

## Issue 2008-11 — November, 2008

### Notices

#### **Korea Retirees' Schedule of Events**

**Nov 8 – USAG-Daegu hosts the fourth annual Retiree Appreciation Day**

**Nov 11 – Veterans Day holiday, Military Retiree Assistance Office is closed**

**Nov 11-12 – USAG-Daegu RSO Office will be open Tues 0800-1600 and Wed 0800-1200**

**Nov 18-19 – USAG-Yongsan RSO Office will be open 0900-1500**

**Nov 25-26 – USAG-Daegu RSO Office will be open Tues 0800-1600 and Wed 0800-1200**

**Nov 25-26 – USAG-Yongsan RSO Office will be open 0900-1500**

**Nov 27-28 – All military retiree offices are closed**

#### **Tax Information**

First, if you did not file for/receive a Stimulus Payment when filing your 2007 tax return, you can file for the Stimulus Payment with your 2008 tax return.

Second, I've reminded retirees before and I'll remind the retirees again: You must file a federal income tax return each year, even when you live outside the United States. By not filing timely tax returns, you are causing serious problems for your survivors. I recently sent a request to the Defense Finance and Accounting Service requesting 1099-Rs for 1994-2007 for a deceased retiree, the last being the year in which the retiree died. The widow of this retiree received a bill from the Internal Revenue Service of more than \$102,000 in taxes, interest and penalties. The widow has been stressed about the possibility of having to sell a house in the States – that she had planned to return to – in order to pay the tax bill. And I have the headache of trying to find a way to work with the IRS to allow her to keep it.

If you find yourself in the situation of having to file tax returns for past years, I can help. But I can only help if I know there's a problem, and that's your part of the deal. Call me at 031-663-0319, or e-mail [mrao@rao-osan.com](mailto:mrao@rao-osan.com). It's no picnic for me to help a widow file a tax return for the year in which her husband died only to get her in trouble with the IRS because of her late husband's failure to file in previous years. She starts receiving threatening letters from the IRS that just adds to the burden of her loss.

*Military Retiree Assistance Office*

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This week the [Department of Veterans Affairs] VA announced a \$364.9 million contract to build a long-awaited new medical facility in Las Vegas by September 2011. The project represents the largest construction contract ever awarded by VA.

When completed, the 790,000 square-foot facility will support 90 inpatient hospital beds and state-of-the-art clinical services needed for a modern medical center.

The medical center, which will be part of VA's Southern Nevada Health Care System, will provide medical, surgical and mental health care, as well as ambulatory care facilities. It will meet the needs of a growing Las Vegas area veterans population with a full-service facility providing radiology, magnetic resonance imaging, nuclear medicine, pharmacy, laboratories, education, and diagnostic and treatment clinics.

The new hospital, separate nursing home and ancillary structures will be located on a 150-acre campus in North Las Vegas near Nellis Air Force Base on an undeveloped parcel of land transferred from the Bureau of Land Management.

The new facility supplements existing inpatient services for Nevada's estimated 246,000 veterans in facilities at Reno and in shared space at Nellis Air Force base. VA also operates 10 outpatient clinics in Nevada, four of them in Las Vegas.

In fiscal year 2007, VA provided 5,467 inpatient admissions and 690,036 outpatient visits in these existing facilities.

*NAUS Weekly Update, Oct 3*

**Physical Activity Guidelines**

The federal government issued Tuesday [Oct 7] its first-ever Physical Activity Guidelines for Americans. The guideline describes the types and amounts of physical activity that offer substantial health benefits to Americans.

[The National Association for Uniformed Services] NAUS has always encouraged members to pursue the advantages of a healthy lifestyle by taking an active role in their health care decisions. That includes knowing what types of and amount of physical activities best suited for you. If you've got a few moments, check out the new recommendations at **Physical Activity Guidelines**.

