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## **Treasurer announces new plan for retirees on Medicare**

The Associated Press

MONTPELIER - State Treasurer Beth Pearce announced Tuesday that the Vermont State Teachers' Retirement System Board of Trustees has approved a recommendation to implement an Employer Group Waiver Plan for retirees on Medicare.

The move is expected to save the state up to \$2.3 million annually in Medicare retiree prescription drug costs.

The state's unfunded liability related to long-term health costs is also estimated to be reduced by approximately \$150 million, which is 18 percent of the liabilities from the last actuarial valuation.

This proposal was developed by the Treasurer's office, in partnership with the Vermont National Education Association and the Vermont Health Educational Initiative.

The plan will provide prescription drug benefits to Medicare-eligible retirees that match the current plan, but at a lower cost to the state. The cost savings come from leveraging pharmaceutical discounts and government subsidies.

Additionally, participation in the waiver plan allows the state to receive subsidies for low-income retirees.