

TOWN OF MIDDLEBORO RETIREES INSURANCE GROUP (MRIG)
MIDDLEBORO.RETIREES.INS.GROUP@GMAIL.COM
OCTOBER 2018

NOVEMBER ELECTION

It is not the policy of the Executive Committee to endorse any particular candidate. However, the Executive Committee did send this letter to the following listed candidates for State Representative containing questions relative to our health insurance.

To: Candidate for Representative in General Court - 12th Plymouth District

Kathleen R. LaNatra

Summer K. Schmaling

Candidate for Representative in General Court - 12th Bristol District

Allin John Frawley

Norman J. Orrall

Candidate for Representative in General Court - 2nd Plymouth District

Sarah Hewins

Susan Williams Gifford

The measure that most impacts our membership would grandfather the local health insurance premium percentage paid by municipal retirees at the current ratio split. Cities and towns would still be able to increase premium percentages paid by future retirees, but would be required to hold-harmless existing retirees.

As you are a candidate for public office, we are looking for a written statement of your position on the following:

1. Would you SPONSOR a bill that would protect municipal and teacher retiree health insurance benefits by forbidding post-retirement increases in health insurance premium contribution percentages:
2. Would you SUPPORT AND PROMOTE a bill that would protect municipal and teacher retiree health insurance benefits by forbidding post-retirement increases in health insurance premium contribution percentages (similar to the State system regarding retiree health insurance)?
3. Would you be willing to work toward a permanent resolution of this matter with the Retired State, County and Municipal Employees Association of Massachusetts and the Mass. Teachers Association?

The only reply we have received is as follows from Sarah Hewins – Candidate for Representative in General Court - 2nd Plymouth District

As I mentioned in my response to your questions in 2016, the State Ethics Commission has indicated that I should not respond officially to your questionnaire since I am a retired Town of Carver employee and, therefore, a Plymouth County retiree, too. (As an elected State Representative, I will be able to take votes regarding retirees.)

However, I can state factually that I have been endorsed this year by both the Massachusetts Organization of State Engineers and Scientists, and the National Association of Government Employees. Additionally, I can report factually on what I actually did as Selectman to support employee benefits. And as I'm sure you'll agree, a person's past actions are usually the best predictor of their future actions.

As an elected member of the Carver Board of Selectmen, I took action in 2014 regarding the health benefits of then current town employees (as opposed to retirees). The Board initially wanted to raise the employees' contribution to 50%—up from the current 25% contribution. I strongly advocated for keeping the percentage 25% for not only current town employees, but for the next 10 years so that employees hired in that current year would get their 10 years at 25%. I practically had to shame the other four Selectmen into seeing their efforts as a betrayal of their employees. My position was that if one were hired with an expectation of certain benefits, it would be not only unfair but downright wrong to then pull the safety net rug out from under those who had dedicated many years to the town as well as those who had just been hired with the same expectation. I did finally persuade those on the Board (who at first wanted the shares to be 50-50) to keep the split 25-75—as promised—for the next 10 years. Now only new employees hired after a certain date who come to work for the town will do so knowing that they're only getting 50-50. This will also give those currently employed the opportunity to retire now or seek employment in another town before the 10-year period.

Over my ten years as Selectman and in my ten years on the Planning Board, I've been the "1" in many "4 to 1" votes, and I have been criticized by some individuals for taking unpopular positions. But I didn't run for office to be popular; I ran to make positive changes and to do the right thing for my constituents. I've found that—with time and effort—many of those 4 to 1 votes can be reversed. That's what happened regarding employee benefits in 2014.

It's a simple practical matter that public employees have the same needs for financial security as employees in the private sector. In the past, the tradeoff has been one of security of employment and guarantees of health and retirement benefits versus a higher salary. If those benefits continue to be put in jeopardy—and particularly if they are capriciously reduced after a public worker has committed many years to a job—it will be difficult to attract highly-qualified employees. It's also simply wrong for an employer to renege on a promise to an employee simply because they can.

TOWN PLANS FOR HEALTH INSURANCE COST ANALYSIS

As we reported in the last newsletter the Town entered into an agreement with Marsh & McLennan to prepare a Health Insurance Cost Analysis for the purpose of determining if they can obtain health insurance for employees and retirees at a lower cost than what it is currently

paying to belong to GIC. On October 23rd at a meeting of the Insurance Advisory Committee (IAC) they presented their report.

Based on their review of several insurance providers one company offered three types of plans for active employees and non-Medicare retirees and two types of plans for Medicare retirees at a projected increase of 8% more than what is currently being paid for GIC insurance. The other companies quoted even higher increases.

By a unanimous vote of the IAC it was decided to continue with the GIC insurance program for an additional two years.

