



NARFE NEWSLETTER

GREATER BOWIE-CROFTON AREA CHAPTER 1747

National Active and Retired Federal Employees Association

Volume 34 No.10

facebook.com/narfe1747 or narfe1747.org

December 2015

GENERAL MEMBERSHIP MEETINGS are held at the Bowie Senior Center, 14900 Health Center Drive, Bowie, 20716 in Room 4. Meeting dates are the third Thursday of the month at 10:00 AM except in July and August. There is never a charge to attend and all meetings are open to the public. Please check your current newsletter or our website for any changes.

EXECUTIVE BOARD MEETINGS are held the first Thursday of the month at 10:00 AM in Conference Room 125, Bowie Senior Center. All chapter members are welcome.

NOTE: Chapter meetings are cancelled when Prince George's County schools are closed due to inclement weather. Otherwise, meetings are held as scheduled.

COMING ATTRACTIONS

❖ **Holiday Luncheon:** Thursday, December 17. **Nauticus Diner**, Route 3, Crofton; 11:30am.

❖ **General Meeting:** Thursday, January 21. Diane Polangin of Total Tax Service speaks on the 2015 tax changes.

PRESIDENT'S MESSAGE

JERRY KURSBAN

As always, our Open Season Health Fair was a resounding success. We enjoyed lively and informative presentations and discussions at our Chapter 1747 Open Season Health Fair held on November 19 at the Kenhill Center. Presenters included Jennifer Malavey from BC/BS (Blue Cross/ Blue Shield); Donna Huntsman from Kaiser Permanente; Amy Ragland from GEHA (Government Employees Health Association); Stacia Johnson from APWU (American Postal Workers Union) and Dan Mullholland from Aetna. Each presenter explained the costs and changes in coverage. You should know your catastrophic limits, deductibles, co-pays, room and board coverage, and prescription drug coverage before deciding on a carrier. You should also check the costs of the self plus one option against the self and family option and add in the co-pays for each option, as they may change the total costs.

Your December 2015 issue of NARFE magazine contains extensive and useful information about the Open Season for Federal Employees in the article titled "Open Season Report" on pages 38-56. The Open Season will end on December 7. A major change this year is the addition of a Self Plus One plan option. The weighted average total premium increase for nonpostal employees and annuitants is 6.4 percent, and 6.7percent for postal employees. For important details about Medicare Part D prescrip-

tion benefits, check pages 48 and 49. You can compare the cost of fee for service plans on page 41; for prescription drug plans, on pages 48 and 49; for dental plans, page 53; and for vision plans, page 54. The Office of Personnel Management (OPM) has a website (www.opm.gov) that allows you to evaluate up to four plans at the same time (See page 40 for details).



Members at the Open Season Health Fair at the Kenhill Center managed to collect brochures and fact sheets and speak to all 5 insurance company representatives.

STATE LEGISLATION

ED BICE

On November 9, Paul Schwartz, Chair, Bill Ferguson and Ed Bice of the State Legislative Committee (SLC) met with Governor Hogan's Chief Legislative Officer, former Senator Joe Getty, to discuss our 2016 legislative program. The two primary issues for 2016 are to begin a four year phased-in state income tax exemption for all senior pensions; and to encourage the purchase and retention of Long-Term Care Insurance by annualizing the present one-time \$500 tax credit. Mr. Getty told us that Governor Hogan would be making an administration pension proposal for the 2016 General Assembly session this January.

Federation Meeting

A federation training session was held in Bowie on October

Continued on Page 2

The Effect of the Proposed 2016 Budget on Federal Workers

Howard Waterworth

Howard Waterworth writes for Maryland Chapter 1122.

The following article appeared in their newsletter this spring.

Over the past 5 years federal employees' wages increased by 2 percent, while private sector wages rose 8.3 percent and the cost of living rose 11 percent, according to NARFE President Thissen in the April issue of NARFE Magazine. He also said these and other adverse actions by Congress in recent years has resulted in reducing the federal deficit by over \$120 billion. The President's proposed 2016 budget, has both good and bad news for we feds--active and retired.

