

PARSE *newsletter*

DIRECTORY OF SERVICES

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CENTRAL

Carol Moyer: (717) 652-9270

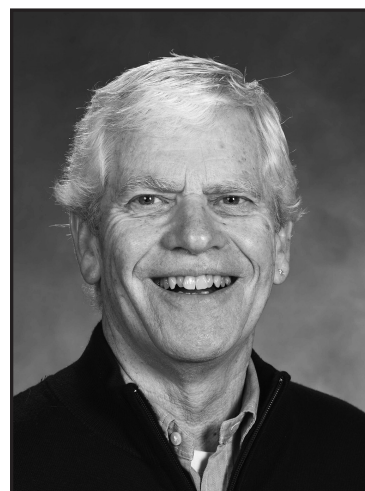
President's Report - Spring/Summer 2021

Thomas B. Judge, President

PARSE Membership

PARSE continues to grow as an organization with almost 29,000 members as of this writing. We appreciated the number of you who responded quickly when invoices were mailed in the Fall. Almost 5,000 members used the on-line payment option, and this was a real help to the State Office. We are looking to make enhancements to that system to make it even easier to use next year. In a future newsletter we will provide more information on changes to the system that will make it easier to use.

We still have been unsuccessful in getting retiree information from SERS but our insurance partners PISI/AMBA have invested in mailings to potential members. These mailings have driven the exceptional growth over the past few years. Our goal to significantly exceed the 30,000-member threshold.



Tom Judge

Pandemic

The Covid-19 has continued to impact all of PARSE. The State Office remains open but not open for visitors, all meetings have been by conference call or Zoom. Most chapters have still not been able to resume meetings but are hopeful to begin soon. The Regional Meetings were all virtual this year using Zoom as a platform for those who could use that technology and a conference call option for others. There will be a Governing Board Meeting in September this year, but attendance will be reduced for both safety and social distancing needs.

I hope that most of you have been able to get vaccinated or are being scheduled. My wife and I both got our vaccination; it was a positive experience, and we feel more comfortable seeing small groups of friends all of whom have been vaccinated too. A everyone at the State Office has also been vaccinated.

Governing Board 2021

The 2021 Governing Board Meeting will be held in Gettysburg in September 14th and 15th. As mentioned above the attendees will be limited to voting delegates, the parliamentarians, the Executive and Bylaws Com-

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mittees. We were able to work with the hotel to reduce the number of participants for this year at no cost to PARSE. We will be back in Gettysburg next year for the 50th annual meeting and plan to make that a very special event. The five Regional Vice President positions as well as the State President and State Secretary positions will be selected this year. If you are interested in any of these positions, please contact your chapter president for more details.

PISI/AMBA Contact Team

You are all familiar with our insurance partner PISI (Professional Insurance Services Inc.). Several years ago, they became partners with a larger organization AMBA (Association Member Benefits Advisors). The AMBA resources have had a direct impact on PARSE growth I mentioned above. In the last 2 years PARSE has seen a growth of over 5,000 new members. PISI/AMBA offers insurance products other than the dental and vision products and has a contact team to provide other benefits information and reviews for PARSE members. These services are provided at no cost or obligation to members. You can arrange for a review by contacting PISI/AMBA. You can also get more information on this service at the PARSE website www.parseofpa.org.

Chapter Needs

Many of your chapters have had the same officers for many years. Some

of these retirees would like to take a break but need your help. Please volunteer to serve your chapter as an officer. The positions will not consume too much of your time, but I believe you will enjoy the opportunity to engage with more members. If you are unsure of your chapter you will see on the address of this newsletter the chapter number x-xx next to your name. Inside the newsletter you will find a list of treasurers by chapter number and you could contact your treasurer about volunteering.

Dental and Vision Questions/Issues

PISI/AMBA is our insurance agent and part of their job is to represent you when you have issues or problems with dental or vision insurance. We highly recommend that if you have a concern call PISI not United Concordia or Davis Vision. PISI's number is 800-382-1352.

