Kaiser Permanente Senior Advantage Plan

2025 Rider Survey Results

Purpose

To gauge ACERA retiree opinions regarding the addition of three possible riders (benefit enhancements) to the Kaiser Permanente Senior Advantage Medicare Plan

Administration Method

- Conducted online using SurveyMonkey
- 2 Mailchimp email blasts to 7,858 retired members and survivors
- Open Jan. 16 – 24, 2025

Response Rate

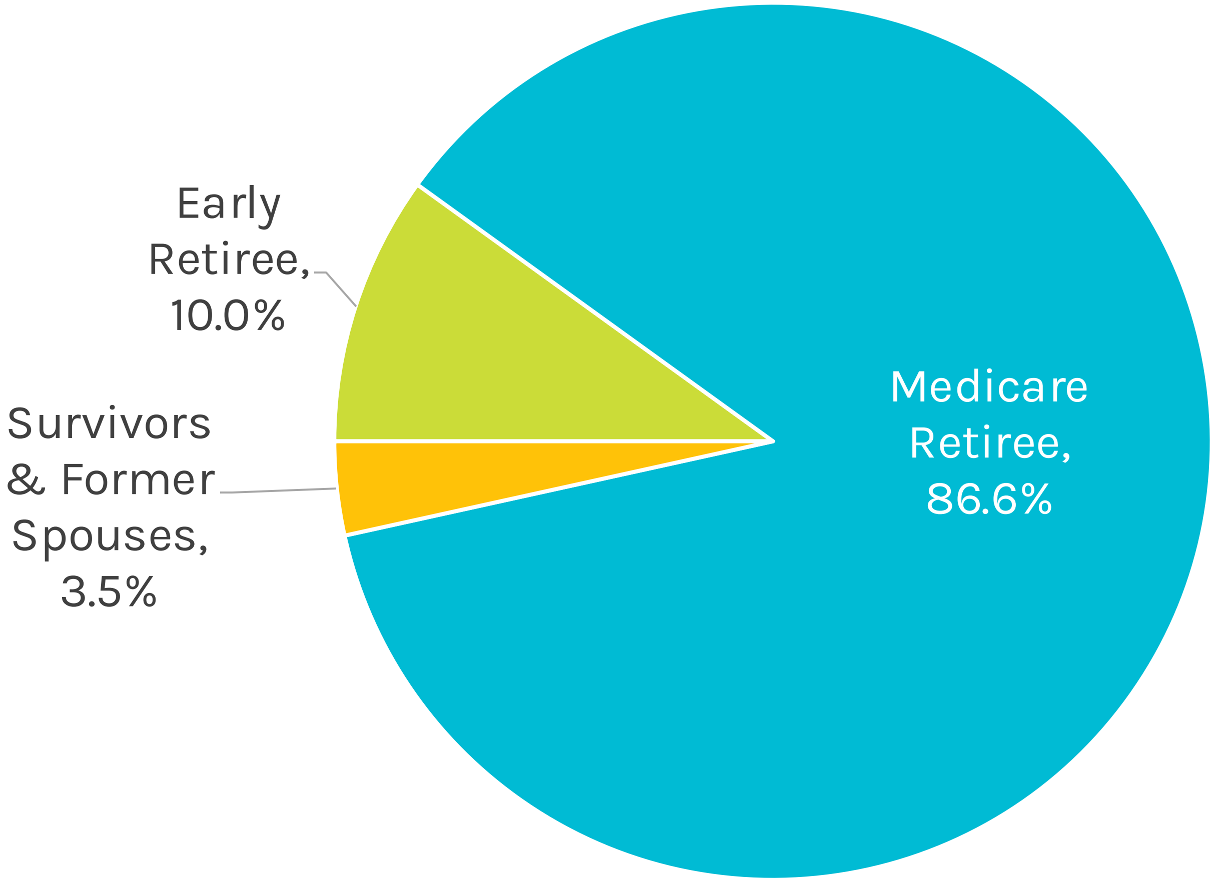
Responses	Recipients	Rate
1,507	7,858	19.1%

