

# RPEA REPORTER

October 2020



## ***MESSAGE FROM THE PRESIDENT Sharon Hoffbeck***



***First of all--I would like to thank all of you for your continued overwhelming support and confidence as expressed in the landslide result of the recent election. This is a critical time for retirees as the Division of Retirement & Benefits (DRB) continues to attempt to reduce/impair constitutionally protected, hard-earned retiree benefits. I have been committed to assisting retirees and protecting benefits since 2012 when I first joined RPEA as the Medical Information Director (MIC), then as Executive Vice-President, and now as President since 2015, and will continue to do so throughout this term of office.***

***RPEA's Executive Board has been working hard as ever in spite of the upside- down-world changes that have occurred in the past several months--we now just do it wearing masks and meeting virtually! I remember a time not so long ago when walking into a financial institution with a***

**mask on would cause police sirens and lock-downs. Now, if you DON'T wear a mask you won't be allowed through the doors!!**

**RPEA's primary focus continues to be the lawsuits we were forced to file beginning in 2016 in order to assure retirees continue to receive the constitutionally protected benefits they were promised and worked hard for.**

**In January 2014 when we discovered that the DRB had significantly diminished both the retiree Dental and Medical plans, we immediately began having meetings with the DRB and DOA Commissioner in an attempt to resolve the issues without litigation. RPEA leaders spent the next 2 years having countless meetings towards that end, but in 2016 realized that litigation was once again going to be necessary and we began taking the steps needed to protect retirees' legal rights.**

**Over the years, many lawsuits have had to be filed to protect contractual agreements and retiree benefits. The first was in the late 1970s, *Hammond v. Hoffbeck*, filed by the newly formed Alaska State Trooper's union who were represented by Bill Jermain of the prestigious law firm of Jermain, Dunnagan, & Owens. The State lost and appealed that lawsuit to the Alaska Supreme Court, losing every step of the way.**

**In the early 2000s it was necessary to file yet another lawsuit over diminishment of benefits, *Duncan v RPEA*, and Brad Owens (yes he's the 'O' in Jermain, Dunnagan & Owens--I get that question all the time!) was hired by RPEA to represent retirees. The result of that lawsuit was to establish that medical benefits are constitutionally protected retiree benefits, just like retiree pension benefits, which significantly expanded the protection of retiree benefits.**

**In 2016 *RPEA v. Tshibaka* was filed, led by Brad Owens who is now retired and RPEA's Executive Vice President. Brad hired Susan Orlansky to represent RPEA in this lawsuit which was over the 2014 diminishment of the retiree Dental Plan benefits, and again RPEA won, the court ruling 100% in RPEA's favor. The State has appealed that decision to the Alaska Supreme Court, and we fully expect to win at that level also.**

**In 2018 RPEA had to file yet another lawsuit over diminishment of retiree Medical Plan benefits, *RPEA v***

*State of Alaska, Department of Administration, Division of Retirement and Benefits, and hired Grant Callow to represent RPEA. He has already won motions over significant issues, one of which is the State's long standing requirement that all lawsuits filed by retirees over benefits must be filed in Juneau. He recognized that this 'requirement' was not enforceable and the Court agreed--- retirees can now file lawsuits over benefits anywhere in Alaska they live and the DRB will be required to remove the statement in the Retiree Benefit Book instructing retirees that if they want to file a lawsuit--they have to do it in Juneau.*

*Please check the RPEA website often for updates. Be sure to click the refresh button so the newest information will be downloaded.*

<https://rpea-ak.org/>

*As always, I am available for questions!  
Sharon*

### *RPEA E-BOARD MEETINGS*

*RPEA is now using Zoom for our monthly Regular E-Board meetings. Members in good standing are welcome to listen in, and there is a period for member comments.*

*Please use the link below to go to the Executive Board page of the RPEA website for more details:*

<https://rpea-ak.org/index.html>

## *Update on RPEA Lawsuits*

### *Where Do We Stand?*

*by Brad Owens*

*Executive Vice President*

*As most retirees and members of RPEA know, RPEA is involved in several lawsuits against the DRB: one involving the 2014 changes to*

*The DRB has appealed the Court's decision to the Alaska Supreme Court and RPEA feels confident it will also prevail in this*

*administrator of the Medical Plan, owes specific fiduciary and legal duties to act solely in the best interest of the retirees and*