## *NAUS Weekly Update, Oct 10*

### **Combat Veteran Healthcare Benefit**

Combat veterans who were discharged or released from active service on or after Jan. 28, 2003, are eligible to enroll in the [Department of Veterans Affairs] VA healthcare system for 5 years from the date of discharge or release. Combat veterans who were enrolled under the prior 2-year limitation will be placed back in the priority for combat veterans for 5 years beginning on the date of their discharge or release from active service. The fiscal year 2008 defense authorization bill directed this change. Additional information is available at the nearest VA medical facility or by calling the VA Health Benefit Service Center toll free at (877) 222-8387.

## *NAUS Weekly Update, Oct 10*

### **Posttraumatic Stress Disorder**

The Department of Veterans Affairs (VA) is amending its adjudication regulations regarding service connection for posttraumatic stress disorder (PTSD) by eliminating the requirement of evidence corroborating occurrence of the claimed in-service stressor in claims in which PTSD is diagnosed in service. This amendment is necessary to facilitate the proof of service connection in such claims. By this amendment, we intend to reduce claim-processing time for such claims.

**Effective Date:** This interim final rule is effective October 29, 2008. Comments must be received by VA on or before November 28, 2008. VA will apply this interim final rule to claims pending before VA on the effective date of this rule, as well as to claims filed after that date.

Written comments may be submitted through [www.Regulations.gov](http://www.Regulations.gov); by mail or hand delivery to the Director, Regulations Management (02 REG), Office of the General Counsel, Department of Veterans Affairs, 810 Vermont Ave., NW., Room 1068, Washington, DC 20420; or by fax to (202) 273-9026. Comments should indicate that they are submitted in response to "RIN 2900-AN04 - Posttraumatic Stress Disorder."

The Secretary of Veterans Affairs has the authority to prescribe regulations governing the nature and extent of proof and evidence required to establish entitlement to benefits. 38 U.S.C. 501(a)(1). Under 38 CFR 3.303(a), one of the ways that service connection of a disability may be established is by **affirmatively showing inception or aggravation during service of a disease or injury that resulted in that disability.**

However, in order to establish service connection for PTSD in cases in which a veteran **did not engage in combat with the enemy or was not a prisoner of war, current 38 CFR 3.304(f) requires:**

1. Medical evidence diagnosing PTSD;
2. medical evidence establishing a link between a veteran's current symptoms and an in-service stressor; and
3. credible supporting evidence that the claimed in-service stressor occurred.

The longstanding requirement in § 3.304(f) of credible supporting evidence that the claimed in-service stressor occurred is based on the American Psychiatric Association's Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition (1994) (DSM-IV), to which a diagnosis of a mental disorder must conform. 38 CFR 3.304(f) and 4.125(a). According to DSM-IV at 427, the first diagnostic criterion for PTSD is:

The person has been exposed to a traumatic event in which both of the following were present:

1. The person experienced, witnessed, or was confronted with an event or events that involved actual or threatened death or serious injury, or a threat to the physical integrity of self or others
2. The person's response involved intense fear, helplessness, or horror.

The symptoms of PTSD "usually begin within the first 3 months after the trauma, although there may be a delay of months, or even years, before symptoms appear." DSM-IV at 426.

Given the delay that may occur between the occurrence of a stressor and the onset of PTSD and the subjective nature of a

person's response to an event, VA concluded, when it first promulgated § 3.304(f) in 1993, that it is reasonable to require corroboration of the in-service stressor, a conclusion with which the United States Court of Appeals for the Federal Circuit agreed. 58 FR 29109 (1993); Nat'l Org. of Veterans' Advocates, Inc. v. Sec'y of Veterans Affairs, 330 F.3d 1345, 1351-52 (Fed. Cir. 2003). Also, according to DSM-IV at 424-25, a "person commonly makes deliberate efforts to avoid thoughts, feelings, or conversations about the traumatic event \* \* \* and to avoid activities, situations, or people who arouse recollections of it. \* \* \* This avoidance of reminders may include amnesia for an important aspect of the traumatic event." We believed that it was reasonable for § 3.304(f) to require corroboration of the occurrence of the stressor in order to substantiate aspects of the event that a veteran may not remember.

