

AMENDED

AGENDA

A SPECIAL MEETING OF THE BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA

9:00 A.M., THURSDAY, MARCH 19, 2015

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. APPROVAL OF MINUTES

**A. Approval of the Minutes of the Regular Meeting of
February 4, 2015**

**B. Approval of the Minutes of the Regular Meeting of
February 12, 2015**

VI. OTHER COMMUNICATIONS

A. For Information

1. January 2015 All Stars

**2. Chief Executive Officer's Report
(Attachment #1)**

V. PUBLIC COMMENT

VI. CONSENT AGENDA

- A. Ratification of Service Retirement Application Approvals.
- B. Ratification of Survivor Benefit Application Approvals.
- C. Requests for an administrative hearing before a referee.
(Attachment #2)
- D. For information only as submitted by Tamara Caldwell,
Acting Division Manager, Disability Retirement Services
regarding the Application Processing Time Snapshot.
(Attachment #3)
- E. Recommendation as submitted by Tamara Caldwell,
Acting Division Manager, Disability Retirement Services:
Dismiss with prejudice the appeal for a service-connected
disability retirement in the case of Vicki L. Floyd. (Attachment
#4)
- F. Recommendation as submitted by Tamara Caldwell,
Acting Division Manager, Disability Retirement Services:
Dismiss with prejudice the appeal for a service-connected
disability retirement in the case of Ruanne McArthur.
(Attachment #5)

VII. NON-CONSENT AGENDA

- A. Recommendation as submitted by Joseph Kelly, Chair,
Operations Oversight Committee: That the Board authorize and
instruct the Chief Executive Officer to execute an agreement
with AT&T to provide voice and internet service at \$180,000
per year for five years with a two-year extension, subject to
approval by LACERA legal counsel.
(Attachment #6)

VII. NON-CONSENT AGENDA (Continued)

- B. Recommendation as submitted by Bernie Buenaflor, Division Manager, Claims Processing Division: That the Board (1) determine, based upon medical evaluation conducted February 19, 2015, that Valerie Skeba is not incapacitated for the duties assigned to her in the position of as a Superior Court Commissioner.; and (2) grant the application of Valerie Skeba for reinstatement to active membership. (Attachment #7)
- C. Recommendation as submitted by Cassandra Smith, Director Retiree Healthcare Division, regarding 2015-2016, Plan Year Health Insurance Rate Renewals and Benefit Changes for LACERA's Retiree Healthcare Benefits Program. (Attachment #8)
- D. For information only as submitted by Cassandra Smith, Director Retiree Healthcare Division, regarding Anthem Blue Cross Plan 2006-2007, 2010-2011, and 2011-2012 Medicare Part D (RDS) Audit Results. (Attachment #9)
- E. For information only as submitted by JJ Popowich, Assistant Executive Officer, regarding Missing Agency Transmittal Report. (Attachment #10)
- F. For information only as submitted by James Pu, Chief Information Officer, regarding Anthem Blue Cross Data Breach. (Attachment #11)

VIII. GOOD OF THE ORDER

(For information purposes only)

IX. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

B. Referee Reports

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION (Continued)

C. Staff Recommendations

1. Recommendation as submitted by Tamara L. Caldwell, Acting Division Manager, Disability Retirement Services: That the Board reject for processing the application of Lupe Calderon. (Attachment #12)
2. Recommendation as submitted by Tamara L. Caldwell, Acting Division Manager, Disability Retirement Services: That the Board reject for processing the application of Pandora Bray-Weatherall. (Attachment #13)
3. For information only as submitted by Tamara L. Caldwell, Acting Division Manager, Disability Retirement Services regarding Quarterly Report of Paid Invoices January 1, 2015 through March 3, 2015. (Attachment #14)

XII. ADJOURNMENT

Documents subject to public disclosure that relate to an agenda item for an open session of the Board of Retirement that are distributed to members of the Board of Retirement 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 Board of Retirement Members at LACERA's offices at 300 N. Lake Avenue, Suite 820, Pasadena, CA 91101, during normal business hours of 9:00 a.m. to 5:00 p.m. Monday through Friday.

Persons requiring an alternative format of this agenda pursuant to Section 202 of the Americans with Disabilities Act of 1990 may request one by calling Cynthia Guider at (626) 564-6000, from 8:30 a.m. to 5:00 p.m. Monday through Friday, but no later than 48 hours prior to the time the meeting is to commence. Assistive Listening Devices are available upon request. American Sign

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Language (ASL) Interpreters are available with at least three (3) business days notice before the meeting date.

