

Northern Region RPEA Chapter Meeting for May 2020 –COVID-19 Edition

In lieu of a May NR RPEA Chapter Lunch we have asked the Northern Region Officers and Committee Members to provide statements as we do at any Chapter luncheon

Vice Chair Clark Milne welcomes you—

Message from Charlie Gallagher, NR Chair cgallagher@alaska.net

Last week we were able to get E-board approval for NR NEWS on the RPEA WEBSITE. It is a summary of our 2019-20 Chapter Meetings, speakers, and participants. As RPEA is in litigation much detail is absent. However, these were great speakers and programs. Our season was suddenly cut short, but lawsuits and business are still happening.

Since February three In-State Chapter leaders formed the RPEA Elections Nominations Committee. For the first time in many years RPEA has a real election this year. We collected and examined Nominees statements of qualification for positions and verified RPEA membership according to the by-Laws. Then we presented to them to the E-Board for approval. The E-Board established the Election process according to the By-laws. The E-Board is responsible and is setting up a system for Membership voting. Stay tuned---

Our future Meetings will depend upon the evolving medical situation. As you know protocols for testing and social treatment is happening, while vaccination experimentation for prevention is just starting. We still need your Speaker Ideas to help us for planning during our summer business meeting. We want our NR members to know we are active and soliciting their input as there is a future. Ron Johnson suggests a meeting by ZOOM. The immediate need in the NR is to encourage our members to keep up their dues order to vote for the present RPEA Board Candidates. The paid up dues by the end of June determine our NR Chapter income for the following year. Our NR Member Bob Grove is the RPEA Board's Membership Director. If you are unsure of your dues call RPEA 1-800-478 9992 -or e-mail rpea@alaska.net -Cynthia Shackelford is our part-time Administrator. The Election will give you that opportunity. We have no official NR Secretary. It would really help to have one. While there is always someone to take Meeting Notes it, would be nice to have another NR Officer. Remember we do trade off to allow for our vacations. Please if you can Volunteer.

A Quick Finance Report: I am pleased to announce that Clark and Frank's Fy 20 NR Budget predictions last year were right on. We will get our next Chapter check in July, but that amount depends on your current Dues.

As can be seen from our NR News on the RPEA Website we had terrific Speakers this year. For instance, who would have guessed on January 16th that the Food Security questions answered by Donna from the Co-op Market would become so important to all of us in March! For the first time our NR income based on your dues involved our ability to fund speakers' trips from Anchorage. And remember our Speakers not only inform our membership, but just as importantly our RPEA Members influence these important people about what matters to us. Thanks to all of you for your participation and questions. Your messaging goes far and wide!

I do want to give a BIG Thanks to our NR Officers: Clark has done a wonderful job bringing us Great Speakers. As mentioned, Frank Abegg has kept a balanced budget even from afar.

And thanks to our volunteer meeting recorders Mary Zalar, Karen Milne and Carol Johnson. Their notes are thorough and valuable! If anyone needs access they are filed. Thanks again to Sandi Trumbower for years of service advertising our meetings with KUAC and the News Miner even while travelling. Our Committee Members are so valuable! Routine Legislative Committee meetings were attended by Charlie, Ron Johnson, Bob Grove, and Clark Milne. And the invaluable NR Medical Information Committee has longstanding participation by Mary Zalar, Karen Milne, and Trish Patterson this year. Former Rep. David Guttenberg and Mayor Luke Hopkins also participated.

Finally, the April E-Board Meetings were involved due to trying to get our Statewide RPEA Board election completed due to our "exigent" conditions. By-laws, costs, timeliness, and accuracy had to be considered. Most of the nominees also participated. So keep up the good work. Stay safe and we'll get through this. Charlie Gallagher

Re: Legislative Committee Rpt, by Dr. Ron Johnson written on 4-28-2020:

Carol and I were away Jan and Feb so we missed Rob Johnson's presentation. So, I will summarize what I know regarding the big picture.

1) As of April 21, the AkPF had lost ~ \$ 5 B [7.5 %] during FY 2020.

2) On 4/22, the legislative finance committee presented a report to house finance re AK's budget.

Some highlights were:

-Revenue	FY20	\$ 4.560 B	FY21	\$4.244 B
-Deficit		\$ 1.313 B		\$0.968 B

-This is with no added PFD (Permanent Fund Dividend) added this spring.

-Dept. of Revenue's Spring Forecast may be optimistic on both price and production (of oil etc.) so FY 20 and 21 revenues could be even lower.

-The CBR (Constitutional Budget Reserve) will be functionally empty after FY21 at the Spring Forecast level and could be empty before the end of FY21 if prices and production are below the Spring Forecast.

-Based on a flat budget and 50% funding of school debt reimbursement, the FY22 budget would have a deficit of over \$300 million before paying a dividend. The deficit would be over \$1 billion with a \$1,000 dividend and \$ 2.4 B with a statutory dividend.

