

THE TRUSTEE

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THE CAMEL'S NOSE

There are two issues relating to health benefits that remain on the radar. As detailed in the April edition of The Trustee, there appears to be a pattern involving the district and your benefits. Unless pursued, it can result in the loss of those benefits that were bargained in good faith. The Kingston Teachers' Federation has filed grievances on both matters and, as the district has rejected each of the initial steps for settling grievances, is awaiting the arbitration process.

The district, as primary payer, refuses reimbursement to the Trust for vaccinations provided to members who chose to receive their inoculations from sources other than the Ulster County Department of Health and for which the Trust, as secondary payer, was charged. This may not involve you, this time, but we're all in this together. Whenever the camel's nose comes into the tent, it's a warning to be on guard to protect your rights.

The second issue involves the full payment of Medicare Part B. As an active teacher or ESP member, this is not a current issue for you, but it will be. As has been noted, the Superintendent shorted the standard Part B reimbursement in both 2018 and 2020 and only made good on it when he feared losing a health insurance premium rebate. The KTF contract states that the district shall pay for increases in funding the Trust if there is a change in status. As the plan mandates all members to become Medicare primary, when eligible, this is a change in status. The change in status results in a charge against their social security benefits based on their income. The district reimburses the standard deduction, but not any of the other five levels of reimbursement that affect some members who have a higher income. Those amounts are referred to as the Income Related Monthly Adjusted Amount (IRMAA). Now, in essence, those retirees are paying part of their health insurance premium while everyone else is paying zero. By law, retirees cannot be charged more for their health insurance unless an equal amount is charged against active members. And, the NYS Court of Appeals has ruled that retirees have a valid legal standing in challenging a perceived wrong if there is an expectation that a benefit that was earned during active years would be available during retirement.

Since Medicare is a change in status, and retirees can't be charged more for health insurance than actives, and there is the expectation that all members pay zero toward their health insurance premium, a full reimbursement of IRMAA payments should be in order.

After inquiries with the district in 2020 regarding IRMAA were ignored, a member filed with the district in 2021 for reimbursement of IRMAA payments for 2018-2021. Medicare and Social Security allow for reimbursements for the present year and for the three preceding years. The district did not respond to the submission and the grievance was filed.

For 2022, the standard Part B reimbursement is for individuals with income of \$91,000 or less or filing jointly with combined income of \$162,000 or less, is \$170.10/month. As the district pays semi annually in June and December, the six month total is \$1,020.60. If you received a Part B monthly charge of less than \$170.10/mo., you must inform the district.

For IRMAA Level 2 members its \$238.10/mo. or \$1,428.60 semi-annually. That's an extra \$816 annually they are paying for health insurance and levels rise to \$6,939.60 annually. So, any retirees whose Monthly Adjusted Gross Income (MAGI) places them in a higher Part B charge, they're paying for a benefit where they expected to pay the same net-zero premium copay all others receive. The camel's nose appears again.

ELECTRONIC RECORDS

In the first year of the Trust in 1997, the plan booklet was a massive three ring binder that was USPS mailed to all members. Now, the plan is available on-line as are many other member communications. The Trust office will be moving toward full electronic record keeping and filing. The Retiree Dental Enrollments being mailed out now and due to the Trust Office by June 30 will be the last mass mailing. By August, when new hires have orientation, they will be enrolling on-line. And, no fear, for any members who do not have use of a computer or smart phone, we will provide, as we presently do, paper filings. Electronic record keeping is efficient, secure, and backed up as documents are scanned into files and enable for more efficient application for Trust operations.

A ***REMINDER***: that if you need assistance, the Trust's (844) KTF-FUND (583-3863) line is monitored. So, even if you receive a message that they are not available, ALWAYS leave a phone message so they are aware of your call.