



# National Association of Retired & Veteran Railway Employees, Inc.

NARVRE National Office

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NARVRE NEWSLETTER

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## FROM THE NATIONAL PRESIDENT —

I would like to comment on the 2016 unsettled presidential election season. Who would ever think that in the Republican Party an outsider such as Donald Trump or Senator Bernie Sanders challenging for the nomination in the Democratic Party at this stage in the process are viable candidates. You want to be careful on who you vote for or what you may get in the end. Bernie Sanders and Hillary Clinton have a track record to make your

judgment about their candidacies. On the other hand, Donald Trump has nothing for the voter to go by or why you should support his efforts. He has been drawing support from Democrats, Independents and moderate Republicans. Keep in mind that most of these primary state elections are open to all voters so they are allowed to crossover and cast their vote.

Our concern as railroad retirees has to be railroad retirement, Medicare, Medicaid and many other issues that seniors now confront. Where would Donald Trump stand

on railroad retirement, Medicare and many other social issues. He has a spotty record with organized labor such as a recent comment in South Carolina where he said he can live with unions but his “position on right-to-work in 100 percent” a reference to backing states that have statutes that prohibit some union activities. He has a history of labor strife in his hotels with workers currently in his Las Vegas Trump hotel attempting to organize.

Concern in the Republican Party nationally if he is their nominee would lead to ultimate defeat for the White House and the down ballot as well. There are major Senate races in Pennsylvania, Ohio, Nevada, Wisconsin and Missouri which will decide who controls the United States Senate. Concern is developing in the House of Representatives that if there is a “wave election” the GOP could lose the House.

We had a similar experience here in Minnesota in 1998 when the voters elected Jesse Ventura to the governorship which turned out to be a disaster for the state budget and his constant battles with the state legislature. Those same type of voters never showed up after that election. It was more about a professional wrestler than a conscientious candidate. He won in a three-way race with 43 percent of the vote. The difference here was that Jesse Ventura ran as an independent.

The bottom line is make your vote count, know what the possibilities are in protecting railroad retirement and other issues and cast your ballot for the candidate that reflects our concerns.

—Tom Dwyer, National President

## From the National Legislative Director —

It is apparent that there will be more posturing and less attention to legislative matters of Congress as the campaign process moves towards the July Conventions for both political parties. While there is plenty of consternation between the House & Senate on their budget plans, they have both refuted any notion of holding hearings on the 2017 Budget proposals from the White House. Congress is controlled by an opposing party and leaders in both chambers have declared the President's FY17 budget proposals DOA in this election year. So, there will none of that debating stuff in the Budget Committees of Congress this session, and while that might seem negligent, it won't surprise most. The Senate is planning on using last year's budget agreement when they begin the process of putting their funding proposals together, but House members are still arguing over what budget cap they will use in their 12 annual spending bills. House leaders want to use the top-line

figure in the 2015 bipartisan budget deal, but that doesn't fly with the more conservative arm of the House Freedom Caucus which is opposed to that agreement as it contains \$30 billion in additional spending. That complicates the efforts of Senate Majority Leader Mitch McConnell and House Speaker Paul Ryan in their hope to pass most of their spending bills before the November elections. While the Senate has a tentative agreement with both parties to move forward on legislation, our focus is on the House and the Freedom Caucus whose rhetoric to impose deep cuts in spending also targets Medicare beneficiaries, without any sensible proposals to strengthen the Medicare Trust Fund. However, we recently became aware of a sensible and possible alternative to this ongoing assault on our Medicare health care system.

Taxpayers are always waiting for the House Ways & Means Committee to get serious and start outlining some of the more egregious tax loopholes that should be closed in an effort to make all taxpayers pay their fair share, for

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## From the National Vice President —

I want to thank and honor Brother Robert Popejoy of Lampasas, Texas and Brother Robert Andresen Ttee of Halesite N.Y. for being the first to answer to support the call to the contributions request for NARVRE. I also want to thank Area Directors and other officers who step up to contribute. As well, I want to congratulate the Area Directors and Units for answering the call to promote our membership by reaching out to delinquent members. The officers and Area Directors set forth the effort to contact their respective units in their areas and made it possible to reach out to members successfully. There are many understandable reasons for delinquencies, but the personal contact is always the best way as we continue to promote, protect, and preserve our Railroad Retirement Pension Annuities. While at this time there are no attacks on legislation to our pension fund, there is the obvious call by some Presidential Candidates to repeal Social Security our Tier I of our RR Retirement as well as eliminate healthcare benefits as we know them today. Be aware that if these individuals get elected, we will be fighting to protect ourselves from "reforms" code for elimination and repeal of "entitlements" of senior benefits.

