

2005 Open Enrollment Reminder

Open Enrollment is underway and ends November 30, 2004. Please forward your enrollment change requests to Retirement Services to do any of the following:

- Change your health, dental, or vision plans
- Re-enroll if you have dropped your health, dental, or vision coverage
- Add qualified dependents to your health, dental, or vision plans

All Open Enrollment change requests must be submitted by the end of November to Retirement Services. These changes will become effective January 1, 2005.

Please Note: Open Enrollment packets were sent to all qualifying retirees on October 22nd. Please refer to this packet for information on your current health, dental, and vision plan choices.

More detailed Open Enrollment information is available on-line at Retirement Services' new website:

www.sjretirement.com



Or, you may call Carol Bermillo, our Health Benefits Analyst, at (408) 392-6720 or 1-800-732-6477.



SRBR Update

For both Federated and Police and Fire, the annual Supplemental Retiree Benefit Reserve (SRBR) payment will be paid November 30, 2004. In order to be eligible for this year's payment, you must have been a retiree or survivor on or before June 30, 2004.

For the first time, the SRBR payment will be in the form of a separate check, it will not be included as part of your normal monthly benefit check. It will be, however, processed just like your monthly payment - if you have direct deposit for your monthly benefit, your SRBR will be direct deposited and you will receive an SRBR advice in the mail. If you receive a check for your monthly benefit, you will receive a check for your SRBR payment.

For Federated, this will be your second SRBR payment in 2004. The first one was in February 2004, which was actually your 2003 payment since you did not receive one in calendar 2003. From now on, however, you will only receive one SRBR payment per year, on November 30.

Things to Know About Medicare Parts A & B

All of the City's Medicare health plans require that participants be enrolled in Medicare Part A (Hospitalization) and Medicare Part B (Medical).

If and when you become Medicare eligible, you must enroll in both parts in order to remain enrolled in a City medical plan. Generally, Medicare eligible retirees are not required to pay a premium for Part A, but do have to pay a monthly premium for Part B.

Effective January 2005, the Medicare Part B rate will increase to \$78.20 per month. That's an increase of more than 17% from the 2004 rate of \$66.60.

Give Up My Medicare?

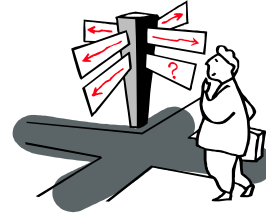
Eligible members who wish to enroll in the Kaiser's Senior Advantage or Secure Horizons' Medicare+Choice plans must assign or un-assign their Medicare Part A and Part B benefits when they enroll or disenroll from these plans.

Please Note: The Blue Shield Medicare PPO and HMO plans, and the Secure Horizons-PacifiCare Senior Supplement plan do not require participants to assign Medicare benefits.

By assigning Medicare benefits, enrollees agree to access medical services solely through the plans' networks of doctors and facilities. In effect, participants agree to "give up" their traditional Medicare benefits while enrolled in these plans.

In order to change plans and regain traditional Medicare coverage, participants are required to officially disenroll from the Senior Advantage or Medicare+Choice plans.

Please contact Retirement Services' Health Benefits Analyst, Carol Bermillo, at 1-800-732-6477 or (408) 392-6720 if you wish to enroll or disenroll from the Kaiser Senior Advantage or Secure Horizons Medicare+Choice plans. Carol can provide you with the forms you'll need to make your change.



Why Should I Consider Blue Shield's Medicare HMO?

For Medicare eligible retirees living within California, Blue Shield's Medicare HMO may be a more affordable alternative to other Medicare plans.

The plan works like a regular HMO for most services. Participants must designate a primary care physician in order to use the plan. When they do use it, they typically must pay only a \$5 office visit copay.

The plan is different in that, with the exception of hospital and facility services, Blue Shield is the primary insurer and Medicare is secondary.

Essentially, Blue Shield has agreed to pay non-facility claims as if Medicare were not a factor - no coordination with Medicare is needed. For hospital charges, however, Blue Shield does coordinate with Medicare to pick-up the costs that Medicare does not pay.

What's special about this plan is that members have the flexibility of using their traditional Medicare coverage even when they choose to access services outside of Blue Shield's network of physicians and facilities.

