

GSRA Officers Meet with Commissioner Cook

GSRA President Bennett and Vice President Freedman met with the Department of Community Health (DCH) Commissioner, David Cook, to continue discussions about State Health Benefit Plan policies. Commissioner Cook stated that he was very concerned about the lack of reserves in the SHBP and revenue shortfall in FY 2012. He also expressed much concern about the possibility of substantial increases in members' premiums in the 2012 Plan Year. He was open about his desire to rebuild SHBP reserves and limit the impact of premium increases on members as much as possible.

President Bennett commented about the importance of the benefit plans in employing and retaining a competitive workforce to permit the State to fulfill its mission and provide services to Georgia citizens. When the overall compensation package, including benefits, is not competitive, the best workers find opportunities outside of State services and long-term employees and teachers retire as soon as they become eligible. Therefore, it is critical that adequate funding be pursued to provide a competitive health insurance plan while not continuing to shift cost from the State to the members—active and retired.

Commissioner Cook agreed that a competitive medical plan is essential to the long-term objective to recruit and retain a competitive workforce. In fact, Commissioner Cook stated that he was seeing substantial turnover in the workforce and particularly in the information technology area.

One of the ways that DCH is approaching the shortfall in revenue to the SHBP is to implement a voluntary "mail order" prescription drug feature in all options. He stated that retirees in the Medicare Advantage Plan already have the option to use the mail order feature. So, effective July 1, 2011, all active and retired members (under age 65) who are enrolled in the HMO, HRA, or HDHP options will also be able to save money by using the mail order feature. Commissioner Cook specifically stated that the mail order feature is on a voluntary basis and that it is beneficial when medications are being taken on a long-term basis rather than short-term, e.g. antibiotics or similar drugs. (See the companion article about the mail order feature.)

The House of Representatives passed HR 810 during the waning days of the 2011 General Session. HR 810 provides for an advisory committee, appointed by the Speaker of House, to review funding for the SHBP and recommend alternative funding arrangements. Commissioner Cook stated that he was pleased with the resolution and will take the opportunity to showcase the issues surrounding the SHBP.

GSRA officers appreciate Commissioner Cook taking time to meet, and we hope to provide additional feedback to him in the future. He expressed that he would like ideas from GSRA about how to best meet the needs of the members while living within the confines of the budget.

Board of Community Health Hears Update on SHBP Financial Status

At the April 12, 2011, meeting of the Board of Community Health, the Department of Community Health Chief Financial Officer, Vince Harris, presented updated FY 2011 and FY 2012 financial projections for the State Health Benefit Plan. Harris reported that the updated projections show a surplus of \$122.7 million in FY 2011, but a **deficit of \$109.6 million** in FY 2012.

The troubling fact is that CFO Harris stated that the FY 2012 projected Employer Contributions and Employee Premium revenues include the increases that were

approved by the General Assembly and a 10% employee premium increase on January 1, 2012. The DCH projections as presented to the Board are shown in the chart on page 2.

Harris also presented a Resolution for the Board's approval that stated that the Board recognizes that the employer rates being set for FY 2012 are insufficient to cover the projected expense of the SHBP. Board member Bill Wallace stated that the Board had a fiduciary responsibility to plan members, and that he was concerned

about the Board approving a Resolution that acknowledges the shortfall. After discussion and acknowledging that the Board is required by law to set the employer rates and that the employing departments and school systems must be notified of the FY 2012 rates, the Board approved the resolution.

DCH FY 201-12 Revenue/Expense Projections		
(in millions)	FY 2011	FY 2012
Employer Contributions	\$2,203.9	\$1,956.8
Employee Premiums	673.7	701.3
Total Revenue	\$2,877.6	\$2,658.1
Expense	\$2,847.9	\$2,957.4
Early Retiree Reinsurance	(93.0)	(67.0)
Total Expense	\$2,754.9	\$2,890.4
Surplus/(Deficit)	\$122.7	(\$109.6)

In earlier newsletters, GSRA reported DCH FY 2012 projections that indicated that \$37.3 million of benefit modifications would be required in addition to a 10% premium increase on January 1, 2012 in order to balance revenue and expense for the Plan. The above DCH

projections show that \$109.6 million must be generated in a combination of benefit reductions and premium increases in order for the plan to pay the benefit costs. The shortfall is primarily a result of \$81 million less in employer contributions and \$91 million less in member premiums than was earlier projected. DCH staff stated that they are reviewing the plan to identify benefit modifications that reduce cost but maintain or improve the quality of medical care.

