

THE OUTLOOK

Newsletter of the Retiree Council 12

A NYSUT-NEA-AFT Affiliate

April 2012

From the President's Desk... *Jeanne W. Bennett*

Music is the international language, and during difficult times, music has expressed the feelings, actions, and thoughts of many. The union song, "Get Your Union Colours On" by Lita Gillies (2007) sums up the political challenges that many retired and in-service educators are facing today:



Things are changing, baby,
It's time to make a plan;
It's time to fight the good fight;
It's time to make a stand.
You say this won't effect you,
But you know it really will.
Future generations need protection still . . . So .
Get your union colours on,
Get your colours on,
Get your union colours on,
Get your colours on.

State Aid

The Governor's 2012-2013 Executive budget proposed an \$805 million restoration of the \$1.3 billion cut in state aid to education that our schools suffered last year. It is important to note that this money is a restoration, not an increase. Unfortunately, the Governor earmarked \$250 million (taken away from the \$805 million) for performance grants, which will benefit only a few selective districts. Last year, \$50 million was earmarked for competitive grants. No money was distributed; therefore, no school districts benefitted.

Pension Threats

The Governor's budget includes the creation of Tier VI. The pension threats keep reoccurring. We must continue to do battle. John Costello, of NYSUT's legislative department, noted that it's hard to repeal or remove something once it's passed.

NYSUT had to fight the Governor's proposal of an optional defined contribution/401(K)-style retirement accounts for all new hires – allowing new employees to choose either the new 401(K) system or a greatly reduced defined benefit retirement under Tier VI. A 401(K) is an investment plan; it's not a pension plan, and it is not an appropriate substitute for one. Although Tier VI is not an immediate threat to any current retirees, what will this do to our profession? As fewer people enter the NYSTRS or ERS, the more taxed our system gets as the 401(K) funds will not be in the funds of the TRS or ERS.

Thomas DiNapoli, New York State's comptroller, believes that many younger people, whose retirement is far into the future, will undermine their long-term security by making the decision not to contribute and thereby fail to properly plan for their retirement. 401(K) plans are more volatile than traditional pension plans. DiNapoli cited Boston College's Center for Retirement Research which calculated that 401(K) plans lost a collective \$1 trillion during the Great Recession. Many of us are fully aware of this as we experienced significant losses to our stock portfolios and 403(b) accounts.

According to Karl Corn of NYSUT, the 401(K) option will destabilize the current system and jeopardize the retirement for the next generation. If Tier VI as the Governor envisioned it became law, Wall Street would make billions of dollars in new management fees while workers could be left with insufficient funds for their retirements. *Business Week* released a survey that showed 60% of American workers have less than \$25,000 in their 401(K) accounts. Cuomo's proposal is very similar to what former President George Bush did when he tried to privatize Social Security.

Also of great concern is the fact that many newspapers are only reporting Empire Center statistics on pensions. As posted on March 9, 2010, by Rick Karlin of the Albany *Times Union*, the Empire Center calculated that the average benefit for a new NYSTRS retiree, 2011, with 35 years or more of service is \$82,241. Of course, this figure doesn't include those who worked only part-time or didn't spend their entire careers working in New York State. Neither does the calculation of this figure include those retirees receiving very low pensions because they retired a number of years ago.

On the other hand, the labor-backed Fiscal Policy Institute has its own report showing how Gov. Andrew Cuomo's Tier VI, as originally proposed, amounts to a nearly 40 percent cut in retirement benefits. A retiree's monthly payment would not necessarily drop by that much, but the longer period one must work to get a pension, combined with a less-generous multiplier (1.67 percent per year rather than 2 percent) amounts to a reduction. Originally, Tier VI called for raising the full retirement age from 62 to 65. This means that, on average, these retirees will collect fewer pension dollars. The Fiscal Policy Institute bases its figures on actuarial data while the Empire Center bases its calculations on a time-is-money approach which is similar to the net present value that business people use in deciding whether to invest in a given business or enterprise.

