



# MCREA

Montgomery County Retired Employees' Association, Inc.

October 2012

## ANNUAL MEETING SUMMARY

President Suzanne Hudson welcomed retirees to MCREA's 35<sup>th</sup> annual meeting, which was held in the Council Office Building Auditorium on June 5, 2012, and then introduced OHR's Belinda Fulco, Benefits Team Manager, and Melanie Mason, Communications Specialist, as first presenters.

### OHR's Presentation

Belinda Fulco reviewed numerous issues including: dates and specifics for the retiree health insurance seminars, which Melanie is overseeing, premiering in late summer; COLA adjustments will be included in July pension checks since disbursements are now administered in-house; we are reminded to use NVA providers for vision discounts, a benefit which seems to be undersubscribed. Feedback from the audience was that the discounts do not seem all that cost advantageous, which Belinda noted. She indicated that OHR will post the NVA handout for this meeting online. [http://www.montgomerycountymd.gov/OHR/Resources/Files/Benefits/OptiVision\\_Summary.pdf](http://www.montgomerycountymd.gov/OHR/Resources/Files/Benefits/OptiVision_Summary.pdf).

A major announcement is the separation of retirement plan management from retiree health insurance benefits. The administration of all retirement plans, including the payment of monthly pension annuities, will be moved from OHR and assigned to a new organization, the Montgomery County Employee Retirement Plans (MCERP), effective July 1, 2012. The link to the MCERP website is:

<http://www.montgomerycountymd.gov/mcerp/index.html>. Four OHR positions and one Finance position will be transferred to MCERP. OHR will continue to administer health and life insurance for retirees and employees. A new wellness coordinator position is being created. Since the County is self-insured, it is hoped that a focus on wellness will reduce fund expenses. Health care coverage costs the County approximately \$185 million annually. The County will be formally announcing this reorganization soon.

A new OHR website is coming on-line in July, which will highlight wellness opportunities offered by the County's health and dental plans. The link to this site is <http://www.montgomerycountymd.gov/ohr>.

Retirees were encouraged to register for and attend a health insurance seminar, and provide feedback to OHR on the experience. After the first seminars are held, OHR will begin to look at holding more of these seminars in 2013. Stay tuned for updates in future MCREA newsletters.

The County is watching to see how the Supreme Court rules regarding the health care reform law. OHR will be analyzing outcomes to see what impact (if any) there might be on County health insurance if the law in part or in whole is overturned.

Belinda also fielded a number of personal questions and concerns from retirees. She is working very hard to respond more quickly to retirees' questions and encouraged everyone to use the MC311 system when questions arise. This 311 system provides a tracking number for you and OHR to follow to see if your question or concern got a response.

#### Treasurer's Report:

John Hansman distributed and reviewed the Income statement and Balance sheet indicating a good financial standing for the Association. He noted that the main expense is for the newsletter's printing and postage which is mailed to MCREAs 6,220 retirees and survivors, and that we are awaiting County's billing for several newsletters. Income from dues to date in 2012 is \$8,530.

#### President's Report:

Suzanne Hudson reported that funds are sufficient in the MCREA account, and that financial books are in order based on the financial review conducted by Vice President Stephen Lansing. The Council did not make any changes in next year's budget (beginning 7/1/12) that would adversely affect retirees. The Board hosts a luncheon with the Council every spring as a reminder that MCREA is active and reviewing their actions. This year the Board pointed out that the average retiree pension is less than \$27,000 a year. The newsletter goes out three times a year and has quality information, and she thanked Marilyn Mitchell, editor, for her efforts in presenting the information in an understandable manner. Meg Riesett Menke's 2<sup>nd</sup> term on the Board of Investment Trustees expired and the new representative is Jennifer Barrett, former Director of Finance, who already has been confirmed by the Council to serve as the MCREA representative. Everyone was encouraged to attend the new retiree health insurance seminars and provide feedback to MCREA and/or OHR. Suzanne announced that she is stepping down after 11 years of serving as President, but that she will continue to serve on the Board. She thanked Steven Lansing, who is resigning from the Board, for serving as Vice President for the past 11 years.

