



THE CONDUIT

Volume 25, Issue 1

October/ November, 2010



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Editor's note: There are many photos in this issue for you to enjoy. To get a clearer view, go online to www.arizonaaea.org/pdfs/aear/aearconduit1010.pdf and set the size to 200% or more.



AEA-Retired Calendar

November 4-5 NEA Insurance and Benefits Forum, Silver Spring, MD

November 9 AEA-Retired Board of Directors, 10:15, AEA HQ

December 14 AEA-retired Board of Directors, 10:00, AEA HQ

January 11, 2011, AEA-Retired Board of Directors, 10:00, AEA HQ

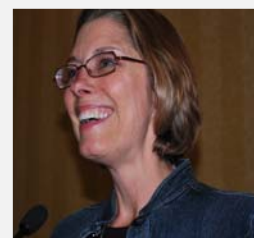
February 5, 2011, AEA Committee Day, 9:00, AEA HQ

February 8, 2011 AEA-Retired Board of Directors, 10:00, AEA HQ

AEA recommends pro-education candidates to members at all levels; Kotterman, Goddard clear choices at state level

AEA spends a lot of time and energy vetting candidates for public office to determine which ones would be most beneficial to public education. Candidates must request to be considered for recommendation, then they must complete questionnaires and interviews with teams of AEA members.

This year, a high quality group has emerged from this intensive process to garner our recommendation. At the state level, AEA recommends **Penny Kotterman** for State Superintendent of Public Instruction, **Terry Goddard** for Governor, **Chris Deschene** for Secretary of State, **Andrei Cherny** for Treasurer, and **Felecia Rotellini** for Attorney General.



Penny Kotterman

At the national level, AEA has recommended **Rodney Glassman**, former vice mayor of Tucson, for US Senate. For US Representatives, the recommendations

are for **Ed Pastor** in District 4, **Anne Kirkpatrick** in District 1, **Jon Hulburd** in District 3, **Raul Grijalva** in District 7, **Harry Mitchell** in District 5, and **Gabrielle Giffords** in District 8.

AEA has taken positions on several of the propositions on the ballot. The recommendations are NO on 107, the anti-equal opportunity initiative, NO on 302, a repeal of First Things First, a voter initiative which provides money for early childhood education; the money in the fund would be swept into the general fund., No on 113, an initiative which would limit workers rights to form a union. You can read more about candidates at www.vote4schoolsaz.com/pro-education-candidates. You can find out more about the propositions at www.vote4schoolsaz.com/issues. Read up and cast an informed vote.



Terry Goddard

Early ballots are sent; return yours ASAP; if you don't vote early, make sure you vote on November 2

The 2010 midterm elections have begun. Crucial national, state, and local seats which will affect public education and public educators are at stake. It is incumbent upon ALL of us to make sure that friends of public education receive our support and our votes. There is still time to demonstrate our support in a number of ways.

The most direct way to show support is to contribute to a campaign. Signs, mailings, phone banks, and media all cost big bucks. In the current campaign milieu, no candidate has a chance if he or she doesn't have the ability to connect with the voters.

Other ways to help are to walk precincts, and make phone calls to targeted voters.

All candidates need that kind of help.

Finally, early ballots have been sent out. If you've received one, fill it out and mail it back TODAY.

If you didn't sign up to receive an early ballot, make sure you get out bright and early and VOTE on November 2. Vote as if the future of public education depends on it...because it does.



Attack On Our Retirement System Likely In Next Legislative Session

by Steve Ramos, Chair, AEA-Retired ASRS Committee



Steve Ramos

State budgets across the country are being squeezed, causing conservative legislators to once again push for privatization of almost everything, including public employee pension plans. The Arizona State Retirement System is a “defined benefit” (db) plan, where employees

get a guaranteed lifetime pension based on their salary and years of service. AEA Retired is now gearing up for a fight to retain one of the best db retirement plans in the country. We are counting on our members to help send that message to their elected officials.

