

# Action Line – June, 2007

## Dearborn Federation of Teachers - Retirees Chapter

### A Landslide

As retirees, we sometimes forget that the AFT is continually involved in adding new members to its million plus membership roles. The latest electoral victory was in our own backyard. A unit of over 800 adjunct faculty at **Wayne State University** voted overwhelmingly on May 14 for representation by the **WSU Union of Part-Time Faculty**, an affiliate of **AFT Michigan (known to most retirees as the Michigan Federation of Teachers.)** The vote was 442-57 for the AFT. Among the many issues the new local hopes to address in bargaining is the fact that many adjunct faculty have not had a raise in 10 years. The election at WSU came shortly after a vote among the 300 adjunct faculty members at **Rhode Island College** that the AFT won by obtaining 96% of the vote.

### They Are Both Solvent

“They” in this case refers to Social Security and Medicare. In their annual report, the Social Security trustees indicate that the funds for Social Security and Medicare will last a year longer than previously estimated. The trustees report that Social Security is solvent through the year 2041 and Medicare is solvent through 2019. The report also triggered a warning that will require President Bush to submit to Congress next year proposals for dealing with Medicare’s problems. The Medicare warning is triggered any time two consecutive trustee reports conclude that the amount of general revenue needed to finance Medicare will top 45% of the program’s outlays, and the trustees first made that determination last year. According to the report, Medicare expenses in 2006 totaled \$408 billion and accounted for about 3.1 percent of Gross Domestic Product, and by 2030 will account for more than 6.5 percent of GDP. In light of the increase in projected costs for Medicare, it is difficult for Medicare supporters to understand the Bush administration’s opposition to Senate Bill 3, which would lower the cost of prescription drugs by allowing Medicare to negotiate bulk discounts with the drug companies.

### Long Term Rip-Offs

Most companies selling long term care insurance are reputable and treat customers fairly. However, a recent report from the **Alliance for Retired Americans** indicates that the industry also contains companies that are under investigation for questionable, if not illegal, business practices. The companies under fire so far are **Conseco** and **Penn Treaty American Corporation**, two of the nation’s largest sellers of long term care insurance. The companies have been asked to produce documents showing how the companies market long-term care policies and handle policyholder claims. In March, the **New York Times** reported that some long-term care insurance companies had developed procedures that made it difficult, if not impossible, for policyholders to get paid.

During the 1990’s, long-term care insurance was one of the industry’s fastest growing products. Companies like **Conseco** and **Penn Treaty** aggressively solicited clients who were not in the best health at rates far below that of their competitors, to win more business, according to former agents. In this decade, cracks in the business began appearing when policyholders in nursing homes started living longer than expected, and the costs ballooned for treating people with illnesses such as Alzheimer’s, Parkinson’s, and diabetes. According to court documents, **Conseco**, **Penn Treaty** and other insurers developed policies that rejected claims for reasons such as the failure of policyholders to submit unimportant paper work. .

### Listen to Her!

According to a recent **Wall Street Journal** article, wives often push their husbands to see doctors long before husbands think they need medical attention, and they are frequently the first to notice subtle changes in their husband’s health. Since females tend to have more contact with pediatricians, obstetricians, and gynecologists, they regularly ask for advice and referrals that their husbands do not. But because they tend to wait, men are more often diagnosed with more serious and difficult to treat later

stage diseases, with serious implications for both spouses. According to the U.S. Administration on Aging, seven in ten female baby boomers will outlive males, and over half of the impoverished elderly widows living today were not poor before their husband's death.

## Dearborn School Woes

Many Dearborn school retirees will remember times when school finances in Dearborn caused them to face a constant round of being laid off at the end of the school year, then re-hired, only to be laid off again the next year and be re-hired once again. As difficult as those years were, they might now appear to be a golden era compared to the multiple financial problems plaguing Dearborn schools today. The failure of the state to hammer out a budget has forced the district to create what **Bob Cipriano, Director of Business Services**, has called a "fantasyland" budget. By law, the school board must complete a budget by the end of June, but the failure of the state to hammer out a state budget leaves all school districts, such as Dearborn, in a financial limbo. The district is already facing a \$5 million dollar deficit. Ninety Dearborn teachers are scheduled to be laid off, and that would offset about \$3 million dollars of the deficit. In addition, cuts have already been made in two areas that always arouse the ire of many parents. For example, \$250,000 has been cut from extracurricular activities and \$250,000 from sports. At present, there are no plans to completely cut sports from any level.

Adding to the financial uncertainties of the district is the fact that a contract with Dearborn teachers has not yet been settled. In a vote in May, teachers rejected a proposed two-year contract. The contract failed to win approval by only 19 votes (555-536). The proposed contract called for a one-year wage freeze with the possibility of a wage re-opener depending on what happens at the state level. The contract also provided for a wage re-opener in the second year of the contract. If a wage freeze remains part of the contract that teachers finally approve, the district would gain \$4.6 million in revenue. **Kevin Harris, President of the Dearborn Federation of Teachers**, has indicated that bargaining on the contract may not resume until fall due to the turmoil surrounding state funding and future policies that may affect school districts.

Another uncertainty faced by the district is the news that the present superintendent, **Dr. John Artis**, will

be resigning in June, 2008, and the process of choosing a firm to conduct a search for the new superintendent will begin this summer. One school board member has indicated that a criterion for selecting a new superintendent would be the candidate's willingness to live in Dearborn if selected.

## Exercise Your Brain

"Neurobic exercises are simple workouts for the brain. They're intended to stimulate the production of natural brain growth factors and activate new brain circuits by changing normal patterns or routines and engaging the senses in novel ways." The following neurobic exercises are recommended by the *Mind, Mood, and Memory* publication of **Massachusetts General Hospital**:

- \* Read a book upside down.
- \* Perform a simple task with your eyes closed, or wearing ear plugs.
- \* Use your opposite hand to eat, to brush your teeth, or to copy a poem.
- \* Spend an afternoon without talking. See if you can share a meal and communicate without speech.
- \* Try to identify the spices in your spice rack with eyes closed.
- \* Take a new route to the grocery store or shop in a different part of town.

**Editor, Pat Daly**