

From: Sharon Hoffbeck <sharonhoffbeck@gmail.com>
To: RPEA Members--All
Date: 3 Jun 2016
Subject: PERS/TRS Newsletter Mistake

Hi Everybody---

RPEA has recently seen the June edition of the PERS and TRS Newsbreak newsletters, and noticed that there is a mistake in both of them in the articles concerning COLA when one travels outside of Alaska for medical treatment.

The article states:

“Am I entitled to COLA if I am gone from Alaska for more than 90 days due to illness?”

You may continue to receive COLA for up to 6 months if:

1. You are out of Alaska because of illness, and
2. Your physician certifies your absence is necessary on a form (gen023) provided by the Division.

If your absence exceeds six months, COLA will stop on the first day of the seventh month following the date you left. If your illness began before leaving Alaska, you must make every effort to notify the Division before departing Alaska. **Eligibility for COLA under this provision is a one-time exception to the requirements.”**

The highlighted section is incorrect. Eligibility for the COLA exception **is not a one-time exception**, and can be requested any time a retiree/covered dependent needs to travel outside of the state for medical treatment for up to 6 months.

RPEA contacted Kathy Lea, Chief Pension Officer in the Department of Administration (DOA), requesting clarification of this statement. She said that it was in fact a mistake, and they are correcting the online version of both the PERS and TRS Newsbreak newsletters.

The reason this statement was mistakenly included in the article is that several months ago DOA intended to **add** this restriction to the COLA exception. RPEA became aware of this, and actively objected on the basis that this exception was not part of the statute establishing it and would constitute a diminishment of this benefit, severely impacting retirees and their dependents who were required to leave the state for medical treatment that wasn't available

locally. After many discussions, DOA agreed that the one-time exception would not be imposed on the COLA exception.

RPEA will continue to monitor this issue to assure this wording doesn't appear again. If anyone has applied for this exception, and been unreasonably denied, please send an email to: sharonhoffbeck@gmail.com.

If anyone has questions, please let me know.

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