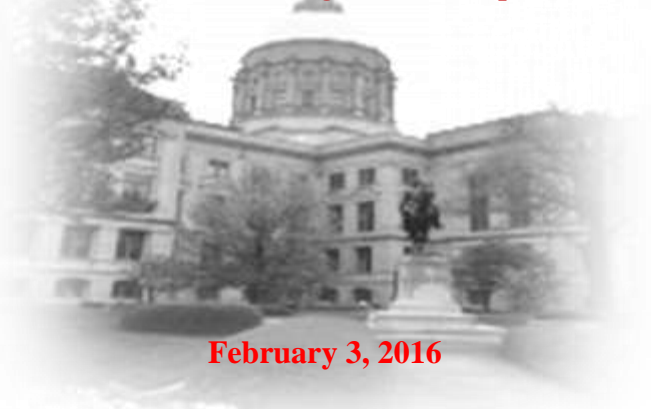


GSRA Day at the Capitol Coming Up

GSRA is busy making final arrangements for its annual *GSRA Day at the Capitol* and *GSRA-GPHSA Legislative Reception*. Both events will occur Wednesday, February 3 on Capitol Hill in Atlanta, and both events will depend entirely on informed GSRA member participation in order to be successful. This participation takes two forms: 1) each member personally inviting his/her legislators to the reception; 2) as many members as possible participating in the GSRA Day events. As for being informed, each member recently received a communication from GSRA's President Kip Mann which included detailed information regarding the association's goals and objectives for 2016 and beyond and included specific talking points for communication to legislators.

In early January, members will receive a GSRA generated Action Alert which will allow each member to extend an invitation to the GSRA-GPHSA Legislative Reception to the members' specific legislators. All it takes is for each GSRA member to open the Action Alert and follow the prompts to invite their Senator and Representative, a process that only takes about five minutes. If members want to, they can personalize the message, which GSRA encourages, particularly members who don't plan to actually attend the reception. Unfortunately, each year we have a number of members who don't bother to open the Action Alert and of the members who do, we always have a number who don't bother to follow through with inviting their legislators. **Please open the Action Alert and invite your legislators!** Even better, write, phone or meet with your legislators, particularly if you will not be attending the GSRA Day events, and make them aware of our goals and objectives as GSRA members.

GSRA Day at the Capitol GSRA-GPHSA Legislative Reception



February 3, 2016

[Information and Registration](#)

Then, beginning at 9:30 AM on February 3, we need as many members as possible to convene at the Legislative Office Building (LOB) in Room 406. We will then immediately head over to the Capitol to have our picture made with Governor Deal. Afterwards, members will reconvene in LOB 406 to receive a briefing from GSRA leadership and GSRA's Legislative Liaison, Chuck Clay. The good news is that the briefing will simply reiterate information that has already been distributed to members regarding GSRA's 2016 and beyond goals and objectives. At that point, members will pick up the bags of information to be distributed to Senators and Representatives and fan out over Capitol Hill to deliver them. Hopefully, during this time, members will have the opportunity to meet and interact with their own Senator and Representative in addition to the other legislators to whom they deliver bags. After the bags are distributed, members will be on their own for lunch. If there are any committee meetings of interest in the afternoon, members will be given that information and are encouraged to attend.

At 4:30 that afternoon, members will convene at the Empire Room in the West Floyd Tower to get ready to host legislators and their staffs at the *GSRA-GPHSA Legislative*

Reception from 5:00 – 7:00 PM. The reception, featuring heavy hors d’oeuvres and beverages and highlighted with awards ceremonies by GSRA and GPHSA, is a great opportunity for members to meet with their elected officials in a relaxed, social setting. The reception has typically been well attended by legislators, especially those expecting to see their constituents.

GSRA has tried to make it as easy as possible for members to attend both events. Our out of town members can take advantage of special discounted rates at the conveniently close Ramada Plaza Atlanta Downtown Capitol Park. Both guests and commuters can also take

advantage of their \$5.00 for all day parking and shuttle service. The *GSRA Day at the Capitol* announcement sent out recently contains all the information about both events, as well as lodging and parking information. Use the link above to access the information and register.

Please help your association make the 2016 *GSRA Day at the Capitol* and *GSRA-GPHSA Legislative Reception* the best events yet. **Make plans to participate by inviting your legislators and by showing up!**

ERS – Provides Retiree Statistics

GSRA, in order to confront various misconceptions about retirees of the Employees Retirement System, asked the Executive Director, Jim Potvin, to provide information showing the statistical characteristics of ERS retirees. The following statistical information was provided for retirees as of June 30, 2015.

