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*Inside this issue:*



### *Reporter* Online Extras

--"The Frugal Ferper: Traveling (Almost) Free for Less"
--"Controlling Medicare's Costs"

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# CSU-ERFA Endorses Robinson for CalPERS Board Seat B

CSU-ERFA's executive committee voted unanimously to endorse Harvey Robinson for the CalPERS board of administration position B, up for election in September. There is no endorsement as yet for position A as the candidates are not known at this time.

CalPERS is holding elections for two seats on the board of administration in September, the seats presently held by Joseph (J.J.) Jelincic (position A) and Michael Bilbrey (position B). The final date to file for each seat had not occurred as *The Reporter* was going to press in May. Each of the elections is separate; candidates have to file either for seat A or seat B. Ballots are to be mailed on August 30 and are due back to CalPERS (or postmarked) by September 27.

After an extensive review and exchange of comments, the executive committee voted to endorse Harvey Robinson for Seat B. Three members of the executive committee knew Robinson and had seen him testify and interact with the CalPERS board.

Robinson is a CalPERS retiree and would be, if elected, the only actual member of the board of administration who is retired.

CSU-ERFA is endorsing early in the campaign because the current issue of *The Reporter* is the only one members will receive before the election. The next issue is not due out until September.

Robinson was employed by CalPERS from

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# Statewide Academic Senate 50th Anniversary

## By John Tarjan, Former Chair of the Statewide Senate

The 50th anniversary of the founding of the Academic Senate of the California State University was celebrated on March 14th. Current and former ASCSU members, provosts, academic affairs staff, Dr. and Mrs. Gerth, Dr. Karen White, Presidents Alexander and Garcia, CSSA representatives and others were in attendance. After a welcome from Chair Diana Guerin and a congratulatory video from Chancellor White (who was attending the presidential inauguration at SFSU), the assemblage adjourned to a luncheon. This was followed by a plenary session.

Dr. Donald Gerth, author of *The People's University*, opened with an historical perspective. Dr. Harold Goldwhite, former ASCSU Chair and Faculty Trustee, shared agendas and other information from the first 10 years of ASCSU. This was followed by a panel of former ASCSU chairs who reviewed the accomplishments of the Senate over the years and shared their common struggles to maintain Senate effectiveness in the face of inadequate budgets.

**Symposium on the Statewide Academic Senate on Page 6**

Attendees then split into groups to discuss the challenges making effective shared governance difficult and best practices for overcoming those challenges. In a closing plenary. Faculty Trustee Bernadette Cheyne compared the role of ASCSU to that of an architect of the academy. Breakout session moderators then shared some of the ideas from the sessions.

# From the President...

Dear Colleagues,

I can hardly believe that we are sharing our next *Reporter* – where does the time go? We recently completed a state council meeting accompanied by a gathering of the CSU-ERFA foundation board and also a meeting of the presidents of CSU emeriti/retirement organizations in southern California. It is a pleasure to report that each of them went quite well. Our foundation is healthy, and members discussed what was believed to be the best methods to invest its funds in order to ensure adequate funds to support our awards, assuming that contributions continue.

The regional presidents described each of their associations and discussed potential things that CSU-ERFA can provide for them. It was interesting that different groups had different parameters for membership and for support by each university and its president.

**State council**. The state council meeting went quite well also. We had a full agenda but were able to complete our business in the time allowed (please see other sections of *The Reporter*). Our speaker was Carol Liu, member of the California State Senate and chair of the Senate's education committee. She shared a variety of perspectives that could influence the financial backing of the state's universities, including what Proposition 30 will or will not cover.

The governor's funding formula for K thru 12 and possibly for higher education is a budget bill, not a policy bill, and therefore will not go to committee for discussion. Another major discussion involved possible requirements for the CSU to provide online classes (particularly MOOCs: "Massive Open Online Courses"). The issue of whether the legislature should reexamine the master plan was mentioned.

I was very pleased that the senator joined us and felt sufficiently comfortable sharing her opinions and engaging in general discussions. And significant numbers of state council members mentioned that they were pleased to have Carol Liu on the agenda.

**Diane Guerin**, Chair of the CSU statewide academic senate, also joined us and gave a current update on the actions of the senate. Her report was informative. She specifically mentioned that information gained about CSU-ERFA is of value to her and the organization. We are hoping that she will join us again in the future.

**The council elected the nominees proposed by the nomination committee** for officers and for state council delegates-at-large. My appointments for other members of the executive committee and liaisons were also confirmed.

**Volunteer survey**. Barry Pasternack has completed a survey of emeriti and retired faculty interested in volunteering time to support CSU activities. We had 570 responses from 13 different CSU campuses. Responders were asked to indicate their interest in volunteering within 15 different areas. Shortly after the state council meeting, several executive committee members met with vice chancellor Ron Vogel to discuss the findings. He was pleased to review the survey and believed that our volunteer potential will be greatly appreciated. The potential will be mentioned to Chancellor White, and we will meet again in the near future to prioritize and identify specific activities.

I hope all is well with you and want to remind you to get in touch with us if there is anything we can do to be of assistance.

With best wishes,

Barbara

P.S. I almost forgot: The Cal Poly Pomona campus was just grand. Our meeting site was a large and lovely facility and our hosts were most gracious. I am delighted that we met there!

# DVD on Senate History at CSULA Available

The Cal State LA emeriti association has produced a DVD on the fifty year history of academic governance at Cal State LA. It includes interviews of those who helped initiate the campus and statewide senates, including Len Mathy, the first CSU Academic Senate chair and the first CSULA Academic Senate Chair. Copies are available for a contribution of $10.00, which will support the emeriti fellowships. Contact Dorothy L. Keane, dkeane@calstatela.edu if interested.

# Guidelines for Long-Term Care Decision Making

## By John Shields, Editor, CSU-Fresno Emeriti "Connections"

Dr. Shields is the editor of the CSU Fresno Emeriti and Retired Faculty Association newsletter, "Connections." This article is reprinted from the Spring 2013 issue, with permission.

