



## TEN THINGS TO REMEMBER ABOUT YOU AND PERSI

It's not just David Letterman who has a Top Ten List. Here is PERSI's list of ten things retirees should remember.

1) **Keep your address current** with PERSI. If you have moved or are thinking about moving, please let PERSI know the new mailing address. If you have a direct deposit and aren't changing financial institutions, your benefit payment won't be affected by a move; but you could miss out on important notices and other mailings, such as newsletters or tax documents, if PERSI has outdated information on file for you. If your retirement check is mailed to you, it might not be received if PERSI doesn't have your current mailing address. (Use online form RS-110 to submit an address change to PERSI.)

2) PERSI makes every effort to have benefit payments deposited and available by the first day of the month. Take advantage of the convenience and safety of having your retirement benefit deposited directly into your bank account. Retirees can still elect to receive a payment by mail, but retirees who have direct deposit experience fewer problems. **Direct deposit** offers more safety, speed, and convenience at no cost. (Use online form RS-448 to start your direct deposit.)

3) **Read all correspondence from PERSI.** Besides the information provided in newsletters and on the PERSI website at [www.persi.idaho.gov](http://www.persi.idaho.gov), PERSI occasionally does special mailings to retirees about their retirement benefits. It can be helpful to file the important documents away so they can be easily located if necessary. If you find a document from PERSI confusing, call the PERSI Answer Center for assistance at 1-800-451-8228 or 334-3365 from the Treasure Valley area.

4) Your **retirement decision was final** except under certain circumstances. If you receive a benefit type different from the option you selected (or thought you selected), you can petition to change the option

by *notifying PERSI in writing within five (5) business days* of receiving your first retirement payment.

If you were unmarried at the time of retirement and your date of last contribution was on or after July 1, 1981, should you marry after retirement you can name your new spouse as a contingent annuitant (CA) within one year of the marriage.

If you chose a contingent annuitant option at retirement, and your spouse dies and you later remarry, you can name your new spouse as a CA within one year of the marriage. (If you originally retired under a regular retirement option you can choose CA retirement option 1 or 2, or if you originally retired under a Social Security option you can choose CA retirement option 4a or 4b.)

5) **PERSI disability** is not an insurance plan, but a type of retirement benefit. Retirees cannot apply for disability benefits after they begin receiving their retirement benefit.

6) A retiree cannot cancel a retirement, pay back the benefits received, and take a **separation benefit**. Also no current provision allows a retiree to take a lump-sum payment of the value or remaining value of his/her Base Plan account in lieu of a monthly payment.

7) Your retirement benefit can be subjected to garnishment, execution, or wage withholding for an enforcement order for child support or for distribution to a spouse, ex-spouse, or trustee as part of a legal order. However, your benefit does have bankruptcy protection.

*continued on page 3*

### Inside this issue:

Med List & Pharmacist.....	2
Website Redesign.....	4
Investment News.....	4

# Insights

## CARRY A MEDICATION LIST AND KNOW YOUR PHARMACIST

A survey conducted by the American Pharmacists Association (APhA) indicates only 28 percent of Americans carry a current list of their prescription medications with them at all times, despite claims by Americans that they want to play an active role in their health care. Of those surveyed, 49 percent said they never thought about it and 36 percent said they didn't feel the need to carry a list. Women (31 percent) were more likely than men (24 percent) to carry a medication list.

### Why Carry a List?

A medication list can provide emergency room personnel with lifesaving information. According to Blue Cross, nearly 1.5 million preventable adverse drug events, including deaths, occur each year.

### What to Include

When creating a medication list, besides prescription drugs include any over-the-counter and vitamin supplements you take. In addition to the drug name include the strength, dose, and frequency (e.g., Lipitor, 20 mg, once a day by mouth). It is also helpful to include the prescribing physician's name and contact information, what each medication is for, why you are taking it, and any allergies you may have.

### Avoid Confusion

With more and more medications hitting the market every year...and many of them with similar sounding names, the risk of confusing one drug for another increases. For example, someone taking the drug Hydralazine for hypertension and also taking the allergy medication Hydroxyzine could get confused because these drugs not only sound alike but also look alike. Some 1500 drugs have names so similar they are often confused with one or more other medications.

Sometimes problems occur when a patient is taking one medication from one doctor, and another medication from another doctor, but they are basically the same

drug. For example, Lisinipril is for hypertension and can also be prescribed as Prinivil. It is the same drug sold under a generic and a brand name. There are also situations where drugs have the same active ingredients but different formulations (immediate release or delayed or long-acting release), which can lead to dosing errors. Carrying a medication list and sharing it with *each of your doctors* may prevent over dosing or other complications.

Interaction among drugs is another concern. Patients using the antibiotic Bactrim should know it can increase the potency of the blood thinner Coumadin. Combining these two medication could result in excessive bleeding. If you use the same pharmacy to fill all your prescriptions, there's a good chance your pharmacist can help you avoid this type of potential problem.

