
Butkovsky, Joe <JButkovsky@ci.stamford.ct.us>
Wednesday, March 20, 2013 10:38 AM
AppropriationTestimony
Testimony for Teacher's Health Insurance Fund Hearing

Importance: High

Dear Legislators:

Please vote to maintain the State's contribution to the Health Insurance Premium Account (HIPA) fund for retired teachers.

Teachers have dutifully contributed 1.25% of their salary to the HIPA fund with the understanding that it will be there for them when they retire. This means a 37-year teaching veteran will have paid nearly one-half of their average yearly salary into the fund. Retired teachers with Medicare supplement insurance also contribute to the fund through part of their premiums. Combined with other teacher contributions, approximately two-thirds of the fund is borne by current and former teachers.

If the state government reneges on its obligation to pay its one-third share into the fund, the HIPA fund will eventually become insolvent. Younger teachers will end up paying nearly one-half of their average yearly salary for health insurance they will never have.

Teachers have to pay this money. They have no choice.

Please consider that teachers do not receive state employee retirement benefits. Please also consider that teachers cannot collect Social Security or spousal benefits due to the Windfall Elimination and Government Pension Offset laws. This allows the government to keep the money it would have paid out to all teachers previously employed in a non-teaching position and all teachers surviving their spouse. Previously employed teachers and teachers' spouses had to pay for benefits they and their spouses will never have.

They had to pay this money. They had no choice.

Please do not allow Governor Malloy to save money by cutting state contribution to the HIPA fund. The HIPA fund represents a covenant between Connecticut and its teachers. Forcing the fund into insolvency is not only a breach of that covenant; it is the extortion of tens of millions of dollars from those who devote their careers to helping others.

Sincerely,

Joe Butkovsky