

RETIREES



The cost for retirees to belong to MSEA is just \$12 a year as stated in the MSEA Constitution: Article VI, Section 8: *Any retired Union member age fifty (50) years or older or with at least ten (10) years of membership, or a disabled Union member, shall be entitled to retain membership in the Union for \$1.00 per month, to be paid in advance at the rate of \$12.00 per year. Retiree's dues are to be pro-rated from the date of retirement to the next January 1st. Thereafter, the retiree's dues shall be payable on January 1st, with thirty days advance notice given by MSEA Central Office.* **By paying your retiree dues of only \$12 per year, you will continue to receive the MSEA News. Please make checks payable to Michigan State Employees Association and mail to: MSEA Central Office, 6035 Executive Dr., Suite 104, Lansing, MI 48911**



The Department of Treasury's Bureau of Investments reported in December that its State of Michigan Retirement Systems (SMRS) earned a one-year rate of return in Fiscal Year 2018 of 11.6%, exceeding peer public pension fund median rates of return of 7.7%. SMRS earned a return of 8.5%, exceeding the peer median return of 7.6%.

Over the past decade--a time that included the Great Recession--SMRS assets gained more than \$9.5 billion above the peer average investment return, Treasury reported. Due to these gains, General Fund and School Aid Fund 2018 annual contributions into pension fund pools are nearly \$780 million less

than they would have been if SMRS had earned the peer average investment returns.

"I am proud of our staff for making Michigan a pension fund investment leader," said state Treasurer Nick Khouri. "The performance of our overall portfolio directly benefits state and teacher retirement plans by ensuring long-term financial stability for our retirees now and in the future."

Source: MIRS Capitol Capsule (12-5-18)



Retired school employees could work part-time and collect retirement benefits under **Senate Bill 1225, sponsored by Sen. Mike Shirkey (R-Clarklake)**. Public school retirees could return as independent, third-party contractors to drive buses, serve food or clean classrooms without having to forfeit their retirement benefits. The bill is designed to address an employee shortage in parts of the state, particularly in the area of transportation.

Nick Ciaramitaro, AFSCME Director of Legislation and Public Policy, said he understands why the bill is being pushed, but said lawmakers should stick with the current law, which allows retirees to come back to work under "emergency situations" only. He's concerned that having too many part-time workers taking out of the retirement fund, while not contributing to the fund, would destabilize it.



VA | U.S. Department of Veterans Affairs

The **Veterans Debt Fairness Act** was introduced in the U.S. House of Representatives in November by **U.S. Reps. Dave Trott (MI-11) and John Delaney (D-MD)**. The VA is responsible for distributing monthly earned benefits to veterans and their beneficiaries which is why the act would prevent the VA from collecting debt if caused by errors at the VA .

The bill would allow the VA to recoup overpayments only if the debt was due to an error or fraud on the part of the veteran or beneficiary. Additionally, to reduce the risk of financial hardship, the legislation states that the VA cannot deduct more than 25% from a veteran's monthly payment in order to recoup overpayment. It also requires the VA to provide veterans with a way to update dependency information on their own, eliminating a common delay that may affect a veteran's benefits.

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Senior bankruptcy has tripled, according to a new study by the Consumer Bankruptcy Project. The study says that seniors over 65 now proportionately represent the major share of Americans filing for bankruptcy. Since 1991, bankruptcy filings among Americans age 55-64 are up 66%. Americans between 65-74 are in even worse shape--their filings have increased 204%.

All other age groups have experienced a decline in filings to varying degrees.

The Consumer Bankruptcy Project's (CBP) research indicated that thousands of older Americans are entering retirement with negative wealth, instead of the healthy nest egg we're all advised to build over time. Based on its findings, the CBP determined that a gradual shift of financial risk and responsibility from the government and employers onto the individual is to blame. The CBP found that three in five seniors attributed their decision to file partly due to unmanageable medical costs. Providing for aging parents and cosigning for their children's student loans were two big factors also motivating seniors to file for bankruptcy. *Source: Consumer Bankruptcy Project/The Seniors Center (8-6-18)*



The Michigan House sent **HB 5217, 5218 and 5219** to Gov. Rick Snyder on Dec. 6, requiring that air ambulances should only be used if a hospital deems it medically necessary and, in those cases, choosing an "in-network" copter should be the priority. The legislation also requires a non-emergency patient to be informed of the cost of the ambulance before one is ordered. The Economic Alliance for Michigan (EAM) heralded the bills' passage as a victory for patients.

"Many patients assume that since his or her hospital is an in-network facility, that the air ambulance service at the hospital is as well," said EAM Executive Director Bret Jackson. "At times, this is not the case and the result of using an out-of-network service can result in a medical bill the patient did not expect and cannot afford."

The bills were sponsored by Reps. Joe Bellino (R-Monroe), Rep. Tom Barrett (R-Pottsville) and Rep. Beau LaFave (R-Iron Mountain).



The federal government has announced plans to crack down on nursing homes with abnormally low weekend staffing by requiring that more surprise inspections be done on Saturdays and Sundays.

The **federal Centers for Medicare & Medicaid Services** said it will identify nursing homes with payroll records indicating low weekend staffing or operating without a registered nurse. Medicare will instruct state inspectors to focus on those potential violations during visits. The directive comes after a Kaiser Health News analysis found that there are 11% fewer nurses providing direct care on weekends on average, and 8% fewer aides. Residents and their families frequently complain that seniors have trouble getting basic help on weekends.



The **U.S. Social Security system** ranks 20th out of 34 countries rated for the retirement security of their citizens. The United States is not only ranked below Germany and

Denmark, but also ranked below Chile, Columbia and Peru.

Source: Alliance for Retired Americans (11-27-18)