1. Percentiles and approximate annual benefit amounts for 47,180 retirees (service, disability, and beneficiaries):

20 th percentile	\$ 9,700
40 th percentile	17,080
60 th percentile	27,500
80 th percentile	44,360
2. Median Annual Benefit \$21,750
3. Benefit Limited by the 90% rule 13.2%
 Only “old” plan members (approximately 41,700) reach the 90% threshold since most of currently

retiring members belong to the “new” plan and must work 45 years to reach the 90% of active pay.

- | | | |
|----|-----------------------------------|----------------|
| 4. | Benefit payments (annually) | \$1.3 billion |
| 5. | Active member compensation | \$2.32 billion |
| 6. | One time 3% (bonus ¹) | \$ 39 million |
| 7. | One time 3% COLA ² | \$350 million |

GSRA discussed several scenarios with Director Potvin about the future cost and unfunded liability for (a) annual one-time bonus, (b) COLAs at 3% each year, and (c) prefunding COLAs similar to the prefunding like TRS. Although GSRA and/or ERS can speculate on these costs, actuarial projections would be required and are beyond the scope of this writing.

Health Care Costs Increased (2014) at Highest In 13 Years

The IMS Institute for Healthcare Informatics³ reports that Americans’ spending on medicine in 2014 increased at its highest rate in 13 years—up 13.1%--as new drugs were

introduced to the market, and as key elements of President Barack Obama’s health care law took effect. The biggest drivers of increased spending is for medicines.

¹ The increase would not increase the benefit for future years

² The COLA would increase the base benefit for the duration of benefit.

³ IMS Institute for Healthcare Informatics is a global information and technology services company.

New drugs on the market contributed \$20.3 billion to spending growth in 2014. Four of the drugs—such as Sovaldi at a cost of \$1,000 a pill—received approval from the FDA for the treatment of hepatitis C (a disease of the liver). These four drug treatments accounted for nearly \$11.3 billion in spending alone—price and including nearly 10 times as many patients being treated for the diseases in 2014.

Specialty drugs account for one-third of drug spending, driven in part by new treatments. The four **medical conditions** for which treatments have expanded are Hepatitis C, Multiple Sclerosis, Oncologics, and Diabetes. Spending has increased for these treatments by almost \$58 billion in the last five years (2010-2014) or 73% of overall medicine spending growth for the same period.

In addition, the number of orphan drugs—used to treat rare medical conditions—peaked with 18 in 2014 and 61 in 2010.

Although the prices for branded products rose at an average rate of 13.5%, the payment amount increased by 7% to 8% because of discounts and rebates. The expiration of patents on medicines allows cheaper, generic versions of a

