

NATIONAL ACTIVE AND RETIRED FEDERAL EMPLOYEES  
SAN FRANCISCO CHAPTER 65  
**SENTINEL**

HERMAN BRACEY, EDITOR

Meets 3<sup>rd</sup> Wednesday each month, FOB 90 – 7<sup>th</sup> Street, SF, Lower Level Room B-040; (Civic Center BART station)

**Sen Barbara Boxer**  
Senate Office Bldg  
Wash DC 20510  
Phone 1 202 224 3553  
1700 Montgomery St  
SF Ca 94111  
Phone 415 403- 0100

**Sen Dianne Feinstein**  
Senate Office Bldg  
Wash DC 20510  
Phone 1 202 224 3841  
1 Post St Ste 2450  
SF Ca 94104  
Phone 415 393-0707

**Cong Nancy Pelosi**  
House Office Bldg  
Wash DC 20515  
Phone 1 202 225 4965  
90-7th St Suite 2-800  
SF Ca 94102  
Phone 415 556-4862

**Cong Jackie Speier**  
House Office Bldg  
Wash DC 20515  
Phone 1 202 225 3531  
400 S El Camino Real  
San Mateo Ca 94402  
Phone 650 342-0300

**NARFE Hot Line**  
Ph 1 877 217-8234  
White House  
Ph 1 202 234 1111  
Congress Switchboard  
Ph 1 866-220-0044

**PRESIDENT**

Jerry Hall  
412-0488

**1st VICE PRES**

Martha Raup  
334-6380

**2nd VICE PRES**

Herman Bracey  
668-2337

**SECRETARY**

Jane Ramos  
826-3337

**TREASURER**

Dianne Joseph  
334-6380

**EDITOR**

Herman Bracey  
668-2337

**EXEC BOARD**

David Garcia  
DorisMarie Hagopian  
Frank Morelli

**SERV OFFICER**

David Garcia  
510 235-7750

**MEMBERSHIP**

Herman Bracey  
668-2337

**LEGISLATION**

Beatrice Bertwell  
650 754--9962

**PUB. RELATIONS**

Leslie Ching  
641-6245

**AUDIT & BUDGET**

Martha Raup  
334-6380

**PROGRAM**

Fran Chan  
Leslie Ching  
Jerry Hall  
Jane Ramos

**SUNSHINE**

Edith Higa  
566-7358

**ALZHEIMER'S**

Frank Morelli  
563-8361

**TELEPHONE**

Ruby Dale  
DorisMarie Hagopian  
776-5199

**WEBMASTERS**

Dianne Joseph  
Martha Raup  
334-6380

**IMM PAST PRES**

Jane Ramos

**MAY 2010 NEWSLETTER**

OUR NEXT MEETING IS ON MAY 19, 2010 AT FOB, 90 7TH ST,  
EXECUTIVE BOARD MEETING 10:30 AM; 11TH FLOOR RM 11010  
GENERAL MEETING 1:00 PM - LOWER LEVEL - "RM B-040"

**PHOTO ID REQUIRED TO ENTER BUILDING.**

**CALENDAR OF EVENTS**

MAY 4 CSFS SYMPOSIUM - YOLO FLIERS GOLF CLUB, WOODLAND, CA  
MAY 19 BUREAU OF LABOR STATISTICS - HOW CPI IS CURRENTLY COMPUTED  
MAY 21 DISTRICT V MEETING THREE FLAMES RESTAURANT SAN JOSE, CA  
JUN 16 EARTHQUAKE PREPAREDNESS  
JUL 21 SUMMER LUNCHEON AT THE CAFE BELLA VENEZIA (at Post/Jones)  
AUG 29- SEP 2 NARFE 31ST BIENNIAL NATIONAL CONVENTION, GRAND RAPIDS, MI

**PRESIDENT; JERRY HALL; 229 De Montfort Ave, SF, CA 94112; 412-0488, fritz1313@hotmail.com**

**GREETINGS AND CONGRATULATIONS TO ALL CHAPTER MEMBERS WITH BIRTHDAYS AND/OR ANNIVERSARIES IN MAY....** I wanted to thank the members of the program committee who gave us another excellent program in April. Members learned a lot about the travel services of AAA and some exciting trips they offer. They also gained additional knowledge about ways to ensure safe and successful travel when outside of the country. Please let us know if you have a topic of interest that you would like to see presented at one of our future meetings or any other events you would like your NARFE chapter to sponsor.

