

TOWN OF MIDDLEBORO RETIREES INSURANCE GROUP (MRIG)
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OCTOBER 2014

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

WHAT IS YOUR HEALTH INSURANCE EXPERIENCE WITH THE CHANGE TO STATE ?

There were a few mishaps as the shift was made from one plan to another but everyone involved seemed to be satisfied in the end. Some of our members even received calls to verify that cards were received and overall satisfaction with the change. In a subsequent newsletter sent out by GIC there was a report on retirees' satisfaction with the changeover. So we really weren't special just another survey, but it is nice to know that many other retirees are equally satisfied with the plans available to us.

LEGISLATION TO FIX RETIREE PERCENTAGE CONTRIBUTIONS

The state budget included a two-year extension of the municipal health insurance contribution percentage moratorium. This has the effect of freezing your contribution percentage until 2016. At that point the Board of Selectmen will be free to change retirees' contribution percentage. This is one of the reasons it is very important to ask questions of those who run for local office their position on retirees' health insurance benefits.

We will keep you up to date on further legislative initiatives aimed at permanently freezing or extending the moratorium regarding changes in retirees' contribution ratio.

SOME MEDICARE RETIREES SUPPLEMENTAL INSURANCE RATES MAY CHANGE IN JANUARY

Benefits and rates of Fallon Senior Plan and Tufts Health Plan Medicare Preferred are subject to federal approval and may change on January 1, 2015. (Rates are not available until they are set in mid-November.)

ELECTION – NOVEMBER 4, 2014

As in every election we advise members to ask questions as to candidates' positions on retirees' pensions and healthcare benefits. The Mass. Retirees has a political action committee for State, County and municipal retirees and they have been instrumental in protecting current retirees' benefits (see above legislation). They are recommending members go to the polls and support the following candidates on November 4th based on their voting record and statements of support.

Mass Retirees endorse Martha Coakley for Governor& Steve Kerrigan for Lt. Governor.

"In a word, the results of elections matter. And when you're a public retiree, receiving pension and health insurance benefits from the government, election results do have a direct and immediate impact on your life.

For this reason, the Mass Retirees PAC has endorsed Martha Coakley for Governor, Deb Goldberg for Treasurer and Maura Healey for Attorney General in the Tuesday, November 4, 2014 General Election, We do so not because of allegiances to any political party, but because we believe that these three

candidates are best qualified to serve and protect the interests of public retirees - namely your public pension and insurance.

Martha Coakley for Governor and Steve Kerrigan for Lt. Governor

Before making our endorsement for Governor, we sent a short questionnaire to all five gubernatorial candidates.

Despite multiple inquiries to his campaign, Charlie Baker chose not to respond. In the past, both Mr. Baker and his running mate, former Rep. Karyn Polito, have openly supported proposals that would harm public retirees. In fact, Baker's running mate, Polito, once proposed replacing the defined benefit pension with a 401k-style plan. They have also made comments that question the sustainability of retiree health insurance benefits.

Coakley answered our six questions in detail, affirming her commitment to maintaining your defined benefit pension system. She has also vowed to hold retirees harmless from further health insurance reforms, calling into question the fairness of changing benefits or increasing costs on people who are already retired."

Read the entire article and questionnaire responses on the web at;

<http://www.massretirees.com/article/issues/politics/retiree-questionnaire-offers-insight-positions>

Mass Retirees endorses Deb Goldberg for Treasurer

"Of all the races we're involved in this year the office of the State Treasurer holds the most importance to public retirees," says Association President Frank Valeri. "Deb Goldberg understands these issues and will make them a priority within the treasurer's office. Moreover, she brings a unique sense of empathy for and appreciation of public servants. This is why she has a record of placing public retirees at the top of her list of priorities.

Deb also knows the truth about our defined benefit pension system. Deb is someone we can count on to defend our system and your benefits – not because she wants your vote, but because she truly believes it is the right thing to do." Read the entire article on the web at;

<http://www.massretirees.com/article/issues/politics/deb-goldberg-treasurer July 2014>

REPORT ON ACTIONS OF THE PEC

Review of the Public Employees Committee Years (PEC) and your Health Insurance Benefits

In 2012 the first Public Employees Committee met to establish mitigation for the Town's adoption of the Health Insurance Reform Act. At the time we had Blue Cross and Blue Shield of Mass insurance under MIIA. The Town saved about \$886 Thousand and established the first Mitigation Fund providing \$221 Thousand to reimburse Non-Medicare retirees and active employees.

In 2013 we switched to GIC, so Non-Medicare retirees and active employees have again saved the Town a lot of money. The initial savings estimate of \$ 921 Thousand in insurance premiums was increased to about \$1.537 Million Dollars after all was said and done with the conversion to GIC.

