

BCBSM Retirees Newsletter

*Produced for and by members of the
BCBSM Retiree Association*

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New officers installed at October Annual Business Meeting

A mix of business and socializing was featured at the 31st Annual Membership Meeting on Oct. 17 at Arnaldo's Banquet Center in Riverview.

Ray Newak, the outgoing Association president, and John McCrary, vice president, conducted the meeting. Ray gave an upbeat report on the state of the Association while also recognizing the challenges of funding events and communications as costs continue to rise.

Ray also introduced the committee chairpersons who serve on the board and thanked them and all the volunteers for their dedicated service in making the events possible. A special note of appreciation was extended to outgoing Association secretary Marie Bjerke who ably served in that position for six years.

"All those members who support us by participating in any of our activities also deserve our appreciation," said Ray. "It is because of your enthusiasm that our

Association remains as active as it is. The board looks forward to another exciting year in 2014."

Association officers typically serve for two years. This year the following officers were elected:

- President, John McCrary
- Vice President, Kathy Elston
- Treasurer, Joyce Obenhoff
- Secretary, Adrienne Starling
- Past President, Ray Newak

Following lunch, Debbie Trezil, director, Benefits and Retirement Administration; Bill Skrzypek, manager, Retirement Administration, and Rose Cook, a consultant in the Medicare Advantage Sales and Marketing area were on hand to answer questions about Medicare Advantage coverage and the process for signing up at age 65.

The meeting ended with a 50/50 raffle. The winners were Connie Dowe (\$100), Annette Foster (\$50) and Joan Schnepf (\$35).

At the meeting, attendees received a handout with the Treasurer's report and reports from each of the committee chairs. In lieu of handing out the Key Indicators Report report this year, we've included a brief summary of the report in this issue. See page 5.



Retiree Association officers, from left to right, Adrienne Starling, Joyce Obenhoff, John McCrary and Kathy Elston.

Members celebrate the season at Holiday Party



First-time attendees at an Association function, from left to right, Betty Kimbel, Adaku Mensah, Debra Allen, Kathleen Dayringer, Terry Radloff, Sue Matt-Keller, Deb Kujawski, Elaine Searles, Cynthia Jarvis-Zuri, Roberta Bennett and Terry Ling.

Our annual holiday party was a festive affair at the Embassy Suites banquet center in Livonia. Guests were greeted in the beautifully decorated hotel atrium where they socialized before dinner. DJ Gerald Glass, a fellow retiree, provided the music. Following dinner there was dancing and a Chinese auction and 50/50 raffle, which raised a total of \$631 for charity. Winners of the 50/50 raffle were Elaine Schoder (\$125), Anne Cahill (\$100) and Kenneth Trapp (\$86).



Mark your calendars for 2014 events

March 11 – SNOWBIRD LUNCHEON, NEW PORT RICHEY, FL

Members living in Florida or visiting will convene at the Sioux City Steakhouse for the annual Snowbird Luncheon. For more info, call Dee Stilson at 727-815-3526.

March 20 – LUNCH AND THEATER, NORTHVILLE

Enjoy lunch and "Murder at the Fountain of Youth" at Genitti's Hole-in-the Wall.

April 12 – BOWL-A-RAMA, FARMINGTON HILLS

The fourth annual Bowl-a-Rama charity fundraiser at Country Lanes of Farmington. The fee includes three games, pizza, pop and lots of fun and prizes.

May 20 – SPRING LUNCHEON, DETROIT

Our annual spring luncheon takes place at the Detroit Yacht Club on Belle Isle.

June 26 – RIVER CRUISE DAY TRIP, SAGINAW

Saginaw River Cruise and tour of Bay City. Watch for details.

July – DETROIT TIGERS GAME, DETROIT

Join our annual outing to cheer on the Tigers. Date and time to be announced.

August – BILL BURKE MEMORIAL GOLF OUTING

Date and location to be announced.

September 23 – PARADE COMPANY TOUR, DETROIT

A tour and lunch are being planned

October 23 – ANNUAL MEETING, FARMINGTON HILLS

Join us for the annual business meeting and luncheon at the Glen Oaks Country Club.

