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State of Alaska Uninsured Immunization Programs

By Sharon Hoffbeck, Medical
Information Director

The State of Alaska Uninsured Immunization Program has been extended for the next five years dependent on state funding. The program, specifically the adult eligibility criteria to receive state-supplied vaccines, will be reevaluated each year. The below criteria applies to 2015 only.

This program provides specific immunizations at a reduced cost to any Alaska resident who either: 1) does not have health insurance or 2) whose insurance does not cover the vaccinations available under the program.

AlaskaCare retirees and their dependents are considered uninsured under this program because their health plan does not cover these vaccinations and they are therefore eligible to receive vaccines at the reduced cost.

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President's Message

By Jay Dulany, President

As seemingly has become the norm, discussions at the last board meeting centered on AlaskaCare/Aetna/Moda medical issues. Retirees and providers continue to have problems dealing with Aetna/Moda, so much so that the state has yet to sign a contract with Aetna and still operates on a memorandum of understanding. The good news is, the state recognizes that significant problems exist. RPEA's retiree benefit committee, originally an offshoot of the medical committee, has met with the new administration on several occasions in an attempt to resolve problems and to discuss issues of reductions in health care coverage resulting from the January 1, 2014 AlaskaCare amendments and the selection of Aetna/Moda as Third Party Administrators (TPA). More on their latest meeting later. It is important that you inform the Division of Retirement and Benefits (DR&B) and RPEA when you have a problem. Don't dismiss that erroneous charge or denial that you know is wrong just because it seems to be insignificant. The folks at the DR&B need to know what's going on, and we need to keep track should there be a need for future litigation due to benefits diminishment.

We've heard from various sources that some in the Department of

Administration (DOA) don't feel that RPEA represents the entire retiree community. At nearly 3,000 current members, and twice that number when including those whose memberships have been expired for less than a year (some of us get kind of forgetful in our advanced age), we far exceed the number needed for a valid statistical sample, especially considering members come from the entire spectrum of public employment: teachers, college professors, judges, lawyers, commissioners, deputy commissioners, directors, mid-level managers, professionals, administrative staff and clerical professionals. In short, RPEA members include retirees from every department of state government, from many facets of municipal governments, and from the state Legislature. When we include members from our sister organizations of NEA-Retired and AFSCME-Retired (our three organizations have been working closely together), there is no question that we constitute a representative sample of all public employee retirees. Nevertheless, if you know someone who should be a member and isn't, try to recruit them. Numbers are important, as witness this discussion.

Some good news: "Doc Fix" is history. The reduction schedule for Medicare

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RPEA

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Important Phone Numbers

Aetna's Health Concierge: (855) 784-8646
Moda Health/Delta Dental: (855) 718-1768
Univita: (888) 320-5824

Retirement & Benefits, Juneau
465-4460 or (800) 821-2251

Meeting Schedule

Southeast Chapter
Second Thursday, September – May,
11:30 a.m., in the Aurora Room at
the airport

Southcentral Chapter
Second Tuesday each month, 11:30 a.m.,
Anchorage Senior Activity Center

Northern Chapter
Third Thursday each month, 12:30 p.m.,
Princess Hotel

RPEA Executive Board
Third Tuesday each month, 10 a.m.,
Anchorage APEA/AFT Field Office
(via teleconference) 274-1720

Contact the editors through the RPEA office.



Northern Chapter News

By Charlie Gallagher,
Northern Region Chairman

Another year has gone by with a massive increase in our Northern Region membership, primarily due to dissatisfaction with the Parnell administration's unilateral changes to our customary health plan and inept Third Party Administrators (TPA).

Our April regional luncheon drew another record crowd to listen – well, let's say interact – with Sharon Hoffbeck, RPEA's medical information committee director. Combined with RPEA's legislative committee director, Bob Grove, they spent a marathon two hours discussing, debating and informing us about the seemingly endless ongoing issues with Aetna's dismal performance. Much time was spent on Aetna's inability, or unwillingness, to make an understandable "Explanation of Benefits" document, unlike any other health provider.

