Summer 2013

Ventura County Community College District Retirees' Association

The Monitor

Chancellor Says Future College Funding May be Tied to Performance

Dr. Jamillah Moore, new chancellor of the Ventura County Community College District, presented the keynote address at the March 27, 2013 annual meeting of the VCCCD Retirees, following a brief introduction by President Harry Culotta.

According to Dr. Moore, full time equivalent students (FTES), upon which the system of Program Based Funding has been largely driven for many years, may in the future be replaced by a type of "Performance Based Funding" that would be driven by measures of student success, such as course completion rates and graduation rates, if reformers in Sacramento have their way.

Dr. Moore stressed the importance of communication between local community college leaders and legislators in Sacramento to assure that reforms are realistic and attainable. She noted that the VCCCD is updating its educational master plan in anticipation of other changes coming from Sacramento, such as increased access to online courses, limits on the numbers of units students may earn at community colleges, and changes in the composition of student financial aid

Dr. Moore also reported, with a great deal of satisfaction, that the Accrediting Commission for Community and Junior Colleges has fully reaffirmed the accreditation status of Moorpark, Oxnard, and Ventura Colleges, which had been in probationary status for all of the previous year.

Dr. Moore's keynote address was the highlight of the annual meeting, and she received an enthusiastic applause from the audience. However, other Association business also received attention and action.

Dr. Jamillah Moore

Attendees voted unanimously to elect René Rodriguez as VCCCD Retirees Association interim president for 2013-14. René previously served as president from 2006 to 2009 during the period the Retirees' Association pursued benefits litigation against the District. He will replace Harry Culotta, who has served as president since 2009. Attendees also unanimously elected Lynn Fauth as interim vice president for 2013-14.

Attendees also voted unanimously to approve minor changes to the *Bylaws of the VCCCD Retirees Association* that dealt with the role and status of the newsletter editor and the timing of the annual meeting.

Reports presented to the members included the Treasurer's Report (Patricia Gage), ASCC Benefits Committee Report (Harry Culotta), Membership Committee Report (Don Medley), and Political Committee Report (Larry Manson). Community college trustee Steve Blum, who was in the audience, publicly thanked Association members for their willingness to share their experience and knowledge with members of the Board of Trustees.

Finally, Susan Webster made a special request that the Association take a public stand to oppose the pending 85% rate increase in the CalPERS Long Term Care Program. Since this item was not on the agenda, attendees first approved a motion to suspend the rules to allow the proposed action to move forward.

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Following a brief presentation by Susan Webster on this issue, attendees then unanimously approved a motion to direct the Association to send a letter protesting the 85% rate increase in the CalPERS Long Term Care Program to the CalPERS Board of Administration. Copies of the letter were to be sent to area legislators who represent Ventura County in Sacramento.

This year's annual meeting was held at the Wright Event Center at Ventura College. According to President Culotta, future annual meetings may be rotated among the college campuses.

A social event will be planned for fall 2013 if there are enough volunteers on the Social Committee to conduct the event. If you would like to volunteer, please contact Pat Gage at pgage5545@roadrunner.com

Retirees Association Protests Huge CalPERS Rate Hike

BY GARY JOHNSON

Attendees at the VCCCD Retirees Association annual meeting on March 27 voted unanimously to send a letter to the CalPERS Board of Administration protesting an 85% premium rate increase in the CalPERS Long Term Care Program that the CalPERS Board had approved on October 17, 2012. The latest increase follows a succession of rate hikes beginning in 2004, which cumulatively have surpassed 200%.

The text of the letter, which was mailed on May 17, 2013, is presented below:

Mr. Rob Feckner, President
CalPERS Board of Administration
Lincoln Plaza North
400 Q Street
Sacramento, CA 95811

Dear Mr. Feckner:

The Ventura County Community College District Retirees Association represents over 700 retired full-time employees of the Ventura County Community College District. Many of our members enrolled in the CalPERS Long Term Care (LTC) Program during our careers, particularly between the years 1995 and 2004. We believe the majority of the nearly 150,000 policyholders in the LTC Program also signed up during those years.

We enrolled in the CalPERS LTC Program out of a prudent recognition of possible future long-term care needs and made a responsible decision to protect and manage our expected limited retirement income. We chose the LTC Program for many reasons, including these: (1) it was endorsed by CalSTRS over for-profit insurance company plans; (2) it provided assurances that premiums paid would not be increased with advancing age; (3) it offered options for automatic inflation protection and lifetime coverage (which most of us chose); (4) it offered a secure, cost-effective, not-for-profit product; and (5) we trusted representations by CalPERS as being in the best interests of California public employees and their families.

CalPERS promotional materials, distributed at informational meetings at the colleges, stressed the LTC Program's objectives and values. We believed the statement from a CalPERS publication which read "Rates are designed not to increase over the life of the program, and will not rise simply because you are getting older." We believed CalPERS could deliver under the stipulations and pricing it presented.

