



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

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

ACERA MISSION:

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

**Wednesday, August 1, 2018
10:30 a.m.**

LOCATION	COMMITTEE MEMBERS	
ACERA C.G. "BUD" QUIST BOARD ROOM 475 14 TH STREET, 10 TH FLOOR OAKLAND, CALIFORNIA 94612-1900 MAIN LINE: 510.628.3000 FAX: 510.268.9574	LIZ KOPPENHAVER, CHAIR	ELECTED RETIRED
	GEORGE WOOD, VICE CHAIR	ELECTED GENERAL
	JAIME GODFREY	APPOINTED
	KEITH CARSON	APPOINTED
	DALE AMARAL	ELECTED SAFETY

Should a quorum of the Board attend this meeting, this meeting shall be deemed a joint meeting of the Board and Committee.

The order of agenda items is subject to change without notice. Board and Committee agendas and minutes are available online at www.acera.org.

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

Note regarding accommodations: The Board of Retirement will provide reasonable accommodations for persons with special needs of accessibility who plan to attend Board meetings. Please contact ACERA at (510) 628-3000 to arrange for accommodation.

RETIREES COMMITTEE/BOARD MEETING

NOTICE and AGENDA, Page 2 of 3 – August 1, 2018

Call to Order: 10:30 a.m.

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

1. Adoption of Dental Plan Contributions for 2019

Motion to continue dental plan contributions for Plan Year 2019. ACERA currently provides a contribution to cover the single retiree premium for retirees with ten or more years of ACERA service, service connected disability recipients, or grandfathered as of January 31, 2014 non-service connected disability recipients.

- Kathy Foster

Recommendation

Staff recommends that the Retirees Committee recommend to the Board of Retirement a motion to continue the dental plan contributions for Plan Year 2019, which provides a monthly subsidy equal to the single-party dental plan coverage premium of \$44.15 for the PPO plan and \$22.18 for the DeltaCare USA plan for retirees who are receiving ACERA allowances with ten or more years of ACERA service, are service connected disability retirees, or are non-service connected disability retirees as of January 31, 2014. This is a non-vested benefit funded by contributions from the ACERA employers to the 401(h) account. After contributions are made in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.

2. Adoption of Vision Plan Contributions for 2019

Motion to continue vision plan contributions for Plan Year 2019. ACERA currently provides a contribution to cover the single retiree premium for retirees with ten or more years of ACERA service, service connected disability recipients, or grandfathered as of January 31, 2014 non-service connected disability recipients.

- Kathy Foster

Recommendation

Staff recommends that the Retirees Committee recommend to the Board of Retirement a motion to continue the vision plan contributions for Plan Year 2019, which provides a monthly subsidy equal to the single-party vision plan coverage premium of \$4.24 for retirees who are receiving ACERA allowances with ten or more years of ACERA service, are service connected disability retirees, or are non-service connected disability retirees as of January 31, 2014. This is a non-vested benefit funded by contributions from the ACERA employers to the 401(h) account. After contributions are made in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.

RETIREES COMMITTEE/BOARD MEETING

NOTICE and AGENDA, Page 3 of 3 – August 1, 2018

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

1. Review of Dental and Vision Plan Premiums for 2019 and Report on Dental and Vision Plan Utilization

Staff and ACERA's Benefits Consultant will review the dental and vision plan premiums for Plan Year 2019 and provide a report on dental and vision plan utilization.

- Kathy Foster
- Keenan & Associates

2. Report on Health Reimbursement Arrangement Account Balances as of June 2018

Staff will present a status report on Health Reimbursement Arrangement Account balances as of June 30, 2018 for Medicare eligible retirees and early (non-Medicare) retirees enrolled in individual health plans.

- Ismael Piña

3. Miscellaneous Updates

Staff will update the Committee on any recent benefit issues affecting ACERA retirees.

- Ismael Piña

Trustee Remarks

Public Input (Time Limit: 4 minutes per speaker)

Establishment of Next Meeting Date

September 5, 2018, at 10:30 a.m.


