



# MCREA

Montgomery County Retired Employees' Association, Inc.

October 2008

## PENSION INVESTMENTS

The country's financial crisis is a concern for many retirees because of their pensions and deferred compensation plans. Information on the investment programs for the retirement plans, including the Employees' Retirement System, the Retirement Savings Plan, and the County's Deferred Compensation Plan (ING-formerly CitiStreet) is available on the Board's website at [www.montgomerycountymd.gov/bit](http://www.montgomerycountymd.gov/bit). The website includes the financial status of the plans, investment allocation and performance, minutes of Board meetings, quarterly reports to the County Council and other related documents. The September Performance Report will be posted shortly. More information will appear in the January newsletter.

## TRANSFER SEASON – Medical Insurance

It is extremely important that every retiree read the Transfer Season materials that are being mailed out in mid-October from the Office of Human Resources. **If you are in the High Option Prescription Drug Plan, pay close attention to the CHANGES in this Plan. These are the only changes to benefits this Transfer Season.** The changes apply to 2,769 retirees/spouses/dependents in the High Option Prescription Drug Plan. They do not apply to retirees who are in the Standard Option Plan or have Indemnity or Kaiser insurance. The changes become effective January 1, 2009. The changes are:

**Co-pay increases** – the High Option plan co-pay increases from \$4 to \$5 for generic drugs and \$8 to \$10 for brand-name drugs.

**Generic vs. Brand Prescriptions** – a prescription must be written with the words “fill as prescribed” or “brand only” or words like that, otherwise your prescription will be filled as generic. If you want a brand but the prescription does not specify this, then you must pay the difference between the cost of the brand and generic. Note: Many pharmacies will automatically fill prescriptions as generic unless so noted.

**Maintenance Medication** – These prescriptions can be filled at a retail pharmacy for the initial filling plus one refill. After that, you need to use mail order. If you do not, then you must pay the applicable co-pay plus the difference between the retail and mail order cost.

**Advantage of Mail Order** – Prescriptions can be filled for one 90-day supply (three months) with one co-pay. Filling your prescription at a retail pharmacy means that you pay three co-pays; one for every 30 days. You will be able to get your prescription filled at a retail pharmacy while waiting for a mail order to be filled and received.

**Cost-Sharing for High Option** – the cost of this change must be calculated for each person depending on their cost-sharing ratio, pre or post Medicare, individual or family plan. Please refer to the chart in the Transfer Season packet to see what your cost will be for the High Option Plan for 2009. Also, the Benefit's Team in Human Resources will be able to help you.

### **COST SHARING DROPPED FOR HIGH OPTION PRESCRIPTION DRUG PLAN**

The County will continue to offer a High Option Prescription Drug Plan but it is changing its cost-sharing contribution as of January 1. Many of you emailed and called the Council about this. In response to you, and to soften the cost burden on retirees, the County Council voted to phase in this benefit change over three years. The change means that the County will no longer share in the cost of providing the High Option Plan. The County will continue to share in the cost of the Standard Option plan.

Should you wish to continue with the High Option Plan, you must pay for this upgrade. For 2009, you will pay for one-third of the total increase. In 2010, you will pay for two-thirds of the increase. Beginning in 2011, you will pay for the full cost difference.

You will need to take a close look at whether or not you want to remain with the High Option or change to the Standard Option Plan for 2009. It is an individual decision based on your prescription drug needs and the cost of the plan increase. For example, you can stay with the High Option for 2009 and pay for the increase (one-third of the difference between the Standard Option and High Option Plans). Review your situation during 2009 to decide if you want to remain with the High Option or change to the Standard Option for 2010. Since you are not locked into either plan, you can review the plans each transfer season to decide which plan meets your needs.

### **MCREA TAKES ACTION**

You are aware from previous newsletters that your Association has been very active regarding the issue of the County abolishing the cost-sharing part of the High Option Prescription Drug Plan. We have done so because the cost-sharing insurance provision is agreed to when you retire. We are concerned that this could be more far reaching than a plan change or cost increase to an existing plan. Even if abolishing this cost sharing provision does not affect you now, we are concerned that the action could be precedent-setting for abolishing other retiree benefits in the future.

MCREA has retained an attorney to help us determine if the County can legally take the action that it has regarding the High Option Prescription Drug Plan. Obviously, an attorney costs money that MCREA did not budget. To hold costs down, Board members and other retirees are assisting the attorney where possible, such as researching historical financial and personnel records.

The Board voted unanimously at its August meeting to ask retirees for a special contribution to support its legal efforts. We know these are difficult economic times. We know that retirees are on fixed incomes with expenses going up everywhere. However, we feel that **protecting your retirement benefits is critical**. MCREA must continue to be your strong advocate. We urge you to contribute what you are able. There is a form at the end of the newsletter for your contribution. *Thank you very much for your contribution.*

### SPECIAL CONTRIBUTION

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Enclosed is my Special Contribution for legal fees in the amount of:

\$25 \_\_\_\_\_      \$35 \_\_\_\_\_      \$40 \_\_\_\_\_      Other \_\_\_\_\_

Make your check payable to MCREA. Please enclose your check in an envelope with this form and mail it to: MCREA, P. O. Box 73, Rockville, Maryland 20848-0073

**IMPORTANT PHONE NUMBERS or visit MCREAonline.com**

MCREA toll Free Phone number: **1-866-929-9339 or 301-929-9339**

Montgomery County's Office of Human Resources at **240-777-5000** or toll free

**1-877-613-5212; Benefits Team Direct Line 240-777-5120** or via email

[benefits@montgomerycountymd.gov](mailto:benefits@montgomerycountymd.gov)

CareFirst Blue Cross-Blue Shield: Indemnity Plan; HMO; and, Point-of-Service Plan.

Member Services: Toll Free number is **1-888-417-8385**; [www.Carefirst.com](http://www.Carefirst.com)

Kaiser Permanente: Washington Area: **301-468-6000**; Baltimore Area: **1-800-777-7902**

United Healthcare Member Services: **1-800-638-0014** [www.myuhc.com](http://www.myuhc.com)

Caremark: **1-866-240-4926**

United Concordia (Dental): **1-800-441-7150**; Email: [www.UCCI.com](http://www.UCCI.com)

National Vision Administrators (NVA): **800-672-7723**; E-mail: [www.npanet.com](http://www.npanet.com)

Prudential Long Term Care Insurance: **1-800-732-0416**; E-mail: [www.Prudential.com](http://www.Prudential.com)

Aetna Toll Free Number: **1-800-952-2700**

CitiStreet: **240-777-5054**

The newsletter is published by: Montgomery County Retired Employees' Association, Inc., P. O. Box 73, Rockville, Maryland 20848-0073. Editor: Carol Maryman. Telephone: 301-929-9339 **MCREAonline.com**. We welcome your thoughts and suggestions on our newsletter.

**MCREA**

**P. O. Box 73**

**Rockville, MD 20848-0073**