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CalPERS Election Turnout Just 9.1% - Did Anyone Come to This Election?

CalPERS held a board election for two seats in September. Voters were mailed the ballots; they got a month to vote by phone, with a paper ballot, or via the Internet. Participation rates are always low in CalPERS elections, but this year seems to have hit bottom, with only 9.1% of the 1,397,141 eligible voters casting a ballot.

Four years ago in 2013, the last at-large board election resulted in almost 141,000 ballots. This year's total was 127,766.

For position A this year, David Miller beat Michael Flaherman with almost 64% of the 121,357 ballots cast. For position B, Michael Bilbrey, an incumbent, received about 41% of the ballots, followed by Margaret Brown at 35%. Since Bilbrey did not achieve 50%, the two will face each other in a runoff in November.

CSU-ERFA recommended Michael Flaherman, who had previously served on the board in the 1990s, in the position A election. We took no position on position B. Brown is running as a reformer; Bilbrey has the all-important union endorsements that traditionally have been important in CalPERS elections. His showing in the first round of voting was a poor one. Usually CalPERS elections that go to a second round of voting are ones where the state employee unions divide in their endorsements, which was

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State Council Approves CSU-ERFA Referendum - Admit Staff & Faculty?

By Harold Goldwhite, CSU-ERFA Executive Director

In the "From the President" column (page 2), President Bill Blischke describes many of the activities that took place at the State Council meeting of October 21. My report is supplemental to his and focuses on actions taken by the State Council.

The council approved submitting a constitutional amendment to the membership. The effect of this amendment is to make ALL CSU retirees, including staff retirees, eligible for membership in our association.

Constitutional amendments must be submitted to a vote of the entire membership within 90 days. They must also be accompanied by pro and con arguments.

CSU-ERFA plans to use an email ballot for this election. IF YOU CHOOSE NOT TO VOTE BY EMAIL, PLEASE INFORM OUR OFFICE AS SOON AS POSSIBLE SO THAT WE MAY SEND YOU A PAPER BALLOT (address is on the masthead on page 2).

The council approved a by-law amendment changing the membership of the executive committee by replacing the at-large members by the chairs of the following committees: grant awards; health benefits; legislative; membership; and pre- and post-retirement concerns. By-law amendments

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CSU-Emeritus and Retired Faculty Association
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From the President...

Dear Colleagues,

State Council Meeting. On Saturday, October 21, our semi-annual CSU-ERFA state council convened on the CSU Long Beach campus. The accommodations for the meeting in the Chartroom restaurant were excellent. The CSULB alumni organization provided each of the attendees with a gift bag. What a great gesture! The early-morning refreshments and the luncheon were also well received. Although we had a temporary problem with the electronic system for our PowerPoint, it was resolved quickly. Overall, I was pleased and commend those involved at our sister campus.

The PowerPoint presentation involved our keynote speaker, Ted Anagnoson, the editor of The CSU-EFA Reporter for the past 11 years, who spoke on “Understanding the Trump Administration.” As Ted emphasized, trying to understand #45 is a difficult daily challenge. I strongly recommend that you visit our website and review his thought-provoking analysis and share it with your colleagues.

In my president’s report at the state council meeting, I discussed four topics: the status of CSU-ERFA in the system, DACA “dreamer” advising, the CSU Million Shoe Campaign, and “politicization.”

• **CSU-ERFA Status** – As I noted in our last newsletter, our organization has been granted the “privilege” of being the first “official” speaker at the Board of Trustees public session. I have been granted 1.5 minutes at the meetings every other month to update the BOT, Chancellor’s staff, and the campus presidents on who we are and what we have been doing. I will continue to push for status equal to that of ASCSU, CSSA, and the CSU Alumni Council. At the last meeting, the latter group took FIFTEEN MINUTES to highlight the accomplishments of two of our distinguished alums.

Since most of us have been key contributors to our campus and the system for several decades (I have been at CSUDH for almost half a century), I think we deserve greater recognition. There are also some less direct but indicative ways in which CSU-ERFA is neglected or overlooked. Despite our experience and expertise we are seldom asked to serve on important system task forces. An even more subtle indicator of our status is that we are frequently not copied on important documents and communications. And given my assessment of our perceived organizational inferiority, I will continue to fight the battle on our behalf.

• **DACA “Dreamer” Advisors** – Each of our campuses has a center like the Toro Dreamers Success Center at Dominguez Hills. It is part of the Undocumented Student Ally Coalition (USAC). The purpose of these centers is to “increase the CSUDH community’s awareness of the unique needs of undocumented students.” Faculty, staff, students, and community members are encouraged to attend the training sessions to learn about the history, legislation, and experiences of undocumented students in higher education. Please consider getting trained and becoming a dreamer advisor.

• **The CSU Million Shoe Campaign** – Dominguez Hills piloted the program over a year and a half ago. My co-chair Barbara Sinclair’s Cal State LA campus followed shortly thereafter. The Pomona and San Diego campuses joined the campaign as well. This semester Long Beach and Sacramento have jumped on board. If your campus has not done so, Barbara and I are available to help you organize the shoe drive. This is an indirect way of fighting poverty by emptying your closet and helping the billion shoeless earthlings protect their feet. As I have emphasized from the beginning, it is also a way to enlist all constituent campus groups and community organizations in the project and get great PR for the campus and the CSU. I have been surprised and disappointed that a number of CSU’s have not participated. Maybe this is perceived as my pet project and not something that CSU-ERFA and our campus emeriti and retired faculty should spend their time on. You can be up front with me and tell me whether you think that is the case.

