



MCREA

Montgomery County Retired Employees' Association, Inc.

September 2013

⇒ See Page 6 for Time-Sensitive Info on Retiree Health Insurance Seminars

ANNUAL MEETING SUMMARY

President Barbara Garrard welcomed attendees to MCREA's annual meeting held in the COB Auditorium on June 4, 2013, at 7:00 p.m. She first introduced guest speakers Linda Herman, Executive Director of MC Employee Retirement Plans (MCERP), followed by Belinda Fulco, Division Manager, OHR Health and Employee Welfare, and Melanie Mason, OHR Benefits Communications Specialist, and thanked them for coming to the meeting.

MCERP Summary Presentation:

Linda Herman covered a range of topics that included the following points:

- FY14 COLA will be announced by the Department of Labor towards the end of June.
- Moving retiree payroll in-house and consolidating retirement benefits into one organization, effective FY13, was to enable better service, improved internal control, and lower fees.
- MCERP's new online system is operational. The system currently allows retirees to make changes to their mailing address or Federal tax withholding, to view pay advices, and at a future date retirees can participate in open enrollment for health insurance. The MCERP database is now the sole source for keeping retiree addresses up to date for purposes of both retirement payments and health insurance information. To date, only 800 retirees (out of approximately 6,000) have initiated this self-service system. To review MCERP's April 15 letter announcing the new on-line system, click [here](#). (See later article on page 5.)
- Effective January 2013, Fidelity became the record keeper for all of the County's Defined Contribution Plans, including the Deferred Compensation Plan; among the benefits are enhanced service levels for participants, as well as lower fees, and accessibility to services through Fidelity's regional offices all across the U.S.
- The number of participants and asset levels managed in each of the County's Retirement Plans, including the Employees Retirement System (ERS), Retirement Savings Plan and Deferred Compensation Plan were presented.
- ERS investment returns last year ranked better than 90% of the returns achieved by all other pension plans in the U.S. The ERS funded status (assets available to cover Plan liabilities) is estimated at 78%.

A copy of Linda's presentation is available at

http://www.mcreaonline.com/site_art/annmttg_%20pres_june13.pdf.

Contact information for MCERP is published on the last page of this newsletter. Retirees also can register questions or requests for information through the County's 311 number.

OHR Health Insurance Benefits Presentation:

Belinda Fulco introduced CareFirst representatives Michelle Finney and Major Lewis as well as Tony Scalessi from Caremark, who are the liaisons for our County health plans.

Belinda took a few moments to remember Eric Wallmark, who passed away unexpectedly last fall at age 57. Eric was OHR Division Manager until being assigned to a County special project a few years ago. Retirees will remember Eric as exceedingly cheerful and helpful, and he attended MCREA annual meetings for over 10 years to keep us informed about our benefits. (The loss of another OHR colleague last year, Tom Brewster, was also noted during the meeting.)

OHR invited attendees to submit written questions about their insurance coverage for OHR to follow up on individually.

Belinda then discussed the following topics:

- The Division's new name is OHR Health and Employee Welfare Division. She is restructuring the Insurance Benefits Team to include a Health and Wellness Customer Service Center dedicated to improving customer service as well as response time to inquiries.
- The potential impact on health coverage by the Affordable Care Act (ACA) was reviewed. An immediate effect has been expanding our plan's covered population (e.g., for family members up to age 26). Also of special note is the County's Indemnity Plan which is considered a retirees-only plan, and is excluded from ACA. As with most organizations, the County continues to closely monitor ACA guidance from the Feds.
- Mental Health & Substance Use Disorder Parity – These benefit improvements became available through the County's health plans as of January 2013, and are on equal footing for coverage with other medical and prescription needs. (Note: A special communication about this was mailed to retirees in February 2013, and the subject was covered in the March 2013 MCREA newsletter.)

Melanie Mason, overseeing health insurance-related communications, discussed three matters:

- OHR's retiree health benefits seminars will be offered again this fall and will include a speaker from Medicare. Last year's first-time offerings of these seminars were well attended. Stay tuned for date announcements. (See later article on page 6.)
- An online costs estimator for health insurance premiums has been tested and is fully operational. OHR Benefits has put a lot of work into creating it, and encourages retirees to take advantage of it. The ongoing version of the system can help determine your new plan rates if the criteria are met for a mid-year insurance change. An Open Enrollment version of the Estimator will be available this fall to compare 2013 and 2014 rates. (See page 6.)
- OHR is preparing a new system that will enable retirees to make their Open Enrollment changes online instead of using a paper form. She asked for volunteers to test the system this summer. (See later article on page 6.)

