

# APERS *pective*

Volume 7, Issue 2

Spring 2010

A Newsletter for Retired Members of the Arkansas Public Employees Retirement System

## Call Center questions from retirees

The Call Center at APERS exists to help members, retirees and beneficiaries get answers to questions about their retirement system. However, at certain times of the year we get many calls about the same issue or topic. With that information, APERS has developed a list of the most frequently asked questions callers ask when they contact us.

Reading this article may give you the answer to a question you have and save you a call. However, if you're still unsure about a topic and need to call, feel free to do so. That's what we're here for. The Call Center can be reached by calling (501) 682-7800, or 1-800-682-7377 if you're outside Pulaski County.

### ***Have the Retirement Income tax statements been mailed yet?***

**Answer -** This question is frequently asked in January each year. The 1099-R tax statements for retirees must be legally mailed to all retirees and beneficiaries by Jan. 31st. 1099-R tax statements are mailed during the last week of January.

### ***Will retirees get a Cost of Living increase July 1st?***

**Answer -** Yes, all APERS retirees who have been retired or participated in the Deferred Retirement Option Plan (DROP) for at least twelve months on July 1 2010 will be eligible for a 3% COLA.

### ***When will next month's retirement checks be mailed?***

**Answer -** The vast majority of retirees receive their monthly retirement benefit via direct deposit. Some retirees still have their benefit checks mailed to them. Benefits are deposited on the first business day of the new month following a holiday or weekend. Benefit vouchers are mailed the last business day of the month.

### ***I need to give you a Change of Address. Can you take it over the phone?***

**Answer -** No. We cannot take a change of address from a retiree who calls. The member must complete and mail APERS a Change of Address Form. We can mail you one, or you can download a form from [www.apers.org](http://www.apers.org).

### ***Can you take my new Direct Deposit bank account information over the phone?***

**Answer -** No. You must complete an APERS Direct Deposit Authorization form, which we can mail to you, or you can download and print the form.

### ***Can you give me information about my health insurance benefits?***

## Director's Corner

APERS is pleased to announce the investment results of the first six months of Fiscal Year 2010. For the period July 1, 2009 through December 31, 2009 the fund earned just over 16%; the calendar year return came in at 22.4%. This strong showing put APERS in the top 28 percent of all public funds. While this is certainly a great step in the right direction, it is just that – one step among the many we must make to again attain the fiscal strength we enjoyed as recently as 2008. The APERS Board of Trustees and staff continue to work diligently to guide the retirement system around the potholes and speed bumps that litter the path toward sustainable investment returns.

There has been much noise lately in the national press about Defined Benefit plans and the untenable drag they create for state budgets. While that is certainly true for states that indulged in extended "contribution holidays" during the bull markets of the 1990's it is NOT true here in Arkansas. Because the state has faithfully made its required contributions each and every year, the recent market washout was a blow, not a death knell. What about the state's contribution? Are taxpayers actually underwriting the retirement benefits of public employees? In fact, just 52 cents of every benefit dollar paid comes indirectly from taxpayers via the legislatively approved compensation package that state employees receive. The remaining 48 cents comes from a combination of employee contributions and investment gains. Have those taxpayers simply handed over 52 cents for some unknown public servant? No! For instance, if that taxpayer is a small



Continued on Page 3

Continued on Page 2

## Director's Corner

Continued from Page 1

business owner in Smackover, he will see that 52 cents return to him as retirees in his area buy his goods or services. In fact, in 2009 alone, \$3.5 million was paid to retirees living in Union County. With the average monthly APERS benefit paid at approximately \$915, it is highly likely that those benefit dollars are almost immediately spent into the local economy. Looking at the statewide retiree payroll, nearly \$300 million was paid out last year, thus replicating this example in all 75 counties of the state. APERS retirement benefits play a hugely important role in the economy of Arkansas.

On the other side of the equation, it is so important that we keep a watchful eye on the benefit program. All Arkansans deserve a secure retirement, but we must ensure that statutory loopholes don't allow for some to benefit disproportionately. It is bad public policy and bad public relations. As the next legislative session approaches APERS will be looking for ways to plug those gaps.



I am constantly surprised at the number of APERS members who put off thinking about life after retirement until the very last minute. This is the rest of your life we're talking about! It is crucial that you consider things like whether your APERS benefits will allow you to maintain your current quality of life, whether you have enough personal savings tucked away for unanticipated emergencies, whether and how to provide for a spouse or dependent children, and so on. Putting the puzzle pieces together in a way that best suits your situation takes time and thought. You're going to have to live with the results!

If you are thinking about retiring within the next year, call us to set up a counseling appointment soon. You'll be glad you did.