**A farewell to a great officer of the San Antonio NARVRE Unit #163.** As National VP it gives me great honor to feature Brother James W. (Jim) Shelton Sr. as he leaves the office of Secretary-Treasurer (S/T) of NARVRE Unit #163 in the San Antonio, Texas. As Jim steps down from serving 18 years in office, he says, "It's about time to Mark Off the Board." He was 72 years old in July 1998 when he took office after retiring in 1988 with 36 years of service from the MOP RR as Brakeman-Conductor and as a 65-year Member of the UTU as of June 2016.

## From the National Secretary-Treasurer —

Thanks to all our Units that have elected Delegates and Alternates, we have a list of 63 that where elected, many have committed to attend and represent their respective Units at the Convention and we appreciate all efforts of our Units in being able to send a Delegate or Alternate. We will also have a quest gallery and we welcome their support of the Host Unit 056 St. Louis by attending.

Snowbirds, please contact the National Office with your new address if you do not have forwarding setup on your mailings. We are still getting many returned newsletters and a large portion are from members that have not renewed by the deadline of February 28, these folks are now delinquent.

If you wish to renew send your due to your Unit. Many of our Units have sent out second notices and

Coverage is very much appreciated. Unit Treasurers please check you membership and try to call or send notices to those members that have not renewed.

We must all be aware of the changes that may come with a new President in the White House.

So be ever aware of legislation that may affect your livelihood. None of us want to have our Railroad Retirement decreased because we were not informed. Keep the News-

"I became active in the N.A.R.V.R.E. Unit#163 in San Antonio, Texas in July 1998 as Secretary-Treasurer. The then S/T was Jethro New who decided it was about time to get some *Young Blood* on the job and decided to retire at the age of 72 years. He said he was too old for the job. The irony was that I was 72 years when he left office and at the same age I was elected to the Position of Secretary Treasurer. At that time our NARVRE Unit had a considerably large membership and I was not exactly *Young Blood* but after 17 years on the job and 89 years old," said Jim. "It's About Time", as Jethro also Said in 1997.

"Likewise I wish The "*Young Man*," the new Secretary-Treasurer Sergio Perez Sr, Good Luck and Enjoyment as I had in my tenure while serving *A Great Association*, the National Association of Retired and Veteran Railway Employees as we continue the fight to Promote, Protect, Preserve your Railroad Retirement Pension. With that, I Remain fraternally yours, *James W.(Jim) Shelton Sr.*"



**Front Table (1):** L-R Ernest Lamza, (**Ex. S/T**) Jim Shelton Sr., Jennie Dietz, (**New- S/T**) Sergio Perez Sr.

**Back Row L-R:** Charles Harter, (**VP**), Dennis Kraft, Joyce Padalecki, Evelyn Schmidt, Al Padalecki, Leg. Rep. Pete Holder, **NVP** Tony Padilla, John Salinas, Robert Rivas, **President** D.R Castillo.



**Front Table (2):** L-R (**Ex. S/T**) Jim Shelton Sr., Jennie Dietz, (**New- S/T**) Sergio Perez Sr.

**Back Row L-R:** Charles Harter, (**VP**), Dennis Kraft, Joyce Padalecki, Evelyn Schmidt, Al Padalecki, Leg. Rep. Pete Holder, **NVP** Tony Padilla, John Salinas, Robert Rivas, Jack McCabe, **President** D.R Castillo.

