

MEA-RETIRED Tribune

January 2016

MEA SCHOLARSHIP APPLICATIONS AVAILABLE

Applications for the 2016 MEA Scholarship are now available. Only dependents of MEA members or MEA-Retired members in good standing are eligible for the scholarships. The general criteria for awarding the scholarships include academic achievement, extra-curricular activities, as well as school and community service. Last year, 20 public high school students and 11 returning college students were awarded scholarships totaling \$44,250. The Scholarship Fund Trustees will be meeting in March to determine how many scholarships and their dollar amounts will be awarded. The MEA Scholarship Fund is financed through voluntary contributions of members, staff and friends of the Michigan Education Association. You can fill out a scholarship application at www.mea.org/mea-scholarship. The deadline for returning applications is Thursday, February 25, 2016. Contact Barb Hitchcock at bhitchcock@mea.org for additional information.

PETITION DRIVE FOR PAID SICK TIME

More than 1.5 million Michigan workers--and even some MEA members--don't have access to paid sick time. As a result, the MEA Board voted to support an Earned Sick Time ballot measure by the MI Time to Care coalition that gives everyone the opportunity to earn paid sick time. MEA will provide support by helping to collect signatures to get the proposal on the November 2016 ballot. The proposal would allow workers to earn one hour of sick time for every 30 hours worked. Workers could earn up to nine years of sick time, depending on the size of the business they work for. The proposal ultimately benefits everyone since anyone who is sick, and works with the public, poses a threat to healthy people. Parents won't be forced to send their sick child to school and expose others, like school employees, to illness. It also ensures that people working in kitchens aren't preparing your food while they're sick.

DID YOU KNOW:

- The MEA-Retired officers will be going to San Diego, California in March to attend the NEA-Retired Leadership and Organizing Conference. We are pleased that Paul Helder will be attending as well. We will meet with state officers from all over the U.S and will be learning what other states are doing to recruit members. There are 23 other "right to work" states and we will be especially interested in talking to those presidents. We want to learn more about how they are organizing their members and what they are doing legislatively.
- The Michigan Education Association filed a brief with the Michigan Court of Appeals in opposition to Public Act 75 of 2010. PA 75 mandated school districts withhold 3 percent of each employee's wages for retiree health care. Immediately following passage of that legislation, the MEA and the American Federation of Teachers Michigan, filed suit challenging the constitutionality of PA 75 – and have been fighting the legal battle ever since. (Steve Cook, MEA President)

Medicare Costs for 2016

For **Original Medicare Part A**, the costs in 2016 will be:

- **Premium:**
 - \$0 if you've worked more than 10 years
 - \$226 per month if you have worked between 7.5 and 10 years (\$224 in 2015)
 - \$411 per month if you have worked less than 7.5 years (\$407 in 2015)
- **Hospital deductible:** \$1,288 each benefit period (\$1,260 in 2015)
- **Hospital coinsurance:**
 - \$322 per day for days 61-90 of each benefit period (\$315 in 2015)
 - \$644 per day for days 91-150, which are non-renewable lifetime reserve days (\$630 in 2015)
- **Skilled nursing facility coinsurance:** \$161 per day for days 21-100 each benefit period (\$157.50 in 2015)

For **Original Medicare Part B**, the costs in 2016 will be:

- **Premium:** Most people will continue to pay \$104.90 per month, but some people will pay more.*
- **Deductible:** \$166/year (\$157/year in 2015)

*You will **continue to pay \$104.90 as the Part B premium** next year if you are protected by the hold harmless provision. The hold harmless provision applies to you if all of the following apply:

1. Your Part B premium was taken out of your Social Security check in 2015. This means you received Social Security benefits for November and December of 2015, **and**
2. The Medicare Part B premium will be deducted from your Social Security benefits in January 2016, **and**
3. You are not subject to an Income-Related Monthly Adjustment Amount (IRMAA) because of a higher income

You will **pay \$121.80 as a base Part B premium** in 2016 if:

1. You are new to Medicare in 2016.
2. You are subject to IRMAA (in this case you will pay an additional adjustment amount on top of the premium).
3. You are enrolled in a Medicare Savings Program (MSP). Note that the MSP will continue to pay for the cost of the premium.
4. You had an MSP in 2015 but lost it because your income increased or you did not recertify.

Lastly, the costs associated with **Part D** will change in 2016. These changes affect you whether you have a stand-alone Part D plan that works with Original Medicare, or you have Part D coverage through your Medicare Advantage Plan. Your plan may or may not have changed: review the Annual Notice of Change (ANOC) you received from your plan to see any changes in costs or coverage for 2016.

