



NJREA NEWSLETTER

Reminder:
Fall Luncheon/Meeting
is Sept. 20

NJREA – New Jersey Retired Educators Association

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Pension enhancement signed into law

S-2450 (Inverso/Matheussen/Asselta/Azzolina) passed both legislative houses on June 28th and was promptly signed into law the following day by Acting Governor Donald DiFrancesco. S-2450, now Chapter 133, P.L. 2001, increases the service based pension benefits for all active and retired members of TPAF and PERS from N/60 to N/55. This improvement in the pension formula represents approximately a 9% increase in the base pension (exclusive of COLA benefits) for all retired

members of these two retirement systems. The higher base will also serve to generate higher COLA amounts in the future. **Retirees can expect to see the increased benefits in their November pension check.**

NJEA and NJREA played an instrumental role in ensuring that our retired members would receive a full and equal benefit from this legislation, which is funded through surplus assets in TPAF/PERS. NJEA and NJREA Government Relations Committees as well as thousands of NJEA/NJREA

members and other public employees wrote letters, made phone calls and sent e-mails advocating passage of this historic legislation. We hope that all retired school employees recognize the significance of this effort and the importance of both membership and legislative and political action. NJEA and NJREA need the participation and involvement of all of our retirees. Our strength is in numbers and in building a stronger organization to fight for our collective interests.

Senior Gold prescription plan enacted

NJEA and NJREA joined with health care consumer groups in lobbying for passage of S-6 (Cafiero/DiFrancesco), now known as the Senior Gold Prescription Act. This new law, now Chapter 96, P.L. 2001, will provide some assistance to middle income seniors in acquiring needed prescription drugs. NJEA and NJREA were supportive of this legislation on behalf of some of our retired members who do not qualify for state paid post-retirement medical benefits coverage.

Gold Plan provisions

The Senior Gold Prescription Plan provides prescription drugs, insulin, insulin supplies, and diabetic testing material to eligible NJ residents for \$15/prescription plus one half of the cost of the prescription. To be eligible, a NJ resident must be at least 65 years of age or older, or

receiving Social Security Title II disability benefits. An applicant must have an annual income between \$19,238 - \$29,238 if single and \$23,589 - \$33,589 of combined income if married.

The Senior Gold beneficiary pays \$15 plus 50% of the remaining cost of the drug. Senior Gold participants with out-of-pocket prescription costs exceeding \$2,000/year if single and \$3,000/year for married couples have 100% of prescription costs paid after paying the \$15 co-pay/prescription.

This program, along with the Pharmaceutical Assistance to the Aged and Disabled (PAAD) for NJ residents over age 65 who have an income less than \$19,238 (single) or \$23,589 (married), provides critical assistance to retirees in coping with rapidly escalating prescription drug

costs. NJEA and NJREA encourage all of our members who do not qualify for state paid health benefits to carefully assess their personal circumstances with respect to insurance coverage. For many members who may be eligible for either the Senior Gold or PAAD programs, continued participation in SHBP may not be in your economic self interest. Participation in one of these prescription assistance programs coupled with Medicare could enable you to purchase cheaper Medicare supplemental insurance and not diminish your benefits. If you are eligible for PAAD or Senior Gold, you should consider such Medicare supplement programs as the NEA Member Care Medicare Supplement Program . . . or AARP Health Care Options.