

REFLECTIONS

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A monthly source of information for beneficiaries of the Adventist Retirement Plans.

SHARP Corner

Special Help for Catastrophic Prescription Drug Expenses

The Catastrophic Prescription Drug HRA is an enhanced benefit given to retirees/spouses enrolled in at least one Aon Retiree Health Exchange program and are eligible for the standard HRA.

If you frequently require prescription drugs, there's a chance you'll reach the Medicare Part D catastrophic coverage limit. While most retirees are unlikely to reach this limit, if this impacts you, you will be eligible for the Catastrophic HRA.

It's easy to access this benefit. Once you've received an EOB showing the Medicare D out-of-pocket maximum (\$4950) has been reached, you will submit a copy of your monthly Explanation of Benefits (EOB) to YSA (Your Spending Account). The out-of-pocket maximum is shown separate from what you paid and what the Plan paid. Submit your prescription drug claim along with the EOB indicating the Catastrophic stage of \$4,950 has been met, to YSA. YSA will initiate the Catastrophic HRA process. You will be reimbursed for prescription claims for the remainder of the calendar year. Once eligible, there is no annual limit on this benefit. This benefit is separate from the standard HRA that you receive and you do not need to exhaust the standard HRA to access this benefit.

On page 2 is an example of the Medicare D EOB showing the "out-of-pocket" amount. The year-to-date amount for "out-of-pocket" costs must exceed \$4950 to activate the Catastrophic Rx HRA.

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VOLUNTEERS NEEDED!

Are you bored and tired of being retired? Adventist World Radio is looking

for volunteers to represent us in churches, camp meetings, and conventions. Show others what AWR is doing in places like Liberia, Nepal, the Middle East, and many more remote areas. Jesus is coming soon, and we want the world to be lighted with the gospel truth! If you're interested in being an AWR Field Representative and joining the AWR team, please contact **Robert Peck at 660-620-2534 or rgpeck43@outlook.com.**

Are you retired, and tired of fishing for trout that don't bite? Would you like to try your hand at *real* fishing? Adventist World Radio is looking for a few good men and women to be field reps in churches, camp meetings, and other events. This is your opportunity to share with others what God is doing in places like Madagascar, Nepal, the Middle East, and the ends of the earth. If you're interested in being a part of the AWR team, please contact **Robert Peck at 660-620-2534 or rgpeck43@outlook.com.**

Payroll Bulletin Board

Checks/EFT Released

This Month: May 26

Next Month: June 27

Special Help for Catastrophic Prescription Drug Expenses

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Note this example indicates the retiree would not yet be eligible. To contact YSA, log on to your account at www.retiree.aon.com/adventistretirement. Click on the My Account and then click on "\$ The HRA".

Contact Aon Retiree Health Exchange/YSA at 1-844-360-4714, Option #2.

Year-to-date totals MM/DD/YY through MM/DD/YY	Plan Paid	You Paid	Other payments (made by programs or organizations; see Section 3)
Your year-to-date amount for "out-of-pocket costs" is \$22.38	\$22.96 (year-to-date total)	\$22.38 (year-to-date total)	\$0.00 (year-to-date total)
Your year-to-date amount for "total drug costs" is \$45.34		(Of this amount, \$22.38 counts toward your out-of-pocket costs.)	(Of this amount, \$0.00 counts toward your "out-of-pocket costs." See Definitions in Section 3)
For more about "out-of-pocket costs" and "total drug costs", see Section 3. NOTE: Your year-to-date totals shown here include payments of \$0.00 in out-of-pocket costs and \$0.00 in total drug costs made for your Part D covered drugs when you were in a different plan earlier this year.			

SECTION 3. Your "out-of-pocket costs" and "total drug costs" (amounts and definitions)

We're including this section to help you keep track of your "out-of-pocket costs" because these costs determine which drug payment stage you are in. As explained in Section 2, the payment stage you are in determines how much you pay for your prescriptions.