• **Politicization** – Having served on local school boards for twenty years, I learned all too well to be politically “astute,” i.e. vague and indirect. I am not a communist, socialist (though I was during my grad work at the infamous Berkeley campus),

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Legislative Report: From the Standpoint of Age 90....

By Alan Wade, CSU Sacramento, and Leni Cook, CSU Dominguez Hills

The first section of the report is from Alan Wade, who celebrated his 90th birthday in August:

Please, CSU-ERFA brothers and sisters, pardon your Legislative Committee chair a brief rant, before coming to some issues of deep concern to us.

I turned 90 on August 31. Since then, we have experienced four natural disasters closely related to the effects of global climate change, including the Nor-Cal fires, most recent of which (Santa Rosa) destroyed my own daughter's home, most everything she and her life partner owned, along with her entire beautiful Santa Rosa neighborhood. Meanwhile, we experience daily another kind of existential threat: a president who is not only profoundly ignorant, but malignantly narcissistic. We must depend on his White House nannies – a couple of able retired generals – to stop him from pursuing his baser instincts which, unchecked, could well lead to the destruction of life on earth. (Two generals, plus his secretary of state, who does not deny having called him a "+@%# moron.")

You know all this. It is with us every day. You also know that the center of American politics is crumbling, giving way to fierce pressures from the far left and even more strongly, from the far right. While Trump's over-all approval ratings are low, a steady 30% or so of the electorate seems to idolize his boorish incompetence and know-nothing approach to governing. Further, impeachment being unlikely, another seven years of it is possible.

What does my turning 90 have to do with this? Not much, except perhaps that I am more aware of how little I should pretend to know about where we go from here. Along with at least a few of you still left on the planet, I am acutely aware of the Great Depression and its influence on my life. I experienced the end of WWII in the Navy and through much good fortune managed to enjoy a long professional and academic career. I even experienced five years of the indignities and rewards of being a CSUS dean, 1967-1972. Further, I remain an unrepentant Roosevelt democrat.

So what can we do? Not much but watch, and wait, and of course vote in the 2018 mid-term elections with the purpose of changing the balance of power in Congress.

Meanwhile, because of our good fortune in being retirees of the state of California, there are some critical issues to which we can attend and maybe even influence by working with our allies in public retirement:

• **Janus v. AFSCME.** Janus vs. The American Federation of State, County, and Municipal Employees. The question is whether employees should have to pay their fair share of collective bargaining costs. The case is before the U.S. Supreme Court.

• **California Rule Threatened**. The question is whether a public employer in California can cut promised benefits to retirees. The case is before the California Supreme Court.

• **Public Pensions**. The continued assault on public pensions and public employment.

•**CalPERS as our friend**. Are they really? Hard to say.

• **Feinstein vs. Kevin deLeon et al.** Support her in the interests of stability or shift loyalties to the younger and more progressive emerging forces in the Democratic party?

The balance of the report is from Leni Cook:

We have been following many bills. The following all made it through the legislative process and have been signed by the governor:

• **AB 275 – Long Term Care, Notice of Lack of Care.** If a facility is going to change its license or operations in a way that would result in its inability to care for its patients, it needs to give 90 days' notice.

• **AB 940 – Long Term Care Facilities** – LTC facilities would have to notify the local ombudsman any time a resident is notified of a transfer or discharge.

• **SB 17 – Drug Price Increase Notice** – requires that public and private purchasers of health care and health care coverage get advance notice of price increases for prescription drugs.

• **SB 294 – Hospice and Palliative Car**e – a licensed hospice could provide curative care as well as palliative care to patients – even if they do not have 6 months to live. We are watching how this law is implemented; it could have major positive impacts on hospice care.

• **AB 519 – Senior Citizen Advocacy Fund** – would allow you to give extra money beyond your tax obligation to a state Senior Citizen Advocacy Fund – money could be used for programs of the California Senior Legislature.

• **AB 21 – Public Postsecondary Education – Access for Every Student** – requires the CCCs and the CSU and requests the UC establish policies to safeguard against immigration enforcement activities on campus.

LTC Lawsuit. Another issue is the long-term care lawsuit against CalPERS on the 85% premium increases. It appears that the earliest trial date is December of 2018, which would surely be pushed to the next year.

Required Arbitration if You Enter a LTC Facility. As of October 18, 2017, there has been no decision from CMS regarding the pre-dispute required arbitration agreement that long-term care patients have to sign to go into a long term care facility. The Trump administration proposed to withdraw the Obama rule last June. We and many others submitted comments in August/September.

Class Action Lawsuits Against University 403(b) Plans: Now Including the CSU

By John G. Kilgour, CSU East Bay

Many of us are participants in the CSU Section 403(b) plan. But, how much do we know about these plans and what is currently going on?

Section 403(b) was added to the Internal Revenue Code in 1958. However, its origins go back to the IRC of 1942 and its roots to the early years of the 20th Century. Sections 401(k), 457(b) and IRAs were not added to the Code until 1978 (effective 1981).

Section 403(b)(1) allows the purchase of tax sheltered annuities (TSA) from insurance companies. In 1974, Section 403(b)(7) was added. It allows the establishment of custodial accounts allowed to invest in registered mutual funds.

Section 403(b) plans may be sponsored by state and local governments and by 501(c)(3) charitable not-for-profit organizations. Governments and churches are exempt from the Employee Retirement Income Security Act (ERISA). Non-profit organizations are not. Thus we have ERISA and non-ERISA 403(b) plans.

ERISA plans must be compliant with the many requirements of ERISA including the annual filing of Form 5500. That is where we get most of our information and data on pension (and other benefit) plans. Since non-ERISA (public sector) 403(b) plans are not required to file Form 5500s, we know relatively little about them.