Glenn Hamer, president of the Arizona Chamber of Commerce and Industry, is not the first to call for changes in the ASRS retirement system. Hamer, in an article for the [Mesa Tribune](#), July 31, 2010, said, “The current design of the plan is eating up more and more tax dollars. Without significant alterations, it will become an increasing drain on resources, leaving less money for everything else.” The Chamber believes that a “defined contribution” (dc) style plan would create “predictability for the state in addition to potentially saving money.”

In a dc plan, both the employer and the employee put a set amount of money from each paycheck into a 401k-type investment fund, administered by a private, for-profit company. The investment then can be managed by the employee to build a retirement nest egg. A few states have actually moved from a db plan to a dc plan with disastrous results for employees. NEA is now involved in campaigns to help these states move back to a db plan.

NEA and ASRS have research that show db plans actually are less expensive to administer than dc plans. This is

because private companies must cover higher administrative costs and make a profit. Those costs are passed on to employees in higher fees. Research also shows that most employees don’t do a good job of managing their own funds and are notorious for miscalculating their future retirement needs. This can leave them short at the most vulnerable time in their lives and cause them to be a burden on taxpayers in the future.

Courts have ruled that changes made to retirement plans cannot be applied to workers already in the system. However, removing new employees from the plan threatens the viability of the entire system. Also remember, the legislature has the power to make other internal changes to the plan that affect future benefits.

As we have reported in past issues of [The Conduit](#), ASRS has taken what AEA-Retired believes were responsible steps to hold contribution rates down. ASRS continues to look at changing existing laws that allow a teacher to retire, start collecting a pension and then go back to work teaching without making contributions to the system.

In 1998, AEA-Retired brought together a coalition of ASRS member groups to add constitutional protection to our fund and individual benefits. That effort has paid off recently as the legislature looked for ways to balance the budget in a bad economy. AEA Retired is bringing back that coalition to fight this latest assault on our plan. Members will need to stay informed and in contact with AEA-Retired. Sign up for our e-newsletter, legislative updates, and attend chapter meetings. Please share this information with others and encourage them to join us. Our first battle may be electing a governor who would veto any attacks on our system.

PRESIDENT'S MESSAGE

BY LINDA SOMO

Welcome new retirees

Congratulations to all new retirees, and thank you for choosing to continue membership in your professional association. The beginning of this school year may have seemed strange to you as you learn to adjust to your new-found freedom. However, you can stay connected to your profession through AEA-Retired. **Check the last page of this issue for information on a local chapter meeting near you.** If there is no chapter in your area, we can help you start one. Contact **Gary Mehok** (see back page) for more information. This is your personal invitation to participate in your association whether it's through attending chapter meetings to socialize with your friends and col-



President Linda Somo

leagues, serving on a committee or the Executive Board, volunteering, mentoring a new teacher, or lobbying for senior issues and public education. You can be as active (or as inactive) as you wish. For more information, contact me at lsomo@cox.net.

Welcome back also to all continuing members as we begin a new membership year. With your help and input, your AEA-Retired Association has been busy planning for the future and implementing new programs to help our members while growing the Association. For those who have been annual renewal members, remember that **if you switch to pension deduction of your dues, you will receive a \$10 rebate the first year.**

Busy time of year

Fall of an election year is always a busy time for our Association. I know you have heard before that, "this is the most important election we have ever seen." I won't try to tell you that, but I will say that this election is vitally important, not only to the future of public education, but also to the future of our retirement system. You can read articles elsewhere in this newsletter about the very real threats to our Retirement Fund and to Social Security.

There is a push from many elected lead-

ers and the business community **to change our Defined Benefit retirement system to a Defined Contribution (like a 401K).** In states where this has been done, there have been disastrous consequences for retirees. Our Fund is very solid and stable. It is one of the best in the country, and we don't want to jeopardize that. Despite

those who call us "fat cats" because of our pension system, we know that we earned every penny that we receive in our pensions. Not only did we pay into our own retirement for our entire working careers, but we also sacrificed the higher salaries available in the private sector to devote our lives to the public schools.

At the national level the Commission on Fiscal Responsibility is meeting behind closed

doors where those who want to privatize Social Security and decrease benefits are crafting plans to present to Congress in December. **It matters greatly who will be representing us in Congress when those proposals are being voted upon.** Many Tea Party supported candidates have indicated that they would privatize or do away with Social Security & Medicare, two of the most successful programs in the history of our country.