However, VA has found, based on claims submitted since September 11, 2001, that service members are increasingly being diagnosed with PTSD while still in service, rather than after discharge from service. The increased incidence of in-service diagnoses of PTSD is attributable to advances in medicine and increased monitoring of service members' mental health by the service departments. Given the ability to more quickly diagnose PTSD and the proximity between an in-service diagnosis of PTSD and the claimed occurrence of the stressor, VA no longer believes it is necessary to require evidence corroborating occurrence of the stressor in claims based on an inservice diagnosis.

We are therefore amending § 3.304(f) to relax the requirements for establishing service connection for **PTSD that was diagnosed in service**>. We are adding a new paragraph, which provides that, if the evidence shows that the veteran's PTSD was diagnosed during service and the claimed stressor is related to that service, in the absence of clear and convincing evidence to the contrary, and provided that the claimed stressor is consistent with the circumstances, conditions, or hardships of the veteran's service, the veteran's lay testimony alone may establish the occurrence of the claimed in-service stressor. We believe that this change will contribute to faster processing of PTSD claims by eliminating the need for VA to develop evidence of occurrence of the in-service stressor in claims in which the veteran's PTSD was diagnosed during service.

**For claims based on a post service diagnosis of PTSD, we will continue to require credible supporting evidence of the occurrence of the claimed in-service stressor.** The U.S. Court of Appeals for Veterans Claims (CAVC) has held that VA is "not bound to accept [the claimant's] uncorroborated account" of a stressor or a "social worker's and psychiatrist's unsubstantiated \* \* \* opinions that the alleged PTSD had its origins in appellant's [military service]." *Wood v. Derwinski*, 1 Vet. App. 190, 192 (1991). Further, the CAVC stated that VA "is not required to accept doctors' opinions that are based upon the appellant's recitation of medical history." *Godfrey v. Brown*, 8 Vet. App. 113, 121 (1995). A post-service diagnosis of PTSD is often based on a claimant's personal account of a stressful event that may have occurred many years before the doctor's examination. In order to ensure a competent and credible diagnosis of PTSD, there must be corroboration of the claimed in-service stressor. This standard is the same as that generally applied by VA when a post-service diagnosis of a disability is allegedly due to an injury incurred or disease contracted during service.

Also, we are eliminating the hyphen in the term "post-traumatic stress disorder" in § 3.304(f) to reflect current medical terminology.

In accordance with 5 U.S.C. 553(b)(3)(B), the Secretary of Veterans Affairs finds that there is good cause to dispense with the opportunity for prior comment with respect to this rule, which eliminates the need for evidence to corroborate the occurrence of a stressor in claims in which a veteran was diagnosed with PTSD during service. The Secretary finds that it is impracticable, unnecessary, and contrary to the public interest to delay this regulation, which will speed up processing of PTSD claims, for the purpose of soliciting prior public comment because the regulation relieves an unnecessary proof requirement for certain veterans disabled by service connected PTSD who need VA benefits as soon as possible to compensate for loss in wage-earning capacity. For the foregoing reasons, the Secretary of Veterans Affairs is issuing this rule as an interim final rule. The Secretary of Veterans Affairs will consider and address comments that are received within 30 days of the date this interim final rule is published in the Federal Register.

*Department of Veterans Affairs, 38 CFR Part 3, RIN 2900-AN04, Oct 29*

## Pay Matters

### Most Medicare Premiums Frozen

The good news: Medicare announced this week that the January 2009 Part B premiums and annual deductible (\$135) will remain at the current 2008 rates. This one-time relief from annual premium increases was possible because of an accounting change that shifted a piece of the Medicare budget from Part B (doctor visits) to Part A (hospital treatment).

The mixed news: Income thresholds for imposing higher, means-tested premiums will rise about 3.7% (from \$82,000 to \$85,000 for an individual). That will ease the impact of the continuing phase-in of means-tested premium increases for certain higher-income Medicare-eligibles. But individuals with adjusted gross incomes above \$85,000 (\$170,000 for a married couple) will still see a Part B premium increase in 2009. The bad news: The Part A (hospital care) annual deductible will be \$1,068, an increase of \$44. That covers beneficiaries' costs for the first 60 days of a Medicare-covered hospital stay, with patients facing daily co-pays beyond that point.

