

USA *Capsule*

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UNITED STAFF ASSOCIATION OF NEW JERSEY

OCTOBER 2006



Join your Colleagues at Convention

After a long day of preparing for the NJEA Convention, join your colleagues for cocktails and hors d'oeuvres at the USA Reception.

Wednesday, Nov. 8

5 to 6:30 pm

Horton's

Trump Plaza

6th floor

Enjoy a chance to socialize with your USA friends as we overlook the ocean at Trump Plaza's elegant restaurant.



Be a loyal colleague...

Follow the USA Code of Conduct

- ✓ We will not criticize a colleague except to the colleague.
- ✓ If we hear a colleague being criticized, we will confront the criticism.
- ✓ Unit members will not participate in conversation with management, NJEA governance, or NJEA members if that conversation results in speculation about or criticism of USA members.
- ✓ We will settle USA differences internally.
- ✓ We will engage in debate and give adequate opportunity for debate, but we will observe the majority mandate.
- ✓ We will respect minority viewpoints within USA, but when we settle an issue through discussion or vote we will support the USA position.

Collegiality ... solidarity ... and respect!

Get reimbursed for Text Messages

Text messaging costs are to be subtracted from the total cost of your cell phone bill before you calculate your cell phone reimbursement as you always do (business minutes divided by total minutes times the cost of the bill).

If any of the text messages on your bill are logged as business, then the number of business messages times the per message cost should be added to your cell phone reimbursement.

Example – 15 total text messages on cell phone bill at 20 cents per message for total of \$3. If 10 of those text messages were for business, then \$2 would be added to your cell phone reimbursement.

If you pay a flat monthly charge for text messaging, then divide the number of business text messages by the total number of text messages and multiply that by the monthly charge for text messaging and add that to your cell phone reimbursement.

Example – 15 total text messages on cell phone bill; monthly text message charge for up to 50 text messages is \$3. If 10 of the text messages are for business, then the text message reimbursement would be \$2 (10 business messages/15 total messages times \$3 text message charge).

If you have text messages logged as business on your next cell phone bill, submit for reimbursement as outlined above.

A point to ponder: Who's taking care of NJEA business while management spends so much of its time on the reimbursement procedures for text messaging?

Save your pennies

New USA shirts are coming!

After the holidays, Liz Saylor-Castlegrant and Karen "Skip" Starkey will be taking orders for USA shirts. New colors will be available.



USA *Capsule*

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United Staff Association of New Jersey.*

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*USA President
Diane Spear*

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Medicare changes for 2007

(effective 10/12/2006)

Social Security has made some changes as to when you reach full retirement age. Depending on the year in which you were born, you may not qualify for your full benefits until you are actually 67. You may still collect SSA benefits at age 62, but with a much stiffer reduction. However, you must still enroll in Medicare Parts A and B when you are age 65 and retired, or if you have a spouse who is retired or disabled and his/her plan requires Medicare coverage at 65. If you or your spouse qualifies for End Stage Renal Benefits (ESRD) then there is a requirement to enroll in Medicare – at least for the first months of qualification. Enrollment in Medicare if you are still working is complicated, so I recommend that you use the following websites: www.medicare.gov; www.ssa.gov; or www.cms.gov. Better yet, contact Social Security to make certain that you do not lose benefits now or in retirement.

If you are approaching age 65 and are still working, you must contact Medicare and tell them that you are still working and have a health insurance plan through your employment. In effect, you are telling Medicare that you are eligible for benefits but that you are placing them “on hold” until you retire.

One thing is very clear. Once you have retired and are age 65, if you wish coverage under the NJEA plan to continue as a secondary policy, you MUST enroll in Medicare Parts A and B. Failure to do so will cost you loss of benefits under both plans and an increased premium down the road. Remember that the NJEA plan is NOT a “Medigap” policy; it is a regular health insurance plan that supplements your Medicare benefits.

