

RETIREE NOTES

Retirees step up for primary election

ILLINOIS MEDIA PUNDITS AND political insiders thought that hedge fund mogul Bruce Rauner would win the Republican primary in a landslide. No one counted on just how influential AFSCME Retirees could be when their hard-earned benefits are at stake.

Angered by Rauner's continual demonization of public sector retirees, AFSCME retirees from Chicago to Marion manned phone banks to spread the word about Rauner's dangerous agenda to destroy unions and wipe out pensions.

The final result? A predicted Rauner "landslide" ended up being a narrow victory, with Rauner winning by less than 3 percent of the vote. This was a shock to political observers statewide since Rauner spent \$14 million on the primary and was ahead by 30 percent in the polls leading in to the final weeks of the election.

"Working together with Council 31 and other unions, Retiree Chapter 31 members mobilized and helped to turn a 'landslide victory' into a very close vote," said David Amereson, Chapter 31 Retiree Coordinator. "The takeaway from all of this is clear: Retiree involvement can make a big difference in any election. That's why we need every member involved in the coming months."

Retiree member steps up for PEOPLE

DENNIS PATRICK IS NOT JUST taking it easy in his golden years. The retired Illinois corrections supervisor, who now lives in Tennessee, is making a difference in his community, and the country, by attending local political meetings and contributing in a big way to AFSCME's political action program, PEOPLE.

His latest contribution is his biggest yet – a \$500 check to Public Employees Organized to Promote Legislative Equality (PEOPLE). That's on top of the monthly \$4 that he sends to PEOPLE. It also tops the \$100 extra contribution he made last year.

What motivated Patrick, a member of AFSCME Retiree Subchapter 73, to make such a generous contribution to PEOPLE?

"I think that you have to be politically involved," says



AFSCME retirees worked the phones in the lead-up to the March 18 primary.

Patrick, 70. In addition to supporting PEOPLE, he contributes to local candidates who support issues that he cares about, including workers' rights, health care for all, women's rights and support for social safety net programs like Medicaid.

Writing a larger check to PEOPLE seemed the right thing to do, he says, since anti-worker lawmakers attack workers and their unions in a big way. "If you don't contribute now, and they cut your retirement and health benefits, and you stand on the sidelines, then you are just as responsible for that as the idiots that did it to you," he explained.

In a letter that accompanied his \$500 check to PEOPLE, Patrick wrote he hoped "the members and retirees of AFSCME know how important the fight is to their pensions and health care benefits. If they cannot give a monetary donation they should volunteer at phone banks or do whatever they can to help."

President takes chained CPI off the table

A PROPOSAL THAT WOULD HAVE lowered the annual increase to Social Security benefits has been taken out of President Obama's 2015 budget proposal.

Known as "chained CPI," the benefit reduction was touted by Republicans as a more "accurate" way to measure inflation. However, this argument has been debunked

by several economists and major newspapers.

The Los Angeles Times called it a "stealth benefit cut for seniors... dressed up in the faux-finery of economic rigor" pointing out that the proposal could result in a 10 percent cut to Social Security benefits over the course of an individual's retirement. The newspaper concluded that "there are no grounds for the claim" that chained CPI is a more accurate way to measure inflation, and thus would decrease the buying power of Social Security recipients.

But retirees should not assume that chained CPI is gone forever. The president's action only removed it from the 2015 budget proposal, and the failed inflation formula could find its way back into the budget in a future proposal, or under a future president.

House GOP proposes Medicare cuts, vouchering

FORMER REPUBLICAN VICE PRESIDENTIAL candidate Paul Ryan has introduced the House GOP budget, and what it does to seniors is not pretty.

Despite the GOP's repeated promises during the 2012 presidential election that Republicans would not seek to make changes to Medicare for those who are 55 or older, Ryan's budget would do just that.

Besides further lowering tax rates on the wealthy and corporations, the Ryan bud-

get seeks to transform Medicare programs into voucher systems. Republicans familiar with the numbers behind this proposal say that in order for such a system to save any money it would have to also be targeted at those over the age of 55.

The idea of transitioning Medicare into a voucher system is not new. The idea has been consistently rejected due to the fact that it would

require seniors to pay more for preventive health services and prescription drugs, and would essentially end Medicare's guarantee to provide health care to program enrollees.

Another problem is the way the vouchers are structured. In a voucher system, seniors would receive a payment to purchase their own individual health insurance plan instead of receiving Medicare. However, the payment is capped over time to grow no faster than the increase in GDP inflation plus 0.5 percent.

Health care costs are expected to continue to rise at a much faster rate, though. This would force many seniors to choose whether to pay more out-of-pocket each year to receive the same benefit package they got under Medicare or to purchase plans with smaller and smaller benefits each year.

"Moving to a voucher system for Medicare, as the Ryan plan outlines, is just a way of cutting Medicare. It shifts health care costs onto retirees, most of whom cannot afford the changes and wouldn't get the health care they need," said Richard Fiesta, executive director of the Alliance for Retired Americans.

AFSCME retiree leader seated on pension board

AL LATOZA, PRESIDENT OF AFSCME Retiree sub-chapter 93 (Marion) and member of the Chapter 31 Executive Board, has won a seat on the SERS Board of Trustees for a five-year term. The SERS Board of Trustees oversees the pension funds of state retirees and plays a pivotal role in decision-making relating to the administration of those pension funds.

Latoza was the only candidate running for an open seat on the board for annuitants this year and was declared the winner by default.

Latoza said that his priorities for his term on the board will be to "restore solvency to the pension fund, monitor the fiscal health and well-being of its investments, and to ensure SERS annuitants continue to have the retirement security necessary to lead lives with dignity and respect."

The SERS Board is made up of six trustees appointed by the Governor, four trustees elected by current state workers, and two trustees elected by state annuitants. AFSCME Chapter 31 executive vice-president and president of sub-chapter 57 (Kankakee) Shirley Byrd is the other elected annuitant.



Al Latoza