**Many of you received notification from CalPERS of impending increases to your current long term care (LTC) insurance premiums.** A chart of "Average Costs of Care in California 2012" was included. Seven options for LTC insurance coverage were presented in a matrix of benefit types and levels. Policyholders face difficult decisions in deciding whether to maintain or reduce benefits to make premiums affordable or even letting their policy lapse. The intent here is to identify factors and pose questions found in published retirement literature that might be relevant to your individual analysis of the options and your evaluation of the tradeoffs involved in your choices.

[NOTE: A federal law enacted in 2006 enables states to establish programs that ease a major financial concern of those purchasing LTC insurance. Buyers of LTC policies lacking lifetime coverage worry that benefits could run out and force them to draw down assets to a very low level before qualifying for LTC under the safety net of Medicaid. The program is called the "Partnership for Long Term Care" (David Humphers has written about the program in *The Reporter*). It is a public-private LTC arrangement that was implemented in California in 2007. Contact the California Department of Health Care Services, which administers Medi-Cal; in other states call the insurance commissioner's office or contact the American Association for Long Term Care Insurance to determine whether your state has such a program.

(1) **Reassess your personal circumstances and prospects now**, compared to your estimates when you signed up for LTC insurance. This is analogous to periodically reviewing your investment portfolio and rebalancing the mix of stock, bonds, treasuries, etc. as you age.

(2) **Don't make your decision based on how much you have already paid** (i.e., "wasted") in premiums. Those payments provided the protection you needed until now. Rather, focus on evaluating the benefits versus costs of continuing or adjusting your LTC coverage, as if you were buying a new policy.

(3) **Some major private insurance companies offer hybrid life insurance policies** with a linked LTC benefit rider for 6 years of coverage that can also include compensation for a family member who performs parental care at home. LTC insurance through a life insurance policy is supposedly cheaper than a stand alone LTC insurance policy and easier to obtain.

(4) **Consider the possibility of reducing benefit coverage** and self-insuring out of personal savings for the remaining protection desired. Alternatively, you could purchase an annuity, which starts payments in the future, that would cover expenses of LTC after the time limit expires for insurance policy benefits. A reverse home mortgage for both spouses jointly is another possibility.

(5) **Consult with an independent fee-based financial advisor** to assess your financial situation in terms of developing an overall financial security plan that would include provision of appropriate and affordable LTC insurance.

(6) **Determine whether you really need LTC insurance**. According to many analysts, if your net worth (not including your house) is over a certain amount (1.5 to 2.0 million dollars) you probably don't need a LTC policy. The Center for Retirement Research at Boston College estimated in 2010 that $197,000 is what a typical married couple at age 65 should expect to spend on uninsured health care costs over the remainder of their lifetimes. However, this figure does not include institutionalized nursing home care. The figure rises to $260,000 if nursing home cost is included.

(7) **Reassess the risk you are willing to take with lower LTC benefits**, especially giving up lifetime coverage. Various actuarial studies indicate that only 8 of 100 LTC insurance claimants with a 3-year benefit period exhausted their coverage, and that the average time spent in a nursing home is about 3 years. Americans who live to age 65 have a 40 percent chance of entering a nursing home, but 25 percent of those over 85 do. One study found that only 3.6% of the claims filed for nursing homes, assisted living, and home services were for care that lasted 4 - 5 years, and 4.3 percent were for care lasting more than five years. In 76.7% of claims, the care lasted less than 2 years. These findings might be affected by how stringent the LTC insurance policy eligibility rules are for specific types and levels of care.

(8) **Do you have LTC insurance for the right reason?** Preserving assets for an inheritance or payment of grandchildren's college tuition may not be warranted. However, protecting your kids against having to assume the financial burden of your elder care is a more rational justification.

(9) **Initiate conversations with nuclear and extended family members** about their realistic ability and likely willingness to provide the financial resources and/or personal time to meet a range of your future eldercare assistance needs.

(10) **Commit to taking action now** to avoid having to be unnecessarily institutionalized by preparing your home to live safely, independently, and less expensively in the future. Invest in minor remodels such as installing grab bars in showers and bathrooms to help avoid falls (a major cause of disability in the elderly) and widen doorways to accommodate walkers and wheelchairs. Look into other home modifications and monitoring technologies to assist the elderly. Identify local government and non-profit agencies that provide elderly assistance services now, instead of leaving it until the time of crisis later on.

(12) **Build a social network of friends** that in times of emergency can render assistance to you until your family members can arrive from distant locations and arrange proper care for you. Remember, your LTG policy probably has a 90-day deductible period before benefits start. Such a network can minimize your out-of-pocket expenses in the short term. Single friends in particular are even creating non-binding social pacts of mutual understandings and obligations to help each other in times of need.

# Health Benefits Report: Medicare Part D Issues

## By Juanita Barrena, Incoming CSU-ERFA Health Benefits Director

**Are you enrolled in Medicare Part D?** Just in case you are thinking that you must be losing it because you have been getting statements from the Social Security Administration (SSA) or bills from the Centers for Medicare and Medicaid Services (CMS) for payment of an "IRMAA" premium for Medicare Part D, but you can't remember ever having to pay for prescription coverage before or ever having signed up for Medicare Part D prescription drug coverage when you applied for Medicare coverage?

And that is because you know that no CalPERS retiree in his/her right mind would do such a stupid thing, since the CalPERS literature repeatedly states: (1) "Do not enroll in Medicare Part D," (2) "CalPERS Medicare health plans provide prescription drug coverage that is as good as–or better than–the standard benefits of Medicare Part D," (3) "You cannot have prescription drug coverage under both Medicare and CalPERS," and (4) "If you or your dependents are covered by CalPERS and another health plan that includes Medicare Part D prescription drug benefits, you must cancel that Part D coverage in order to enroll in (or continue in) a CalPERS Medicare health plan."

**Well, don't worry, at least not about losing it, since you personally did not sign up for Medicare Part D. However, it is likely the case that you and your dependents have been enrolled in Medicare Part D through CalPERS**, either through a Medicare Advantage Part like Kaiser that includes prescription drug coverage or through the (fast becoming infamous) Cal CVS Caremark prescription plan.

