

# S.O.S. NEWSLETTER

## SERVICE OFFICERS FOR SERVICE™

SERVICE OFFICER NEWSLETTER

VOLUME 4 – 1

APRIL 2004

### Editors Message

I am encouraged by this years beginning for NARFE. We have some great Federation Officers with good ideas, a lot of energy and the ability to put their money (NARFE Goals) where their mouths are.

Many of our Service Officers have been busy with service calls regarding the death of an annuitant or spouse. As I have indicated previously the loved ones are relieved to receive our assistance. I have included a copy of a letter written by our advisor, Ken Glass at NARFE Headquarters regarding a few communication problems with OPM. (See letter on page 2). This letter is a result of feedback to me from several of our Service Officers. So you see it helps to let me know about your problems. We have the resources to let any agency know about problems.

I also hope that the Service Officers without Internet capability gain access to this newsletter, which can be used for Chapter Newsletters and Chapter Meetings.

Finally, I want to encourage Service Officers to attend our Conventions. The Visalia Convention will begin on May 10<sup>th</sup> through May 12, 2004. A special training session is scheduled for May 11 for Service Officer Training. Check with your President for convention information and plan to attend.

Mary Venerable  
Chair, Service Committee

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### SERVICE COMMITTEE MEMBERS

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Dist. X. - Chester H. Olson, #1655  
(530) 527-8034, - [Amcho@aol.com](mailto:Amcho@aol.com)

### NARFE SERVICE CENTERS IN STATE OF CALIFORNIA

# 35 – 2105 Carrere St., Bakersfield, Ca.  
(805) 399-5048 – Leo Lawrence – By  
appointment.  
# 8 – NARFE Federal Civilian Service  
Center 5440 Dudley Blvd, McClellan,  
CA. 95652 (916)971-2888 or 2889 – Ann  
Kehoe. Mon. & Thurs. 9 a.m. to Noon.  
Robert Johnson (916) 635-4576.

# 1 – NARFE Service Center, P.O. Box  
69, Patton, CA. 92369., (909) 862-7685 –  
Vaudis Pennell - By appointment  
#21 - Elderhelp of San Diego, 4069 30<sup>th</sup>  
St., San Diego, (619) 284-9281 – William  
Doll – Thurs. 9 a.m. to 12 Noon.  
#42 – Santa Rosa Senior Center, 2318  
Northwood Dr., Santa Rosa, CA.  
(707)578-3180 - Vernon Rood - 1<sup>st</sup>  
Monday Ea. Mo. – 1 p.m. to 3 p.m.  
(except holidays)  
# 145 – Naval Air Weapons Station,  
China Lake – Rm. 8, Safety & Security  
Bldg (760)939-0978 – Theresa Gonzales  
– Mon – Fri. 9 - 11 a.m. & 1 - 3 p.m.  
# 4 – Mare Island Naval Shipyard, Bldg  
535, 2<sup>nd</sup> Floor, Vallejo, Ca. (707) 562-  
3179 Everett Crockett, - Mon. & Wed.  
(except last Monday of mo. – 12 Noon  
to 4 p.m.  
# 171 – Residence of Katie Karikka,  
Los Osos, CA. (805) 528-2422 –  
Questions & Service by phone 24 hr.  
# 183 – Residence of Emile Lapointe,  
Port Hueneme, (805) 984-3341  
Questions & Service by phone.  
# 149 – Antelope Valley Senior Center,  
777 W. Jackman Street, Lancaster -  
Norma Keipe, (661)726-4400. –  
Mondays 9 a.m. to Noon (except in July  
and August).  
# 12 - Oceanside Senior Center, 455  
Country Club Lane, Oceanside -  
Josephine M. Murphy - (760)433-8933 -  
Weds. 12 Noon to 3 p.m.  
# 78 - Fresno Veterans of Foreign  
Wars, 530 N. Parkway Dr., Fresno, CA.  
(559)266-9604 – Victor Horg – 1<sup>st</sup> & 3<sup>rd</sup>  
Tuesday – 1 p.m. to 5 p.m.  
# 55 – NARFE Service Center, 1524  
Jefferson St., Napa, CA 94558 – Oliver  
E. Sheridan - (707) 257-2228 Monday  
thru Saturday – By appointment.  
# 133 – NARFE Service Center,  
Member 1 Credit Union, 1380 Hilltop  
Dr., Redding, CA 96003 – Glenn Shaw –  
(530) 222-6060 4<sup>th</sup> Wednesday each  
mo. From 10 a.m. to 2 p.m.  
# \_\_\_\_\_ NARFE Service Center, Norman P.  
Murray Com. & Senior Center, 249  
Veterans Way, Mission Viejo 92692.

