



NEWS BRIEFS

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SACRAMENTO COUNTY RETIRED EMPLOYEES ASSOCIATION
Post Office Box 161414 Sacramento, CA 95816
www.saccountyretirees.com

June 2013 Number 1

Susan Cucchi, Editor

PRESIDENT'S CORNER

By Kiyoshi Adachi

Not knowing whether the County would discontinue the retiree health program in 2014 and our concern about them dropping the blended insurance for retirees under 65 has been worrisome for the SCREA Board. At our regular meeting in April 2013 the SCREA Board agreed to communicate to the County our concerns on both issues and express our need to have both continued unchanged. (See the Benefits Committee article on page 4 of this issue.) No changes to the existing retiree health program also means no changes for safety retirees benefits under the Federal Pension Safety Act.

At the SCREA luncheon in March, guest speaker Richard Stensrud, CEO of SCERS, our retirement system gave a "State of the System" report. He told us the retirement system is "one of the strongest in the State". The System's funded rate is 83% and "recovering very nicely" providing a 13.7% return in the last calendar year and a three year return of 10%. The System investments provides 70% of our retirement pay. The System assets are invested in "risk adverse" products. It was a very encouraging report.

KNOW YOUR SUPERVISORS:

Listed below are your County Supervisors. Your Supervisors have always voted to provide retirees access to County-sponsored retiree health programs. We are depending on them to continue doing so.

1st District:	Phil Serna	916-874-5485
2nd District:	Jimmie R. Yee	916-874-5481
3rd District:	Susan Peters	916-874-5471
4th District:	Roberta MacGlashan	916-874-5491
5th District:	Don Nottoli	916-874-5465

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IN MEMORIAM

Floyd Agee Jr.	Julie Hanretty	Marjorie Marquette	Patricia Senseney
William Anderson	Herbert Harris	Juliana McBride	Rosemary Severson
Philip Barnett	Florence Harris	Ida McCune	Thomas Silva
Joseph Boyd	Juanita Hathaway	Peter J. Miller	Kenneth Snider
Bertha Bradley	William L. Hobbs	Jerry M. Neeley	Diane Soto
Beth Ann Carmen	Lillian G. Howe	Sylvia Newberry	Winnifred Stevens
Consuelo Cartwright	Robert Hunt	Alton Newton	Jo Y. Strong
Ernest A. Cherry	Marion C. Johnson	James Noble	Jane Sulik
James B. Claypool	Margie Johnson	Orene Ochikubo	Virginia Taylor
Karen Collier	Florence Kato	Kathleen Patch	Mabel Thompson
Katherine Courim	Eugene Kingsley	Donna G. Pinto	Darwin Trimble
Jane Cranor	Frances S. Kondo	Esther Pollack	James R. Underwood
Max M. Davidson	Robert E. Lander	Leonard Ransom	Ruth Viau
Terrell Dyer	Harriet C. Larsen	Donna Rich	Bonnie Wells
Thelma Enochs	Gloria J. Lewis	Willie Richardson	Mardell E. Whitten
Luther R. Galbert	William MacMaster	Minerva Rojas	Lorraine Williams
Diana Garcia-Vidaurri	Rosalyn MacPhee	Rudy Rueb	Jack Wong
Joyce Ginther	Janice Mannering	Peggy Schweitzer	Edna Wong

Change of Address?

Please fill out and mail this notice to:
 SCREA, P.O. Box 161414
 Sacramento, CA 95816

Name: _____

New Address: _____

City: _____ State: _____

Zip: _____ Telephone: _____

Email: _____

Date of Move: _____

Previous Address: _____

The surviving spouse of a member is eligible to SCREA membership.
 For enrollment assistance please contact our Membership Chair, Sue Murray,
 at 916-359-6394.

JUNE 14, 2013 (FRIDAY) MEMBERSHIP LUNCHEON

by Sandy Carli

It's time to reserve your space for SCREA's June 14, 2013 General Membership Luncheon at the Dante Club on Fair Oaks, Blvd. (Directions below). Should you miss the reservation date or send it in on the day of the deadline you MUST contact me at 457-0304 or email me at scarli@surewest.net so that I can let you know if space is available. Please do not show up at the luncheon without a reservation.