I have begun working again for DOL part time for Wage and Hour's National Office. With the hiring of so many new managers in the agency, they have asked me to design a program that will help ensure the success of new managers. This rehiring of annuitants program is part time and does not exceed one year. Participants have no deduction from their annuity. This program was supported by NARFE and hopefully benefits both the agencies and the annuitants. If you are interested, you may want to contact your former agency to see if they are participating in the program.

This August the National NARFE Convention will be held in Grand Rapids, MI. Please let me know if you are interested in attending. We will pay for your registration and the proceeds from our July raffle will be used to help defray Chapter 65 attendee's expenses.

Finally, remember that you can help our membership grow by reaching out to other active and retired federal employees and their spouses. Strong membership numbers improve the ability of NARFE to ensure that the benefits you work for and have worked for are preserved and enhanced. We each need to take responsibility for growing our membership. We cannot leave it up to others. Please make every effort to recruit a new member this year and let me know of any ideas you may have for recruitment or ways to increase membership. *Jerry*

**ALZHEIMER'S: FRANK MORELLI; 1237 Filbert Street; San Francisco, CA 94109-1713; 563-8361**

As we mention in most newsletters, if you wish to make a donation to support programs and services to individuals and families coping with Alzheimer's disease, as well as supporting research efforts to find a cure, please make your donation check payable to "Alzheimer's Association" On the other hand, if you wish your donation to be used solely to support research efforts into finding a cure, please make your check payable to "NARFE-Alzheimer's Research". To insure that your contribution is correctly acknowledged as coming from a NARFE Chapter 65 member write "NARFE-Chapter 65 in the memo section of your check. Mail your donation to me at the above address; I'll forward it to the Alzheimer's Association.

**Budget process could be a slow one:** Congressional leaders have warned that this year's budget process could be a slow and dragged-out one, in part because of the autumn elections. By this time of year, Congress often has drafted a budget outline called the budget resolution that typically includes a statement of support for parity between military and federal civilian raises. However, there have been years in which no outline is passed and this may be another of them due to the sensitivity of deficit and spending issues. In any case, actual policies and the raise amount are set in later appropriations bills, which are supposed to be enacted by each October 1. Many of those bills slip past that deadline in many years, and leaders have suggested that the same will happen this year, anticipating that there will be a post-election lame duck session. That means it could be late in the year before the January 2011 raise is set. However, the military raise is determined in a separate annual bill that typically is enacted by early fall, providing a strong indicator for the federal raise on the assumption that there will be parity between the two. *from FEDweek*

**"NARFE - Working for You"**

Visit OUR CHAPTER 65 WEB SITE: (<http://www.narfe65.org>) for more Chapter information, photos, archived newsletter, etc. NATIONAL WEB SITE: (<http://www.narfe.org>); CSFC WEB SITE: (<http://www.csfcnarfe.org>) NARFE DUES: Currently National Dues are \$29.00 and Chapter 65 Dues are \$8.00 annually. Mail check for the full \$37.00, along with your DUES RENEWAL NOTICE, when you receive it, to NARFE, Membership Services, 606 Washington St, Alexandria, Va. 22314-1914.

**SERVICE OFFICER: DAVID GARCIA 510 235-7750**

Important numbers: OPM 1-888-767-6738 (Administrative Problems); NARFE 1-800-456-8410 (Membership Problems); SOCIAL SECURITY 1-800-772-1213 (Life Cycle Problems ); LTC 1-800 582-3337 (For Applications and Information Kits); OPM Toll Number 1-724-794-5216.

