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## Members set direction for AEA-Retired at fourth annual Committee Day



AEA-Retired Committee Day, held on 9/10/14, concentrated efforts in three major areas of importance: engaging current, active members and developing strategies to involve non-active members; strengthening political power; and increasing effectiveness of communications.

AEA-Retired President, Julie Horwin, challenged the committee to be laser focused on specific goals and to think in new, untraditional ways as well as tried and true avenues.

Any AEA-Retired member can become a committee member and help determine the direction and activities of the Association by contacting President Julie Horwin at [jhorwin@mindspring.com](mailto:jhorwin@mindspring.com) or 602-574-1473.

Discussions centered on the underlying idea that innovative strategies were necessary to foster efficient, effective outcomes. Broadening the scope of communication was underscored in all the discussions. Members advanced different plans of action to achieve those goals.

Throughout the afternoon, members of the Membership, Political Action, Public Relations and Chapter Development Committees proposed and refined targeted areas of major concern.



Send your email address to [jhorwin@mindspring.com](mailto:jhorwin@mindspring.com)

# WIN \$100

If we already have your email address, you are already entered into the \$100 AEA-Retired Raffle! Good Luck!



### AEA Retired Calendar

- October 9 - Early ballots mailed to homes
- October 14 - AEA-Retired Board meeting; AEA Headquarters
- October 20 - Valley-Wide Chapter meeting; AEA Headquarters
- November 4 - Election Day
- November 11 - AEA-Retired Board meeting; AEA Headquarters
- December 9 - AEA-Retired Board meeting; AEA Headquarters

# ASRS UPDATE *By Steve Ramos*

## Growing economy boosts ASRS funds; primary election results appear positive for Fund



*Steve Ramos*

Summer has always been a time to escape and relax before getting back to work. We would take a breath, refocus and come charging back for another year. Here are some quick takes on summer and the job ahead:

- Finally, the *Arizona Republic*, 8/14/2014, has pointed out the clear differences between our Arizona State Retirement System and the Public Safety Retirement System, that has been in the news for management and structural problems.

- The ASRS finished the fiscal year in June with what may be the top performance of any public employee system in the country, posting a net return of 18.6%. Share this information with others.

- The average return on investments over 10 years is now at 7.6%, closing in on the target of 8%, which can eventually lead to a Permanent Benefit Increase for retirees.

- The slight increase in ASRS contribution rates from 11.3% to 11.48%, this year, reflects the improvement in the economy and should help deny fuel for attacks on our system by reformers.

- Primary election results hold the promise of keeping some key legislators in office who have defended our defined benefit pensions. Check AEA endorsements of candidates for November.

- A reminder that candidate Doug Ducey headed the Governor’s “Defined Contribution Study Committee” in 2011-12, leading it to a conclusion that supported the reforms being pushed by the Wall Street backed ALEC lobbying group. Please consider gubernatorial candidate Fred DuVal.

- In Phoenix, Proposition 487 will be on the November ballot. In 2013, Phoenix voters passed smart pension reform. Prop 487 guts that reform and will cost taxpayers \$358 million over the next 20 years, while creating an inferior 401k style defined contribution system for public employees. Backing for Prop 487 is coming from ALEC sponsored “dark money” groups, who hope to use 487 as a model for reform across the nation. A “No” vote in November maintains the current defined benefit system.

- Finally, Bryan Jeffries, the chief of Arizona’s firefighters’ association, will lead an effort to put a measure on the ballot in 2016, that will result in voluntary cuts to their own pension benefits. The measure would change the Arizona Constitution to allow a one-time fix to public safety pensions. AEA-Retired wants assurances that making one change to our constitutional protections won’t open a Pandora’s box, allowing legislators to make other changes. AEA-Retired and other unions will be closely monitoring this to determine any negative consequences for our ASRS pensions.

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## AEA-Retired President elected to NEA –Retired Executive Council



Julie Horwin, AEA-Retired President, won her bid to serve on the NEA-Retired Executive Council during elections held at the NEA-Retired Annual Meeting. More than 400 retired delegates from throughout the United States attended the NEA-Retired Annual Meeting held in Denver, Colorado, June 28-29. Horwin was the top vote getter among all the candidates running for various national positions. As one of six at-large members serving on the Executive Council, Horwin will help to set the direction, develop, and implement programs for the 300,000 NEA-Retired members for the next three years. Congratulations to Julie!