NO HOST BAR STARTS AT 11:00 AM
LUNCH SERVED AT NOON
GUEST SPEAKERS:

Steve Pettee
Administrator, President & CEO of Pacific Group Agencies, Inc.
Kathy Morris
An independent Agent representing AFLAC

ELECTIONS OF SCREA OFFICERS
DOOR PRIZE GIVE-AWAY

Menu Choices:

Honey Glazed Pork Loin with Raisins and Roasted Hazelnuts in an Orange Sambuca Sauce; or
Baked Chicken Marsalsa with Crimini Mushrooms in a Marsala Cream Sauce with Red Potatoes, or
Vegetarian Cheese Tortellini
Each selection comes with Rolls and Butter,
Butter Leaf Lettuce Salad with chopped eggs, olives, cucumbers,
Feta Cheese, red onions, and artichoke hearts with a Cucumber Honey Dijon Vinaigrette.
Spumoni Ice Cream
Coffee or Tea

RESERVATION/CANCELLATION DEADLINE
JUNE 10, 2013

Directions to the Dante Club
2330 Fair Oaks Blvd.

From Highway 50:

Take Howe Avenue north; turn right on Fair Oaks Blvd., right onto the frontage road off Fair Oaks Blvd. Turn right into the parking area just before the car wash and at the stop sign.

From Watt Avenue:

West on Fair Oaks Blvd. Turn left at the entrance to the car wash.



BENEFITS COMMITTEE REPORT

By Kiyoshi Adachi



At the April 2013 SCREA Board meeting, the Board agreed that SCREA should communicate to the County Employees Benefits Office (EBO) that SCREA wants the County-sponsored health plans to be continued. We conveyed that message to the EBO at our meeting with them on April 11, 2013. We learned that there are no discussions by County management about dropping retiree health program OR unblending insurance rates for 2014. EBO had previously told SCREA they had not decided what recommendation they would make to the Board of Supervisors on the subject.

The County is now in discussions with current carriers to continue the program for 2014. Kaiser anticipates no rate increase for 2014. Other carriers responses were not available at this time. The EBO will be notifying some who are still receiving insurance subsidies when these subsidy payments will be ending.

Pricing details on the Federal Affordable Care Act (ACA) will not be available until October 2013, we were told. How the ACA, known as Covered California in this state, affects retirees enrolled in the County sponsored group plans will probably be clearer at that time.

The EBO agrees with SCREA that an ag-

gressive effort will be needed to help retirees transition from the County plan to other non-County plans when the County plan is dropped.

The County staff's decision to continue the retiree health programs for 2014 probably averts the anxiety of obtaining new coverage elsewhere. However, retirees can choose to search the individual market for coverage suited for them—perhaps at lesser cost.

Regarding dental coverage, Principal Financial, the new County carrier for the retiree dental plan for 2013 and 2014 has elicited calls to EBO and SCREA Directors. Some have complained that unless your dentist is a Principal dentist a submitted bill is reduced by 50% and payment to your dentist is 25% of the reduced amount. That leaves the retiree with a big portion to pay. The EBO says, if you are interested in a name of a Principal dentist, you can call them at 916-874-2020. They will provide the name of someone in your vicinity. However, sometimes your dentist can provide information to Principal that could result in a higher reimbursement. Being a new provider, Principal does not have the information of your history that Dental had. The EBO wants to assist in resolving patient issues with Principal so you are encouraged to call them. EBO says they will do their best to help.



For your information here are some important phone numbers and addresses:

SCERS: 916-874-9119 980 9th St. Suite 1900 Sacramento, CA 95814-2739

Employee Benefits Office: 916-874-2020 700 H St. Suite 4667 Sacramento, CA 95814

2013 REMAINING LUNCHEONS

By Sandy Carli

Below you will find the REMAINING 2013 SCREA LUNCHEON DATES AND DEADLINES FOR RESERVATIONS AND CANCELLATIONS. PLEASE mark your calendar, enter into your iphone, iPod, or just cut it out and put in a visible place! All events start at 11:00 with LUNCH SERVED AT NOON.

2013 CALENDAR FOR SCREA'S LUNCHEONS

JUNE 14, (Friday) 2013

General Meeting at the Dante Club
Deadline: *June 10, 2013*

SEPTEMBER 16, (Monday) 2013

Annual Founder's Day Picnic at Elk Grove Park (7A)
Deadline: *September 11, 2013*

