

S.B. 438: An Act Concerning Revisions to the Teachers' Retirement System
Testimony, March 2020

Co-Chairs Senator Osten and Representative Walker and Distinguished Members of the Appropriations Committee:

My name is June Pinkin and I retired from teaching in 2002. I taught in Hartford for my entire career as an elementary teacher, a reading consultant, and a high school teacher. I have lived in CT and only in CT all my life. I am president of the Hartford Federation of Teachers Retiree Chapter which has approximately four hundred members. I am also a member of AFT Connecticut and RTHA (Retired Teachers' Healthcare Advocates). I am submitting testimony regarding S.B. 438: An Act Concerning Revisions to the Teachers' Retirement System, urging you to amend the proposed legislation in the following ways (rationale for each is presented at the end of the list):

1) Change the wording regarding the insurance discussed in lines 1217-1229 to include:

“The board (TRB) will offer one or more basic plans and one of them **MUST BE** a **MEDICARE SUPPLEMENT** plan that is equal to or better than the base plan with a premium cost that is reasonable considering the benefits offered. The plans will follow the State of Connecticut insurance mandates and **NOT BE EXEMPTED** from them.”

2) An advisory council of retired teachers will be instituted composed of eight retired teachers, two each from AFT Connecticut, CEA-Retired, ARTC, and RTHA. This council will be a vehicle for retired teachers to have input and dialog with the TRB, the organization that has collected our money over the life time of our careers, determines and manages our pensions, and controls our choices for insurance in retirement.

3) A third retired teacher position will be added to the Teacher Retirement Board that will be opened to someone who participates in one of the insurance plans offered by the TRB and therefore “has skin in the game”.

4) Delete the section of “professional fees” being taken from the Retired Teachers Premium Account, lines 1327-1329, “payments for professional fees associated with the administration of the health benefits plans offered pursuant to this section”.

Before I begin the rationale for the amendments above, I want to explain how the RTHA (Retired Teachers Healthcare Advocates) came about as this is a recently formed ad hoc group. I have been attending the TRB public monthly meetings for several years. Recently some of the other regular retired attendees and I became concerned about the radical changes in our healthcare plans, increases in premiums for the Medicare Supplement plan, and how the information about our options was being presented at rollout meetings. The information was biased, incomplete, and sometimes incorrect. Then when we became aware of a report from the Comptroller's office dated September 4, 2018 titled Administrative Review of the Teacher's Retirement Health Plan Contractual Terms, the RTHA coalesced.

Rationale for Amendments requested:

1) Change in Insurance Wording:

This request does not cost the state any money. Retired teachers on Medicare pay the lion's share of their insurance premiums and also the monthly Medicare Part B premium. The state presently only pays \$14 per month per person. The lack of the state's adequate contributions over the past decade or so nearly bankrupted the TRB Healthcare Fund. We were told that for that reason, the TRB was forced to offer a Medicare Advantage Plan. Though that plan is presently pretty good as far as M.A. plans go, we suspect that it is unsustainable and most importantly, many retirees would rather have their own healthcare providers determine what treatments and services they need as opposed to an insurance company making those decisions. Therefore, they are wedded to having a Medicare Supplement plan. As the head of a retired teacher organization, I get hundreds of calls regarding insurance issues on a continual basis. So, I feel must weigh in on this part of S.B. 438 hoping to assure us of always having a Medicare Supplement plan in future offerings.

2) Establishing a Retiree Advisory Council to the TRB:

I feel this is necessary so that retired teachers have a vehicle for input to the members of the TRB and its administrator. At the monthly public meetings, we are only allowed to comment at the end; we are NOT ALLOWED to ask questions. If any of the comments include a question, we are admonished and reminded that this is not the time for questions. In fact, there is no time for questions. So, with that being the case, some retirees wrote a letter with specific questions and sent it by registered mail to each member of the TRB and its administrator. There were no replies. The questions we asked were prompted by our reading of the report by the Comptroller's Office. We are offering to be part of the solution to having the TRB communicate effectively with the people it serves but are turned away at every attempt. We abhor the lack of transparency. When the TRB does not communicate effectively with retirees, those of us serving in retired teacher organizations get calls asking us numerous questions about the information the TRB distributed and about individual insurance situations. When we direct their calls to the TRB, many times their calls are not returned so they call us again. Retirees also have complaints about trying to deal with Anthem. By having an Advisory Council of retirees from four retired teachers' organizations, we could help get the correct information out to our peers.

3) Adding another retired teacher position to the TRB:

This is simply a math adjustment. There are now approximately 52,000 active teachers and 38,000 retirees in the state's retiree system. Actives have four positions on the board and we have only two. I want another retiree position added as our numbers have increased and many of the decisions made only affect retirees and their insured spouses.

A reminder to members of the committee: The first three proposals above will not cost the state any money.

4) Retired teachers are denied access to how and how much of this money is spent. There is no public accessibility. When a FOI request was submitted by retired teachers, it was so heavily redacted that they could not get the information that was requested. Furthermore, taking money from this account which is funded by our premium payments and 1.25% of active teachers' salaries increases the cost of insurance for retirees. I would also like to remind you at this time that active teachers in a recent legislative session were the ONLY workers who had to pay an extra 1% of their salaries to the state. This money did not go into the TRB pension or the healthcare insurance premium account but in reality, it boosted the general fund. So I feel that the agency of the TRB should be responsible for those costs as it was before Public Act 15-5.

Thank you for your consideration of these requests.

Respectfully submitted,

June Pinkin