

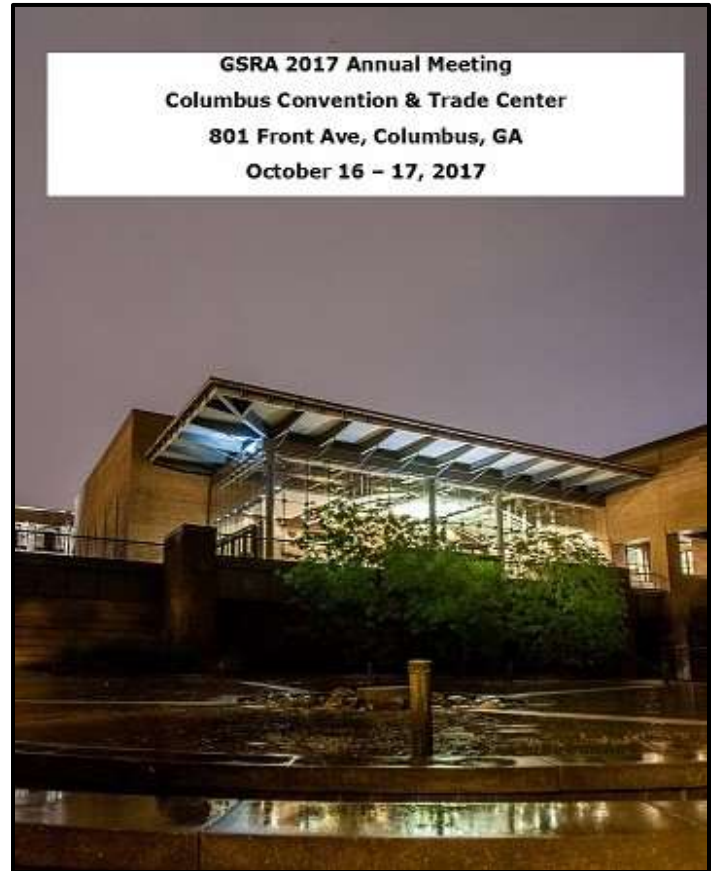
GSRA Fairing Well in 2017 Legislative Session; Members Help Cause by Participating in Action Alerts

Legislative Committee Chair Chuck Freedman provides the current status of bills of interest to GSRA and state retirees.

As the 2017 session is coming to a close, things are getting “exciting” as usual; this report is being written as day 38 is still churning. A complete assessment will be written in our next, post *sine-die*, issue. This article reports solely on bills that directly impact ERS retirees, including updating information on bills reported in last month’s *Newsletter*.

The General Assembly has chosen for the ninth consecutive year to not fund a COLA for ERS retirees. It HAS funded an increase in the actuarially determined employer contribution rates (ADEC) and also provided for a 3% one-time adjustment up to \$900 (3% of \$30,000). As previously reported, the Governor included the one-time adjustment in his budget recommendations, a first since 2008. In fact, this was the first time that Governor Deal had recommended an increase of any kind for ERS retirees. While this “bonus” is not the COLA we have been fighting for, it is something we should be grateful for. The GSRA legislative team has already discussed convening after the Session to determine how to best approach the ERS board to achieve a COLA in coming years.

This session has generally been less challenging than previous ones. There are only two bills which are of great concern, and one of those (SB8) is very positive consumer legislation. Authored by Sen. Renee Unterman, SB 8 seeks to prevent medical patients from being liable for “surprise” or “balance” billing in excess of the amount paid by their



health insurance policies. It, along with HB 71 by Rep. Richard Smith, would provide additional protection through requiring advance disclosure by providers that “in-network” providers are not available and indicating likely costs of “out-of-network” providers should patients choose to use them. As written by our good friend Wayne Drummond, “surprise medical bills happen most often when you go to a hospital and received treatment. The hospital and your primary doctor will likely be in-network. However, they may engage others in your treatment such as an anesthesiologist who is not in your network The surprise is you can then receive an unanticipated bill for hundreds or thousands of dollars from the out-of-network provider that you may not have even been aware of.”