On the positive side the 2016 budget does not include a plan to switch to the Chained CPI for calculating the cost of living adjustment in federal retirement programs. The chained CPI would have cost active feds thousands of dollars in reduced pay increases over a period of years. The 2016 budget also did not increase the retirement contributions for current employees. There are other positives provisions in the budget such as protection of social security benefits, increasing retirement savings in employer-sponsored plans, and giving workers automatic access to IRAs. Active CSRS employees who do not owe any deposits can contribute up to 10 percent of their lifetime earnings to the Voluntary Contribution Plan and then convert to a Roth IRA account at present, according to FedSmith.com.

On the negative side, the President's 2016 budget would limit Roth conversions. After tax money held in traditional IRAs or employee-sponsored retirement plans would no longer be eligible for conversion to a Roth account. If passed, 2015 would be the last year that feds under CSRS could convert their after-tax contributions to a Roth IRA. The 2016 budget also would require taking the required minimum distribution from a Roth IRA upon age 70½ the same way as for a traditional IRA.

The President's 2016 budget would also eliminate the special tax break for net unrealized appreciation. To be eligible one must have appreciated stock inside an employer sponsored retirement plan. Currently, there are rules allowing one to pay tax on these

stocks at the long-term capital gains rates vs as ordinary income.

Non-spouse beneficiaries would be required to spend down their inherited retirement account within five years after the owner's death rather than taking distributions from an inherited IRA over their lifetime.

However, the House has somewhat different views for the 2016 budget which proposes these changes:

- an increase in retirement contributions for active employees of about 6 percent
- a decrease of the rate of return on the thrift savings plan's Government Securities G fund
- an increase in some retiree's share of their health insurance premiums based on years of service
- an increase in employees' FEHBP premiums
- to encourage the elimination of the FERS retirement system
- to eliminate the FERS annuity supplement, and
- an increase in postal employees' share of FEHBP premiums.

The Senate also passed a FY budget resolution by 52-46. It would eliminate some jobs, increase retirement contributions without any corresponding benefit increase, and increase health care costs for active employees and retirees resulting from reduced employer contributions to FEHBP premiums.

Finally in early May Congress agreed to a joint budget resolution for 2016 to reconcile their differences. While the impact of the joint budget resolution on federal employees and retirees is not as severe as the House budget that passed in March, it still assumes some \$193 billion worth of cuts from the federal community.

TREASURER'S REPORT

Balance on: October 1, 2015	\$3982.47
Receipts:	311.56
Disbursements:	314.40
Balance on: October 31, 2015	\$3979.63
Reserve for Alzheimer's Fund	\$466.50

DAYS TO REMEMBER

December 6	Hanukkah (at sundown)
December 14	Last Day of Open Season
December 25	Christmas
December 31	New Years Eve
January 1	New Years Day

State Legislation Continued from Page 1

29. The session focused on dealing with membership issues and on state and federal legislation. The well-attended meeting included Chapter 1747 members Jerry Kursban, Lillie Watson, Louise Cole and Ed Bice. There was a general session for everybody in the morning with the afternoon session split into membership and legislation focus groups with speakers and question and answer sessions. Lt. Governor Boyd Rutherford was the luncheon speaker. He talked about measures that the Hogan administration had taken to reduce expenses for Maryland citizens and about pensions and the importance of Maryland seniors to the state.

Membership

This report covers the time period from April 15, 2015 to November 14, 2015. National NARFE believes that our chapter has 620 members—but many of these are just names rather than active members. However, six new members joined during this time. We welcome **Deborah Ennis, Jesse Hansley, Richard Hunt, Jean Jennings, Annette Pittman** and **Janine Sinclair** to the chapter. Fifteen members were reinstated, no members transferred into the chapter, and eleven members transferred out of our chapter. Eight of these eleven transferred to the e-chapter. Second notices were sent to 44 members, and 26 of them have paid their dues.