## Fighting Medicare fraud

In 2002, the Division of Aging and Adult Services received a grant from the federal Administration on Aging (AoA) to assume administrative responsibility for the Arkansas Senior Medicare Patrol, also known as the Arkansas SMP.

With the slogan "Empowering Seniors to Prevent Healthcare Fraud," the SMP webpage states the program exists "to recruit volunteers to educate the public about the prevalence of healthcare fraud in Arkansas" and what all Arkansans can do to safeguard state and federal dollars spent for legitimate Medicare services. In addition to educating the general public, the Arkansas SMP recruits retired persons as volunteers to educate Medicare beneficiaries how to recognize and report healthcare fraud.

John Pollett, project administrator for

the Arkansas SMP, said that in addition to recruiting individual volunteers, the program seeks partnerships with other programs with an established base of senior volunteers who may share the Arkansas SMP's goal of minimizing or stopping healthcare fraud. Pollett added the SMP draws support from a base of about 400 volunteers statewide, of which about 25% are active on a regular basis.

The website URL <http://www.daas.ar.gov/asmp.html> provides details about the mission of the Senior Medicare Patrol, as well as publications such as the Medicare Protection Toolkit.

Anyone with questions or concerns about healthcare fraud, groups needing a speaker, or those who may want to volunteer to help may contact ASMP at 501-682-8497 or 1-866-726-2916.



## The Medicare Protection Toolkit

A few years ago, the Senior Medicare Patrol, the Senior Health Insurance Information Program (SHIIP) and the state Attorney General's office worked to create the Medicare Protection toolkit. The 8-page guide exists to help seniors on Medicare protect themselves from misleading marketing of private Medicare Advantage Plans, or from health coverage con artists trying to defraud retirees or commit identify theft. John Pollett, the Arkansas SMP project administrator, said the toolkit was patterned after a similar product used in Alabama to help seniors avoid fraudulent insurance sales tactics.

The kit advises seniors on original Medicare to get specific information before purchasing any new insurance such as Medicare Advantage, or any other similar product. The booklet also urges seniors visited by insurance sales agents to have the sales agents complete informational questionnaires provided in the kit. The guidebook gives other useful tips such as explaining some differences between original Medicare and Medicare Advantage plans, and advises seniors about overly aggressive or dishonest sales tactics. Useful contact numbers are provided in the kit for the Senior Medicare Patrol (1-866-726-2916); the Senior Health Insurance Information Program (1-800-224-6330); and a toll-free number to report suspected fraud and abuse to the Arkansas Attorney General's office. Consumers who don't have computer access to download the toolkit may request a free copy to be mailed to them by calling 1-866-726-2916.

*(Article information found in the toolkit, available on the websites of the Arkansas SMP, Arkansas SHIIP and the Arkansas Attorney General's office).*

## Questions

Continued from page 1

**Answer -** No. APERS isn't the agency that answers questions about health or life insurance. For questions on Health Insurance, please call the Employee Benefits Division at (501) 682-9656, or at 1-877-815-1017. For questions on life insurance, call Minnesota Life service center at 1-888-826-2734, or USABLE Life at 1-800-370-5854.

**Can you tell me how to access my DROP account online?**

**Answer -** To access the DROP account online service you have to set up an account. If you have already created an account you can access your account by

simply clicking on the DROP access link found on the left hand side of the APERS webpage ([www.apers.org](http://www.apers.org)) and logging in. If you don't have an account, you must set one up before you can access your DROP information online. You can set up an account by clicking on the link mentioned above and choosing "First Time User : Click here to continue" option.

**I forgot my password for logging into my DROP account. Can you help me get a new one?**

**Answer -** If you've forgotten your User ID or password, or just want to change your password, just click on the appropriate link below the Password Entry box. If you already have a User

ID and Password and are having problems logging on, contact APERS for help.

**Can I borrow from my retirement?**

**Answer -** No.

**If I change my beneficiary with APERS, will this change my beneficiaries on other retirement systems or insurance policies I hold?**

**Answer -** No. When you turn in a change of beneficiary for APERS, APERS is the only agency where this beneficiary change will be made.

## APERS PROFILE Allison Woods

Allison Woods is Manager of the Member Records Section of the Arkansas Public Employees Retirement System. In this role, Allison supervises a staff of eight which enrolls new members and employers, reviews and corrects member's records and establishes delinquent service.



When she joined APERS in 2004, Allison brought to the agency over 7 years experience in the private sector administering health and welfare and employee retirement benefit plans. Allison said she enjoyed working retirement benefit processes the most, which is why she joined APERS. She first worked in APERS as a Retirement Counselor in the Member Services Section, and later served as supervisor of the Benefits Unit before she was promoted to her current position.