November 13 – MASONIC TEMPLE, DETROIT

A tour of the historic Masonic Temple and lunch are being planned.

December 4 – HOLIDAY PARTY, WARREN

The holiday party will be a luncheon at the Gazebo Banquet Center in Warren.

Be sure to check our Web site at miretireassoc.com for the most up-to-date information on Association events. Information about events is posted as soon as details become available.

Fall events feature history and fun

History was on the agenda at visits to the Michigan State Capitol in September and the Detroit Historical Museum in November. Lunch at both events and a relaxing cruise on the Grand River following the Capitol tour added to the enjoyment.

Capitol visit

The first stop on our Lansing trip was the Michigan State Capitol building where we had an informative tour. It included sitting in on a session of the State Senate, taking a peek at the Governor's office and learning about the building's rich history, art and architecture.

After the tour we boarded the Michigan Princess for lunch and a short cruise on the Grand River. The Bayou River Band provided lively entertainment during lunch.



View of the Capitol, opened in 1879. Elijah E. Myers, the architect, patterned his design after the U.S. Capitol with a soaring dome and two wings. Many other states later followed his design.



Erma Hammons (left) and Carol Edwards, first-time attendees at an Association event, at the Lansing tour bus stop in Farmington Hills.



Joyce Obenhoff (left) and Dolores Gelemey-Newak (right) assisting a member of the Bayou River Band on board the Michigan Princess.

Detroit Historical Museum

As Detroit looks to its future during this troubling time, members who visited the Detroit Historical Museum got a glimpse of the past and were reminded of Detroit's many contributions to our nation's history.

The staff of the newly renovated museum provided several docents so members could be divided into small groups for the tour. The Streets of Old Detroit, the Arsenal of Democracy exhibit and the Doorway to Freedom -- Detroit and the Underground Railroad exhibit were the main areas highlighted during the tour.



Marie Bjerke (left) and Sharon Sowinski pose in front of "Meier's Wonderful Clock" regarded as one of the Historical Museum's most treasured artifacts. The 14-foot-, 2,500-pound clock was built by Louis Meier and displayed at his jewelry store on the corner of East Grand and Gratiot in Detroit. It dates back to 1904.



A delicious lunch followed in the railroad station waiting room in the Streets of Old Detroit. Because the museum offers so much to see, some members continued to explore more exhibits after lunch.

Window display in the Toy Shop along the "Streets of Old Detroit," one of the museum's most popular exhibits. Sanders Confections and Kresge & Wilson's 5 and 10 cent store were also on the tour route.



Kay Jones (left) and Elaine Schoder listen to one of FDR's fireside chats. They are in the "Arsenal of Democracy" exhibit, which highlights the important role Detroit played supporting our allies during World War II.

Meet retiree John Fletcher

Glass artist John Fletcher is proof that it's never too late to learn.

After "a quick 40 years" with the Blues, John has pursued a lifelong interest in the art of glass blowing and sculpturing. He began studies at the Center for Creative Studies in Detroit just one month before his retirement in 2008.

John joined Blue Cross in 1968 as a field representative in the Workers Compensation/Subrogation department. He moved on to become supervisor of that unit and then a supervisor in the Autos Program Cost and Analysis Department. At his retirement, John was a manager for Chrysler Marketing, assisting Chrysler and the UAW.

"I was fortunate to work with so many supportive co-workers over the years," said John. "Working with the Autos and the UAW was sometimes quite demanding, which is an understatement," he added.



John was born in Detroit and attended Redford High School and Wayne State University. He spent three years in the Army as a combat medic/surgical tech with the 101st Airborne Division, and then went to work at Michigan Mutual Insurance Co. before joining Blue Cross.

John's art glass on display at the Suttons Bay Art Fair.

Art was one of John's many interests growing up and as a young man. He took art lessons at the Detroit Institute of Arts with his brother Joe in the early 1950s and has collected art for decades.

Now retired, John's been able to concentrate on his passion for creating art glass and for art education. "The effect of light on color, form and texture has always been the basis for my interest in all art work. Art in general should stimulate the senses of sight and touch, which I work to achieve in my art," he said.

