

# **SRSRA NEWSLETTER**

For SRS Retiree Association Members

Ed Somers, Editor

Volume 51 February 2012

## **Annual Meeting – April 10, 2012**

### **INSIDE THIS ISSUE**

Chairman's Message	1	Treasurer's Report	7
Membership	2	SRSRA Medical Interface Committee	8
Opportunities for Retirees	2	Nomination Committee	8
Minutes of April 27, 2011 Annual Meeting	3	Weapons Complex Monitor Article	9
Update on Pending Benefits Changes	5	Senator Graham Letter to DOE	11
SRNS 1099-R Printing Error	5	SRS Activities	12
Error in 2012 Health Choice Decision Guide	6	BC/BS Service Concerns	15
Public Affairs	6	Benefits Contacts	15
Newsletter Mailing	7	SRSRA Membership Form	16
Board Meeting Dates	7		

### **CHAIRMAN'S LETTER**

Our focus continued to be on stopping the proposed changes to retiree medical benefits. The SRSRA's focus on utilizing the support of the CSRA congressional delegation bore significant fruit in December 2011 when we assisted in the preparation of a letter from US Senator Lindsay Graham to DOE Assistant Secretary David Huizenga (a copy of the letter is contained elsewhere in this newsletter). Our hope is that the letter will result in a Sen. Graham-sponsored meeting with DOE that will explore all possible resolutions to the issue. *The Weapons Complex Monitor*, a recognized international trade journal, carried an article about the SRS retirement benefits issue in a recent edition. The article is reprinted in this newsletter. The *Aiken Standard* carried a story on the issue on January 27, 2012.

Since our last newsletter, we have met with SRNS, DOE-SR and Sen. Jim DeMint's staff. Our meeting with SRNS included Mr. Dwayne Wilson, their new CEO. Mr. Wilson now clearly understands our position on the retiree medical benefits issue. Although we have been pressing the contractor and DOE for more information on the proposed changes, they are still in their process and are unwilling to share anything with us. Maybe we will hear more by the annual meeting.

Over the past several months I have talked with numerous SRSRA members and their particular personal situations. I am touched by the personal difficulties that the proposed retiree medical benefits changes will create. I feel that these personal stories represent an untouched resource that we could be using with our congressional delegations. I am therefore requesting, as a follow up to our letter campaign of last year, that you each call your Senator's/Congressman's local office to arrange an appointment for a local face-to-face meeting to explain your opposition to the proposed changes and the difficulties that the changes will cause you. I recognize that you will be meeting with a local staffer, but that is fine as your message will percolate up to Washington. By the sheer volume of requests for meetings and the personal face that your meeting will put on the issue, we hope to generate additional pressure on our elected officials to do something on our behalf.

If you live outside the CSRA, your meetings may have to start with an explanation of the issues, as the staffer

may not be familiar with them.

For those members who live in the CSRA, we are considering holding a training session for those members who need a little assistance prior to meeting with the staffer(s). If you would like to participate of this training session, please email us at [benefits@srsretirees.org](mailto:benefits@srsretirees.org) by February 29, 2012 so we can begin the planning.

I look forward to seeing all of you at our annual meeting on April 10, 2012.

David Zigelman, Chairman SRS Retiree Association.

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## **SRSRA 2012 ANNUAL MEMBERSHIP MEETING**

Tuesday, April 10, 2012

Please mark your calendar for the 2012 SRSRA annual meeting, to be held on Tuesday, April 10. It will be held at St. Angela's Hall of St. Mary's Church, 118 York St. in Aiken (same location as the 2011 meeting). Doors will open at 12:30 p.m. for registration, with the program to begin promptly at 1:30 p.m. That gives everyone plenty of time to register, catch up on their dues, meet up with old friends, and visit the exhibitor and retiree support tables before the program starts. Exhibitor tables will have representatives from Blue Cross/Blue Shield, Medicare, and the SRNS People Support Center just to name a few. During the business portion of the meeting, David Zigelman, our chairman, will provide a summary of the accomplishments of the SRSRA, and the path forward for 2012. We are making a special effort to keep the annual meeting program concise and relevant to this year's issues, in order to provide all attending members with timely and pertinent information. And of course, we will have the usual array of door prizes to conclude the program. Be on the lookout for a future notice reminding you of the annual meeting.

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### **MEMBERSHIP** - Larry Coleman, Membership Chairman

Last year's membership reached 1,255. To this point in 2012, our paid membership is almost 1,100. This is far ahead of any past year. If you haven't paid your dues for 2012, please do so now. We placed articles in area newspaper requesting retirees to join the association. We are asking for each of you to reach out to known retirees who may not yet be a member asking them to join.

Our strength is in our numbers; the larger our membership, the louder will be our voice as we fight to maintain our current retirement medical benefits.

To join SRSRA, please send your membership payment, along with an application form to SRS Retiree Association, PO Box 5686, Aiken, SC 29804. You can use the application provided at the end of this newsletter or access the form on our website at [www.srsretirees.org](http://www.srsretirees.org) and click on "Membership". You can also contact Larry Coleman, Membership Chairman, at 803-278-3977 for assistance or questions.

