSPS), restoring employees to the federal General Schedule pay system. NARFE's press release provides additional information as will December's *NARFE Magazine*.

<http://www.narfe.org/departments/home/articles.cfm?ID-1926>.