



**Alameda County Employees' Retirement Association  
BOARD OF RETIREMENT**

**RETIREES COMMITTEE/BOARD MEETING  
NOTICE and AGENDA**

**THIS MEETING WILL BE CONDUCTED VIA TELECONFERENCE PER GOV'T CODE § 54953(e)**

**ACERA MISSION:**

**To provide ACERA members and employers with flexible, cost-effective, participant-oriented benefits through prudent investment management and superior member services.**

**Wednesday, February 1, 2023  
10:30 a.m.**

<b>ZOOM INSTRUCTIONS</b>	<b>COMMITTEE MEMBERS</b>	
The public can view the Teleconference and comment via audio during the meeting. To join this Teleconference, please click on the link below. <a href="https://zoom.us/join">https://zoom.us/join</a> Meeting ID: 879 6337 8479 Password: 699406 Call-in Number: 1 669 900 6833 For help joining a Zoom meeting, see: <a href="https://support.zoom.us/hc/en-us/articles/201362193">https://support.zoom.us/hc/en-us/articles/201362193</a>	<b>ELIZABETH ROGERS, CHAIR</b>	<b>ELECTED RETIRED</b>
	<b>HENRY LEVY, VICE CHAIR</b>	<b>TREASURER</b>
	<b>OPHELIA BASGAL</b>	<b>APPOINTED</b>
	<b>KEITH CARSON</b>	<b>APPOINTED</b>
	<b>KELLIE SIMON</b>	<b>ELECTED GENERAL</b>

This is a meeting of the Retirees Committee if a quorum of the Retirees Committee attends, and it is a meeting of the Board if a quorum of the Board attends. This is a joint meeting of the Retirees Committee and the Board if a quorum of each attends.

The order of agenda items is subject to change without notice. Board and Committee agendas and minutes, and all documents distributed to the Board or a Committee in connection with a public meeting (unless exempt from disclosure), are available online at [www.acera.org](http://www.acera.org).

*Note regarding public comments:* Public comments are limited to four (4) minutes per person in total.

*Note regarding accommodations:* If you require a reasonable modification or accommodation for a disability, please contact ACERA between 9:00 a.m. and 5:00 p.m. 72 hours prior to the meeting at [accommodation@acera.org](mailto:accommodation@acera.org) or at 510-628-3000.

# ***RETIREES COMMITTEE/BOARD MEETING***

NOTICE and AGENDA, Page 2 of 3 – Wednesday, February 1, 2023

Call to Order: 10:30 a.m.

Roll Call

**Public Input (Time Limit: 4 minutes per speaker)**

**Action Items: Matters for Discussion and Possible Motion by the Committee**

## **1. Annual Supplemental Cost of Living Adjustment (COLA)**

Discussion and possible motion to recommend that the Board of Retirement adopt the annual Supplemental COLA benefit for 2023 paid to eligible retirees.

- Jessica Huffman

### **Recommendation**

Staff recommends that the Retirees Committee recommend to the Board of Retirement that it adopt the Supplemental Cost of Living Adjustment increase for Tier I members who retired on or before April 1, 1982, and Tier 2 members who retired on or before April 1, 2007, effective with the April 1, 2023 monthly retirement allowance. This annual supplemental benefit is non-vested and is funded by the Supplemental Retiree Benefit Reserve.

**Information Items: These items are not presented for Committee action but consist of status updates and cyclical reports**

## **1. Annual Cost of Living Adjustment (COLA)**

Report of ACERA's COLA for 2023.

- Jessica Huffman

## **2. 2023 Annual Retirees Committee Work Plan Review**

Review of the proposed Retirees Committee Work Plan for 2023.

- Carlos Barrios

## **3. Annual Health Care Planning Meeting with Retiree Representatives/Date Announcement**

Staff will present plans for ACERA's annual health care planning meeting with retiree representatives, Benefits Consultants, and the County of Alameda.

- Carlos Barrios

# ***RETIREES COMMITTEE/BOARD MEETING***

NOTICE and AGENDA, Page 3 of 3 – Wednesday, February 1, 2023

## **4. Proposal to Conduct a Request for Information (RFI) for Individual Medical Plans Coverage and Services**

Staff and Segal will present a proposal to conduct an RFI for Individual Medical Plan coverage and services for Plan Year 2024.

- Carlos Barrios  
- Segal

## **5. Report on 1099-R Processing**

Report on the status of issuance process for 2022 Form 1099-R, which ACERA uses to report income paid to retirees, beneficiaries and members receiving refunds or contribution adjustments.

- Jessica Huffman

## **6. Report on Open Enrollment Activity**

Staff will provide a report on the Open Enrollment activity for Plan Year 2023.

- Mike Fara

## **7. Semi-Annual Report on ACERA's Wellness Program**

Staff will provide the semi-annual report on ACERA's Wellness Program.

- Mike Fara

## **Trustee Remarks**

## **Future Discussion Items**

- Review of Potential Alternatives to the Discontinued Active Death Equity Benefit (ADEB) Program

## **Establishment of Next Meeting Date**

April 5, 2023, at 10:30 a.m.

