

Retirees Today

Illinois State Employee Association Retirees

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Health Insurance Still In Question

By: Rudy J. Kink Jr., Executive Director

The Spring Session of the Legislature produced some questionable results. SB 1313 passed and was signed by Governor Quinn which requires retirees to pay a portion of the costs of their health care premiums. We have listed on our website www.isearetirees.org a list of the legislators that voted for and against SB 1313. You may want to check out how your legislator voted.

Our Coalition (ISEA Retirees, State University Annuitants Assn., and Retired State Employees Assn.) met with members of Central Management Services, Bureau of Benefits and the Bureau of the Budget to discuss the implementation of the bill. We were able to determine that a grid would be used and the factors used in the grid would be the age at retirement, years of service at retirement and the amount of the pension benefit at date of retirement. Although the cost to the retiree has yet to be determined it was supposed to take effect July 1, 2012. This date has long passed and still no additional work has been done as this issue is now part of the labor negotiations currently underway.

HB 1447 was introduced in the House which, in part, would force retired members of the State Employees Retirement System and the General Assembly Retirement System to make a choice of keeping the 3% compounded COLA or giving up their Health Insurance benefits. If you chose to keep the Health Insurance, then you would be eligible for a COLA but it would not be a compounding COLA and the amount would be determined by a cost of living index. That bill failed to pass in the fall session.

We do not believe that we have heard the last of HB 1447 or some form of it. We feel that it will reappear in either the Veto session scheduled for the last week of November and the first week of December or in the lame duck session in January 2013 just prior to the swearing in of the new legislative members.

You should call your legislators and tell them not to vote for anything affecting your benefits.

News from the Insurance Department

By: Mary Lou Thomas, Director of Insurance

We recently attended a meeting regarding Retiree Healthcare. It was very informational. Janice Bonneville, Deputy Director, Bureau of Benefits of CMS, Rudy Kink, Executive Director of ISEA Retirees and Mary Lou Thomas, Insurance Director, ISEA Retirees were the speakers.

Central Management Services will be responsible for setting the premiums that are paid by the retirees for their health insurance. The proposal that they are looking at will be based on a sliding scale. They will consider the (1) length of service plus age at retirement, and (2) ability to pay. A retiree's pension income will also be taken into consideration. Incomes will be divided into tiers; the higher the tier, the more the retiree will pay.

Retirees that have Medicare as primary will pay significantly less than those younger retirees not eligible for Medicare. The new retiree contribution will not be less for any retiree than the amount they currently contribute.

Central Management Services hopes to have a resolution by December 31, 2012 but the process is very complicated. It must be discussed and approved by AFSCME so a Union Contract can be put into place. They are discussing all known aspects and problems that will arise with retirees paying insurance premiums. A fair amount of time will be given to you so you can decide what option you want to choose.

You can access the website for CMS at: www.benefitschoice.il.gov. Any new information will be updated on a daily basis. You can also access our website at: www.isearetirees.org. Our office is open from 8:30 a.m. to 4:30 p.m., Monday through Friday. We will be available to work with you and answer your questions.

There are many Medicare supplemental policies that are available from private insurance companies. Before making a change, wait to see what the State of Illinois offers to you, as far as premiums. If you decide to change, research the plan carefully. Most plans will be Medicare supplemental Type F policies. They will all have different options and most will not include prescription medication, dental or vision coverage. Those will be separate policies or add-ons. Insurance agents are very eager to get your business and want to talk to you now, when everyone is uncertain of the outcome of events. Please do not make a decision until you learn what the State of Illinois has to offer.

Please be aware that we are into the Fall and Winter season when it is important to think about Flu Shots, Pneumonia Shots and Shingles Shots. Check with your doctor to see if it is time for you to receive your next vaccine. If you have questions about coverage or submitting claims, please contact our office.

Lawsuits Filed Against Health Insurance Costs

After Governor Quinn signed SB 1313, four law suits have been filed in Circuit Courts in Sangamon, Madison and Randolph counties. All suits question whether the Retiree was constitutionally guaranteed free group insurance with 20 years or more of service at retirements. None of the cases have been heard as of this writing.

This whole issue of attacking Retirees and active workers benefits is causing more active employees to retire this year. It is expected that the retirements this year will exceed the numbers of retirees during the early retirement periods. We also believe that the “brain drain” that the state will experience will be the most significant in years if not ever.

Health Insurance Questions?

Mary Lou Thomas, Insurance Director for ISEA Retirees, has been with the association for 20 years. During that time she has assisted countless members with their health insurance questions and problems. Our office receives many compliments and thanks for Mary Lou’s assistance in the confusing area of health insurance.

One of the most common concerns for members are the bills that are received from medical providers. Cigna is 10 months behind paying in-network providers and 12 months behind paying out-of-network providers. Due to the lag time providers will often begin sending bills to the member. Receiving these bills can become overwhelming and frustrating. Mary Lou helps members sort through insurance paperwork and can talk to the providers on their behalf. Providers have been very receptive to Mary Lou and are usually willing to wait for Cigna to pay once they understand the situation.

Mary Lou is a valuable resource for members and is available to address any insurance issues. She is here to serve you so please call or stop by the office with your concerns.

ISEA Retirees Chapters

We have interest in renewing the Peoria Chapter and holding meetings there four times a year. These members wish to remain more informed about their insurance and any legislation which could affect their retirement.

We plan to help provide guest speakers from Central Management Services, State Retirement System, and our office, as well as those in the know from that particular chapter area. The intent is to inform and update members on retiree matters and the assistance which may be available.

We regret that so many areas currently have no active chapter as it is vital that retirees remain informed. If you live in an area with a non-active chapter and would like to reactivate it, please do not hesitate to contact our office at (217) 698-6070.

ELECTION THIS FALL IS IMPORTANT

The election this fall is shaping up to be one of the most important in recent years. The reason for this is that the push to change Retirees benefits is at the forefront. As we know, the bills effecting Retirees benefits did not pass during the spring or special session. This is not to say that we will not see them in the Veto session or the lame duck session in January.

As the election approaches, everyone should look at those individuals that are running for office in their districts. Look at their backgrounds on whether they supported Retirees benefits or supported Retirees paying for their benefits. An example, SB 1313 which requires Retirees to pay a portion of their health insurance costs. A list of Legislators who voted for and against that bill can be found on our website. You may want to check our site first and then call their office to voice your objection to the vote. No matter if you are Democrat or Republican, show your opposition to that vote. We can and do lobby the Legislature all the time, but we need your voice and vote to make the difference.

Email Contact List

ISEA Retirees is developing an email list to keep our members informed. If you would like to be added to our list to receive email updates please call the office or email us at isea_retirees@comcast.net.

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