Your Retirement

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ASRS 1953 2018 65 Celebrating Sixty Five Years

Director's Message

by Paul Matson, ASRS Director

This year, the ASRS will celebrate its 65th Anniversary.

In the 21st session of the Arizona State Legislature, Governor Howard Pyle signed the bill that created the ASRS effective July 1, 1953 as a pension plan for employees of state and municipal government.

The first public pension in Arizona, however, was issued in 1912, the year Arizona entered statehood. It was granted to a teacher, in the amount of $50 a month ($600 a year). In 1955, the teacher's pension plan and the ASRS merged, creating a statewide retirement system.

According to the very first ASRS Annual Report, when the ASRS was created it had a starting membership of 5,209. That year, a total of 135 workers retired, split among 106 men and 29 women. The average age at retirement that year was 72, and the pension amounts ranged from just over $700 to a little over $1,000 – a year.

In 1971, the ASRS replaced its defined contribution 'system', with the defined benefit plan that is in place today. In the late 1980's, retiree health insurance and long term disability programs was also added.

Sixty-five years later, the ASRS has more than a half-million members, including nearly 150,000 retirees receiving a lifetime monthly benefit, which, by the way, now averages about $20,000 a year.

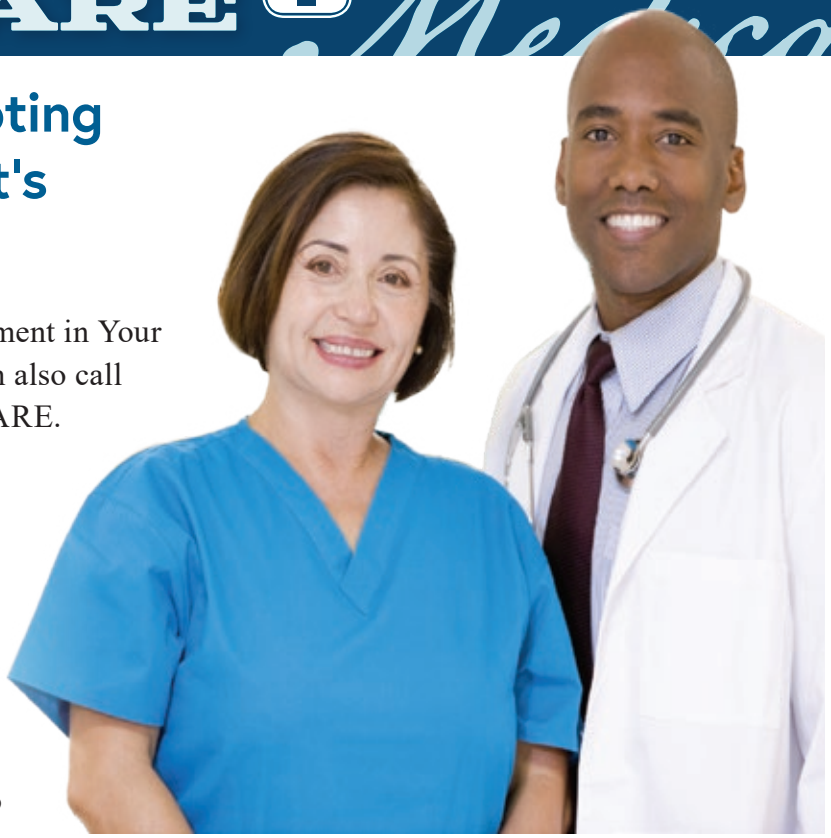
While it's interesting to look back at historical numbers like these, it is important to recognize that the mission of the ASRS hasn't really changed.

Today, as in 1953, the ASRS remains committed providing Arizona's educators and employees of state and municipal governments with a secure retirement income stream for their lifetime.

We have come a long way since that first year – when the fund totaled about $6 million. Today, the ASRS manages a trust fund of approximately $40 billion.

We are proud of our past, and look forward to the next 65 years with a continued focus on serving our members.

Accepting Medicare vs Accepting Medicare Assignment... What's The Difference?



The most important question to ask any provider up front is "Do you accept Medicare assignment?"

If a doctor, provider or supplier accepts Medicare assignment, they agree to submit your claim directly to Medicare and wait for Medicare to pay its share. They also agree to accept the Medicare Allowable Charge (the Medicare-approved amount) and cannot bill you the difference between what they charged and the Medicare Allowable Charge.

To find doctors and suppliers who accept Medicare assignment, visit www.medicare.gov and select "Find a Doctor or Other Healthcare Professional" or "Find a Supplier of Medical Equipment in Your Area." You can also call 1-800-MEDICARE.