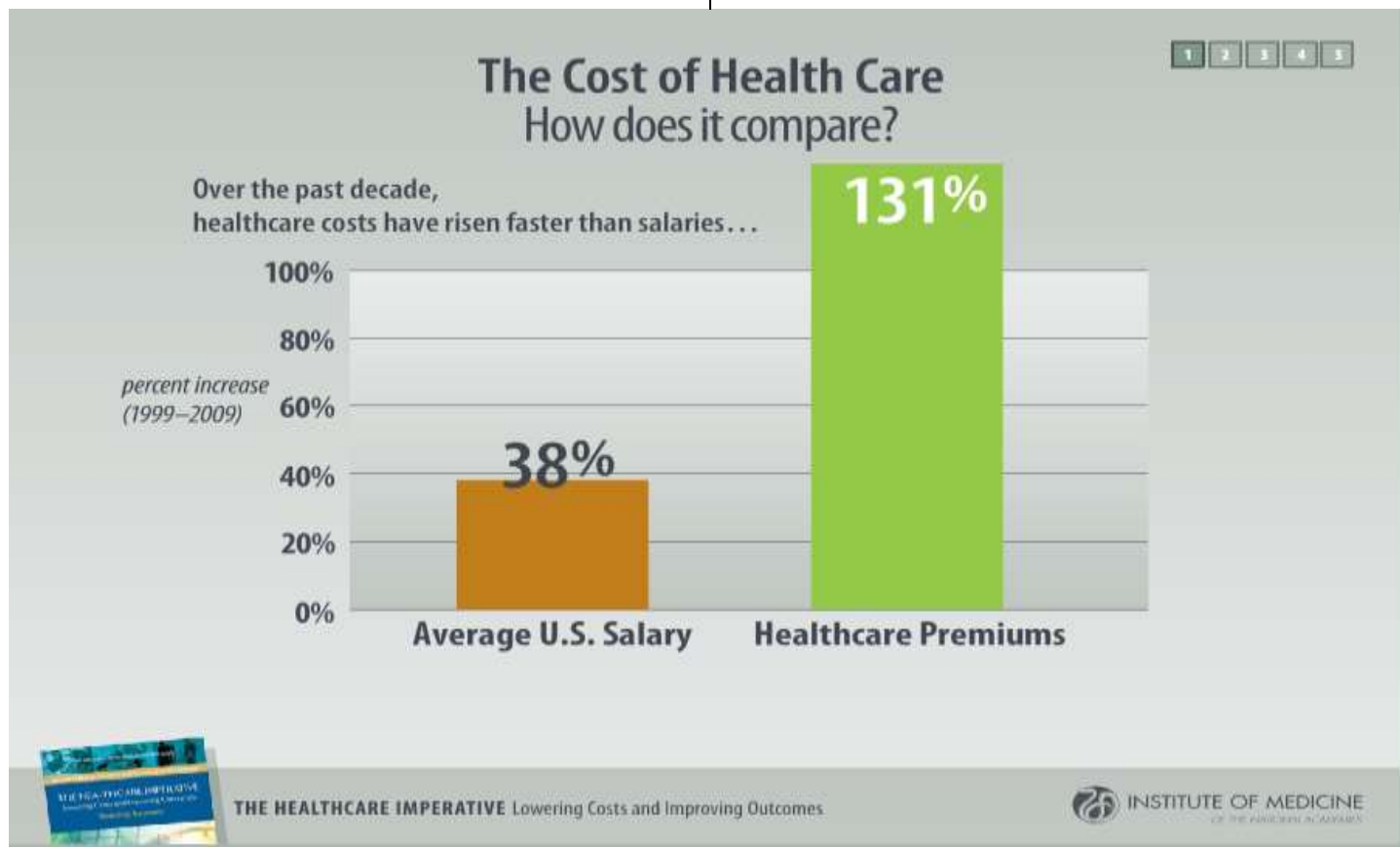
drug. The reduction in cost for generics in 2014 was \$11.9 billion.

Changes in demand and payments for medicine also impacted health care spending. Under the Affordable Care Act, 2014 was the first year that Americans were required to buy health insurance or pay a penalty, increasing the number of people who could buy medicine with the help of insurance.

As a part of ACA, affordability of health insurance is a major issue. In 2016, employers cannot set healthcare premiums for “employee-only” coverage greater than 9.66% of the employee’s household income.

In the November GSRA Newsletter, Medicare premium costs were discussed. The Part B premium should have been increased by approximately 14% for 2016. See the November newsletter for a more complete discussion and the group of beneficiaries who will be assessed the higher premium.

The Institute of Medicine provided the following comparative charts between the increased cost of health care and other items. These are provided for your review although GSRA cannot vouch for any of the comparisons.



1 2 3 4 5

The Cost of Health Care

How does it compare?

If other prices had grown as quickly as healthcare costs since 1945...



a dozen eggs would cost **\$55**



a gallon of milk would cost **\$48**



a dozen oranges would cost **\$134**



THE HEALTHCARE IMPERATIVE Lowering Costs and Improving Outcomes

INSTITUTE OF MEDICINE OF THE NATIONAL ACADEMIES

1 2 3 4 5

The Cost of Health Care

How much is waste?

Click the diagram for more detail or here to **CONTINUE**



Source: Data from workshop presentations and discussions summarized in *The Healthcare Imperative*



THE HEALTHCARE IMPERATIVE Lowering Costs and Improving Outcomes

INSTITUTE OF MEDICINE OF THE NATIONAL ACADEMIES



Kip's View: Busy Holiday Season and Session Coming

GSRA President Kip Mann makes an appeal for membership participation in upcoming GSRA activities and events.

This has been a busy time for your GSRA Board and Officers. We have sent you our Future Plans document which details our long range goals and our current 2016 Legislative Issues. Committee assignments have been made for the coming year and GSRA members will soon be asked to volunteer their time to work on these committees to improve our association. Plans have also been underway to make this *session's GSRA Day at the Capitol* a huge success, and the evening reception for Legislators an event not to be missed; so mark your calendar to attend this event February 3, 2016 in Atlanta.