DECEMBER 9, (Monday) 2013

Holiday Luncheon at the Hilton Hotel off Arden Way
Deadline: *December 4, 2013*

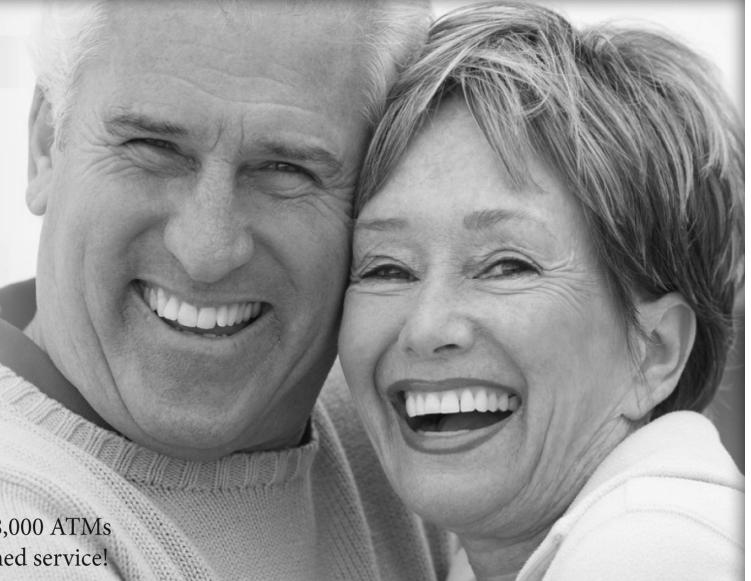
Home Loans

Auto Loans

Low Rate Credit Cards

Free Rewards Checking

Sacramento Credit Union can help you make the most of your retirement income! Save money each month with our home and auto refinance options. You can also save with our FREE checking accounts-no gimmicks, just truly free checking. Come and see the Sacramento Credit Union difference. Benefit from surcharge free access to a network of over 28,000 ATMs nationwide, six convenient branch locations and unmatched service!



Visit **www.sactocu.org** or call **916-444-6070** for more information.



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EQUAL OPPORTUNITY LENDER
Federally Insured by NCUA

SCREA LAW SUIT UPDATE

By Mike DeBord

Sacramento County Retired Employees Association (SCREA) is not alone in having to take legal action to protect retiree health insurance subsidies that have been lost or significantly impacted following decades of past practice. Like many other County retiree associations lawsuits, our case is waiting for trial. The following is an update on a few of the other California lawsuits that are dealing with similar issues.

Orange County government “unblended” insurance rates in **2006**. “Unblending” means that they split the pool and premiums of “active employees” and the “under 65 year old retired employees”. The County stated by doing this, premiums for retirees might go up \$30-60 a month. However, when the County forced the under 65 year old retirees into their own health insurance plan, the premiums went up far more, up to \$880 per month, resulting in a cost shift of \$10 million to retirees. In Orange County, the retirees association filed suit stating the County broke a past practice that had been in place since 1985. As a *side note*, *when the retiree association subsequently raised the dues for its members to try to build a fund for legal costs, the County threatened to sue the retirement system if they processed the association dues for legal costs through their monthly pension checks*. Unfortunately, in the lawsuit regarding the “unblending” of the rates, the judge ruled in favor of the County and against the retiree association. The retirees then filed an appeal and the appellate court sent one issue to the State Supreme Court asking “Whether, as a matter of California law, a California county and its employees can form an implied contract that confers vested rights to health benefits on retired employees.” The State Supreme Court unanimously found that “a county may be bound by an implied contract under California law if there is no legislative prohibition against such arrangements, such as a statute or ordinance.” The appellate court then sent the matter back to the original judge who again ruled in favor of the County and against the retiree association. The retiree association anticipated this might be the outcome as the same judge simply agreed with his prior ruling. The retiree association is currently going through the appeal process again. **The case moves forward.**

In **Stanislaus County**, retiree Michael O’Neal has his name on a lawsuit against their retirement system board. The case, filed in **2009**, is “O’Neal, et al. vs. StanCERA” and is based on the retirement system board action to transfer retirement system funds out of specific reserves that had been built up to pay retiree health and COLA benefits. In 2009, the retirement system transferred \$60 million from these reserves in order to reduce the County’s annual contribution. \$50 million came from the retiree’s medical insurance fund and \$10 million from a fund to pay their cost-of-living (COLA) payments for older members. The cost-of-living payments were suspended for that year, and their medical insurance stipend for 2,500 retirees was eliminated the following year. But the trial court dismissed the retiree’s lawsuit, essentially stating that retirees had no right to sue. The retirees appealed and the appellate court reversed the trial court and reinstated the lawsuit. **The case moves forward.**

Continued on pg. 8

Notice: The information presented in “News Briefs” is believed to be from reliable sources. However, no responsibility is assumed by SCREA, the Editor or the writers for inaccuracies in the articles published.