Demographic Questions

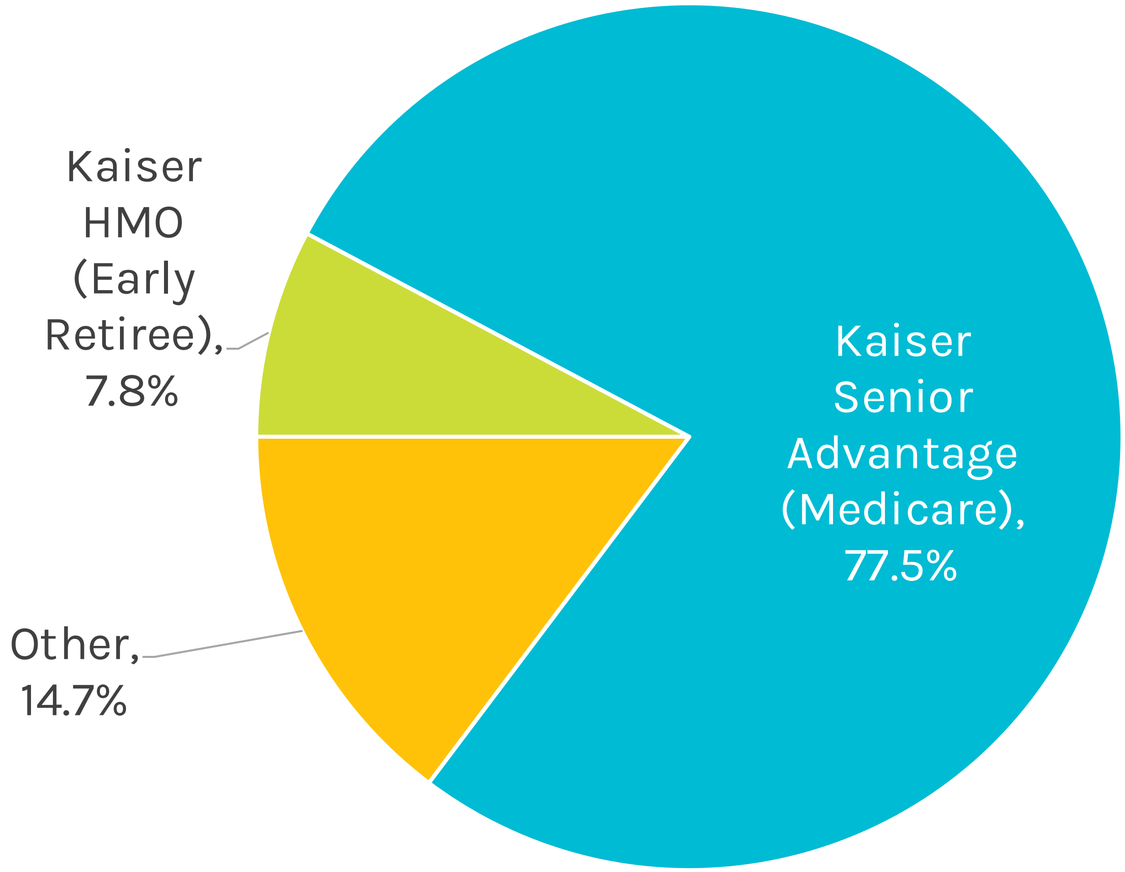
- One to make sure they're a retiree, survivor, or payee
- One asking which medical plan they're enrolled in

13 respondents who did not meet the criteria were disqualified (those disqualified are not included in the 1,507 responses for the response rate calculation)

What Type of ACERA Member Are You?



Which Health Plan Are You Enrolled In?



Questions Introduction

About the SRBR

The Supplemental Retiree Benefit Reserve (SRBR) is a fund dedicated to supporting ACERA's non-vested benefits, which provide important enhancements for retirees, especially healthcare subsidies. While these benefits are not guaranteed for life, the SRBR is carefully managed to ensure their continued availability for as long as possible.

As of December 31, 2023, the SRBR was valued at $1.19 billion and is projected to fund benefits through 2047 (more than 24 years). This strong projection reflects the fund's sustainability, supported by investment strategies that help it grow during favorable market years.

