



University of Michigan Retirees Association

Volume 8, No. 6

November-December 2004

Social Hour Programs, Fall 2004

Thursday, November 11: Former U-M President James Duderstadt will reminisce about his presidency and offer his views about present-day intercollegiate athletics.

Thursday, December 9: UMRA holiday get-together. This will be a fine opportunity for getting acquainted while enjoying light refreshment. The program will include a special presentation on elder law by attorney Elizabeth K. Woodruff. She will focus on legal factors that especially affect senior citizens. More information on elder law can be found on pages 6 and 7, in the report on the recent meeting of the Big Ten Retirees Association.

January 13, 2005: The meeting topic will be announced later, in the *UM Record* and on the UMRA web site, <www.umich.edu/~hrraa/umra/>

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Election of UMRA Board Members

Election of UMRA board members was part of the October 14 annual membership meeting. A change in the UMRA constitution, described on page 5, calls for expanding the board to twelve members, an increase from nine. The nominating committee, chaired by Don Thiel, reported a full slate of nominees. Accordingly, after nominating the "class of 2004" (Beutler, Remley, Wooley) for re-election, the committee nominated Lee Zukowski

(class of 2004), Larry Jones for a one-year term (class of 2005) and Gene Smith for a two-year term (class of 2006) as board members. This plan permits an orderly transition from the nine-member board to a twelve-member board. All nominees were elected unanimously.

UMRA officers will be selected at the December 6 board meeting, and will be announced at our social hour on December 9.

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Social Hour Details

UMRA Social Hours are held most months during the academic year on second-Thursday afternoons. The gatherings usually include light refreshments—coffee, sliced fruit, cookies, and soft drinks. All UM retirees are cordially invited to attend. Social Hour programs begin at 3:15 PM and continue until about 5:00 PM. Announcements about speakers and programs are made in this newsletter, in University Record Events notices, and at <www.umich.edu/~hrra/umra>, the UMRA web site.

Meeting Locations

Meetings are usually held in Suite 18 on the ground floor of the UM Wolverine Tower. This building is located at the southeast corner of the intersection of Eisenhower Parkway and South State Street, east of the Briarwood Mall. Parking is open and free to UM retirees during our Social Hours—that is, from 3:00 PM to 5:00 PM on meeting days. Other venues are used from time to time. Check the meeting notice on Page 1 to find out the latest information.

The University of Michigan Retirees Association Newsletter

2072 Administrative Services Bldg, Ann Arbor, Michigan 48109-1432

The Administrative Services Building is located at the intersection of Hoover and Green Streets. Parking is available nearby.

Web site <www.umich.edu/~hrra/umra/>

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ANNUAL PRESIDENT'S LETTER TO THE MEMBERSHIP

October 14, 2004

This year has been an eventful one for me. When Don Thiel assumed the duties of Treasurer after the resignation of Fred Beutler, who had served with distinction in that capacity for ten years, I was asked to move from Secretary to the position of President. With the excellent support and cooperation of the Board of Directors I, and the Association, managed to survive.

The Board of Directors dealt with several issues this past year, the most significant being the increasing cost of Health Benefits to the Retirees. Don Thiel, on behalf of the association, shared with the administration our concern for the burden the additional costs would place on many of our members and we believe they listened. Robert Green made a presentation to the Regents expressing his concerns for the impact on retirees. Our thanks to both of these gentlemen for their efforts. To further expand the choices for health benefit programs, two additional health insurance programs are being offered effective January 2005. Another helpful addition to the program allows retirees to order three months supplies of prescription medicines from their local drugstore; however, payment will be for the full three-month orders.

The wealth of talent we have in the area allows us to provide excellent programs at our monthly social gatherings. This past year we had Dr. Lester Monts, UM Senior Vice Provost; Ken Fischer, Director of the University Musical Society; President Mary Sue Coleman and Astronaut Jack Lousma. In September the program dealt with preventing identity theft and fraud and was very well received. Vice President Patricia Butler is commended for arranging these fine programs.

