

# Mortality Tables

## Understanding the Impact on Your Pension

Many factors play a role in determining the amount of your benefit from the ABC-NABET Pension Plan, including your age, compensation, and length of service. Once your benefit is determined, the terms and length of time for which it will be paid depend primarily on how long you live.

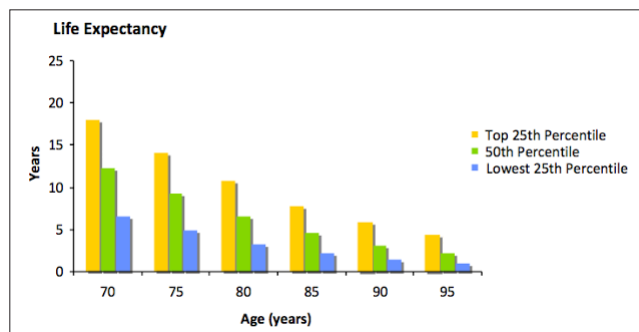
If you choose an option that pays benefits to a surviving spouse or beneficiary, your benefit may depend on how long they live as well. The payment amounts are based on mortality table assumptions. You may have heard about mortality tables, but do you know how they affect your Plan?

### The Basics

The “liability” of a pension plan is an estimate of the value of future benefit payments. It’s used to calculate a plan’s “funding target” – that is, how much money a plan needs to have now to ensure retirement benefits can be paid out into the future.

To estimate this amount, actuaries use mortality tables to predict how long a typical participant will live and receive a pension based on their age:

- The younger the person, the longer the remaining life expectancy.



- The older the person, the shorter the remaining life expectancy.

To determine the funding target, our plan uses the same mortality table that most single-employer, qualified U.S. pension plans use.

### Impact on Pension Plans

In recent years, studies have shown that people are living longer. This is good news! However, from a pension plan perspective, it may mean higher liabilities because plans will need to pay benefits for longer lifetimes.

In years to come, mortality tables will reflect this increased lifespan trend. Our Trustees will continue to work with advisors to ensure future liabilities are well planned for – so we can focus on the “good news” aspect of having more time to enjoy retirement.

# Locating Missing Pension Plan Members

## Requesting Your Help

There are individuals who have not kept the Plan Administrator informed of their current address. These individuals may have formerly worked as regular employees for ABC in a NABET-CWA-represented position and may be entitled to a pension benefit from our ABC-NABET Pension Plan, but are not claiming any benefit. If you have information about anyone on the list of missing pension plan members to the right, please contact Steve Van Duyne at (215) 483-6000 or at this address: Fabian & Byrn, 400 Franklin Avenue, Suite 135, Phoenixville, PA 19460. Thank you for your help with this.

Armando Arriaga (CA)  
David Aude (FL)  
Laurel Bossi (CA)  
Ricky Cottingham (IL)  
Barry Drake (CA)  
G Frutoz (CA)  
John Gammon (CA)  
Mary Gannon (IL)  
Mario Gonzalez (CA)  
Roger Harris (TX)  
Allison Keyes (IL)  
Lisa Kucukdogerli (CA)

Alex Langford (CA)  
M Levine (NY)  
M Mezquida (NC)  
James Mitchell (NJ)  
B Moreno (CA)  
T Morris (CA)  
George Rainey (NJ)  
Frank Rice (IL)  
Jennifer Schulze (IL)  
Carol Shipman (NC)  
Marghiee Teshineh (NY)  
Jack Webster (CA)

This newsletter is a publication of the Board of Trustees of the ABC-NABET Retirement Trust Plan. It is published for the participants and retirees of the plan. Additional copies are available upon request. This newsletter does not change or otherwise interpret the official plan documents. To the extent that any of the information contained in this newsletter is inconsistent with the official plan documents, the plan documents will govern in all cases. Only the Board of Trustees has the authority to interpret the plan provisions and other plan documents or to make any promises to you about them. ABC, Inc. and NABET, through collective bargaining, have the authority to amend or modify the plan at any time.