# PRESIDENT'S MESSAGE

BY JULIE HORWIN

## AEA-Retired continues to build on success of previous leadership



2014 has continued to be another remarkable year for Arizona Education Association-Retired; another year of service to our members, and dedication to fulfilling the aims of AEA. As we begin this new year, it is a pleasure to take note about what we have accomplished together.

Our dedicated board, committee chairs and our local chapter chairs have done an incredible job of expanding our membership, keeping watch on what is happening with our ASRS pensions, keeping abreast along with strategizing the best ways to deal with today's political horizon and how it impacts our pensions.

Our members were active socially, and in mentoring and volunteering in schools, and increasing membership in both active and retired locals. The turnout at AEA-Retired's Annual Meeting was the largest numbers to date.

A few highlights from 2013-2014 include:

- Our Chapter Chairs organized and conducted 35 local chapter meetings near where you live or worked
- We collectively worked with 3 of the largest labor organizations in the state including the Labor Table, Arizona Alliance for Retired Americans, and Arizona Retirement Security to protect our pensions.
- We researched and testified at the State Legislature to stop a major hit to the future of our pension.
- We raised funds for at-home schools, collected books for hospital children's wards, and donated to shelters for women and homeless.
- We communicated a total of 30 times to 2400 of our members via our print news, *The Conduit*, and our web-based E-Newsletter
- Our AEA-Retired Facebook page is the most-read page for Arizona educators, parents, and legislators for up-to-the-minute information about Arizona education issues.
- Over 60 of our retired members attended New Teacher back-to-school membership events in districts throughout Arizona.
- Our [www.azedretired.com](http://www.azedretired.com) website receives an average of

50 visits each week with most staying on more than half an hour.

We donated over \$5000.00 to the AEA Fund for Children. We have so many of our members engaged in advancing a student-centered agenda at the ballot box by working with and for candidates who share our core values. They are reaching out to their communities to engage them.

And we haven't done this overnight. Under Linda Somo's leadership, and those AEA-Retired leaders who came before her, we have followed a strategic plan and are working toward a future that is best for students, their educators, retired educators and public school employees.

I feel incredibly lucky and proud to have the opportunity to lead the work of AEA-Retired. Our work to protect our pensions and to fulfill the mission of a great public school for every child is deeply meaningful to me. It is with great joy that I begin this work as my full-time focus. I enjoy the ambitious, strong leaders I get to work with every month, including the men and women on our board, our committee chairs, our AEA Director & NEA Director, our local chapter chairs and individual members who contact me each day. If I begin to name them, I am sure that I would run out of room in this newsletter.

They are amazing colleagues, and they continue to give me good advice, step into their leadership roles with grace, and work to achieve the full potential of AEA-Retired. I am grateful to serve AEA-Retired as your president.

## Attend Valley-wide Chapters Mixer October 20th at AEA Headquarters

All members who live in the Phoenix Metro area are invited to attend the Valley-wide Chapter Mixer scheduled for Monday, October 20th, from 10am - 2pm in the AEA Board Room, 345 E. Palm Lane, Phoenix. The program will include: time for socializing with current and new friends; important information from Antonio Galindo, NEA Member Benefits representative; a presentation from Dr. Janie Hydrick on the relationship between taxes, economic development, and funding for education (TEF); and a delicious luncheon. The meeting is offered free of charge to all members and guests.

RSVP your attendance to Suzan Austin at [suzanaustin@cox.net](mailto:suzanaustin@cox.net) or call 480-947-2089 by October 15th. Join your friends and colleagues at this important meeting.



# LEGISLATIVE UPDATE



By Barbara Matteson

## WHAT IF .....?

The majority of Arizona’s federal, state and local elected officials supported:

- \*providing adequate funding for public education
- \*providing protection for our defined benefit retirement system
- \*protecting and improving social Security and Medicare benefits
- \*equal rights for ALL people regardless of religion, race, or gender
- \*getting rid of the dark money coming in to our state to try and buy elections.

AEA and NEA has recommended quality candidates at all levels that support these issues and will, if elected, change the political landscape of Arizona. Wouldn’t that be great? We cannot let this opportunity slip by.