Last month it came to our attention that the State of Alaska's administration has repeatedly dismissed RPEA as being representative of all Alaskan retirees. To us, this is apparently nonsense. Here is part of what we recently wrote to the board:

If a customer service survey had been conducted at the recent Fairbanks RPEA

luncheon, packed with APEA, AFSME, NEA and other retirees regarding Aetna's performance, they would have been rated at 5 percent. One thing to remember about our membership – many, many, many of us RPEA folks came from University, AFSME, NEA, and all those big and little municipalities as well as those non-bargaining and political offices. We also represent those many who are spousal beneficiaries! Some are my officers! When the administration brings that "representation" again, inform them they simply don't know what they are talking about!

The reason for our inclusive membership is that we are a customer-based, benefit association dealing with a universal, legal contract. It is odd how some administrators, and even legislators, we see frequently can't seem to figure that out! We are volunteers – not paid!

We had many terrific speakers this year, as always. Our lunch minutes are posted on the RPEA website at http://rpea.apea-aft.org/nor/chapter_no_meeting_notes.html.

At our upcoming May luncheon and our August business meeting, we will determine our speakers and plans for next year. We welcome your ideas for speakers. Naturally our issues and anxieties will continue to be pursued; however, as things always change, we will adapt.

Our current officers have all agreed to stay, but we need volunteers who are primarily on AlaskaCare, not Medicare. We especially want to thank our officers and volunteers for their efforts in this difficult year. Change is in the air as we persevere – keep appealing!

Medicare Doctor Payment Legislation Signed into Law

By Keith White

On April 16, 2015, President Barack Obama signed into law a landmark bill that changes the way Medicare pays doctors. This legislation, known as Doc Pay Fix, also:

- Includes two years of funding for the Children's Health Insurance Program
- Includes a two-year extension of funding for Community Health Centers
- Includes provisions that will raise premiums for Medicare beneficiaries with higher incomes
- Limits benefits of supplemental Medicare insurance known as "Medigap" policies
- Includes health measures known as extenders

Details on the legislation are discussed below.

Doc Pay Fix

This legislation staves off cuts in Medicare payments to physicians by replacing the Sustainable Growth Rate (SGR) payment formula, a 1990s formula that linked Medicare doctor pay to economic growth, with a new formula more focused on quality of care. This bill replaces the current reimbursement schedule with 0.5 percent payment

increases for doctors in each of the next five years as Medicare transitions to a new system focused "on quality, value and accountability." This new payment system is designed to reward physicians based on the quality of care provided, rather than the quantity of procedures performed, as the current payment formula does. However, this new system has its critics, who say that paying doctors according to the quality of care requires figuring out how to measure what counts as good care and what doesn't. A "technical advisory committee" will review and recommend how to develop alternative payment models. Measures will be developed to judge the quality of care provided and how physicians will be rewarded or penalized based on their performance. While the law lays out a structure on how to move to these new payment models, much of their development will be left to future administrations and federal regulators. Expect heavy lobbying from the physician community on every element of implementation.

Children's Health Insurance Program (CHIP)

This legislation includes two years of funding for an unrelated program, the

Children's Health Insurance Program, or CHIP.

Community Health Centers

This legislation includes a two-year extension of funding for community health centers.

Means-testing of Medicare Beneficiaries

This legislation requires means-testing of Medicare beneficiaries so higher income people will pay higher premiums. Starting in 2018, wealthier Medicare beneficiaries (individuals with incomes above \$133,500, with thresholds higher for couples) would pay more for their Medicare coverage. This provision is expected to impact 2 percent of beneficiaries.

