ACERA

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, September 2, 2026
9:30 a.m.

LOCATION AND TELECONFERENCE	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 The public can observe the meeting and offer public comment by using the below Webinar ID and Passcode after clicking on the below link or calling the below call-in number. Link: https://zoom.us/join Call-In: 1 (669) 900-6833 US Webinar ID: 879 6337 8479 Passcode: 699406 For help joining a Zoom meeting, see: https://support.zoom.us/hc/en-us/articles/201362193	ELIZABETH ROGERS, CHAIR KELLIE SIMON, VICE CHAIR OPHELIA BASGAL KEITH CARSON STEVEN WILKINSON	ELECTED RETIRED ELECTED GENERAL APPOINTED APPOINTED APPOINTED

The Alternate Retired Member votes in the absence of the Elected Retired Member, or, if the Elected Retired Member is present, then votes if both Elected General members, or the Safety Member and an Elected General member, are absent.

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.

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. at least 72 hours before the meeting at accommodation@acera.org or at 510-628-3000.

Public comments are limited to four (4) minutes per person in total. The order of items on the agenda 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 posted online at www.acera.org and also may be inspected at 475 14th Street, 10th Floor, Oakland, CA 94612-1900.

RETIREES COMMITTEE/BOARD MEETING

Call to Order: 9:30 a.m.

Roll Call

Public Input (Time Limit: 4 minutes per speaker)

Action Items: Matters for discussion and possible motion by the Committee

None.

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

1. **ACERA-Sponsored Medical Plans and Premiums for Plan Year 2027**

   Report on renewal of Alameda County's medical plan contracts for the 2027 Plan Year. Staff will provide information regarding renewal rates and plan coverage for the Plan Year February 1, 2027 through January 31, 2028.

   - Carlos Barrios
   - Ava Lavender, Alameda County
   - Renee Wingert, Marsh Agency
   - Douglas King, Marsh Agency

2. **Kaiser Permanente Medicare Health Plan Group Optional Over-the-Counter Benefit Rider**

   Staff will provide information on the optional Kaiser Permanente Medicare health plan group over-the-counter benefit rider.

   - Carlos Barrios

3. **Communication Plan for the New Individual Plan Option**

   Staff will provide a communication plan for notifying the under-age-65 population retirees in the service area of a new Individual Plan option.

   - Mike Fara

Trustee Remarks

Future Discussion Items

- Presentation and Acceptance of SRBR Funding Report/Valuation

Establishment of Next Meeting Date

October 7, 2026, at 9:30 a.m.

Adjournment

MEMORANDUM TO THE RETIREES COMMITTEE

DATE: September 2, 2026

TO: Members of the Retirees Committee

FROM: Carlos Barrios, Assistant Chief Executive Officer

SUBJECT: **ACERA-Sponsored Medical Plans and Premiums for Plan Year 2027**

Provided below is a summary of the Plan Year 2027 medical renewal group plan rates from our carriers; Kaiser Permanente and UnitedHealthcare (UHC). The County of Alameda (County) will review the attached presentation regarding the 2027 Plan Year renewal rates.

Level of Coverage	2026 Rates & % Increase/ (Decrease)	2027 Rates & % Increase/ (Decrease)	2027 Difference	20 + MMA ($712.98) Retiree Out-of-Pocket
Kaiser HMO	3.27%	3.01%		
Retiree Only	$1,133.80	$1,167.94	$34.14	$454.96
Retiree + One Dep	$2,267.60	$2,335.88	$68.28	$1,622.90
Retiree + Two/More Deps	$3,208.66	$3,305.33	$96.67	$2,592.35
UHC HMO – Signature Value	15.43%	10.90%		
Retiree Only	$1,840.38	$2,040.98	$200.60	$1,328.00
Retiree + One Dep	$3,682.02	$4,083.34	$401.32	$3,370.36
Retiree + Two/More Deps	$5,210.62	$5,778.56	$567.94	$5,065.58
Kaiser Sr. Advantage	6.08%	0.00%		
Retiree Only	$398.05	$398.05	$0.00	$0.00
Retiree + One Dep	$796.10	$796.10	$0.00	$398.05

Attached for your information is a five-year medical plans rate history for the period 2022 through 2026.