With your support we can really have an impact in protecting our future pension and benefits!

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## **OPPORTUNITY FOR RETIREES**

David Zigelman received an email from Dean Campbell, Manager of Public Affairs for SRR. Dean described an opportunity that SRR President Dave Olson and he discussed with the Dean of USC Salkehatchie in Allendale. The text of the email follows:

Dave Olson and I recently met with the Dean of USC Salkehatchie (USCS) in Allendale, and we discussed a variety of outreach efforts Savannah River Remediation is going to conduct with USCS. One of those initiatives we talked about with them might be a great opportunity for the SRS Retirees Association to reach out to students.

At our urging, USCS would like to sponsor a forum at the USCS campus in Allendale to discuss mentoring opportunities for aspiring engineers, chemists, biologists and mathematicians who are attending USCS. We believe the SRS Retiree Association's pool of potential mentors is very deep, and these students would benefit from some of your members experience and expertise. In other words, USCS could work with the SRS Retiree Association members who want to mentor, then the forum would help explain what mentoring is, why it's important, etc. Then, there would be a process to match a mentor with a student. There are details to be worked out, of course, but we wanted to gauge your interest.

Please let me know what you think about the SRS Retiree Association performing this type of outreach. If there is interest, SRR can help make the connection for you to move the ball down the field. I look forward to hearing from you.

Thanks,

Dean Campbell, Public Affairs Manager  
Savannah River Remediation”

If you are interested in participating in this mentoring program, please contact us at the address in the header (P.O. Box 5686, Aiken, SC 29804) or send an email to [membership@srsretirees.org](mailto:membership@srsretirees.org).

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## **DRAFT MINUTES OF THE APRIL 27, 2011 ANNUAL MEETING**

These are the draft meeting minutes of the April 27, 2011 Annual Meeting. These minutes will be submitted for approval to the full membership at the Annual Meeting on April 10, 2012.

### **Savannah River Site Retirees Association Annual Meeting April 27, 2011 at St. Angela Hall, Aiken, SC**

David Zigelman, Chairman of the Savannah River Site Retirees Association (SRSRA), called the meeting to order at 1:30 p.m. on April 27, 2011 at St. Angela Hall, Aiken, SC. David reviewed the agenda for the meeting and introduced Dr. David Moody, Department of Energy (DOE) Manager of Savannah River Operations (SROO), as the first guest speaker, who provided an overview his vision for the Savannah River Site (SRS).

The next speaker, Kelly Sanders, Savannah River Nuclear Solutions (SRNS) Benefits Manager, briefly addressed future benefits changes under consideration and answered questions from the audience. Chairman David Zigelman introduced Congressman Joe Wilson for his remarks. Zigelman then recognized audience special guests Garry Flowers, SRNS President and Chief Executive Officer (CEO), and Dave Olson, Savannah River Remediation (SRR) President and Project Manager.

A three-minute video, recorded by Senator Lindsey Graham, was played for the membership. Zigelman recognized those staff members of the Congressional delegation that were attending for their respective Congressional members. They included: Jennifer Hayes from Senator Saxby Chambliss' office, Billy Boylston from Congressman Jeff Duncan's office, Ian Headley from Senator Jim DeMint's office, and Nancy Bobbitt from Senator Johnny Isakson's office.

### **BUSINESS SEGMENT**

David Zigelman presented the "State of the SRSRA". He listed the four main activities of the SRSRA and addressed each of them individually: (1) protection of member retiree benefits, (2) servicing member needs, (3) effective communications with membership, and (4) support of current and future missions at SRS.

### **Election of Directors**

The next order of business was the election of new members for the SRSRA Board of Directors. The nominating committee presented the following slate of candidates:

Art Blanchard (Incumbent), Fred Cadek (Incumbent), Fred Cavanaugh (Incumbent), Larry Coleman (Incumbent), Ken Cooper (Incumbent), Don Green (Incumbent), Gail Jernigan (Incumbent), Nick Kuehn (Incumbent), Judy Maddox (Incumbent), Ellen Miller (Incumbent), Kent Sullivan (Incumbent), Jack Roberts (Incumbent), Joe Yanek (Incumbent), Rick Geddes, Bob Steitler, Matt Zimmerman (1-year term). A motion was made, seconded and passed to accept the slate by unanimous voice acclamation.

In the next order of business, a motion was made, seconded and passed to accept the proposed by-law changes, shown below:

- Remove Office of Second and Third Vice-Chairperson
- Emphasize the eligibility of all members to serve as committee members and specify how committees are formed
- Permit removal of persons from membership, Board of Directors (BOD), or office with a 2/3 vote of BOD.
- Correct typographical errors and provide minor clarification of meaning.

### **Financial Report**

The Treasurer's report was made available to everyone in attendance by hard copy. The report presented was as follows:

#### **March 1, 2010 Through March 31, 2011**

Presented by Stanley Smith, Treasurer

Opening Balance (3/1/2010)	\$49,419
Dues Income	\$17,078
Interest Income	\$284
Expenses	\$22,294
Closing Balance (3/31/2011)	\$44,847

A motion was made, seconded and passed to accept the Financial Report.