There are private-sector and public-sector universities. Section 403(b) plans sponsored by private-sector universities are covered by ERISA. They tend to be large and usually the employer's main or only retirement income vehicle. They typically have substantial employer matching contributions.

Most public-sector university 403(b) plans are voluntary supplementary retirement savings programs that augment a traditional defined-benefit pension plan (such as CalPERS). They are "noncontributory" (no employer contributions). That is, they are funded by employee "elective deferrals" only.

Until recently, non-ERISA 403(b) plans were a regulatory backwater. Under the Department of Labor's 1979 403(b) "safe harbor" regulations, if a plan was funded solely by employee elective deferrals and the employer exercised minimal administrative involvement, the plan would retain its non-ERISA status.

In 2007, the IRS issued new 403(b) regulations (effective 1/1/09). The regulations clarified that plan sponsors (employers) were fiduciaries responsible for administering the plans, including the selection and monitoring of investment choices. This presented a problem for sponsors of non-ERISA 403(b) plans that had been operating under the "non-involvement" principles of the DOL's "safe harbor" regulations. When a sponsor took an action required to comply with the IRS regulations, it invalidated its safe-harbor status and subjected the plan to ERISA's fiduciary duties and reporting requirements. Essentially, the rules for private-sector 401(k) plans (with their centralized administration and recordkeeping) had been foisted on 403(b) plans (with their non-centralized administration and multiple record keepers).

This presented class-action law firms with a huge opportunity. One of them, Schlicter, Bogard & Denton, had made tens of millions of dollars in contingency fees suing private-sector sponsors of 401(k) plans. It has now turned its attention to private-sector universities, filing lawsuits against 12 prominent universities (including many of our *almae matres*): Columbia, Cornell (yeah!), Duke, Emory, Johns Hopkins, MIT, NYU, Northwestern, UPenn, USC, Vanderbilt and Yale.

Since then, four additional ERISA-based lawsuits have been brought by other law firms.

All of these lawsuits were coordinated and allege breaches of fiduciary duties by allowing excessive fees for administrative and investment services, imprudent selection and monitoring of recordkeeping and offering a confusing array of investment options.

As of this writing, none of the private university cases have gone to trial. As of September 2017, several have been allowed to move forward on some, but not all, of the assertions. One has been dismissed: UPenn. The dismissal is being appealed.

The most recent development involves the CSU. The law firm of Keller Rohrback of Seattle (and Oakland) intends to bring a class-action suit against the fiduciaries of the CSU's 403(b) plan. It is currently seeking participants in the plan to join the suit. Even if the class-action status is approved and the plaintiffs, represented by Keller Rohrback, prevail, none of us is going to get rich from this. The recoveries for individual participants will be quite modest. As in most class action lawsuits, the potential big winner is the plaintiff's law firm, Keller Rohrback in this case.

Interestingly, the CSU 403(b) lawsuit is not under (federal) ERISA law. Rather it will be under the fiduciary duty requirements of California state law. If successful, it may open the floodgates of litigation against public sector universities and other governmental entities in California (and possibly elsewhere).

Class action lawsuits perform an important function in society. Often the potential recoveries of individual plaintiffs are too small to warrant an individual lawsuit. However, if a law firm can aggregate the claims of several thousand claimants in a class action suit, it can amount to millions of dollars in contingency fees and expenses for the firm. It may also result in the offending employer (or whatever) mending its ways.

In the case of the CSU 403(b) plan, the CSU has already made changes in response to the new rules. Effective April 1, 2016, Fidelity Investments is the only TSA allowed under the CSU 403(b) plan. No good deed goes unpunished.

There is a lot more to this story. Stay tuned.

Health Benefits: Pharmacy Benefits, Medicare Premiums, Health Benefits Complaint Process

By David Wagner, CSU Sacramento, CSU-ERFA Health Benefits Director

Pharmacy Benefit Manager. OptumRx became the CalPERS Pharmacy Benefit Manager (PBM) on January 1, 2017. There were early issues with the transition from CVS Caremark, the prior PBM. Among the problems were an inadequate number of trained customer service staff; a paucity of preferred pharmacies, particularly in rural areas; a three-tiered formulary that increased drug costs for 60,000 CalPERS members; and gaps in the process of preauthorization of prescriptions. The first two issues were identified early and are being addressed.

In early October several retiree associations, including CSU-ERFA, met with CalPERS administrators and, by teleconference, with OptumRx executives to chart a path forward on the remaining concerns. Among the items identified for action was a review of the current formulary to determine changes from the 2016 Caremark formulary. After this review the price of some drugs may be reduced. Particular issues with billing for diabetes supplies and testing equipment are to be addressed. A proposal to exempt some OptumRx members from the need for prior authorization for existing medication is under review.

Finally, it was suggested that OptumRx consider developing a cadre of customer service representatives with greater training on Medicare issues to assist members. For your reference, the OptumRx customer service number for Medicare issues is (855) 505-8106. The prior prescription authorization fax is (800) 527-0531.

An interim progress report on these and other ongoing problems will be presented to the CalPERS Board. I believe that CalPERs and OptumRx are committed to an ongoing program of quality improvement, and that our feedback is a valuable part of the process.

Health Benefits Complaint Process. If you have complaints about health benefits, it is important to contact CalPERS as well as the vendor you have problems with. This allows CalPERS to track developing issues to ascertain trends or discover gaps in process or procedure.