Your "out-of-pocket costs"	Your "total drug costs"
\$22.38 month of MMMM, 2017 \$22.38 year-to-date (since January) <small>(This total includes \$0.00 in "out-of-pocket costs" from when you were in a different plan earlier this year.)</small>	\$45.34 month of January, 2017 \$45.34 year-to-date (since January) <small>(This total includes \$0.00 in "total drug costs" from when you were in a different plan earlier this year.)</small>
DEFINITION: "Out-of-pocket costs" includes: <ul style="list-style-type: none"> • What you pay when you fill or refill a prescription for a covered part D drug. This includes payments for your drugs, if any, that are made by family or friends. • Payments made for your drugs by any of the following programs or organizations: "Extra Help" from Medicare; Medicare's Coverage Gap Discount Program; Indian Health Service; AIDS drug assistance programs; most charities; and most State Pharmaceutical Assistance Programs (SPAP's). It does not include: <p>Payments made for: a) plan premiums, b) drugs not covered by our plan, c) non-Part D drugs (such as drugs you receive during a hospital stay), d) drugs covered by our plan's Supplemental Drug Coverage, e) drugs obtained at a non-network pharmacy that does not meet our out-of-network pharmacy access policy.</p> <ul style="list-style-type: none"> • Payments made for your drugs by any of the following programs or organizations: employer or union health plans; some government funded programs, including TRICARE and the Veteran's Administration; Worker's Compensation; and some other programs 	DEFINITION: "Total drug costs" is the total of all payments made for your covered Part D drugs. It includes: <ul style="list-style-type: none"> • What the plan pays. • What you pay. • What others (programs or organizations) pay for your drugs. NOTE: Our plan offers Supplemental Drug Coverage for some drugs not generally covered by Medicare. The amounts paid for these drugs do not count towards your "out-of-pocket costs" or "total drug costs".

DC Plan Account Withdrawals

Recent retirees may have an account balance in their post-1999 Adventist Retirement Plan account. Upon withdrawal of funds from that tax-deferred account, the administrator will issue a form 1099-R which will be sent to the IRS and to the Retiree. That withdrawal is taxable and would need to be reported when filing taxes for the year. For ministers this becomes especially challenging, as it is possible under current tax law to reduce the taxable amount of the withdrawal by documenting qualifying housing expenses incurred during the year. Ministers receive a letter each year which spells out how to claim the exclusion based on current tax law. However if the money has been moved out of the church plan account administered by Empower Retirement (used to be called Great-West Financial) to another account, such as an IRA, the parsonage allowance exclusion will likely be lost.

You may wish to discuss your withdrawals with your tax preparer.

A Correction

In March's newsletter column entitled "Tax Time", I wrote, "Keep in mind that "gross income" includes all income that is considered taxable such as wages, pensions, taxable distributions from a 401(k) or 403(b) or IRA, but not including Social Security income. In context that statement is accurate, but was interpreted by at least one retiree to mean that Social Security income is not subject to federal tax. Social Security is taxable for some retirees depending on income. Exclude Social Security from the 'gross income' in the column to determine if you are required to file or not.

Adventist Retirement Plans

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Aon Retiree Health Exchange:
1-844-360-4714

SHARP: 301-680-5036
Email: SHARP@nadadventist.org
Healthcare Eligibility Queries

Submit DVH claims to:
Adventist Risk Management
SHARP, PO Box 1928
Grapevine, TX 76099-1928
1-800-447-5002

Payroll: 1-888-838-8955
Bulletin Board of Payroll Information

NAD Retirement Department
Fax: 301-680-6190
Email: NADRetirement@nadadventist.org
12501 Old Columbia Pike
Silver Spring, MD 20904-6600

Barbara McLaughlin: 301-680-6244
Lost checks, direct deposits, 1099R, tax withholding, verification of benefits for loans, housing, Medicaid

Monica Johnson: 301-680-6249
General Retirement Office Information
Reporting a death, change of address, disability reviews