PARSE Finances

You will note that PARSE financially is on solid ground and because of the pandemic expenses were much lower in the last year. As a result, the State Office will absorb all costs for processing dues collection for the chapters (if they choose to have the State Office collect them) and there will be no cost to the chapters for the various insurances (liability, Directors and Officers, etc.) PARSE must carry.

PARSE Committees

PARSE has numerous committees to assist in directing and running

PARSE. These committees include audit, benefits, bylaws, finance, and government relations. None of these require a large time commitment but all help make PARSE a better organization. If you might be interested in serving on these, you can contact either your regional vice president or Allan Hansen the PARSE Vice President-Treasurer.

Be Aware

We all see many commercials on TV and solicitations in the mail about Medicare Supplemental insurance that include dental and vision coverage. Review these with caution and consider if you want to forgo your Commonwealth medical coverage (Aetna). Look closely at not only out of pocket costs but what are the coverages offered.

We also have seen some recruiting packages from AFSCME, they apparently have formed a retiree association. We certainly respect their right to solicit for members but before you make any decision to leave PARSE be sure to read and understand the program being offered to you.

Volunteer Opportunity

Because of the pandemic many volunteers at polling places decided to step down. If you want to help with elections in the future contact your county board of elections. Most of these positions do receive a stipend for your service.

The 50th Governing Board Meeting 2022 **September 12-14th . Gettysburg**

Mark your calendars now, we will be at historic Gettysburg! This is a milestone to celebrate, and we will plan to make the meeting a memorable occasion. Watch for upcoming newsletters and information from your chapters on how you can be involved.

PARSE Government Relations

NOVAK

The new session of the Pennsylvania General Assembly began in January of 2021 and saw a budget shortfall of 5 billion dollars following a difficult 2020 and a global pandemic. Governor Wolf gave his annual budget address in February of 2021 and laid out an ambitious funding proposal with an income tax increase. On March 11, 2021 President Biden signed the American Rescue plan.

Highlights for the Bill (Pennsylvania)

- \$7.3 Billion allocated to the Commonwealth
- \$5.1 Billion allocated to local governments based on population
- \$671 million in emergency rental assistance
- Extension of unemployment insurance benefits to more than 480,000 Pennsylvanians

State and local fiscal aid — \$350 billion has been directly allocated to states, counties, cities, tribes, and territories, with a broad definition of allowable uses, and added purposes like recoupment of lost revenue and investments in water, sewer, and broadband infrastructure. While governments have flexibility in using these funds, they cannot use them to make a deposit into a pension trust or to offset or delay a tax increase. These funds must be used by December 31, 2024.

Both the House and Senate feel with the federal funding



monies, a budget can be passed by early June, ahead of the June 30th deadline.

NSA (Novak Strategic Advisors) and PARSE president, Thomas Judge, had a productive, lengthy, meeting with Senator Patrick Brown, Senate Appropriations Chairman, in February. He explained his long-term strategy in funding both SERS and PSERS. His goal is to use a slow and steady funding stream to ensure they both achieve slow but predictable funding with no sudden drop off in investments. He feels this strategy has allowed the systems to continue to perform even under difficult economic conditions.

In April, NSA and PARSE met with House Finance Chairman, Mike Peifer, who is very supportive of pensions in general and gave his views on issues related to the systems. NSA continues to reach out to connect PARSE with key stakeholders in both chambers to ensure that PARSE has a seat at the table when policies questions come up in relations to SERS and retirement in general.

PARSE FINANCIAL REPORT

PARSE continues to have a very sound financial situation. As of the end of May the Balance Sheet reports total assets of \$832,044.99 while the Balance Sheet reports a net operating income of \$206,897.25. Please note that the net operating income will decrease as the year continues for several reasons; first the PARSE fiscal year is from October 1 thru September 30, second all of PARSE income comes from dues and as you know the majority of the dues are collected in the fall (the 1st

quarter of the fiscal year), third while we continue to collect dues and add new members the bulk of the income has been collected and ongoing operating expenses will thru the end of September reduce the net operating income. We still expect to end the fiscal year (September 30, 2021) with a net profit.

