



RPENM News

Summer 2017

Board of Directors

Officers

Joel Pafford - Ratón
President

Joseph Luna - Estancia
First Vice-President

Patricia French - Albuquerque
Second Vice-President

Stephanie Goodrich - Albuquerque
Secretary

Isabel Clendenin - Albuquerque
Treasurer

Board Members

Charles Miller - Ratón

Carl Baldwin - Santa Fe

Wayne Lucero - Estancia

Oliver Tapia - Albuquerque

Susan Biernacki - Albuquerque

Loretta Naranjo-Lopez - Albuquerque

PERA Board Representative

Daniel J. Mayfield - Albuquerque
PERA Board Representative

Doug Crandall - Scottsdale, Az
RHCA Representative

Executive Director

Gerald L. Chávez - Mountainair
RPENM

Albuquerque Office

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(505) 280-8459

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Albuquerque, NM 87154

rpenm@rpenm.org

President's Report

By Joel W. Pafford, President

At the Spring Annual Meeting held in Santa Fe, NM on May 7, 2017, I was very honored to be elected as your president to the RPENM Board of Directors. I feel very privileged to be serving with this board, a group of hard working and committed individuals. The board, at this time, is made up of retirees who volunteer and dedicate their time, working to protect your pensions and benefits.

The board employs an Executive Director (ED) who handles the day to day business of RPENM. The ED, also, keeps the board apprised of any progress and/or problems that may arise concerning your pensions and benefits. This board is fortunate to have Gerald Chavez as our ED. Gerald does a fantastic job for the board and for you, the retired public employees of New Mexico. The board also employs a part time clerical person to help out with paperwork, documentation, and to manage the retiree data base. Kendra Chavez handles our clerical work and does an invaluable job. The board would like to extend our thanks and appreciation to these hard-working individuals who are working tireless on your behalf.

You, the RPENM members, have a contract with two lobbyists to keep the board and the RPENM membership informed of any concerns that might arise in the Legislature. They work on your behalf not only during the Legislative sessions, but throughout the year. I want to let you know how fortunate we are to have Richard Romero and Sue Griffith working for us. Richard and Sue are always on top of anything that might affect your retirement.

On a final note, I would like to thank Daniel Mayfield, past president of RPENM, for doing an outstanding job for the last two years. Dan is now the Chairman of the PERA board and is in a good position to continue to help retirees.

As you can see, RPENM is working hard to protect your pensions and benefits. Help us continue to work for you by becoming a member of RPENM. If you are already a member, encourage other retirees to join us in this most important task. When going before the Legislature, membership numbers have an impact, and large membership numbers have greater impact.



A Note from Senator Liz Stefanics

Greetings to my fellow retirees in the state retirement system.

I am privileged to serve as the state senator for district 39, which includes parts of San Miguel, Santa Fe, Bernalillo, Torrance, Valencia, and Lincoln counties. I am a state retiree under PERA and ERB.

I recently met with Gerald at a town hall meeting and mentioned that I have a voting seat on the Investments and Pensions Interim Committee. It will be very important for members to watch the work of this committee and its final recommendations.

While the goal of the Investments and Pensions Interim Committee is to ensure sound investments and returns, we need to ensure that the return on investments is worth the work of the contract brokers. The committee also scrutinizes long term viability and actuarial soundness. While I am not a banking expert, I did take my turn under Governor Richardson as the State Risk Management Director

and was trained in long term soundness.

This leads me to why it is important for the association, all retirees, and affected employees to watch this committee and be involved. Already being discussed is cutting or freezing COLAs, increasing employee and employer contributions, etc.

Make sure you and your representatives watch these committee meetings online or in person, make sure you communicate with your elected legislative representatives when the final recommendations come out for the next legislative session, and stay organized.

Feel free to stay in touch with me. Thanks.

Liz Stefanics

lstefanics@msn.com

liz.stefanics@nmlegis.gov

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 **PRESBYTERIAN**

2017 Annual Meeting Highlights

By: Gerald Chavez, Executive Director

This year our Annual Membership meeting was conducted May 5th and May 6th at the Courtyard Marriott in Santa Fe. Thanks to our members and Board of Directors, we had a great meeting. I would like to personally extend a sincere welcome and congratulations to our new Board of Directors and Executive Officers. Also congratulations to the winners of our Raffle!

