



Connections

Connecting your retirement needs and our commitment to service

A publication of the Michigan Office of Retirement Services

You can be a wise health care consumer

Across the nation, health care costs continue on a steady incline, in part due to the greater number of “Baby Boomers” needing medical care, the accessibility and use of highly technical test procedures, and the steadily rising costs of prescription drugs. Advancements in health care may improve your quality of life; however, they also have a direct impact on your out-of-pocket expenses.

What can you do to ensure you get the best possible care at the lowest cost?

When you need to visit the doctor, take an active role in your treatment. If you’re seeing more than one physician, including specialists, provide each

of them with your diagnoses, any treatments you are undergoing, or have undergone, and a complete list of all of the medications you take.

Don’t forget to include supplements, vitamins, over-the-counter drugs, and home or herbal remedies.

Ask questions. Write down questions and pertinent information and bring the list to your appointment, and don’t be afraid to ask your doctor about these issues.

The more you understand your health, the better you can take care of it. Ask your doctor to write down your diagnosis and explain how he or she determined it. Also

Please see Being a wise health care consumer on page 4



Retirees’ Questions and Answers

Q: What is a power of attorney, and why may I need one?

A: A legal document, called a power of attorney, is a tool that provides that decisions about your health and financial affairs will be made by a trustworthy and competent person of your choice, should circumstances arise.

For example, R. and her husband were involved in a serious auto accident while on a vacation trip out west. Luckily, they had previously given their daughter a power of attorney. This allowed the daughter to call her parents’ insurance agent and act legally in their behalf to handle their financial, legal, and medical affairs. She could sign documents, make legal decisions, pay bills, cash and deposit pension,

Social Security, and other checks, and make medical decisions.

This, of course, is an over simplification, but you get the idea — it’s smart to plan ahead in the unforeseeable event that you might be incapacitated and need a trusted relative or friend to

handle legal or financial transactions for you and make health care decisions. Several different powers of attorney exist to cover various needs. A financial power of attorney can be used to handle financial transactions, but cannot be used to make health care decisions for you. Only a medical

power of attorney permits someone else to make a health care decision for you. A medical power of attorney is a separate document.

Please see Retiree Q & As on page 3



Message from the Director of the Office of Retirement Services

On August 16, Capital Quality Initiative honored the Office of Retirement Services for our improvements in customer service over the last three years. The Capital Quality Initiative is an organization dedicated to the promotion of quality in the greater Lansing area. Its mission is to inspire and assist organizations – private, nonprofit and public – to become more effective through learning opportunities in quality management philosophies and practices.



This was a wonderful way to recognize the hard work of the Office of Retirement Services employees. Service has improved and we are pleased at how often you thank us in your calls, letters, and e-mails. Recent surveys also indicate satisfaction with our service.

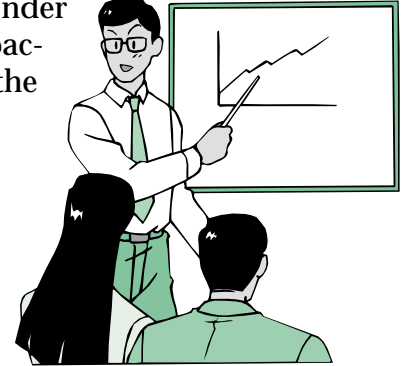
But we know we must continue to improve the quality and types of services we offer. That is why we are working every day to make the ORS Vision a reality – Fast, easy access to complete and accurate information and exceptional service.

An important part of what has helped us along the way is hearing from you. So keep the cards, letters, calls and e-mails coming. We learn from every contact with you.

Chris DeRose

Social Security earnings limits changed

On April 7 the Senior Citizens' Freedom to Work Act of 2000 was signed into law, amending the Federal Social Security Act. Under the amendment, retroactive to January 2000, the Retirement Earnings Test has been eliminated for individuals age 65 through 69, thereby removing Social Security earnings limits for this group. It remains in effect for those persons ages 62 through 64.



A modified earnings limit test applies for the year an individual reaches age 65. This means that if you are collecting a Social Security pension and are age 62 through 64, you may earn up to \$10,080 yearly without penalty. One dollar in Social Security benefits will be withheld for every two dollars in earnings above the limit.

However, in the year that you reach 65, you may earn up to \$1,417 each month prior to attaining 65. One dollar in Social Security benefits will be withheld for every three dollars in earnings above the limit. Once you reach your 65th birthday, including the month of your birthday, there is no limit; you can earn as much as you want without losing any Social Security pension benefits.

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Retiree Q & As

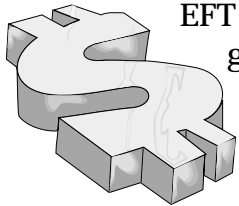
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There is always the possibility that the person you appoint as your agent either won't be able to serve or will decline to serve. That's why you have the option of appointing a successor agent who can take over as agent, if necessary.