Dr. Sun, CalPERS' Chief of Clinical Programs and Appeals, notes: "If CalPERS members have difficulties with any aspect of their health benefits, they can call 888 CalPERS (888-225-7377). When a member telephones this number, her/his concerns are routed and tracked in a standard manner. Furthermore, in accordance with the Health Insurance Portability and Accountability Act (HIPAA), her/his Protected Health Information (PHI) is transmitted securely and only to CalPERS employees who have a 'need to know'."

November Notice of Medicare Premiums. The Social Security Administration (SSA) will notify you in November of a cost of living adjustment to your benefits. You will also be informed if your monthly deduction for Medicare Part B and D will change for 2018. The amount of the premium is based on your modified gross income adjustment from your 2016 income tax return. This will be explained in the multipage letter you receive.

You will also receive a November letter from CalPERS that you may qualify for an increased Medicare reimbursement from CalPERS based on the SSA's letter. Please follow the instructions in the CalPERS letter. Adjustment requests should be sent to the Medicare Administration office in the CalPERS Health Account Services section.

Scam Targets CalPERS Retirees

Retirees have notified CalPERS that they have received phone calls masquerading as calls from CalPERS informing them that they owe money to the pension fund.

To repay the supposed "debt," they need to send money through prepaid credit cards in order to continue to receive their pensions.

The scammers who have devised the calls are sophisticated enough to have the calls appear to be from CalPERS on caller ID.

CalPERS said in its warning that "CalPERS will never cold call you to ask that you pay funds over the phone and will never ask you to pay funds via prepaid credit or reloadable cards."

According to CalPERS, financial scams tend to target retirees of the pension fund a few times a year.

CSU-ERFA New Members

Channel Islands – Harley E. Baker

Chico – Sarah Blakeslee

East Bay – Armando Gonzales
Jean S. Simutis

Fullerton – John Gordon Paine
Bruce Wright

Humboldt – Susan E. Dobie
Rollin C. Richmond

Los Angeles – Maria K. Boss
Stanley Burstein
Steve Ladochy

Northridge - Mary T. Curren*

Pomona – Orland D. Mylander

Sacramento – Gerrell M. Drawhorn
Susan Holl*
Mary Reddick

San Bernardino – David L. Baker

San Francisco – Anthony D'Agostino

San Jose – Carolus Boekema
Curtis A. Jones
Shawn N. Ogimachi

* Denotes lifetime members

Average American's Risk of Needing Nursing Home Care is Higher Than Previously Estimated -- RAND Study

The average American's lifetime risk of using a nursing home is substantially greater than previous research has suggested, according to a new RAND Corporation study. Among persons age 57 to 61, 56 percent will stay in a nursing home at least one night during their lifetime, according findings published online by the journal *Proceedings of the National Academy of Sciences*.

Previous studies have generally corroborated the U.S. Department of Health and Human Services' estimate that only 35 percent of older Americans are likely to use a nursing home in their later years. Researchers were surprised by their findings and hope the study will help consumers to prepare thoughtfully for their health care needs in old age.

"It is important to provide individuals and families a reliable assessment of the likelihood of entering a nursing home in retirement," said Michael Hurd, lead author of the study and a senior principal researcher at RAND, a nonprofit research organization. "This information could help people make better decisions about how they or their loved ones will pay for the care they are likely to need."

A recent shift toward shorter stays may account for the higher estimate of nursing home use. The study found that nursing home stays of short duration (21 nights or fewer) rose from 28 percent in 1998 to nearly 34 percent in 2010.

Researchers analyzed 18 years of data drawn from the Health and Retirement Study, a longitudinal project of the National Institute on Aging and the Social Security Administration, and found that for most people, nursing home care will be relatively affordable, about $7,300 per person over a lifetime.

For younger seniors, only about one-third of Americans between the ages of 57 and 61 will spend any of their own money on nursing home care over their lifetimes, while 43 percent will be completely covered by private or public insurance.

The study found that most people will experience short stays in nursing facilities at a relatively affordable cost. But conditional on having a stay, the average nursing home stay was 272 nights. For 10 percent of the study group, the stay was much longer, more than 1,000 nights. Out-of-pocket spending was similarly skewed, with 5 percent of older Americans needing long stays costing $47,000 or more over their lifetime.

A recent shift toward shorter stays may account for the higher estimate of nursing home use. The study found that nursing home stays of short duration (21 nights or fewer) rose from 28 percent in 1998 to nearly 34 percent in 2010. Hurd said the increase may reflect efforts to control Medicare and Medicaid costs by more quickly discharging patients from hospitals to nursing homes, where rehabilitation costs are lower.

The graying of the U.S. population and growing numbers of Americans needing expensive, long-term care for dementia could cause the rate of nursing home use to keep rising and increase pressure on Medicaid to cover the costs. These trends should concern policymakers considering changes to government-subsidized health care, particularly Medicaid, Hurd said. "People think of Medicaid as being for the indigent, which is true at younger ages," he said. "But Medicaid is the most important payer for nursing homes, covering a greater proportion of costs than individuals and families pay out-of-pocket. At older ages, Medicaid is an insurance program that many of us may need to use."

The study does not offer any clear-cut answers about the value of purchasing long-term care insurance. "Long-term care insurance is only taken up by 11 percent or 12 percent of individuals in their early 60s," Hurd said. "It's not popular because of uncertainties over what the insurer will pay out, the coverage and the cost. I think people should be prepared to use the societally provided insurance, which is Medicaid. It's the best of a not-very-good situation."

Editor's note: Medicare covers short stays in long-term care facilities like nursing homes where actual nursing is needed, not solely long-term care. If only long-term care is needed, Medicaid (Medi-Cal in California) will cover the costs for many people after they exhaust their own resources. For those with long-term care insurance, the insurance will cover some or all costs once the deductible period of one to three months is met.