Adjournment



MEMORANDUM TO THE RETIREES COMMITTEE

DATE: August 1, 2018

TO: Members of the Retirees Committee

FROM: Kathy Foster, Assistant Chief Executive Officer 

SUBJECT: **Adoption of Dental Plan Contributions for 2019**

Currently, there are two dental plan options available for retiree enrollment: Delta Dental PPO and DeltaCare USA. The dental contracts are managed by ACERA; and therefore, are separate from the County of Alameda. In order to keep premium amounts at a minimal cost, dental plan enrollment is mandatory for retirees with ten or more years of ACERA service credit, retirees receiving a service connected disability, or retirees receiving a non-service connected disability effective January 31, 2014. A contribution is provided to cover the single retiree premium for this group. Contracts are reviewed by Staff and ACERA's Benefits Consultant, Keenan & Associates (Keenan), as contract terms end or rates need to be negotiated. Presentations are made annually to the Retirees Committee for review and possible recommendation for approval by the Board of Retirement. Retirees with less than 10 years of service may enroll themselves and their dependents as long as the premium cost can be deducted from their monthly retirement allowance. The current annual cost, using July 16, 2018 enrollment numbers (7,955) who receive the subsidized dental benefit is approximately \$4,104,526.

Keenan will review the attached presentation and discuss experience, utilization and renewal information and rates.

Provided below are the current 2018 rates for the Delta Dental PPO and DeltaCare USA plans for the current contract, and the 2019 premiums without any coverage changes. Delta Dental proposes a 2.66% increase for the PPO contract rates, and a 1.10% increase for the billed rates. There is no change for the DeltaCare USA premiums.

CURRENT PREMIUMS - 2018

Delta Dental (PPO) - February 1, 2018 through January 31, 2019:

	<u>Single</u>		<u>2-Party</u>		<u>Family</u>	
	<u>Less than Ten Years</u>	<u>Ten or More Years</u>	<u>Less than Ten Years</u>	<u>Ten or More Years</u>	<u>Less than Ten Years</u>	<u>Ten or More Years</u>
Contract Rates	N/A	\$45.09	N/A	\$84.98	N/A	\$147.68
Billed Rates	\$62.03	\$43.67	\$101.29	\$83.56	\$162.91	\$146.26

RENEWAL PREMIUMS - 2019

Delta Dental (PPO) - February 1, 2019 through January 31, 2020:

	<u>Single</u>		<u>2-Party</u>		<u>Family</u>	
	<u>Less than Ten Years</u>	<u>Ten or More Years</u>	<u>Less than Ten Years</u>	<u>Ten or More Years</u>	<u>Less than Ten Years</u>	<u>Ten or More Years</u>
Contract Rates	N/A	\$46.29	N/A	\$87.25	N/A	\$151.62
Billed Rates	\$63.69	\$44.15	\$103.99	\$85.11	\$167.26	\$149.48

2018 and 2019 PREMIUMS

DeltaCare USA:

	<u>Single</u>		<u>2-Party</u>		<u>Family</u>	
	<u>Less than Ten Years</u>	<u>Ten or More Years</u>	<u>Less than Ten Years</u>	<u>Ten or More Years</u>	<u>Less than Ten Years</u>	<u>Ten or More Years</u>
Total Rate (no subsidy applied)	\$31.05	\$22.18	\$45.51	\$36.64	\$63.00	\$54.13

Using the same enrollment numbers and the 2019 premiums, the annual cost to provide the subsidized dental benefit for retirees enrolled in the PPO plan (7,706) is approximately \$4,082,639. The annual cost to provide the subsidized dental benefit for retirees enrolled in the DeltaCare USA plan (249) is approximately \$66,274 resulting in a total cost for both plans, of approximately \$4,148,913. This results in an estimated annual increase of \$44,387.

Recommendation

Staff recommends that the Retirees Committee recommend to the Board of Retirement a motion to continue the dental plan contributions for Plan Year 2019, which provides a monthly subsidy equal to the single-party dental plan coverage premium of \$44.15 for the PPO plan and \$22.18 for the DeltaCare USA plan for retirees who are receiving ACERA allowances with ten or more years of ACERA service, are service connected disability retirees, or are non-service connected disability retirees as of January 31, 2014. This is a non-vested benefit funded by contributions from the ACERA employers to the 401(h) account. After contributions are made in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.

