



NRLN Review



NRLN Review, Summary for December 2022

The NRLN Review provides a monthly report on National Retiree Legislative Network actions, events in Congress and important retirement news.

NRLN's Proposals Passed into Law

Bill Kadereit announced on December 20 that Congress has included in its omnibus bill three of the five issues the NRLN has been lobbying for which are very important to retirees. Congress passed the omnibus bill on December 22 and headed home for the holidays. It marks the end of the 117th Congress (2021-2022). The 118th Congress begins on January 3, 2023

Kadereit praised the work of NRLN and Grassroots leaders and all NRLN members who had responded to Action Alerts supporting the NRLN's proposals for legislation.

Here are the three proposals they delivered for you:

Pension Recoupment: Until now, a company could "recoup" or recover pension overpayments made to a retiree when it discovered them, no matter how long it had been. With the new law, the Company doesn't have an obligation to recoup; But if it does recoup:

- Must be done within 3 years of initial overpayment.
- May not recoup more than 10% of overpayment per year.
- May not recoup against a beneficiary.

Section 420 Transfers: This IRS provision was about to expire and the legislation has extended it. The NRLN's proposal in the new law lowered the threshold of when companies can use these funds to 110%, down from 125%. This means more companies will be able to

tap these funds to provide retirees with healthcare and life insurance benefits.

Pension Annual Funding Notice: Before this new law, pensioners received their AFN and it failed to provide a clear picture of how well their pension plan was funded. This was because by the time they received an AFN in April, it contained data calculated 16 months earlier. The NRLN advocated for common sense solutions: use year-end valuation so when retirees receive their AFN the date is only four months old. Also, the AFN will be simplified by moving all relevant data to a table on the front page. The table will show current and past two years of: plan participants; plan assets and liabilities; company funding obligations and contributions; interest rates used to calculate funding levels, and rate of return on plan investments over a three-year period. Also, all departments are required study AFN for the next three years.

It is highly disappointing that the following two bills were not included in the omnibus bill:

Health Coverage Tax Credit (HCTC) Was Not Extended: NRLN Grassroots members repeatedly sent Action Alert letters to urge their Representative and Senators to pass legislation to make permanent, or at least extend the Health Coverage Tax Credit for another year. It was reported that HCTC was not singled out, there was an objection to including tax credits in the omnibus bill. HCTC has been very important to Delphi, Avaya, Kodak and other Association and Chapter members. HCTC has helped Americans ages 55-64 cover the cost of health insurance if they are retired and their pensions have been taken over by the Pension Benefit Guaranty Corporation (PBGC), or if their job was outsourced abroad and they qualify for Trade Adjustment Assistance (TAA).

Susan Muffley Act Did Not Pass: Numerous Grassroots members, including members of the NRLN Delphi Retirees Chapter, responded to NRLN Action Alerts to try to gain passage of the Susan Muffley Act. Negotiations in the U.S. Senate failed to achieve sufficient bipartisan agreement to include the House-passed Susan Muffley Act in the omnibus bill. The legislation would have reinstated and provided back pay of pensions to Delphi Salaried Retirees who lost up to 70% of already-in-place or promised-at-retirement. pensions when the Delphi Salaried Retirees pension plan was terminated and taken over by the Pension Benefit Guaranty Corporation (PBGC) during the Delphi and General Motors bankruptcies.

NRLN Board Identifies Pension De-Risking as Top 2023 Legislative Priority

During its online meeting on December 15, the NRLN Board identified protecting retirees from pension de-risking as one of its top 2023 legislative priorities with the new 118th Congress and cited saving Social Security and Medicare among its major objectives.

Pension plan de-risking can begin when a pension plan sponsor reduces liabilities by changing plan rules that prohibit additions of new plan participants, by discontinuing Cost of Living Adjustments (COLA), through offering lump sum buyouts or by reducing risk in how it invests plan assets. In addition, plan sponsors can use present Employee Retirement Income Retirement Security Act (ERISA) language to terminate plans partially or totally. This corporate action is called a voluntary termination, distinguished from distress terminations that are normally caused by corporate financial distress or bankruptcy that can lead to a total pension plan termination.

Leadership Announcements from NRLN President

On December 12, Bill Kadereit, President, National Retiree Legislative Network (NRLN), sent an email to all NRLN members with the following announcements to be effective January 1, 2023:

Hector Saenz, NRLN Region 10 Vice President (Golden State Region - CA) has joined the NRLN Board of Directors as the at-large Vice President, Membership Development. Vern Larson, President, NRLN Avaya Retirees Chapter, who has been serving as at-large Vice President, Membership Development, will remain on the Board as at-large Vice President, Chapters Representative replacing Martha Deahl. Vern will also become a member of the Grassroots Committee representing NRLN Chapters.

Martha Deahl, President, Arizona Chapter, and NRLN Region 8 Vice President (Desert Southwest Region - AZ, NM, and NV) who has served on the Board as Chapters Representative will remain on the Board as NRLN Vice President - Grassroots. She replaces Bob Martina who tragically died in a traffic accident in September.

In an announcement unrelated to the NRLN Board, Ray Sternot, NRLN Region 5 Vice President (Great Lakes Region (IL, IN, KY, MI, OH, WI)), will become Information Technology (IT) Director, reporting to Joe Sciulli, NRLN Board Member and President, NRLN Lucent/Nokia Retirees Chapter. He will serve Janet Seefried NRLN VP Secretary and Treasurer, as NRLN Database Administrator and

will support Ed Beltram, NRLN Vice President - Communications and Martha Deahl VP - Grassroots. Ray will continue to serve as the Region 5 Vice President.

These changes will fill the void left when we lost Bob Martina, strengthen our grassroots operations focus and support membership growth. Equally important, they will ensure the continuity of support for ongoing IT and database technology services needed to efficiently manage growth and NRLN's day-to-day infrastructure.