## **Adjournment**



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: February 1, 2023

TO: Members of the Retirees Committee

FROM: Jessica Huffman, Benefits Manager 

SUBJECT: **Annual Supplemental Cost of Living Adjustment**

In 1998, by the Board of Retirement action, the Supplemental Cost of Living Adjustment (COLA) benefit was restructured to provide a benefit that maintained retiree purchasing power at no less than 85% of the member's original benefit. Therefore, those retirees who have an accumulated loss of purchasing power of 15% due to inflation are eligible to receive this benefit. There is an average of 649 retirees/payees (156 Tier 1 and 493 Tier 2) receiving the Supplemental COLA. The cost of this benefit for 2022 was \$941,730.91.

Annually, the actuary reviews the accumulated carry-over in conjunction with the annual cost of living calculation. Based on the accumulated loss of purchasing power as of December 31, 2022, those Tier 1 members who retired on or before April 1, 1982, and those Tier 2 members who retired on or before April 1, 2007, will receive the Supplemental COLA increase effective with their April 1, 2023 monthly allowance. Tier 1 members who will be eligible to receive the Supplemental COLA have been expanded by one year, resulting in an estimated additional 11 retirees/payees who will receive this benefit. Although Tier 2 members who will be eligible to receive the Supplemental COLA have been expanded by six years, there is an estimated decrease of 18 retirees/payees who will receive this benefit.

This benefit is provided in accordance with Government Code Section 31618 and is paid out of the Supplemental Retiree Benefit Reserve.

For your information, attached is the updated Supplemental COLA matrix.

Recommendation

Staff recommends that the Retirees Committee recommend to the Board of Retirement that it adopt the Supplemental Cost of Living Adjustment increase for Tier 1 members who retired on or before April 1, 1982, and Tier 2 members who retired on or before April 1, 2007, effective with the April 1, 2023 monthly retirement allowance. This annual supplemental benefit is non-vested and is funded by the Supplemental Retiree Benefit Reserve.

Attachment

## Supplemental Cost of Living Adjustment (COLA) Matrix

Below is a matrix showing the number of recipients receiving the Supplemental Cost of Living Adjustment (COLA) and the annual costs for this benefit over the last five-year period. Included in the matrix is the annual regular COLA increases provided to Tiers 1 and 3 and Tiers 2 and 4, if applicable. Any banked amounts are not included, or added to the COLA increase percentages.

Year	Supplemental COLA		Regular COLA Increase	
	Average No. of Recipients	Annual Cost	Tiers 1 & 3	Tiers 2 & 4
2023	N/A	N/A	3.0%	2.0%
2022	649	\$0.9 M	3.0%	2.0%
2021	578	\$0.9 M	2.0%	2.0%
2020	591	\$1.1 M	2.5%	2.0%
2019	538	\$1.2 M	3.0%	2.0%
2018	458	\$1.1 M	3.0%	2.0%

The median Supplemental COLA amount received in 2022 is \$74.31.



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: February 1, 2023

TO: Members of the Retirees Committee

FROM: Jessica Huffman, Benefits Manager 

SUBJECT: **Annual Cost of Living Adjustment for 2023**

Attached is a letter prepared by Segal, ACERA's actuary, providing the annual Consumer Price Index (CPI) change, and the resulting annual Cost of Living Adjustments (COLA) effective April 1, 2023, in accordance with Government Code Sections 31870 (Tiers 2 and 4, 2.0% maximum) and 31870.1 (Tiers 1 and 3, 3.0% maximum).

The CPI calculation results in a change of 4.88%. According to the above Government Code Sections, the percentage change should be rounded to the nearest one-half percent, which is 5.0%. All Tier 1 and Tier 3 retirees/payees will receive a COLA increase of 3.0%. Tiers 2 and 4 retirees/payees will receive a COLA increase of 2.0%. COLA increases will be processed with the April 2023 monthly payroll.

Tiers 1 and 3 will bank 2.0%, as the 2023 COLA exceeds the 3.0% maximum for Tiers 1 and 3 retirees. Tiers 2 and 4 will bank 3.0% as the 2023 COLA exceeds the 2.0% maximum for Tiers 2 and 4 retirees. Attached for your information is a 10-year history of the COLA banking.

Tier 1 retirees consist of General Tier 1 employees and Safety Tier 1 employees. Tier 2 retirees consist of General Tier 2 employees, Safety Tier 2 employees, and Safety Tier 2 employees with a new benefit formula. Tier 3 retirees are employees who retired from Livermore Area Recreation and Parks District and fall under Government Code Section 31870.1. Tier 4 retirees are employees who retired under the California Public Employees' Pension Reform Act of 2012 regulations (effective January 1, 2013).

Attachments



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## Via Email

January 23, 2023

Mr. Carlos Barrios  
Assistant Chief Executive Officer, Benefits  
Alameda County Employees' Retirement Association  
475 14th Street, Suite 1000  
Oakland, CA 94612-1900

### **Re: Alameda County Employees' Retirement Association (ACERA) Cost-of-Living Adjustments (COLA) as of April 1, 2023**

Dear Carlos:

We have determined the cost-of-living adjustments for the Association in accordance with Sections 31870.1 and 31870, as provided in the enclosed exhibits.

The cost-of-living factor to be used by the Association on April 1, 2023 is determined by comparing the December CPI for the San Francisco-Oakland-Hayward Area (with 1982-84 as the base period), as published by the Bureau of Labor Statistics, in each of the past two years. The ratio of the past two December indices, 331.222 in 2022 and 315.805 in 2021, is 1.0488. The County Law sections cited above indicate that the resulting percentage change of 4.88% should be rounded to the nearest one-half percent, which is 5.0%.