Attachments

2027 ACERA
ANNUAL BENEFIT RENEWAL PRESENTATION
RETIREES COMMITTEE

Ava Lavender, HRS Division Manager, Benefits
Renee Wingert, VP Employee Benefits Consulting, Marsh Agency
Douglas King, Executive VP, Employee Benefits, Marsh Agency
September 2, 2026

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Contents

Executive Summary

The purpose of this presentation is to present rates and plan design changes to the ACERA Retirees Committee resulting from the Plan Year ("PY") 2027 renewal negotiations between the County of Alameda and its medical vendors, Kaiser Permanente ("Kaiser") and United Healthcare ("UHC").

- For the PY 2027 renewal, staff requested Kaiser to rate separately the **active employees and ACERA early retiree populations.**
- Kaiser reported an initial **53.01% increase for ACERA early retirees**. Kaiser subsequently proposed a **20% rate cap** increase for early retirees because of separating the two populations.
- County actives received a 1.48% rate increase and combined with ACERA's rate cap of **20%;** the final blended early retiree rate increase is **3.01%**.
- ACERA will pay Kaiser an estimated **$2.4 million subsidy** for the PY 2027. The new rating methodology (rating separately with a 20% rate cap) is estimated to result in approximately **$4.7 million** in savings to ACERA for the PY 2027.
- The UHC HMO plans received a final blended rate increase of **10.9%.**
- The Kaiser Permanente Senior Advantage (KPSA) plan received a **rate pass** for PY 2027*.*

County of Alameda
2027 Plan Year – Blended Rate Increases by Carrier (Actives, Subgroups and Early Retirees)

KAISER PERMANENTE®

3.01%
(HMO)

UnitedHealthcare®

10.90%
(HMO)

Blended Rate Increases

1.48%
(County)
Actives: 6,570

20%
(ACERA)
Early Retirees: 772

SV: 9.86%
(County)
Actives: SV: 1,367

SV: 35.28%
(ACERA)
Early Retirees: SV: 96

Unblended Rate Increases*

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2027 Kaiser Medical Renewal Explanations

- Staff requested that Kaiser **separately rate the active employee and ACERA early retiree populations** to establish distinct renewal rates.

- Kaiser initially reported a **53.01% renewal increase for ACERA early retirees**.

- Kaiser subsequently applied a **20% rate cap**, reducing the early retiree increase from **53.01%** to limit the impact of the increase. Kaiser's pricing model uses rate caps to help large group customers manage year-over-year fluctuations in healthcare utilization.

- The unblended rates of 20% for early retirees and 1.48% for active employees resulted in a blended **3.01%** for early retirees.

- The revised methodology is projected to generate approximately **$4.7 million in savings to ACERA** for the 2027 plan year.

- **Elimination of Implicit Subsidy for the Kaiser population:** Under the revised methodology, the implicit subsidy is restructured from the prior blended rating approach to a direct subsidy paid by ACERA to Kaiser (new 20% rates monthly), while early retirees pay a blended rate of 3.01%.

- ACERA will pay Kaiser an estimated **$2.4 million subsidy** to support the early retiree population.

2027 UHC Medical Renewal Explanations

- For the 2027 renewal, the initial unblended rates for early retirees was 39.74% and 13.48% for active employees. Following negotiations, the **unblended renewal increases were reduced to 35.28% for early retirees and 9.86% for active employees**.

- The final blended renewal increase is **10.90% for ACERA early retirees**.

- The UHC rating and blending methodology will **remain unchanged for 2027**, continuing to combine active employee and early retiree experience and resulting in an **implicit subsidy**.

- Key Cost Drivers:
  - **State-Mandated Benefits:** California mandates coverage for certain services, including GLP-1 weight loss medications. Utilization and claims for these services continue to increase on the HMO plans.
  - **HMO High-Cost Claims:** During the renewal period, 76 members each incurred more than $50,000 in claims, totaling $13.3 million, a 56% increase in large-claim cost.
  - **HMO Claims Experience:** Total HMO Claims Loss Ratio for Active EE's & ACERA enrollees generated a 102.3% cost ratio for the renewal period. ACERA only total HMO Claims Loss Ratio was 148.4% for the renewal period. Administrative costs and claims for the Plan exceeded the premiums collected for the period.