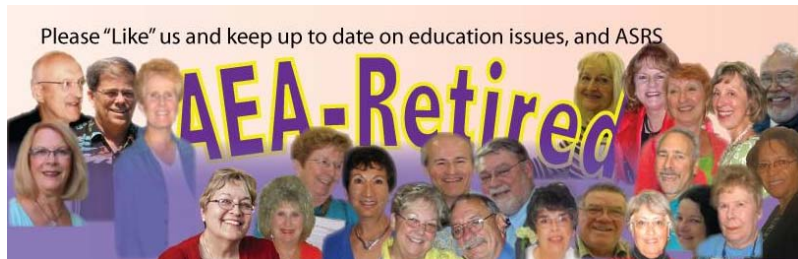
There are many things you can do to help us succeed. Make phone calls, walk your neighborhood, put up a yard sign, and contribute monetarily. Dark money is flooding in from outside Arizona to defeat many of our recommended candidates and many of our candidates need financial assistance.

Your voice as a retired educator is respected in the community. Use this voice to talk to your family members, neighbors and friends to inform them of the importance of this election. Provide them with information about our candidates and how electing these candidates will benefit them and every person in our state. **Encourage them to vote.** As President Julie has said, “To not vote is to surrender.”

**Be sure you are signed up to receive AEA’s Legislative and Election Updates. Go to [arizonaea.org](http://arizonaea.org) and sign up.**



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**GET INFORMED,  
STAY INFORMED**

Keep up-to-date with AEA-RETIRED on Facebook.

The latest information on pressing issues, pending legislation, pensions, local & state candidates and ALERTS.....all on Facebook.

Go to Facebook, search for AEA Retired, and friend AEA Retired! Your friend in need! Your friend indeed!

**<https://www.facebook.com/AEARetired>**

# ASRS Health Insurance Report *by Jean Stephenson*



## Important Updates

*Jean Stephenson*

I can't imagine that I am the only AEA-Retired member who is anxious about 2015 health insurance coverage and premium changes.

Every five years ASRS is required by state statute to go out to bid for health insurance in order to offer members coverage options. There are several broad criteria ASRS considers when contracting with a health insurance company. The main criteria considered for this RFP centered on:

1. Plan provisions offered to members
2. Network of doctors/hospitals etc.
3. Premiums and other cost constraints to retirees
4. Service level guarantees

The process began in January 2014 with ASRS requesting RFPs (Request for Proposals) from prospective health insurance companies. An evaluation committee was formed to review and make recommendations to ASRS. The bidding process became a renewal process with UnitedHealthcare (UHC) when they were the only company to submit a responsive RFP. Transamerica Affinity submitted a proposal to cover just Medicare eligible retirees. Blue Cross Blue Shield of Arizona was told by their lawyers to pull their RFP out at the last minute because the plans they intended to offer were not yet approved by the Arizona Dept. of Insurance, although they have since become approved. Aetna never put in a response and never indicated why they didn't bid. Humana and Cigna did not submit a response but indicated they could not compete with the other companies. They were also unwilling to agree to ASRS restrictions of no more than 7% retention. This requirement means that an insurance company would keep 7% of all revenue through which they pay staff, provide for marketing, legal, office services, customer services, printing, open enrollment activities, Dept. of Insurance premium

taxes, and what is left constitutes an insurance company's profit.

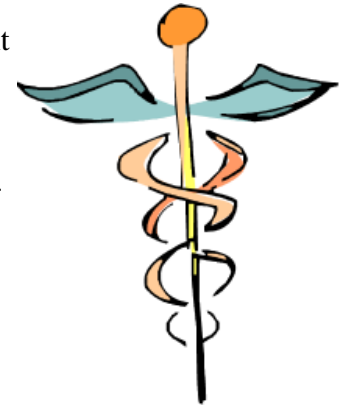
A recommendation to award a contract to UHC went to the Operations & Audit Committee on August 12<sup>th</sup>. The ASRS board made the final decision to accept a contract with UHC at the August 22<sup>nd</sup> public board meeting. ASRS and UHC will renegotiate each year for the next four years regarding premiums and benefits. ASRS also has the option each year to send out a Request for Proposals to insurance companies if it is deemed necessary.

Premiums for non-Medicare retirees are scheduled to increase 11% beginning January 1, 2015. However, such premiums are likely to increase only 3.5% - 4% (\$25-\$29) due to the fact that for the past two years ASRS has been using ERRP (Early Retiree Reinsurance Program) money to mitigate the increases in premiums. The remaining ERRP funds will be rolled over into 2015 and continue to be given to members to lower the premium cost in 2015. ERRP funds must be completely used by the end of 2014. To comply with that requirement, ASRS will pay the money to UHC in late 2014 to buy a lower rate for non-Medicare retirees in 2015. These premium savings are a result of ERRP monies (\$20 million since 2010) sponsored by the US Department of Health and Human Services (HHS) as part of the Affordable Care Act.