Attachment



Alameda County Employees' Retirement Association

Delta Dental Utilization & Renewal Summary

Submitted by:
E. Peter McNamara, Senior Consultant
August 1, 2018

Approved Dollar Amount by Service

- For the twelve month period ending June 2017, the distribution of services by approved number of procedures (excluding orthodontics) compares ACERA members to Delta Dental's benchmark
- The benchmark is based on Delta Dental's book of business averages
- Results will vary due to benefit design, industry, age and area location

Line of Service	Diagnostic	Preventative	Restorative	Endodontics	Periodontics	Oral Surgery	Misc.	Crowns	Removable Prosthodontics	Implant	Fixed Prosthodontics	Total
Dollar Amount Approved	13.4%	12.4%	8.6%	5.8%	9.3%	5.0%	2.8%	22.3%	4.7%	10.5%	5.2%	100.0%
Benchmark	17.0%	15.5%	13.4%	5.6%	8.4%	6.3%	3.5%	18.8%	1.6%	6.3%	3.6%	100.0%
Number of Procedures for ACERA members	29,877	15,378	4,901	641	5,097	1,762	1,823	3,644	809	840	633	65,405

Approved Number of Procedures

- 45.7% of procedures performed were for diagnostic related services followed by 23.5% for preventive services; both are lower than Delta Dental's benchmark of 46.4% diagnostic and 27.3% preventative
- Basic procedures include restorative, endodontic, periodontics, oral surgery and miscellaneous. This year the Basic services are approximately equal to the Delta Dental benchmark (21.7% vs. 21.2%)
- In the most recent twelve months, Major services surpassed the benchmark (9.1% vs. 5.1%) – Major services consists of crowns and inlays/onlays, removable prosthodontics, implant services and fixed prosthodontics
- Based on the above, it would appear that ACERA's population continues to maintain better than average (benchmark) oral hygiene

Cost Savings Report (excluding Orthodontics)

- For the twelve month period ending January 31, 2018:

	Delta Dental PPO		Delta Dental Premier		Non-contracted		Total	
Total Submitted	\$5,984,508	100.0%	\$5,686,650	100.0%	\$515,842	100.0%	\$12,187,000	100.0%
Provider Discounts	\$1,487,638	24.9%	\$551,030	9.7%	\$0	0.0%	\$2,038,668	14.6%
Other Savings	\$549,612	9.2%	\$499,772	8.8%	\$39,410	7.6%	\$1,088,794	11.6%
Total Savings	\$2,037,250	34.0%	\$1,050,802	18.5%	\$39,410	7.6%	\$3,127,462	25.7%
Plan Pays	\$2,158,151	36.1%	\$2,552,939	44.9%	\$130,984	25.4%	\$4,842,074	39.7%
Patient Pays	\$1,789,108	29.9%	\$2,082,908	36.6%	\$345,448	67.0%	\$4,217,464	34.6%

- Savings generated from the PPO and Premier networks are 34.0% and 18.5% respectively
- ACERA should strive to increase the utilization of the PPO plan in order to increase savings and reduce employer and employee liabilities

2019 Plan Year PPO Renewal Summary

- The Delta Dental plan is in year four of a five year contract with a rate cap of no more than 5%
- The 2019 Renewal is a 2.66% increase to the contract rates and a 1.10% increase to the billed rates

PPO	Current		Renewal	
	1 Year		1 Year	
	0-9 Years of Service	10+ Years of Service	0-9 Years of Service	10+ Years of Service
Contract Term				
Retiree Only Contract Rate	\$62.03	\$45.09	\$63.69	\$46.29
% Change over Retiree Only Contract Rate			2.68%	2.66%
Subsidy Amount	\$0.00	\$1.42	\$0.00	\$2.14
Retiree Only Billed Rate	\$62.03	\$43.67	\$63.69	\$44.15
% Change over Retiree Only Billed Rate			2.68%	1.10%

PPO Subscribers		
	0-9 Years of Service	10+ Years of Service
Retiree Only	242	5,071
Retiree + 1 Dependent	127	2,386
Retiree + Family	9	226