The **Tax Cap** was enacted last year, and this year, our school districts will bear its brunt. A 60% super majority is needed if a school district wishes to override the tax cap. Is it reasonable to ask our state senators and assemblymen/women if they want to be sure that they are reelected by a 60% majority? During the past three years, 30,000 teachers have lost their jobs. What will this do to class sizes? What will this do to programs and extracurricular activities? NYSUT's concern is that we are not at the bottom yet.

Vote!

Redistricting of New York State has been resolved. NYSUT members essentially make up 5% of any district. This is basically enough to swing any election. Be sure that you get out and vote!!!

At our recent contiguous ED meeting, John Costello posed several questions with which I would like to leave you. How many of you today would recommend that your son or daughter or grandchild go into the teaching profession? Would you have given the same answer five years ago? Ten years ago?

The Outlook

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Is Level Term Life Insurance right for you?

With the cost of consumer goods such as gasoline rising at an alarming rate, we're all trying to cut back on expenses any way that we can. Cooking at home instead of eating out? Smart (and healthier)!

Consolidating and paying off debt as quickly as possible? Great decision! "Saving" money by not purchasing life insurance? Not so good. Ask yourself this... would your family be protected if something were to happen to you?



If your answer is "no," you may want to consider purchasing the NYSUT Member Benefits Trust-endorsed Level Term Life Insurance Plan – a new insurance offering available to NYSUT members and their spouses/certified domestic partners.

This plan offers life insurance in force for either a 10-, 15- or 20-year period. Your individual premium is scheduled to remain the same during the term period; you cannot be singled out for a premium increase due to your age or a change in health status; and coverage will not decrease during the term period.

Your rate for Level Term Life is based on your age at the time that you are approved for coverage. Keep in mind that the insurance company reserves the right to change rates for all insureds only once in a 12-month period.

When the term ends, you have a few options. You can renew for another term with proof of insurability, during which your benefits will remain the same. Or, you may renew directly into the Member Benefits Trust-endorsed annual renewable Term Life Insurance Plan with no medical underwriting (depending on age). You can also convert to an individual permanent life policy at a higher cost.

For more information about this new program, please contact Marsh U.S. Consumer, a service of Seabury & Smith, Inc. – the plan administrator – toll-free at 888-386-9788. Feel free to also contact Member Benefits with any questions at 800-626-8101 or visit memberbenefits.nysut.org.

Need help getting your financial house in order?

It's spring time... and spring cleaning time! Take advantage of this opportunity to go through your home and get rid of those items that you no longer need. And, while you're getting your home in order, why not make sure your financial house is in order as well?

Do you have questions about how to properly invest your assets to build a college savings or retirement fund? Maybe you want to purchase or refinance a home, or simply pay off some debt?

These are important questions to ask of a professional you can trust who can put your mind at ease and help you avoid financial mistakes. The NYSUT Member Benefits Corporation-endorsed Financial Counseling Program – provided by Stacey Braun Associates, Inc. – offers unbiased, objective advice customized to specific financial situations such as the ones mentioned above.

For more details, please contact Member Benefits at 800-626-8101 or visit memberbenefits.nysut.org.

For information about programs or about contractual endorsement arrangements with providers of endorsed programs, please contact NYSUT Member Benefits. Agency fee payers to NYSUT are eligible to participate in NYSUT Member Benefits-endorsed programs.

Mar./Apr. '12

**MEMBER
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Patient Rights: When You're In the Hospital Ask if You've Been Admitted

The next time you go to the hospital and receive care, make sure to ask one important question: "**What is my status: Am I Admitted to the Hospital or am I under Observation?**" The answer to this question can mean a difference of thousands of dollars and who pays for future care – you or your insurance company.

A new trend has been for hospitals to care for patients who are not admitted, but are deemed to be in "observation status." The use of observation status may be increasing because of new Medicare plans to reduce reimbursement rates for hospitals with high readmission rates. **Patients in observation status, are not counted as "admissions."** Your care may be the same, but there is one important difference – and that's how Medicare pays the hospital. If you are admitted Medicare Part A will pay, but if not, Medicare Part B pays.