This solid financial situation also means that there will be no dues increase for 2022.

An action was taken this year to

reduce PARSE risk by distributing PARSE monies to multiple financial institutions. As you may know the government protects assets in a financial institution (i.e., bank) up to \$250,000 thru FDIC (Federal Deposit Insurance Corp.). This protection is not per account but per institution. While we have no concern about the bank where the PARSE funds were placed, we decided from an abundance of caution to move funds to multiple banks and no amount would exceed the \$250,000 protection.

**STATE EMPLOYEES
RETIREMENT SYSTEM (SERS)**
Questions on pension checks,
direct deposit, for state employees etc.
(717) 787-6293 OR 1-800-633-5461

**PUBLIC SCHOOL EMPLOYEES'
RETIREMENT SYSTEM (PSERS)**
Questions on pension checks,
direct deposit, for school employees
etc.
(717) 787-8540 OR 1-888-773-7748

**PENNSYLVANIA EMPLOYEES
BENEFIT TRUST FUND (PEBTF)**
Questions on state retirees health
programs
including prescription drugs.
(717) 561-4750 OR 1-800-522-7279

PACE & PACENET
PA prescription assistance programs
for
older adults, offering low-cost prescrip-
tions medication: 1-800-225-7223

**PROFESSIONAL
INSURANCE SERVICES, INC. (PISI)**
Questions for retirees on how to enroll
in Dental, Vision, Long Term Care,
Identity
Theft, Whole Life, Term Life & Medi-
care Supplemental Insurance (not for
claims)
(717) 761-4437 OR 1-800-382-1352

DAVIS VISION PLAN
Names of participating eye doctors:
1-877-923-2847 Client Code: 4054
OR www.davisvision.com
Questions on claims call
PISI: 1-800-382-1352

**UNITED CONCORDIA
ADVANTAGE PLUS DENTAL PLAN**
1-800-332-0366
Names of Participating Dentists
1-800-332-0366
*Advantage Network Questions on
claims:*
PISI: 1-800-382-1352

HEAR IN AMERICA
Questions about our hearing services:
1-800-286-6149 OR
www.hearinamerica.com

Unfunded Liability

What does unfunded liability mean? Many of you may have heard or seen this term as it relates to pensions and COLAs, but some may not completely understand what it is about, how it happened and what is the impact.

Public pensions are funded by employer contributions, employee contributions and investment returns. If all three of these sources work as designed the pensions will pay for themselves. The Public-School Employees' Retirement System (PSERS) was established in 1917. The State Employee' Retirement System (SERS) was established in 1923. So, what happened in Pennsylvania to cause the unfunded liability?

1. In 1997 the Gov. and lawmakers reduced the state's employer contributions to nearly 0% because the funds were flush with investment cash.
2. In 2000 SERS reached a surplus of \$6.4 billion.
3. In 2001 Act 9 raised the pension calculation by 25% which would in turn increase the fund liability.
4. The September 2001 terror attacks sent Wall Street investments into a sharp decline and set in motion the deficit seen today.
5. By 2002 PSERS reached a plateau at \$6.9 billion.
6. In 2002 Act 38 provided a COLA to retirees that added \$1.75 billion in unfunded costs for SERS. The act also placed a one-year cap on employer contributions at 1.15% further underfunding SERS and PSERS.
7. Act 40 in 2003 spread out employer pension obligations to these systems from 10 years to 30 years.
8. The Great Recession of 2008

created significant losses in investment values for both systems.

9. Act 120, of 2010, partially rolled back pension obligations caused by the 2001 law (Act 9) and pay back debt accruing since 1997.

10. By 2011 the long-term debt obligations from Act 120 were about \$14.7 billion for SERS and \$2.5 Billion for PSERS during ongoing state and national financial crisis.