- Delta Dental continues their commitment to performance guarantees of 20% of premium at risk for the PPO plan

Dental Plan Design Options and Estimated Cost

- Bringing the Premier annual maximum to \$1,300 will increase the contracted rates by approximately 5.0%
- Adding the SmileWay Benefit will increase contracted rates by an average of 4.7%
- Including 3 cleanings per year would increase the renewal rates an additional 3%*

Dental Coverage and Estimated Annual Subsidy Cost

Base Plan and PPO Options	Estimated Annual Cost	Annual Cost Difference
2018 Current Cost:	\$4,092,739	N/A
2019 Renewal – No Coverage Change:	\$4,136,993	\$44,254
Combining PPO & Premier:	\$4,233,799	\$96,806
Adding SmileWay:	\$4,222,736	\$85,743
Including 3 Cleanings Per Year*:	\$4,261,103	\$124,110

*Percent increase based on renewal premium; whereas other options percent increases based on current premiums

2019 Plan Year DeltaCare Renewal Summary

- The DeltaCare renewal was released at a rate pass for the 2019 plan year

DeltaCare	Current		Renewal	
Contract Term	1 Year		1 Year	
	0-9 Years of Service	10+ Years of Service	0-9 Years of Service	10+ Years of Service
Employee	\$31.05	\$22.18	\$31.05	\$22.18
% Change over Current Monthly Rate			0.00%	0.00%

DeltaCare Subscribers		
	0-9 Years of Service	10+ Years of Service
Retiree Only	24	174
Retiree + 1 Dependent	0	64
Retiree + Family	0	12

Results


- Keenan will continue to monitor ongoing claims activity and utilization to recommend possible plan design changes as appropriate



MEMORANDUM TO THE RETIREES COMMITTEE

DATE: August 1, 2018

TO: Members of the Retirees Committee

FROM: Kathy Foster, Assistant Chief Executive Officer 

SUBJECT: **Adoption of Vision Plan Contributions for 2019**

ACERA currently provides vision coverage to retirees through the Vision Service Plan (VSP). The vision plan contract is managed by ACERA; and therefore, is separate from the County of Alameda. In order to keep premium amounts at a minimal cost, VSP enrollment is mandatory for retirees with ten or more years of ACERA service credit, retirees receiving a service connected disability, or retirees receiving a non-service connected disability effective January 31, 2014. A contribution is provided to cover the single retiree premium for this group. The contract is reviewed by Staff and ACERA's Benefits Consultant, Keenan & Associates (Keenan), as contract terms end or rates need to be negotiated. Presentations are made annually to the Retirees Committee for review and possible recommendation for approval by the Board of Retirement. Retirees with less than 10 years of service may enroll themselves and their dependents as long as the premium cost can be deducted from their monthly retirement allowance. The current annual cost, using July 16, 2018 enrollment numbers (6,879) who receive the subsidized vision benefit is approximately \$350,004.

Keenan will review the attached presentation and discuss experience, utilization and renewal information and rates.

Provided below are the current 2018 VSP rates based on the current contract, and the 2019 renewal premiums. VSP has proposed no change to the single retiree premium rate; therefore, they will also be in effect for 2019.

CURRENT PREMIUMS - 2018

	<u>Single</u>		<u>2-Party</u>		<u>Family</u>	
	<u>Less than Ten Years</u>	<u>Ten or More Years</u>	<u>Less than Ten Years</u>	<u>Ten or More Years</u>	<u>Less than Ten Years</u>	<u>Ten or More Years</u>
Contract Rates	\$4.70	\$4.24	\$6.83	\$6.16	\$12.26	\$11.06

RENEWAL PREMIUMS - 2019

	<u>Single</u>		<u>2-Party</u>		<u>Family</u>	
	<u>Less than Ten Years</u>	<u>Ten or More Years</u>	<u>Less than Ten Years</u>	<u>Ten or More Years</u>	<u>Less than Ten Years</u>	<u>Ten or More Years</u>
Contract Rates	\$6.12	\$4.24	\$8.88	\$6.16	\$15.94	\$11.06

Since the 2019 single retiree premium will be the same as the current rate and using the same enrollment numbers, the estimated 2019 annual cost to provide the subsidized vision benefit is approximately \$350,004.

