

Testimony of
Alan G. Bredehorst
TRB Board Member
AFT Connecticut Representative

Appropriations Committee Hearing
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SB 342 An Act Concerning the Retired Teacher's Health Insurance Premium Account

Good morning members of the Appropriations Committee. My name is Alan Bredehorst, and I serve as the AFT representative to the Teacher's Retirement Board. I am one of several members tasked with watching over the benefits of public school retired teachers across the state. Thank you for the opportunity to share my thoughts and I am sure, the thoughts of all 33,000 retired and 53,000 active teachers.

The TRB Health Insurance Premium Account (HIPA) was created to help defray the costs of health insurance premiums for our retired teachers. Those benefits have been slowly eroded away by the state due to its inability to support the fund at the one-third rate that was agreed upon.

We are grateful to the members of the committee for restoring a significant portion of the proposed cuts, requiring the state to pay one-quarter of the cost, but the state's contribution continues to fall and at present has been reduced by \$21.6 million. As time goes on, the solvency of this fund will become more unstable.

We understand that costs to the retirees has decreased due to rates dropping. This could benefit both the fund and the state. The state could then meet its obligation under the law and come closer to if not meet its one-third portion obligation.

Retired teachers in the state have fixed incomes. In this climate of uncertainty concerning healthcare costs and what new federal guidelines may do to their ability to pay, retirees need to be able to count on reimbursements from the state. The past and present teachers of the state have had an impact on the population of the state of Connecticut working long hours to see that Connecticut has an educated populace. We ask, I ask that you give them the same chances as employees of the state. We ask that you give reimbursements to our retired teachers as proposed. They have work long and hard for them.

Thank you for the opportunity to testify before you. I would be happy to answer any questions you may have.