



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 was looking at the closure of several Units across the country and it gives me some concern. I do understand the many reasons why Units are closed. My predecessors before me worked hard to establish NARVRE Units across the country over many years and I for one thank those members for keeping these Units intact. The below has transpired since the 2014 convention. It troubles me to see the following:

- Area 1 Unit 045 Ft Myers, FL
- Area 2 Unit 84 Columbus, OH
Unit 178 Zanesville, OH
Unit 161 Parkersburg, WVA
Unit 177 Huntington, WVA
Unit 126 Clarksville, IN
- Area 3 Unit 023 Buffalo, NY
- Area 4 Unit 106 Oelwein, IA
Unit 127 Brainerd, MN
Unit 105 Green Bay, WI

- Area 5 Unit 107 Muskogee, OK
- Area 6 Unit 004 Newton, KS
Unit 008 Chunute, KS
Unit 31 Omaha, NE
- Area 7 Unit 35 Seattle, WA
Unit 036 Coeur D' Alene, ID
merged with Unit 81 Spokane, WA
- Area 8 None

Because these Units were closed does not mean we lost the members. They were placed in the At Large Unit 801. The good news is we did open new Units as well but not in the same numbers. New Units created are:

- Area 1 Unit 022 Florence, SC
- Area 2 Unit 043 Coneaut/Ashtabula, OH
- Area 5 Unit 064 Harlingen, TX
Unit 26 Lafayette, LA
- Area 6 Unit 186 Salina/Abeline, KS
Unit 014 North Platte, NE

- Area 8 Unit 061 Oakland, CA

Many of these closed Units were closed to officers being up in age and no younger members to replace them to run the Unit. Other situations were that the railroad operations moved away reducing the employees in a given area.

We will continue to reach out as we have meetings in Alabama, Mississippi, Nevada and Utah over the next two months. We are all volunteers and we need your help to reach out to the new retirees. They are not going to come to you believe me. You have to go the railroad yards, attend union meetings, rail festivals or railroad clubs. Another big plus is that your spouse also draws an annuity. That makes them part of the family. For a few bucks more it increases our membership two-fold. It is not all gloom-and-doom.

—Tom Dwyer, National President

From the National Legislative Director —

The annual assessment from the Medicare Trustees Report has stated that the Medicare Trust Fund will remain solvent until 2030 which is consistent with last year's report. On July 30th Medicare celebrated it's 50th Anniversary of the 1965 law when Pres. Lyndon B. Johnson signed the Medicare Amendment to the Social Security Act. At that time, Americans over 65 were considered "risky" and only one-half of seniors had health care insurance, and most of them were being charged three times as much as younger people. Today, the program covers 55 million people with more than 10,000 seniors becoming eligible every day. The program remains extremely popular as the most recent survey from the Kaiser Family Health Foundation (KFF) reports that 77 percent of Americans believe Medicare is very important, including a ma-

jority of Democrats (89%) and Republicans (69%). Indeed, the study further reports that 70 percent of the public and the vast majority of beneficiaries all favor keeping Medicare as it is today rather than converting it to a program of vouchers, whereby each enrollee would be issued a fixed dollar amount to purchase health care insurance from the private insurance industry. This "voucher" proposal has been rejected in previous years as it would undermine traditional Medicare and shift more of the program's financial risk to beneficiaries. There are major differences between traditional Medicare and the private industry's fee-for-service plans. It is now known that while private fee-for-service plans must pay for the doctor or hospital one chooses, they (the doctors and hospitals) may not accept the rates of the private plans. Traditional Medicare's rates are transparent and identical within the same geographical area and private fee-for-service plans are not. Other plans to "reform" Medicare are already

in the works and the House Republicans have committed (according to Chrm. Kevin Brady) to make the voucher or premium support plan the most ambitious item on the upcoming legislative agenda.

We'll be watching Chairman Kevin Brady and the House Ways & Means Health Subcommittee, as they begin to craft the actual legislative text for a full package of "reforms to fix Medicare". Brady states that this year's "Doc-Fix" legislation was his first step to save Medicare. The Doc-Fix bill was passed overwhelmingly in a bipartisan vote last March, 2015. That legislation repealed an outdated formula known as the "sustainable growth rate" (SGR) which by law calculated doctor's payments for Medicare. The Doc-Fix bill finally repealed SGR and ended the annual threat of cutting the pay of Medicare doctors and other health care providers. This bill also put an end to the routine practice in Congress of extending deadlines on this issue

