

January 4, 2012

To: Members of the Retirees Committee

From: Liz Koppenhaver, Chair, Retired Trustee

**Subject: Summary of the January 4, 2012 Retirees Committee Meeting**

Committee Chair Liz Koppenhaver called the January 4, 2012 meeting to order at 10:30 a.m. Committee members present were Liz Koppenhaver, Annette Cain-Darnes, George Dewey, and Elizabeth Rogers. The other Board members present were Keith Carson, and alternate members David Safer and Darryl Walker. Staff present were Vincent Brown, Chief Executive Officer; Kathy Foster, Assistant Chief Executive Officer; Robert Gaumer, Chief Counsel; Rose Kwong, Benefits Manager; and Harsh Jadhav, Internal Audit Manager.

### **ACTION ITEMS**

There were no action items for discussion.

### **INFORMATION ITEMS**

#### **1. 2012 Annual Retirees Committee Work Plan Review**

Kathy Foster, Assistant Chief Executive Officer presented the proposed 2012 Retirees Committee Work Plan highlighting the most notable changes to include: issuing a Request for Proposal to Medicare Advisory Firms; reporting on reciprocity and the impacts to the Supplemental Retiree Benefit Reserve benefits; and beneficiary eligibility of the lump sum death benefits.

#### **2. Healthcare Reform Update – 4<sup>th</sup> Quarter 2011**

Keenan & Associates, ACERA's Benefits and Communications Consultant, presented information regarding the Patient Protection and Affordable Care Act (PPACA) from 2011 to 2014; the financing of the California Health Care Exchange (HBEX); further information on Individual Mandates; and premium tax credit and subsidies.

#### **3. Report on 1099-R Processing**

Rose Kwong, Benefits Manager, reported that the 2011 Form 1099-R is scheduled to be mailed to retirees on January 23<sup>rd</sup>, prior to the IRS deadline of January 31<sup>st</sup>.

#### **4. 2012 Open Enrollment Change Trends**

Sharen Stanek-Lowe, Assistant Benefits Manager, provided information on the Open Enrollment trends and summarized the healthcare plans forms received for the five year period 2008 through 2012. For this Open Enrollment period, 70% of the forms were downloaded from the website while 30% were mailed to retirees.

#### **5. 2012 Planning for Retiree Education Sessions**

Sharen Stanek-Lowe, Assistant Benefits Manager, provided the 2012 Retiree Seminar schedule, which includes presentations on the Medicare Transition process and topics covering prevention and health.

#### **6. Report on ACERA's Wellness Program**

Sharen Stanek-Lowe, Assistant Benefits Manager, gave a presentation on ACERA's Wellness Program, which included a summary of the fourth quarter 2011 activities, 2011 accomplishments, and ACERA's goals and objectives for 2012.

#### **7. Miscellaneous Updates**

Sharen Stanek-Lowe, Assistant Benefits Manager, provided information on unauthorized changes to ACERA's retiree remittance advices being produced by Wells Fargo Bank's new check printer for the November 2011 payroll. Appropriate changes were made in time for the December payroll. The other formatting issues will be resolved by the February payroll. Representatives from Wells Fargo were present at the meeting to answer questions, and to express their regret for these issues and the angst they caused retirees and Staff. Vincent Brown, Chief Executive Officer, responded that Staff is continuing to monitor Wells Fargo's performance and will take whatever steps necessary to ensure an acceptable level of service.

#### **TRUSTEE/PUBLIC INPUT**

None.

#### **FUTURE DISCUSSION ITEMS**

- Annual Supplemental COLA Adjustment
- Annual COLA Adjustment

**ESTABLISHMENT OF NEXT MEETING DATE**

The next meeting is scheduled for February 1, 2012 at 10:30 a.m.

Vincent Brown, Chief Executive Officer, will discuss with the Trustees, the possibility of changing the meeting start time to 10:00 a.m.; or immediately following the end of the Operations Committee meeting to avoid the time lapse between the two Committee meetings.

**MEETING ADJOURNED**

The meeting adjourned at 11:45 a.m.