

Dear RPEA Members,

As always, this mailing is being sent to all current members of the Retired Public Employees of Alaska (RPEA).

As of today, there are 4,500 members! Thanks to all of you for your membership!!!

Meeting Minutes

Many of you have asked about access to the minutes of Executive Board meetings. The minutes of every board meeting, once formally adopted by the Board, are available to any member. Presently, adopted minutes are only available on request; however, this is an item under Board review for further discussion.

For now, please call the office (907.274.1703) to ask Dana Hilbish, the RPEA office manager, to send you a copy of meeting minutes. You can also email Dana at manager@rpea-ak.org to request minutes.

Important Upcoming Items

I am sure all of you have heard directly from the Division of Retirement and Benefits (DRB) about a number of upcoming deadlines, but, just in case, please be aware of some upcoming dates of importance to RPEA members:

DVA Open Enrollment

If you are eligible to participate in the AlaskaCare Retiree Dental, Vision and Audio (DVA) Plan, note that open enrollment ends November 24th! If you have questions about which dental (standard or legacy) plan to choose, do look at the very useful table provided by DRB at their website: https://www.deltadentalak.com/alaskacare /pdfs/alaskacare_retiree_benefit_comparison.pdf.

<u>Proposed changes to the 2022 AlaskaCare Retiree Health Plan</u> <u>Booklet</u>

The RPEA Medical Information Committee (MIC) is reviewing these changes now, but most of the proposed 2022 plan changes relate to the two matters (preventative care and prior authorization of specialty drugs) already previously reviewed and discussed by both RPEA members and the Retiree Health Plan Advisory Board (RHPAB) during earlier comment periods provided by the DRB. Further comments can be made to the DRB directly on or before November 19th; we would encourage retirees to review the proposed changes and submit any further comments directly to the DRB.

Below are links to summaries of the proposed 2022 defined benefit (DB) and defined contribution (DC) health plan booklets.

- AlaskaCare Retiree DB Booklet 2022 Summary of Changes
- AlaskaCare Retiree DCR Booklet 2022 Summary of Changes

For more information, visit the DRB website at: doa.alaska.gov/drb
/alaskacare/. Please also share any further concerns you might have with the Medical Information Committee (MIC) Director, Delisa Culpepper, at rpea.mic@gmail.com.

As you know from previous RPEA correspondence, the 2022 health plan contains new provisions around preventative care and requires prior authorization for some specialty medications. Some relevant notes:

- Prior authorization (PA) for specialty drugs is expected to apply to approximately 2,500 retirees. If a retiree receives a specialty drug through the medical plan (and not the pharmacy plan) this change will not apply to them as the medical plan already has a prior authorization process in place.
- Retirees who will need prior authorization for a specialty drug will get a letter from OptumRx at the beginning of November. They should then contact their prescribing provider to get the authorization process started.
- Refills will continue to be processed without a PA until the end of the year.
- If any retiree encounters a problem during the PA process, please contact the DRB directly and copy Delisa so the RPEA Medical Information Committee knows, as well.

There are also some additional 2022 health plan changes forthcoming, including one that clarifies return transportation following an emergency transport that RPEA members had asked about. The 2022 language says: "Following the emergent event, returning transportation cost to the site of illness or injury will be considered as outlined under section b," apparently allowing support for that cost. The RPEA is seeking further clarification of this added language.

A second change deletes the requirement in the medical plan that dental implants are only allowed if dentures or bridges are inappropriate or ineffective. That language is stricken to reflect a new standard of care. You may comment on the proposed plan booklet changes by submitting written comments:

- By Mail: State of Alaska Department of Administration, Division of Retirement and Benefits, PO Box 110203, Juneau AK 99811-0203
- By Email: doa.drb.alaskacare.retiree.plan@alaska.gov.

Prescriptions via the Mail

With the potential slowdown in mail deliveries announced by the U. S. Postal Service, we are aware of some concern regarding OptumRx Mail Delivery Services. MIC Director Delisa Culpepper has contacted Emily Ricci with the Division of Retirement and Benefits concerning mail deliveries of medications not reaching retirees in a timely manner. The RHPAB next meets on November 4, 2021, and Cammy Oechsli Taylor will also bring the issue to the Board's attention. We expect to hear Ms. Ricci's response at that time.