County of Alameda
2027 Plan Year – Kaiser HMO Pre-65 Retiree Rates

Early Retiree - Monthly Cost Comparison

HMO		2027-2028 53.01% UNBLENDED UNCAPPED RATES	2027-2028 20% UNBLENDED CAPPED RATES*	2026-2027 CURRENT BLENDED RATES	2027-2028 5.75% BLENDED UNCAPPED RATES	2027-2028 3.01% BLENDED CAPPED RATES
Kaiser HMO $15 Plan	**#**					
EE Only	555	$1,735.26	$1,360.22	$1,133.80	$1,198.98	$1,167.94
EE+1 Dep	162	$3,470.52	$2,720.44	$2,267.60	$2,397.96	$2,335.88
EE+2 or more Deps	55	$4,910.78	$3,849.44	$3,208.66	$3,393.08	$3,305.22
Total Annual Cost	772	$21,544,637	$16,888,231	$14,077,038	$14,886,274	$14,500,876
Total $ Change			-$4,656,406		$809,236	$423,838

Early Retiree Savings using capped rates	$385,398
ACERA subsidy to Early Retiree Rate vs Paying Implicit Subsidy to County (paid over 12-months via Kaiser billed 20% capped rates*)	$2,387,355
ACERA Implicit Subsidy savings from using 20% Kaiser capped rates	$4,656,406

*Based on February 2026 enrollment.

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County of Alameda
2027 Plan Year – UHC HMO Pre-65 Retiree Rates

Early Retiree - Monthly Cost Comparison

HMO		2026-2027 CURRENT BLENDED RATES	2027-2028 10.90% BLENDED RATES	2027-2028 35.28% UNBLENDED RATES
UHC HMO $15 Plan				
EE Only	82	$1,840.38	$2,040.98	$2,489.62
EE+1 Dep	12	$3,682.02	$4,083.34	$4,980.84
EE+2 or more Deps	2	$5,210.62	$5,778.56	$7,048.74
Total Annual Cost		**$2,466,200**	**$2,735,011**	**$3,336,197**
Total $ Change			$268,811	$869,997

*Based on June 2025 enrollment

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2027 Plan Year – Kaiser Senior Advantage Rates

The Kaiser Senior Advantage (KPSA) rates have a rate pass.

2027 Kaiser HMO Senior Advantage Renewal	2026 Monthly Premium Rate	2027 Monthly Premium Rate	Increase
Retiree Only	$398.05	$398.05	0%
Retiree + 1	$796.10	$796.10	0%
Retiree + Family	$1,737.16	$1,791.22	0%

This rate is the sum of Subscriber with Medicare + Spouse with Medicare + Child(ren) with Non-Medicare

Low-Income Premium Subsidy Amounts (Part D) – 2027

Percentage of Maximum Subsidy Amount	2027 Subsidy Amount
100%	To be provided early November
75%	
50%	
25%	

Source: Regional Rates Benchmarks 2025 (cms.gov).

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Questions

THANK YOU

Medical Rate Comparisons

2022 - 2026 Rate History

Alameda County Employees' Retirement Association

Kaiser Early Retiree

733 Enrolled*

	2022	2023	2024	2025	2026
Rating Structure	**Rate**	**Rate**	**Rate**	**Rate**	**Rate**
Retiree	$843.16	$909.74	$1,037.76	$1,097.88	$1,133.80
Retiree & 1 Dep	$1,686.32	$1,819.48	$2,075.52	$2,195.76	$2,267.60
Retiree & 2+ Deps	$2,386.22	$2,574.60	$2,936.90	$3,107.04	$3,208.66
% Change over Retiree Monthly Premium		**7.90%**	**14.07%**	**5.79%**	**3.27%**

Kaiser Permanente Senior Advantage

4,670 Enrolled*

	2022	2023	2024	2025	2026
Rating Structure	**Rate**	**Rate**	**Rate**	**Rate**	**Rate**
Retiree	$344.44	$316.81	$354.31	$375.22	$398.05
Retiree & Spouse	$688.88	$633.62	$708.62	$750.44	$796.10
% Change over Retiree Monthly Premium		**-8.02%**	**11.84%**	**5.90%**	**6.08%**