- **Maximum deductible:** Up to \$360 per year (up to \$320 per year in 2015)
- **Amount to get into the Coverage Gap:** \$3,310 (\$2,960 in 2015)

- You enter the Coverage Gap after you and your plan have paid a combined total of \$3,310 on covered drugs since the start of the year.
- **Amount to get out of the Coverage Gap (Donut Hole):** \$4,850 (\$4,700 in 2015)
 - You leave the Coverage Gap and enter the Catastrophic Coverage phase when you have spent a total of \$4,850 in out-of-pocket costs for covered drugs since the start of the year.

These costs can also be found in your *Medicare & You* handbook or on www.medicare.gov

Note that even if you have a Medicare Advantage Plan, you have to pay the Part A premium (if you don't have premium-free Part A), and Part B premium. Medicare Advantage Plans cover the same benefits as Original Medicare, but may do so with different costs and restrictions. To learn about how costs may be changing for your Medicare Advantage Plan in 2016, you can contact your plan directly. Your plan also should have sent you an Annual Notice of Change this past fall, outlining changes to coverage and costs for 2016. Remember, Medicare costs can change each year, and it is important to understand which changes will affect you.

How Medicare Affects Your Coverage

Medicare is the federal health insurance program for people who are 65 or older, or otherwise receiving Social Security Disability benefits.

Medicare is divided into four different parts, which cover specific services. You will only need to focus on these three if you enroll in a state-sponsored retiree insurance plan:

- Part A (Hospital)
- Part B (Medical)
- Part D (Prescription Drug)

What you need to know

If eligible, you must have Medicare Parts A and B to enroll in retiree insurance and prescription drug programs. To allow for processing, we recommend you enroll in Medicare three months before you turn 65 or otherwise become eligible. For most people, Medicare begins at age 65 or after 24 months of Social Security disability. If you, your spouse, or your dependents don't enroll in Medicare Part B when first eligible, the insurance for that person will be

canceled. If you request re-enrollment, coverage will begin on the first day of the sixth month after ORS receives all required forms and proofs.

If you become disenrolled from Medicare for any reason, you will be disenrolled from the retiree insurance plan. You may be billed for the services Medicare would have covered back to the date of disenrollment.

Enrolling in Medicare

[Medicare enrollment](#) may be automatic for you if:

- you have paid into Medicare for 10 years, *and*
- are turning 65, *and*
- are receiving social security income.

Your timelines and enrollment process will depend on whether you, your spouse, and eligible dependents:

- I. enroll in the retiree insurance plan and Medicare at the **Same Time**, *or*
- II. are **Already on Medicare** when you enroll in the retiree insurance plan, *or*
- III. become eligible for **Medicare After** enrolling in the retiree insurance plan.

If I die, will my spouse be able to continue insurance coverage (with or without survivor option)?

If you chose a [survivor option](#) (100% survivor, 75% survivor, 50% survivor), your survivor pension beneficiary will be able to continue insurance coverage at the same subsidy level that you had (if any). If you named your spouse as your survivor pension beneficiary, eligible dependents who were covered at the time of your death may also continue to receive coverage.

If you chose the [straight life option](#), or you are a former Defined Contribution participant, coverage for your spouse will end upon your death. However, your spouse would have the option to apply for [COBRA](#) insurance and pay the full premium for the duration of the coverage.

When can I enroll in a plan or change my plan? Is there an open enrollment period?

As a retiree, there is not an open enrollment period like when you were actively working.

When you can enroll in insurance depends on if you are enrolling at retirement or after retirement, and if you have a qualifying event.

If you are [enrolling in insurance at retirement](#), your insurance effective date can begin on your retirement effective date.

If you are [enrolling after retirement](#), and have a [qualifying event](#), coverage can begin on the first of the month after we get your application and proofs.

If you are enrolling after retirement, and have the [premium subsidy benefit](#), your enrollment begins 6 months after you apply for insurance coverage and submit your proofs. If you have the [Personal Healthcare Fund](#), you cannot enroll in insurance *after* your retirement effective date.

If you are enrolled in an HMO, you must stay in the HMO at least 6 months before switching to another plan unless you move out of the HMO coverage area.

If you are enrolled in BCBSM, or you have been in your HMO for 6 months or more, you can change plans at any time. The change will take effect after we receive your application and proofs.