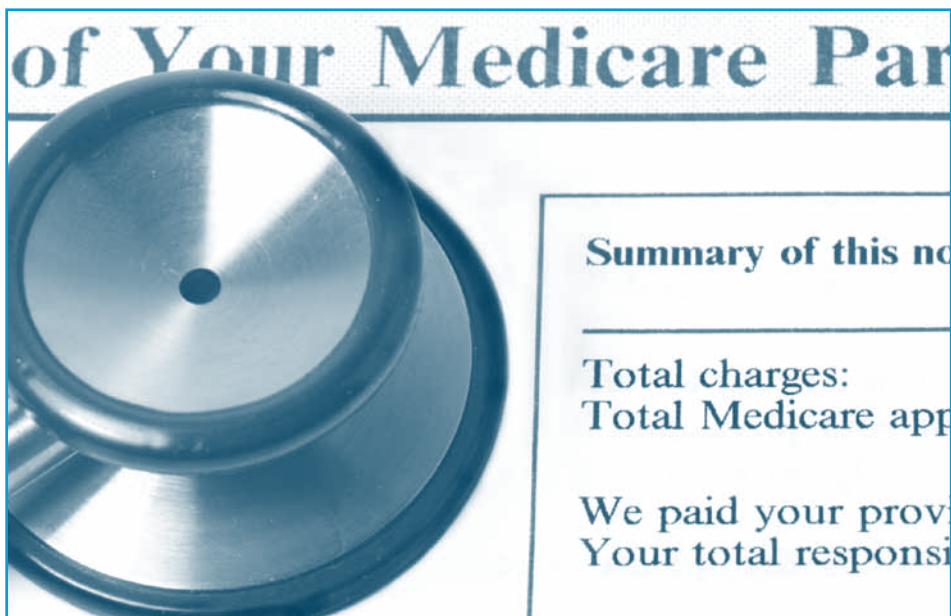
"Medigap" Policies

Starting in 2020, "first-dollar" supplemental Medicare insurance known as "Medigap" policies would not be able to cover the Part B deductible for new beneficiaries; the current cost of the deductible is \$147 per year, but has increased in past years.

Health Measures – Extenders

These health measures include funding for therapy services, ambulance services and rural hospitals, as well as continuing a program that allows low-income people to keep their Medicaid coverage as they transition into employment and earn more money. The deal also would permanently extend the Qualifying Individual, or QI program, which helps low-income seniors pay their Medicare premiums.

Medicare beneficiaries and providers are expected to pay for only about \$70 billion of the approximately \$210 billion package. The Congressional Budget Office estimates the bill will add \$141 billion to the federal deficit over the next 10 years.



First Session 29th Legislature and Special Session Report

By Bob Grove,
Legislative Affairs Director

The first session of the 29th Legislature played out for 98 days. Gov. Bill Walker has called a special session because the Legislature failed to deal with some of his top priorities such as Medicaid expansion, Erin's Law legislation, and funding for many of the bills that the Legislature passed.

The RPEA medical information committee, legislative information committee, retirement benefits committee, and the executive board worked for several months to draft proposed legislation that would establish a Retiree Health Plan Oversight Board. Legislation passed in 2005 eliminated the PERS, TRS and the Alaska Pension Investment Board, and created the Alaska Retirement Management (ARM) board. As a result of this legislation, PERS and TRS retirees lost direct involvement in health care plan design and governance. At the time, legislators assumed that the newly created ARM board would retain all of the functions of the previous boards, including the governance of the AlaskaCare health plans. Unfortunately,



an informal opinion by an assistant attorney general advised the ARM board that it had no authority for oversight or governance of retiree health care plans.

Fast forward to 2014/2015 and the failed experiment of the current Third Party Administrator (TPA) and it's easy to understand why RPEA feels it so important to re-create an oversight board so PERS and TRS retirees will have a say over the management of their health care plans.

RPEA worked very hard to find a legislator to sponsor our legislation. So what happened? Why wasn't there a bill? As many of you are aware, Alaska has a 90-day legislative time limit and time ran out. Marijuana legislation, gas line legislation and a \$3 billion budget deficit hijacked the first session of the 29th Legislature. Many legislators voiced their support, but not their sponsorship, for

RPEA's legislation during this session. So, what next?

RPEA is currently working on refining its strategy to get legislation written and sponsored so that a bill can be pre-filed for the second session of the 29th Legislature. Members are encouraged to contact their legislators and voice their support for establishing an oversight board. It is clear that PERS and TRS retirees must have a voice in the design, management, oversight and governance of their health care plans.

Again, members are urged to contact their legislators and ask them to support creation of the Retiree Health Plan Oversight Board.

Author's note: As of the RPEA newsletter's publishing deadline, the Legislature was still in special session.

Uninsured Immunization Programs

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To receive state-supplied vaccines, retirees and their dependents can visit one of the following sites:

- Public Health Nursing Clinics/Public Health Centers/Department of Health & Social Service Agencies
- Tribal Health Clinics
- Select private providers who have elected to participate in the Alaska

Vaccine Assessment Program for uninsured adults

All state-supplied vaccines are free of charge. However, there may be an administration fee that will vary by service site.

Some locations require an appointment and some don't, so check beforehand. Individuals must also take their AlaskaCare insurance card for identification.