UnitedHealthcare SignatureValue HMO Early Retiree

100 Enrolled*

	2022	2023	2024	2025	2026
Rating Structure	**Rate**	**Rate**	**Rate**	**Rate**	**Rate**
Retiree	$1,184.32	$1,290.92	$1,464.90	$1,594.36	$1,840.38
Retiree & 1 Dep	$2,368.56	$2,581.72	$2,929.64	$3,189.80	$3,682.02
Retiree & 2+ Deps	$3,351.46	$3,653.08	$4,145.40	$4,514.16	$5,210.62
% Change over Retiree Monthly Premium		**9.00%**	**13.48%**	**8.84%**	**15.43%**

UnitedHealthcare SignatureValue Advantage HMO Early Retiree - Effective 2/1/20

0 Enrolled*

Plan was no longer offered after 12/31/2025

	2022	2023	2024	2025	2026
Rating Structure	**Rate**	**Rate**	**Rate**	**Rate**	**Rate**
Retiree	$781.42	$843.94	$957.68	$1,042.48	-
Retiree & 1 Dep	$1,562.70	$1,687.72	$1,915.18	$2,085.04	-
Retiree & 2+ Deps	$2,211.18	$2,388.08	$2,709.92	$2,950.20	-
					-
% Change over Retiree Monthly Premium		**8.00%**	**13.48%**	**8.85%**	**-**

*As of August 2026

ACERA

MEMORANDUM TO THE RETIREES COMMITTEE

DATE:	September 2, 2026
TO:	Members of the Retirees Committee
FROM:	Carlos Barrios, Assistant Chief Executive Officer CB
SUBJECT:	**Kaiser Permanente Medicare Health Plan Group Optional Over-the-Counter Benefit Rider**

As promised, staff is bringing back the optional Over-the-Counter (OTC) benefit rider for discussion. The OTC provides a $70 quarterly benefit of health and wellness products delivered to a participant's home for Kaiser Permanente Medicare Plan participants. The cost is $3.40 per member per month for an aggregate annual cost of $221,544. Participants can order:

- Vitamins and minerals
- Allergy, cough, and cold remedies
- Antacids, laxatives, and stomach aids
- Pain relievers and fever reducers
- First aid kits, joint supports, and incontinence products
- Blood pressure monitors and thermometers
- Diabetic supplies such as compression stockings and sharps containers

At the July 1, 2026 retirees Committee meeting, staff reported that 3,898 retirees had their entire monthly premium covered by the Monthly Medical Allowance (MMA)--those with at least 15 years of service. Since the MMA would cover the full cost of the premium, the OTC benefit would increase the cost to the Supplemental Retiree Benefit Reserve (SRBR) by $159,038.40. There were 471 retirees with less than 15 years of service who paid a portion of the premium above the MMA, and these members would see an increase to their monthly premium by $3.40.

At the April 2, 2025 Retirees Committee meeting staff reported that most retirees in the Kaiser Permanente Medicare Plan responded that they did not support adding the OTC benefit rider.

Attachment

Over-the-Counter (OTC) Wellness Benefit

As a Kaiser Permanente Medicare health plan group member, you can get OTC health and wellness products delivered to your home. And all at no cost.

You can use your benefit to order:

- Vitamins and minerals
- Allergy, cough, and cold remedies
- Antacids, laxatives, and stomach aids
- Pain relievers and fever reducers
- First aid kits, joint supports, and incontinence products
- Blood pressure monitors and thermometers
- Diabetic supplies such as compression stockings and sharps containers

Your Kaiser Permanente Medicare health plan includes a **$70** quarterly benefit limit for OTC products.[1]

Ready to order? It's easy – visit our website or call today.

Place your order for your OTC health and wellness products in one of the following ways:

Visit **kp.org/otc/ca**

Call **1-833-569-2360** (TTY **711**), Monday through Friday, 7 a.m. to 5 p.m.

(continues on next page)

KAISER PERMANENTE®

(continued)

Who can use this benefit?

You must be a Kaiser Permanente Medicare health plan member covered under your employer group.

Need a catalog?

Call **1-833-569-2360** (TTY **711**), Monday through Friday, 7 a.m. to 5 p.m. to have a print catalog mailed to you. You can also view our digital catalog at **kp.org/otc/ca**.

If you have questions or to learn more about the OTC health and wellness benefit, call the Member Service Contact Center at **1-800-443-0815** (TTY **711**), 7 days a week, 8 a.m. to 8 p.m.