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA

9:00 A.M., THURSDAY, MARCH 19, 2015

PRESENT: Shawn R. Kehoe, Chair
Alan Bernstein, Vice Chair
William de la Garza, Secretary
Anthony Bravo
Yves Chery
Vivian H. Gray
Joseph Kelly
David L. Muir (Alternate Retired)
Ronald A. Okum
William Pryor (Alternate Member)
Les Robbins

STAFF ADVISORS AND PARTICIPANTS

Gregg Rademacher, Chief Executive Officer
Robert Hill, Assistant Executive Officer
JJ Popowich, Assistant Executive Officer
Steven Rice, Chief Counsel
Dr. Vito Campese, Medical Advisor

STAFF ADVISORS AND PARTICIPANTS (Continued)

Tamara Caldwell, Acting Division Manager
Disability Retirement Services

Frank Boyd, Senior Staff Counsel

Vickie Neely, Specialist Supervisor
Disability Retirement Services

Debbie Semanian, Specialist Supervisor
Disability Retirement Services

Bernie Buenaflor, Manager, Claims Processing Division

Cassandra Smith, Director, Retiree Healthcare Division

James Pu, Chief Information Officer

Eugenia W. Der, Senior Staff Counsel

Allison Barrett, Senior Staff Counsel

Thomas Wicke, Attorney at Law
Lewis, Marenstein, Wicke & Sherwin, LLP

Matthew Pope, Attorney at Law

Kirby Bosley, AON Hewitt

Helen Baltsakin, AON Hewitt

Brian Anderson, Milliman

Don Baggett, Attorney at Law

I. CALL TO ORDER

The meeting was called to order by Chair Kehoe at 9:01 a.m., in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Mr. Bernstein led the Board Members and staff in reciting the Pledge of Allegiance.

III. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of February 4, 2015

Ms. Gray made a motion, Mr. Bernstein seconded, to approve the minutes of the regular meeting of February 4, 2015. The motion passed unanimously.

Mr. Kelly requested that the item be reconsidered. Chair Kehoe made a motion, Mr. Pryor seconded, to reconsider the item.

Mr. Kelly made a motion, Chair Kehoe seconded, to properly reflect the board's action for case number 2490B, Kathleen A. Daly, that the member was granted a service-connected disability retirement. The motion passed unanimously.

B. Approval of the Minutes of the Regular Meeting of February 12, 2015

Mr. Bernstein made a motion, Mr. Kelly seconded, to approve the minutes of the regular meeting of February 12, 2015. The motion passed unanimously.

VI. OTHER COMMUNICATIONS

A. For Information

1. January 2015 All Stars

Mr. Hill announced the eight winners for the month of January; Ada Huerta, Ana Ronquillo, David Redman, Nancy Harper, Grant Guimont, Hubert Brooks, Clarence Malone and Virginia Carrillo for the Employee Recognition Program. Roberta Van Nortrick was the winner of LACERA's Web Watcher Award. Elda Villarroel, David Choe, Renee Copeland and Gordon Pacana were the winners of LACERA's RideShare Program.

2. Chief Executive Officer's Report (Memo dated March 9, 2015)

Mr. Rademacher provided a brief overview of his Chief Executive Officer's Report with a quick update on what transpired at the previous Board of Investments meeting. (Board of Investments minutes are available to view on LACERA's Website www.lacera.com.)

Mr. Rademacher provided a "March Madness" update highlighting staff's efforts to retire members.

Mr. Rademacher recognized Vincent Lim, Chief Disability Litigation Counsel, for his 10 years of service with LACERA. In addition, Mr. Rademacher recognized Robb Van Der Volgen, Cynthia Lau, and Mike Mikhail and congratulated them on their upcoming retirement.

VI. OTHER COMMUNICATIONS (Continued)

Lastly, Mr. Rademacher thanked Sarah Espinoza, Acting Board Secretary, for her help in supporting the Board and welcomed back Board Secretary, Bonnie Nolley, from her return from maternity leave.

V. PUBLIC COMMENT

Member, Wini Jackson, addressed the Board regarding her healthcare concern and requested her healthcare be transferred to a PPO.