If your doctor, provider or supplier doesn't accept Medicare assignment, they must still file the claim to Medicare. They may charge you more than the Medicare Allowable Charge; this is called Part B Excess. Providers not accepting Medicare assignment can only charge you up to 15% over the Medicare Allowable Charge. Under the ASRS Senior Supplement plan, you will be responsible for the Part B Excess amounts.

Remember, to limit your out-of-pocket cost always ask any provider of services: "**Do you accept Medicare assignment?**"

Eight Ways to Share in Medical Decisions

1 **Let your doctor know what you want.** Tell your doctor that you want to help make decisions about what to do for your health problems.

2 **Do your own research.** Sometimes you need to learn things on your own before you can fully understand what your doctor is saying.

3 **Ask "why?"** Always ask "why?" before agreeing to any medical test, medication, or treatment. Asking why may help you discover other options that better meet your needs.

4 **Ask about alternatives.** Learn enough to understand the options your doctor thinks are feasible.

5 **Consider watchful waiting.** Ask your doctor if it would be risky or costly to wait a while (day, week, month) before treatment.

6 **State your preferences.** Tell your doctor if you prefer one option over another based on your personal desires and values.

7 **Compare expectations.** Tell your doctor what you are expecting from the treatment and ask if that is realistic. If appropriate, discuss side effects, pain, recovery time, long-term limitations, etc.

8 **Accept responsibility.** When you make shared decisions with your doctor, both of you must accept responsibility for the outcome.

Reminders About Your Dental Benefits

Tips from Sun Life Financial, your dental provider, to make sure you get the maximum benefit from your ASRS-sponsored dental plan:

Have you scheduled your annual check up for this coming year?

If not, be sure to schedule a dental check up with your dentist. If you have already seen your dentist for a check up this year, be sure to schedule your second annual visit – your dental plan covers two preventive care visits per year. Be sure to review your dental plan information so you know how those visits will be covered.

Do you have some expensive procedures coming up?

If so, be sure to ask your dentist to submit a pre-treatment estimate. Because out-of-pocket charges can be significant with extensive dental procedures, Sun Life Financial recommends that members request a pre-treatment estimate (sometimes called a pre-determination of benefits) from your dentist before you undergo any dental treatment exceeding $300.

Upon your request, the dentist will submit a proposed plan of treatment to Sun Life Financial, whose dental consultants will consider the dentist's plan of treatment and any alternatives, if needed. Sun Life Financial will then mail you a statement of the approved plan and an estimate of benefits payable so you are fully informed before receiving care. Each pre-treatment estimate will be valid for six months from the date of issue.

Do you need an ID card?

Although not necessary for you to obtain your dental care, if you do need a replacement ID card you have several options at your fingertips! You can:

1) Visit the web site at www.sunlife.com/ASRS and follow the first link under "Resources" to register for Online Advantage. Once registered, you can print your ID card at your convenience;

2) Download the Benefit Tools app on your smartphone and have your ID card easily accessible via your phone whenever you need it; or

3) Call the Sun Life Financial on-site representative at ASRS;

Phoenix Area: 602-240-2000
Tucson Area: 520-239-3100
Out-of-Area: 800-621-3778

* For all calls use extension "2032" for direct access to the representative.

Are you a dependent on your spouse's dental plan?

If so, you will want to be sure to use your spouse's member ID number and date of birth when submitting claims or calling with questions. This will ensure timely processing of your claims and avoid the possibility that your claims are denied because the incorrect ID number is used to confirm eligibility.

Are you turning Medicare-eligible soon?

If you are currently enrolled in the ASRS medical and dental plans and you decide to drop your medical coverage with the ASRS, you are still able to maintain your enrollment in the dental plan. The ASRS does not require enrollment in an ASRS medical plan in order for you to be eligible to enroll in a dental plan through the ASRS. And, when you are enrolled in one of the ASRS-sponsored dental plans, the Premium Benefit to which you are entitled will be applied to your dental plan premium. For a large number of retirees, that means that your entire dental plan premiums are covered by your Premium Benefit.

Preventive versus Diagnostic Medical Care

Preventive care and diagnostic medical care both play an important part in keeping you as healthy as possible. But, sometimes the difference between the two isn't clear.

What is Preventive Care?

Preventive care includes immunizations, lab tests, screenings and other services intended to prevent illness or detect problems before you notice any symptoms. The right preventive care at the right time can help you stay well and could even save your life.

What is Diagnostic Medical Care?

Diagnostic medical care involves treating or diagnosing a problem you're having by monitoring existing problems, checking out new symptoms or following up on abnormal test results.

Examples of diagnostic medical care include:

- Colon cancer screening (colonoscopy) to evaluate rectal bleeding
- Mammogram to follow up on a breast lump

Why Does It Matter If My Services are Preventive or Diagnostic?