HB 71 failed to cross over to the Senate, leaving SB 8 to advance the cause alone. After GSRA and partner active and retired ERS and TRS members’ associations’ members responded to action alerts, SB 8 passed the Senate unanimously. It then passed the House Insurance

Committee by substitute. The substitute reduced the protection to only physician services delivered only in emergency rooms. While this is less protection than desired, it is still better than the present status. Therefore, GSRA and its partner associations joined to issue action alerts requesting members to write/call their representatives to pass SB 8 on March 24. SB 8 was on the Rules calendar but was not called until roughly 6:15 p.m. For reasons we have not yet learned, the bill was recommitted to committee before it was called for a vote. Should the bill pass and go to conference, the GSRA coalition team will work to influence the conferees to amend SB 8 to prevent balance billing from all providers, not just physicians, and all services, not just emergency room services.

The other bill of significance is HB 329 which would reduce the top income tax rate from 6.0% to 5.4% and extend tax credits for lower income taxpayers. HB 329 was amended in the Senate Finance Committee but has not been made available to the public. We understand that cost of the bill with the extended tax credits will be about \$200 million annually. This should be enough to fund a roughly 2.6% COLA annually. Even though the bill provides some benefit to non-seniors, it will not affect most ERS retirees whose

incomes below \$35,000 (ages 62 -65) and below \$65,000 (ages 65 and up) are exempt. But our objection to HB 329 primarily is that it is fiscally irresponsible to reduce state revenues when the fate of continued federal revenues, particularly for medical services, is unknown. A tax break bill is very popular, particularly when it appears to treat all income levels relatively fairly. The legislative team is monitoring the bill closely while developing a strategy to help defeat it.

HB 300 to transfer the SHBP from DCH to DOAS and do other things, and SB 131 to create a DCH SHBP consumer advisory panel, did not cross. HB 312 to authorize ERS to offer a Roth IRA program, and SB 126 to allow military members to buy up to 60 months of credible ERS service both crossed. SB 101 passed the Senate and can be considered for passage by the House in the last two days. This bill allows previously full-time employees working for a state department to convert their service in the “defined contribution plan” to the Employees Retirement System “defined benefit plan”.

ERS Released Alternative Investment Return Information

Executive Director Jim Potvin released a letter to Governor Deal and members of the General Assembly regarding the investment return for Alternative Investments, as required by the Official Code of Georgia Annotated. Director Potvin stated the alternative investment portfolio had an internal rate of return of 8.10% at December 31, 2016 and the aggregate profit from alternative investments during the year was \$7.8 million.

SHBP Update

The General Assembly approved the FY 2018 budget for the State Health Benefit Plan in the recent passage of HB 44. The “As Passed” version is substantially the same as Governor Deal’s recommendation. Major changes for the

FY 2017-2018 (CY 2017 and CY 2018) are listed in the table below, although benefit and premium changes for CY 2018 will be presented in August 2017 as discussed at the March 9, 2017 Board of Community Health meeting.