**Why do I have to pay a Part D IRMAA premium?** The sentences above are the longest ones I've ever written! More importantly, I hope that I will be able to accurately explain what is going on. There are two events that account for this. The first is the Affordable Care Act (ACA) and the second is CalPERS's movement (in January 2013) to something called an "Employer Group Waiver Plan" or "EGWP."

As I understand this, the ACA includes a provision that requires that higher income earners pay an "Income Related Monthly Adjustment Amount" (IRMAA) for Medicare Part D. The income levels at which a Part D IRMAA premium is required are the same as those for Part B IRMAA premiums.

**Now, to be assessed a Part D IRMAA premium, you have to be enrolled in Medicare Part D, and this is where CalPERS's transition to a Medicare EGWP plan comes in**. Under this plan, all CalPERS retirees and dependents participating in any of CalPERS's prescription plans are in effect enrolled in Medicare Part D and therefore subject to assessment of Part D IRMAA premiums based on income. By the way, the income levels at which an IRMAA is assessed are $85,000 for single filers and $170,000 for joint filers. The minimum additional premium at this level is $11.60/month, and the maximum is $66.00/month.

So, if you have been assessed a plan B IRMAA premium, you will also now be assessed a Part D IRMAA premium. However, unlike Part B IRMAA, where CalPERS reimburses members for the additional premium if the actual cost of the members plan plus Part B IRMAA premiums is less than the dollar amount allocated by the employer, there is no current provision for reimbursement of Part D premiums (even if the amount of the member's plan plus Part B IRMAA plus Part D IRMAA is less than the employer contribution for health benefits).

**Why won't CalPERS provide reimbursement for Part D IRMAA?** Now, it would be nice to think that CalPERS staff just hasn't gotten around to figuring this out and making a recommendation to the CalPERS Board to provide reimbursement in the same manner as provided for Part B reimbursement. Unfortunately, this is not the case. Although this issue has been raised by representatives of retiree associations (including yours truly) at recent health benefits constituent group meetings, the response from CalPERS staff has been that they have absolutely no intention of considering reimbursement for Part D IRMAA.

**The only reasons given for their taking this position** are that (1) they believe that only about 3% of members are affected by this (based on the checks they issue to retirees), and (2) they have no way of knowing the actual total income of retirees and how many members are assessed Part D premiums.

Now, I was quick to point out that (1) I thought it highly likely that if they analyzed different groups of retirees (e.g., CSU-ERFA members), they might find that there was substantial variation in the proportion of members in the different groups who were assessed Part D IRMAA premiums, and (2) they, indeed, had information on total income and IRMAA premiums for both Part B and Part D, since members are required to provide statements from the SSA for Part B reimbursement, and these statements just so happen to also include the Part D IRMAA premiums being assessed. Although I feel fortunate to be in the group of CalPERS retirees who are in that 3%, I consider this a significant issue for CSU faculty retirees, especially those who participate in the FERP.

**What other problems might be associated with the CalPERS's move to an EGWP?** As noted in the first paragraph of this article, "If you or your dependents are covered by CalPERS and another health plan that includes Medicare Part D prescription drug benefits, you must cancel that Part D coverage in order to enroll in (or continue enrollment in) a CalPERS Medicare health plan." CSU retirees who have dependents who are in other plans must pay very careful attention to this provision because it applies to all plans. In this regard, I was made aware of a situation where a dependent of a CalPERS retiree was enrolled in a non-CalPERS health plan, but was not aware that CalPERS had also enrolled her in Part D , which threatened her continued coverage under the other plan if she did not cancel her enrollment in the CalPERS prescription plan.

**Why haven't you heard anything about this from CalPERS, or at least anything you might be able to understand?** Rather than trying to explain this in my own words, I will quote what Ann Boynton, CalPERS deputy executive

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# CFA Report: Working With the Legislature

## By David Du Fault, CSU-ERFA Liaison to the California Faculty Assn.

During the first months of 2013, the California Faculty Association (CFA) turned to Sacramento and the legislature. The usual issues faced the union, that is, the governor's budget plan for higher education and several bills. CFA also planned the annual lobby days on April 2-3 in Sacramento. This event went well as seventy-five faculty members, representing 21 of the 23 campuses, came to the capital. There they had 82 meetings with legislators. During the two days, members discussed issues that included support for Governor Brown's proposed increase in funding for the CSU, questions about budget language that makes changes in health care for CSU employees, and comments about online education favored by the governor.

Particularly difficult for CFA was the proposal about a possible increase in cost for health care. In effect, if passed, this would result in a cut of take-home pay for most workers. Another controversial issue was the governor's support for online education in CSU and UC via very large internet courses called MOOCs (Massive Open Online Courses).

Complicating the issue was State Senator Darrell Steinberg's introduction of SB 520. In his bill Senator Steinberg believed that with these online classes students would be able to take additional "bottleneck courses" and thus cut down the time to graduation. Up to 50 of these sections would be offered by "private online education vendors." Needless to say, CFA had a number of objections including the belief that lower academic standards would result especially in "writing, math, and basic analysis" CFA also pointed out that at present these very large online classes have high dropout rates and restrict interchanges between students and between students and faculty.

CFA believes that the rush to huge online classes, though well intended, is a "too good to be true" expectation that "will not solve the state's need for an educated citizenry." Indeed, "Simply increasing online offerings (on the questionable assumption that it is cheaper) or handing off education to private vendors will not serve California well in the long run."

In addition to attempts to influence legislators, CFA also has sponsored several

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### The CSU-ERFA Grant Cycle, 2013-14

The CSU-ERFA Foundation is accepting grant proposals beginning May 20, 2013. Research Grant Deadline is December 16, 2013.

CSU-ERFA and retired staff members pursuing scholarly research, creative projects, and publications are eligible. Non-members can join when applying. Grants will be awarded to a total of $6,000 in the current cycle.

Grant applications, guidelines, submission information, and end of year report forms may be downloaded from the CSU-ERFA website at http://www.csuerfa.org or contact the CSU-ERFA office for more information at (818) 718-7996.

# CalPERS Election Endorsement

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1972 to 2001, partially in the benefit services division and partially in the office of long-term care. He has held several positions in the Retired Public Employees Association (RPEA) from 2004 to the present, including president of his local chapter, health benefits director, and director of legislation and health benefits.

