TOWN OF MIDDLEBORO RETIREES INSURANCE GROUP (MRIG)
MIDDLEBORO.RETIREES.INS.GROUP@GMAIL.COM
OCTOBER 2013

This Newsletter can be viewed on our website at - http://mrig.info/

ANNUAL MEETING

The Annual Meeting of the Middleboro Retirees Insurance Group was held on May 21st at the Council on Aging there were approximately 40 members in attendance. Reports were given on the issues that we have addressed over the past year and what we foresee as future issues on the horizon.

Following the Annual Meeting the Executive Committee met and held the reorganization meeting required under the MRIG By-Laws. A motion was made to nominate the following officers, this was seconded and a unanimous vote was taken. The officers are as follows:

Charles Armanetti, Chairman
Gene Turney, Vice-Chairman
Mary Cook, Treasurer
Sue McCusker, Secretary

We did not meet over the summer but are now back to our regular meeting schedule.

LEGAL UPDATE

The State Supreme Judicial Court (Docket # SJC-11435) has sent out a request for dates to the Attorneys for the beginning of January. All briefs have been filed and anyone can go on line and look up the case at www.mass.gov/courts/sjc. We will send out an e-mail notice to the general membership when the date has been decided, we will also post it on our website http://mrig.info/.

END OF PREMIUM REDUCTION

There is $24,000 remaining in the Medicare retiree mitigation fund that was currently being used for an $11 per month premium reduction and a Tier 3 Drug Reimbursement program. The premium reduction will end on 12/31/13 and the Tier 3 Drug Reimbursement program will continue until 6/30/14, as agreed on in the original PEC (Public Employee Committee) Agreement.

We have been told that the new premium for Medex is estimated to be approximately a 7% reduction. We should be receiving confirmation of this shortly, as the renewal date is 1/1/14.

Members of the Executive Committee met with the Town Manager and Town Treasurer who explained that under the initial PEC (Public Employee Committee) which dealt with mitigation funds (those funds that have helped offset increased costs by going to Medicare) their estimates of savings to the Town were not as great as the savings were. After calculating the actual savings, there will be approximately an additional $35,000 available to Medicare retirees. Any additional funds will be calculated and after the GIC question is finalized we will look at additional ways to reduce health care cost impacts to the retirees to be effective 7/1/14.

The Executive Committee also voted to ask at the PEC meeting that non-Medicare retirees covered under the active employee plan be eligible for additional reimbursements for deductibles and co-pays paid out of pocket for health care services. We were unsuccessful in convincing the PEC of any additional reimbursements for the retirees.

COMING CHANGES TO HEALTH INSURANCE

The Town Manger has met with members of your Executive Committee to advise them of the Town's intention to move all health insurance to the state GIC (Group Insurance Commission) as of July 1, 2014.

For the Town to move the health insurance to GIC they had to go through the same steps as they did in 2012; notify the IAC (Insurance Advisory Committee); and then form a new PEC (Public Employee Committee) to negotiate the requested changes. This is all done following Mass. General Laws. The PEC is made up of union representatives and retiree representatives. There is a weighted vote with the retirees holding a 10% vote by statute.

Negotiations started September 17th and agreement was reached October 17th. Agreement was that there would be no cost savings for Medicare retirees as the premium is almost the same, therefore there would be no cost savings to share. For people on the active plan (non-Medicare retirees and active employees) there are projected cost savings to those members of $230,299. The entire PEC Agreement is available on our website (http://mrig.info/.

Agreement was made that the remaining $36,100 in the 2012 Medicare Mitigation Fund will be used to continue the Tier 3 Drug reimbursement plan. The Executive Committee wants to see what additional costs (co-pays and deductibles) are in the Medicare supplement plans and then to decide on whether to continue with premium reductions and Tier 3 drug reimbursements or a new combination of reimbursements.

This agreement also holds the percentage split to what ever it is today until after fiscal year 2017 (6/30/17). At that time the Town can again change insurance plans, including premium contribution percentages.

To look at what is being offered go to www.mass.gov\GIC\ links are available on out website (http://mrig.info/). There are six plans currently being offered for Medicare retirees and 10 plans for non-Medicare retirees. Some plans are offered by the same companies but coverage is different on each plan. Currently the plans being offered for Medicare supplement coverage are financially comparable with our current premiums, the State does have a track record of containing the rate of increases to below what most organizations are seeing.

Open enrollment will be April 9 to May 7, 2014. We have been advised by the Town Manager that it will be extremely important to follow the sign-up periods as requested, as the State is not as forgiving as our Town Treasurer's Office has been.

We will be suggesting to the Town Manager that health insurance meetings be held in Middleboro to facilitate the choosing of a plan.

Also, MRIG is tentatively planning a general membership meeting for the end of March or first of April for the purpose of getting information out prior to the GIC open enrollment period.

FUTURE PLANNING FOR HEALTH CARE COSTS

We have been advised by Town Manager, Charles Christello, that those non-Medicare retirees who are on the active plan, there will be a change in the deductible periods from a fiscal year to GIC's calendar year period. Since we will be joining in July 2014 your deductible will reset then and then again on January 1, 2015. To avoid paying these additional deductibles, if you at all can, schedule medical visits prior to June 30, 2014 and after January 1, 2015. So lets all hope for a healthy six months!!!

We have also been told that the Town in entertaining a policy where both active employees and retirees (both Medicare and non-Medicare) would be paid to not take the Town's insurance if you can be covered elsewhere. This is something to keep in mind as you plan for retirement, but there are some conditions attached. As we hear more we will let the membership know.

TOWN HEALTH INSURANCE POLICY FOR RETIREES

Current and future retirees may want to keep in mind the following policy the Selectmen voted on April 30, 2012, it has been helpful to some as they plan for the future.

"Employees who are not in the Town's health plan, or who leave the Town's health plan during retirement may enroll in the Town's health plan after a qualifying event or during any annual open enrollment period during their retirement. The Town will pay the penalty for retirees who are required to enroll in Medicare as a result of the Health Insurance Reform Act of 2011 even if the retiree chooses to no longer participate in the Town's health insurance plan."

DUES / CONTACT INFORMATION

If you have any questions or you need to change any information please contact our Treasurer, Mary Cook, at richard.cook2@verizon.net or 508-821-2112 and she will help you. If you are still receiving this newsletter via the U.S. Postal Service and have an e-mail address please share it with us as we can't produce notices and mail them as rapidly as we can e-mail information. This form is available on our website. You can also fill out and print a copy of this form if you go to the contacts section of our website.

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TOWN OF MIDDLEBORO RETIREES INSURANCE GROUP (MRIG)
MEMBERSHIP REGISTRATION – 2013 - $5.00

NAME: ________________________________

ADDRESS: ______________________________ __ **Check here if new address**

CITY/TOWN: ____________________________ **ZIP:** ___________

E-MAIL: ________________________________ ___ **Check here if new Email address**

TELEPHONE: ____________________________ ___ **Check here if new phone**

(This information is confidential and will not be shared with any other person or organization.)

Make checks payable to: MRIG
c/o Mary Cook
130 Scadding Street
Taunton, MA 02780

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