Summer 2010

Ventura County Community College District Retirees' Association

The Monitor

'Modest' benefit changes ahead

BY HARRY CULOTTA

Beginning July 1, 2010, VCCCD retirees who were administrators, supervisors, confidential, or classified employees will experience modest changes to their health benefits if Anthem Blue Cross is their insurance carrier. The changes are these:

- The per-person prescription deductible will increase from $50 to $100 per year,
- The per-prescription co-pay will change from $10 (generic) / $30 (brand) to $10 (generic formulary) / $30 (brand formulary) / $50 (non-formulary). What the change in co-pay amounts means is this: if your prescription drug is listed in the formulary, your co-pay is the same as before; if it is not listed, your co-pay is $50, or the cost of your prescription, whichever is less.
- Last, AIM radiology management (pre-approval) will apply to complex (expensive) radiology procedures, such as CT scans, MRIs, and PET scans.

The Anthem Blue Cross formulary is a list of prescription drugs that are considered safe and effective and are therefore "preferred" medications for purposes of benefit coverage. A list of medications and their generic equivalents can be found at *http://pd.web.anthem.com/wpf/forms/SG_GenRX.pdf*. Most Anthem Blue Cross employer groups have utilized the formulary for years; VCCCD will be doing so for the first time.

AIM radiology management is a system of pre-approval to assure medical necessity for undergoing complex (expensive) radiology procedures, including CT scans, MRIs, and PET scans.

If your doctor has ordered or approved one of these tests, that should satisfy the medical necessity. The benefit level for radiology services is unchanged.

(See BENEFITS, page 3)

President's report

Three goals met in 2009

BY HARRY CULOTTA

The annual meeting of the VCCCD Retirees' Association was held on March 3, 2010, from 3:00 top 5:00 p.m. at the Ventura County Office of Education Conference Center in Camarillo. Members and guests were greeted at the sign-in table by Socorro Enriquez, Louise Medley, and Bill Lockard. Each member received a copy of the new VCCCDRA Member Directory, courtesy of Don Medley, VCCCDRA Founder and Membership Chair.

President Harry Culotta welcomed attendees, introduced the Association officers, including René G. Rodriguez, Gary Morgan, Don Medley, Gary Johnson, and Vivian Lockard, and praised each for their service during the past year. He also introduced and thanked Bob Long for serving on the negotiating team and John Woolley for serving as the nominations chair.

(See REPORT, page 4)

Fresno retirees win benefits suit

[Editor's Note: The following summarizes an email sent by Bob Bezemek to Gary Johnson and others on March 8. Much is presented verbatim from the email.]

BY RENÉ G. RODRIGUEZ

After five years and five months, the Fresno Unified Retirees' Association (FURA) won its lawsuit against the Fresno Unified School District.

On March 5, Superior Court Judge Donald R. Franson, Jr., issued a decision granting the Petition for Writ of Mandate filed by the 3,500-member Fresno Unified Retirees' Association.

FURA's case against the Fresno Unified School District centered on the promise that the District would provide retirees with health benefits without charge (no premiums, fees, or assessments).

In 2006, the school district imposed premiums and fees on retirees, retroactive to 2005, in violation of this promise, according to the lawsuit. The district has collected nearly $5,000,000 from its retirees thus far.

FURA's initial filing filled three completely full "bankers' boxes," including declarations and testimony from about 55 witnesses, including former superintendents, chief negotiators, recruiters, risk managers, human resources personnel, union leaders and negotiators, and other employees. Attorney Robert "Bob" Bezemek estimates that at least 20,000 pages of evidence were submitted, including about 1,000 pages of nearly verbatim negotiation notes.

During court proceedings, the plaintiffs proved that employees accepted lower wages in exchange for these lifetime benefits, and offered proof that "district-paid" was understood by management and union negotiators to mean "fully paid," and "no charges" for premiums and fees.

During its closing argument, the Fresno district advanced several entirely new defenses, and FURA successfully refuted each.

The district argued, for example, that nothing prevented it from vindictively jacking up deductibles to $10,000 a year, or cutting health care services to the bone, if it could no longer charge retirees premiums.

Retirees countered that this case was not about deductibles, that any increase in deductibles has to be bargained, that an evisceration of a promise by increasing deductibles would also be illegal.

The Judge agreed.

Retirees also argued, successfully, that restricting benefit coverage would be like refusing to treat someone with a modern medical development and "bleeding them" to treat an infection.

The Judge ordered the district to reinstate that benefit, and make retirees whole, plus interest.

Retirees do not know if the District plans to appeal.

[Side note: The attorney representing FURA, Robert Bezemek, is the first attorney who represented our association against the college district. We retained Bezemek in April 2005, six months after FURA had retained him to represent them. Thus, during the time that Bezemek was helping us prepare a case against the VCCCD, he was already busy preparing a case against FUSD.

In the spring of 2007, Bezemek told us that aside from guiding us through negotiations with the district, the most his firm would be able to do at the time would be to help prepare the lawsuit against the district. He said that his firm would not be able to represent us in court because of another big lawsuit he was already working on — the Fresno case.

