

THE REACTOR

RETIRED EMPLOYEE ASSOCIATION CALIFORNIA TEACHERS ASSOCIATION

Dec. 2016 – Jan.2017

**Lloyd Roberts,
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berdolloyd@aol.com
909-499-4388**

**Dom Summa,
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dsummacal@aol.com
760-972-4640**

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marlaed@earthlink.net
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Pambow7@gmail.com
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PAST PRESIDENT – Lloyd Roberts

I became President by being in the wrong place at the wrong time. But, once in, I assumed fully the responsibilities of the job and gave it my best.

I was very dissatisfied with what appeared to be the main REACTA program thrust. I faced the choice of drift, or dive in and do something. I dove in!

It wasn't easy. I spent a good deal of time gathering information, developing perspective, and trying to get the big picture. In the process of doing that, I was also seeking a new strategy to guide REACTA's efforts. Our leadership was divided with respect to programs, perspective and priorities. I did what I could with what I had.

Some things didn't change. We got calls for help with problems and we made phone calls and did what we could to provide correct information and intervene on behalf of members. REACTA will continue to do that basic service under new leadership.

My new strategy was to lead us in the direction of broader and deeper communication with CSO, CAS and CTA leadership. That was my guiding star and I believe we made substantial progress in achieving it.

Our purposes are to protect and enhance the pension and health plans and to do what we can in the best interest of our members. We try to provide social contacts in a huge statewide, national and international dispersion of members. Taint easy, but I think we do reasonably well with that effort. New leadership has new ideas so look for some good things to come.

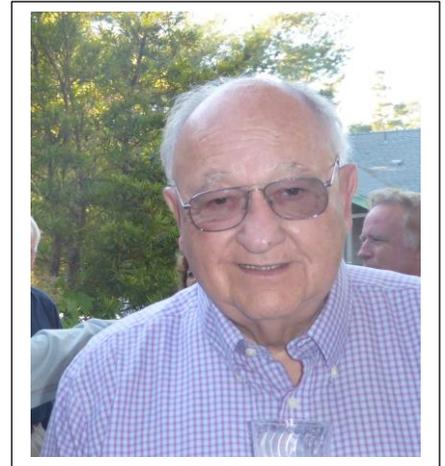
I retired 25 years ago. There have been substantial changes in CTA and field staff in those years. I'm a bit out of touch with the new players, but new REACTA leadership is more recently retired and with administrative experience. What a tremendous asset that will be as we broaden and deepen communication in the process of serving our members.

I leave with thanks for the opportunity to serve and with a deep hope and belief that we will experience exciting and effective new programs for REACTA.

REACTA Election Results

REACTA Election Results for Officers
 December 6, 2016
 Actual Ballot Count Results

4	Bad Addresses
3	Late
2	No Signature and No Return Address
35	No Signature, but had Return Address
26	Signature, but no Return Address
94	Signature and Return Address
164	Total Ballots
94	Counted Ballots



Candidate Vote Tally

President	
Dom Summa	91
Ramon Romero	1
Vice President	
Marla Reyes	93
Treasurer	
Art McLoughlin	91
Secretary	
Pam Bowen	90
Member at Large	
Marilyn Russell Bittle	90
Conrad Olson	1



Submitted by Election Committee and counted by:
 Margaret Wallace, Chairperson

**REACTA DIRECTORY ADDITIONS
and CORRECTIONS
September - December 2016**

New and Renewing Members:

Lee Roberts

10 Terracina Blvd #209, Redlands CA 92373
Phone: Cell: 909/793-5740
Email: leerobedrtz6628@gmail.com
Spouse (Lloyd)

John Mark Young

4007 Eldorado Dr, Corona CA 92883
Phone: Cell: 951/893-8569
Email: mark3549@aol.com
Management Staff Retired: 2016
Location: Norco

Corrections & Additional Information:

Joyce Brooks

19695 E 50th Ave, Denver CO 80249
Email: joycebrooks711@gmail.com

Ernie Ciarrocchi

Email: Ernie.c@mac.com

Anne Laguette Hollebeke

2702 Foxchase Ln, Rockwall TX 75032

Vicki Marien

3919 Rivers Crossing Dr, Waukesha WI 53189
Phone: 262/309-6861 Cell: 209/366-3832

Susan M. Narlock

12500 Marcelais Ct, Auburn CA 95603

Bill Rogers

2436 E 4th St #349, Long Beach CA 90814
Phone: 808/443-6533
Email: julb5@yahoo.com



REACTA Membership Campaign Plan - 2017

Dom Summa

At the 2016 Annual Meeting, a motion was made, seconded and approved to develop a Membership Campaign Plan for 2017. REACTA President Lloyd Roberts appointed Robin Rose to chair the committee to develop the plan. Committee members included Gene Huguenin, Gary Campbell, Carol Kangas, Kelly Horner, Susan Popovich, Art McLaughlin, and Marla Reyes. The committee exchanged several emails and participated in a conference call to develop a plan that would not only increase our membership, but also make REACTA more relevant to the needs of our retirees. Highlights of their recommended plan include the following components:

- Membership Committee with Regional Representation Teams
- Incentives to promote payroll deduction of membership dues
- A buddy system to act as a resource for new retirees
- Development of a Membership Brochure to help recruitment
- Rename the "Annual Meeting" to the "Annual Reunion"
- Use newsletter and website to promote membership
- REACTA Leadership will provide more frequent "topical" information

The REACTA officers will review and confirm a Membership Campaign Plan at their meeting on February 9. Comments should be emailed to Dom.