In Memoriam

Chico – Jean E. Wold
Elizabeth S. Wolfe

Dominguez Hills – Eugene N. Garcia

Fullerton – Oswaldo Arana
Jean A. Barrett
Hazel Hawkins-Russell

Long Beach – Robert C. Harman
Mildred S. Rodriguez

Los Angeles – Leonard Mathy

Northridge – Charles A. Bearchell
Ronald Schaffer

Pomona – Robert T. Bray
Eli Rubinstein

Sacramento – Talib Haq
Douglas A. Johnson

San Diego – Lawrence B. Hunter
John P. Witherspoon

San Jose – Milton L. Andersen
Adnan Daoud
Amnon Goldworth
Dmitri Thoro

Stanislaus – Joseph Edward Bruggman

Please note – mentions in the "In Memoriam" section are reported when CSU-ERFA is notified, not necessarily at the date of death.

Pre- and Post-Retirement Concerns: Medicaid / Medi-Cal and Future of Healthcare

By Tom Donahue, Chair, Pre- and Post-Retirement Concerns Committee

Q: We know that Medi-Cal is important for the health of our citizens, and for the state budget. Why does the majority party in Congress insist on cutting back Medicaid in their healthcare legislation?

A: If you look into the way present Medicaid services have come to serve unmet needs, you will see that for the poor and many middle class people, it has taken on the responsibilities of a good long-term care program.

For the thirty-two states (including the District of Columbia) that have accepted the Medicaid expansion, there are long-term services and supports, and community-based help in group homes or apartments as well. According to a Kaiser Family Foundation (KFF) analysis, there are specific forms of help for people with intellectual and developmental disabilities, physical disabilities, behavioral disabilities including dementia, spinal cord or traumatic brain injuries, and disabling chronic conditions.

At present, according to the KFF, 45% of all births are paid for by Medicaid, 39% of children are covered by Medicaid, 41% of adults with HIV are covered, and 62% of nursing home residents are supported also. In addition, Medicaid funds 25% of all mental health services and 20% of all substance abuse treatments. Home and community-based care includes home health care, skilled nursing care, a variety of therapies, dietary advice, personal care, caregiver training, and hospice care. Additional services include senior centers, adult daycare, home-delivered meals, personal care, transportation, home safety assessments, financial services, and legal services, among others.

Looking ahead, forecasts predict growing need for such support, taking into account both increases in the senior population and the increasing sophistication of medical treatment.

Naturally the size and reach of this program has become disagreeable to those who in axiomatic fashion dislike big government. And the current administration plays into the hands, hearts, and minds of those who think that if unmet needs are being served only by government, then those services must be retracted and cancelled, and the needs remain unmet. In part, this explains why those repeal and replace efforts through this year's Graham-Cassidy bill want to undo Medicaid.

But there is an unilluminated corner in government healthcare policies that warrants a penetrating gaze. In a *New York Times* article on September 23, 2017, journalists Kate Zernike, Reed Abelson, and Abby Goodnough present a perspective on this matter from the American South. In an effort to determine why some states—among 19 altogether—continually refused to accept federal support to expand Medicaid, they learned the following:

"Year after year we have fought to get our policy makers to take money from the feds," said Roy Mitchell, executive director of the Mississippi Health Advocacy Program. "I could just see another scenario like that with this bill [i.e., Graham-Cassidy]. These states that would see more money are just rife with ideologues who do not want to see this specific population get any kind of opportunity for affordable coverage. That's my stark reality."

There you have it. And Paul Krugman, writing in an op-ed piece in the New York Times on October 10, 2017, offers a similar explanation:

"If you want to understand why policies toward the poor are so different at the state level, why some states offer so much less support to troubled families with children, one predictor stands out: the African-American share of the population. The more blacks, the less compassion white voters feel."

But perhaps even more basically: on the federal level, and in the leadership of nineteen states, influential elected representatives believe that if you are poor, you deserve to be poor, and there must not be government help for your poverty.

If you have questions for this column, please send them to: donahue_thomas@ymail.com.

At the State Council meeting at CSU Long Beach on October 21, from left: President Bill Blischke; Pat Nicholson, CSU Northridge; and Bonnie Rader, CSU Long Beach. The meeting heard reports from the officers, approved President Blischke's committee appointments, approved submitting for a referendum vote a constitutional amendment to include staff in CSU-ERFA, approved a bylaws amendment to change the composition of the executive committee, and approved a resolution opposing EO 1100. For more information see the article on page 1 and the "From the President" report on page 2.

ASCSU Report: Strong Faculty Objections to EO 1100

By Barry Pasternack, CSU-ERFA Liaison to the ASCSU

The ASCSU met September 13-15 at the chancellor's office in Long Beach. The Chancellor's General Education Advisory Committee (GEAC), on which I also serve, met September 12th. The meetings of both GEAC and the ASCSU focused on the changes to Executive Order (EO) 1100.

--See https://www.calstate.edu/eo/EO-1100.html for the 2015 version.
--See https://www.calstate.edu/eo/EO-1100-rev-8-23-17.html for the 2017 version.
--For the new Executive Order 1110 proposed by the Chancellor's Office, see https://www.calstate.edu/eo/EO-1110.html.

Changes proposed for EO 1100 are sweeping and fall into eight areas.

1. A change in the general education requirements from a minimum of 48 units to now requiring exactly 48 units.

2. The elimination of remedial courses, as well as the EPT and ELM exams. Students will now be assessed using multiple measures.