By now you should all be either preparing to contact or have contacted your Senator and Representative while they are still in their home districts and make them aware of GSRA's 2016 Legislative Issues. Also, you should be inviting them to join you at our Legislative Reception in Atlanta on February 3, 2016 and the Action Alert you will receive in early January should make it very easy to do that. It's very important that you take these steps because your Board cannot achieve these objectives without

your help. Hearing from constituents makes Senators and Representatives more sensitive to the concerns of active and retired state employees. As always, we are not the only people vying for their attention and support, so numbers count; the more the better.

So, I hope you have a busy, active, and productive Holiday Season and I look forward to seeing each of you at the Capitol in Atlanta on February 3, 2016 to have our picture taken with the Governor and to make our message heard that it's time to take care of those who serve or served the people of Georgia during their years in service to state government.

Happy Holidays!

Correction

The November issue identified NE Metro chapter member Anna Shackleford as Representative Brett Harrell's mother. This is incorrect and GSRA apologizes for the mistake and any confusion caused by it.

Local Chapter News

West Georgia/Columbus Area

The West Georgia/Columbus Area Chapter held their fourth quarter meeting on Tuesday, November 17 at the Epworth United Methodist Church in Columbus. Chapter Vice President Connie Smith briefed the members present on the Annual Meeting held in Savannah while emphasizing the importance of attending annual meetings. Connie had also prepared

copies of three GSRA documents for distribution. They were: GSRA 2016 Information for Legislators; GSRA Future Plans and Strategy; and GSRA *Communicating Our Goals to Legislators: A Tool Kit*, which made for a very informative meeting. Light refreshments were served and a new chapter member was welcomed. Connie also encouraged everyone to attend Legislative Day, 2016 in Atlanta.

GPHSA Announces Job Opening

The Georgia Professional Human Services Association seeks applicants to fill the position of Executive Director of the Association. This announcement is distributed to all GPHSA members including the Retiree Auxiliary. Interested applicants will submit a cover letter and resume to the Executive Office by 12/31/2015. Mail these to:

GPHSA
PO Box 1219
Covington, GA 30015-1219

[Please click here for a document with information regarding the position.](#)

Don't Forget Your AMBA Benefits!

We encourage you to view the benefits available to you as a member of GSRA by visiting our contracted vendor, www.myAMBAbenefits.info/association/gsra. You will see many discounted products (electronics, vacation) and benefits, such as long-term care or dental insurance.

Consider Paying GSRA Dues Through ERS

If you receive a benefit from the Employees Retirement System, you can now have your GSRA dues deducted from your ERS retirement benefit. It is simple and keeps you from having to send a check or go on-line for the renewals. Just download an authorization form from the [GRSA website](#), complete and mail as instructed on the form. Be sure to include your retirement number. You can also contact GSRA at 770-317-2799 for a form.

Season's Greetings and Best Wishes for 2016!

GSRA Members!

Check out ERSGA/GTA's

MORE – My Official Rewards Experience

ERSGA retirees get discounts and incentives for:

- Travel
- Entertainment
- Shopping
- Recreation

Other areas tailored to your interests

You can access MORE by logging into your secure ERSGA account and clicking the link.

<https://secure.ers.ga.gov/>

Endorsed Benefits

The Georgia State Retirees Association (GSRA) makes many member only benefits available to its members. GSRA endorses the following member benefits:

- Long Term Care / Home Health Care Policy
- Life Insurance
- Medical Air Services Association (MASA)
- Travel Discounts
- Car Rental Discounts
- Tax-Deferred Annuity
- Cancer Treatment Policy
- Medicare Supplement Insurance
- Identity Theft Protection
- Hotel Discounts
- Computer Discounts

Review your benefits at: www.myAMBAbenefits.info/gsra



Welcome SHBP RETIREES

We're back!

We are honored and look forward to serving you in 2015!



Plans are insured through UnitedHealthcare Insurance Company or one of its affiliated companies, a Medicare Advantage organization with a Medicare contract. Enrollment in the plan depends on the plan's contract renewal with Medicare.

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* APR - Annual Percentage Rate. Loan rate is quoted as an Annual Percentage Rate and is subject to change without notice. Rate example is quoted for a 2010 or newer model year auto with a 36-month repayment period. Estimated monthly payment on a 36-month loan at 1.55% = \$29.00 per \$1,000.00 borrowed. Additional rates and terms are available. Ask for details. Rates shown are the lowest available for the listed term as of June 30, 2014. All loans are subject to approval of credit. Your actual rate is based upon your credit history. APCU is an Equal Opportunity Lender.