### Know Your Pharmacist

During American Pharmacists month, there is a public education campaign called "Know Your Medicine, Know Your Pharmacist." The program underscores the link between knowing your pharmacist and the safe and effective use of medications. According to the campaign, improper medication use "costs the nation \$177 billion annually in total direct and indirect health care costs." The APhA survey found consumers believe a pharmacist is a medication expert, but only 40 percent of respondents said they knew the name of their pharmacist. A pharmacist can make sure you know when and how to take the medication, what to do if you miss a dose, and explain potential side effects and food interactions. They are a free resource to be utilized.

It's not unusual to begin taking more medications as we age, so carrying a list and knowing your pharmacist are even more important. Be sure to update your list whenever a new medication is added or when there is a change of any kind. Something as simple as a list just might save your life.

8) PERSI statute 59-1355 provides for a **cost-of-living adjustment (COLA)** to retirement benefits. If a COLA is approved, it will go into effect March 1<sup>st</sup> each year. The COLA is based on the Consumer Price Index for Urban Workers (CPI-U) for the 12 months ending in August of the current year. The COLA is meant to keep retirement payments equal with inflation and help PERSI retirees maintain purchasing power.

A COLA of 1 percent is not subject to legislative review. If the CPI-U is greater than 1 percent and the PERSI Board finds that the retirement fund's actuarial assets equal or exceed the actuarial liabilities, including the cost of the COLA, the Board may provide for a discretionary adjustment to bring the total COLA up to the CPI-U or to a maximum of 6 percent. A discretionary COLA greater than 1 percent is subject to legislative review and can be amended or rejected by the Legislature through a concurrent resolution. The Board also has some discretion to provide for a retroactive COLA, which is also subject to legislative review.

COLAs are applied as a percentage increase to retiree monthly benefits. For example, if a retiree's benefit is \$1000/month in February and the COLA is 3 percent, starting March 1<sup>st</sup> the retiree's benefit would increase to \$1030/month.

For retirees in the first year of retirement, the COLA (and retroactive COLA, if applicable) is applied as a percentage of the full COLA depending on the percentage of the year the retirement was in effect. For example, if a member's date of last contribution was August 1<sup>st</sup> and the retirement date was September 1<sup>st</sup>, he/she was retired for 50 percent of the year (6 months: September - February). This retiree would receive 50 percent of the value of the COLA (1.5 percent of a 3 percent COLA).

9) If you are thinking about **returning to public sector work** after retirement, it's important to understand how Idaho state law may affect your PERSI benefit. As a PERSI retiree, you may work for any private-sector employer as long as you want and for as many hours as you want without affecting your PERSI retirement benefits. If you were an early retiree (younger than age 65, or 60 for police/PERSI firefighters), the law requires that:

- You have at least a 90-day break between retirement and reemployment with the same employer regardless of the number of hours worked, AND
- When you left employment, your employer did not promise you future employment, AND
- You will not be considered as having separated from service if you performed any work in any capacity for the same employer during the 90-day break.

Such a break is not required if you retired at age 65 or later (age 60 for police/PERSI firefighters).

If you qualified as an early retiree and returned to work for the same employer within 90 days, any pension benefit payments you received plus interest *must be returned* to PERSI.

In 2007, the Idaho Legislature passed HB 202 [Idaho Code 59-1356 (4)1] to allow retired certificated teachers and administrators under certain circumstances to receive PERSI retirement benefits while continuing to work:

- You must have retired as a certificated teacher or administrator, and be rehired in that same capacity.
- You would not be eligible for rehire under HB 202 if you received an Early Retirement Incentive Program (ERIP) award when you retired.
- You must have been age 62 or older when you retired.
- You must have retired with an unreduced benefit because you had either attained service retirement age (65) or met Rule of 90 at the time of your retirement.

*(This provision sunsets in July 2012)*

10) If you want someone to act on your behalf or want to allow PERSI to discuss your account with someone other than you, a signed and notarized **Power of Attorney (POA)** form must be on file with PERSI. Each PERSI office provides free notary service to members. A POA authorizes another person to make decisions, change your address, start or stop direct deposit, change your tax withholdings, and other similar actions relating to PERSI. A POA form is available on the PERSI website at [www.persi.idaho.gov](http://www.persi.idaho.gov).



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**NEW LOOK FOR PERSI WEBSITE:** The PERSI website will soon have a new look. Graphic elements have been used to tie the website more closely to those of other state agencies. A news ticker that streams updates is a new feature; it is eye-catching, but not so much it distracts from other parts of the home page. The layout won't be changing too much, so members who visited the PERSI website in the past should feel comfortable navigating the updated site.



[www.persi.idaho.gov](http://www.persi.idaho.gov)

## **PERSI INVESTMENT NEWS**

*as of March 25, 2011*

**Value of the Fund:**

**\$11,793,521,357**

**Fiscal Year Change in Market Value:**

**\$ 1,715,496,852**

**Fiscal Year-to-Date Returns:**

**18.0%**

**Month-to-Date Returns:**

**0.1%**

\*Posted monthly on PERSI Web site: [www.persi.idaho.gov](http://www.persi.idaho.gov)



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