The quality of the newsletters remains exceptional, thanks to the efforts of Fred Remley; his summary of the meetings and interesting articles are always enjoyable to read. Secretary Ethel Rathbun, Directors Frederick Beutler, Donald Brown, Robert Green, and Larry Katz all have contributed significantly to the success of this past year's accomplishments. Lee Zukowski, who serves as our consultant, continues to make sure mailings to the membership are done in a timely manner and for the least cost.

A new program to increase membership was approved by the Board, which gives a year of free membership to staff and faculty who retired between July 2003 and June 30, 2004. Free membership was extended to approximately 300 new retirees.

As we look forward to meeting the needs of the Association for the coming year we are proposing to add three more Directors and to develop several committees to better serve the membership.

Douglas Woolley, President
2003-04

UMRA TREASURER'S REPORT-OCTOBER 2004

I am pleased to report that the UMRA finances continue to be sound. As of August 31, 2004 total assets were about \$42,000 as compared to \$38,000 of a year ago. Income during the year consisted of membership dues of \$10,900 and tax deductible contributions of \$8,200. Some of this income resulted from a recent letter to our membership requesting dues for the coming year.

An annual report as of September 30, 2004 showing a year's worth of income and expenses, as well as the corporation's net worth, was distributed at the October 14 meeting.

It should be noted that after many years as Treasurer, Fred Beutler turned over the reins to Don Thiel on January 1, 2004. Fred has agreed to continue on the UMRA Board.

2003 was an exciting time for the Association as we played host to all the associations from the Big Ten schools. From a financial standpoint, UMRA ended up spending only about \$2000 because the University and others contributed generously toward the costs of the conference. We will play host again in about 10 years.

Membership in the Association is now approximately 600 primary membership units that are currently paid up (dues paid after May 25, 2004). This represents a few more than last year. Counting spouses our membership is almost a thousand.

It will be interesting to see if our membership increases significantly down the road with the Board's approval of providing recent retirees a year's worth of free membership.

The University has continued to support the Association by helping to pay for our mailings, providing us with a quarter-time person, an office with a computer, and meeting places.

Respectfully submitted
Don Thiel, Treasurer

UMRA Net Worth as of 8/31/04 w/o 2003 Big Ten Conference expenses		
	<u>Account</u>	<u>Balance 8/31/04</u>
ASSETS		
	Cash and Bank Accounts	
	Commerce Bank CD	\$13,730
	Soop Fund	883
	<u>Commerce Bank Chkg Acct.</u>	<u>28,158</u>
	TOTAL Cash and Bank Accounts	\$42,771
TOTAL ASSETS		\$42,771
LIABILITIES		\$ 0
OVERALL TOTAL		\$42,771

*A detailed report of UMRA income and expenses for 2003-2004
is available from Don Thiel.*

The following changes to the UMRA constitution were approved by unanimous vote at the October 14 Annual Membership Meeting. They were also discussed in the August-September UMRA Newsletter.

ARTICLE III. GOVERNANCE. Section 5

Present wording: Election of the Board. The initial Board of Directors of the Association and its officers shall be formed of the nine directors and officers of the University of Michigan Annuitants' Association, an unincorporated organization, of which the Association is an outgrowth; the terms of these directors shall be the same as their terms in the previous organization. At each annual meeting of members, three directors shall be elected from the members to three-year terms, to succeed those whose terms expire at the next annual meeting of the Board. Terms of Directors expire at the beginning of annual meetings of the Board. An individual may serve more than one term as Director.

New wording: The Board of Directors of the Association shall be formed of twelve directors. At each annual meeting of members, four directors shall be elected from the members to three-year terms, to succeed those whose terms expire at the next annual meeting of the Board. Terms of Directors expire at the beginning of annual meetings of the Board. An individual may serve more than one term as Director.

ARTICLE XIII. DISSOLUTION

Present wording: Upon the dissolution of the Association, assets shall be distributed by the Board of Directors for one or more exempt purposes within the meaning of section 501 (C)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government for a public purpose. Any such assets not disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

New wording: Upon the dissolution of the Association, assets shall be distributed by the Board of Directors to the University of Michigan Office of Financial Aid for the purpose of providing scholarship aid to students.

