



**Alameda County Employees' Retirement Association
BOARD OF RETIREMENT**

**RETIREES COMMITTEE/BOARD MEETING
NOTICE and AGENDA**

ACERA MISSION:

To provide ACERA members and employers with flexible, cost-effective, participant-oriented benefits through prudent investment management and superior member services.

**Tuesday, July 3, 2012
10:00 a.m.**

LOCATION	COMMITTEE MEMBERS	
ACERA C.G. "BUD" QUIST BOARD ROOM 475 14TH STREET, 10TH FLOOR OAKLAND, CALIFORNIA 94612-1900 MAIN LINE: 510.628.3000 FAX: 510.268.9574	LIZ KOPPENHAVER, CHAIR	ELECTED RETIRED
	ANNETTE CAIN-DARNES, VICE CHAIR	APPOINTED
	DALE AMARAL	ELECTED SAFETY
	ELIZABETH ROGERS	ELECTED GENERAL
	GEORGE WOOD	ELECTED GENERAL

Should a quorum of the Board attend this meeting, this meeting shall be deemed a joint meeting of the Board and Committee.

The order of agenda items is subject to change without notice. Board and committee agendas and minutes are available online at www.acera.org.

The Retirement Board will provide reasonable accommodations for persons with disabilities and other issues of accessibility who plan to attend Board meetings. Please contact ACERA at (510) 628-3000 to arrange for accommodation.

All writings that are distributed to a majority of members of the ACERA Board of Trustees in connection with a matter subject to discussion at an open meeting of the Board or one of its Committees are public records within the meaning of the California Public Records Act and are available for inspection upon request, unless the writings are privileged or otherwise exempt from disclosure under the provisions of the California Public Records Act. Please contact (510) 628-3000 to request to inspect documents. Documents will be made available at ACERA, 475 14th Street, Oakland, California.

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Call to Order: 10:00 a.m.

Action Items: Matters for Discussion and Possible Motion by the Committee

1. Adoption of 2013 Monthly Medical Allowance (MMA) for Group Plans

Discussion and possible motion to adopt the Monthly Medical Allowance (MMA) paid to eligible retirees in group plans for plan year 2013. The MMA is the suggested dollar amount to be contributed towards retiree medical care costs. The MMA is stated as a monthly dollar amount which varies by years of service credit and can only be used to pay for ACERA-sponsored health plan premiums.

- Kathy Foster

Recommendation

Staff recommends that the Retirees Committee recommends to the Board of Retirement (Board) a motion to adopt a 2013 Group Plan Monthly Medical Allowance (MMA) equal to the 2012 MMA for eligible retirees in the group plans, thereby maintaining the current MMA maximum of \$522.16 for plan year 2013. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employee Retirement Law (CERL), ACERA treats an equal amount of Supplemental Retiree Benefits Reserve (SRBR) assets as employer contributions for pensions.

2. Adoption of 2013 Monthly Medical Allowance (MMA) for Individual Plans

Discussion and possible motion to adopt a Monthly Medical Allowance (MMA) which will be provided to eligible retirees enrolled in Individual Plans through the Medicare Exchange for the 2013 plan year. The MMA is a suggested dollar limit used for medical cost reimbursement through Health Reimbursement Accounts (HRAs). The MMA is set as a monthly amount which varies by years of service credit.

- Kathy Foster

Recommendation

Staff recommends that the Retirees Committee recommends to the Board of Retirement (Board) a motion to adopt a 2013 Monthly Medical Allowance (MMA) to be provided to eligible retirees enrolled in Individual Plans through the Medicare Exchange and reimbursed for medical costs through a Health Reimbursement Account (HRA). The maximum contribution will be set at \$400 per month for plan year 2013. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employee Retirement Law (CERL), ACERA treats an equal amount of Supplemental Retiree Benefits Reserve (SRBR) assets as employer contributions for pensions.

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3. Supplemental Retiree Benefit Reserve (SRBR) Policy Update

Staff will provide recommended changes to the Supplemental Retiree Benefit Reserve (SRBR) Policy, which will allow for a separate Monthly Medical Allowance (MMA) amount for retirees enrolled in Individual Plans through the Medicare Exchange.

- Kathy Foster

Recommendation

Staff recommends that the Retirees Committee recommends to the Board of Retirement that it adopts the amendment to the Monthly Medical Allowance section of the Supplemental Retiree Benefit Reserve (SRBR) policy.

Information Items: These items are not presented for Committee action but consist of status updates and cyclical reports

1. Healthcare Reform Update – 2nd Quarter

ACERA's Benefits Consultant will update the Committee on recent developments concerning national healthcare reform legislation.

- Kathy Foster

- Keenan & Associates

2. Report on Dental and Vision Plan Experience

Staff will report on claims experience and plan utilization for ACERA retirees enrolled in ACERA-sponsored Dental and Vision Plans. This report is provided to the Committee annually by ACERA's Benefits Consultant. The report details which benefits are being utilized by retirees and the claims cost of services received. The report also indicates if the carrier met its contracted service requirements during the reporting period.

- Sharen Stanek-Lowe

- Keenan & Associates

3. Vision and Dental Plan Design Options

Staff will present plan design options for which 2013 premium quotes were requested from the vision and dental plan carriers.

- Sharen Stanek-Lowe

- Keenan & Associates

4. Miscellaneous Updates

Staff will update the Committee on recent benefit issues affecting ACERA retirees.

- Sharen Stanek-Lowe

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Trustee/Public Input

Future Discussion Items

- Adoption of Dental Plan Contracts/Premiums for 2013
- Adoption of Vision Plan Contracts/Premiums for 2013
- Adoption of Dental Plan Contributions for 2013
- Adoption of Vision Plan Contributions for 2013

Establishment of Next Meeting Date

August 1, 2012 at 10:00 a.m.