

Testimony in Support of SB 1082
March 25, 2021

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,

My name is Courtland Wilson and I am a resident of Avon, Ct and I am married to a retired teacher.

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.**

SB 1082 is a bill that is designed to help protect the interests of all teachers in their retirement.

I support the addition of a **third retired teacher to the Board** to proportionally correct the ratio 4:3, as the State's active to retired teacher ratio stands now (51,000 active, 38,000 retired).

It is also important that Board members who make decisions about retired teacher healthcare plan choices are stakeholders in the plans themselves. Presently only one Teachers' Retirement Board member is an enrollee in any of the TRB healthcare plans. Any additional retired teachers added to the Board should be enrollees in a TRB healthcare plan to bring their actual experience to the Board.

Regarding the proposed **Advisory Council**: this would include equal representation from several of the retired teacher organizations in CT to facilitate communication. The intent of the Advisory Council is to provide input from retired teachers before major decisions are made and not to be involved in the day to day workings of the Board.

Two years ago, TRB made an executive session ruling that comments at the end of meetings would be limited to two minutes; no questions are allowed and no responses are given. This has since been written into the by-laws. Written requests for information have gone unanswered. In the past few years, almost half of the TRB public meetings have been cancelled. Individuals as well as retired teacher organizations have had difficulty in making contact with the TRB to get questions answered. An advisory council would facilitate communication between the agency and retired teacher organizations and their members.

A Cap on expenditures for consultant and professional fees will protect the public money that the State, retired and active teachers have paid into the Health insurance Premium Account. It is fiscally responsible to have a "negotiated" cap on spending from an account that all teachers in their retirement depend on. Unlimited fees paid to consultants can become problematic and threaten the solvency of the Health Insurance Premium Account resulting in less money for member premiums and services. A healthcare consultant is important to do all the foundational work that is part of designing healthcare plans for retired teachers, but it is the TRB's fiduciary responsibility to the State and teachers to protect the HIPA fund from overspending on unreasonable professional fees.

Regarding guaranteeing that a **Original Medicare Supplement plan always be offered**: the bill is simply asking that a Supplement plan be one of the choices offered through the TRB. Many prefer the federal oversight of a Supplement plan for the protections it offers. It is likely that if only an Advantage plan is offered, that plan will erode over time through restrictions (networks) and rising copays and deductibles.

The statute does not intend nor does it require that a Supplement plan be designed at the same cost as an Advantage Plan.

A couple of years ago the Board at the direction of the consultant had to shift from a self-funded Supplement plan (admin. by Stirling Benefits) to an insured plan, due to state underfunding. An Advantage plan has provided a low cost option for retirees and this is the "base plan" which determines the state's contribution. However, there is no reason that a Supplement plan should not be protected by statute as a choice for those retired who need it. In fact, the two Medicare plans should be tied together for negotiating purposes. The Advantage plan should not be awarded to any insurance company that does not also offer a Supplement plan. It does not cost the State any more to offer the Supplement as the enrollees pay all of the up-charge for their plan.

Thank you for your attention to the important legislative reforms in SB 1082 and I would ask that you vote "yes" on this bill.

Sincerely,

Courtland Wilson
Avon, CT