

S.O.S. NEWSLETTER

“SERVICE OFFICERS FOR SERVICE”

SERVICE OFFICER NEWSLETTER

VOLUME 6 – 1

JANUARY 2006

EDITORS MESSAGE

It is amazing how time fly's – as they say when you are having fun. As usual for a Service Officer, we are called upon to assist Annuitants or surviving spouses in getting the papers from OPM in the case of death. Last year I ran into the typical situation of the person calling not having the needed information to notify OPM. The form I use, which is filled out by the annuitant is helpful because the information is not otherwise available during the grief period. I am including the form again with this newsletter. This newsletter will also include a few subjects that have been discussed in other newsletters but need repeating such as the decision to sign up for Medicare Part B. How many used the November SOS Newsletter to explain the new Part D Medicare provisions? I am including more discussion on the subject. I am still interested in receiving requests from Service Officers for topics you want discussed or repeated. Finally, I am hopeful that all Service Officers are able to get copies of this newsletter and previous newsletters from the internet. Please work with your NARFE Net Coordinator to get your collection of newsletters for your files.

*Mary Venerable
Chair, Service Committee*

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NARFE SERVICE CENTERS IN STATE OF CALIFORNIA

35 – 3916 Marilyn Place, Bakersfield, Ca. 93309 (661) 833-1647– JoAnne Rowles– By Appt.
8 – NARFE Federal Civilian Service Center 5440 Dudley Blvd, McClellan, CA. 95652 (916)971-2888 or 2889 – Ann Kehoe. Mon. & Thurs. 9 a.m. to Noon. Robert Johnson (916) 635-4576.
1 – NARFE Service Center, Residence - P.O. Box 69, Patton, CA. 92369, (951) 862-7685 – Vaudis Pennell - By Appointment.

#21 - Elderhelp of San Diego, 4069 30th St., San Diego, (619) 284-9281 – William Doll – Thurs. 9 a.m. to 12 Noon

#42 – Residence of Vernon Rood, 7016 Oak Leaf Dr, Santa Rosa, CA. 95409 (707) 537-9044 – Q & A's by phone -mail Vrood@aol.com

145 – NARFE Retiree Affairs, Naval Air Warfare Station, Bldg. 2302, Rm. C, Blandly St., China Lake, CA. 93555 (760) 939-0978 – Theresa Gonzales – Mon – Fri. 9 - 11 a.m. & 1 - 3 p.m.

4 – Mare Island Naval Shipyard, Bldg 535, 2nd Floor, Vallejo, Ca. (707) 562-3179 - Everett Crockett, - Mon. – 12 Noon to 4 p.m. Mail – 312 Hampshire St., Vallejo, CA 94590.

171 – Residence of Katie Karikka, Los Osos, CA. (805) 528-2422 – Questions & Service by phone 24 hr.

183 – Residence of Emile Lapointe, 204 E. Viesta Green, Port Hueneme, CA. 93041 (805) 984-3341 Questions & Service by phone.

149 – Antelope Valley Senior Center, 777 W. Jackman Street, Lancaster, CA 93534 - Norma Keipe, (661) 726-4400. – Mondays 9 a.m. to Noon (except in July, August & holidays)

12 - Oceanside Senior Center, 455 Country Club Lane, Oceanside, CA. 92054 Josephine M. Murphy - (760) 433-8933 - Weds. 12 Noon to 3 p.m.

78 - Fresno Veterans of Foreign Wars, 530 N. Parkway Dr., Fresno, CA. (559)299-4207 – Charles (Chuck) Hedrick – By appointment.

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

133 – NARFE Service Center, New!! Jean Stone, 1252 Lorraine Dr., Redding, Ca. 96002 – (530) 222-2321 – By appointment.

#202 -NARFE Service Center, Norman P. Murray Com. & Senior Center, 24932 Veterans Way, Mission Viejo 92692. Bert Zucker – (949) 470-3063 – 2nd & 4th Monday ea. Month from 1-3 p.m.

Notify M. Venerable of any changes to the above. List details and changes for Chapter or Service Center.

