

**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**

**WEDNESDAY, DECEMBER 2, 2015 - 9:00 A.M.\*\***

**COMMITTEE MEMBERS:**

Les Robbins, Chair  
Alan Bernstein, Vice Chair  
William de la Garza  
Vivian H. Gray  
Ronald Okum, Alternate

- I. APPROVAL OF THE MINUTES
  - A. Approval of the minutes of the special meeting of November 4, 2015
- II. PUBLIC COMMENT
- III. FOR INFORMATION
  - A. Staff Activities Report for November, 2015
  - B. Cigna & Anthem Blue Cross Claims Experience
  - C. Federal Legislation
    - Aon Hewitt Washington Report
- IV. GOOD OF THE ORDER

(For information purposes only)
- V. ADJOURNMENT *and*  
SET TIME FOR OPERATIONS OVERSIGHT COMMITTEE MEETING

December 2, 2015

Page 2

**\*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.**

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

MINUTES OF THE 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

WEDNESDAY, NOVEMBER 4, 2015, 1:50 P.M. – 2:00 P.M.

**COMMITTEE MEMBERS**

PRESENT: Les Robbins, Chair  
William de la Garza  
Vivian H. Gray  
Ronald Okum, Alternate

ABSENT: Alan Bernstein, Vice Chair

**ALSO ATTENDING:**

BOARD MEMBERS AT LARGE

Anthony Bravo  
Yves Chery  
Joseph Kelly  
David L. Muir  
William Pryor

STAFF, ADVISORS, PARTICIPANTS

Cassandra Smith

Aon Hewitt

Brian McGuire

The meeting was called to order by Chair Robbins at 1:50 p.m. Due to the absence of Mr. Bernstein, the Chair announced that Mr. Okum, as the alternate, would be a voting member of the Committee.

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of October 15, 2015

Mr. de la Garza made a motion, Ms. Gray seconded, to approve the minutes of the regular meeting of October 15, 2015. The motion passed unanimously.

II. PUBLIC COMMENT

III. FOR INFORMATION

A. Staff Activities Report for October, 2015

The staff activities report was discussed.

B. CIGNA & Anthem Blue Cross Claims Experience

The CIGNA & Anthem Blue Cross Claims Experience reports through September 2015 were discussed.

C. Federal Legislation

- Aon Hewitt Washington Report

Submitted for information only.

IV. GOOD OF THE ORDER

(For information purposes only)

V. 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.

**\*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.**

**INSURANCE, BENEFITS & LEGISLATIVE COMMITTEE  
RETIREE HEALTHCARE BENEFITS PROGRAM  
STAFF ACTIVITIES REPORT  
NOVEMBER 2015  
FOR INFORMATION ONLY**

**International Foundation of Employee Benefits (IFEBC) Annual Conference**

Staff attended the IFEBC Annual Conference held in Honolulu, Hawaii on November 7-12, 2015. At the conference, the following topics were covered:

- Managing Your PBM Contract
- Taking Control of Specialty Drugs
- Improving End-of-Life Care
- Transparency in Prescription Drug Plans
- Mental Health Management – Substance Abuse Treatment: What Your Fund Needs to Know
- Hot Topics in the Public Sector
- Big ACA Issues for Public Employee Plans

**2016 Medicare Part B Premium**

On November 10, 2015, the Centers for Medicare and Medicaid Services (CMS) announced the Medicare Parts A & B premium and coinsurance rates for 2016.

As you may know, the Social Security Administration previously announced, there will be no Social Security cost of living increase for 2016. As a result, by law, most people (approximately 70 percent) with Medicare Part B will be “held harmless” from any increase in premiums in 2016 and will pay the same monthly premium as last year, which is \$104.90.

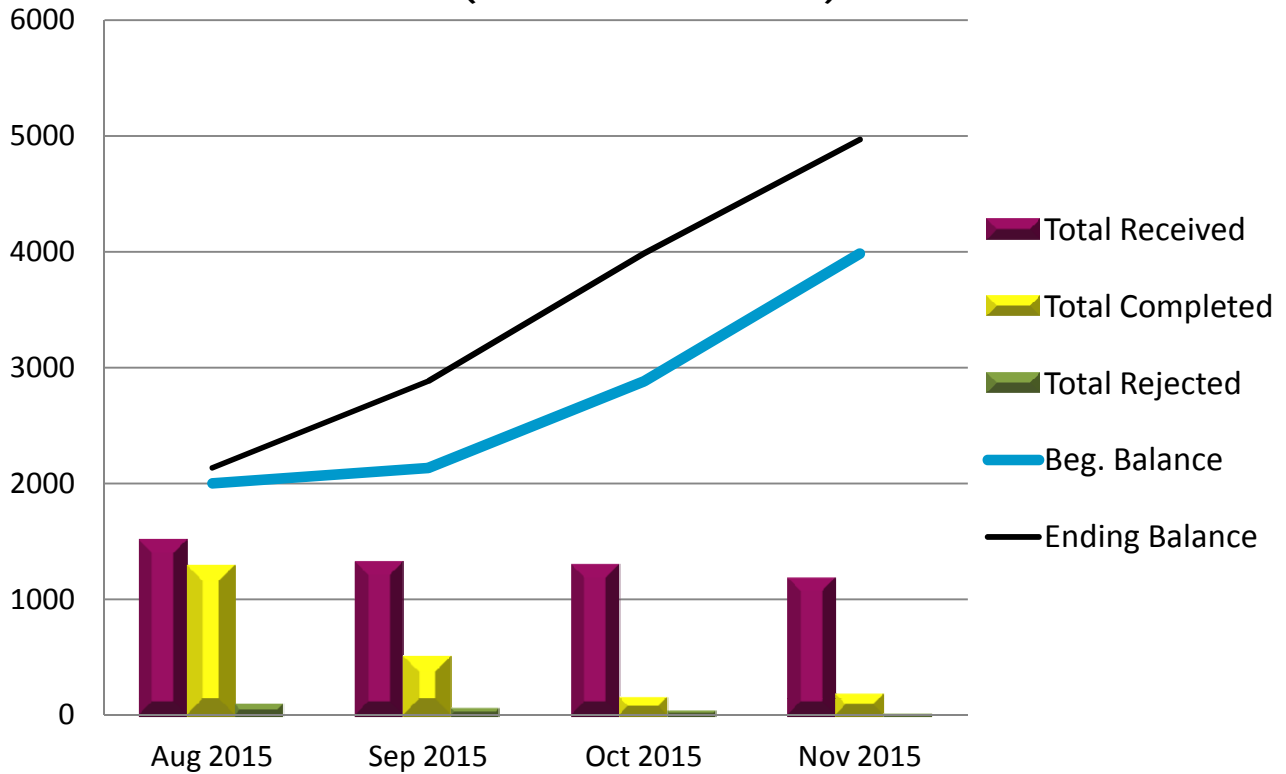
Beneficiaries not subject to the “hold harmless” provision (approximately 30 percent) will pay \$121.80, which includes a \$3.00 additional premium that will be used to repay a \$7.4 billion loan from the Federal Treasury to the Supplemental Medical Insurance Trust Fund. Medicare Part B beneficiaries not subject to the “hold-harmless” provision are:

- those not collecting Social Security benefits,
- those who will enroll in Part B for the first time in 2016,
- dual eligible beneficiaries who have their premiums paid by Medicaid, and
- beneficiaries who pay an additional income-related premium.

The Los Angeles County Chief Executive Office indicated their recommendation to the Board of Supervisors will be to continue the Medicare Part B Premium Reimbursement Program and to pay the applicable Part B standard premium amount of \$104.90 to eligible members. This recommendation is scheduled for the December 8, 2015, Board of Supervisors meeting.

## Retiree Healthcare Division Insurance Status Report Aug. 2015 - Nov. 2015

### RETIREE HEALTHCARE ENROLLMENT SUMMARY (ROLLING 4 MONTHS)

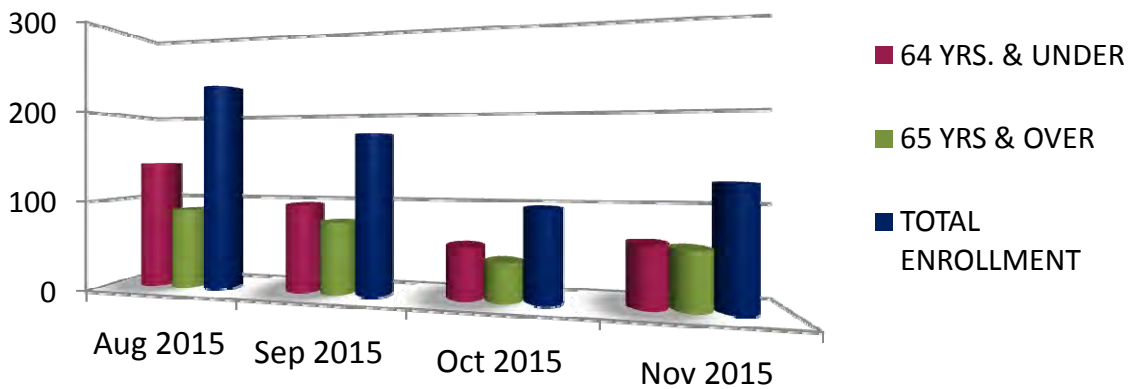


Date	Beg. Balance	Total Received	Total Completed	Total Rejected	Ending Balance
<b>Aug 2015</b>	2002	1508	1287	89	2134
<b>Sep 2015</b>	2134	1311	506	56	2883
<b>Oct 2015</b>	2883	1290	152	36	3985
<b>Nov 2015</b>	3985	1175	180	11	4969

## Retirees Monthly Age Breakdown Aug. 2015 - Nov. 2015

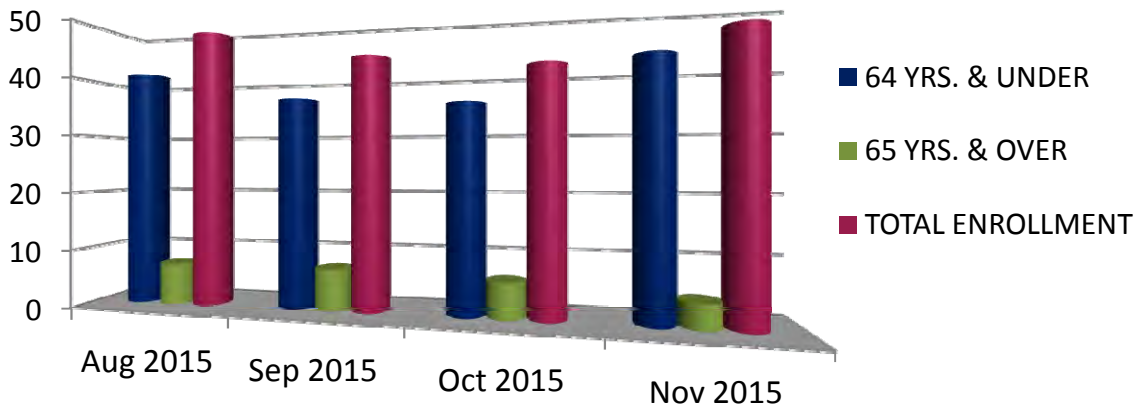
### Service Retirement

MONTH	64 YRS. & UNDER	65 YRS & OVER	TOTAL ENROLLMENT
Aug 2015	141	88	229
Sep 2015	96	78	174
Oct 2015	56	41	97
Nov 2015	64	60	124



### Disability Retirement

MONTH	64 YRS. & UNDER	65 YRS. & OVER	TOTAL ENROLLMENT
Aug 2015	41	7	48
Sep 2015	36	7	43
Oct 2015	35	6	41
Nov 2015	42	4	46



