



From the President...

by Jerry Herman, PRO President

Generation Gap

It may be odd to think of a generation gap among retirees, but at least for PRO it is a fact. The small group of us who founded PRO ten years ago to protect our lifetime health benefits were fortunate because we were able to obtain – however surreptitiously – a complete list of Peralta retirees with contact information for all of them. When those several hundred retirees were informed of PRO’s existence, an overwhelming number of them enthusiastically joined and formed the core of our membership that exists to this day.

Since those first years, lists of retirees and their contact information have become more difficult to obtain. The district cannot legally release that information even to groups whose goals are as noble as PRO’s. Our sources of information about retirees from the last five or six years, therefore, have been unsystematic, hit-and-miss, with more missing than hitting. We have tried to recruit new members at events like Medicare workshops that PRO puts on collaboratively with the District’s employee unions for prospective retirees, but frankly not that many people show up to those events, leaving sizeable numbers of new retirees who have never heard of PRO. Hence the generation gap: PRO has an abundance of old-timer, pre-July 1, 2004 retirees and relatively few since.

It’s vital for those recent retirees to join PRO in large numbers in order to keep PRO strong and current in protecting their interests. July 1, 2004 was a watershed date regarding benefits. Because of the spiraling costs of health care, new employee contracts starting on that date included co-pays and deductibles for benefits that were provided free beforehand. Since retirees get the benefits current at the time of their retirement, post-July 1, 2004 retirees

(Continued on page 2)



Come have fun at

PRO's Annual Picnic

Friday, August 8
in Redwood Park



Details on Page 3

Inside This Issue . . .

OLLI Event and Lunch p. 2

PRO's 2014 Picnic P. 3

PRO 2014 Scholarships P. 4

Garden Party Photos P. 5

Drugs in the News P. 6

PRO Plans OLLI Event

Mark your calendar and plan to attend the Fall Open House at OLLI@Berkeley. OLLI, the Osher Lifelong Learning Institute at UC Berkeley, is a year-round program of **courses, lectures, special events, and interest circles** for older adults. Distinguished faculty from UC Berkeley and other experts delight in sharing their knowledge and insights with mature and intelligent students drawn from diverse backgrounds and cultures. On Tuesday morning, September 9 there will be an Open House at Freight and Salvage at 2020 Addison Street in Berkeley starting at 10 AM. At the Open House you can learn about the programs that OLLI is offering this fall, hearing directly from the faculty about the courses and workshops they will be teaching. There is no charge to attend the Open House.

(Continued on page 7)

Peralta Retirees Organization

1250-I Newell Ave., #162
Walnut Creek, CA 94596

<http://www.peraltaretirees.org>

President - Jerry Herman
jerrherm@sbcglobal.net
Vice President - Bruce Jacobs
Secretary - Ann Whitehead
Treasurer - Anna Pavelka-Lodato

Board of Directors

Remo Arancio
Pat England
Linda Japzon
Alex Pappas
Yvonne Price
Jay Quesada
Debra Weintraub

The Peralta Retiree Editor - Bruce Jacobs
webmaster@peraltaretirees.org

The Peralta Retiree is published four times a year by
the Peralta Retirees Organization (PRO)

Volume 10 Number 4

(President ... Continued from page 1)

will pay those co-pays and deductibles throughout their retirements, creating two tiers of retirees – those pre-July 1, 2004 who don't have co-pays and those who retired after that date who do. The interests of the two tiers often coincide but there are subtle and important differences in their benefits, and even sometimes in their interests. Both should be adequately represented in PRO. (Even more significant in the long run, the July 1, 2004 contract eliminated lifetime benefits for Peralta employees hired after that date.)

The two tiers of retirees aside, PRO, as does any organization that wants to survive and flourish, needs younger members, folks with energy, enthusiasm, fresh ideas. As our older ranks thin out PRO needs to replace them and add to our membership.

Here's what those of you reading this column can do to help. If you know anyone who has retired from Peralta within the last few years and is NOT a PRO member, please do two things:

1. Send their contact information (email, street address, phone number) to our Membership Chair, Jay Quesada (jaybirduno@att.net, 510-521-6117)
2. Direct the retiree to PRO website's 'Join PRO' page - <http://peraltaretirees.org/Docs/join.htm> and have them sign up for PRO membership.

Welcome New Member

PRO welcomes the following retiree who has recently joined.

Kerry Compton

IN MEMORIAM

The following Peralta retirees have passed away during the last months. PRO extends our deepest condolences to their families and loved ones.

