

April 2008

Message from the SC Federation President:



Here we are with only a few weeks until the South Carolina Federation Convention at Hickory Knob State Park, April 16-18, 2008. The Aiken Chapter has gone all out to make this a memorable occasion. I hope to see many of you there. It should be a beautiful time of the year at Hickory Knob. Speakers lined up for the Convention include Curtis M. Loftis, Jr., Director of Lt. Governor Andre Bauer's Office on Aging. Lt. Governor Bauer is involved with a number of programs dealing with Seniors in South Carolina. Mr. Loftis will be the keynote speaker at the Thursday evening banquet and South Carolina's own Margaret L. Baptiste, National

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President of NARFE, will be the speaker at the President's Reception Wednesday evening. Anyone with questions and/or suggestions is welcome to call or e-mail Lou Ann Ainsworth, President of the Aiken Chapter at (803) 649-1076, louann@gforcecable.com

Regards,
Esther Crandall

CONVENTION RESOLUTIONS:

(By Larry Shaff, Constitution and Bylaws)

The constitution and bylaws committee has submitted two resolutions to amend the federation bylaws for consideration at the Federation Convention in April. Copies of these have been provided to all Chapter Presidents and are shown below.

- The first resolution is to delete newsletter reporters as discussed at the January 14th Executive Board meeting.
- The second resolution is to update the procedures for closing a chapter and to include the steps to reactivate a closed chapter also as discussed at the January 14th Executive Board meeting.

These bylaws amendments will not affect the chapters. Please assure that your convention delegates are familiar with these resolutions.

NARFE SOUTH CAROLINA FEDERATION RESOLUTION

Initiator (s) of Resolution: Larry T. Shaff, Constitution & Bylaws

Title of Resolution: Newsletter Reporters

Qualifies Under, CONSTITUTION: Article Section Paragraph Page
BYLAWS: Article II Section 3 Paragraph A & B.2 Page 7

WHEREAS: There is no mention of newsletter reporters in the documents of 35 other federations (25 constitutions, 35 bylaws and 10 policies & procedures) recently reviewed and there have been no reporters in any of the SC NARFE Federations chapters for an extended period of time. Most of the articles in the federation newsletter are written by federation officers such as the President, Vice Presidents, Service Officer and Committee Chairs. During the Executive Board meeting on 01/14/08 the board members agreed that there is no need for this position.

NOW THEREFORE BE IT RESOLVED: In Article II, Section 3., paragraph A., on page 7 of the bylaws delete "Reporters,." In this same article and section, paragraph B. subparagraph 2., on page 7 of the bylaws remove the complete subparagraph regarding Reporters. Renumber subparagraphs 4. through 8. to 2. through 6. (Present subparagraph 3. for Corresponding Secretary was removed by resolution 2008-1.)

And

NARFE SOUTH CAROLINA FEDERATION RESOLUTION

Initiator (s) of Resolution: Larry T. Shaff, Constitution & Bylaws Committee

Title of Resolution: Procedures for Closing a Chapter and Reactivating a Closed Chapter

Qualifies Under, CONSTITUTION: Article Section Paragraph Page
BYLAWS: Article I Section 2. Paragraph Page 3

WHEREAS: During the July 23-26, 2007, NARFE National Executive Board meeting changes were approved to National Polices 310 and 509 pertaining to closing a chapter. The revised polices contain some procedures that differ from the steps described in Article I, Section 2., Chapter Closing,, of the SC NARFE Federation bylaws. The specific steps emanating from these national policies for closing a chapter are described in the NARFE Chapter and Federation Officers Manual along with the procedures for organizing a new chapter and reactivating a closed chapter. There is no information on reactivating a closed chapter in the current bylaws. During the Executive Board meeting on 01/14/08 the board members agreed the bylaws should be updated for closing a chapter and steps added for reactivating a closed chapter.

