

4/ 3/ 2014 COGFA witness slip for 4/ 7 / 14 hearing

Commission on Government Forecasting & Accountability  
703 Stratton Bldg.  
Springfield, IL.62706  
April 3, 2014

Mr. Dan Long and members of CGFA

Having noticed the agenda of the COGFA hearing scheduled for April 7, 2014 relates to retirees' Health Insurance, I wish to once again relate some major concerns. Many "downstate" teachers who retired in 2004 were required to notify TRS , a year or two in advance that they were to retire in 2004. One month after we retired there was a TRS buy into Medicare Plan, which began on July 1, 2004. We were not able to take advantage of that opportunity. That information was not given to us in 2002 -2003. Without Medicare we do not qualify for secondary health insurance.

According to a recent FOIA request of the Comptroller's Office, there are 602 of us who do not have the needed 40 quarters for Social Security/Medicare , who made the choice to continue to reside IN Illinois since 2004, and have been charged more than \$ 64,709.62 for single coverage health insurance premiums with the State self-insured CIGNA plan. At the same time those retirees, age 65+ enrolled in the very same CIGNA Health Insurance Plan, but made the choice to move OUT of the State of Illinois have been charged 1/2 the cost for their premiums \$32,354.81 +.

According to CMS retirees age 65+, without Medicare who make the choice to reside IN Illinois 2013 - 2014 pay a monthly premium of \$719.96 for their CIGNA health insurance. At the same time, the retirees age 65+, without Medicare who make the choice to live OUT of Illinois, are charged \$359.99 a month for the very same health insurance coverage using the CIGNA network of Doctors etc.

Some of us reside IN the school districts from which we retired and have been charged disproportionate ( double ) premiums due to making the choice to continue to reside IN that Illinois School District.

As you address issues relating to retired teachers' health insurance plans etc. , I respectfully request you take into consideration these facts. May I also bring to your attention the many, many audits related to the TRS TCHP Health Insurance Plan and the lack of a written methodology for setting the premiums, as stated by the Office of the Auditor General. I have also submitted written pdf. documents related to this issue to COGFA and JCAR.

Thank you.

Sincerely ,  
Jeri Shanahan