Notice: The status and information about Service Centers is subject to change. For up-to-date information see the Federation's website. Notify Jo Murphy of changes by FAX (760) 439-5277 or E-mail at mjojo@oco.net

WEBSITES OF INTEREST

Issues of all SOS Newsletter are available on line through NARFE California Federation Web Site – <http://csfcnarfe.org> NARFE National Office at <http://www.narfe.org> - Publications
FEGLI Life Insurance at <http://www.opm.gov/insure/life/index.htm> (800)633-4542 OPM Retirement www.opm.gov.retire

COLA FOR 2006

By now retirees should have received notification a Notice of Annuity Adjustment from OPM that includes your COLA increase of 4.1% for CSRS and 3.1% for FERS. Your spouse should be notified of the amount they would be entitled to in the event of the death of the annuitant. Go back and read the additional information on this notice which also states that your February check will reflect the change in Health Insurance Premiums – so don't get attached to the COLA increase!

MEDICARE PRESCRIPTION DRUG PROGRAM

The Medicare Prescription Drug Program is now became effective on January 1, 2006. If you didn't read the 98 page booklet entitled "Medicare and You" you can be assured that you made the right decision, if you stayed with the FEHBP health plan. In the November SOS Newsletter, I stated: "The good news, for retired Federal Employees, covered family members and those with TRICARE coverage is that those with Federal Employee Health Benefits (FEHBP), Veterans Benefits and TRICARE Military Benefits will not have to worry about signing up for Medicare **PART D** because they have coverage under their health plan".

My observation is that every health plan provided notification about their

coverage which is equivalent to the PART D coverage. Please refer to the November SOS Newsletter for the information needed to advise retirees. Remember if you are still confused you can call, **1-800-Medicare** or go to the **website, www.medicare.gov**.

SHOULD I SIGN UP FOR MEDICARE?

This question comes up regularly and it is particularly of concern with the increase in Medicare PART B premium to \$88.50 in January 2006.

A recent inquiry from Emile Tremelis of the Mt. Baldy Chapter on the subject is the reason for this article. Specifically, Tremelis wanted me to tell him what to do and why he should sign up for Medicare Part B.

It was interesting to note that he had already decided that it was not cost effective for him to sign up for Part B, since he was not going to the doctor often and was paying a small amount for doctor's visits. He did not see the savings of \$5 for each office visit at Kaiser under the Senior Advantage Plan as beneficial vs. having to pay \$88.50 a month for Part B. Needless to say, after our conversation and hearing other reasons for signing up, he was changing his mind.

Many Service Officers who have the Service Officer Guide on the subject, have read information regarding the question of signing up for Medicare. Before reaching the magic age of 65, retirees should look into the Medicare coverage and compare the benefits of having both FEHBP and Medicare.

Many retiree's don't have Social Security Coverage from which the Part B premium is deducted, therefore they must make separate arrangements to pay for Part B.

Enrollment in Medicare at age 65 is neither mandatory nor required. Federal retiree's with FEHBP coverage **do not need** Medicare coverage because their plans pick up the difference or, in some cases, pays for the services not covered by Medicare. And then there are some retirees who

don't want the FEHBP insurance such as: Blue Cross-Blue Shield, GEHA, Mail Handlers, Pacific Care, Kaiser and wish to sign up for a Medicare sponsored Health Plans such as Secure Horizons, SCAN, or Health Net which requires Medicare coverage.

Remember that a change to a Medicare sponsored health plan requires the "suspension" of your FEHBP coverage (with notification to OPM) and the opportunity to change back to the FEHBP plan is only during an Open Season period.

Retiree's should be aware that if they don't sign up for Medicare Part B within 3 months before or 3 months after reaching age 65, there will be a 10% penalty for each full year after reaching age 65. This penalty becomes a lifetime penalty that is added to the Medicare monthly premium.

So the question to sign up for Medicare is up to each individual with the understanding that if they don't sign up at age 65 and they later change their mind - **they must live with the penalty imposed and they can rest on their laurels while thinking about the money they saved during the period that the Medicare premium was not paid.**

2006 CHANGES TO GREEN BOOK - SOCIAL SECURITY BENEFITS

| | |
|---------------------------------|----------|
| Part B Monthly Premium | \$ 88.50 |
| SSA Maximum taxable | \$94,200 |
| <u>Quarter of Coverage (QC)</u> | |
| Earnings required 1 qtr | \$ 970 |
| Earnings required 4 qtrs | \$ 3,880 |
| <u>Earning Test</u> | |

Age 62 to full retirement age 65 & 6 if born in 1940, 65 & 8 if born in 1941 and 65 & 10 if born in 1942. A Penalty of \$1 for every \$2 above \$12,480 p/a or \$1,040 per month.

A Penalty of \$1 for every \$3 above \$33,240 p/a or \$2,270 per month in the year and number of months prior to attaining full retirement age. Note:

There is no penalty in the month an individual attains full retirement age.