**Robert Chin
Josephe Colistro
Jim McHugh**

If you have any information about the passing or the serious illness of a Peralta retiree, please contact Bruce Jacobs at: webmaster@peraltaretirees.org or by writing to PRO, 1250-I

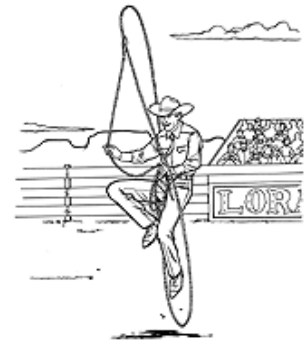
Join your fellow Peralta retirees for

PRO's Annual Picnic

In the Redwoods at the Huckleberry Picnic Area of Oakland's beautiful Roberts Regional Recreation Area

Friday, August 8 from 11 a.m. to 3 p.m.

This year's theme is



Come have fun with Prizes and Surprises!

PRO will supply water, soft drinks, plates, utensils, salad and dessert. Bring your picnic lunch and any other beverage of your choice.

Parking: \$5 per car
Wheelchair accessible

Driving Directions:

From Highway 13 (Warren Freeway)

Take the Joaquin Miller exit and go east, up the hill on Joaquin Miller. Turn left at Skyline Blvd. Proceed one mile to the Roberts entrance on the right.

From 580

Exit on 35th Ave. and proceed up the hill on 35th, which will eventually become Redwood Road. At the intersection of Redwood and Skyline Blvd., turn left and proceed for one mile, then right to stay on Skyline. Proceed for one mile to the entrance to Roberts on the right.

RSVP: Let us know if you're coming and how many will be in your party. Call or e-mail Social Committee Co-Chair: Linda Japzon 510-483-7183 · coolbigeyes41jdp@gmail.com



PRO Scholarship Recipients for 2014

Every year the PRO Scholarship Fund awards a \$1000 scholarship to a transferring student at each of the Peralta colleges as part of our continuing commitment to Peralta's educational mission. The recipients are chosen jointly by the scholarship committees at each of the colleges and by members of the PRO Board. They are always strong academic achievers who are highly motivated and who have overcome difficult obstacles to achieve their success. This year was no different.

The scholarships are announced during an award ceremony held by each college. This year a PRO member presented the award at each ceremony, met the student recipient, and had the opportunity to say a few words about PRO's mission.

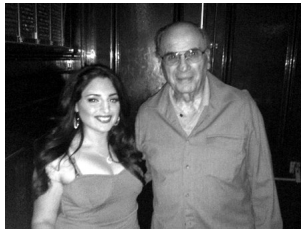
College of Alameda

Student: **Alejandra Rodriguez**

Presenter: **Alex Pappas**

Readers: **Celia Correa and Joe Camara**

Alejandra Rodriguez has overcome significant family and economic problems, turning into a high achiever with clear goals. After being abandoned by her mother when she was a youth, she became responsible for supporting and raising her siblings. Through focus and dedication she became an honor student with a 3.72 gpa. She served as a senator in COA's student government and is a member of Phi Theta Kappa. In the fall she will be attending UC where she intends to pursue a business major with the goal of entering the field of investment banking.



Alejandra Rodriguez and Alex Pappas

Berkeley City College

Student: **Derrick Shane McClure**

Presenter: **Jerry Herman**

Readers: **Jerry Herman and Yvonne Lewis-Price**

Derrick Shane McClure had a tough childhood and youth. He was poor, had ADHD and was gay in rural Arkansas. He was bullied at school and had little parental support at home so he dropped out of school at fifteen and went to work. He was a farmhand, busboy and hatchery line worker, and then he found a job with National Cash Reg-

ister where he flourished, winning many awards for his work and discovering "...that my academic failure was not because I was dumb but because I was never given a fair chance to achieve. I knew I had to find a way to reclaim my stolen education."



Derrick Shane McClure and Jerry Herman

Shane did just that, enrolling at BCC where initially he encountered a lack of academic and social support for LGBTQ students. He was motivated to do something about it, founding BCC's first Gay-Straight Alliance in the spring of 2013. The club has become BCC's largest with 160 members and weekly programs focused on gender identity and social inclusion issues.

With a 3.8 gpa, Shane is also a member of Phi Theta Kappa, the international honor society for two-year college students. He will begin UC Berkeley in the summer majoring in sociology to prepare for a career as an advocate for the LGBTQ and other marginalized communities.