**Medicare Part B Reimbursement and Penalty Report**

**PAY PERIOD 11/30/2015**

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
<b>ANTHEM BC III</b>				
240	6,109	\$642,312.70	10	\$241.50
241	189	\$19,721.20	1	\$62.90
242	851	\$88,850.30	0	\$0.00
243	3,506	\$729,059.10	8	\$451.20
244	14	\$1,468.60	0	\$0.00
245	38	\$4,091.10	0	\$0.00
246	16	\$1,678.40	0	\$0.00
247	74	\$7,552.80	0	\$0.00
248	9	\$1,888.20	1	\$31.50
249	35	\$7,552.80	0	\$0.00
250	13	\$2,727.40	0	\$0.00
<b>Plan Total:</b>	<b>10,854</b>	<b>\$1,506,902.60</b>	<b>20</b>	<b>\$787.10</b>
<b>CIGNA-HEALTHSPRING PREFERRED with RX</b>				
321	23	\$2,412.70	0	\$0.00
322	8	\$839.20	0	\$0.00
324	15	\$3,147.00	0	\$0.00
327	2	\$209.80	0	\$0.00
329	1	\$209.80	0	\$0.00
<b>Plan Total:</b>	<b>49</b>	<b>\$6,818.50</b>	<b>0</b>	<b>\$0.00</b>
<b>KAISER SR. ADVANTAGE</b>				
403	9,304	\$978,821.90	6	\$178.50
404	1	(\$209.80)	0	\$0.00
413	1,672	\$173,827.80	0	\$0.00
418	4,610	\$964,361.70	5	\$220.50
419	239	\$25,071.10	0	\$0.00
426	199	\$20,665.30	0	\$0.00
427	164	\$16,993.80	0	\$0.00
445	2	\$209.80	0	\$0.00
451	26	\$2,727.40	0	\$0.00
457	13	\$2,622.50	0	\$0.00
462	55	\$5,769.50	0	\$0.00
465	18	\$1,678.40	0	\$0.00
466	20	\$4,196.00	0	\$0.00
472	30	\$3,147.00	0	\$0.00
476	5	\$524.50	0	\$0.00
478	12	\$2,517.60	0	\$0.00
482	75	\$8,182.20	1	\$10.50
486	11	\$1,153.90	0	\$0.00
488	43	\$9,021.40	1	\$10.50
491	1	\$104.90	0	\$0.00
492	1	\$104.90	0	\$0.00
493	1	\$104.90	0	\$0.00
<b>Plan Total:</b>	<b>16,502</b>	<b>\$2,221,596.70</b>	<b>13</b>	<b>\$420.00</b>



**Medicare Part B Reimbursement and Penalty Report**

**PAY PERIOD 11/30/2015**

<b>Deduction Code</b>	<b>No. of Members</b>	<b>Reimbursement Amount</b>	<b>No. of Penalties</b>	<b>Penalty Amount</b>
<b>SCAN</b>				
611	264	\$27,378.90	0	\$0.00
613	93	\$19,406.50	0	\$0.00
<b>Plan Total:</b>	<b>357</b>	<b>\$46,785.40</b>	<b>0</b>	<b>\$0.00</b>
<b>UNITED HEALTHCARE GROUP MEDICARE ADV. HMO</b>				
701	1,419	\$149,482.50	1	\$31.50
702	305	\$32,833.70	0	\$0.00
703	756	\$156,383.90	1	\$10.50
704	62	\$6,608.70	0	\$0.00
705	18	\$3,776.40	0	\$0.00
707	1	(\$209.80)	0	\$0.00
<b>Plan Total:</b>	<b>2,561</b>	<b>\$348,875.40</b>	<b>2</b>	<b>\$42.00</b>
<b>Grand Total:</b>	<b>30,323</b>	<b>\$4,130,978.60</b>	<b>35</b>	<b>\$1,249.10</b>

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 11/30/2015

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
<b>ANTHEM BC III</b>				
240	6,109	\$642,312.70	10	\$241.50
241	189	\$19,721.20	1	\$62.90
242	851	\$88,850.30	0	\$0.00
243	3,506	\$729,059.10	8	\$451.20
244	14	\$1,468.60	0	\$0.00
245	38	\$4,091.10	0	\$0.00
246	16	\$1,678.40	0	\$0.00
247	74	\$7,552.80	0	\$0.00
248	9	\$1,888.20	1	\$31.50
249	35	\$7,552.80	0	\$0.00
250	13	\$2,727.40	0	\$0.00
<b>Plan Total:</b>	<b>10,854</b>	<b>\$1,506,902.60</b>	<b>20</b>	<b>\$787.10</b>
<b>CIGNA-HEALTHSPRING PREFERRED with RX</b>				
321	23	\$2,412.70	0	\$0.00
322	8	\$839.20	0	\$0.00
324	15	\$3,147.00	0	\$0.00
327	2	\$209.80	0	\$0.00
329	1	\$209.80	0	\$0.00
<b>Plan Total:</b>	<b>49</b>	<b>\$6,818.50</b>	<b>0</b>	<b>\$0.00</b>
<b>KAISER SR. ADVANTAGE</b>				
403	9,304	\$978,821.90	6	\$178.50
404	1	(\$209.80)	0	\$0.00
413	1,672	\$173,827.80	0	\$0.00
418	4,610	\$964,361.70	5	\$220.50
419	239	\$25,071.10	0	\$0.00
426	199	\$20,665.30	0	\$0.00
427	164	\$16,993.80	0	\$0.00
445	2	\$209.80	0	\$0.00
451	26	\$2,727.40	0	\$0.00
457	13	\$2,622.50	0	\$0.00
462	55	\$5,769.50	0	\$0.00
465	18	\$1,678.40	0	\$0.00
466	20	\$4,196.00	0	\$0.00
472	30	\$3,147.00	0	\$0.00
476	5	\$524.50	0	\$0.00
478	12	\$2,517.60	0	\$0.00
482	75	\$8,182.20	1	\$10.50
486	11	\$1,153.90	0	\$0.00
488	43	\$9,021.40	1	\$10.50
491	1	\$104.90	0	\$0.00
492	1	\$104.90	0	\$0.00
493	1	\$104.90	0	\$0.00
<b>Plan Total:</b>	<b>16,502</b>	<b>\$2,221,596.70</b>	<b>13</b>	<b>\$420.00</b>

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 11/30/2015

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
<b>SCAN</b>				
611	264	\$27,378.90	0	\$0.00
613	93	\$19,406.50	0	\$0.00
<b>Plan Total:</b>	<b>357</b>	<b>\$46,785.40</b>	<b>0</b>	<b>\$0.00</b>
<b>UNITED HEALTHCARE GROUP MEDICARE ADV. HMO</b>				
701	1,419	\$149,482.50	1	\$31.50
702	305	\$32,833.70	0	\$0.00
703	756	\$156,383.90	1	\$10.50
704	62	\$6,608.70	0	\$0.00
705	18	\$3,776.40	0	\$0.00
707	1	(\$209.80)	0	\$0.00
<b>Plan Total:</b>	<b>2,561</b>	<b>\$348,875.40</b>	<b>2</b>	<b>\$42.00</b>
<b>LOCAL 1014</b>				
804	160	\$19,469.60	0	\$0.00
805	170	\$18,483.30	0	\$0.00
806	551	\$119,083.40	0	\$0.00
807	33	\$3,713.50	0	\$0.00
808	9	\$2,202.90	0	\$0.00
812	203	\$22,092.10	0	\$0.00
<b>Plan Total:</b>	<b>1,126</b>	<b>\$185,044.80</b>	<b>0</b>	<b>\$0.00</b>
<b>Grand Total:</b>	<b>31,449</b>	<b>\$4,316,023.40</b>	<b>35</b>	<b>\$1,249.10</b>

## Medical and Dental Vision Insurance Premiums

### December 2015

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Medical Plan</b>							
<b>Anthem Blue Cross Prudent Buyer Plan</b>							
201	792	\$669,324.56	\$112,078.11	\$550,818.96	\$662,897.07	(\$840.86)	\$662,056.21
202	441	\$731,872.44	\$83,519.53	\$643,385.45	\$726,904.98	\$0.00	\$726,904.98
203	113	\$211,182.31	\$48,590.47	\$158,466.33	\$207,056.80	\$0.00	\$207,056.80
204	38	\$41,083.70	\$16,000.91	\$25,082.79	\$41,083.70	\$0.00	\$41,083.70
205	1	\$228.33	\$9.13	\$219.20	\$228.33	\$0.00	\$228.33
<b>SUBTOTAL</b>	<b>1,385</b>	<b>\$1,653,691.34</b>	<b>\$260,198.15</b>	<b>\$1,377,972.73</b>	<b>\$1,638,170.88</b>	<b>(\$840.86)</b>	<b>\$1,637,330.02</b>
<b>Anthem Blue Cross I</b>							
211	990	\$1,052,162.10	\$76,711.80	\$978,638.67	\$1,055,350.47	(\$6,376.74)	\$1,048,973.73
212	372	\$716,901.90	\$36,343.41	\$665,223.69	\$701,567.10	(\$1,916.85)	\$699,650.25
213	46	\$104,017.96	\$16,145.36	\$103,701.42	\$119,846.78	\$0.00	\$119,846.78
214	17	\$23,910.16	\$5,766.56	\$19,550.08	\$25,316.64	\$0.00	\$25,316.64
215	3	\$1,054.53	\$386.66	\$667.87	\$1,054.53	\$0.00	\$1,054.53
<b>SUBTOTAL</b>	<b>1,428</b>	<b>\$1,898,046.65</b>	<b>\$135,353.79</b>	<b>\$1,767,781.73</b>	<b>\$1,903,135.52</b>	<b>(\$8,293.59)</b>	<b>\$1,894,841.93</b>
<b>Anthem Blue Cross II</b>							
221	2,128	\$2,262,679.91	\$139,394.91	\$2,130,762.80	\$2,270,157.71	(\$4,251.16)	\$2,265,906.55
222	1,944	\$3,735,940.65	\$102,743.04	\$3,591,444.37	\$3,694,187.41	\$0.00	\$3,694,187.41
223	499	\$1,128,368.74	\$47,852.39	\$1,075,993.83	\$1,123,846.22	\$0.00	\$1,123,846.22
224	107	\$150,493.36	\$14,121.06	\$134,965.82	\$149,086.88	\$0.00	\$149,086.88
225	2	\$703.02	\$175.75	\$527.27	\$703.02	\$0.00	\$703.02
<b>SUBTOTAL</b>	<b>4,680</b>	<b>\$7,278,185.68</b>	<b>\$304,287.15</b>	<b>\$6,933,694.09</b>	<b>\$7,237,981.24</b>	<b>(\$4,251.16)</b>	<b>\$7,233,730.08</b>

## Medical and Dental Vision Insurance Premiums December 2015

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Anthem Blue Cross III</b>							
240	6,128	\$2,627,931.00	\$428,147.41	\$2,203,432.21	\$2,631,579.62	(\$7,293.79)	\$2,624,285.83
241	188	\$259,415.73	\$32,557.26	\$228,231.04	\$260,788.30	\$0.00	\$260,788.30
242	857	\$1,180,410.20	\$82,354.05	\$1,079,175.88	\$1,161,529.93	(\$4,117.71)	\$1,157,412.22
243	3,512	\$3,012,551.78	\$356,864.46	\$2,614,983.03	\$2,971,847.49	(\$5,975.98)	\$2,965,871.51
244	14	\$10,756.62	\$2,304.98	\$8,451.64	\$10,756.62	\$0.00	\$10,756.62
245	38	\$29,196.54	\$3,457.49	\$26,507.38	\$29,964.87	(\$768.33)	\$29,196.54
246	16	\$27,393.60	\$4,211.76	\$23,181.84	\$27,393.60	\$0.00	\$27,393.60
247	75	\$133,543.80	\$6,814.17	\$115,777.97	\$122,592.14	\$0.00	\$122,592.14
248	9	\$10,742.31	\$1,193.59	\$9,548.72	\$10,742.31	\$0.00	\$10,742.31
249	35	\$42,969.24	\$5,347.28	\$33,872.73	\$39,220.01	\$0.00	\$39,220.01
250	13	\$17,391.01	\$749.15	\$16,641.86	\$17,391.01	\$0.00	\$17,391.01
<b>SUBTOTAL</b>	<b>10,885</b>	<b>\$7,352,301.83</b>	<b>\$924,001.60</b>	<b>\$6,359,804.30</b>	<b>\$7,283,805.90</b>	<b>(\$18,155.81)</b>	<b>\$7,265,650.09</b>
<b>CIGNA Network Model Plan</b>							
301	399	\$510,157.41	\$109,021.10	\$402,414.90	\$511,436.00	\$0.00	\$511,436.00
302	181	\$417,950.72	\$79,933.39	\$338,017.33	\$417,950.72	(\$2,309.12)	\$415,641.60
303	29	\$79,058.35	\$21,835.82	\$54,496.38	\$76,332.20	\$0.00	\$76,332.20
304	21	\$37,354.68	\$10,526.84	\$23,431.96	\$33,958.80	\$0.00	\$33,958.80
<b>SUBTOTAL</b>	<b>630</b>	<b>\$1,044,521.16</b>	<b>\$221,317.15</b>	<b>\$818,360.57</b>	<b>\$1,039,677.72</b>	<b>(\$2,309.12)</b>	<b>\$1,037,368.60</b>