President's Report by Barbara Garrard and Action on the Bylaws:**MCREA Bylaws and Articles of Incorporation:**

Our first order of business was to ratify the Board's recommended changes to the Association's governing documents. Barbara explained the need for updating the documents, including the time elapsed since they were last updated, the need for consistency between documents, and ease of reference and use. She outlined the major recommended changes, which were approved unanimously by the MCREA Board, after favorable legal review. All the documents were posted on our website and referenced in the last newsletter (March 2013). With no questions or comments from the membership, the updated governing documents were approved unanimously.

Board Vacancies:

The second order of business was to encourage Board membership. There are three vacancies out of 14 Board members due to resignations and members not running for re-election, and the vacancies need to be filled. MCREA has an interest in maintaining a core group of volunteers on the Board to watch over County actions in Rockville, as well as to keep our membership informed. The work is not onerous, in that we meet only 3-4 times a year, and stay in touch by email. We still take time to travel and lead normal personal lives. If you have any interest and a little time, please consider joining us by contacting Carl Edelin, Suzanne Hudson (former President), or Barbara.

The Board is looking for a volunteer to take over newsletter editor duties, which Marilyn Mitchell has been performing for more than three years. This Fall newsletter is the last one that she will prepare. Barbara encouraged interested members to contact her or Marilyn to learn more about what the duties entail. On-the-job training will be provided. (Note: Since the meeting, MCREA has had the good fortune of filling this position.)

The County's 2014 Budget, which was approved by the County Council in June, did not have any significant effects on retirees. This past spring, the Board monitored the Council agenda and reviewed the CE's budget documents, but there were no issues requiring lobbying for the protection of benefits. In our March luncheon with Council members, the Board reminded them that MCREA represents a large number of retirees, many of whom live in the County on fixed incomes.

Treasurer's Report by John Hansman:

The organization is in good financial shape. We are up to date on payments to the County for expenses in printing and mailing our newsletter. The County has worked out a method to provide more timely billing to MCREA from now on. Publishing and distributing the newsletter is our biggest expense, which must be covered by membership dues. Dues payments seem to be running about level, but all retirees are encouraged to pay their dues not only to support the newsletter, but because it is important to be counted as an active member in support of the Association which represents retiree interests.

Planning the Future of Board Communications with MCREA Membership:

A short but important discussion followed, with Q & As, on the topic of streamlining communications with membership in the interest of cost savings as well as for MCREA's agility in disseminating valuable information quickly to all members. Printing and mailing the newsletter is expensive, and the process for getting it published can be lengthy. Possible alternative methods of communication might include an e-subscription email system to send time-sensitive information, and notices directing retirees to check the MCREA website for posted newsletters and other communications from MCREA or the County. Board investigations to date identify considerable issues that need to be addressed with transitioning to such a system since it would either piggyback off the County system, (which introduces privacy and coordination issues), or will require establishing, maintaining and operating our own system.

Business:

Carl Edelin, Nominating Committee Chair, presented the slate for electing Board Members for the term of 2013-2015. He explained that the Board of Directors consists of 14 members who are elected to serve for two-year staggered terms. In addition to the 14 elected members, there can be up to three Presidential appointments made yearly. This past year two Board members resigned and two did not run for reelection. Carl thanked Carol Maryman and Joe Sparacino for their lengthy and dedicated service.

Running for re-election are Kathy Best, Barbara Garrard, Margaret Knill, Deborah Snead and Carl Edelin. With three Board and two Presidential appointment vacancies, Carl made a heartfelt plea for more people to step forward to serve on the Board to ensure the durability of the organization. With no further nominations, the slate as proposed was approved unanimously. Note: After the meeting, Barbara accepted an offer from Irm Damazo to serve in the position of Presidential appointment, and to begin training to assume the duties of newsletter editor.

To express your interest in a position on the Board or make further inquiry, please contact Carl Edelin (302-376-8270 or ppmsfa@verizon.net), Barbara Garrard, or Suzanne Hudson (the latter two via MCREA's 800 telephone number.)

New Business:

In the available time remaining, Barbara asked John Pierson, Chief Development Officer of the MC Credit Union, to talk about some of the services his organization offers to members, including retirees. Among the benefits are on-line banking, and a credit card rewards card that, when used overseas, charges transaction fees of only 1% instead of 3% as charged by most other banks. Credit Union members enjoy access without fee to 30,000 ATMs across the country (compared to Bank of America's 18,000) including at all 7/11 stores, and access to service centers at 5,500 shared branches nationwide. The Credit Union also offers very good rates on loans and deposits.