The distinction is an important one since observation status can lead to a denial of coverage for any subsequent discharge to a skilled nursing facility. A three day hospital stay is required for Medicare to cover any skilled nursing care, and that means you must be admitted to the hospital, not in observation status, for your nursing home care to be covered by Medicare. The Center for Medicare Advocacy recently filed a lawsuit against Medicare challenging the "observation status" that hospitals are using. The lawsuit charges that the observation status can lead to a denial of coverage when the patient needs skilled nursing care upon discharge. The Center for Medicare and Medicaid Services (CMS) reports that there has been a dramatic increase in the use of observation status by hospitals in the past few years. **Many Medicare beneficiaries are not aware of their status unless they inquire, so we urge all persons to ask if they are formally being admitted to the hospital.**

This information is taken from the website <http://www.nysenior.org>.

Take Me Out To The Ball Game!

RC 12 wants to take you to Yankee Stadium on June 27 for a 1 p.m. game against the Cleveland Indians. The price for the trip will be \$60.00 per person, and it includes Terrace Level seating in Section 306, transportation, and gratuities for the driver. These tickets usually cost \$48.00 each, and parking near Yankee Stadium can cost up to \$50.00 for your car. At this price, we expect this trip to sell out pretty quickly.

The bus will depart from the Johnstown McDonalds at 7:00 a.m., Amsterdam at the Thruway Park and Ride at 7:20, and in Schenectady at The Home Depot on Route 7 and Watts Street at 7:45. The bus will stop for dinner on the way home at the Sloatsburg Rest Area along on the NYS Thruway. The estimate for the return is 10:00 -11:00 PM. (See the Website for more detailed information)



If you have any questions, please contact: Bob Shults, 713 South Market Street, Johnstown, New York 12095 bobshults99@hotmail.com

Please reserve _____ seats on the **RC 12 Trip to Yankee Stadium** on June 27, 2012 at \$60.00 each. Please make your check payable to NYSUT RC 12, and send it to Bob Shults at the above listed address. There will be no refunds after May 1, 2012.

Name _____ Address _____

Home Phone _____ Cell Phone _____

Email Address _____

Confirmation via email _____ Confirmation via telephone _____

Pick-up Location _____ Johnstown _____ Amsterdam _____ Schenectady

Tentative Itinerary for RC 12 Trip to Newport, Rhode Island – October 14 -16, 2012

Come visit the city known as a summer playground for socialite families with names like Vanderbilt and Astor. Once a major 18th century port city, Newport now contains among the highest number of surviving colonial buildings of any city in the United States. Home to spectacular coastal scenery, awe-inspiring architecture, a thriving waterfront downtown, Newport is considered by many to be a shining gem in the coastal crown of New England. It is a very compact city, which is an ideal choice for a several day trip because you can see so much in a short time.

We'll be staying at the magnificent Newport Marriott Hotel which is located right on the waterfront. We'll be taking a harbor cruise, touring two of the most famous mansions in the city, eating at two very popular local restaurants, stopping at one of the most popular shopping outlets in New England, and finally, visiting one of the best small art museums in the nation. **The specific itinerary is available on the website.**

The trip will depart from Amsterdam at 7:30 a.m. and from the Wade Bus Terminal in Schenectady at 8:00 a.m. on Sunday, October 14 and will return 8:30-9:00 PM Tuesday, October 16. The cost of this trip will be approximately \$335.00 for a double room. For a single room, the price would be approximately \$485.00. This price covers the following items:



1. Bus Transportation
2. Two nights at the Newport Marriott Hotel.
3. Buffet breakfast at the Marriott on October 15
4. Admission to the two mansions in Newport
5. Bay Cruise
6. Admission to the winery/ wine tasting at the Newport Winery
7. Admission/tour of the Clark Museum in Williamstown, Massachusetts

To sign-up, you must send a check for \$150.00, made payable to NYSUT Retiree Council 12, and the reservation form at the bottom of this page to:

Mr. Donald Harris, 146 Fifth Avenue, Gloversville, N.Y. 12078
Phone 518-725-5413 or email at dharris5@nycap.rr.com

A second deposit of approximately \$185.00 will be due by May 15, 2012.

Please reserve _____ seats on the RC 12 Trip to Newport, Rhode Island @ \$335.00 each for a double room, or \$485.00 for a single room.

