

Welfare Fund announces new long-term care program

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The Welfare Fund is bringing members a one-time, limited opportunity: a new long-term care insurance plan is being offered to active employees, and those younger than 70 years of age can purchase it regardless of their medical condition. This plan has been specially designed for our members with a top-rated insurer and at very competitive prices.

More than half our members will require some form of long-term care over the course of their lifetimes. It may be required by injury or illness, or it may simply be due to growing old. Long-term care can include care delivered in a nursing home – but it also includes assisted living, adult day care, home care and alternatives.

DAILY ACTIVITIES

Typically, long-term care (LTC) involves help with “activities of daily living” such as feeding, dressing, toilet, bathing, etc., or when the loss of cognitive skills is an issue. Insurance coverage is expressed in terms of the maximum amount reimbursable per day, for type of service and period of time, plus any special features of a given plan.

Medicare coverage for long-term care is extremely limited. For coverage under Medicaid, those who are not already poor must “spend down” their assets in order to qualify. The drain on resources from providing long-term care can be enormous, as anyone who has guided a parent or friend through this experience can attest.

The PSC/CUNY Welfare Fund was a pioneer in making LTC coverage available nearly two decades ago. Since that time, the arena of long-term care has broadened, as has the insurance product associated with it. The Welfare Fund, with the assistance of a special committee comprised of Fund and union staff, PSC retirees and our benefit consultants, has worked over the past year with the John Hancock Company to design a new program to better fit the current health care landscape and the particular needs of our membership.

WHAT'S NEW

- Wider scope of employees covered
- Easier to qualify for benefits
- Longer period of coverage
- More flexible benefits (i.e., alternate forms of care)
- Better protections against loss of coverage

The new insurance will be made available in two phases:

Phase 1: All members who are *not currently enrolled* in the Welfare Fund's long-term care program under John Hancock will receive a mailing in the fall of 2007, announc-

Help for daily life in advanced age

ing the opportunity to enroll in the new plan. All WF members and all others in the PSC bargaining unit and their spouses and dependent children are eligible to purchase this long-term care policy. Active full-time employees (as well as adjuncts in their third consecutive semester and teaching six or more credit hours, and hourly employees working 17 ½ hours or more per week) who are younger than 70 years old at the end of 2007 will be able to enroll *without question of medical qualification*. All other eligible members and dependents may be required to provide medical information in order to obtain a policy. Any member who does not receive a mailing should contact the WF or John Hancock.

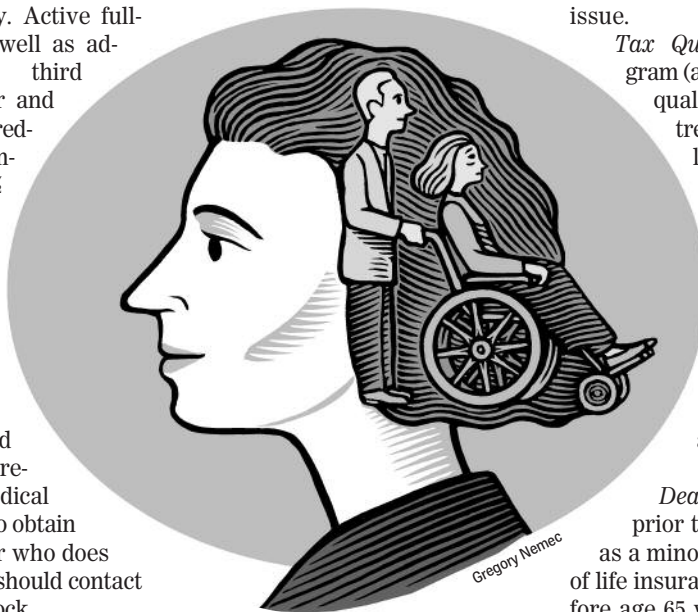
Phase 2: All people who *currently have a policy* with John Hancock will receive a mailing in the spring of 2008, explaining that they may stay with their present coverage or join the new program. For this group, premiums for the new program will be calculated on an individual basis, reflecting the amount of past premium payments. Adjunct personnel who don't meet phase 1 criteria noted above will also receive this mailing.

DEDUCTED FROM PAY

As in the past, premiums for long-term care insurance will be *fully paid by those who elect coverage*. Premium payments are generally deducted from payroll or pension checks and forwarded to the insurance carrier. The Welfare Fund is cost-neutral in this equation, neither funding the benefit, nor receiving any subsidy or commission from the insurance carrier. The Fund *does* help develop and monitor the program and provides participants with informational and advocacy support.

Once a person signs up for coverage, a rate is set which does not in-

crease over the years (unless coverage is voluntarily increased). That rate is determined by age at enrollment and the maximum daily bene-



fit selected. Since this rate – not surprisingly – increases with age of enrollment, each year's delay increases the premium you will pay if you sign up at a later date.

