



**GEORGIA STATE RETIREES ASSOCIATION
ANNUAL MEETING - TUESDAY, OCTOBER 19, 2010**

**GEORGIA PUBLIC SAFETY TRAINING CENTER
1000 INDIAN SPRINGS DR.—FORSYTH, GA. 31029
Registration and “Meet & Greet” Begins at 12:00 noon**

**Featured Speakers:
2010 Gubernatorial Election Candidates
Roy Barnes and Nathan Deal**

Other speakers will discuss issues important to all of us: the latest State Health Benefit Plan changes and what they mean; budget challenges facing the state in meeting the needs of its citizens; and status reports from the Employees Retirement System. Finally, join the plenary session to discuss the latest GSRA activities and to elect your GSRA Officers for next year. We will adjourn at approximately 5 p.m. **Note:** Our auditorium is right next to the Center’s full service Cafeteria, which *opens at 11 a.m.* Come early for lunch at the cafeteria before the “Meet & Greet” at noon. Bottled water will be provided at the “Meet & Greet” and during the afternoon break. [Please note that candidate John Monds first accepted our invitation and then later declined due to scheduling conflicts.]

CAN YOU DO IT AGAIN, GSRA??

Just like last year, a packed auditorium will once again send the very strong message to both candidates that we are involved ---- and we are for real --- and that we will be listening carefully to their plans for ensuring that benefits promised to us are not taken away. We have arranged for overflow seating in the adjacent conference center if needed, complete with a video feed of the proceedings, so bring your friends and family – there’s room for all!

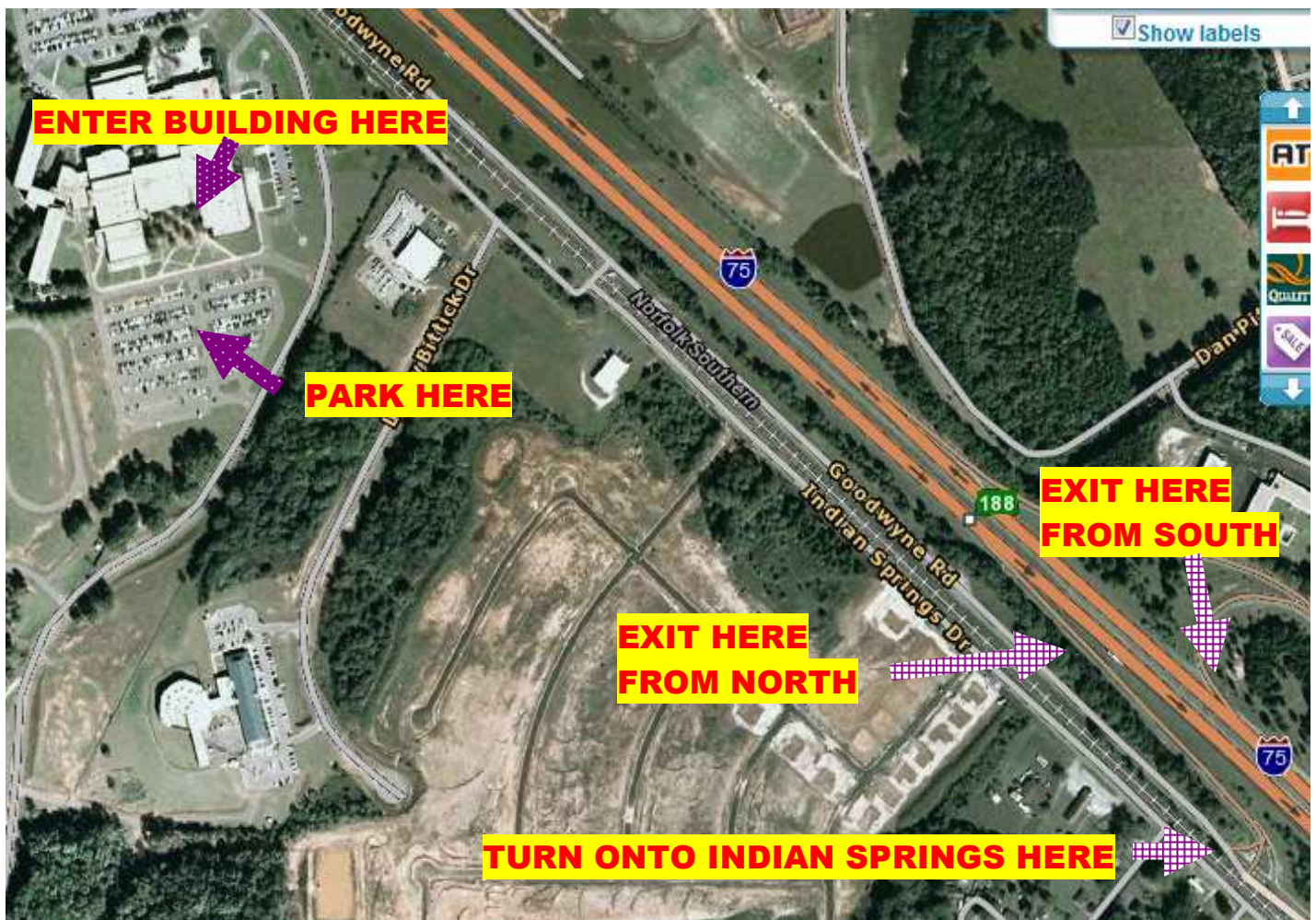
RSVP’s Requested (but NOT required) for this important meeting!