Please note the above cost-of-living adjustments calculated using established procedures for ACERA may result in adjustments different from those calculated using alternative procedures by other systems.

The actual cost-of-living adjustment is dependent on tier. The CPI adjustment to be applied on April 1, 2023 is provided in Column (4) of the enclosed exhibits. The COLA banks before and after the SRBR supplemental COLA are provided in Columns (5) and (6), respectively.

Please give us a call if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Eva Yum".

Eva Yum, FSA, MAAA, EA  
Vice President & Actuary

bts/elf  
Enclosures

cc: Lisa Johnson

Alameda County Employees' Retirement Association  
 Cost-Of-Living Adjustment  
 As of April 1, 2023

Retirement Date	(1) April 1, 2022 Accumulated Carry-over	(2) CPI Change*	(3) CPI Rounded**	(4) CPI Used***	(5) April 1, 2023 Accumulated Carry-over****	(6) Effective April 1, 2023 Accumulated Carry-over***** W/ Supp. COLA
Tiers 1 & 3						
Section 31870.1						
Maximum Annual COLA	3.0%					
On or Before 7/1/1967						
07/01/1967 to 06/30/1968	72.0%	4.88%	5.0%	3.0%	74.0%	15.0%
07/01/1968 to 04/01/1969	71.5%	4.88%	5.0%	3.0%	73.5%	15.0%
04/02/1969 to 04/01/1970	70.5%	4.88%	5.0%	3.0%	72.5%	15.0%
04/02/1970 to 04/01/1971	68.0%	4.88%	5.0%	3.0%	70.0%	15.0%
04/02/1971 to 04/01/1972	65.5%	4.88%	5.0%	3.0%	67.5%	15.0%
04/02/1972 to 04/01/1973	63.5%	4.88%	5.0%	3.0%	65.5%	15.0%
04/02/1973 to 04/01/1974	62.5%	4.88%	5.0%	3.0%	64.5%	15.0%
04/02/1974 to 04/01/1975	62.0%	4.88%	5.0%	3.0%	64.0%	15.0%
04/02/1975 to 04/01/1976	59.0%	4.88%	5.0%	3.0%	61.0%	15.0%
04/02/1976 to 04/01/1977	52.0%	4.88%	5.0%	3.0%	54.0%	15.0%
04/02/1977 to 04/01/1978	45.0%	4.88%	5.0%	3.0%	47.0%	15.0%
04/02/1978 to 04/01/1979	42.5%	4.88%	5.0%	3.0%	44.5%	15.0%
04/02/1979 to 04/01/1980	38.0%	4.88%	5.0%	3.0%	40.0%	15.0%
04/02/1980 to 04/01/1981	31.5%	4.88%	5.0%	3.0%	33.5%	15.0%
04/02/1981 to 04/01/1982	26.0%	4.88%	5.0%	3.0%	28.0%	15.0%
04/02/1982 to 04/01/1983	14.0%	4.88%	5.0%	3.0%	16.0%	15.0%
04/02/1983 to 04/01/2017	4.0%	4.88%	5.0%	3.0%	6.0%	6.0%
04/02/2017 to 04/01/2022	1.5%	4.88%	5.0%	3.0%	3.5%	3.5%
04/02/2022 to 04/01/2023	1.0%	4.88%	5.0%	3.0%	3.0%	3.0%
		4.88%	5.0%	3.0%	2.0%	2.0%

\* Based on ratio of December 2022 CPI to December 2021 CPI for the San Francisco - Oakland - Hayward Area.

\*\* Based on CPI change rounded to nearest one-half percent.

\*\*\* These are the cost-of-living adjustment factors to be applied on April 1, 2023.

\*\*\*\* These are the carry-over of the cost-of-living adjustments that have not been used on April 1, 2023.

\*\*\*\*\* Assuming that the supplemental COLA providing 85% purchasing power is continued by the Board in 2023.

Alameda County Employees' Retirement Association  
 Cost-Of-Living Adjustment  
 As of April 1, 2023