NRLN Legislative Committees' Work

The NRLN's Legislative Advisory Committee (LAC) composed of Judy Stenberg, Chairwoman, Deb Morrisett, Joe Mazzei and Al Duscher submitted the following bills for the Legislative Action Planning Committee (LAPC) to consider for action during its December 6 conference call. The LAPC includes Bill Kadereit, Chairman, Judy Stenberg, Alyson Parker and Ed Beltram. The LAPC's actions included:

H.R.6641, DRA of 2022 (DMEPOS Relief Act of 2022). Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Relief Act to address unsustainable reimbursement rates hurting Home Medical Equipment (HME) suppliers. The industry has seen a 50% reimbursement cut since 2016. This bill would provide for a new blended rate, as previously used by the Center for Medicare and Medicaid Services (CMS). It is estimated that this legislation will result in a 10-15% increase in current reimbursement rates to address significantly rising costs due to both the pandemic and inflation.

-- Alyson Parker, NRLN Executive Director, was asked to check with the office of Rep. Markwayne Mullin (OK-2), who introduced the bill, to try to learn how much more would the passage of the bill add to CMS expenditures.

H.R.4941/S.5106 -- PACE Part D Choice Act of 2022, would allow Programs of All-Inclusive Care for the Elderly (PACE) enrollees who are Medicare (but not Medicaid) beneficiaries to choose a prescription drug plan that is not a Medicare Advantage plan or operated by PACE and for which annual out-of-pocket costs and federal subsidies are equal to or less than that under the applicable PACE prescription drug plan. The bill also allows for disenrollment from a chosen plan upon a change in medication or demonstration of an unexpected increase in out-of-pocket costs.

H.R.9019 -- Medicare Advantage Consumer Protection and Transparency Act, would help patients and government watchdogs evaluate the quality of private health insurance plans provided through Medicare. This bill requires insurers to provide information related to coverage, claims, and denials, which government agencies and the public would have access to. The bill also requires plans to provide consumers with clearer and more accurate descriptions of the services they offer, to protect patients from deceptive marketing practices.

-- The LAPC adopted the LAC's recommendation to Table and Monitor the above bills. The LAC noted that its recommendation to Table and Monitor the bills is because it is so late in the Congressional session which ends December 31, 2022. The LAC would have requested support for the bills if it was earlier in the Congress.

LAC Member Al Duscher updated and/or summarized the following bills for the LAPC.

H.R.2954/S.4353, Securing a Strong Retirement Act of 2022; S.4353, RISE & SHINE Act, and S.4808, EARN Act. The NRLN Executive Director has been closely following these bills in committee to ensure that any final bill includes the NRLN's proposals to limit retirees exposure to pension recoupment, address Section 420 of the IRS code and improve pension plan Annual Funding Notice.

H.R.3387/S.1762, Financial Factors in Selecting Retirement Plan Investments Act, would provide legal protection for environmental, social, and governance (ESG) investments both as a factor in analyzing investments and as a selected investment. Allow the establishment of ESG investments as a qualified default investment alternative. Establish ESG factors as a tie-breaker when investment alternatives being evaluated by traditional risk and reward are equally prudent fiduciary selections.

Key News Articles Posted in December

During December 51 links to news articles related to retirement issues were researched and posted daily IN THE NEWS on the NRLN website home page. The headlines below are links to the articles. Or read the articles at www.nrln.org under IN THE NEWS in the right column. Scroll down the right column and click on the headline to access the article you want to read. Below are some of the headline links.

[Nursing Home Reform: Where Are We Now? Where Do We Need to Go?](#) - Dec 1

[*No more monoclonal antibody treatments for Covid are available in the U.S.*](#) - Dec 3

[*CMS Proposes Rule to Expand Access to Health Information and Improve the Prior Authorization Process*](#) - Dec 06

[*How worried is America about Covid-19 this holiday season?*](#) - Dec 7

[*CVS wants pharmacists to help fill prescription remotely*](#) - Dec. 7

[*Here's how CMS wants to overhaul prior authorization*](#) - Dec 8
[*Paxlovid is free--for now. What will happen when the government stops paying for it?*](#) - Dec 8

[*Long Covid's financial toll: credit card debt, ruined retirement plans*](#) - Dec 8

[*Provisions of Recently Passed Medicare Drug Bill in Effect Next Month - January 2023*](#) - Dec 8

[*Social Security's Biggest Raise in 41 Years Comes With an Unpleasant Surprise*](#) - Dec 8

[*Mark Cuban is taking on the self-insured employer drug market*](#) - Dec 9

[*Social Security Changes Joe Biden Wants to Make: Is 2023 the Year They Become Reality?*](#) - Dec 10

[*States Challenge Biden to Lower Drug Prices by Allowing Imports From Canada*](#) - Dec 14

[*Looking Ahead: Medicare in 2023 and Beyond*](#) - Dec 15

[*Biden Administration Calls for Crackdown on Misleading Medicare Ads*](#) - Dec 15

[*U.S. Health Officials Seek New Curbs on Private Medicare Advantage Plans*](#) - Dec 17

[*Successful bipartisan negotiating paves way for retirement provisions*](#) - Dec 20

[*What's in and what's out of Congress' \\$1.7T spending bill*](#) - Dec 20

[*Senate passes \\$1.7 trillion omnibus spending package*](#) - Dec 22

[*What do Americans think about their health plans? Here's what a new report reveals.*](#) - Dec 23

[*Higher Price Tag Doesn't Guarantee Better Quality Joint Replacement: Study*](#) - Dec 26

[*Some Medicare costs are heading higher in 2023, while others are going down. Here's what you need to know*](#) - Dec 29

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