



Retiring Times

New Directions for MCPS Retirees

VOLUME 6 • NUMBER 2

OPEN ENROLLMENT 2009

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**OPEN
ENROLLMENT**
Monday, April 27
through Friday,
May 15, 2009

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Retiree Open Enrollment Announcement

Montgomery County Public Schools (MCPS) will be conducting the annual retiree benefit plan open enrollment Monday, April 27, through Friday, May 15, 2009.

During open enrollment, MCPS retirees will have the opportunity to make changes to their medical, dental, vision, and prescription plan options; drop coverage; or, under certain circumstances, add coverage that was previously dropped.

On or after April 20, 2009, the Employee and Retiree Service Center (ERSC) will be forwarding detailed information to all retirees participating in MCPS benefits. If you currently have benefits with MCPS and do not receive an enrollment booklet by the end of April, please call ERSC at 301-517-8100. The enrollment booklet will be available on the ERSC website.

The mailing will include benefit comparison charts, rate information, and an enrollment form to make changes to your current level of benefits.

MCPS retirees will have the opportunity to meet with benefit program vendors and ERSC staff to discuss open enrollment options at three health fairs during the month of May. Representatives from ERSC and benefit plan vendors will be available to answer retirees' questions.

At the health fairs, vendors will be providing health-related activities such as vision screening, blood pressure screenings, and a hand-washing workshop. Additionally, Caremark will have a pharmacist present to discuss Caremark Plan Options A and B. ♦

Vendor Health Fairs

DATE	LOCATION	TIME
Friday, May 1, 2009	CEC Auditorium 850 Hungerford Drive Rockville, MD 20850	9:30–11:30 a.m.
Wednesday, May 6, 2009	Martin Luther King, Jr. MS 13737 Wisteria Drive Germantown, MD 20874	3:00–5:00 p.m.
Monday, May 11, 2009	CEC Auditorium 850 Hungerford Drive Rockville, MD 20850	9:30–11:30 a.m.

Please check the ERSC website at montgomeryschoolsmd.org/departments/ersc for up-to-date information throughout open enrollment.

FOR YOUR INFORMATION

Retirees may fax or e-mail (in PDF format) a signed enrollment form to ERSC by the May 15 deadline. Please review the following tips when you fax or e-mail an enrollment form to ERSC.

Confirmations will be processed and mailed twice weekly. Please review upon receipt so any errors can be adjusted during open enrollment.

ERSC fax numbers: 301-279-3642 or 301-279-3651

- ☛ Most important, please sign the form; your selections are not valid unless the form is signed!
- ☛ Please keep a copy of the form and receipt in case ERSC has additional questions.
- ☛ Please don't call ERSC after you fax or e-mail your enrollment form. Your fax confirmation or e-mail is your receipt that ERSC received the transmission/e-mail.
- ☛ Please make sure that you fax/e-mail the front and back of the form in the same transmission, and that you write your name on both pages.
- ☛ Please don't send an original form in the U.S. Mail to ERSC after you have faxed or e-mailed the form. This could delay processing.

Required Minimum Distributions from Retirement Accounts Suspended in 2009

On December 23, 2008, the *Worker, Retiree, and Employer Recovery Act of 2008* was signed into law. One important provision included in the law was the temporary suspension of Required Minimum Distribution (RMD) rules.

Retirees are generally required to begin distributions from their retirement accounts in the calendar year in which they attain age 70½, although the first distribution can be postponed until April 1 of the following year. The required minimum distribution amount is calculated based on the participant's age and the balance of the account(s) at the end of the preceding calendar year.

The new act provides a one-year waiver to participants otherwise subject to the rules, as follows:

- ◆ No minimum distributions are required for 2009.

- ◆ Beneficiaries who are currently taking distributions from beneficiary accounts also may skip the 2009 RMD.

The decision on whether or not to defer taking a “required minimum distribution” is voluntary. The legislation gives equal treatment to individuals who usually take a monthly “required distribution” amount and those who take a lump sum amount anytime during the year. If you are currently receiving installment payments to satisfy your RMD and wish to suspend these payments, you will need to contact your vendor to have this change made. ◆



Using an Urgent Care Facility

It is 10:00 p.m. on a Wednesday evening and you are faced with one of the following situations:

- ◆ You have an extremely sore throat, coughing, and a 101 degree fever.
- ◆ You have flu-like symptoms.
- ◆ You trip and twist your ankle, which becomes very swollen.