## Medical and Dental Vision Insurance Premiums December 2015

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>CIGNA Healthspring Pref w/ Rx - Phoenix, AZ</b>							
321	23	\$7,702.70	\$1,821.87	\$5,880.83	\$7,702.70	\$0.00	\$7,702.70
322	8	\$10,918.00	\$982.62	\$9,935.38	\$10,918.00	\$0.00	\$10,918.00
324	15	\$9,972.00	\$1,369.49	\$8,602.51	\$9,972.00	\$0.00	\$9,972.00
327	2	\$3,562.60	\$0.00	\$3,562.60	\$3,562.60	\$0.00	\$3,562.60
329	1	\$1,136.12	\$0.00	\$1,136.12	\$1,136.12	\$0.00	\$1,136.12
<b>SUBTOTAL</b>	<b>49</b>	<b>\$33,291.42</b>	<b>\$4,173.98</b>	<b>\$29,117.44</b>	<b>\$33,291.42</b>	<b>\$0.00</b>	<b>\$33,291.42</b>

## Medical and Dental Vision Insurance Premiums December 2015

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Kaiser/Senior Advantage</b>							
401	1,759	\$1,541,428.60	\$135,652.63	\$1,385,811.81	\$1,521,464.44	(\$868.90)	\$1,520,595.54
403	9,386	\$2,251,042.00	\$251,408.79	\$2,008,748.59	\$2,260,157.38	(\$2,396.00)	\$2,257,761.38
404	486	\$479,337.60	\$16,608.48	\$451,968.48	\$468,576.96	(\$978.24)	\$467,598.72
405	870	\$775,320.65	\$20,882.90	\$761,558.95	\$782,441.85	(\$890.15)	\$781,551.70
406	51	\$93,449.02	\$26,380.67	\$41,576.00	\$67,956.67	(\$548.40)	\$67,408.27
411	1,802	\$3,132,902.40	\$166,505.59	\$2,953,403.31	\$3,119,908.90	\$0.00	\$3,119,908.90
413	1,672	\$1,863,811.50	\$85,013.64	\$1,746,941.46	\$1,831,955.10	\$0.00	\$1,831,955.10
414	149	\$274,478.86	\$6,631.73	\$278,899.97	\$285,531.70	\$0.00	\$285,531.70
418	4,609	\$2,191,278.20	\$182,842.40	\$2,003,997.11	\$2,186,839.51	(\$3,319.40)	\$2,183,520.11
419	242	\$298,358.64	\$5,773.11	\$280,510.19	\$286,283.30	\$0.00	\$286,283.30
420	121	\$236,129.08	\$1,873.44	\$238,158.60	\$240,032.04	\$0.00	\$240,032.04
421	7	\$6,082.30	\$903.67	\$5,178.63	\$6,082.30	\$0.00	\$6,082.30
422	206	\$361,334.30	\$2,104.85	\$359,229.45	\$361,334.30	\$0.00	\$361,334.30
423	22	\$56,927.07	\$4,716.56	\$47,260.33	\$51,976.89	\$0.00	\$51,976.89
426	198	\$223,825.25	\$4,903.90	\$240,027.00	\$244,930.90	\$0.00	\$244,930.90
427	165	\$311,938.51	\$2,879.43	\$276,553.66	\$279,433.09	\$0.00	\$279,433.09
428	41	\$76,398.99	\$1,788.86	\$74,610.13	\$76,398.99	\$0.00	\$76,398.99
429	6	\$18,091.01	\$1,282.68	\$9,045.04	\$10,327.72	\$0.00	\$10,327.72
430	130	\$230,789.00	\$3,231.04	\$227,557.96	\$230,789.00	\$0.00	\$230,789.00
431	10	\$24,963.40	\$2,350.80	\$22,612.60	\$24,963.40	\$0.00	\$24,963.40
432	9	\$28,956.42	\$7,648.96	\$18,090.08	\$25,739.04	\$0.00	\$25,739.04
<b>SUBTOTAL</b>	<b>21,941</b>	<b>\$14,476,842.80</b>	<b>\$931,384.13</b>	<b>\$13,431,739.35</b>	<b>\$14,363,123.48</b>	<b>(\$9,001.09)</b>	<b>\$14,354,122.39</b>

## Medical and Dental Vision Insurance Premiums December 2015

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Kaiser - Colorado</b>							
450	6	\$6,357.66	\$1,101.99	\$5,255.67	\$6,357.66	\$0.00	\$6,357.66
451	26	\$8,844.16	\$1,074.92	\$7,769.24	\$8,844.16	\$0.00	\$8,844.16
453	2	\$4,692.66	\$858.96	\$3,833.70	\$4,692.66	\$0.00	\$4,692.66
454	1	\$3,168.92	\$907.66	\$2,261.26	\$3,168.92	\$0.00	\$3,168.92
457	13	\$8,779.16	\$1,701.80	\$7,077.36	\$8,779.16	\$0.00	\$8,779.16
<b>SUBTOTAL</b>	<b>48</b>	<b>\$31,842.56</b>	<b>\$5,645.33</b>	<b>\$26,197.23</b>	<b>\$31,842.56</b>	<b>\$0.00</b>	<b>\$31,842.56</b>
<b>Kaiser - Georgia</b>							
440	1	\$1,010.58	\$0.00	\$1,010.58	\$1,010.58	\$0.00	\$1,010.58
441	2	\$2,021.16	\$0.00	\$2,021.16	\$2,021.16	\$0.00	\$2,021.16
442	4	\$4,042.32	\$0.00	\$4,042.32	\$4,042.32	\$0.00	\$4,042.32
445	2	\$2,783.56	\$0.00	\$2,783.56	\$2,783.56	\$0.00	\$2,783.56
461	17	\$17,179.86	\$2,445.61	\$13,723.67	\$16,169.28	\$0.00	\$16,169.28
462	56	\$22,013.40	\$3,259.53	\$18,753.87	\$22,013.40	\$0.00	\$22,013.40
463	6	\$12,096.90	\$1,554.22	\$10,542.68	\$12,096.90	\$0.00	\$12,096.90
465	17	\$25,052.04	\$2,226.85	\$20,041.63	\$22,268.48	\$0.00	\$22,268.48
466	20	\$15,348.00	\$859.49	\$14,488.51	\$15,348.00	\$0.00	\$15,348.00
<b>SUBTOTAL</b>	<b>125</b>	<b>\$101,547.82</b>	<b>\$10,345.70</b>	<b>\$87,407.98</b>	<b>\$97,753.68</b>	<b>\$0.00</b>	<b>\$97,753.68</b>



## Medical and Dental Vision Insurance Premiums

### December 2015

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Kaiser - Hawaii</b>							
471	6	\$5,805.84	\$1,083.76	\$4,722.08	\$5,805.84	\$0.00	\$5,805.84
472	30	\$10,591.20	\$1,878.17	\$8,713.03	\$10,591.20	\$706.08	\$11,297.28
473	2	\$2,851.82	\$853.77	\$1,998.05	\$2,851.82	\$0.00	\$2,851.82
474	3	\$5,190.84	\$830.53	\$4,360.31	\$5,190.84	\$0.00	\$5,190.84
476	5	\$6,078.40	\$2,285.48	\$3,792.92	\$6,078.40	\$0.00	\$6,078.40
478	12	\$8,412.96	\$532.82	\$7,880.14	\$8,412.96	\$0.00	\$8,412.96
<b>SUBTOTAL</b>	<b>58</b>	<b>\$38,931.06</b>	<b>\$7,464.53</b>	<b>\$31,466.53</b>	<b>\$38,931.06</b>	<b>\$706.08</b>	<b>\$39,637.14</b>
<b>Kaiser - Oregon</b>							
481	8	\$8,666.64	\$1,949.80	\$6,716.84	\$8,666.64	\$0.00	\$8,666.64
482	75	\$33,585.00	\$4,701.89	\$30,226.51	\$34,928.40	\$0.00	\$34,928.40
484	4	\$8,646.64	\$887.78	\$5,597.20	\$6,484.98	\$0.00	\$6,484.98
486	11	\$16,787.43	\$1,098.81	\$15,688.62	\$16,787.43	\$0.00	\$16,787.43
488	43	\$38,295.80	\$5,735.48	\$32,560.32	\$38,295.80	\$0.00	\$38,295.80
489	0	\$976.66	\$0.00	(\$2,929.98)	(\$2,929.98)	\$0.00	(\$2,929.98)
491	1	\$1,419.46	\$0.00	\$1,419.46	\$1,419.46	\$0.00	\$1,419.46
492	1	\$1,584.47	\$316.89	\$1,267.58	\$1,584.47	\$0.00	\$1,584.47
493	1	\$2,604.46	\$343.20	\$2,261.26	\$2,604.46	\$0.00	\$2,604.46
495	1	\$2,278.34	\$361.49	\$1,916.85	\$2,278.34	\$0.00	\$2,278.34
497	1	\$2,054.99	\$138.14	\$1,916.85	\$2,054.99	\$0.00	\$2,054.99
498	1	\$2,220.00	\$303.15	\$1,916.85	\$2,220.00	\$0.00	\$2,220.00
<b>SUBTOTAL</b>	<b>147</b>	<b>\$119,119.89</b>	<b>\$15,836.63</b>	<b>\$98,558.36</b>	<b>\$114,394.99</b>	<b>\$0.00</b>	<b>\$114,394.99</b>

## Medical and Dental Vision Insurance Premiums December 2015

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>SCAN Health Plan</b>							
611	264	\$90,706.00	\$19,498.38	\$71,548.62	\$91,047.00	(\$341.00)	\$90,706.00
613	93	\$62,961.00	\$12,781.76	\$50,179.24	\$62,961.00	\$0.00	\$62,961.00
<b>SUBTOTAL</b>	<b>357</b>	<b>\$153,667.00</b>	<b>\$32,280.14</b>	<b>\$121,727.86</b>	<b>\$154,008.00</b>	<b>(\$341.00)</b>	<b>\$153,667.00</b>
<b>UHC Medicare Adv.</b>							
701	1,425	\$447,621.00	\$58,080.14	\$392,367.94	\$450,448.08	(\$628.24)	\$449,819.84
702	307	\$385,421.96	\$20,647.49	\$372,282.69	\$392,930.18	(\$2,502.74)	\$390,427.44
703	754	\$471,169.44	\$55,493.78	\$412,603.90	\$468,097.68	\$0.00	\$468,097.68
704	63	\$89,008.29	\$5,679.59	\$83,328.70	\$89,008.29	\$0.00	\$89,008.29
705	18	\$14,124.60	\$690.53	\$13,434.07	\$14,124.60	\$0.00	\$14,124.60
<b>SUBTOTAL</b>	<b>2,567</b>	<b>\$1,407,345.29</b>	<b>\$140,591.53</b>	<b>\$1,274,017.30</b>	<b>\$1,414,608.83</b>	<b>(\$3,130.98)</b>	<b>\$1,411,477.85</b>
<b>United Healthcare</b>							
707	418	\$393,860.50	\$43,023.02	\$349,895.23	\$392,918.25	\$0.00	\$392,918.25
708	338	\$585,225.00	\$26,920.31	\$549,698.44	\$576,618.75	\$0.00	\$576,618.75
709	208	\$424,519.68	\$35,431.09	\$391,129.55	\$426,560.64	\$0.00	\$426,560.64
<b>SUBTOTAL</b>	<b>964</b>	<b>\$1,403,605.18</b>	<b>\$105,374.42</b>	<b>\$1,290,723.22</b>	<b>\$1,396,097.64</b>	<b>\$0.00</b>	<b>\$1,396,097.64</b>

## Medical and Dental Vision Insurance Premiums December 2015

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Local 1014 Firefighters</b>							
801	43	\$42,530.87	\$2,096.87	\$40,434.00	\$42,530.87	\$0.00	\$42,530.87
802	259	\$461,903.19	\$11,699.15	\$455,554.27	\$467,253.42	\$0.00	\$467,253.42
803	208	\$437,567.52	\$13,968.49	\$425,382.44	\$439,350.93	\$0.00	\$439,350.93
804	160	\$158,254.40	\$9,079.80	\$149,174.60	\$158,254.40	(\$19,470.10)	\$138,784.30
805	170	\$303,179.70	\$7,811.32	\$295,368.38	\$303,179.70	(\$18,483.30)	\$284,696.40
806	551	\$982,658.91	\$39,484.62	\$943,174.29	\$982,658.91	(\$119,083.40)	\$863,575.51
807	33	\$69,421.77	\$925.62	\$68,496.15	\$69,421.77	(\$3,713.50)	\$65,708.27
808	9	\$18,933.21	\$168.30	\$18,764.91	\$18,933.21	(\$2,202.90)	\$16,730.31
809	25	\$24,727.25	\$2,532.07	\$22,195.18	\$24,727.25	\$0.00	\$24,727.25
810	5	\$8,917.05	\$1,462.39	\$4,876.93	\$6,339.32	\$0.00	\$6,339.32
811	5	\$10,518.45	\$0.00	\$8,094.48	\$8,094.48	\$0.00	\$8,094.48
812	203	\$200,785.27	\$19,524.52	\$181,260.75	\$200,785.27	(\$21,103.01)	\$179,682.26
<b>SUBTOTAL</b>	<b>1,671</b>	<b>\$2,719,397.59</b>	<b>\$108,753.15</b>	<b>\$2,612,776.38</b>	<b>\$2,721,529.53</b>	<b>(\$184,056.21)</b>	<b>\$2,537,473.32</b>
<b>Medical Plan Total</b>	<b>46,935</b>	<b>\$39,712,337.27</b>	<b>\$3,207,007.38</b>	<b>\$36,261,345.07</b>	<b>\$39,468,352.45</b>	<b>(\$229,673.74)</b>	<b>\$39,238,678.71</b>