From the National Vice President —

September is the final quarter of the year for all Area Directors to begin to prepare for attending the upcoming Convention in St. Louis, Missouri on May 15, 16 and 17 at the Hilton Union Station—room rate is \$139.00 plus tax. Although, Unit Election of Officers for the Units are in the month of November, the National Office is asking all Units to do their Delegate elections as early as possible so that the Convention host Unit can do additional mailings with information about the Convention. President Norbert Shacklette from our Host Unit #056 will be mailing convention information on September 1, 2015. **As Units will be getting ready to elect their Delegate and Alternate to represent their Unit at the convention, Units should keep in mind that only one delegate has a vote at the convention from one Unit, but in the absence of the Delegate, the Alternate Delegate will have the right to vote on electing your Area Director.** The Area Directors up for election in 2016 are as follows: Areas 1, 3, 5, and 7, were last elected at the Convention in 2012 for a four year term. Area Directors incumbents holding current positions are: AREA 1 Director **James R. Johnson** to serve FL-GA-MS-AL-TN-NC-SC; Area 3 Director **Ken Kolberg** was appointed on March 25, 2013 due to a vacancy to serve CT-DE-ME-MD-MA-NH-NJ-NY-PA-RI-VT; Area 5 Director **G. G. Gonzalez** was appointed the vacancy on June 1, 2015 to serve TX LA OK NM AR; Area 7 Director **Byron Smith** to serve WA-OR-ID-MT. All Directors should take time to evaluate yourselves and be prepared to make a commitment to continue to work diligently to the primary goal of promoting, protecting, preserving your Railroad Retirement Annuity not only for current NARVRE members already receiving a Railroad Retirement pension, but also to protecting the future Pension Annuity of future retirees. As stated before, your main function as Area Director is to monitor Units and be in contact with the officers to promote and cultivate the membership in their respective units to increase membership; **but, the most important function is to establish new Units in areas where there are no Units. Many have said, “I never heard of NARVRE before” this is true especially where there are clusters of retirees not yet explored.** When you find where these groups exist, we cannot afford not to go get them but also, noting that we cannot go on a goose chases because the expense does not justify it. NARVRE would exhaust our finances if we did not exercise caution. In these areas when you want to have an informational meeting, Area Directors are urged to contact our past NARVRE President “Whitey” Westphal, Retiree Representative of the **Moody Law Firm (whiteywestphal@aol.com or (440) 452-8427** for assistance in planning the important Informational Meetings at railroad Terminals or elsewhere in an attempt to alert Railroad Retirees of their rights under the Railroad Retirement Act. The cost for these informational meetings is minimal to NARVRE because our sponsor finances the cost of these meeting. We are fortunate to have the Law Firm of Will Moody sponsor these meetings as he also sponsors our National Conventions. But it easier said than done, the mission to attaining new members to recover loses of members is a losing and exhausting job, so we must employ the most reasonable means to reach new members.

On another front we continue to monitor the Congress and the Administration to make sure our Railroad retirement benefits are not weakened. Here, I am referring to Social Security which is our Tier I of Railroad Retirement as we want to put to death the notion that Railroad Retirement can be consolidated under Social Security Administration. Many railroaders do not think that can

happen, but ask the Airline Pilots who lost their pensions during mergers. The government allowed their pension to be sent to the **Public Benefit Guaranteed Corporation (PBGC)** bank which pays a fraction of the pension earned. This is where all bankrupt pension benefits end up.

A Spectacular Birthday Celebration of the 50th Anniversary of Medicare took place at the LBJ Presidential Library in Austin, Texas on July 30, 1965-2015 of the signing of Medicare Program fifty years ago today. President Lyndon Johnson signed Medicare and later added Medicaid into law, granting hundreds of millions of America access to health care. “A 50 year success said David Wright,” CMS Region VI Acting Administrator of providing care by the **Center for Medicare and Medicaid Services (CMS)** to seniors and others. The event was celebrated with real passionate and emotional stories from speakers. Among the participants was the Austin Chapter of the Texas Alliance for Retired Americans, CMS Region VI Staff, AARP, NARVRE, Enroll America and Center for Public Policy Priorities and many other support senior groups. The celebration cheerfully ended with the cutting of the Birthday Cake and beverages donated by AARP.



1) Austin TARA Chapter President Glenn Scott, Donna Robyn Hembree, Cleaburn Zwerneemann, Marie Drummond, TARA Secretary Tony Padilla; **2)** Cleaburn Zwerneemann, TX AARP President, TARA Secretary Tony Padilla, and David Wright CMS Region VI Administrator.