Because of this and because the future of public education is at stake in our own state, I urge you to get involved by supporting **AEA's recommended candidates** in the local, state and national elections.

You can find a list of recommended candidates by going to AEA-Retired's website at www.azedretired.com or AEA's website at www.arizonaaea.org. Not only am I asking for your vote, which is crucial, but I am also asking for your time. Talk to your friends, family, neighbors, church members, anyone who will listen, about the importance of voting for our recommended candidates. Volunteer to walk, phone, work the polling places, put up yard signs, DONATE, or do whatever you can to help our friends get elected. November 2nd is only a few weeks away, and early

A Good Reason to Join AEA-Retired



Danny Barlow

Danny Barlow and his wife, Sylvia, are living legends on the Navajo reservation, where they taught for years prior to their retirements. Both were active AEA members for years, and have quickly become involved in AEA-Retired.

Danny was elected to the AEA-Retired Board of Directors in the Spring, and he and Sylvia are going to help in setting up a North Eastern Chapter of AEA-Retired.

More on Sylvia in the next issue.

Endorsed Provider Advertisement



The NEA MemberCare Medicare Supplement provides all of the same plan options and benefits of other Medicare supplement programs. However, the Program offers you more advantages including discounts on dental care, chiropractic care, vision care, hearing care, and vitamins.

For more information, call **Sean Mabey**, NEAMB Regional rep
1-(866)-903-0440

balloting began October 7th

The critical time is now! If we fail to act, we may be regretting it for the rest of our lives.

Linda

Photo galleries; NEA-Retired Board of Directors meeting, East Valley Chapter September meeting,

NEA Board of Directors

NEA-Retired has six members who are elected nationally on the NEA Board of Directors. Amazingly, two of those elected board-members, Linda Somo and John Campbell, are from AEA-Retired. Add to that that the NEA-R President, Barbara Matteson, is also an AEA-R member, and fully one-third of the executive committee are our members! That's unheard of, but we'll take it! Here are some

photos from the last board meeting.



Kathy Campbell visits with board members Barbara Cunningham, Linda Somo, John Campbell, NEA-R Vice President Tom Curran, and board member Jim Sproul.



One of the responsibilities of NEA Board members is to lobby for education issues on Capitol Hill when they are in DC for the board of directors' meeting. Here, Linda Somo and John Campbell visit with Congressman Ed Pastor at his office in the Rayburn Bldg. On the day before the board meeting, our board members visit the offices of all of the Arizona delegation members. Some are more receptive than others, but all get a visit.

man Ed Pastor at his office in the Rayburn Bldg. On the day before the board meeting, our board members visit the offices of all of the Arizona delegation members. Some are more receptive than others, but all get a visit.



Board members l-r Jim Sproul (KY), Linda Somo, Sid Johnson (AR), Barbara Cunningham (IA), John Campbell, and Monica Beaudoin (ID). The shirts were for the October 2 "One Nation Together" rally on the national mall.

East Valley Chapter September meeting

AEA lobbyist Jennifer Loredo and Steve Ramos spoke at the September EV Chapter meeting.



EV Chapter member Dick Van Dyne is campaign manager for Kit Filbey, District 19 house candidate. Kit also spoke at the luncheon.



AEA Lobbyist Jennifer Loredo brought us up-to-date on legislative news.



Barbara Cunningham and John Campbell were elected to the NEA Board at this year's Annual meeting in New Orleans.

The East Valley Chapter meets in the Sunrise Bank Building in Mesa. Mesa Public Schools maintains offices and a cafeteria there. That makes it easy to provide lunches for the chapter.

Tom Curran, NEA-R Vice President, Kathy Campbell, ESEA Committee member, and Jim Sproul, NEA Board of Directors.



AEA-Retired: News and Views You Can Use

ASRS Health Insurance Premiums to Increase

By Richard Spitzer, member ASRS Committee, ASRS Health Benefits Committee member



The ASRS Health Benefits Committee members were informed in August that ASRS had been in negotiations with United Healthcare since April over changes to the health benefits for retirees for 2011. As part of the process ASRS did an analysis of each plan to determine cost, trends, and the claims expenses-to-revenues ratio. They found that Medicare Advantage plans are going to receive 15% less revenue from CMS, non-Medicare enrollees have increased substantially, medical and brand name drug expenses have increased, and that United Healthcare is discontinuing the PacificCare HMO provider network.