VOLUNTARY BUY UP PLAN OPTION

In addition, ACERA offers a Voluntary Buy Up plan option in which retirees would pay the difference in premiums to enroll in a richer plan. The following is a breakdown of the premiums for the current 2018 Voluntary Buy Up plan, and the 2019 renewal premiums.

CURRENT VOLUNTARY BUY UP PLAN PREMIUMS - 2018

Retiree Groups	Retiree Cost for Voluntary Buy Up Plan	Total 2018 Current Rates
10 + Years	\$7.12 / \$10.34 / \$18.58	\$11.36 / \$16.50 / \$29.64
Under 10 Years	\$7.90 / \$11.48 / \$20.60	\$12.60 / \$18.31 / \$32.86

RENEWAL VOLUNTARY BUY UP PLAN PREMIUMS - 2019

Retiree Groups	Retiree Cost for Voluntary Buy Up Plan	Total 2019 Renewal Rates
10 + Years	\$10.54 / \$15.30 / \$27.48	\$14.78 / \$21.46 / \$38.54
Under 10 Years	\$10.26 / \$14.92 / \$26.78	\$16.38 / \$23.80 / \$42.72

Recommendation

Staff recommends that the Retirees Committee recommend to the Board of Retirement a motion to continue the vision plan contributions for Plan Year 2019, which provides a monthly subsidy equal to the single-party vision plan coverage premium of \$4.24 for retirees who are receiving ACERA allowances with ten or more years of ACERA service, are service connected disability retirees, or are non-service connected disability retirees as of January 31, 2014. This is a non-vested benefit funded by contributions from the ACERA employers to the 401(h) account. After contributions are made in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.



Alameda County Employees' Retirement Association

VSP Vision Utilization & Renewal Presentation

Submitted by:
E. Peter McNamara, Senior Consultant
August 1, 2018

Experience/Utilization Ending June 2018

- Plan loss ratio increased 2.8% from 107% to 110% of premium since claims increased at a higher rate than premium
- Total retention increased 12.5% from \$73,566 to \$82,736
- Total enrollees during the experience period increased slightly from 94,189 to 98,092 or 4.14% (an average of 8,174 enrollees per month)
- Total premium increased 12.5% from \$525,402 to \$590,572
- Total claims increased 15.5% from \$484,935 to \$559,962
- On a per member per month basis, revenue per member for the last 12 months increased 7.7% from \$5.59 to \$6.02, while claims increased 10.9% from \$5.15 to \$5.71

VSP 2019 Plan Renewal

CURRENT PLAN - Rates & 2019 Renewal

Rates apply to this plan remaining as a Stand-Alone Plan (as-is)
or use this plan as the Low Option plan and add a voluntary Buy Up
plan option

Choice Plan B (12/12/24)
\$0 Exam Copay / \$25 Material Copay
\$150 Retail Frame Allowance / \$105 Elective Contact Lens Allowance
Diabetic Eyecare Plus with \$20 Copay

Base Plan	Current		Renewal	
Contract Term	1 Year		1 Year	
	0-9 Years of Service	10+ Years of Service	0-9 Years of Service	10+ Years of Service
Retiree Only Rate	\$4.70	\$4.24	\$6.12	\$4.24
% Change over Current Monthly Rate			30.21%	0.00%

Voluntary Buy Up Option

BUY UP PLAN OPTION

Voluntary option where retirees pay the difference to enroll

Choice Plan C (12/12/12) with \$15 Total Copay
\$200 Retail Frame Allowance / \$200 Elective Contact Lens Allowance
Progressive covered following a \$25.00 Copay
Anti-Reflective Coating covered following a \$25 Copay
Tints & Photochromics Covered in Full
Diabetic Eyecare Plus with \$20 Copay

Buy-Up Plan	Current		Renewal	
Contract Term	1 Year		1 Year	
	0-9 Years of Service	10+ Years of Service	0-9 Years of Service	10+ Years of Service
Retiree Only Rate	\$12.60	\$11.36	\$16.38	\$14.78
% Change over Current Monthly Rate			30.00%	30.11%