ARTICLE XIV. AMENDMENTS

Article XIV. Becomes Article XV. Article XIV is replaced with the following:

ARTICLE XIV. AFFIRMATIVE ACTION STATEMENT

The University of Michigan Retirees Association is an equal opportunity/affirmative action organization and complies with all applicable federal and state laws regarding nondiscrimination and affirmative action. The University of Michigan Retirees Association is committed to a policy of nondiscrimination and equal opportunity for all persons regardless of race, sex, color, religion, creed, national origin or ancestry, age, marital status, sexual orientation or disability for eligibility as a member.

HIKER/WALKER ALERT!

Sandy Sipkin, organizer of the UMRA Walking Group, currently has a roster of about 15 people in her e-mail notification list. *She'd like to add some more!* If you enjoy the outdoors and are happy to have company as you amble, please call or e-mail Sandy at 747-8785 and <ssipkin@provide.net>.

REPORTS ON 2004 BIG 10 RETIREES ASSN. CONFERENCE

UNIVERSITY OF MINNESOTA, AUGUST 20-22, 2004

Notes by Fred Beutler

The Conference largely adhered to the format of earlier meetings: a social evening Friday, presentations Saturday morning, a tour Saturday afternoon, and dinner with entertainment Saturday evening. Sunday morning was devoted to discussions by delegates and a business meeting. Unlike recent conferences, Saturday sessions were devoted solely to presentations, whereas recent conferences incorporated more active participation by the respective delegations.

The Friday evening talk by the president of the University was excellent. It featured some of the problems endemic in our major institutions of higher learning, in particular the demands of society for professional education versus a more humanistic approach, and the impact of the role of athletics on the institution.

The first Saturday presentation dealt with three disparate topics. The first consisted of a description of the operation of the Osher Lifelong Learning Institute, which is an integral part of the University of Minnesota. Most of the administrative work and all of the teaching is done by volunteers. The courses cover a wide range of topics from humanities and literature to questions related to aging. An annual fee of \$195 covers registration in any number of courses. This project is related to the retirement association, but the connection is not clear to me.

The next activity—again supported by the University—is the Retirees Volunteer Center. Its projects involve tutoring, serving as research subjects, hosting and ushering at concerts, bloodmobile assistance, science fair judging, mentoring, mock trial jurying, etc. The University provides the facilities and staff to coordinate these forms of volunteerism.

The final presentation, on the Vital Aging Network, addresses the “vital force of vital agers,” not only seniors, but also those inter-

ested in intergenerational or geriatric work. For additional information, see the web site www.van.umn.edu.

After a break, we heard a dynamic and stimulating lecture on elder law. The attorney who gave the lecture went far beyond the standard considerations involved in most legal preparations for aging. She covered the need for and application of wills, trusts, living wills, powers of attorney and the like. However, she emphasized the need for special provisions to cover individual situations. In addition, she referred to considerations relevant to arranging for long-term care, entrance to a continuing care establishment, and legal aspects of Medicare and Medicaid.

On the schedule after the luncheon break was a talk on Health Care and Retirees. Unfortunately, the presentation was uninformative. It consisted largely of anecdotes, global statements lacking specifics, and considerations relevant only to University of Minnesota retirees.

The Sunday morning session was less productive than I had hoped. Nominally, there were three topics, namely

- Building Membership
- Building Programs
- Building Connections with the University

However, the discussion was largely anecdotal, being centered on conditions and problems peculiar to each respective institution. Having attended two previous conferences, I felt that there was little that was not said at the earlier meetings.

The proceedings concluded with a Big 10 business meeting. It was emphasized that communication should be maintained among the respective universities, the website being the principal repository of such information. Finally, the gavel (actually a sword) was passed to the MSU Retirees Association president, who will host the 2005 Big 10 Conference.

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Observations and Suggestions

From this meeting and other discussions with respective Big 10 representatives I am convinced that we, at the U of M, are faring much better than our colleagues elsewhere. This is true not only with respect to our retirement incomes, but especially for medical benefits. The retirees at the University of Minnesota receive no medical benefits at all; they are only permitted to buy into their university medical plan, whose pool (fortunately) consists of all employees. In several other instances, retirees derive their incomes and benefits from a plan shared with state teachers, or with all state employees.

Rather than being “greedy geezers,” retirees have been generous with their institutions. I doubt that our Development Office could quantify this figure, but I am convinced that our retirees have donated millions to our University. I mention this because I think the administration may need to be reminded of this from time to time.