ASRS has modified some of the plans and agreed to an increase in premiums.

	Medicare Eligible Premiums			Non-Medicare Eligible Premiums			
	Medicare Complete		Senior Supplement	HMO	PPO		
	Urban	Rural			Urban	Rural	Out of State
2010 Monthly Premiums	\$158	\$230	\$342	\$498	\$662	\$448	\$700
2011 Final Proposal	\$190	\$260	\$342	\$583*	\$583*	\$583*	\$817
% Increase	20.2%	13.0%	0%	17.1%	-11.9%	30.1%	16.7%

The three non-Medicare plans (HMO, Urban PPO, Rural PPO) will be merged into one plan. The major change for HMO members will be more choice (any doctor in network) and the PPO members will not be able to go out of network. This plan will be called the United Healthcare Choice open access plan. The network will be the same for current PPO members and has a 92% crossover for current HMO members. There are a number of improvements for in-state and out-of-state members involving additional cover ages and copays instead of percentage coverage. Generic drug copays will be lowered, brand name copays raised, and injectable drugs raised substantially. Out-of-state coverage will include out-of-network provisions.

The Medicare Complete (Advantage) plan has added a maximum out-of-pocket provision (good) and has no other changes. The Senior Supplement plan will have more copays than in the past. ASRS also got UHC to agree that excess profits will be returned to ASRS in the future.

These changes will be announced during Open Enrollment, Oct 15-Nov 19. In future years ASRS will consider adding Alternate High Deductible Plans for healthy members. This will lower their premiums, but probably raise other members' premiums.

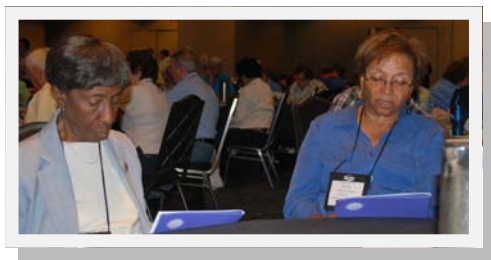
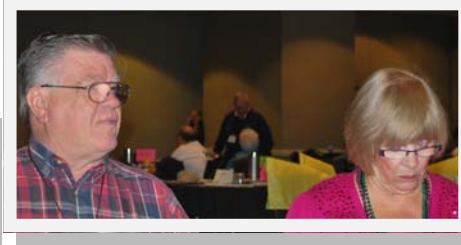
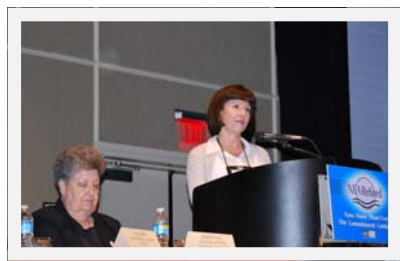
*Becomes same plan.

Photo Gallery & More News You Need

NEA-R Annual Meeting, New Orleans, LA, June, 2010



Attendees: front row, Marilyn Freed, Bertha Myers, Gary Mehok, Judy Moy; back row, Shirley Boswell, John Campbell, Julie Horwin, Barbara Matteson, Linda Somo, Ken Freed, Frank Bing



What are your plans for March? How about a *once-in-a-lifetime* retired educators' tour to China? Check it out today online

The Chinese American Cultural Bridge Center, (Arlington Heights, IL) is touring China with retired educators from March 14-28.



The all-inclusive price is \$3,995. That includes the international round trip (leaving Los Angeles International Airport), three domestic flights within China, all buses,

an English-speaking tour guide per bus, all hotels (four star), all meals, all sight seeing, all costs on river cruise, including offshore excursions, and more. If you'd like to see the Great Wall of China, the famous Terra-Cotta soldiers



in Xian, go on a Yangtze River cruise to see the three gorges, and watch a classroom full of Chinese students learning, this may be for you.

