



The Annuitant

Newsletter of the Urbana-Champaign Chapter

State Universities Annuitants Association
Fall 2014

SUAA Mini Briefing (via e-mail August 28, 2014)

The State Universities Annuitants Association won a big victory today for SURS university retirees who were seeing deductions from their pension distribution checks for state health insurance premiums. The Sangamon County Circuit Court granted a motion filed by SUAA to enjoin the State from deducting money from pension checks of university employees to cover state healthcare premiums.

Last October, with the Court having determined that state health insurance premiums were not pension benefits protected by the Pension Clause, SUAA pursued the issue in Federal Court on due process grounds. In July, the Illinois Supreme Court reversed the Sangamon County Court finding that the state health insurance premiums are indeed pension benefits and therefore protected by the Pension Clause.

Two weeks ago, SUAA filed a motion to intervene before the Sangamon County Court in the Kanerva case along with a motion for a preliminary injunction to stop the State from making the deductions to SURS university retirees' pension distribution checks which the Court granted. (Other motions for permanent injunction were filed by other Plaintiffs but the Court was not yet prepared to grant permanent injunctive relief.)

Two weeks ago SUAA prevailed upon the Department of Central Management Services to withdraw the emergency rule which doubled the amount of deductions being made since July. With today's ruling, the State is required to stop the deductions altogether. However, it may take the State a month or so to catch-up as pension checks are already in the process of being sent for September. Please take note that this applies to deductions being made for state health insurance premiums and today's ruling does not affect community college retirees.)

This victory today is also a huge boost to the challenge against general pension reform. Last week SUAA filed a motion in the general pension case arguing that pension benefits were simply not subject to deductions at all. In granting the injunctive relief today, the Court gave a clear indication that pension benefits generally cannot be violated. You can be sure that this point will be made to the judge in the general pension case next

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Fall SUAA-UIUC Meeting, Sunday, October 19 Features "Pension Reform" Update

The fall meeting will be at the I-Hotel and Conference Center in Champaign starting with a "social half-hour" at 1:30 p.m. followed by the formal meeting at 2:00 p.m.

Featured will be a comprehensive update on "pension reform" efforts across the country by Professors Jeffrey Brown and Robert Rich. They will also offer observations on lawsuits challenging recent legislation limiting pension benefits in Illinois and additional pension reform steps which might receive legislative examination in the future. Professor Brown is the William G. Karnes Professor of Finance at Illinois and is widely regarded as an expert on pension finances. He also serves as a Fellow in the TIAA-CREF Institute and the Employee Benefits Research Institute. Professor Rich, the former Director of the U of I Institute of Government and Public Affairs (IGPA), is a widely known expert on health care finance and the Illinois economy. Brown and Rich were two of the four authors of the recent IGPA report on pension reform options in Illinois.

The Fall meeting will also include a status report on lawsuits challenging recent "pension reform" legislation in Illinois and on health insurance funding for SURS (and other) annuitants in Illinois.

URGENT!

**Do you want the safety of your
pension protected?**

**Help SUAA in this effort....more
information about this can be found
on page 7.**

SUAA-UIUC CHAPTER 2013-14

Elected Leadership* & Committee Membership

OFFICERS

President

Terry W. Ruprecht*

Vice President

Terri Palumbo* Membership

Secretary

Jane Loeb* Communications

Treasurer

Ron Webbink*

Additional Executive Committee Members

Thomas Conry*; Past President

Barbara Hartman*; Membership

Bob Rich*; Legislative

Heidi Rockwood*; Communications

Stephen Rugg*; Legislative, Programs

Rick Schoell*; Legislative

Ginny Waaler*; Programs

H.F. (Bill) Williamson*; Benefits

Other Committee Members:

Mary Beastall; Benefits

Pam Cler; Newsletter

Paul Dollins; Legislative

Gary Engalgau; Website

Mark Netter; Membership

Helen Satterthwaite; Legislative

Liaisons

Athalia Hunt; Campus

Helen Satterthwaite; Clark-Lindsey

SUAA Statewide Leadership

Thomas Conry* ; Executive Committee

Stephen Rugg*; Finance Committee

H.F. (Bill) Williamson*; Foundation

President's Message *Terry W. Ruprecht*

Greetings to UIUC Chapter members!

This past summer was both busy and eventful for SUAA. As most of you know, in the SUAA lawsuit the state Supreme Court decided in favor of retirees regarding no-cost medical insurance. In a remarkable victory for us, the Court found retiree medical insurance to be part of the retiree pension/ benefit package that "shall not be impaired", as expressed in the state constitution. Also, please read state SUAA President Bruce Appleby's article, "So What Do the Recent Pension Decisions Mean?" on page 5. It's an excellent discussion of important issues for SUAA members and retirees.

Throughout this past summer, your UIUC Chapter leaders were active at both the state and local levels offering solid advice and recommendations for the betterment of SUAA, and for the critical legal actions at hand. We also maintain frequent and ongoing communications with our local legislators, who have been supportive of retiree concerns over the past few years of attempts by the state to diminish promised retirement annuities and/or benefits.

The still-ongoing SUAA lawsuit, opposition to PA98-599 which eliminated the Automatic Annual Increase, is still in process. The court was scheduled to have a response from the state by August 29, after which our SUAA lawyers were hard at work on rebuttal/response. *In that regard, I remind you that skilled legal counsel in these cases comes at a cost. We need members to contribute to the SUAA Legal Fund and/or SUAAAction. Never in the history of our organization have contributions been so necessary and so important for the future economic security of our members. Many retirees will see a full and immediate payback of such donations when January 1, 2015 rolls around - the date of the next 3% Automatic Annual Increase (AAI). **Were it not for SUAA's leadership and timely lawsuit, that AAI would not take place.** Please donate to the best of your ability.*

Best Regards,

Terry

Notice to United Health Care Members

You may have received a "Denial of Payment" for a non-covered item or service from United Healthcare (UHC) for a charge for medical services. Some of these charges are covered by Medicare, and thus there should not have been such Denials. It has been found that this problem is due to a coding error when a request was submitted by a medical provider to UHC. Many of these errors have been in Carle payment requests. As of this writing, efforts are being made to correct errors, both at UHC and at Carle as needed. If you received a Denial, you may wish to contact UHC (1-888-223-1092) to see if your denial is impacted and also contact Carle Patient Accounts (1-888-712-2753) or the billing office at another provider to review your account, especially if you have already been billed and/or paid a bill for a charge related to a coding error.