Below is a handy chart for the Part B premiums.

Income		Your Monthly Cost	Your Share of Total Cost
Individuals	Married Couples	2009	2009
Under \$85,000	Under \$170,000	\$96.40	25%
\$85,001 - \$107,000	\$170,001 - \$214,000	\$134.90	35%
\$107,001 - \$160,000	\$214,001 - \$320,000	\$192.70	50%
\$160,001 - \$213,000	\$320,001 - \$426,000	\$250.50	65%
Above \$213,000	Above \$426,000	\$308.30	80%

*MOAA News Exchange, Oct 8*

#### **DFAS Begins Adjudication of Expanded CRDP Eligibility**

Beginning Oct. 1, Section 642 of the 2008 National Defense Authorization Act expanded the eligibility requirements for the Concurrent Retirement Disability Payment, or CRDP.

Retirees who were rated by the Department of Veterans Affairs as individually unemployable, or IU, and are receiving VA disability compensation as a result of IU status, are eligible to receive full concurrent receipt of both their VA compensation and retired pay.

This section of the 2008 NDAA is retroactive to Jan. 1, 2005.

The Defense Accounting and Finance Center will begin paying approximately 40,000 veterans their fully restored retired pay beginning Nov. 3. The November payday reflects their October entitlement. Eligible Airmen will see their fully restored retired pay reflected on their Retired Account Statement available on myPay at <https://mypay.dfas.mil>.

The law also provided for a retroactive payment back to January 2005, if applicable. DFAS is beginning payment of these retroactive payments. Cases that are less complicated, such as straight CRDP and certain blended cases, will be paid first as these are capable of being automatically computed. Approximately 20,000 cases fall in this category. Retirees should begin seeing this one-time payment in November.

The more complicated cases, for example garnishments and former spouse payments, require more in-depth adjudication. DFAS workers will compute these cases as quickly as possible while ensuring accurate payments, said officials. The goal is to have all retroactive payments under this section of the law completed by March 2009.

People can log on to the DFAS Web site under 'Retired Pay' to find out more information on Section 642 such as viewing frequently asked questions, eligibility criteria, and the current adjudication status at [www.dfas.mil/retiredpay.html](http://www.dfas.mil/retiredpay.html).

*Air Force Retiree News Service, Oct 15*

*(Note: See related item following the COLA item below.)*

#### **Final COLA Announced**

It's official. The 2009 cost-of-living adjustment (COLA) for military retired pay, SBP annuities, Social Security checks, and VA disability and survivor benefits will be 5.8%, effective December 1, 2008. It will first appear in the January checks.

**Partial COLA for 2008 Retirees:** Servicemembers who retired during calendar year 2008 will receive a somewhat smaller,

partial COLA for this year only, because they already received a January military pay raise (which also raised their 2008 retired pay). If you retired in 2008, your COLA is calculated as follows:

- Members who entered service before Sept. 8, 1980, and who retired on or after Jan. 1, 2008, will receive a 5.0% COLA.
- Members who entered service on or after Sept. 8, 1980 (whose retired pay is calculated on their highest 36 months' basic pay rather than final basic pay), and retired between Jan. 1, 2008, and Sept. 30, 2008, will receive a partial COLA based on the calendar quarter in which they retired. Jan.-Mar. retirees will receive 5.0%; Apr.-Jun. retirees, 3.8%; and Jul.-Sept. retirees 1.2%. Those who retire after Oct. 1, 2008, will see no COLA this year.
- Members retired during 2008 will receive full-year COLAs in future years.

This is the third year in the last four that the retiree COLA has been higher than the pay raise for currently serving troops. The two are never the same because they are based on different things and have different purposes.

Military pay raises are based on private sector pay growth, as measured by the Bureau of Labor Statistics' Employment Cost Index (ECI). Their intent is to ensure military pay is kept reasonably comparable to private sector pay, to allow the services to compete successfully for manpower over time.