— **Anthony (Tony) Padilla NARVRE National Vice President**



## (National Legislative Director from page 1)

the good of the country, and to help strengthen our national Medicare system for all of its beneficiaries. And recently, I read a startling report on one big tax loophole that remains beneficial only to the wealthiest or top 3 percent of households, while threatening the sustainability of Medicare. In 2013, Congress passed the **Net Income Investment Tax (NIIT)**, a 3.8 percent tax on investment income (interest, capital gains, etc) and a small surtax on earnings on those with incomes over \$250,000. These taxes are intended to shore up and strengthen Medicare but more and more high end taxpayers running certain businesses pass their business income through to the individual side of the tax code where they can mostly avoid the 3.8 percent Medicare surcharge on that specific income. This tax loophole is costing the Treasury \$200 billion over 10 years, and that is going to keep growing, as more and more businesses are taking advantage of the lower capital gains tax rate on the individual side, but not the corporate side of the tax code. The Center on Budget & Policy Priorities now state that this avoidance of business tax now accounts for half of all business income. How does it make sense that Congress passes a tax intended to shore

up Medicare while allowing a large group of affluent business people to avoid paying that tax revenue? And how do certain segments of the Congress, such as the House Freedom Caucus, propose to cut Medicare benefits and/or raise fees on Medicare beneficiaries, while not mentioning this tax evasion? This is an obvious loophole that can be closed and help sustain Medicare. Cost-control changes already implemented and new innovations in health care delivery are being reported on a continual basis at the Kaiser Family Health Foundation (KFF) and by other health experts. Smart people are working on these matters and changes would be enforced more efficiently if our elected officials would work together in a bipartisan manner on these primarily financial problems. We need to know who's saying what on these issues in this election year.

In closing, I want to advise that the White House Budget Report, which has been dismissed and ignored by the leaders in Congress, does contain a proposal to close this aforementioned tax loophole, which will help preserve the Medicare health program which provides quality health care for 50 million mostly older Americans. Medicare needs this revenue! It's 2016, have we all paid our dues?

— **Gary Faley,**  
**Legislative Director**

## (National Secretary—Treasurer from page 2)

letter out in front of our members by getting all members to renew.

Contribution to NARVRE can be made by sending a check to the National Office made out to NARVRE.

We want to recognize all those that made Contributions to NARVRE. Thanks to all for your generosity it is appreciated. A list of names and Units follow:

Robert C. Boltz  
Unit 187 Houston, TX  
Robert & Anita Andresen  
Patrick M. Mc Crohan  
Kyle G. Tilson  
Otto F. & Elizabeth D. Bonaventure  
James A. & Nancy V. Krehbiel  
Dorothy M. Wisman  
Douglas L. & Marie L. Waid  
Joyce A. Burton

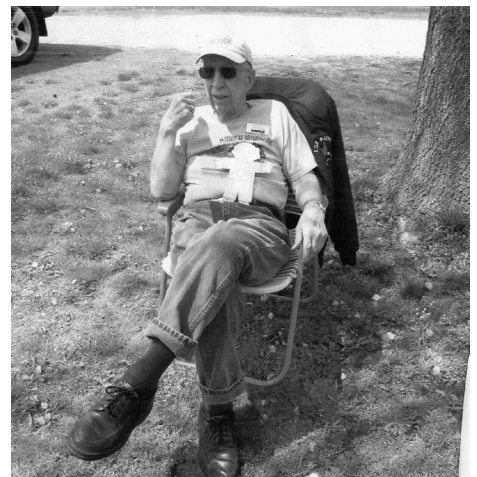
James Fernandez  
Gary M. & Sue A. Faley  
Anthony & Mary Padilla  
Peter Damien Puglia

Unit 179 Ft. Dodge, IA  
Arthur B. Cunningham  
Richard L. & Shirley Marzullo  
George H. Appleby  
Thomas P. & Shirley A. Eckstein  
Robert & Donna Popejoy  
Juanita A. Russell  
Andrew C. & Anita L. McDonald  
Mr. & Mrs. Marion Connell  
Charles W. & Shirley E. Voorhees  
George G. & Joan B. Rick  
Darwyn Meyers  
Robert P. Husemann

— **Joyce A. Burton,**  
**National Sec/Treas**

## Happy 100th Birthday!

Member of Unit 030 Council Bluffs, IA Honoring Mr. Merle Bridges his birthday was January 25 and he is one of the oldest members receiving RR benefits. Merle joined NARVRE in 2002. He also has the distinction of serving in the U.S. Navy aboard the Battleship USS Pensacola and saw combat in WWII. He and his wife Vendita live in an assisted living facility in Council Bluffs, IA.