Following the annual meeting, the Board of Directors met to elect new officers as follows: Barbara Garrard, President, Carl Edelin, Vice President, John Hansman, Treasurer, Kathy Best, Secretary.

2013-2014 MCREA BOARD OF DIRECTORS

Kathy Best - Secretary	Barbara Kloc
Irmgard Damazo *+	Margaret Knill
Carl Edelin – Vice President	Ellen Larsen*
Barbara Garrard - President	Marilyn Mitchell
Annie Mae Graham	Louis Smith
John Hansman - Treasurer	Deborah Snead
Suzanne Hudson	Lillian Snyder *+
	*Presidential Appt. +New Appt.

NEW BOARD MEMBER INTRODUCTION

Irm Damazo, formerly Pichot, retired in June 2008 after 35 years of County service. As a registered nurse in the county Health Department, she provided health services to community members in their homes, in clinics and schools. After completing graduate studies at University College, UMD (1992), she became a member of the Health & Human Services School Health Services (SHS) management team. SHS provides community health services to students and staff in Montgomery County Public Schools. During her management tenure, she was instrumental in establishing school-based health centers to meet the needs of students lacking access to adequate physical and mental health care and social services. Irm now looks forward to assisting MCREA meet the needs of the Association.

THANK YOU FOR SERVING

MCREA extends sincere thanks and farewell to retiring Board members Carol Maryman and Joe Sparacino. Joe joined the Board of Directors in 2007 while attending his first MCREA annual meeting (he retired in 2006 but missed our meeting that year due to a schedule conflict). He provided a valuable presence fielding calls from our 800 telephone line and helping to lobby council members. Carol Maryman is awarded length of service for her term on the Board that began in 2000, during which she made many contributions, including serving as newsletter editor from 2001-2009. We are grateful to both Carol and Joe for their dedication in the years they served.

NEWS from**MONTGOMERY COUNTY EMPLOYEE RETIREMENT PLANS (MCERP)**

This is a reminder that the ERS Retiree Login has been available for several months and simplifies the process of providing changes to mailing address or federal tax withholding, and viewing pay advices, and will include other services in the future. The Login screen is <http://www.montgomerycountymd.gov/mcerp/retiree-login.html>, where you can also click on the *Retiree Online Access Announcement* to find instructions on how to obtain assistance if required.

NEWS from

OFFICE OF HUMAN RESOURCES (OHR)

RETIREE MEDICARE / HEALTH INSURANCE SEMINARS TO BE HELD

This fall, the OHR Benefits Team will again offer Medicare/Health Insurance Seminars designed for retirees and their survivors who currently or will soon have Medicare coverage. The seminars will address frequently asked questions concerning Medicare and the County's health insurance plan, and will have presenters from both Medicare and the OHR Benefits Team:

- Friday, September 27 from 10:00 AM to 1:00 PM
- Wednesday, October 2 from 1:00 PM to 4:00 PM
- Friday, October 4 from 10:00 AM to 1:00 PM

Important: Please check www.MCREAonline.com prior to the above schedule to confirm dates in case of an unavoidable change. The seminars will be held on a first come, first served basis in the COB Auditorium (1st Floor), 100 Maryland Ave., Rockville, MD 20850. Seminar materials can be referenced online in early October at www.montgomerycountymd.gov/ohr (click Benefits top left, Retiree Health Insurance, and click on the seminar links in Top Links).

OPEN ENROLLMENT NEWS

During this fall's Open Enrollment (October 21 through November 12, 2013 at 5:00 p.m.), you will be able to make changes to your 2014 group insurance by using the online Self-Service Open Enrollment System. You will still have the option of using an Election Form to make changes for 2014; however, OHR strongly encourages and much appreciates the utilization of the new online system instead since the OHR Benefits Team must manually enter each form received. Keep your eyes peeled in late September/early October for special mailings to your home regarding this new online option as well as more Open Enrollment news. *Spoiler alert: There will be no changes to the County's health insurance carriers in 2014.*

NEW ONLINE RETIREE RATES ESTIMATORS

The OHR Benefits Team has developed a set of online health insurance tools designed for retirees to use in calculating their health insurance rates. To use them, you need to enter your cost share percentage. (This is the percent you pay for County group insurance; the County pays the remainder.) This information is available each year on Open Enrollment Election Forms (mailed in mid-October) and Confirmation Statements (mailed in early December).

One estimator, available year-round, assists retirees who experience a qualifying life event and may need to change coverage mid-year; it calculates the total new monthly rates. Go to www.montgomerycountymd.gov/ohr, click the Benefits tab, Retiree Health Insurance, then open the Retiree Health Insurance Rates Estimator under Calculators. A second estimator, to be offered during Open Enrollment (link to be announced), will enable you to model various health insurance combinations and compare 2013 and 2014 plan rates.