Retired pay COLAs, on the other hand, are cost-of-living adjustments that track to inflation, as measured by the Consumer Price Index (CPI). Their purpose is to ensure that whatever purchasing power a member's retired pay represented on the date he or she left service isn't eroded by inflation over time.

Over time, the two tend to even out. During the 1970s, COLAs were higher in 5 years and pay raises won out for the other five. In the '80s, pay raises beat COLAs (6 – 4); in the '90s, it was 50-50 split (5 – 5). The first half of this decade, pay raises were higher, but with COLAs higher for three of the last 4 years, the pendulum seems to be swinging the other way again.

*MOAA Legislative Update, Oct 17*

### **Retro Pay Under Fire — Again**

After reviewing the preliminary results of a Defense Finance and Accounting Service (DFAS) internal audit of the retro pay program, a House subcommittee discovered that nearly 2,000 severely disabled veterans were wrongly denied a retro payment while another 2,500 plus received inaccurate payments that exceeded \$2,500.

The retro program is a joint effort by DoD and the VA to provide retroactive payments of concurrent receipt (CRDP), combat-related special compensation (CRSC), and/or VA disability compensation to eligible retirees who had changes in their VA ratings since 2003.

Rep. Dennis Kucinich (D-OH), chair of the Domestic Policy Subcommittee of the House Oversight and Government Reform Committee, issued a heated letter to the director of the DFAS, highlighted the large number of mishandled and miscalculated retro payment awards by the contractor, Lockheed Martin, characterizing the magnitude of the errors as "disgraceful."

[The Field Accounting Site] FAS has been conducting an internal audit on the accuracy of the calculations made by Lockheed Martin after a July 2008 hearing on the program.

Based on these preliminary findings, Chairman Kucinich asked the new DFAS Director, Ms. Teresa McKay, for a commitment to recalculate all "No Pay Due" determinations and payments in excess of \$2,500.

*MOAA Legislative Update, Oct 31*

## **Legislation Matters**

### **President Signs Executive Order Directing The Hiring Of Military Spouses**

President Bush signed an executive order directing federal agencies and departments to bypass competitive hiring rules and directly hire certain military spouses to civilian federal jobs. This order put into effect a proposal President Bush made in his last State of the Union Address. The spouses covered are those who are either:

- Spouses of military service members who are on active duty under orders that authorize a permanent change of station move — assuming the spouse is moving, too.

- Spouses of totally disabled retired or separated members of the armed forces.
- Widows or widowers (who have not remarried) of service members killed on active duty.

When signing the order the President said: "Our military families ... endure sleepless nights and the daily struggle of providing for children while a loved one is serving far from home. We have a responsibility to provide for them. So I ask you to join me in expanding their access to child care, creating new hiring preferences for military spouses across the federal government, and allowing our troops to transfer their unused education benefits to their spouses or children."

It goes into effect immediately so you should keep your eyes open. When attending a meeting this week of several hundred active duty spouses I saw how excited they were at the announcement.

***TREA Washington Update, Oct 10***

### **New Law Authorizes Veterans' Salutes during National Anthem**

Veterans and active duty military not in uniform can now render the military-style hand salute during the playing of the national anthem, thanks to changes in federal law that took effect this month.

The new provision improves upon a little known change in federal law last year that authorized veterans to render the military-style hand salute during the raising, lowering or passing of the flag, but it did not address salutes during the national anthem. Last year's provision also applied to members of the armed forces while not in uniform.

Traditionally, members of the nation's veterans service organizations have rendered the hand-salute during the national anthem and at events involving the national flag while wearing their organization's official head-gear.

The most recent change, authorizing hand-salutes during the national anthem by veterans and out-of-uniform military personnel, was sponsored by Sen. Jim Inhofe of Oklahoma, an Army veteran. It was included in the Defense Authorization Act of 2009, which President Bush signed on Oct. 14.

The earlier provision authorizing hand-salutes for veterans and out-of-uniform military personnel during the raising, lowering or passing of the flag, was contained in the National Defense Authorization Act of 2008, which took effect Jan. 28, 2008.

