

NOTICE OF MEETING AND AGENDA

SPECIAL MEETING OF THE INSURANCE, BENEFITS & LEGISLATIVE COMMITTEE and BOARD OF RETIREMENT*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 North Lake Avenue, Suite 810
Pasadena, CA 91101

May 22, 2014 - 9:00 A.M.**

COMMITTEE MEMBERS:

Vivian H. Gray, Chair
Alan Bernstein, Vice Chair
Shawn R. Kehoe
Ronald Okum
Les Robbins, Alternate

I. APPROVAL OF THE MINUTES

- A. Approval of the minutes of the special meeting of April 15, 2014

II. PUBLIC COMMENT

III. FOR INFORMATION

- A. Retiree Healthcare Division Strategic Plan
- B. Staff Activities Report for April, 2014
- C. Mandatory Payment Reduction in CMS' Retiree Drug Subsidy Reconciliation Payments
- D. Cigna & Anthem Blue Cross Claims Experience
- E. Federal Legislation
 - Aon Hewitt Washington Report

IV. MISCELLANEOUS

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V. GOOD OF THE ORDER

(For information purposes only)

VI. ADJOURNMENT *and*
SET TIME FOR OPERATIONS OVERSIGHT COMMITTEE MEETING

***The Board of Retirement has adopted a policy permitting any member of the Board to attend a standing committee meeting open to the public. In the event five or more members of the Board of Retirement (including members appointed to the Committee) are in attendance, the meeting shall constitute a joint meeting of the Committee and the Board of Retirement. Members of the Board of Retirement who are not members of the Committee may attend and participate in a meeting of a Board Committee but may not vote on any matter discussed at the meeting. The only action the Committee may take at the meeting is approval of a recommendation to take further action at a subsequent meeting of the Board.**

****Although the meeting is scheduled for 9:00 a.m., it can start anytime thereafter, depending on the length of the Board of Retirement meeting preceding it. Please be on call.**

Any documents subject to public disclosure that relate to an agenda item for an open session of the Committee, that are distributed to members of the Committee less than 72 hours prior to the meeting, will be available for public inspection at the time they are distributed to a majority of the Committee, at LACERA's offices at 300 North Lake Avenue, Suite 820, Pasadena, California during normal business hours from 9:00 a.m. to 5:00 p.m. Monday through Friday.

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MINUTES OF THE SPECIAL MEETING OF THE
INSURANCE, BENEFITS & LEGISLATIVE COMMITTEE
and
BOARD OF RETIREMENT*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION
GATEWAY PLAZA - 300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

MAY 22, 2014, 1:30 P.M. – 2:00 P.M.

COMMITTEE MEMBERS

PRESENT: Vivian H. Gray, Chair
Alan Bernstein, Vice Chair
Shawn R. Kehoe (*arrived at 1:50 p.m.*)
Ronald Okum
Les Robbins, Alternate

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Marvin Adams
Yves Chery
William de la Garza
David L. Muir

STAFF, ADVISORS, PARTICIPANTS

Cassandra Smith Cynthia Lau
Leilani Ignacio Robb Van Der Volgen

Aon Hewitt

Kirby Bosley
Michael Muheisen

The meeting was called to order by Chair Gray at 1:30 p.m. Due to the absence of Mr. Kehoe, the Chair announced that Mr. Robbins, as the alternate, would be a voting member of the Committee.

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the special meeting of April 15, 2014

Mr. Okum made a motion, Mr. Adams seconded, to approve the minutes of the special meeting of April 15, 2014. The motion passed unanimously.

II. PUBLIC COMMENT

III. ACTION ITEMS

IV. FOR INFORMATION

A. Retiree Healthcare Division Strategic Plan

Ms. Smith discussed the Retiree Healthcare (RHC) Division Strategic Plan, both accomplishments for the past fiscal year and goals for the future.

Major accomplishments in 2013-2014 were:

- Completed the 2014-2015 premium negotiations and updates
- Completed the restructure of the Division to optimize staff efficiency and effectiveness
- Continued participation in Medicare Part D RDS program and the HHS ERRP program until its closure on January 1, 2014

Highlighted goals for 2014-2015 are:

- Implementation of 2014 RHC Program changes
- Focus on wellness opportunities and education for our members through workshops and lacera.com
- Continue due diligence visits to, and strengthen relationships with, all health plan carriers

Retiree Healthcare plans to implement RHC Program changes by:

- Updating RHC communication materials to include changes for new hires
- Training RHC staff on changes
- Updating enrollment processing procedures
- Working with Systems to modify enrollment and premium subsidy information for affected members

IV. FOR INFORMATION (Continued)

RHC plans to improve the member experience by:

- Updating the Retiree Healthcare Packet
- Continuing the migration to electronic completion and submission of documents
- Focusing on wellness through our Staying Healthy Together workshops and online resources at lacera.com

RHC plans to improve Quality Assurance and guidelines by:

- Continuing with improvements to Quality Assurance for enrollment processing, the Call Center, and special projects
- Working with Systems to move forward with the automation of enrollments, premium reconciliation, and member notifications
- Focusing on utilization of staff strengths and talents to improve quality of service provided to members

B. Staff Activities Report for April, 2014

The staff activities report was discussed.

C. Mandatory Payment Reduction in CMS' Retiree Drug Subsidy Reconciliation Payments

The Centers for Medicare & Medicaid Services' Retiree Drug Subsidy Program is subject to mandatory reductions in Federal spending, referred to as sequestration. The RDS Center will apply a mandatory 2% payment reduction on all plan months April 2013 through December 2013 when calculating the subsidy amount during reconciliation.

D. CIGNA & Anthem Blue Cross Claims Experience

The CIGNA & Anthem Blue Cross Claims Experience reports through March 2014 were discussed.

E. Federal Legislation

- Aon Hewitt Washington Report

Submitted for information only.

May 22, 2014

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V. MISCELLANEOUS

VI. GOOD OF THE ORDER

(For information purposes only)

VII. ADJOURNMENT *and*
SET TIME FOR OPERATIONS OVERSIGHT COMMITTEE MEETING

The meeting adjourned at 2:00 p.m., after setting the time for the Operations Oversight Committee at 2:05 p.m.

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