3. If students are judged to be deficient in either English or math, they will be advised to take a "stretch course" that will include some material from the remedial course and for which the student will receive academic degree credit.

4. Clarifying that a grade of at least C- (formerly C) is necessary for students to pass courses in the "golden four" subjects: written communication in the English language, oral communication in the English language, critical thinking, and mathematics / quantitative reasoning.

5. In the B4 subarea, "Mathematics/Quantitative Reasoning," the language specifying that courses in this area need to have an intermediate algebra prerequisite has been removed. Eliminating this requirement expands the type and number of courses that satisfy this subarea. The EO also states explicitly that courses in computer science and personal finance may be used to satisfy this subarea.

6. In area D (Social Sciences) the following language was added "Students shall complete courses from at least two different disciplines, and one upper division Area D course is required. Campuses shall not exceed these unit requirements."

7. The EO specifies that 39 units are at the lower division level and 9 units at the upper division level. It then goes on to specify that three units of upper division coursework should be in each of areas B (Scientific Inquiry and Quantitative Reasoning), C (Arts and Humanities), and D (Social Sciences). As a result, area E (Lifelong Learning and Self-Development) must be taught at the lower division level.

8. The possibility that courses taught by campus ethnic studies programs will not qualify for general education.

GEAC. Discussion about the changes in EO 1100 occupied most of the GEAC meeting on Sept. 12th with most of the speakers expressing deep concern. Of principal importance was the curricular modification that would be necessary to comply with these changes. After much discussion, GEAC decided to have its chair, Kevin Baaske, send a letter to the chancellor asking for a one year delay in implementation.

ASCSU Committees. At the ASCSU committee meetings on Wednesday, September 13, EO 1100 occupied nearly all of the committees' time. The idea was for the committees to come up with possible resolutions regarding the executive orders. While there was much discussion at the Academic Preparation and Educational Programs committee that I sit on, we did not complete a resolution. I was reminded during these discussions of a comment made by a campus provost who described general education as the "third rail" of higher education.

ASCSU Plenary. The plenary meeting on September 14 and 15 began with a moment of silence to honor Len Mathy, the first chair of the ASCSU, who had recently died. We heard presentations from CSU-ERFA President Bill Blischke; CSSA liaison Ryan Brown; CFA liaison Steven Filling; CSU Executive Vice Chancellor of Academic and Student Affairs (EVC) Loren Blanchard; President of WASC Senior College and University Commission Mary Ellen Petrisko; and Assistant Vice Chancellor and Dean of Extended Education Sheila Thomas.

EVC Blanchard answered several questions about the EOs and defended the right of the CSU administration to make the changes. In response to a Senator's claim that the changes needed to be bargained with CFA and/or approved by the ASCSU, Dr. Blanchard sent ASCSU chair Miller an email indicating that from the CSU's perspective, neither CFA nor ASCSU approval was required.

After Dean Thomas's presentation, CSU-ERFA President Blischke and I had a brief meeting with Dean Thomas to begin a dialog as to how CSU-ERFA and extended education might better work together in areas such as providing faculty experts for extended education programs. We also asked Dean Thomas to discuss with campus extension deans the possibility of allowing CSU-ERFA members who belong to a campus Osher Lifelong Learning Institute (OLLI) to participate in programs at other OLLI chapters at low or no cost.

Three other resolutions passed at the Plenary. These were: "Support for AB 19 (2017) Community Colleges: California College Promises," "On the Development and Implementation of Executive Orders 1100 (Revised) and 1110," and "In Support of the Preservation and Extension of the Deferred Action for Childhood Arrivals (DACA) Program." The language of these resolutions can be found at: https://goo.gl/FMYxuj.

The resolution dealing with the executive orders called on the chancellor's office to delay implementation of the executive

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From the President

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or capitalist. All three ideologies have been used to create dictatorial, centralized, undemocratic regimes. As Ted pointed out in his presentation, the Trump Regime is strongly devoted to centralization, secretiveness and anti-democratic policies. Though labels often hide more than they reveal, I would call myself an avid decentralist (I don't know if I made that term up as a political label or absorbed it from my readings).

We have anti-democratic, monopoly capitalism in this country and centralized dictatorships in most of the countries of the world. The decentralization idea probably comes from my Cal experience and the "power to the people" posters. Our planet is being destroyed by the use of fossil fuels, meat consumption, greed, materialism, and the "culture of violence and sexism" (another expression I pretend to have invented).

As pessimistic as I have become about the effects of global climate change, I was enlightened and uplifted by a book by Paul Hawken titled, *Drawdown: The Most Comprehensive Plan Ever Proposed to Reverse Global Warming*. It includes the 100 most substantive solutions to reverse global warming and is based on research by leading scientists and policymakers from around the world.

I have come to believe and have tried to integrate into my life a variety of ways in which I can contribute to turning around the destruction of the earth for my two children and eight grand children. The latter will suffer from these changes much more than I. I try in my insignificant ways (using less electrical energy and fossil fuel, not buying stuff I don't need, etc.). However, as insignificant as my changes are, if a significant number of us do so, it can have a cumulatively significant impact.

There is no Planet B. Please join this "movement" and let me know how you and each of us can make a difference. If this doesn't "politicize" CSU-ERFA, I don't know what will. Please share your views with me, our members, and our thousands of readers.

Bill Blischke
President CSU-ERFA

CFA Report: New Faculty Agreement

By Leni Cook, CSU DH, CFA Liaison

New Tentative Agreement. CFA members voted in early November on the tentative agreement for a two-year extension of the current contract with general salary increases in 2018 and 2019 for all faculty on active pay status or on leave.