He suggested we approach a colleague that he knew well and whom he had worked with in court, Tom Sharpe, as the person to write the lawsuit for us and represent us in court.

When four of us met with Sharpe in Fresno in March 2007, Bezemek had already briefed Sharpe on our case.

Sharpe's understanding of the issues at our first meeting impressed us. In finalizing the representation agreement, we made sure that Sharpe would be with us for the duration and we asked him to write this understanding into our contract with him.

As you know, Sharpe is the attorney who wrote and filed the lawsuit on our behalf on Aug. 31, 2007, and who guided us through the subsequent negotiations with the district, which ended in our successful settlement agreement on January 8 of this year.]

VCCCD changes some benefits

(From page 1)

The benefit changes for 2010-11 were approved by the ASCC Health Benefits Committee, a district wide panel that includes Retirees' Association representation (Harry Culotta is the representative; Gary Johnson and René Rodriguez are alternates).

The changes were among 20 options studied by the committee in an effort to limit a 13.66 percent increase in the Anthem Blue Cross group premium rate. The Committee rejected proposals such as

- increasing the per-person annual out-of-pocket maximum from $1,500 to $3,000 or $5,000 for in-network services and from $3,000 to $6,000 or $10,000 for out-of-network services, and
- increasing hospital, skilled nursing, diagnostic/x-ray and other services' co-pays from 0 percent in-network and 30 percent out-of-network to 10 or 20 percent in-network and 40 or 50 percent out-of-network.

However, in the absence of more significant changes, Anthem Blue Cross's new premium will still be 10.89 percent higher.

In turn, this will cause the sum of all 2010-11 insurance premiums (medical, dental, vision, and life) to exceed the negotiated premium cap by $1,035 ($14,482 premium total less $13,447 cap).

How will this affect retirees? For 450 of the more than 600 living VCCCD retirees who are included in the lawsuit settlement (and possibly some others), this will have no affect, since the District cannot legally charge premiums.

No part of any premium payment is reimbursable under the settlement because those who may be affected are not part of the settlement.

However, all active ASCC employees and a small number of ASCC retirees will be required to pay monthly premiums in 2001-11 unless the premium cap is renegotiated to a level equivalent to premium totals.

Premiums for active ASCC employees will be processed by pre-tax payroll deductions through the District's Section 125 (cafeteria) plan with American Fidelity. It hasn't been determined how those few retired ASCC employees will pay, but it may be by some form of billing.

The ASCC Health Benefits Committee also, after considerable debate, selected a two-tiered rate structure under which individual employees will pay no premium while employees with a covered spouse, child, or children will pay approximately $121 per month (final amount to be determined).

In Memoriam

John Hurley
Arthur Newlee

Which retirees might be subject to monthly premiums? According to Patricia Parham, it would probably be ASCC retirees who are (or will be) receiving lifetime benefits whose initial date of employment began between July 24, 1990 or August 8, 1990 (depending on status) and June 30, 1994. The rate structure would be the same as that of active employees.

To the best of our knowledge, faculty retirees will be unaffected. Further information will be reported in future issues of the *Monitor*.

In the meantime, retirees who wish to see a current (2009-10) summary of Anthem Blue Cross benefits will find it online at *http://www.vcccd.edu/departments/human_resources/benefits/*

When this page is displayed, click either of the following links:

- Eligible Administrators/Supervisors/Confidential/Classified (ASCC) Employees and Retirees
- Eligible Faculty Members and Retirees

After clicking either of the above links, on the page that opens, click the link labeled Summary of Benefits.

That will open an Adobe .pdf file containing a five-page summary of the plan.

Anthem Blue Cross has not published a Prudent Buyer booklet since 2006 and may not in the future.

Therefore, the above website is the best source of benefits information.

VCCCDRA elects new exec members

New VCCCDRA Executive Committee members were elected during the annual meeting in March. The nominees were elected by acclamation.

Interim President Harry Culotta was elected to lead the organization and complete a full term as President.

Meanwhile, Gary B. Morgan, who has served as chair of the Political Committee since its inception in 2006, was elected Vice President and *Monitor* editor.

New faces on the Executive Committee are recent retirees Marie Soo Hoo, who was elected Secretary, and Patricia Gage, who will serve as the organization's Treasurer.

After his election, Morgan resigned as Political Committee chair. The following week, Culotta appointed Larry Manson — a committee member — to chair that body.

Rene Rodriguez remains on the Executive Committee as Immediate Past President. Likewise, Don Medley continues to chair the Membership Committee and Gary Johnson remains to head the Benefits Committee.

"This is an extraordinary group of people with a lot of enthusiasm," Culotta said. "I look forward to working with them."

Blum to seek 2nd board term

VCCCD Trustee Steve Blum will seek a second term in the seat he has held since 2006.

Blum represents Area I, which consists mainly of Ventura, on the board.

Blum was endorsed by the VCCCDRA in his initial campaign. He met regularly with Retirees' Association representatives during his first term.

