

# Voices of Experience

## Newsletter for OEA-Retired

Omaha Education Association–Retired is an affiliate of NSEA-Retired and NEA-Retired  
Roger Rea, Editor – email: rrea68154@yahoo.com [www.OEAretired.org](http://www.OEAretired.org) December 2023

### Tax tips and Estate Planning return for Dec. 14 meeting

Tax season will soon be upon us. Bridget O'Malley Tynan from Tax Help, founded by Pat O'Malley, will be the speaker at the December 14 meeting for OEA-Retired to inform members about how the tax laws will affect them. The age at which payments from your IRA are required (called required minimum distributions, or RMDs) has increased; in 2024, 80% of your Social Security benefit will not be subject to Nebraska state income tax; and you have the ability to take a charitable deduction even if you do not itemize your deductions.

Bridget will also address how you can set up

your own charitable trust to distribute your assets as you wish after you die. Tax efficient ways to make charitable contributions from your IRA instead of taking the taxable required minimum distribution will be revealed. She will explain the benefits of the Nebraska Property Tax Credit, and give some tips on avoiding identity theft and fraud.

The Thursday, December 14<sup>th</sup> meeting will be held at the OEA office, 4202 S. 57<sup>th</sup> Street, starting at 10 a.m. Following CDC guidelines, facemasks are optional for this meeting. If you need driving directions, call the OEA office at 402-346-0400. See you there!

### President's Message

By: Walta Sue Dodd, OEA-Retired President

*"Not everything that is faced can be changed, but nothing can be changed until it is faced."* – James Baldwin

As I said last month, OSERS as we know it will end on September 1, 2024 when the governance and management of OSERS will be transferred to the Nebraska Public Employees Retirement Systems (NPERS) and the Public Employees Retirement Board (PERB). We will need to take a leap of faith and believe that OSERS will be in good hands.

At our last OEA-Retired membership meeting, one of our guest speakers was Shane Rhian, the OSERS Administrator. He told us that:

- OSERS will continue to be a separate, independent pension plan, even after the transfer of the day-to-day management to the State Retirement Systems.
- OSERS benefits, retirement timelines and retiree payment amounts will not change due to this transition.
- But we will no longer receive a physical copy of our pension direct-deposit check notice each month, Throughout 2022 and 2023, OPS and OSERS

have worked closely with NPERS and their third-party project management team on the transition. This multi-organization transition team is in constant contact and has made strides in several key areas to prepare for the transition, including:

- Documenting OSERS processes, procedures and member information needed for plan administration under the PERB through NPERS. Tyler Cummings (on the NPERS staff) has been assigned to be the NPERS/OSERS coordinator.
- Developing procedures for monthly reporting of an OSERS member's salary, contributions, and service credit information after the transition is complete.
- Digitization of OSERS hard copy records.

As the transition nears its completion in September 2024, we are committed to keeping you informed and will update you as more information is available. If you have any questions or concerns, please feel free to contact the OSERS office by phone at (531) 299-0329 or by email at [osers@ops.org](mailto:osers@ops.org).

### OSERS COLA payment comes in January check

The Omaha School Employees' Retirement System, OSERS, provides a cost-of-living adjustment, COLA, to retiree checks each year. The COLA is

determined by calculating the change in the consumer price index, CPI, for the previous twelve months (ending August 31) to determine how much to adjust

your retirement pension. The pensions are adjusted in January of the following year based on the August 31 inflation calculation. The annual COLA is capped at 1.5% for Tier 1 retirees (those who became OSERS members on or before July 1, 2013); it is capped at 1.0% for Tier 2, 3 and 4 retirees (those who became OSERS members after July 1, 2013).

General inflation exceeded 1.5% for this past year, so most Tier 1 retirees will get the full 1.5% COLA in January, and most Tier 2, 3 and 4 retirees will get a 1.0% COLA. If you retired less than two years ago, your COLA will be slightly less than the full amounts –

the amount of the COLA is outlined in state law. Your “take home” increase will be less than the full COLA if you have income tax withheld from your pension, or if you chose any of the joint-and-survivorship payment forms.

The January COLA adjustment is independent from the Medical COLA benefit. The Medical COLA benefit is paid in October each year to individuals who have been retired for 10 years or more. Additional information is available on the OSERS website, [www.ops.org/retirement](http://www.ops.org/retirement).

---

## Mary Moberg remembered

By: Doreen Jankovich and Roger Rea

An icon of the Omaha Public Schools and the Omaha Education Association has passed away. Mary Moberg left us on September 2, 2023. Mary taught kindergarten students for 37 years at Webster, Harrison, Dundee, and Indian Hills elementary schools.