All benefits will be maintained with current contract language. This includes healthcare, pension, retiree healthcare, and even parking. They stay in place as they are, and employee contributions will not increase.

Additional provisions. Additional provisions include: CFA and CSU management agree to a form a joint working group to consider changes to the contract provisions on intellectual property and academic freedom (no changes will be made to the agreement unless the parties reach agreement on both issues); CFA and CSU management will also form a joint working group to review salary structure issues during the period of the contract extension; and CFA and CSU agree to issue a joint statement expressing our commitment to work together to secure the funding that our public university needs to fulfill its mission under the California Master Plan.

AB 21. On October 5, Governor Brown signed AB 21 into law. This CFA-sponsored bill protects undocumented students, faculty, and staff in the CSU and community colleges, providing access to financial aid, legal representation, and due process. CFA has encouraged all its members to take the DACA Safe Space training provided on their local campuses and contact their congressional representatives to urge passage of the Dreamers Act.

CFA 86th Assembly. At the 86th Assembly held at the Bonaventure Hotel October 27-29, delegates voted to amend the CFA bylaws to correct outdated language, protect CFA from liability and anti-union attacks, and add an explicit commitment to anti-racism, social justice, equity, and representation. This included a change in the membership of the health and retirement benefits committee, requiring the inclusion of retired CFA members. Up to three are to be recommended. Delegates passed one resolution against EO1100 and another concerning heightened tensions on the Korean Peninsula. They also elected members to various committees.

Discussion of the recent CalPERS board elections at the Friday afternoon meeting of the health benefits and retirement committee centered on the new voting method, which requires a pin / id. Since individual ballots could possibly be identified, there were concernes about the secret ballot system being impaired, and, as a possible consequence, a low turnout. Issues concerning the health care programs that use Optum Rx as their drug prescription provider were also discussed. A future CalPERS Board meeting will have this issue as a part of its agenda.

At the Friday board of directors meeting, it was announced that there will be an interim appointment of the retired CFA member on the board of directors, replacing George Diehr, until an election can be held by mail ballot.

Other events at the Assembly included presentations by guest speakers Melina Abdullah from Black Lives Matter LA and Kent Wong, Director of the UCLA Labor Center.

Up-to-date information concerning the contract extension and other actions can be found on the CFA web page, www.calfac.org.

Also, look for a direct connection to the new Radio Free CSU podcast at the "Issues" link, with transcripts available for those unable to access the podcast directly. At the "Library" link is the complete wording of the resolutions passed at the 86th Assembly.

ASCSU Report

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orders by one year and to work with the ASCSU in implementing the changes brought about by these orders. Following the ASCSU meeting, campus senates passed similar resolutions. The CSU administration, while not willing to delay the implementation of the executive orders by a year, did allow campuses through their provosts to request such a delay.

At the State Council meeting on October 21, 2017, at CSU Long Beach, from the left: CSU-ERFA Executive Director Harold Goldwhite, Treasurer Harry Sharp, Vice President Barry Pasternack, President Bill Blischke, and Secretary Rita Jones.

CalPERS Election Turnout Just 9.1%

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not the case this year.

CalPERS attempted to use a combination of corporate board of directors and public election voting procedures to boost the vote, allowing voting on paper, via the Internet, or over the phone. Clearly the techniques did not work and were criticized by outsiders as violating state law. The criticisms included allegations that the ballots were not secret, as the paper ballots had to be signed and had a bar code on them that individually identified each ballot.

In corporate board elections, there is typically an envelope that you sign on the outside that identifies the ballot inside as being valid, but the ballot itself, which is intended to be separated from the envelope after the voter's name and address are validated, has no identifying information on it. The California constitution states that "Voting shall be secret."

In voting on the phone or by the Internet, the ballots are not secret because the voter must be identified, in this case with a PIN, before the person can vote. That is why the California constitution expressly prohibits Internet voting.

CalPERS responded to the allegations about its procedures with a four page statement defending the board's procedures. To the complaint that the board's procedures did not follow state law, CalPERS responded that it doesn't follow state law because "Neither the California Constitution nor the PERL [Public Employees Retirement Law] requires CalPERS elections procedures [to] comply with California public elections law."

The California constitution, according to CalPERS, provides special protections for public retirement boards "limiting the extent to which the legislature may alter their method of selection." In particular, Prop. 162, approved in 1992, specifies that the legislature cannot change the number, terms, method of selection, or method of removal of retirement board members from what was in effect on July 1, 1991, without a majority vote of the voters of the entire state.

The Secretary of State, however, did at least acknowledge that there were problems in the way CalPERS conducted the election. The secretary, currently Alex Padilla, is required to certify the results of CalPERS elections. This year, seemingly for the first time, the certification was qualified, with the following statement inserted just before Secretary Padilla's signature: "The Secretary of State's certification does not constitute an endorsement of any voting system used."

State Council Report

(Continued from page 1)

become effective immediately upon approval by the state council.

The state council unanimously approved a resolution to agree with the Academic Senate of the CSU and many campus senates in opposing immediate implementation of the Chancellor's executive order EO 1100. See the ASCSU (Academic Senate of the CSU) column on page 8 for more information.

The council agreed with the statewide senate that EO 1100 impacts curricular areas that are the province of the faculty, but there was inadequate consultation on these matters. Areas impacted are the structure of the General Education program and the remediation programs (EPT and ELM) of the CSU.

Pictures of the council meeting are to the left on this page and on page 7.

