



District 4 RMC Newsletter – September 10, 2010 – Volume #13

Health Care Law Strengthens Medicare

The Medicare and Social Security trust fund report that came out in August found that the health care reform law has strengthened Medicare's financial condition, with the program expected to remain solvent for an additional 12 years. Specifically, the new report says that Medicare will be able to fully pay its bills until 2029, compared with the last year's forecast of 2017. Also due to the impact of health reform, beneficiaries' Medicare premiums and cost sharing will be reduced. In addition, trustees say that Medicare's shortfall over the next 75 years – a time frame that the trustees are required by law to consider – has decreased substantially, from the nearly 4 percent of taxable payroll in last year's report to 1%. "The new health care law includes a groundbreaking number of reforms that will modernize the Medicare delivery system, making the program a smarter purchaser of healthcare that rewards value over volume," said Barbara J. Easterling, President of the Alliance for Retired Americans. Trustees reported that Social Security will remain solvent through 2037, the same year as was forecasted in 2009.

Benefit Alert for Retiree Re-Hires

ALERT: If or when you rehire into a company you previously worked for; you **MAY** very well lose benefits when you retire the second time. Example: In Ohio, a young retiree hoping to supplement his income; decided to re-hire into ATT into an outside installation job. When he arrived at training, he discovered the job was installing for U-verse TV. He left the training within 4 hours telling his instructor and new foreman that this was not what he signed up for. Weeks later he began receiving new benefit information which informed him that his retirement was now based on the Premise Technician/U-verse benefits and not the old Ohio Bell/Legacy SBC Repairman benefits that he had retired with. The benefit level (for retirees) at U-verse is much lower than what he had originally retired with. Benefit levels at all Company's are changing and **rehiring and retiring could be detrimental to your benefit status.**