Fall 2014 State Government & Legislative Update

During its recent 2014 spring session, the State Legislature passed two bills related to retirement issues that may be of interest to our members. HB 6096 as amended (House Amendment 1) which was signed into law by the Governor (PA 98-680) on June 30, 2014, provides funding for FY 2015 (Certified Contribution) of \$1,544,200,000 to SURS. The Legislature also passed SB 452 as amended (House amendments 2 and 3) which is still awaiting the Governor's action. This legislation would require investment firms seeking to either manage money or provide consulting services to an Illinois public retirement system to disclose information related to minority-owned business inclusion. Additionally, retirement system trustees must consider such information before awarding a contract. The State Legislature is presently in recess and is scheduled to return for its fall veto session on November 19, 2014.

SUAA ACTIVITIES AT THE STATE LEVEL

The SUAA Annual Meeting was held in Springfield on June 17-18. A major piece of business was a vote to replace the old Constitution/Bylaws with a new set of Bylaws.

The vote on the new Bylaws proposal was 63 yes and 45 no; failing to receive the required two-thirds majority of the Directors present and voting. Main points of contention were (1) the recall provisions from the present Constitution/Bylaws, (2) the one-year terms for president and two vice-presidents, and (3) the placement of the state chapters into three regions for election of “regional members-at-large” of the Executive Committee.

The next item of business was the election of officers and new members-at-large of the Executive Committee. The vote was taken and the following were elected:

Treasurer—Linda Branch—Illinois Eastern Community Colleges (IEC)
Past President—Ken Gunji—Parkland College (PC) (to fill the vacant seat)
Member-At-Large—Mike Corn—College of Lake County (CLC)
Member-At-Large—Karl Harrison—Governors State University (GSU)
Member-At-Large—David Steinberg—Southern Illinois University-Edwardsville (SIUE)

Continuing members of the Executive Committee are:

President—Bruce Appleby— Southern Illinois University-Carbondale (SIUC)
Member-At-Large—Larry Alferink—Illinois State University (ISU)
Member-At-Large—Thomas Conry—University of Illinois at Urbana-Champaign (UIUC)
Member-At-Large—Leo Welch—Southwestern Illinois College (SWIC)

The Executive Committee is balanced with respect to geographic region and universities/community colleges.

SUAA Mini Briefing *continued from page 1*

week which will have a huge impact on the rights of all SURS members – community college employees and university employees alike.

Meanwhile, the next step in this case is to recover the monies already taken. The Court has given the State until October 13 to file its response to SUAA's Motion for Judgment and Permanent Injunction and SUAA has 21 days after that (November 3) to file any reply. The Court has set the next hearing for November 21st at which time it will rule on the various motions for judgment and permanent injunction.

SUAA has also filed a motion for class certification to facilitate collecting monies taken from SURS members for state health insurance premiums and returning them. The Court was not prepared to address that motion at this time preferring to see what the State had to say about the other motions. SUAA attorney Aaron Maduff did reserve the right to take discovery to find the monies already taken if necessary, a point of which the Judge took due notice.

SUAA is represented by the Law Offices of Maduff & Maduff, LLC, www.madufflaw.com, and John D. Carr.

Linda L. Brookhart
Executive Director
State Universities Annuitants Association

Law Suits Carry Huge Implications for Pension Benefits

(Editor's Note: the information in this article is current as of mid-August. Readers are encouraged to check the SUAA website, www.suaa.org frequently to get up-to-the-minute status reports for all pension-related cases.)

Legal challenges to two recently implemented Illinois laws affecting pension benefits for public employees – including active and retired members of the State Universities Retirement System (SURS) are actively under consideration at several levels of the Illinois court system. One suit, *Kanerva v. Weems*, addresses premiums for health insurance. A series of other suits, including one filed by SUAA on behalf of all SURS members, address significant reductions in pension benefits for all SURS members under the guise of “pension reform.”

Health Insurance Case. Public Act 97-695, enacted in 2012, required retirees with 20 or more years of service to begin paying premiums for health insurance coverage (1% of the annual annuity for retirees who are Medicare-eligible, 2% for those not eligible, rising to 2% and 4% respectively in 2014). Prior to the Act, SURS retirees with 20 or more years of service received their health insurance without charge. *Kanerva v. Weems* challenged the legality of that change, asserting that health insurance benefits are protected by the Illinois Constitution. In 2013, the Circuit Court dismissed the *Kanerva* case, holding that health care benefits were not subject to Constitutional protection. That decision was appealed to the Illinois Supreme Court.

On July 3, 2014 the Supreme Court issued its ruling on the appeal. By a vote of 6-1 the Court held **that health insurance benefits are protected** by the Illinois Constitution and sent the case back to the lower court for re-hearing. Moreover, the language of the Supreme Court's ruling in *Kanerva* appears to signal how the Court will react when other legal challenges to changes in pension provisions finally reach the Supreme Court. In essence the Court held that no pension benefits, including health insurance, can be diminished or impaired, which the Court said is the “plain and ordinary” meaning of the Constitution's non-impairment clause.

The Court declared that the non-impairment clause means that “We may not rewrite the pension protection clause to include restrictions and limitations that the drafters did not express and the citizens of Illinois did not approve....” Further, the Justices noted that the pension protection clause is “...aimed at protecting the right to receive the promised benefits, not the adequacy of the funding to pay for them.”