In-Network Utilization

VSP Base Plan – 7/1/17 – 6/30/18		
Division Name	# Enrollees as of 6/30/2018	# Paid Claims
Base Plan	6,573	2,915
Base Plan COBRA	16	6
Less than 10 Years	326	252
Less than 10 Years / COBRA	0	0
Surviving Spouse/Dependents	319	114
Less than 10 Years/Surviving Sp & Dep	32	24
Total Base Plan	7,266	3,311
VSP Buy Up Plan – 7/1/17 – 6/30/18		
Division Name	# Enrollees as of 6/30/2018	# Paid Claims
Buy Up Plan	977	952
Buy Up Plan COBRA	1	1
Buy Up Less than 10 Years	61	68
Less than 10 Years / COBRA	0	0
Surviving Spouse/Dependents	15	11
Less than 10 Years/Surviving Sp & Dep	5	5
Total Buy Up Plan	1,059	1,037
Total Number of Enrollees	8,325	
Total number of Claims Paid	4,348	

Lens Utilization Ending June 2018

Lens Options – Retiree Cost Per Option

Time Period	#1	#2	#3	#4
LTM July 2017 – June 2018	Polycarbonate \$34.00 823 claims	AR Coating \$77.72 667 claims	Progressives \$120.75 646 claims	UV Protection \$9.78 580 claims
2017	Polycarbonate \$34.10 744 claims	AR Coating \$76.73 668 claims	Progressives \$121.75 617 claims	UV Protection \$10.06 507 claims
2016	AR Coating \$77.92 709 claims	Progressives \$122.77 631 claims	Polycarbonate \$34.42 715 claims	Photochromic \$79.81 454 claims
2015	AR Coating \$77.57 820 claims	Progressives \$130.03 778 claims	Polycarbonate \$34.57 634 claims	Photochromic \$79.68 541 claims
2014	AR Coating \$76.52 719 claims	Progressives \$129.22 671 claims	Polycarbonate \$34.80 566 claims	Photochromic \$79.99 481 claims
2013	AR Coating \$74.72 712 claims	Progressives \$122.73 674 claims	Polycarbonate \$33.45 607 claims	Photochromic \$78.40 489 claims
2012	AR Coating \$66.53 686 claims	Progressives \$104.37 647 claims	Polycarbonate \$28.86 558 claims	Photochromic \$72.97 496 claims
2011	Progressives \$101.11 653 claims	AR Coating \$65.27 652 claims	Polycarbonate \$29.87 538 claims	Photochromic \$72.95 538 claims
2010	Progressives \$96.43 662 claims	AR Coating \$63.24 654 claims	Polycarbonate \$29.94 549 claims	Photochromic \$73.03 496 claims

Out of Network Utilization Ending June 2018


Time Period	#1 OON Location	#2 OON Location	#3 OON Location
LTM July 2017 to June 2018	Kaiser – 178	Lenscrafters - 59	Walmart / Sams Club - 50
2017	Kaiser – 184	Lenscrafters - 80	Walmart / Sams Club - 49
2016	Kaiser - 174	Costco – 65	Lenscrafters - 45
2015	Kaiser - 156	Costco - 60	Walmart/Sams Club - 49
2014	Kaiser - 180	Costco - 63	Walmart/Sams Club - 45
2013	Kaiser – 201	Costco – 77	Lenscrafters - 34
2012	Kaiser – 195	Costco – 92	Site For Sore Eyes - 40
2011	Kaiser – 155	Costco –140	Lenscrafters - 30
2010	Kaiser – 153	Costco – 87	Lenscrafters/SFSE - 23

Results

- Keenan will continue to monitor ongoing claim activity and utilization to recommend possible plan design changes for next year's renewal



MEMORANDUM TO THE RETIREES COMMITTEE

DATE: August 1, 2018
TO: Members of the Retirees Committee
FROM: Ismael Piña, Assistant Benefits Manager 
SUBJECT: **Health Reimbursement Arrangement Account Balances as of June 2018**

Provided below, for Medicare eligible retirees, are the unused balances of the Health Reimbursement Arrangement (HRA) Accounts from lowest to highest for June 30, 2018, with snapshots from the same time in 2014, 2015, 2016 and 2017. The balances are categorized by years of service (YOS) contribution levels, and will provide a sense of how many have used under or over approximately half of their annual maximum subsidies.

