



December 5, 2018

To: Members of the Retirees Committee

From: Liz Koppenhaver, Chair, Retired Trustee

Subject: Summary of the December 5, 2018 Retirees Committee Meeting

Committee Chair Liz Koppenhaver called the December 5, 2018 meeting to order at 10:43 a.m. Committee members present were Liz Koppenhaver, George Wood, and Jamie Godfrey. Also present were Ophelia Basgal, Tarrell Gamble, and Elizabeth Rogers, and alternate member Nancy Reilly. Staff present were David Nelsen, Chief Executive Officer; Kathy Foster, Assistant Chief Executive Officer; Kathy Mount, Chief Counsel; Sandra Dueñas-Cuevas, Benefits Manager; and Jessica Huffman, Benefits Manager.

ACTION ITEMS

1. Adoption of Medicare Part B Reimbursement Plan Benefit for 2019

Staff 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 2019 based on the reimbursement at the lowest standard premium rate of \$135.50.

It was moved by George Wood and seconded by Jaime Godfrey 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 2019, and approve the reimbursement based on the lowest standard monthly Medicare Part B premium at the rate of \$135.50.

The motion carried 6 yes (*Basgal, Gamble, Godfrey, Koppenhaver, Rogers, 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 2019 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 Ophelia Basgal and seconded by Tarrell Gamble 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 2019.

The motion carried 6 yes (*Basgal, Gamble, Godfrey, Koppenhaver, Rogers, Wood*), 0 no, 0 abstentions.

INFORMATION ITEMS

1. Annual Report on Retired Member (Lump Sum) Death Benefits Paid in 2018

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 12-month period December 1, 2017 through November 30, 2018, 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 provide information at a future meeting for consideration to increase the amount of this benefit.

2. Retiree Health and Wellness Fair Results and Open Enrollment Activity

Staff provided a report on the results of the Retiree Health and Wellness Fair (Fair), which was held on October 25, 2018 at the Albert H. DeWitt Officer's Club in Alameda, California. This year, Staff implemented online pre-registration for the Fair. Of the 142 retirees who pre-registered, 93 retirees attended, and an additional 235 registered the day of the Fair. So far, Staff has received 125 Open Enrollment forms. A more detailed report on ACERA's medical, dental and vision, and Via Benefits' enrollment plan changes will be provided at the February 2019 Committee meeting.

3. Miscellaneous Updates

There were no benefit topics impacting both retirees and ACERA Staff to report at this time.

RECOMMENDATIONS

1. Adoption of Retired Medicare Part B Reimbursement Plan Benefit for 2019

The Committee recommends, and I move that the Board of Retirement continue to provide the Medicare Part B Reimbursement Plan (MBRP) benefit to eligible retirees in 2019, and approve the reimbursement based on the lowest standard monthly Medicare Part B premium at the rate of \$135.50. 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.

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

The Committee recommends, and I move that the Board of Retirement (Board) 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 2019.

TRUSTEE REMARKS

Trustee Koppenhaver stated that she recently learned that ACERA retiree, Olga Kempton, had passed away. Ms. Kempton was very active in the Alameda County Retired Employees retiree association, and was willing to help everyone. Trustee Koppenhaver also stated that a couple of retirees had contacted her regarding medical expense reimbursements through Via Benefits, which she is working on with Staff to resolve.

PUBLIC INPUT

None.

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for February 6, 2019 at 10:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 11:08 a.m.