A power of attorney document can be drafted to meet your precise needs, depending on your circumstances. As with all legal matters, you should consult an experienced attorney.

Q: I've had no problems with my pension check coming in the mail each month. What is so great about using EFT (Electronic Funds Transfer)?

A: Currently over 135,000 of ORS' retirees – eight out of ten – are signed up for EFT. Those using EFT may be able to give you some good reasons for signing up. Consider these comments from one of your fellow retirees:



"I have been receiving my pension check since 1986 via EFT. What a wonderful feeling to know that it will be on deposit just like clockwork, especially since we moved out of state after retiring. – Even that early check during the month of December – What a godsend.

"... The system has been around now for years and any bugs that may have been in the system originally have long since been taken care of. If for no other reason than the amount of money diverted for postage and handling from the system on a monthly basis should make EFT mandatory."

If you would like to sign up for EFT to have your pension payment directly deposited in your account at your financial institution, call ORS toll-free at 800-381-5111 and request an EFT application. Or, if you have Internet access, you can print a copy of the form from our web site. You can reach our web site at <http://www.state.mi.us/dmb/ors>. The EFT application form is located under the "Publications and Forms" link for your retirement system.

You need to have the Adobe Acrobat Reader on your computer system in order to view and print the form. Instructions are at the top of the Publication and Forms page for loading it.

Q: I'm a snow bird and spend my winters in a warmer climate. Should I change my address each fall and spring?



A: This is your choice. Some retirees already have arranged for how their mail will be handled while they're away. You only need to inform ORS of your seasonal address changes when you want to get your pension-related mail delivered *directly to your alternate address*.

To make this change, contact ORS approximately a month before you leave for your winter residence and again about a month before you return to your summer residence. If you receive your pension payment as a warrant mailed to your home, your address changes must be made in writing, including your Social Security number, old and new address(es), and signature. If you use EFT (Electronic Funds Transfer) for delivery of your pension payment, you may write or call ORS to change your address. **Change of address requests must be received by the first of the month to be in effect for warrant or EFT statement mailings later that same month.**

Even if you are having your pension payment deposited directly via EFT, you need to notify ORS at which address you can be reached if you wish to receive your EFT statement and any other special mailings at your alternate address.

Q: How do I change my address with my insurance companies?

A: Just contact ORS with your address change. We automatically inform all insurance companies connected with your pension benefits.

Being a wise health care consumer

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ask what additional tests you may need. What will they cost you? What types of treatments are available to take care of this condition?

If your doctor prescribes a treatment, ask what is involved. What are the restrictions or potential side effects? Are there any risks? How long will you need to continue this treatment and how will you know if the treatment is working? Are there other options available? What will these treatments cost you?

When you get prescriptions filled, make sure you understand what you are taking and why you are taking it. Drugs are most effective when taken properly, so make sure you understand when to take the drug – at night, in the morning? Should you take it with food or on an empty stomach? What should you do if you miss a dose? Ask if there are drug interactions between this new drug and your other prescription drugs or over-the-counter medicines you take. Find out if there are any restrictions you must follow, such as avoiding alcohol or certain foods, or not driving or operating heavy equipment while taking it.

Educate yourself about health-related issues. If you have access to the Internet, a multitude of good information sites covering diseases, injuries, treatments, and providers are available. If you don't have computer access, visit your local library or bookstore. Learning as much as you can about your disease or condition, or health in general, may improve the success of your treatment and help you make more informed decisions.

Of course the best approach is for you to practice healthy living. There are many ways to take better care of yourself, and doing so generally means fewer visits to the doctor. Start by examining your life-style. The risk of developing many diseases is tied to three primary factors: smoking, being overweight, and not exercising. Investing a small amount of your time in exercising can reap big rewards in reducing your risk of disease, even if it's just a short walk each day. Pay attention to what you eat and drink. Small modifications in your diet, such as reducing fat and salt intake or reducing alcohol, help reduce your risk of heart disease, high cholesterol, and diabetes.

Getting personally involved in your own health and well-being just makes sense.

Calling all retirees . . .

Help us share your story.

Retirement is a new stage in life that can bring with it new adventures and experiences. Now that you don't have to "punch a time clock" every day, what new, exciting or unexpected experiences have you had since retirement? We'd love to share your story in a future issue of *ORS Connections*.

To have your story considered, please send it (and a "memorable photo" if you have one) to:

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Lansing, MI 48909-7671

Holidays & Pension Payment Dates

November 10 — Veterans' Day*
November 22 — Pensions Issued
November 23-24 — Thanksgiving*
December 18 — Pensions Issued
December 22 & 25 — Christmas*
December 29 & January 1 — New Year's*
January 15 — Martin Luther King Day*
January 25 — Pensions Issued
February 19 — Presidents' Day*
February 23 — Pensions Issued

If your EFT is not credited within two days of the above date, please give us a call. If your check is delayed, you must wait until after the seventh of the following month to submit your claim. Thank you.

*** The Office of Retirement Services will be closed in observance of these holidays.**