



Newsletter

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On Our Radar

>>> **SHBP Monitoring**

Most State Health Benefit Plan (SHBP) developments are discussed in meetings of the Board of Community Health (BCH) and reflected in the actions of the Department of Community Health (DCH). Because of BCH's role in setting policy for SHBP and other programs such as Medicaid/PeachCare and the importance of these discussions to State retirees, GSRA plans to continually monitor BCH meetings and DCH activities.

A GSRA representative attended the Thursday July 12, 2007 monthly meeting of the Board. The following items were presented to the Board:

Medicaid and PeachCare Program items

- DCH resumed enrollments in PeachCare on July 12th, but set an overall membership limit at 295,000 to assure sufficient funding for the program through September 30, the end of the federal fiscal year;
- DCH announced new Hospital Services Payment Rates, to be effective for hospital admissions on and after January 1, 2008;
- The DCH Public Information Account Manager discussed the new Customer Service Plans for the Department.

SHBP Options

The DCH General Counsel presented a change in the SHBP Rule regarding health insurance options to be offered for January 1, 2008. Since only 5,000 members are currently enrolled in the "Indemnity Option (previously named High Option)", the SHBP will not allow selection into the Indemnity Option in January 2008. Members who are currently enrolled in the Indemnity Option may choose to remain in this Option; however, if they choose a different option and want to re-enroll in the Indemnity Plan in a later enrollment period, they will not be allowed to do so.

Contract Awarded

On June 18, 2007, DCH awarded a contract for Pharmacy Benefits Management to SXC Health Solutions, Inc. Eight other companies that submitted proposals were not selected because of lower rankings or failure to meet a requirement. As Open Enrollment and Retiree Option Change Period approaches, DCH will provide additional information.

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Other News

DCH Commissioner Rhonda Medows announced in June the appointment of Nancy Goldstein as Director of the SHBP Division. Prior to joining DCH, Goldstein was the Director of National Accounts for Great-West HealthCare in Denver, Colorado. From 1998 - 2002 she served as AT&T Broadband's Director of Health & Welfare Benefits covering over 40,000 employees nationwide. She also has over 10 years of experience with (former) Prudential Healthcare in Atlanta.

>>> Retirement News

The Employees Retirement System of Georgia recently added the 2006 Annual Report to its website. If you are interested in reading the report, go to the ERS website at www.ersga.org, and click on *Forms and Publications* under the Quick Links heading on the right side of the home page. Then click on the drop-down box under Newsletters/Publications and select **2006 Annual Report** from the list.

Georgia Department of Revenue**>>> Net Revenue Collections**

Last month Governor Sonny Perdue announced that June 2007 Net Revenue Collections were \$1,681,040,000 compared to \$1,570,584,000 for June 2006, an increase of \$110,456,000, or 7.0 percent. Net Revenue Collections for the fiscal year ended June 30, 2007 were \$17,600,126,000 compared to \$16,366,132,000 for FY 2006, an increase for the year of \$1,233,994,000 or 7.5 percent. Below is a summary of that report, which is unaudited.

	June 2007 Collections	2007 Fiscal Year		
		Total Collections	Increase/ (Decrease)	Percent Change
Income Tax - Individual	\$ 790,880,000	\$ 8,799,418,000	\$ 758,794,000	9.44%
Net Sales and Use Tax - General	528,750,000	5,949,510,000	204,101,000	3.55%
Total Motor Fuel Taxes	74,154,000	961,838,000	160,501,000	20.03%
Income Tax - Corporate	203,856,000	1,017,185,000	154,317,000	17.88%
Tobacco, Alcohol, Estate, Property & Motor Vehicle Taxes	75,826,000	785,059,000	2,961,000	0.38%
Total Tax Revenues	\$ 1,673,466,000	\$ 17,513,010,000	\$ 1,280,674,000	7.89%
Other Fees and Sales	7,574,000	87,116,000	(46,680,000)	-34.89%
Total Taxes/Other Revenues	\$ 1,681,040,000	\$ 17,600,126,000	\$ 1,233,994,000	7.54%

We believe this is important information that you should know. We plan to provide in this newsletter a summary of the Net Revenue Collections each month. If you would like to see the complete report, go to the Georgia Department of Revenue website at www.dor.ga.gov, and at the top of the page click on *News* and then *Press Releases*. The press release will have a title such as *Governor Perdue Announces Revenue Figures*.