Member, Lupe Calderon, addressed the Board regarding her disability retirement.

VI. CONSENT AGENDA

Mr. de la Garza made a motion, Mr. Okum seconded, to approve the following agenda items. The motion passed unanimously.

- A. Ratification of Service Retirement Application Approvals.
- B. Ratification of Survivor Benefit Application Approvals.
- C. Requests for an administrative hearing before a referee.
(Memo dated March 4, 2015)
- D. For information only as submitted by Tamara Caldwell, Acting Division Manager, Disability Retirement Services regarding the Application Processing Time Snapshot.
(Memo dated March 5, 2015)
- E. Recommendation as submitted by Tamara Caldwell, Acting Division Manager, Disability Retirement Services: Dismiss with prejudice the appeal for a service-connected disability retirement in the case of Vicki L. Floyd.
(Memo dated March 4, 2015)

VI. CONSENT AGENDA (Continued)

- F. Recommendation as submitted by Tamara Caldwell, Acting Division Manager, Disability Retirement Services: Dismiss with prejudice the appeal for a service-connected disability retirement in the case of Ruanne McArthur. (Memo dated March 4, 2015)

VII. NON-CONSENT AGENDA

- A. Recommendation as submitted by Joseph Kelly, Chair, Operations Oversight Committee: That the Board authorize and instruct the Chief Executive Officer to execute an agreement with AT&T to provide voice and internet service at \$180,000 per year for five years with a two-year extension, subject to approval by LACERA legal counsel. (Memo dated March 3, 2015)

James Pu was present to answer questions from the Board.

Mr. Muir made a motion, Mr. Robbins seconded, to approve the recommendation. The motion passed unanimously.

- B. Recommendation as submitted by Bernie Buenaflor, Division Manager, Claims Processing Division: That the Board (1) determine, based upon medical evaluation conducted February 19, 2015, that Valerie Skeba is not incapacitated for the duties assigned to her in the position of as a Superior Court Commissioner.; and (2) grant the application of Valerie Skeba for reinstatement to active membership. (Memo dated March 3, 2015)

Bernie Buenaflor was present to answer questions from the Board.

Mr. Kelly made a motion, Mr. Okum seconded, to approve the recommendation. The motion passed unanimously.

VII. NON-CONSENT AGENDA (Continued)

- C. Recommendation as submitted by Cassandra Smith, Director Retiree Healthcare Division: That the Board approve the Rate Renewal Proposal and Contractual Benefit Changes for the 2015-2016 Plan Year, listed by carrier, and the Administrative Fee. (Memo dated February 27, 2015)

Cassandra Smith, Kirby Bosley and Helen Baltsakin from AON Hewitt presented and answered questions from the Board.

Mr. Chery made a motion, Mr. Robbins seconded, to approve the recommendation. The motion passed unanimously.

- D. For information only as submitted by Cassandra Smith, Director Retiree Healthcare Division, regarding Anthem Blue Cross Plan 2006-2007, 2010-2011, and 2011-2012 Medicare Part D (RDS) Audit Results. (Memo dated February 20, 2015)

Cassandra Smith and Brian Anderson from Milliman were present to answer questions from the Board.

- E. For information only as submitted by JJ Popowich, Assistant Executive Officer, regarding Missing Agency Transmittal Report. (Memo dated March 10, 2015)

JJ Popowich and Rob Hill presented and answered questions from the Board.

- F. For information only as submitted by James Pu, Chief Information Officer, regarding Anthem Blue Cross Data Breach. (Memo dated March 4, 2015)

James Pu presented and answered questions from the Board.

VIII. GOOD OF THE ORDER
(For information purposes only)

Mr. Chery congratulated Cynthia Lau, Robb Van Der Volgen and Mike Mikhail on their dedicated service and retirement. In addition, Mr. Chery thanked Sarah Espinoza for her help in supporting the Board during Bonnie Nolley's absence.

Ms. Gray and Mr. Muir welcomed Steven Rice to his first meeting as Chief Counsel.

Mr. Kelly thanked Robb Van Der Volgen on his quality of service during his time at LACERA. In addition, he thanked Frank Boyd and Tamara Caldwell for their continued guidance in helping understand disability processes.