11. By January 2017, the combined pension debt had reached \$72 billion.

12. In 2017 Act 5 (to take effect in 2019) was signed creating a hybrid pension plan but this does not reduce the accumulated debt which fluctuates between \$68 billion and \$72 billion for both systems.

In summary for a period of over 10 years the employer contributions to both plans were reduced to almost nothing. The terror attacks of 2001 negatively impacted the financial stability of the plans. The 2008 recession caused more losses, eroding any surpluses and triggering massive debt. Act 120 (2010) set in motion the return of the employer contributions, but massive debt remains and recovering from that deficit will take years.

It is true that employees did not cause the unfunded liability problem. But it is also true that any COLA would only serve to increase the debt and further weaken the long-term stability of the pension systems. So, while many of us would love a COLA, it is unlikely we will see one anytime soon. PARSE will continue to monitor this and as the financial stability of the system improves, we will advocate for a COLA.

CHAPTER TREASURERS

MEMBERS-AT-LARGE

State Office: 888-809-7429

- 1-10 Blair, Bedford, Huntingdon**
Shirley Kurtz-Flaugh: 814-832-3195
- 1-20 Central Penn**
Jan Moran: 717-763-5515
- 1-25 Franklin**
Bonnie McMullen: 717-860-1605
- 1-27 Fulton**
Barbara Fischer: 717-294-3693
- 1-30 Lancaster, Lebanon**
Joan Matterness: 717-392-4906
- 1-40 Mt. Nittany**
Mary Alice Miller: 814-349-5475
- 1-50 MUNS**
Sally Kobus: 570-524-0635
- 2-10 Endless Mountains**
Dianne Burman: 570-756-2525
- 2-20 Lackawanna, Wyoming**
Christopher Doherty: 570-521-4549
- 2-30 Luzerne, Columbia**
Robert Berkey: 570-239-0908
- 2-50 Schuylkill, Carbon**
John Quirk: 570-628-2815
- 2-60 Wayne, Pike, Monroe**
Claudia Le Vasseur: 570-937-9093
- 3-10 Erie**
Anita Locanto: 814-460-5010
- 3-20 Jefferson, Clearfield**
Joe Moliterno (acting): 814-938-9089
- 3-27 Crawford**
Kathryn W Parks: 814-337-0673
- 3-30 McKean, Potter, Cameron, Elk**
Diana Ewing: 814-778-5182
- 3-40 Venango, Clarion, Mercer**
Richard Supak: 814-437-3385
- 3-50 Barton Schuler (Warren, Forest)**
Carolyn Moynihan: 716-720-1527
- 4-10 Berks, Lehigh, Northampton**
Muriel Brookins: 215-669-2493
- 4-30 Delaware, Chester**
Roxanna Liberace: 610-678-3745
- 4-50 Montgomery**
Doll Byrd: 610-584-5035
- 4-60 Philadelphia, Bucks**
Ed Finfer: 215-244-1330
- 5-10 Cambria, Somerset**
Melvin Fees: 814-886-7169
- 5-20 Indico**
Richard Roberts: 724-465-5295
- 5-30 West SI-CO**
Xina Matuza: 724-327-0826
- 5-40 West Penn**
Richard Guriel: acting
- 5-50 Laurel Highlands**
Carol Kolesko: 814-893-5676

June was Cataract Awareness Month

Cataracts are one of the most common eye disorders in the United States and around the world. Understand the causes, symptoms, and treatment options.

1. Cataracts are the leading cause of vision loss in the U.S.

According to the CDC early 30 million Americans have cataracts.

2. One out of every six Americans over age 40 has cataracts.

Most people think of cataracts as only affecting the elderly, but symptoms – and even vision loss – often start as early as age 40. Even more cause for concern, the likelihood of developing cataracts doubles in your 50s and doubles again in your 60s. By the age of 80, more than 50% of Americans have cataracts.