Early in the Circuit Court's consideration of *Kanerva*, the Court ruled that all of the new health insurance premiums collected from retirees should be held in escrow pending the final resolution of the lawsuit. As of August the escrow account is valued at \$23 million. Pending re-hearing, no action has been taken on how to handle the funds collected so far. SUAA has, however, intervened with the Office of the Governor and the Director of Central Management Services, to halt the further increases scheduled to occur in July, 2014. Watch the SUAA website for further updates on the refunding processes established once the *Kanerva* case has been finally settled.

Pension Reform Suits. Public Act 98-599 – Pension Reform – made major changes in a number of pension provisions for members of four of the five public systems in Illinois, including those for both active and retired SURS members, many of which resulted in reduced benefits. Several law suits have been filed on behalf of those affected by the new legislation.

SUAA has engaged the firm of Madoff and Madoff, LLC and John D. Carr to challenge PA 98-599 on behalf of all SURS members. The SUAA suit has been consolidated with all other suits against the pension reform legislation and is currently before the Circuit Court in Sangamon County. The SUAA lawsuit is the only one focused exclusively on SURS members. SUAA attorneys were the first to secure a temporary injunction to stop implementation of the dramatically reduced benefits scheduled to go into effect in July, greatly relieving the pressure on thousands of higher education employees faced with an imminent decision about taking retirement or continuing employment with substantially reduced benefits. Working closely with the SUAA state office, SUAA attorneys have consistently produced the clearest examples of the negative impacts of the “pension reform” legislation.

Given the *Kanerva* ruling from the Supreme Court, the Plaintiffs in the pension reform lawsuits have sought an expedited decision from the Circuit Court. To date, however, the Court has taken great care to allow the case to proceed to a full hearing, giving the State ample time to prepare and present its case. The State will argue that Illinois' fiscal circumstances are so dire that the Court should consider the pension reform law outside the boundaries established in *Kanerva*. At a minimum, it appears that the Court will allow the State to present its full case. That means that the SUAA attorneys and other Plaintiffs' representatives must be prepared to present the strongest possible case in support of the non-impairment language in the Constitution.

While many observers have suggested that the language in the Supreme Court's ruling on *Kanerva* bodes well for a favorable ruling for the Plaintiffs in the pension reform case, one is reminded of the old baseball adage about umpires: “he may be safe, he may be out, but he ain't nothin' until the umpire calls it.” As noted in several other places in this Newsletter, it remains vitally important that SUAA offer the most comprehensive case possible throughout the entire legal process. All SURS members will benefit from SUAA's pursuit of a legal challenge to pension reform legislation. All are encouraged to contribute to the SUAA Legal Fund.

Regular updates on the SUAA lawsuit are available at www.suaa.org.

So What do the Recent Pension Decisions Mean

Bruce C. Appleby, President
SUAA

After years of writing about how bad things are and how we have to fight on, it's good to be able to report that we have won a couple of battles and things are going our way.

As Christopher Z. Mooney, Director of the Institute of Government and Public Affairs at UIUC put it in an editorial in the Southern Illinoisan on July 9, 2014: "But didn't the two pension reform bills effectively 'diminish or impair' pension benefits?"

That was the central question the Supreme Court of Illinois addressed in their July 3 opinion on *Kanerva vs Weems* when they decided that Article XIII, section 5 of the Illinois Constitution applied to our health benefits. They stated that health insurance is a benefit in our contract with the state and that our health benefits cannot be reduced or impaired.

Don't think that this means the state will immediately refund the 1% and 2% of our pension that have been withheld since July of 2013. In a statement released July 7, State Universities Retirement System (SURS) officials said they will continue collecting the money pending a final resolution of the case. SURS will continue to collect the health insurance, which is being kept in an escrow account.

From my perspective, this is a wise move. It would be over-optimistic on our part to conclude that we should get our money back immediately. There is a possibility that as this case makes its way through the courts again, we may not get our money back. If SURS were to give our money back or stop taking it out and then the decision from the courts is that our health benefits are not a part of the pension benefits covered by Article XIII, section 5, the accounting nightmare that would ensue would be monumental.

The other court decision, that Public Act 98-599 could not go into effect on July 1, 2014, meant that we can probably expect to receive our usual 3% cost of living adjustment on January 1, 2015. More importantly, it also meant that people who had made a decision to retire before July 1, 2014, could stay on the job and not be forced into retirement because they would be losing part of their pension under the new law. Thousands of university and community college employees around the state were saved by this decision.

A big question that we can hope will be clarified is that of the "sovereign power" or "police power" that the State has. The State has argued that some items challenged by the various lawsuits are not "pension benefits," items such as our health insurance and the COLA. The State argues that it can violate the Pension Protection Clause for the greater good of the citizens of Illinois: sovereign power. The decision in *Kanerva vs. Wells* shows the Supreme Court believes that health coverage is a pension benefit. It in no way addresses the sovereign power argument. That will be a major point as the State's presentations of these cases progress.

A status hearing is scheduled for July 22. The Supreme Court set a schedule where the State will complete its disclosure of the expert witness opinions by July 29. The State will then provide actual written expert reports by August 29 and then our lawyers will have time to depose those experts and provide experts of our own.

This has been and will continue to be a long and drawn out process. The *Kanerva* decision is a major turning point in our arguments but it is not the end. There is much more to be done and we have to expect a long fight.

And what a perfect opportunity for SUAA to get to those who are benefitting from our work and convince them that joining SUAA is the strongest thing they can do to protect their pension benefits.

When the decision that Public Act 98-599 could not go into effect on July 1, 2014 was announced. I was standing at my locker in the Recreation Center on campus at SIUC when the pool tender came up to me and said "Thank you." I told him "You're welcome—but for what?" He explained to me that he had done all the paper work for retirement before July 1, because the new laws would have meant a \$700 a month reduction of his pension should he stay on the job past July 1. Since the announcement had been made that the law wouldn't go into effect and our injunction was successful, the University allowed him to withdraw his request for retirement and he was able to save that \$700 a month.

