

# INSURANCE, BENEFITS & LEGISLATIVE COMMITTEE AGENDA 6-9-11

## MEMBERSHIP

Les Robbins, Chair  
Simon S. Russin, Vice Chair  
Marvin Adams  
William de la Garza  
Shawn R. Kehoe, Alternate

### I. APPOINTMENT OF VOTING MEMBER(S) IN THE EVENT ONE OR MORE REGULAR COMMITTEE MEMBERS ARE ABSENT

### II. APPROVAL OF THE MINUTES OF THE SPECIAL MEETING OF MAY 5, 2011

### III. ACTION ITEMS

- A. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Support" position on HR 1332, also known as the "Social Security Fairness Act of 2011." (Memorandum dated May 31, 2011)
- B. Recommendation as submitted by Cassandra Smith, Director, Retiree Healthcare: Authorize the Retiree Healthcare Director to postpone the issuance of a Request for Proposal (RFP) for a new Long Term Care (LTC) plan until further notice; and continue to pursue a joint LTC arrangement with the Los Angeles County Chief Executive Office for both active and retired LACERA members. (Memorandum dated May 24, 2011)

### IV. FOR INFORMATION

- A. Staff Activities Report for May, 2011
- B. CIGNA & Anthem Blue Cross Claims Experience
- C. Federal Legislation
  - Weekly Highlights – May 31, 2011
  - Weekly Highlights – May 23, 2011
  - Weekly Highlights – May 16, 2011
  - Weekly Highlights – May 9, 2011
  - Weekly Highlights – May 2, 2011

### V. MISCELLANEOUS

### VI. PUBLIC COMMENT

### VII. GOOD OF THE ORDER

(For discussion purposes only)

### VIII. ADJOURNMENT

## INSURANCE, BENEFITS & LEGISLATIVE COMMITTEE MINUTES 6-9-11

### PRESENT

Simon S. Russin, Vice Chair  
William de la Garza  
Shawn R. Kehoe, Alternate

### ABSENT

Les Robbins, Chair  
Marvin Adams

### ALSO ATTENDING:

#### BOARD MEMBERS AT LARGE

Sadonya Antebi  
Alan Bernstein  
Yves Chery

### STAFF, ADVISORS, PARTICIPANTS

Cassandra Smith  
Leilani Ignacio  
Robert Hill  
Cynthia Lau  
Robb Van Der Volgen

### Mercer Human Resource Consulting

Clay Levister  
Laurie Silva

The meeting was called to order by Chairman Robbins at 1:05 p.m.

#### I. APPOINTMENT OF VOTING MEMBER(S) IN THE EVENT ONE OR MORE REGULAR COMMITTEE MEMBERS ARE ABSENT

The Chair appointed Miss Antebi and Mr. Kehoe voting members of the Committee.

#### II. APPROVAL OF THE MINUTES OF THE SPECIAL MEETING OF MAY 5, 2011

A motion was made by Mr. de la Garza, seconded by Mr. Kehoe, to approve the minutes of the special meeting of May 5, 2011. The motion passed unanimously.

#### III. ACTION ITEMS

- A. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Support" position on HR 1332, also known as the "Social Security Fairness Act of 2011". (Memorandum dated May 31, 2011)

A motion was made by Mr. de la Garza, seconded by Mr. Kehoe, to approve the recommendation. The motion passed unanimously.

- B. Recommendation as submitted by Cassandra Smith, Director, Retiree Healthcare: Authorize the Retiree Healthcare Director to postpone the issuance of a Request for Proposal (RFP) for a new Long Term Care (LTC) plan until further notice; and continue to pursue a joint LTC arrangement with the Los Angeles County Chief Executive Office for both active and retired LACERA members. (Memorandum dated May 24, 2011)

The LACERA sponsored Long Term Care (LTC) product for retired county employees has been in effect since 1996. Over the years staff has been involved in discussions with the Los Angeles County Chief Executive Office regarding the possibility of offering the retiree LTC program to active LACERA members. This would provide substantial benefits, such as increased participation, lower premiums, and a seamless transition into retirement.

At the December 9, 2010 meeting, your Committee authorized staff to work with the Los Angeles County Chief Executive Office to issue a Request for Proposal for a new LTC plan for both active and retired LACERA members. It was staff's intent to complete and release the RFP no later than mid-April 2011, however, we have been attempting to solidify and obtain the County's approval to include the active population in the LACERA-sponsored plan. Therefore, staff is requesting the Committee's authorization to postpone the issuance of the RFP while continuing to pursue a joint LTC arrangement with the Los Angeles County Chief Executive Office.

A motion was made by Mr. Kehoe, seconded by Mr. de la Garza, to authorize the Retiree Healthcare Director to postpone the issuance of a Request for Proposal (RFP) for a new Long Term Care (LTC) plan for six months; and

continue to pursue a joint LTC arrangement with the Los Angeles County Chief Executive Office for both active and retired LACERA members. The motion passed with Mr. Russin voting no.

#### **IV. FOR INFORMATION**

A. Staff Activities Report for May, 2011

The staff activities report was discussed.

B. CIGNA & Anthem Blue Cross Claims Experience

The CIGNA & Anthem Blue Cross Claims Experience reports through April 2011 were discussed.

C. Federal Legislation

- Weekly Highlights — May 31, 2011
  - Weekly Highlights — May 23, 2011
  - Weekly Highlights — May 16, 2011
  - Weekly Highlights — May 9, 2011
  - Weekly Highlights — May 2, 2011
- 
- Health and Human Services (HHS) has provided further clarification on medical loss ratios (MLRs), with additional insights on how health insurers should perform MLR calculations.
  - Courts will hear arguments on the constitutionality of the health care reform law's 2014 mandate that all Americans have health insurance.
  - HHS has set a comment period regarding the shared-responsibility mandate to offer full-time employees affordable and adequate health coverage.

#### **V. MISCELLANEOUS**

#### **VI. PUBLIC COMMENT**

#### **VII. GOOD OF THE ORDER**

(For discussion purposes only)

#### **VIII. ADJOURNMENT**