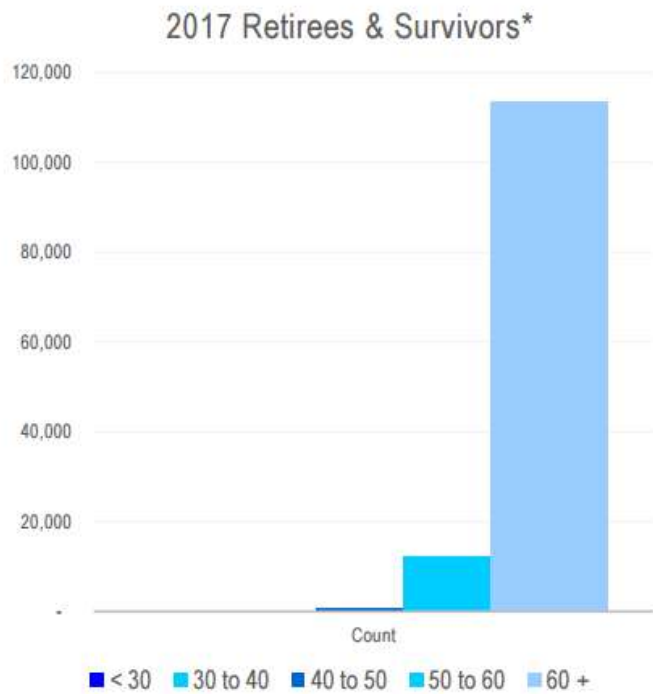
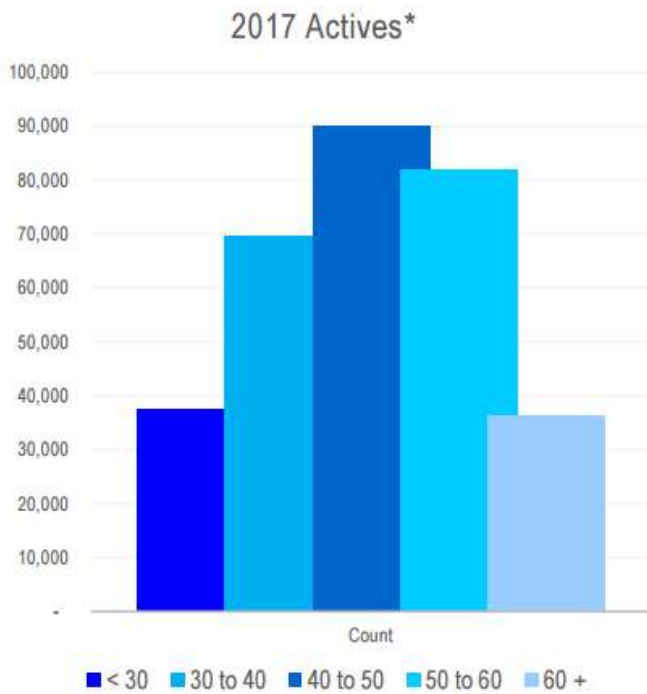
STATE HEALTH BENEFIT PLAN BUDGET (AS APPROVED)		
	Amended FY 2017	FY 2018
Beginning Appropriations	\$ 3,273,565,552	\$3,273,565,552
1. Savings from the Dependent Verification Audit	(17,607,871)	(27,655,000)
2. Increase employee premiums for non-Medicare Advantage by 2.5% (CY 2017)	7,200,000	14,400,000
3. Increase 5-year limit for children’s hearing aids from \$3,000 to \$6,000	4,736	9,471
4. Increase Medicare Advantage premiums by \$20, January 2017	5,283,000	10,566,000
5. Increase cost of benefits because of utilization, inflation, and enrollment	126,049,802	200,347,554
6. Savings from Pharmacy Benefit strategies	(39,113,000)	(42,295,000)
7. Savings from Medicare Advantage rates in Plan Year 2017	(8,912,000)	(19,587,000)
8. Increase Non-Certificated School Service rates to Local School Systems from \$846.20 to \$945 per member per month.		29,557,564
9. Match Medicaid age requirements for treating autism spectrum disorders (ASDs), effective January 1, 2018.		1,100,000
TOTAL	\$3,346,470.219	\$3,440,009,141

In addition to the \$3.4 billion appropriated as shown above for benefit cost, \$21.3 million was appropriated for administration of the SHBP during FY 2018. The table above shows no planned increase in benefits or premiums for January 1, 2018; however, any benefit and premium changes for CY 2018 will be presented to the Board of Community Health in August 2017.

At the federal level, the American Health Care Act that is being discussed will replace the Affordable Care Act. Employer plans **MAY** be modified or allowed to be modified—benefits and how premiums are determined—if the American Care Act is approved. GSRA will monitor

discussions about health care changes at the federal level and if and when information is available GSRA will present further information.

Although the Director of the SHBP, Jeff Rickman, presented an overview of the plan to the Board of Community Health on March 9, 2017, no discussion of future plans or financial status of the plan was mentioned. Director Rickman provided the following information regarding the age ranges of the members (not dependents). As you will note, more than 50% of the active SHBP members is over 40 years of age, and approximately 90% of retirees is greater than age 60.



*Subscribers only

Local Chapters Important to GSRA Mission!

Savannah Coastal local chapter President Allan Hill provides his opinion of the value of GSRA local chapters to both the association and to members in the following editorial.

I am the President of the Savannah Coastal local chapter of GSRA, have been for almost five years now. Why? Because I believe in the mission of GSRA and the value of a local chapter. I believe that when a person says, “someone should do something about (no COLA, no choice in SHBP, possible tax reform – pick one), that someone might as well be me. Especially when the issue affects me directly. I’m not going to sit around waiting for someone else to do it. And when there are people already doing something about it (GSRA), I want to help them accomplish that goal. COLAs and SHBP impact my life, and I want to have a say in them.

Local GSRA chapters are essential in educating local members concerning their benefits, and, equally important, educating State elected officials on a local level about our concerns and issues. As the pundit says, all politics is local, but to be effective, local politics have to be heard. That’s what local chapters do.

