

National Active & Retired Federal Employees Association

President's Message

By Pat Meyers

As I write this message, it's almost time for Halloween and that means the holidays are fast approaching. We had a good crowd at our October meeting to hear Steve Cone from Capital Caring Health update us on that organization's expanded programs. Thanks to Rita Rutsohn for that program suggestion.

Our November 8th program will feature our annual update on changes to the Blue Cross/Blue Shield Federal Employee Health Benefits Program for 2024. Julia Wright, Senior Account Consultant with Care First BC/BS will be our speaker. As you may know from our NARFE October magazine or a recent BC/BS e-mail, there is a new prescription drug program exclusively for members with Medicare. I encourage you to come and hear about this new benefit and ask questions. As usual, our meeting will begin with a social and refreshments at 12:15 p.m. followed by our program at 12:45 p.m. Our speaker has several engagements that day so if she should be a bit late, we'll proceed with the short business meeting until her arrival.

At our November meeting, we will also be electing officers for Chapter 7 for 2024, All nominations submitted to Secretary Nancy Palmerino by 1 November plus any nominations from the floor that day will be voted upon by members in attendance.

Thanks go to Sarojini Grigsby for volunteering to be a delegate to the Arlington County Civic Federation. She will join Ed Weiler and myself as the delegates for Chapter 7. Nancy Palmerino will continue to serve as an alternate. If anyone else would like to volunteer, please let me know. Meetings are held once a month either in person or by Zoom.

We're busy planning for our annual holiday luncheon to be held at the Italian Cafe on Thursday, December 14, 2024. In addition to our 2nd basket raffle to benefit Alzheimer's research, we'll hear from Arlington's Delegate Patrick Hope on his thoughts for the 2024 Virginia legislative session. Since the entire General Assembly is up for election this fall, his perspective should provide for some provocative discussion. Please join us and look for the luncheon reservation form in this newsletter. If anyone would like to donate a basket of goodies for the Alzheimer's raffle, please let Nancy Palmerino know. Happy Thanksgiving to all!

Legislative Corner

By Ed Weiler

New Rule from the Centers for Medicare & Medicaid Services (CMS) Seeks to Rein in Medicare Advantage (MA) Plans' Managed Care Practices

There appears to be two simultaneous, albeit mutually contradictory, trends operating with regard to MA Plans. While the market share captured by these Plans continues to increase apace, the number of complaints leveled against them concerning (among others) denial-of-service and truncated length-of-stay decisions appear to be increasing as well. *(continued on p; 2)*

For example, a recent article carried by both *Washington Post.com* (10/01/23) and *KFF.org* (formerly *Kaiser News*), discussed how some MA Plans are now using **predictive algorithms** to inform their length-of-stay decisions (as opposed to basing such decisions on the medical status of the individual patient).

In response to the rising tide of complaints, CMS finalized a far-ranging Rule back in April (86 FR22120, 4/12/23) that seeks to constrain the degree of discretion exercised by MA plans in their use of utilization management (aka, managed care) practices. The crux of this Rule appears to be that MA Plans must conform generally to the care standards embodied in Traditional Medicare. Toward this end, it requires MA Plans that employ utilization management to establish a Utilization Management Committee, which must include (among other things) a majority of members who are practicing physicians, one of whom is **independent and free of conflict** relative to the Plan (see *CFR 422.137*).

Will CMS's comprehensive efforts in its April 2022 Rule do the trick? Perhaps---but as pointed out previously in this space (*Legislative Corner*, Nov. 2022), so long as MA Plans are built upon the **capitated payment model**, there will remain an inherent tension in terms of coverage decisions between these Plans and Traditional Medicare with its fee-for-service foundation. What bubbles to the surface here is that word which makes everyone uncomfortable---**rationing**.

Important VA State Individual Income Tax Changes for Tax Year 2023

Increase in the Standard Deduction (Source: "Virginia 2023 Legislative Tax Summary," updated 9/15/23, p. 10)

The most recent Budget bill (*HB 6001, Special Session 1, 2023*) provided for an increase in the standard deduction from \$8,000 to \$8,500 for single filers, and from \$16,000 to \$17,000 for married filers filing jointly. However, this increase is contingent upon attainment of a certain growth level in individual withholdings between July 2023 and December 2024. Certification of such growth must be made by the Auditor of Public Accounts no later than Jan. 22, 2024.