**MEMBERSHIP: HERMAN BRACEY, 651 COLE ST APT 2, SF, CA. 94117; 668-2337**

A warm WELCOME to: *Paula Katz, Arnold McGilbray and Irene Wentland.* We also thank *Carol Kiser* for reinstating her membership.

**TREASURER'S REPORT: DIANNE JOSEPH; 179 CHILTON AVE, SF, CA 94131; 334-6380**

Balance on 3/21/10	\$ 5,774.08
Income	\$ 000.00
Expenses	\$ 305.37
<b>Balance on 3/31/10</b>	<b>\$ 5,468.71</b>

***NARFE Lauds OPM for Consultation on New Voluntary Annuitant FEHBP Option Dan Adcock, Legislation Director :***

National Active and Retired Federal Employees Association (NARFE) President Margaret L. Baptiste praised John Berry, director of the Office of Personnel Management (OPM), for consulting with NARFE on a proposed Medicare-related pilot project in the Federal Employees Health Benefits Program (FEHBP). The proposed project would test the viability of a voluntary "sub-option" within the FEHBP that would pay all or part of a Medicare Part B (as appropriate) for Medicare-eligible federal annuitants. The proposal was released yesterday, April 7, in OPM's "2010 FEHBP Carrier Letter" (also known as the "Call Letter").

"If proven feasible, the Medicare sub-option could save some federal annuitants money and help to contain costs in FEHBP for workers, retirees and survivors," said Baptiste. "What's more, we appreciate that, through our consultation with Director Berry, the call letter clarifies that the 'sub-option' would not open the door for separately rated annuitant plans, which we believe would result in retirees and survivors paying substantially higher premiums than other FEHBP enrollees. NARFE would oppose the creation of any FEHBP plan for annuitants with premiums based on their age and health costs."

The OPM letter stipulates: "We do not support splitting risk pools for annuitants and active employees and believe that these pilots can demonstrate ways of stemming cost growth through strengthened benefits coordination."

The new coverage would be offered to Medicare-eligible annuitants as a sub-option of an existing FEHBP plan. If an annuitant chose the sub-option of an insurance carrier's "standard option," they would pay the same premium share as a worker or retiree enrolled in the traditional standard option. However, unlike the standard plan, the sub-option would pay all or part of a Medicare Part B premium, as appropriate. As a result, an annuitant enrolled in the sub-option would save about \$1,200 a year on Part B premiums. However, a sub-option participant would be required to pay the same deductibles, co-payments and coinsurance as workers or retirees who are age 64 and younger and not yet eligible for Medicare. With the exception of premiums and prescription drug co-payments, most annuitants age 65 and older who are enrolled in Medicare and a traditional FEHBP fee-for-service or preferred provider plan pay no out-of-pocket costs. Therefore, the sub-option could be cost-effective for an annuitant who does not have high out-of-pocket costs. In addition, annuitants might appreciate an option for what is basically seamless coverage, which mirrors what they had while they were on the payroll.

"Given the potential savings to federal annuitants, and the voluntary nature of the pilot, we believe that the Medicare sub-option ought to be given a chance. We are pleased that the Call Letter clarifies that the sub-option will not automatically become a regular feature of FEHBP until OPM evaluates it and decides whether it merits continuation after the second year of the demonstration. NARFE will continue to review the development of the new option with OPM as the pilot project moves forward," Baptiste added.

**FEDERAL ESTATE TAXES – from AARP:** Congress has done what seemed impossible: injected uncertainty into death and taxes. On Dec. 31, the federal estate tax lapsed after having been in effect since 1916. However, without new legislation, it will roar back with a vengeance in 2011. That gives both pro- and anti-estate tax legislators an incentive to revive the tax this year in a form they can agree on. Meanwhile, the unusual hiatus has left older wealthy people up in the air. Some will have to rewrite their wills, possibly more than once. Some investors might actually find their estates liable for even bigger taxes, due to a capital gains tax break that died with the estate tax.