# Resource

## The ABC-NABET Retirement Trust Plan Newsletter

December 2018

Vol. 18 No. 2

## Medicare

### 4 Things to Know

Medicare is the federal health insurance program for people who are 65 or older. In general, it covers hospitalization expenses as well as doctor and medical expenses. If you're approaching age 65, understanding Medicare is critical to ensuring you get the right coverage at the right time. Here are a few key Medicare facts to get you started:

1. **There are multiple Medicare coverage options**, which are named alphabetically ("Part A," for example), and they cover different types of care. Depending on your income and healthcare needs, you may need to enroll in more than one coverage option.
  - Part A – Covers inpatient hospital treatments.
  - Part B – Covers outpatient care, such as primary care doctor or specialist visits.
  - Part C – Medicare Advantage plans are an alternative to Medicare Part A and Part B (called "traditional Medicare") and are offered by private insurers. Coverage is similar to Part A and Part B.
  - Part D – Covers prescription drugs.
  - Medigap plans – These plans supplement Medicare Part A and Part B, filling the "gaps" by paying for some expenses not covered by Parts A and B (like deductibles and copays). There are 10 different Medigap plans, which are also referred to alphabetically ("Plan N," for example). They are only offered through private insurers.
2. **Understand eligibility.** Most people do not have to pay for Medicare Part A (hospitalization). That's because, generally speaking, those who are age 65 or older who paid Medicare taxes while working at least 10 years qualify for Part A with no premium. Since the coverage comes at no cost, many individuals who reach eligibility will enroll in Part A even if they have coverage elsewhere. In contrast, everyone must pay a premium for Medicare Part B (outpatient care, primary doctor visits, etc.). For this reason, it might make sense to delay enrollment and avoid the premium if coverage is available through an employer or union. For details about eligibility, see the information on the next page about [Medicare.gov](http://www.medicare.gov) and look for future editions of this newsletter.

*(continued on next page)*



### In this edition

- Medicare – 4 Things to Know
- Estate Planning – Important Documents Securing Your Family's Future
- Beware of "IRS" and Other Scams – How to Protect Yourself
- Mortality Tables – Understanding the Impact On Your Pension
- Locating Missing Pension Plan Members

### Review Your Pension Benefit

Visit the pension estimator at [www.abc-nabetpension.org](http://www.abc-nabetpension.org) to model your benefit at various retirement ages and dates. You can review your personal pension information and also compare your benefit under each of the payment options available.

# Medicare *(continued)*

## 4 Things to Know

3. **Coverage costs vary.** Premiums for Part B are set by the government and are based on your income – if you earn more, you pay more. Medigap and Medicare Advantage plans can offer cost savings over traditional Medicare (Part A and Part B), but pay attention to the premiums. Even though coverage included in Medigap plans with the same letter (“Plan N,” for example) will be exactly the same across insurance providers, the premium cost they charge can vary widely.
4. **Help is available.** The Medicare landscape can feel complicated and confusing, especially if you are navigating it for the first time. The Medicare website (see below) offers a wealth of unbiased information on the options available to you. If you’d like to speak to someone in person, many states and counties have agencies that provide free counseling and assistance to seniors; check with your municipality to see what is available near you.

### Where to find out more

**Medicare.gov** is the official U.S. Government site for Medicare. Go to <https://www.medicare.gov> to find out benefit information such as coverage options, costs, and preventative services. For those approaching age 65, it is especially important to know the Medicare eligibility guidelines and enrollment process!

# Estate Planning

## Important Documents Securing Your Family’s Future

Everyone knows that planning is essential to achieving future financial goals. What many people overlook is estate planning. It’s key to protecting your family’s financial future and a way to state your final wishes in the event that you are unable to do so. Like financial planning, estate planning should start early in adulthood, yet only 42 percent of us currently have estate planning documents according to a 2017 [Caring.com](#) survey.

If you haven’t completed estate planning documents, start with a will or trust – particularly if you have young children – and a health care directive. You’ll also need to complete other documents and tasks. Here is a helpful checklist of key documents:

- **Will or trust** – The cornerstone of your estate plan, a will or trust states how you want your property and assets handled following your death. It also contains the names of your executor and legal guardian for your minor children.
- **Healthcare directive** – This legal document allows you to specify the actions to be taken related to your healthcare if you were no longer able to make decisions due to being incapacitated. An example of an action might be a “do not resuscitate” (DNR) order.
- **Power of attorney (2 types)** – A financial power of attorney (POA) can handle real estate, financial, and legal decisions for you. A medical power of attorney allows someone to make healthcare decisions on your behalf if you are not able. It is important to choose people you trust to carry out your financial and medical wishes.