## **Prizes**

The business meeting concluded with the awarding of door prizes. David thanked Ben Bernau, Executive Director of the SRS Employees Association (SRSEA), for their donation of four special door prizes (\$100 gift card each) above and beyond the normal group of prizes. Winners were as follows:

- Four \$50 prizes: one each to Allen W. Wilson, John Burton, Mikell Powell, and Leonard E. Wilson.
- Five \$100 prizes: one each to Lee H. Kearse, Arthur Wiseman, Pat Walker, and Walter L. Glover and Elmer Wilhite.
- One \$300 prize to Doris Holt.
- Four \$100 gift cards from SRSEA: one each to Sandra Lawrence, Leon Hayes, Bruce Cameron, and Sarah Jones.

The meeting was adjourned at approximately 4:00 pm.

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## **SRNS / SRR UPDATE ON PENDING BENEFITS CHANGE** **(Reissue of the Article in Volume 50)**

The SRS prime contractors, Savannah River Nuclear Solutions (SRNS) and Savannah River Remediation (SRR), have agreed to provide the SRS Retirees Association with updates on the pending changes to our retiree medical benefits. The SRS Retirees Association Board of Directors does not agree with these pending changes and has been meeting with the contractors, the Department of Energy and our Congressional delegation to stop or delay the implementation of these changes. The article below has been provided to us by Kelly Sanders, SRNS Benefits Manager.

### **Retiree Medical Update**

The Health & Welfare Benefits Committees are moving forward with the proposed Retiree Medical changes as previously communicated and scheduled to be implemented January 1, 2013. The procurement process has begun to seek the best providers for our participants. Provider selection will be made in January / February time frame. Then the detailed Plan Design changes and retiree rates will be determined in Spring 2012 with communications scheduled for Summer and Fall 2012. In addition to the written communications that will go to all retirees eligible for the SRNS and SRR retiree medical and dental programs, an important component of the bids will be to include educational sessions for the retirees to explain the changes and ask questions.

Kelly Sanders, SRNS Benefits Manager

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## **SRNS 1099-R PRINTING ERROR**

SRNS sent the following email to the SRS Retiree Association. You should have received a second 1009-R from SRNS before the end of January.

“The Pensioner 1099 R forms were mailed out this week and we (SNRS) just discovered there was a formatting error with the printing. The State Income Tax Withholding is in the wrong field.

We (SRNS) will be reprinting and mailing out next week (still before the Jan 31st deadline), but we (SRNS) need the retirees to use the 2nd one if they are mailing in taxes, rather than using an online version --and to ensure they pick up the State Income Tax Withholding.

We (SRNS) are drafting a communication and a notice for your website. We (SRNS) will also post on our external website.”

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## **ERROR IN SRNS / SRR 2012 HEALTH CHOICE DECISION GUIDE FOR RETIREES AND SURVIVORS**

There is an error in the *SRNS and/or SRR 2012healthchoice Decision Guide to Enrollment for Retirees and Survivors*. On page 1, under the heading **Health Care Reform**, it says:

- **Lifetime Maximum** - The lifetime maximum for health care insurance has increased from \$1 million to \$1.25 million.

This was pointed out to us and SRNS by a member of our organization. Kelly Sanders, the SRSN Benefits Manager, clarified to us that: “The \$1.25 Million is an **Annual** Maximum and is not a lifetime maximum. This is in accordance with Health Care Reform for grandfathered plans.”

If you have any questions, contact the SRNS Benefits Solution Center at (803) 725-7772, or toll-free at (800) 368-7333, or send an email to [SERVICE-CENTER.@srs.gov](mailto:SERVICE-CENTER.@srs.gov)

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## **PUBLIC AFFAIRS** - Bob Hottel, Chairman

A position paper on changes to SRS retirees' medical benefits and the December 21 letter from Senator Lindsey Graham to DOE-EM that contained several questions on the potential changes were provided to the *Weapons Complex Monitor* (WCM), along with a request that they consider an article in the WCM outlining the retirees' concerns. A follow-up telephone call between a reporter from the WCM and members of our Board of Directors provided additional information, and the January 13 edition of the WCM contained an article outlining our position and concerns with the potential changes to the medical benefits. That article is printed later in this newsletter and has been linked to the SRS Retirees' Association Homepage [www.srsretirees.org](http://www.srsretirees.org).

Win a \$50 gas card!!

The Savannah River Site Retirees' Association (SRSRA) has teamed with the Savannah River Site Employees' Association (formerly known as and remembered by most retirees as the ORA) to award \$50 gas cards to SRSRA members. Funding for the awards is actually provided by the Savannah River Site Employees' Association, and the process of selection is administered by the SRSRA. There are three awards per month, and the awards began in August 2011. The winners are selected by random drawing from among those attendees at the last SRSRA Annual Meeting. Be sure to attend the 2012 SRSRA Annual Meeting in April and get your name in the hat!

In addition, there are three member's names embedded in each quarterly newsletter. The names are randomly drawn from the active membership roster, and those members have thirty days to claim a \$50 gas card by

contacting Bob Hottel, a member of the SRSRA Board of Directors, at 803-648-7721. So be sure to read the entire newsletter – it contains more than just good info!