Chair Kehoe thanked Sarah Espinoza for her time and help in supporting the Board and welcomed back Bonnie Nolley. Furthermore, Chair Kehoe congratulated Robb Van Der Volgen, Mike Mikhail and Cynthia Lau on their retirement and for their service at LACERA. Lastly, Chair Kehoe announced his new assignment at Norwalk Sheriff Station and shared that his wife is expecting fraternal twins.

IX. DISABILITY RETIREMENT APPLICATIONS ON CONSENT
CALENDAR

Safety Law Enforcement
Service-Connected Disability Applications

On a motion by Chair Kehoe, seconded by Mr. Bernstein, the Board of Retirement approved a service-connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof:

<u>APPLICATION NO.</u>	<u>NAME</u>
291C*	STEVEN A. KENNY
292C	DOUGLAS J. LLOYD
293C	FLOYD R. HAYHURST
294C*	JASON P. GOHMAN
295C	JENNIE S. BOMGAARS
296C	MARIA G. MEJIA
297C	JAMES R. HASQUET
298C*/**	WESLEY R. MAXWELL
299C	YEN T. HA
300C	MITCHELL D. ROBISON
301C	JOHN A. NEMETH
302C	TIMOTHY M. BRENNAN

* Granted SCD – Employer Cannot Accommodate

** Granted SCD – Salary Supplemental

IX. DISABILITY RETIREMENT APPLICATIONS ON CONSENT
CALENDAR (Continued)

Safety-Fire, Lifeguard
Service-Connected Disability Applications

On a motion by Mr. Pryor, seconded by Mr. Chery, the Board of Retirement approved a service-connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof:

<u>APPLICATION NO.</u>	<u>NAME</u>
1659A	ERIC W. HENDRICKSON
1660A	ROBERT J. MCFADDEN
1661A	MARK H. ASHLEY
1662A	EUGENE M. KETELSLEGER
1663A	PETER MURRIETA
1664A	EDWARD C. WILSON
1665A	EDWARD S. BOYD

IX. DISABILITY RETIREMENT APPLICATIONS ON CONSENT
CALENDAR (Continued)

General Members

Service-Connected Disability Applications

On a motion by Chair Chery, seconded by Ms. Gray, the Board of Retirement approved a service-connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof:

<u>APPLICATION NO.</u>	<u>NAME</u>
2492B*	STEVE SALAZAR
2493B	ELENA MORENO
2494B	JUNE J. OH
2495B*	DENNIS L. WINES
2496B*/**	HERBERT PRYOR
2497B***	RICHARD J. RODRIGUEZ, JR.
2498B***	NIRMALA MURTHY
2499B*	ESTHER CASTILLO
2500B*	FRANK E. BOYD III
2501B*	RONALD J. HEAD

* Granted SCD – Employer Cannot Accommodate

** Applicant Present

*** Granted SCD – Salary Supplement

IX. DISABILITY RETIREMENT APPLICATIONS ON CONSENT
CALENDAR (Continued)

General Members

Non-Service Connected Disability Applications

On a motion by Mr. de la Garza, seconded by Mr. Robbins, the Board of Retirement approved a non-service connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof:

APPLICATION NO.

NAME

4327*

JESSICA LE

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED
SESSION

A. Applications for Disability

APPLICATION NO. & NAME

BOARD ACTION

6800A – HILARY A. RHONAN

Mr. de la Garza made a motion, Ms. Gray seconded, to deny a service-connected disability retirement and find the applicant not permanently incapacitated. The motion passed unanimously.

6801A – SUSAN L. BLOOM

Ms. Gray made a motion, Mr. Bernstein seconded, to deny a service-connected disability retirement and find the applicant not permanently incapacitated. The motion passed unanimously.

* Applicant Present

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

6802A – CESAR CHAVEZ

Chair Kehoe made a motion, Mr. Okum seconded, to grant a non-service connected disability retirement pursuant to Government Code Section 31720. The motion passed unanimously.

6803A – ROSE M. HARRIS

Mr. Muir made a motion, Mr. Kelly seconded, to deny a service-connected disability retirement and find the applicant not permanently incapacitated.

Ms. Gray made a substitute motion, Chair Kehoe seconded, to refer back to staff for additional information. The motion passed unanimously.

6804A – LINDA J. CRAFT

Mr. de la Garza made a motion, Mr. Okum seconded, to deny without prejudice. The motion passed unanimously.