Also, the standard deduction is scheduled to sunset after Tax Year 2025, and reverts to the amounts applicable prior to Tax Year 2019---i.e., \$3,000 for single, and \$6000 for married couples filing jointly.

Individual Income Tax Rebates (Source: Virginia 2023 Legislative Tax Summary, updated 9/15/23, p. 9)

HB 6001 also provided for a rebate of up to \$200 for a single taxpayer, and up to \$400 for married taxpayers filing jointly. In order to qualify, an individual must have filed a Tax Year 2022 return on or before Nov. 1, 2023. Those who filed a Tax Year 2022 return before July 1, 2023, and who are eligible for a rebate, will receive their payment on or before Nov. 1, 2023.

The receipt of any such rebate in 2023 raises a question regarding its taxability **for Federal purposes**. Based upon my research, it is my *opinion* (which does **NOT** constitute tax advice) that: (1) for filers who take the standard deduction for VA State Tax purposes, the rebate will not be taxable income for Federal purposes; (2) for filers who itemize their deductions at both the Federal and State levels, the rebate will not be taxable income at the Federal level, **provided** their VA State Tax liability exceeds the Federal \$10,000/year cap on state and local tax deductions (in place since 2017). Further information on this topic may be found in two IRS communications: *IR-2023-158, August 30, 2023*, and *IR-2023-77, April 11, 2023*. (Theoretically, by the time you read this article, you will have already received this rebate.)

Holiday Luncheon – December 14

By Pat Meyers

We hope that you'll join us for our annual holiday luncheon on Thursday, December 14, 2023 at the Italian Cafe, 7161 Lee Highway (S. Washington Street), Falls Church, VA. Social hour/cash bar will begin at 1130 a.m. with lunch to follow at 12:00. The price of the luncheon is \$27.00. Reservations must be received by December 7, 2023. Please select one of the entrees and desserts below;

1. Poached Salmon, Served with roasted potatoes and vegetables;
2. Chicken Mona Lisa - Chicken breast sauteed with white wine, fresh tomatoes and mushrooms; topped with asparagus and cheese. Served with linguini and butter sauce
3. Eggplant Parmesan - Multi-layered eggplant topped with cheese and tomato sauce, served with a side of pasta and vegetables;
4. Spaghetti with Meat Sauce or Tomato Sauce (**please specify choice of sauce below**).

Gluten-free penne pasta available upon request. All entrees include a salad, bread, a non-alcoholic beverage and choice of Tiramisu or Spumoni Ice Cream for dessert.

To make reservations, please complete the form below and send, along with your check payable to: "NARFE Chapter 7", to Pat Meyers, 5912 1st Street S., Arlington, VA 22204. **Call Pat at 703-578-3372 if you have questions or special dietary needs/restrictions.**

December 14, 2023 Luncheon Reservation
Please **CIRCLE** your choice of entree and dessert

Name: _____

Entree: 1. Salmon 2. Chicken 3. Eggplant 4. Spaghetti (Meat or Tomato Sauce)
Dessert; 1. Tiramisu 2. Spumoni

Name: _____

Entree: 1. Salmon 2. Chicken 3. Eggplant 4. Spaghetti (Meat or Tomato Sauce)
Dessert: 1. Tiramisu 2. Spumoni

Please send your check for \$27 for each luncheon to Pat Meyers, 5912 1st Street S., Arlington, VA 22204. Reservations must be received by December 7th.

Alzheimer's Report

By Nancy Palmerino

A heartfelt thanks to all who continue to contribute to Alzheimer's research at our monthly meetings. In September we collected \$209.90 and in October an additional \$72 for a total of \$728.25 in donations collected so far this year.

Membership Report

By Nancy Palmerino

We currently have 279 Chapter members and an additional 437 National members in our chapter area for a total of 716 Chapter and National members. During NARFE's 2023 Fall Membership Drive, current members can earn \$10 for each new member they recruit. A Membership form is found in each issue of the NARFE magazine or can be downloaded from the narfe.org website. We will also have the application forms at our monthly meetings. Be sure to fill in the form with Chapter # 7 and your name and membership id # (found on your magazine label) to ensure that you get credit for your recruiting efforts.

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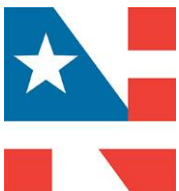
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