Laney College

Student: **Ricardo Fort**

Presenter: **Bruce Jacobs**

Readers: **Debby Weintraub and Bruce Jacobs**

Ricardo Fort is an immigrant from Peru who spent his childhood in Maryland where he did not shine academically. He went to work after high school and after 10 years found his job unstable. He moved to California and attended Laney while working full time, and often an additional 20 hours a week of overtime. He still found time to volunteer with Habitat for Humanity.



Ricardo Fort

He has a 3.89 gpa. He has decided to major in engineering at UC Berkeley not only because of his love of math and science but also because he feels that "it offers a practical way of affecting some level of positive social change.

(Continued on page 8)

PRO's Spring Garden Party



Alice Chong and Joyce Lee dancing the hula

About 35 PRO members and friends gathered on Sunday, June 1, for a “tropical-theme” garden party at the Alameda home of Shirley Conner. The weather was delightful, the garden was lovely, the food was delicious, and the company, as with every PRO gathering, was congenial and friendly.

Non-stop music was provided by Leo Baculpa and friends. PRO members Nancy Koo (?) and (?) showed off their Hawaiian hula chops to everyone’s delight. All in all, a perfect afternoon with everyone looking forward to the next PRO party.



PCCD Benefits Manager Jennifer Seibert with her daughter, Valerie, and father, John



Ida Pound and Ed Lopez



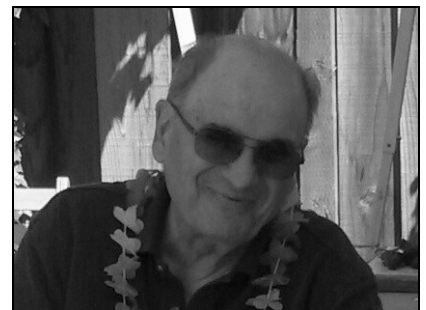
Barbara Southworth, Jay Quesada, Mike Worth and Shirley Timm



Joyce Allen and Mary Mendoza



Ed Lopez and O. J. Roundtree



Alex Pappas

New Yorker: Biotech's Hard Bargain

By James Surowiecki

The following article is reprinted from the April 28, 2014 edition of The New Yorker.

Few people have done better in the recent stock boom than biotech investors. Biotech was the best-performing market sector last year, and in the past two years its stocks rose a hundred and twenty per cent. But suddenly, in late March, the stocks tanked, some falling more than twenty per cent in a few weeks. The selloff can be explained to some extent as a market correction and part of a wider flight from risk. But the real story concerns a revolutionary new hepatitis-C drug developed by the biotech giant Gilead.

Hepatitis C affects 3.2 million Americans; untreated, it leads to scarring of the liver and to liver cancer. Until now, the best treatments cured only about half of patients and often had debilitating side effects. But in December the F.D.A. approved the first in a new wave of hep-C drugs, Gilead's Sovaldi. This is huge news—not just in medicine but on Wall Street. Vamil Divan, a drug-industry analyst at Credit Suisse, told me, “Sovaldi and the other new hep-C drugs are great drugs for a tough disease.” Sovaldi can cure ninety per cent of patients in three to six months, with only minor side effects. There's just one catch: a single dose of the drug costs a thousand dollars, which means that a full, twelve-week course of treatment comes to more than eighty grand.

For Gilead this is great. Take an expensive treatment, multiply by a huge number of hepatitis-C patients, and you get a very lucrative business proposition. It's also good news for patients. But it's a big problem for

insurers and taxpayers, who—given that hepatitis-C patients have an average annual income of just twenty-three thousand dollars—are going to end up footing much of the bill. There has been an uproar of criticism. Private insurers blasted Gilead's pricing strategy; the pharmacy-benefit manager Express Scripts said that it wanted its clients to stop using Sovaldi once an alternative appears. Then, on March 20th, three Democratic members of Congress sent Gilead a letter asking it to explain why Sovaldi costs so much. The letter had no force of law, but it spooked investors by raising the spectre of what they most fear—price regulation.

Investors love drug companies in part because they often have tremendous pricing power. Drugs designed to fight rare diseases routinely cost two or three hundred thousand dollars; cancer drugs often cost a hundred grand. And, whereas product prices in most industries drop over time, pharmaceuticals actually get more expensive. The price of the anti-leukemia drug Gleevec, for instance, has tripled since 2001. And, across the board, drug prices rise much faster than inflation. The reason for this is that prices for brand-name, patented drugs aren't really set in a free market. The people taking the drugs aren't paying most of the cost, which makes them less price-sensitive, and the bargaining power of those who do foot the bill is limited. Insurers have to cover drugs that work well; the economists Darius Lakdawalla and Wesley Yin recently found that even big insurers had “virtually zero” ability to drive a hard bargain when it comes to drugs with no real equivalents. And the biggest buyer in the drug market—

the federal government—is prohibited from bargaining for lower prices for Medicare, and from refusing to pay for drugs on the basis of cost. In short, if you invent a drug that doctors think is necessary, you have enormous leeway to charge what you will.

