



# DCRB Report

FALL 2014

**Inside**

- 2 Information Especially for Retirees
- 3 2015 Health Care Open Season
- 4 What You Need to Know about Medicare

The District of Columbia Retirement Board's mission is to prudently invest the assets of the Police Officers, Firefighters, and Teachers of the District of Columbia, while providing those employees with total retirement services.

CHAIRMAN'S CORNER

## From the Chairman of the Board

During the fiscal year ended September 30, 2014, DCRB saw a substantial increase in the total market value, and in the returns on the assets, in the trust funds that support the DC Police Officers and Firefighters' Retirement Plan (Police/Fire Plan) and the DC Teachers' Retirement Plan (Teachers' Plan). The Board has also made strides in our data and technology projects, and we have had a few changes in Board membership. A summary of each of these changes follows.



Joseph M. Bress

### Fiscal Year 2014 Investment Results

As of September 30, 2014, the Fund's total assets stood at \$6.3 billion after the payment of all benefits and administrative expenses, an increase of approximately \$500 million compared with September 30, 2013. The Fund generated a gross return of 8.4%, underperforming the Total Fund Benchmark by 0.3%, while at the same time, outperforming the actuarial return target of 6.5% by 1.9%. The actuarial return target is the investment return the Board seeks to generate over the long-term. Since its inception in October 1982, the Fund has achieved a 9.1% gross return per year.

### Data and Technology Project Update

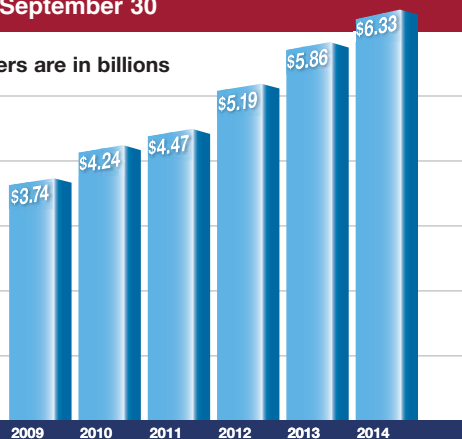
During calendar year 2013, DCRB, in partnership with the staff of five other District agencies, began a Data Reclamation Project which involves reviewing and reclaiming historical service and earnings data for approximately 4,600 active participants of the Police/Fire and Teachers' Plans. Through October 31, 2014, 98% of the Project was completed, and DCRB expects to both reclaim and audit all originally identified data by the end of this year. Once this project is finished, DCRB will be able to begin pension payments for new retirees sooner than the 90 days required in the past.

### Changes on the Board

In May 2014, Mayor Vincent Gray appointed two new trustees, **Joseph Clark** and **Lenda Washington**, to fill mayoral vacancies on the Board. Mr. Clark, who is a member of the law firm of Jones Day, also served on the Board from 2008 to 2012. Ms. Washington, who has been a financial services industry professional since 1985, previously served on the Board from 1999 to 2003. We are pleased to welcome Mr. Clark and Ms. Washington back on the Board, and we look forward to working with them on the many important issues that will be addressed during their upcoming tenure. Secondly, I would like to thank **Diana K. Bulger** for her service to the Board. Ms. Bulger, who is Director of Public Relations for the DC Fairmont Hotel, was a mayoral appointee, and served on the Board from 2008 to 2014. Finally, on a sad note, the Board mourned the passing in September 2014 of **Lasana Mack**, who served as an ex officio member of the Board from 2005 to 2012, representing the District's Office of the Chief Financial Officer.

Total Market Value of the Fund as of September 30

Numbers are in billions



## Information Especially For Retirees

### Calendar Year 2014 Tax Information

At the end of January 2015, the U.S. Treasury Department's Bureau of the Fiscal Service will issue 1099-R forms for payments that retirees and survivors received from the District of Columbia Police Officers and Firefighters' Retirement Plan and the District of Columbia Teachers' Retirement Plan during tax year 2014. Most annuitants will receive only one 1099-R form. However, those of you, for example, who are both a retiree and the survivor of a retiree, will receive more than one 1099-R, both of which should be filed with your 2014 tax return.