Why is this important? If you fail to sign up for Medicare Parts A and B, then your NJEA plan will NOT pay for any benefits that would have been covered by Medicare. In other words, you could be out of pocket for big bucks and the NJEA plan is not responsible. If you are considering retirement and are approaching age 65, then you should contact Ed Richardson in Human Resources and/or Social Security for your options.

Once you have retired and qualified for Medicare, It is also very important that you notify NJEA of your enrollment in Medicare. NJEA must then notify Horizon BCBSNJ of the change. Medicare will become your primary plan and the NJEA plan will become the secondary plan.



For most active and qualifying employees as well as retirees, the premiums for Medicare Part A are not really a financial issue, as the Negotiated Agreement between staff and NJEA clearly states that an employee/retiree will be reimbursed for the cost of the Medicare Part B premiums for the employee/retiree and spouse, where applicable. All retirees, however, must pay the premiums for Medicare Part B. For the calendar year, 2006, the premiums for Part B were \$88.50 per month per person. That amount is deducted from your Social Security check on a monthly basis. You should seek reimbursement for those premiums from NJEA twice a year – July and December. The vouchers are available from NJEA's Human Resources Department by calling 609-599-4561 or by sending an e-mail to JHanrahan@NJEA.org.

Things are changing! The premiums for Medicare Part B will increase in 2007. However, there will no longer be just one premium rate. Starting in January 2007, the premiums will increase on a sliding scale, based on your income. The Social Security Administration will use the adjusted gross income line on your tax return from 2005 to determine your monthly Part B premium in 2007.

Why? Medicare Part B premiums are indexed for inflation and cost increases, and so it is no surprise that Medicare premiums increase on an annual basis. The people who pay the base rate will still pay 25% of the Medicare Part B costs but for those who have a higher income, the premiums will be based on a sliding scale. Eventually the Part B premiums will be 35%, 50%, 65% or 80% of the Part B costs. In 2007, the higher rates will represent one-third of the Part B costs. In 2008, those paying more than the base amount will see an increase up to two-thirds of the Part B costs. In 2009, the plan will be fully integrated. Moreover, those who pay the higher rates will NOT be eligible for the limitation on Medicare Part B standard monthly increase beyond the amount of the Social Security cost of living adjustments.

In 2007, you will pay \$93.50 per month if you are single and your income was under \$80,000 or if you were married and your income was under \$160,000. If you are single and your income was between \$80,001 and \$100,000 you will pay a monthly premium of \$105.80. If you are married and your income was between \$160,001 and \$200,000 you will pay a monthly premium of \$105.80 per person.

If you are single and your income was between \$100,001 and \$150,000 or married with an income of between \$201,000 and \$300,000, you will pay a monthly premium of \$124.40 per person. If your income was higher than those listed above, then check the Q&A section of the Medicare website: www.medicare.gov for your rate. I should tell you that the rates have been adjusted twice since September, so they may be adjusted again.

You will still be reimbursed for the Medicare Part B premiums if you apply in July and December, even if you are paying one of the higher premiums. You must be certain to indicate the amount of the premiums on the vouchers which you submit to NJEA. If you claim more than the lowest premium, you will need to prove the amount to NJEA for reimbursement. I suggest that you keep all letters or documentation indicating your premium so that you can submit copies in July. We are working on exactly what documentation should be submitted and will let you know the results prior to July 2007.

We are very fortunate indeed, that the Negotiated Agreement between NJEA and the USA contains language to provide for reimbursement of the Part B premiums, not just for the retirees, but for those active employees who, for one reason or another, are required to sign up for Medicare.

There are other changes in the Medicare benefits. The Part B deductible will increase to \$131 per year. After you have met the annual deductible, Horizon BCBSNJ will pay the remaining 20% of the **Medicare-approved** amount. Hospital deductibles and other services covered under Part A will also increase, but the NJEA plan is responsible for those amounts. Further information on the new benefits is available at www.cms.gov.

If you have any further concerns or questions, you may e-mail me at jkirwen@earthlink.net. I am usually near a computer of one sort or another, although it may take me a couple of days to return your message.

Jill Kirwen, retired