3) TARA Secretary Tony Padilla, David Wright CMS Region VI Administrator, Mark Cebulski, Austin TARA Chapter President Glenn Scott, Donna Robyn Hembree, Cleaburn Zwerneemann, Marie Drummond; **4)** (Front) TX ARA President Gene Lantz and TX Secretary ARA Tony Padilla-(Back) TX ST ARA Elaine Jones, VP TX ARA Lewis Fulbright, Glenn Scott President Austin TX ARA and NARVRE National President Tom Dwyer .

On July 30, 2015 seniors from all over the nation celebrated and praise the work of President LBJ for signing Medicare into law in 1965 and thereby celebrated the 50th Birthday Medicare. NARVRE worked with the Alliance for Retired Americans on that celebration on July 30, 2015 at the LBJ Presidential Library with many other groups. **The same was done in Washington with many groups joined by Congressional Representatives present.** Each year the Trustees of the Social Security and Medicare trust funds report on the current and projected financial status of the two programs. **The opponents of Social Security and Medicare were undermined surprised when the report showed both programs were financially healthier than they thought,** but the opponents will keep on inventing crisis instead of implementing solvency improvements. Workers who make \$117,000 or less per year pay a higher Social Security payroll

(National Legislative Director from page 1)

17 times since 2003, costing the taxpayers nearly \$200 billion dollars. So that's a good thing, but reputable organizations, such as the Center for Medicare Advocacy and the Medicare Rights Center both argued that the bill was not sufficiently balanced as it asks too much from Medicare enrollees, and far too little from the pharmaceutical or insurance industries (without providing enough for beneficiaries in return). While Chairman Brady relies on this measure to affirm the beginning of his plan to "reform" and save Medicare, he should revisit the underlying arguments that the bill allows for a long-term burden to be put upon Medicare's beneficiaries, especially seniors on low-incomes and those with disabilities. Certainly, NARVRE and other organizations that advocate for retirees, seniors and Medicare recipients will insist that there are many avenues of change available which will protect and strengthen the entire program. The practice of past Budget Reports to "reform" Medicare by extending giant tax cuts to the wealthiest people in the nation while unfairly placing the burden of sacrifice on the budgets of seniors is unacceptable. We fought those Ryan Budgets in past years and we have every intention to fight them again, when the need arises. Congress has the obligation to insist on fairness and shared sacrifice in dealing with the many problems that confront Medicare's future. They simply need to stay focused on the health care of seniors and disabled Americans...Medicare.

Also, the aforementioned Medicare Board of Trustees Report also warned of two factors that will probably affect some Medicare Part B premiums next January. First, Medicare Part B costs increased more than expected last year, and also, Social Security is not expected to have a cost-of-living (COLA) increase next year. That will most likely translate into higher Medicare Part B monthly premiums for certain beneficiaries. By law, the cost of higher Medicare Part B premiums cannot be passed on to most Medicare beneficiaries if they don't receive a Social Security raise. While these Social Security determinations are not usually released until the fall, the Health and Human Services (HHS) Secretary Sylvia M. Burwell has stated that while her final decisions will be determined in October, "seventy percent of enrollees in Part B will have no change in premiums".

— Gary M. Faley,
Legislative Director

(Nat'l Vice President from page 2)

tax rate than the 5.6 percent who make more. We talked about "Scrap the Cap" of Tax code so the wealthy can pay their fair share of Taxes. It is worth repeating again. We are still facing a vote on the TPP trade bill which still contains taking funds from Medicare. On my July article, I reported Administration and the Congress are yet to be convinced to not take an additional \$250 million that over the next ten years which reduces funds that Medicare uses for patients for renal dialysis services

for those with acute kidney injuries and other medical procedures not yet identified since one of the most controversial aspects of the **Trans-Pacific Partnership agreement is it is secret from the public.** The trade bill also gives new authority to the pharmaceuticals to **regulate generic prescription drug prices.** We must remain vigilant to protecting benefits we have earned through our payroll deductions while we were working. We are not asking for a hand out.

— Anthony (Tony) Padilla NARVRE
National Vice President

Railroad Retirement Act Program In The Topeka, KS

The National Association of Retired and Veteran Railway Employees, Inc. (NARVRE) will present a program in the Topeka, KS area to inform railroad industry workers and retirees about their pension benefits under the Railroad Retirement Act. The 10:00 a.m. meeting will take place at the Ramada Topes Downtown, 420 SE 6th Avenue in Topeka. There is no charge for your attendance and participation.