Business:

The slate for election of Board Members for 2012-2014 was presented by Carl Edelin and approved unanimously: For re-election for two year terms: Patricia Crew, Annie Mae Graham, Suzanne Hudson, and Marilyn Mitchell; for election for two-year terms: John Hansman, Ruth Harvey, and Barbara Kloc; for one-year Presidential appointment: Louis Smith. Two Presidential appointee slots remain vacant. (Subsequent to the meeting, Patricia Crew announced her resignation from the Board, and Ellen Larsen was named Presidential appointee.)

New Business:

Following the public annual meeting, the Board met to elect new officers as follows: Barbara Garrard, President; Suzanne Hudson, Vice President; John Hansman, Treasurer; Kathy Best, Secretary.

**PRESIDENT'S MESSAGE** from Barbara Garrard

If the thousands of county retirees were all in one place, and gave Suzanne Hudson and Stephen Lansing the round of applause they deserve for leading MCREA for the past 11 years, it would be deafening, but well deserved! On June 5 they relinquished their positions as President and Vice President, respectively, and I was voted President, while Suzanne agreed to remain in a leadership role as Vice President to allow for a smooth transition. I would like to thank the MCREA Board members who continue to contribute their time and expertise, and to welcome our new Board members.

Starting this fall we will begin a review of our organization's goals and procedures to determine whether we can improve our effectiveness. This will lead to a revision of our website, providing updated information and links to important resources, and an update to our bylaws and operating procedures for accuracy and efficiency. As you probably know, MCREA is staffed entirely by volunteers so our agenda must consider our available resources.

We are coordinating regularly with the Office of Human Resources, responsible for retiree health and life insurance benefits, and with the newly established Montgomery County Employee Retirement Plans, responsible for the retirement plans and the Deferred Compensation Plan. Each office will provide items of interest for our newsletters in addition to direct mailings to retirees. Some of you attended the Retiree Health Insurance Seminar sponsored by OHR, and in addition to any input you submit, MCREA provided feedback for future seminars.

Our major priority, as in the past, is to follow the County's budget process and the Council agenda for items that may impact retirees. We will provide input to the County Executive and/or the County Council if appropriate and keep you informed.

I hope you have a happy and successful year!

**2012 – 2013 MCREA BOARD OF DIRECTORS**

Kathy Best, Hagerstown, Md. - Secretary	Margaret Knill, Potomac, Md.
Carl B. Edelin, Jr. Middletown, De.	Ellen Larsen*+, Bethesda, Md.
Barbara Garrard, Gaithersburg, Md. - President	Carol Maryman, Kensington, Md.
Annie Mae Graham, Rockville, Md.	Marilyn Mitchell, N. Bethesda, Md.
John Hansman, Rockville, Md. - Treasurer	Louis Smith*, Silver Spring, Md.
Ruth Harvey+, Williamsport, Md.	Deborah Snead, Potomac, Md.
Suzanne Hudson, N. Bethesda, Md. – Vice Pres.	Joe Sparacino, Silver Spring, Md.
Barbara A. Kloc+, Cabin John, Md.	*Presidential Appt. +New Appt.

**NEW BOARD MEMBER INTRODUCTION**

Barbara Kloc retired in March 2010 after 25 years of County service. Her commitment to public service began in 1970 as a VISTA Volunteer in Baltimore. She went on to provide advocacy and program development within Baltimore City schools and State of Maryland rehabilitation programs, and completed graduate work at Johns Hopkins and the Maryland Institute. Her County service began in 1985 as a member of the Springfield Aftercare Team, DAVMHS.

An original staff member of Screening & Assessment Services for Children & Adolescents, HHS, she guided thousands of referred families toward positive outcomes. She is currently completing post-Masters graduate work in counseling and pursuing an encore career combining arts/human service programming. She also is a classically trained fine artist, exhibiting locally.

**THANK YOU FOR SERVING**

MCREA extends thanks and farewell to retiring Board members Patricia Crew and Steven Lansing. Patricia has been contributing conscientiously on the Board since 2004 and Steve, a Board member since 1998, has served as Vice President since 2001, playing a key role in representing the association before County officials.