The presentation on elder law demonstrated that my thinking in terms of estate planning, living will, financial power of attorney, etc. has been too limited. While these are usually taken care of by a lawyer specializing in wills and trusts, there are other legal issues related to prospective continuing care, long-term care, Medicare, Medicaid, etc. There are now elder law attorneys whose work encompasses all of the above. It would be useful and interesting to present these issues to our membership. I know an elder law attorney who has presented similar material at our church, and in whom I have confidence. I would be glad to contact her for one of our monthly meetings.

Notes by Patricia M. Butler

This report is a supplement to the reports of Frederick J. Beutler and Donald Brown, submit-

ted to the UMRA Board, August 2004.

As Fred Beutler stated in his report, the format for the conference was similar to those we have reported in the past. The presentation on elder law was especially interesting. Kris Maser was quite eloquent on the many reasons for estate planning. She provided new information to me, in particular, on how to handle the estate funds prior to application for Medicaid. She also stated that in some instances the homestead tax credit on a house may be lost if it is in a trust. She provided much food for thought and investigation in Michigan.

The afternoon speaker on Health Care and Retirees provided no insights or inspiration. I was also disappointed with the Sunday morning discussion. The Chair had difficulty getting any discussion going. Suggestions at the business meeting were to try to work with employed colleagues to get them actively thinking about their future retirement. There was a plea from one member that the meetings should be held biannually. This brought a lively discussion, and that one member was the lone voice for biannual meetings. It was essentially thought that these meetings are a means of communication at a time when the climate is changing rapidly.

It was also agreed that the University of Michigan would continue to be the host for the web site for the Big 10 Retirees Association. Kudos were extended to Fred Remley for all his work. The U of Michigan representatives again asked that people update Fred with new information. We also encouraged people to use the web site!

It was an enjoyable weekend. I would recommend to MSU, which will host the 2005 conference, a format where people have some kind of responsibility to join the discussions, or are allocated specific topics for discussion. This would be more constructive.

Vioxx® Withdrawal from Market Announced by Merck

Patients who are currently taking Vioxx® should contact their health care providers to discuss discontinuing use of Vioxx® and exploration of possible alternative treatments. In addition, patients and health care professionals may obtain information from www.merck.com and www.vioxx.com, or may call (888) 36-VIOXX (1-888-368-4699).

PRESCRIPTION DRUG 90-DAY SUPPLIES AVAILABLE AT RETAIL PHARMACIES

Effective August 1, 2004, the U-M Prescription Drug Plan allows the purchase of 90-day supplies of medication from retail pharmacies. The previous retail limit was a 34-day supply. The plan change offers an alternative to mail order for larger supplies and the convenience of reduced trips to the pharmacy for prescription refills. However, the lowest-cost option for purchasing larger supplies of medication is through the AdvanceRx mail order pharmacy.

Drug plan members can now choose to purchase 90-day supplies of medication from a retail pharmacy for three co-pays, or they can order 90-day supplies through the AdvanceRx mail order pharmacy for just two co-pays, a 33% savings over retail. Currently, about 7% of all U-M plan member prescriptions are filled through the AdvanceRx mail order pharmacy.

The change is due to feedback received at the Benefits Office, through the AdvancePCS Customer Satisfaction survey, and in a SACUA Opinion Poll. U-M Prescription Drug Plan members expressed the desire to purchase larger

supplies at retail pharmacies as an alternative to the mail order pharmacy.

Drug plan members will have the following options for filling prescriptions at retail pharmacies within the AdvancePCS network:

- One-month supply (up to 34 days) for one (1) co-pay
- Two-month supply (35 to 60 days) for two (2) co-pays
- Three-month supply (61 to 90 days) for three (3) co-pays

To have a 90-day supply dispensed, your physician must write your prescription to allow for 90-day quantities. Please discuss your preferences with your physician at your next regularly scheduled appointment. Supplies larger than 90 days (for extended travel outside the U.S.) are arranged by the Benefits Office.

If you have any questions about the U-M Prescription Drug Plan, please call the HR/Payroll Service Center at 734-615-2000 (local call) or 866-647-7657 (toll free).

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