In 2006 –

| | |
|---------------------------------|---------|
| Maximum monthly benefit | \$2,053 |
| Average Monthly Benefits | |
| Retired worker along | \$1,002 |
| Aged Couple | \$1,648 |
| Widowed mother & 2 Children | \$2,074 |
| Aged widow(er) alone | \$ 967 |

NORMAL ORDER OF PRECEDENCE

Questions have been asked about the normal order of precedence in the case of the death of an annuitant.

Normal order of precedence has been described as the order in which benefits are paid. The order of precedence is:

- (1) Designated Beneficiary
- (2) Widow or Widower
- (3) Children, divided equally
- (4) Parents
- (5) Executor, Administrator of the estate
- (6) Next of Kin

There is an important point in this listing and that is the question of Step Children and how they are treated in the order of precedence. Specifically, Step children are not entitled to any lump sum payments under the order of precedence as children. However, Step children can be designated beneficiaries, but they do not qualify as children. Step children may qualify for survivor annuities. Adopted children are entitled as children.

For additional information, Service Officers can go to www.opm.gov, click on "Site Index", scroll to "H" and click on "CSRS FERS Handbook for Personnel and Payroll Officers" to review the information under "Death Benefits".

DESIGNATION OF BENECIARY

The discussion above brought to mind the need to remind members to check and make sure they have a Designation of Beneficiary Form completed and that it is up to date. Forms can be download from the OPM website.

SURVIVOR ELECTION

A number of questions have been raised regarding the matter of providing survivor benefits for a spouse acquired after retirement or after the death of a spouse.

The rules bear repeating because of the importance of timeliness. The two categories include: Unmarried at retirement and Married at retirement.

(1) If the retiree was unmarried at retirement, he or she may elect, **within 2 years after the marriage**, a reduced annuity to provide a current spouse survivor annuity benefits (CSRS 55%) & (FERS 50%). The reduction in the retiree's monthly annuity is effective no earlier than the first of the month beginning 9 months after the date of marriage.

(2) If the retiree was married at retirement, that marriage ends through death, and he or she marries again, the retiree may elect, **within 2 years of remarriage**, a reduced annuity to provide a current spouse survivor annuity.

In the case of a survivor election for a spouse acquired after retirement, the retiree must agree **to pay** a deposit equal to the difference between the amount of annuity actually paid and the amount of annuity that would have been paid if the survivor election had been in effect continuously since the time of retirement or since the date the reduction terminated by death, divorce or annulment, whichever is applicable. Interest is assessed against the amount owed at the rate of **6 percent**, compounded annually. This deposit is paid by permanent actuarial reduction that, in most cases, is less than 5 percent of the employee's annuity.

To avoid any misunderstanding regarding the above provisions, annuitants should contact OPM to find out the cost involved to provide Survivor Benefits to the new spouse

A way to avoid paying the penalty is **not** to have the reduction currently in effect for survivor benefits restored to your annuity. In this case, a new spouse can

be designated by providing OPM with a copy of the death certification of the spouse and a copy of the marriage certificate for the new spouse.

ANNOUNCEMENT OF SPECIAL NARFE MEMBER BENEFIT.

How many of you received a special packet of information entitled "2005 NARFE Benefit Registration"? How many of you read page 69 of the January Retirement Life Magazine with the heading "Announcing Your Special NARFE Member Benefit"?

Well, if you did receive the mailer with an ID card included with your name and a membership number and you wondered what it was all about, I took steps further to find out. If you saw the flyer in the Retirement Life magazine but looked over the information, you might not have been as disturbed as several NARFE members were.

Calls came in asking how this company, that is not a NARFE department, got your name and address in the first place. We know that OPM will not give NARFE our addresses for blind mailing but they send the names and addresses to an organization that is solely responsible for the security of our personal information.

In this case, it appears that NARFE "sold" our names and addresses to this Insurance company – The Hartford Life and Accident Insurance Company. The letter has the NARFE Logo and stated that the member (by name) had been pre-registered for up to \$4,000 a year in NARFE cash benefits. They also issued an ID in the members name. The final straw is that the last page of the letter identified as: "NARFE Recovery Care Plan Simplified Confirmation" lists the members name and what appears to be the members NARFE membership number.

Now, my complaint and the complaints of others is that some members were contacted during a time when Open Season began and there was confusion about Medicare Part D. The appearance as a NARFE organizational element did not help.

