

BREA Minutes

Meeting Date and Place: Tuesday, Nov. 18, 2014; Building 400, Rm RSB 2

Attendees: Arnold Aronson, Elliot Auerbach, Louisa Barone, Robert Barone, Carmen Benkovitz, Violet Bezler, Mulki R. Bhat, Robert M. Brown, Victor Cassella, Chellis Chasman, Cheryl Conrad, Dave Cox, Sheryl Gerstman, Louise Hanson, Robert Kinsey, Lillian Kouchinsky, Bob Marascia, Lois Marascia, Ken Mohring, Arnie Moodenbaugh, Arnie Peskin, Mona Rowe, Lloyd Schairer, Liz Seubert, Bonnie Sherwood, John Skalyo, Joan Skelton, Richard Skelton, and Elaine Zukowski

Ken Mohring opened the meeting at 1:02 pm.

The minutes of the Oct. 14, 2014 meeting were accepted as presented, subject to two small additions requested by Ken Mohring.

Ken Mohring gave the Treasurer's Report for Steve Shapiro. BREA has a considerable amount of money set aside in CD's. Ken suggested that at the January 2015 meeting we discuss whether BREA should be doing something with this money.

Old Business:

Membership: Carmen Benkovitz said that she continues to receive new and renewal memberships. Using BREA funds, she and Sheryl Gerstman have chosen and purchased new software for creating updated databases. They have also chosen a laptop, to be purchased by BREA. The portability of the laptop will make it easier for them to work together on the BREA membership files using the new software.

DOE M&O (management and operations) contract solicitation for BNL: BSA has been chosen by DOE to continue to run BNL. Their new five-year contract begins early January, 2015. There will be some organizational changes, but none that will directly affect BREA. Details are given in the Nov. 17 BNL Monday Memo. Information on how to receive the Monday Memo by email is given on p.4 of the November/December 2014 Newsletter.

Changes to Medical Insurance Benefits: Briefly, BSA will cease supplemental medical and drug coverage through CIGNA and HIP VIP on Dec. 31, 2014 for Medicare-eligible retirees and their Medicare-eligible dependents. BSA has hired the firm SelectQuote Senior to facilitate the choosing and purchasing of a Medigap insurance plan, effective Jan. 1, 2015. A video of an on-site information session held by BSA is available at www.bsa.sqbenefits.com. Ken Mohring reported that as of Nov. 10, one hundred and seventy seven retirees had not contacted SelectQuote. Registered letters will be sent to these people. The deadline to sign up for Medigap coverage is normally Dec. 7; however, because of our special circumstances, our deadline is extended to Dec. 31 for 2014. (This extension does not apply to the

prescription drug plans under Part D.) Arnie Peskin asked how many of the people who have contacted SelectQuote have actually signed up. Ken did not know.

BSA will subsidize a portion of the premium payments through Health Reimbursement Accounts (HRAs) – *only* if SelectQuote is used to select the new medical plan. In 2015, this amount will be \$170 per eligible person per month. BSA is to send out information on the HRAs this month. The understanding is that these accounts will be set up in such a way as to not be taxable as income. Discussion of these issues raised the following unanswered questions: if a retiree has supplemental medical coverage through a spouse that s/he wishes to keep for the time being and therefore doesn't sign up for a new plan through SelectQuote – what happens in the future if s/he chooses to change that coverage? Should s/he contact SelectQuote? Would s/he then become eligible for an HRA? Why are the HRAs limited to only those people who select a plan through SelectQuote? It does not seem fair to deny the benefit to retirees who currently have coverage that will extend beyond Dec. 31.

If you are dissatisfied with the medical plan you have chosen for 2015, when can you switch? Sheryl Gerstman provided the following clarification: if you have chosen a Medicare Advantage Plan, you can change it only during the yearly open enrollment period. The same holds true for all Medicare Part D prescription drug plans. (Medicare Advantage Plans take the place of Medicare Parts A, B, and D. They are referred to as "Medicare Part C"). However, two SelectQuote agents and an AARP insurance agent have assured her that this restriction does NOT apply to Medicare Supplemental Plans in New York State. If you are not pleased with the plan you have chosen (Plans A, B, C, D, F, G, K, L, M, or N are available in New York), it is not necessary to wait for the Medicare open enrollment period to switch; you can do so at any time. (*Question from L. Hanson – without incurring a penalty or additional charges?*) New York State mandates coverage for preexisting conditions and has no requirement for a medical exam if you change your supplemental insurance coverage. This is not the case in other states. Sheryl also mentioned that while it is not necessary to be a member of AARP to purchase an AARP Medicare Supplemental insurance policy, AARP members receive a discount on the price of these policies. No such discount applies to Part D prescription drug plans purchased through the AARP.