*the retiree Dental Plan benefits, and the other involving changes made by the DRB to the retiree medical plan, beginning in 2014 and continuing through 2019.*

*RPEA prevailed entirely in the lawsuit challenging the 2014 changes to the Dental Plan. As a result, the DRB adopted a Dental Plan that allows retirees to select coverage and benefits under the 2013 "Legacy Plan" or under the 2014 Moda standard plan.*

*appeal.*

*In the Medical Plan lawsuit, a trial date has been set for July 2021. However, the Court has already made several rulings in this case that are favorable to retirees: first, the Court denied the requirement asserted by the DRB that lawsuits can be filed solely in Juneau, allowing this lawsuit to continue in Anchorage. Second, the Court ruled that the DRB, as the*

*beneficiaries of the Plan, such as loyalty, good faith, fair dealing and due process.*

*Finally, RPEA has filed a motion asking the Court to determine what process the DRB must follow when it modifies or amends the terms of the Plans. RPEA feels confident it will prevail in this lawsuit as well.*

*You can go to the RPEA website for an update on both lawsuits:*

*<https://rpea-ak.org/lawsuits/lawsuits.html>*



## **RPEA**



### **Litigation Funding** By Kris Warren, Treasurer

**Lawsuits are expensive!**

**RPEA has adequate funds to stay our course through the next year**



### **AlaskaCare DVA Plan Open Enrollment for 2021** by Margaret Duggan, MS RD Medical Information Director (MIC)

or so, but unless we generate additional funds, we will eventually run short.

The State of Alaska has taken every opportunity to drag the process out as long as possible. The Dental, Vision, Audio (DVA) lawsuit, which RPEA has won at the Superior Court level, is under appeal to the Alaska Supreme Court and will hopefully be resolved sometime next year.

The Medical Benefits lawsuit is well underway. RPEA has made great progress but it's not scheduled to be heard by the Court until July 2021. Even if RPEA prevails on that lawsuit, the state will surely appeal that decision to the Supreme Court as well.

All of the documents related to both lawsuits are available on the RPEA website at:

<https://rpea-ak.org/lawsuits/lawsuits.html>

I encourage you to take a look to understand where we are in the process.

Back to the part about the lawsuits being expensive. RPEA operates solely on membership dues and donations. We know that many retirees are living on very limited incomes. For that reason, we have avoided increasing dues and hope to continue our minimal membership fee.

However, for those of you who have the wherewithal to contribute more, I encourage you to do so.

I am donating \$100 to the RPEA legal fund and challenge all of you who can to do likewise. You may donate by sending a check to our office at RPEA, PO Box 110650, Anchorage, AK 99511-0650. You may also easily donate by credit card via the website at:

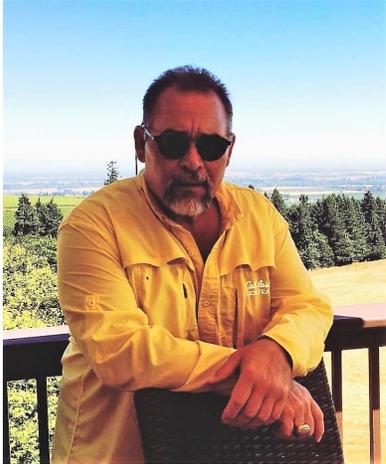
<https://rpea-ak.org/legal-fund-donation.html>

*Now that there are 2 dental plans that retirees have to choose from, there will be an open enrollment period each year, usually from mid-October to mid-November. During open enrollment you can select which plan you want for the upcoming year--the 2013 Legacy plan: constitutional plan as determined by the Court, or the 2014 Moda Standard Plan: unconstitutional plan as determined by the Court.*

***OPEN ENROLLMENT  
PROCESS FOR 2021  
Per the Division of  
Retirement & Benefits:***

- *Open enrollment begins Tuesday, October 20 and closes Wednesday, November 25, 2020.*
- *The plan year 2021 open enrollment will be passive: this means if members do not participate in open enrollment, their plan selections for 2021 will remain the same as they are today.*
- *Members will use the same enrollment form that was used during the plan year 2020 open enrollment period.*
- *The DVA plan comparison document will be available to members on the AlaskaCare website.*
- *The DVA enrollment guide will be available to members on the AlaskaCare website:*  
<http://doa.alaska.gov/drb/>
- *Members will only receive new ID cards from Delta Dental of Alaska if they make changes to their elections.*

The RPEA Executive Board is working hard for you and is primarily focused on securing the benefits which you have earned through years of service and contributions; benefits that are included and guaranteed in the Alaska State Constitution.