JUNE LUNCHEON SPEAKERS

By Sandy Carli

At the June 14th SCREA Luncheon at the Dante Club we will have two speakers. Steve Pettee, who is the Administrator, President and CEO of Pacific Group Agencies, will provide information regarding the types of supplemental benefits his company can offer county retirees. PGA has been a registered Third Party Administrator Insurance and Financial Services Agency for over 50 years, specializing in services for Public Employee/Retiree Groups. His benefit plan includes dental, legal, identity theft, vision, personal accident and travel, car and home insurance, "HMO" Pet care, comprehensive travel, and hearing aid discounts.

The SCREA Board has been working with the County to obtain payroll deducted supplemental insurance benefits at discounted group rates. The outcome of that discussion is still uncertain. However, the SCREA Board felt this was an opportunity for members to learn about what Pacific Group offers

and if interested, could select to participate in any of the benefits on their own. Other California counties are already involved with Pacific Group, including LA, Orange, San Diego, Kern, Fresno, Mendocino, Marin, Tulare and San Bernardino. PGA has been an Associate member of CRCEA (California Retired County Employee's Association) for years and is recommended by CRCEA.

In addition, Kathy Morris, an independent Agent representing AFLAC, will speak on what AFLAC offers county retirees. There are already a number of members who participate in this program. This is an opportunity to hear what is available through AFLAC and see if it meets some of your insurance needs.

Time will be allowed for questions and if you have questions of a personal nature, you may meet with either speaker after the event is over.

NOMINATING COMMITTEE REPORT

By Fran Alberghini

The March 2013 News Briefs featured an article seeking nominations of candidates to fill five vacancies on the SCREA Board. Six letters of interest were received by the Nominating Committee, but only five were received by the established deadline.

The candidates are:
 Kiyoshi Adachi
 Lyn Scotti
 Barbara Smith
 Warren Harada
 Pat Wilcox.

All candidates are endorsed by the Nominating Committee. The regular election to fill the vacancies will be held at the General Membership meeting at the Dante Club on June 14, 2013.

Member questions may be directed to the Nominating Committee: Fran Alberghini (Chair), Linda Kimura, Lyn Scotti or Pam Thomas. Their contact information can be found on the back page of this News Briefs.

SCREA LAW SUIT UPDATE

By Mike DeBord

Continued from pg 6

In **2008**, the **Sonoma County** Board of Supervisors substantially cut the retirees health premium subsidy for 1,500 retirees. The retirees filed a lawsuit and the district court dismissed their lawsuit stating that the County had never expressly promised to continue covering retiree's health benefits for life. The retiree association appealed and on February 25, 2013, the Ninth Circuit Court of Appeals ruled the lawsuit should not have been dismissed and should proceed to trial court. The decision was based almost exclusively on the State Supreme Court decision involving the Orange County case involving "implied contract". **The case moves forward.**

SCREA filed a lawsuit against **Sacramento County** in **2011**. The County filed a "Motion to Dismiss" that year, but the motion was denied in

Federal court in March 2012 also relying on the State Supreme Court case involving the Orange County case involving "implied contract". **Our case moves forward.**

There are now a number of retiree association lawsuits currently waiting for trial. Each case is somewhat different and each will test the State Supreme Court ruling on implied contract provisions. Unfortunately, there is yet another group of our counterparts (other County retiree associations) around the State that have had their health subsidies reduced or eliminated, but they simply do not have the manpower or resources to even fight back.

SCREA working with our attorney, Mark Merin, will continue to fight the good fight on your behalf.

HEALTH CARE REFORM

By Kathy Morris, Aflac Representative

Health Care Reform is all over the news. There are so many stories that it is hard to know what is true. Will HCR impact those of us that are retired or over 65? Not sure. It is possible that plans will change in 2014 if they don't comply with the new regulations. But, since the new regulations are not complete yet it is hard to say. Medicare is not affected by HCR, still, there are changes in the wind there as well.

So what does this have to do with Aflac? Here is the good news: Since Aflac is Supplemental Insurance, not Major Medical Insurance, Aflac is not impacted by the new rules and regulations of HCR. With all the changes in the wind, it is good to know there is consistency with Aflac.

Additionally, when hard medical times do hit, it is really good to know that Aflac's plans pay benefits to the policyholder, not to the doctors or hospitals or other medical providers. It seems like however well we planned, there is not quite as much 'extra' funds as we had expected.

A few Aflac reminders for SCREA members:

Aflac prices DO NOT CHANGE. The plans are 'Indemnity' which means the benefit is stated in the policy and will not change. Since the benefits

don't change, neither do the prices.

It is never too late to file a claim. Most of the Cancer plans have 'Wellness Benefits'. Additionally, sometimes when in the middle of a health event, we don't take the time to gather the documentation. Now, when it is past, is a good time to get the info together and submit.