Allison is excited about upcoming plans this year to make Member Records information more clear and accessible to members and employers. A self-described workaholic, Allison said she also enjoys such pursuits as shopping, reading, art and being outdoors, and her New Year's Resolution is to spend more time enjoying these hobbies and a little less time being a workaholic.

## Does APERS have your address?



If you have recently moved, or are planning to move, please inform APERS in writing. You may use the Change of Address form at [www.apers.org](http://www.apers.org) or send a

handwritten letter with your signature and Social Security number stating your new address. A form can be mailed if you call us at (501) 682-7800, or toll-free at 1-800-682-7377.



Eligible retirees of the Arkansas Public Employees Retirement System (APERS) will receive their three percent (3%) cost of living adjustment (COLA) on July 1, 2010. While the state is eliminating COLA raises to state employees, current retirement law provides for a three percent (3%) COLA to all APERS retirees who have been retired or participated in the Deferred Retirement Option Plan (DROP) for at least twelve months on July 1 of each year.

## 2010 APERS Direct Deposit Dates

May 3, 2010	June 1, 2010
July 1, 2010	August 2, 2010
September 1, 2010	October 1, 2010
November 1, 2010	December 1, 2010

Deposits are made on the first workday of each month that doesn't fall on a holiday.

***In this issue...***

***Frequent Call Center questions!***  
***The Director's Corner! COLA is coming!!***  
***Want to help fight Medicare fraud?***  
***The Medicare Protection Toolkit!***  
***And more!***

APERSpective is a publication of the Arkansas Public Employees Retirement System and is distributed for the information of APERS annuitants, beneficiaries and survivors.

***APERS EXECUTIVE STAFF***

Gail H. Stone, Executive Director  
 Michele Williams, Deputy Director

***APERS BOARD OF DIRECTORS***

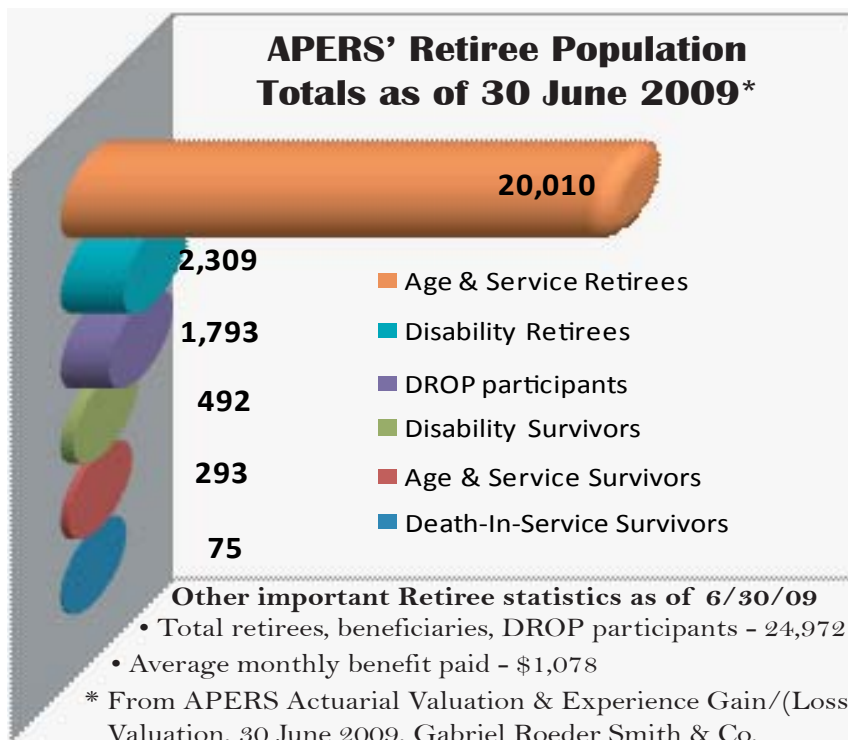
Mr. Artee Williams, Chair  
 Mr. Maurice Henry, Vice Chair  
 Mr. Richard Weiss  
 Hon. Martha Shoffner  
 Hon. Jim Wood  
 Ms. Ouida Wright  
 Mr. Don Zimmerman  
 Mr. Bill Gaddy  
 Mr. Mike Jacobs

***ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM***

124 W. Capitol Avenue, Suite 400  
 Little Rock, AR 72201  
 501-682-7800 • 1-800-682-7377  
 www.apers.org

## Did You Know?

### APERS' Retiree Population Totals as of 30 June 2009\*



**Other important Retiree statistics as of 6/30/09**

- Total retirees, beneficiaries, DROP participants - 24,972
  - Average monthly benefit paid - \$1,078
- \* From APERS Actuarial Valuation & Experience Gain/(Loss) Valuation, 30 June 2009, Gabriel Roeder Smith & Co.