If you're interested, time is short to sign up. You can go to www.cacbc.org to see the itinerary and get reservation forms or write to Travelstudychina@gmail.com with questions, or call CACBC Program Director Jennifer Chan at (847) 902-7229.



Clockwise from top left: Temple of Heaven, Great Wall of China, Terra Cotta soldiers at Xian, Yangtze River Cruise

IMPACT Updates

IMPACT group in Phoenix holds first meeting of the school year; staff development scheduled for December

The Phoenix/ ASU-based IMPACT group held its first celebration of the year on Tuesday evening, September 14, at AEA headquarters. Mentors met their new protégés and had time to get acquainted. There was also a great meal and activities designed to spur creative thinking. In addition, every protégé left with a few door prizes. A good time was had by all, and now the pairs will set their own schedules based on individual needs of the students.

Last year, there was a very successful staff development activity in December. That activity will be repeated this year. Last year was a half day, and everyone said they really would like a full day. This year, we will accommodate that request. The day includes classroom management ideas and materials, a review of protégés resumé’s, and participation in mock interviews. Of course, staff development credit is awarded for the time.

Here are some photos from the September 14 celebration.



Left: . “For me! Really? Really?”

Below: Mentors and protégés engage in some group activities which were led by IMPACT chair Linda Thieken.(top left in photo)

Group members take time to chat about the program.



“Decisions, decisions, decisions! Which door prize should I pick?”

Take the Conduit by e-mail and help us save printing/ mailing costs

We’re sending this issue of The Conduit to all members for whom we have e-mail addresses. We will also send them paper copies this issue. However, beginning with the next issue, we will send to e-mail addresses *only* for those members unless they request a paper copy in the future.

The reason for this is simple; the cost of paper, ink, postage, handling, etc. has skyrocketed in the past few years, so The Conduit is eating up a lot of budget dollars which could be directed to other activities.

If you’d like to help us save even more, send us your e-mail address and we’ll include you on The Conduit e-mailing list for future issues.

There are several other good reasons for getting The Conduit by e-mail, You can manipulate text size and photo size which may make it easier for you to read and view photos.

Send us your e-mail address at AEA.Retired@arizonaaea.org Use *e-mail address* as the subject.



The Conduit



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- Frank Bing Vice President
- Julie Horwin Secretary
- Jean Stephenson Treasurer
- Kathy Campbell Past President

Conduit Editor
Frank Bing

Chapter News

Chapters are an attempt to bring AEA-Retired closer to members. All AEA-Retired members are eligible to join a chapter where they worked or currently live. Meetings usually include an information program, business meeting, lunch or dinner, and time for socializing with friends and colleagues. Anyone interested in forming a new chapter can contact Chairperson **Gary Mehok** at LOJO40@cox.net.

Please contact your chapter chair for information about the Fall meetings.

Glendale Chapter: Contact Susie Sommer for info at (623) 931-6209 or at ssommer114@aol.com

Mesa / East Valley Chapter: For information contact **Steve Ramos** at steveramos2@cox.net or (480) 924-0771.

Tucson Chapter: Contact **Aurora Aber** at TheAbers@cox.net or (520) 721-7547 for additional information.

Phoenix Chapter: Contact new chair **Barb Joseph** at (602) 859-0165 or btjoseph@cox.net, or call her at (602) 765-0788.

White Mountain Chapter: For information about this chapter, contact **Gary Mehok** at LOJO40@cox.net

Prescott Chapter: To join this chapter contact new chair **Ted Coleman** at tdashfork@azwildblue.com

Yuma Chapter: Please contact **Gary Mehok** at LOJO40@cox.net if you are interested in participating in this chapter.

Paradise Valley/ Scottsdale Chapter: For more info, call **Suzan Austin** (480) 947-2089, suzanaustin@cox.net.

Sierra Vista: Please call Sally Rosen at (520) 249-0233 or e-mail her at Azcatsally@aol.com for more info on the time and dates for the next meetings.

Northeastern Arizona: A chapter is forming to serve the areas from Flagstaff through the northeastern corner of the state. If you're interested in participating, contact Gary Mehok, AEA-Retired Chapter chairperson, at LOJO40@cox.net

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