OBITUARIES

ANTHONY BUD JOYCE

MACHIAS - Anthony Bud Joyce, age 89, passed away on December 13, 2015, after a lengthy illness. He was born April 6, 1926, son of the late Peter Paul Joyce and Margaret (Randall) Joyce. He was a railroad worker for 20 years. He enjoyed raking blueberries during the summers. He was a woodsman, hunter and fisherman.

He was predeceased by his wife, Donna (Burgess) Joyce; and both of his parents. Anthony's survivors include his son, Wayne A. Joyce and wife, Libby, who he thought of as his right hand; daughter, Mary L. Faulkingham and husband, Dana Faulkingham; 6 grandchildren and 14 great-grandchildren.

Thank you to the staff and workers of Marshall's Healthcare Facility for all the great care and friendship that they showed Anthony.

Donations in memory of Anthony may be made to the activity fun at Marshall Healthcare Facility, 16 Beal Street, Machias, ME. A private service is scheduled at Mailey Hill Cemetery in Columbia, ME. Arrangements entrusted to Bragdon-Kelley Funeral Home, Milbridge.

CECILE P. CARRIER

THE VILLAGES, Fla. - Cecile P. Carrier, 84, left this life on Monday, December 14, 2015, at The Villages Hospice House.

Born in St. David, Maine, in 1931, Mrs. Carrier worked for The Visiting Nurses Association (VNA) in Connecticut as a nurses' aide for many years. After she and her husband retired to Florida in 1994, Mrs. Carrier volunteered at Lady Lake Nursing Care and was a dedicated member of St. Timothy's Catholic Church.

Cecile is survived by her loving and devoted husband of 36 years, Alfred Carrier. She is also survived by sons, Denis Picard of Kensington, CT, and David Picard of Boulder, CO; sisters, Verna Boucher of Plainville, CT, and Joline Martin of St. David, ME; four grandchildren and two great-grandchildren. She was predeceased by her brother, Gerald Beaulin.

Lawmakers eye ways to limit aid recipients' lottery spending

BY DAVE SHERWOOD
MAINE CENTER FOR PUBLIC INTEREST REPORTING

BDN FILE

Maine Stete Lottery tickets.

AUGUSTA — Lawmakers from both parties Wednesday called for a bipartisan effort to pass legislation implementing a ban on people on public assistance buying lottery tickets with taxpayer-funded benefits.

The call to action follows revelations this week by the Maine Center for Public Interest Reporting that recipients of public assistance in Maine won $22.4 million in lottery prizes since 2010, including eight jackpots worth at least $500,000 apiece. The information was obtained through a public records request to the state Department of Health and Human Services.

To win that amount, recipients on the state's three key public assistance programs would have had to spend "hundreds of millions of dollars" on lottery tickets, according to a calculation by a Cornell University economist and expert in lottery spending.

Critics have pointed out that by receiving state benefits, recipients have more of their own cash to use to buy lottery tickets. Neither the analysis by DHHS nor the Cornell calculation could determine whether the benefits recipients used taxpayer money or their own money to buy the tickets.

"What people do with taxpayer money is everybody's business," Senate Minority Leader Justin Alfond, D-Portland, said. "State assistance is meant to help Mainers put food on the table, keep a roof over their heads, cover medical expenses and keep up with the bills — not to be spent on lottery tickets."

Adrienne Bennett, spokeswoman for Gov. Paul LePage, said "this is not a new issue. Gov. LePage has been introducing legislation year after year, but it's a fight every time we go to the Legislature to close these loopholes."

Welfare reform has long been a key issue for the LePage administration, which has implemented a number of reforms to curb what it sees as waste and abuse in the state's $2.87 billion benefit programs. Those programs are food stamps, aid to families and MaineCare.

Food stamps or SNAP benefits and MaineCare, the program that represents by far the highest allocation of benefits payments, are delivered in a form that cannot be used to purchase lottery tickets. The Center on Budget and Policy Priorities reported that Maine spent $85 million on the Temporary Assistance to Needy Families program in 2014.

The administration has made efforts to place photos on the electronic benefit, or EBT, cards low-income families use to obtain cash to buy food and other necessities — an effort to fight fraud — and earlier this year began requiring drug screenings for certain welfare recipients.

Yet repeated proposals by the governor and bills put forth by lawmakers of both parties to prohibit the purchase of lottery tickets, as well as items such as tobacco, have failed to gain bipartisan support.

Spokesmen for both parties said the "fine print" has kept the two parties from finding a solution to the problem.

"This is one of the few areas of welfare reform that we could all agree on," Mario Moretto, a spokesman for the Senate Democrats, said of a proposed ban on purchasing lottery tickets with public benefits. "It's a no-brainer."

