



MINUTES OF SEPTEMBER 7, 2022 RETIREES COMMITTEE MEETING

THIS MEETING WAS CONDUCTED VIA TELECONFERENCE WITH VIDEO

To: Members of the Retirees Committee

From: Liz Koppenhaver, Chair

Subject: Summary of the September 7, 2022 Retirees Committee Meeting

Committee Chair Liz Koppenhaver called the September 7, 2022 Committee meeting to order at 10:31 a.m.

ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE

Committee members present were Liz Koppenhaver, Dale Amaral, Keith Carson and Kellie Simon. Also present were Tarrell Gamble, George Wood and alternate member Nancy Reilly. Alternate member Darryl Walker joined the meetings after the roll call.

Staff present were Sandra Dueñas-Cuevas, Benefits Manager; Mike Fara, Communications Manager; Kathy Foster, Assistant Chief Executive Officer; Jessica Huffman, Benefits Manager; Harsh Jadhav, Chief of Internal Audit; Vijay Jagar, Chief Technology Officer; Lisa Johnson, Assistant Chief Executive Officer; David Nelsen, Chief Executive Officer; Ismael Piña, Assistant Benefits Manager; Jeff Rieger, Chief Counsel and Betty Tse, Chief Investment Officer.

PUBLIC INPUT

None.

ACTION ITEMS

1. Approve Offering Kaiser Permanente Senior Advantage Plan Enrollees Optional Silver&Fit Benefit for Plan Year 2023

Staff provided information and observations on the results of the Silver&Fit benefit survey, which was sent to ACERA members enrolled in the Kaiser Permanente Senior Advantage Medicare plan. The survey was conducted online using SurveyMonkey, and was open for responses between July 26 and August 7, 2022. There was an 11.7% response rate.

The Plan Year 2023 monthly premium increase for the Sliver&Fit benefit is \$2.80, with the annual cost to provide this optional benefit estimated to be \$139,003.

Staff took note of Trustee Carson's comments for future consideration to figure out a way to measure the impact of the ages of members who respond to ACERA's surveys, and the daily volume of electronic communications and various technology members currently use,

when analyzing the results of the surveys and to include this information in the explanation of the results.

In response to Trustee Wood's comment, Staff will provide feedback to Kaiser Permanente regarding the issues reported on the survey related to the home fitness kits provided by the Silver&Fit program.

Pete Albert, President of Alameda County Retired Employees (ACRE) retiree association, stated that he thinks the Silver&Fit program fits into ACERA's wellness program, and with more education, it is possible that the number of Medicare retirees participating in this program will increase. He stated that considering the cost for the program, it would be a good idea to continue the Silver&Fit benefit for another year.

It was moved by Tarrell Gamble and seconded by Keith Carson that the Committee recommend to the Board of Retirement a motion to approve offering the optional Silver&Fit benefit for Kaiser Permanente Senior Advantage plan enrollees for the 2023 Plan Year, at an estimated annual cost of \$139,003.

The motion carried 6 yes (*Amaral, Carson, Gamble, Koppenhaver, Simon, Wood*), 0 no, 0 abstentions.

2. Approve Offering Kaiser Permanente Early (Non-Medicare Eligible) Plan Enrollees Hearing Aid Benefit for Plan Year 2023

Staff provided the results from the Supplemental Retiree Benefit Reserve (SRBR) benefits survey related to hearing aid benefits, which was provided at the April 6, 2022 Retirees Committee meeting. Segal, ACERA's Benefits Consultant, provided information on the impact of hearing loss nationally, current hearing aid utilization, medical coverage provided, costs, and alternative sources available to ACERA retirees. In addition, Segal provided an update regarding the U.S. Food and Drug Administration's final rule issued on August 16, 2022 to improve access to hearing aids, which may contribute to lower costs for consumers with perceived mild to moderate hearing impairment.

The Plan Year 2023 monthly cost to provide a \$1,000 hearing aid benefit per ear every 36 months for the early (non-Medicare eligible) retiree is \$.72 per month. The out-of-pocket cost for the retiree with 20+ years of service will be \$293.62 per month, if this coverage is added.

It was moved by Kellie Simon and seconded by George Wood that the Committee recommend to the Board of Retirement a motion to approve including a \$1,000 hearing aid benefit per ear every 36 months to the Kaiser Permanente non-Medicare coverage for Plan Year 2023.

The motion carried 5 yes (*Amaral, Carson, Koppenhaver, Simon, Wood*), 1 no (*Gamble*), 0 abstentions.

INFORMATION ITEMS

1. Discussion Regarding Kaiser Permanente Senior Advantage Plan Optional Riders for Plan Year 2023

Staff provided information on the Over-the Counter Benefit and the Transportation Rider as optional riders available for the Kaiser Permanente Senior Advantage plan for Plan Year 2023.

2. Discussion Regarding Retired Member (Lump Sum) Death Benefit

Staff provided information on the lump sum death benefits paid by other 1937 Act systems, and estimated annual costs based on last year's total deaths at various benefit amounts. Trustees requested Staff to include an action item to increase the benefit level for further discussion along with Staff's annual report on the lump sum death benefit at the December Retirees Committee meeting.

3. Discussion Regarding Active Death Equity Benefit

Staff provided background information on the Active Death Equity Benefit (ADEB) that was initially presented at the April 2019 Retirees Committee meeting, and the number of active member deaths in which the spouse would have been eligible for the ADEB in 2020 and 2021.

Shaughn Park, President of the Deputy Sheriffs' Association of Alameda County, stated that the Association's members would overwhelmingly like to have this benefit reinstated for the reasons discussed by the Trustees.

After lengthy discussion, the Trustees requested Staff to provide an analysis and detailed information regarding this benefit to be brought back to the Retirees Committee meeting for discussion in October if possible, and presented for action at the December Retirees Committee meeting.

4. Plans for Open Enrollment and Retiree Health and Wellness Fair

Staff provided information regarding the preparations being made for the Plan Year 2023 Open Enrollment and the Virtual Retiree Health and Wellness Fair, which will be held on Thursday, October 27th at 9:30 a.m. In response to Trustee Reilly's comments, Staff has plans to have Kaiser Permanente promote the Silver&Fit program and the gym membership, as well as its virtual exercise classes. Staff will also check with the carriers to see if they have a specific class on "Balance" that will help improve members' balance.

5. Miscellaneous Updates

Staff had no updates to report.

TRUSTEE REMARKS

Trustees Koppenhaver and Walker expressed their appreciation to Kathy Foster for all the work she has done, and stated that they have enjoyed working with her. On behalf of Public Safety, Trustee Amaral expressed his heartfelt appreciation for all the assistance she has provided to him in dealing with members' benefits, and Trustee Koppenhaver agreed. Trustee Reilly congratulated her on her retirement, and Trustee Simon stated that they will miss her.

FUTURE DISCUSSION ITEMS

- Presentation and Acceptance of SRBR Funding Report/Valuation

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for October 5, 2022 at 10:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 12:36 p a.m.