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## **NEWSLETTER MAILING** - Ed Somers, Membership Communications

**Questions and comments related to the Newsletter may be addressed to Ed Somers, Newsletter Editor, at [edsomers@gforcecable.com](mailto:edsomers@gforcecable.com).**

If you have an active email address, please make sure that you add the email addresses **[newsletter@srsretirees.org](mailto:newsletter@srsretirees.org)** and **[communications@srsretirees.org](mailto:communications@srsretirees.org)** to the list of email addresses from which you will accept emails. We are now using an online email service to handle our email traffic. From the statistics we get, it appears that many of our email transmittals may not be getting through to all of our members because they are being blocked by the Internet Service Providers' servers.

If you have an active email address, or have changed your address recently and are not receiving SRSRA communications by email, please contact **[newsletter@srsretirees.org](mailto:newsletter@srsretirees.org)**. Our email program allows us to reach the vast majority of members more quickly with news. Other pluses are quicker distribution of the Newsletter and less cost of copying and mailing hard copies. Thanks to all of you who are receiving your Newsletter by e-mail.

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## **BOARD MEETING DATES, TIME AND LOCATION**

**The SRSRA Board of Directors meets at 2:00 p.m. in the Conference Room at Cumberland Village off Hitchcock Parkway and Route 421.** Any Retiree Association member may attend Board meetings and participate but may not vote on Board issues. If you ever plan to attend a meeting, be sure to contact a BOD member to confirm that the meeting date and time has not changed. **BOD meeting dates are listed on the website but are generally on the first Tuesday each month unless impacted by a holiday or special event.**

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## **TREASURER'S REPORT** - Stan Smith, Treasurer

This report covers the August 2011 through January 2012 period.

OPENING BALANCE	\$42,676
INCOME	\$10,600
EXPENSES	\$6,804
CLOSING BALANCE	\$46,472

The income includes \$1600 From the SRS Employee Association and is being distributed to Retiree Association members through monthly drawings in the form of three each \$50 gas cards each month. The remainder of the income is from membership dues. Approximately 50% of the expenditures were for various ads in CSRA newspapers and flyers posted in the SRS Credit Union to promote membership in the Association. Printing, mailing costs and supplies for the newsletter publication are among the major expense items. The closing balance includes \$27, 173 in CDs.

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**SRSRA MEDICAL INTERFACE COMMITTEE** - Rick Geddes

No news is good news! It has been a slow period for the Medical Interface Committee. We have received only one question (related to the shingles vaccination – see information posted on website) and no requests for assistance from our members over the past quarter or so.

It is a new year. Some things to remember and watch for are a restart of deductibles for both Medicare and Blue Cross/Blue Shield (including Caremark prescription coverage).

As discussed elsewhere in this newsletter, the SRSRA is working hard to preserve our medical benefits in the current or equivalent form. Our committee has no more information than the SRSRA as a whole regarding what our coverage will look like or cost in 2013. All we can all do is inform SRNS, DOE, and our politicians how important it is to all of us that the Site entities honor their commitment to those of us who served.

The Medical Interface Committee is ready to help you with any questions or problems you may have. Feel free to call me at (803)278-3842 or email me at [medicalinterface@srsretirees.org](mailto:medicalinterface@srsretirees.org) if you think we can help. You can also mail your question or request to me at Medical Interface Committee, P.O. Box 5686, Aiken, SC 29804-5686. In general, your first action regarding questions about your insurance coverage should be to call the Medicare or Blue Cross Customer Service numbers shown on the Medicare Summary Notice (MSN) or Blue Cross Explanation of Benefits (EOB). If you are unable to get a satisfactory explanation of the claim or would like us to examine the decision to see if we can be of assistance, we are here for you.

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**NOMINATION COMMITTEE** – Fred Cadek

**Interested in Serving on the SRSRA Board of Directors?**

Six current members of our Board of Directors have decided not to stand for re-election. At this point one member has agreed to run for one of the open positions. We are looking for at least five more members to join us on the Board of directors. Each year at the SRSRA Annual Membership Meeting in April, fifteen members of the Board of Directors (BOD) are elected. Serving on the Board requires attendance at the monthly BOD meeting and a few more hours per month serving on two subcommittees. This is an opportunity to assist fellow retirees with our primary goal to preserve retiree medical and pension benefits. Anyone interested in being considered for nomination to the BOD at the next April 2012 election, please contact Fred Cadek, Chairman of the Nomination Committee at [ffcadek@gforcecable.com](mailto:ffcadek@gforcecable.com).

Congratulations to John Church!! You have been randomly selected to receive a \$50 gas card, courtesy of the SRS Employees' Association and the SRS Retirees' Association. You have thirty days to claim this award by contacting Bob Hottel at 803-648-7721 or [abhottel@bellsouth.net](mailto:abhottel@bellsouth.net). Please confirm your home address when you contact Bob.

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## **WEAPONS COMPLEX MONITOR ARTICLE ABOUT CHANGES TO SRS RETIREMENT MEDICAL BENEFITS**

This is a reprint of an article in the January 13, 2012 Edition of Weapons Complex Monitor concerning the proposed changes to retiree medical benefits at SRS. It is reprinted with their permission.