DAVIS VISION PROPOSAL

Marsh & McLennan also presented information on the Davis Vision program as a stand-alone program for active employees and retirees to participate in at their own cost. The IAC voted unanimously to recommend to the Selectmen to authorize the Treasurer to proceed with setting up this program. If a retiree chooses to enroll, their payments would be handled the same way as dental insurance is done, deductions from retirement checks.

BEWARE OF PROMOTIONS REGARDING PRESCRIPTION D COVERAGE

Right now your mail box may be getting flooded with all kinds of offers regarding health insurance and Prescription D coverage from various health insurance carriers promoting their Prescription D coverage vs. our prescription drug coverage. Be aware that you would most likely be canceling all of your health insurance through the town if you should respond to any of these ads and try to enroll in one of these programs.

AMENDMENTS TO BUDGET

Despite your help in contacting local representatives only one of the amendments we had hoped to have passed in this year's budget cycle made it to the final budget and that was vetoed by Governor Baker.

Mass. Retirees has stated that they will again propose legislation in the next legislative session which begins in early 2019.

The following is a recap of the issues we hope to see brought forward.

Municipal Retiree Protection - Grandfathers the local health insurance premium percentage paid by municipal retirees at the current ratio split. Cities and towns would still be able to increase premium percentages paid by future retirees, but would be required to hold-harmless existing retirees.

Post Retirement Earnings - Removes the annual hourly limitation for public retirees who return to part-time public sector employment within Massachusetts. Currently, the law limits both the annual earnings and hours worked (limit is 960 hours a year).

Group Insurance Commission Composition - Would reconfigure the 17-member GIC to ensure proper representation of retirees and active employees. The amendment will also provide for greater transparency and input by stakeholders in advance of provider selection and plan design decisions being made.

REPORT FROM ANNUAL MEETING – MAY 15, 2018

Our speaker was, Plymouth County Retirement Associations Treasurer, Tom O'Brien. He assured all of our members of the solvency of the Plymouth County Retirement System and outlined the investment return on assets held over the past 10 years as 9.45%. This a very healthy return as these years included a severe recession period. This performance on investment was one of the highest in the state. Right now the retirement system is scheduled to be fully funded in 2029 where the law allows up to 2040 to achieve full funding.

He announced that the COLA base would increase on July 1st to \$16,000 and a 3% COLA will be given on the \$16,000 base. Bringing this year's COLA to \$480.

He outlined the makeup of the Retirement Board and office staff that work on our behalf, and encouraged anyone with questions to contact his office.

Charlie Armanetti gave a synopsis of what is going on with the State Budget. The amendment to permanently set the premium contribution percentage for municipal retirees is still being worked on. The Post Retirement Earnings amendment increasing the hours a retiree could work to 1500 hours was passed by the House and was being sent to the Senate. The amendment to address the makeup of the GIC board was withdrawn. Everyone still needs to contact the State Representatives and Senators to keep these issues alive.

Charlie provided background information as to what happened in January at the GIC. The Board of Selectmen have now voted to hire a consultant to provide a cost analysis to the Town comparing staying with GIC or going to a new insurance provider.

Gene Turney outlined the process that the consultant will be following. A new PEC will be formed if the Town decides to leave GIC - they then have 30 days to negotiate with the PEC – if no decision then it goes to a 3 member arbitration panel who will have 10 days to decide the issues. The PEC is weighted by union representation – the schools have approximately 55%, the retirees 10% the rest divided up by other unions. All must be completed by December 1st.

Gene also explained the process the consultant will go through to get new health insurance providers to bid for Middleboro's business.

Charlie handed out a graph he produced from our questionnaire we sent out with the last newsletter regarding members' satisfaction with their health plans.

A question and answer period was held and discussion was held on what to expect from the town and state regarding health insurance and upcoming changes.

DUES / CONTACT INFORMATION

If you have any questions or you need to change any information, please contact our Treasurer, Mary Cook, at richard.cook2@verizon.net or 508-821-2112 and she will help you. If you are still receiving this newsletter via the U.S. Postal Service and have an e-mail address, please share it with us as we can't produce notices and mail them as rapidly as we can e-mail information. This form is available on our website. You can also fill out and print a copy of this form if you go to the contacts section of our website.

TOWN OF MIDDLEBORO RETIREES INSURANCE GROUP (MRIG)

MEMBERSHIP REGISTRATION – 2019 - \$5.00

NAME: _____

ADDRESS: _____

CITY/TOWN: _____

E-MAIL: _____

TELEPHONE: _____

☐ Check here if new address

ZIP: _____

☐ Check here if new Email address

☐ Check here if new phone

(This information is confidential and will not be shared with any other person or organization.)

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