There are many stories like this at community colleges and universities all over the state. These are the people we should be recruiting for membership in SUAA. They know most directly how our efforts have benefitted them. We need to collect and use these stories as we convince others who are currently employed to join us as we fight to save their pension benefits.

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Recent Pension Decisions *continued from page 5*

And at the local level, we need to know and let others know that SUAA is helping them. Our local chapter at SIUC gives four scholarships every year to undergraduate students. I was at a meeting of the advisory board of the Recreation Center on campus and another member of the board came up and said "Thank you." Again, "You're welcome—but for what?" He explained that he was one of the recipients of a scholarship from us. That this young man is the president of his fraternity and had just been elected President of Undergraduate Student Government makes the scholarship just that much more reflective of our efforts. His mother stated that they were very happy that their son had chosen SIUC and they were very happy about his scholarship. And our local chapter gave both itself and the University a good piece of public relations.

Again, I can't emphasize enough that our efforts as an organization are benefiting those currently employed even more than they are benefiting those of us already retired. With our success on the Constitutional Amendment nearly two years ago, our success with the injunction on instituting Public Act 98-599 and now our success with the health insurance question, we are proving the force of our organization and its direct effects on those still working.

These are some examples of what we can do when we work together and when we let others know what we are doing. We need to let people know how our efforts are benefiting them. We need to get more of those directly involved to not only join SUAA, but to contribute to our Legal Fund. The support is out there. We need to go out and recruit it.

In Memoriam on our Website: www.suaa-ui.org

As a service to readers, *The Annuitant* typically contains a listing of deceased employees and annuitants taken from *Inside Illinois* issues as well as other print sources. Due to space limitations, the list of those identified between September 5, 2013 and August 7, 2014 is published on our website rather than included in this edition.

Annual Fall Membership Report

The Membership Committee

As of July 31, 2014, our chapter's membership stands at 2020. Although the organization's membership is substantial, it still represents only a fraction of the UIUC retirees and employees who are eligible to join. We ask you to join SUAA if you have not done so and to encourage others to join. Our association fights for your benefits. Membership costs little, especially considering what the organization is attempting to protect. (For more information on joining SUAA, see page 18)

URGENT: SUAA Needs Your Help

- "Pension reform" such as PA 98-0599 will significantly reduce your yearly annuity.
- SUAA has filed lawsuits on your behalf challenging Illinois Public Act 98-0599 (PA 98-0599) as well as the increase in health insurance premiums.
- The SUAA lawsuit will benefit all SURS members, annuitants, and survivors.
- SUAA is one of several organizations suing the State to ensure our pensions are safe.
- SUAA's lawsuit *is the only one focused exclusively on all SURS members* – active or retired.
- SUAA attorneys secured the first injunction to stop implementation of costly new laws. Our attorneys have consistently delivered the most significant examples of the negative impacts of "pension reform."

Progress has been made but the fight is not over.

- SUAA Chapters and members already have contributed \$250,000 to the legal challenge.

BUT that is only between one-quarter and one-half of the total needed. The State will draw out its defense as long as possible. Legal action will be necessary all the way to the Supreme Court.

All SURS participants will benefit from SUAA's success. You do not need to be an SUAA member to benefit – nor to contribute!

~ HELP SUAA FINISH THE FIGHT ~

WE'RE ALL IN IT TOGETHER

How much should you contribute? If you're retired, consider a contribution equal to one or two month's increment in your 2014 annuity increase. If you're active, consider a contribution of \$25 to \$50 for each \$1,000 of your monthly salary.

Already contributed? Thank you on behalf of all SURS members. Please consider an additional contribution to help SUAA finish the fight.

Send Your Contribution Now to:

SUAA Legal Fund
217 East Monroe Street, Suite 100
Springfield, IL 62701

Or contribute online at: www.suaa.org/ContributeToLegalFund.php

Notes from the Spring 2014 Meeting of SUAA-UIUC Chapter

Topic: Pension Reform and the Legal Challenge

Panel: Prof John Colombo, UIUC Law School

Prof Laurie Reynolds, UIUC Law School

Prof Robert Rich, Retired Director, Institute of Government & Public Affairs, UIUC

Question: How long will the lawsuit take to be settled?

Answer: A long time. Two years would be surprisingly quick; 4 years or more no surprise. The Arizona decision took 3 ½ years.

Question: What if the state pleads financial exigency, i.e., it doesn't have the money to pay retirees?

Answer: Plaintiffs, including SUAA, will do exhaustive research on the history and condition of Illinois finances, to prove the state found funds for a myriad of other, less pressing issues.

Question: Is there a time limit to the discovery phase of the lawsuit?

Answer: No.

Question: Is there a possibility of a summary judgment?

Answer: Yes, but if not, the case could go to a jury trial.

Question: Prior to a final decision in the case, is there possibility of interim actions?

Answer: Yes. A Temporary Restraining Order (TRO) is possible. There is a good legal case for it, by showing irreparable harm would be done to active employees forced to retire to avoid losing significant pension or benefits.

Question: Isn't the court strictly bound by the Pension Clause (i.e. no diminution of pensions or benefits)?

Answer: No, not really. No constitutional provision is absolute.

Question: Could the Court split the case into pieces and approve some aspects of PA99-598 and not others?

Answer: Yes. It's possible the court will take the position the state must have *some* ability to meet pension/benefit obligations.

Question: How will the court view the actions of legislature?

Answer: That is unknown. Among other outcomes, the court could say the issue belongs in the legislature and refuse to decide the case.

Question: How did we get here?

Answer: The legislature failed to meet its financial obligations to the retirement systems for nearly two decades.

Question: What are some other pertinent factors in this case?

