

RPEC Board Highlights

The RPEC executive board participated in a one-day orientation session on November 18. Seven of the ten board members are new. They started the day by sitting in on the part of the proceedings of the Select Committee on Pension Policy (SCPP), and found the new committee to be more respectful and open than the old Joint Committee on Pension Policy. The remainder of the day was spent reviewing RPEC structure and policies and becoming acquainted with their new duties.

The RPEC board held its quarterly meeting in Everett on December 9, with a full agenda. A new finance committee was elected and now includes Joe Brown, Tom Mitts and Wanda Riley in addition to the president, Geroge Masten and treasurer, Anne Matthews. The committee also passed the 2004 budget, approved a new policies for dealing with chapter realignment and members for whom we have no valid address, and gave the go-ahead for regional leadership training for chapter officers in 2004. All chapter presidents receive copies of the full minutes so details can be discussed at chapter meetings.

Executive Board meeting calendar

Mark your calendars for the following meetings:

February 10, 2004 - Olympia

May 11, 2004 - Olympia

August 10, 2004 - Olympia

December 14, 2004 - Olympia

All meetings will be held at the Ramada Inn/Governor House in downtown Olympia.

Chapter 27 scores record turnout!

Forty-seven members, or roughly 15 percent, turned out for Chapter 27's last meeting. The secrets? Betty Anderson got on the phone and called every member who has joined since 2000, and the chapter offered a free lunch to the member in attendance who had not been to a meeting the longest.

Jackpot winner!

Sam Kinville won the \$260 jackpot at the Chapter 2 December meeting! Happy holiday shopping, Sam!

Convention 2003 Updates/Corrections

Virginia Kimball notified us that the Cheese Basket, won by Anne Matthews, was not donated by her, but rather by Chapter 4.

Nydia Spangler from Chapter 10, said that they collected 40 pairs of eye glasses this year and she is going to give them to a program at Group Health.

Convention calendar

Mark your calendars for the following conventions:

2004 — Olympia Red Lion — Sept. 23 - 25

2005 — Tacoma Sheraton — Sept. 8 - 12

2006 — Wenatchee WestCoast — Sept 25 - 28



Retired Public Employees Council of Washington

January 2004

<http://www.rpecwa.org>

Toll-Free: 1-800-562-6097

Direct: 360-352-8262

RPEC EXECUTIVE BOARD

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District 9

RPEC COUNCIL OFFICE STAFF

Cassandra de la Rosa
Executive Director
Cass@rpecwa.org

Linda Olson
Office Manager
Linda@rpecwa.org

Barbie Montermini
Accountant
Barbie@rpecwa.org

Derek VanSpoor
Info Tech App Spec
Derek@rpecwa.org

Jean Kivi
Office Assistant
Jean@rpecwa.org

President's Message

By George Masten

What has RPEC done for you lately? True, we lost the battle with the Legislature over the pension committee. But a committee born of controversy knows it has to prove itself. So far, marks are good for the Select Committee on Pension Policy. At their December meeting, they voted to sponsor legislation we support to give our poorest retirees a break. You can read the details inside this newsletter. RPEC is in there on your behalf!

We'll again be lobbying to get you a fair shake when you turn age 66 and finally expect a COLA. We want you to get your COLA on July 1 of the year you turn 66. Presently, if your birthday is after June 30, you must wait another year for that elusive COLA.

And speaking of COLAs, Rep. Steve Conway (D-Tacoma), chair of the SCPP, publicly stated that this is the first step in examining the COLA issue for ALL Plan 1 retirees! We intend to see he keeps his word and be part of the discussion.

What else has RPEC done for you? We worked like heck with our allies to defeat the Medicare prescription drug bill. We lost when AARP turned on us, but until then, we were winning! We helped get a state benefit passed that will start going into effect in 2004.

The board approved a plan to offer leadership training for chapter officers next year – at Council expense.

We got you a hearing aid discount in 2003. You'll be getting details in the mail in January. And your AFSCME Advantage program, available through RPEC, has all sorts of discounts that more than pay your dues.

