

Dear Co-Chairs Senator Osten and Rep. Walker, Vice-Chairs Senator Hartley, Rep. Dathan and Rep. Nolan, and Ranking Members Senator Miner and Rep. France, and Distinguished Members of the Appropriations Committee,

I am writing in SUPPORT OF SB 1082: **AN ACT CONCERNING A RETIRED TEACHER ADVISORY COUNCIL, THE MEMBERSHIP OF AND TERM LIMITS FOR THE TEACHERS' RETIREMENT BOARD, A CAP ON CERTAIN PROFESSIONAL FEES PAID BY THE BOARD, AND MEDICARE SUPPLEMENTAL PLANS FOR RETIRED TEACHERS.**

I come before you today as a retired teacher who taught in Hartford from 1964 to 2002 and as president of the Hartford Federation of Teachers Retiree Chapter, local 1018-R. I am also a member of RTHA, Retired Teachers Healthcare Advocates and a Manchester resident. I am hoping to gain your support for this bill in its entirety.

Two of the things that cause retirees significant anxiety are concerns about the security of their pensions and their health insurance. Because of the health insurance concerns, I very strongly advocate for the TRB to always offer a Medicare Supplement Plan, and the plan must include the state mandates. This gives the retirees the choice of a plan where they and their doctors make medical decisions about treatments instead of having that done by an insurance company's review board.

Health insurance became a stress inducing issue when the TRB Health Care Fund nearly ran dry in 2018. How did that happen?

A law was enacted in the late 1980s, the agreement being that active teachers would pay 1% of their gross salaries into the HIPA (health insurance premium account) and for those on Medicare, the state; the retiree; and the account would each contribute a third to cover the cost of the basic insurance premium. The state, however, reneged time and again over many years on its obligation. As this continued, more and more of the insurance costs shifted to teachers. As the state decreased its contribution, the amount of the active teacher contribution was increased to 1.25% and the percentage the retirees paid increased to make up the difference. That is why the retired teachers now pay the lion's share of the costs in addition to the entire cost of Medicare Part B. And we also have deductibles and copays. Any increase in the premium of a Medicare Supplement Plan is borne totally by the retirees. When we ask for the supplement plan to always be an option, it does not cost the state any additional money; retired teachers on that plan pay any increases.

Insurance through the TRB worked well until 2018. Then without warning, the terms of our insurance and the cost of premiums and copays changed mid-year. We were informed in the spring that this was necessary because our health care fund would be depleted by fall if changes weren't made. This seemed strange because we were told at prior meetings that the fund would be okay despite cuts in contribution by the state. The changes included increased premiums, copays, and deductibles and the introduction of a Medicare Advantage Plan. Contrary to prior history, if you wanted to stay in the same plan in 2018 (Medicare Supplement), you had to opt in.

If you did nothing, the default was the Medicare Advantage plan. So some retirees had to scramble to get back on the Supplement Plan because in all the past years, if you wanted the same insurance you didn't have to do anything. That was for the remaining six months of 2018. The 2019 supplement plan was so convoluted and expensive that some retirees dropped out of it. It included two out of pocket piggy-backed \$500 deductibles in addition to copays and was very confusing. The informational roll out sessions were really biased, providing a lot of information about the advantage plan. When people asked about the benefits of the supplement plan, many questions went unanswered. I mention these things only because some of the people testifying against S.B. 1082, kept mentioning that there are only 5,000+ retirees on it. I wanted you to know how that was achieved. We also became aware of a report by the Comptroller's office about the way the TRB and its then consultant were handling insurance negotiations supposedly on our behalf. The report was alarming.

I am concerned that the TRB wants open-ended access to our already hurting health care fund for consulting and legal fees. I think there should be a reasonable cap and that anything in excess of that should come from agency funds. There has to be some kind of gate keeping.

As the president of a retired teachers organization I get many phone calls and emails; the vast majority of them about health insurance. I am asked for advice on what plan to sign up for, am called when their inquiries about bills or services go unanswered and when they fail to get a call back from the TRB. If you go on the TRB's website, you will find a forty page document explaining the Medicare Advantage Plan and a four page document explaining the Medicare Supplement Plan. This discrepancy is one of the very good reasons to support the request for an Advisory Council. We know what problems retirees have deciphering what these plans provide and we know what their concerns are. An advisory council could help bridge the gap between the TRB and the retirees, improve communications, and promote transparency. This is impossible for individual retirees to do at a TRB meeting as observers are only allowed to make brief comments at the end of a meeting; we are not allowed to ask questions. A group of knowledgeable retirees have offered write up side by side comparisons of the plan benefits to make things understandable for retirees but our offer and other offers of help have been rejected. This is why we need the backing of the legislature for such a council. By working together, we could help put retirees at ease as they would be better informed. It would be a conduit for concerns and information; in other words, improved communication. It would not be duplicating or taking on the TRB's responsibilities. The number of calls to the TRB would be reduced thereby saving time for an overworked and understaffed TRB. I always tell my members that when they place a call to the TRB, they should leave their name, phone number, and a brief message and to be patient waiting for a return call as the TRB is understaffed.

I think there should be another retired teacher on the TRB because retirees are under represented on the board. That teacher should be on a TRB health plan; only one member of the TRB is at present. That person should be from a retiree organization not represented on the TRB at this time.

Teachers, unlike state retirees, do not have unions to negotiate for us once we retire. We also pay for most of our own health insurance. Many of us do not get any Social Security because of

the Federal GPO/WEP legislation. We are denied spousal benefits and survivor benefits, and teachers who worked other jobs and paid into Social Security have their S.S. benefits cut significantly. We appreciate the work the TRB does to manage our pensions and healthcare plans because that is what we depend on. S.B. 1082 does not cost the state any money. It would, however, allow us to provide input and improve communications with the TRB.

Respectfully submitted,

June Pinkin

Harford Federation of Teachers Retiree Chapter President