Suzanne Hudson is not a retiring Board Member but deserves a Thank You as she moves from past roles into her new role as Vice President. Suzanne has been serving on the MCREA Board in many capacities since 1996, first as newsletter editor and with membership, and then as Board President since 2001. Her leading role for MCREA for these many years has been a tremendous contribution to our organization. MCREA is privileged to have had Suzanne and Steve serving as key officers for these extended years, applying their County government knowledge and experience to engage effectively with the County in monitoring developments and advocating on behalf of retirees. We are grateful for their dedication in all the years they have served.

Sincere thanks goes to Meg Riesett Menke, who recently completed two consecutive 3-year terms as MCREA's representative on the Board of Investment Trustees (BIT) and the Board of Trustees for the Consolidated Retiree Health Benefits Trust (CRHBT). These two boards oversee investment programs for pension funds and the County's health care funds, respectively. (See October 2011 newsletter issue at [www.MCREAonline.com](http://www.MCREAonline.com)).

### **AND A HEARTY WELCOME**

We are pleased to announce Jennifer E. Barrett as MCREA's representative on the Board of Investment Trustees and the Board of Trustees for the Consolidated Retiree Health Benefits Trust. Having retired from 30 years of County service, including in the position of Director of Finance, Jennifer graciously agreed to be MCREA's nominee to the County Executive earlier this year and was confirmed by the County Council this summer.

### **NEW ORGANIZATION CREATED TO OVERSEE RETIREMENT PLANS**

Effective July 1, 2012 oversight of all County Retirement Plans was consolidated into one organization, the Montgomery County Employee Retirement Plans (MCERP). The organization includes administration for all aspects of the MCERP including: the calculation of retirement benefits for employees, the payment of monthly annuities to retirees, and the investment of the MCERP assets. The organization is being headed by Linda Herman, who previously was overseeing the investments of the assets and supporting the Board of Investment Trustees. For the background on why the change was made, see link at:

[http://www.montgomerycountymd.gov/mcerp/Resources/Files/pdfs/Oversight\\_memo.pdf](http://www.montgomerycountymd.gov/mcerp/Resources/Files/pdfs/Oversight_memo.pdf) for the June 29, 2012 memorandum from Timothy Firestine, Chief Administrative Officer.

Information related to the Employees' Retirement Systems (ERS) & the Guaranteed Retirement Income Plan (GRIP), the Retirement Savings Plan (RSP) and the Deferred Compensation Plan may be found on the Retirees tab on MCERP's website: <http://www.montgomerycountymd.gov/mcerp/>. This includes Plan Benefits, Investments, a What's New section, and more. As for all County services, the preferred method of initiating a request or query is to contact 311, or 240-777-0311 from outside Montgomery County. MCERP is currently working with the County's Department of Technology Services to provide retiree access to the website to allow changes to be made online, including: address changes, federal taxes and other benefits/deductions. More information will follow as MCERP completes the required testing.

## RETIREE HEALTH INSURANCE SEMINAR REPORT

Throughout August and early September, the OHR Benefits Team conducted new retiree health insurance seminars. The seminars covered frequently asked questions concerning Medicare and the County's retiree group insurance coverage (medical, prescription drug, dental and life insurance). Approximately 45 retirees attended each seminar, and speakers from Medicare and the OHR Benefits Team presented.

The OHR Benefits Team would like to thank all of the retirees who took the time last winter to send in ideas for these first seminars. If you attended a seminar this summer and would like to provide feedback for future seminars, please email it to [benefits@montgomerycountymd.gov](mailto:benefits@montgomerycountymd.gov) or mail it to the OHR Benefits Team, 101 Monroe St., 7th Floor, Rockville, MD 20850. Please title your email or letter "Retiree Health Insurance Seminar Feedback."

Future seminars are in the works for 2013, and will be announced in upcoming MCREA newsletters. If you live outside of the area or were unable to attend the seminar, materials are posted online at [www.montgomerycountymd.gov/ohr](http://www.montgomerycountymd.gov/ohr). In the left sidebar menu, click Benefits and then Retiree Health Insurance. Go to Top Links and click on the two seminar presentations (Medicare and Group Insurance).

## HAVE YOU SEEN THE NEW OHR WEBSITE & WELLNESS PAGE?

The Office of Human Resources (OHR) recently redesigned their website with a new user-friendly format that replaces the HR Resource Library. Visit the new website at [www.montgomerycountymd.gov/ohr](http://www.montgomerycountymd.gov/ohr).