How do you best handle these troubling situations? Many people go to their local emergency room when a better solution would be to utilize an urgent care facility. Certainly, any life-threatening or serious medical condition should be addressed in an emergency room or by calling an ambulance, but many situations do not require that level of care.

Urgent care facilities are available

in all of the medical plans offered by MCPS—CareFirst, Kaiser Permanente, and UnitedHealthcare. These facilities afford members a quicker and more cost-effective way to receive care for situations that arise after doctors' offices have closed.

If you are in Medicare, you must first select an urgent care facility that participates in your plan. The urgent care facility will coordinate the billing between your plan and Medicare.

Aside from the long wait most people experience in seeking care from an emergency room, the costs associated with an emergency room

visit are many times what an urgent care facility would charge. In these difficult economic times, urgent care facilities are a cost-effective and generally faster way to obtain care for nonemergency situations. The co-pay for an emergency room visit is \$50.00. The co-pay for an urgent care facility is \$5.00, \$10.00, or \$15.00, depending on your specific medical plan.

To find an urgent care facility in your plan, visit your medical plan's website, select “facilities for urgent care,” enter a ZIP code, and the plan's website will provide the centers available to you. You also may contact the health plan using the phone number listed on your card. A customer service representative will assist you. ◆

Important New Rule Changes For Defined Contribution Plan Withdrawals

Several significant changes have affected the MCPS 403(b) and 457(b) defined contribution plans since January 1, 2009. MCPS has retained a third-party administrator to manage withdrawal requests from its defined contribution plans in response to new Internal Revenue Service (IRS) tax code requirements.

The IRS will no longer allow former MCPS employees to “self-certify” eligibility for withdrawals based on retirement or termination from MCPS. Former employees wishing to access their account for a withdrawal are now required to obtain a withdrawal-eligibility certificate from the MCPS third-party administrator. The account holder can access the certificate from the

plan website, <http://mcps.yourplan.info>. The third-party administrator will review all requests and determine if the plan and IRS requirements are met. If the request is approved, the account holder must print the withdrawal certificate and include it with any vendor-required paperwork when requesting the withdrawal. Vendors will not process withdrawal requests without the eligibility certificate.

Any account holder who retired from MCPS after 2001 may access the administrator website via the “Access Your Account” link at <http://mcps.yourplan.info>. The first time an account holder accesses the site, he or she will use the “I am a New User” link to establish

a password using the following information: Montgomery County Public Schools as your employer (group) from the drop-down list, the last four digits of your social security number, your last name, your date of birth, and your unique MCPS employee identification number (the 5-digit number on the address label of this publication).

Retirees who stopped working for MCPS prior to 2001 will not be listed on the administrator website and must submit their requests to ERSC for confirmation of withdrawal eligibility.

Retirees requiring additional assistance with the new rules may contact ERSC at 301-517-8100 or ersc@mcpsmd.org. ♦

Withdrawal Restrictions from 457(b) Plans for Retirees Who Return to Work for MCPS

It is important for retirees who have a 457(b) Deferred Compensation Account to understand the withdrawal rules and restrictions if they want to return to work with MCPS in any capacity. The Internal Revenue Service (IRS) and the MCPS Deferred Compensation 457(b) Plan permit withdrawals only by retired or terminated employees regardless of age, or those over the age of 70½.

Once a retiree accepts a temporary position or becomes eligible to be a substitute teacher, his or her employment status changes from

“retired” to “employee,” and the retiree becomes ineligible to make withdrawals from a 457(b) plan unless he or she is 70½ or older. Withdrawals are again permitted once your temporary assignment ends and you are returned to a retired or terminated status.

Prior to accepting a temporary position or becoming an authorized substitute teacher, retirees may request a withdrawal from their 457(b) plan or rollover their entire 457(b) plan assets to an IRA account, either with their current vendor or any other financial

services firm. Once a rollover has been made, withdrawals are permitted from your IRA account, based on IRS rules. Please contact your IRA sponsor for rules regarding distributions.

