



REPORTER

A PUBLICATION OF THE CALIFORNIA STATE UNIVERSITY EMERITUS
AND RETIRED FACULTY ASSOCIATION

REPORT FROM SACRAMENTO: OPPOSITION TO CATASTROPHIC MEDICAL TAX ACT GROWS

At its February meeting, the PERS Board of Administration unanimously approved the ERFA request that the PERS Board support AJR 6 (Elder) and direct its lobbyist, David Vienna, to take an active role in pursuing the objectives of AJR 6. At this meeting Dr. Wilma Krebs, ERFA Vice President, represented ERFA. (Her presentation appears on page 2 of this issue of the ERFA Reporter.) Both CSEA and RPEA indorsed the ERFA proposal.

AJR 6 (Dave Elder) "would memorialize the President and Congress . . . to institute a 1-year moratorium on the implementation of the Medicare supplemental surtax as it applies to specified retired public employees, and to direct the appropriate agency to study the existing catastrophic health care coverage already available to many public employees and assess the necessity of the Medicare Catastrophic Coverage Act for these individuals, and would memorialize the Congress . . . to hold at least 2 hearings in California to allow public employees to present testimony . . ."

The battle will next move to the California Legislature, where two bills, in addition to AJR 6, have been introduced to seek modification of the Catastrophic Act: AJR 5 (William Filante) and SJR 5 (Henry Mello). AJR 5 asks the Congress to distribute the costs more evenly and to eliminate the surtax. SJR 5 asks the Congress to include long term care, to distribute the costs more evenly, and to eliminate the need for California to lower its established standards for spousal impoverishment protection in the case of nursing home institutionalization.

ERFA supports these resolutions as they are now stated. ERFA President Byrom says, "All California State retirees should write Elder, Filante, and Mello to thank them for introducing these bills and also write their senators and assemblymen and ask them to support these bills."

The Fairness to Seniors Coalition, which was organized to seek changes in the Catastrophic Medical Tax Act and which represents over a dozen organizations and two million senior citizens, has approved its by-laws that reflect its purposes. The Coalition's primary objective is to seek equitable funding of the Catastrophic Health Care Act and its secondary objective is to seek financial relief for government employees who already have comparable or better medical coverage. The Coalition has a program underway to promote media events, operate a speaker's bureau, develop position papers and brochures, and gain financial support for these activities.

The Coalition reports that although it has received almost one thousand dollars in contributions, it needs even more funds to fight this battle. Dr. Wilma Krebs, ERFA Vice President, Coalition

CSU ACADEMIC SENATE DEFEATS AMENDMENT TO ADD RETIRED PROFESSOR

On March 3 the CSU Academic Senate defeated the ERFA proposal that would have added as a voting member to the Senate a retired tenured professor. The vote was 26 yeas and 20 nays, with two abstentions.

Dr. Len Mathy, ERFA Liaison to the Senate, expressed his considerable disappointment that the motion failed. Dr. Mathy initially had obtained several senators to sponsor the motion to amend the Senate constitution and had spoken on behalf of the motion during committee hearings and the two readings of the proposal to the full Senate. The amendment would have given retired CSU faculty the honor of participating in the selection of one of its retired colleagues to serve in the Senate for a term of three years.

Dr. Mathy reports that the primary objection to the proposal seemed to be that members of the Senate feared that the addition of a retired tenured professor to the Senate would prompt other groups within the system to seek representation. Dr. Mathy praises the Senate, however, for giving the proposal serious consideration at two separate Senate readings. He concludes that it was ERFA's failure to make meaningful to the opposing senators that the retired CSU professors view themselves as continuing participants in the CSU and want to use their many years of experience to help the CSU continue its rise to distinction.

STATE COUNCIL TO MEET IN SAN JOSE

At the meeting of the State Council in Los Angeles on February 4, the State Council selected San Jose as the site of the next State Council meeting. The date is Sunday, April 23; the place will probably be the Le Baron Hotel. The meeting will run from 1000-1500. A no-host luncheon will be served; advanced reservations will be needed. Council members will receive more details when final arrangements are completed. Members who are not campus representatives to the State Council and who are interested in attending the meeting should check with the president of their local retirement organization for details and reservations later in March.

secretary and member of the Coalition Program Development Committee, says she is encouraged by the response of seniors from all over the state. She points out, though, that more money and letters to legislators and congressional senators and representatives are needed. She adds, "We must keep the contributions coming and not let the letter writing campaign slip. If you receive responses to letters you have written your representatives, reply; let them know whether you agree or disagree. We must keep the dialog and momentum going. The battle has just begun!"