Finally, another 44 members have been dropped for non-renewal. If you know these members please ask them to rejoin the chapter: Marlene Anderson, Bill Bandy, Donald Becker, Lisa Botluk, Marlene Boysel, Donald T. Chrissinger, Judith R. Colby, Charles Crossed, John L. Dennison, James P. Flannery, Michael Galgano, George R. Gardner, C. Michael Hoffman, Joseph A. Holmes, Linda M. Horton, Sydney C. Hosten, Linda S. Kline, Deborah Lee, James V. Long, Gary E. Marple, Howard T. Mars, Stephen Milwicz, Irmgard H. Morgan, Patrick K. Murphy, Blanche E. Peterson-James, Buddy N. Primm, Edward Prince, Jennifer Regalia, Theodore L. Reuwer, John P. Roberts, Mary Ryan, William Ryan, Benjamin F. Saars, Ronald Samek, Warren W. Schroeder, Alfred Stanziale, Benjamin G. Straus, C. Quentin Sturgill, Steven Van Rees, Jack H. Walsh, Robert T. Watson, and Joseph A. Young.

To Merge, or Not

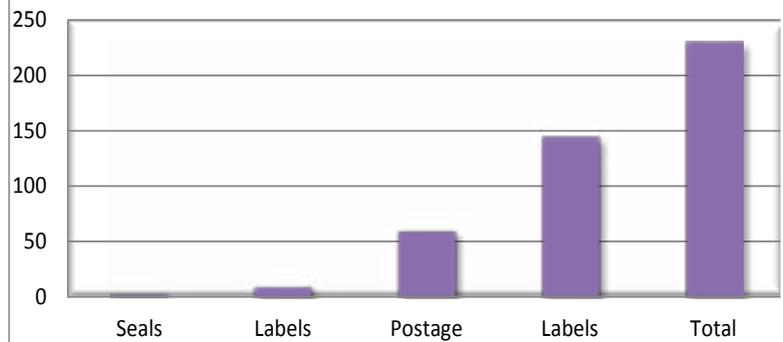
This is to update you regarding the request from NARFE Chapter 1122, Northern Prince George's County, to merge with our Chapter 1747. On October 15, Frances Steburg and Ed Bice represented our chapter at a meeting with members of Chapter 1122 and Jo Anne Groves, 2nd Vice President and Membership Director of the Maryland Federation.

As part of the merger process, Chapter 1122 will be required to surrender the funds in their Treasury. So the next step is to audit the Chapter 1122's Treasury, which has not been performed for several years.

Jo Anne Groves is now in charge of bringing the merger to fruition. She is preparing a letter to send to the members of chapter 1122 giving them a last chance to step up to volunteer for a position. If this is not possible, the letter will include details of the merger. She is working on performing an audit of the treasury, but will need to use some funds to send the above letter to chapter 1122 members. The audit will be completed when that cost is known.

After those two issues are completed, she will work with us on by-laws and other details. Since chapter 1122 is no longer meeting, she would like to invite members to begin attending our chapter meetings.

Printing Costs



Here's Why

Haven't you asked yourself why we keep trying to get you to look at the web version of the newsletter? Here's a graphic view of the reason why. You've got it, its Money. These are the average figures for just one month. Seals—those little plastic things which hold the pages closed—\$3.00. Labels—from National—\$10.00. Postage—it's average monthly mailing cost—\$79.00. Printing—getting it on paper and folded—\$145.00 for an average of \$237.00 every month we publish. The cost for the web—zero.

It's Official—Medicare Premiums Are Announced

On November 12, the Department of Health and Human Services released the official Medicare Part B premium rates for 2016. President Obama signed into law a two-year budget deal that includes a compromise fix addressing the projected 52 percent increase in 2016 Medicare Part B premiums for individuals not "held harmless," including many federal retirees who do not receive Social Security benefits.

Under the compromise, individuals not held harmless will see a smaller increase of 13 percent in their Part B premiums, instead of the anticipated 52 percent. The standard 2016 Medicare Part B premium baseline for those not held harmless is \$118.80 per month, plus a \$3 surcharge. Therefore, premiums for most federal retirees who do not receive Social Security will be \$121.80. This is slightly lower than what was previously reported when the budget deal was first announced at the end of October. Individuals held harmless will see their premiums stay at their 2015 rate, which for most is \$104.90, but will pay the surcharge in future years when they are no longer held harmless.