I am very fortunate that we have an active membership in the Savannah Coastal local chapter and dedicated local officers. All it takes for a local chapter to be effective is for someone to make a commitment to lead, and then someone will help. I spend less than four hours every three months finding us a place to meet (usually for free, such as at the

public library, community center, or hospital meeting space, sometimes at a luncheon meeting at a local restaurant), notifying my members via e-mail, and lining up a speaker. We have speakers on a wide variety of topics of interest to us, including financial advisors, fitness experts, crime prevention officers from our local police, Alzheimer’s educators, and most importantly, our local legislators. In almost every instance, the speaker is happy to have a chance to meet with our members and share their expertise, with the possible exception of local legislators, some of whom are very accommodating, some not so much. But even if they don’t respond, at least they have heard our voice through our request.

We meet at least three times a year, each meeting lasting less than 90 minutes, and have an interesting presentation and discussion. Plus, we have door prizes. An extra benefit, of course, is catching up with former co-workers, as well as making some new friends. At every meeting, we review the latest initiatives of the GSRA state organization and discuss ways of supporting those initiatives. We have the unwavering support of the state GSRA, including financial support.

GSRA has 19-chartered local chapters; unfortunately, only ten are currently active. The others have become inactive primarily due to lack of leadership. We hear from members around the state that they are interested in a local chapter, would like to attend local chapter meetings, but no one is willing to take the reins of organizing and running them. But it’s not hard! All it takes is that one person to say, hey, this is important and I’m going to do it. Once you do that, others will step up to help you succeed. Believe me, it’s not hard to be president of a local chapter; otherwise, I wouldn’t be doing it. I have found it to be a rewarding and worthwhile endeavor.

If you wish you had a local chapter, you can. You’ll get help from GSRA with everything you need to get started or re-activated. GSRA has had some modest success the last couple of Legislative sessions, and we need to maintain that momentum, build on it. Strong local chapters is the best way to accomplish our goals. For your own sake, step up and be willing to make a difference. Go to help@mygsra.com and start a discussion. Better yet, go to the GSRA website to find a local chapter near you and become active in it.



Kip’s View: Team GSRA

Being a GSRA Member is being a part of a team. That statement has never been more important to me than during the last month. We depend on each other, to stand up for each other when we need help, and to fill in for those who for whatever reason can’t take an active part.

Your Board is much like that. When one Board member needs help, other Board members come to their aid. When a board member gets sick, others step in. When action alerts

go out, members respond. When many members take action together, we accomplish things.

As retirees, we’re faced with many things that make contributing to GSRA efforts difficult: old age, health issues, taking care of parents, children or grandchildren. In the past several years I’ve always been impressed by our members’ resiliency. I’m proud to be your President. Thank you!

February New Members

Name	County	Name	County	Name	County
Robert Hamler	Meriwether	David Millen	Upton	Brenda Tyre	Glynn
Stephen Hatcher	Gordon	Sandra Rice	Cobb	Liza Waller	Meriwether
Norma Jones	Taylor	Dale Roberts	Douglas	Susan Woodham	Thomas
Catherine Maddox	Whitfield	Bobby Stanford	Tift		

GSRA 2017 ANNUAL MEETING - SAVE THE DATE!

THE GSRA 2017 ANNUAL MEETING WILL BE HELD IN COLUMBUS THIS YEAR AT THE COLUMBUS CONVENTION AND TRADE CENTER LOCATED IN THE HISTORIC COLUMBUS IRON WORKS ON THE BANKS OF THE CHATTAHOOCHEE RIVER. DETAILS ABOUT THE EVENT WILL BE DISTRIBUTED LATER THIS SUMMER. LOOK FOR HOTEL RESERVATION INFORMATION IN THE NEXT NEWSLETTER AND MARK YOUR CALENDARS NOW FOR OCTOBER 16-17 AND MAKE PLANS TO ATTEND THIS IMPORTANT EVENT.

Enroll in Pension Deduction

If you receive a retirement benefit from the Employees Retirement System, keep your GSRA membership current the convenient way. Consider having your GSRA dues deducted from your benefit. It's easy! Go to www.mygsra.com (Select Join US, Benefits, and Pension Deduction form.) Complete the Authorization, complete your "pension ID number" and mail as instructed on the form.

How Can We Help?

If you have questions or need help with anything to do with GSRA, please contact help@mygsra.com or call 770-312-2799. Let us help you!



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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

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UnitedHealthcare continues to be a proud sponsor of the GSRA Annual Meeting for 2016.

*2015 UnitedHealthcare Customer Experience Survey scores for Group Medicare Advantage plan members. 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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