Oral Argument in the Upcoming Freda Miller Supreme Court Case Argument in the important Freda Miller vs. State of Alaska retiree case is being held November 9th at 10:00 a.m. The public is welcome to attend appellate court oral arguments, although in-person arguments have been temporarily suspended due to the coronavirus pandemic.

Instead, arguments are broadcast for viewing on the <u>Gavel Alaska</u> website. If you follow the hyperlink to the Gavel Alaska website, you can watch the proceedings on November 9th. And if you cannot watch the hearing live, the televised hearing will be archived for future viewing, as well.

Alaska Retirement Management (ARM) Board Activity
As some of you are aware, in October the Dunleavy Administration proposed to
make some significant changes to the ARM Board's historical approach to
calculating the State of Alaska's annual pension contribution rate. Because of
substantial market gains over the past year, the Administration proposed
moving from a traditional actuarial valuation approach (using a five-year
smoothing/averaging calculation) to a market valuation approach, which
would have enabled the Administration to reduce its annual pension
contribution by over \$300 Million in FY2023.

The RPEA Executive Board discussed this matter and sent a letter in opposition to the proposal. Further, I provided testimony at the ARM Board meeting held specifically to discuss this controversial proposal, making it clear that the RPEA opposed this sudden change in course. A copy of the RPEA's letter to the ARM Board can be accessed on the RPEA website - Click Here.

Fortunately, the Administration withdrew its proposal in the face of unanimous opposition, but not before taking one-time action to reduce the State's contribution to the healthcare funds for FY2023, in the face of evidence that both the PERS and TRS healthcare accounts were currently overfunded. Links to an Anchorage Daily News Story and a Dermot Cole's column on these matters are also provided below.

- Click Here to read the Dermot Cole article.
- Click Here to read the Alaska Daily News article.

This will be a continuing discussion of the ARM Board over the next year, in the face of potentially higher market success (a 28% market return in FY22 vs. the actuarial estimated 7.5%), and pressure to reduce the annual contribution to the pension and healthcare funds in the face of market successes. Vigilance is key here.

RPEA Executive Board Strategic Planning Special Meeting – November 21 & 22

The RPEA Executive Board will be meeting in-person later this month for a special two-day strategic planning meeting. The special meeting is not open to RPEA members to attend in person, but it is our intent to teleconference the meeting via Zoom and any RPEA member wishing to view/hear the discussion is welcome to attend via Zoom.

At the beginning of each day's special meeting (Sunday, November 21 and Monday, November 22), beginning at 9:00 a.m., members wishing to provide brief comments may do so. The comment period each day will be limited to 30 minutes, with members individually limited to two minutes each. The meetings will run until at least 5:00 p.m. each day.

The exact agenda has not been set yet, but the majority of the topics have been identified and are listed below. Obviously, the Board is not limited to these topics, given that its discussions may lead it to other topics not previously identified. The regular November Board meeting (November 16th) has been cancelled. The Zoom link for the strategic planning meeting can be found on the <u>RPEA's website</u> on the <u>Executive Board page</u>.

The list of topics:

Lawsuit(s)

- Bylaw Revisions (including a focus on clarifying what the Board considers confidential vs. public)
- Policy and Procedure Manual Revisions
- RPEA Budget/Finances
- RPEA Chapter Organizational Structure (including consideration of the Northern Region's inactivity)
- Membership Recruitment and Retention (including discussion around access to the membership lists)
- Website Content
- 2022 RPEA Board Elections
- 2022 Constitutional Convention Vote
- Newsletter Dates for 2022

Ongoing Board Issues / Executive Board Vacancies

As you may be aware, since July of this year, the RPEA and its mission have been impacted by a variety of rather divisive efforts, which continue into the present. I know I speak for a majority of the Executive Board when I say that our intent is to work through these distractions and to continue to serve the membership to the best of our ability.

To that end, I want to emphasize again our desire to fill a number of presently vacant positions on the Board (the Membership Director and the Communications Director), as well as entice participation by members residing in the RPEA's Northern Chapter to consider serving in the role of Northern Region Chapter Chair/Board Vice President.

I understand that our present internal RPEA controversies may not make participation on the Executive Board seem like an attractive choice at this time, but there are many issues of importance facing public retirees right now, and a commitment to advocating for the safety and well-being of public retiree pension and healthcare rights seems truly worthwhile. Please consider joining us in those efforts.

Thank you!

Randall Burns RPEA President 11/2/2021

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