



Organized April 1948

Police & Fire Retirees of Ohio, Inc.

7335 E. Livingston Ave.
Reynoldsburg, Ohio 43068
614-866-1352 Toll Free 1-888-309-7041
Fax 614-866-5508
Email: pfro@pfro.com www.pfro.com

May 2006, Vol. 18, Issue 2



Benefiting Over 20,000 Retirees



President's Message

President

Gary L. Monto
419-693-3682
Toledo

1st Vice President

Raymond L. Bagaglia
330-898-7042
Warren

2nd Vice President

Jack Cunningham
330-245-0377
Akron

Secretary

Dorothy Rechel
513-922-3632
Cincinnati

Financial Secretary

Andy Rakay
419-478-7727
Toledo

Sgt. At Arms

William Colville
740-323-4445
Newark

Trustees

Bob Allen
740-453-2229
Zanesville

Richard Anthony
330-832-9908
Canton

Eugene S. Fodor
419-726-1959
Toledo

Catherine A. Phillips
614-861-4122
Columbus

John Trippe
330-644-8799
Akron

District Vice Presidents

1st District
Earl Muster
330-882-6662
Akron

2nd District

Robert McDermott
330-533-9922
Youngstown

3rd District

Paul E. Steinmetz
419-447-8609
Tiffin

4th District

Harold Green
614-397-2015
Columbus

5th District

TBA

6th District

Chester Nowak
419-729-3632
Toledo

7th District

Hugh J. Phillips
216-731-6910
Cleveland

8th District

Ruby T. Miller
513-733-3538
Cincinnati

Legislative Agent

Richard Oxender

Dear Members,

Spring is here and it's time to *Play Ball!* Our annual evening with the Columbus Clippers will be on Saturday, July 22nd with the first pitch thrown at 7:05pm. Watch for your tickets to arrive in early May. Remember if you are unable to attend you can purchase the tickets and send a deserving child to the game.

I would like to say *thank you* to Health Care Committee Chairman Gary Siniff, Trustee Catherine Phillips and 8th District Vice President Ruby Miller for all of their time and energy spent working on the Health Care issues over the last eight months. I would also like to thank our two Retiree Pension Board members, William (Bill) Deighton and William (Billy) Gallagher. These gentlemen did a yeoman's service trying to maintain the Retirees' best interests.

I have received several phone calls regarding Federal House Bill (HB) 218, the Right to Carry a Concealed Weapon. This bill was passed by both Houses of Congress and has been signed into law by the President. You will need to contact the department you retired from to apply for a permit, as each department has been allowed to set their own policies and requirements.

The social security "*Windfall Profits*" bill is currently active in committee hearings at the Federal level. In summary, this bill would remove the pension system's penalty of \$1.00 for every \$2.00 received from Social Security.

We will continue to monitor this bill and keep you informed.

House Bill (HB) 120 is stagnant. With the Ohio Police and Fire (OP&F) Pension Fund not meeting the required 30 year funding law, there is no legislator willing to sponsor this bill to increase the fund's spending. We here at Police and Fire Retirees of Ohio will continue to work at bringing the fund into compliance.

The new Health Care Plan was voted on and will take effect January 1, 2007. The vote was 6-3 with Bill Deighton, Billy Gallagher and Larry Petrick voting against the plan. The frustration to the Retirees is that the burden of the Health Care plan changes will be felt by the Retirees while the active duty officers will only be impacted if legislation is passed to increase their current contributions. Also, the political appointees that voted for the new plan do not even belong to our OP&F Pension Fund. More information is contained in the Health Care Committee News below.

Here is where our efforts and energy will be focused. We will be asking for your help to put pressure on your local legislators to get the legislation passed quickly.

Gary L. Monto

Health Care Committee

Gary Monto, President
Gary Siniff, Health Care Chairman

Ruby Miller, 8th Dist VP
Catherine Phillips, Trustee

The OP&F Pension Board voted on a package of changes regarding our current health care funding and 30 year pension funding during the April 7, 2006 meeting. This vote was conducted at the board retreat held at the Ohio State Blackwell Center. This setting was totally inadequate for such a monumental change in the funding of OUR pension fund and health care.

There was confusion with what the board was voting on, and many issues affecting health care users were left unresolved. Retiree board members Bill Deighton and Billy Gallagher tried valiantly to delay the vote in order to get clarification on what was being voted on. The vote went as follows:

Mr. Gallagher, Mr. Deighton (retiree members) and Mr. Petrick (OAPFF active member) voted **against** the motion.

Mr. Gehring (OAPFF active member), Mr. Deck (FOP active member), Gorsek (FOP active member), Mr. Baker (Governor's appointee), Mr. Williams (Legislature's appointee) and Mr. Gelbaugh (Treasurer's appointee) voted **for** passage.

The one clear result of this vote was that the retired members and survivors are carrying the burden. Once again it is apparent that the actives and retirees have a different agenda.

Continued on page 3

EXCITING MEMBER BENEFITS!

EXPLOSIVE MEMBER SAVINGS!

American Hearing Benefits is currently offering all members of **Police & Fire Retirees of Ohio** and their immediate family an excellent discount on hearing instruments. These products are manufactured by the only major **American-Owned** company in the hearing healthcare industry.