"What a mess!" says Lee Farris, the estate tax policy coordinator with United for a Fair Economy, a group in favor of taxing estates. "It's a chaotic situation and advisers are telling people to plan both ways," as if the tax both did and didn't exist. How did the confusion come about? A major tax reform law signed by President George W. Bush in 2001 reduced estate taxes over eight years, until by 2009 legacies worth more than \$3.5 million (\$7 million for married couples) were taxed at 45 percent. Then in 2010, the law repealed the tax entirely. But the legislation expires in 2011, sending estate taxes back to their 2001 levels—a top rate of 55 percent on estates over \$1 million. An estate tax has been in effect continuously since 1916, although limits and rates have varied over the years.

At the moment, little about the tax is clear. Will Congress pass a new law setting new rates for 2011 and beyond? Would the law apply retroactively to bequests made this year? Or is it possible that partisan gridlock will prevent any new law from passing this year? Late last year, the House passed a bill that would have made the 2009 levels permanent, and Senate Finance Committee Chairman Max Baucus, D-Mont., predicted that Congress would restore the tax retroactively as soon as it returned in late January. But the Senate was unsuccessful even at passing a temporary three-month extension of the estate tax.

NARFE – CHAPTER 65  
651 COLE STREET APT 2  
SAN FRANCISCO, CA. 94117-2849

NON-PROFIT ORG.  
U.S. POSTAGE PAID  
Permit No. 9494  
San Francisco, Ca.

***NARFE needs YOU...YOU need NARFE***

**MAY 2010**

CHAPTER 65 FUND RAISER

**This year the 31ST Biennial National Convention will be held in Grand Rapid MI,**

**Aug 29 - Sep, 2010.** Your help is needed to help defray some of the expenses of our convention delegates. While the registration fee is covered by the Chapter, the hotel and airfare are not. The funds raised will be disbursed among the delegates from Chapter 65 who go to the convention to assist them with these added expenses. If there are any remaining proceeds from the fund raising, we will use them to offset the increasing costs of printing and assembling the chapter's monthly newsletter.

*We ask a donation of \$2.00 for a single ticket, \$5.00 for three tickets or \$10.00 for all six tickets.*

To show our appreciation for your generosity, the prizes as indicated below will be awarded:

<b>FIRST PRIZE</b>	<b>\$ 100.00</b>
<b>SECOND PRIZE</b>	<b>\$ 50.00</b>
<b>3<sup>rd</sup>, 4<sup>th</sup> PRIZES</b>	<b>\$ 25.00</b>

The drawings for these prizes will be held at our ***July 21, 2010 SUMMER LUNCHEON. YOU NEED NOT BE PRESENT TO WIN. Winners will be notified by mail.***

The luncheon will be held at:

***Cafe Bella Venezia  
709 Post St at Jones,  
San Francisco, CA.***

Please fill out and cut off the attached stubs, make your check payable to **NARFE Chapter 65**, and mail them to our **Treasurer**:

***Dianne Joseph  
179 Chilton Avenue  
San Francisco, CA 94131.***

As you know, we must depend upon the Goodwill of our members for the financial support necessary to keep our chapter functioning; we thank you for your past support and hope we can continue to count on you this year. I ask all Chapter 65 members to support this worthy effort. Moreover, if you are interested in attending the convention and representing the chapter as a delegate, please let me know.

This is not a lottery. Free tickets will be available at 90 7th Street during our general Membership meeting.

I thank you for your generous assistance.

***Jerry Hall***

NAME \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_  
PHONE \_\_\_\_\_

NAME \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_  
PHONE \_\_\_\_\_

NAME \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_  
PHONE \_\_\_\_\_

NAME \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_  
PHONE \_\_\_\_\_

NAME \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_  
PHONE \_\_\_\_\_

NAME \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_  
PHONE \_\_\_\_\_

**Send stubs and check:  
DIANNE JOSEPH  
179 CHILTON AVE  
SAN FRANCISCO, CA 94131-3206**