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# CTA Health and Welfare Trust Report

Merri Boston

## **October 25, 2016 Trust Meeting**

The Trustees received information from the Trust attorneys regarding final regulations for Section 1557 of the Affordable Care Act. Section 1557 prohibits discrimination based on race, color, national origin, sex, age or disability. In order to comply with these federal regulations, the Trust is required (before October 16, 2016) to:

- (1) Designate at least one individual to coordinate efforts to comply with Section 1557, including the investigation of any grievance related to noncompliance with Section 1557.
- (2) Adopt a grievance procedure.
- (3) Prepare and provide a Section 1557 Compliant Notice to participants.
- (4) Include taglines in the top 15 languages in the State on all significant documents.

The requirements listed above will be handled through the Trust Administrator's office.

Before September 1, 2017, the Trust is required to:

- (1) Adopt an amendment removing categorical exclusions for transgender services.
- (2) Adopt an amendment removing exclusions for the coverage of pregnancy services for dependents.
- (3) Send notice to participants and beneficiaries of any benefit changes in the form of a Summary Material Modifications (SMM) and a Summary of Benefits and Coverage (SBC).

As part of the Benefits Committee Report, the Trustees approved the following recommendations from the committee:

1. Approve and distribute the Summary of Benefits and Coverage (SBC), coverage period 01/01/2017 through 12/31/2017, with the open enrollment materials.
2. Approve the addition of two Express Scripts SafeguardRX Solutions programs:
  - a. Effective January 1, 2017, offer the *Inflammatory Conditions Care Value Program*. This program manages specialty medications for rheumatoid arthritis, psoriasis, Crohn's and other inflammatory conditions, and will only impact new patients (after 1/1/2017). It includes a preferred drug for these conditions. Non-preferred drugs must be approved based on acceptable clinical information.
  - b. Effective March 1, 2017, offer the *Diabetes Care Value Program*. This program manages diabetes spending by offering a guaranteed annual cost cap per diabetes patient per year of \$3,259. There is no impact to any participants given the Trust currently has plan design features that encourage mail order over retail pharmacies and uses Accredo for specialty drugs.

## CTA Health and Welfare Trust Report - continued

The Trust Consultant provided the Trustees with details on the claims and expenses for the plan year of September 2015 through August 2016. One report, which included all plan participants, showed the average percentage of medical and pharmacy claims and expenses (per person per month) decreased from the previous year by approximately 4%. The details on retirees only indicated the average percentage of medical and pharmacy claims and expenses (per person per month) was down from the previous year by approximately 15%. There was also a 35% growth in contributions for retirees over the previous year, attributed to the increased employer contribution rate of 16% of payroll.

Also included in the Consultant's report was a document listing the 2017 Express Scripts Preferred Drug List Exclusions. As of September, no participants were impacted with the exclusions. A new report will be run in November and Express Scripts will communicate with participants if anyone is affected.

**If you have any difficulty with your coverage, or have any questions, please call The William Earhart Company, Trust Administrator, via the CTA-only toll free number at 1-877-396-2942 or CTA-only phone number at 1-503-460-5242. Please be sure to identify yourself as a CTA Retiree/spouse.**

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REACTA members recently received the "2017 Annual Notice of Changes for your prescription drug plan" booklet from Express Scripts. Please be sure to review the information provided.

Included in the mailing was the 2017 Formulary (List of Covered Drugs). Please be sure to review the information.

Recently sent to all retirees was the Summary of Benefits and Coverage for the coverage period from 01/01/2017 – 12/31/2017 from The California Teachers Association Health and Welfare Benefits Trust. Included was current plan coverage for medical, vision and dental plans.



Long Term Health Care Issues

A significant number of REACTA members and CTA retirees received a letter from their long term care provider stating that premiums would be increased up to 90%. This started a series of postings on the REACTA Facebook page and discussion at our annual meeting. Since then REACTA has contacted CTA management about the problem. CTA asked our trust administrator and attorney to do some background research on past contracts between the trust and CNA. Although the trust no longer serves as the collector of premiums that get forwarded to the insurance company, the concern is whether CNA should treat those with coverage as individuals or part of a group.