3. Smoking and excessive sunlight add to the risk of developing cataracts. *Smoking doubles and triples the risk of developing some types of cataracts. Ultraviolet (UV) rays from the sun can also promote cataract development, reinforcing the importance of wearing UV-blocking sunglasses outdoors.*

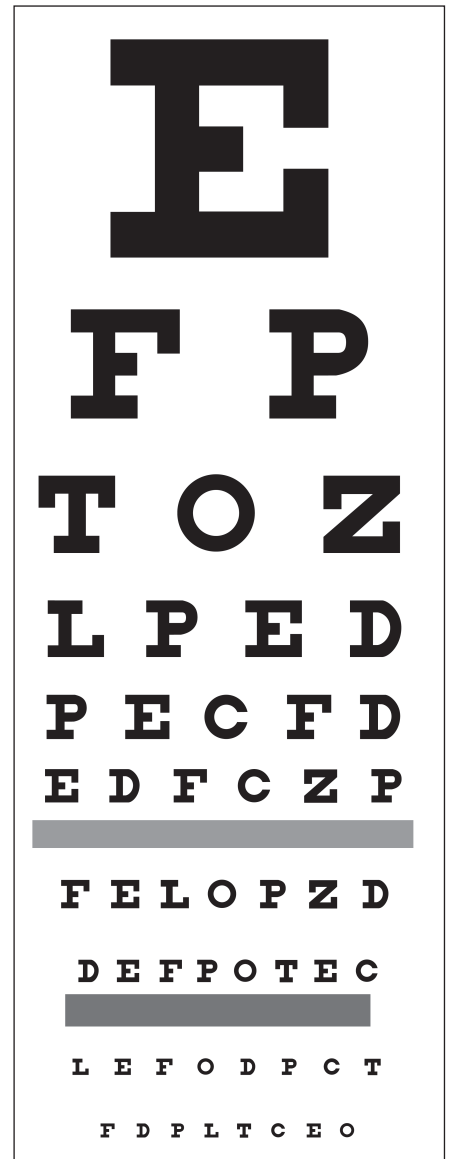
4. Symptoms Can Range from Mild to Dangerous

The most common symptom of cataracts is cloudy or blurred vision. Other symptoms include difficulty seeing at night or in dim light, glare, sensitivity to light, seeing halos around lights, faded colors, and the need for more light when reading. Some people also experience frequent changes in eyeglass or contact lens prescriptions. One of the most concerning potential symptoms is double vision in one eye, or “ghosting” around objects, which can produce balance issues that can result in falls or hazardous driving.

5. Surgery is the only effective treatment for cataracts.

Cataracts permanently damage the natural eye lens. The only way to restore a patient’s vision therefor is by surgically replacing the natural lens with an artificial lens. Cataract surgery is one of the most common surgical procedures in the world and is recognized as safe and effective.

Keeping your eyes healthy is essential to being able to maintain a full lifestyle, especially as we continue to age.



Dental RFP (*Request for Proposal*)

The current 2-year contract PARSE has with United Concordia ends October 31, 2021. PARSE is in the process, assisted by PISI/AMBA, of issuing an RFP for a new multi-year contract. The purpose of the RFP is to look at the insurance provider market and look to obtain the best contract for PARSE members. Cost is important but we will also look at the impact of having an insurance provider with a large network of dentists and any other items of

significance in a proposal. Another mandatory requirement in the RFP is for a multi-year agreement so members can see cost in future years. This request was sent to multiple providers in May. All final proposals must be submitted by the end of June. Following the review process by the Benefits and Executive Committees recommendations will be made but the Governing Board will make the final selection for a vendor at the meeting in September.

The new contract either with United Concordia or another provider will become effective November 1, 2021.

Please note that should PARSE select a new provider (i.e., not United Concordia) any current contract members have will remain in force until it would be scheduled for renewal. At the time of renewal, the member would be migrated to the new dental insurance provider.

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