

# The Professional Retiree

AFT-WI Retiree Council

June 2013 Volume XIII, Issue 1

## Call for Delegates 2013 AFT-WI Convention

**Radisson Paper Valley in Appleton  
Thursday, October 24 - Saturday, October 26**

If you are interested in becoming one of the five retiree delegates or an alternate to the AFT-W Convention being held on October 24-26, contact Kathy Kreul by email at [kreul@aft-wisconsin.org](mailto:kreul@aft-wisconsin.org) or call the office at 608-662-1444, extension 226, by August 1, 2013. Please specify if you wish to be a delegate or an alternate.

If we receive more than the available slots and an election is necessary, ballots will be mailed by August 15 to be returned to the AFT-W office by September 6.

A welcome reception will be held on Thursday night. Friday activities include professional and union development sessions and Council and committee meetings. The delegate session and elections will be on Saturday.

***Have you renewed your 2013 AFT-W Retiree Council membership? Contact the AFT-W office or visit our website at <http://retirees.wi.aft.org> for an application.***

## AFT-W and WEAC Merger Talks Continue

AFT-WI merger talks continue with the Wisconsin Education Association Council, WEAC. At the last AFT-WI convention held in October of 2012, a Unity Committee was formed to assemble a proposal which will be

presented at the AFT-W 2013 Convention.

Each of the AFT-W Councils was able to select a member to be on the Unity Committee. Former AFT-W President and Retiree Council member, Bob Beglinger, is our representative.

The committee is continuing to work and a merger agreement may be presented at the AFT-W Convention in October. To date, many important issues, including representation and dues, have not been agreed upon.

### Inside this issue:

WCOA Conference Highlights	2
Say No to the Chained CPI	2
AFT-W Retiree Council Officers	3
WIARA Upcoming Power Luncheon	3
President, Kathy Monaghan, speaks	3
Upcoming Executive Board Meetings	4
WI Seniors Living In Poverty	4

If Medicare or your private health or drug plan is refusing to pay for a drug or health service, you have the right to appeal. Appealing is easy and free. If you receive a denial in the mail or at the pharmacy counter, you should follow the steps outlined at Medicare Interactive for health denials and for drug denials to start the appeals process.

**MEDICARE  
INTERACTIVE** .ORG

Medicare answers at your fingertips

# WCOA 22<sup>nd</sup> Annual Conference Highlights

The WISCONSIN COALITION of ANNUITANTS consists of statewide and regional organizations representing retirees in the Wisconsin Retirement System. The coalition exists to represent all of the approximate 150,000 Wisconsin Retirement System retirees of the more than 550,000 system participants.

The 22<sup>nd</sup> Annual Conference of the WCOA was held May 13<sup>th</sup> at the American Family Headquarters in Madison. Bob Conlin, Secretary, indicated that the prospects for the future are brighter now that 2008 is behind us. Positive annuity adjustments may be on the horizon.

There is a \$2.5 billion investment gain to be recognized in future years with \$1.5 billion in 2013. The 7.2% investment return in 2013 may result in an annuity adjustment between 3.3% and 3.7%. Future 7.2% returns will provide positive adjustments. A 0% investment return in 2013 may result in an annuity adjustment between 1.9% and 2.3%.

Detailed handouts from the conference presenters are available online at [www.WICOA.org](http://www.WICOA.org) with additional information.

## WRS Performance

Calendar Year to Date as of 5/31/13

Core: 5.6% Variable: 12.5%



## Say No To the Chained CPI

Cutting your Social Security COLA *by the Alliance for Retired Americans*

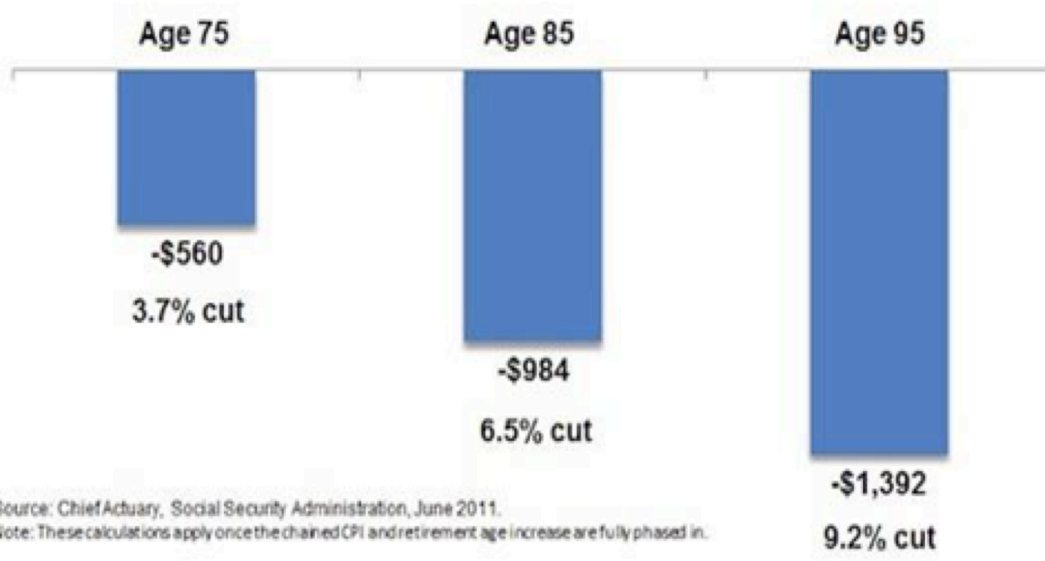
Social Security's cost-of-living adjustments (COLA) to monthly benefits are designed to help retirees keep up with the rising living standards and costs. COLAs currently are tied to the Consumer Price Index for Urban Wage Earners (CPI-W), which surveys price changes in the average set of goods purchased by urban wage earners and clerical workers.