REACTA member Dan Saling posted the following letter on the REACTA Facebook page:

Dear REACTA Colleagues:

Just called the C.N.A. insurance company and spoke to them about the current rate increase in long term care. I was informed that I should have received a letter in September indicating that there would be a rate increase this December. I did not receive a letter in September and have asked that a copy of the September letter be mailed to me.

I was told that the letter informed all CTA employees covered by the long-term care that there would be a 95.5% increase in premiums over a two year period. In December of 2016, there will be a 75% increase of the two year rate increase charged. In December of 2017 there will be a 25% increase of the two year rate charged. My premiums increased by 69% over the amount I paid in December of 2015.

The reason given for the increase in premiums is:

- A number of insured have dropped coverage and this has resulted in lost premiums that would have been used to cover benefits.*
- The returns on investments have been less than expected to cover benefit cost.*
- Insured members are living longer than the projected mortality rate used in determining coverage cost.*

I was informed that I had several options regarding my long-term care:

- I could pay the new premiums and continue with my coverage.*
- I could reduce my benefits and thereby reduce my premium cost.*
- I could stop payment and use the money I have paid into premiums for benefits equal to my current coverage. If I had \$20,000 dollars in paid premiums and my daily benefit was \$200, I would have 100 days of coverage. Once the \$20,000 was used, I would have no additional benefits.*

While I qualified for the use of premiums as a daily benefit, my wife who took the coverage out when she was 51 does not qualify for this benefit. My wife would have to continue to pay her increased payments until future increases reach 110% of her original premium amount for her to be eligible for the use of premiums as a daily benefit.

I plan on communicating with the California Insurance Commissioner's office regarding this excessive rate increase. I project that C.N.A. will increase its rates, a number of people will drop coverage, and those that remain covered will have additional rate increases. When rates are too high for any person to afford the coverage, C.N.A. will have few liabilities and will pocket the premiums paid as net profit.

CTA vetted insurance companies that provided long term care and once again made a decision that has negatively impacted retirees and those who will retire in the future. The information contained in this email was provided by a C.N.A. representative in a telephone conversation today

Dan Saling

If you are currently covered by this long-term care plan, there are three steps you can take to help build pressure on CNA:

1. Go to the website www.insurance.ca.gov for the California Insurance Commissioner, download a complaint form and send it in. You may call their LA office at 800-927-4357

LONG TERM HEALTH CARE ISSUES - continued

2. You should contact Katherine Walker from William C. Earhart Company. They administer the CTA Employee's Health Trust. Toll free number is 877-396-2942. She is working with our Trust attorneys who are looking into this matter.
3. When you get any feedback, please share this with other REACTA members either by sending me an email or posting on our REACTA Facebook page.

REACTA will continue to report on this issue. Questions or concerns should be sent to Dom Summa via email, dsummacal@aol.com.

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## REACTA Scholarship Program 2017

Dom Summa

**REACTA is pleased to announce that we will offer a Scholarship Program for 2017. The following changes in the program were made to encourage more applications:**

- REACTA will offer two awards, each worth \$2000.
- In addition to children, grand-children and great grand-children, the definition of "family" has expanded to include nieces and nephews of REACTA members. More than one family member may apply but only one award per REACTA member.
- There will be a longer time to apply, with applications available in mid-December and a deadline of February 28. Go to the REACTA website: [www.reacta.org](http://www.reacta.org).

**Applicants must be currently attending or planning to register for an accredited degree granting institution or college. Each scholarship will be awarded on a combination of the applicant's commitment to leadership, memberships, academic performance, academic potential, professional educational goals, and recommendations.**

**Applications will be available on the REACTA website with a link included on the REACTA Facebook page. An email blast will be sent in mid-December when the application is available. If you have any questions, please contact Dom Summa at [dsummacal@aol.com](mailto:dsummacal@aol.com).**



**2017 REACTA Budget**  
**Art McLoughlin, Treasurer**

Anticipated Income: \$13,335 based upon 315 current membership profile\*

|                    |                  |            |
|--------------------|------------------|------------|
| Allocations:       | Annual Meeting:  | \$500      |
|                    | Committees:      | 750        |
|                    | Elections:       | 400        |
|                    | Executive Board: | 6000       |
|                    | Membership/Org.: | 2500       |
|                    | REACTOR:         | 2000       |
|                    | Spring Luncheons | 300        |
|                    | Website          | <u>200</u> |
| Total Allocations: |                  | \$12, 650  |

Unallocated: \$684

\*Current Membership profile used:  
 188 professional/support/management on Payroll Deduction  
 12 spouses on Payroll Deduction  
 114 cash payers

Budget approved 10/6/2016 at Annual Meeting



**REMINDER!**

**CASH PAYERS – IT IS TIME TO  
 PAY YOUR 2017 REACTA DUES.  
 Make checks payable to REACTA  
 and send to :**

**Art McLoughlin  
 9540 S Century Oak Rd  
 Salinas, CA 93907-1125**

# A Good Time Was Had By All !

## REACTA Annual Meeting - 10/16



**REACTA Annual Meeting – continued**