Health Reimbursement Arrangement Account Balances
for Medicare Eligible Retirees

Contribution Level	Remaining Balance	Number of Retirees				
		2018	2017	2016	2015	2014
20 + Years of Service \$4,968 Annual 2018 MMA	\$ 0 (used total HRA amount)	2	2	2	1	2
	Under \$2,400	58	40	29	42	39
	\$2,400 - \$4,000+	893	832	834	775	756
Total Number of Retirees:		953	874	865	818	797
15 through 19 Years of Service \$3,726 Annual 2018 MMA	\$ 0 (used total HRA amount)	2	0	0	0	0
	Under \$1,800	34	22	19	20	16
	\$1,800 - \$3,000+	164	176	172	157	157
Total Number of Retirees:		200	198	191	177	173
10 through 14 Years of Service \$2,484 Annual 2018 MMA	\$ 0 (used total HRA amount)	3	2	3	2	2
	Under \$1,200	71	67	66	71	63
	\$1,200 - \$2,000+	105	89	96	72	64
Total Number of Retirees:		179	158	165	145	129

There were 1,332 HRA's reported as active accounts at the end of June 2018. Out of the total enrolled in these plans, seven retirees have used all of their funds.

Also, similar information is provided below for Early (non-Medicare) retirees. Individual plan medical coverage was offered to this group of retirees effective January 1, 2016.

Health Reimbursement Arrangement Account Balances
for Early (non-Medicare) Retirees

Contribution Level	Remaining Balance	Number of Retirees		
		2018	2017	2016
20 + Years of Service \$6,485.28 Annual MMA	\$ 0 (used total HRA amount)	6	7	4
	Under \$3,000	31	22	19
	\$3,000 - \$6,000+	41	61	35
Total Number of Retirees:		78	90	58
15 through 19 Years of Service \$4,863.96 Annual MMA	\$ 0 (used total HRA amount)	2	1	3
	Under \$2,400	5	5	3
	\$2,400 - \$4,000+	11	11	5
Total Number of Retirees:		18	17	11
10 through 14 Years of Service \$3,242.64 Annual MMA	\$ 0 (used total HRA amount)	2	1	3
	Under \$1,500	1	10	1
	\$1,500 - \$3,000+	3	8	1
Total Number of Retirees:		6	19	5

There were 102 HRA's reported as active accounts at the end of June 2018. Out of the total enrolled in these plans, 10 retirees have used all of their funds.



MEMORANDUM TO THE RETIREES COMMITTEE

DATE: August 1, 2018

TO: Members of the Retirees Committee

FROM: Ismael Piña, Assistant Benefits Manager

SUBJECT: **Miscellaneous Updates**

A handwritten signature in dark ink, appearing to read "Ismael Piña".

This memo is to provide the Retirees Committee information on various monthly topics, which impact both retirees and ACERA Staff. This month's report provides updates on the status of ACERA's First Wellness Walk.

ACERA's Benefits team along with Keenan & Associates, ACERA's Benefits Consultant, and Kaiser Permanente have prepared and are ready for the stroll to wellness, which will be held at Lake Merritt on August 3, 2018 starting at 10 am. The starting point will be located adjacent to the Children's Fairyland entrance. We will have representatives walking with members, and at the turn around checkpoints along the way.

The number of enrollees continues to grow as excitement for this event spreads. Our Call Center continues to receive calls from members anticipating this event. Some members have even called to ask if they can bring their dogs to walk along.

As of Friday July 20, 2018, there were **37+** members who had registered via Eventbrite on ACERA's website. We anticipate members enrolling everyday up to the start of the event. Staff will be prepared for those members who wake up the morning of the event and decide to come join us for a morning of fun in the sun. Last minute enrollees can check in with ACERA's Benefits team representatives at the registration table to register as a participant, and sign a release/waiver form.

In addition, we have launched our new Wellness section of the website at www.acera.org, where members can find information on wellness events and initiatives as well as articles and resources regarding health and wellness.