Health insurance monthly premiums for Medicare Advantage HMO will increase from \$190 to \$194 for Maricopa, Pima, and Pinal County residents and decrease from \$260 to \$194 for all other counties of the state. The Senior Supplement Medicare monthly premium will decrease from \$342 to \$337.

### IMPORTANT DATES:

**Open Enrollment will take place from October 27th until November 21st.**



# Members attend NEA-Retired Annual Meeting and NEA Representative Assembly in Denver



*AEA-Retired members join NEA President Dennis Van Roedel (with lei) and NEA Director Jason Freed for a photo opportunity at the NEA-Retired Annual Meeting in Denver.*

*Linda Somo with Carolyn Warner, former Superintendent of Public Instruction, at the NEA Rep Assembly*



Fourteen AEA-Retired members traveled to Colorado in June to attend the NEA-Retired Annual Meeting held at the Embassy Suites in downtown Denver. The two-day meeting focused on electing NEA-Retired officers, Executive Council members, Resolutions Committee members, and NEA Board Directors, but also included some inspiring speeches, and discussion/adoption of New Business items directed at action to be taken at the NEA Representative Assembly. AEA-Retired members who attended the conference were: Connie Wittig, Judy Moy, Gary Mehok, Ted Coleman, Bart James, Kathy Campbell, John Campbell, Nancy Putman, Ken Freed, Barbara Matteson, Marilyn Freed, Jean Stephenson, Linda Somo, and Julie Horwin. Also attending was Jason Freed, NEA Director for Arizona. (See related story about Julie Horwin’s election on page 2)

Attendees were treated to remarks by Dennis Van Roedel, outgoing NEA President, who praised retirees for being at the forefront of fighting for quality public education for many years. Lily Eskelsen Garcia, new NEA President, detailed the work that retirees across the country are doing to preserve their pensions, Social Security, Medicare and Medicaid, which are under attack on the state and national levels. Becky Pringle, new NEA Vice President, presented the NEA budget and informed members of the current financial and program status. NEA Executive Director John Stocks extolled members to be activists for our union, and Mary Kusler, Director of NEA Government Relations, presented an update on current and proposed legislation affecting public education and retirees.

Following the Annual meeting, your four elected AEA-Retired delegates, John Campbell, Linda Somo, Julie Horwin, and Barbara Matteson, joined 9,000 delegates from throughout the country to participate in the four-day NEA Representative Assembly. Delegates elected a new President, Vice President, Secretary-Treasurer, and two members of the Executive Committee. Attendees were treated to speeches by NEA President Dennis Van Roedel, Teacher of the Year Sean McComb, ESP of the Year Paula Monroe, and other special guests. Delegates debated 107 New Business items, adopted the Legislative Agenda, considered changes to the Resolutions Document, and amended policy statements.



*AEA-Retired delegates John Campbell, Linda Somo, Julie Horwin and Barbara Matteson. at NEA Rep Assembly*





## Are you are a “Likely Voter”?

If you, like most Americans, find yourself frustrated by the wildly different results of political polls and votes, you are not alone.

Why do pollsters prefer “likely” voters rather than registered voters? According to the Washington Post, finding “likely” voters, people who vote in every election and have an interest in local (mostly mid-term) elections, are more reliable voters than people who are simply registered voters. “Likely” voters are usually Republicans. Remember that political polling is based on self-reported opinions, so it is not fact-based.

Polling is very expensive. Accurate polling is even more expensive. Polls use different algorithms to get their results. Sadly, people don’t like to be polled, so the few who do, affect the results that we see in the media. Most polls are by landline phones, and that is a smaller, older and whiter population.

If you fit in the demographic of a “likely” voter chances are good that you feel voting is important and it probably puzzles you when friends don’t vote.

Here are the main reasons people don’t vote:

- They feel their vote doesn’t count.
- They say they are too busy.
- They are apathetic because learning about the issues takes time and effort.
- They had a difficult time registering to vote.
- Lines are too long.
- Trouble getting to the polls.
- Don’t like the candidates.
- They believe that all politicians are corrupt.