### Check Your Tax Withholding Amounts

This time of year is an excellent time to check your earnings statement to assure that the amount of taxes being withheld will cover your tax obligations for the coming year. As previously noted, you have the right to change your withholding amount or to have no federal taxes withheld. Changing your withholding, however, does not affect the amount of taxes you are required to pay. Retirees who want to update their withholding amount, should

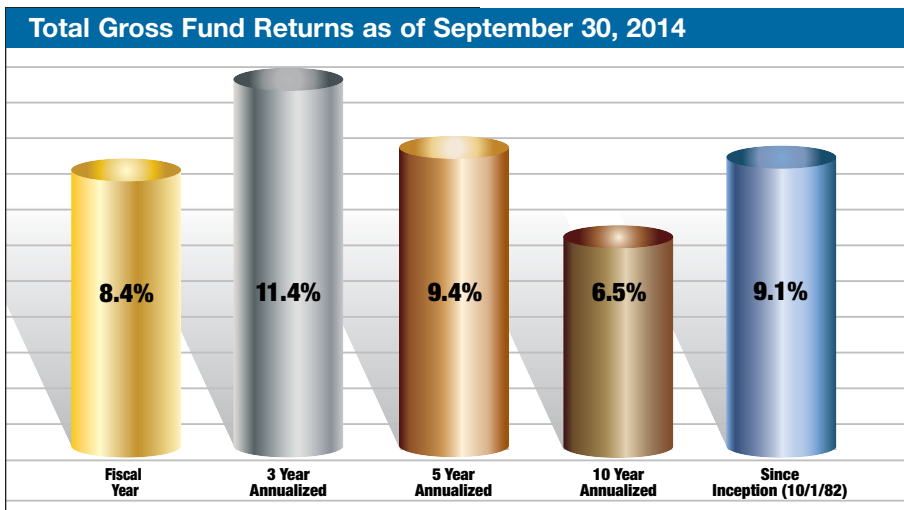
complete a Form W-4P and send it to DCRB's Member Services Center (MSC) at the address listed on the back of this newsletter. Blank forms can be requested from the MSC, or you can print one off the DCRB website at [www.dcrb.dc.gov](http://www.dcrb.dc.gov) (under membership forms) or the IRS web site at [www.IRS.gov](http://www.IRS.gov). Active members who wish to make withholding changes need to file a Form W-4 with their payroll office.

### Change of Address or Change of Direct Deposit Account

To assure that you receive your benefit payments and tax information promptly, if you plan to move or you have already done so, you should contact the DCRB MSC with your new address (and bank change information, if applicable) as soon as possible. You can reach the MSC by calling (202) 343-3272 or toll free at 1-866-456-3272, if you live out of the Washington Metropolitan area. You can also receive forms for making address or direct deposit changes by accessing DCRB's web site at [www.dcrb.dc.gov](http://www.dcrb.dc.gov) and printing out the form(s) you need. The completed form(s) should be mailed to the MSC at the address listed on the back of this newsletter.

## 2014 Active Police Officer Representative Election

In August 2014, DCRB began the process for the election of an Active Police Officer representative to serve as a Trustee on the Board. The process began with our mailing the Nomination of Candidate form on August 19th. Ballots were mailed on October 14th to active police officers who are eligible to vote in the election. **The deadline for the submission of ballots (either in paper or via telephone) is Friday, November 14th.** The results of the balloting will be certified on November 20th and the result will be published in the DC Register on November 28th. The winning candidate will begin his/her term as a Board Trustee on January 28, 2015.