***NAUS Weekly Update, Oct 31***

## **Community Matters**

### **Protect Your Social Security Number**

The Federal Trade Commission offers the following recommendations to protect your Social Security Number from being stolen:

- Don't carry your Social Security card in your wallet or write your Social Security number on a check. Give your Social Security number only when absolutely necessary, and ask to use other types of identifiers. If your state uses your Social Security number as your driver's license number, ask to substitute another number. Do the same if your health insurance company uses your Social Security number as your policy number.
- Your employer and financial institutions will need your Social Security number for wage and tax reporting purposes. Other businesses may ask you for your Social Security number to do a credit check if you are applying for a loan, renting an apartment, or signing up for utilities. Sometimes, however, they simply want your Social Security number for general record keeping.

If someone asks for your Social Security number, ask:

- Why do you need my Social Security number?
- How will my Social Security number be used?
- How do you protect my Social Security number from being stolen?
- What will happen if I don't give you my Social Security number?

If you don't provide your Social Security number, some businesses may not provide you with the service or benefit you want. Getting satisfactory answers to these questions will help you decide whether you want to share your Social Security number with

the business. The decision to share is yours.

### ***TREA Washington Update, Oct 3***

#### **Public Can Give AAFES Gift Cards**

By simply logging on to [www.aafes.com](http://www.aafes.com) or calling a toll-free number, any American can now give exchange gift cards to military families worldwide.

"We're not even charging to ship these cards," said Chief Master Sgt. Jeffrey Helm, [Army & Air Force Exchange Service] AAFES' senior enlisted adviser. "Whether the AAFES gift card is sent down the street or overseas, shipping is free.

AAFES gift cards can be redeemed at base and post exchanges worldwide by active-duty troops and their families, as well as military retirees.

"With the economy the way it is, now is not the time to haphazardly guess what someone needs to brighten their day or pay extra money for shipping," said Chief Helm. "AAFES gift cards not only eliminate all shipping costs, but also put the power of choice in the hands of the spouse waiting for the return of a loved one, retiree trying to make the best of a turbulent economy, or servicemember far from home.

"All that needs to be sent is a lightweight plastic card that can be redeemed for a movie, phone call home or even gasoline for a much deserved weekend getaway," explained Chief Helm.

Besides exchange gift cards, any American can also send a gift certificate that can be redeemed through the exchange's mail order catalogs or Web site.

"The gift certificates are perfect for Reserve and Guard families that may not live close to a brick and mortar exchange," said Chief Helm.

AAFES gift cards and gift certificates, up to \$500, can be sent by any American who calls (877) 770-4438 or logs on to [www.aafes.com](http://www.aafes.com). Online visitors can click on the "Gift Cards/Certificates for our Troops" link under AAFES Community Connection on the home page.

Gift certificates are sent to individual servicemembers (designated by the purchaser) or distributed to "any servicemember" through the Air Force Aid Society, American Red Cross, Fisher House Foundation Inc., Navy-Marine Corps Relief, USO or Soldiers Family Assistance Center.

### ***AAFES News Release 10-03-08, Oct 7***

#### **Social Security**

At the Social Security website you can request a replacement card, apply for benefits, and even calculate what your retirement benefit might be. Click on **Social Security Information** to learn more.

### ***NAUS Weekly Update, Oct 10***

#### **Four Things NOT to Be So Afraid Of**

It's Halloween, there's a big election in a few days, you're getting phone calls saying it will be a disaster if you vote for one candidate or the other, you're wishing you hadn't bought that gas-guzzler, and you haven't dared open the latest brokerage or mutual fund statements.

Well, this is still America, the best place on earth. So here are a few things NOT to be so afraid about.

**Election Rhetoric.** Things always get the most heated just before election day, and political arguments can even strain longstanding friendships. There's nothing wrong with a good political debate. But let's not lose any good friends over it, and let's remember that we'll all need to do our best to work for the common good, no matter who gets elected to Congress or the White House.

**America's Future.** America has recovered and thrived after far worse wars, financial hard times, natural disasters, and high

crimes and misdemeanors, and will do so again. And if we don't like the direction our political leaders take us, we have regular opportunities to throw the rascals out - again.

