



RETIRED PUBLIC EMPLOYEES ASSOCIATION Chico Chapter 077

AUGUST 2019 NEWSLETTER

Mission Statement:

We are active and retired California public employees working together to maintain and improve the quality of the lives of our members by protecting and improving our earned retirement, medical, and other benefits. RPEA represents the rank and file retired public employees.

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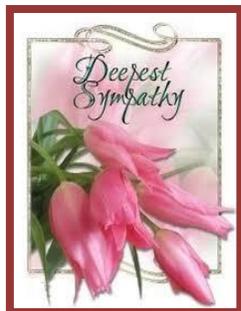
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Summer Greetings! We hope that you are having an enjoyable summer and staying cool. **Reminder: There will be no RPEA Chapter 077 meeting in August. Our next meeting will be on Thursday, September 5.** Please mark this date on your calendar, and plan to join us again after our two-month summer break.

WITH HEARTFELT SYMPATHY



It is with a heavy heart that we share the news that the beloved RPEA Headquarters Office Manager, Tanya Rakestraw, passed away on June 24 after a lengthy illness. She appeared to be handling her treatment well and working most of the time until her sudden passing. We express our deepest sympathy to her family and friends. Tanya was employed by RPEA in April 2004 and served initially as Member Services Representative, moving on to Assistant Manager and eventually Office Manager. Tanya was a gem among gems! She will be dearly missed by all who knew her in RPEA-- and beyond!!

HEALTH BENEFITS REPORT – By Al Raitt

“Balance Billing, Chapter 2”

In the July, 2019 issue of this newsletter, information was presented regarding “balance billing” (sometimes referred to as “surprise billing”). In the July 11, 2019 issue of Kaiser Health News (KHN, a regular publication about health-related topics and published by the Henry Kaiser Family Foundation) there appears an article entitled “Hospitals Block ‘Surprise Billing’ Measure in California.” The article describes how legislation authored by Assemblyman David Chiu, D-San Francisco, and slated for debate July 10, 2019 in the State Senate Health Committee, was pulled by the author from consideration after citing what he described as fierce pushback from hospitals. He vowed to bring the bill back next year.

Hospitals focused their opposition on a provision of the bill that would have limited what they can charge insurers for out-of-network emergency services, criticizing it as an unnecessary form of rate setting. Two influential groups, health insurers and providers, including doctors and hospitals, are strongly opposed; and getting their buy-in will not be easy. A spokesperson for the California Hospital Association said that the Association would have supported the measure had this provision been removed. Christine Linke Young, a fellow at the USC-Brookings Schaeffer Initiative for Health Policy, said that “the system exists in a way that allows a subset of providers to stay (Continued on back)

HEALTH BENEFITS REPORT (Continued)

out-of-network and charge very high prices. They're basically exploiting the system."

The measure was prompted by the peculiar billing practices at San Francisco General Hospital (now known as Zuckerberg San Francisco General Hospital; the Facebook founder's wife is a pediatrician practicing in the Bay Area) which does not contract with private insurers. Therefore, the hospital considers patients with private insurance out-of-network for emergency care and was slapping many with whopping bills. The hospital, which is in Assemblymen Chiu's district, has since announced that it has stopped balance billing patients.

However, until there is confirmation: If you are injured while visiting "The City," and you are being transported to this hospital for emergency care, you might consider asking the ambulance driver if he or she could, instead, take you to a hospital in Butte county. You know, the hospitals that actually HAVE contracts with private insurance companies! Just sayin'!!

LEGISLATIVE REPORT – By Mary Kowta

Just in case you missed it, the wildfire season in California has already begun, and the Governor is taking action. On July 12 he signed off on a \$26 billion plan to address ongoing threats. In less than a week this plan, which includes the newly formed Catastrophic Response Council, was shepherded through the Capitol. The Council will oversee a portion of the billions available to utilities to pay victims' claims. This will be an important news item in the weeks ahead.

On July 11 CalPERS reported that its fund earned 6.7 percent return on investments for the fiscal year that

ended June 30. The 7 percent target was missed, but CIO Ben Meng stressed that as long term investors, "We make decisions based on an investment horizon that stretches across years and even decades" (Sac Bee 7/12). Indeed, and as the unfunded liability hovers around 30 percent, the number of retirees in the so-called \$100,000 Club continues to grow. In fact, the number has doubled in the last seven years (Transparent California: reported in the Orange Coast Register May '19). The Wall Street Journal (July 12) reported extensively on CalPERS falling short of the target. Other states share this problem too and must grapple with shortfalls which, in many cases, result from poor decisions made when the economy was sizzling a few years ago. It is easy to blame stock market volatility for losses, and hard to pin the blame on decision-makers.

The Legislative recess began on July 12. The lawmakers have a month-long break; perhaps a few will visit their constituents and reacquaint themselves with the voters who sent them to Sacramento to do good work. They will return to Legislative duties on Aug. 12 to finalize the first year of this two-year session, ending on September 13.

NOTE: You probably received a CalPERS notice in the mail that you must verify your dependents. Do it, if you have not done it already; otherwise, difficulties may ensue.

Please watch for the ballot which you will receive by mail for the CalPERS election for our retiree board member. RPEA endorses J.J. Jelencic. Recently (July 14, Sac Bee) J.J. was criticized by Marcus Breton for harassment censure during his prior administrative position with CalPERS in 2011. His opponent, Henry Jones (incumbent), has also revisited Jelencic's past. Both candidates are qualified, but RPEA sees J.J. as a person who asks the pointed questions on the issues that affect our pensions