### Do it Myself or Hire an Attorney

Should you create your own estate plan or hire an attorney? Most financial experts recommend hiring an attorney. Affordable legal resources are available – perhaps through your employer’s Employee Assistance Program or legal program, if offered. You could also contact your state’s bar association to find low-cost legal help.

- **Guardianship designation** – If a will or trust doesn’t name your legal guardian, a guardianship designation will work. Carefully select guardians as they will be legally responsible for your children’s personal affairs, health, and well-being.
- **Beneficiary designations** – You can transfer a number of assets, such as your 401(k) account and insurance benefits, without a will by completing beneficiary designations. You typically designate a beneficiary with your employer or insurance company.

There might be other documents (e.g., Letter of intent, Transfer-on-death designations) that are needed in your state or due to your specific circumstances. A qualified lawyer can help ensure your estate planning process is complete.

Once your estate plan is finished, it’s a good idea to review and possibly update your plan every couple of years or after any major life event (e.g., marriage or birth of a child). Life is always changing, so your estate documents and decisions need to be kept current.

# Beware of “IRS” and Other Scams

## *How to Protect Yourself*

According to some estimates, Americans are being defrauded of roughly \$328 million annually in imposter scams – someone seeking money by pretending to be a government employee, a representative of a company, or even a family member. But why are the scam artists so successful? The Federal Trade Commission reports that technology coupled with a “personal touch” is enabling these scammers. They reach people at the push of a button or a keystroke, finding vulnerable individuals with whom they create a seeming aura of trust.

Not surprisingly, almost 3/4 of such frauds begins with a telephone call. It’s important to note that anyone can fall victim to a scam, regardless of age and other factors. After all, scammers use sophisticated methods to target unsuspecting people. Unfortunately, older adults are often inclined to be more trusting, making them prime targets.

### **Popular Scams**

The fraudsters will attempt to trick using any approach that leads to getting money. Here are several frequent techniques being used.

- **Charitable causes** – Scammers use emotional appeals, perhaps claiming to represent a worthwhile cause and asking for money to aid the recovery and victims of a recent major disaster. Because legitimate charities do often use calls as part of their fund-raising efforts, a good first step when you get a call is to determine if it is a legitimate charity. See below for how to check out charities.
- **Posing as the IRS** – Beware of any caller saying that back taxes are owed and must be paid immediately. Remember that the IRS does not make such calls and will always send a letter through the U.S. Postal Service if there is a personal tax issue.
- **Political interests** – Since politics is featured prominently in the news today, some scam artists will appeal to people on behalf of a particular party, candidate, or piece of legislation, asking for a donation.
- **Home improvement** – These are often contractors who will stress your need for their services and push for a quick decision. They also use advertising mailers, telephone calls, and may even go door-to-door.

### **Don’t be fooled – Practical ways to protect yourself**

Despite the enhanced methods scammers use to defraud people, there are ways to remain on guard against the tricks. In general, maintain a healthy skepticism. For people of any age, use the following principles:

- ✓ Ask for credentials for anyone attempting to sell you something. Cities and towns often require a permit to sell. The salesperson should be able to show proof of identity and produce some form of identification reflecting their business.
- ✓ Make a habit of not buying “on the spot.” Hold to the position that a decision will be made once the information has been carefully read and reviewed.
- ✓ If someone calls claiming to have done business with you previously or that they are a relative, tell them you always confirm identity with family. Better yet, allow your unknown incoming calls to go to voicemail and then ask a trusted friend or family member to listen.
- ✓ Refuse to give any financial information to a caller or anyone soliciting donations or services, regardless of how well-intended the person appears to be. Only those in your life with whom you have an established relationship should have access to your bank accounts.

### **Fraud Assistance Resources**

- **Fraud.org**, a project of the National Consumers League, is designed to create awareness of fraud and to help people file complaints. Visit <https://www.fraud.org> to sign up for fraud alerts and find additional prevention tips.
- The Federal Trade Commission has a hotline (1-877-382-4357) and this website, <https://www.consumer.ftc.gov>, where you can register for “do not call” and find a variety of free resources.

### **Check Out Charities**

Considering contributing to an unfamiliar charity? Use <https://www.charitynavigator.org> to make sure it is legitimate and that you are comfortable with the manner in which the organization is spending donated money.