ACERA's Board of Retirement takes a long-term approach to managing the SRBR to ensure its sustainability. While adding new benefits, such as the proposed riders, would modestly impact the SRBR, the Board is committed to thoughtful planning to maintain its sustainability well into the future.

Three Proposed Riders

A rider is an optional add-on that provides additional coverage. ACERA is considering adding the following rider options to the Kaiser Permanente Senior Advantage Medicare Plan. These riders would increase the monthly premium for all plan participants, regardless of whether they use the benefits. The higher premiums would also increase the cost to the SRBR, which funds medical subsidies for eligible members.

In addition to the descriptions below, three Kaiser Permanente flyers with full details on each rider are available here: Three Rider Flyers.

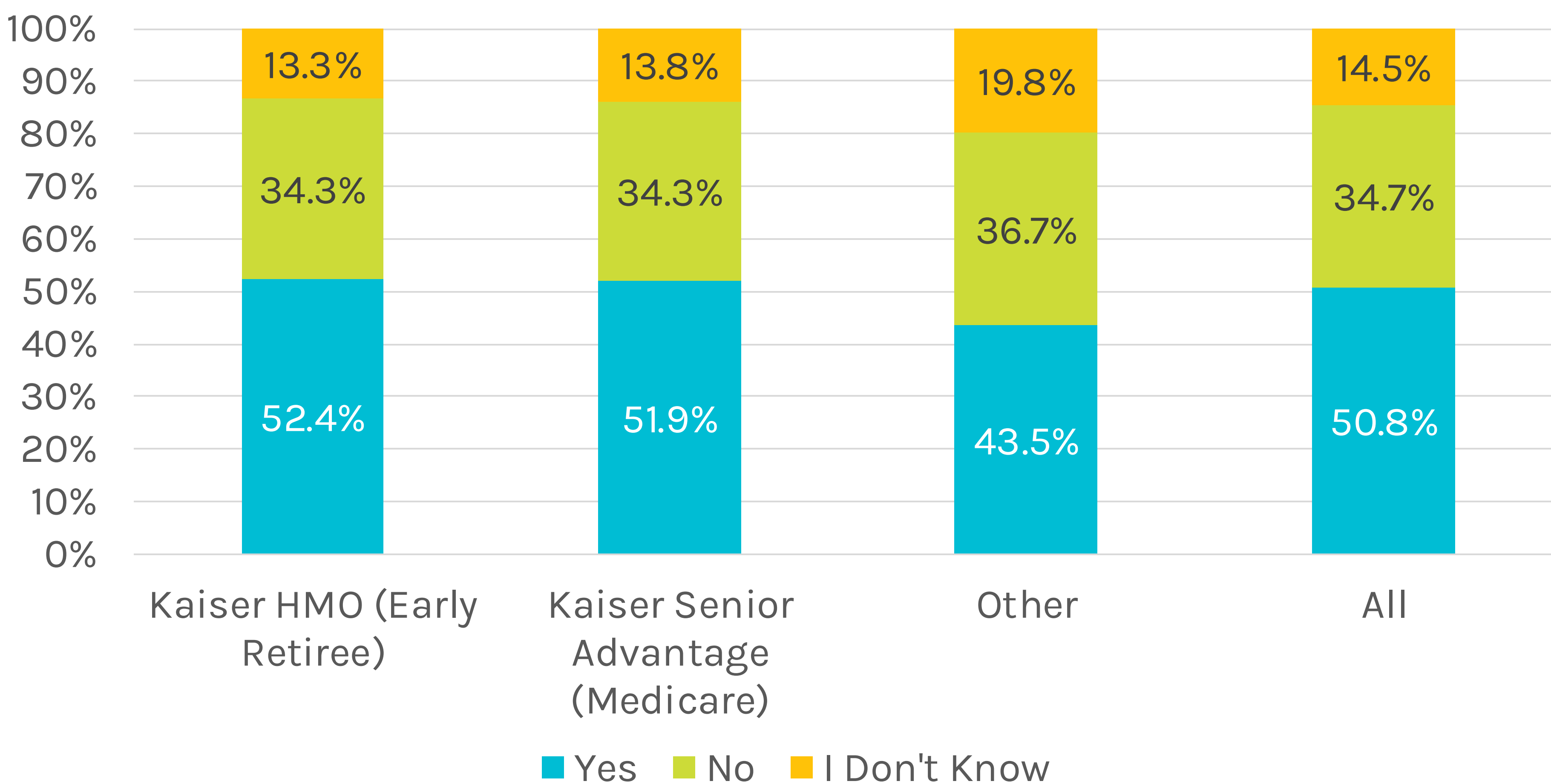
Question: Over-the-Counter (OTC) Benefit Rider

