

From the President Session Is Over!



Fern Foster

This past legislative session was particularly challenging. We faced the real possibility that the defined benefit retirement system in effect for decades would be replaced with a defined contribution plan for people hired on or after January 1, 2011.

RSEA and many others fought against this proposal. Fortunately, we were successful as the author, Representative Tucker, asked that the bill be deferred. Thanks to all of you for helping let our legislators know how important the defined benefit plan is to all of us.

Earlier this year the Board of Directors made a decision to increase dues by \$3 per year. This was a difficult decision for the Board but one we had to make in order to insure that RSEA could continue to meet its obligations to you. You have our commitment to do everything in our power to minimize costs and maximize the work we do for you.

On July 1, 2010, Frank Jobert, Jr. took over as the RSEA Executive Director. Frank replaces Allen Reynolds, who did a tremendous job serving in that position for the past year. Allen will continue his involvement in RSEA as a member of the Board of Directors. He brought to our organization his extensive proficiency in computer technology, including implementation of the new email alert system.

(Continued on Page 5.)

INSIDE THIS ISSUE . . .

■ Conference Agenda	P. 2
■ Conference Registration Form . . .	P. 3
■ Legislative Update	P. 4
■ RSEA Dues Increase	P. 4
■ LASERS Update.	P. 5
■ Office of Group Benefits Update.	P. 6

The New Louisiana Voice

Official Journal of the Retired State Employees Association of Louisiana

July - August - September 2010

Volume 18/Number 2

Frank Jobert, Jr. New Executive Director

Frank Jobert, Jr. has been appointed by the RSEA Board as Executive Director, effective July 1, 2010, replacing Allen Reynolds.



Frank Jobert, Jr.

Frank retired from the Bridge City Correctional Center for Youth in 2003 where he served as Assistant Warden. He has served as an active member of the RSEA Board of Directors since 2003. Frank has worked in many important roles – such as Second Vice President, Secretary/Treasurer, and committee member of numerous RSEA committees such as the Legislative Committee, Conference Planning Committee, and Budget and Audit Committee. He has also represented retirees well at important OGB meetings.

Frank has a strong passion for improving the lives of state retirees. We are proud to have him as Executive Director of RSEA and are confident he will be a tremendous asset and bring about growth and expansion of our organization. He is originally from New Orleans. Frank and his family moved to Slidell post Hurricane Katrina. He and his wife, Debbie, have a son, Ryan, and daughter, Megan.

Fun, Food, Friendship Is Focus of Fall Conference

The 2010 Fall Conference and Expo is scheduled for October 12- 14, 2010, at the Paragon Casino in Marksville. We hope all of you will join us there. Enjoy visiting with old friends and learning about topics of importance to you.

We will again be offering the AARP defensive driving course. This is a nationally recognized class that may save you money on your automobile insurance. We have also scheduled bingo and bridge sessions. Golf at the Tamaka Trails Course will be available to those who wish to participate.

Wednesday, October 13, begins with breakfast. Morning sessions include Humorist Clyde Webber and an estate planning presentation by Linda Melancon. Starting at 11 a.m., delegates will have the opportunity to visit products expo vendors, and shop at the Arts and Crafts Show. Holly Clegg, author of several well known cookbooks, is the luncheon keynote speaker.

Breakfast on Thursday is followed by a general session featuring a presentation on Cardiovascular Health by Dr. Lance LaMotte. Bruce Hamilton, motivational speaker, will close the conference with a session entitled “No Bad Day.”

A shuttlebus will be available throughout the day to transport Conference participants between the main hotel entrance and the Mari Center. Contact Paragon Casino if you wish to reserve a motorized wheelchair.

A complete conference agenda and registration form are on pages 2-3 in this issue. **Don't miss out--complete the form and mail it today!** The registration fee of \$40 includes all meals and social events. Separate fees are required for the AARP driver safety education course, and golf. See you in Marksville!

Retirees Make a Difference

CONFERENCE AGENDA

Tuesday, October 12, 2010

10:00 am – 6:00 pm **Registration**

12:00 pm **Golf Tournament**

12:30 pm – 4:30 pm **AARP Driver Safety Training**

Trainer: Barbara McManus

Great opportunity to take this nationally recognized class and save money on your auto insurance for up to 3 years-check with your agent for verification. Learn safe driving strategies, defensive driving techniques and practical information to reduce traffic violations and crashes. Cost is \$12 for AARP members and \$14 for Non-AARP members. NO TESTS! Pay by check/cash at the door. Contact Barbara McManus at 337-433-8910 for more information and to register.