Answer:

- Significant political powers within the state decided that retirees are not a potent political force.
- PA98-599 does NOT solve the state's extensive financial woes. Pension liabilities are not the only large debt facing the state.
- The real issue this legislature needs to deal with is tax reform and/or increases.
- All of the plaintiffs' lawsuits claim violation of the pension clause, the takings clause, and the contracts clause.

Question: What if the Supreme Court overturns PA98-599?

Answer: Major power brokers in the legislature will then file for a constitutional change to amend the Pension Clause. This battle will be ongoing for some time. This particular lawsuit is but a skirmish in what will be a much longer war.



UNIVERSITY OF ILLINOIS AT URBANA-CHAMPAIGN



CAMPUS CHARITABLE FUND DRIVE

September 1, 2014

Dear Retiree,

During your University of Illinois at Urbana-Champaign employment, you may have participated in the Campus Charitable Fund Drive (CCFD). Thank you for your past contributions. As you know, the Urbana-Champaign CCFD is a combined campaign that supports twelve charitable agencies. I hope that you will participate in this program at a level you find comfortable.

This critical campaign benefits the surrounding community in immeasurable ways. The nonprofit organizations to which you can contribute through the CCFD are dedicated to improving lives locally and nationally. From the United Way and Community Health Shares of Illinois to the American Cancer Society and the United Negro College Fund, the amazing and hard-working people of these organizations make sure that your money helps those who need it most. Please remember that 100% of your donation through the CCFD will go directly to the charity or charities you choose. Your contributions make real differences in our community.

You can make your direct gift by completing and returning the form on the reverse side and sending it with your check or money order. You may also make your pledge on the CCFD website. In the future, we hope to offer you the option of a monthly deduction from your SURS annuity. If you would like to be notified when that option is available, please check the appropriate box on the pledge form.

We thank you for your past generosity and appreciate any donation you can make to help support this wonderful cause. If you have any questions, please visit the CCFD website at www.ccfid.illinois.edu or call Tracy Parish at 217-265-6398.

Thank you for continuing to be a part of our Illinois family.

Sincerely,

Phyllis M. Wise
Chancellor, University of Illinois at Urbana-Champaign



CAMPUS CHARITABLE FUND DRIVE

Retiree Pledge Form - Please Print

Full Name		Unit	Phone	
Address		City	State	Zip
Gift Information I wish to donate to the charities listed below by writing a check made payable to the agency (no checks made payable to University of Illinois or Campus Charitable Fund Drive). List the agency at the top then the designations associated with that agency below. Visit www.ccfid.illinois.edu/agencies for agency and designation information.				
Agency 1		Amount	\$	
Designation A.		Amount	\$	
Designation B.		Amount	\$	
Designation C.		Amount	\$	
Designation D.		Amount	\$	
		Total amount for this agency and associated designations		\$

Agency 2		Amount	\$	
Designation A.		Amount	\$	
Designation B.		Amount	\$	
Designation C.		Amount	\$	
Designation D.		Amount	\$	
		Total amount for this agency and associated designations		\$
		Total amount for all gifts		\$

Please send completed pledge forms to:

Campus Charitable Fund Drive
 330 Illini Union Bookstore Building - MC 319
 807 South Wright Street
 Champaign, IL 61820

Optional: Release Information

Please DO NOT list my name in any CCFD publications

I do not wish to be contacted by the Agency; or

I do not wish to be contacted by the Agency other than acknowledgement of my gift

Please notify me when the SURS annuity monthly deduction options becomes available



CAMPUS CHARITABLE FUND DRIVE

America's Charities

Working to build strong communities. Addressing needs of children, families, communities through member programs by helping employers and employees support our member charities' programs.
(800) 458-9505
www.charities.org | 6.4%

Black United Fund of Illinois

The Black United Fund of Illinois, Inc. (BUFI) is a non-profit organization that provides critically needed financial and technical support to programs and projects that assist those in need within Illinois' African-American community.
(773) 324-0494
www.bufi.org | 4.4%

EarthShare Illinois

An alliance of leading nonprofit environmental and conservation charities, working across Illinois and the nation to protect human health and the environment.
(312) 795-3740
www.earthshare-illinois.org | 12.9%

Special Olympics Illinois

Part of an international program, Special Olympics Illinois provides year-round sports training, competition and a variety of skill-building opportunities for children and adults with intellectual disabilities.
(309) 888-2551
www.soill.org | 5.6%

American Cancer Society

When you support the American Cancer Society, you are joining a worldwide movement to help people stay well, help people get well, find cures, and fight back against cancer.
(800) ACS-2345
www.cancer.org | 28%

Community Health Charities of Illinois

Together we are working for a healthy Illinois!
(312) 382-0198
www.illinois.healthcharities.org | 15.4%

Global Impact

Supports leading U.S.-based international charities to address critical needs throughout the world. We help ensure sustainable solutions by meeting real needs with real results.
(800) 836-4620
www.charity.org | 4.39%

United Negro College Fund

America needs more college graduates. President Barack Obama has committed the country to regaining world leadership in the percentage of people with a college education.
(312) 845-2200
www.uncf.org | 10%

American Heart Association

The American Heart Association is the nation's oldest, largest voluntary organization devoted to fighting cardiovascular diseases and stroke.
(217) 698-3838
www.heart.org | 20.7%

Community Shares of Illinois

Representing charities focused on addressing diverse issues such as women's and children's health, the environment, and poverty.
(217) 352-6533
www.communitysharesillinois.org | 9.9%

Independent Charities of America

Feeding the hungry. Sheltering the homeless. Protecting the children. And healing the sick. America's finest independent charities. Working with you to share - the American way.
(800) 477-0733
www.independentcharities.org | 1.1%

United Way of Champaign County

Community Impact Fund provides program funding to 37 human care agencies in Champaign County. There are sixty-seven funded programs that address health, education, food, financial stability and shelter.
(217) 352-5151
www.uwayhelps.org | 13.8%





Just For Retirees

Frequently Asked Questions about the Campus Charitable Fund Drive

University of Illinois at Urbana-Champaign

Q: *Where do I find information on agencies and designations to which I may donate?*

A: www.ccfid.illinois.edu/agencies

Q: *May I donate to one of the 12 CCFD agencies without designating it for a specific program under an umbrella agency?*

A: Yes, in fact some agencies prefer that you not designate toward a specific program. On the Pledge Form, simply complete the "Agency" line and the annual amount and leave the "designation" lines empty.