In addition to teaching, Mary served as an activist and leader for the Omaha Education Association and many other organizations in various capacities. Some of the positions that Mary held include:

- OEA President in 1978
- President and Board member for Senior Citizens, Inc. Senior Citizens, Inc. was responsible for building and managing the OEA Manor at 320 N. 22<sup>nd</sup> Street. OEA Manor was built in 1956 as the first retirement home in the USA built by educators for retired educators. It had skilled nursing care for those who needed it, well before Medicare became available.
- Volunteered at the OEA Thrift Store at 24<sup>th</sup> and Farnam Streets. The OEA Thrift Store sold second-hand donations, and the money raised was used to help subsidize medical care and housing for retired teachers at the OEA Manor.
- President of OEA Foundation. OEA Foundation, Inc. is the charitable foundation for the Omaha Education Association. It raised money to help subsidize residents of the Manor and to offer

scholarships to deserving high school seniors. The Foundation now has an endowment of about \$5 million, and each year it awards nearly 100 scholarships with a value of \$400,000 to deserving secondary school students, many of whom have a connection to an active or retired educator.

- President of the Board of Educators Credit Union, and served for many years on the First Nebraska Credit Union Board when the two institutions merged in 2000.
- Received the OEA School Bell Award in recognition of her activities on behalf of educators.
- President of OEA-Retired, and served on the NSEA-Retired Board.
- President of Omaha Area Retired School Employees Association (OARSEA). She managed the OARSEA Scholarship Committee for many years.
- Volunteered for many years at the Durham Museum, serving root beer floats at the Soda Fountain counter.

Throughout Mary’s career she continued to recruit, build funds, lead boards, encourage new leaders, build opportunities, make dreams come true, inspire others, and build brighter futures for thousands of students and their families via scholarships. Mary left a legacy of grace and love. She is missed by many.

---

## OEA-Retired meeting calendar

OEA-Retired will have three more general meetings this year. The meetings will be held either via Zoom or in-person at the OEA office, 4202 South 57<sup>th</sup> Street, from 10:00 – 11:30 a.m. The type of meeting (Zoom or in-person) will be announced in *Voices of Experience* prior to each meeting. The meeting dates and tentative programs as well as NSEA-Retired meetings of note are:

**Dec. 14, Thurs.** – Tax Tips and Tips on Wills and Estate Planning (Bridget O’Malley)

**March 7, Thurs.** – Legislative Update; History of Omaha Cemeteries

**April 18, Thurs.** – NSEA-Retired Spring Conference in Eastern Nebraska

**April 19-20, Fri. and Sat.** – NSEA Delegate Assembly (Lincoln)

**May 9, Thurs.** – OEA-Retired elections; Program TBD

If OPS schools are closed or delayed due to inclement weather on the date of our meeting, the OEA-Retired in-person meeting will be canceled. OEA-Retired will not meet in person if OPS schools are closed for health reasons. Notice will be sent out if the session is re-scheduled for a later date.

## NSEA-Retired elections coming in 2024

Elections will be held soon for NSEA-Retired representatives in several categories. No elections will be held for general officers, but there will be an election for one Metro District Director position on the NSEA-Retired Board. Ruby Davis' term is up for election, and she is eligible to run for a second term if she chooses to do so. Metro District Director Walta Sue Dodd is not up for election this year. NSEA-Retired Board members can serve a maximum of three, three-year terms.

Delegates to represent NSEA-Retired at both NSEA Delegate Assembly (in April) and NEA Representative Assembly (in June and July) will also be elected.

Nominations for Metro District Director as well as for delegates to NSEA Delegate Assembly and NEA Representative Assembly will be taken through the NSEA-Retired web page, [www.nsea.org/retired](http://www.nsea.org/retired) early next year. Consult the NSEA-Retired website for filing deadlines and procedures. The information will also be printed in upcoming issues of the *Advocate* and *Voices of Experience*.

---

## Changes in Medicare Part D coming over next two years

By: Roger Rea, NSEA-Retired Vice President

Medicare began offering a prescription drug benefit in 2006 when it implemented the Medicare Part D prescription drug benefit authorized by Congress under the "*Medicare Prescription Drug, Improvement, and Modernization Act of 2003*." Unlike Parts A and B, which are administered by Medicare itself, Part D is provided through private plans. That is, Medicare contracts with private companies that are authorized to sell Part D insurance coverage. These companies are both regulated and subsidized by Medicare, pursuant to one-year, annually renewable contracts.

Part D plans are not required to cover all Part D drugs. They may establish their own list of covered drugs, called formularies, which must include categories and classes of drugs that cover all disease states. Because the drug plans can change the covered drugs every year, as well as the premiums and deductibles and tier status for individual drugs, all Medicare subscribers have the option to change their Part D provider every year between October 15 and December 7 without any penalty.

The Part D standard benefit has several phases, including a deductible, an initial coverage phase, a coverage gap phase (called the "donut hole"), and catastrophic coverage. Between 2023 and 2024, the parameters of the standard benefit are rising, which means Part D enrollees will face higher out-of-pocket costs for the deductible and in the initial coverage phase and will have to pay more out-of-pocket before qualifying for catastrophic coverage. In a change from prior years, however, beneficiaries in 2024 will no longer pay 5% coinsurance once they qualify for catastrophic coverage, due to a provision in the *Inflation Reduction Act* that eliminated this cost-sharing requirement.