5:30 pm **Bingo**

7:15 pm **Duplicate Bridge**

Wednesday, October 13, 2010

8:00 am – 5:00 pm **Registration**

8:00 am **Plated Breakfast – Mari Center**

9:00 am – 11:00 am **General Session – Paragon Ballroom**

Welcome - Fern Foster, President

Humorist - Clyde Ray Webber

Keynote Speaker - Linda Melancon

Estate Planning/Veterans' Income Program

11:00 am – 8:30 pm **Retiree Expo/Arts & Craft Show - Mari Center**

12:00 pm – 1:30 pm **Lunch with Vendors – Mari Center**

Guest Speaker – Holly Clegg

1:30 pm – 3:00 pm **Concurrent Sessions**

Good Grief (Arsenne Ballroom)

Presenter: Dianne Guillot

When death touches our lives we go through many different feelings. Learn that you are not "going crazy" with those feelings. Practical suggestions for coping for anyone who has had a death within the past two weeks or two years. You may get a laugh when you listen to a monologue ("Walter") where a conversation is carried on with a deceased husband.

Brain Aging and Alzheimer's Disease in Louisiana (Bellazaire Ballroom)

Presenter: Dr. Jeffrey Keller, Pennington Biomedical Research Center

100,000 people in LA have age-related dementia. One of the most common forms of dementia is Alzheimer's disease. Dr. Keller will outline differences between normal brain aging and dementia. He will discuss common questions, current research and clinical trials for Alzheimer's disease.

Health Care Reform & Your Retirement (Chiqui Ballroom)

Presenter: Gerrelida Davis, Bureau of Primary Care & Rural Health LA Dept. of Health & Hospitals

How does health care reform affect your prescription coverage, medical services, home and community based programs?

Affordable Travel (Tunica Room)

Tootie Bonacorso, Crown Travel, Inc.

Learn how to get the most from your travel dollars by joining travel clubs, less expensive travel dates, using hostels or other less expensive rooms. Using the internet vs. using a travel agent.

3:15 pm – 4:45 pm **Repeat Earlier Sessions**

Good Grief (Arsenne Ballroom)

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5:30 pm – 8:30 pm **Social with Vendors – Mari Center
Plated Dinner**

Thursday, October 14, 2010

8:30 am

Plated Breakfast – Paragon Ballroom

9:30 am – 10:00 am

Benefits Update

10:00 am – 11:00 am

Cardiovascular Health

Presenter: Dr. Lance LaMotte

11:00 am – 11:30 am

"No Bad Days"

Speaker: Bruce Hamilton

11:30 am

Door Prizes

Adjourn

1:00 pm – 5:00 pm **Repeat Tuesday Class**

(A minimum of 10 participants required)

AARP Driver Safety Training

Trainer: Barbara McManus

RETIRED STATE EMPLOYEES ASSOCIATION



2nd Annual Fall Conference & Expo

October 12-14, 2010 * Paragon Casino Resort * Marksville, LA

Room Rates \$70 (single/double occupancy) plus tax

Reservations Call: 1-800-642-7777 (Room Block RSEO12G)

PLEASE VISIT <http://www.rseala.org/> FOR UPDATES

Retirees Make a Difference

CONFERENCE REGISTRATION FORM

Name: _____ Birthdate*: _____

Retired From (Agency): _____ Year: _____

Guest Name: _____ Guest Birthdate*: _____

Address: _____

Email: _____ Telephone: _____

*If you are interested in receiving a players club card, please indicate your birthdate and a \$10 Cash Perk will be available at check-in (even if you received one last year).

- NOTE: Your name and address will be provided to the vendors who participate in the Expo. If you do not wish to have this information released, please check this box.

Registration should be received prior to **September 13, 2010**. There are no refunds after October 1, 2010.

Registration Fee (Please check appropriate box below):

- | | | |
|--------------------------|-----------------------------------|---|
| <input type="checkbox"/> | RSEA Member | \$40 |
| <input type="checkbox"/> | RSEA Guest (1) | \$40 |
| <input type="checkbox"/> | Non-Member | \$65 (Includes RSEA Membership) |
| <input type="checkbox"/> | Golf | \$50 Golfer's Name _____ |
| <input type="checkbox"/> | Shirt (Collared/No Pocket) | \$20 Shirt Size(s) _____ (Indicate M/W size) |

NOTE: AARP Driver Training Program fees are separate. Please contact Barbara McManus at (337) 433-8910 for details.

TOTAL AMOUNT DUE: _____

PAYMENT INFORMATION: Amount \$ _____

Method of Payment: Check # _____

Visa MasterCard Discover American Express

Cardholder Name: _____

Card Number: _____

Expiration Date: _____ Security Code: _____

Cardholder Zip Code: _____

Signature: _____

Return completed form with credit card or check (Payable to RSEA) to:

Patsy Austin, RSEA Conference Coordinator
P.O. Box 613, St. Amant, LA 70774-0613

Or

Fax: (225) 675-8205

Questions: Call (225) 675-6359 or (225) 806-2899

Hotel Information: www.paragoncasinoresort.com

Dues Increase Is Approved by Board

At the March 23, 2010, meeting, the RSEA Board approved an increase in annual dues from the current \$15 to \$18 per year.