But most important, we speak for you. We study the issues when you're too busy or tired, or the issues are too complicated. We lobby and speak on your behalf when you're on vacation, with grandchildren, not feeling well, unable to travel or just too shy. We're moving forward in 2004. We're stronger together!

Executive Director's Report

by Cassandra de la Rosa

What's ahead in 2004? We have a full agenda of activity designed to strengthen RPEC and attract more new members. Here's a run down.

Legislative session hot pursuit bills and issues:

Helping our neediest retirees (No bill number yet.)

RPEC's goal is to help our oldest and neediest Plan 1 retirees – those who have been retired more than 20 years, have 25 or more years of service credit and whose pension check totals less than \$1,000 before voluntary deductions. We strongly support the Select Committee on Pension Policy's bill that would provide a minimum benefit of \$1,000 per month for those who meet these criteria. We have over 1,300 PERS 1 and TRS 1 retirees who qualify. Their average age is 85 years for PERS and 89 years for TRS.

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OUR STRENGTH IS YOUR SECURITY!

Executive Director's Message (cont'd.)

Age 66 COLA (No bill number yet.)

RPEC's short term goal is to have Plan 1 retirees receive their Uniform COLA on July 1 of the year they turn age 66. Currently, you must be 66 before July 1 to qualify. Most Plan 1 retirees have waited too long for a COLA and shouldn't be penalized because they were born after June 30. RPEC's long-term goal is a true COLA beginning one year after retirement.

Access to health coverage through former employer (ESSB 5777)

Our goal is to identify employers, if any, who have not implemented the new requirement after the January 1 deadline. We then need to seek enforcement and obtain a legal interpretation of which retirees are eligible based on legislative intent. Because language in the bill is unclear, attorneys for many employers have told them they do not need to offer coverage to those who are already retired.

Medicare offset (Budget item)

RPEC's goal is to ensure that the Legislature does not lower the amounts set in the 2003-2005 budget.

Leadership training for chapter officers

We intend to strengthen chapters by developing officers' leadership capabilities and improving communication. RPEC will plan the events and pay expenses for chapter presidents, legislative and membership chairs. Other officers will be welcome if the self-pay or their chapter pays. We anticipate having four seminars. Details will be made available as they develop.

Political actions and elections

All members of the state House of Representatives and many Senators are up for re-election. There's a hot governor's race. Candidates who support our issues will receive our support through PAC contributions. We again will participate in candidate interviews and will encourage members to offer volunteer help to selected candidates.

Membership

Membership is the lifeblood of RPEC. Our goal is to reverse the net loss in members RPEC has experienced over the past few years. One way to do this is to let public employees know that when they retire, RPEC is the strongest voice for their interests. The Council office will work hard to help chapters recruit new members and keep those they have by making RPEC more visible, vocal and valuable.

2004 Legislative Schedule

The 2004 Washington State Legislature is scheduled to convene January 12, 2004. Time to begin energizing those telephone trees. Contact your local chapter president for information on assisting with your local telephone tree.

Several key dates for this year's session include:

- 1/12 - 2004 Session begins
- 2/06 - last day for bills to be considered in the Policy Committees of the House/Senate, where they originate.
- 2/10 - last day for bills to be considered in one of the Fiscal Committees of the House/Senate, where they originate.
- 2/17 - last day for bills to be considered on the floor in their "house of origin".
- 2/27 - last day for bills to be considered in the Policy Committees of the "opposite house".
- 3/02 - last day for bills to be considered in the Fiscal Committees of the "opposite house".
- 3/06 - last day for bills to be considered on the floor of the "opposite house".
- 3/12 - 2004 Session adjourns

Washington State Labor Council News

RPEC has been invited to nominate members to serve on the Washington State Labor Council's standing committees. As of December 31, 2003, committee vacancies will be as follows:

- Economic Development & Transportation - 8 vacancies
- Education, Training & Apprenticeship - 4 vacancies
- WISHA Monitoring - 10 vacancies
- Women's Committee - 7 vacancies

Please submit your nominations or interest for a position to the RPEC Council Office no later than January 9th.



from the NEWS...