But he said recent Republican proposals to restrict the spending of benefit money on lottery tickets have been included in bigger bills with provisions Democrats didn't support. "It can't be lumped in with their entire wish list," Moretto said.

Republicans, meanwhile, said competing proposals from Democrats to ban spending on lottery tickets failed to put "teeth" into enforcement and sanctions for violating rules.

"It's a hard problem to solve. But if someone is abusing a public program, they need to be punished. This isn't their money. They're not entitled to it. This is taxpayer money," Senate Majority Leader Garrett Mason, R-Lisbon, said. "Republicans aren't against the safety net. They're against abuse of it. And that's what this is."

At least 37 states have passed reforms that restrict the way in which benefits under the Temporary Assistance for Needy Families can be used, according to the National Conference of State Legislatures.

Arizona and Kansas, for example, have prohibited the use of TANF benefits on lottery tickets.

The Supplemental Nutrition Assistance Program, or SNAP, commonly known as food stamps, also prohibits the purchase of anything other than food items with benefits.

The key to successful regulation, according to legislators of both parties, is balancing reform while protecting the neediest.

"I would love to slam the door on any use of EBT funds to buy lottery tickets," Sen. Anne Haskell, D-Portland, said. "We need to address this situation in a way that protects taxpayer dollars while ensuring no one who still needs a little help loses it unnecessarily."

Mary Mayhew, DHHS commissioner, told the AP that she supports efforts to adjust the law.

"We would support any additional legislation to ensure tax dollars are used only for the truly needy and supporting their needs, not subsidizing gambling activities," she said.

Dave Sherwood is a contributing writer to the Maine Center for Public Interest Reporting, a nonpartisan, nonprofit news service based in Augusta. Email: pinetreewatchdog@gmail.com. Web: pinetreewatchdog.org. This story is part of a series, LOTTERY: Selling hope to the hopeless.

Rate hike is a major milestone for retirees

BY MARK MILLER
REUTERS

CHICAGO — The interest rate hike announced Wednesday by the Federal Reserve is a major milestone for retirees, who have been caught between a rock and hard place ever since the Great Recession, with zero interest rates and higher-than-average inflation.

The Fed's quarter-point hike in the benchmark federal funds rate is the first in nearly a decade, and it could mark the start of something good for retirees, who rely on bonds, certificates of deposit and money market funds to generate income.

Rates on these instruments have been near zero — and often negative after inflation — throughout the post-recession era.

Low interest rates have gone hand-in-hand with low inflation. However, inflation is higher for seniors, mainly because of the disproportionate impact of ballooning health care costs.

From 1985 to 2014, an experimental inflation measure of senior inflation (known as the CPI-E) ran 5.1 percent higher than what is reflected in the broad Consumer Price Index, according to research by J.P. Morgan Asset Management.

Wednesday's move will not ease the pain. The higher short-term rate already has been priced into the bond market and is not expected to boost interest rates on products such as money market funds or certificates of deposit.

And the Fed signaled that it will be cautious about boosting rates further. If rates were, in fact, to rise in the neighborhood of 100 basis points over the next year, and if longer-term bond rates moved in lock step, seniors would get some relief.

"They've been earning zero on their cash, so seeing short-term rates move off of zero certainly is good news," said Scott Thoma, investment strategist at Edward D. Jones & Co.

"No one is saying 'all clear' on a secular long-term rise — and rates can stay lower longer than most people think," adds Tom Anderson, a wealth manager at Morgan Stanley and the author of "The Value of Debt in Retirement."

Inflation issues

A key issue for retirees is whether inflation is heating up. The Labor Department said this week that the Consumer Price Index advanced 2 percent over the past 12 months, and it was up 0.2 in November, the third consecutive month inflation rose by that margin.

If the trend continues, seniors can look forward to a cost-of-living adjustment (COLA) in Social Security benefits for 2017 after getting no raise for this coming year. The latest Social Security trustee report forecasts a 3.1 percent COLA next year.

Even if seniors are able to sock money away in CDs or money market funds with slightly better yield, inflation will take its toll.

"If you are earning 1 percent and inflation is 1.5 percent, that's no different than earning 1.5 percent if inflation is 2 percent," notes Greg McBride, chief financial analyst for Bankrate.com.

On the other hand, significantly higher interest rates over the next year also could make long-term care insurance and some types of annuities more attractive, since insurance companies look to bond market returns as a key element of pricing.

Long-term care policy premiums have spiked dramatically in recent years, in part because of the near-zero interest rate environment. A 1 percentage point rise in long-term interest rates generally translates into a decline in policy premiums of about 10 percent, according to Al Schmitz, a principal and consulting actuary at Milliman, a consulting firm that works with insurers.