Consequently, we are extremely dismayed by and strongly protest the latest 85% premium rate increase and/or related benefit options that were approved by the CalPERS Board of Administration on October 17, 2012. Many of us simply cannot afford to pay these additional amounts, especially when we were led to believe this would not be the case. The alternatives proposed by CalPERS to avoid the 85% premium increase permanently freeze benefit levels that would, in effect, lose value each year to inflation and cover ever-smaller percentages of the true costs of long term care for those who require it.

Our trust and confidence had already been severely damaged by premium increases and plan option changes imposed in 2004, 2007, and 2010. Depending on individual circumstances, the increases were in the range, respectively, of up to 30%, 47% and 22% ---nearly 100% over seven years! With the 5 percent annual rate increases in the years 2010, 2011, 2012, 2013, 2014 and the 85 percent increase scheduled in 2015, we will be paying cumulative increases of over 200% for the twelve years from 2004 through 2014. **Certainly this is at variance with promises made while the program was being marketed!**

However disillusioning the increases have been, most of us have stayed with the LTC program or pruned coverage to what we could afford. We did so by assuming that finally the LTC Program was fixed, the problem was solved, and whatever deficiency between projected income and expenses that had existed had been corrected. That rationalization and any remaining confidence are no longer warranted in the face of this new 85% increase.

CalPERS has claimed a variety of reasons for these LTC premium increases. Increases are said to be necessary due to (a) higher than expected benefit claims, (b) lower than expected investment returns, (c) adoption of a more conservative investment portfolio, and (d) a lower assumed future investment return of 5.75 percent per year. Regardless of what CalPERS may now claim, many of us are not willing to reduce future benefit levels in order to reduce monthly payments. If we switch to a plan from a different provider, we would lose thousands of dollars invested in the LTC Program over the years in good faith.

In addition, the CalPERS arguments for this new premium schedule and associated options offer no assurance that this is the end of the line of premium increases; that the next 10, 20, or 30 years will not mirror the past in terms of premium increases and/or coverage decreases. No transparency is offered whatsoever as to the security and sustainability of the LTC Program for the future based on this new round of premium increases and/or coverage decreases.

It is also discomforting to learn that while current policyholders were being pushed hard financially to pay more to retain coverage, CalPERS closed the LTC Program to new enrollees in 2009, a seemingly counterproductive action in the face of a financial shortfall. How many policyholders, at what price, are legitimately required to sustain the LTC Program?

It is further disheartening to learn that while for-profit insurance companies must submit plans for scrutiny and audit, and request and justify premium increases, to the California Department of Insurance, the CalPERS LTC Program has no such oversight, responsibility, or obligations, but can do whatever the Board of Administration approves.

On an emotional level, we as policyholders feel outrage, despair, anger, and betrayal, and we believe we are on the receiving end of a "bait and switch" strategy we can neither protect ourselves from nor afford to sustain. In judging the CalPERS LTC Program stewardship, design, and management, our retiree members have expressed themselves using such words as "incompetence, malfeasance, dishonesty, deception, fraud."

Therefore, Mr. Feckner, we request and urge that the CalPERS Board of Administration suspend all proposed long term care premium increases and benefit modifications until it submits the LTC Program to an outside State audit to evaluate its continued viability and until the Board demonstrates and articulates convincingly to its policyholders that the current business model will adequately balance the Program's resources with future liabilities so that the Program is solvent now and for the future.

Transparency and effective communication with policyholders are essential if CalPERS hopes to maintain its current level of participation in the Long Term Care Program.

Furthermore, we call upon our elected Ventura County state legislative members to urge Governor Brown to order a thorough investigation of the CalPERS Long Term Care Program on behalf of policyholders and to report its findings and conclusions to the public. The results of such an investigation will enable public employees, retirees, and their families to have sufficient independent information to decide whether to join the Program, to stay in it, or to switch to something else.

Sincerely,

Harry R. Culotta, President
Ventura County Community College District Retirees Association

In addition to Mr. Feckner, the above letter was copied to all members of the CalPERS Board of Administration, to Anne Stausbol, CalPERS Chief Executive Officer, to Ann Boynton, CalPERS Deputy Executive Officer of Benefits Program, Elaine Howle, California State Auditor, Senator Hannah-Beth Jackson, Senator Fran Pavley, Assemblyman Das Williams, Assemblyman Scott Wilk, Assemblyman Jeff Gorrell, Assemblyman Bob Blumenfield, and Governor Jerry Brown.

The letter was authored primarily by Gary Johnson, Benefits Committee Chair, with assistance from Victoria Bortolussi, Susan Webster, Harry Culotta, and members of the VCCCD Retirees Association Executive Committee. Thanks to everyone who participated in this project!

Benefits Update for 2013-14

BY HARRY CULOTTA

Retired employees who are eligible for insurance benefits in retirement should know that Ventura County Community College District has announced benefits changes that will take effect on July 1, 2013. Open enrollment was conducted from May 14 through June 10. One group of retirees will experience very few changes, while the other group will encounter several changes.

Faculty retirees: There are no benefits changes for persons covered by Anthem Blue Cross, Health Net, Kaiser, or Delta Dental. The MES (Medical Eye Services) plan will increase the in-network allowance for frames from $75 to up to $130 and the in-network allowance for elective contact lenses from $100 up to $130. In addition, MES will guarantee its premium rate for four years to become the vision carrier for both faculty and ASCC employees and retirees.