Still, this is an inherently fragile arrangement, dependent on our willingness to keep paying whatever the companies ask. The signs of a backlash are clear. More than a hundred cancer specialists have called for action to lower the price of cancer drugs. The chair of M. D. Anderson's leukemia department co-authored an article saying that the cost of cancer drugs is “out of control.” The United Kingdom has announced a cap on annual drug spending, and Germany has adopted stringent rules to determine what drugs it pays for. Now Sovaldi has people talking again about allowing the U.S. government to do something similar. “It's a growing issue, and this outcry may be a sign that we're going to see more pushback,” Divan said. Every other developed country, after all, has some form of drug-price regulation, and it's not as if drug companies then abandon those markets. Gilead sells Sovaldi in the U.K. for fifty-seven thousand dollars per treatment, nearly thirty per cent less than the price we pay.

Price restrictions have always been a political non-starter here, but at some point the math of the situation will be hard to resist. According to a study by the research group I.S.I., by 2018 spending on “specialty drugs” like Sovaldi could account for half of all drug spending in the U.S. Furthermore, one traditional argument

(Continued on page 8)

Contribute To The Pro Scholarship Fund By Honoring Or Memorializing A Friend Or Loved One



Yes, I want to support the PRO Scholarship Fund with a contribution.
(Please print)

In honor of: On the occasion of: In memory of:

Please send acknowledgement card to:

Name: _____

Address: _____

City: _____ **State:** _____

Zip: _____

Contributor's Name: _____

Contributor's Address: _____

City: _____ **State:** _____

Zip: _____

Make check payable to: **The Peralta Foundation—PRO**

Send to: PRO, 1250-I Newell Ave., #162, Walnut Creek, CA 94596

Contributions are tax deductible to the extent allowed by federal and state law.

Contributions Received for the PRO Scholarship Fund

In Memory of:	Contributor	In Memory of:	Contributor
Marita Davila Chappelle	Hector Lopez	Tom Trent and other PCCD friends	Bonnie Paull
Marcia Gerin	Ed Minasian	In Honor of:	Contributor
Robert F. O'Hare	Hector Lopez	Mark Greenside	Ron Felzer
Elfrieda Spenza	Hector Lopez	Ida Pound's 90th birthday	Hector Lopez
Tom Trent	John Luther		

(OLLI Continued from page 2)

PRO members who attend are invited to follow-up the Open House with a PRO-planned no-host luncheon at a nearby (walking distance) restaurant. Details about the restaurant will be emailed in mid-

August. Meanwhile, if you are thinking you would like to attend the luncheon, please email Bruce Jacobs (brucefjacobs@gmail.com) so we can get an approximation of the number of people to plan for.

More information about OLLI is available at their web site: <http://olli.berkeley.edu/>

(Biotech...Continued from page 6)

against price controls is looking weaker: biotech companies claim that prices need to be high to reward risky and expensive innovation, but the fact that they're churning out drugs and profits so consistently seems to undermine that claim. Biotech, in other words, may become the victim of its own success: the bigger the profits, the bigger the likelihood of regulation.

You might think that this prospect would encourage companies to be more cautious. But, if you assume that price controls are coming, the rational play is to squeeze out all the profits you can now. The uproar over Sovaldi may, somewhere down the line, help contain drug prices. But in the short run it could well make drugs even more expensive. And that's what you call a serious side effect.

(Scholarships... Continued from page 4)**Merritt College**Student: **Kathleen Ann Olbekson**Presenter: **Yvonne Lewis-Price**Readers: **Michael Mills and Roger Newman**

Kathleen Ann Olbekson was pregnant when she dropped out of high school after her junior year. After becoming homeless she was able to stabilize her housing situation and was urged by a friend to return to school. She has earned a 4.0 gpa while working part time in the Merritt EOPS program. The college experience has turned her life around and she says that she has become the person that she always has wished to be, an educated woman, "a woman that now has hope for a better future and the willingness to make it happen, all at the hands of education."

Kathleen will be attending Mills College in the fall where she will major in psychology. She plans to go on to get a master's degree in social work or counseling.



*Kathleen Ann Olbekson
and Yvonne Lewis-Price*

Peralta Retirees Organization
1250-I Newell Ave., #162
Walnut Creek, CA 94596