### **AT SAVANNAH RIVER . . . PROPOSED RETIREE BENEFIT CHANGES PROMPT CONCERN**

Protests from Savannah River Site retirees on proposed changes to health benefits have intensified in recent months, attracting the attention of South Carolina's Congressional delegation. The Savannah River Site Retirees Association (SRSRA) has been fighting changes under consideration by the site's contractors first announced last March. Those plans, which would go into effect at the start of 2013, would drop retirees from the site's standard health plan and instead provide them an unspecified stipend to partially pay for individual health coverage. However, retirees say that at the time of retirement they were promised more complete health coverage. SRSRA eventually turned to Sen. Lindsey Graham (R-S.C.) after the group made little progress in regular meetings the contractors and DOE over the course of months. "Basically, we've gotten not much information at all. This is one of the reasons we went and asked the Senator to push a little harder on this," SRSRA Vice Chair Andy Cwalina told WC Monitor. SRSRA is advocating for all current retirees to be grandfathered in to any changes so that they continue to receive the benefits they were promised at the time of retirement. As an alternative, current employees could be offered different benefits upon retirement, such as market-based coverage that would involve a stipend so retirees could purchase their own plans. "Eventually we understand that the Department of Energy has to reduce their liabilities, future liabilities. What we'd like to see them do is move it towards that market-based approach but not just do it all of a sudden," Cwalina said.

### **Sen. Graham Requests Meeting on the Issue**

Graham sent a letter late last month to acting Assistant Energy Secretary for Environmental Management Dave Huizenga requesting that Huizenga assemble a meeting between SRS managing contractor Savannah River Nuclear Solutions, DOE officials and the retiree association. The purpose would be "to explore the possible benefit reform options that do not unduly burden SRS retirees, yet allow SRS to continue its important mission while reducing the financial liabilities to the United States." The letter adds, "All options should be put on the table including a deliberate, but tolerable, movement toward a more market-based benchmark for health care programs." Graham's office said this week that it has not yet heard back from DOE on the issue. EM did not respond to requests for comment this week on if or when a meeting would take place, and SRNS declined to comment until after DOE responds to Graham's letter. Graham's letter details a list of eight questions that should be addressed at a future meeting, many of which SRSRA says it has been pushing for answers on:

- Have DOE and the contractor finalized changes to the health care plan for incumbent retirees;
- What would be the retiree's share of supplemental Medicare coverage or the value of health reimbursement account deposits;
- What are projected legacy costs of health care benefits for retirees within DOE and SRS and is there a projected shortfall in the ability to pay those benefits;
- Have DOE and the contractors considered allowing retirees to maintain current coverage, and;
- How does the new benefit package compare to other retiree health plans in DOE's weapons complex?

### **Contractors: Change ‘Necessary for Overall Health’**

Savannah River contractors first announced proposed changes to benefits in a letter to former and current employees sent out on March 15, which said they came about as a result of a benefits valuation study taking place every two years. “Change is never easy and often difficult to accept and understand – but necessary for the overall health of our benefits program. We will continue to keep you apprised of the status of the changes that are under consideration,” the letter states. “We anticipate finalizing the proposed changes in the next few months and will be able to communicate in more detail as we get closer to the effective dates for the changes.” An SRNS time line for implementation published soon after the letter called for release of requests for proposals on new benefits plans by late November 2011, and an identification of finalists by Jan. 31. The plan design, rates and company contributions were expected to be finalized in June and July 2012 with the new plans going live at the start of 2013. The SRSRA estimates that 5,000 to 6,000 retirees could be affected by the changes, though the contractors have not made that number public. The association says that studies estimate future liabilities for benefits to total about \$4 billion, and SRSRA believes about one-fourth of that would be affected by the proposed changes. “Retiree health care benefits are an infinitesimal contributor to the benefits valuation study and the proposed changes will have a negligible effect on the results of the study,” an SRSRA position paper states. The association has vowed to continue lobbying South Carolina’s Congressional delegation on the issue. “There are a lot of people who have left the site back after the end of the cold war when there was one early retirement package after the next. People were encouraged to retire, that would help the peace dividend and so forth, and everybody went out with the understanding that they would have these sorts of health benefits for the rest of their life,” Cwalina said. “Contractually, there is no leg to stand on because almost every company in the United States has fine print on the bottom of their policy manual that says we reserve the right to retract any of our promises. But in the spirit of the debt of gratitude to us cold war warriors we feel they should honor those advertised promises.”

Congratulations to James Hardin!! You have been randomly selected to receive a \$50 gas card, courtesy of the SRS Employees' Association and the SRS Retirees' Association. You have thirty days to claim this award by contacting Bob Hottel at 803-648-7721 or [abhottel@bellsouth.net](mailto:abhottel@bellsouth.net). Please confirm your home address when you contact Bob.

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## **LETTER FROM SENATOR GRAHAM TO DOE CONCERNING PROPOSED CHANGES TO SRS RETIREE MEDICAL BENEFITS**

This is a reprint of the text of the letter that Senator Graham recently sent to Dave Huizenga, Acting Assistant Secretary for the Office of Environmental Management concerning proposed changes to our medical benefits.