Retired faculty members are not required to pay monthly premium contributions, regardless of whether they are, or are not, covered by the Settlement Agreement, *unless* they are enrolled in Health Net or Kaiser *and* the premium cost is greater than that of Anthem Blue Cross. For 2013-14, this is not the case.

ASCC retirees: There are no benefit changes for persons covered by Anthem Blue Cross, Health Net, or Delta Dental. Kaiser enrollees will experience several benefit changes, including: (1) the co-pay for each office visit will increase from $15 to $20; (2) the co-pay for each generic prescription for a 30 days' supply will increase from $5 to $10; (3) the co-pay for each brand-name prescription for a 30 days' supply will increase from $10 to $20; and (4) the co-pay for each emergency room visit (unless admitted to the hospital) will increase from $50 to $100.

ASCC (administrators, supervisors, confidential, and classified) retirees will move their vision coverage from VSP to MES (Medical Eye Services). MES will retain the same benefits as VSP for in-network services, frames and lenses. Although the out-of-network allowances for frames and lenses will decrease somewhat, MES includes retail outlets, such as Costco and LensCrafters, as in-network suppliers of lenses and frames. The MES plans will be the same for ASCC and faculty employees and retirees and will include the same four-year premium rate guarantee.

Because the sum of all 2013-14 premiums exceeds the Board-approved premium caps, some ASCC retirees will be required to pay monthly premium contributions to cover the difference. They are persons who were originally hired by the District on or after July 1, 1994. At press time, the number of retirees who are affected and the monthly premium contributions for those enrolled in Anthem Blue Cross, Health Net, and Kaiser had not been finalized. When they are finalized, the District Office will send a letter disclosing the premium contribution amount to each affected retiree.

In the meantime, those who wish to obtain further information about the benefit programs (benefit summaries, evidence of coverage, carrier websites and phone numbers, etc.) can find this information on the following District websites:

Faculty:
http://www.vcccd.edu/departments/human_resources/benefits/faculty_benefits.shtml

ASCC:
http://www.vcccd.edu/departments/human_resources/benefits/ASCC_benefits.shtml

Membership Report

BY DON MEDLEY

THERE ARE MANY NEW RETIREES, AND WE DON'T HAVE YOUR ADDRESS!!! WE NEED ADDRESSES/PHONE NUMBERS/EMAIL ADDRESSES FOR THE FOLLOWING PEOPLE. Please call Don Medley at 805-482-8761 or email to don.medley@verizon.net if you can help. Thank you!

Janet Archibald	Carol Baughman	Vincent Campo	Mark Chaney
Christy Corbett	Barrett Culmback	Ismael de la Rocha	David Doreo
Judith Garey	Virgina L. (Dodd) George	Lisa Giammichele	Candice Lidstrom
Steven J. Mayer	Bonnie Mastiere	Irene Miller	Helen Nielsen
John E. Palafox	James Petersen	Jerry Purcell	John E. Thomsen
Robert J. Tufts			

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Membership Report

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Please correct your roster with the following changes:

Micaela (Mickey) Aguilar	Venancio Almazon	Judy Arnold	Mary Shannon Baker
Frank & Sharon Barringer	Robin J. Calote	Aurora de la Selva	Rae F. Duvall-Seney
Judith M. Hunt	Edna Ingram	Grace Joe	Teresa Lara
Valerie E. Lee	Paul Lerma III	Sharon Miller	Margaret Ramon
Don Richardson	Lavar N. Rigby	Kathy Rojas	Peggy (Margaret) Spellman
Jeffrey Stauffer	Charlotte Villasenor	Katherine M. Colborn	Roster correction:

E-mail address changes:
Shirley Baskin
Cathy Garnica
Nancy Stewart

E-mail address changes needed (e-mails to these people were returned as undeliverable):

Dave & Jean Abraham	Rita Beahan	Alberto Beron	Betty R. Coffey
Tom Everton	Nancy Feltman	Marjorie Hawkins	Hitoshi Kajihara
Marilyn Kauffman	Clara Kimbrough	Virginia Lawler	Clara Lawson
Michael Meeks	Sheldon Mehr	Johnna L. Morto	Mary Taylor-Parr
Beverly Pearson	Richard Phelps	Steve Pollock	Sharon Sandoval Starr
William Thieman	Eliza Thomas	Suzanne van Marion	

Look for your VCCCD Retirees Association on the Web at

http://www.vcccdra.org

In Memoriam

We honor the memory of our departed colleagues.

Roger Boedecker
Donna Grahek
Norman Mallory
Octavio Sifuentes
Leroy Smith
Madeline R. Braun
Anita Grotz
Loretta Riggins
James N. Smith
Glen Wolfe

2012-2013 Executive Board

Harry R. Culotta, President
Gary B. Morgan, Vice President
Marie Soo Hoo, Secretary
Patricia Gage, Treasurer
Don Medley, Membership Committee Chair
Gary Johnson, Benefits Committee Chair
Larry Manson, Political Committee Chair
René G. Rodriguez, Past President

VCCCD Retirees' Association
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