



December 26, 2019

Dear RPEA Members,

RPEA has recently learned through a disclosure filed by the State, that the Division of Retirement and Benefits (DRB) has to date incurred an estimated cost of \$218,201.29 to "develop and implement the legacy plan" in response to the Court's Decision issued on April 19, 2019. **In addition, this disclosure states that "all of these costs were charged to the DVA premium account"**. The DVA premium account is the trust account where all of the premiums that retirees pay each month for DVA coverage are deposited. The State does not contribute to this trust account.

RPEA feels that the use of premium monies to re-implement the dental plan that the DRB unconstitutionally diminished in 2014 is in violation of the 3 statutes that control the trust, and that it violates the State's fiduciary duty to use the funds solely to pay for dental benefits and legitimate administrative costs.

Additionally, on October 8, 2019, the Court issued an Order awarding RPEA attorneys fees in the DVA lawsuit. To date, the State has not made any effort to comply with that Order.

We have today delivered a letter to the Commissioner of Administration as the first step in 1) requesting that the DRB immediately refund to the DVA trust account all premium money used to correct its unconstitutional 2014 dental plan, 2) to discontinue paying any further costs from the DVA premium trust account needed to comply with the Court's April decision, and 3) to immediately pay RPEA the attorneys fees and costs awarded by the Court--but not out of any DVA trust funds.

You can read the letter at:

https://rpea-ak.org/pdf/2016-dva-lawsuit/2019.12.26_Letter-to-Comm.-Tshibaka-RE-Attorney-Fees.pdf

We encourage you to express your opinion about the DRB's actions to the Retiree Health Plan Advisory Board at:

RHPABAlaska@alaska.gov

If anyone has questions, please contact me at:

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