Name _____ Address _____

Phone Number _____ Cell Number _____

Email Address _____

Pick-Up Location _____ Amsterdam _____ Wade Terminal (**There will be no refunds after May 16, 2012**)

Save the Dates

May 8-10	Trip to Lancaster PA	June 14	General Meeting at Water's Edge Lighthouse, Scotia
April 26-28	NYSUT RA	June 27	Trip to Yankee Stadium
May 15	School Budget Votes	Sept. 27	Trip to Culinary Institute (CIA)
May 31	NYSUT RC 12 Regional Conference Glen Sanders Scotia	Oct. 10	Fall General Meeting at Otesaga
		Oct. 14-16	Trip to Newport, RI

**RC-12 Trip--Culinary Institute of America and the Vanderbilt Mansion
Thursday, September 27, 2012**

After a two year hiatus, RC-12 is planning a return trip to the C.I.A. (described as the Harvard of cooking schools) for a delicious three course luncheon in their **American Bounty Restaurant**. Men must wear a collared shirt, but a tie is not required. No sneakers or denim are allowed. This is a popular trip and usually sells out quickly. You can make your reservations now! (See the Website for more complete information)

Lunch will consist of the following courses:

- First Course:** Butternut Squash Soup – Crème Fraiche
- Main Course:** Lemon Rosemary Chicken, Shredded Potato Cake, Spinach, Crispy Carrots, Lemon Butter, and Chives
- Dessert:** White Chocolate Cheesecake with Raspberry Coulis, Berries, and Whipped Cream
- Beverages:** Coffee, Tea, or Iced Tea



We will be leaving Amsterdam at 7:00 AM and Wade at 7:30 AM. Before lunch, we will be taking a guided tour of the C.I.A.'s kitchens for a \$6 additional fee. People who do not wish to take this tour may opt out and have free time to explore the bookstore or grounds instead.

After lunch, our trip to the CIA will be coupled with our first visit to the Mansion of Frederick and Louis Vanderbilt built in 1895 and turned over to the National Park Service in 1940. From 1941 to 1943, President Roosevelt's Secret Service was housed in the basement and third-floor service areas, and some of the President's personal White House staff and friends occasionally stayed in the main bedrooms of the house. The Vanderbilt Mansion National Historic Site is one of America's premier examples of the country palaces built by wealthy industrialists during the Gilded Age, and *The New York Times* described the Vanderbilt's estate as "the finest place on the Hudson between

New York and Albany." We will return home between 6:30 and 7:00PM

Please make your **checks** out to **NYSUT RC-12** and **mail** them with the reservation form below to: **David Sammons, 141 Gray Road, Mayfield, NY 12117. Phone 518-661-5637** dsammons1@nycap.rr.com

Choice # 1: \$68 Bus ticket, CIA kitchen tour, CIA luncheon, and Vanderbilt Mansion Tour

Choice # 2: \$62 Bus ticket, CIA luncheon (no kitchen tour), and Vanderbilt Mansion Tour

Name(s) _____

Address: _____

Home Phone Number _____

Cell Phone Number: _____

E-mail Address: _____

We will board the bus at _____ Amsterdam OR _____ Wade's

Please reserve the following number of

Choice #1 @ \$68/person _____

Choice #2 @ \$62 /person _____

**** Please circle any** dietary adjustment you are requesting: Vegetarian, Lactose Free, Gluten Free, or describe any other specific allergies

NYSUT Member Action Center (NYSUT MAC) exists to make your voice heard and to build the movement around priorities that matter to all of us.

To become an e-Activist, go to **mac.nysut.org**

To specifically address the issue of pensions, go to **mac.nysut.org/defend-pensions**

Retiree Council 12 Contribution Form July 1, 2011 - June 30 2012

Name _____ County _____

Address _____ City _____ Year Retired _____

State _____ Zip _____ Phone _____ Email _____

Original Union Local _____ You may share my email with AFT _____

My Assemblyman _____ My NY State Senator _____ My US Representative _____

I would be willing to work for my fellow retirees in the area of: ___ Legislation ___ Social Committee ___ Newsletter

\$15.00 yearly contribution requested send to John Mazur, 176 West Bush Rd, Gloversville, NY 12078 518-773-7180

Make check payable to NYSUT Retiree Council 12