December 21, 2011

The Honorable Dave Huizenga  
Acting Assistant Secretary for the Office of Environmental Management  
The Department of Energy  
Forrestal Building  
1000 Independence Avenue, SW  
Washington, DC 20585 -0800

Dear Secretary Huizenga:

I understand the current Management and Operations (M&O) contractor at SRS is considering significant changes to the SRS retiree Health Benefits program. Numerous retirees have been in contact with my office, both on an individual basis and collectively as represented by the Savannah River Site Retirees Association (SRSRA). They are fearful that potential changes could lead to adverse personal financial impacts, especially for the much older retirees who have minimal pension benefit. At the same time, I understand that the increasing legacy liabilities to the government potentially have a very real impact on the important work at the Savannah River Site (SRS).

I request that you assemble a meeting to include knowledgeable personnel and the appropriate decision-makers from the Department of Energy (DOE), the SRS M&O Contractor, and the SRSRA to explore the possible benefit reform options that do not unduly burden SRS retirees, yet allows SRS to continue its important mission while reducing the financial liabilities to the United States taxpayer. All options should be put on the table including a deliberate, but tolerable, movement toward a more market-based benchmark for health care programs.

Based upon my review of the subject matter, I believe several questions need to be addressed as part of the process to reach the desired outcome of this meeting:

- Has DOE/the contractor finalized the proposed changes in the health care plan for incumbent SRS retirees? If so, what is the schedule for implementation of these changes? If not, when does the contractor expect to finalize the proposal and is there opportunity for additional input from retirees regarding plan changes?
- What do current retirees pay (both as a percentage and a dollar amount) toward their health plans versus current employees? What would this comparison look like under the proposed changes? Have changes been made in previous years that would affect the benefits of those who are retiring now and in the future? How do these benefits compare to current retirees?
- In the analysis you have conducted, how have retiree medical costs been compared to current worker medical costs? Did this analysis lead you to believe that these retirees could assume a larger responsibility for paying for their medical care? Did retirement incomes factor into this analysis? How is the Ben/Val Study consultant's recommendation to exclude incumbent retirees from comparison studies for new hires being handled by DOE?
- How does the existing health care benefit package for SRS retirees compare to other retiree health care plans in the DOE weapons complex? Have other DOE site retirees had their health care benefits adjusted in similar ways to those being proposed in this instance? How will the new benefit package compare to the plans of the retirees at the various DOE sites after it is fully implemented?

- What is the projected legacy cost of health care benefits for retirees within DOE? SRS? How are these commitments funded? Is there a projected shortfall in the ability to pay current health benefits? How do the legacy health care costs at SRS compare to other DOE facilities? How do these legacy costs impact current and future missions at the site? What are the expected reductions in legacy liabilities resulting from the proposed changes to health care benefits for SRS retirees?
- Has DOE/the contractor considered any options that would allow current retirees to maintain their current health coverage?
- DOE/the contractor has suggested moving retirees into a Medicare Advantage or Medicare supplement plan (via health reimbursement account) funded at least partially by the contractor and changing cost sharing requirements in the health plan for those who are not Medicare eligible. How would the proposals be implemented? Would they be phased in over a number of years or all at once? Are the proposed changes of a similar actuarial value to retirees' current health insurance?
- Would you please specify which benefits/costs you intend to modify as well as the retiree share of the supplemental Medicare coverage or the value of the health reimbursement account deposit? Would the deposit amount grow from year to year based on inflation?

I hope that by convening a meeting between the affected parties and other members of the delegation a reasonable outcome can be achieved. Please let my office know when this meeting can occur. I thank you for your consideration of this request.

Sincerely,

Signed

Lindsey O. Graham  
United States Senator

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## **SRS ACTIVITIES (INCLUDES DOE, SRNS AND SRR)**

### **Saltstone Processes 10 Million Gallons of Waste**

Savannah River Remediation has reached a new milestone: 10 million gallons of low-level radioactive salt waste has now been processed through the Saltstone facilities. The landmark processing total was reached October 14, 2011, encompassing processing operations for over 21 years.

Since beginning operations on June 12, 1990, the Saltstone facilities have safely received, treated and disposed of low-level radioactive liquid salt wastes produced and stored at SRS and are vital in Savannah River Remediation's mission to operationally close hazardous waste tanks.

SRS is the only site within the U.S. Department of Energy complex to process and permanently disposition salt waste from waste tanks.

### **DWPF Melter 4 Vessel, Frame Arrive Ahead of Schedule, On Budget**

The vessel and frame assembly of the next Defense Waste Processing Facility (DWPF) melter was received recently at a site near Savannah River Site, completing a significant procurement and delivery milestone for Savannah River Remediation.

Melter 4 vessel and frame assembly will be stored at the Energy Solutions plant in Barnwell while refractory bricks and necessary components are added. The assembly of melter 4 vessel and the associated components is targeted for completion in 2014.

Melter 2 has been in service at DWPF since 2003 and is operating beyond its life expectancy, which is two years for a melter. Melter 3 is in storage waiting its turn.

### **Savannah River Remediation Ends Fiscal Year 2011 with Record Setting Safety, Production**

Savannah River Remediation, surpassed safety and waste production records at its liquid waste facilities during Fiscal Year 2011 as it continues its mission to operationally close SRS's hazardous waste tanks.