## **DON'T FORGET!!**

If you change your email address or mailing address, please be sure to let me know so you won't miss newsletters and updates that we send to our members.

For those receiving this newsletter via US Mail--please send us your email address if you have one so you will receive all email updates.

There is a lot going on, such as--

- The DRB continues to discuss with the Retiree Health Plan Advisory Board changes they'd like to make to the retiree Medical and DVA health plans,
- The ongoing DVA and Medical Diminishment lawsuits,
- Upcoming Open Enrollment for the retiree Dental Plan.

If we can't reach you,  
we can't keep you informed

Please send your 'here's-where-I-am'  
change of mailing address or email address to:

[manager@rpea-ak.org](mailto:manager@rpea-ak.org)

Thanks!  
Shack

Duncan Shackelford  
Communications Director

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**DON'T FORGET TO  
VOTE!**



*by Cindy Spanyers  
Legislative Info. Director*

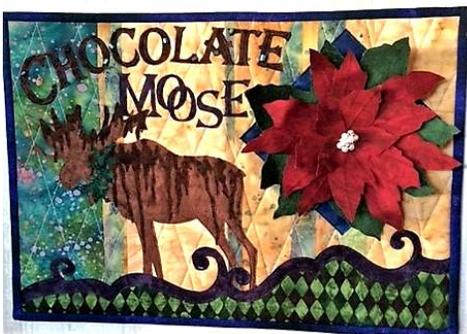
*It's no secret elections in Alaska can be won or lost by a few votes or, on one occasion in 2006 decided by a coin toss when the votes were tied!*

- *In 2018 a legislator won by a single vote.*
- *Just recently, a well-known incumbent lost his race in the August primary by 14 votes.*

*In Alaska--your vote matters!!*

*Here is some basic information from the Division to help ensure your ballot is counted:*

- *Target date to begin mailing absentee by-mail ballots to all voters: Friday, October 9th.*
- *Absentee In-Person, electronic transmission and Special Needs voting begins on Monday, October 19th;*
- *Deadline to receive absentee by-mail applications is Saturday, October 24th;*
- *Deadline to receive absentee by electronic transmission ballot applications is 5:00 p.m. on Monday, November 2nd;*
- *Absentee ballots by fax, or by online delivery must be received by 8:00 p.m. on Tuesday, November 3rd;*
- *Absentee by-mail ballots must be postmarked by Election Day--Tuesday November 3rd. Make sure you follow all the instructions;*
- *General Election Day is Tuesday, November 3rd, with polls open from 7 a.m. to 8:00 p.m.*



**FLU SEASON  
IS HERE!!**

*by Margaret Duggan, MS, RD  
Medical Information Director*

***The flu vaccine is now available, and the CDC encourages everyone to get vaccinated sooner rather than later this year.***

***Per the CDC, the best time to get your flu vaccination is between the end of September to the first part of October in order to get the best coverage for the flu season.***

***The CDC estimates that during the 2018-2019 season, influenza was associated with more than:***

- ***35.5 million illnesses,***
- ***16.5 million medical visits,***
- ***490,600 hospitalizations, and***
- ***34,200 deaths***

***For those 65++, Medicare Part B covers the flu vaccination 100% if you get it at your local pharmacy. If you get the vaccination from your doctor, there may be an administrative fee to pay.***

***Per the Division of Retirement & Benefits, the AlaskaCare retiree plan will be expanded to cover the flu vaccination 100% for those under 65 if you get it at your local pharmacy. If you get it from our doctor, there may be an administrative fee to pay.***

***The flu vaccination coverage under the AlaskaCare retiree plan is interim coverage during the COVID19 public health crisis, and is not a permanent addition to the retiree Medical Plan.***

***Please feel free to contact me if you have questions:***

***madugg8309@yahoo.com***

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## **RPEA Executive Board**

***Sharon Hoffbeck***  
**President**

***Brad Owens***  
**Executive Vice President**

***Kris Warren***  
**Treasurer**



**CONTACT**

## ***INFORMATION***

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**Secretary**

***Charlie Gallagher***  
**NR Vice President**

***Wendy Woolf***  
**SC Vice President**

***Brenda Knapp***  
**SE Vice President**

***Margaret Duggan***  
**Medical Info. Director**

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