Also, a Wellness page has been developed that includes discounts, health assessments, tracking tools, health-related apps, healthy meal ideas, prescription drug guides, multimedia and more. Visit the new OHR Wellness page by clicking the Wellness link at the top of the OHR Home Page.

## TIME TO THINK ABOUT YOUR BENEFITS

Open Enrollment is the time of year you can make group insurance changes for the next calendar year. Open Enrollment for 2013 will be held Monday, October 22 at 8:00 a.m. through Tuesday, November 13, 2012 at 5:00 p.m. (Note: Monday, November 12 is a holiday.) Any changes you make during the fall Open Enrollment period will be effective January 1, 2013.

## Upcoming Open Enrollment Mailings

In late September, an Open Enrollment Preview flyer is being mailed to your home. The flyer is designed to help you plan for the County's upcoming Open Enrollment period, and contains information about fairs, seminars and other important details. Enclosed with the flyer are legally required notices, including the Notice of Creditable Coverage explaining the Medicare Part D prescription drug coverage enrollment period.

Also, Open Enrollment packets will be mailed to homes the week of October 15<sup>th</sup>. They will contain an Open Enrollment Guide, Rate Sheets for 2013, personalized 2013 Group Insurance Election Form and a return envelope.

***Important:*** The 2013 Group Insurance Election Form has been redesigned to facilitate the scanning of forms into the benefits enrollment system. Therefore, your Open Enrollment packet will also include a new, brightly colored flyer titled, "How to Complete Your Group Insurance Election Form." This flyer outlines the changes to the Group Insurance Election Form and how to complete the redesigned form.

## Open Enrollment Tips

Here are a few tips to consider that will help make Open Enrollment go more smoothly for you and the OHR Benefits Team:

- Review your materials carefully, especially the Guide and 2013 Rate Sheets.
- As mentioned above, the Group Insurance Election Form has been redesigned. It is very important that you follow the instructions on the Open Enrollment packet flyer, "How to Complete Your Group Insurance Election Form."
- If you are not making any changes for 2013, please do not complete and mail the 2013 Group Insurance Election Form.
- If you are making changes for 2013, be sure that you do not fold, crease or bend the Election Form. The OHR Benefits Team must manually enter any forms that are unable to be scanned into the enrollment system.

## FAQS ABOUT YOUR GROUP INSURANCE COST SHARE

The OHR Benefits Team often receives questions from retirees about their "cost share." Here are some of the most frequently asked questions (FAQs):

- *What is a "cost share"?* Your cost share is the percent you pay for your County group insurance; the County pays the remainder.
- *Where can I find my cost share?* Each year, the OHR Benefits Team mails you two communications that include your personal cost share: the Group Insurance Election Form (sent with Open Enrollment packets in mid-October) and the Open Enrollment Confirmation Statements (sent in December). Be sure to keep these each year for reference.

**Continued on next page...**

**FAQS ABOUT YOUR GROUP INSURANCE COST SHARE (Continued)**

- *I was eligible to elect the 20% cost share when I retired, so I currently pay 20% of the premium and the County pays 80%. I have a few questions:*
  - *What happens when my 20% cost share expires?* You begin to pay 100% of the premium and the County pays 0%.
  - *How is my 20% cost share expiration date determined and can it be changed?* It is derived from the number of years and months you worked for the County, so it is a firm date and cannot be changed. Your 20% cost share lasts for the period of time equal to the number of years of your eligibility under the group insurance plan, beginning from your retirement date.
  - *Do I automatically lose coverage when my cost share becomes 100%?* No.
  - *How do I know when my cost share expires?* The date is shown on your annual Group Insurance Election Form and Open Enrollment Confirmation Statement.
  - *What are my options when my cost share becomes 100%?* You can:
    - Keep all of your coverage and pay 100% of the premium (the County pays 0%).
    - Keep some of your coverage and change or cancel the rest.
    - Change or cancel all of your coverage.

This newsletter is published by: Montgomery County Retired Employees' Association, Inc. P.O. Box 73, Rockville, Maryland 20848-0073. Editor: Marilyn Mitchell Telephone: 301 929 9339 Toll Free 1 866 929 9339 <http://www.MCREAonline.com>. We welcome your suggestions for our newsletter.

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