If the entire \$109 million is generated by increasing the member premiums, the members' share of the cost will be approximately 28% of the total expense. However, that also means at least a 30% premium increase on January 1, 2012, would be required to generate \$109 million in the remaining six months of FY 2012. We are **not saying that the SHBP premiums will increase by 30%--only that should the State Administration pass along all of the deficit (\$109 million) to the members, the increase could be as much as 30%.** GSRA anticipates that DCH will implement a combination of premium increases and benefit reductions, although DCH is searching for alternatives.

DCH Adds Mail Order Prescription Drugs to All Options Effective July 1, 2011

The Department of Community Health will implement a "mail order" prescription drug feature in all State Health Benefit Plan Options (HMO, HRA, and HDHP) **on July 1, 2011.** In an effort to reduce benefit cost for the SHBP and the members, while maintaining good plan features, the new benefit feature will be administered through SHBP's current contracts with CIGNA and United Healthcare (UHC).

The CIGNA print materials refer to the feature as the "home delivery" option; however, most companies refer to this feature as "mail order." Both vendors, CIGNA and UHC, are in the process of mailing members information about the new plan feature.

Members are **NOT REQUIRED** to take advantage of the feature, but it will save the member money. A brief explanation of the cost advantage follows:

- An HMO member can receive a 90-day supply of a prescription for 2½ 30-day co-pays. In other words what would have cost you \$60 in co-pays for three 30-day refills at a retail pharmacy can be purchased through mail order for \$50.

- An HRA or HDHP member can receive a 90-day supply of a prescription at about 10% less than the member now pays for **three 30-day brand prescriptions** at a retail pharmacy.
- A Medicare Advantage member already has the opportunity to purchase prescriptions through "mail order" or "home delivery." **No change is made in the Medicare Advantage Plans** with CIGNA or UHC.

Retirees who are under age 65 (and active members) and are enrolled in the CIGNA or UHC options for HMO, HRA, or HDHP will receive printed material on the new feature. Please review the material carefully and use the new feature when medically appropriate. If you currently purchase your prescriptions at an "independent" pharmacy, you can ask the pharmacy if it is participating in the offer by DCH to participate in the reduced cost in the same way as the "mail order" pharmacy.

To give you an idea of the cost of prescription drugs, it represents approximately 18% of the total benefit cost in the SHBP; therefore, any savings that accrues to the plan will also benefit all members. It may even reduce the

amount of premium increase. Members are encouraged to try the new feature. We find that most retirees appreciate

the ease and convenience of a mail order feature—in addition to the cost savings.

GSRA Member Performs at Lincoln Center



John with colleagues in front of Lincoln Center's Alice Tully Hall

John Swiderski, GSRA and Valdosta Area Local Chapter member, recently performed at Lincoln Center in New York City as part of a large chorus performing the *Faure Requiem* over Memorial Day weekend. John, who also serves as the Valdosta Area Local Chapter Treasurer, got the chance to perform by being part of the Valdosta Symphony Chorus, which is directed by Valdosta State University's Professor of Choral Studies, Dr. Paul Andrew Neal, who was invited to conduct the concert at Lincoln Center.

John says he really enjoyed the experience of performing for the first time in a major musical venue. That's a good thing, as he'll soon be joining a chorus of 300 performing an evening of anthems and hymns at the National Cathedral in Washington, D.C. over Labor Day weekend.

Annual Meeting Update

Based on the results of a member poll taken earlier this month, GSRA is currently firming up plans for the annual meeting, **GSRA and You: Facing the Challenges**. The meeting will feature all three of the topics members say they are interested in: State Health Benefit Plan issues, Pension Issues, and Tax and Spending Limits issues.

GSRA is currently in the process of inviting the Georgia experts in those areas as presenters to participate at the meeting. Department of Community Health Commissioner David Cook, House Minority Leader Stacey Abrams, Senator Bill Cowsert, House Retirement Committee Chairman Howard Maxwell and ERS Executive Director Pamela Pharris are already confirmed as participants.

Stay tuned for more updates about **GSRA and You: Facing the Challenges**, and make your plans to be in attendance October 18, 2011 at the Georgia Public Safety Training Center auditorium in Forsyth.

Central Metro Area Boasts Newest Local Chapter

The GSRA Board approved by-laws for a new metro Atlanta area chapter at its June meeting. GSRA's newest chapter will make it easier for members in Fulton and Dekalb counties to join a local chapter and obtain some of the best benefits of being a GSRA member.