Significantly higher rates also could boost payout rates for income annuities, which are priced based primarily on a buyer's life expectancy. But interest rates also play an important role.

Experts have long argued that immediate annuities (or single premium income annuities) and deferred income annuities should play a bigger role in the arsenal of financial products for retirees, since they provide guaranteed income for life. But a near-zero interest-rate environment has depressed payout rates.

Yet recently updated industrywide mortality projections reflecting greater longevity estimates could counteract any improvement in annuity pricing due to higher interest rates.

"The whole thing could wind up being a wash," said Stan Haithcock, an independent agent who specializes in annuities and writes about them under the moniker "Stan the Annuity Man."

Calais hospital to get new CEO

BY JOHANNA S. BILLINGS
BDN STAFF

Rodney Boula

CALAIS — The newly selected CEO of Calais Regional Hospital said he wants to "make the right changes" when addressing its fiscal woes.

However, Rodney Boula, who earlier this month was named the hospital's next CEO, said Wednesday he has not made any decisions and will not until after he takes over in February or March.

Boula is the CEO of two hospitals affiliated with the University of Vermont Health Network in New York state. He has served as CEO since 2004 of Elizabethtown Community Hospital, a 25-bed facility, and since 2014 of Inter-Lakes Health, which includes a 15-bed critical access hospital plus skilled nursing, supervised living, apartments and a dental clinic.

Boula said he has done a lot of work with small, rural hospitals.

"I know the struggles and the challenges that they have," he said.

Calais Regional Hospital's struggles include an overpayment of $3.5 million from the federal Centers for Medicare and Medicaid Services in 2013 and 2014. In September, the 25-bed critical access hospital reached a deal through which it can repay the money in installments over 36 months rather than having to come up with a lump sum.

In April 2014, the hospital cut hours for 90 employees and laid off a handful of workers in an effort to rein in a deficit of more than $500,000 during the first two months of the fiscal year.

In July 2012, the hospital cut staff and froze salaries in order to address a deficit of more than $1 million for that calendar year.

Former CEO Michael Lally, who was at the helm for six years, resigned suddenly in June. Since then, Calais Regional Hospital has been under the direction of Bert Whittaker, interim CEO, who will stay on until Boula moves to Maine, according to hospital spokeswoman Dee Dee Travis.

Boula was selected after a national search by the Calais Regional Hospital board of directors and Quorum Health Resources, the hospital's management company, according to a hospital press release.

"Rod brings a wealth of hospital experience and a great understanding of the everyday challenges faced by staff and providers. His leadership and knowledge will be valuable in continuing to move Calais Regional Hospital in a positive direction," Everett Libby, the hospital's board chair, said in the release. "We think he will be a great fit for the organization and the community and are anxiously awaiting his arrival early next year."

The hospital would not divulge his salary, but the nonprofit's 2013 990 Form filed with the IRS indicates the previous CEO was paid $237,310 that year, plus an estimated $27,026 in "estimated other compensation."

Boula has been involved with and served in leadership roles with a variety of professional associations and has received numerous leadership awards.

Boula, who will move to Maine with his wife, Bernadette, said he sees a lot of potential in Calais Regional Hospital, its staff and its board. Though his age was not revealed, the press release indicated he has three grown children and eight grandchildren with another on the way.

"It seems to be a good fit for me. I'm looking forward to it," he said. "I can't think of a better place to work and close out my career."

Hospital officials said a public welcome reception will be scheduled once his arrival date is finalized.

Concert to benefit injured flute player

BY BILL TROTTER
BDN STAFF

BANGOR — A fundraiser music show to benefit a Carmel woman badly injured last month in a car crash in Mattawamkeag will be held Friday evening, Dec. 18, at the Union Street Brick Church in Bangor.

Hannah Somers-Jones, a flute player and member of the local band MudSeason, suffered significant facial injuries in the Nov. 22 crash, in which the car she was riding in went off Route 157 in Mattawamkeag and rolled several times.

Somers-Jones, 27, spent several days in an induced coma at Eastern Maine Medical Center in Bangor but has since been released from the hospital, according to her family. She lacks medical insurance and is expected to require ongoing medical treatment in the months ahead as she recovers from her injuries.

The event at the church is expected to begin Friday evening with a silent auction at 6 p.m. and then live music starting at 7 p.m. Attendees are asked to donate $10 each at the event, all proceeds from which will go toward paying Somers-Jones' medical bills.

Her family also has set up a fundraising account at gofundme.com, to which people have donated more than $17,000 in the past three weeks.

More information about the Dec. 18 fundraiser can be found online by searching on Facebook for the "Benefit Concert for Hannah" event.