



MCREA

Montgomery County Retired Employees' Association, Inc.

March 2015

ANNOUNCING: MCREA's Annual Meeting

Wednesday, June 3, 2015, 7 – 9 p.m., COB 3rd Floor Council Hearing Room
Important: Please mark calendars, no further newsletter notices before meeting!

Guest Speakers:

Linda Herman, Executive Director, Montgomery County Employee Retirement Plans
Belinda Fulco, Division Manager, Office of Human Resources Health & Employee Welfare

MCREA recommended Jennifer Barrett for another three year term on the Board governing the retirement plans and the health benefits trust

For the past three years, Jennifer Barrett has served as MCREA's representative on the County's Board of Investment Trustees (BIT) which oversees the investment programs for the County's retirement plans and the Board of Trustees overseeing the health benefits trust. MCREA recently recommended Jennifer for another three year term which began March 1, 2015. Jennifer is well qualified to serve having served on the Board as an ex-officio member when she was Director of Finance; she has had thirty years of experience in Montgomery County Government. See Jennifer's article on page 4.

ATTENTION:

MCREA SEEKS ADDITIONAL BOARD MEMBERS

Volunteer to SERVE Now

The MCREA Board's chief mission is to closely monitor issues that may affect retirees' fiscal and health interests, intervene as needed, and communicate with the membership. A number of Board vacancies are waiting to be filled by members willing to serve their fellow retirees. The MCREA Board typically meets 3 times per year, in addition to a luncheon meeting with the County Council. Board members volunteer to perform various tasks to help fulfill the Association's goals and objectives. Please seriously consider serving. If you have any interest in serving and/or have questions, please contact Carl Edelin, MCREA's president, at 302-376-8270. Thank you.

THANK YOU FOR SERVING

MCREA expresses appreciation and warm farewell wishes to board member Ellen Larsen. Ellen was prompted to volunteer when four years ago she learned someone was needed to retrieve messages from MCREA's voicemail. She reports enjoying her time on the Board. She now volunteers at church and on two community liaison committees-one at NIH, the other at Suburban Hospital. We are grateful to Ellen for her years of conscientious service to MCREA.

ARE YOU A MCREA FACEBOOK SUBSCRIBER?

If you answered yes, you are among the 227 retirees who liked the Montgomery County retirees' Facebook page. If not, you are missing out on the latest news as it pertains to your retirement benefits.

Additional benefits of logging on to MCREA's Facebook page include the ability to ask questions and to reconnect with your former colleagues. Recently, we posted information concerning SilverScript, (the County's new provider of prescription coverage for Medicare eligible retirees and their dependents.)

MEMBERSHIP DUES

Are Your Membership Dues Due?

Your MCREA paid membership allows you to stand up and be counted with the retirees who are staying attuned to the County Government happenings. The Association's primary expenses are for the printing and mailing of its newsletters to keep members appropriately informed. While all Board members are volunteers, each retiree's participation in the form of a paid membership is needed to show your active interest in issues relating to your retirement and/or health benefits.

Did you become a new member of MCREA or renew your membership after the March 2014 newsletter membership appeal? If you did so by sending in your dues (\$10.00 to cover 2 years), you are paid up for 2015. You have shown support for MCREA's mission and expenses. MCREA thanks you for your active participation as a paying member in support of its work.

All other retirees (unless you send a multi-year payment 2 or more years ago) are encouraged to become active MCREA members. The application to join or renew your membership is on the next page. Please complete it and send it with \$10.00 to cover 2015 and 2016 dues. Please retain a record of payment so you will know when your individual dues expire. While we have the information as well, we cannot always efficiently respond to members' inquiries. If you have a question, please leave a voice message on our telephone line (see last page) and a Board member will check the message and get back to you. Your support will be greatly appreciated.

M C R E A

P.O. Box 73
Rockville, MD 20848-0073

2015 MEMBERSHIP AND DUES APPLICATION
(Please Print or Use an Address Label)

Retiree: _____
Last Name First Middle Initial

Spouse: _____
(Optional) Last Name if different from above First Middle Initial

Mailing Address: _____

City: _____ State: _____ Zip: _____ - _____

Telephone: Home (_____) _____ Cell (_____) _____

Email Address: _____
(Print Clearly)

Application is for: Renewal _____ or New _____ Date : _____

Check #: _____

Dues are \$10.00 for 2 calendar years per County retiree. Enclosed are dues for:

2 years (\$10.00) _____

Please make your check payable to MCREA, enclose it with this completed form, (or a copy), and mail to the above address. Thank you for your support.

Please note: Any dues payment in excess of 2 years will be considered a contribution to MCREA.