In this program, members are entitled to a **FREE** hearing screening and **HUGE SAVINGS** off the price of hearing instruments, including the latest in digital technology.



To learn more about this program call
1-866-925-1287

or you may visit AHB on the internet at
www.ahbbenefits.com



Almost Invisible

Incredible member savings off retail prices on the latest in digital hearing devices

Extended full warranty standard

Free hearing screenings

Financing available with approved credit

Products from the only major American owned manufacturer.

The **AHB Hearing Instrument Program** is **NOT** insurance. It is a reduced fee for service program that provides discounts at certain providers. In order to receive the special pricing, you must pay in full at the time of service.

The concern voiced by the active board members regarding future contract negotiations was whether or not the cities were required to increase their contribution for the active police officers equalizing them with the city contribution for the active firefighters. The increase in our overall health care cost and changes to our plans will take place in 2007 and 2008.

These changes only take board action and not legislative action.

The board recommendation to increase the police employers contribution rate (4.5% over 5 years to equal the fire rate), increase active members contribution rate (2% over 5 years) and cap the Medicare reimbursement at \$115 will require legislation. The capping of the Medicare reimbursement has been inserted in HB 272 and will most likely receive a "for" vote in the legislature yet this year. The legislature could change the proposed cap amount.

The proposed increase for the active member's may pass, but the increase to the employer's rate would have a hard time passing. If the cities would have paid the amount originally owed to the pension fund and not received discounts, or if the legislature would have increased the police employer's rate as previously recommended to the legislature by their actuaries, then the OP&F would have a healthier pension fund and could have probably met the 30 year funding mandate. Members ask who is responsible for this situation. One of the answers is we gave up control of our pension fund by doing politics as usual over the years and electing the wrong people to represent us. We must elect qualified representatives. Even though they voted against us, the investment appointees are still one of the most positive things to happen to OUR pension fund.

Some health care changes reflect what the Police & Fire Retirees of Ohio proposed in December 2004 and in August of 2005. Our report is based on the handouts we received at the health care meetings and these items were discussed in previous reports. Here's a recap of what now will happen;

- ◆ 75% subsidy for pre 86 retirees, 50% for their spouses.
- ◆ 75% subsidy for post 86 retirees, 25% for their spouses.
- ◆ One plan / one design, everyone not on Medicare goes into the current option 1 with a premium change, higher deductibles and out of pocket expenses.

\$500 Individual Deductible	\$1000 Family Deductible
\$1500 Out Of Pocket Individual	\$3000 Out of Pocket family
Physician Co-Pay \$30 / 100%	Urgent care \$60 Co-Pay
In-Patient hospital admission \$250 deductible/ 80%	

- ◆ Increased prescription coverage premiums. Prescription co-pays change to:

<u>Formulary</u>	<u>Retail 30 days</u>	<u>Mail in 90 Days</u>
Generic	\$5	\$10
Preferred	\$20	\$40
Non-Preferred	\$30	\$60

- ◆ All Medicare eligible retirees will be moved to a 3rd party provider with the current subsidies in place. The fund has not chosen a "Medigap" plan at this time. The prescription policy will remain with the pension fund. *This was one area of confusion and no one knew what the final plan would be, but they voted for it anyway.*
- ◆ Drop HMO coverage.
- ◆ Discontinue coverage for non-sedating antihistamine drugs.
- ◆ Reduce coverage for male erectile dysfunction (lifestyle) drugs to 3 doses per month and raise the co-pay.
- ◆ Maintain current coverage for anti-obesity drugs.
- ◆ Cap coverage for bariatric surgery at \$10,000. Restrict it to in-network providers, maintaining the two-year physician directed weight-loss management program prerequisite.
- ◆ Continue chiropractic coverage with \$30 co-pay / 80%.
- ◆ Re-employed spouses must use employer's health coverage if available or pay full entire premium for OP&F coverage.
- ◆ Re-work coverage for proton pump inhibitors and reimburse over the counter Prilosec with small co-pay. This will need more planning to reach the final plan.

On a positive note the board changed the solvency period from 10 to 15 years for the Health Care Stabilization Fund.

The board did not vote on these items individually. They voted on the changes as a whole. They could have been adjusted or received further discussion at the time of the meeting. The vote by the board members reflected their constituents and what they perceived as the correct thing to do based upon the facts presented.

Gary Siniff, Chairman

COMMENTARY

Every time I meet a retiree face to face or answer the phone, or email message 90% ask about health care and the pension fund. The Police & Fire Retirees of Ohio consistently has someone in attendance to observe and report on the health care and benefit committee meetings and report back to our membership. The active unions work on issues that are important to active members and that's the way it should be. A lot of what they enjoy today we worked very hard to obtain. The PFRO in the same respect works on issues that affect retirees and that's as it should be. Don't get caught up in ancient personality fight's that no one remembers how or why they started, maintain unity for the good of all retired firefighters and police officers. It is hard to break ties with former co-workers and friends and no one should have to, but what all retirees will realize sooner or later is the hard fact that my next raise is a pension cola and my health care cost just skyrocketed. To the pension fund we are all equal retirees. It's time now to form new relationships by joining the Police & Fire Retirees of Ohio who are actively working to protect your benefits and health care.

Complete that membership form today.