He's enhanced his skills with glass artists at the Corning Museum in New York, the Toledo Glass Pavilion in Ohio; Heron Glass in Driggs, Idaho, and Espace Verre in Montreal, Quebec. Today, he works at two local studios, Pyro Art Glass Studio in Mt. Clemens and Paul Rundes Studio in Troy.

And since 2009, he's shown his work at a variety of art shows around Southeast Michigan and Ohio, including the Ann Arbor Art Fair. In 2013, he participated in shows in Royal Oak, Suttons Bay, Shelby Township, Franklin and Pleasant Ridge. He currently exhibits at Water Street Gallery in Douglas and Bay Harbor Gallery in Petoskey.

John lives with wife Maureen, a registered nurse, and enjoys spending time with his blended family of five children and three grandchildren, volunteering at the Dearborn Animal Shelter, traveling and keeping fit.

John's advice to fellow retirees: "Learn about and take advantage of opportunities to volunteer and continue to learn. Relax, read and embrace your family and friends. And, do something good for someone each day and the same for yourself. "



John will be participating in numerous art shows in 2014, including the Crosby Art Festival in Toledo, Ohio, and the Flint Art Fair in June, the Royal Oak and Suttons Bay art fairs in July and the Franklin Art Fair in September.

John at work at the Pyro Art Glass Studio.

BCBSM retirement plans funding and investments overview

We recently asked the Treasury Services department at BCBSM to give us an overview of the BCBSM pension benefits plans. Our thanks to Benjamin Grier, director of Treasury Services, for providing the following information.

How are the pensions managed?

Assets of both the nonbargaining-unit and bargaining-unit pensions are managed in a single master trust with State Street Bank. The trust assets are 100 percent managed by professional investment managers under the direction of the Pension Advisory Committee. The Pension Advisory Committee, the investment managers, certain BCBSM employees and third-party pension trust service providers are all plan fiduciaries under the Employee Retirement Income Security Act. BCBSM pension trust assets are not intended for BCBSM corporate uses and can only be used to pay pension benefits and related administrative expenses.

Describe the BCBSM pension plans

Prior to 1999, the NBU pension plan was a final average pay design in which retirees receive a defined percentage of final pay on a monthly basis. In 1999 the NBU pension was converted to a cash balance plan in which employees may elect a lump sum distribution or a monthly benefit. Currently 80 to 90 percent of NBU retirees eligible for a lump sum take it. As of Jan. 1, 2013 (the most recent count) the NBU plan had 9,306 participants (active employees, terminated vested employees, retirees and beneficiaries).

The BU pension is primarily a final average pay design plan. For BU employees hired after Jan. 1, 2009, the pension benefit is a cash balance design similar to the NBU pension. As of Jan. 1, 2013, the BU plan had 7,244 participants.

How are the trust investments allocated?

Currently, the asset allocation is roughly 55 percent U.S. and international equities, 3 percent private equity, 7 percent high-yield fixed income and 35 percent long-duration fixed income and cash.

What is the asset allocation target?

In 2010 a de-risking strategy was implemented to reduce the risk of balance sheet and funding shocks like those seen following the global market disruptions and economic downturn of 2007-2009. This strategy involves ultimately converting asset allocation to 60 percent long-term fixed income and cash and 40 percent return-seeking assets (defined as any asset class other than long-term fixed income and cash).

How are our investments doing?

Investment returns on the pension trust have generally been good over the past 20 years. Year-to-date 2013 through Sept. 30, the pension trust returned 10.6 percent, outperforming the benchmark by 2.6 percent. In 2012 the trust returned 15.6 percent, compared to 14.2 percent for the benchmark. Since Jan. 1, 1990, annualized returns have been 9.8 percent compared with annualized index returns of 8.5 percent for the same period.

How is the fund doing?

As of Dec. 2, 2013, the pension trust is about 90 percent funded. This means that trust asset values are about 90 percent of the present value of expected future pension benefits for both NBU and BU pensions. The funded status improved significantly in 2013, up from 78 percent as of the end of 2012. Generally, pension-funding status improves in periods where market value appreciation and earnings on trust assets and pension contributions exceed the growth in the present value of future benefit payments.