NOW THEREFORE BE IT RESOLVED: Change title of Section 2., Article I, on page 3 of the bylaws to read "Closing a Chapter and Reactivating a Closed Chapter. Delete the current narrative and add new paragraph "A. The Chapter President will take all actions available to him/her to maintain the chapter including seeking advice and/or assistance of the District Field Officer (DFO) and the Federation President. When all efforts have been exhausted to maintain the chapter without success, the Chapter President will notify the DFO by written notice of the chapter closure. If the DFO agrees it is impossible for the chapter to maintain active status he/she will notify the Federation President. Then the steps described in the Closing a Chapter paragraph, Section II: Federation Officers & Operations of the Chapter & Federation Officers Manual, NARFE publication F-10, latest edition, will then be implemented." Also add new paragraph "B. When the members and prospective members of a closed chapter, the DFO and the Federation President agree a closed chapter should be reactivated the instructions in Reactivating a Closed Chapter paragraph, Section II: Federation Officers & Operations of the Chapter & Federation Officers Manual, NARFE publication F-10, latest edition, will be followed."

GUIDELINES FOR ALZHEIMER'S RAFFLE

(Laura Wilcox, Alzheimer's SC Federation Chair)

We will again be having a raffle at the SC Federation Convention to raise money for Alzheimer's. The Convention, as mentioned above will be at Hickory Knob State Park and will be sponsored by Aiken Chapter #934. The Guidelines for the raffle are:

1. All chapters are invited to participate by bringing a raffle item, big or small.
2. Each participating chapter needs to supply a marked container with chapter name and number for tickets.
3. Participants, please sell tickets at home, putting Name & Phone Number on the back of tickets you for the drawing. Sell one for \$1.00 each or \$5 for six tickets. Bring sold tickets with Name and Phone Number on the back to the convention, keeping separate from convention sale tickets. Also bring the money for the sold tickets.
4. Tickets will be sold for \$1.00 each at the convention. Upon completion of sale at the convention, tickets sold at the home chapter will be added to those sold at the convention - then the drawing will take place.

5. I will supply tickets at the convention, help with sales, and ask for volunteers to help.
6. All monies collected by each chapter will be credited to that chapter's Alzheimer's account.

Hope to see you at Hickory Knob this month,

Laura Wilcox
Alzheimer's SC Federation Chair
Myrtle Beach SC 29577

NARFE TAKES A STAND ON HEALTH BENEFITS

(From NARFE Headquarters)

National Active and Retired Federal Employees Association (NARFE) President Margaret L. Baptiste has expressed concerns about proposals in the Office of Personnel Management's "2008 Federal Employees Health Benefits Program (FEHBP) Carrier Letter" (also known as the "Call Letter") which would create separate health plans for Medicare-eligible federal annuitants and expand controversial Health Savings Accounts (HSAs). However, Baptiste applauded OPM's decision to encourage FEHBP carriers to offer enhanced hearing benefits for adults, including professional services and hearing aids. "While OPM says that enrollees in the Medicare pilot "sub-option" would pay the same premiums set for their counterpart FEHBP plans, we are troubled that a plan specifically created for Medicare-eligible federal annuitants could open the door for separately rated retiree plans in the future with substantially higher premiums than other FEHBP plans," the NARFE President said. "In the 48 year history of the program, there has never been a separate FEHBP plan based on retirement status or age."

Baptiste also said that NARFE is concerned that the cost of the Medicare pilot sub-option's "pass-through accounts" could result in benefit cuts or higher deductibles, copayments and coinsurance for federal retirees and survivors. In addition, the Association is disturbed that payments from the pass-through accounts would be used to encourage federal annuitants to join private Medicare options, like "Medicare Advantage" and the Medicare "Part D" prescription drug program.