To give us an idea of how many to expect, please RSVP by email to rsvp@mygsra.com as soon as possible, and include in your subject line the number attending, or by regular mail to the address below. (NOTE: Don’t worry if you forget to RSVP. An RSVP is NOT required! Come to the meeting anyway!)

Everyone (even those who RSVP) will need to sign in at the Registration tables and pick up a name tag. To allow us time to set up the registration area, please do not approach the tables before 12 noon, when they will open for business.

You are all challenged to bring as many of your fellow retirees as you can! Bring your family members and active state employees ---- they all have an interest in what these candidates have to say about the issues that affect us all.

Directions: Forsyth, GA is located off I-75 just north of Macon. Take Interstate 75 to Exit #188. Ga. Public Safety Training Center (GPSTC) directional signs are posted prior to the exit. **If northbound** on I-75, take exit #188; turn right, go under the I-75 overpass to the stop sign and turn right; Go 0.5 mile and turn left across the railroad tracks onto the Training Center access road (Indian Springs Drive). Turn right and proceed to the GPSTC entrance. Bear left and drive to the parking lot on the left (south) side of the building. The entrance to the auditorium is on that side of the building. **If southbound** on I-75, take exit #188; turn right at the stop sign. Go .5 mile and turn left across the railroad tracks onto the Training Center access road (Indian Springs Drive). Turn right and proceed to the GPSTC entrance. Bear left and drive to the parking lot on the left (south) side of the building. The entrance to the auditorium is on that side of the building.



DOES GSRA HAVE YOUR CORRECT CONTACT INFORMATION?

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.

DON'T FORGET --- ELECTIONS ARE ALMOST HERE!

As featured in previous GSRA Newsletters, here again are the websites for the Office of the Georgia Secretary of State, where you can find out how to contact the candidates in both local and statewide races:

- First, to find your house and senate districts: <http://www.sos.georgia.gov/MVP/Login.aspx>
- Then, to see who has qualified to run in each race:
 - State Senate: <http://qual.sos.ga.gov/QualifyingSearchResults.asp?RaceID=4>
 - State House: <http://qual.sos.ga.gov/QualifyingSearchResults.asp?RaceID=2>
 - Statewide races: <http://qual.sos.ga.gov/QualifyingSearchResults.asp?RaceID=5>

Don't use a computer? No problem! Just call the Secretary of State's Office, Elections Division, at **404 656-2871** to get information on how to contact the candidates to let them know of your concerns about health insurance and pension benefits promised to state government retirees. Don't sit on the sidelines this important election year!

