



MINUTES OF DECEMBER 1, 2021 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 December 1, 2021 Retirees Committee Meeting

Committee Chair Liz Koppenhaver called the December 1, 2021 Committee meeting to order at 10:33 a.m.

ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE

Committee members present were Liz Koppenhaver, Henry Levy, Darryl Walker, and George Wood. Also present were Dale Amaral, Ophelia Basgal, Jamie Godfrey, and alternate member Nancy Reilly. Tarrell Gamble, and Committee member Keith Carson joined the meeting after roll call.

Staff present were Victoria Arruda, Human Resources Officer; Sandra Dueñas-Cuevas, Benefits Manager; Kathy Foster, Assistant Chief Executive Officer; Jessica Huffman, Benefits Manager; Harsh Jadhav, Chief of Internal Audit; Vijay Jagar, Chief Technology 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. Adoption of Medicare Part B Reimbursement Plan Benefit for 2022

Staff and Segal, ACERA's Benefits Consultant, provided information on ACERA's Medicare Part B Reimbursement Plan (MBRP) benefit, including retirees' out-of-pocket costs, and the percentage of retirees affected at each of the designated income levels, based on the retirees' ACERA retirement allowances only. Staff recommends to continue the benefit for 2022 based on the reimbursement at the lowest standard premium rate of \$170.10.

It was moved by Darryl Walker and seconded by Ophelia Basgal that the Committee recommend to the Board of Retirement to continue to provide the Medicare Part B Reimbursement Plan (MBRP) benefit to eligible retirees in 2022, and approve the reimbursement based on the lowest standard monthly Medicare Part B premium at the rate

of \$170.10. The MBRP benefit 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 Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.

The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Walker, Wood*), 0 no, 0 abstentions.

2. Adoption of Updates to Appendix A of 401(h) Account Resolutions

Staff stated that in order for Resolution No. 07-29 to remain current for the upcoming 2022 Plan Year, Appendix A was amended to reflect the Board of Retirement's (Board) decisions regarding the Monthly Medical Allowance amounts for Group and Individual plans; and medical, dental, and vision premium amounts as adopted by the Board.

It was moved by Jaime Godfrey and seconded by Keith Carson that the Committee recommend to the Board of Retirement (Board) to adopt the revised and updated Appendix A to Resolution No. 07-29, which reflects the changes approved by the Board to the Monthly Medical Allowance amounts for Group and Individual Plans as well as the Retiree Health Benefit contribution amounts for Plan Year 2022.

The motion carried 9 yes (*Amaral, Basgal, Carson, Gamble, Godfrey, Koppenhaver, Levy, Walker, Wood*), 0 no, 0 abstentions.

INFORMATION ITEMS

1. Presentation on Hearing Aid Benefits

Segal, ACERA's Benefits Consultant, provided information on the hearing aid market analysis and cost, ACERA's current hearing aid benefits, and additional hearing aid providers. There was discussion regarding the Build Back Better Act, which contains a provision to expand Medicare to cover hearing benefits. Trustees directed Staff to gather more information for consideration in exploring possible options to enhance the hearing aid benefits for retirees, without making any commitments.

2. Annual Retired Member (Lump Sum) Death Benefit Report

Staff provided information on the number and amount of the Retired Member (lump sum) Death Benefit payments made to eligible beneficiaries of retirees for the twelve-month period December 1, 2020 through November 30, 2021, including the payments made by reciprocal agencies. This \$1,000 benefit is funded by the Supplemental Retiree Benefit Reserve and is a vested benefit, as long as there are funds available.

Trustees directed Staff to find out what the average lump sum death benefit is among the other 1937 Act systems to compare with ACERA's current death benefit, and reconsider this \$1,000 benefit.

3. Virtual Retiree Health and Wellness Fair Results and Open Enrollment Activity

Staff provided a report on the results of the Virtual Retiree Health and Wellness Fair, which was held through Zoom on October 28, 2021. The live presentations from the Alameda County Retired Employees (ACRE) and Retired Employees of Alameda County, Inc. (REAC) retiree associations, Kaiser Permanente, VSP, Delta Dental and Via Benefits were recorded and posted to ACERA's website, as well as links to the various vendors' webpages for additional information and resources. There were 244 online visitors during this virtual event. A report on open enrollment plan changes and processing status will be provided at the February 2022 Committee meeting.

Trustee Koppenhaver commented that it was good to have the ACRE and REAC's presidents present information regarding their associations, which helped to clarify the differences between the two groups; and thought the presentations were well done. Pete Albert, President of ACRE, expressed his appreciation to ACERA for giving him and the REAC representative an opportunity to make the presentations during this event.

4. Miscellaneous Updates

Staff provided an update on the retiree payroll deductions to pay premiums to the Operating Engineers Local 3 Union (OE3) Medical Plan. A follow-up meeting with OE3 is scheduled for December 7th to further discuss the pre-payment submissions, and on-going payment and invoicing process.

TRUSTEE REMARKS

None.

FUTURE DISCUSSION ITEMS

- Annual Supplemental Cost of Living Adjustment (COLA)

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for February 2, 2022 at 10:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 11:13 a.m.