When I wrote to Ken Glass of Retirement Services, he stated that his Department has nothing to do with this and he would forward my e-mail to the Marketing Department, the Operations Department, the National Vice President and the National President.

I received a response from Sandra M. Rebholz, Marsh Affinity Group Services in Washington, D. C. (202) 367-5225. She indicated that the information I referred to was sent out by NARFE Insurance Services. Furthermore that we (NARFE) offer members the opportunity to purchase voluntary insurance plans. The mailing is for the Recovery Care Plan which is designed to provide a cash benefit to help the insured person with hospital and home health care benefits.

Now the information about the plan is fine but it did not answer the question of how this private insurance company got our name and address. At this time, I have forwarded my concerns to a number of influential people in the California Federation and I hope to be able to place in our next Newsletter, the information about how to treat the information. Stay turned!!!

SENIOR CONCERNS

Beside the fact that we are all getting older, we must also be aware of others trying to take advantage of us. What I am talking about is the matter of "Identity Theft". At one of our recent Chapter meetings, we had an officer from the local Police Department who investigated complaints regarding fraudulent matters. By the time he finished everyone was aware of some of the things going on that involves fraud against others but primarily against seniors.

There are many fraudulent acts and you may be aware of some of the very important acts. The first is to never give your Social Security Number to anyone over the phone and be selective if requested in writing; Never give the 3 numbers on the back of your credit card to anyone; Never set up a Personal Identification Number (PIN) and

password that can be identified. (Avoid using easily available information like your mother's maiden name, your birth date, the last four digits of your Social Security number of your phone number, or a series of consecutive numbers); On new checks, order only your initials instead of first name and last name. (If someone takes your checkbook they will not know if your sign your checks with just your initials or your first name but the bank will know) also never have your SSA printed on checks; Do not sign the back of your credit cards. Instead, put "Photo ID Required"; When writing checks to pay your credit card accounts **DO NOT** put the complete account number on the "For" line. Instead put the last four numbers. The credit card company knows the rest of the number; Make a copy of the contents of your wallet on a photocopy machine. **Do Both Sides of each license, credit card, etc.** This way you will know what you had in your wallet and all of the credit card account numbers and phone numbers to call to cancel.

If your wallet is stolen, you also stand the chance of having the thief ordering expensive items. File a police report immediately in the area where the credit cards, etc. were stolen. This proves to the credit providers you were diligent, and this is a first step toward an investigation (if there is one); and finally call the 3 national credit reporting organizations immediately to place a fraud alert on your name and Social Security number. They include: Equifax: 1-800-525-6285; Experian (formerly TRW): 1-888-397-3742, www.experian.com; TransUnion: 1-800-680-7289, www.transunion.com.

- These three consumer reporting companies will send you free copies of your credit reports and if your ask, they will display ONLY the last four digits of your Social Security number on your credit reports. The Social Security Administration also has a fraud line: 1-800-269-0271. And finally, to reduce the number of unwanted phone calls to your home or

cell phone, the Federal Communications Commission (FCC) has established a national DO-Not-Call Registry Commercial telemarketers may not call you if your number is one the registry. Consumers may register their residential telephone number, including wireless numbers, on the national DO-Not-Call registry at www.donotcall.gov or by calling 1-888-382-1222.

These a just a few of the important areas of concern – the recommendation is to **be aware, be alert and be smart!**

TAX INFORMATION

Tax time is coming in April 2006 and you should receive your tax information from OPM by the end of January 2006. If you find the need to make changes to the amount of California State tax of Income Tax being withheld from your annuity, you can contact OPM by telephone (888) 767-6738, e-mail at retire@opm.gov, or regular mail. If you wish to have California State tax withheld from your annuity you will need to provide your CSA or CSF # and your PIN. If you have lost your PIN, you can request a new number. Receipt requires 2-3 weeks.

SERVICE OFFICER RESPONSIBILITIES

The last article in this Newsletter is specifically for Service Officer's . I am very much aware that Service is a volunteer position. The responsibilities that come with the position are often more than can be expected but we have to do a good job. If, due to health or lack of interest, you cannot perform all of the duties of a Service Officer, you should consider helping to find a member who is interested in doing the job. Training can be provided.

Each Service Officer should have copies of the all SOS Newsletters that have been issued in the last 6 years. Answers to many questions can be reviewed by going to the specific newsletter. I recommend getting copies for a notebook by downloading the issues from the California Federations web site at: <http://csfncnarfe.org> and going to the Publications section.