He has testified on behalf of RPEA before CalPERS many times on enhancing and protecting member benefits. As president, he developed the "RPEA Pension and Benefit News, " a free weekly compilation of news articles affecting retirees. He has a BA from UC Davis where he majored in microbiology and history. He did graduate work in history at CSU Sacramento.

Michael Bilbrey, the incumbent, is a bookstore operations coordinator at Citrus Community College in Glendora. He is the first vice president of the California School Employees Association and has been a statewide labor leader for 18 years.

He is the co-chair of Labor United for Universal Healthcare, a coalition of more than 40 unions and labor-allied organizations. Mr. Bilbrey has a BA and Master's degree in Business Administration from the University of Phoenix.

# CSU-ERFA New Members

**Dominguez Hills** – Kazimierz Kowalski

**Fresno -** Lenore Youseef

**Fullerton** – Gayle H. Vogt-Schilling

**Sacramento** – Kurt Ohlinger

**San Francisco** – Sherry Keith

**San Luis Obispo** – Charles N. Watry, Diana C. Rheinisch

**Stanislaus** – Nelda H. McDermott

# CSU-ERFA Survivor's Guide Revised and Reprinted

Copies of the recently revised Survivor's Guide are available from the CSU-ERFA office for $5.00, which includes postage for mailing.

Contact the office directly (address on page 2) if you wish to order a copy.

# "Shared Governance in the People's University"

## By Dr. Donald Gerth, Former President, CSU Sacramento

[What follows are excerpts from Dr. Gerth's talk at the 50th anniversary celebratrion of the statewide academic senate in Long Beach on March 14, 2013.]

**The original master plan proposal…proposed a governance structure and definition of functions…to be placed in the constitution.** The governance structure was roughly parallel to that of the University of California…thus including at least a measure of constitutional autonomy....

Not long after the master plan proposal arrived in the Legislature, Governor Brown called a meeting with President Clark Kerr of the University of California, the chairs of the regents and the State Board of Education…, and a few others. **President Glenn Dumke of SFSU, the State College principal in the Master Plan negotiations, was not invited**, but rather a representative of the Superintendent of Public Instruction was included.

**Dumke and virtually all of the state college leadership, certainly including the faculty leadership, wanted the state colleges in the constitution.** So did Kerr, but for reasons very different from Dumke and the state college faculties; Kerr wanted the functions of state colleges limited to what they were at that time. He wanted the state college functions frozen in the constitution. That was a major objective – perhaps the major objective – of University of California participation and support of the Master Plan.

Governor Brown had invited the long serving chair of the Senate finance committee, George Miller, to the meeting; one can speculate that they together had planned the meeting. Brown and Miller proceeded to explain to all present that the state colleges would not and could not be in the constitution; the legislature would not permit a same loss of control that would parallel Article IX, Section 9 of the 1879 Constitution establishing The University of California as a "fourth branch of government."

It was made clear that there would be no master plan legislation without a change in the proposed legislation. Senator Miller had already introduced legislation with changes. Kerr objected but was simply overruled by Brown and Miller. Brown was firm in a position that the state colleges would inevitably and necessarily change in time to address the needs of California for higher education. That principle…remained in practical force for years....

**The role of the academic senate and the leadership of the senate as the state legislature and the governor considered collective bargaining in the 1970s was of major importance.** For all practical purposes, the Board of Trustees as a group and as individuals abdicated from public policy and the political process, save for one trustee was believed he had "the alternative" to traditional collective bargaining. For the most part, the trustees were silent and hostile to collective bargaining except for a single trustee.

The Chancellor, Glenn Dumke, believed that he had been excluded from the political process by the board, and in turn, was not willing for his staff to be involved.

**The academic senate leadership were the guardians, not only for the faculty, but really for the mission and core values of the CSU.**

**Thus, it fell to the leadership of the academic senate to represent both the values of the faculty and the California State University in the Sacramento political process.** Gerald Marley, the senate chair from 1975 – 1977, and particularly David Elliott, serving as vice-chair during those two years, followed by David Elliott's chairmanship from 1977 – 1979, along with other faculty, in many ways were the guardians, not only for the faculty, but really for the mission and core values of the California State University. This does not demean the two unions competing in the 1970s, but to describe reality. The unions **serve** the faculty; the academic senate **is** the faculty; there is a difference.

**It is time for a new beginning.** The climate in which higher education functions has changed nationally and in California. Where are we now? The stage is set for strong and sensitive leadership that is active and looks to a new world. We are in a time where competition in the greater society for social goods has increased and continues to increase. There is a new and still emerging understanding of what is included among social goods.

We have a new chancellor, one with experience as a student in all of California's public higher education segments, one with experience in different campus cultures. We have in our history from the early 1980s two excellent documents about governance and 50 years of experience. On 23 campuses we have faculties that constantly renew themselves. We have energized student leadership on many campuses.

As we re-examine shared governance, shared leadership, with 50 years of experience and in a public environment reordering itself, what principles might be useful? What questions, some perhaps difficult, should be asked? How do style, the practices and values of individuals and groups, affect shared governance? Can we find a way to address, in an atmosphere of civility, an almost confrontational style when that is needed? As I think back over my career, more often than not, the difficult times and issues have been related to style more than to substance.

To a great extent we are addressing a campus culture, a California State University culture. **I do not see that we need a new set of rules. The documents of the Academic Senate from the early 1980s, essentially agreed to by the leadership of the California State University and the Trustees, are clear**; perhaps these could be updated to the world of 2013.

**We need people who embrace a culture, lead in the formation of a culture that is broadly consultative, that drives toward sensible resolutions of issues in a manner that brings all or almost all along.** There are no surprises; arbitrary behavior is discouraged; collaborative behavior is rewarded in the quality of interpersonal and organizational

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# "The Formative Years of the Statewide Senate"

## By David Elliott, Statewide Academic Senate Chair, 1977-1979

Ask any former senate chair if the time as chair of the senate was significant, and the answer will almost always be "of course." The purview of this position is remarkably broad, and although it does not come with the kind of institutional authority that line officers enjoy, it does provide unparalleled access to those in the university who do have authority. It offers rich opportunities to lead, not by command, but through the exercise of reason and the exertion of faculty influence.