Education Corner

>>>Sleeping Tips

Did you think that all your problems would magically end with retirement? Do you find yourself too often going to bed and just tossing and turning all night? If so, you probably aren't getting enough sleep, which can make you crabby and hard to live with. There are many factors that may keep you awake. Unexpected challenges such as financial worries, relationship issues or an illness may be taking a toll against your quality of sleep. You may not be able to control or eliminate all of the factors that interfere with your sleep, but you can create an environment and adopt habits that encourage a more restful night.

The Mayo Clinic suggests trying the following for several weeks to see if they improve your sleep:

1. Go to bed and get up at about the same time every day, even on weekends. Sticking to a schedule reinforces your body's sleep-wake cycle and can help you fall asleep.
2. Don't eat or drink large amounts before bedtime. Eat a light dinner about 2 hours before sleeping. If you are prone to heartburn, avoid spicy or fatty foods which can flare and prevent a good night's sleep. Limit fluid intake in the evenings to reduce the frequency of nighttime trips to the bathroom.
3. Avoid Nicotine and Caffeine for eight hours before bedtime, as both are stimulants that can keep you awake. Smokers often experience withdrawal symptoms at night.
4. Exercise regularly. Aerobic exercise will help you fall asleep faster and sleep more deeply. However, do not exercise within two hours of your bedtime since it may make getting to sleep more difficult.
5. Make your bedroom cool, dark, quiet and comfortable. Adjust the lighting, temperature, humidity and noise level to your preference. Use blackout curtains, eye covers, earplugs, extra blankets, a fan, a humidifier or other device that suits your needs.
6. Sleep primarily at night. Daytime naps may steal from nighttime slumber. Limit naps to less than one hour and don't nap after 3:00 p.m.
7. Choose a comfortable mattress and pillow. A comfortable bed is subjective and will differ for each person. If you share a bed make sure there is enough room for two.
8. Start a relaxing bedtime routine. This may include a warm bath or shower, reading a book or listening to soothing music. Relaxing activities with dim lighting can ease the transition from wakefulness to sleep.
9. Go to bed when you are tired and turn out the lights. If you don't fall asleep within thirty minutes, get up and do something else. Don't agonize over not being able to fall asleep. The stress will only prevent sleep. Go back to bed when you're tired.
10. Use sleeping pills only as a last resort. Check with your doctor before taking medications to make sure the pills do not interact with other medications. If you take sleep medication try to reduce the dosage gradually when you want to quit. Never mix sleeping pills with alcohol.

If after two weeks you still can't sleep you may need to see a doctor. You could have a sleep disorder. If you need additional information about sleeping, the website for the Mayo Clinic is <http://www.mayoclinic.com>.

>>> Hiking and Camping Safety

Many retirees have found hiking and camping to be a great source of fun and pleasure. Besides the healthy exercise it provides, walking is a wonderful way to see, feel and learn about nature. Since unexpected things can happen while hiking and camping, however, the best way to help guarantee a good time is to plan ahead and follow these safety precautions from the American Red Cross:

1. If you have a medical condition, discuss your hiking and camping plans with your doctor.
2. Learn the skills you need for camping. You may need to know how to read a compass, erect a temporary shelter or give first aid.
3. If your hiking trip will be strenuous, then you must get into shape. If you are going to the mountains, make sure to acclimate yourself to high altitudes.
4. Always try to hike and camp with a group for companionship. This way, if someone is hurt, one member of the group can go for help and another member can stay with the injured party. If you are hiking in an unfamiliar area take someone along who knows the area.
5. Before your trip, make sure the area you are planning to visit allows visitors. Find out if a permit is required and learn about any regulations. Some areas may prohibit cooking fires, which must be considered when planning your meals.
6. Pack emergency signaling devices and know the location of the nearest ranger station and telephone.
7. Leave your itinerary with a responsible person.
8. Make a list of all of the equipment, supplies and skills that you will need. Consider what emergencies could arise. Some equipment and supplies you might need include:

Candles and waterproof matches	Cell phone
Extra clothing	First aid kit
Extra food/water	Flashlight
Hat	Insect repellent
Map and Compass	Nylon Filament Pocket knife
Pocket mirror to signal	Prescription glasses & medication
Radio and batteries	Plastic for shelter or warmth
Water purification tablets	Whistle

When you go hiking and camping you should allow for the possibility that you may be forced to spend a night outdoors unexpectedly. Hiking and camping are excellent pastimes for retirees, but please stay safe on these trips. Most of all, have fun!