All MCPS employees, including temporaries and substitute teachers, may contribute to a 457(b), thus deferring income and current income taxes.

The Tax-Sheltered Savings 403(b) plan permits withdrawals at age 59½, regardless of employment status. IRS penalties will apply if you make withdrawals prior to age 59½. ♦

Death of a Retiree or Spouse

The death of a family member is an emotional time. How individuals and families cope with dying, death, grief, loss, and bereavement is as unique as a fingerprint. It places a wide range of responsibilities on the immediate family, many of whom are not prepared to make decisions. Contact ERSC in the event of the death of a retiree or spouse. ERSC staff will be able to assist with addressing some of the estate issues.

Death of Retiree

Benefits are available to the named beneficiary(ies) on file with MCPS if the retiree continued his or her life insurance. Health insurance coverage for the deceased retiree needs to be terminated. Continued lifetime health insurance is available to the currently covered surviving spouse. Also, depending on the pension option selected at the time of retirement, there may be

death benefits or a continuing pension annuity that is payable to the named beneficiary.

ERSC will require the submission of a death certificate, after which we will notify the health plans and update the enrollment records and coverage. Also, ERSC will arrange for the life insurance payment to be made to the named beneficiary(ies).

The surviving spouse or family member must complete certain actions, such as notifying the State Retirement Agency and Aetna, as well as close or transfer deferred compensation plans (457(b)) or tax-sheltered plans (403(b)). The family member must notify the plan vendors where accounts are held to transfer the funds, based on account beneficiary information on file with that vendor. The Social Security Administration (SSA) should be notified. Call 800-772-1213. More information

regarding possible death benefits is available on the SSA website, www.ssa.gov.

Death of Spouse

In the event of the death of a retiree's spouse, insurance coverage must be updated to end the spouse's coverage and reduce the ongoing insurance premiums for the surviving retiree.

Beneficiary designations for the retiree's life insurance also may need to be updated. Beneficiary designations for the retiree's deferred compensation plans or tax-sheltered plans may need to be updated with the plan vendors where accounts are held.

ERSC will provide guidance and forms where necessary to complete the required updates. Retirees and family members are encouraged to contact ERSC for assistance. Call us at 301-517-8100. ♦

Enrollment in Medicare

All participants in the MCPS retiree benefit plan are required to enroll in Medicare Parts A and B when they are first eligible for Medicare. This is necessary to maintain medical health benefits through the MCPS retiree benefit plan.

As of your Medicare-eligibility date, Medicare becomes your primary plan and your MCPS plan becomes the secondary Medicare supplemental plan.

If you and/or your qualified dependent(s) become eligible for Medicare after you retire, ERSC will send you a reminder letter two to three months prior to your 65th birthday. You will be asked to enroll in Medicare and request a copy of the Medicare card. It is the retiree's responsibility to enroll in Medicare Parts A and B and send a copy of the Medicare card to ERSC.

Sending the Medicare card to ERSC will initiate the process to notify the insurance carriers and update your benefit enrollment plan, thereby reducing your monthly premium.

PLEASE NOTE: Your medical coverage with MCPS will be cancelled if you fail to enroll in Medicare Parts A and B and provide ERSC with a copy of the Medicare card. ♦

Medicare and Diabetic Supplies

Effective January 1, 2009, retirees and/or their covered dependents who are Medicare-eligible and enrolled in the CVS/Caremark prescription drug plan and diagnosed with diabetes have the choice of purchasing their diabetic supplies through CVS/Caremark or their health plan. This does not apply to retirees enrolled in the Kaiser Permanente Medicare Plus health plan.

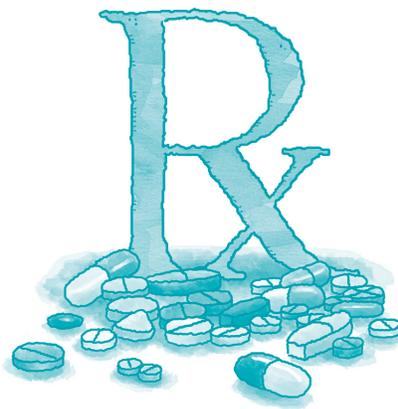
Retirees and Dependents Covered by Medicare Part B

Members who are covered by Medicare Part B must complete a CVS/Caremark Participant Agreement and Assignment of Benefit (AOB) form. Participants who are covered by Medicare Part B must have an AOB form on file with CVS/Caremark.

