

Wisconsin Coalition of Annuitants

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Minutes of Meeting July 20, 2020

The meeting was held by Zoom and was called to order by the Chair Bob Schaefer at 9:30 a.m.

DIRECTORS & ALTERNATES PRESENT: W. Backes, AFSCME 32; R. Beglinger, WFT-R; B. Bird, DOT; J. Blank, BLUE-R; S. Drew, SWIB; E. Frank, DNR; J. Groszklaus, West Allis; B. Holmes, ESP; A. Knop, WEAC-R; R. Kratz, DOC; J. Lawton, ACE; T. Leithold, KM-R; J. Maydak, West Allis; J. Miller, DNR; G. Mitchell, AFSCME 52; E. Reiter, KM-R; B. Schaefer, SEA; J. Stangl, DCAREA; J. Thiel, ACE; C. Welch, BAREA; D. Wilcenski, WREA; C. Wren, WSAA.

GUESTS: T. Hunter, L. Lamkins, A. Larson, C. Preisler, R. Wojciak.

EXCUSED: R. Brooks, J. Egan, R. Springman.

MINUTES of the June meeting were approved as mailed.

GUEST: Lisa Lamkins, AARP Advocacy Director, Wisconsin.

Prescription drug prices. Prior to the pandemic drug companies were being required to testify before Congress on increased prices. Since January 245 drugs have been increased, even with the pandemic, including 61 used to treat COVID19 and 30 in the coronavirus clinical trials. In addition 20 medicines used in ICUs and 22 in mental health have increased. A large increase is Remdisivir which is \$3,000 a person or 33% more than the cost in any other country. Prior to the pandemic Senate Bill 2543, Prescription Drug Pricing Reduction Act looked promising. H.R.3 Elijah Cummings Lower Drug Costs Now Act also looked promising. However with the pandemic both bills have fallen apart. H.R.7288 TRACK Act 2020 looks positive for tracking federal dollars drug companies receive from all sources, not just directly from the federal budget but through grants and research institutions.

Long-term care facilities and COVID-19. In the last four months long-term care facilities had 56,000 deaths. AARP is encouraging Congress to put the following into the next COVID-19 relief package. On going testing and adequate PPE, daily public reporting of cases and deaths including communicating with immediate families, require facilities to provide and facilitate virtual visitation and staffing, access to long-term care ombudsman, and reject blanket immunity.

Nursing homes and COVID-19 in Wisconsin. Wisconsin has 343 deaths in long-term care facilities which is 41% of all Wisconsin deaths. Presently there are 411 LTC investigations, with 151 investigations in nursing homes. An investigation is when a resident or staff member tests positive for COVID-19. Average number of investigations per facility is seven with a range of 1 to 104. The Department of Health Services updates its website every Wednesday.

Coronavirus Relief Bill. Congress will be looking at a relief package number four or five depending on how they count. The GOP is looking at a \$1 trillion bill to protect businesses including schools and charities but no protection for employees. The Dems are looking at a \$2 trillion bill with food assistance, state and local government aid and stimulus. Disagreement on unemployment benefits and President Trump's payroll tax cut are partisan and not a economic stimulus. President Trump in the past has indicated he's interested in cutting the "entitlement" programs. Social Security actuaries estimate solvency in 2035 or with the pandemic earlier in 2034.

Older Americans Act has been extended five years through 2024 with a funding increase of 7% for fiscal year 2020 and 6% the following years. The act includes meals on wheels, national family caregivers support program, transportation assistance, and elder abuse prevention.

Retirement minimum distribution's have been suspended for 2020, CARES Act.

Wisconsin Governors Task Force on Retirement Security. Lisa is a member of the task force which is looking at ways the private sector can save for retirement. If you have any ideas or suggestions please feel free to contact Lisa.

Eminent domain of pharmaceutical companies has not been a topic at the state level, however, the federal have periodically mentioned the topic.

Chris Preisler, Communications Specialist, SWIB.

The preliminary returns as of June 30, 2020 core fund -1.2% and the variable fund -6.1%, benchmarks are not available. Reason for the delay in the benchmarks is unknown. Total funds under management \$104.6 billion in the core and \$7.9 billion in the variable for a total of \$112.5 billion. Market has been very erratic. In comparison the S&P -3.1, Russell3000 -3.5, MSCIWorld -10.3.