-Without the luxury of the CBR the structural budget deficit [a deficit representing a chronic problem] must be addressed, such as continued budget reductions, and/or new diversified revenue sources.

-Taking more than a sustainable level out of the earnings reserve of the Permanent Fund creates risks. The legislative financial analysts say that every additional \$1 billion removed from the account will increase future deficits by \$50 million a year. Changing the permanent fund dividend formula is not enough to close the structural budget deficit. Further structural budget reductions and new revenue sources are required to have a structurally balanced budget.

3) Larry Persily at an April 23 Earth Week presentation said having an income and or sales tax won't solve our budget problem without [massive=my words] reductions in state spending.

4) For FY 2020, \$159 million for PERS and \$141 million for TRS was deposited into the DB (Defined Benefit) Trust Funds according to Gayle Harbo Vice Chair of the ARM (Alaska

Retirement Management) Board. The anticipated state supplemental contribution for FY'21 is a total of \$338 Million -versus \$300 Million this year.

-The December ARMB minutes stated that as of November 30, total nonparticipant- directed ending investment assets [those that are managed by the State] for PERS/TRS were \$27.5 billion, \$14.4 billion of which is internally managed.

5) If the stock market doesn't make a large recovery the unfunded liability for PERS/TRS will rise substantially [It was around \$ 6 B last year].

6) At a 4/15 House Finance meeting, Representative Dan Ortiz (Independent of Ketchikan), asked if The CARES Act (a.k.a. Federal Stimulus Bill) Dollars could be used to make a larger contribution into PERS/TRS. Pat Pitney, The Legislature Finance Director, said that it would require legislative action, and then discussed Pension Obligation Bonds etc. Rep. Ortiz finished with a comment regarding future discussions.

–Ron Johnson, NR Legislative Committee

Medical Information Committee April 28, 2020–teleconference meeting

Chairman: Margaret Duggan

Members in Attendance: Trish Patterson, Mary Zalar, Karen Milne, Dean Gottehrer, Wendy Wool, Susan Super, Stephanie Rhoades, Cammy Taylor

This is the first meeting of the Medical Information Committee since February 25, 2020. This meeting was called to order by Chairman, Margaret Duggan, at 10:00 am and conducted telephonically. There was an informal roll call of members participating.

Margaret proposed that we change day and time for monthly meetings of the Medical Information Committee to accommodate several members' current schedules, while continuing to serve on this committee. The committee was unanimous in support of making a change. However, it was not possible to gather all the necessary input to determine what changes should be made. It was suggested that Margaret devise an electronic poll to be taken (by e-mail?) of the committee members to determine the best day and time for the majority, taking into account most member's constraints. She will do this before we meet again.

With COVID-19 being at the forefront of medical concerns across the nation, the focus of the RPEA membership has shifted to sheltering in place and best practices for prevention of spreading the virus, especially among the most vulnerable age-group, medically challenged people we represent. Of immediate concern to our members is coverage for Covid-19 testing. It is required that a person have a physician's prescription in order to have it covered by our health insurance. Initially, there were some problems with payment of claims and/or reimbursement by Aetna. Those issues have been resolved.

RPEA members are advised to follow directives from Alaska Public Health and Center for Disease Control which advise that all people wear masks to prevent the unknown spread of the virus by infected but asymptomatic persons whenever out in public; frequent hand washing for

minimum of 20 seconds with soap and water; use of hand sanitizer when going out in public; social/physical distancing of 6 feet between people; limit contact with people outside of your immediate household; wear disposable gloves when shopping for groceries and dispose of them with household trash (not in public receptacles or thrown on the ground, where they must be handled by cleaning staff); track your personal contacts away from home each day—where did you go and with whom did you interact? These measures will be ongoing as we move into decreased isolation and businesses reopen. Everyone is encouraged to individually assess risks according to their personal health, and the people within their household, as they consider the resumption of work, activities, and business dealings. Seek reliable information from trusted sources (i.e. Johns Hopkins updates) and keep abreast of state mandates regarding Covid-19 restrictions and progress in “flattening the curve,” not just how many identified cases or deaths.

The monthly meeting of the Retiree Health Plan Advisory Board (RHPAB) was postponed until May 27, 2020, which will be a teleconference. Some priority issues of the board to be addressed are expanded telehealth coverage (already implemented due to Covid-19; increased medical travel coverage; and surgery plus. Of course there will be offsets made by Division of Retirement and Benefits for any increases in coverage. The DRB is still focused on getting more network providers in Alaska; increasing the co-pay amounts for name brand prescription drugs; strategies for dealing with state budget shortfalls.

Other topics of interest.

1. Timing restrictions and amount of medication in prescription refills has been suspended indefinitely due to COVID-19
2. Pre-authorizations for surgery and medical procedures have been extended 90 days. Members may choose to wait on such procedures beyond 90 day extension, but will probably have to obtain another pre-authorization when they want to have it done.

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