Retirement Date	(1) April 1, 2022 Accumulated Carry-over	(2) CPI Change*	(3) CPI Rounded**	(4) CPI Used***	(5) April 1, 2023 Accumulated Carry-over****	(6) Effective April 1, 2023 Accumulated Carry-over***** W/ Supp. COLA
Tiers 2, 2C, 2D, & 4 Section 31870						
Maximum Annual COLA	2.0%					
On or Before 4/1/1985						
04/02/1985 to 04/01/1986	39.5%	4.88%	5.0%	2.0%	42.5%	15.0%
04/02/1986 to 04/01/1987	36.0%	4.88%	5.0%	2.0%	39.0%	15.0%
04/02/1987 to 04/01/1988	34.0%	4.88%	5.0%	2.0%	37.0%	15.0%
04/02/1988 to 04/01/1989	33.0%	4.88%	5.0%	2.0%	36.0%	15.0%
04/02/1989 to 04/01/1989	31.5%	4.88%	5.0%	2.0%	34.5%	15.0%
04/02/1989 to 04/01/1990	29.0%	4.88%	5.0%	2.0%	32.0%	15.0%
04/02/1990 to 04/01/1991	27.0%	4.88%	5.0%	2.0%	30.0%	15.0%
04/02/1991 to 04/01/1992	23.0%	4.88%	5.0%	2.0%	26.0%	15.0%
04/02/1992 to 04/01/1993	21.5%	4.88%	5.0%	2.0%	24.5%	15.0%
04/02/1993 to 04/01/1997	21.0%	4.88%	5.0%	2.0%	24.0%	15.0%
04/02/1997 to 04/01/1998	20.5%	4.88%	5.0%	2.0%	23.5%	15.0%
04/02/1998 to 04/01/1999	18.5%	4.88%	5.0%	2.0%	21.5%	15.0%
04/02/1999 to 04/01/2000	17.5%	4.88%	5.0%	2.0%	20.5%	15.0%
04/02/2000 to 04/01/2001	15.5%	4.88%	5.0%	2.0%	18.5%	15.0%
04/02/2001 to 04/01/2007	12.0%	4.88%	5.0%	2.0%	15.0%	15.0%
04/02/2007 to 04/01/2012	10.5%	4.88%	5.0%	2.0%	13.5%	13.5%
04/02/2012 to 04/01/2014	9.5%	4.88%	5.0%	2.0%	12.5%	12.5%
04/02/2014 to 04/01/2015	9.0%	4.88%	5.0%	2.0%	12.0%	12.0%
04/02/2015 to 04/01/2016	8.5%	4.88%	5.0%	2.0%	11.5%	11.5%
04/02/2016 to 04/01/2017	7.5%	4.88%	5.0%	2.0%	10.5%	10.5%
04/02/2017 to 04/01/2018	6.0%	4.88%	5.0%	2.0%	9.0%	9.0%
04/02/2018 to 04/01/2019	5.0%	4.88%	5.0%	2.0%	8.0%	8.0%
04/02/2019 to 04/01/2020	2.5%	4.88%	5.0%	2.0%	5.5%	5.5%
04/02/2020 to 04/01/2022	2.0%	4.88%	5.0%	2.0%	5.0%	5.0%
04/02/2022 to 04/01/2023		4.88%	5.0%	2.0%	3.0%	3.0%

\* Based on ratio of December 2022 CPI to December 2021 CPI for the San Francisco - Oakland - Hayward Area.

\*\* Based on CPI change rounded to nearest one-half percent.

\*\*\* These are the cost-of-living adjustment factors to be applied on April 1, 2023.

\*\*\*\* These are the carry-over of the cost-of-living adjustments that have not been used on April 1, 2023.

\*\*\*\*\* Assuming that the supplemental COLA providing 85% purchasing power is continued by the Board in 2023.

## Cost of Living Adjustments - COLA Banking 10-Year History

Tiers 1 & 3

Section 31870.1

Maximum Annual COLA - 3.00 %

COLA Year	Retirement Dates	CPI	Adjusted CPI/COLA	Tier COLA MAX	Bank Utilization	
					Used	Banked
2023		4.88%	5.00%	3.00%		2.00%
2022		4.24%	4.00%	3.00%		1.00%
2021		2.00%	2.00%	3.00%		
	On or Before April 1, 2019		3.00%		-1.00%	
	On or After April 2, 2019		2.00%			N/A
2020		2.45%	2.50%	3.00%		
	On or Before April 1, 2019		3.00%		-0.50%	
	On or After April 2, 2019		2.50%			N/A
2019		4.50%	4.50%	3.00%		1.50%
2018		2.94%	3.00%	3.00%		N/A
2017		3.53%	3.50%	3.00%		0.50%
2016		3.18%	3.00%	3.00%		N/A
2015		2.67%	2.50%	3.00%		
	On or Before April 1, 1985		3.00%		-0.50%	
	On or After April 2, 1985		2.50%			N/A
2014		2.58%	2.50%	3.00%		
	On or Before April 1, 1985		3.00%		-0.50%	
	On or After April 2, 1985		2.50%			N/A

Tiers 2, 2C, 2D & 4

Section 31870

Maximum Annual COLA - 2.00%

COLA Year	Retirement Dates	CPI	Adjusted CPI/COLA	Tier COLA MAX	Bank Utilization	
					Used	Banked
2023		4.88%	5.00%	2.00%		3.00%
2022		4.24%	4.00%	2.00%		2.00%
2021		2.00%	2.00%	2.00%		N/A
2020		2.45%	2.50%	2.00%		0.50%
2019		4.50%	4.50%	2.00%		2.50%
2018		2.94%	3.00%	2.00%		1.00%
2017		3.53%	3.50%	2.00%		1.50%
2016		3.18%	3.00%	2.00%		1.00%
2015		2.67%	2.50%	2.00%		0.50%
2014		2.58%	2.50%	2.00%		0.50%



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: February 1, 2023

TO: Members of the Retirees Committee

FROM: Carlos Barrios, Assistant Chief Executive Officer 

SUBJECT: **2023 Retirees Committee Work Plan Review**

Attached for review and discussion is the proposed 2023 Retirees Committee Work Plan. The following changes have been made from last year's work plan:

February Meeting

- Added a discussion regarding a proposal to conduct a Request for Information for Individual Medical Plans coverage and services

April Meeting

- Added an action item to review potential alternatives to the discontinued Active Death Equity Benefit (ADEB) program