Bert Zucker – (949) 470-3063 – 2nd & 4th Monday ea. Month from 1-4 p.m.

**Notice:** The status and information above is subject to change. For up-to-date information see the Federation's website. Notify Jo Murphy of changes by FAX (760) 439-5277 or E-mail at [mjojo@worldnet.att.net](mailto:mjojo@worldnet.att.net)

**REMEMBER VOLUNTEERS ARE NEEDED!**

**WEBSITES OF INTEREST**

Issues of this SOS Newsletter are available on line through NARFE California Federation Web Site – <http://csfncarfe.org>  
NARFE National Office at <http://www.narfe.org>  
FGLI Life Insurance at <http://www.opm.gov/insure/life/index.htm>

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The following is a summary of a letter written to OPM on April 8, 2004.

"We recently received information from some of our Service Officers that they have not been able to obtain information needed to help widows and other members of NARFE. At the same time, our NARFE headquarters office has apparently lost our contact person in the Office of Assistant Director for Retirement Services.

The Service Officer's with the National Association of Retired Federal Employees (NARFE) offer assistance to our members in many ways. One of the most important ways is in helping widows at the time of death of a Federal retiree. In addition, the Service Officer works with other members and OPM to resolve problems that our mutual clients encounter or get answers to their questions. The Service Officer can often provide help that OPM is unable to, because your offices are centralized.

What the Service Officer's are concerned about is that the Benefits Specialist and Customer Service Representatives be aware that they are acting on behalf of the widow or

widower. Our experience, acting as a representative of retirees, has been very successful and we would want this to continue. We have had reports from some Service Officers that OPM staffs will no longer work with them, because NARFE is not a Federal entity, or because of Privacy Act concerns. When our Service Officers contact OPM on behalf of a member, the Service Officer provides the name, retirement claim number, Social Security number, other identifying information, etc., clearly indicating that they are working on behalf of the individual retiree/survivor annuitant. Please make your more recent employees aware that NARFE acts as the representative of these clients, who are frequently in difficult circumstances, such as those resulting from a death in the family and to be helpful to the NARFE Service Officer whenever possible.

Recently the contact person position in the office of the Assistant Director for Retirement Services has been vacant. Since this is a position that is rotated, they may be a temporary situation. However, we need a Benefit Specialist for our staff at NARFE headquarters to contact. A good contact person at OPM can often answer questions, expedite processing and avoid problems for retirees.

Thank you for any assistance you can provide in letter your staffs know that our Service Officers represent retirees and survivors and are only trying to provide good service, the same goal as the Office of Personnel Management. Also, please let us know if there is a new Benefit Specialist who is acting as a contact person for our headquarters staff and that person's name and telephone number/email address.

Thanks in advance for your help in continuing high levels of service to our mutual constituency. Your cooperation is appreciated".

Sincerely

**Kenneth H. Glass, Director  
Retirement Benefits Service Depart.**

**NEW NARFE LEGISLATIVE TOLL FREE HOTLINE NUMBER**

A new toll-free number 1-877-217-8234 can be called 24 hours a day, seven days a week, including chapter meetings using a speakerphone. Remember due to the higher expected usage it may result in some busy signals.

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**WORKERS' COMPENSATION**

As a Service Officer and Service Committee Chair, I have received a number of questions from spouses who have lost their husbands. The questions related to the expected survivor annuity benefits. My inquiry with the spouse usually involved a question regarding the cause of death. This is an important question because it becomes a factor the Office of Workers' Compensation looks at.

Generally, a Civil Service Retirement annuity cannot be paid over the same period of time as benefits from the Office of Workers Compensation Program. A retiree eligible for both retirement annuity and injury compensation payment must choose which benefit he or she receives. Usually the compensation payment is a greater amount.

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**LIFE INSURANCE PREMIUMS RISE**

January 1, 2004 became the effective date for the increase for Option B, Additional Insurance for those over 70 years of age. The monthly cost increased to \$2.23 per \$1,000, for 70 through 74. At age 75 to 79, the premium is \$3.09 per \$1,000 and age 80 and above, the premium is \$3.96 per \$1,000.