**I was preceded and followed as senate chair by gifted leaders**, but those I knew best during my years in the senate (1973-82) were Len Mathy, the first chair, Charles Adams (1972-75), Gerald Marley (1975-77), and Bob Kully (1979-82).

I owe them all a lot. Len was always generous and frank in his counsel. He put me back on the rails more times than I care to remember. Charles was an exceptionally articulate and effective mentor. He may be most famous for his penetrating observation at one board meeting that calibrating budget proposals to estimates of what the governor might be willing to fund constituted nothing less than "preemptive capitulation." Gerald was an unusually able chair, perhaps best known for his remarkable work ethic, his analytical skills and his fidelity to principle. Bob's contributions to the senate and the system are legendary. I was fortunate to have him as my vice chair, and I shall always be grateful for his prodigious efforts, both as senator and as faculty trustee, to achieve the goals we all embraced during those early formative years.

**I was elected to the senate a full ten years after it was founded, but it was still struggling at that time to form a basic academic and professional infrastructure for the system.** Two new Reagan appointees to the board had made it clear that their primary mission as trustees was to abolish tenure, and many of their board colleagues were of the same mind. Also, as Harold Goldwhite mentioned in his remarks at the recent 50th anniversary celebration of the senate, we were still without decent grievance and disciplinary action procedures.

**Beyond this, we had only a few meager and ill-defined RTP policies; there was virtually no system policy on general education; and we had only the most rudimentary protocols in place for the development, approval, and review of academic programs.** We tackled all of these deficiencies with as much energy and determination as we could muster and made meaningful progress on all of them during my time in the senate.

In my view, however, our greatest challenge during those formative years was to achieve more faculty involvement in university decision-making. I published an article in The Senator, the senate's newsletter, in the fall of 1977 in which I attempted to explain, "Why We Want Collective Bargaining." **There was broad support among the faculty for this form of decision-making, but many of us were concerned about the fate of our traditional collegial mechanisms in this kind of arrangement.** In the spring of 1978, I published an extended statement on this subject in *The Senator*, where I attempted to define the faculty person as a dual entity, with employee rights and needs, and as an academic, with professional responsibilities.

> **We had only a few meager and ill-defined RTP policies, and there was virtually no system policy on general education**

The approach I recommended in this article, where academic and professional issues were excluded from bargaining except in cases where management refused to consult in good faith, was formally endorsed by the senate and became the primary organizing principle for our participation in the crafting of Howard Berman's collective bargaining bill, AB 1091. It also served as a beginning template for a 1979 statement that was adopted by the senate and the board on "Responsibilities of Academic Senates Within a Collective Bargaining Context."

The need for scope of bargaining language that would preserve the roles of senates on academic and professional matters was accentuated by the warnings of Senator Albert Rodda, and other influential legislators, that no collective bargaining bill could gain the approval of the state Senate without it. Thanks mainly to the advocacy of the senate and the strong leadership of Warren Kessler (UPC) and Bill Crist (CFA), the scope language the senate had advocated was incorporated into AB 1091, and it was enacted into law in 1978.

Finally, the overwhelming approval of Proposition 13 in 1978 brought a whole new set of challenges to the senate, and to the CSU. Governor Brown initially opposed this crippling measure but underwent a "miraculous" conversion just prior to the election and became one of its most ardent supporters.

In a truly remarkable show of solidarity, the senate, the chancellor and the trustees joined forces and resisted the draconian budget reductions the governor demanded for the implementation of this new law, and the cuts that were finally imposed on the CSU that year were but a fraction of his original demands.

My years in the senate were neither "the best of times nor the worst of times," but I believe they were very significant.

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# Gerth, Shared Governance

(Continued from the previous page)

relationships and the substance of results. I am firmly convinced that the formula to continue that measure of shared governance which already exists, and to build a new level of shared governance, shared leadership, will be found in addressing openly the reinforcement of cooperation and cultures that value collaboration and trust….

This is what shared governance and shared leadership are all about. We have come a long way in 50 years. We can build upon those years, build from today to continue the progress of the California State University, the people's university of California. The academic senate has a vital and central role to play in that new culture.

# The First Decade of the ASCSU

## By Harold Goldwhite, Former Chair, ASCSU

As the emeriti and retired faculty representative on the Academic Senate of the CSU, I enthusiastically took part as a member of the planning committee for the celebration held on March 14, 2013 and agreed to give a talk on the first decade (1963 – 73) of the Senate's existence. Much of the material I drew on for this talk was obtained from the archives of the university housed on the Dominguez Hills campus. I want to thank Gregory Williams, CSU archivist, for his assistance. The slide presentation I gave is available on the web site of the ASCSU. What follows is a brief version of that talk.

**Prehistory**. Both the Board of Trustees and Chancellor Glenn Dumke were supporters of campus senates and in 1962 a committee of faculty, presidents, and administrators recommended the establishment of a systemwide senate. The organizational meeting was held in May 1963, and Len Mathy, then chair of the Los Angeles senate, was elected the first chair. Charles Luckman, chair of the board of trustees, said at that first meeting that faculty research in support of instruction was critical. Chancellor Dumke made suggestions about agenda items for the senate, including educational television, reviewing curricula, off-campus centers, overloads on crowded campuses, developing a central data service, work with the legislature on funding, and support for a 50% increase per FTE for graduate instruction.

**The more it changes, the more it remains the same**. The agenda has stayed remarkably constant over the 50 years of work. If we substitute on-line instruction for educational television and campus IT support for central data service (though CMS is still with us), these look like topics that occupy the senate today.

**Early meetings**. The Senate's own agenda – at its FIRST meeting – included resolutions on funding joint doctorates; salary increase funds should be apportioned with 2 ½% increases for lower ranks and 7 ½% increases for upper ranks (this is before collective bargaining); approval of a new salary schedule proposed by the trustees; and favoring the quarter system for year-round operation.