[1] Please refer to your *Evidence of Coverage* for details. OTC benefits may change each year on January 1. Minimum order value is $25. Shipments must be delivered to an address within California. Your benefit limit resets on January 1, April 1, July 1, and October 1. Any unused portion of the quarterly benefit will not carry forward to the next quarter. Your order may not exceed your quarterly benefit limit. Limitations and restrictions may apply. Cash, checks, credit cards, or money orders are not accepted. Kaiser Permanente is an HMO plan with a Medicare contract. Enrollment in Kaiser Permanente depends on contract renewal. You must reside in the Kaiser Permanente Medicare health plan service area in which you enroll.

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Please recycle. 1111841092_GEN August 2023

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MEMORANDUM TO THE RETIREES COMMITTEE

DATE: September 2, 2026

TO: Members of the Retirees Committee

FROM: Carlos Barrios, Assistant CEO, Benefits
Mike Fara, Communications Manager MF

SUBJECT: **Communication Plan for Under-65 Members with the New Individual Plan Option**

Following the Board of Retirement's approval authorizing non-Medicare retirees residing in ACERA group plan service areas to enroll in individual health plans through Via Benefits beginning with the 2027 plan year, staff has developed a multi-channel communications strategy to notify eligible members. Because this policy change expands health coverage choices for non-Medicare retirees, our outreach focuses on clear, targeted messaging to help members evaluate their options ahead of Open Enrollment. Below is the outlined communications plan and the structure of the newly launched webpage designed to guide members through this transition.

Communications Plan: Expanded Health Plan Choices for Non-Medicare Retirees

- **Webpage:**
  - Timing: Live on the website in early September
  - Content: See outline below. See webpage at www.acera.org/choices.
  - Additional Links: Home page carousel slide; News page; Wellness page
- **Letter**
  - Timing: Early September
  - Target: Non-Medicare retirees in group plan service areas
- **REAC Newsletter Notices**
  - Timing: First week of October
  - Content: 1-paragraph explanation with link to the webpage
- **Email Blasts and SMS Blasts**
  - Timing: Periodically September through December 15
  - Target: Non-Medicare retirees in group plan service areas
  - Email Blast Content: Full webpage content
  - SMS Blast Content: Short message with webpage link
- **Message on Main Phone Greeting**
  - Timing: September through December 15
  - Content: Short message with webpage address
- **Open Enrollment Packet**
  - Timing: Mails October 9
  - Content:
    - Large, colorful, singular message on outside of envelope
    - Modified letter stuffed first in the envelope with large, colorful messaging
    - Extensive information in Retiree Enrollment Guide

- **Health Fair**
  - Timing: October 22
  - Live Presentation: By Via Benefits that will be recorded and posted on www.acera.org/healthfair and www.acera.org/choices.
  - Via Benefits Exhibit Table: In the Exhibit Hall during the in-person event so Via Benefits can answer more in-depth questions.

Webpage Outline:

New Via Benefits Individual Health Plan Choices for Non-Medicare Retirees
www.acera.org/choices

1. **Announcement & Summary**
   a. Expanded Health Plan Choices for Non-Medicare Retirees
   b. Why the Board Expanded Coverage Options
   c. No Action Required to Keep Your Current Medical Insurance Plan
2. **How Healthcare & Subsidies Work**
   a. Group Plans vs. Individual Exchange Plans
   b. Using Your MMA Subsidy With Via Benefits
   c. Exploring Federal Tax Credits (Subsidies) With Via Benefits
3. **Is an Individual Plan Right for You?**
   a. Comparing Your Options (ACERA Group Rates vs. Via Benefits)
   b. Understanding Individual Plan Levels (Bronze, Silver, Gold, and Platinum)
      i. How ACERA Group Plans Compare
   c. How Age Affects Individual Plan Pricing
   d. No Requirement to Change Current Coverage
4. **How & When to Enroll**
   a. Step 1: Look for Your Open Enrollment Packet (Mid-October)
   b. Step 2: Pay Attention to Open Enrollment Windows
   c. Step 3: Enroll Online or by Phone
   d. Step 4: Coverage Effective Dates & Transition
6. **Contact & Next Steps**
   a. Via Benefits Non-Medicare Website
   b. Via Benefits Dedicated Non-Medicare Line
   c. ACERA Contact Information
5. **Frequently Asked Questions (FAQs)**
   a. Common Questions About Subsidies, Eligibility, Timing, and Help