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**FAILURE IS IMPOSSIBLE  
By Susan B. Anthony**

Failure is an attitude. Having an attitude of failure can't help us. It can only hurt us. If we're not careful, it can grow into a way of life. So, when we

feel like failures, we'd better look at our attitudes.

An attitude of failure often comes from making mistakes. But we can learn to see our mistakes as lessons. This turns mistakes into gains, not failures. Sometimes we try to do things that just can't be done. When we act like we can control others, we're going to fail. When we act like we know everything, we're going to fail. If we try to act like God, we're going to fail. We can't control others. We can't know everything. We're not God. We're human. If we act human, we've already won.

**CHANGES FOR "GREEN BOOK"**

The basic information in the Green Book has not changed with the exception of that information that is tied to the annual COLA and annual changes to Social Security provisions.

Changes referred to in this section are also included in the December 2003 of Retirement Life issue on pages 19 and 20.

Service Officers are requested to **make pen and ink changes** to the following pages of the Green Book:

**Page 17**, CSRS COLA will be 2.1% effective December 1. (Note information on page 18 for FERS COLA stays the same).

**In Social Security Section** – Change the following pages:

**Page 2**, under Section identified as "Qualifying for Social Security – for quarters needed to qualify - Add under year – 2004 \$900 earnings for one quarter of credit or \$3600 of earnings for four quarters of credit in one year. On **page 8** – add 2002 to Indexing Factor table and under "Max Tax Amount" add \$87,900 with Index Factor as 1.00.

On **page 14** – Change Earnings Limitations as follows:

**2004 Earnings Limitation**

Under Age 65 . . . . . \$11,640 (\$970 per month)  
Age 65-69 . . . . . No limit  
Age 70 & older . . . . . No limit

All other information on page 14 applies.

**Note:** The retirement earnings test was eliminated for individuals age 65+, as of January 2000. It remains in effect for age 62 through 64. The modified test applies for the year an individual reaches age 65.

On **page 16** – Medicare Part B Cost – add \$66.60 for 2004. (Note: The 10% penalty charged for late Medicare enrollment is still in effect)

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**MEDICARE RX BENEFITS –**

**What are they?**

**By Dr. Ernest Levister, Jr.**

Many who have Medicare are concerned about the new Medicare prescription law? Your editor found this article written by Dr. Levister, which may help clarify some of your concerns. He wrote: The reaction of many is that the provisions are "big, awkward and misunderstood. The prescription drug bill that President Bush signed in December is the Baby Huey of legislation. Public reaction is still marked by uncertainty, largely due to how the legislation was passed, its final cost and just who benefits.

But in the short term, what matters are the nuts and bolts of the new law and what they mean to you. For people who are already in Medicare, there will be a six-month open enrollment period starting in November 2005. If you are not yet eligible for Medicare, you will decide when you turn 65 or become eligible through a disability. The earliest you can use the drug benefit is January 1, 2006.

Anyone eligible for Medicare can join a private plan for drug coverage only.

You would need to switch doctors only if you chose to get drug coverage by joining a health maintenance organization (HMO) or a preferred provider organization (PPO) that does not include your doctor in its network, or if your doctor stops accepting Medicare.

If you enroll in Medicare in 2004 and 2005 and your income is low, you may qualify for a discount card already loaded with \$600 to spend on prescription drugs. You are considered low-income, if you received less than \$12,123 as an individual or \$16,362 as a couple.

If you qualify, you will pay only 5 to 10 percent of the cost of each prescription you buy with the \$600, and you will get another \$600 to spend in 2005. In addition you will not have to pay the care enrollment fee of about \$30. If you use up the card you will still be able to use the card for discounts on drugs.

You are eligible to enroll in a Medicare-Approved Drug Discount Card. You cannot qualify for the \$600 if you already have drug benefits from Tricare for Life, FEHBP, or an employer group health plan. You can still save money on your prescription drugs by enrolling in a Medicare-Approved Drug Discount Card.

**Where to get more information** You will soon be able to get more information on the Medicare-Approved Drug Discount Program by:

- Visiting the [Prescription Drug and Other Assistance Programs](#) section of the web site.
- Calling 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.
- Calling your [State Health Insurance Assistance Program](#) counselor.