PhRMA Breaks Its Own Spending Record

The Pharmaceutical Research and Manufacturers of America (PhRMA), the trade association for the drug industry, continues to spend record sums to lobby Congress and federal agencies. According to reports submitted for the first half of 2003, PhRMA spent a total of \$8.5 million – the most ever for any reporting period – to defeat the House-passed bill (H.R. 2427) which would allow the reimportation of lower-cost U. S.-made prescription drugs.

Hidden Treasures in the Medicare Reform Bill

Millions of Medicare beneficiaries have bought private insurance to fill gaps in Medicare. But a little-noticed provision of the legislation prohibits the sale of any Medigap policy that would help pay drug costs after Jan. 1, 2006, when the new Medicare drug benefit becomes available.

Under the standard Medicare drug benefit, the beneficiary would be responsible for a \$250 deductible, 25 percent of drug costs from \$251 to \$2,250 and all of the next \$2,850 in drug costs. Private Medigap policies could not cover any of those costs.

A Medicare drug plan could further limit coverage by establishing a list of preferred medicines known as a formulary. The list must include drugs in each "therapeutic category and class" — antihistamines, antidepressants and cholesterol-lowering agents, for example.

But Medicare would not have to pay anything for drugs left off the list. While patients could appeal a denial of coverage, they could not buy private insurance to cover the costs of such drugs.

Under the legislation, an old policy with drug benefits could be renewed — but only by a person who chose to forgo the new Medicare drug benefit. A person who enrolls in the new program could not buy or renew a Medigap policy to help defray drug costs.

HMOs to Reap Benefits From Medicare Law

Health maintenance organizations will receive higher payments under the new Medicare law beginning in March 2004, well before most of the system's clients get significant help with their pharmacy bills.

The new prescription drug benefit does not begin until January 2006. Medicare will not cover physical exams for new enrollees until 2005.

from Talking Points...

Talking Points is a new bulletin from the Council Office that is sent out monthly to all Chapter presidents for information to pass along to their chapter members at meeting, etc. Here are a few highlights from December:

Social Security Reform

Bill (S. 1878) on Social Security Reform was introduced a few weeks ago and immediately referred to committee. Due to the overwhelming amount of work still to accomplish prior to session adjournment, no action was taken.

This is likely to be a hot item again in 2004 and the Council office will be watching closely for its re-emergence and will post you immediately.

Senator Edward Kennedy was quoted to say during the Medicare debates that the pushing of H.R.1 through the House and Senate was a "dress rehearsal for the coming assault on social security."

Medicare Reform and the Prescription Drug Benefit Program (H.R. 1)

In the early morning hours of Saturday, November 22, the U.S. House of Representatives passed H.R.1 in an unprecedented three-plus hour vote. During most of that time, the opposition to the bill was actually winning until enough votes were swayed and changed to eventually pass the bill, 220-215.

Representatives Richard "Doc" Hastings (Dist. 4), George Nethercutt (Dist. 5), and Jennifer Dunn (Dist. 8) all voted FOR the bill.

Representatives Jay Inslee (Dist. 1), Rick Larsen (Dist. 2), Brian Baird (Dist. 3), Norm Dicks (Dist. 6), Jim McDermott (Dist. 7) and Adam Smith (Dist. 9) all voted in OPPOSITION to the Medicare bill.

H.R.1 was immediately sent to the Senate for passage. A few procedural stalling tactics and votes were employed and the Senate took advantage of 3 full days of consideration of this bill. Around the clock debates lasted through the weekend and into the early morning hours of Tuesday.

The Medicare bill was passed Tuesday morning in the Senate with a vote of 54-44. Senators Maria Cantwell and Patty Murray both voted in OPPOSITION of H.R.1.

It has now been sent to the President for signature and enactment into law.