SRR achieved more than 6 million hours of work without a day away from work due to an injury. SRR construction employees have worked 24 million hours without a day away from work due to an injury. During the two-year American Recovery and Reinvestment Act (ARRA) program, ARRA employees worked 1.5 million without a day away from work due to an injury.

Congratulations to Gerald Malloy!! You have been randomly selected to receive a \$50 gas card, courtesy of the SRS Employees' Association and the SRS Retirees' Association. You have thirty days to claim this award by contacting Bob Hottel at 803-648-7721 or [abhottel@bellsouth.net](mailto:abhottel@bellsouth.net). Please confirm your home address when you contact Bob.

### **SRNL Honored for Japan Support**

U.S. Secretary of Energy Steven Chu honored Savannah River National Laboratory as part of a team of Department of Energy offices and National Laboratories that responded to the Japanese earthquake and its aftermath. SRNL's Dr. Daniel McCabe was a member of the Japan Earthquake and Tsunami Disaster Response Team, which received the Secretary's Achievement Award during the Secretary's Honors Awards ceremony.

Teams of employees from the National Nuclear Security Administration, Office of Nuclear Energy and Office of Science were assembled to assess the consequences of the releases of radiation from the damaged nuclear power plants; provide technical analysis and advice to U.S. and Japanese Government officials to support immediate decision-making and longer term stabilization planning; and conduct extensive technical analyses in support of potential mitigation and recovery strategies.

The response teams' provided real time information to those at the highest levels of the U.S. Government who were making decisions that would impact the health and safety of U.S. citizens in Japan, as well as to the Government of Japan.

As a member of the Japan Response Team, Dr. McCabe provided input on options for storage, treatment, and disposal of contaminated water in the reactor and surrounding facilities. Reducing the radiation dose to personnel from the water and avoiding environmental releases were key safety concerns in the immediate aftermath of the reactor damage. Because of the urgency of the situation, providing rapid assessments and communicating current experience were important to aid in identifying treatment and disposal options. With over twenty years of remediation experience, Dr. McCabe was able to provide information regarding the potential applicability of several technologies to mitigate the safety concerns.

In addition to SRNL, team members included personnel from Argonne National Laboratory, Idaho National Laboratory, Los Alamos National Laboratory, Oak Ridge Institute for Science and Education, Oak Ridge National Laboratory, Pacific Northwest National Laboratory, Sandia National Laboratory, and RSL.

The Japan Response Team was one of nine teams receiving this year's Secretary's Achievement Award, which is the highest non-monetary recognition for groups or teams of DOE employees and contractors.

### **Savannah River Site 2012 Outlook: Transuranic Waste Program Set to Safely Reach Milestone**

The Savannah River Site is scheduled to achieve a milestone by completing processing of 5,000 cubic meters of legacy transuranic (TRU) waste for shipment to a safe, permanent disposal facility. A large portion of that waste a byproduct of nuclear defense program research and weapons production has already been shipped to the Waste Isolation Pilot Plant in New Mexico. The site will continue shipments until the remaining inventory is removed. Following the scheduled completion of processing the 5,000 cubic meters of TRU waste later this year, only 200 additional cubic meters of TRU waste will remain at SRS for treatment. "This means that over 95 percent of our legacy TRU waste will soon be gone from South Carolina for long-term storage at the DOE Waste Isolation Pilot Plant in Carlsbad, New Mexico, leaving a very small amount that will require some special treatment" said David Moody, DOE's Savannah River Operations Office Manager.

### **New Mission Takes Shape**

A new SRS mission involves use of a previously unused portion of H Canyon to process and repackage plutonium (Pu) oxide. Most of the Pu oxide in the U.S. has been consolidated at SRS and will eventually go to U.S. commercial power reactors in the form of new fuel rods. However, the relatively small percentage of Pu oxide at SRS without the properties needed for use as commercial reactor fuel will be packaged in rigorously tested containers for shipment to WIPP by SRNS Solid Waste personnel in 2012. "Over 100 of these specially designed metal containers, known as Pipe Overpack Containers, or POCs, have already been loaded with Pu oxide," said Gilmour. "H Canyon has enough Pu oxide to safely fill approximately 600 of these new containers during the current campaign and potentially thousands in the future."

According to Gilmour, once the project moves to full-production mode next year, he expects to see two to three shipments of unusable Pu oxide leave the site each week, bound for WIPP. Each truckload of waste will contain 35 POCs.

### **New Mission for H Canyon**

Excess plutonium in the U.S. has been consolidated at SRS and is currently stored within a highly secure structure at the site. This plutonium will eventually be processed at the site's Mixed Oxide Facility (MOX), which is currently under construction. The MOX production process will remove impurities from the stored plutonium and mix it with uranium oxide to form MOX fuel pellets for reactor fuel assemblies. When operational, this facility will be capable of turning 3.5 metric tons of plutonium into reactor fuel assemblies annually. Studies are underway to determine the optimum means to supply the feedstock to the MOX.