Who's Who in the BCBSM Retiree Association

Officers	
President	John McCrary
Vice President	Kathy Elston
Treasurer	Joyce Obenhoff
Secretary	Adrienne Starling
Immediate Past President	Ray Newak
Contact Information	
Association Web site	miretireeassoc.com
Association e-mail	information@miretireeassoc.com
BCBSM Retirement Administration	Toll-free: 1-800-922-0699 Local: 313-225-9609 Fax: 1-866-238-3295 E-mail: retirementadministration@bcbsm.com
Change of address, phone number	All changes must be made in writing to Retirement Administration via Fax, e-mail or U.S. Mail at Blue Cross Blue Shield of Michigan, Retirement Administration, Mail Code 0126, 600 East Lafayette Blvd., Detroit, MI 48226.

News & Notes

Charity update

For the second year in a row your generosity has allowed the Retiree Association to donate \$225 to each of these organizations: Salvation Army, Forgotten Harvest, Gleaners, Capuchin Soup Kitchen, St. Vincent DePaul, Detroit Rescue Mission, Project Compassion and the Alzheimer's Association. These funds were raised through members' participation in 50/50 raffles, Chinese auctions, Retiree Association shirt sales and the annual Bowl-a-Rama charity event. Thank you!

Outstate dinner event in the works

The Association would like to add an outstate dinner event to its 2014 calendar of activities. A Lansing dinner planned for September 2013 at the Kellogg Center was canceled because not enough members were able to attend. If you are interested in attending a Lansing event and/or would like to help plan it, please call Kathy Elston at 248-931-9864.

Co-op Optical discount

Co-op Optical is offering a discount to Blues retirees for comprehensive eye exams and glasses at its eight Southeast Michigan locations. Retirees can receive a 50 percent discount on a routine \$60 eye exam and a 30 percent discount on frames, lenses and accessories, with the exception of some frames that may be excluded due to licensing agreements.

To obtain the discount you must show your Blue Cross card and a second piece of ID. The discounts also apply to family members under the same group number. Co-op Optical has eight locations in the Southeast Michigan area. For information on locations and services visit their Web site at coopoptical.com.

Congratulations and Welcome to Our New Retirees

Vicente Alabastro
Donald Altman
Betty Berry
Gwendolyn Booker
Dennis Booker, III
Sandra Borowicz
Nancy Buckley
Nancy Byington
David Catrell
Merton Church
Patricia Clark
Thomas Clickner
Martha Cox
Shirley Davis-Netterville
Kathleen Dayringer
Lynn Elliott
Jeanette Ellison
Maria Ewald
Darlene Farver-Smith
Sally Gable
Patty Goetz
Joann Harris
Pearlie Harris
Patricia Helfrick

Penny Higbee
Stella Hill
Luana Karazia
Cheryl Kavanagh
Susan Keller
Sandra Kerstetter
Claudette Lee
Cynthia Martin
Karen Martoglio
Diana Napoleon
Cleastine Newsome
Maryann O'Shea
Rose Oatman
Cesar Obando
Feliza Ortega
Gloria Raseley
Susan Roark
Barbara Schmidt
Kathleen Shiek
Debee Spontack
Peggy Stevens
Michael Strampel
Viviana Surma
William Toples



...May they rest in peace

Susan Duchene

September 6, 2013

Judith Pappas

November 2, 2013

Harold Hails

September 26, 2013

Melvin J. Anderson, D.O.

December 26, 2013

Charlotte Bartzack

October 7, 2013

Carolyn Evans

January 3, 2014

The *BCBSM Retirees Newsletter* is published three times a year for members of the BCBSM Retiree Association. We'd like to hear from you. If you have a comment on the newsletter or an idea for an article, please contact us at information@miretireeassoc.com.

Also be sure to check out our Web site at miretireeassoc.com for information about upcoming events and photos of past events. We're on Facebook, too. You will find the link on our Web site.

E-mail Directory updates: The directory is updated periodically and sent via e-mail to members who wish to share their e-mail address with fellow retirees. To add your e-mail address, make a correction or remove your name from the list, send your request to information@miretireeassoc.com.