**Max Jahn, passed away September 30, 2015.** Max retired from the BNRY in 1985. He served his country in the U.S. Marine Corp during the Korean Conflict. He served as Sec-Treas of Unit 166, Springfield, MO. Max also provided many years of dedicated service to the Railroad Historical Museum, Inc., promoting and expanding his idea of a replica of the rural RR museum was a dream he shared. His Words: "It will not happen in my lifetime." The proposed depot will be named in Max's honor and is "SHOVEL READY" minus approximately \$30,000. The Unit's expectations are to raise this money in early 2016. Any and all help would be appreciated. Max is pictured sitting at the gate of the Railroad Historical Museum, Inc. greeting visitors. He will be missed by all who knew him and his service to the community.

**Unit 030 of Providence RI. lost their beloved President of 30 years, Mr. John E. Bessette,** on February 24th at the age of 96. He continued to run the unit from his hospital bed at Hopkins Manor Rehab Center for the past year. His sons, Michael and Richard, are also members of Unit 032.

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**From Palmetto, GBA**

## **Guarding Your Medicare Dollars**

It seems like it's in the news regularly: a Medicare provider is being prosecuted for filing fraudulent claims for services never rendered or services for which they billed for a higher level of service than what was actually provided. These are a few of the many methods that are being used to bilk the Medicare Trust Fund.

Some of the common ruses are:

- 'Overlapping Services' – which means that a provider will bill as if they have given a service to a patient at one location when they haven't. An example of this scheme would be billing for an ambulance service when the patient is in an inpatient hospital stay.
- 'Ping-Pong Beneficiaries' – this scheme has providers move a beneficiary from one doctor to another doctor in an effort to maximize profit without benefiting the patient.
- 'Hit-And-Run' – this is the practice of flooding the Medicare system with fraudulent claims and then moving quickly to avoid the consequences.
- 'Porpoising Providers' – this is when doctors who have lost the ability to perform services in one area of the country resurface in another area with a different identification number.
- 'Balloon Effect' – this is the practice of moving to a different pattern of billing once

Medicare stops paying for a previously lucrative scheme.

Some ways that Medicare searches for, and finds those perpetrating these schemes are through:

- Medicare contractor medical review – in which the contractor (such as Railroad Medicare) reviews claims for medical necessity and correct billing
  - Railroad Medicare's Benefit Integrity program – which proactively looks for suspicious billing patterns and investigates potential fraud and abuse identified through complaints or beneficiary contacts to our Beneficiary Customer Service Center
  - Zone Program Integrity Contractors (ZPIC) or Recovery Audit Contractors (RAC) – which perform similar functions to the Railroad Medicare's Benefit Integrity unit
- Other partners in the fight against these and other Medicare fraud schemes include:
- Office of Inspector General (OIG) – the largest inspector general's office in the US Federal Government. Its mission is to protect Department of Health & Human Services (HHS) programs, such as Medicare
  - Health Care Fraud Prevention and Enforcement Action Team (HEAT) – a joint initiative between the OIG, HHS, and the Department of Justice (DOJ)

- Medicare Fraud Strike Force Teams – a key part of HEAT and operating in nine areas of the U.S. They use data analysis, as well as Federal, State, and local law enforcement entities, to investigate and prevent health care fraud and/or abuse

Since 2007, the Strike Force teams have:

- Initiated 1,387 criminal actions
- Won 1,977 indictments
- Collected \$1.8 billion

To learn more about the activities of the Medicare Fraud Strike Force Teams, you may visit their website at <http://oig.hhs.gov/fraud/strike-force/>.

You can also visit the Health Care Fraud Prevention and Enforcement Team (HEAT) website at [www.stopmedicarefraud.gov](http://www.stopmedicarefraud.gov).

As always, you may call our Beneficiary Contact Center at 800-833-4455, or for the hearing impaired, call TTY/TDD at 877-566-3572 to discuss your Medicare Part B coverage. Customer Service Representatives are available Monday through Friday, from 8:30 a.m. until 7 p.m. ET. We encourage you to visit our website at [www.PalmettoGBA.com/rr/me](http://www.PalmettoGBA.com/rr/me) and our Facebook page at [www.Facebook.com/MyRRMedicare](http://www.Facebook.com/MyRRMedicare).

— **Jennifer Johnson**