WILMA KREBS' WINNING STATEMENT TO PERS

I am Wilma Krebs, a retired professor representing the California State University Emeritus and Retired Faculty Association.

We are asking the PERS Board to seek relief for PERS enrollees from the burden of the Medicare Catastrophic surtax. This tax is 15% of Federal income tax liability in 1989, rising to 28% by 1993 and thereafter according to the escalation in costs. In 1990 a retired couple with a taxable income of about \$40,000 will pay the maximum surtax of \$1700. According to a Treasury estimate the tax could be \$8000 a year within 15 years. Retirees at very modest income levels, starting around \$15,000 gross income, pay substantial amounts of surtax. All must also pay a large and rising increase in the monthly Part B charge, now \$31.90 a month and scheduled to keep on rising.

PERS enrollees get virtually no new benefits from the Catastrophic Act. The surtax is supposed to be a user charge, based on the principle that those who receive the government service pay for it. Since we get zero benefits, our user charge should be zero. The Catastrophic Act has been described by some as like fire insurance—there when you need it. However, if a PERS enrollee has an acute catastrophic illness, that person will not collect any benefits that he or she did not have before the Act was passed.

During our working years we were paid partly in money compensation and partly in non-cash compensation like health insurance. In effect we gave up money compensation for health benefits compensation, often quite explicitly in the negotiation process. Therefore we paid for those benefits once and are now being required to pay for them twice. We think this is unfair.

For these reasons, we do not think that PERS enrollees, or other government employees in the same situation, should have been included in the Catastrophic Act. Therefore we urge the following actions:

1. Support for AJR 6 (Elder), which seeks a moratorium on the implementation of the surtax as it applies to specified public employees, while a study is made of the justification of including them in the Act.

2. Direct the PERS lobbyist, David Vienna, to take an active role in pursuing the objectives of AJR 6. One opportunity may be in the cleanup legislation for the Catastrophic Act contemplated by Congress. Another opportunity may be in supporting appropriate Federal legislation consistent with the objective of removing specified government employees from the Act, or at least obtaining some measure of exemption.

3. Work with other organizations which are seeking similar objectives.

(The PERS Board unanimously passed the proposal.)

ERFA NOMINATING COMMITTEE

At the State Council meeting in Los Angeles on February 4, the following were appointed to serve on the committee to nominate officers for 1989-1990: Sidney Albert of Los Angeles (Chair Pro Tem), Max Norton of Modesto, and William Tidwell of San Jose. Any ERFA member interested in serving as an officer of the Association should feel free to contact a committee member by writing to him at the ERFA office in Northridge.

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ERFA REPRESENTATIVES MEET WITH ROYBAL

An ERFA contingent of Len Mathy, Don Martensen, and Sidney Albert (all from CSU Los Angeles) and Jack Byrom (CSU Northridge) met with Congressman Edward Roybal at his district office in the Federal Building in Los Angeles, February 14.

Congressman Roybal generously listened to ERFA concerns for more than one hour, but he never wavered from his original position in support of the Catastrophic Medical Act, HR 2470. He asserted that it is a good bill, that it will help millions of people, and that the \$800 surtax is not prohibitive. He advised that he had no knowledge of the extensive health care program that PERS enrollees already have with PERS.

The ERFA representatives explained their concern that PERS enrollees are being forced to pay additional taxes for a health program that is inferior to one they already have. They pointed out that the PERS' HMO and Fee for Service programs are far superior to the provisions in HR 2470. The Congressman was sufficiently interested that he requested information about these health programs. (ERFA President Byrom advises that he has already sent the Congressman these requested materials.)

Congressman Roybal expressed his hopes that this country would some day have a national health program that would cover the entire population, but he pointed out that so far in the Congress there is insufficient support for such legislation. The ERFA representatives told him they shared his hope, but indicated they doubted HR 2470 would further this hope.