In 2014 One quarter of this additional savings (\$145 Thousand) will be added to the New mitigation fund which was established in 2013 with the conversion to GIC. This New Mitigation fund, now about \$384 Thousand is available along with remaining funds from the initial fund (totaling about \$530 Thousand) for Non-Medicare retirees reimbursements claimed using Appendix A (below) In addition your PEC added the following reimbursement opportunity.

One Time Deductible Reimbursement - The biggest drawback to moving to GIC for Non-Medicare retirees is that they were required to move to a new insurance company on July 1st

and the deductible applies from Jan. to Jan. This means that any of us that require services involving payment of the deductible from July 1st to Dec 31st will start at scratch and be required to pay up to the full yearly deductible during this 6 month period. Because of this one time hardship The PEC has agreed to grant a reimbursement of deductible for any amount above one half of the annual deductible (\$125) that you pay for services you received between July 1st to Dec 31st this year. This applies to families as a reimbursement of the second \$125 of deductible paid by any member up to a maximum of \$375 per family for services received between July 1st to Dec 31st . Reimbursement requests and documents will be due at the Treasurer's Office on March 1st 2015.

Excerpt from new PEC agreement: (Read the entire agreement - <http://mrig.info/>)

Mitigation. The Town and the PEC agree that the Town will appropriate an additional \$154,134 in FY 2015 to the existing New Mitigation Fund of \$230,299, to reflect the actual savings (\$384, 433) available for the Fund based on a comparison of the FY 14 cost of the Town plans with the FY 14 cost of the GIC plans based on which GIC plans subscribers selected.

In addition to the distributions under Appendix A, funds from the New Mitigation Fund will be disbursed to reimburse a portion of the full year deductible subscribers are required to pay for the active employee plans between July 1-December 31, 2014. An insured employee who has paid at least \$125 of the \$250 deductible will be reimbursed for any amount paid between \$125 and \$250, i.e., a maximum reimbursement of \$125.

In other words, for care accessed between July 1st and Dec 31st 2014, you are responsible for the first \$125 for each member. For families with more than three people, the third and additional members are combined to pay \$125. To be eligible for these reimbursements, documentation must be provided no later than March 1, 2015. All Deductible reimbursements will be handled on March 1st 2015. The Treasurer's Office will provide a form in February.

APPENDIX A

Reimbursement requests shall be submitted within 15 days of the end of the quarter, which will be January 1, April 1, July 1 and October 1. However, any reimbursement request of \$300 or above shall be processed upon receipt. Reimbursement requests shall be submitted on a form developed by the Treasurer/Collector's office and shall be accompanied by an original receipt, which will be edited by the employee to prevent the disclosure of any personal information.

APPENDIX A							
MITIGATION REIMBURSEMENTS FOR ACTIVE EMPLOYEE PLANS							
	Day Surgery	MRI CT PET Scans	High Cost Hospitals	Lower Cost Hospitals	Specialists	Emergency Room	Tier 3 Drugs
Co-pay effective 7/1/12	\$150.00	\$100.00	\$700.00	\$300.00	\$35.00	\$100.00	\$110.00
Reimbursement	\$100.00	\$75.00	\$400.00	\$100.00	\$15.00	\$50.00	\$40.00
Cost to Employee	\$50.00	\$25.00	\$300.00	\$200.00	\$20.00	\$50.00	\$70.00

EMERGENCY FINANCIAL AID MAY BE HELPFUL FOR SENIORS

Betty Wainwright, Harry Pickering, June Rogers and Barbara Hadsell volunteered to look for further benefits that might be available to some of our membership to help pay for their health insurance.

Generally there is no way to reduce anyone's health insurance premium, but the Council on Aging does know of many programs that may be able to help in other areas, thus freeing up money to pay for health care. Each program has varied criteria for eligibility and can range from a one-time unexpected expense like a broken refrigerator to long term aid for those with limited fixed income. Both Shine and the Veteran's Agent know how to work with all the groups and with each other. Any person who has a need must individually contact the Middleboro COA (508-946-2490), Shine (1-800-243-4636) or Middleboro Veteran's Agent (508-946-2407) to see what help they can get.

NOTICE REGARDING NHP MEDICAL LOSS RATIO

For those members who are receiving coverage from the Neighborhood Health Plan a reimbursement is being sent for those members who were covered in 2013. Since we started with GIC in 2014 no reimbursement is due to the Town of Middleborough for its subscribers. Next year our insurance companies will be required to meet the medical loss ratio or they will have to reimburse subscribers for any shortfall. Medical loss ratio is a requirement of providers to spend 85% of premium dollars on clinical services and quality improvement to medical care.

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.

TOWN OF MIDDLEBORO RETIREES INSURANCE GROUP (MRIG)

MEMBERSHIP REGISTRATION – 2014 - \$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