



# Shiloh Chapter 861 National Active and Retired Federal Employees



Remember The Reason For The Season—May God Bless  
You In Every Way During This Next New Year.

QUARTER 4, 2005

As we finish this year in NARFE, I want to thank each of you for your support. We may not have received all that we wanted from Washington, but we have had a lot of good fellowship, and some great meals at Pickwick Inn. The twelve days we spend together during the year might just bring out some ideas that will benefit all federal retirees. And it's always good to see our friends.

Remember the name change for 2006, and remember our federation convention in Clarksville in April, and our national convention in Albuquerque. The name change could increase our members and we can hope the conventions will lead to greater things for NARFE.

On a personal note, this has been a good year for me. I was getting to where I didn't want to read much unless I had to, and I have had to

this year. And although I dislike computers, they are a good tool and I have used mine a lot this year. I did learn a lot, now if only I could remember it.

I urge all of you who can to keep coming to the meetings, enjoy the fellowship, and keep NARFE alive and well.

Jay Souders, President

• **2005 Officers**  
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Diane Taylor 926-3320  
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Our next chapter meeting is Thursday, December 8 at Pickwick Inn. This will be our annual Christmas get-together. Everyone bring a \$10 gift for exchange. We'll be looking for you at 11 AM.

## YOU CAN MAKE A DIFFERENCE

Only four of our Chapter members have made contributions to our NARFE-PAC fund this year. This fund needs your support, as it is key to the ear of our elected politicians. Please mail your contribution to our national headquarters, or give to Diane Taylor and she will mail for you. A small \$15 contribution entitles you to a NARFE-PAC pin. Please support this endeavor.

**YOU CAN MAKE A DIFFERENCE.**

NARFE's effectiveness in fighting unfavorable changes in the civil service system is directly dependent upon the size and unity of its national membership. We need to recognize, as a political fact of life, our elected government representatives generally understand and respond to numbers, unity of purpose and PAC donations. Personal complacency is something we can't afford.

**Please step up to the plate!!! Help!!! We need members interested in becoming Chapter Officers if Chapter 861 is to survive. The same ones cannot keep doing the same jobs—although you may have held an officer position in the past, perhaps you would consider becoming an officer again next year. None of the jobs are hard nor require much time. Please be open next year to this valuable contribution to our Chapter and volunteer your services. And thank all of you for being faithful Chapter members. We have the best Chapter in the Tennessee Federation.**

## NARFE PRAISES USPS FOR SEEKING HEALTH COST-SAVINGS SUBSIDY WHILE CRITICIZING OPM FOR NOT DOING THE SAME FOR OTHER FEDS

President Charles L. Fallis praised the U.S. Postal Service for joining other employers in applying for a subsidy to encourage them to retain and enhance their retiree prescription drug coverage. Fallis was critical, however, of OPM's decision to forgo the same payment on behalf of all other federal employees – a move which he said contributed to the rise in FEHBP premium costs for both the government and participants. "Because OPM has not yet decided to apply for the subsidy, private and other public-sector retirees, and now even our fellow federal retirees and workers in the postal service, could benefit from the less costly premiums made possible by the subsidy, but all other federal retirees and workers will

not," Fallis said. "Congress intended that these payments be used for the direct benefit of health plans enrollees to ensure that drug coverage was retained and enhanced. For that reason, NARFE urges the postal service to use their payment to contain FEHBP costs or improve benefits for postal workers and annuitants." According to Fallis, the 2003 Medicare law allows employers to receive subsidies of 28% of the cost per enrollee for drug coverage on the condition that their prescription drug benefit for Medicare-eligible retirees and survivors is at least as good as the new Medicare drug plan. Like most retiree plans, FEHBP drug coverage is more comprehensive than what Medicare will offer next year.

NARFE spearheaded the effort that made the federal government, like other employers – including state and local government -- eligible for the subsidy.

The Calif. Public Employees' Retirement System (CalPERS), which provides health benefits to state and local government workers and retirees in Calif.-- and is second only in enrollment size to FEHBP -- applied for the employer payment.

"Congress went out of their way to specifically make the federal, state and local governments eligible for these payments and the Administration had plenty of opportunities to object to these provisions during the Medicare debate, but they didn't," Fallis said.