GSRA STATEMENT TO THE SPECIAL COUNCIL ON TAX REFORM

In June, Governor Perdue signed legislation to establish the Special Council on Tax Reform and Fairness for Georgians, which, according to the Governor, “. . . sets up a framework that will allow for a serious examination of our tax code and ensure that it works for Georgians.” Below is the text of GSRA's October 7 letter submitted for consideration by members of the council. For more information on this effort at tax reform in our state, follow this link: <http://fiscalresearch.gsu.edu/taxcouncil/index.htm> or call 770-414-6507.

Honorable commission members:

The 4,300 members of the Georgia State Retirees Association thank you for the opportunity to present to you important information considering the elderly. The vast bulk of our membership are on fixed incomes with very limited or no opportunities to supplement their incomes in the future. The average income is under \$30,000 annually, and in recent years our members, like most of their elderly peers, have lost ground to inflation by about 3% per year. As you may not know, the cost of living for individuals aged 62 and over has consistently increased by close to 7% more than for the population as a whole over the last 27 years (source: Bureau of Labor Statistics reports).

Among the benefits of living in the state of Georgia, the elderly can make their expenditures for major portions of their budget stretch a little further because items such as food, medical services, and pharmaceutical products are not subject to sales tax. And these very items are among the ones subject to the greatest inflation. Subjecting these citizens to the additional cost of sales tax will cause untold hardship to many and cause many others to forgo other necessary items.

When considering the fairest ways to generate revenues critical for the state budget, we respectfully request that you consider the personal impact on those who will have to bear the burden. In particular, we request that you recommend continuing the present practice of not imposing sales tax on groceries, medical services, and pharmaceutical products.

Thank you for your consideration,

*/s/ B.J. Bennett, President
Georgia State Retirees Association*

SHBP Cancels Premium Discounts for Retiree Medicare Enrollees Who Choose a non-MAP Option: GSRA Objects

The recently announced SHBP rate structure (effective January 1, 2011) will discontinue a premium discount previously granted to Medicare-enrolled retiree members of the SHBP who choose an option other than a Medicare Advantage Plan. The premium discount recognized that Medicare is the primary payer and the SHBP pays only the difference and then only after the retiree pays out-of-pocket the deductible and coinsurance amounts. On September 17, 2010, GSRA requested, on behalf of all retirees, the Board of Community Health to reconsider this policy. The request is reprinted below.

Dear Vice-Chairman Mason:

The Georgia State Retirees Association requests the Board of Community Health to reconsider the policy to discontinue discounted rates for retirees over age 65, who are enrolled in Medicare and who choose either the HMO, HRA, or HDHP options under the State Health Benefit Plan. The table below shows CY 2011 rates for retirees over age 65 as if they did not have any Medicare, and exceed the cost to the SHBP for providing the coverage to retirees who are also enrolled in Medicare (Parts A, B, and D).

So that we may be succinct, all references to rates are for individual coverage, but are illustrative for purposes of discussion. A comparison of the CY 2010 rates and those that were approved by the Board on August 26th for CY 2011 are as follows:

Rate Category	Monthly CY 2010			Monthly CY 2011		
	HMO	HRA	HDHP	HMO	HRA	HDHP
With Medicare Parts A, B, & D	182.40	192.00	177.40	1,118.02	1,112.62	1,128.38
With Medicare Parts A & B	297.70	307.30	292.70	1,118.02	1,112.62	1,128.38
Without any Medicare	1,035.20	1,044.80	1,030.20	1,118.02	1,112.62	1,128.38

The above rates approximate 300-500% increases over the CY 2010 rates. As stated by the presenters at the Board meeting, the discount for having Medicare is eliminated and retirees are being treated as other members having "other coverage" for which the SHBP is not primary. There are, however, substantial differences between an active employee having a spouse with other coverage and a retiree who is also enrolled in Medicare:

- *Georgia law requires the SHBP to subordinate payments for retirees who are eligible for Medicare;*
- *Medicare charges a premium penalty for late enrollments in Part B, therefore, movement in and out of Medicare may result in substantial penalties in contrast to active members having no penalties for movement in and out of employer coverage;*
- *Medicare is always the primary payer for a retired enrollee leaving the SHBP as secondary payer in contrast to active employees having at least one person on the coverage for whom the SHBP is primary.*

Based on information released by Medicare, the average cost of health care (Parts A, B, & D) for a retiree in Georgia's region approximates \$900 per month, leaving an approximate average amount (based upon the

SHBP published total rates) of \$220 per month to be paid by the SHBP for a retiree who is enrolled in full Medicare. Even if our projection of \$220 per month (20% of the approved rates above) is low, the difference between our projection and \$1,112 is substantial.

We summarize the estimated costs of the retiree who chooses an option other than the Medicare Advantage Plan.

	Monthly Estimates	Annual Estimates
Medicare Premium Part B	\$ 110	\$ 1,320
Medicare Premium Part D	32	384
SHBP Premium (HRA)	1,112	13,344
Out-of-pocket (amount that Medicare does not pay)		Up to \$3,000
Prescription Drug copays	Unable to project	Unable to project
Total Monthly Premiums	\$ 1,254	-----
Total Annual Cost Estimate		\$18,048

We recognize that retirees over age 65 are offered the Medicare Advantage Plan options and for the most part, the options meet the needs of retirees. However, the MAP option does not meet the needs of all retirees because of their circumstances. Setting rates that charge the retiree a far greater amount on average than the SHBP pays out for benefits treats retirees as if “one shoe” fits all or that there is no difference in retiree circumstances. Since the average pension benefit for employees and teachers is between \$29,000 and \$32,000, an \$18,000 annual cost for health insurance and medical services is 56%-62% of the pension. It is clear that the average retiree cannot afford such cost.

We recognize your responsibility as a fiduciary for all members of the SHBP. However, the policy that fails to discount the premium for retirees who have Medicare ignores the fact that the SHBP will pay for medical services only after Medicare has paid and after the members pay up to \$3,000 out-of-pocket. Therefore, we request on behalf of all Medicare eligible SHBP members, that the Board establish rates that reinstate the discount for Medicare coverage.

Sincerely,

/s/ BJ Bennett
GSRA President

Correction

The GSRA Newsletter of September 15, 2010 listed the Employees Retirement System investment return rate for FY 2010 as 14.25%. The correct rate is 10.99% for FY 2010. Rates for FY 2003 through FY 2010 are listed below.

FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
4.5%	9.8%	7.8%	6.2%	14.7%	(3.5%)	(12.97%)	10.99%

Has Your GSRA Membership Expired? Renew today!

BEST way to renew: Online, by credit card!

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.

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!!

GSRA ADDS ANOTHER LOCAL CHAPTER – JOIN ONE TODAY!

GSRA's newest Local Chapter recently organized in the city of Douglas, Georgia, in Coffee County. Chapter By-laws have been adopted and the following officers will serve: Elizabeth Forsyth, President; Thada Harper, Vice President; Jean Porter, Secretary; Maggie Crosby, Treasurer; Bonnie Holton, Membership Chair; Bryant Huff, Legislative Chair; and Mike Forsyth, Public Relations Chair. The name of the new chapter will be "ABC of Douglas" (for Atkinson, Bacon and Coffee Counties). However, any active state employee, retiree, or retired teacher, regardless of residence, is welcome to join. For more information, call (912) 384-3920, or send email to mike122342@netscape.net.



The crowd gathers to organize the ABC of Douglas Chapter.



New Douglas Chapter President Elizabeth Forsyth

Join a LOCAL GSRA CHAPTER TODAY!

Don't have one in your area? THEN START ONE – It's easy!

Local Level activities and legislative contacts are the best ways to get our message across to your elected officials.

FIND OUT MORE: Visit www.mygsra.com today and click on "Local Chapters"

OR send email to: membership@mygsra.com;

OR drop a line to: Membership Committee

Georgia State Retirees Association

PO Box 108 Bethlehem, GA 30620