**The Long-Term Economy.** Lots of Americans are having real problems, especially those who depend on savings or who have to sell a home in a depressed market. But things always look darkest near a financial bottom. Nobody expects a fast recovery, but there will, indeed, be a recovery. And for those with a longer time horizon, this period may ultimately prove the investment opportunity of a lifetime.

**Inflation.** The bad news is that inflation was up 5.8% this year, with fuel and food costs leading the way. The good news is that military retired pay and Social Security annuitants have built-in inflation adjustments. And while it still lightens the wallet considerably to fill the tank, gas prices are now at least heading in the right direction.

*MOAA Legislative Update, Oct 31*

### **Retirement Home Receives Accreditation**

The Armed Forces Retirement Home has been accredited by the Commission on Accreditation of Rehabilitation Facilities – Continuing Care Accreditation Commission. It marks the first time the home, with facilities in Washington, D.C., and Gulfport, Miss., has received such accreditation from the organization, a non-profit group that promotes quality services and treatment at nursing home and retirement facilities. The accreditation will be up for renewal in 2013. The **Armed Forces Retirement Home** serves more than 1,000 military retirees and veterans.

*Armed Forces News Issue, Oct 31*

## Federal Service Matters

### **Health Rates Rising 7.9 Percent on Average**

After two years of average premium increases of around 2 percent, the enrollee share of premiums in the [Federal Employees Health Benefits Program] FEHBP will go up 7.9 percent on average in 2009, [The Office of Personnel Management] OPM has announced. The announcement was made as usual well in advance of the annual open season for joining the program, or changing carriers, levels of coverage or types of enrollment, which this year will run November 10–December 8. As in the past, there are wide variations within the average, which will translate into average biweekly increases in employee premiums of nearly \$5 for self-only coverage and more than \$11 for family coverage. The government share of premiums will rise by less than the enrollee share on a percentage basis due to the way premiums are financed, but the average government share of the total is remaining the same at around 70 percent.

### **Relatively Few Changes in Offerings**

The number of carriers available in the program will fall slightly to 269, mostly because of dropouts of some relatively small [Health Maintenance Organizations] HMOs, but selection for most enrollees will increase because the [Special Agents Mutual Benefit Association] SAMBA plan will be available to all enrollees, and not just to certain law enforcement officers, while a new consumer-driven offering from United Healthcare will be available about half the states. Several plans are improving their hearing benefit offerings for adults, as OPM requested in its call letter earlier this year, mostly in the area of hearing aids. All plans now have limits on out-of-pocket costs for certain specialty drugs, but some are increasing out-of-pocket costs in other areas, such as by raising deductibles and increasing co-payments for doctor office visits and for brand name prescription drugs.

*FEDweek Weekly Issue, Oct 1*

## Laughing Matters

### **Fast Driver**

My mother has a "lead foot," so I was not surprised when a state trooper pulled us over as we were speeding through Georgia.

Hoping to get off with a warning, Mom tried to appear shocked when the trooper walked up to the car.

"I have never been stopped like this before," she said to the officer.

"What do they usually do, ma'am," he asked, "shoot the tires out?"

*Docs Daily Chuckle via Christian Voices*

### **Three Southerners and Three Yankees**

One morning, three Southerners and three Yankees were in a ticket line at a train station. The three Northerners each bought a ticket and watched as the three Southerners bought just one ticket.

"How are the three of you going to travel on only one ticket," asked one of the Yankees.

"Watch and learn," answered one of the boys from Georgia.

All six boarded the train where the three Yankees sat down, but the three Southerners crammed into a toilet together and closed the door.

Shortly after the train departed, the conductor came around to collect tickets.

He knocked on the toilet door and said, "Ticket, please." The door opened just a tiny crack and a single hand emerged with a ticket in hand. The conductor took it and moved on.

The Yankees saw this happen and agreed it was quite a clever idea. Indeed, so clever they decided to do the same thing on the return trip and save some money.