Board of Directors sworn in for a 4-year term 2017-2021

- Susan Biernacki (from Albuquerque)
- Isabel Clendenin (from Albuquerque)
- Patricia French (from Albuquerque)
- Wayne Lucero (from Estancia)
- Joseph Luna (from Estancia)

Newly Elected Executive Officers

President - Joel Pafford

- 1st Vice President - Joseph Luna
- 2nd Vice President - Patricia French
- Secretary - Stephanie Goodrich
- Treasurer - Isabel Clendenin

Winners of the Raffle

Susan Griffith - won the Silver and Turquoise Bolo Tie

Joan Lovekin - won the Silver and Turquoise Squash Blossom

Set your calendars for our next meetings: The Fall Board (business) meeting will be held in Albuquerque, on Saturday, November 18th, from 9:00 am to 1:00 pm. This will be conducted at the RPENM Office, within the AAA Building at 10501 Montgomery Blvd. N.E. Our 2018 Spring Board and Membership meeting will also take place in Albuquerque on Friday, May 4th, and Saturday, May 5th. The details for our Spring meeting place and venue to be announced within our Fall/Winter Newsletter.



Are You Feeling Creative?

At the last Board of Directors meeting the board indicated that it might be time to consider upgrading RPENM's logo. If you're feeling creative here's your opportunity to let your creative juices flow. The only restrictions are you must use "RPENM" or "RPE" to identify our organization. Any hand drawn submission should include color suggestions for each element in the drawing and mailed to RPENM Logo Committee, 1602 Utah St NE, Albuquerque NM 87110. Computer graphics based submission can be jpg or gif or png and should be submitted to Michael@itcmhc.com. We request you forward your submission(s) to us by October 1st, 2017.

Would You Like to Join Our Board of Directors?

Our Board of Directors has one vacant position that they would like to appoint by their Fall Board meeting on November 18th. This is a vacant position for a 4 year term, 2017-2021 from our last Board of Director's election. The only requirement is that you must have been a member in good standing (dues paying member) for at least one (1) year prior to your appointment. If you're interested, please submit a note of interest with your contact information, along with a short biography to: RPENM, P.O Box 20607 Albuquerque, N.M 87154-0607, or email it to: rpenm@rpenm.org. We request that you forward your submission(s) to us by Friday, September 22nd, 2017.

New Mexico Retiree Health Care Authority Report

July 2017—Doug Crandall, RHCA Board Member

One of the issues that continues to dominate the news is health care. As this is being written, the U.S. Senate just abandoned the idea of repealing and replacing the Affordable Care Act, also known as Obamacare. Medical and insurance providers, as well as many others, may not agree on the wisdom of repeal and replace, but all agree that the uncertainty of any final action is not a good thing.

Fortunately, the NM Health Care Authority is still providing stable, affordable and comprehensive medical care coverage to its members. This is extremely important to a state with a small population like New Mexico. In fact, over 10% of all New Mexicans are either plan participants, plan dependents or current working employees who are contributing to the plan.

2018 Rates

As they did last year, the RHCA Board voted to increase rates for pre-Medicare retirees by 8% and Medicare rates by 6%. These rate increase reflect medical trends (increased costs by providers) and growth of the plan, (i.e., new enrollees). Although it would be nice to see smaller increases, the policy of the board is to set rates that match expected expenses. In other words, the rates reflect a break-even strategy for premiums vs. costs.

A major contributor to health care inflation is pharmacy related. While new drugs can now cure such maladies as Hepatitis C and offer much more positive outcomes for other diseases such as cancer, MS and heart disease, the costs can sometimes be astronomical. The top ten drugs prescribed for these and other major illnesses comprise nearly 2/3 of the entire pharmacy cost for RHCA.

Medicare Advantage rates won't be available until next month. These plans are fully insured, meaning there is no liability to RHCA, and they are set entirely by the provider.

The Medicare Advantage rates are partially based upon ratings by the Federal government, based upon positive outcomes as a result of treatment. The

higher the rating, the lower the cost.