The ERFA representatives advise they have no illusion that they changed the Congressman's views. ERFA President Byrom reports, "But we now have a good entrée to a Congressman who will listen to us and who, we believe, will continue to listen. But he made a telling point when he said, 'I haven't seen you at any of my hearings.' We had to agree that not contacting him earlier was our error and one that we would correct in the future."

ERFA President Byrom adds, "Lawmakers are listening to seniors to a greater extent than ever before. Different organizations have different fish to fry, however, (as demonstrated by AARP's role in support of HR2470), and ERFA must look after the needs of the CSU retired faculty. We can fume and gripe and bewail the surtax, but to make a difference we must have members working throughout the state to persuade legislators to support positions that are important to us.

"So, everyone [in ERFA], organize your delegation in your district, develop your strategy, make an appointment with your representative, and state your views to him or her. Several ERFA members have already made strong, favorable impressions at some state hearings. But more contacts are needed. We can have an impact if ERFA members work to amend this catastrophic tax bill. And, above all, ERFA members must keep sending letters to their representatives that insist this bill be amended so that state retirees with present medical programs are excluded from this catastrophic tax."

SEN. CRANSTON SUPPORTS HR 2470

Senator Alan Cranston, in response to letters of complaint about HR 2470, has made his support of the bill quite clear. All ERFA members are urged to write the Senator and let him know that many seniors are unsympathetic with his position.

CSULA EMERITUS CELEBRATION

At California State University Los Angeles, the seventh annual celebration of Emeriti Week was held February 6 through 11 and the week following. President James Rosser of the University issued a proclamation designating the second week of February as Emeriti Week. All emeritus faculty in attendance at the Academic Senate meeting on February 7 were introduced and saluted. In addition, the emeritus faculty who came to the campus were able to attend a seminar on financial planning, to go to a dinner and theatre party, and to participate in a faculty colloquim entitled "Language as I.C.O.N. in Social Control."

RETIREMENT PROGRAM

The State Council, at its meeting in Los Angeles on February 4, designated President Jack Byrom and Past President Sidney Albert as ERFA representatives to attend the Fifth Annual Conference on Retirement in Colleges and Universities at the University of Washington, Seattle, on May 12 and 13. Of course, others may attend the meeting if they desire as it is open to all interested. Those seeking further information should contact Dr. Sidney Albert, ERFA, 9010 Reseda #224, Northridge, CA 91324.

PERS BOARD ELECTS OFFICERS

The 48 billion dollars Public Employees' Retirement System's (PERS) Board of Administration at its January meeting in Sacramento unanimously re-elected member-at-large representative Bill D. Ellis president and elected member-at-large representative Charles P. Valdes vice president for 1989. Both fill elected seats that represent more than 800,000 active and retired public employees.

Ellis, an equipment mechanic for the Desert Sands Unified School District in Indio, has served on the Board since 1976. Valdes, an attorney for the California Department of Transportation, was elected to the Board in 1984.

JIM RYAN ON ELDER REPORT

James Ryan, President of the CSU Long Beach retired faculty group, writes that he has received a copy of the interim report on the committee hearing in Long Beach concerned with the impact of the Catastrophic Tax Act. He finds three important statements:

Marty Corry, Director of Federal Affairs for AARP, Washington, D. C.: "We (AARP) proposed inclusion of state and local (public) employees under Medicare, which would require that all state and local employees pay the payroll tax into Medicare. That was not an uncontroversial position." (p. 24)

Dean Smart of PERS: "People like the members of PERS - are probably being (adversely) affected the most by this legislation." (p. 93)

Dick Palmer of the California Senior Legislature: "People are unaware of this very unfair thing which is happening to the retired public employees. To think that they're asking people to pay for something that they're not going to get; that's un-American and it's un-Democratic. . . . Through all the publicity that we are getting from Washington (about the Medicare Catastrophic Act), it sounded good; but, when we got the facts on it, we were horrified." (p. 84)

Ryan adds that he has written Assemblyman Dave Elder and knows that the Assemblyman would welcome letters from others who support the work he is doing to get this catastrophic tax act modified or rescinded.

PAYROLL DEDUCTION PLEASE

President Byrom asks all members who are not using PERS' monthly deduction to pay their ERFA dues please to begin using the automatic deduction program. He advises that the clerical costs of tracking dues for renewal and the postage for billing are consuming a significant amount of the limited funds ERFA has to conduct its many necessary programs. All any member need do is complete the form below and indicate in an accompanying note that s/he is changing from self payment to automatic payment. One may drop the deduction at any time s/he so chooses.