With the passage of the *Inflation Reduction Act*, which includes several provisions to lower prescription drugs pending by Medicare and beneficiaries, major changes are coming to the Medicare Part D program. These provisions started to take effect in 2023 and will

continue phasing in over the next couple of years. The law:

- Limits the price of insulin products to no more than \$35 per month in all Part D plans and makes adult vaccines covered under Part D available for free, as of 2023.
- Requires drug manufacturers to pay a rebate to the federal government if prices for drugs covered under Part D and Part B increase faster than the rate of inflation, with the initial period for measuring Part D drug price increases running from October 2022-September 2023.
- Expands eligibility for full benefits under the Part D Low-Income Subsidy program in 2024.
- Adds a hard cap on out-of-pocket drug spending under Part D by eliminating the 5% coinsurance requirement for catastrophic coverage in 2024 and capping out-of-pocket spending at \$2,000 in 2025.
- Shifts more of the responsibility for catastrophic coverage costs to Part D plans and drug manufacturers, starting in 2025.
- Authorizes the Secretary of the Department of Health and Human Services to negotiate the price of some drugs covered under Medicare, with negotiated prices first available for 10 Part D drugs in 2026.

The Congressional Budget Office estimates that taken altogether, the drug pricing provisions in the law will reduce the federal deficit by \$237 billion over 10 years (2022-2031).

According to a report from the Kaiser Family Foundation, Part D enrollees who take only brand-name drugs in 2024 will have a cap of about \$3,250 for calendar year 2024. 2024 is the last year for the "donut hole." Medicare subscribers who have substantial drug costs pay up to 25% out-of-pocket for covered drugs during the donut hole. You enter catastrophic coverage (when your prescription drug plan pays most of the cost of covered drugs) once you have paid \$7,400 out-of-pocket in 2023. That cap goes to \$8,000 in 2024. A \$2,000 out-of-pocket cap

takes effect for Medicare Part D in 2025. More information about Medicare can be found on the Medicare website, [www.medicare.gov](http://www.medicare.gov).

## **OEA-Retired**

4202 South 57<sup>th</sup> Street  
Omaha, NE 68117-1349

Non Profit Org.  
U.S. Postage  
**PAID**  
Omaha, NE  
Permit No. 897

### **Hood inducted into OPS Athletic Hall of Fame**

By: Cheryl Richardson, OEA-Retired  
Vice President

Omaha Public Schools is the state's largest school district, employing about 7,000 full-time staff in 86 schools and nine programs. About 52,000 students attend kindergarten through 12<sup>th</sup> grade, including special education and English language learners.

The OPS Athletic Hall of Fame recognizes high-profile community members, former coaches and administrators connected to schools from across the district's middle and high schools. Recently, nine individuals were inducted into the 2023 OPS Athletic Hall of Fame.

Retired OPS teacher and swim coach Rich Hood was one of those inducted into the OPS Athletic Hall of Fame on November 18, 2023 at the CHI Health Center. For 40 years, Rich coached the Burke High School Bulldogs Boys Swim Team. His guidance led

Burke to three NSAA State Swim Championships and nine Metro championships (in a 10-year stretch), as well as several individual titles. Burke's annual swimming and diving invitational meet is named in his honor, as is an OPS swimming scholarship.

Rich also served two different times on the OEA-Retired Board of Directors, and was a Supervisory Committee member for First Nebraska Credit Union for many years. We are very proud of Rich and his accomplishments. Congratulations, Rich!

---

## **Educators' Medicare Supplement Rates for 2024**

Educators' Medicare Supplement is a Medicare supplement underwritten by Blue Cross of Nebraska and endorsed by NSEA-Retired. It insures almost 5,000 retirees in Nebraska. It is designed and managed by educators for the benefit of retired educators.

Because Educators' Medicare Supplement is only available to Educators' Health Alliance (EHA) plan subscribers and NSEA-Retired members and spouses, it provides benefits that are not available to the general public. There is an optional dental benefit that is superior to any dental benefit available to the general public. Rates for the plan are set in age bands, rather than individual rates. The age bands are: 65-66, 67-69, 70-74, 75-79, 80-84, and 85+. So long as you are in the same age band, you will see only one possible rate increase each year – on the policy renewal anniversary. Other supplements are rated in individual ages, and those subscribers experience two rate increases each calendar year: one on their birthday (because they are a year older), and a second increase

on the policy renewal anniversary.

The Supplement offers both Plan F and Plan G supplements. It is able to do that because it is a member-only plan and not available to the general public. New enrollees in Medicare are not able to enroll in Plan F Supplements. With a Plan F supplement, any charges that are covered by Medicare are paid 100% -- you only pay the premiums for the policy. The deductibles and copays are paid by the Supplement. Rates have been very stable for the past decade, averaging less than 3% per year.

The renewal rates for Educators' Medicare Supplement were recently approved. There will be a general increase in rates of 4.7% on January 1, 2024. A complete rate sheet will be mailed to current subscribers in December 2023. The rates can also be found on the EHA website, [www.ehaplan.org](http://www.ehaplan.org) (click on the *RETIREE INFO* tab at the top of the page), and on the NSEA-Retired website, [www.nsea.org/retired](http://www.nsea.org/retired). You can call Blue Cross at 1-800-991-5650 for more information about enrollment.