Some important facts to consider:

- ◆ Medicare Part B covers certain specialty drugs, including diabetic supplies. Filing claims for diabetic supplies with Medicare saves money for retirees and MCPS.
- ◆ Members using CVS/Caremark do not have to file a direct claim with Medicare. CVS/Caremark

electronically submits the claim for diabetic supplies on your behalf if an AOB has been filed with CVS/Caremark. Please contact CVS/Caremark at 800-378-7558 if you have questions or need to verify that your AOB is on record.



- ◆ Members using CVS/Caremark must make the required Medicare 20 percent co-payment at the time of purchase (payable through CVS/Caremark). Members will be reimbursed by CVS/Caremark after Medicare processes each claim. This process may take up to three months for reimbursement.
- ◆ Members using the mail order through CVS/Caremark must submit a doctor's diagnosis along

with the prescription to receive the standard mail order supply for 90 days. If a diagnosis is not provided, the prescription will only be filled for the 30-day supply limit established by Medicare.

- ◆ Health Plan members using either UnitedHealthcare (UHC) or the BlueChoice health plan to fill diabetic supplies must use the supplier offered by the specific health plan. Details on suppliers can be found by calling UHC Select HMO at 800-638-1103, UHC Indemnity at 866-844-4863, or BlueChoice at 800-545-6199.

Retirees and Dependents not Covered by Medicare Part B

Diabetic supplies can only be filled through CVS/Caremark as maintenance prescriptions.

Only retirees and/or their covered dependents eligible for Medicare have the option to purchase diabetic supplies through either CVS/Caremark or the health plan. For all other retirees and dependents, diabetic medications can only be purchased through CVS/Caremark. For more information, please contact ERSC at 301-517-8100 or e-mail ersc@mcpsmd.org. ◆

Have You Noticed?

Caremark has made some changes to their mail service order form and their mail service prescription label.

Mail Service Order Form

- ◆ No more refill stickers— simply fill in ovals to order refills.



New Prescription Label

- ◆ Important information is bolded and highlighted in blue for easy reference.



Caremark continues to make changes that help make mail service easier. Remember, the fastest way to get your refills is by ordering at Caremark.com or by calling Customer Care at 1-800-378-7558. ◆

Relocating?

A Checklist of Important Address Changes

If your address changes after retirement, please make sure to include the Employee and Retiree Service Center (ERSC) on your checklist of parties to notify. Please be sure to include the following to prepare yourself and your family for a smooth transition:

- ◆ **Retirees should notify ERSC of changes of address and/or telephone numbers.** It is essential that ERSC have a current address so that you may receive important notices, especially those related to the benefit open enrollment period. ERSC will notify the benefit vendors (medical, dental, vision, and prescription vendors) of your change of address. ERSC staff will review retiree plan eligibility options and an ERSC staff member will contact retirees in writing if they are not able to continue with their current medical plan due to the change of address (some benefit plans are limited to certain geographic areas).

Address changes may be made by letter, by e-mail to ERSC@mcpsmd.org (please include your unique employee ID # as a verification of identity), or by submitting MCPS Form 445-1: *Change of Personal Information*, available on the MCPS website, montgomeryschoolsmd.org/departments/forms/pdf445-1.pdf. Address changes cannot be accepted over the telephone for security reasons.

- ◆ **Retirees should notify the State Retirement Agency and Aetna in writing of changes of address.** Please be sure to note your social security number in your letters. The addresses are noted below:

If you are a member of the State Teachers plan:

State Retirement Agency
120 East Baltimore Street
Baltimore, Maryland 21202

Aetna, Inc.
Large Case Pension, RS2A
151 Farmington Avenue
Hartford, Connecticut 06156-8740

- ◆ **If you participate in a tax-deferred or deferred compensation plan, please notify the vendor directly.** Information regarding the contact numbers and websites for the 403(b) and 457(b) vendors is available at mcps.yourplan.info/.



Retiring Times

News from the Employee and Retiree Service Center

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