

Commission on Government Forecasting & Accountability  
703 Stratton Bldg.  
Springfield, IL.62706  
April 12, 2015

Mr. Dan Long and members of COGFA

Having noticed the agenda of the COGFA hearing scheduled for April 14, 2014 relates to Health Insurance and State Statute 5 ILCS 375/6.5, I wish to once again relate some major concerns to be part of the record as written testimony.

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 or the new Medicare Advantage Plan. Many of us retired after age 60 and taught way beyond 20 years, as the State Statute provided a discount for health insurance premiums for State Employees according to the Insurance Act of 1971. Some of us consulted with CMS prior to signing up for health insurance and were advised to sign up for TRS "TRIP " (Teachers' Retirement Insurance Plan/program).

According to a recent FOIA request of the Comptroller's Office, there are **589** of us, age 65+ who do not have the needed 40 quarters for Social Security/Medicare , and who made the **choice** to continue to reside **IN** Illinois since 2004, have been charged **\$ 74,429.** 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 **\$37,214.50.** .

According to the CMS website chart, retirees age 65+, without Medicare who make the **choice** to reside **IN** Illinois 2014 - 2015 , enrolled in the State self-insured plan, pay a monthly premium of **\$755.95** 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 **\$377.98** a month for the very same health insurance coverage using the CIGNA network of Doctors etc. \*\*\*( A 35 page FOIA response I received from the comptroller's office contains many other figures for the cost of premiums charged to retired teachers which do not match the CMS chart.)

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. (Perhaps, it would have been a better investment to buy a 2nd home out of IL. and be a "snowbird". Perhaps we would have saved in health insurance premiums thru the state's self insured plan.)

4/12/2015 COGFA witness slip for 4/14/15 hearing

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 TRIP Health Insurance Plan and the "lack of a written methodology" for setting the premiums, as stated by the Office of the Auditor General. Some of these audits go back to 2007 + years. They are found under HFS and the THIS fund , also. I have also submitted written **pdf.** documents related to this issue to COGFA and JCAR in the past .

Thank you.

Sincerely ,  
Jeri Shanahan