IF YOU ARE NOT AN ERFA MEMBER, PLEASE JOIN AND HELP ERFA TO HELP YOU



(Please Print)

CALIFORNIA STATE UNIVERSITY EMERITUS AND RETIRED FACULTY ASSOCIATION Membership Form

ERFA

Last Name		First Name	Initial	Social Security Number	
Home Address -- Number and Street			City	State	Zip Code
Date Retired	CSU Campus	Department		() Home Phone	

Please enroll me as a retired ERFA member. I hereby authorize deductions to be made from my retirement warrants by Public Employees' Retirement System for the payment of dues to the Emeritus and Retired Faculty Association. I further agree that ERFA act as my agent in payroll deduction agreements and transactions between myself, ERFA, and the Public Employees' Retirement System. This authorization will continue in effect until I submit a timely written notice of cancellation to the ERFA office.

- Check one:
- Regular member — \$1.00 monthly
 - Sustaining member — \$2.00 monthly
 - Contributing member — \$3.00 monthly
 - I prefer paying on a yearly basis. I am enclosing a check for: \$12.00 \$24.00 (check one) \$36.00

Please mail the completed form to:
CALIFORNIA STATE UNIVERSITY
EMERITUS AND RETIRED FACULTY ASSOCIATION
9010 Reseda Boulevard, Suite 224
Northridge, CA 91324

Signature _____ Date _____

Recruiter _____

ERFA OFFICERS

President: Jack A. Byrom
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 Secretary: Fred McMahon
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 Kenneth K. Jones
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 Liaison to CFA:
 Milton Dobkin

ERFA MEMBERSHIP MARCH 1989

BAKERSFIELD	1
CHICO	53
DOMINGUEZ HILLS	5
FRESNO	48
FULLERTON	56
HAYWARD	44
HUMBOLDT	42
LONG BEACH	136
LOS ANGELES	85
NORTHRIDGE	116
POMONA	51
SACRAMENTO	61
SAN BERNARDINO	10
SAN DIEGO	127
SAN FRANCISCO	57
SAN JOSE	82
SAN LUIS OBISPO	25
SONOMA	28
STANISLAUS	14

TOTAL 1041

FEDERAL BILLS ALREADY INTRODUCED CONCERNING MEDICARE COVERAGE

HR 63 (Archer, Rep., Texas) Delay for one year the effective dates of the supplemental Medicare premium and additional benefits and establish a bipartisan commission to review Medicare Catastrophic Coverage.

HR 169 (Fawell, Rep., Illinois) Restore the Medicare and Medicaid law to the provision in effect before the enactment of the Medicare Catastrophic Coverage Act and establish a Presidential Commission on the Medicare Program.

HR 267 (Lloyd, Dem., Tennessee) Limit application of the benefits and premiums of the Medicare Catastrophic Coverage Act to those voluntarily enrolled in part B of the Medicare program.

HR 332 (Ritter, Rep., Pennsylvania) Repeal Medicare Act and establish an advisory group to study and develop proposals to provide protection against catastrophic illness beyond the scope of current Medicare coverage.

H Con Res 13 (Packard, Rep., California) Sense of Congress regarding the need for an alternative method of paying for the costs of catastrophic health insurance.

HR 557 (Stump, Rep., Arizona) Repeal the Medicare Catastrophic Coverage Act of 1988.

HR 558 (Tallon, Dem., South Carolina) Amend title XVIII of the Social Security Act and the Internal Revenue Code of 1986 to permit individuals to elect not to receive benefits to which such individuals are entitled as a result of the enactment of the Medicare Catastrophic Coverage Act of 1988 and not to pay premiums imposed pursuant to such act.

All ERFA members are urged to write their Congressional representatives and urge them to support those bills that the ERFA members find satisfactory.

The *CSU ERFA Reporter* is a publication of California State University Emeritus and Retired Faculty Association. President: Jack Byrom. Office Manager: Ann Oliver (818)886-1196. Editor: Fred McMahon, 1400 S. Catalina 309, Redondo Beach, CA 90277, (213)540-1111. All rights reserved.

THE ERFA REPORTER

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 complete and return to ERFA:

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