Age limits apply to purchases. Due to the California State Department of Insurance, the Aflac plans available for SCREA members are available for purchase up to the age of 65. Once purchased, one can keep their plans forever. No new purchases can be made after the 65th birthday.

Remember, whatever the extent of Health Care Reform – Aflac is different from Health Insurance; it is insurance for Daily Living. Major medical pays for doctors, hospitals and prescriptions. Aflac pays cash benefits, directly to you, to help with daily expenses due to an illness.

Visit The Supplemental Benefits, Aflac section of the SCREA website to see information on the plans currently available. For more information, contact your Aflac representative Kathy Morris, 916-947-8461 or kathleen.morris@us.aflac.com.

NEW MEMBERS

Beverly and Richard Allen, CPS
 Mark Bernicke, DHHS
 Mary Bruni, Sheriff
 Edward Burns, DHHS
 Georgia Cochran
 Robin Cole, DHA
 Sally Crocco, Technology
 Larry and Susan Crowder, Public Works
 Sue Daly, DHA
 Roger and Melissa Ellestad
 Jay and Jenny Fenske, Water Resources
 Gloria Carino Fidler
 Keith Franklin, Assessor
 Anne Frey-Peters, Environmental Mgt.
 Cathy Girton, DHA
 John and Lynn Hallimore, MSA
 Eileen Heinrich and Lillian Ordaz, DHHS
 Stephen and Diane Hong, MSA
 Penny Hummell, Sheriff
 Mary and Kenji Iwanaga, MSA
 Kevin Joiner, Sheriff

Vesna Kamenski, Finance
 Linda Lattin, DHHS
 Amy Lauer, DHHS
 Steven and Cheryl Linebarger, Sheriff
 Gregory Maples, Sheriff
 Martin Matsuda, Probation
 Patricia McCoskey, General Services
 Ann Meyer, Personnel Services
 John and Ailene Nishida, DHA
 Bambi Rethford, DHHS
 Marion Spears Jr., Airports
 Elaine Stoops, Sheriff
 Matt Tedrow, Waste Management
 Laurie Thomas, DHHS
 Joan Thompson, Probation
 Merivel Tucker, Sheriff
 Shu and Mai Ling Wong, Child Support
 Valerie Wong, DHA
 Robert and Sharon Woods, General Services
 Bartley Wooten and Deborah Carpenter,
 Public Defender

ONLY IN AMERICA

- ◆ Only in America do banks leave vault doors open and then chain the pens to the counters!
- ◆ Only in America do we leave cars worth thousands of dollars in the driveway and put our useless junk in the garage!
- ◆ Only in America do they have drive-up ATM machines with Braille Lettering!

WHY?

- ◆ Why don't you ever see the headline "Psychic Wins Lottery?"
- ◆ Why is "abbreviated" such a long word?
- ◆ Why is the man who invests all your money called a broker?
- ◆ Why is it that doctors call what they do "practice"?
- ◆ Why can't women put on mascara with their mouth closed?
- ◆ Why is the time of day with the slowest traffic called rush hour?
- ◆ Why isn't there mouse flavored cat food?
- ◆ Why isn't an airplane made with the same indestructible plastic as the black box?
- ◆ Why don't sheep shrink when it rains?
- ◆ Why are they called apartments when they are all stuck together?
- ◆ If flying is so safe, why do they call the airport the terminal?
- ◆ If "con" is the opposite of "pro", is Congress the opposite of progress?



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SCREA

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 Dated Materials

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SCREA LUNCHEON RESERVATION

FRIDAY, JUNE 14, 2013

Member(s) Name: _____ Phone: _____

Member(s) Name: _____ Phone: _____

"New email address": _____

Non-members Name: _____ Phone: _____

Non-members Name: _____ Phone: _____

_____ (Members) Honey Glazed Pork Loin \$17.00= _____

_____ (Members) Baked Chicken Marsala \$17.00= _____

_____ (Members) Vegetarian Cheese Tortellini \$17.00= _____

_____ (Non-Members) Honey Glazed Pork Loin \$24.00= _____

_____ (Non-Members) Baked Chicken Marsala \$24.00= _____

_____ (Non-Members) Vegetarian Cheese Tortellini \$24.00= _____

Total Check enclosed _____

RESERVATION DEADLINE NO LATER THAN JUNE 10, 2013

DO NOT SEND CASH. SEND A CHECK MADE PAYABLE TO

SCREA-LUNCHEON, P.O. BOX 161414, SACRAMENTO, CA 95816

Please call Sandy Carli at 457-0304 or email scarli@surewest.net if check is sent on
 or after reservation date. Cancellations accepted until June 10, 2013