### Useful

#### Contacts

D.C. Public Schools Human Resources Office **(202) 442-4090**  
[dcps.hranswers@dc.gov](mailto:dcps.hranswers@dc.gov)

---

Metropolitan Police Department Human Resources Office **(202) 727-4261**

---

Department of Fire and Emergency Medical Services Human Resources Office **(202) 673-6443**

---

Police and Fire Retirement and Relief Board **(202) 442-9622**

---

Office of Personnel Management (OPM) **(202) 606-1800**  
<http://www.opm.gov>

---

Social Security Administration **(800) 772-1213**  
<http://www.ssa.gov>



## 2015 Health Care Open Season

**T**he District of Columbia Human Resources Office (DCHR) and the Federal Government's Office of Personnel Management (OPM) have announced that their respective health care open enrollment periods will begin November 10th. The Federal Open Enrollment period ends on Monday, December 8th; while the District's ends on Friday, December 12th. During these periods, members of the District of Columbia Police Officers and Firefighters' Retirement Plan and the District of Columbia Teachers' Retirement Plan, who are eligible to participate in the health plans available to District and Federal employees and retirees, will have an opportunity to change their health plans.

Packets containing information about the plans and the dates of

health fairs that are scheduled to take place during the open enrollment period will be mailed to eligible members in early November. You can access DCHR's web site at [www.dchr.dc.gov](http://www.dchr.dc.gov) to view the "2015 District Open Enrollment" page or you can get there through DCRB's homepage at [www.dcrb.dc.gov](http://www.dcrb.dc.gov) and click on the Open Enrollment posting. DCHR's web site provides information about the plans offered and premiums charged, as well as dates and locations of health fairs that DCHR will host during the open enrollment period.

As a reminder, the OPM web site has a feature that allows eligible participants to enter their Zip Code and it will identify health plans that have facilities close to where they live. The program also lets participants select a number of health

plans they are interested in and provides a comparison chart of provisions, costs and premiums. The web site, [www.opm.gov/insure](http://www.opm.gov/insure), also lists premiums for 2015 and a fact sheet summarizing changes for next year.

Active District employees, who wish to make changes, should submit them online via their PeopleSoft Employee Self Service account. Your Human Resources office can assist you with any questions you may have. Police/Fire and Teachers' Plan retirees and survivors, who have health care coverage in the District or Federal programs, should forward their completed change forms to the DCRB Member Services Center at the address on the last page of this newsletter. The cut-off date for changes is December 12th, 2014.

## What You Need to Know About Medicare

Medicare is a federal health insurance program for people who are age 65 or older.

### The Four Parts

Medicare is composed of four parts:

**Part A** — (Hospital Insurance) helps pay for inpatient care in a hospital or skilled nursing facility (following a hospital stay), some home health care and hospice care.

**Part B** — (Medical Insurance) helps pay for the services of doctors and other health care providers, outpatient care, home health care, durable medical equipment and some preventative services.

**Part C** — (Medicare Advantage Plans) pays many of the same services as Part A and Part B, but through a government-approved provider organization, rather than directly from Medicare.

**Part D** — (Prescription Drug Coverage) helps pay for the cost of prescription drugs.

### Eligibility

You are eligible for Part A (which is normally free of charge) at age 65 if:

- you receive or are eligible to receive Social Security benefits; or
- you receive or are eligible to receive railroad retirement benefits; or
- your spouse receives or is eligible to receive Social Security or railroad retirement benefits; or
- you or your living, deceased or former spouse worked long enough in a government job where Medicare taxes were paid; or
- you are the dependent parent of a fully insured deceased child.

If you do not meet any of the above requirements, you may be

able to get Medicare — Part A coverage by paying a monthly premium.

Anyone who is eligible for Part A can enroll in any combination of Parts B, C, and D.