The CPI-W formula does not protect seniors' purchasing power because it fails to account for the fact that seniors spend two to three times as much of their budget on medical care than younger households. Yet, many in Congress are seriously considering cutting your Social Security benefits by now tying the COLA to the Chained CPI (C-CPI-U), a smaller measure of inflation. While many will describe this change as simply technical, it is a change that would result in big, lifetime losses in benefits for the average Social Security beneficiary.

## Why is the CPI bad for seniors?

According to the Social Security Actuary, moving to a chained CPI would mean an immediate benefit cut. According to Social Security Works, an average earner retiring in 2011 at age 65 would lose over \$6,000 over 15 years if the chained CPI were adopted. The chained CPI assumes that a lower COLA is acceptable because consumers substitute cheaper products when prices go up. Health care costs, however, consume a large amount of seniors' income. These costs cannot simply be substituted with a cheaper version. A senior cannot just substitute triple bypass surgery with a double because it's cheaper. The chained CPI ignores this reality and instead tries to balance the budget on the backs of our nation's seniors.

**Annual Cut in Social Security Benefits If Chained CPI Takes Effect in 2012**  
(For Medium Earner Retiring at Age 65, in wage-indexed 2011 dollars)



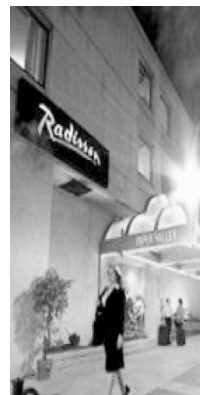
**Kathy Monaghan Speaks**

There is bad news and good news about your May adjustment on your retirement benefits. This year was the fifth year of a leveling process because of the downturn in the stock market.

The good news is that the stock market is rebounding well and this will be the last year for regressive adjustments to our retirement benefits. Another thing that we can be very thankful for is that our retirement fund is fully funded and one of the best in the United States.

KNOW THAT YOU ARE REPRESENTED in organizations with which we are affiliated that fight for the issues that are of importance to retirees. Buzz Davis and Bob Beglinger serve on the Wisconsin Coalition of Annuitants which safe guard our pensions. Bonnie Greasby represents us on the Wisconsin Alliance of Retired Americans. Buzz Davis is also on the Coalition of Wisconsin Aging. These organizations work to support the issues important to us such as Medicare and Social Security and support the candidates that believe in our philosophies.

Our AFT-W Retiree Convention will be held in conjunction with the AFT-W Convention on October 24-26 at the Paper Valley Convention Center in Appleton. If you would like to be a delegate or alternate to the convention, contact Kathy Kreul at the AFT-W office prior to August 1st. It will be a spirited and informative convention. Plan to attend.



The WIARA 2013 Power Luncheon will be held on Monday, October 14<sup>th</sup> at the Italian Community Center in Milwaukee.

Nominate a deserving individual with a

**LABOR**

**LEGISLATIVE or  
COMMUNITY**

background to be honored for contributions to the quality of life for seniors.

You can download an application from the WIARA website at [www.wisconsinara.org](http://www.wisconsinara.org) or call the WIARA office at 414-771-9511 for more information.

**2013 AFT-WISCONSIN  
Retiree Council Officers:**

Kathy Monaghan, President  
Don Ganther, V-President  
Joy Bashara, Secretary  
Ed Gallagher, Treasurer  
M. Bunnell, Membership  
B. Greasby, Newsletter

AFT-W Retiree Council  
6602 Normandy Lane  
Madison, WI 53719

608-662-1444, Ext 226  
kreul@aft-wisconsin.org  
<http://retirees.wi.aft.org>

## Lifelong Unionism

Unity - Power - Experience - Strength



## CWAG ALERT: 11% of Wisconsin Seniors 65+ Live In Poverty

“A new Kaiser Family Analysis presents state-by-state poverty rates among seniors, based on the supplemental measures when you factor in Health Care Costs.”

Under this supplemental poverty measure, the share of seniors (65 and older) who are living in poverty has substantially increased in every one of our states. Worse yet, the number of seniors living in poverty has now doubled in 12 states.

Yes, Wisconsin is one of those states which went from 5% poverty to 11% poverty, when you factor in Health Care Costs for seniors 65 and older. The other 11 states that also doubled in the percentage of seniors living in poverty are: California, Colorado, Connecticut, Hawaii, Massachusetts, Maryland, Minnesota, New Hampshire, New Jersey, Nevada and Wyoming.

For more details, see the article and analysis which was conducted by *The Henry J. Kaiser Family Foundation* at <http://kff.org/medicare>.

### 2013 AFT-WI Retiree Council Executive Board Meetings

September 13

October 25 and 26 (Convention)

December 6