



Information on Your 1095 Tax Form Q&A for Retirees

What is Form 1095-B and who will receive one?

Form 1095-B is a tax form that shows that you and your tax dependents have medical coverage. Every State and Teacher retiree who had medical coverage through the Retirement Office will receive a Form 1095-B. Receiving Form 1095-B does not mean that you owe income taxes on the value of the health care benefits that you receive. Please contact a tax professional if you are unsure of your potential tax liability.

Who will send my Form 1095-B?

Every State and Teacher retiree who had medical coverage through the Retirement Office in 2016 will receive Form 1095-B from BCBS of Vermont. The Center for Medicare & Medicaid Services (CMS) will mail Form 1095-B to every participant enrolled in Medicare.

When will I receive my Form 1095-B?

The deadline for medical coverage providers to mail Form 1095-B to members is January 31, 2017. If you expect to receive a Form 1095-B from BCBSVT and did not receive one please contact BCBSVT customer service at 1 (888) 778-5570. Enrollees of Medicare and Medicaid will receive a Form 1095-B from CMS, as mentioned above. If you expect to receive a form from CMS and did not receive one, please contact them at 1-800-MEDICARE (1-800-633-4227).

What do I do with my Form 1095-B?

You will use the Form 1095-B to verify medical coverage for yourself and your covered dependents

for your federal income tax filing. It is important that this information is accurate or the IRS may assess the Individual Mandate Penalty.

What if I cover an eligible dependent for medical insurance, but do not claim them on my taxes?

The Form 1095-B will be sent to the person who has medical coverage for the dependent, even if that person does not claim the dependent on his or her taxes. The person who receives the 1095-B is responsible for providing copies of the form to the person who is filing the tax return for the dependent.

What if I still have questions?

If you are a Teacher retiree and were covered by a medical plan through the Retirement Office and have additional questions, contact BCBSVT customer service at 1 (888) 778-5570.

ATTENTION:

1099-R Tax Statements in Mail by January 31, 2017

The tax statement that is generated for retirees is called a 1099-R. This is the retired version of a W-2 statement issued to active employees. If you receive a pension from a public pension plan in Vermont, you should receive a 1099-R form in the mail no later than January 31, 2017. Please call our office immediately at (802) 828-2305 or toll free in Vermont at 1-800-642-3191 if you do not receive this form when expected. For instructions on how to understand your 1099-R, go to: www.vermonttreasurer.gov and click on the "Retirement" heading on the left side of the page. Once on the retirement page, look for "Make Sense of Your 1099-R Form".

SPECIAL NOTE: If your address has recently changed, you must notify our office in writing by mail or email. The address change must be signed by you with your signature, and must be returned by the 15th of any given month. An incorrect address will delay the timely receipt of not only your 1099-R, but other important documents/notices from our office.

Director's Corner

By Laurie Lanphear, Director of Retirement Operations

Exciting news - 9% rate DECREASE in dental premiums for calendar years 2017, 2018, and 2019!

In December 2016, following a competitive bidding process, we negotiated a new 3-year contract with Northeast Delta Dental that resulted in a 9% rate decrease through December 2019. The claims experience, which is pooled between all three public retirement systems in Vermont, is the primary reason for this occurrence. It appears 2016 reflected good dental health for our retirees and their dependents, which is another reason to celebrate.

If you are looking to retire in the next few years, do not miss the opportunity to pick up dental coverage at the same time you sign up for your monthly benefit. Remember, you cannot pick it up at a later date should your circumstances change.

Here's wishing you another year of good dental health in 2017!

NOTICE

COLA INCREASES WENT INTO EFFECT ON JANUARY 1, 2017:

Groups A	1.00%
Groups B	1.00%
Groups C	1.00%

Reminder – this is the time of year to determine whether you need to change your tax withholdings on your pension payments. Simply download the appropriate federal or state tax form from the Retirement website by clicking "Forms", complete and mail it in to our office on or before the 15th of any month. You may also call our office to have a copy mailed to your address.

New Website Launch Underway

As noted in the Fall, 2016 edition of *Retiring Times*, The Treasurer's Office has developed a new website template that will be functional by February 1, 2017. Staff will be updating the site in the days and weeks ahead to ensure the website delivers content in a user-friendly manner to meet your needs. We welcome your feedback as we work to improve functionality for all users. If you have a comment, question, or ideas for improvement, please send us your comments using the email treasurers.office@vermont.gov. Our goal is to provide the best possible customer service experience for Vermonters. Thank you for your patience as we work to improve the website.