Bob Barone extolled the advantages of opting for Plan N over Plan F. Plan N, which is considerably less expensive, covers everything Plan F does except for copays, medical insurance while travelling abroad and excess charges. (Excess charges are not legal in New York and seven other states, but can be considerable elsewhere. Elliot Auerbach pointed out that one should not confuse excess charges with the 20% Medicare doesn't cover, the "Medigap".) People who visit the doctor infrequently and rarely travel out-of-state may find Plan N to be an excellent choice.

Dave Cox will inform other DOE labs of the significant changes to BNL retirees' supplemental medical and prescription drug coverage and ask for feedback.

Ken Mohring would like to survey BREA members next spring about their experiences under the new system, to determine how satisfied people are with the medical and drug plans they chose and if they find dealing with the HRAs straightforward.

Medical Insurance Benefits – Additional Issues:

- Hearing Aids: Mona Rowe recently discovered and verified that our current Cigna medical insurance covers hearing aids with NO DOLLAR LIMIT. **Retirees will lose this benefit when their CIGNA coverage ends on December 31, 2014.** The hearing aid coverage is part of “Essential Health Benefits” under the Health Care Reform (Affordable Care) Act and became effective on 1/1/14. Previously, CIGNA had a reimbursement cap of \$2000 every three years. BNL has contracted with HearPO to provide hearing aids as part of the Cigna hearing healthcare benefit. If you need hearing aids and want to take advantage of the benefit, you *must* go through HearPO to make an appointment with an authorized audiologist. Contact HearPO by phone or online: 1-888-207-2798 or <http://www.hearpo.com>. BNL’s Benefits Office has posted an on-line brochure at <http://www.bnl.gov/hr/benefits/medical/linkablefiles/Cigna/HEARPO.pdf>
- Supreme Court case: Elliot Auerbach mentioned a case concerning retirees’ health benefits that is currently before the Supreme Court. The question under consideration is what happens when a union contract that included retiree health benefits ends? Were these benefits guaranteed indefinitely (i.e. vested) or not? For more information on the case, see Appendix A, below. [Vested: fully and unconditionally guaranteed as a legal right, benefit, or privilege]. Elliot said that this case is not applicable to BNL union retirees because their contracts contained nothing specific about health care.

New Business:

Annual Luncheon: Lillian Kouchinsky offered to organize the luncheon again. It will be held at the Bellport Country Club. She will check on possible dates in June.

Retiree Mailing List: HR has been collecting the email addresses of employees who are newly retired since the spring of 2011. Mona Rowe will ask for the list. We also went through the names on Newsletters that had been returned as undeliverable. One individual was known to have died; several were known to have moved. Mona will list their names in a future Newsletter, asking readers who know these people to send Carmen Benkovitz updated contact information. Spouses of deceased BREA members may join as associate members if they are not themselves BNL retirees.

BREA procedures: Ken Mohring raised several issues having to do with dues, blanket emails to members, and the Newsletter.

- Dues: He suggested that the dues structure be changed so that people pay on a two year cycle. This should reduce paperwork and postage.
- Emails: He would like an easy way for him to send out blanket emails to members directly. Currently, he must go through Carmen.
- Newsletter: He mentioned that there are groups of retirees who regularly get together. He would like to see write-ups in the Newsletter about these groups.

The meeting was adjourned at 2:17 pm.

December 2014 meeting: Tuesday, Dec. 9, 1 pm, Bldg. 400, Rm RSB 2

January 2015 meeting: Tuesday, Jan. 13, 1 pm, Bldg. 400, Rm RSB 2

Minutes submitted by Louise Hanson

Appendix A: Submitted by Elliot Auerbach. The Supreme Court case concerning cuts to the health benefits of retirees of a W.Va. chemical plant is described below. Elliot says that it is very clear that the question is one of contract interpretation, not of any basic right to the benefit.

The following is from the docket listing (supremecourtus.gov) for the case mentioned:

"13-1010 M&G POLYMERS USA V. TACKETT

DECISION BELOW: 733 F.3d 589

LIMITED TO QUESTION 1 PRESENTED BY THE PETITION.

QUESTION PRESENTED:

1. Whether, when construing collective bargaining agreements in Labor Management Relations Act (LMRA) cases, courts should presume that silence concerning the duration of retiree health-care benefits means the parties intended those benefits to vest (and therefore continue indefinitely), as the Sixth Circuit holds; or should require a clear statement that health-care benefits are intended to survive the termination of the collective bargaining agreement, as the Third Circuit holds; or should require at least some language in the agreement that can reasonably support an interpretation that health-care benefits should continue indefinitely, as the Second and Seventh Circuits hold.
2. Whether, as the Sixth Circuit has held in conflict with the Second, Third, and Seventh Circuits, different rules of construction should apply when determining whether health-care benefits have vested in pure ERISA plans versus collectively bargained plans."

Also see the article in the New York Times, "Supreme Court Weighs Case Over Cuts to Retirees' Health Benefits" on-line at <http://nyti.ms/1swJ5AM> and in print on Nov. 11, 2014, p. B3.