SWIB offices are closed to the public and will remain closed through October 31, 2020. The Incident Command Team will meet in Sept-Oct for review and reevaluate. The work from home has been going well. SWIB has decided that additional office space is not necessary at this time. Because of staff survey response SWIB will continue to pursue a new location down town. Always a concern is staff parking.

David Villa received an honor from Institutional Investors North American Group. He joins allocators from across the globe nominated by their peers for their leadership in driving inspiration through innovation, by their approach to both their personal and professional lives.

SWIB will be launching a podcast communications program, links will be on the website.

GUEST: Tarna Hunter, Director of Strategic Engagement and Government Relations, ETF.

ETF continues with a “work from home” and has been successful in maintaining positive productivity. The plan is to continue work from home until next year, with the office closed to the public through 2020.

Received from Tarna following the meeting.

“As we discussed this morning, the Group Insurance Board approved mid-year changes to help group insurance program participants adjust to the effects of the COVID-19 pandemic on some pre-tax savings accounts and the Well Wisconsin Program incentive.

The Board approved the following mid-year plan changes for 2020:

- Mid-Year Election Changes – Participants with dependent day care accounts, health care flexible spending accounts, and limited purpose FSAs can make a one-time mid-year election change between July 1, 2020, and September 1, 2020. The Department of Employee Trust Funds and *ConnectYourCare* will provide additional information to members about this opportunity.
- Carryover Limit Increase – Health Care FSA and Limited Purpose FSA participants can carry over an additional \$50 for 2021. The new annual carryover limit for these accounts will be \$550.
- New Health Screening Options – Well Wisconsin participants can now complete the health screening requirement with a dental cleaning, one health coaching call with StayWell, or an at-home screening test. These new options are in addition to the biometric health screening or health care provider form. This is intended to help members earn their \$150 wellness incentive during the COVID-19 pandemic.”

The next GIB meeting is scheduled for August 19, 2020 when insurance rates will be set. ETF is conducting a random survey of retired and active members involved with GIB.

Tax tables have changed as of August 1, 2020. If you want to change federal withholding go to: <https://etf.wi.gov/news/federal-tax-table-adjustment-2>

GUEST: Arlene Larson, ETF Office of Strategic Health Policy Manager.

The ETF survey went out to 46,000 participants questioning usage of emergency rooms, urgent care, telehealth and other benefits of the insurance program. One of the concerns is over utilization of emergency rooms.

At the GIB meeting on August 19 there will be no changes in any of the programs or benefits. Information will be available in mid September with the enrollment period being September 28 to October 23. Dental stand alone will be offered.

United HealthCare Medicare Advantage has been offered since January 2019 with an initial 6,300 members. Today there are 9,500 members. Customer satisfaction has been very high at 95%. ETF has ombudsman services to assist participants.

CORRESPONDENCE - Letter from Frank Wolff (To be discussed at August Meeting)

Our Chair responded to Mr. Wolff advising him that we are not the agency that oversees SWIB.

OLD BUSINESS - Brochure design is completed and we will be ordering through Wells Printing. Trifold in color. Cost for 500 is \$297.00 . Thanks to the design committee.

NEW BUSINESS - Gary Mitchell/Joe Zepecki will explain the Financial Transaction Tax (TFT)
Mr. Zepecki unable to attend today, will be added to the August agenda.

TREASURER'S REPORT - Check book balance \$9,575.39. Brochure designer paid.

NEXT MEETING: August, 17, 2019 at 9:30 a.m.
The meeting adjourned by 10:45 a.m.

Respectfully submitted – Dick Kratz

Upcoming meetings: ETF Board - 9/17; 12/10. SWIB Board - 9/8-9; 10/20-21; 12/15-16 GIB - 8/19; 11/18.

WATCH for Zoom Meeting Invite from info@wicoa.org, on Thursday 8/13/20, prior to the August 17 meeting with the meeting codes and meeting handouts.

Problems signing in with Zoom, contact Rick at 608-347-1111