### Timing of Enrollment

It is very **important to remember** that even though many of you, as retirees under the District of Columbia Police Officers and Firefighters' and Teachers' Retirement Plans, may not be eligible for a Social Security benefit, **Medicare eligibility is triggered at age 65.**

### If You Are Already Retired

For members who are already retired, the Social Security Administration will contact you a few months before you reach age 65 and provide you with the information you need. If you are not yet retired,

## DC Retirement Board

900 7th Street, NW  
Second Floor  
Washington, DC 20001



### Inside this DCRB Report Information Especially for Retirees Trustee Election 2015 Health Care Open Season What You Should Know about Medicare

but plan to do so at age 65, you should visit the Medicare website at [www.Medicare.gov](http://www.Medicare.gov) or call them toll-free at 1-800-MEDICARE (1-800-633-4227) and initiate your enrollment (or you can enroll online at [www.socialsecurity.gov](http://www.socialsecurity.gov)). Remember, once you are no longer working, your time-frame for Medicare enrollment is 3 months before you reach age 65, the month you turn 65, and ends 3 months after that birthday month (e.g., if you reach age 65 on August 25, 2015, you have the 7-month period from May 1, 2015 through November 30, 2015 to sign up).

#### If You Are Not Yet Retired

If you are 65 or older, have not yet retired, and you are covered under a group health plan sponsored by either your own or your spouse's current employer, you have a "special enrollment period" in which to sign up for Medicare Parts B, C, or

D (since Part A is free, you should sign up at age 65, whether you are retired or not). The rules allow you to enroll: 1) any time while you are still covered by a group health plan based on current employment (yours or your spouse's), or 2) during the 8-month period that begins the month after your (or your spouse's) employment ends or the group health coverage ends, whichever happens first.

It is **important to note** that if you do not enroll during your normal enrollment period two things may happen: 1) your coverage will be delayed, and 2) your premiums for Parts B, C, and D will be higher (10% higher for each 12-month period you were eligible, but did not enroll). Consequently, you need to be alert to Medicare eligibility and enrollment periods, as well as to which health care plan (your employer's or Medicare) is primary or secondary payer.

**An important note** applies to members who have coverage for a **domestic partner**. While District law recognizes registered domestic partners for health benefits, federal law (which includes Social Security and Medicare) does not. This is especially important if you continue to work beyond age 65 or your partner reaches age 65 before you retire.

Since this is a summary of the general rules covering Medicare eligibility and enrollment\*, if you have any questions or special circumstances you wish to discuss, you should either access the Medicare or Social Security web sites or call Medicare's toll-free number, all of which are indicated above.

\* Based upon the Social Security publication "Medicare" that is available on the Social Security web site at:  
<http://www.ssa.gov/pubs/EN-05-10043.pdf>.

Pre-Sorted  
Standard  
US Postage  
**PAID**  
Permit #349  
Washington, DC

TRUSTEES				D.C. Retirement Board
Lyle M. Blanchard <i>Treasurer Council Appointee</i>	Mary A. Collins <i>Elected Retired Teacher</i>	Nathan A. Saunders <i>Elected Active Teacher</i>	Michael J. Warren <i>Secretary Council Appointee</i>	900 7th Street, NW Second Floor Washington, DC 20001 Voice (202) 343-3200 Fax (202) 566-5000 <b>www.dcrb.dc.gov</b> Eric O. Stanchfield <i>Executive Director</i>
Barbara Davis Blum <i>Mayoral Appointee</i>	Gary W. Hankins <i>Sergeant-at-Arms Elected Retired Police Officer</i>	Edward C. Smith <i>Elected Active Firefighter</i>	Lenda P. Washington <i>Mayoral Appointee</i>	
Joseph M. Bress <i>Chairman Council Appointee</i>	Darrick O. Ross <i>Elected Active Police Officer</i>	Thomas N. Tippet <i>Elected Retired Firefighter</i>	Jeffrey Barnette <i>Ex Officio, Non-Voting</i>	
Joseph Clark <i>Parliamentarian Mayoral Appointee</i>				