

## THE TRUSTEE

September 2020

THE NEW NORMAL

**W**elcome back to all active educators and welcome not back to all retirees. It has been, and will be, a challenging time for all. If there are any changes in your normal status as it affects your health plan benefits (marriage, divorce, separation, dependents, disability, address change, etc.), please inform the Trust now. Kathy Hyatt, the Trust's Office Manager, can receive your information via email at: [kathy@ktftrustfund.com](mailto:kathy@ktftrustfund.com); by fax at: (845)338-0391; by snail mail hardcopy at: Kingston Trust Fund, attn.:Kathy Hyatt, P.O. Box 4461, Kingston, NY 12402; or through the PONY at: Kathy Hyatt at Central. And, whenever there are changes, please offer the update ASAP throughout the school year.

Although there were several COVID-19 patient members, there was only one long term case and the member survived. The government advertised the testing was "free," meaning no copays, but health plans were charged. Depending on the facility, our health plan received testing charges ranging from \$80-\$150 and lab tests averaging \$119. Providers, including hospitals, were included in the aid package provided through the CARES Act. Congressman Delgado's office has been contacted in an effort to determine how any of the aid will be returned to health plans. Hospitalization, as mandated by Governor Cuomo, did not need authorizations to admit possible Coronavirus cases. It put all plans at the mercy of the charges. All plans may face steep premium adjustments as a result, so, the need for transparency of CARES monies is important.

As the pandemic has spread, many members may have postponed medical appointments. It may be time to begin rescheduling a visit with your provider. During the recent summer months, attention must continue toward issues related to Lyme's Disease, mosquito diseases, dermatology, and respiratory illnesses, as well as overall health.

### ENTANGLING ALLIANCES

One of the major reasons for the creation of the Trust was to enable us to control our benefits; to not be at the mercy of changes instituted by fully insured plans. We value our independence and our sovereignty in controlling our plan benefits. RetireeRx was accepted, after several months of due diligence, as a prescription benefit to provide uninterrupted service benefit to our members and a financial benefit for the plan. Within two days of its launch in July, we were alerted to some issues that had not been disclosed during negotiations. As RetireeRx is a hybrid of the Medicare Part D Rx, the authorization of a simple prescription change for a member required the completion of a HIPAA form for Medicare. So, changes we were always able to make on the spot for members would now take several days. Members with incomes over a specific threshold would be subject to an IRMAA deduction from their Social Security. Although the Trust could subsidize the deduction by refunding the member, it would require additional bookkeeping by the Trust office. The program would have created an entangling alliance with a governmental bureaucracy and would have compromised the independence of the Trust in controlling our prescription program.

As a result of the lack of disclosure of these impacts, the Trust cancelled the RetireeRx program as of August 1. All members who suffered IRMAA deductions and have presented proof to the Trust office have had their deductions for July reimbursed. Any members who were impacted and did not submit proof for a reimbursement may do so through October 15.

All Medicare retirees can resume their ProAct and CanaRx purchases. The Trust regrets the inconvenience to our members.

## **PART B MEDICARE REIMBURSEMENTS**

For the second time in three years, the Kingston Schools have failed to reimburse Medicare Retirees the full amount of the Part B IRMAA deductions. In 2018, the semi-annual reimbursements were shorted by \$25/mo. Last year, affected members received a letter, on unofficial Stationery, explaining the district's stance and requiring any members who wanted the additional monies to produce proof. The district has a list of all eligible members. This is a minimum payment due without the need for any additional proof. Any members who were not fully compensated are due the full reimbursement.

Now, in 2020, the first half payment was shorted by \$9.60/mo. Since 2018, and as recently as a month ago, both the KTF President and the KRTF President have met with the Superintendent and offered detailed explanations. To date, there has been no attempt to make an immediate correction. This is not a difficult subject to understand. Go to: <https://www.medicare.gov/your-medicare-costs/part-b-costs>

In 1998, the district attempted to cancel all Part B reimbursements. The KTF filed a grievance and prevailed. The NYS Court of Appeals has upheld the payments. This is an important issue for retirees as Part B payments will continue to increase.

Minimum payments, based on income, are due to all Medicare Retirees. If your income is greater than the minimum (as it was for some RetireeRx members), you may be due an additional reimbursement. Check with the district's business office.

## **VITAMINS**

There are some prescriptive vitamins, but the same vitamin formula may be available over the counter (OTC.) As an example, the Trust was billed \$1,100 for a prescriptive vitamin when the same vitamin formula is available OTC for \$198. In another instance, the prescriptive vitamin was billed at \$1,500, but is available OTC for \$10.

As of September 1, all prescriptive vitamins must be pre-certified through the Compliance Office at: 1-(844)KTF-FUND(583-3863).

## **DURABLE MEDICAL EQUIPMENT**

The Trust maintains a storage closet of durable medical equipment for our members. If you have used DME, such as crutches, walkers, commodes, shower chairs, and wheelchairs in good condition, contact the Trust Office and we'll pick it up. We thank all members who have donated for their thoughtfulness in providing for fellow members. It provides for the common good.

**IN MEMORIAM:** Maryann Van Wagenen | Ila Mongillo | Ella Sanders | Nick Harris