Blum kicked off his 2010 campaign with a fund-raising event in early May.

"Being a member of the district Board of Trustees has been an enlightening and rewarding experience," Blum said. "These are difficult times for California education, and I look forward to facing the challenges that lie ahead."

Sixty percent of the board will be up for re-election this year.

Trustee Art Hernandez' seat (Area 5) and Trustee Cheryl Heitmann's seat (Area 2) will both be on the ballot. Neither incumbent has officially declared re-election candidacy.

Report: Goals for 2009 met

(From page 1)

According to Harry, the association accomplished three major tasks during 2009-10:

1. Finalizing the settlement (which affects 450 of the approximately 600 retirees);
2. Publishing a new directory (using an exclusively in-house operation for the first time); and
3. Cultivating positive trustee relations (especially with Steve Blum, Area I Trustee).

Harry also acknowledged the important work of the Association's three standing committees – Benefits, Membership, and Political – and encouraged members to volunteer service with them.

Vivian Lockard, Secretary-Treasurer, presented the minutes of March 25, 2009, annual meeting. She also presented the treasurer's report.

Don Medley gave a brief Membership Committee report, highlighting publication of the new directory and paying tribute to VCCCD retirees who have passed away.

Harry also gave a brief report from the ASCC Health Benefits Committee and noted that the district intends to conduct a correspondence-based verification of dependents later this year.

He also noted the possibility of changes to the benefits plan in the next fiscal year.

Further information from the annual meeting, including the treasurer's report, will appear in the Fall *Monitor*.

Membership Report by Don Medley

IF THE ADDRESS ON THIS MAIL IS HAND WRITTEN, IT MEANS IT WAS ADDRESSED BY THE DISTRICT, WHICH CANNOT SUPPLY US THE ADDRESS. IF YOU DO NOT SEND US YOUR ADDRESS WE WILL REMOVE YOU FROM OUR LABEL FILE AND YOU WILL RECEIVE NO MONITORS IN THE FUTURE.

WE NEED ADDRESSES! THERE ARE MANY NEW RETIREES!

WE NEED ADDRESSES/PHONE NUMBERS/EMAIL ADDRESSES FOR THE FOLLOWING PEOPLE. If you can help, call Don Medley at 805-482-8761 or email to don.medley@verizon.net. Thank you for your help.

Robert Anderson	Beverly Barker*	Margaret Boles	Elizabeth Bowker*	Donald Brockett*
Paul Conley	Christy Corbett	Margarita Corral	Aseneth Cota	Linda Courter
Patricia Earl	Sara Essa-Gallaway	Katherine Felter*	Ruby Filar*	Lucia Haro*
Juan Hernandez	Teri Hernandez	Erlinda Tuyor Ispahani*	Deborah Jacobson*	Achla Jindal
Norma Letinsky	David Magallanes	Deborah McDaniels	Michael McGann	Carolyn McKinney
Michael Muñoz	Norlene Neal*	Patricia Olsen*	Barbara Partee	Arthur Preston
John Roach*	Emile Robb	Mary Ruiz	Joe Sabedra	Zeke Simmons
E. Burns Taft	Larry Smithson	Mark Thomas Spragins	Nancy Stewart	Florencia Wallace
Mary A. Taylor-Parr	Joan Thompson	Neriman Urkmez	Dora Washington	Ernest Williams
Janice Wiley		**(* — Mail to addresses in directory has been returned)**		

Please correct your roster with the following changes:

Joan Beem	Francis Bianchino	Dan Brown	John Emrick
Eva Flores	Alfred Miller	Gary W. Morgan	Connie Nikirk
	John Wagner	Sherry Williams	

Email Address changes:

Patricia Gage	Merri Ann Harbert
Stella Matsuda	Doris MacTague
Irma Stewart	

Name Changes: Augie Castsbeda should be Augie Castañeda

Email Address changes needed: All these emails were returned as undeliverable.

Dave & Jean Abraham	Rita Beahan	Alberto Beron	Armando R. Castillo	Betty Coffey
Tom Everton	Hitoshi Kajihara	Marilyn (Jean) Kauffman	Clara Kimbrough	Virginia Lawler
Clara Lawson	Norman Mallory	Tom McDannold	Michael Meeks	Shelton Mehr
Johnna L. Morton	Mary Taylor-Parr	Beverly Pearson	James Peddie	Robert Reynolds
Tom Roe	Harry Rosemond	William Thieman	Eliza Thomas	Susan van Marian
	Susan Webster	**And anyone else who does not get emails from us.**		

The Monitor, Summer 2010

Coming Next Issue. . .

- How to get reimbursed
- A look at our website
- More annual meeting info

Look for us on the Web at

http://www.vcccdra.org

2010-2011 Executive Board

Harry Culotta, President
René G. Rodriguez, Past President
Gary B. Morgan, Vice President
Marie Soo Hoo, Secretary
Pat Gage, Treasurer
Gary Johnson, Benefits Committee Chair
Don Medley, Membership Committee Chair
Larry Manson, Political Committee Chair

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