Plan Changes

Less than two years ago, the RHCA Board had achieved a solvency period of 20 years, meaning that the Authority would have enough money to cover member subsidies for 20 years. However, the actions taken by the legislature and signed by the Governor during the Special Legislative session last Fall reduced solvency to less than 13 years.

In order to once again extend our solvency, the board approved two relatively minor adjustments to the plan. The first adjustment adds an annual, one-time, \$250 co-pay for Medicare Supplement members for an inpatient hospital stay. The other change, also affecting only those on a Medicare Supplement plan will increase the annual Part B. cost sharing by \$50.

Most Medicare Supplement plan members will likely experience the \$50 increase. Only those members who are hospitalized will pay an additional \$250. In no case, will a member pay more than an additional \$300 for the year. Neither of these changes affect Medicare Advantage members or pre-Medicare retirees.

It is important to understand that, although \$300 is not an insignificant amount to many retirees, this action alone will add nearly a year of solvency to the RHCA fund.

A few other changes were also adopted by the Board, including expanding the Value Plan for pre-Medicare retirees to include a BlueAdvantage Network offered as an HMO, and introducing a voluntary prescription drug option, also for pre-Medicare retirees. This option would allow members to obtain a 90 day supply of prescription medication for less than the cost of three one-month supplies.

Also, in 2018 those members who were grandfathered into the free \$6000 life insurance supplement, will begin paying 25% of the cost, or \$4.00 per month.

Investments

As noted, the RHCA solvency fell from 20 years to 13 years due solely to actions taken by the legislature.

Continued on page 5



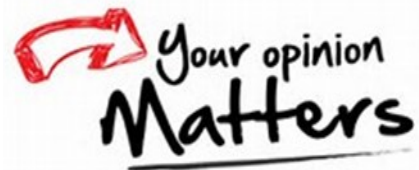
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The plan changes adopted by the Board will increase solvency by approximately one year. However, the RHCA's investment returns have far exceeded earlier assumptions, thus adding four additional years of solvency, for a total of 18 years. The original assumption was that there would be approximately \$510 million in the plan at the end of 2018, but by midyear assets were already exceeding \$550.

Although such outsized returns can't be expected to last, it has give the plan a substantial cushion which allowed the Board to make only the limited changes previously discussed.

Board Elections

Board elections were held at the annual strategic planning meeting in July. Incumbents Tom Sullivan, President, Joe Montano, Vice President and myself, Secretary, were re-elected by acclimation.



Contact our elected officials that are tasked with overseeing our public pension systems. Let them know that we respect and appreciate their service to our state. Most importantly, let them know how vital it is to you that we protect our cost of living adjustment (COLA) and urge their support to defend it! Visit our website at www.rpenm.org and view the letter that RPENM sent the IPOC Committee!

The list of elected officials is on the next page ->

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IPOC - INVESTMENT PENSION OVERSIGHT COMMITTEE

Name	District	Email	Capitol Phone#	Office / Home Phone#
(Chair) Rep. Tomas E. Salazar	70	tomas.salazar@nmlegis.gov	986-4436	(575) 421-2455
(ViceChair) Sen. George K. Munoz	4	munozgeo@gmail.com	986-4371	(505) 722-6570 (505) 722-0191
Sen. Jacob R. Candelaria	26	jacob.candelaria@nmlegis.gov	986-4380	(505) 847-5079
Rep. Miguel P. Garcia	14	miguel.garcia@nmlegis.gov	986-4844	(505) 877-8131
Sen. Gay G. Kernan	42	gay.kernan@nmlegis.gov	986-4274	(505) 629-8081
Rep. Larry A. Larranaga	27	larry@larranaga.com	986-4215	(505) 821-4948
Sen. Carroll H. Leavell	41	leavell4@leaco.net	986-4278	(575) 393-2550 (575) 395-3154
Sen. Steven P. Neville	2	steven.neville@nmlegis.gov	986-4701	(505) 327-5460
Rep. Jane E. Powdrell-Culbert	44	jpandp@comcast.net	986-4243	(505) 721-9021
Rep. William "Bill" R. Rehm	31	bill.rehm@nmlegis.gov	986-4214	(505) 259-3398
Rep. Patricia Roybal Caballero	13	pat.roybalcaballero@nmlegis.gov	986-4248	(505) 710-5996
Sen. John M. Sapien	9	john.sapien@nmlegis.gov	986-4301	(505) 765-5662
Rep. Larry R. Scott	62	larry.scott@nmlegis.gov	986-4450	(575) 392-5960
Sen. Elizabeth "Liz" Stefanics	39	liz.stefanics@nmlegis.gov	986-4377	(505) 699-4808 (505) 471-7643
Rep. Jim R. Trujillo	45	jimtrujillo@msn.com	986-4420	(505) 438-8890



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Necrology

The following Retired Public Employees of New Mexico were reported to us as deceased since our last Newsletter.