According to Baptiste, the President's fiscal year (FY) 2009 budget would weaken traditional Medicare by reducing payments to doctors and hospitals and, as a result, make private Medicare Advantage (MA) plans more attractive to beneficiaries. Most federal annuitants enroll in traditional Medicare because the program's coverage coordinates better with FEHBP benefits than Medicare Advantage. Recent studies have shown that Medicare Advantage plans are paid more than the average traditional-fee-for-service Medicare plan in their area. NARFE, and its 53 member Leadership Council of Aging Organizations (LCAO) sister organizations, have urged lawmakers to cut overpayments to Medicare Advantage plans ensuring equitable funding and treatment of all beneficiaries by the Medicare program.

The Medicare Part D program was created to offer a prescription drug benefit for the 16 million older Americans who had no such coverage. Federal annuitants do not need to pay the Part D premium because they currently receive drug coverage through their FEHBP plan. NARFE has long been concerned that Medicare Part D would encourage employers, including the federal government, to reduce or eliminate prescription drug coverage to Medicare-eligible retirees under FEHBP. Part D drug coverage is substantially inferior to what FEHBP now provides. To add insult to injury, OPM persistently has refused to apply for a payment -- available to other public and private employers who provide drug coverage as generous as Medicare Part D -- which could be used to lower FEHBP premiums.

OPM continues to encourage FEHBP insurance carriers to expand the availability of High Deductible Health Plan/Health Savings Accounts (HDHP/HSA) despite the fact that the controversial option has only attracted a minute fraction of federal workers and retirees. Indeed, a report released March 18 by the nonpartisan Employee Benefit Research Institute (EBRI) and the Commonwealth Fund found “little evidence that the tax benefits of such plans [HDHP/HSAs] have the potential to help change the trajectory of health care cost growth, are leading health plans or providers to provide more information about the quality and price of services to patients...”.

NARFE opposes HSAs because they could increase premiums for comprehensive plans since relatively healthy enrollees with higher incomes could be siphoned off into HSAs. Such concerns were confirmed by a January 2006 report of the nonpartisan Government Accountability Office (GAO), which found that HSAs tended to attract younger and wealthier FEHBP enrollees. NARFE also opposes OPM's decision in their 2008 call letter to solicit proposals for insurance carriers to offer the long dormant “Indemnity Benefit Plan” as a backdoor attempt to jump start anemic participation in HDHP/HSAs. The President's FY 2009 budget said that the “Indemnity Benefit Plan” should provide HSAs as a system-wide option. Despite being named in the law which authorizes FEHBP, the Indemnity plan has not been available since the Aetna insurance company stopped offering the coverage in 1990. The entry of a large insurance carrier with an HDHP/HSA option available to most enrollees also could boost participation in HSAs.

ECONOMIC STIMULUS REFUND

(From NARFE Headquarters & IRS Internet Releases)

Most Federal Retirees will be eligible for the full Stimulus Refund, but they must file an Income Tax return in 2007 to receive the Refund. People who don't normally need to file also can use Free File – Economic Stimulus Payment, which is available at IRS.gov. Several Free File software providers are making their products available for the simplified filing of a tax return.

To qualify for the minimum economic stimulus payment, people must have at least \$3,000 in any combination of qualifying income from retirement, disability or survivors' benefits from the Social Security Administration; disability compensation, disability pension or survivors' benefits from the Department of Veterans Affairs; Tier 1 benefits from Railroad Retirement, certain combat pay and earned income from wages, salaries, tips or net earnings from self-employment that are includible in taxable income.

The IRS encourages recipients to complete the direct deposit information on the Form 1040A if they have bank accounts. Direct deposit will be the easiest and fastest way to receive a payment. The IRS also encourages people to file their income tax return as soon as possible. The IRS will begin issuing economic stimulus payments starting in May.

The IRS reminds taxpayers it does not gather information for stimulus payments over the telephone, and it does not send unsolicited e-mail to taxpayers about tax account matters. If taxpayers receive an unsolicited e-mail from someone claiming to be from the IRS, don't click on any links. People should forward it to phishing@irs.gov, and then delete it. The only official IRS Web site is located at www.irs.gov.

To be eligible for economic stimulus payments, people must have valid Social Security numbers, have at least \$3,000 in qualifying income and not be a dependent or eligible to be a dependent on someone else's income tax return.