More importantly, we have a *one-time-only* arrangement with John Hancock that no medical evidence of insurability will be required for active full-time employees younger than 70 years of age – either within 60 days of initial hire or *during this initial offering* from October 29, 2007, through December 15, 2007. This is called “guaranteed issue,” and it means that the same coverage at the same premium (based on age and choice of benefit level) will be offered to all applicants without consideration of past or current medical condition.

'GUARANTEED ISSUE'

This does not mean that others – outside of full-time active employees under 70 – will be denied coverage. It only means that the insurance company is entitled to evaluate their “insurability.”

In addition to providing indemnity

against costs of future care, this John Hancock program has special appeal to our population:

Wide Scope of Covered Persons: This is the only program to our knowledge that affords qualified adjuncts the benefit of guaranteed issue.

Tax Qualification: This program (as well as certain others) qualifies for special tax treatment. There is every likelihood (after you consult with your tax adviser, of course) that premium costs will be tax-deductible on federal returns and, for New York State tax filers, premium costs may directly offset gross adjusted income.

Return of Premium on Death: For those who die prior to age 75, it also serves as a minor but substantive form of life insurance. Those who die before age 65 will have 100% of their paid-in premium (net of benefit payments, if any) returned to their estate. For each year until age 75, that 100% is reduced by 10% and after 75 this benefit disappears.

A plan specially designed for PSC members

We all know that this is a very easy decision to delay. We urge you to think about it now. Everyone's situation is different, and you may find websites such as www.longtermcare.gov or www.longtermcarelink.net helpful in deciding what choice is right for you. Talk to family, friends and colleagues. An article on what criteria to consider, “Plan for long-term care,” which appeared on page 10 of the March 2006 *Clarion*, is available on the web at www.psc-cuny.org/communications.htm.

Presentations about the new LTC program will be held on CUNY campuses this Fall to answer any questions that you may have. The Welfare Fund website (pscunywf.org) will also have further details on the new program, plus links to John Hancock and other resources.

Health transfer period

The annual transfer period for making changes in your health benefits will occur this year during the month of November. The forms needed to make a change are available from your college benefits office.

For full-time CUNY employees, the transfer period for changes in basic health insurance coverage will run from November 1 through November 30, 2007. For changes in full-timers' dental coverage, this year's transfer period is from October 29 through November 30.

For part-time CUNY employees, the 2007 health insurance transfer period is from October 29 through November 30.

Retirees can make changes only during the transfer period of even-numbered years, so they will next be able to change their health insurance coverage in the Fall of 2008.

GHI OPTIONAL RIDER

The annual transfer period is also the time when participants can make changes in the optional riders available with their particular basic health insurance plan. CUNY employees enrolled in the GHI-CBP health insurance program may want to consider the GHI Optional Rider, which has proven very popular among PSC members.

The GHI Optional Rider significantly reduces the cost of using out-of-network doctors for GHI participants. The cost is \$2.79 per paycheck for an individual, or \$7.02 for a family (rates effective on 7/1/2007).

Those who sign up for the GHI Optional Rider get more than higher reimbursements from the basic carrier (GHI). In addition, those with the rider are charged a lower deductible by the Welfare Fund's Extended Medical Benefit. With the GHI Optional Rider, an eligible participant must reach a deductible level of \$1,000 per individual (up to a maximum of \$2,000 per family) before this major medical benefit starts to pay. Without the optional GHI Optional Rider, the deductible is \$4,000 (to a maximum of \$8,000 per family). **— PH**

LABOR IN BRIEF

New Orleans teachers gain

After more than a year without a contract, some teachers in New Orleans have had their right to bargain collectively restored, United Teachers of New Orleans (UTNO) President Barbara Mitchell announced. But as a result of post-Katrina restructuring

of the NO public school system, faculty and staff who work at Recover School District schools and charter schools continue to be excluded. UTNO pledged to continue its fight to represent them as they begin contract negotiations.

AFT: 'Jena 6' solidarity

On September 20, some 15,000 people marched in Jena to demand justice for the “Jena 6,” young African Americans charged with attempted murder

after a high school fight in December 2006. The march in Jena was augmented by local demonstrations across the country, and the AFT issued a statement calling them “victims of judicial inequality and an overzealous prosecutor” and expressing concern about the fairness of their upcoming trials.

In the fall of 2006, black students at Jena's high school sat under a tree which until then had been exclusively claimed by white students. The next day, nooses were

hung on the tree in question and off-campus attacks on black students followed.

AFT Vice President Nat La-Cour said, “The designation of a ‘white tree’ on a public school campus and the display of such violent symbols of hatred as nooses hanging from a tree cannot be tolerated in our society.” One of the convictions of the Jena 6 was overturned; the other five have not been tried, and charges were reduced since the protests began.