By January 1964, working within an ad hoc structure (the by-laws were not yet adopted) the senate had a 17 item agenda including reports, discussion items, and resolutions including a year-round operation calendar, faculty research support, teacher training programs, and released time for senate officers. Discussion items for possible future resolutions included remedial courses, probation and disqualification of students, general education, educational television, grievance procedures for faculty, free parking for faculty, faculty role in the selection of presidents, vice presidents and deans, and a budget for sabbatical leaves.

Some highlights from those early years include adoption of by-laws establishing a committee structure, due process in the grievance and disciplinary policy, and a request for some released time for senate executive committee and committee chairs.

In 1964 the Senate endorsed a statement on academic freedom. It noted that the Senate budget was inadequate for release time (then being provided by local campuses). There were discussions about insufficient time to consult on proposals from the chancellor's office.

By 1970 the senate, frustrated by unsuccessful efforts to develop faculty-centered personnel policies, began to study collective bargaining. A new era in the life of the CSU was on the horizon.

# ASCSU Report: March Plenary and Golden Anniversary Celebration

## By Bill Blischke, CSU-ERFA Liaison to the ASCSU

The Academic Senate of the CSU (ASCSU) met for its penultimate meeting of the current academic year March 14-15.

Thursday afternoon was dedicated to a celebration of the golden anniversary of the ASCSU. Since there are several other articles in this issue on those events, I will make only a couple of comments. I served on the systemwide senate from 1972-1980. This was a special event for me since I was able to reconnect with a number of my colleagues from those seemingly "ancient" days. I was "recruited" to assemble a slide show with highlights from those 50 years. It was shown during the social hour that evening and will be available on the ASCSU and CSU-ERFA websites.

**Plenary session actions**. In addition to numerous reports on Thursday morning and Friday, ASCSU passed several resolutions. The three most important ones were CSU Action on Environmental Sustainability, AB 67 (Gorell) and SB 58 (Cannella), Post-Proposition 30 Freeze on Systemwide Student Fees and Tuition Increases, and Request for a Task Force to Study CSU Tuition Fees and Financial Aid Support.

The first one commends the CSU campuses that have signed the American College & University president's climate commitment and the CSU campuses that have signed the Talloires Declaration. It encourages the chancellor's office and the other campuses to consider becoming signatories to the president's climate commitment. The second resolution supports the notion of predictability in student fee / tuition levels, expresses concerns about the overall funding of the CSU and encourages the bill's authors to include exceptions when adequate state general fund support is unavailable to support our mission. The third one requests the creation of a task force to look at these student fee and financial aid issues.

**Faculty trustee**. The term of the current faculty trustee expires in July. After presentations from five nominees, ASCSU voted to send the names of Bernadette Cheyne (the incumbent, Humboldt) and Steven Stepanek (Northridge) to the governor for his consideration.

**Spring plenary**. There are a number of important issues to come before the body in its last meeting of the year on May 15-

(Continued on next page)

# Health Benefits Report: Another View of LTC

## By David Humphers, CSU-ERFA Health Benefits Director

Over the past few years the most frequently expressed concern from CSU-ERFA members has been long term care (LTC) premium increases. There are, however, a few serious problems other than premium bump-ups for LTC insured CSU-ERFA members.

In my role as CSU-ERFA health benefits director, I was impressed by the prompt response of CalPERS' staff whenever I called to report that an CSU-ERFA member was not being served by the LTC insurance program. I learned from the CalPERS assessment of the LTC program that almost all of the LTC insured were happy with the program. Most of the CSU-ERFA members who were referred to me had a problem with the LTC program or with CalPERS health benefits.

A Fresno State University LTC insured member called to ask for help in getting a response from Univita, the LTC third party administrator in Minnesota. Our member was concerned about a Fresno State CSU-ERFA colleague and neighbor who had been leaving telephone messages with Univita for five or six weeks with no response. He was also concerned about his LTC insurance policy when he found out that the program administrator was not responsive. I immediately relayed the information to CalPERS and I received a response within 24 hours: "The Fresno State CSU-ERFA and LTC insured member died yesterday."

The most frequent request that I received from CSU-ERFA members was that the LTC third party administrator or the local LTC caretaker were not answering telephone calls. Some CSU-ERFA members reported that they finally had a telephone response, and the responder talked so fast they could not understand her/him. A few CSU-ERFA members told me that the responder hung-up when they asked the responder to speak at a speed they could understand. It appears that some of the local caretaker providers are not training their staff to communicate with seniors, many of whom may be wearing hearing aids.

An 89 year old CSU-ERFA member, retired from Cal Poly, Pomona, had a stroke. He lost his ability to use the telephone and the Internet. His spouse, also a senior, did not use the internet and was accustomed to dialing a phone number and hearing a live person's voice instead of a recorded message. She tried calling both the Univita Minnesota office and CalPERS but was unsuccessful. She knew that she and her spouse had been enrolled in the LTC program from the beginning. She knew about the 30 day wait before the LTC coverage would begin, and she paid for three months of care for her husband before she called CSU-ERFA for help. CalPERS helped her make contact with the Univita third party administrator, but then she had to deal with a young man who spoke so fast that she could not understand him. He refused her request to speak slower so that she could understand him. After her third request, he hung-up the phone. Next, she had to deal with the local LTC caretaker supervisor who refused to keep her informed of her husband's condition and who attempted to intervene as her husband's legal representative. She had her spouse transferred to another LTC program.

LTC insured CSU-ERFA members might benefit by asking CalPERS about the training of Univita staff and the training that Univita requires of local LTC staff.

## ASCSU March Plenary

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16. The most crucial is the development of MOOCs and other on-line offerings. The future of face-to-face campus instruction, the role of the faculty, and the involvement of for-profit companies are at stake in this rapidly evolving area. I will monitor it closely and keep you informed.

## Health Benefits Report

(Continued from page 4)

officer for benefit programs, policy and planning, stated in her oral report to the CalPERS pension and health benefits committee at its February 2013 meeting:

"*I do acknowledge that the communications (with members) around this has been confusing to some of our members. It's a fine line that we try to balance between sharing of information that's not relevant to the vast majority of our members and sharing of information that is relevant to that small minority. We are working on clarifying that and providing updates to CVS and to our cost center so that it is clear what's going on with the withhold around IRMAA.*"

## CalPERS Rates Up 50%

CalPERS in April approved new actuarial policies to raise employer contributions by 50% in the short run but return the system to fiscal solvency over the next 30 years. The Sacramento Bee reported that the move was taken against the wishes of most of the public sector labor unions.

