

OPERATIONS OVERSIGHT COMMITTEE AGENDA 7-14-11

MEMBERSHIP

Yves Chery, Chair

William de la Garza, Vice Chair

Shawn R. Kehoe

Ed C. Morris

Simon S. Russin, 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 REGULAR MEETING OF JUNE 9, 2011

III. FOR INFORMATION

A. Community Property Brochure

Fern Billingy

B. Overpayment & Forgery Receivables (Period Ending March 31, 2011)

Mary Arochi/Gloria Harriel/Stephen Gibbs

IV. MISCELLANEOUS

V. PUBLIC COMMENT

VI. GOOD OF THE ORDER

(For discussion purposes only)

VII. ADJOURNMENT

OPERATIONS OVERSIGHT COMMITTEE MINUTES 7-14-11

PRESENT

Yves Chery, Chair
William de la Garza, Vice Chair
Shawn R. Kehoe
Ed C. Morris
Simon S. Russin, Alternate

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Marvin Adams
Sadonya Antebi
Alan Bernstein
Les Robbins

STAFF, ADVISORS, PARTICIPANTS

Robert Hill
Janice Golden
Fern Billingsy
Jeannine Smart
Mary Arochi
Stephen Gibbs
Ted Granger
Susana Seeckts

The meeting was called to order by Chery at 11:45 a.m.

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

All regular members of the Committee were present.

II. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF JUNE 9, 2011

A motion was made by Mr. Kehoe, seconded by Mr. de la Garza, to approve the minutes of the regular meeting of June 9, 2011. The motion passed with Mr. Morris abstaining.

III. FOR INFORMATION

A. Community Property Brochure

Fern Billingsy

The state of California is a community property state. When a couple dissolves their marriage or domestic partnership, all assets are divisible between the parties, including the lifetime pension benefit granted by the Board of Retirement. LACERA reviews over 800 documents a year regarding the division of pension benefits, many of which contain provisions with which LACERA is unable to comply. Upon receipt of these documents, the Legal Office provides information and samples to the parties to assist them in preparing an order acceptable to LACERA. For this reason, we will be publishing a new brochure to assist members, and their attorneys, seeking to divide pension benefits upon dissolution of marriage. This new Community Property Guide will provide general information and sample language for court orders, and will be available in written form and on lacera.com.

Jeannine Smart presented a sample of the brochure to the Committee and discussed its creation, both in hard copy and the new web page.

B. Overpayment & Forgery Receivables (Period Ending March 31, 2011)

Mary Arochi/Susana Seeckts/Stephen Gibbs

Susana Seeckts, Mary Arochi, and Stephen Gibbs presented the status report on overpayment and forgery receivables for the six month period ending March 31, 2011. There are currently 382 overpayment and forgery cases.

Overpayments are broken out into three categories:

- Death related as a result of late death notification

The majority of the cases are as a result of late death notification. This occurs when we are notified one or more months after the member is deceased. We continue to take steps to become more aggressive in detecting deceased members.

We are using both Pension Benefit Information (PBI) and Berwyn Group to assist with early death notification. We

are also on line with the Department of Health Services for Los Angeles County deaths, and are usually notified within a month of the death. In this category, we are now partnering with Retiree Health Care to assist them in recovering overpayments due to Part B reimbursements for Medicare, which are paid to the member one month in advance. Although these are not large dollar amounts, they have substantially increased the number of death related overpayments in this period.

- **Incorrect computation**

In order to reduce the number of incorrect computations, supervisors are monitoring errors and, with the assistance of Quality Assurance, identifying areas for spot training of staff. The number of incorrect computations has decreased in this period.

- **Miscellaneous**

These are situations over which staff has no control, such as data system clean-up, members cashing duplicate checks, birth date discrepancies, and status changes after retirement. The dollar amount of these miscellaneous cases slightly increased in this period. We have recently had an influx of members correcting birth dates, resulting in either over/underpayment of contributions or over/underpayment of benefits.

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