October Meeting

- Review of the Supplemental Retiree Benefit Reserve Policy

Attachment



**Proposed 2023 Retirees Committee Work Plan**

**Action Items**

**Information Items**

	<b>Action Items</b>	<b>Information Items</b>
February	<ul style="list-style-type: none"> <li>• Annual Supplemental Cost of Living Adjustment (COLA)</li> </ul>	<ul style="list-style-type: none"> <li>• Annual COLA Adjustment</li> <li>• 2023 Annual Retirees Committee Work Plan Review</li> <li>• Annual Health Care Planning Meeting with Retiree Representatives/Date Announcement</li> <li>• Proposal to Conduct a Request for Information (RFI) for Individual Medical Plans Coverage and Services</li> <li>• Report on 1099-R Processing</li> <li>• Report on Open Enrollment Activity</li> <li>• Semi-Annual Report on ACERA’s Wellness Program</li> <li>• Miscellaneous Updates</li> </ul>
April	<ul style="list-style-type: none"> <li>• Review of Potential Alternatives to the Discontinued Active Death Equity Benefit (ADEB) Program</li> </ul>	<ul style="list-style-type: none"> <li>• SRBR Financial Status</li> <li>• Via Benefits 2022 Year in Review</li> <li>• Miscellaneous Updates</li> </ul>
June	<ul style="list-style-type: none"> <li>• Approval of Payment for Implicit Subsidy Cost for 2022</li> <li>• Possible Declaration of Intent to Fund Implicit Subsidy Program for 2024</li> </ul>	<ul style="list-style-type: none"> <li>• Presentation and Report on Health Care Inflation/Trends</li> <li>• Preliminary Report on Projected Benefit Costs Funded through SRBR</li> <li>• Discussion of Monthly Medical Allowance for 2024</li> <li>• 2024 Medical Plans Update/Renewal Requests of ACERA/County</li> <li>• Report on HRA Balances and Reimbursements</li> <li>• Plans for Open Enrollment and Retiree Health and Wellness Fair</li> <li>• Report on Annual Health Care Planning Meeting with Retiree Groups</li> <li>• Miscellaneous Updates</li> </ul>
July	<ul style="list-style-type: none"> <li>• Adoption of 2024 Monthly Medical Allowance for Group Plans</li> <li>• Adoption of 2024 Monthly Medical Allowance for Early Retiree Individual Plans</li> <li>• Adoption of 2024 Monthly Medical Allowance for Medicare Eligible Retiree Individual Plans</li> </ul>	<ul style="list-style-type: none"> <li>• Report on Dental and Vision Plans Experience and Utilization</li> <li>• Report on Dental and Vision Plans Renewal Information for 2024</li> <li>• Miscellaneous Updates</li> </ul>



**Proposed 2023 Retirees Committee Work Plan**

<b>Action Items</b>		<b>Information Items</b>
August	<ul style="list-style-type: none"> <li>• Adoption of Dental Plan Contributions for 2024</li> <li>• Adoption of Vision Plan Contributions for 2024</li> </ul>	<ul style="list-style-type: none"> <li>• Review of Dental and Vision Plans Premiums for 2024</li> <li>• Semi-Annual Report on ACERA’s Wellness Program</li> <li>• Miscellaneous Updates</li> </ul>
September	<p><b>Note:</b> This is a placeholder to schedule a meeting if needed. Otherwise the information will be presented at the September Board of Retirement meeting.</p>	<ul style="list-style-type: none"> <li>• ACERA-Sponsored Medical Plans and Premiums for Plan Year 2024</li> </ul>
October	<ul style="list-style-type: none"> <li>• Presentation and Acceptance of SRBR Funding Report/Valuation</li> <li>• SRBR Policy Update</li> </ul>	<ul style="list-style-type: none"> <li>• SRBR Financial Status</li> <li>• Final Report on Open Enrollment Preparation and Communications Materials, and Retiree Health and Wellness Fair Arrangements</li> <li>• Miscellaneous Updates               <ul style="list-style-type: none"> <li>○ Report on Medicare Part D Certificate of Creditable Coverage and Updates for 2024</li> <li>○ Via Benefits Medicare and Pre-65 Fall Newsletters</li> <li>○ Via Benefits Balance Reminder Statement</li> </ul> </li> </ul>
December	<ul style="list-style-type: none"> <li>• Adoption of Medicare Part B Reimbursement Plan Benefit for 2024</li> <li>• Adoption of Updates to Appendix A of 401(h) Account Resolutions</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Retired Member (Lump Sum) Death Benefit Report</li> <li>• Retiree Health and Wellness Fair Results and Open Enrollment Activity</li> <li>• Miscellaneous Updates</li> </ul>

Notes: 1) This work plan is subject to change without prior notice. Periodic rearrangements of agenda items will be made to the work plan to provide a reasonable length of time for each meeting.  
 2) Meeting date is assumed to be the first Wednesday of the month.

***The following items to be presented at the Board of Retirement meeting:***

- May – action item to approve the 401(h) Account Resolution Request to ACERA Participating Employers



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: February 1, 2023

TO: Members of the Retirees Committee

FROM: Carlos Barrios, Assistant Chief Executive Officer 

SUBJECT: **Annual Health Care Planning Meeting with Retiree Representatives/Date Announcement**

ACERA Staff hosts an annual Health Care Planning meeting with Trustees, ACRE and REAC Board Members, our Benefits Consultant, and the County Benefits Management team. Last year this meeting was held virtually due to concerns related to the spread of the COVID-19 coronavirus.