2260B – ELSA MIDGETTE

Mr. Kelly made a motion, Mr. Robbins seconded, to deny a service-connected disability retirement since the employer can accommodate and find the applicant not permanently incapacitated. The motion passed unanimously.

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

2427B – ROSE K. MACHADO

Mr. Kelly made a motion, Mr. de la Garza seconded, to deny a service-connected disability retirement and find the applicant not permanently incapacitated.

Ms. Gray made a substitute motion, Chair Kehoe seconded, to grant a service-connected disability retirement.

Mr. Muir made a substitute motion, Mr. Bernstein seconded, to grant a non-service connected disability retirement without prejudice. The motion failed (roll call) with Messrs. Kelly, Bernstein, Bravo, and Okum voting yes; and Messrs. Robbins, de la Garza, Chery, Kehoe and Ms. Gray voting no.

The motion to grant a service-connected disability retirement passed (roll call) with Messrs. Bravo, Robbins, Chery, Kehoe and Ms. Gray voting yes; and Messrs. Kelly, Bernstein, Okum, and de la Garza voting no.

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

6736A – MALISSA J. APODACA

Mr. Muir made a motion, Chair Kehoe seconded, to return to staff for additional information. The motion passed unanimously.

6794A – SUNAN KIM

Ms. Gray made a motion, Mr. Chery seconded, to grant a service connected disability retirement pursuant to Government Code Section 31720 and grant an option for an earlier effective date pursuant to Government Code Section 31724. The motion passed unanimously.

B. Referee Reports

APPLICATION NO. & NAME

BOARD ACTION

Marlena L. Graves - Thomas Wicke for appellant
Eugenia Der for the respondent

Mr. Bernstein made a motion, Mr. Kelly seconded, to deny a service connected disability retirement and grant a non-service connected disability retirement. The motion passed unanimously.

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

B. Referee Reports (Continued)

APPLICATION NO. & NAME

BOARD ACTION

Noreen Sottosanti – Matthew Pope for appellant
Allison Barrett for the respondent

Mr. Robbins made a motion, Mr. Okum seconded, to deny a service connected disability retirement and find the applicant not disabled. The motion passed unanimously.

Juan Almaguer – Thomas Wicke for appellant
Don Bagget for the respondent

(Boardroom was cleared of staff and handled after Item X.C.3.)

Mr. Chery made a motion, Ms. Gray seconded, to grant a service connected disability retirement pursuant to Government Code Section 31725.65.

Mr. Kelly made a substitute motion, Mr. Chery seconded, to refer back to staff for additional information. The motion failed (roll call) with Messrs. Kelly, Bernstein, and Kehoe voting yes; and Messrs. de la Garza, Robbins, Bravo, Chery, Okum, and Ms. Gray voting no.

The motion to grant a service connected disability retirement pursuant to Government Code Section 31725.65 passed with Messrs. Kelly, Bernstein, and Kehoe voting no.

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

C. Staff Recommendations

1. Recommendation as submitted by Tamara L. Caldwell, Acting Division Manager, Disability Retirement Services: That the Board reject for processing the application of Lupe Calderon. (Memo dated March 4, 2015)

Applicant was present.

Chair Kehoe made a motion, Mr. Kelly seconded, to approve the recommendation. The motion passed unanimously.

2. Recommendation as submitted by Tamara L. Caldwell, Acting Division Manager, Disability Retirement Services: That the Board reject for processing the application of Pandora Bray-Weatherall. (Memo dated March 4, 2015)

Mr. Okum made a motion, Ms. Gray seconded, to approve the recommendation. The motion passed unanimously.

3. For information only as submitted by Tamara L. Caldwell, Acting Division Manager, Disability Retirement Services regarding Quarterly Report of Paid Invoices January 1, 2015 through March 3, 2015. (Memo dated February 25, 2015)

Tamara Caldwell was present to answer questions from the Board.

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Green Folder Information (Information distributed in each Board Members Green Folder at the beginning of the meeting)

1. Retirement Board Listing dated March 4, 2015
2. LACERA Legislative Report -Bills Amending CERL/PEPRA (Dated March 11, 2015)
3. Board Correction Memo – Disability Retirement Legal Recommendation Correction: Sunan Kim (Memo dated March 18, 2015)

XII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 12:50 p.m.

WILLIAM DE LA GARZA, SECRETARY

SHAWN R. KEHOE, CHAIR