## Medical and Dental Vision Insurance Premiums

### December 2015

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b><u>Dental/Vision Plan</u></b>							
<b>CIGNA Indemnity Dental/Vision</b>							
501	22,181	\$1,033,949.63	\$124,778.59	\$913,365.00	\$1,038,143.59	(\$1,969.33)	\$1,036,174.26
502	20,343	\$2,031,911.68	\$166,699.81	\$1,862,133.90	\$2,028,833.71	(\$1,895.26)	\$2,026,938.45
503	10	\$579.00	\$116.97	\$462.03	\$579.00	\$0.00	\$579.00
<b>SUBTOTAL</b>	<b>42,534</b>	<b>\$3,066,440.31</b>	<b>\$291,595.37</b>	<b>\$2,775,960.93</b>	<b>\$3,067,556.30</b>	<b>(\$3,864.59)</b>	<b>\$3,063,691.71</b>
<b>CIGNA Dental HMO/Vision</b>							
901	3,161	\$133,489.03	\$18,462.03	\$115,868.74	\$134,330.77	(\$123.57)	\$134,207.20
902	2,184	\$195,519.68	\$18,681.56	\$176,219.10	\$194,900.66	(\$298.08)	\$194,602.58
903	4	\$171.20	\$49.65	\$121.55	\$171.20	\$0.00	\$171.20
<b>SUBTOTAL</b>	<b>5,349</b>	<b>\$329,179.91</b>	<b>\$37,193.24</b>	<b>\$292,209.39</b>	<b>\$329,402.63</b>	<b>(\$421.65)</b>	<b>\$328,980.98</b>
<b>Dental/Vision Plan Total</b>	<b>47,883</b>	<b>\$3,395,620.22</b>	<b>\$328,788.61</b>	<b>\$3,068,170.32</b>	<b>\$3,396,958.93</b>	<b>(\$4,286.24)</b>	<b>\$3,392,672.69</b>
<b>GRAND TOTALS</b>	<b>94,818</b>	<b>\$43,107,957.49</b>	<b>\$3,535,795.99</b>	<b>\$39,329,515.39</b>	<b>\$42,865,311.38</b>	<b>(\$233,959.98)</b>	<b>\$42,631,351.40</b>

CARRIER DEDUCTION PREMIUMS*	CODES	DEDUCTION CODE DEFINITIONS
<b><u>Anthem Blue Cross Prudent Buyer Plan</u></b>		
\$630.26	201	Retiree Only
\$1,239.88	202	Retiree and Spouse/Domestic Partner
\$1,399.26	203	Retiree, Spouse/Domestic Partner and Children
\$810.01	204	Retiree and Children
\$172.06	205	Survivor Children Only Rates
<b><u>Anthem Blue Cross Plan I</u></b>		
<b>\$904.25</b>	211	Retiree Only
<b>\$1,630.31</b>	212	Retiree and Spouse/Domestic Partner
<b>\$1,923.10</b>	213	Retiree, Spouse/Domestic Partner and Children
<b>\$1,196.44</b>	214	Retiree and Children
\$299.58	215	Survivor Children Only Rates
<b><u>Anthem Blue Cross Plan II</u></b>		
<b>\$904.25</b>	221	Retiree Only
<b>\$1,630.31</b>	222	Retiree and Spouse/Domestic Partner
<b>\$1,923.10</b>	223	Retiree, Spouse/Domestic Partner and Children
<b>\$1,196.44</b>	224	Retiree and Children
\$299.58	225	Survivor Children Only Rates
<b><u>Anthem Blue Cross Plan III</u></b>		
\$365.20	240	Retiree Only with Medicare
\$1,167.61	241	Retiree and Spouse/Domestic Partner - One with Medicare (Non-Medicare has Anthem Blue Cross I)
\$1,167.61	242	Retiree and Spouse/Domestic Partner - One with Medicare (Non-Medicare has Anthem Blue Cross II)
\$726.87	243	Retiree and Spouse/Domestic Partner - Both with Medicare
\$653.93	244	Retiree and Children (Retiree has Medicare; Children have Anthem Blue Cross I)
\$653.93	245	Retiree and Children (Retiree has Medicare; Children have Anthem Blue Cross II)
\$1,456.25	246	Retiree, Spouse/Domestic Partner and Children - One with Medicare (Non-Medicare has Anthem Blue Cross I)
\$1,456.25	247	Retiree, Spouse/Domestic Partner and Children - One with Medicare (Non-Medicare has Anthem Blue Cross II)
\$1,015.45	248	Retiree, Spouse/Domestic Partner and Children - Two with Medicare (Children have Anthem Blue Cross I)
\$1,015.45	249	Retiree, Spouse/Domestic Partner and Children - Two with Medicare (Children have Anthem Blue Cross II)
\$1,138.02	250	Member, Spouse/Domestic Partner, Child (3 with Medicare)

\*Benchmark premiums are bolded.

CARRIER DEDUCTION PREMIUMS*	CODES	DEDUCTION CODE DEFINITIONS
-----------------------------------	-------	----------------------------

**CIGNA Network Model Plan**

\$1,143.49	301	Retiree Only
\$2,064.71	302	Retiree and Spouse/Domestic Partner
\$2,438.35	303	Retiree, Spouse/Domestic Partner and Children
\$1,517.57	304	Retiree and Children
\$378.87	305	Survivor Children Only Rates

**CIGNA Medicare Select Plus Rx (Available in the Phoenix, AZ area only)**

\$328.00	321	Retiree Only with Medicare
\$1,249.22	322	Retiree and Spouse/Domestic Partner/Domestic Partner - One with Medicare
\$651.00	324	Retiree and Spouse/Domestic Partner -Both with Medicare
\$702.09	325	Retiree and Children
\$1,622.87	327	Retiree, Spouse/Domestic Partner and Children - One with Medicare
\$1,025.09	329	Retiree, Spouse/Domestic Partner and Children - Two with Medicare

**Kaiser**

\$774.10	401	Retiree Only ("Basic")
N/A	402	Retiree Only ("Supplement")
\$235.64	403	Retiree Only ("Senior Advantage")
\$894.95	404	Retiree Only ("Excess I")
\$795.39	405	Retiree Only - ("Excess II")
\$1,408.39	406	Retiree Only ("Excess III")
\$1,543.20	411	Retiree and Family (All family members are "Basic")
N/A	412	Retiree and Family (One family member is "Supplement"; others are "Basic")
\$1,004.74	413	Retiree and Family (One family member is "Senior Advantage"; others are "Basic")
\$1,664.05	414	Retiree and Family (One family member is "Excess I"; others are "Basic")
N/A	415	Retiree and Family (Two or more family members are "Supplement")
N/A	416	Retiree and Family (One family member is "Senior Advantage"; others are "Supplement")
N/A	417	Retiree and Family (One family member is "Excess I"; others are "Supplement")
\$466.28	418	Retiree and Family (Two or more family members are "Senior Advantage")
\$1,125.59	419	Retiree and Family (One family member is "Excess I"; others are "Senior Advantage")
\$1,784.90	420	Retiree and Family (Two or more family members are "Excess I")
N/A	421	Survivor Children Only Rates
\$1,564.49	422	Retiree and Family (One family member is "Excess II"; others are "Basic")
\$2,177.49	423	Retiree and Family (One family member is "Excess III"; others are "Basic")

\*Benchmark premiums are bolded.

CARRIER DEDUCTION PREMIUMS*	CODES	DEDUCTION CODE DEFINITIONS
<b><u>Kaiser (continued)</u></b>		
N/A	424	Retiree and Family (One family member is "Supplement"; others are "Excess II")
N/A	425	Retiree and Family (One family member is "Supplement"; others are "Excess III")
\$1,026.03	426	Retiree and Family (One family member is "Senior Advantage"; others are "Excess II")
\$1,639.03	427	Retiree and Family (One family member is "Senior Advantage"; others are "Excess III")
\$1,685.34	428	Retiree and Family (One family member is "Excess I"; others are "Excess II")
\$2,298.34	429	Retiree and Family One family member is "Excess I"; others are "Excess III")
\$1,585.78	430	Retiree and Family (Two or more family members are "Excess II")
\$2,198.78	431	Retiree and Family (One family member is "Excess II"; others are "Excess III")
\$2,811.78	432	Retiree and Family (Two or more family members are "Excess III")
<b><u>Kaiser Colorado</u></b>		
\$793.06	450	Retiree Only ("Basic" under age 65)
\$327.27	451	Retiree Only ("Senior Advantage")
\$1,754.57	453	Retiree and Family (Two family members are "Basic")
\$2,369.25	454	Retiree and Family (Three or more family members are "Basic")
\$1,115.33	455	Retiree and Family (One family member is "Senior Advantage"; one family member is "Basic")
\$649.55	457	Retiree and Family (Two family members are "Senior Advantage")
\$1,857.56	458	Retiree and Family (One family member is "Senior Advantage"; two or more are "Basic")
\$1,437.60	459	Retiree and Family (Two family members are "Senior Advantage"; one or more are "Basic")
<b><u>Kaiser Georgia</u></b>		
\$847.24	440	Retiree Only ("Basic" over age 65 with Medicare Part B only)
\$847.24	441	Retiree Only ("Basic over age 65 with Medicare Part A only)
\$847.24	442	Retiree Only ("Basic over age 65 without Medicare Part A or Medicare Part B)
\$361.11	443	Retiree Only ("Basic" over age 65 - Medicare eligible who is classified as having renal failure)
\$1,203.35	444	Retiree and Family (One family member is "Senior Advantage"; one family member is "Basic" over age 65 with Medicare Part B only)
\$1,203.35	445	Retiree and Family (One family member is "Senior Advantage"; one family member is "Basic" over age 65 with Medicare Part A only)
\$1,203.35	446	Retiree and Family (One family member is "Senior Advantage"; one family member is "Basic" over age 65 without Medicare Part A and B)
\$847.24	461	Retiree Only ("Basic" under age 65)
\$361.11	462	Retiree Only ("Senior Advantage")

\*Benchmark premiums are bolded.

CARRIER DEDUCTION PREMIUMS*	CODES	DEDUCTION CODE DEFINITIONS
-----------------------------------	-------	----------------------------

**Kaiser Georgia (continued)**

\$1,689.48	463	Retiree and Family (Two family members are "Basic")
\$2,531.72	464	Retiree and Family (Three or more family members are "Basic")
\$1,203.35	465	Retiree and Family (One family member is "Senior Advantage"; one is "Basic")
\$717.22	466	Retiree and Family (Two family members are "Senior Advantage")
\$2,045.59	467	Retiree and Family ( One family member is "Senior Advantage"; two or more are "Basic")
\$1,559.46	468	Retiree and Family (Two family members are "Senior Advantage"; one is "Basic")
\$1,915.57	469	Retiree and Family (Three or more family members are "Senior Advantage"; one is "Basic")
\$2,045.59	470	Retiree and Family (Three or more family members are "Basic"; one is "Senior Advantage")

**Kaiser Hawaii**

\$795.16	471	Retiree Only ("Basic" under age 65)
\$346.45	472	Retiree Only ("Senior Advantage")
\$1,381.42	473	Retiree Only (Over age 65 without Medicare Part A or Medicare Part B)
\$1,585.31	474	Retiree and Family (Two family members are "Basic")
\$2,375.47	475	Retiree and Family (Three or more family members are "Basic")
\$1,136.61	476	Retiree and Family (One family member is "Senior Advantage"; one is "Basic")
\$2,171.58	477	Retiree and Family (One family member is "Basic" under age 65; one is over age 65 without Medicare Part A or Medicare Part B)
\$687.90	478	Retiree and Family (Two family members are "Senior Advantage")
\$1,722.87	479	Retiree and Family (One family member is "Senior Advantage"; one is over age 65 without Medicare Part A or Medicare Part B)

**Kaiser Oregon**

\$806.67	481	Retiree Only ("Basic" under age 65)
\$465.92	482	Retiree Only ("Senior Advantage")
\$1,205.27	483	Retiree Only (Over age 65 without Medicare Part A or Medicare Part B)
\$1,608.34	484	Retiree and Family (Two family members are "Basic")
\$2,410.01	485	Retiree and Family (Three or more family members are "Basic")
\$1,267.59	486	Retiree and Family (One family member is "Senior Advantage"; one is "Basic")
N/A	487	Retiree Only (Medicare Cost "Supplement" program)
\$926.84	488	Retiree and Family (Two family members are "Senior Advantage")
\$1,110.84	489	Retiree Only (Over age 65 with Medicare Part A only)
\$1,205.27	490	Retiree Only (Over age 65 with Medicare Part B only)

\*Benchmark premiums are bolded.