Q: *Can I have my contribution deducted from my monthly SURS annuity?*

A: Not at this time. Payments may be made to agencies by personal check.

Q: *Although I am retired, can I still have my gift counted in the total for the University unit where I worked?*

A: Yes. Be sure to indicate your most recent campus unit in the "unit" field on the Pledge Form.

Q: *In the past I have given directly to the United Way. Can I continue to do that and still participate in the CCFD?*

A: Yes, the CCFD works closely with the United Way of Champaign County to ensure that both campaigns give the donor credit for his or her gift. If you give directly to the United Way, indicate to them that you are a University of Illinois retiree and they will notify CCFD of your gift so it can be counted in our campaign. Alternatively, if you give to the United Way through the CCFD, the United Way will be informed of your gift.

Q: *Can I give directly to other agencies covered by the CCFD and have my gift count toward my former unit's goal?*

A: Yes. If your donation is made during the campaign and you can provide documentation of the donation (a copy of the canceled check, credit card receipt or a thank you note) we can count it toward your unit's goal. Documentation must include the date of the donation, the amount and agency or designation name.

Q: *Are retirees required to make their pledges on paper?*

A: You may submit your pledge using the form included in this mailing, but retirees, like current employees, are encouraged to make their pledges online at www.ccfid.illinois.edu.

More questions? Visit ccfid.illinois.edu or contact Tracy Parish at ccfid@illinois.edu or 217-265-6398.

Benefits Report

Mary Beastall and H. F. Williamson

Any report on annuitant benefits has to be a work in progress. Given the changing environment within which we live, new events may have occurred after this article was written that will affect our members. This is why the SUAA leaders monitor benefits-related activities in order to keep annuitants informed through the material provided on the Chapter and State SUAA websites noted below. It also important to monitor the CMS and SURS websites discussed below.

Benefits Choice Period

The Central Management Services (CMS) Benefits Choice period for Medicare-eligible annuitants and their Medicare-eligible dependents is tentatively scheduled for October 15 through November 15. An annuitant who is Medicare-eligible will not qualify for this period if that annuitant has a dependent who is not eligible for Medicare on the annuitant's insurance through the State. During the Benefits Choice period, an annuitant may choose to opt out of the State health insurance. In 2013 dental and life insurance, if elected, could continue when opting out, but prescription and vision coverage could not. Be sure to read the CMS information carefully, and it is also a good idea to refer to the annual *Medicare and You* booklet for information about your benefits as well as federal policies.

CMS Informational Notice regarding enrollment in Medicare plans

Recently CMS sent an informational notice to annuitants who enrolled in one of the State of Illinois Medicare Advantage with Prescription Drug coverage plans (TRAIL). The notice said that per Medicare rules, members in the plans who enroll in another Medicare Plan (such as a different Medicare Advantage or Medicare Part D plan) will have their TRAIL coverage automatically terminated. A copy of this notice is on the CMS website in the TRAIL section. If you have questions, contact CMS at 1-800-442-1300.

Medicare Part D Income-Related Premium Adjustment

An income-related monthly adjustment amount has been effect under the Medicare Part D prescription program. Medicare-eligible annuitants who are currently paying a higher premium for their Part B coverage are the same people who are affected by the Part D adjustment.

Claim Payment Delay

SUAA continues to receive inquiries from annuitants concerning the claim payment delay for the Quality Care Health Plan and the Quality Care Dental Plan. Updated information regarding payment delays appears on the CMS website under State Employee benefits. This includes dates of payment for health providers, and some annuitants have found it helpful to give copies of this information to their providers. It is noted on the website that late payment will include an interest payment.

Did You Know?

The members of the Chapter Benefits Committee will continue to review and update the information on benefits available to retirees and other annuitants in issues of *The Annuitant* and the Chapter website (<http://suaa-ui.org>). Most will be of interest wherever these individuals are living. Some benefits will be principally for those living in the Champaign-Urbana area. These include the following:

Campus Recreation. Retirees who want to continue (or start!) using Campus Recreation facilities such as CRCE and the ARC can now have the membership fee deducted for their SURS annuity. The fee is \$32 per month. Your spouse/partner can be added for just \$23 per month. You can join at any time and start the deduction at that point. More information is available at the Campus Recreation website: <http://www.campusrec.illinois.edu/>.

Walking in UI Armory. Those who are interested in walking for fitness at the UI Armory may not be aware that seniors 55 and over may purchase a lifetime registration for \$25 rather than pay the \$3 daily fee (see <http://www.fightingillini.com/facilities/armory-info.html> for further information).

Employee Assistance Program. The services of the Employee Assistance Program are available free of charge for employees, retirees and family members or significant others living in their households. Services include assessments, short-term counseling, crisis services and referrals to appropriate resources. The offices are located at 1101 West Springfield, Urbana. (Phone 217-244-5312, website <http://fsap.illinois.edu>).

Staying Informed About Your Benefits

Within SUAA, you can visit the state web site at www.suaa.org and the Chapter web site at www.suaa-ui.org. We recommend that you contact Central Management Systems (CMS) concerning questions about health care benefits and the State Universities Retirement System (SURS) about your annuity. The contact information for those offices and further information about what is available on the SURS web site is shown below.