The Health Care Planning meeting is designed to discuss global issues, affecting multiple members, who are enrolled in a medical, dental and vision plans offered through ACERA or Via Benefits™ (Willis Towers Watson). The Health Care Planning meeting is a precursor to the annual renewal letters Staff sends to the County of Alameda as well as ACERA's dental and vision carriers for the next plan year. Concerns raised by the retirement associations are often included in these renewal letters.

This venue allows for discussion of ACERA's health care communication pieces and events. It is also designed to review areas where possible improvements can be made to save resources and enhance efficiency regarding health care.

The meeting this year has been tentatively set for April 5<sup>th</sup>, immediately following the Retirees Committee meeting. Since the Retirees Committee meeting will be held in person, Staff has asked the ACRE and REAC Board representatives if they prefer to hold the Health Care Planning meeting in person also. Unless they prefer to meet in person, the meeting will be held virtually again this year. Agenda items will be requested during the March ACRE and REAC Board meetings where Staff will be in attendance.



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: February 1, 2023

TO: Members of the Retirees Committee

FROM: Carlos Barrios, Assistant Chief Executive Officer 

SUBJECT: **Proposal to Conduct a Request for Information for Individual Medical Plans Coverage and Services**

ACERA currently provides individual medical and prescription drug plan coverage to Non-Medicare eligible retirees (early retirees) living outside ACERA's group plan carriers service areas and to Medicare eligible retirees regardless of location. Subsidies toward plan costs are funded by ACERA, based on eligibility through Health Reimbursement Arrangements (HRA's). ACERA contracts with Willis Towers Watson's (WTW) Via Benefits to provide both Benefit Advisory services and HRA administration to retirees.

The Board of Retirement's Service Provider Policy requires contracts such as these go to bid every five years in order to determine if ACERA is receiving services that are competitive and appropriately priced. The current contract with WTW will reach the end of its term in 2023. ACERA's Benefits Consultant, Segal, will present the information in the attached letter regarding considerations in conducting a Request for Proposal vs. a Request for Information for this process. Staff looks forward to discussing this matter with the Committee at its meeting on February 1<sup>st</sup>.

Attachment



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January 10, 2023

Carlos Barrios  
Assistant Chief Executive Officer  
ACERA  
475 14<sup>th</sup> Street, Suite 1000  
Oakland, CA 94612

**Re: Private Retiree Healthcare Exchange Request For Information (RFI)**

Dear Carlos:

During our meeting on December 15, 2022, we identified multiple challenges plan sponsors face in transitioning from one Private Retiree Healthcare Exchange (“Exchange”) to another.

- Medicare’s non-solicitation rules make it difficult for a new Exchange to provide advocacy, advice, enrollment, and other assistance and services to Medicare retirees that have already enrolled in individual medical plans through another Exchange. This typically results in participants staying in their currently selected plans, causing these plans’ premium rate commissions to remain with the current Exchange and thereby decreasing the interest of other Exchanges in wanting to replace an existing Exchange.
- When changing Medicare Supplement Plans, the retiree may be subject to underwriting for the new plan, which could be disadvantageous to the retiree (i.e., results in higher premiums or denial of coverage).
- Given the likelihood current enrollees will not migrate to a new Exchange, prospective bidders may seek to confirm the financial viability of submitting a Request For Proposal (RFP) response based on a minimum number of Medicare-eligible retirees per year (i.e., 100 or more).
- The use of multiple Exchanges would also contribute to administrative and financial inefficiencies with respect to communications and retiree Health Reimbursement Account (HRA) administration.

Due to these obstacles, plan sponsors have tended to remain with the Exchange vendor they initially selected.

During 2014-15, ACERA’s prior consultant conducted a RFP to identify viable Exchange alternatives and validate the competitiveness of Via Benefits. Six prospective Exchanges were invited to submit proposals, however, only Via Benefits was positioned to service ACERA’s non-Medicare and Medicare-eligible retirees.

As of May 2022, ACERA had approximately 330 non-Medicare and 1,300 Medicare-eligible retirees enrolled in medical plans through Via Benefit’s Exchange platform.

Given the current environment, Segal proposes ACERA conduct a Request For Information (RFI), in advance of conducting a RFP, to assess interest among prospective Exchanges. The RFI would include the following inquires:

1. Will the prospective bidder service Non-Medicare Retirees that have previously enrolled for coverage through the existing Exchange platform? (Yes/No)
2. Will the prospective bidder service Medicare Retirees that have previously enrolled for coverage through the existing Exchange platform? (Yes/No)
3. Will the prospective bidder accept new non-Medicare and Medicare Retirees seeking health plan options that reside outside Kaiser Permanente's Northern and Southern California regions? (Yes/No)
4. Will the prospective bidder provide Health Reimbursement Arrangement (HRA) and Automated Clearing House (ACH) Transfers directly with ACERA? (Yes/No)
5. Will the prospective bidder provide HRA and ACH services to both current/new retirees enrolled in plans not offered through their Exchange platform? (Yes/No)
6. Will the prospective bidder waive all implementation fees and provide a multi-year HRA fee guarantee? (Yes/No) If yes, please provide a range for your HRA fee and the number of years you will guarantee it.