- **Details:** Provides a $70 quarterly allowance for approved over-the-counter health and wellness products delivered to your home at no cost. Eligible items include vitamins, pain relievers, first aid supplies, diabetic products, and more. Orders can be placed online or by phone.
- **Monthly Premium Increase:** $1.84 per member per month, for all enrollees regardless of whether they use the benefit
- **Total Estimated Yearly Cost to the SRBR:** $84,300 per year

Do you support adding the Over-the-Counter (OTC) Benefit Rider to the plan?

- ○ Yes
- ○ No
- ○ I Don’t Know

Do You Support Adding the Over-the-Counter (OTC) Benefit Rider to the Plan?



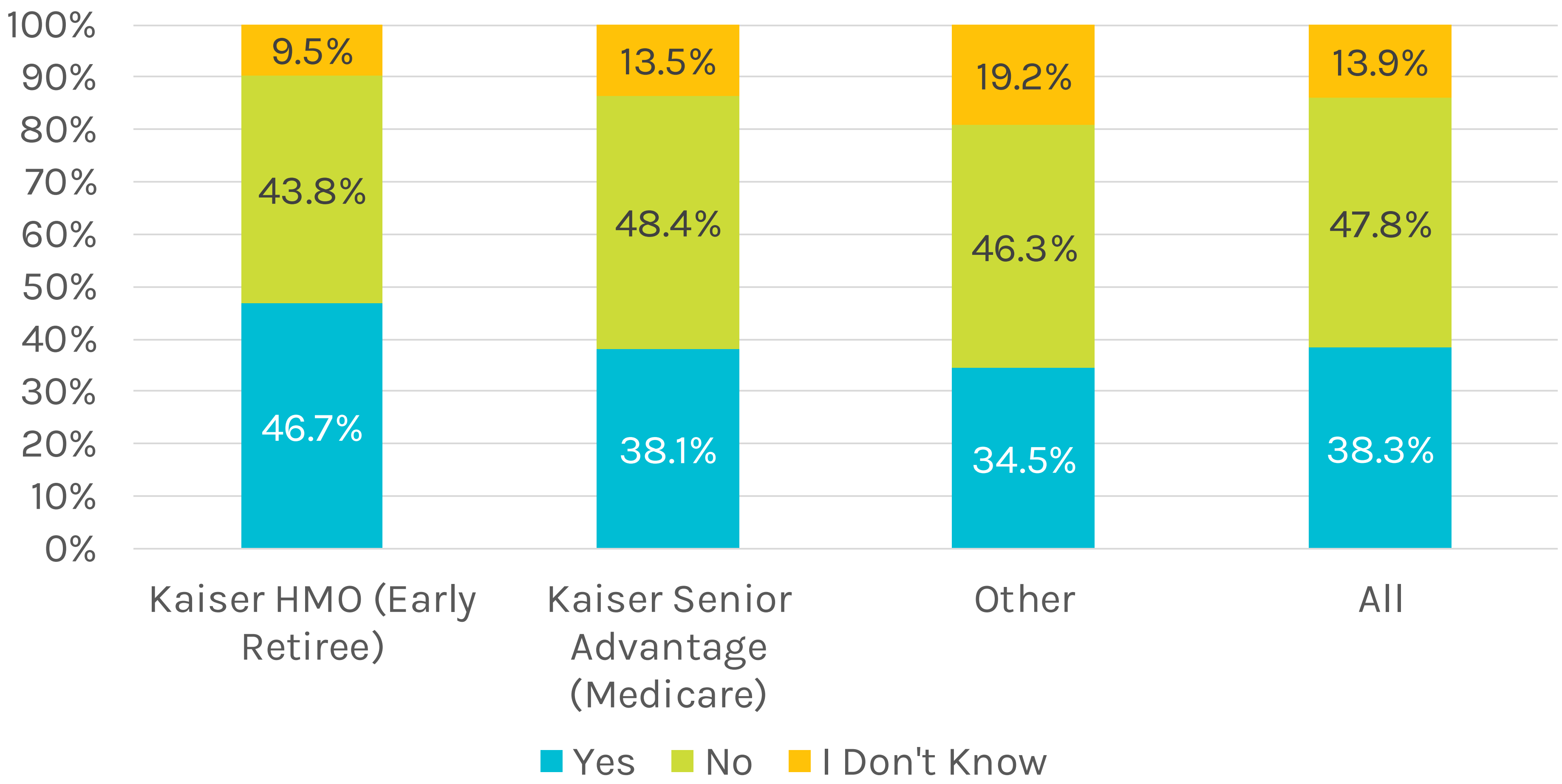
Question: Meals Rider

- **Details:** Provides up to 84 fresh, nutritious meals delivered to your home at no cost after discharge from an inpatient stay at a hospital or skilled nursing facility. Meals are dietitian-designed, cater to various dietary needs (e.g., heart-healthy, diabetic-friendly, gluten-free), and are ready to heat and enjoy. Delivery includes three meals per day for up to four weeks.
- **Monthly Premium Increase:** $2.00 per member per month, for all enrollees regardless of whether they use the benefit
- **Total Estimated Yearly Cost to the SRBR:** $91,600 per year

Do you support adding the Meals Rider to the plan?

- ○ Yes
- ○ No
- ○ I Don’t Know

Do You Support Adding the Meals Rider to the Plan?