PREMIUMS*	CARRIER DEDUCTION CODES	DEDUCTION CODE DEFINITIONS
<b><u>Kaiser Oregon (continued)</u></b>		
\$1,571.76	491	Retiree and Family (One family member is "Senior Advantage"; one is over age 65 with Medicare Par A only)
\$1,666.19	492	Retiree and Family (One family member is "Senior Advantage"; one is over age 65 without Medicare Part A or Medicare Part B)
\$2,069.26	493	Retiree and Family (One family member is "Senior Advantage"; two or more are "Basic")
\$1,728.51	494	Retiree and Family (Two family members are "Senior Advantage"; one is "Basic")
\$2,405.54	495	Retiree and Family (Two family members are over age 65 without Medicare Part A or Medicare Part B)
\$2,216.68	496	Retiree and Family (Two family members are over age 65 with Medicare Part A only)
\$2,216.68	497	Retiree and Family (One family member is "Basic"; one is over age 65 with Medicare Part A only)
\$2,006.94	498	Retiree and Family (One family member is "Basic"; one is over age 65 without Medicare Part A or Medicare Part B)

### **Kaiser Rate Category Definitions**

**"Basic"** - includes those who are under age 65

#### **Medicare Cost ("Supplement")**

- Includes people who have both Part A and Part B of Medicare, who were enrolled in Kaiser's Medicare supplement ("M" coverage) before July 1, 1987, and who chose to stay in that Kaiser arrangement.
- It is not open to new enrollments.
- People who have left it cannot return to it.

#### **"Senior Advantage"**

- Includes participants who are age 65 or older and who have assigned both Medicare Part A and Part B to Kaiser.

#### **"Excess I"**

- Is for participants who have Medicare Part A only.

#### **"Excess II"**

- Is for participants in the Excess Plan who either have Medicare Part B only or are not eligible for Medicare.

#### **"Excess III"**

- Is for participants in the Excess Plan who either have Medicare Parts A and B and have not assigned their Medicare benefits to Kaiser or have not provided their Medicare status to LACERA. Premium is above the Anthem Blue Cross I and II Benchmark rate and II Benchmark.

PREMIUMS*	CARRIER DEDUCTION CODES	DEDUCTION CODE DEFINITIONS
<b><u>SCAN Health Plan</u></b>		
\$304.00	611	Retiree Only with SCAN
\$603.00	613	Retiree and 1 Dependent - Both with SCAN (Retiree and 1 Dependent = Retiree and Spouse/Domestic Partner OR Retiree and 1 Child. Both Retiree and Dependent must have Medicare.)
<b><u>United Healthcare Medicare Advantage (UHCMA)</u></b>		
(For both members and dependents who are enrolled in UHCMA, or a family combination of UHCMA/UHC)		
\$293.62	701	Retiree Only with Secure Horizons
\$1,203.81	702	Retiree and 1 Dependent - One with Secure Horizons (Retiree and 1 Dependent = Retiree and Spouse/Domestic Partner OR Retiree and 1 Child)
\$582.24	703	Retiree and 1 Dependent - Both with Secure Horizons (Retiree and 1 Dependent = Retiree and Spouse/Domestic Partner OR Retiree and 1 Child)
\$1,360.59	704	Retiree and 2 or More Dependents - One with Secure Horizons (Retiree and 2 or More Dependents = Retiree, Spouse/Domestic Partner and 1 or More Children OR Retiree and 2 or More Children)
\$739.02	705	Retiree and 2 or More Dependents - Two with Secure Horizons (Retiree and 2 or More Dependents = Retiree, Spouse/Domestic Partner and 1 or More Children OR Retiree and 2 or More Children)
\$261.24	706	Survivor Children Only Rates
<b><u>United Healthcare (UHC)</u></b>		
(For members and dependents under age 65 [no Medicare])		
\$915.18	707	Retiree Only
\$1,671.68	708	Retiree and 1 Dependent
\$1,982.16	709	Retiree and 2 Or More Dependents
<b><u>Local 1014 Firefighters</u></b>		
\$914.03	801	Member Under 65
\$1,648.06	802	Member + 1 Under 65
\$1,944.04	803	Member + 2 Under 65
\$914.03	804	Member with Medicare
\$1,648.06	805	Member + 1; 1 Medicare
\$1,648.06	806	Member + 1; 2 Medicare
\$1,944.04	807	Member + 2; 1 Medicare
\$1,944.04	808	Member + 2; 2 Medicare

\*Benchmark premiums are bolded.

CARRIER DEDUCTION PREMIUMS*	CODES	DEDUCTION CODE DEFINITIONS
-----------------------------------	-------	----------------------------

**Local 1014 Firefighters (continued)**

\$914.03	809	Surviving Spouse Under 65
\$1,648.06	810	Surviving Spouse + 1; Under 65
\$1,944.04	811	Surviving Spouse + 2 Under 65
\$914.03	812	Surviving Spouse with Medicare
\$1,648.06	813	Surviving Spouse + 1; 1 Medicare
\$1,944.04	814	Spouse + 1; 1 Medicare
\$1,648.06	815	Surviving Spouse + 1; 2 Medicare

**CIGNA Indemnity - Dental/Vision**

<b>\$46.55</b>	501	Retiree Only
<b>\$99.61</b>	502	Retiree and Dependent(s)
\$57.81	503	Survivor Children Only Rates

**CIGNA HMO - Dental/Vision**

\$39.02	901	Retiree Only
\$81.07	902	Retiree and Dependent(s)
\$39.56	903	Survivor Children Only Rates

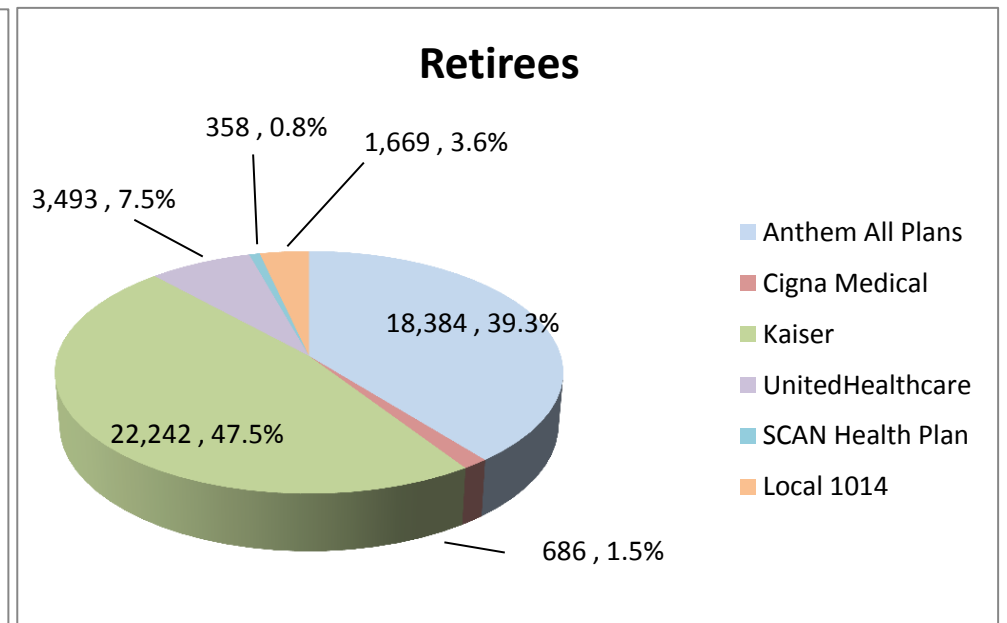
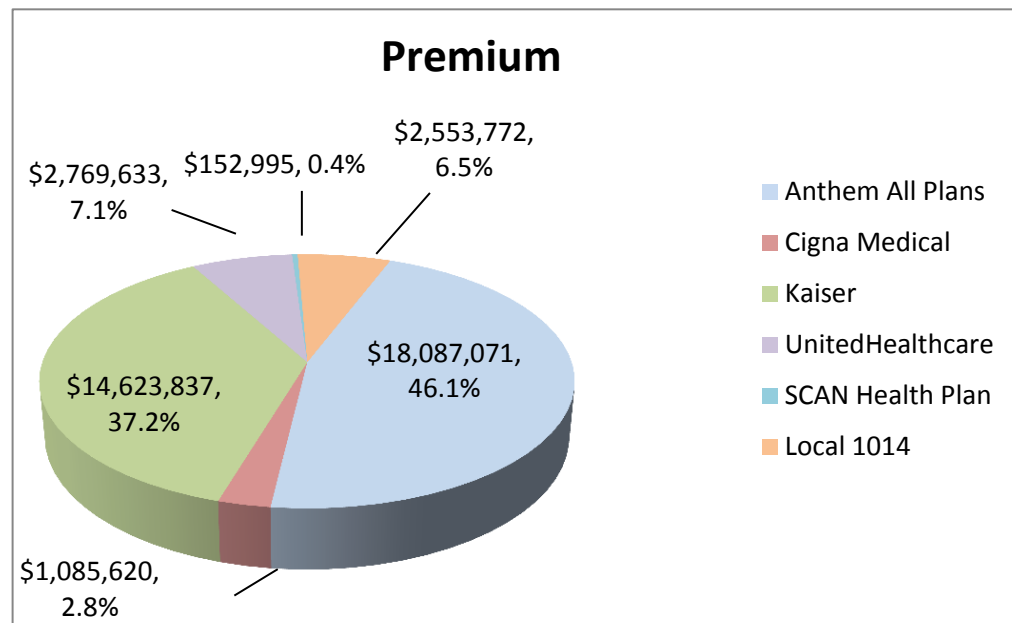
# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

## Premium and Enrollment

October 2015 Coverage Month

Carrier / Plan	Monthly Premium	Percent of Total	Retirees	Percent of Total
Anthem All Plans	\$18,087,071	46.1%	18,384	39.3%
Cigna Medical	\$1,085,620	2.8%	686	1.5%
Kaiser	\$14,623,837	37.2%	22,242	47.5%
UnitedHealthcare	\$2,769,633	7.1%	3,493	7.5%
SCAN Health Plan	\$152,995	0.4%	358	0.8%
Local 1014	\$2,553,772	6.5%	1,669	3.6%
<b>Combined Medical</b>	<b>\$39,272,926</b>	<b>100.0%</b>	<b>46,832</b>	<b>100.0%</b>

<b>Cigna Dental &amp; Vision</b>	<b>\$3,383,482</b>	<b>47,776</b>
----------------------------------	--------------------	---------------



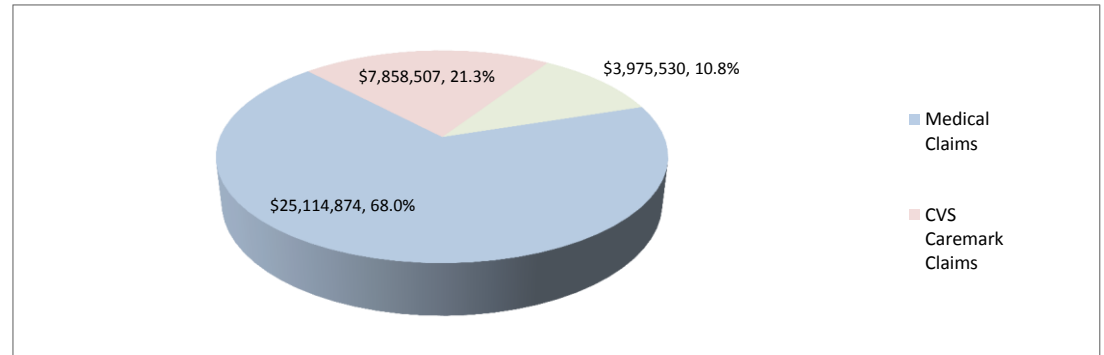
# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