### **Target Bidder List**

With Exchange enrollment nationally concentrated among a few organization, Segal recommends the RFI include the following entities:

1. Via Benefits/Willis Towers Watson (Incumbent)
2. Alight
3. AMWINS Inc.
4. RightOpt/Conduent
5. Mercer Marketplace 365+
6. Health Plan One
7. Senior Market Sales Inc.

### **Proposed Consulting Fee**

Segal proposes conducting the Exchange RFI at no additional cost to ACERA. Should the results of the RFI indicate potential benefits to ACERA and its members, we would propose a separate fee to conduct a RFP.

We look forward to discussing the matter with you further.

Sincerely,



Stephen Murphy  
Senior Vice President

cc: Kathy Foster, ACERA  
Jessica Huffman, ACERA  
Ismael Pina, ACERA

Eva Hardy, ACERA  
Amerae Martinez, ACERA  
Michael Szeto, Segal



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: February 1, 2023

TO: Members of the Retirees Committee

FROM: Jessica Huffman, Benefits Manager 

SUBJECT: **Issuance of 2022 1099-R Forms**

The 1099-R form is provided to all ACERA payees in January of each year. The 1099-R form is used by ACERA to report pension and annuity distributions paid to retirees, beneficiaries, and terminated members receiving refunds. For tax year 2022, there were no changes to the 1099-R reporting form that affected ACERA.

Since October 2022, ACERA Staff worked on the accuracy and clean-up of the reporting data, as well as conducting PensionGold incremental testing. The final test run took place the week of December 27, 2022.

The printing of the 1099-R forms began the week of January 9, 2023. All forms were mailed the week of January 17<sup>th</sup>, which was prior to the IRS issuance deadline of January 31<sup>st</sup>. A total of 12,026 1099-Rs were processed with no issues to report.

On January 5<sup>th</sup>, ACERA placed a news update on ACERA's website, as well as sent an email blast to retirees on January 7<sup>th</sup>, notifying them that their 1099-R would be mailed by January 31<sup>st</sup>, and that electronic copies would be available in Web Member Services on January 16<sup>th</sup>. The electronic forms successfully became accessible to members on January 16<sup>th</sup> in Web Member Services. On January 18<sup>th</sup>, ACERA posted a follow up news update on the website, and sent a reminder email blast to retirees.



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: February 1, 2023  
TO: Members of the Retirees Committee  
FROM: Mike Fara, Communications Manager *mf*  
SUBJECT: **Open Enrollment Activity**

This memo details the volume of member enrollment changes during ACERA’s Plan Year 2023 Open Enrollment.

**ACERA Group Healthcare Plan Open Enrollment Changes**

For the second year, members were able to submit group plan changes electronically using DocuSign forms, as well as the standard downloadable PDF forms. The below chart details the percentage of members taking advantage of the ease of DocuSign.

<b>Form</b>	<b>Total Forms Submitted</b>	<b>Submitted Via DocuSign</b>	<b>% Submitted Via DocuSign</b>
Affidavit of Dependent Eligibility	10	5	50%
Medical	74	36	49%
Dental	92	66	72%
Vision	117	72	62%
<b>Total</b>	<b>293</b>	<b>179</b>	<b>61%</b>

Confirmation of change letters were mailed out in waves in January 2023.

**Via Benefits Individual Medicare Plan Open Enrollment Changes**

Members enrolled in individual plans through Via Benefits who want to change plans during Open Enrollment do so by contacting Via Benefits. The volume of Open Enrollment plan changes among ACERA’s approximately 1,370 Via Benefits Medicare population is detailed below:

- 101 Medicare Advantage to Medicare Advantage
- 0 Medicare Advantage to Medicare Supplement
- 1 Medicare Supplement to Medicare Supplement
- 11 Medicare Supplement to Medicare Advantage
- 91 Prescription Drug Plan to Prescription Drug Plan

As in prior years, ACERA retirees made a significant number of changes to their Prescription Drug Plan coverage. Via Benefits’ representatives assist our members by utilizing a Prescription Profiler Database Tool allowing members to compare estimated prescription costs among available plans to make a selection best suiting their needs.



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: February 1, 2023

TO: Members of the Retirees Committee

FROM: Mike Fara, Communications Manager 

SUBJECT: **Semi-Annual Report on ACERA's Wellness Program**

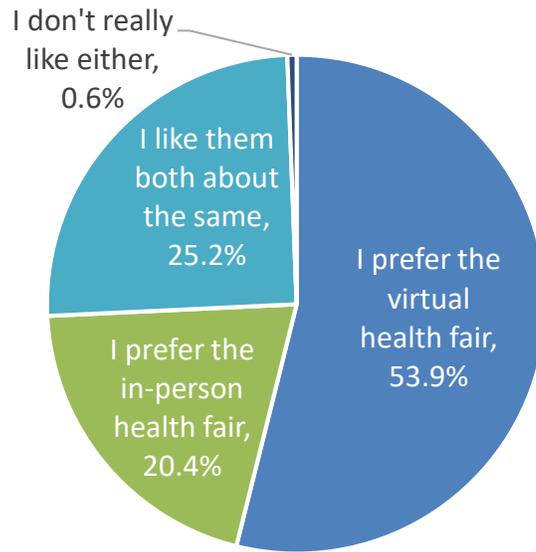
## 2022

In 2022, ACERA continued its virtual approach to wellness after the cancellation of in-person events at the onset of the COVID-19 pandemic in 2020. Wellness resources promoted to members in 2022 included:

- **Silver&Fit:** Promotions (postcards, emails, wellness posts) of the Silver&Fit free gym membership program to Kaiser Permanente Senior Advantage members; 905 participants (17.3% of KPSA enrollees) as of 8/31/22
- **Kaiser Virtual Health Talks:** Monthly wellness posts / email blasts with links to attend monthly virtual health talks by Kaiser Permanente. Talks were open to everyone, including non-Kaiser-members. As many as 139 members clicked on the link to read more information and/or register for the talk, depending on the topic.
- **Wellness Section of Retirement Enrollment Guide:** 3-page section of annual enrollment guide sent to 10,500 retirees with links to dozens of wellness tools and resources provided by ACERA's insurance carriers
- **Virtual Health and Wellness Fair:** Live virtual event with 5 wellness presentations including an interactive balancing presentation by Kaiser Permanente, plus the virtual expo hall website. Largest health fair attendance ever, with 405 attending the virtual live event.

## 2023

When we surveyed members after the 2022 ACERA Virtual Health and Wellness Fair, we found that 54% preferred the virtual health fair, and 25% of the remainder liked the virtual health fair as much as the previous in-person event, totaling 79% of respondents who support the virtual event.



Emphasizing virtual resources, ACERA can reach nearly our full population of retirees regardless of their location, where we were only reaching retirees within a limited radius of Oakland with previous in-person events. Additionally, virtual offerings carry no risk of spreading COVID-19, which continues to be a concern among our at-risk retiree population. Finally, emphasizing virtual resources from our insurance carriers minimizes the time-intensiveness on ACERA Staff.

- Expanded Wellness Posts and Email Blasts:** In 2023, we will expand our virtual wellness offerings by leveraging an assortment of timed wellness messages and content provided by our insurance carriers. We will continue to promote Silver&Fit and the Kaiser Permanente Virtual Health Talks in addition to the expanded calendar of wellness messages.

**2023 Wellness Website Posts and Email Blasts Calendar**

Month	Kaiser Permanente	Delta Dental	VSP	Other
Jan	<ul style="list-style-type: none"> <li>• Silver&amp;Fit: New Year, New Gym</li> <li>• Active&amp;Fit: \$25 Gym Memberships for Early Retirees</li> </ul>	New Year, New You		<ul style="list-style-type: none"> <li>•UHC Real Appeal Weight Loss Program</li> <li>•UHC Rally App</li> </ul>
Feb	Health Talk: Mental Health/Anxiety Across the Lifespan	Gum Disease Awareness Month	Heart Health	

Semi-Annual Report on ACERA’s Wellness Program

February 1, 2023

Page 3 of 4

Month	Kaiser Permanente	Delta Dental	VSP	Other
Mar	Health Talk: Snoring and Sleep Apnea	Autoimmune Disease Awareness Month	Save Your Vision Month	
Apr	Health Talk: Gender Affirming Care	National Anxiety Month / Stress Awareness Month	Seasonal Allergies and Your Eyes	
May	Health Talk: Headaches and Migraines	Mental Health Awareness Month	Healthy Vision Month	
Jun	<ul style="list-style-type: none"> <li>• Silver&amp;Fit: Stay Active This Summer</li> <li>• Health Talk: Back Pain</li> </ul>	Alzheimer’s & Brain Awareness Month	UV Awareness Month	
Jul	Health Talk: Autism	4 Reasons to Get an Oral Cancer Screening	Summer Eye Health	
Aug	Health Talk: Managing High Blood Pressure	Dental Implant Month		
Sep	Health Talk: Emergency Preparedness: Smoke, Fires, Floods, Shootings	Healthy Aging Month	Healthy Aging Month	
Oct	Health Talk: Eye Health	National Dental Hygiene Month	Eye Safety	ACERA Virtual Health Fair
Nov		American Diabetes Month	American Diabetes Month	
Dec		Healthy Holidays	Preparing Your Eyes for Winter	

- **Wellness Section of Retirement Enrollment Guide:** 3-page section of annual enrollment guide sent to 10,500 retirees with links to dozens of wellness tools and resources provided by ACERA’s insurance carriers.
- **Virtual Health and Wellness Fair:** Based on the results of the 2022 health fair survey and the limited resources due to the Pension Administration System project work, we continue to believe that the best decision is to hold the health fair virtually for at least one more year. Furthermore, a hybrid fair would not be a good option due to cost and potentially only a small percentage of retirees attending if virtual is also available,

especially if retirees are still being careful around COVID. We will continue to offer a live virtual event with 4-5 wellness presentations, plus the virtual expo hall website.

- **Chronic Conditions Tracking:** We continue to meet with our vendors regarding chronic conditions and preventative care.
- **Annual Retiree Health Care Planning Meeting:** During the annual health care planning meeting on April 5, we will ask the retiree associations for input on what further types of wellness resources they are interested in. Unless the retiree associations prefer to meet in person, this meeting will occur virtually over Zoom again this year.