But, please use caution! If you don't use Blue Shield's HMO doctors and facilities and fail to obtain referrals from your primary care physician, you will be required to pay for what Medicare does not. Blue Shield won't chip in when you access services outside of their HMO plan.

Open Enrollment Reminders

Vision Plan Enrollment Rules

Please remember that both the Cole Managed Vision and VSP plan contracts require participants to remain enrolled for a continuous 24-month period. If you choose to enroll in one of the City's vision plans during Open Enrollment, you will not be allowed to change plans or drop your coverage until January 1, 2007.

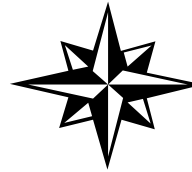
Full-Time Students

Dependent children between the ages of 19 and 24 must be unmarried and enrolled as full-time students (12 units or more at an accredited school). You must provide enrollment verification if you wish to

enroll or maintain coverage for a full-time student. If your covered dependent has reached the age of 24 or ceased to be a full-time student, please contact Retirement Services immediately to ensure that they are no longer being carried under your coverage.

Accident Insurance and Long Term Care Insurance

Retirees are eligible to sign-up for Accident or Long Term Care insurance anytime during the year. Although Retirement Services provides opportunities during Open Enrollment to review these insurance benefits, you are not required to enroll or make changes during Open Enrollment exclusively.



Provider Information Physicians, Facilities and Service Areas

Health Plan	Group Number	Member Services	Internet Address
Non-Medicare Plans (Under Age 65)			
Kaiser Permanente (CA, WA, OR, & HI)	887	1-800-464-4000	www.kaiserpermanente.org
Blue Shield HMO (CA Only)	H11186	1-800-837-4481	www.mylifepath.com
Blue Shield POS (CA Only)	MH0161	1-800-837-4481	www.mylifepath.com
Blue Shield PPO	975567	1-800-837-4481	www.mylifepath.com
Medicare Plans			
Kaiser Senior Advantage (CA, WA, OR, & HI)	887	1-800-443-0815	www.kaiserpermanente.org
Secure Horizons Medicare+Choice HMO(CA Only)	140309 (Fed) 140298 (P&F)	1-800-228-2144	www.securehorizons.com
Blue Shield Medicare-HMO (CA Only)	H11336	1-800-837-4481	www.mylifepath.com
PacificCare Senior Supplement Plan F	10564	1-800-698-0822	www.pacificare.com
Blue Shield Medicare-PPO	975568	1-800-837-4481	www.mylifepath.com
Dental Plans			
Dental Benefit Providers (CA Only)	1194	1-800-445-9090	www.dbp.com
Delta Dental	2584	1-800-423-8154	www.deltadental.com
Vision Plans			
Vision Service Plan	12112926-01	1-800-877-7195	www.vsp.com
Cole Managed Vision	30218	1-888-334-7591	www.colemanagedvision.com

Direct Deposit, A Success!

Roughly 90% of our retirees are currently receiving their monthly pension through direct deposit. Direct deposit is the fastest and safest way to receive funds automatically. There is no worry about lost or stolen checks in the mail, and it is automatically deposited into the checking account the night of payday.

Please remember, whenever you have a change in bank account information such as a closed account, a new account number, or a new bank, notify the Retirement Services Department as soon as possible. Please contact us at 408-392-6700 with any questions you may have. Your prompt action will avoid any delays you may experience in receiving your monthly pension.

An automatic deposit form can be found on our website at www.sjretirement.com or can be obtained by calling the Department. Complete the form and mail it to the address cited on the form, or fax the completed form to 408-392-6732.

New on our Website . . . View Checkstubs Online!

Retirees!!! You can now see your monthly check stubs online (from October 1998 to current) with all income and deductions itemized! Go to:

www.sjretirement.com

Click on either the 'Federated' or 'Police and Fire' button. Then select 'My Account' and login.

For new users:

Select 'Need an Account' on the left panel and answer the simple questions to establish private/secure access to your information. Then login using your new username and password.

For established users:

The check stub information for your most current check appears immediately. To access previous checks, press the arrow next to the 'Benefit Payroll Date' at the top of the screen and select which check you want.



Retirement Services staff wishes you a happy and safe Thanksgiving Holiday