## Anthem Plans I and II

### Plan Year July 1, 2015 - June 30, 2016

Month	Monthly Enrollment	Monthly Premium	Medical Claims	CVS Caremark Claims	Medical & Rx Claims	Claims Per Retiree Per Month	Paid Loss Ratio	Medical & Rx Expenses	Total Paid Claims & Expenses	Expense Ratio
Jul-15	6,158	\$9,170,958	\$6,045,082	\$1,927,509	\$7,972,591	\$1,294.67	86.9%	\$996,885	\$8,969,477	97.8%
Aug-15	6,149	\$9,187,473	\$6,191,520	\$1,848,592	\$8,040,112	\$1,307.55	87.5%	\$995,372	\$9,035,484	98.3%
Sep-15	6,125	\$9,098,082	\$6,547,496	\$2,046,606	\$8,594,101	\$1,403.12	94.5%	\$991,435	\$9,585,537	105.4%
Oct-15	6,128	\$9,169,945	\$6,330,776	\$2,035,800	\$8,366,576	\$1,365.30	91.2%	\$991,837	\$9,358,413	102.1%
Nov-15										
Dec-15										
Jan-16										
Feb-16										
Mar-16										
Apr-16										
May-16										
Jun-16										
<b>YTD Plan Year</b>	<b>24,560</b>	<b>\$36,626,459</b>	<b>\$25,114,874</b>	<b>\$7,858,507</b>	<b>\$32,973,381</b>	<b>\$1,342.56</b>	<b>90.0%</b>	<b>\$3,975,530</b>	<b>\$36,948,910</b>	<b>100.9%</b>
<b>4 Month Average</b>	<b>6,140</b>	<b>\$9,156,615</b>	<b>\$6,278,718</b>	<b>\$1,964,627</b>	<b>\$8,243,345</b>	<b>\$1,342.56</b>	<b>90.0%</b>	<b>\$993,882</b>	<b>\$9,237,228</b>	<b>100.9%</b>
<b>12 Month Rollup</b>	<b>73,919</b>	<b>\$99,536,733</b>	<b>\$71,089,019</b>	<b>\$22,072,900</b>	<b>\$93,161,919</b>	<b>\$1,260.32</b>	<b>93.6%</b>	<b>\$9,059,780</b>	<b>\$102,221,699</b>	<b>102.7%</b>

Medical Claims reported by Anthem  
 CVS Caremark Claims reported by CVS  
 Expenses: Anthem Admin, Stop Loss, and Premium Taxes  
 Enrollment and Premium Reported by LACERA



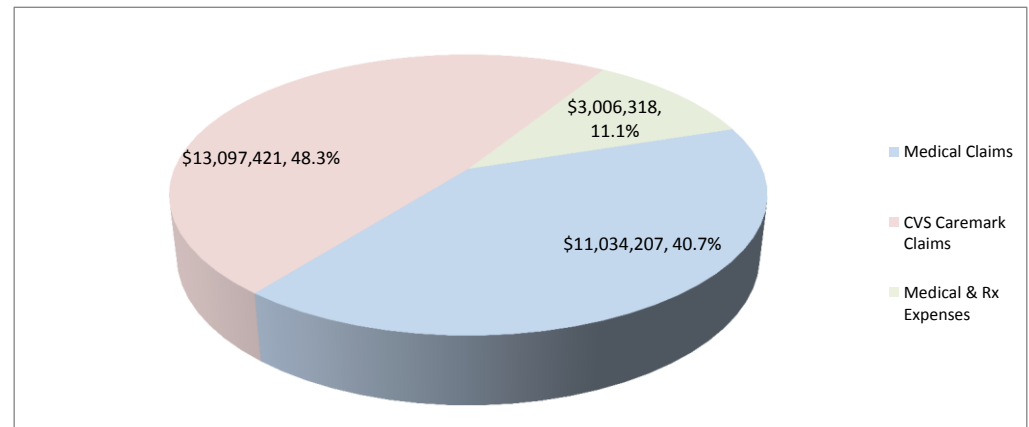
# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

## Anthem Plan III

Plan Year July 1, 2015 - June 30, 2016

Month	Monthly Enrollment	Monthly Premium	Medical Claims	CVS Caremark Claims	Medical & Rx Claims	Claims Per Retiree Per Month	Paid Loss Ratio	Medical & Rx Expenses	Total Paid Claims & Expenses	Expense Ratio
Jul-15	10,771	\$7,235,374	\$2,953,865	\$3,470,465	\$6,424,330	\$596.45	88.8%	\$748,366	\$7,172,696	99.1%
Aug-15	10,810	\$7,269,627	\$2,599,013	\$3,209,072	\$5,808,085	\$537.29	79.9%	\$751,076	\$6,559,161	90.2%
Sep-15	10,835	\$7,259,484	\$2,785,764	\$3,236,297	\$6,022,061	\$555.80	83.0%	\$752,813	\$6,774,874	93.3%
Oct-15	10,853	\$7,266,152	\$2,695,565	\$3,181,587	\$5,877,152	\$541.52	80.9%	\$754,063	\$6,631,216	91.3%
Nov-15										
Dec-15										
Jan-16										
Feb-16										
Mar-16										
Apr-16										
May-16										
Jun-16										
<b>YTD Plan Year</b>	<b>43,269</b>	<b>\$29,030,636</b>	<b>\$11,034,207</b>	<b>\$13,097,421</b>	<b>\$24,131,628</b>	<b>\$557.71</b>	<b>83.1%</b>	<b>\$3,006,318</b>	<b>\$27,137,946</b>	<b>93.5%</b>
<b>4 Month Average</b>	<b>10,817</b>	<b>\$7,257,659</b>	<b>\$2,758,552</b>	<b>\$3,274,355</b>	<b>\$6,032,907</b>	<b>\$557.71</b>	<b>83.1%</b>	<b>\$751,579</b>	<b>\$6,784,487</b>	<b>93.5%</b>
<b>12 Month Rollup</b>	<b>128,577</b>	<b>\$78,583,477</b>	<b>\$34,670,011</b>	<b>\$37,414,602</b>	<b>\$72,084,613</b>	<b>\$560.63</b>	<b>91.7%</b>	<b>\$8,141,991</b>	<b>\$80,226,605</b>	<b>102.1%</b>

Medical Claims reported by Anthem  
 CVS Caremark Claims reported by CVS  
 Expenses: Anthem Admin and Premium Taxes  
 Enrollment and Premium Reported by LACERA



# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

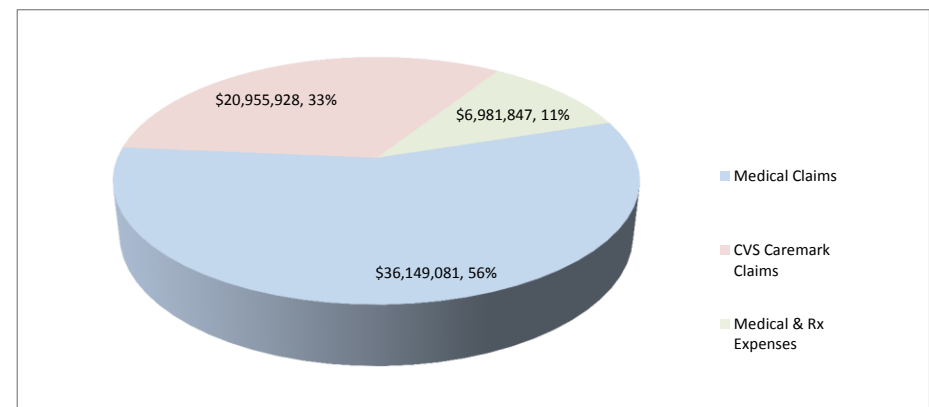
Anthem Plan I, II, and III

Plan Year July 1, 2015 – June 30, 2016

Month	Monthly Enrollment	Monthly Premium	Medical Claims	CVS Caremark Claims	Medical & Rx Claims	Claims Per Retiree Per Month	Paid Loss Ratio	Medical & Rx Expenses	Total Paid Claims & Expenses	Expense Ratio
Jul-15	16,929	\$16,406,332	\$8,998,948	\$5,397,974	\$14,396,922	\$850.43	87.8%	\$1,745,251	\$16,142,173	98.4%
Aug-15	16,959	\$16,457,100	\$8,790,532	\$5,057,665	\$13,848,197	\$816.57	84.1%	\$1,746,448	\$15,594,645	94.8%
Sep-15	16,960	\$16,357,566	\$9,333,260	\$5,282,902	\$14,616,162	\$861.80	89.4%	\$1,744,248	\$16,360,410	100.0%
Oct-15	16,981	\$16,436,097	\$9,026,342	\$5,217,387	\$14,243,729	\$838.80	86.7%	\$1,745,900	\$15,989,629	97.3%
Nov-15										
Dec-15										
Jan-16										
Feb-16										
Mar-16										
Apr-16										
May-16										
Jun-16										

<b>YTD Plan Year</b>	<b>67,829</b>	<b>\$65,657,094</b>	<b>\$36,149,081</b>	<b>\$20,955,928</b>	<b>\$57,105,009</b>	<b>\$841.90</b>	<b>87.0%</b>	<b>\$6,981,847</b>	<b>\$64,086,857</b>	<b>97.6%</b>
<b>4 Month Average</b>	<b>16,957</b>	<b>\$16,414,274</b>	<b>\$9,037,270</b>	<b>\$5,238,982</b>	<b>\$14,276,252</b>	<b>\$841.90</b>	<b>87.0%</b>	<b>\$1,745,462</b>	<b>\$16,021,714</b>	<b>97.6%</b>
<b>12 Month Rollup</b>	<b>202,496</b>	<b>\$178,120,210</b>	<b>\$105,759,031</b>	<b>\$59,487,502</b>	<b>\$165,246,533</b>	<b>\$816.05</b>	<b>92.8%</b>	<b>\$17,201,771</b>	<b>\$182,448,304</b>	<b>102.4%</b>

Medical Claims reported by Anthem  
 CVS Caremark Claims reported by CVS  
 Expenses: Anthem Admin, Stop Loss, and Premium Taxes  
 Enrollment and Premium Reported by LACERA



# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

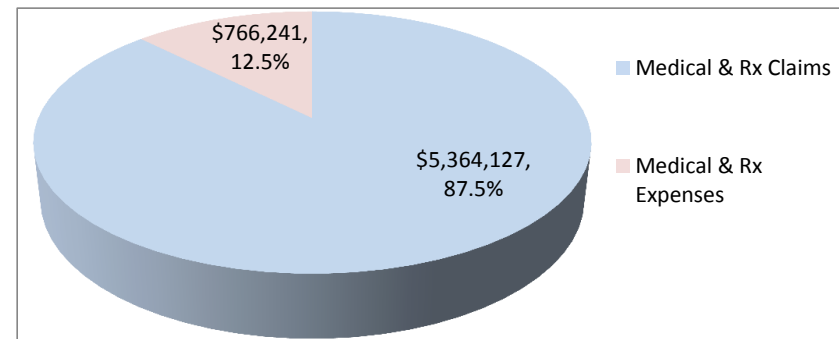
Anthem Prudent Buyer

Plan Year July 1, 2015 – June 30, 2014

Month	Monthly Enrollment	Monthly Premium	Medical & Rx Claims	Claims Per Retiree Per Month	Paid Loss Ratio	Medical & Rx Expenses	Total Paid Claims & Expenses	Expense Ratio
Jul-15	1,445	\$1,705,018	\$1,467,346	\$1,015.46	86.1%	\$194,659	\$1,662,005	97.5%
Aug-15	1,428	\$1,675,848	\$1,314,525	\$920.54	78.4%	\$192,368	\$1,506,894	89.9%
Sep-15	1,412	\$1,662,945	\$1,192,123	\$844.28	71.7%	\$190,213	\$1,382,336	83.1%
Oct-15	1,403	\$1,650,974	\$1,390,133	\$990.83	84.2%	\$189,001	\$1,579,133	95.6%
Nov-15								
Dec-15								
Jan-16								
Feb-16								
Mar-16								
Apr-16								
May-16								
Jun-16								

<b>YTD Plan Year</b>	<b>5,688</b>	<b>\$6,694,786</b>	<b>\$5,364,127</b>	<b>\$943.06</b>	<b>80.1%</b>	<b>\$766,241</b>	<b>\$6,130,367</b>	<b>91.6%</b>
<b>4 Month Average</b>	<b>1,422</b>	<b>\$1,673,696</b>	<b>\$1,341,032</b>	<b>\$943.06</b>	<b>80.1%</b>	<b>\$191,560</b>	<b>\$1,532,592</b>	<b>91.6%</b>
<b>12 Month Rollup</b>	<b>17,453</b>	<b>\$17,682,176</b>	<b>\$15,218,311</b>	<b>\$871.96</b>	<b>86.1%</b>	<b>\$2,331,682</b>	<b>\$17,549,992</b>	<b>99.3%</b>

Monthly Enrollment and Premium Data as reported by LACERA  
 Medical Claims reported by Anthem  
 Expenses: Anthem Admin, Stop Loss, and Premium Taxes  
 Enrollment and Premium Reported by LACERA





# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

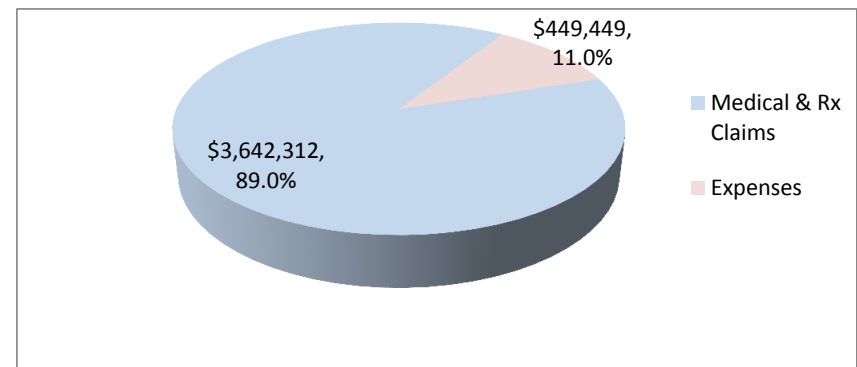
Cigna HMO

Plan Year July 1, 2015 – June 30, 2016

Month	Monthly Enrollment	Monthly Premium	Medical & Rx Claims	Claims Per Retiree Per Month	Paid Loss Ratio	Expenses	Total Paid Claims & Expenses	Expense Ratio
Jul-15	657	\$1,085,738	\$958,557	\$1,458.99	88.3%	\$115,092	\$1,073,649	98.9%
Aug-15	648	\$1,055,975	\$775,934	\$1,197.43	73.5%	\$111,937	\$887,871	84.1%
Sep-15	639	\$1,046,239	\$910,387	\$1,424.71	87.0%	\$110,905	\$1,021,292	97.6%
Oct-15	637	\$1,051,998	\$997,434	\$1,565.83	94.8%	\$111,515	\$1,108,949	105.4%
Nov-15								
Dec-15								
Jan-16								
Feb-16								
Mar-16								
Apr-16								
May-16								
Jun-16								

<b>YTD Plan Year</b>	<b>2,581</b>	<b>\$4,239,951</b>	<b>\$3,642,312</b>	<b>\$1,411.20</b>	<b>85.9%</b>	<b>\$449,449</b>	<b>\$4,091,761</b>	<b>96.5%</b>
<b>4 Month Average</b>	<b>645</b>	<b>\$1,059,988</b>	<b>\$910,578</b>	<b>\$1,411.20</b>	<b>85.9%</b>	<b>\$112,362</b>	<b>\$1,022,940</b>	<b>96.5%</b>
<b>12 Month Rollup</b>	<b>8,068</b>	<b>\$12,993,290</b>	<b>\$10,838,262</b>	<b>\$1,343.36</b>	<b>83.4%</b>	<b>\$1,838,757</b>	<b>\$12,677,019</b>	<b>97.6%</b>

Monthly Enrollment and Premium Data as reported by LACERA  
 Medical Claims reported by Cigna  
 Expenses: Cigna Admin Costs and Premium Taxes  
 Enrollment and Premium Reported by LACERA



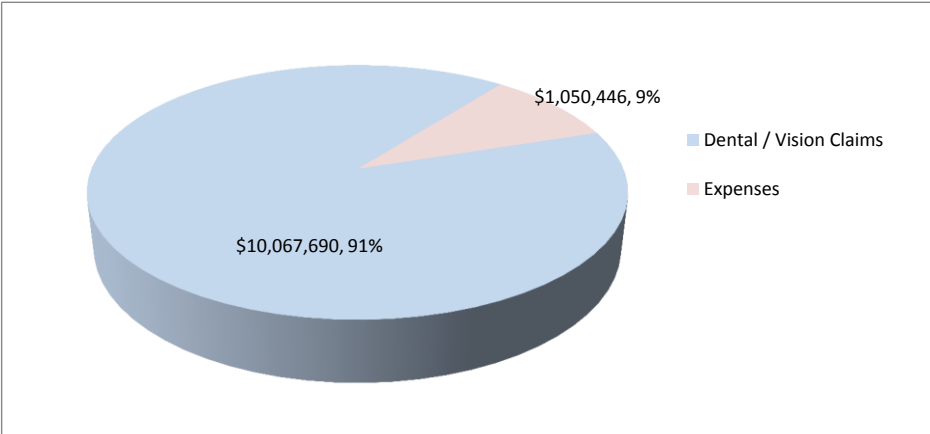
# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Cigna Dental PPO and Vision  
 Plan Year July 1, 2015 - June 30, 2016

Month	Monthly Enrollment	Monthly Premium	Dental / Vision Claims	In-Network Dental Claims	Claims Per Retiree Per Month	Paid Loss Ratio	Expenses	Total Paid Claims & Expenses	Expense Ratio
Jul-15	42,187	\$3,040,191	\$2,480,364	47.7%	\$58.79	81.6%	\$261,787	\$2,742,151	90.2%
Aug-15	42,303	\$3,049,180	\$2,439,511	56.4%	\$57.67	80.0%	\$262,561	\$2,702,072	88.6%
Sep-15	42,370	\$3,054,892	\$2,341,973	58.5%	\$55.27	76.7%	\$263,053	\$2,605,026	85.3%
Oct-15	42,428	\$3,054,818	\$2,805,842	57.9%	\$66.13	91.8%	\$263,046	\$3,068,888	100.5%
Nov-15									
Dec-15									
Jan-16									
Feb-16									
Mar-16									
Apr-16									
May-16									
Jun-16									

<b>YTD Plan Year</b>	<b>169,288</b>	<b>\$12,199,081</b>	<b>\$10,067,690</b>	<b>55.1%</b>	<b>\$59.47</b>	<b>82.5%</b>	<b>\$1,050,446</b>	<b>\$11,118,136</b>	<b>91.1%</b>
<b>4 Month Average</b>	<b>42,322</b>	<b>\$3,049,770</b>	<b>\$2,516,922</b>	<b>55.1%</b>	<b>\$59.47</b>	<b>82.5%</b>	<b>\$262,611</b>	<b>\$2,779,534</b>	<b>91.1%</b>
<b>12 Month Rollup</b>	<b>502,961</b>	<b>\$36,133,296</b>	<b>\$31,775,380</b>	<b>48.4%</b>	<b>\$63.18</b>	<b>87.9%</b>	<b>\$3,165,845</b>	<b>\$34,941,225</b>	<b>96.7%</b>

Expenses: Cigna Admin Costs and Premium Taxes  
 Enrollment and Premium Reported by LACERA



## Legislative

### House Passes Reconciliation Bill Repealing Affordable Care Act Provisions

On October 23, 2015, the House passed with a 240–289 vote a reconciliation bill (H.R. 3762—“Restoring Americans’ Healthcare Freedom Reconciliation Act of 2015”) that among other provisions, would repeal pieces of the Affordable Care Act. The bill would repeal the health care reform law’s individual and employer mandates, the “Cadillac” tax on high-cost insurance plans, as well as the medical device tax. Senate passage is uncertain, and President Obama stated that if he is presented with the bill, he will veto the legislation.

H.R. 3762 is available [here](#).

The White House Statement of Administration Policy is available [here](#).

### Departments Issue Final Regulations Codifying Previous Affordable Care Act Regulations

On November 13, 2015, the Treasury, Departments of Labor and Health and Human Services issued final regulations regarding grandfathered health plans, preexisting condition exclusions, lifetime and annual dollar limits on benefits, rescissions, coverage of dependent children to age 26, internal claims and appeal and external review processes, and patient protections under the Affordable Care Act. The regulations finalize changes to the proposed and interim final rules based on comments and incorporate subregulatory guidance issued since publication of the proposed and interim final rules. These final regulations are effective on January 19, 2015.

The final regulations are temporarily available [here](#).

(The regulations will be published in the November 18, 2015, *Federal Register*.)

### CMS Announces 2016 Medicare Premiums, Coinsurance, and Deductibles

The Department of Health and Human Services' Centers for Medicare and Medicaid Services (CMS) announced on November 10, 2015, the 2016 Medicare Part A and Part B premium, deductible, and coinsurance amounts to be paid by Medicare beneficiaries. As the Social Security Administration previously announced, there will be no Social Security cost of living increase for 2016. As a result, by law, most people with Medicare Part B will be “held harmless” from any increase in premiums in 2016, and will pay the same monthly premium as 2015, which is **\$104.90**. However, beneficiaries not subject to the hold-harmless provision will pay **\$121.80**, as calculated reflecting the provisions of the Bipartisan Budget Act signed into law by President Obama earlier this month. (Medicare Part B beneficiaries not subject to the hold-harmless provision are those not collecting Social Security benefits, those who will enroll in Part B for the first time in 2016, dual eligible beneficiaries who have their premiums paid by Medicaid, and beneficiaries who pay an additional income-related premium. According to CMS, these groups account for about 30% of the population expected to be enrolled in Medicare Part B in 2016.) Higher-income beneficiaries will pay higher premiums. The Medicare Part B annual deductible for all Part B beneficiaries will be **\$166** in 2016, up from \$147 in 2015.

The 2016 Medicare Part A deductible will increase to **\$1,288.00**, up from \$1,260 in 2015. The Part A deductible is paid by the beneficiary per “spell of illness” for covered inpatient hospital services. After the

first 60 days of hospitalization, the 2016 coinsurance will be **\$322** per day for days 61 through 90 (\$315 in 2015), and **\$644** per day (\$630 in 2015) for the ninety-first and later days. The daily coinsurance for the twenty-first through 100th day in a skilled nursing facility will be **\$161** in 2016, up from \$157.50 in 2015.

The news release is available [here](#).

The CMS notice announcing the Medicare Part A Inpatient Hospital Deductible and Hospital and Extended Care Services Coinsurance Amounts is available [here](#).

The CMS notice announcing the Medicare Part B Monthly Actuarial Rates, Premium Rate, and Annual Deductible is available [here](#).

### **IRS Reminds Employees to Plan for 2016 FSA Allocations**

On November 12, 2015, the Internal Revenue Service (IRS) published Information Release 2015-126, which reminds employees to begin planning to take full advantage of their employer's health flexible spending arrangement (FSA) during 2016. FSAs provide employees a way to use tax-free dollars to pay medical expenses not covered by other health plans. An employee who chooses to participate can contribute up to \$2,550 during the 2016 plan year. Amounts contributed are not subject to federal income tax, Social Security tax, or Medicare tax. If the plan allows, the employer may also contribute to an employee's FSA. Under the carryover option, an employee can carry over up to \$500 of unused funds to the following plan year—for example, an employee with \$500 of unspent funds at the end of 2016 would still have those funds available to use in 2017. Under the grace period option, an employee has until 2½ months after the end of the plan year to incur eligible expenses—for example, March 15, 2017, for a plan year ending on December 31, 2016. Employers can offer either option, but not both, or none at all. Employers are not required to offer FSAs, and employees are advised to check with their employer regarding availability.

The IRS Information Release is available [here](#).

## **Health Care**

### **Departments Release FAQs on Affordable Care Act and Mental Health Parity Implementation**

On October 23, 2015, the Treasury and Departments of Labor and Health and Human Services released the 29th set of frequently asked questions (FAQs) on Affordable Care Act implementation. The guidance provides answers to 13 questions addressing topics regarding preventive care, wellness programs, and mental health parity.

The FAQs are available [here](#).

### **CMS Issues FAQs on PACE Act**

On October 19, 2015, the Centers for Medicare and Medicaid Services (CMS) issued a set of frequently asked questions (FAQs) on the impact of the Protecting Affordable Coverage for Employees Act (PACE—P.L. 114-60) on state small group expansion. The PACE Act, enacted into law on October 7, 2015, amends the Affordable Care Act by revising the definition of small employer. The law maintains the current definition of a small group health plan at 50 or fewer employees, amending a provision scheduled to take effect in 2016 that would have included all companies with up to 100 employees in the definition of small group plans. The legislation provides states the option of expanding small groups, although most states are expected to maintain the current definition. The CMS FAQs detail how the agency will implement the PACE Act. States that elect to expand the definition as of January 1, 2016, are requested to notify CMS by October 30, 2015.

The FAQs are available [here](#).

## Retirement

### **PBGC Announces 2016 Premium Rates for Single-Employer and Multiemployer Plans**

On October 26, 2015, the Pension Benefit Guaranty Corporation (PBGC) announced the 2016 flat-rate premiums for single-employer and multiemployer plans. For the 2016 plan year, the per-participant flat-rate premium for single-employer plans is \$64.00 (up from \$57.00 in 2015) and \$27.00 for multiemployer plans (up from \$26.00 in 2015). For additional information on variable-rate premiums, current and historical data, and scheduled increases for years after 2016, please refer to the premium rate website. The 2016 PBGC premium rates are available [here](#).