Be careful; just because a discount card is endorsed by Medicare doesn't mean it offers the best prices or service. Together Rx offers discounts to low-income Medicare enrollees without drug coverage. A group of top drug companies participates in the program. Call 800-865-7211 or visit [www.together-rx.com](http://www.together-rx.com). Buying drugs from Canada and Mexico might be your cheapest option. However, the

new Rx legislation makes this practice illegal.”

*It should be noted that full coverage of the Prescription Drug Review for 2004 of the various government health plans was included on pages 26-30 in the January 2004 Retirement Life Magazine. If you are concerned, it is recommended that you refer to this issue.*

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**ANOTHER REASON TO BELONG TO NARFE**

In browsing through January 2004 Retirement Life magazine, the editor was reminded of the importance for having NARFE as your Federal Retirement representative. The article was on page 14. The title was “**LTC Insurance Eligibility Extended**” and was written by Dan Adcock, Assistant Legislative Director. We all know about our Legislative Advocates, headed by Judy Park and what they do for us - but sometimes we take things for granted. The article highlighted the FY 2004 Defense Authorization bill (H.R. 1588) signed by President Bush on November 24-2003.

NARFE pointed out to legislators that there were three groups who were overlooked at the initial passage of the Long Term Care Insurance provisions. The group included deferred federal annuitants, “gray area” military reservist, and certain District of Columbia employees and retirees. This group will now be eligible to apply for federal long-term care insurance under the bill.

It was NARFE, the Military Officers Association of America and the Military Coalition who worked with Representatives Jo Ann Davis, Tom Davis and Senators Collins and Warner to expand FLTCIP eligibility to these federal family groups.

**Congratulations! to our NARFE Legislative Staff who worked on getting this bill passed.**

**ANNUITY FOR NEW SPOUSE**

We are living in times where death is taking more female spouses – leaving the annuitant spouse to fend for himself. There are many husbands (mine included), who say that their wife has made them dependent, thereby presenting the problem of maintaining a household and continuing on independently. It is not unexpected that the male surviving spouse will seek assistance and companionship.

The information that follows is a summary of important facts that one should be aware of. First, if a new marriage occurs after the death of a spouse, the Annuitant may provide survivor annuity benefits for a new spouse within two years of the date of marriage. The annuity must be recomputed back to the effective date of the death of the spouse. The annuitant must make a deposit for the difference between what you have been paid and what you would have paid had the election been in effect for the entire period. In addition, interest is charged at the rate of 6 percent compounded annually. This deposit is paid by actuarial reduction, based on age of the annuitant at the time of the election. The annuity will also be reduced by about 10% for the additional amount of survivor annuity provided. The total reduction is generally less than 15%.

The important thing is to have a potential election on file with OPM before the two years expire. Inquiries should be made with OPM regarding the cost **before** signing anything. If you decide it costs too much, you can decline it as long as you didn't sign (accept) the quote and return it.

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**AN EXECUTOR'S CHECKLIST POSTED ON OUR WEBSITE**

If you ever are appointed as an estate executor on a loved ones estate, there are some things executors must do to prepare for these important duties and what they have to do right after the funeral. FedWeek has posted in the

Retirement Center section of their website this list. Go to [http://www.fedweek.com/RFPD/default .asp](http://www.fedweek.com/RFPD/default.asp) to access this list. Print as many copies of this FREE info as you like and pass it around to your colleagues with compliments of Retirement & Financial Planning Report.

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**THE LOW-DOWN ON IRA DISTRIBUTIONS**

In April 2002, the IRS issued final regulations on minimum required distributions (MRD) from IRAs and other tax-deferred retirement plans. They include a new table with longer life expectancies, thus permitting smaller withdrawals.

Under the old table, a 71-year-old IRA owner had a joint life expectancy of 25.3 years. Now, it's 26.5 years, which means you can withdraw \$3,774 from a \$100,000 IRA, rather than \$3,953. (Although the difference may seem slight, over a long retirement these changes can substantially reduce your annual tax bills and increase the amount that can be retained inside an IRA.)

If your beneficiary is your spouse, who is more than 10 years younger than you are, you can use an even longer life expectancy and take a smaller distribution. At age 71, with a 59-year-old spouse as beneficiary, you can withdraw as little as \$3,585 from your IRA without having to pay a 50 percent penalty for insufficient withdrawals.

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**SERVICE OFFICERS ARE REMINDED ABOUT THE SERVICE OFFICER TRAINING ON TUESDAY, MAY 11, 2004 AT THE VISALIA CONFERENCE ON. ALL ARE ASKED TO ATTEND**