Your insurance coverage may be different depending on which type of services you receive. Many preventive services are covered at 100 percent (at no out-of-pocket cost to you).

Be sure to ask your doctor why a test or service is ordered. The same test or service can be preventive, diagnostic or routine chronic care (regular care based on a chronic health condition) depending on why it's done, and the cost for the service may change based on how it's defined.

Here are a few examples of how the same tests can be preventive, diagnostic or routine chronic care:

Test/Service/Exam	Preventive	Diagnostic	Routine Chronic Care
Blood Pressure Check	A person with no history of high blood pressure gets a routine blood pressure check to screen for high blood pressure.	A person with risk factors for high blood pressure, like being overweight and smoking, visits the doctor because he or she has early morning headaches.	A person with a history of high blood pressure gets a blood pressure check to be sure his or her medication is helping.
Mammogram	A 55-year-old woman gets a routine mammogram to screen for breast cancer.	A 55-year-old woman who noticed a lump in her breast gets a mammogram to evaluate the lump.	A 55-year-old woman who had a lump removed from her breast two years ago for cancer gets a follow-up mammogram.

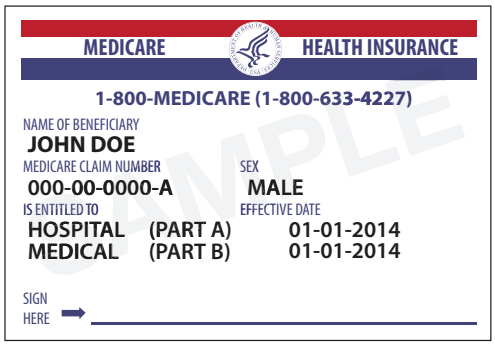
If a service is considered diagnostic or routine chronic care, your usual copayment, coinsurance and/or deductibles apply. It's important to know what type of service you're getting. If a diagnostic or routine chronic service is performed during the same healthcare visit as a preventive service, you may have copayment and coinsurance charges. Refer to your benefit plan for detailed information on your coverage.

Watch the mail for your

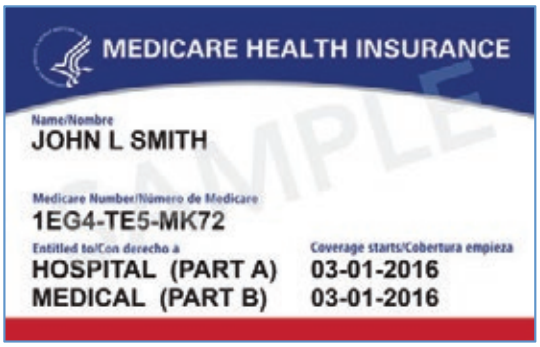
NEW MEDICARE CARD

Beginning April 2018 and through April 2019, the Centers for Medicare & Medicaid Services (CMS) will be sending you a replacement Medicare card. The new card does not include your Social Security Number. This change is designed to help prevent fraud and reduce identity theft.

Sample of the existing Medicare card.



Sample of the new Medicare card.



What does this mean to you?

- You will receive a new Medicare card with a new Medicare Beneficiary ID Number that is NOT based on your Social Security Number. Store your new card in a safe place as soon as you get it. Be sure to destroy your old Medicare card.
- If you are enrolled in a UnitedHealthcare Medicare plan, you must continue to use your UnitedHealthcare member ID card when you seek medical services. Do NOT use your new Medicare card.
- There won't be any changes to your UnitedHealthcare plan benefits or the way claims are processed. UnitedHealthcare is prepared to process all claims using the new Medicare Beneficiary ID Number.
- Keep your existing UnitedHealthcare member ID card. This card will not be affected and you will NOT be receiving a new UnitedHealthcare member ID card.

Learn more about your new Medicare card by visiting the CMS website:
https://www.cms.gov/Medicare/New-Medicare-Card/index.html

HOW TO SETTLE A LOVED ONE'S AFFAIRS

Dealing with grief when a loved one dies is hard enough, but often you find yourself in a situation where you have to deal with financial and investment matters as well. The uncertainty about what to do next can be overwhelming. The following suggestions may help guide you through the process.

Gathering the Pieces

You may wish to consult with an attorney regarding important deadlines and procedures as some tasks must be completed before too much time elapses.

1. **Obtain death certificate copies.** The funeral home can help you obtain them for filing insurance and benefit claims, transferring assets, closing bank and credit card accounts, etc. Additional copies can be obtained online at www.VitalRec.com.

2. **Locate the will.** It's important to find the will if the person who died has left one. The will names a personal representative – called the executor – who may be a family member or an institution, such as a bank.