We all have heard these excuses and/or reasons before. It is disheartening when people appear to not value the gift of voting and arguing has a very low rate of success in changing minds. What can be done? Maybe these folks would vote if they could.

Take a page from a great sales person, and ask, “What *would* it take to get you to vote?” Here comes the hard part; *listen and offer help*. Be willing to do whatever it takes to get them to vote and support candidates who support our issues.



### Scam Alert: IRS does not threaten you with arrest.

Scammers have been robo calling to steal money from unsuspecting retirees claiming to be IRS agents; “This is Officer Smith. Do not disregard this message before we take action.” This is completely false. The IRS never would threaten people over the phone, and they never make people pay up with a pre-paid credit card. If you get a call like this report it to the donotcall.org, or the FCC.

**Snopes has more info concerning this scam: <http://www.snopes.com/fraud/taxes/prepaid.asp>**



### The Conduit



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## *AEA-Retired 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 should contact Chapter Coordinators **Gary Mehok** at [LOJO40@cox.net](mailto:LOJO40@cox.net) or **Suzan Austin** at (480) 947-2089 [suzanaustin@cox.net](mailto:suzanaustin@cox.net).

**Glendale/West Valley Chapter-** All members are welcome at our meetings. \$150 was collected last year for books for Banner Children's Center. We meet at the Iron Works Restaurant, 17233 N. 45th Avenue, Phoenix. For more information call **Susie Sommer** at 623-931-6209 or e-mail [ssommer114@aol.com](mailto:ssommer114@aol.com). Next meeting will be, Thurs., Oct. 2nd, 2014.

**Mesa / East Valley Chapter:** Meetings scheduled 2014, are Sept. 24th, Nov. 12th. Meetings for 2015 are Jan. 14, Mar. 11, and May 13, at the Sunrise Bank Bldg., 63 E. Main Street in Mesa. Contact **Janie Hydrick** at [Hydrick@aol.com](mailto:Hydrick@aol.com) or (480) 628-1845 for information.

**Greater Tucson Area Chapter:** Meetings are the third Tues. of Sept.—May, starting at 10:00 at TEA. Go to <http://www.azedretired.com/TUCSON/index.html> for more information, or contact **Chip Parsons** at [chipp@cox.net](mailto:chipp@cox.net)

**Phoenix Chapter:** September meeting was on the 23rd at the Beatitudes in Phoenix. Future meetings will be Nov. 25th, Jan. 27th, Mar. 24th, and May 19th, 2015. Speaker for September was Mary Jo Pitzl of the *Arizona Republic*. For more information contact **Barb Joseph** at (602) 765-0788 or [btjoseph@cox.net](mailto:btjoseph@cox.net).

**Yavapai Chapter:** The Yavapai Chapter of AEA-R met at IHOP in Prescott Valley in September. The August 23, 2014 meeting was to socialize and plan events for the coming school year. Contact **Ted Coleman** at [theodorecoleman76@gmail.com](mailto:theodorecoleman76@gmail.com) for more information.

**Scottsdale/Paradise Valley Chapter:** We met on Sept. 15 for lunch at the Miracle Mile Deli, 7435 E. Frank Lloyd Wright Blvd., Scottsdale, the site of all future meetings which are scheduled for Nov. 17, Jan. 19, March 16, and May 18. John Campbell was the speaker at the September meeting. We will continue to collect books and magazines to donate to the Lodestar Learning Center and take donations for the Jack Kinnaman Scholarship Fund. For information contact **Suzan Austin** at (480) 947-2089 or visit <http://www.azedretired.com/SCOTTSDALE/index.html>. Everyone is welcome.

**Southeast Arizona Chapter:** Met on August 23rd, at Manda Le' Pizza House restaurant in Sierra Vista. Twenty-three members gave their "How I spent my summer vacation" reports. Next meeting will be in October, time & date will be determined. For information on the next meeting date & location, please contact **Sally Rosen** at 520-459-0430 or [azcatsally@aol.com](mailto:azcatsally@aol.com). Hope to see everyone there.

**Northern Arizona/ Rez Chapter:** Met on September 19th. Contact **Maryanne Goodluck** at [magoodluck55@yahoo.com](mailto:magoodluck55@yahoo.com) for information and future meeting dates.

**Kyrene Chapter:** September's meeting was held at Native New Yorker, on Ray Rd. For more information and future meeting dates, please contact **Ellen Shamah** at 480-345-7664 or [eshamah@cox.net](mailto:eshamah@cox.net).