The dues increase will become effective for the 2011 membership year. **The last increase was in 1998**, when dues were increased from \$12 to \$15 per year.

The change became necessary to address continuing increases in the cost of operations.

In the past several years, expenses for items such as postage, printing, utilities, and rent have increased substantially. During that same period, income has remained about the same.

The Board initiated numerous actions to reduce costs. This past year alone, the Board decided to publish only three newsletters, saving about \$10,000.

While actions like this might be effective in reducing costs, they also make the Association less effective in its mission to keep you informed. In the end, the Board felt that the dues increase was the best way to meet its obligations to you.

If you are on EZ Pay, your monthly deduction will increase from \$1.25 to \$1.50 per month. You do not need to take any action if you want to continue your membership. For those of you who pay annually, your dues will be \$18.

The Board will continue to do all in its power to keep costs down. We hope you will understand the need to increase the dues and continue to support RSEA.

Contact RSEA by Email Any Time

- ◆ rsealouisiana@att.net—Executive Director Frank Jobert, Jr.
- ◆ laretiree@att.net—Office Manager Paula Clark.

2010 Legislative Summary

Our major concern during the 2010 session was retaining the defined benefit retirement program for current and future retirees. **House Bills 930 and 931 by Representative Tucker** would have replaced that system with a defined contribution system for persons hired on or after January 1, 2011.

With your help and that of many others, Representative Tucker decided to defer action on the bills. This was a very positive development for all retirees. We appreciate all your efforts to convince members of the legislature to oppose these bills.

Senate Bill 632 by Senator Gautreaux proposed to establish a system for regular benefit increases. Under the bill active employees would have paid an additional 2% into the system to fund the increases. The earliest increase for current retirees would have come in 2017.

Following some discussion during the Senate Retirement Committee hearing on the bill, Senator Gautreaux decided to defer the bill and to introduce a resolution to continue to study ways to provide for reliable benefit increases. RSEA will play an active role in those discussions.

Some other bills of interest were as follows:

HB 1337 by Representative Robideaux changes the benefit structure and employee contributions rates for members hired on or after January 1, 2011. RSEA supported this legislation. The bill passed and became Act 992.

HB 1229 by Representative Tucker would have consolidated investments for LASERS, Teachers, School Employees and Teachers systems. RSEA opposed this legislation. The bill failed to pass.

HB 392 by Representative Hardy would have required the suspension of benefits for reemployed retirees and prohibited the accrual of additional benefits. RSEA opposed this legislation. The bill failed to pass.

SB 13 by Senator Butch Gautreaux allows for garnishment of benefits of elected officials who have been convicted of a felony associated with their service. RSEA supported this legislation. The bill passed and became Act 634.

SB 602 by Senator Butch Gautreaux would have phased out the DROP program for active employees. RSEA opposed this legislation. The bill failed to pass.

HCR 224 by Rep. Hoffman and SCR 6 by Sen. Butch Gautreaux were adopted. Both requested that the U. S. Congress eliminate or reduce the Social Security reductions known as the Windfall Elimination Provision and the Government Pension Offset.

Our new email alert system helped keep subscribers informed during the session. If you are not already a subscriber, please consider becoming one. The system is a great way to keep up with legislation and other retirement related issues.

Visit the RSEA website, www.rseala.org, for the latest information about topics of interest to RSEA members.

Louisiana State Employees' Retirement System (LASERS) Update

LASERS Educational Campaign

An educational campaign was underway in Baton Rouge this past legislative session. The goal: to educate a wide spectrum of legislators about the advantages of a defined benefit (DB) plan over a defined contribution (DC) plan as a pivotal source for retirement income. Among the key points we at LASERS wanted lawmakers to remember is that a DB plan uses employee contributions and investment earnings to cover the bulk of its costs. According to the American Federation of State, County, and Municipal Employees (AFSCME), government contributions account for only 26 percent of the total costs of DB plans.

Further savings to taxpayers are offered when you consider the reality shown in many studies; those retirees who rely solely or primarily on DC plans are more likely to live out their benefit payments, and be forced to rely on some form of government assistance. In fact, in testimony during the 2010 session, legislative staff actuary Paul Richmond told members of the House Committee on Retirement that the proposed shift of state employees into a new DC plan would make employees responsible "for the investment of their retirement funds" so that in the end, "we may see people running out of money before they run out of life." The LASERS Board of Trustees voted to strongly oppose the change.

With the state continuing to struggle with various financial issues, we need to remember that all perceived cost cutting measures will continue to be on the table. We believe a move to scale down or eliminate our DB plan would not offer any long term savings, and could result in an additional burden on the state.