An organizational meeting to determine interest and form a Central Metro Chapter was held June 9th at the Toco Hills Library off Clairmont Road. Forty-four people attended the initial meeting, voted to form a local chapter

covering Dekalb and Fulton counties, adopted by-laws and voted in a slate of officers. Luther Lewis, GSRA Board member and Ernie Melton, GSRA Board member and Northeast Metro Chapter president, led the organizing meeting, with Chuck Freedman, GSRA Vice-President, providing a legislative update for the attendees.

Inaugural officers for the chapter are President, Sam Shepherd, Vice-President, Judith Byrnes, Secretary, Rick Wingo, Treasurer, Luther Lewis, and Membership Chair,

Dennis Yarman. The group will continue to meet at the Toco Hills Library, with meetings projected to occur on Thursdays at 2:00 PM. The next meeting is slated to be held in early September, with details to be released later.



Attendees at Central Metro Chapter Organizing Meeting

ERS Account Access
 Don't forget to register for ERS Account Access to view and manage your ERS account. Go to www.ers.ga.gov and click on the Account Access button on the home page.

Local Chapter News

Athens

The Athens Area Chapter will meet on Wednesday, July 13, at 12:00 p.m. at Ryan's Steakhouse on Epps Bridge Parkway. Attendees should arrive between 11:30 and 11:45 a.m. to pay for their meals and get their food. Members are encouraged to invite retirees who are not GSRA members to the meeting.

Lake Oconee Area

The Lake Oconee Area Chapter met May 17th in Greensboro. Approximately 100 local state retirees were in attendance and enjoyed the social period and refreshments before the meeting was called to order by Chapter President Lewis O'Neal.

Guest speaker and GSRA Legislative Liaison Bill Tomlinson gave a very informative update of the recently completed legislative session, including the status of legislation of interest to the association and members, such as opposition to the "dead peasants" insurance proposal, support for a proposed advisory council to the Department of Community Health that would include state retiree representation, and close monitoring of the proposed tax reform initiative.

Also addressing the chapter were Senator Grant and Representatives Channell, Epps, and Kidd. While acknowledging the difficult economic times for the state,

the Legislators expressed their support for fixing the state-provided health insurance issues facing retirees and continuing close scrutiny of any legislation that would unduly shift a higher tax burden to retirees and seniors.

President O'Neal encouraged everyone to participate in GSRA by going to the website www.MyGSRA.com to join, and then adjourned the meeting after twenty five door prizes were given to lucky members.



Sen. Grant, Rep. Epps, GSRA Legislative Liaison Bill Tomlinson, Rep. Kidd, Rep. Channell, Chapter President Lewis O'Neal at Lake Oconee Area Chapter meeting

ABC of Douglas

On June 28, 2011, the ABC of Douglas Chapter held a meeting at the Satilla Regional Library. Guest speaker at the meeting was Mr. Danny McCarty. Mr. McCarty, director of the Wellness Center at Coffee Regional Medical Center (CRMC) gave a very inspiring talk on the benefits of proper exercise for senior citizens. He invited all GSRA members to visit the CRMC Wellness Center and take advantage of their "Silver Sneakers Fitness Program".

Any retired state employee who would like more information regarding GSRA and the ABC of Douglas Chapter should contact Elizabeth Forsyth at 912-384-3920 or via e-mail at mike122342@netscape.net.

Valdosta

The Valdosta Chapter held its second quarter meeting at Ryan's Steakhouse on June 6, 2010. Two members of the local legislative delegation joined the group for lunch and discussion. Rep. Jayson Shaw reviewed the major bills from the last session ranging from the Budget to immigration. Senator Tim Golden, Chairman of the Senate Retirement Committee then spoke.

Senator Golden said his new appointment as Senate Retirement Committee Chairman was quite a learning experience for him since he had not been involved with retirement during his long legislative career. He also addressed the "dead peasant" bills of interest to GSRA members. He didn't know why these bills failed to get to

the floor last session, but pledged that he would continue to work to get them passed next year. He indicated that the GSRA could be helpful in this effort. He also mentioned that he has a "vested" interest in the retirement systems as both of his parents are beneficiaries. His late father, Frank Golden, was instrumental in starting the Valdosta Chapter.



