

UAB Retirees Association

Message from President Alan Dimick

Dear UAB Retiree:

Please read this newsletter carefully as it includes vital information about the legislative work ahead if we are to protect our state retiree benefits.

Be sure to read the item explaining UABRA Board action and comments concerning the recently distributed AERA "Action Issues." We especially call your attention to the comments regarding "Action Issue Two" about a new federal guideline requiring states to establish a "reserve fund" to cover any anticipated increase in the cost of health care benefits.

Also, please read important messages from Jack Bradford and Bill Moates concerning the safeguarding of our benefits. You see, while we worked at UAB, our benefits were guaranteed. After we retire our benefits can be changed by the Legislature. That's why we must all work together to protect our benefits. This shows the Legislators and the Governor that we are united, if they try to change our retirement benefits. – Alan

Be Sure To Cast Your Vote for Past President Jack Bradford

YES, our UABRA first and three-term Past President Jack Bradford is a candidate for Retired Place One of the Teachers Retirement System Board of Control. Watch for your ballot if you haven't yet received it in the mail. DEADLINE for returning ballots is Monday, November 20, 2006. Jack devoted 24 years of effective leadership to UAB in several managerial positions. His commitment to community life includes serving as President of Birmingham-based Civitan International. Since retiring in 2001, Jack has continued to devote substantial time to community and church work. Jack solicits our support and vote with this pledge: "I wish to make use of a lifetime of experience that includes leadership, development of others, decision-making, understanding of complex organizations, medical center and health care experiences as well as compassion and understanding. I pledge my dedication and hard work for the benefit of all state education retirees."

Legislative Commentary From Past President Jack Bradford

Newly elected members of the Alabama State Legislature meet in March 2007 and must appropriate the most recent 7% COLA announced last year for state education retirees. Another hard reality about our COLAs is that each and every COLA ever granted by the State of Alabama must be re-appropriated each and every year by the State Legislature! This means that the State Legislature has the power to not appropriate funding for every COLA since this cost of living benefit program began in 1969. I urge you to do some homework before voting this Fall.

You can find out how Legislators voted on HB294 in the 2006 Regular Session by going to the following website: <http://alisbd.legislature.state.al.us/acas/alisonstart.asp>. Click on 'visit Alison', click 'Regular Session 2006', click 'Bills', click 'Status', enter HB294, click 'Get Status', click the box 'HB294' and click 'History' above the bill. The entire history of the bill should come up on your screen. Read each line and click on the 'Roll' you want to view. That's where you'll see how your Representative voted. (It takes a while to load – be patient.) If you need help or don't have a computer, visit your local library.

REMEMBER...

ONLY VOTE FOR FRIENDS OF EDUCATION!

AERA Legislative Committee Report From Vice-President Bill Moates

AERA will center its lobbying efforts on 3 Legislative Action Issues during the 2007 session of the Alabama Legislature. They are: (1) Continued opposition to the diversion or misuse of Education Trust Fund monies; (2) Continued work to keep PEEHIP premiums from rising and to protect allowances given to covered persons; and (3) Recommended actions to contain the cost of PEEHIP to protect the long-term viability of our health insurance program.

The UABRA Board of Directors; decisions on these three issues are explained in a separate item in this newsletter. They will be conveyed to the AERA Board and Legislative Committee for discussion at its November meeting.

We must continue to be vigilant in our collective, cooperative lobbying efforts to protect the Education Trust Fund from diversion tactics. It funds our retirement, health insurance and COLAs we occasionally receive. Let's be dedicated to our work in 2007!

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Explanations of UABRA Board Actions and Discussions on AERA Legislative Issues

The AERA State Legislative Committee recently circulated three "Action Issues" for discussion and recommendations by local AERA chapters. Chapter responses guide AERA in its legislative support for or opposition to bills that affect retiree benefits. Chapters are also invited to share other legislative suggestions.

Here are the three "Action Issues," each followed by UABRA Board actions:

Action Issue One AERA will hold the line against any attempts to take money from the Education Trust Fund.

The UABRA Board endorses this Action Issue.

Action Issue Two AERA will work to protect PEEHIP premiums from rising and to protect the allowances given to covered persons.

The UABRA Board believes the focus and direction of this Action Issue needs to address the following concerns:

The federal government has changed the way states present their financial standings. Prior to this change, states presented health care costs in arrears (for retirees and non-retirees.) The new federal requirement demands that states have a year-in-advance "reserves" to cover the anticipated expense. Dr. Paul Hubbert discussed in a recent article, the need to establish a "reserve fund" to cover this matter. Our Board agrees with the establishment of this fund but it believes legislation must be created in advance of the fund to protect it from piracy from those who would see it as a new source of funding for other projects. Without the reserve fund our state's bond rating will fall and educators will be blamed for it. The Board believes we need to be proactive and initiate action to protect the fund. The Board believes the matter does not need to be referred to legislators for resolution. The reserve funding of our health care program will make it look more like our retirement fund. We all know and appreciate how stable that fund is and what that stability means to our future.

Our Board is recommending close examination of alternatives that could be considered as part of our health care program's "reserve fund." These alternatives could include: higher co-pays; asking higher education to place employees on PEEHIP prior to retirement; and asking those in K-12 to pay a higher monthly premium. These alternatives and possibly others need to be considered. It may place a higher burden on all of us, but we need to control what and how much action is taken to protect the reserve fund from abuse.

Action Issue Three AERA will recommend actions to contain the cost of PEEHIP premiums to protect the long-term viability of our health care insurance program.

The UABRA Board endorses this Action Issue.

UABRA Vice-President Bill Moates will present our comments and suggestions at the next AERA Board Meeting.

Introducing the New UABRA Officers and Board

President: Alan Dimick
Vice-President: Bill Moates
Recording Secretary: Sandra Dillon
Corresponding Secretary: Cecil Nepomuceno
Membership Secretary: Theresa Habshey
Treasurer: Marilyn Doss

Board of Directors

<u>3-year term</u> <u>Ending May 2009</u>	<u>2-year term</u> <u>Ending May 08</u>	<u>1-year term</u> <u>Ending May 07</u>
Rebecca Bradley	Sandra Dillon	Jack Bradford
Kay Moore	Marilyn Doss	Theresa Habshey
Garvin Phillips	Cecil Nepomuceno	John Gillespie
Erma Wesley	John Byrd	Bill Moates
Alan Dimick	Denny Bearce	Joan Padilino

Earn Money While Helping UAB Medical Students Develop Their Diagnostic Skills

Chris Lorish of the Medical Education Department in the UAB School of Medicine recruits laypersons to act as "simulated patients" for medical student clinics at UAB. Participants are paid \$10 per hour. The clinics are conducted monthly and last from three to seven hours and occasionally longer. Meals are provided during the longer periods. Orientation and training are provided. Call Chris Lorish at 934-5118 for details.

Upcoming UABRA Event

May 2007
UABRA Annual Meeting at Homewood Library.
Date to be announced.

Your UAB Retiree Association is now 700 members strong! If you are a current member, thank you. Please join us if you are not a member. We need you! Fill out the form in the enclosed brochure and mail it with your \$15 dues check in the enclosed self-addressed envelope. We look forward to having you on our UABRA team!