The actuaries at CalPERS proposed the policies to move CalPERS several retirement plans, now between 65 and 80 percent funded, to 100 percent. Present policies are inadequate to do this, and despite the gains in the investment portfolio, CalPERS reported that liabilities are

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# In Memoriam

**Fresno** – Jeanette Bryon, Bonnie Dutton

**Humboldt -** Stanley Baird, Ramakant G. Khazanie, John Orvel Sawyer, Frederick Thad Silver, Janet Spinas-Cunningham, Louise Watson, Roger H. Weiss, Frank B. Wood

**Los Angeles** – Jean Phyllis Lacour, Kenneth Phillips

**Northridge** – Luis F. Hernandez, William J. Rivers, Samuel R. Pinneau Robert Williams

**San Diego** – Dorothy W. Hewes

# Legislative Report

## Alan D. Wade, Legislative Committee Chair

**The Democratic party-dominated legislature is off to a slow start**, with no bills demanding CSU-ERFA's attention as yet. Our RPEA ("Retired Public Employees' Association") friends opposed and helped defeat a bill to amend PEPRA (last year's pension reform act) by adding two new gubernatorial appointees to the CalPERS board. CSU-ERFA opposed this last year and sees no reason to support it now.

**We need to take action to encourage the CalPERS board of administration to take more interest in retiree issues**. Hence, we are gearing up for endorsing and supporting Harvey Robinson in his campaign for seat B on the board. Candidates are currently filing, and campaigns will be picking up steam over the summer prior to the September election. CalPERS board elections are perhaps more important to our interests as retirees than most other elected positions—and CSU-ERFA has a good shot at helping elect a member who supports our retiree interests. Harvey Robinson is himself a retired CalPERS employee; he has taken a leave of absence from the presidency of RPEA to run for this key office. Be on the lookout for updates.

**I have been invited by RPEA to serve on their legislative action committee**. While I will not at present be the official liaison from CSU-ERFA to RPEA's legislative activities, both organizations can profit from a closer working relationship. RPEA hires a lobbying firm with a long-term presence in the Capitol and has a well-developed process for supporting and opposing bills. While not identical, our organizational and personal interests are closely identified with those of the RPEA.

The powerful forces opposing public employee benefits have been set back temporarily, but will not go away. As new attacks emerge, we will attempt to keep you informed.

CalPERS is currently attempting to achieve 100% financing of its pension funding obligations in the short term, which will require increased contributions from most public employers. Such increased expenses will certainly have an effect on California's state budget.

# Pre-/Post- Retirement: More Cost Management?

## By Tom Donahue, Chair, Pre and Post Retirement Committee

*Q. I see that CalPERS wants to gather bids from other HMOs in addition to its contract with Blue Shield next year. Do you expect more such cost-containment moves in the future?*

A. You may be referring to the April 17 article in the LA Times by Chad Terhune. Blue Shield, which this year has $96 million in administrative fees charged to CalPERS, will retain a contact for coverage for most of the state, together with Anthem Blue Cross. **Alternative coverage, however, will be added** through UnitedHealth Group for 21 counties in northern and southern California, plus HealthNet will cover six southern California counties, and for San Diego County, the contract will be with Sharp Health Plan. The article states that CalPERS apparently intends to renew its contract with Kaiser later this year.

Such cost-containment news is of strong interest, and it should bring to mind the strongly structured format within the Affordable Care Act as that legislation unfolds in 2014. Those wishing an overview of the impact of that legislation may Google "ACA Policy Implementation: A Snapshot of Key Developments and What Lies Ahead," by Katherine Hayes, et. al. **Provisions of the ACA over time will exert stronger pressures on current HMO providers**. Here are some examples:

1. **The ACA requires expanded coverage to continue**, that is, young adults must be provided for under their parents' plans, and there must be coverage of preventive benefits. In addition, as Hayes points out, there must be "guaranteed availability and renewability; [no] price discrimination based on age, gender or health status; and fairness in rate review." Further, there are "conditions under which employers . . . operate wellness programs without discriminating against employees on the basis of health status."

2. **The states, not the federal government, must establish health care exchanges** and "qualified health care programs," but their structure and content must be approved by the federal Department of Health and Human Services.

3. **The ACA encourages states to expand their Medicaid coverage** for individuals with incomes below 133 per cent of the poverty level, at first with 100 percent federal matching funds, but this money is phased down to 90 percent by 2020. In addition, in 2014 payments to hospitals for Medicaid patients will be reduced and re-configured, with more money going to those hospitals which treat the most Medicaid patients. Further, there is a new funding source but with a reduction phased in over time: hospitals treating new Medicaid beneficiaries will be supported with federal money in 2014, but those funds will also be phased down to 90 percent by 2020.

4. **There will be additional ACA demands as pressures increase for cost containment**, for long-term care hospitals and hospice providers. Specifically, there are requirements to "incentivize higher quality care coordination at lower cost (e.g. hospital penalties for excessive readmissions, bundled payments that hold providers jointly accountable for patient care, accountable care organizations, and medical homes)."

**The overall issue is this: the federal government, with its (shall we say) fluid and dynamic budget, has placed major responsibility for implementing the ACA, but with fading support,**

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# Notes from a Future Member: State Council Meets

## By Diana Guerin, Chair, Statewide Academic Senate

This is a welcoming and impressive group of retired and emeriti faculty, many of whom were involved in academic senates during their careers. The state council is the governing body of CSU-ERFA, meeting twice a year. This meeting was at Cal Poly Pomona, on Saturday, April 20. CSU-ERFA sent a letter to State Treasurer Bill Lockyer supporting his efforts as a member of the CalPERS Board to eliminate investments in gun manufacturers from the CalPERS portfolio. This action is being discussed beyond CalPERS.

