



Pension Notes

Pension Project Helps Needy Retiree Win \$25,000

A Woonsocket, R.I., woman in her mid-seventies, with a husband in poor health, had a question. People who had been co-workers at an electric manufacturing firm in the 1960s and '70s were receiving monthly pensions, but she was not. Why? She had worked for the company as long as they had – in fact, she was the only one who drove a car and she therefore drove everyone else to work. In January 2001 she called the New England Pension Assistance Project where pension counselor, Marjorie Murphy was assigned to her case.

The stakes were high. The woman and her husband lived on a combined income of \$1,100 a month, more than half of which went to pay their mortgage. Even a small pension could make an immense difference.

The search for evidence was complicated by the fact that the original firm had long ago been swallowed up by another company. The new firm's benefits department had records showing that the woman had only worked for the old firm for nine years (one short of pension entitlement). Worse, the insurance firm handling the pension showed her as having worked only four years. "The discrepancy of her starting date really bothered me," Murphy says. "Records back then weren't kept very accurately." She believed the woman's account of having worked for the firm for more than ten years.

Fortunately, the woman found old W-2 forms which showed she had started working for the firm in 1963. Even after that, it took multiple follow-up phone calls from Murphy to the benefits department to obtain a formal ruling on the pension. When the determination was made, in March 2002, she was found to be entitled to a pension of \$185.20 a month, retroactive to 1991.

After filling out a set of complicated forms, she received a check for just under \$25,000 in April.

Retrieval of her pension enabled this couple to pay off their mortgage (automatically doubling their disposable monthly income even without the ongoing monthly pension payments) and buy a reliable used car to replace the car that was constantly breaking down. As Murphy says, "It's a very nice feeling of satisfaction" to know that she was able to provide the needed support and assistance.

Project's Work Adds Up

*2,400 workers and retirees helped
\$12 million in benefits recovered*

New Counselor Joins Project

Edris Kelly, a retired elementary school teacher who has been an advocate for public retirees in Massachusetts and an active member of the Pensions Not Posies coalition, has joined the staff of pension counselors working part-time for the New England Pension Assistance Project. Her hiring brings the Project to a full complement of eight counselors.

Michele Costa, who has completed her second year at Suffolk Law School, is working full-time with the Project this summer. Attorney Barbara Pie, who received her LL.M. in Taxation, is working three days a week until her job with the Internal Revenue Service begins in the fall.

Helping Women Become "Healthy, Wealthy and Wise"

The New England Pension Assistance Project has been collaborating with the U.S. Departments of Labor and Health & Human Services to sponsor conferences for agency personnel "for

those who care about women's health, financial security, and employment rights." Attorney Jeanne Medeiros of the New England Pension Assistance Project was a panelist at a June 4 Rhode Island conference.

About two hundred people attended the conference, which was the third in a series of federally sponsored New England conferences on women's issues in which the Pension Assistance Project has participated.

Medeiros's talk focused mainly on ways in which women's caregiving roles impact on their income in both pre-retirement and retirement years. A recent study by the National Center on Women and Aging found that caregivers lose over \$650,000 in reduced wages and benefits over their lifetimes. She also talked about finding lost pensions and about women getting a share of pension benefits in divorce cases.

"Lost Pensions" Are Often Found

The Pension Action Center, working with a grant from the AARP, is studying three years' worth of closed full-service cases to determine

how many involved a "lost pension" (where the original employer went bankrupt or was swallowed up with no clear trail leading to the pension fund). The purpose of the study is to analyze the kinds of situations in which lost pensions arise.

The study is being conducted by Ellen Bruce, Director of the Pension Action Center, and John Turner of the AARP Public Policy Institute. Pension counselors Janet Cote and Renee Summers helped with data collection, and PhD candidate Dongsoo Lee is providing data analysis assistance.

Preliminary results indicate that 22% of the Project's cases during the period 1999-2001 involved lost pensions. Strikingly, while Project counselors were able to obtain benefits for clients in 34% of all cases, the success rate in cases involving lost pensions is 43%.

New England Pension Assistance Project

Main Number: 617-287-7307

Toll-Free: 1-888-425-6067

Fax: 617-287-7080

UMASS Boston

**Gerontology Institute
100 Morrissey Blvd.
Boston, MA 02125-3393**