

February 26, 2026

Senator Rotundo, Representative Gattine, members of the Appropriations and Financial Affairs Committee, Senator Tipping, Representative Roeder, members of the Labor Committee. I'm Andrew Vellani and I am here to speak about the MainePERS pensions system, the continued harm from the 2011 LePage pension cuts, and ask you to support funding two retirement bills, **LD 1003: An Act Establishing the Retirement Benefit Improvement Fund** and **LD 328: An Act Requiring the State to Pay a Retired State Employee's or Retired Teacher's Premium for Medicare Part B Under Medicare Advantage**, as part of the Governor's proposed Supplemental Budget known as LD 2212.

I'm a former State employee of 33 years and am currently retired. I retired due to the benefit cuts that the LePage administration made which had a negative effect on the work force. It was a time of uncertainty and I, along with hundreds of other State employees chose to retire earlier than we had anticipated to at least retain our current health care benefit. Until I reached age 65 and was on the State retirees health care, I was not required to pay a monthly health premium. If I remained and had retired prior to my regular retirement age, I would have been responsible for a premium approaching \$800 per month for myself. According to the Employee Health and Benefits website, that cost has increased to \$1161.52. During the period between my retirement and age 65, the State of Maine "covered" my premium costs.

In addition, our COLAs were frozen for 3 years beginning 2011. This was about 6.5% of accumulative COLAs that we will never get back. Our COLAs were also limited to a cap and not applied to our entire benefit, whereas Social Security recipients have their COLA applied to their full benefit as well as active State employees when receiving a negotiated increase in pay have the % applied to their full salary.

As is the case with many State retirees, I receive no Social Security benefit. However, in anticipation of going on Medicare when I reached 65 years old, according to the Social Security (SS) website information I had researched prior to this event, I believed that my prior spouse's contributions to SS, since we were married for at least 10 years while she contributed, would provide me with a benefit to help offset the Medicare Part B portion I would be paying. Unfortunately, I was told that because my State pension, which is very moderate, was considered too high compared to the benefit my former spouse would receive, I was ineligible for any benefit from Social Security.

I am aware that other State retirees that I am acquainted with, that retired prior to me and also do not receive any Social Security benefits, have their Part B paid by the State of Maine. My understanding was that there was a change in the law, of what year I'm not certain, but future retirees would not enjoy the benefit of that previous law as others currently do.

I am currently paying \$626.60 each quarter (\$2506.40 per year) for my Part B coverage. It just recently increased from \$555.00 each quarter (\$2220.00 per year). A 12.9% increase. Overall, this amounts to 6.8% of my pension along with any medical co-pays and deductibles which may be incurred. Because of property taxes and homeowner's insurance (which are always rising) and other budgetary commitments, such as food, energy and vehicle costs, my pension is depleted for 2 of the quarterly payments and severely diminished for the other two payments. This obviously creates an extreme financial burden on my household expenses.

Funding LD 328 and LD 1003 would help to alleviate a significant financial burden for myself and many retired public sector employees and I again ask for your support toward this end.

I will close with this. State retirees helped take care of state government for many years. Now please, state government, help take care of us and provide some much-needed relief.

Thank you for your consideration,

Andrew Vellani