Dr. Barbara Sinclair, CSU-ERFA President, with State Senator Carol Liu, who spoke after lunch about the issues facing California higher education. Photo: Judd Grenier.

The CSU-ERFA archivist reported that he is interested in expanding the CSU archive to include photos and other visual elements, in part motivated by the slide show Bill Blischke worked to prepare for the ASCSU 50th anniversary. Harold Goldwhite gave an excellent report on the ASCSU, and then yielded the floor to me. The points I covered included (1) theme of cheaper and faster CSU degrees (cutting GE and limiting units); (2) 50th anniversary celebration of ASCSU; (3) current legislative interest in online education; (4) learning about Chancellor White and what he means by shared leadership; (5) our faculty trustee nominees; (7) the outstanding faculty showcase on the CSU website; and (8) our faculty to faculty newsletter.

Carol Liu, chair of the California Senate education committee, spoke after lunch. Liu was a public school teacher for 20 years in social studies. She also chaired the Assembly higher education committee in the past. During her tenure in politics, she has seen horrendous cuts in the state budget. Prop. 30 doesn't really restore the cuts. At the end of Prop. 30 in six or seven years, we will be back to zero. She referred to the need to produce one million more college degree holders by 2025, cited in a PPIC study. Something dramatic needs to happen to change this. She talked about the governor’s putting education changes in budget bills instead of policy bills. She talked about the rising poverty rate in the state.

About higher education: Governor Brown has gotten us out of cutting. In the past, the governor, UC president, CSU chancellor made a deal and left the legislature out. She cited examples of a UC law school and medical school that went forward without approval. There is little planning in the state, and she doesn't see the public giving more (in taxes) unless the state can get its act together. CSU is getting back $125 million, which is a drop in the bucket compared with what we need. She views CSU as the worst off of the three segments because of the lack of funding comparable to Prop. 98 and with little access to the funding the UC has.

The following slate of officers was approved: President: Barbara Sinclair (Los Angeles); Vice President: William Blischke (Dominguez Hills); Secretary: Rita Jones (Long Beach); Treasurer: Harry Sharp (Cal Poly, San Luis Obispo).

Barry Pasternack shared results of a “Survey of Emeriti Interest in Volunteering Time to CSU Support Activities.” The top responses in terms of interest in 15 volunteer activities were “becoming a member of a Speaker's Bureau to be available to speak on a topic in your expertise” (26%); “providing advice to faculty members involved in the retention/ tenure/promotion process” (24%); “serving on community or state agencies” (23%); “serving as a tutor for students who may need help in your discipline” (18%); and “serving as a guest lecturer to assist faculty members who may be out of town” (18%).

Robert Maurer (Chico) was unanimously approved to be conferred with an honorary life membership to CSU-ERFA. This honor has only been accorded to 8 persons, so it is quite an accomplishment.

I enjoyed spending the day with my future colleagues!

# Pre- and Post-Retirement Report

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**upon the states and their relatively static budgets**. This means that HMO providers will be in a constant squeeze on the state level, and in recourse they will have little or no sympathy from the feds or the states in any likely circumstance.

Send questions and comments to Tom Donahue at donahue_thomas@ymail.com

## If Your Address Changes

CSU-ERFA members who move after retirement to a location that is closer to another CSU campus should contact the CSU-ERFA office.

Information will be provided about the CSU-ERFA campus affiliate at the nearby campus, and an invitation will be forwarded to participate in their activities.

Benefits for retired faculty, such as free parking, library access and admission to cultural events is reciprocal for most, but not all, CSU campuses.

Please notify the CSU-ERFA office if you change address. The address is on page 2 of *The Reporter*, bottom left.

**CALIFORNIA STATE UNIVERSITY EMERITUS AND RETIRED FACULTY ASSOCIATION**
**The Retirement Center**
**18111 Nordhoff Street**
**Northridge, CA 91330-8339**
**http://www.csuerfa.org**

Have you moved? If so, please report your new address to the CSU-ERFA office at the above address.

**Address Service Requested**

California State University
Emeritus & Retired Faculty Association



## CFA Report

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bills about various aspects of higher education.

AB 46 (PAN), the ex-officio trustees' bill, has passed the Assembly 52 votes to 24. This legislation allows ex-officio trustees (Governor, Lt. Governor, Speaker of the Assembly and State Superintendent of Public Education) to send designees to meetings of the trustees with the ability to vote. Also included in AB 46 is the non-voting student trustee who will have the right to vote in the absence of the voting student trustee.

AB 895, sponsored by CFA, would establish the California Postsecondary Online Education Task Force to evaluate various aspects of online education. SB 241 (Evans) would levy an oil severance tax to support higher education and state parks.

The Governor signed AB 1723 (Fuentes), a CFA cosponsored bill, making CSU Trustee's meetings and decisions "more transparent." Meetings can now be televised or webcast in real time.

## CSU-ERFA Calendar of Events

**August 22, 2013. The CSU-ERFA executive committee** will meet for its summer meeting on Thursday, August 22 in Torrance.

**Aug. 30, 2013 – Ballots mailed** directly to eligible retired members for the two member-at-large representatives on the CalPERS board of administration.

**Sept. 13, 2013 – Members not receiving a ballot** should contact CalPERS board election office at 800.794.2297.

**Sept. 27, 2013 – Voted ballots must be postmarked** or received by this date. Reverse side of the envelope must be signed.

**October 25, 2013 - Meeting of Northern California CSU-ERFA affiliate presidents**, at San Jose State University.

**Oct. 26, 2013 - Fall State Council Meeting,** San Jose State University.

**Nov. 8, 2013 – If a runoff election** is necessary for the two CalPERS board seats, voting period begins.

**Dec. 6, 2013 – Runoff election period ends.** Ballots must be received or postmarked by this date.

## CalPERS Rates

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continuing to grow faster than assets.

The new policy will also help to avoid large increases in employer contribution rates in extreme years. But in the short run, employer contributions will rise by nearly 50 percent as the plan is implemented. To mitigate the rate increases, CalPERS will delay implementation for all employers until FY 2015-16. The increase means that the state's payments will increase from $2.3 billion this year to more than $3.4 in 2019-20.