Payments to OPM, unlike other employers, would not

result in new spending under federal budget rules, since they would not be spent outside the government. Such intra-governmental transfers" are not unusual. In fact, the federal government pays itself for the future retirement obligations when federal agencies make contributions to the on-budget retirement trust on behalf of their employees.

"At no additional cost, this subsidy could preserve and enhance a compensation package that will be necessary to attract the best and brightest to federal service in a competitive labor market. It is our hope that OPM will not continue to pass up this cost saving opportunity," Fallis said.

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"Should any political party attempt to abolish Social Security, unemployment insurance, and eliminate labor laws and farm programs, you would not hear of that party again in our political history. There is a tiny splinter group, of course, that believes you can do these things. Among them are...a few other Texas oil millionaires, and an occasional politician or business man from other areas. Their number is negligible and they are stupid." — President Dwight D. Eisenhower, 11/8/54

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### LOOKING GOOD—

My face in the mirror isn't wrinkled or drawn.  
My house isn't dirty. The cobwebs are gone.  
My garden looks lovely and so does my lawn.  
I think I might never put my glasses back on.

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## NARFE-FEEA AID TO VICTIMS OF KATRINA

The NARFE-FEEA Natural Disaster Fund (Federal Employee Education and Assistance Fund) can pay out grants up to \$500 per NARFE

household to reimburse NARFE members for losses stemming from Hurricane Katrina or other natural disaster. Tax-deductible donations can be sent to the NARFE-FEEA Natural Disaster Fund by send-

ing a check to FEEA, 8441 W. Bowles Ave., Suite 200, Littleton, CO 80123. Also, credit card donations can be made online by going to the FEEA homepage at [www.feea.org](http://www.feea.org) and clicking on the "Give Online"

button at the top of the page. Select "NARFE-FEEA Disaster Relief" from the drop-down menu on the donation screen. Or you can call FEEA toll-free at **1-800-323-4140** to make your contribution.

## HOTLINE UPDATE

The Labor Department reported October's CPI-W is 195.2, an increase of 0.1 percent from September's 195.0. October's index is an increase of 1.3 percent from the 2005 third quarter average base index (192.7). For FECA beneficiaries (based on calendar year change in the CPI), October's 195.2 is 4.9 percent higher than the December 2004 base of 186.0. The Federal Reserve's Federal Open Market Committee ([federalreserve.gov/fomc](http://federalreserve.gov/fomc)) is expected to raise the short-term interest rate when it meets December 13.

At 1:45 AM on Friday, November 18th, the House narrowly (217-215) approved H.R. 4241, the fiscal year (FY) 2006 Budget Reconciliation bill, which included proposals opposed by NARFE, and other aging organizations, that would make it harder to qualify and receive Medicaid long term care benefits. Fortu-

nately, the bill contained no cuts to federal retirement or health benefits.

H.R. 4241 would hurt seniors and disabled persons who play by the rules while having little effect on those who deliberately try to "game" the system. Delegates to several previous NARFE national conventions have included a position in the NARFE Legislative Program to preserve the current Medicaid eligibility asset test and rules. For more information on this issue, see "Medicaid Long Term Care Benefits Debated", pages 10 and 12, in the October 2005 NARFE magazine.

Unlike the House bill, S. 1932, the Senate version of Budget Reconciliation legislation, passed on November 3rd, makes modest adjustments to Medicaid asset test provisions. The two bills now go to a

House-Senate conference committee where differences between them will be reconciled into a final bill which is likely to be considered by both chambers in December. NARFE members are encouraged to tell their lawmakers to oppose cuts in the final Budget Reconciliation bill to Medicaid that would change nursing home transfer of assets rules (this URL allows you to print or e-mail a prepared text to your Congressional delegation [capwiz.com/narfe](http://capwiz.com/narfe)).

Six weeks into the fiscal year 2006 the House and Senate passed a second "Continuing Resolution" to keep government programs and agencies operating. Once President Bush signs the Continuing Resolution, H.J. Res. 72, there will be continuing funding for the many functions of federal government whose an-

nual appropriations are covered by the five unfinished appropriation measures. This resolution provides funding through December 17, 2005.

