



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

**RETIREES 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 3, 2011
10:30 a.m.**

LOCATION	COMMITTEE MEMBERS	
ACERA C.G. "BUD" QUIST BOARD ROOM 475 14TH STREET, 10TH FLOOR OAKLAND, CALIFORNIA 94612-1900 MAIN LINE: 510.628.3000 FAX: 510.268.9574	LIZ KOPPENHAVER, CHAIR	ELECTED RETIRED
	ANNETTE CAIN-DARNES, VICE CHAIR	APPOINTED
	DALE AMARAL	ELECTED SAFETY
	GEORGE DEWEY	APPOINTED
	ELIZABETH ROGERS	ELECTED GENERAL

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.

The Retirement Board will provide reasonable accommodations for persons with disabilities and other issues of accessibility who plan to attend Board meetings. Please contact ACERA at (510) 628-3000 to arrange for accommodation.

All writings that are distributed to a majority of members of the ACERA Board of Trustees in connection with a matter subject to discussion at an open meeting of the Board or one of its Committees are public records within the meaning of the California Public Records Act and are available for inspection upon request, unless the writings are privileged or otherwise exempt from disclosure under the provisions of the California Public Records Act. Please contact (510) 628-3000 to request to inspect documents. Documents will be made available at ACERA, 475 14th Street, Oakland, California.

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Call to Order: 10:30 a.m.

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

1. Adoption of Monthly Medical Allowance for 2012

Discussion and possible motion to adopt the Monthly Medical Allowance (MMA) paid to eligible retirees for plan year 2012. The MMA is the suggested dollar amount to be contributed towards retiree medical premiums. The MMA is stated as a monthly dollar amount which varies by years of service credit and can only be used to pay for ACERA-sponsored health plans.

- Kathy Foster

Recommendation

Staff recommends that the Retirees Committee recommends to the Board of Retirement a motion to adopt a 2012 Monthly Medical Allowance (MMA) equal to the 2011 MMA, thereby maintaining the current MMA maximum of \$522.16 for plan year 2012. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This is a non-vested benefit funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employee Retirement Law (CERL), ACERA treats an equal amount of Supplemental Retiree Benefit Reserve (SRBR) assets as employer contributions for pensions.

2. Adoption of Dental Plan Contract/Premiums for 2012

Discussion and possible motion to adopt a new three-year ACERA-sponsored dental plan contract provisions and premiums beginning plan year 2012. Under the new contract, increases on ACERA's DeltaCare USA premium amounts will be 0% for plan year 2012 and 2013 with a rate cap of 5% for year 2014. As for the new contract, the Delta Dental DPO plan, ACERA's premium amounts will be 1.95% increase to the current billed rate for year 2012 and 2013 and a 7% third-year rate cap. Keenan & Associates, ACERA's Benefits and Communications Consultant, and Staff will present the premiums for 2012 for discussion and possible motion for approval. The dental contracts are managed by ACERA and therefore are separate from Alameda County.

- Kathy Foster
- Keenan & Associates

Recommendation

Staff recommends that the Retirees Committee recommends to the Board of Retirement a motion to adopt the new three-year Delta Dental Plan Contract for retirees effective February 1, 2012 through January 31, 2015 starting with a single-party Delta Dental DPO coverage premium per month of \$43.72 (total rate), \$41.94 (billed rate) and a single-party DeltaCare USA DMO coverage premium of \$22.45 per month for plan year 2012.

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3. Adoption of Dental Plan Contributions for 2012

Discussion and possible motion to continue Dental Plan Contributions for plan year 2012. Dental plan enrollment is mandatory for ACERA retirees. ACERA currently provides a contribution to cover the single retiree premium. This is a non-vested benefit.

- Kathy Foster

Recommendation

Staff recommends that the Retirees Committee recommends to the Board of Retirement a motion to continue the dental plan contribution for plan year 2012, which provides a monthly subsidy equal to the single-party dental coverage premium of \$41.94 (Delta Dental DPO billed rate) and \$22.45 (DeltaCare USA DMO) for the retiree only to cover all retirees' Delta Dental Plan premiums. This is a non-vested benefit funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employee Retirement Law (CERL), ACERA treats an equal amount of Supplemental Retiree Benefit Reserve (SRBR) assets as employer contributions for pensions.

4. Adoption of Vision Plan Contributions for 2012

Discussion regarding vision plan renewal and possible motion to continue Vision Plan Contributions for plan year 2012. Vision plan enrollment is mandatory for ACERA retirees. ACERA currently provides a contribution to cover the single retiree premium. This is a non-vested benefit funded by contributions from ACERA employers to the 401(h) account.

- Kathy Foster

Recommendation

Staff recommends that the Retirees Committee recommends to the Board of Retirement a motion to continue the vision plan contribution for plan year 2012, which provides a monthly subsidy equal to the single-party vision coverage premium of \$5.52 for the retiree only to cover all retirees' Vision Service Plan premiums. This is a non-vested benefit funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employee Retirement Law (CERL), ACERA treats an equal amount of Supplemental Retiree Benefit Reserve (SRBR) assets as employer contributions for pensions.

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

1. Results of Retiree Benefits Survey

Staff will provide results of the retiree Benefits Survey.

- Kathy Foster

- Mike Fara

2. Report on Outcome of UnitedHealthcare Medicare Group Plan vs. Individual Plan Review

Keenan & Associates will report on ACERA and UnitedHealthcare's renewal outcome from 2012 group plans and status of individual plan pursuit.

- Kathy Foster

- Keenan & Associates

3. Plans for Open Enrollment and Retiree Health Fair

Report on planning for ACERA's annual Open Enrollment and Retiree Health Fair.

- Sharen Stanek-Lowe

4. Miscellaneous Updates

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

- Sharen Stanek-Lowe

Trustee/Public Input

Future Discussion Items

- Approval of 2010 Supplemental Retiree Benefit Reserve (SRBR) Valuation

Establishment of Next Meeting Date

September 7, 2011 at 10:30 a.m.