



**RETIRED PUBLIC EMPLOYEES ASSOCIATION  
Chico Chapter 077**

**JUNE 2018 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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**MEETING ANNOUNCEMENT**

**THURSDAY, JUNE 7, 2018 - 11:30 a.m.**

*(NOTE: Food will be served at 12:00)*

**Manzanita Place (Chico Elks Lodge)  
1705 Manzanita Avenue, Chico**



**Annual BBQ Picnic (No charge)**

**BBQ hamburgers/hot dogs; salad; beverages  
No Program – Enjoy fun and fellowship!**

The annual BBQ picnic will be held indoors at the Elks in the meeting room next to the patio. This will be our last Chapter 077 RPEA luncheon meeting until September. Reminder: No meetings in July and August. Although there is no cost to members, it has been suggested that members consider giving donations at the sign-in table in order to offset some of the lunch costs to the Chapter. Members can also bring a dozen cookies for dessert if they wish. Don't miss this fun end-of-the-year picnic!

**2018 CHAPTER 077  
BOARD OF DIRECTORS**

Norm Stump (President)	893-0767
Betsy Kruger (Vice President)	345-7563
Barbara Evans (Secretary)	342-4783
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James Gregg (Member at Large)	343-0841
Craig Praizler (Member at Large)	891-8910
Lawrie Salvestrin (Member at Large)	519-5223
Sandy Thomas (Member at Large)	343-5118
Judy Winter (Member at Large)	345-6778
Ralph Huntsinger (Past President)	343-3456

**PHOTOGRAPHS FOR SALE**

Jim Gregg will have some of his beautiful photographs of Mt. Shasta, Lassen Peak, and Bidwell Park for sale at the June 7 meeting. 30% of the sales will be donated to our RPEA Chapter 077. Check out Jim's photographs, and you can help beef up our treasury by buying one (or more). They make great gifts!

Our California Primary Election is June 5. There are 27 candidates running for Governor. We have 32 choices for US Senator. As with eight elective offices, the top two vote-getters will be on the November ballot, regardless of party affiliation. That could get interesting! There are only five measures on the ballot, thankfully: # 68, #69, #70, #71, and #72. Several news editors recommend “yes” on all but #70. [votersedge.org](http://votersedge.org) is a good nonpartisan source to fully inform any of your votes. Study your sample ballot!

CalPERS news: A recent survey showed that city managers and government leaders are less confident in CalPERS management of pension funds than they were a year ago. This alarmed George Linn, President of RPEA. He suggests that CalPERS do a better job of public relations and informing stakeholders of the safety of our pension fund which serves 1.9 million employees and retirees. Nonetheless, the fund is 30% unfunded and, in the event of an economic downturn, the state fund could decline further and raise havoc with the investment strategy.

And speaking of investments, CalPERS reports that Ted Eliopoulos, current CIO, will leave his position to relocate to the East Coast. The search is on for his replacement, but it is anticipated that he will remain in Sacramento for several months. Under his leadership, several new programs and restructuring have benefited the fund.

CalPERS board member, Margaret Brown, is in the news again this week (Sac Bee). She has taken issue with the board practice of opening mail addressed to board members. I think we will hear more on this.

Hope to see you at the picnic!

At the May 10 Stakeholders meeting held at the CalPERS building in Sacramento, staff provided an update on the process of establishing health insurance premium rates for the year beginning January 1, 2019. The process began in January of this year and is highly confidential. The HMO's are currently being negotiated, and the process for the PPO's will then commence although the time frame for the PPO's has already been extended for an additional year to allow more time to seek solicitation. CalPERS staff will present their recommendations to a closed session of the full Board in late May, and the fully negotiated rates will be disclosed several months later. Specific premium amounts are, in part, determined by certain “regional factors” (for example, charges for services may vary notably from one zip code to another) and staff have determined that some of these variations are simply “not acceptable,” so health insurance company, and consequently the amount of premium payments, will have to be further negotiated. The “Castlelight” program will be discontinued. This was an effort to provide retirees with a means to do “comparison shopping” regarding the charges for services from one service provider to others and thereby be given the opportunity to choose the least expensive option. Studies revealed that essentially no differences were found in the cost of services to those who used Castlelight and those who did not. The program was therefore deemed ineffective. CalPERS staff are searching for alternative tools that might be more effective.

Lastly, CalPERS staff has documented a 17% increase in the use of urgent care centers as an alternative to primary care providers, and they will be recommending to the full Board an increase from \$20 to \$35 for urgent care visits. However, since it's expected that there will continue to be a commensurate decrease in primary care visits, which means there will be a decrease in the amount of co-pays for these visits, there will actually be a net savings of around \$7 per month per person, which will be reflected, in a reduced premium. We'll see!