[MCREA holds your information in our database in confidence. It is not shared or sold to other groups or organizations]

MCG Insurance Enrollment Statistics as of 2/3/15							
Retirees	Medical Plans						
	CareFirst Indemnity	CareFirst Point-of-Service (POS)				Kaiser w/Rx	UHC
		High	Std.	High OOA*	Std. OOA*		
Non-Medicare	59	924	59	314	36	137	503
Medicare	747	1191	146	467	57	143	308
Total Retirees (includes Survivors)	806	2115	205	781	93	280	811
Retirees	Concordia Dental Plan		NVA Discount Vision	CAREMARK/SILVERSCRIPT** Rx Plan			
				High Rx	Std. Rx		
Non-Medicare	2011		1647	695	1132		
Medicare	3391		1912	1051	1106		
Total Retirees (includes Survivors)	5402		3559	1746	2238		

*OOA = Out of Area ** = Medicare Part D eligible retirees and/or family members

Interesting Stats:

- 5091 retirees including survivors are covered by the County’s various medical plans
- 1,827 retirees including survivors are covered by the County’s Caremark plans
- 2,904 retirees including survivors are covered by the County’s SilverScript plans

NEWS from

MONTGOMERY COUNTY EMPLOYEE RETIREMENT PLANS (MCERP)

UPDATE ON THE COUNTY'S RETIREMENT PLANS BY JENNIFER BARRETT, BIT TRUSTEE REPRESENTING MCREA

My name is Jennifer Barrett, and for the past three years I have held the seat designated for the Retired Employees Representative on the Board of Investment Trustees (BIT). The Board oversees the investment programs for the County’s three retirement plans: the Employees’ Retirement System (the ERS or “defined benefit” plan), the Retirement Savings Plan, and the Deferred Compensation Plan. I am also a Board member for the Consolidated Retiree Health Benefits Trust, which was established in 2008 to provide funding for health benefits for retirees and their dependents.

My role as trustee is to represent the best interests of all participants in the Employee Retirement Plans, with a goal to maximize returns and ensure the long-term stability of the various plans. With the help of the talented professional staff and consultants, we identify and hire managers, determine asset class allocations, and look for ways to save costs.

The ERS’ investment return for the year ended June 30, 2014 was a gain of 17.66% compared to the 7.5% return assumed in the annual actuarial valuation. To understand how well we are

doing, we compare our returns to those achieved by similar pension funds reporting results for the same one year period. For the past fiscal year, our return ranked above median compared to our peer group universe, and for the three and five year periods, the ERS' investment returns ranked in the top 25% or better than 75% of the pension plans reporting results. As of June 30, 2014, the ERS was 84.2% funded compared to 79% at June 30, 2013. The increase in the funded status was due to deferred asset gains, higher contributions than expected, lower than expected cost of living increases for retired members, and demographic experience.

A great deal more information on the Retirement Plans can be found in the latest Annual Report at the Board's website: www.montgomerycountymd.gov/mcerp.

NEWS from

OFFICE OF HUMAN RESOURCES (OHR)

WHEN YOU OR A DEPENDENT BECOME MEDICARE-ELIGIBLE: DO'S AND DON'TS

Generally, a person becomes eligible for Medicare at age 65. In some cases, such as disability, you or your dependents may become Medicare-eligible before age 65. Regardless of the timing or situation, it is important to understand what you should (and should not) do upon becoming eligible for Medicare.

DO:

- **Enroll in Medicare Parts A and B.** This is required under the County's medical plans.
- **Send a copy of your Medicare card to the Health Insurance Team immediately.** You can send it via fax (240-777-5131) or mail (101 Monroe St., Rockville, MD 20850).

DO NOT:

- **Cancel your County prescription coverage or enroll in a Medicare Part D plan that is not offered through the County.** Once you are Medicare-eligible, your CVS Caremark coverage will automatically transition to the County's Medicare Part D Plan administered by SilverScript, and you will receive a new SilverScript ID card. (This does not apply to Kaiser members who enroll in the Kaiser Medicare Plus Plan.)

Note: Each month, the OHR Health Insurance Team mails letters to retirees and their dependents who will be turning age 65 in the next three months. To view a sample, visit www.montgomerycountymd.gov/ohr/benefits/rgi/retireebenefits.html and click the "Turning Age 65 Sample Letter" under the "Top Links" section.

SILVERSCRIPT NEWS AND TIPS

Here's the latest regarding the transition, along with some helpful tips.

The news:

Over 4,000 Medicare-eligible retirees and Medicare-eligible dependents, age 65 and older, have been transitioned to SilverScript Medicare Part D.

- Medicare-eligible retirees and Medicare-eligible dependents, under age 65, will be transitioned to SilverScript as part of phase two, which is expected to begin in March, for a May 1 effective date. Information will be mailed from SilverScript once the County provides them with information to begin the enrollment process.

Important tips:

- Retirees and their dependents who become newly eligible for Medicare will receive a notice from the County approximately 90 days in advance to let them know they will be transitioned to SilverScript. Generally, enrollment information is forwarded to SilverScript 45 days prior to becoming eligible, and retirees have a window of opportunity to opt out of the SilverScript plan. *REMEMBER*, if you opt out of the plan, you will not be eligible for prescription coverage provided by the County.
- New enrollees receive a welcome packet and new ID card from SilverScript. Be sure to discard your old Caremark card and use the new SilverScript card. If you need a replacement SilverScript card, call 1-866-249-6167 or register and log on to <http://www.mcg.silverscript.com/> to print a temporary card.
- You pay only one co-pay for a three-month supply of prescription drugs by using the CVS mail order program or by filling prescriptions at a CVS retail pharmacy. (Call 1-866-249-6167 for details.) If you use a pharmacy other than CVS, you will be charged three copays for a three-month supply of prescription drugs.