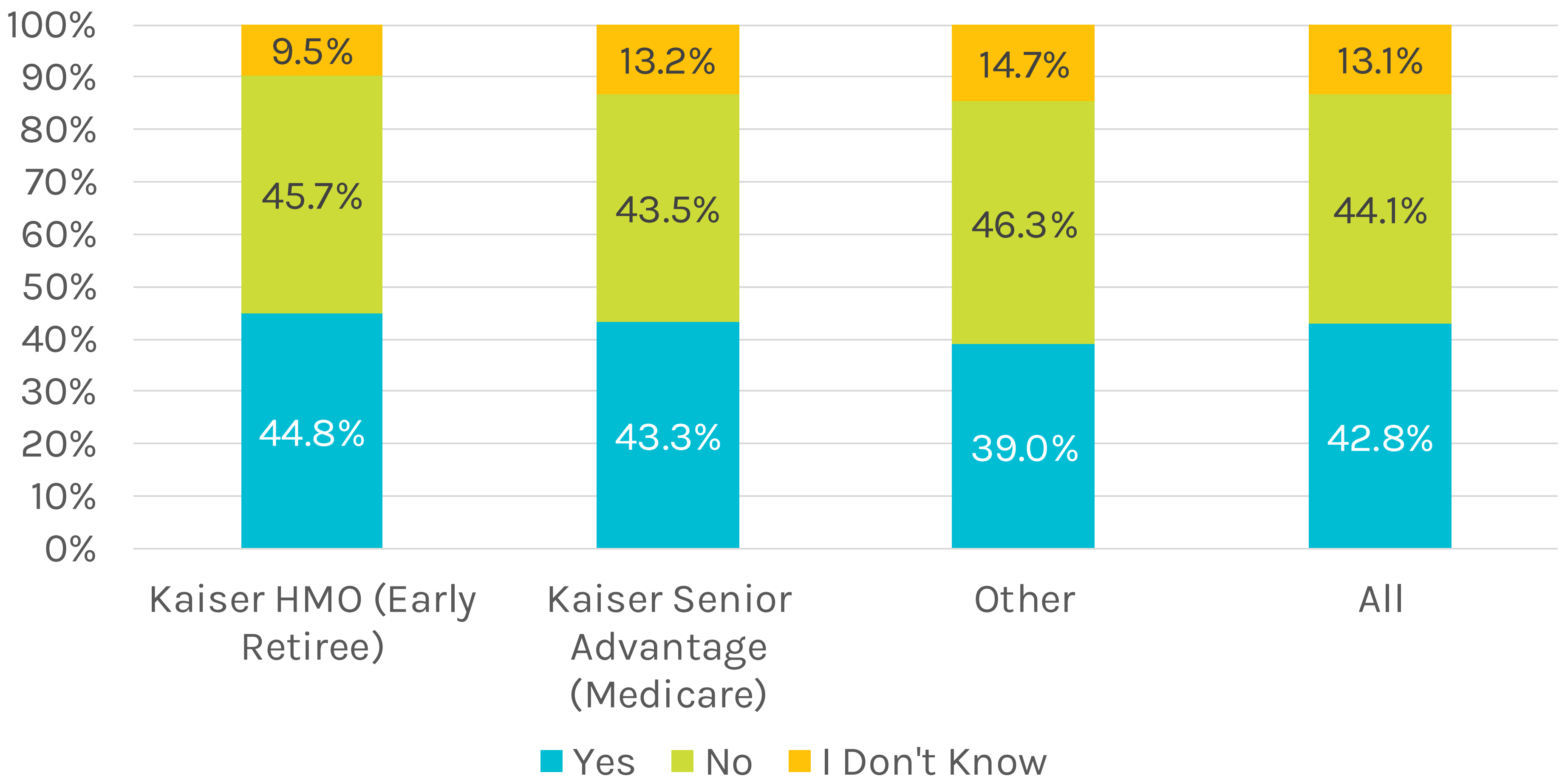
Question: Transportation Rider

- **Details:** Provides up to 24 one-way trips (up to 50 miles each) per calendar year at no cost. Eligible trips include doctor or dentist visits, medical services (e.g., lab or X-ray), or picking up prescriptions and medical equipment. Rideshare, taxi, or private transportation is available, as well as wheelchair van or gurney service for those with special needs.
- **Monthly Premium Increase:** $2.80 per member per month, for all enrollees regardless of whether they use the benefit
- **Total Estimated Yearly Cost to the SRBR:** $128,300 per year

Do you support adding the Transportation Rider to the plan?

- Yes
- No
- I Don’t Know

Do You Support Adding the Transportation Rider to the Plan?



Survey Conclusion

Thank You

Your input is valuable and will be shared with the ACERA Board of Retirement as they make their decision.

Optional:

If you have additional comments or questions about these riders, please provide them below:

Additional Comments or Questions

Full list of comments in appendix. Some summarized themes:

Over-the-Counter Benefit Rider

- **Cost Concerns:** Some feel it's unfair to charge for benefits they won't use, especially with fixed incomes.
- **Product Quality:** Hopes that offered products are of good quality, not just cheap generics.
- **Out-of-State Access:** Many retirees live outside of California and feel the benefits should be available nationwide, not just within Kaiser's service area.
- **Alternative Options:** Some retirees suggest exploring other benefits like weight loss support or dental care improvements.

Meals & Transportation Riders

- **Limited Use:** While the OTC benefit is helpful, the Meals and Transportation Riders might only benefit a small number of retirees, though they're crucial for some.
- **Support for Meals:** Meals on Wheels is a common alternative, but those recovering or living alone might find a dedicated service invaluable.
- **Transportation:** Some find the number of rides excessive, while others, like those with legal blindness, find it beneficial.
- **Cost Impact:** Some worry the riders will increase premiums or harm the SRBR fund, especially if they only benefit a few retirees.
- **More Flexibility:** There's interest in making these benefits optional or adjusting the scope to ensure affordability and broader accessibility.

General Concerns & Suggestions

- **Cost Increases:** Retirees on fixed incomes are concerned about the rising costs of healthcare and how these riders may increase premiums.
- **Service Availability:** Some believe these benefits should be available in rural areas and for members outside Kaiser's coverage area.
- **Benefit Choice:** Many would prefer optional riders or a more tailored benefits package.
- **Suggestions for Improvement:** Some retirees request better options for hearing aids, durable medical equipment, or home care services instead of transportation or meals.

Thank You