That afternoon when they got back to the station, they bought a single ticket for the return trip and watched, while to their astonishment, the three Southerners didn't buy even one ticket.

"How are you going to travel without a ticket?" asked one of the perplexed Yankees.

"Watch and learn," answered the three Southerners boys in unison.

When they boarded the train, the three Northerners crammed themselves into a toilet and the three Southerners crammed into another toilet just down the way. Shortly after the train began to move, one of the Southerners left their toilet and walked over to the toilet in which the Yankees were hiding.

The Southerners knocked on the door and said, "Ticket, please."

There's just no way on God's green earth to explain how the Yankees won the war.

*from the Internet*

### **Young Men**

A good friend of mine warned me that, as my three daughters became old enough to date, I'd disapprove of every young man who took them out.

But when the time came, I was pleased that my friend's prediction was wrong. Each boy was pleasant and well mannered.

Talking to my daughter Joanna one day, I said that I liked all the young men she and her sisters brought home.

"You know, Dad," she replied, "we don't show you everybody."

*Docs Daily Chuckle via Christian Voices*

### **Tower Calls**

On some bases the Air Force is on one side of the field and civilian aircraft use the other side of the field, with the control tower in the middle. One day the tower received a call from an aircraft asking, "What time is it?"

The tower responded, "Who is calling?"

The aircraft replied, "What difference does it make?"

The tower replied, "It makes a lot of difference....."

If it is an American Airlines flight, it is 3 o'clock.

If it is an Air Force plane, it is 1500 hours.

If it is a Navy aircraft, it is 6 bells.

If it is an Army aircraft, the big hand is on the 12 and the little hand is on the 3.

If it is a Marine Corps aircraft, it's Thursday afternoon and 120 minutes to Happy Hour."

### ***RAO Baguio Bulletin Update, Nov 1***

## **Director's Corner**

### **Assistance to Contractors Losing SOFA Status**

Some retirees who were hired as contractors to work within United States Forces Korea (USFK) have recently been notified that their hiring was illegal because their status at the time of being hired was classified as 'Ordinarily Resident.' There's not much I can do to help those in that situation, except to provide advice on any vehicle they might own.

Loss of the Status of Forces Agreement (SOFA) visa (A-3) means that they have to gain another permanent visa to remain. The C-3 (Tourist) visa is unacceptable for obtaining a driver's license or registering a vehicle. To register a vehicle and drive, you must have a Korean driver's license. An International Driver's License (IDL) is only valid for the first year after entering Korea. Since you've been living here, the IDL is not acceptable.

Next, the vehicle must be de-registered from the SOFA registration and re-registered for the non-SOFA registration. If your car was brought into Korea under SOFA where customs tax was not paid; or if your car was purchased in Korea and exempted from tax due to SOFA status, you will have to pay all the necessary fees to obtain valid non-SOFA registration. If your car is not Korean-made, it must undergo emissions testing at the test facility in Incheon.

Finally, if you have completed all the necessary re-registration tasks and wish to apply for a decal to drive on any USFK installation – and you will be applying at Osan AB – I can prepare the necessary paperwork to apply. I will need the vehicle registration document with a current **Korean** inspection (on-base/post inspection doesn't count), proof of insurance, Korean driver's license and retired ID card.

***Jack Terwiel***

### **Working with a Resident Alien Visa**

To receive a Resident Alien visa, you must be sponsored by a Korean-born person; normally this would be the retiree's spouse. There are two primary types of Resident Alien visa of interest to military retirees in this situation: the F-1 and F-2. Simply put, the F-1 is the visa you would receive if you have a Korean-born spouse who became a Naturalized U.S. citizen. This is a non-working visa. If your spouse is a Korean citizen, she or he can sponsor you for the F-2 visa, which allows you to work.

Keep in mind that if you obtain the F-2 visa and continue to work, you are subject to Korean income tax. You no longer have the protection and foreign tax exemption that SOFA provides. However, you can file for the Foreign Earned Income Exclusion (Form 2555) to avoid being double-taxed by the U.S. when you file your U.S. tax return.

***Jack Terwiel***