According to Savannah River Nuclear Solutions H Canyon Facility Manager Mike Lewczyk, H Canyon and HB-Line, which is a sister facility also located in H Area, are scheduled to soon begin dissolving and purifying a quantity of the stored plutonium to demonstrate the capability of producing oxide material that meets MOX feedstock specifications. This new mission for H Canyon, once under way, will produce approximately one metric ton of acceptable plutonium oxide annually after an initial two-year period during which production levels increase. The scope of this mission is expected to be completed in five years and will provide the initial feedstock for MOX.

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## **BC/BS SERVICE CONCERNS**

We receive letters from retirees trying to get proper Blue Cross/Blue Shield reimbursement for their medical bills. Most of the problems occur when the retiree/patient lives out-of-state (i.e., no longer in SC). If you have records of BC/BS service problems to share with SRSRA members, please **send a letter outlining your case to both:**

**Rick Geddes, Medical Benefits Committee**  
**SRS Retiree Association**  
**P.O. Box 5686**  
**Aiken, SC 29804**

**Kaye Bozeman, Major Service Representative**  
**I-20 at Alpine Road AV-100**  
**Columbia, SC 29219**

or e-mail your information to: **KAYE.BOZEMAN@bcssc.com**, or Fax: 1-803-264-9353. You can also call Gari Howard, your BC/BS service representative, toll-free at (800) 868-2500, ext. 45805. As a last resort, you can call Kaye Bozeman at 800-288-2227, extension 44452 or 803-264-4452.

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## **BENEFITS CONTACTS**

**Benefits Service Center (a one-stop service for most HR and payroll activities and questions).**

- ◆ **803-725-7772 (local area SC and GA)**
- ◆ **800-368-7333 (long distance)**
- ◆ **service-center@srs.gov (e-mail contact for this new service)**

- ◇ **Internal Medicine Partners** 706-792-5075  
(Annual Physical Examinations)
- ◇ **SRNS/SRR Savings Plan** 866-288-3257  
[www.ibenefitcenter.com](http://www.ibenefitcenter.com)
- ◇ **Westinghouse Corp. Pension** 800-581-4222

- ◇ **Blue Cross/Blue Shield of SC**  
800-325-6596  
[www.southcarolinablues.com](http://www.southcarolinablues.com)  
Option 1 for Medical  
Option 2 for Dental  
Option 3 for Pre-Cert/Med Authorization
- ◇ **Medicare Helpline** 800-633-4227
- ◇ **Medicare Web Site** [www.medicare.gov](http://www.medicare.gov)
- ◇ **Pre-Certification for Mental Health / Substance Abuse** 800-868-1032

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## Savannah River Site Retiree Association Membership Application

\_\_\_\_\_ I want to RENEW my membership in the SRSRA  
(...and I am willing to serve on the Board of Directors) \_\_\_\_\_ Yes \_\_\_\_\_ No

\_\_\_\_\_ I want to JOIN the SRSRA  
(...and I am willing to serve on the Board of Directors) \_\_\_\_\_ Yes \_\_\_\_\_ No

\_\_\_\_\_ My spouse is also retired from SRS and wants to JOIN the SRSRA  
(...and my retired SRS spouse is willing to serve on the Board of Directors) \_\_\_\_\_ Yes \_\_\_\_\_ No

\_\_\_\_\_ I am the surviving spouse of an SRS retiree and wish to JOIN/RENEW my membership in the SRSRA  
(...and I am willing to serve on the Board of Directors) \_\_\_\_\_ Yes \_\_\_\_\_ No

### Annual Dues:

#### Current Year

\_\_\_\_\_ \$15 for Retiree  
\_\_\_\_\_ \$0 for Retiree's Spouse (also retired from SRS)  
\_\_\_\_\_ \$5 for Retiree's Surviving Spouse

#### Next Year

\_\_\_\_\_ \$15 for Retiree  
\_\_\_\_\_ \$0 for Retiree's Spouse (also retired from SRS)  
\_\_\_\_\_ \$5 for Retiree's Surviving Spouse

SRS RETIREE NAME \_\_\_\_\_

SRS Retired or Surviving SPOUSE'S NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_ TELEPHONE \_\_\_\_\_

SRS RETIREE RETIRED FROM: SRNS \_\_\_\_\_ WSRC/SRR \_\_\_\_\_ BSRI \_\_\_\_\_ BWXT-SRC \_\_\_\_\_ BNFL-SRC \_\_\_\_\_ OTHER \_\_\_\_\_

SPOUSE RETIRED FROM SRS: SRNS \_\_\_\_\_ WSRC/SRR \_\_\_\_\_ BSRI \_\_\_\_\_ BWXT-SRC \_\_\_\_\_ BNFL-SRC \_\_\_\_\_ OTHER \_\_\_\_\_

SRS RETIREE: DATE OF RETIREMENT \_\_\_\_\_ E-MAIL ADDRESS \_\_\_\_\_

SRS RETIRED OR SURVIVOR SPOUSE: DATE OF RETIREMENT \_\_\_\_\_ E-MAIL ADDRESS \_\_\_\_\_

Return to: **SRS Retiree Association**  
**P. O. Box 5686**  
**Aiken, SC 29804**  
**Attn: Larry Coleman, Membership Chairman**