Central Management Services (CMS)

Employees Benefits pages for State Employees:

<http://www2.illinois.gov/cms/Employees/benefits/StateEmployee/Pages/default.aspx>

Phone: 800-442-1300

CMS uses your information on file with SURS. Thus, you should remember to keep your personal information up to date with SURS.

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Employment of UI Retirees and Other State Universities Retirement System Annuitants

Policy Highlights

Starting August 1, 2013, there are new limits on re-hiring employees who have retired from the University or hiring someone who is receiving an annuity from the State University's Retirement System (SURS) under Public Act 97-0968 (Return to Work). In response to Public Act 97-0968, the Board of Trustees revised its policy concerning the re-employment of retirees.

On November 19, 2013, Public Act 98-0596 (known as University of Illinois School of Labor and Employment Relations Act), was signed by the Governor and includes an amendment to the Return to Work law. The changes provide relief from some retiree requirements and simplify some administrative aspects. The University's process and procedures have been updated to reflect the changes. Please be aware, however, that the University's policy remains unchanged regarding the rehire of University retirees and other annuitants of the State Universities Retirement System (SURS).

When a SURS annuitant is employed in a position that earns more than 40 percent of his/her highest annual rate of earnings earned prior to retirement, Public Act 97-0968 requires the University to make an additional SURS contribution equal to the retiree's annual annuity. These limits are coordinated when a SURS annuitant works for more than one university or college, and are waived when the position is funded by federal, trust, foundation, or corporate funds, or by a state grant that names a principal investigator.

Important provisions of the Board of Trustees policy are:

1. Positions in all employee groups are covered – faculty, clinical/research professional, academic professional, status civil service, extra help, and all other temporary, part-time or seasonal positions - although current and future status civil service appointments are exempt from the provisions of the Return to Work Act, campus procedures (i.e. Retiree Rehire Form) for receiving approval to fill the position with a SURS annuitant must still be followed.
2. All SURS annuitants are covered – employees who retired from the University or from any other employer participating in SURS.
3. All appointments require prior approval by the appropriate campus or central administrator; approval may be withheld if financial penalties will be incurred, including status Civil Service positions even though they are exempted from the provisions of the Act.
4. Each employing unit is responsible for all costs, additional SURS contributions, and penalties associated with exceeding the limit on earnings.

Procedures and Processes

To start the hiring process of a SURS annuitant:

1. The SURS annuitant completes the Statement of Annuity Status and submits it to the hiring unit.
2. Before an offer is made, the hiring unit completes the Proposal for Re-Employment of a SURS Employer Retiree (Retiree Rehire Form) and submits it to the designated Human Resources office.

University Administration units should contact ER/HR at erhr@uillinois.edu to complete this form.

BOT Policy located at: <http://www.trustees.uillinois.edu/trustees/agenda/July-13-2006-Approved-and-Reported/a014-jul-Retirees-hiring-6-26-06.pdf>

Let Us Hear From You

Please send us your suggestions, ideas about issues we should be addressing, and stories about you as well.

Three specific requests for information:

1. What benefit/service would you most like to see the campus (not SURS) provide to retirees?

2. Your interest in serving on _____ committee(s).

3. If your name or address has changed, please let us know.

Name, Address & Email (optional unless you are responding to #2 or #3 or if you are posing a question requiring a response):

Please return to: **University of Illinois at Urbana-Champaign**
SUAA-UIUC Chapter
364 Henry Administration Building, MC-346
506 S. Wright Street
Urbana, IL 61801-3689



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State Universities Retirement System (SURS): <http://surs.com/>
Phone: 800-ASK-SURS (800-275-7877) or 217-378-8800. Fax: 217-378-9800
Mailing Address: SURS, P.O. Box 2710, Champaign, IL 61825-2710
Street Address: 1901 Fox Drive, Champaign, Illinois 61820

The SURS home page provides access to a number of topics of interest to our members such as the schedule of the "Post-Retirement Seminars" held in Champaign each fall and spring. The "Life Events" link at the top of the home page provides a link to the "Death of a Member" site which contains instructions on the steps that survivors should take when this event occurs. The steps presented there are similar to those discussed in the Survivor Assistance Workshops offered in the past.

Finally and perhaps most importantly, you can use the "Member Login" link at the top of the page to learn how to reach what is essentially your own home page. After entering your username and password (established on your first visit), you can view a wide range of information about your annuity including your entire payment history and your current payment information. You can also change such items as your address, beneficiaries, phone number or email address, and your Federal Income Tax withholding status. For those in the Champaign area without easy computer access, SURS has set up a kiosk computer station in their lobby for its members. The receptionist is available to assist annuitants with registering for the member website, printing forms, and finding other valuable SURS information online.

Subscribing to *Inside Illinois* (for SUAA members only)

Inside Illinois is published semi-monthly and distributed to campus mail boxes and subscribers off campus by the mail. It is a great way to keep up with the highlights of campus. **Subscription is free to SUAA-UIUC members who request it.** If you do not receive a home subscription and wish one, please use the form below.

Inside Illinois now offers online subscriptions. These subscribers will receive an email with links to the issue index and several featured stories. In addition, when there is news between issues, subscribers will receive an email. To subscribe, go to <http://illinois.edu/gm/subscribe/7330>.

To unsubscribe to a home subscription received through SUAA-UIUC membership, please send your request, name and address to our email: suaa.ui@gmail.com.

Initial Subscription Form for UIUC "*Inside Illinois*" Newspaper

Complete the form below for an initial subscription to *Inside Illinois*. A new subscription begins as soon as possible after the form is received and continues as long as SUAA membership dues are kept current. Return this form to:

SUAA-UIUC Chapter
364 Henry Administration Building, MC-346
506 South Wright Street
Urbana, IL 61801-3689

NAME

(Last) (First) (M.I.)