Web Site of Interest

by Barry Pasternack

When I was young, our house did not have a television, and so radio shows were the primary means of home entertainment.I was recently sent an email from Bill Dickerson, an emeritus administrator at CSU Fullerton, giving a link to a website that provides some of the radio shows popular in the first half of the 20th century, https://goo.gl/B1bbho.

This website also has a number of other interesting links for games, viral and music videos, jokes, quotes, insults, photos, riddles, and electronic greeting cards and is, in my opinion, well worth exploring.

URLs in The Reporter Are "Shortened"

Most URLs, those links to web pages you see in *The CSU-ERFA Reporter*, are shortened so that they do not break at the end of the line, and they look like this one, to our own web site: https://goo.gl/GMxaNR

Should You Make IRA Contributions After 65?

Well, the first answer to this question is that you can't make IRA contributions at all unless you have earned income.

Typically retirees have unearned income, that is, income from Social Security, CalPERS and other retirement pension plans, and investment accounts. You have to have paid work income to invest in an IRA.

Three requirements: first, earned income, and spousal income is OK. If your spouse earned enough to make $5,000 contributions into IRAs for both of you, that is OK. According to Christine Benz, Morningstar's director of personal finance, job income and the net earnings from self-employment are OK. Income from Social Security, portfolio income, required minimum distributions, and rental income do not count.

A second requirement concerns age. You may not invest in a traditional IRA after age 70.5, but you may invest in a Roth IRA. The third requirement concerns income limitations. There are income limits for both traditional and Roth IRAs.

Then the question, according to Ms. Benz, is whether the investment is advisable. "Generally speaking, the longer the holding period, the greater the tax benefits of utilizing any time of tax-sheltered savings vehicle." If you intend to leave the money in a Roth account for decades or pass it on to your heirs, then there are advantages to saving the money in a Roth IRA. If not, the difference is minimal.

The High Cost of Caring for America's Costliest Patients

Dr. Dhruv Khullar's column in the New York Times on September 28, 2017 concerned "The High Price of Failing America's Costliest Patients." The costliest patients are indeed costly: just 1% of the patients account for 20% of the total costs in our health care system, although we must remember 1% is 3.2 million people. In addition, "five percent of the population accounts for nearly half the nation's health care spending." Five percent of the U.S. is 16 million people.

Who are these people? Dr. Khullar focuses on people with three or more chronic conditions with a functional limitation, some activity of daily living they cannot perform, "difficulty dressing, bathing, feeding themselves, walking, taking medications, or using transportation."

If you don't have any functional limitations, your costs are only modestly higher than other people. But with the functional limitations, the costs are four times the norm, more than $21,000 annually, and those people spend twice as much out of pocket and have much lower incomes. There are 12 million Americans who fit this category.

So how should we care for them? Dr. Khullar discusses one familiar problem, which is that in fee-for-service medicine providers are paid for each service, and there is little incentive to coordinate them, resulting in inefficiency. It's a very thoughtful article; if you google its title from above, you'll find it. Recommended.

Product of Interest

By Barry Pasternack, CSU-ERFA Vice President

I spend a good number of nights each year in hotel rooms. Navigating around these rooms in the middle of the night is not always easy, and one of my fears is falling over something and needing a hip replacement.

To help in my navigation, I have found a wonderful LED night light that can be purchased at Costco, the "Sunbeam Power Failure Night Light." This night light has a motion sensor that detects when you are moving, and it emits a blue light (newer models light up in different colors) that helps you see where you are going but will not wake up others in the room. The night light can also be used as a portable flashlight.

Costco offers a two pack of these night lights online (see https://goo.gl/GLkwxV) for 14.99, but I have seen three packs of these night lights in the store for under $20.

Amazon also sells three packs, but the price is close to $40. My one note of caution is that these night lights will not work in countries where the power is not 110 volts.

Sunbeam Power Failure Night Light

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

CSU-ERFA Calendar of Events

November 10 - December 11, 2017 -Runoff for CalPERS Position B between Michael Bilbrey and Margaret Brown.

January 20, 2018 - CSU-ERFA Executive Committee meets in Torrance, California, 10 a.m. to 3 p.m.

April 7, 2018 - CSU-ERFA State Council meets at CSU East Bay, 10 a.m. to 3 p.m.

October 31, 2018 - Applications for the CSU-ERFA Foundation Research Grant program are due.

Personal and Professional

Professor Emeritus of philosophy Stan V. McDaniel, who retired from the Sonoma State University in 1992, has recently published a new book in the field of philosophy of mind and consciousness. The title is *Are You or Are You Not?* The work discusses "the concept fielded by many scientists, especially neuroscientists, that humans are machines (mechanistic reductionism) governed by the brain, which is a computer. The gist of the book is to dispute the neuroscientists' claim," according to McDaniel. More information can be found at Prof. McDaniel's web site at https://goo.gl/ZFzJ5J, at amazon.com, or other booksellers.

Ted Anagnoson, Professor Emeritus of political science from CSULA, offered a five-hour lifelong learning course on "Public Policy Problems Arising from Arctic Warming, in October. Topics ranged from who owns the Arctic to shipping, cruise ships, Greenland, the melting of permafrost, and mining / oil development.

Financial Planning Annual Limits

My financial advisor sent a link to this two-page document, "2017 Annual Limits Relating to Financial Planning." It's from the College for Financial Planning (www.cffpinfo.com), which advertises that it is "Educating the Nation's Top Financial Advisors."

The document has the limits for 2017 for retirement plans of different types, social security, estate and gift tax limits, Medicare limits, Medicare premium rates, tax rate schedules, income tax exemptions, deductions and credits, and more.

Easy to download and print – recommended. You can get one at goo.gl/Bhfpfd.

Ted Anagnoson, Editor