

# COURTESY OF REACTA

RETIRED EMPLOYEES ASSOCIATION  
OF  
CALIFORNIA TEACHERS ASSOCIATION

Dear Prospective Retiree,

REACTA (Retired Employees Association of CTA) welcomes you to retirement. No longer are we separated by regions, departments, job responsibilities or Union affiliation. We are one organization, encompassing all of us who were former employees of CTA and its affiliates. Collectively, we are delightfully diverse and getting to know each other in a unique and united way. Below are some facts to help you with a smooth transition from work to retirement from others who have stumbled along the way.

1. On your last workday of employment CTA will probably shut off your CTA employee email. The organization will probably want you to return all CTA equipment, if applicable, such as a laptop or phone on that day as well. You will also probably stop receiving any general CTA political literature. CTA will continue to send you information regarding the Pension and Health Benefits Trusts and any paperwork for your retirement from the Human Resources Department. All future communication will be via personal email or U.S. mail.
2. You have the option to continue your CTA life insurance. This information will be among your CTA retirement paperwork. Many have set up an automatic payment through their bank to ensure that this gets paid monthly. CTA does not offer this service, and you need to set it up electronically through your bank.
3. You have been told that upon reaching age 65 you must register for Medicare and if you are late, there will be a penalty. What you may not know is that Medicare will bill you for Part B. The amount is based upon

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your adjusted gross income as reported on your income tax two years prior. If you are receiving Social Security, this amount is deducted from your benefit. If you are not collecting Social Security, you will be billed separately. The amount may be high for the first year or more depending on your income. It may be more than the amount the Health Trust reimburses according to current negotiated agreements between CTA, CSO and CAS. Currently the Trust reimburses the Base Premium for retirees that qualify for lifetime benefits through the Trust. The Medicare website, Medicare.gov, has a chart that is updated annually listing income levels and Medicare B costs. This chart may be found at: Medicare.gov/your-Medicare-costs/part-b-costs.

4. IMPORTANT CAUTIONS REGARDING MEDICARE FOR THOSE THAT QUALIFY FOR LIFETIME BENEFITS THROUGH THE TRUST

- a. **When filing for Medicare, you are strongly urged not to sign up for Medicare, Part D.** Currently our Health Trust provides prescription coverage for retirees and their spouses/domestic partners that is essentially equal to or better than Medicare, Part D. If you sign up for Medicare, Part D, you will lose your eligibility for the Trust's prescription benefits through the Anthem option. The Kaiser medical plan option for CTA retirees already contains a Kaiser Medicare Part D plan that includes getting prescriptions from Kaiser. Therefore, signing up for a Part D plan outside of the Trust when you sign up for Medicare is not recommended. Signing up for any other Medicare plans, other than Part B, that are not offered by the CTA Health Benefits Trust could cause a retiree and their eligible dependents that qualified for CTA lifetime health benefits to lose the health benefits offered to them through the Trust. Contact our Plan Administrator, The William C. Earhart Company, Inc. for more information at (877) 396-2942
  
- b. You will receive mailings regarding insurance options, including Medicare Advantage programs. **Use extreme caution before making any changes to your medical insurance.** Currently our Medical Trust provides coverage for retirees and their spouses/domestic partners that in most important ways is equal to or better than Medicare Advantage Programs. **If you sign up for a Medicare Advantage Program outside of the CTA**

**Trust, you will lose your health care benefits from the CTA Trust and will never be able to reinstate that coverage.**

5. Social Security provides an annual statement of your Social Security benefit and your Medicare Premium. This is available through the Social Security website. You will need to create a personal account online to access your information (My Social Security). Once in your personal account you will be able to access your annual Benefit Verification Letter in the Benefits and Payments section. The Trust Administrator (William C. Earhart Co) will request a copy of this letter annually in late November or early December to reimburse the basic Medicare premium as referenced above (bullet #3).
  
6. REACTA is the best way to stay informed of any potential changes to your retiree benefits unless you have a source through your CTA friends and former colleagues. Trustees from the **active** CTA employees' organizations and management administer the Pension and Health Trusts. If they are researching or bargaining modifications to these trusts, you will not be notified unless changes are made. In 2020, the Trustees researched changing from the Anthem Blue Cross supplemental medical coverage for those over age 65 to a Medicare Advantage Plan. REACTA notified their members, requested member input, and researched possible impacts to those affected. REACTA leadership informed the Health Trustees in writing of issues and member concerns, and strongly discouraged the contemplated changes to retiree health benefits. REACTA kept the membership informed of all developments. The Health Trust did not move to a Medicare Advantage plan. Those retirees who were not REACTA members were never officially informed of the Medicare Advantage debate. The Trustees will annually review this option so REACTA will continue monitoring this issue as well as any other Trust benefit changes that might negatively impact retirees!

Retirement is a significant event in all our lives and hopefully this summary will be useful to you. REACTA is a source of information and a voice for CTA retirees. As the only organization that advocates exclusively for CTA retirees, we need your support. We will be reaching out to you soon and asking you to join. Check out the website, [www.REACTA.org](http://www.REACTA.org), for more information on the organization and enrollment.