LASERS will continue to keep you informed through the *LASERS Beam*, and our website at www.lasersonline.org, including our blog, *the Daily Beam*.

Law Creates License Plate for Retired State Employees

The 2010 Legislature approved a bill, becoming effective August 15, 2010, that creates a special license plate for state retirees. Governor Bobby Jindal signed into law HB 96 by Thibodaux Representative Dee Richard.

A minimum of 1,000 retirees must apply for the plate, costing \$25 each. The Office of Motor Vehicles is taking requests for the plate.

From the President

(Continued from Page 1.)

Frank has been involved with RSEA as a member of the Board since 2003. We are delighted to have him and know that he will do an outstanding job for the Association.

The 2010 Annual Conference and Expo is scheduled for October 12 – 14, 2010, at the Paragon Casino in Marksville. We had a great time last year and hope you will join us at this year's conference. More details on the conference are on pages 2 (Agenda) and 3 (Registration Form) in this newsletter.

RSEA's new email alert system was used extensively during the legislative session to keep subscribers informed about events at the Capitol. If you aren't a subscriber, please consider joining. It's easy and it's free. Simply click the email signup button on our website (www.rseala.org) to register, and enter the information requested.

WEP/GPO Exceptions

The Social Security Administration (SSA) has responded that DROP is not a separate retirement plan for seven of Louisiana's public retirement systems, including LASERS. Linda Yelverton of the Louisiana Department of the Treasury received the statement below from Shawn Hill of the Social Security Administration:

"SSA's Office of General Counsel (OGC) recently rendered opinions stating that DROP/Back DROP accounts for the seven Louisiana public retirement systems below should be treated as an overall part of that particular retirement system and not as a separate retirement plan. Therefore, members of these seven Louisiana public retirement systems who are exempt from WEP based on Act 154, are also considered WEP exempted from DROP.

The seven systems are: Louisiana State Employees Retirement System (LASERS); Louisiana State Police Pension and Retirement System (LSPRS); Louisiana School Employees' Retirement System (LSERS); Teachers' Retirement System of Louisiana (TRSLA); Municipal Employees' Retirement System of Louisiana (MERS); Louisiana Sheriffs' Pension and Relief Fund (LSPRF); and Parochial Employees' Retirement System of Louisiana (PERS).

Shawn Hill continued, "We will discuss with our OGC, the possibility of submitting an opinion for the remaining public retirement systems. I look forward to your response. Let me know if you have any questions."

Stated RSEA Executive Director Frank Jobert, Jr., "This is great news for LASERS members who were eligible under Act 154 and retired or will retire from LASERS or one of the other six systems listed above."

The New Louisiana Voice
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Office of Group Benefits Update

Prescription Benefit Changes Were Effective July 1

Effective July 1, 2010, the prescription drug benefit for health plans administered by the Office of Group Benefits pays only the cost of the generic version of any prescription drug for which a generic approved by the U. S. Food and Drug Administration (FDA) is available.

Generic drugs are less expensive versions of brand-name drugs that are available in both over-the-counter and prescription form. To achieve FDA approval, generic drugs must have the same active ingredients, strength, dosage form, and route of administration as the original brand-name drug.

Additional Costs Incurred by Plan Member

An OGB plan member who chooses to buy a brand-name prescription for which an FDA approved generic is available now pays the difference in cost between the brand-name drug and the FDA-approved generic version, plus the 50 percent co-insurance amount for the brand-name medication, up to a maximum of \$50 per 30-day fill. That cost difference does not apply to the \$1,200 maximum out-of-pocket cost for the plan year.

After the \$1,200 out-of-pocket maximum (per person per plan year) is met, the coinsurance maximum decreases to \$15 for brand-name drugs for which no FDA approved version is available and \$0 for generics. However, the plan member still pays the cost difference between the brand drug and the approved generic and the cost difference still does not apply to the out-of-pocket maximum.

Prior Approval Is Necessary

If it is medically necessary for the plan member to receive a brand-name drug, his or her doctor must contact Catalyst Rx (the company that administers prescription drug benefits for OGB health plans), **before** the plan member fills the prescription to request approval for an exception.

It is important to do this well in advance of the next refill date to allow sufficient time for Catalyst Rx to review the request and respond. They review each request on a case-by-case basis and notify the plan member in writing of the decision.

For more information, call OGB Customer Service, 1-800-272-8451, or go to the agency website, <http://www.groupbenefits.org>.

Retired State Employees Association of Louisiana The New Louisiana Voice

is the official RSEA publication. The mission of the Association is to advance the quality of life of retired state employees who have given generously of their talents to the State of Louisiana. The name and distinctive logo of the publication are registered with the Louisiana Secretary of State. Permission is hereby granted for the use of any materials within these pages, provided proper acknowledgment is made.

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