NARFE CHAPTER MEMBER INFORMATION FORM

As a Service Office, I have received questions from NARFE members regarding the form I am using for my Chapter to collect personal information on Chapter Members. I developed this form from the data requested by OPM when they receive notifications of the death of an annuitant. I merely put the needed information in a format that, when completed by the annuitant, can be given to me ahead of time making it unnecessary to contact anyone else for the information. I have also asked for the name, telephone number and relationship of the family member (other than spouse) who may be assisting in gathering and providing the required information. At the bottom of the form I asked that the annuitant inform his/her spouse or family member of my name and telephone number as the contact person to provide assistance. Finally, I ask that all important retirement and insurance documents, including the Civil Service Annuity Card number, are placed in a folder and clearly marked and that all responsible parties **be made aware** of where the folder is located.

I ask for the completed form to be mailed to me or given to me personally and advised the annuitant that the contents of the form will be kept confidential and will ONLY be used to notify OPM of the death of an annuitant or spouse and to order Death Benefit Claim Forms. Service Officers can use this form for members in their Chapter. **NOTE: Be sure to insert your name and address and phone number.**

Retiree's should already have NARFE Form F-100, "Guide for Annuitant & Survivor Benefits" completed and filed with other important personnel documents they received when retired. Completion of this form will cause the search for many important documents and will allow them to be put together in one place. I have reproduced the form below so it can be used by Service Officers to pass out to their members. The form for Chapter members is as follows:

=====

I am also asking that Service Officer's take the responsibility of notifying OPM by phone 1-888-767-6738 or by Internet (which is faster) at retire@opm.gov. If notification is by Internet, Service officers will receive an acknowledgement of the notification and in some cases will respond directly to the Service Officer if questions or problems are noted. The response to inquiries will result in your having a name at OPM who may be handling the case. Once the Death Benefit Claim forms are received, your job might be done unless help is needed in completing the forms.

Personal Information for Service Officer

TO NARFE CHAPTER MEMBER: My responsibility, as NARFE Chapter Service Officer is to assist Chapter Members and their family who experience a loss of a retired annuitant or the annuitant's spouse or loss of a surviving spouse. The information is needed to prepare a notification to the Office of Personnel Management (OPM), which is not always immediately available. Many times, it is a family member helping to provide the required information. As a result, I may have to wait or make inquiries with OPM for the information needed to advise the bereaved party(s).

I am therefore requesting the completion of the following form that has the data needed to notify OPM after the death of a NARFE member or family member. It will also help me to expedite the notification and the receipt of claim forms. Be assured that this information is handled confidentially and will be used only to notify OPM.

NARFE CHAPTER MEMBER INFORMATION FORM

01/06

NAME OF ANNUITANT: _____ CSA NO.: _____

DATE OF BIRTH: _____ SOCIAL SECURITY NO: _____

DATE OF DEATH: _____

FEDERAL EMPLOYEES GROUP LIFE INSURANCE (FGLI): ___ YES ___ NO

OPTIONAL INSURANCE: ___ OPTION A ___ OPTION B ___ OPTION C _____

IS DESIGNATION FOR FGLI INSURANCE CURRENT? ___ YES ___ NO.

NAME OF SPOUSE/SURVIVING SPOUSE _____

CSF NO: _____ DATE OF BIRTH: _____

SOCIAL SECURITY NO.: _____

HEALTH INSURANCE PLAN NAME: _____ ID No: _____

SELF ONLY ___ SELF & FAMILY ___.

IS THERE A DISABLED CHILD (over 18) COVERED BY YOUR HEALTH PLAN? ___ YES ___ NO.

IF YES, NAME _____ RELATIONSHIP: _____

YOUR HOME ADDRESS: _____

PHONE NO: _____ E-MAIL ADDRESS _____

NAME AND RELATIONSHIP OF FAMILY MEMBER (other than spouse) WHO MAY BE ASSISTING IN PROVIDING

INFORMATION: _____ RELATIONSHIP _____

NAME

 ADDRESS _____ PHONE: _____

You are requested to inform your spouse or family member of my name, Chapter Service Officer's name telephone number _____), and that I am available to provide assistance. Also, be sure that all important retirement and insurance documents, including your Civil Service Annuity Card number are placed in a folder and clearly marked. You should make sure that all responsible parties know where this folder is located.

Mail this form with the above information filled out to: Name of Chapter Service Officer, Address and phone number. The information on this form will be kept confidential and will ONLY be used to notify the Office of Personnel Management (OPM) of the death of an annuitant or spouse and to order Death Benefit Claim Forms.