



September 2, 2015

To: Members of the Retirees Committee

From: Liz Koppenhaver, Chair, Retired Trustee

Subject: Summary of the September 2, 2015 Retirees Committee Meeting

Committee Chair Liz Koppenhaver called the September 2, 2015 meeting to order at 11:44 a.m. Committee members present were Liz Koppenhaver, Tarrell Gamble, Dale Amaral, and George Wood. Also present were Elizabeth Rogers, Keith Carson, and alternate members David Safer and Darryl Walker. Staff present were Kathy Foster, Interim Chief Executive Officer; Joseph Fletcher, Chief Counsel; Margo Allen, Fiscal Services Officer; Betty Tse, Chief Investment Officer; Sandra Dueñas-Cuevas, Benefits Manager; Latrena Walker, Projects and Information Services Manager; and Harsh Jadhav, Chief of Internal Audit.

ACTION ITEMS

1. Supplemental Retiree Benefit Reserve (SRBR) Policy Update

Staff presented suggested revised language for the Supplemental Retiree Benefit Reserve (SRBR) Policy to include the changes to the Monthly Medical Allowance (MMA) section of the Policy, allowing for the MMA benefit for the new category of early retirees eligible to enroll in individual medical plans.

In response to a question raised by a Trustee, Staff clarified that only early retirees living outside the HMO service areas will be able to enroll in the Health Exchange, and agreed to change the suggested language of the Policy to reflect this fact.

It was moved by George Wood and seconded by Tarrell Gamble that the Committee recommends to the Board of Retirement that it adopts the revisions to the Supplemental Retiree Benefit Reserve (SRBR) Policy to include the changes to the Monthly Medical Allowance (MMA) section of the Policy, allowing for the MMA benefit for the new category of early retirees eligible to enroll in individual medical plans, with the appropriate revisions to clarify which early retirees are eligible for enrollment in the Health Exchange.

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

INFORMATION ITEMS

1. ACERA-Sponsored Medical Plans and Premiums for Plan Year 2016

Staff provided summarized information regarding renewal rates and plan coverage for the plan year February 1, 2016 through January 31, 2017. In addition, the County of Alameda presented more detailed information on the renewal of County medical plan contracts for the 2016 plan year.

2. Additional Information Regarding Dental Plan Benefit Utilization

Delta Dental and Keenan & Associates, ACERA's Benefits Consultant, provided additional information regarding ACERA retirees' dental plan benefit utilization as well as the industry average of dental utilization.

3. Status Report on Open Enrollment and Retiree Health Fair

Staff gave a report on planning for ACERA's annual Open Enrollment and Retiree Health Fair.

4. Miscellaneous Updates

Staff provided information regarding a news report about CVS overcharging customers for generic prescription drugs, and an issue concerning invoices members received directly from CalPERS for their long term care benefit premiums.

TRUSTEE/PUBLIC/STAFF INPUT

None.

RECOMMENDATIONS

1. Supplemental Retiree Benefit Reserve (SRBR) Policy Update

The Committee recommends and I move that the Board of Retirement adopts the revisions to the Supplemental Retiree Benefit Reserve Policy to include the changes to the Monthly Medical Allowance (MMA) section of the Policy, allowing for the MMA benefit for the new category of early retirees eligible to enroll in individual medical plans, with the appropriate revisions to clarify which early retirees are eligible for enrollment in the Health Exchange.

FUTURE DISCUSSION ITEMS

- Presentation and Acceptance of Supplemental Retiree Benefit Reserve (SRBR) Funding Report/Valuation

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for October 7, 2015 at 10:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 12:13 p.m.