In addition to recognizing Kerming Tsaur, the OHR Senior IT Specialist who programmed the new estimators, the Benefits Team would also like to thank the following retirees who provided feedback during the testing phase: Barbara Garrard, John Hansman and Shannon Braddock.

TWO IMPORTANT DOCUMENTATION REQUESTS

OHR Benefits requests that, if applicable, the following documentation be sent to them via fax (240-777-5131) or through the mail (101 Monroe Street, 7th Floor, Rockville, MD 20850):

- Medicare Cards: Providing your card to the OHR Benefits Team ensures that your County health insurance works in coordination with your Medicare Plan. Be sure to provide a copy of your card to OHR Benefits as soon as you receive it.
- State-issued marriage certificates for legally married same-sex couples: Recently, the U.S. Supreme Court overturned Section 3 of the Defense of Marriage Act (“DOMA”). As a result, any federal law that refers to a “marriage” or “spouse” now applies equally to same-sex legally married couples. OHR Benefits needs a copy of your State-issued marriage certificate in order to offer you the opportunity to elect new health insurance.

A SPECIAL MESSAGE TO RETIRED PUBLIC SAFETY EMPLOYEES

The Pension Protection Act of 2006 (PPA) allows certain public safety retirees and their survivors to claim up to \$3,000 in medical, prescription, dental and vision insurance premiums on their income tax return. This is in addition to the general tax rule that allows for deductions if you meet medical expense thresholds. (If you are unsure if this applies to you, please consult with your tax advisor.) As your December 2013 pension paycheck stub will contain this information, the OHR Benefits Team will no longer mail PPA letters (typically sent in the Spring of the next tax year). Please place a tickler on your December calendar to review your stub for your 2013 premiums.

FAQs ABOUT HOW THE BCBS INDEMNITY PLAN WORKS WITH CAREMARK Rx

Q. Does the 20% Caremark prescription drug participant copay count towards the CareFirst BCBS Indemnity Plan’s \$1,000 out-of-pocket annual maximum? A. Yes.

Q. What happens once the Indemnity Plan’s \$1,000 out-of-pocket annual maximum is met? A. Generally, the participant continues to pay 20% each time he or she fills a prescription using the Caremark prescription drug card, and then is automatically mailed a reimbursement check (on a weekly basis) from CareFirst for the 20%.

Q. Who should participants contact if they think they are due a reimbursement that hasn’t been received? A. Participants who have met the Indemnity Plan’s \$1,000 out-of-pocket annual maximum should contact CareFirst (not Caremark) at 1-888-417-8385. For further assistance, ask to speak with a CareFirst supervisor. If the issue is still not resolved, call OHR Benefits.

ONLINE WELLNESS RESOURCES TO BE EXPANDED

This fall, look for new resources to be added to the Wellness section of the OHR Benefits website. The Wellness page is available at www.montgomerycountymd.gov/ohr, click the Wellness link at top right.

IMPORTANT CONTACT INFORMATION

MCREA Toll Free: **1-866-929-9339** or **301-929-9339**; <http://www.MCREAonline.com>
Montgomery County Government MC311: **1-877-613-5212** or **240-777-0311** or **311** (local)
For Retirement Plans: Montgomery County Employee Retirements Plans: 240-777-8230 or
(Fax) **301-279-1424**; **1-877-613-5212**; <http://www.montgomerycountymd.gov/mcerp>
Fidelity (Deferred Comp Plan): **1-800-343-0860** or **240-777-8228**
Hartford (Deferred Comp Plan): **1-800-255-2464** or **240-304-7720**
For Group/Health Insurance: Benefits Team Direct Line: **240-777-5120**
or (Fax) **240-777-5131** or email benefits@montgomerycountymd.gov
CareFirst Blue Cross-Blue Shield: Indemnity Plan and Point-of-Service Plans Member Services:
1-888-417-8385 www.Carefirst.com
Kaiser Permanente: Washington Area: **301-468-6000**; Baltimore Area: **1-800-777-7902**
<http://my.kp.org/mida/county>
United Healthcare Member Services: **1-800-638-0014** www.myuhc.com
Caremark: **1-866-240-4926** www.caremark.com
United Concordia (Dental): **1-866-851-7564** www.ucci.com/tuctcc (enter "Mont")
National Vision Administrators (NVA): **1-800-672-7723** www.e-nva.com
Prudential Long Term Care Insurance: **1-800-732-0416** www.Prudential.com

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