Their commitment to protecting New Mexico's public employees, retirees and PERA itself, was demonstrated by their continued support of RPENM. **We offer our sincerest condolences to their families, and we honor them for their public service to the citizens of New Mexico.**

Thank you for your dedication to protecting New Mexico's Retirees!

Alamogordo, NM

Peter VanMiddlesworth

Albuquerque, NM

Jake Barela

Myrna Breeden

Thomas Carter

Maria Fraga

James Gill

Jesus Gutierrez

Lino Martinez

Patricia Mirabal

Abe Montano

Mary Moraga

Gladys Moseley

Joe Salazar

Jose Sandoval

John Stutzman

Charles Treadwell

Acoma, NM

Emerson Vallo

Animas, NM

Patricia Williams

Aztec, NM

Jimmie Crawford

Belen, NM

Abel Garcia

Carlsbad, NM

Joyce Hatfield

Elida, NM

Lela Halliday

Embudo, NM

Henry Olonia

Fruitland, NM

Martin Wethington

Glenwood, NM

Gary Jack

Hobbs, NM

Josephine Balderrama

Las Cruces, NM

Paulyne Day

Las Lunas, NM

Paul Boos

Portales, NM

Wesley Andes

Raton, NM

Victor Segura

Rio Rancho, NM

Theo Adams

Albert Gaspar

John Kelley

Patrick Kelly

Roswell, NM

Sally Hartman

Mary Parker

Santa Fe, NM

Sarah Boles

Gilberto Garcia

Jimmy Lujan

Arsenio Martinez

Vista Pinnell

Theresa Sena

Enrique Trujillo

Flora Vigil

Jesse Williams

James Hall

Tatum, NM

Calvin Sanders

Bethany, Oklahoma

Lucille Hancock

Bolivar, Missouri

James Wheeler

Carrolltown, Pennsylvania

James Sands

Colorado Springs, Colorado

Bruno Alfieri

Copperas Cove, Texas

Mildred Crooks

Dallas, Georgia

B Elizabeth Shustella

Fairfield, Illinois

Ruby Matthews

Las Vegas, Nevada

Phil Freeman

Laveen, Arizona

Juanita Chavez

Lubbock, Texas

Marie Christian

North Richland Hills, Texas

Marion Cregger

Moberly, Missouri

John Fullington

Murray, Utah

Carlton Hillard

Tulsa, Oklahoma

Fred Hennighausen



Retired Public Employees of New Mexico

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Have You Scheduled Your Benefits Checkup Yet?

Many members are glad they've taken the opportunity to meet with their local benefits representative to learn about their endorsed member benefits. The Retired Public Employees of New Mexico (RPENM) has partnered with Association Member Benefits Advisors (AMBA) to make benefits available to members. Benefit representatives are available as a courtesy to answer all of your questions.

Your Member Benefits Include:

- > Dental & Vision Coverage
- > Medicare Supplement Plans
- > Life Insurance
- > Rental Car Discounts
- > Travel Discounts
- > Cancer Insurance
- > Long-Term Care
- > Emergency Transportation Plan
- > Computer Discounts
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This is one checkup you don't have to worry about.
Call today to see what you might be missing out on!

1-800-258-7041

www.myAMBAbenefits.info/rpenm

Benefits Made Available through



RPENM Members WANTED!

Due to the overwhelming requests for information about benefit programs, Association Member Benefits Advisors (AMBA) is seeking RPENM members to work as benefit representatives. Benefit representatives conduct seminars on long term care and hold informational meetings with other members in their area. If you have an interest in this position, please call Jeanie Coffey, National Director of Association Relations, at: **1-800-258-7041, ext. 332**