Pension benefits under the Railroad Retirement Act differ from benefits paid under Social Security a fact not generally known by the non-railroad public. Approximately **8,650 retirees live** in the Second Congressional District of Colorado and there are **20,002** in the state.

In charge of presenting the program will be August "Whitey" Westphal, Past President, of North Ridgeville, OH. Also appearing will be NARVRE National President Thomas Dwyer, Coon Rapids, MN and Tony Padilla, Natal Vice President, Buda TX. They will outline the solvency of the pension program for railroad retirees and the rights of railroad retirees under the Railroad Retirement Act. Also appearing will be Jenifer Johnson, RR Medicare from Augusta, GA and Kathy Hampton, CARE from Temple, TX. Railroad Retirement will be represented.

Previously the pension for the surviving spouse was reduced drastically when the married retiree passed away. NARVRE has worked closely with management and labor to provide funding for an amendment to the Act to allow the survivor to receive no less than what the retiree was receiving in the month prior to his/her death – as is the case under Social Security.

NARVRE was funded over 76 years ago to protect the rights of railroad retirees as granted by the Railroad Retirement Act of 1937. Since that time NARVRE has fought numerous battles against encroachment and the dismantling of our railroad retirement system.

NARVRE is the only Federally Chartered Railroad Retiree Organization that has for its sole purpose the protection, promotion and preservation of the Railroad Retirement Pension System.

Pickup materials will be available. Widows and Widowers are welcome to attend.

More information call "Whitey Westphal (440) 452-8427 or Roger Barr (785) 273-0863

Unit 147's Picnic Dinner



GUEST, J.J. GRABNER, III (AREA 2 DIRECTOR) WITH OFFICERS/ MEMBERS, IN ATTENDANCE AT UNIT 147'S CATERED PICNIC DINNER ON JULY 8, 2015, BELLEVUE, OHIO. FROM LEFT TO RIGHT: HOWARD WALLACE, LEGISLATIVE REPRESENTATIVE; J.J. GRABNER, III, AREA 2 DIRECTOR; BOB FAY, PRESIDENT; AND M.F. PERRY, MEMBERSHIP CHAIRMAN

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From Palmetto, GBA Medicare's Program Integrity Initiatives

For many years, the Centers for Medicare & Medicaid (CMS) has funded programs to reduce claims payment errors (either paying too much, paying too little, or payments being made when none should be). Some of these programs are handled through systematic checks that look for anomalies and mismatched services, and some are handled through clinical reviews of specific claims.

The program integrity initiatives pertaining to Railroad Medicare include: Medically Unlikely Edits (MUEs) – These are systematic checks that look for claims that exceed the maximum number of services expected to be reported, in most cases, for a single patient by the same provider on a single day.

National Correct Coding Initiative (NCCI) Edits – These are also systematic checks, and they look for combinations of codes that should not be reported together in all or most situations. Either we would not expect both services to occur in one treatment, or Medicare does not reimburse both services when performed together. This could be two codes that represent different methods of performing the same service, such as a laparoscopic gallbladder removal and an open incision gallbladder removal. It could also be two codes that are components of each other, such as a rhythm electrocardiograph (ECG) and a cardiovascular stress test, which by definition includes an ECG.

Medical Review Program – This initiative involves complex reviews by Medicare (including Railroad Medicare) in which documentation is requested, and then the reviews determine if the claim was correctly billed and properly documented, and that the services meet Medicare coverage criteria.

Comprehensive Error Rate Testing (CERT) Program – This initiative involves complex reviews in the same manner as the Medical Review program. External entities include the CERT Review Contractor, the CERT Documentation Contractor, and the CERT Statistical Contractor, and they work together to review a random sample of claims and determine an error rate for local Medicare, as well as Railroad Medicare. They do this by:

- * Requesting medical records from providers who submitted claims coverage, coding and billing rules
- * Reviewing claims and medical records for compliance with Medicare

The CERT program calculates an improper payment rate, and it also develops an improper payment rate by claim type, to measure Medicare (and Railroad Medicare's) performance processing claims correctly.

Working together, these initiatives reduce the number of claims that are underpaid, overpaid, or should never have been paid.

If you have any questions about your Railroad Medicare coverage, please call our Beneficiary Contact Center at 800-833-4455, Monday through Friday, from 8:30 a.m. to 7 p.m. ET. We encourage you to sign up for email updates. To do so, visit our website at www.PalmettoGBA.com/RR/Me and click 'EMail Updates' on the top of the webpage to start the process.

We also encourage you to visit our Facebook page at www.Facebook.com/MyRRMedicare

— Jennifer Johnson