For taxpayers who normally file an income tax return, the maximum stimulus payment is \$600 (\$1,200 for married couples), amounts that will phase out starting with adjusted gross income of \$75,000 (\$150,000 for married couples). For taxpayers who file a 2007 income tax return, the amount

of the economic stimulus payment will be calculated automatically by the IRS.

CHAPTER RECRUITMENT AND RETENTION CONTEST

(By John Clements, Director, Membership Development, jclements@narfe.org)

NARFE is testing a special recruitment and retention rewards program for chapters. The test began January 1 and will end on June 30, 2008.

Cash prizes will be awarded in two categories – new member recruitment and member retention. Each category will include two contests. One will be based on gross numbers, and the other will be based on percentages to level the playing field between small and large chapters. There will be a total of 12 winners. Here are the rewards for each category;

- First place winner will receive \$500.
- Second place winner will receive \$300.
- Third place winner will receive \$200.

That means there is a total of \$4,000 available in prize money! The NARFE Chapter winners will be given special recognition and a check at the 2008 NARFE National Convention. Good luck, and let's focus on our recruiting and retention efforts at the chapter.

NEW SOUTH CAROLINA FEDERATION WEBSITE FORMAT

(By Paul Donahue, Federation Web Coordinator)

The South Carolina Federation website has been converted to the same website format that has been used for the local Chapter Web sites. In addition, the pages have been updated with the current Federation Officers and Committee Chairs. To find an individual chapter you need only go to the Chapters Page and a complete listing of all SC Chapters appears with links to their web pages. There is a wealth of information available for NARFE members as well as Chapter Officers on the Federation Web sites various pages. Check it out at <http://www.scnarfe.org/> All the SC Chapters now appear in this same format with contact information for their local Congressional representative and in many cases a current copy of their respective monthly newsletter.



NATIONAL NARFE CONVENTION - LOUISVILLE, KY

(From NARFE National)

Every two years since 1950, NARFE members have gathered to set the Association's course during the next two years.

This year, Louisville, KY, plays host to the 30th Biennial NARFE National Convention, September 7-11. This is the second time the convention has been held in Louisville. The last time was in 1990.

Not surprising for a gathering held in the Kentucky Derby City, the 2008 convention takes its theme, "NARFE: Going the Distance for Your Future," from the sporting world. Convention planners think they have a Triple Crown-winning event for NARFE delegates to enjoy.

- First, the convention schedule is being streamlined.
- Second, all convention activities will be conducted under one roof.
- Third, the convention hotel's downtown location is within walking distance of many attractions.

The convention program is being designed to try to ensure that delegates complete all convention business within the allotted time. As usual, most of the convention business will take place on the main convention floor, where delegates will debate and signal acceptance or rejection of resolutions and committee reports.



The Convention will be held in The Galt House Hotel & Suites, which recently underwent a \$60 million refurbishing. It has comfortably sized rooms; several restaurants, including a revolving rooftop restaurant; and all of the amenities of a large hotel. The Galt House consists of two towers joined by a covered walkway above the street between the buildings. The walkway features conversation areas, tables and a deli. The Convention will not be held in a convention center, but in the Hotel itself.

Delegates also will have the opportunity to attend the convention's Kentucky Night, being planned by the Host Committee. It will spotlight the bicentennial of President Abraham Lincoln's birth near Hodgenville, KY, on Feb. 12, 1809. There will be a number of optional events and tours, including a dinner cruise on the Belle of Louisville on the Saturday evening before the convention and representatives of the Louisville Convention & Visitors Bureau will be on-site to help delegates arrange their own tours.

Galt House Hotel & Suites - 140 N. Fourth St. Louisville, KY 40202 - Reservation number: 1-800-843-4258 Hotel rate: \$75 single/double + \$10.50 tax Check-in: 3 p.m. Check-out: 12 noon. Cut-off date for reservations: August 3, 2008

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Grand Rapids, Michigan in 2010