Association News

>>> GSRA's First General Membership Meeting!

GSRA is planning a general membership meeting this fall, to be held in the Atlanta area during the latter part of October. The program will include sessions on recent retirement developments, on state health benefit plan issues, and on other areas of interest to retirees. In addition, several

more GSRA Board members will be elected at this meeting. Dates and locations should be finalized shortly and we plan to have that information available for the membership by the September newsletter. Keep this time period in mind and as soon as the date and location are announced, make your plans to attend.

>>> New GSRA Website Design

Our Association became active less than a year ago, devoting our major efforts to pension and health insurance coverage issues. From the start we knew the importance of a good website. The fact is, we were unable to devote the time necessary to make it function as we knew it should.

Recently the Board named Harvey Nation, Chuck Freedman and Steve Elmore as members of an ad hoc website committee to identify the functionality needed in our website to allow us to properly serve the Association. The committee has worked diligently to identify vendors that offer this desired functionality at a cost that the Association can support. The committee is presently in the process of evaluating vendors.

In addition, Jerry Newsom, Bobbie Jean Bennett, Harold Grindle, and Zelda White make up an ad hoc committee on website content. This group is working with the website committee to identify the content and format that will work best on the GSRA website. Suggestions have been made on ease of use, information to be provided, easily readable font sizes and pleasant colors, etc.

One of the exciting aspects of our new website is the ability to offer a "members only" section. In this section we will be able to provide exclusive information available only to our dues-paying members. Sections which we are considering for this exclusive area are Action Alerts, Association meeting minutes, explanations of legislative matters, a membership forum, and similar information.

Within the next several months the Association will begin converting to the new website. We hope you will find the new website design will make it easier to find information, contact the Association and other retirees, and stay up-to-date on matters important to you and our Association. If there is some feature that you would like to have included on the new website, please contact us at info@GeorgiaRetirees.org and pass along your suggestions.

News from Other States

New Jersey

We reported in the May 8, 2007 Newsletter about the crisis in New Jersey caused by their state pension plan's unfunded accrued liabilities. On the heels of that announcement comes word that the Garden State has a serious problem with providing the health care that the State has promised its current and future retirees. Total funding needed is estimated at \$58 billion in today's dollars.

We understand that retirees in New Jersey who have 25 years of service receive their health care with little or no co-payments or retiree premiums. That can be a huge cost to the state. In Georgia

retirees can continue our health care coverage at the same rates as current employees. There is a temptation now in New Jersey to eliminate or greatly reduce this benefit because of the high cost. While the cost of our State Health Benefit Plan is much less than New Jersey's, and is significantly different, the temptation to eliminate this earned and promised benefit can still be observed even here in Georgia. That is why there is a pressing need for providing a proper reserve for these health care promises when surplus funds are available. But there always seem to be other proposals for the use of surplus funds as we are sure you have read in recent headlines.

An article in the New York Times stated that New Jersey, which for many years had been setting aside money for retirees' health care, decided in 1994 to stop this practice and so eliminated the reserve fund they had created. Supposedly a big tax cut followed. Now it is terribly difficult for New Jersey's elected officials, who have become used to spending this money they once put into the reserves, to start setting it aside again. The thought process becomes, "If we can't afford to make the payments, then we should cut or eliminate the benefits." But that approach is not and should not be acceptable.

We will be keeping close tabs on these developments as they play out ---- and so should you.

Texas

Last month we reported on events in Texas. Shortly thereafter the Texas Attorney General Greg Abbott announced that eighty-two public pensions in Texas have unfunded liabilities totaling \$23 billion. Abbott listed the Austin Employees Retirement System among the 17 at highest risk, because it would take 40 years for that fund to pay off its unfunded liabilities — the gap between its assets and its obligation to retirees. The Austin employees fund has a \$395 million unfunded liability.

In the list the state's biggest public pension, the Teacher Retirement System of Texas, has a \$13 billion unfunded liability. That is just a little under the total assets of Georgia's Employees Retirement System.

Interestingly one of the highest-risk funds includes the Judicial Retirement System of Texas, with a reported unfunded liability of more than \$5 million for each active member.

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