Rep. Shaw, Chapter President Carroll Griffin, Sen. Golden at Valdosta Chapter meeting

Member Spotlight



This month's Member Spotlight is on Ethel Abrams. Ethel, a member of the Thomasville Chapter, served in county government as a member of the Thomas County School Board. Her state career was spent in nursing with the Department of Human Resources, Southwestern Regional Hospital, where she worked in several areas of the Rose Haven Community nursing services until retirement. Since retiring, she has become an active member in the local chapter of GSRA, and performs community service and church service. Following are some questions we asked Ethel to answer:

This month's Member Spotlight is on Ethel Abrams. Ethel, a member of the Thomasville Chapter, served in county government as a member of the Thomas County School Board. Her state career was spent in nursing with the Department of Human Resources, Southwestern Regional Hospital, where she

Q: What was your job in state government? Why did you choose public service?

A: I was a nurse on Rose Haven Rehabilitation Services where I worked on various units. I chose public service because I could offer a service to people and for the benefits that were promised when I could no longer serve.

Q: Who was your role model/mentor during your career?

A: There were two people, my immediate supervisor and my unit director. They were always concerned for the welfare of the clients.

Q: What was the biggest lesson you learned during your career?

A: That everyone wants to be appreciated, respected, treated well and loved regardless of their condition.

Q: If you could turn the clock back on one aspect of technology what would you discontinue?

A: The automated phone system. It's the most impersonal act of business and irritating as well.

Q: What was the best thing about your career?

A: Seeing the smiles on the faces of clients that I had helped along the way, meeting new people and forming lifelong friendships.

Q: What was the worst thing you encountered in your career?

A: Not having enough to help or having the equipment for the job; making multi-tasking a necessity.

Q: In the next 10 years what change do you envision in the state government?

A: I believe that due to modern technology there will be an elimination of jobs and the service to clients will cease to exist as we know it today.

Q: What did you do during the first year of your retirement?

A: I traveled, did missionary work in my community and enjoyed spending time with family and friends that I had not had time to be with while working.

Q: What are your favorite hobbies/activities?

A: Doing church work, reading, going to family activities.

Q: What are some of the things you like to read?

A: Daily newspaper, writings of Joyce Meyer and the AARP material.

GSRA New Members in May

Name	County	Name	County	Name	County
Frank Green	Bibb	Betty Sutton	Dougherty	Carmen Fuentez	Muscogee
Edwin Greenway	Bibb	Elouise Spears	Glynn	Mary Quiller	Muscogee
Hugh Thomas	Camden	Phyllis Whitley	Glynn	Daniel Grahl, Jr.	Peach
Vernon Keenan	Cherokee	Gerald Torbert	Greene	Debbie Frasier	Polk
Elizabeth Warwick	Cherokee	Michael Burgamy	Gwinnett	Bonnie Fuscia	Polk
Amy Goldblatt	Cobb	Charlotte Ragsdale	Gwinnett	Cheryl Neill	Polk
Gilda Barnwell	Colleton (SC)	Joy Morris	Hall	Robert Harden	Tattnall
Jeff Lloyd	Coweta	Mack Mauldin	Hancock	Christine Fleming	Walton
Peggy Couch	Dekalb	Cynthia Woodruff	Harris	Felecia Brown	Ware
Anna Milline	Dekalb	Cynthia Mincey	Henry		
Ronald Milline, Sr.	Dekalb	Calvin Brown	Marion		
Ann Wilson	Dekalb	Ann Bishop	Muscogee		

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Please be sure to update your **email address** with GSRA when it changes. Simply log in to www.mygsra.com using your old email address and password; select "Our Members" and "My Profile", and then change your information using the "edit" feature.

If your **mailing address** changes, and you do not use a computer, please notify us of your new address by sending a card or letter to the address at the bottom of this page.

Has Your GSRA Membership Expired? Renew Today-\$15!

Just go to www.mygsra.com and point to the “Join Us” button, then click on “GSRA – Membership Renewal”. Update your personal information on the next page if you need to, and then click “Submit” at the bottom. On the next page, click on “Credit Card” and follow the instructions. As a reminder, spouses are welcome and encouraged to register.

Don’t use credit cards online?

Just click on the “Send Check” option and follow the instructions carefully. Don’t forget: Make sure your full name and mailing address, plus the words “MEMBERSHIP RENEWAL are on the check, payable to “Georgia State Retirees Association” and send the check to: GSRA, PO Box 2391, Newnan, GA 30264.

If you receive GSRA newsletters by US Mail and not by computer, your membership expiration date is shown above your name on the mailing label. Please renew on time by following the check-mailing instructions above. If the expiration date shown on your mailing label is incorrect, drop a note to: GSRA, PO Box 108, Bethlehem, GA 30620. Keep your membership current! Don’t miss out on important news and events!!