The Region II Training Symposium will be held in York PA, April 4–5, 2016, at the Wyndham Garden Hotel. Registration cost is \$80. Chapter will assist with the cost. Call Jerry Kursban at 301-261-3329 for details.

HOLIDAY LUNCHEON



Thursday, December 17

Nautilus Diner, Route 3, Crofton

11:30am until ?

\$25 includes tax and tip



Choice of:

1/2 Roast Chicken

2 Pork Chops

Ham Steak with Pineapple

Beef Pot Roast

Broiled Tilapia

Roast Turkey

Vegetarian Meal available on request



Plus:

Soup or Salad, Baked Potato and Mixed Vegetables, Non-alcoholic Beverage, and Choice of Dessert (Strawberry Shortcake, Chocolate Layer Cake, or Lemon Meringue Pie)

Luncheon reservations may be made by mailing a check made out to NARFE Chapter 1747, to NARFE Chapter 1747, PO Box 504, Bowie, 20718. **Payments should be made by December 11. No refunds will be made if reservations are not cancelled by December 14.**



For information contact Bob Cullen at 301-262-4783 or ba3537@aol.com.

CHAPTER BOARD

President	Jerry Kursban	301-261-3329	jkursban@gmail.com
1st Vice President	Frances Steburg	301-352-0297	feks@msn.com
2nd Vice President	Lillie Watson	301-383-1597	lwatson16@hotmail.com
Secretary	Jacqueline Wilson		missJackieV@aol.com
Treasurer	Howard (Flash) Gordon	301-464-2745	flash@acm.org
Assistant Treasurer	Louise Cole	410-695-0643	col9135@aol.com

Federal Legislation	Jerry Kursban	301-261-3329	jkursban@gmail.com4
Membership	Lillie Watson	301-383-1597	lwatson16@hotmail.com
Newsletter Production	Jessica Forman	843-347-9287	jessicafforman@gmail.com
Programs	Vacant		
Service Officer	Bob Cullen	301-262-4783	ba3537@aol.com
State Legislation	Ed Bice	301-464-3748	debice@netzero.net
Alzheimers Fund	Dorothy Bice	301-464-3748	debice@netzero.net
NARFE-Net Coordinator	Howard (Flash) Gordon	301-464-2745	flash@acm.org
NARFE-PAC	Ed Bice	301-464-3748	debice@netzero.net
Photographer	Frank Lee	410-672-5065	fllee0716@verizon.net

SAVE Benefits Act Introduced in the Senate

On November 5, Sen. Elizabeth Warren, D-MA, introduced the Seniors and Veterans Emergency (SAVE) Benefits Act, S. 2251, which would provide a one-time “emergency” payment of \$581 in 2016 to those receiving Social Security or veterans’ benefits. Federal and state government retirees who do not collect Social Security benefits would instead receive a refundable tax credit of the same amount. The bill provides a tax credit rather than a direct payment for administrative reasons; this was how the payment was provided to federal and state government retirees when a one-time payment was provided in 2009. The one-time payment is equivalent to a 3.9 percent raise in the average Social Security benefit, the same compensation increase chief executives of the top 350 firms received last year.

To cover costs, S. 2251 would close a tax loophole allowing corporations to write off executive bonuses as a business ex-

pense for performance pay. Additional revenue would be used to extend the life of the Social Security and Disability trust funds.

NARFE supports the legislation and a letter urging your senators to cosponsor S. 2251 is on the Legislative Action Center. The bill currently has 19 cosponsors.

Greater Bowie-Crofton Area NARFE News

NARFE News is published ten times a year (monthly from September through June) by Greater Bowie-Crofton Area Chapter 1747, National Active and Retired Federal Employees Association, P.O. Box 504, Bowie, MD 20718-0504

Vol. 34, No. 10

Dues payments, gifts, and contributions to NARFE are not deductible as Charitable Contributions for income tax purposes.

Next Meeting: December 17

Nautilus Diner, 11:30 AM

Holiday Luncheon