3. **Apply for a taxpayer ID number.** The personal representative must apply for a taxpayer ID number for the estate using IRS Form SS-4 (call 800-829-4933, or apply online at IRS.gov to expedite the process). This taxpayer ID number must be included on tax returns, bank and brokerage statements, and other documents filed concerning the estate.

4. **Notify Social Security.** If the decedent was receiving Social Security benefits, you must notify their local Social Security office. Benefit overpayments after an individual's death may result in a difficult repayment process. Visit SSA.gov for more information.

5. **Contact employer(s).** Contact the decedent's current or former employer(s) for information on life insurance policies, pension plans and retirement plan benefits. Company benefits departments can instruct you on the procedures for obtaining proper forms and filing claims.

6. **Documentation.** As you begin the process of gathering the documents necessary to settle your loved one's financial affairs, be on the lookout for documents that may affect the disposition of the estate or the division of assets. You should consult an attorney to learn the items required based on the decedent and the circumstances.

To help you determine the appropriate next steps in this process, talk with family, a financial advisor, attorney and tax/legal professionals for guidance.

YOUR CHECKLIST OF DOCUMENTS:

- ❑ Will
- ❑ Letter of Instruction
- ❑ Trust Documents
- ❑ IRA/Retirement Plan Documents
- ❑ Pension Plan/401(k) statements
- ❑ Life Insurance Policies
- ❑ Bank, Credit Union Account Statements
- ❑ Annuity Contracts
- ❑ Stock Option / Deferred Compensation Agreements
- ❑ Deeds to Real Estate (recent Mortgage Statement)
- ❑ List of Assets
- ❑ List of Liabilities
- ❑ Income Tax Returns
- ❑ Gift Tax Returns
- ❑ Safe Deposit Box Contents
- ❑ Beneficiary Designations
- ❑ Automobile Titles, Registrations, Loan/ Lease Agreements
- ❑ Transfer-on-Death (TOD) Agreements
- ❑ Health Insurance Information
- ❑ Birth & Marriage Certificate(s)
- ❑ Social Security Card
- ❑ Military Discharge Papers
- ❑ Credit Card Account Statements

Would Your Family Know What to Do If You Passed Away?

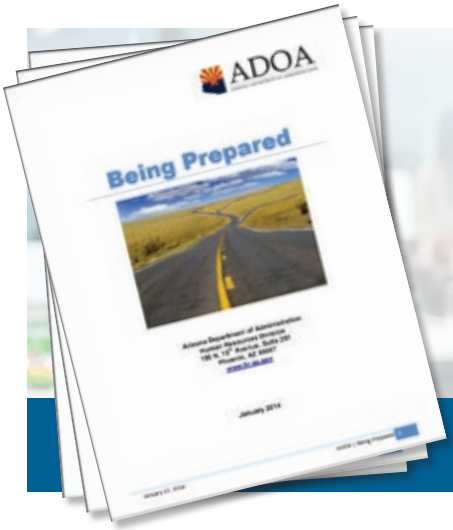
Planning Ahead

Depending upon the annuity option selected, beneficiaries may be entitled to benefits upon the passing of a retired member. Be sure the ASRS has the most current beneficiary and contact information on record in the event the ASRS needs to get in touch with you or your loved ones. Be sure they have the ASRS' contact information as well.

Reporting A Death

To report the death of a member, contact the ASRS by email, phone, or in writing. Once we have been notified, a packet will be sent to the primary beneficiary(ies) on file.

For more information, visit us at AzASRS.gov/content/survivor-benefits



FREE "BEING PREPARED" BOOKLET

The Arizona Department of Administration (ADOA) has put together a 15-page workbook designed to provide an overview of important information in the event you pass away while employed by the State of Arizona. It also provides additional resources so that you can ensure your beneficiaries are aware of the benefits to which they may be entitled..

Download your copy at:

HR.AZ.GOV/PDF/BEING_PREPARED_BOOKLET.PDF

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Contact Us Online:
AzASRS.gov

For assistance with your personal account, log in for secure email access.

Not Online?
In Phoenix:
602-240-2000

In Tucson:
520-239-3100

Toll-Free:
800-621-3778

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Important Announcement from the Center for Medicare and Medicaid Services

Beginning in April, 2018, the Centers for Medicare & Medicaid Services (CMS) will be mailing a new Medicare card to all Medicare beneficiaries. In order to ensure that the delivery of these cards is successful, it's important that the Social Security Administration (SSA) has your current address.

If you are not sure if SSA has your correct mailing address, please contact the SSA online at www.ssa.gov or by calling 1-800-772-1213.

Your Retirement is published quarterly and mailed to all retired members of the Arizona State Retirement System. We welcome comments from our readers!

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