### **IRS Announces 2016 Official Indexed Figures for Retirement Plans and Other Employee Benefit Plans**

The Internal Revenue Service (IRS) issued Information Release 2015-118 on October 21, 2015, providing the 2016 official indexed figures for retirement plans and other employee benefit plans. In general, the pension plan limitations will not change for 2016 because the increase in the cost-of-living index did not meet the statutory thresholds that trigger their adjustment. However, other limitations will change because the increase in the index did meet the statutory thresholds. Following are the official limits of most interest to large and medium employers, as well as the official 2016 key employee pay thresholds for top-heavy plans.

- Section 402(g) annual dollar limit for pretax contributions to Section 401(k), 403(b), and 457 plans: **\$18,000**, unchanged from 2015
- Section 414(v) annual dollar limit on catch-up contributions for age 50 and over: **\$6,000**, unchanged from 2015
- Section 414(q) pay threshold for highly compensated employees: **\$120,000**, unchanged from 2015
- Section 415 limit for defined benefit plans: **\$210,000**, unchanged from 2015
- Section 415 limit for defined contribution plans: **\$53,000**, unchanged from 2015
- Section 401(a)(17) recognizable pay limit: **\$265,000**, unchanged from 2015
- Section 416 pay threshold for key employees in a top-heavy plan: **\$170,000**, unchanged from 2015

IRS Information Release 2015-118 is available [here](#).

The IRS cost-of-living (COLA) table is available [here](#).

A more detailed Aon Hewitt bulletin on the 2016 indexed figures is available [here](#).

### **EBSA Issues Guidance on Economically Targeted Investments**

On October 22, 2015, the Department of Labor's (DOL's) Employee Benefits Security Administration (EBSA) issued Interpretive Bulletin 2015-01, focusing on economically targeted investments (ETIs) made by retirement plans covered by ERISA. ETIs are investments that are selected for the benefits they create in addition to the investment return to the employee benefit plan investor.

The DOL previously addressed issues relating to ETIs in Interpretive Bulletin 94-1 and Interpretive Bulletin 2008-1. Interpretive Bulletin 94-1 corrected a misperception that investments in ETIs are incompatible with ERISA's fiduciary obligations. On Oct. 17, 2008, the department replaced Interpretive Bulletin 94-1 with Interpretive Bulletin 2008-01. However, the DOL has concluded that in the seven years

since its publication, Interpretive Bulletin 2008-01 has unduly discouraged fiduciaries from considering ETIs and environmental, social, and governance factors under appropriate circumstances.

The latest guidance, effective on October 26, 2015, confirms that “fiduciaries may not accept lower expected returns or take on greater risks in order to secure collateral benefits, but may take such benefits into account as 'tiebreakers' when investments are otherwise equal with respect to their economic and financial characteristics. The guidance also acknowledges that environmental, social, and governance factors may have a direct relationship to the economic and financial value of an investment. When they do, these factors are more than just tiebreakers, but rather are proper components of the fiduciary's analysis of the economic and financial merits of competing investment choices.”

Interpretive Bulletin 2015-01 is available [here](#).

The EBSA fact sheet is available [here](#).

The news release is available [here](#).

### **PBGC Adds New Data Sets to Open Government Web Page**

On October 19, 2015, the PBGC announced that it recently added five new data sets to its “Open Government” Web page. The new data sets include:

- A spreadsheet on PBGC Appeals Board data;
- A spreadsheet on PBGC customer satisfaction;
- An annual performance report summary;
- Web analytics information for the PBGC; and
- Freedom of Information Act requests.

The PBGC announcement is available at its blog post [here](#).

### **Departments Issue Final Regulations Codifying Previous Affordable Care Act Regulations**

On November 13, 2015, the Treasury, Departments of Labor and Health and Human Services issued final regulations regarding grandfathered health plans, preexisting condition exclusions, lifetime and annual dollar limits on benefits, rescissions, coverage of dependent children to age 26, internal claims and appeal and external review processes, and patient protections under the Affordable Care Act. The regulations finalize changes to the proposed and interim final rules based on comments and incorporate subregulatory guidance issued since publication of the proposed and interim final rules. These final regulations are effective on January 19, 2015.

The final regulations are temporarily available [here](#).

(The regulations will be published in the November 18, 2015, *Federal Register*.)

### **CMS Announces 2016 Medicare Premiums, Coinsurance, and Deductibles**

The Department of Health and Human Services' Centers for Medicare and Medicaid Services (CMS) announced on November 10, 2015, the 2016 Medicare Part A and Part B premium, deductible, and coinsurance amounts to be paid by Medicare beneficiaries. As the Social Security Administration previously announced, there will be no Social Security cost of living increase for 2016. As a result, by law, most people with Medicare Part B will be “held harmless” from any increase in premiums in

2016, and will pay the same monthly premium as 2015, which is **\$104.90**. However, beneficiaries not subject to the hold-harmless provision will pay **\$121.80**, as calculated reflecting the provisions of the Bipartisan Budget Act signed into law by President Obama earlier this month. (Medicare Part B beneficiaries not subject to the hold-harmless provision are those not collecting Social Security benefits, those who will enroll in Part B for the first time in 2016, dual eligible beneficiaries who have their premiums paid by Medicaid, and beneficiaries who pay an additional income-related premium. According to CMS, these groups account for about 30% of the population expected to be enrolled in Medicare Part B in 2016.) Higher-income beneficiaries will pay higher premiums. The Medicare Part B annual deductible for all Part B beneficiaries will be **\$166** in 2016, up from \$147 in 2015.

The 2016 Medicare Part A deductible will increase to **\$1,288.00**, up from \$1,260 in 2015. The Part A deductible is paid by the beneficiary per "spell of illness" for covered inpatient hospital services. After the first 60 days of hospitalization, the 2016 coinsurance will be **\$322** per day for days 61 through 90 (\$315 in 2015), and **\$644** per day (\$630 in 2015) for the ninety-first and later days. The daily coinsurance for the twenty-first through 100th day in a skilled nursing facility will be **\$161** in 2016, up from \$157.50 in 2015.

The news release is available [here](#).

The CMS notice announcing the Medicare Part A Inpatient Hospital Deductible and Hospital and Extended Care Services Coinsurance Amounts is available [here](#).

The CMS notice announcing the Medicare Part B Monthly Actuarial Rates, Premium Rate, and Annual Deductible is available [here](#).

### **IRS Reminds Employees to Plan for 2016 FSA Allocations**

On November 12, 2015, the Internal Revenue Service (IRS) published Information Release 2015-126, which reminds employees to begin planning to take full advantage of their employer's health flexible spending arrangement (FSA) during 2016. FSAs provide employees a way to use tax-free dollars to pay medical expenses not covered by other health plans. An employee who chooses to participate can contribute up to \$2,550 during the 2016 plan year. Amounts contributed are not subject to federal income tax, Social Security tax, or Medicare tax. If the plan allows, the employer may also contribute to an employee's FSA. Under the carryover option, an employee can carry over up to \$500 of unused funds to the following plan year—for example, an employee with \$500 of unspent funds at the end of 2016 would still have those funds available to use in 2017. Under the grace period option, an employee has until 2½ months after the end of the plan year to incur eligible expenses—for example, March 15, 2017, for a plan year ending on December 31, 2016. Employers can offer either option, but not both, or none at all. Employers are not required to offer FSAs, and employees are advised to check with their employer regarding availability.

The IRS Information Release is available [here](#).

### **IRS Releases Final Regulations on Hybrid Retirement Plans; Market Rate of Return**

On November 12, 2015, the Treasury and Internal Revenue Service (IRS) released final regulations that provide guidance regarding certain amendments to applicable defined benefit plans. Applicable defined benefit plans are defined benefit plans that use a lump-sum-based benefit formula, including cash balance plans and pension equity plans, as well as other plans that have formulas with an effect

similar to a lump-sum-based benefit formula. The final regulations relate to previously issued final regulations that specify permitted interest crediting rates for purposes of the requirement that an applicable defined benefit plan not provide for interest credits (or equivalent amounts) at an effective rate that is greater than a market rate of return. The final regulations permit a plan sponsor of an applicable defined benefit plan that does not comply with the market rate of return requirement to amend the plan in order to change to an interest crediting rate that is permitted under the previously issued final hybrid plan regulations without violating the anti-cutback rules of section 411(d)(6). These regulations affect sponsors, administrators, participants, and beneficiaries of these plans. The regulations became effective on November 16, 2015. These regulations generally apply to plan amendments made on or after September 18, 2014 (or an earlier date as elected by the taxpayer). These regulations cease to apply for amendments made on or after the first day of the first plan year that begins on or after January 1, 2017 (or, for collectively bargained plans, on or after a later date specified in the regulations).

The IRS final regulations are available [here](#).

## Other HR-Related Topics

### IRS Provides 2016 Inflation Adjustments and Maximum Contribution Limits for Employee Fringe Benefits

On October 21, 2015, the Internal Revenue Service (IRS) released Revenue Procedure 2015-53, which provides annual inflation adjustments for more than 50 tax provisions, including the tax rate schedules, and other tax changes. Included in Revenue Procedure 2015-53 is the updated guidance for 2016 on the maximum contribution levels for a number of employee fringe benefits adjusted for cost-of-living expenses. These updated amounts include the following:

- **Adoption assistance:** For taxable years beginning in 2016, the credit allowed for an adoption of a child with special needs is \$13,460. For taxable years beginning in 2016, the maximum credit allowed for other adoptions is the amount of qualified adoption expenses up to \$13,460. The available adoption credit begins to phase out for taxpayers with modified adjusted gross income in excess of \$201,920 and is completely phased out for taxpayers with modified adjusted gross income of \$241,920 or more. (Section 3.19 of Revenue Procedure 2015-53 details adjusted items relating to adoption assistance programs.)
- **Health FSA annual dollar limit:** The annual dollar limit on employee contributions to employer-sponsored health care flexible spending arrangements (FSAs) is \$2,550, unchanged from 2015.
- **Personal exemption and standard deductions on individual income taxes:** The personal exemption for 2016 rises to \$4,050, up from the 2015 exemption of \$4,000. However, the exemption is subject to a phase-out that begins with adjusted gross incomes of \$259,400 (\$311,300 for married couples filing jointly). It phases out completely at \$381,900 (\$433,800 for married couples filing jointly).
- **Qualified transportation expenses under Code Section 132(f):** The monthly limit on the qualified transportation benefits exclusion for qualified parking provided by an employer to its employees is \$255 for 2016. The monthly limit on the qualified transportation benefits exclusion for transportation in a commuter highway vehicle and transit pass provided by an employer to its employees is \$130.

IRS Revenue Procedure 2015-53 is available [here](#).

The related IRS news release is available [here](#).



### **Same-Sex Marriages Would Be Included in Definition of Marriage Under IRS Proposed Regulations**

On October 21, 2015, the Internal Revenue Service (IRS) issued proposed changes to its regulations that would define marriage to include same-sex marriages. The changes would conform the definition of marriage in IRS regulations to the U.S. Supreme Court's rulings in *United States v. Windsor* and *Obergefell v. Hodges*. The proposed definition of marriage (and related marital terms) would apply to all federal tax provisions where marriage is a factor, including income tax filing status, income tax exemptions and deductions, estate taxes, employment taxes, employee benefit plans, and individual retirement accounts. The changes would provide "additional clarity" on the federal tax treatment of same-sex couples, according to Treasury Secretary Jacob Lew.

Under the proposed regulations, a marriage would be recognized for federal tax purposes if the marriage would be recognized by any state, possession, or territory of the United States. With respect to a marriage conducted in a foreign country, the IRS stated that such a marriage would be recognized for federal tax purposes if at least one state, possession, or territory of the United States recognized it.

The proposed regulations would explicitly exclude individuals who enter into relationships that are not marriages—i.e., registered domestic partnerships, civil unions, and other similar relationships—from being treated as spouses, husbands, or wives for federal tax purposes, and those relationships would not be treated as marriages under federal tax law.

Comments are due by December 7, 2015.

The proposed regulations are available [here](#).

The related news release is available [here](#).

### **OFCCP Offers Reasonable Accommodation Pocket Card**

The Office of Federal Contract Compliance Programs (OFCCP) recently announced it created a new "Requesting a Reasonable Accommodation" pocket card. The pocket card is meant to help applicants, employees, and other interested parties understand the process for requesting a reasonable accommodation. The card answers these four common questions about seeking a reasonable accommodation:

- What is a reasonable accommodation?
- How do I request a reasonable accommodation?
- What do I need to tell my employer?
- What happens after the request is made?

The pocket card is available [here](#).