ADDRESS

(Number) (Street Name) (Apt. #)

(City) (State) (Full 9 digit Zip Code)

(Email address)

SUAA MEMBERSHIP: Why You Should Join

- **SUAA**, founded in 1971 as a voluntary membership association, continues its vigilance to preserve and protect the pension system, the healthcare plans and all other benefits provided for the well-being of the 208,000 State Universities Retirement System (SURS) participants and beneficiaries.
- **SUAA** provides continuous tracking of pension and healthcare benefit matters, state funding, along with other related concerns.
- **SUAA** works with its membership to assure legislators, executive officers and other policy makers are knowledgeable about member issues.
- **SUAA** is the *only* advocacy organization that focuses *solely* on preserving pension and healthcare benefits for the public universities' and community colleges' employees - both active and retirees - their spouses and survivors and SURS members who live out of state.
- **SUAA** membership affords the opportunity to interact and build relationships with other members of SURS through the local chapters on each public university and community college campus.
- **SUAA** membership provides a communication network through newsletters, legislative bulletins, websites, workshops and meetings that informs and updates you on both local and state issues relative to and focused on pension and healthcare benefits.
- **SUAA** membership assists in building a knowledge base in order to better understand how each element of legislation can affect pension and healthcare benefits for both today and for tomorrow.
- **SUAA** membership allows direct involvement in the legislative process through coordination of a clear **VOICE** and visibility as a solid advocacy organization that protects the pension and healthcare benefits of the participants and beneficiaries who are enrolled in the SURS.
- **SUAA** membership offers assistance to spouses and survivors of annuitants by providing them with important information to aid them in receiving all rights and benefits to which they are entitled.

SUAA dues can be deducted from both payroll and annuity payments. We strongly encourage **all** members to opt to have their dues automatically deducted when they join or at their next renewal. This method benefits SUAA by keeping costs down. And it is convenient for members by making renewal automatic. NOTE: Any form for dues deduction requires an original signature. **Total annual dues for 2014 are \$39; this amount includes chapter dues of \$8.**

On the next page of this issue are membership application forms: 1) one for retirees, 2) one for current employees who opt for payroll deduction, and 3) one for current employees who opt for an annual cash payment.

Send your membership form (and payment if paying by check) to:

State Universities Annuitants Association
217 E. Monroe, Suite 100
Springfield, IL 62701

You can also join online at <http://suaa.org/membership.php>.



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State Universities
Annuitants Association

Make all checks payable to: SUAA
Return the signed membership form to:
SUAA, 217 E. Monroe, Suite 100
Springfield, IL 62701

Dues are not deductible as a charitable
contribution for tax purposes.

Contributions to the SUAA Foundation
are tax deductible.

SUAA Membership Application
University of Illinois
Urbana-Champaign Chapter
RETIREES ONLY

Select Payment Option:

- ___ 1. Automatic Dues Deduction (SURS)
- ___ 2. Annual Cash Payment

Membership Type: ___ Year Retired

- ___ Retiree
- ___ Retiree and Spouse/Partner
- ___ Spouse/Partner
- ___ Surviving Spouse/Partner
- ___ Supporter

Name: _____

Spouse/Partner: _____

Address: _____

City: _____

State: ___ Zip: ___ Phone: _____

Email: _____

Chapter Dues Amount:

- \$ ___ 3.25 member monthly deduction
- \$ ___ 6.50 member & spouse monthly deduction
- \$ ___ 39.00 member annual cash payment
- \$ ___ 78.00 member & spouse annual cash payment
- \$ ___ SUAA Foundation Contribution (voluntary)

Signature Required for SURS Dues Deduction:

I hereby authorize the State Universities Retirement System (SURS) to deduct monthly the amount as certified by the UUC Chapter as the current rate of dues. The deduction will start once the SURS process is complete and will continue until termination is requested in writing.

Signature: _____ Date: _____



State Universities
Annuitants Association

Please Mail Signed Form To:
217 East Monroe, Suite 100
Springfield, IL 62701
217-523-4040

SUAA Membership Application
University of Illinois
Urbana-Champaign Chapter
EMPLOYEES ONLY

Select Action to Take:

- ___ 1. Activate Payroll Deduction
- ___ 2. Terminate Payroll Deduction

Select Employee Pay Schedule:

- ___ 1. Monthly
- ___ 2. Bi-weekly

Membership Type:

- ___ Active Employee

Employee UIN: _____

Name: _____

Spouse: _____

Address: _____

City: _____

State: ___ Zip: _____

Telephone: _____

Email: _____

Chapter Dues Amount:

- \$ ___ 3.25 employee's monthly deduction
(annual deduction total of \$39.00)
- \$ ___ 1.63 employee's bi-weekly deduction
(annual deduction total of \$39.00)

Signature Required for Payroll Deduction:

I hereby authorize the **University of Illinois** to deduct, each month, the amount as certified by SUAA as the current rate of dues. The initial deduction will begin within 30 days of receipt of this dues deduction authorization by the University of Illinois. The dues deduction will continue until termination is requested in writing.

Signature: _____ Date: _____



State Universities
Annuitants Association

Make all checks payable to: SUAA

Mail membership application to:

SUAA
217 E. Monroe, Suite 100
Springfield, IL 62701

SUAA Membership Application

University of Illinois

Urbana-Champaign Chapter

CURRENT EMPLOYEES ONLY
ANNUAL CASH PAYMENT

Membership Type:

- ___ Active Employee (including allied agencies)
- ___ Active Employee and Spouse/Partner
- ___ Spouse/Partner
- ___ Supporter

Name: _____

Spouse/Partner: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Email: _____

Chapter Dues Amount:

- \$ ___ 39.00 Member annual cash payment
- \$ ___ 78.00 Member & Spouse annual cash payment
- \$ ___ SUAA Foundation Contribution (voluntary)

Dues are not deductible as a charitable contribution for tax purposes.

Contributions to the SUAA Foundation are tax deductible.

University of Illinois at Urbana-Champaign
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Urbana, IL 61801-3689

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