



**MINUTES OF DECEMBER 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 December 7, 2022 Retirees Committee Meeting**

Committee Chair Liz Koppenhaver called the December 7, 2022 Committee meeting to order at 10:30 a.m.

**ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE**

Committee members present were Liz Koppenhaver, Henry Levy, Dale Amaral, Keith Carson and Kellie Simon. Also present were Tarrell Gamble, Jaime Godfrey, and George Wood. Ophelia Basgal joined the meeting after roll call.

Staff present were Carlos Barrios, Assistant Chief Executive Officer; Sandra Dueñas-Cuevas, Benefits Manager; Mike Fara, Communications Manager; Erica Haywood, Fiscal Services 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. Adoption of Medicare Part B Reimbursement Plan Benefit for 2023**

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 also provided information regarding the reason for the decrease in the 2023 Medicare Part B premiums. Staff recommends to continue the benefit for 2023 based on the reimbursement at the lowest standard premium rate of \$164.90, which is a decrease of about (3.1%).

It was moved by Ophelia Basgal and seconded by Henry Levy 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 2023, and approve the reimbursement based on the lowest standard monthly Medicare Part B premium at the rate

of \$164.90. 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, Simon, 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 2023 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 George Wood and seconded by Kellie Simon 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 2023.

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

## **INFORMATION ITEMS**

### **1. 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, 2021 through November 30, 2022, including the payments made by reciprocal agencies. In addition, Staff provided a five-year comparison of the total death benefits paid. This \$1,000 benefit is funded by the Supplemental Retiree Benefit Reserve and is a vested benefit, as long as there are funds available.

### **2. 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 27, 2022. The live presentations from ACERA, 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, flyers and resources. There were 405 online visitors during this virtual event, a 66% increase over last year. Trustees Koppenhaver and Basgal congratulated Staff on a great job.

Trustee Amaral recognized Ish Piña and Staff for being very helpful, informative, and patient when assisting members.

### **3. Miscellaneous Updates**

Staff provided an update on Kaiser Permanente's labor agreements with its Mental Health Therapists and California Nurses Association, and the transition of ACERA's financial bank from Wells Fargo to J.P. Morgan.

#### **TRUSTEE REMARKS**

Trustee Koppenhaver welcomed Cynthia Baron, who will be the new alternate retired Trustee beginning in January 2023.

#### **FUTURE DISCUSSION ITEMS**

- Annual Supplemental Cost of Living Adjustment (COLA)

#### **ESTABLISHMENT OF NEXT MEETING DATE**

The next meeting is scheduled for February 1, 2023 at 10:30 a.m.

#### **MEETING ADJOURNED**

The meeting adjourned at 10:54 a.m.