REMEMBERING THE STANDARD OPTION RX PLAN'S \$50 ANNUAL DEDUCTIBLE

Did you know that, if you have Self+1 or Family coverage through the Caremark Standard Option and/or SilverScript Standard Option Prescription Plans, the \$50 annual deductible is not applied to each family member but is instead shared among family members? For example, a family of three would be charged a total deductible of \$50 for the year (not \$150). Further, if all three family members receive their first prescriptions of the year on the same day, the deductible may be spread out among the various prescriptions (instead of being charged to one person's prescription).

PENSION PROTECTION ACT (PPA) REMINDER FOR RETIRED PUBLIC SAFETY EMPLOYEES

The PPA allows certain public safety retirees or their survivors to claim up to \$3,000 in 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. To find your total annual 2014 premiums, see your December 2014 pension paycheck stub or online pay advice. If you receive your pension payment through Aetna, contact the Health Insurance Team via MC311 for this information.

IMPUTED INCOME REMINDER

Each year, the County's Payroll Department calculates the annual imputed income amount for affected retirees and reports it to the IRS on W-2s, which are mailed to homes in late January. The imputed income amount is shown on the W-2 in Box 12 with a code "C." A common misconception is that the amount in Box 12 (code "C") is how much will be owed in taxes; instead, it is the amount on which you will be taxed. For more information, visit www.montgomerycountymd.gov/ohr/benefits/rgi/retireebenefits.html and click the applicable imputed income information flyer (for basic life and/or domestic partner benefits) under the "Top Links" section.

FAQs ABOUT HOW THE BCBS INDEMNITY PLAN WORKS WITH SILVERSCRIPT/CAREMARK Rx

Q. Does the 20% SilverScript/Caremark prescription drug participant co pay 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 SilverScript/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 SilverScript/Caremark) at 1-888-417-8385. For further assistance, ask to speak with a CareFirst supervisor. If the issue is still not resolved, call MC311; if they are unable to answer your question, they will create a Service Request and send it immediately to the OHR Health Insurance Customer Care Center for follow-up.

MCREA's suggested tip:

Indemnity Plan participants may want to track their out-of-pocket prescription co-pays by keeping a list with date of purchase, Rx number, and medication name and/or keeping all pharmacy purchase receipts (these are valuable in case they are requested). After reaching your \$1000.00 annual maximum call CareFirst **if** you believe you are not being fully reimbursed on a regular basis to assure your full co pay reimbursement.

MCREA's suggested tip: lab tests

Many labs require that you sign a form accepting financial responsibility for all lab tests even though you have health insurance including Medicare. This is because your health insurance might not pay for every lab test ordered by your medical care provider. It is prudent to ask your medical care provider if the lab work ordered will be covered by your health insurance. If your provider does not know, call your health insurance provider(s) and ask about coverage. Some lab tests have a frequency schedule. Others may not be covered at all, in which case you and your medical care provider will need to decide how important the lab test is. It is best to know ahead of time if your lab work will be covered and/or your potential out-of-pocket costs.

IMPORTANT CONTACT INFORMATION

MCREA: 1-866-929-9339 or 301-929-9339; website: www.MCREAonline.com
Montgomery County Government MC311: 1-877-613-5212 or 240-777-0311 or 311 (local)
For Montgomery County Employee Retirement Plans: 1-877-613-5212 or 240-777-8230;
Fax: 301-279-1424; website: www.montgomerycountymd.gov/mcerp
Fidelity (Deferred Compensation Plan): 1-800-343-0860 or 240-777-8228
Massachusetts Mutual Life Insurance (Mass Mutual): 1-800-528-9009
For Group/Health Insurance: see the [MC311](#) information above; also visit www.mc311.com
or www.montgomerycountymd.gov/ohr (click on the [Benefits](#) tab top left, then [Retiree Health Insurance](#))
CareFirst Blue Cross-Blue Shield: Member Services: 1-888-417-8385 www.Carefirst.com
Kaiser Permanente: Washington Area: 301-468-6000; Baltimore Area: 1-800-777-7902
<https://healthy.kaiserpermanente.org>
United Healthcare: Member Services: 1-800-638-0014 www.myuhc.com
Caremark: 1-866-240-4926 www.caremark.com
SilverScript 1-866-249-6167 www.mcg.silverscript.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

This newsletter is published by: Montgomery County Retired Employees' Association, Inc.
P.O. Box 73, Rockville, Maryland 20848-0073. Editor: Irm Damazo. Suggestions welcomed.

MCREA

P. O. Box 73

Rockville, MD 20848-0073