For 2015, the Uninsured Immunization Program offers the following vaccinations:

- Zoster (shingles), for those ages 60 – 64 years
- Pneumonia
- TD/TDAP (tetanus-diphtheria-pertussis/whooping cough)
- HPV, for females ages 19 – 26 years, and males ages 19 – 21 years
- Meningococcal, for ages 19 – 20 years

Please contact Sharon at sharonhoffbeck@gmail.com with any questions.

MEMBERSHIP APPLICATION

Clip and mail to: RPEA, 3310 Arctic Blvd., Suite 200, Anchorage, AK 99503
Or join online at http://rpea.apea-aft.org/membership/membership_comm.html.
Questions? Call 274-1703 or (800) 478-9992

_____ New Member	_____ \$35 for 1 Year
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Southcentral Chapter News

By Bob Madigan,
Interim Chair

Sharon Hoffbeck, RPEA's medical information committee director, has kept Southcentral members updated on recent developments with Aetna. She reported that RPEA has drafted legislation to create an oversight board made up of both retirees and active employees that would interact with the Division of Retirement and Benefits. The board would review and comment on any proposed changes to our health plans. The legislation couldn't be introduced this session, but RPEA will work to advance it next year. If this legislation is passed, it would give retirees and current workers an active voice on changes to health care plans, and the input would happen before changes are put into effect.

A data breach at Premera appears to have allowed hackers access to personal information about many retirees. Premera was our health care administrator around the year 2000 and they apparently retained personal information from that time on their system. All retirees should have received a letter from Premera offering free credit monitoring services. Sharon recommends signing up for it.

Several RPEA members have reported telephone scams related to health care. In one, a person claiming to be associated with Aetna requests personal information. In another, a scammer calls people eligible for a death benefit from a PERS or TRS person who has passed away. He claims to be from the Division of Retirement and Benefits, and says there is a \$3,400 payment delinquency on the life insurance policy of the dead person. He says it must be paid before the insurance settlement can take place. It is not known whether these scams are related to the Premera breach, but it is a possibility.

Michelle Tabler, the Alaska regional manager of the Better Business Bureau (BBB), was the main speaker at the April meeting, where she discussed current

scams and gave tips for safeguarding personal identity.

She reminded members there is one option always to keep in mind when called by someone you don't know: hang up. The longer a scammer can keep you talking, the greater the chances that you may disclose or agree to something you will later regret. Michelle warns that scammers are clever and can be convincing. If it is at all suspicious, hang up.

Identity theft remains a common crime. The key information a thief needs is your name, address, date of birth and social security number. Michelle recommends shredding documents that have these items on them, especially if they also have account numbers.

She recommends regularly checking credit card statements carefully for unknown charges. Thieves sometimes begin by testing an account with small charges to see what will happen before launching a full assault on your credit. Another danger comes from e-mail enticements that ask for personal information. The best response to any suspicious e-mail is to delete it before reading it.



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Southeast Chapter News

By Gary Miller, Vice President

A friend of mine is married to a woman from Thailand, where they celebrate Children's Day. It is a time to honor all children and give them a special day. I suggested to the Juneau legislators and Lt. Gov. Byron Mallott that Alaska do the same.

Rep. Cathy Munoz along with Reps. Geran Tarr and Andy Josephson

introduced HB180, "An Act establishing the second Sunday of June each year as Children's Day; and providing for an effective date." The bill passed both houses and is awaiting transmittal to Gov. Bill Walker.

On June 14, I encourage you to spend the day doing fun things with your kids and grandkids to honor and love them.

President's Message

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payments to doctors that Congress has set aside on an annual basis since 2002 has been permanently shelved. According to Dr. James L. Madara, chief executive officer of the American Medical Association, "Passage of this historic legislation finally brings an end to an era of uncertainty for Medicare beneficiaries and their physicians – facilitating the implementation of innovative care models that will improve care quality and lower costs. Patients will be able to get the care they need and deserve." For more information go to <http://kaiserhealthnews.org/news/a-look-back-as-congress-repeals-medicare-doc-fix-law/>.

The latest meeting with DOA/DR&B took place in late April. While we haven't made great inroads in resolving many of the problems retirees are having with health care, at least this administration has expressed a willingness to work with us to address errors as well as reduced coverage issues.