November 16 provided some good news. On that date, a Ways and Means Committee panel heard testimony from Rep. Tom Davis (R-VA) sponsor of Premium Conversion legislation, H.R. 994, to allow federal retirees to pay for their share of health insurance premiums with pre-tax annuities. Davis' testimony marked the first time that a Ways and Means subcommittee received testimony about this NARFE priority. With 283 cosponsors. Premium Conversion legislation is sixty shy of its historic high.

*(And our own Congressman Marsha Blackburn is still not supporting this bill. Let's remember her voting record at election time, as well as that of Frist and Alexander).*

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## Brain Scan May Spot Alzheimer's Progression

Newly developed brain-scanning technology may help identify how Alzheimer's disease progresses and who is likely to get the disease, two new studies suggest. Both were to be presented in November at the Society for Neuroscience annual meeting, in Washington, D.C. In the

first study, researchers presented preliminary results of a new technique that uses a radioactive marker, called Pittsburgh Compound-B (PIB), plus PET scans to track the progression of characteristic protein deposits in the brains of Alzheimer's patients. Since PIB binds to these

beta-amyloid deposits in the brain, researchers can see plaque build-up and how it changes over time. "This technology allows us for the first time to look at the changes in the brains of Alzheimer's patients that we could only see at autopsy before," said lead researcher Dr. William

Klunk. "We can see where these beta-amyloid deposits start, in what parts of the brain they start, and how they progress over time." The discovery could enable researchers to understand more about the disease while aiding in drug development.

*Address Corrections:*

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## Alzheimer Study Continued

In the second study, researchers used a combination of PIB/PET scans and cerebrospinal fluid (CSF) analysis to find markers that can predict Alzheimer's disease. "Our goal is to identify biomarkers, to be able to diagnose people early in the disease stage, hopefully, even before cognitive symptoms start," said lead researcher Anne Fagan Niven. In their study, the first of its kind in humans, Fagan and her colleagues studied 24 people, some diagnosed with very mild or mild Alzheimer's disease and others who were cognitively normal. Participants underwent a spinal tap to collect CSF and also had PIB/PET scans.

Most people didn't have amyloid plaques in their brains, but some did, the St. Louis team found. "Of all the people who had positive PIB finding, every single one of them also had reduced levels of a peptide called amyloid beta 42 (A-beta 42) in their CSF," Fagan said. A-beta 42 is the principal ingredient of the brain plaques. "To our surprise, three of the people that were PIB-positive and had low A-beta 42 levels were clinically normal," Fagan said. Fagan believes the presence of amyloid plaques and low A-beta 42 levels in these patients may be a signal for preclinical Alzheimer's disease. "In my

dreams, I see 10 to 20 years from now, people who are 50 to 55 years old will get a cognitive evaluation, a PIB scan followed by a CSF test, combined with genetic markers," Fagan said. "And the doctor will be able to tell people on an individual basis their risk for developing Alzheimer's disease." Fagan believes by that time there will be ways to effectively treat or slow Alzheimer's. One expert believes that both studies are important, but still experimental. "Researchers are really zoning in on some of the markers of Alzheimer's disease, making a future diagnostic test even more of a likelihood than it was just a few months ago," de Leon said.

Encouraging news was also reported by drug company Myriad Genetics Inc., which said a Phase II clinical trial of its drug Flurizan resulted in a 33 percent improvement in cognition in patients with mild forms of Alzheimer's disease. Results of the six-month study were presented at the Neuroscience 2005 meeting in Washington, D.C. The findings were presented by Dr. Sandra E. Black, a professor of neurology at the University of Toronto and lead investigator in Canada for the phase II trial of Flurizan.

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## Medicare Prescription Drug Benefits



Are you confused by the many ads concerning Medicare Part D Prescription Drug Coverage? This is just a reminder that Medicare is offering prescription drug coverage through its new "Part D" program starting January 1, 2006. Drug benefits under Federal Employee Health Benefits Program (FEHBP) are better than prescription drug coverage under Medicare. As a result, federal annuitants age 65 and older do not need to sign up for Medicare Part D. Our FEHBP plans have sent such annuitants a letter telling them that their FEHBP prescription drug benefit is superior to Medicare Part D. Annuitants should keep this letter since it will excuse them from any future Medicare Part D late enrollment penalty.