

AGENDA

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

THURSDAY, JULY 14, 2016 - 9:00 A.M.**

*The Committee may take action on any item on the agenda,
and agenda items may be taken out of order.*

COMMITTEE MEMBERS:

Les Robbins, Chair
William de la Garza, Vice Chair
Vivian H. Gray
Shawn R. Kehoe
Ronald Okum, Alternate

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of June 9, 2016

II. PUBLIC COMMENT

III. FOR INFORMATION

- A. Staff Activities Report for June, 2016
- B. Anthem Blue Cross Plan 2012-2013 Medicare Part D RDS Resubmission
- C. Cigna & Anthem Blue Cross Claims Experience
- D. 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

July 14, 2016

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

THURSDAY, JUNE 9, 2016, 11:20 A.M. – 11:50 A.M.

COMMITTEE MEMBERS

PRESENT: Les Robbins, Chair
William de la Garza, Vice Chair
Vivian H. Gray
Shawn R. Kehoe

ABSENT: Ronald Okum, Alternate

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Marvin Adams
Yves Chery
Joseph Kelly
David L. Muir

STAFF, ADVISORS, PARTICIPANTS

Cassandra Smith
Steve Rice
Barry Lew

Aon Hewitt

Kirby Bosley
Cathy Weis

The meeting was called to order by Chair Robbins at 11:20 a.m.

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the special meeting of May 5, 2016

Mr. de la Garza made a motion, Mr. Kehoe seconded, to approve the minutes of the special meeting of May 5, 2016. The motion passed unanimously.

II. PUBLIC COMMENT

III. ACTION ITEMS

A. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer: That the Committee recommend the Board of Retirement:

1. Approve the revised format of the legislative analysis memorandum.
2. Provide staff with discretion to modify the format for specific cases if necessary.

(Memorandum dated May 28, 2016)

Mr. de la Garza made a motion, Mr. Kehoe seconded, to approve the recommendation.

After discussion by the Committee, staff indicated it would be more appropriate to defer this item and include it with the full package on LACERA's legislative processes to be brought back to the Boards. The motion was withdrawn by Mr. de la Garza and no action was taken.

IV. FOR INFORMATION

A. Staff Activities Report for May, 2016

The staff activities report was discussed.

- B. Annual Claims Audit Reports
- Anthem Blue Cross Medical Plan
 - Cigna Dental Plan

Cathy Weis of Aon presented the results of the annual Anthem Blue Cross medical and Cigna dental plan audits.

IV. FOR INFORMATION (Continued)

Anthem's financial accuracy decreased slightly compared to the 2014 audit. However, there was a significant improvement in performance for overall accuracy and payment accuracy. It appears that Anthem's initiatives to correct system issues related to Medicare Sequestration have greatly reduced the frequency of errors. There was an increase in claim handling time performance results, with the 30-calendar performance guarantee objective not achieved.

Although performance has improved since 2014, Medicare Sequestration still continues to be an issue. Anthem is currently looking to address what has not been working effectively in coordination of benefits.

The Cigna Dental Plan audit results were the highest over the last four years, with financial, overall, and payment accuracy at 100%. Unfortunately, performance in the 14 and 30 calendar day turnaround time standards decreased as compared to the 2014 results. However, Cigna had already identified issues with processing claims in a timely manner and taken steps to improve their performance. We would expect to see improved claim handling time results in the next audit period.

C. CIGNA & Anthem Blue Cross Claims Experience

The CIGNA & Anthem Blue Cross Claims Experience reports through April 2016 were discussed.

D. Federal Legislation

- Aon Hewitt Washington Report

Submitted for information only.

V. GOOD OF THE ORDER

(For information purposes only)

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

The meeting adjourned at 11:50 a.m., after setting the time for the Operations Oversight Committee at 11:55 a.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
MAY 2016
FOR INFORMATION ONLY**

**Retiree Healthcare Benefits Program Annual Letter Packet Mailing for
Plan Year 2016-2017**

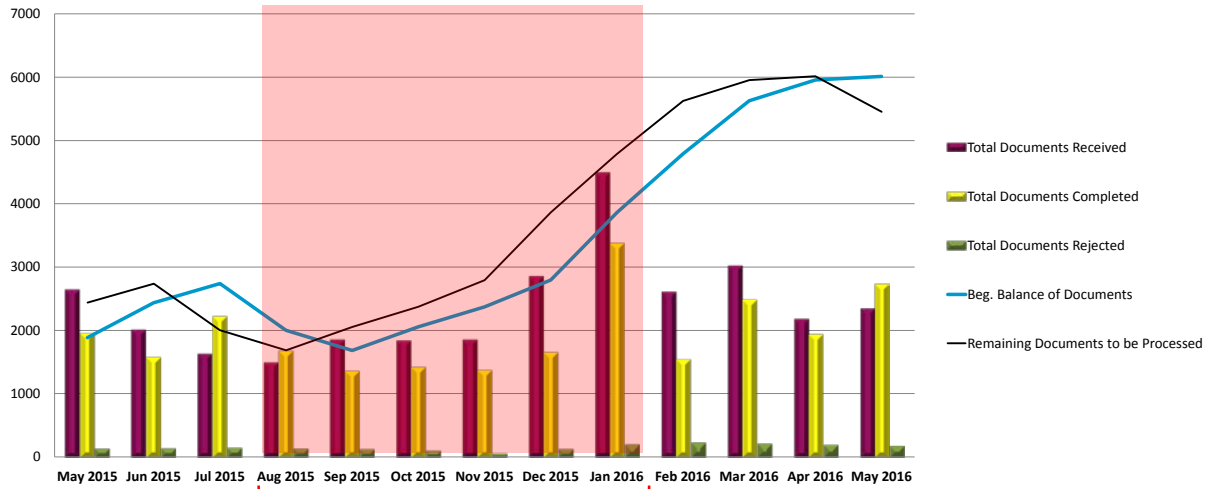
Staff, with the assistance of the Aon Team, completed the review of the Annual Letter Packet for Plan Year 2016-2017. The packet contains the Rate Booklet, listing the new healthcare premium rates effective July 1, 2016.

The mass mailing to all members and survivors currently enrolled in a LACERA-administered medical and dental/vision plans (approx. 51,000) is scheduled for mailing the end of May. Staff will work with Communications Division to upload the electronic version of the materials to the LACERA website.

**Retiree Healthcare Division
Insurance Status Report
MAY 1, 2015 - MAY 31, 2016**

UPDATE: 6.29.2016

**RETIREE HEALTHCARE WORK ITEMS SUMMARY
- 12 MONTHS -**



CIB TO WORKTREE TRANSITION PERIOD

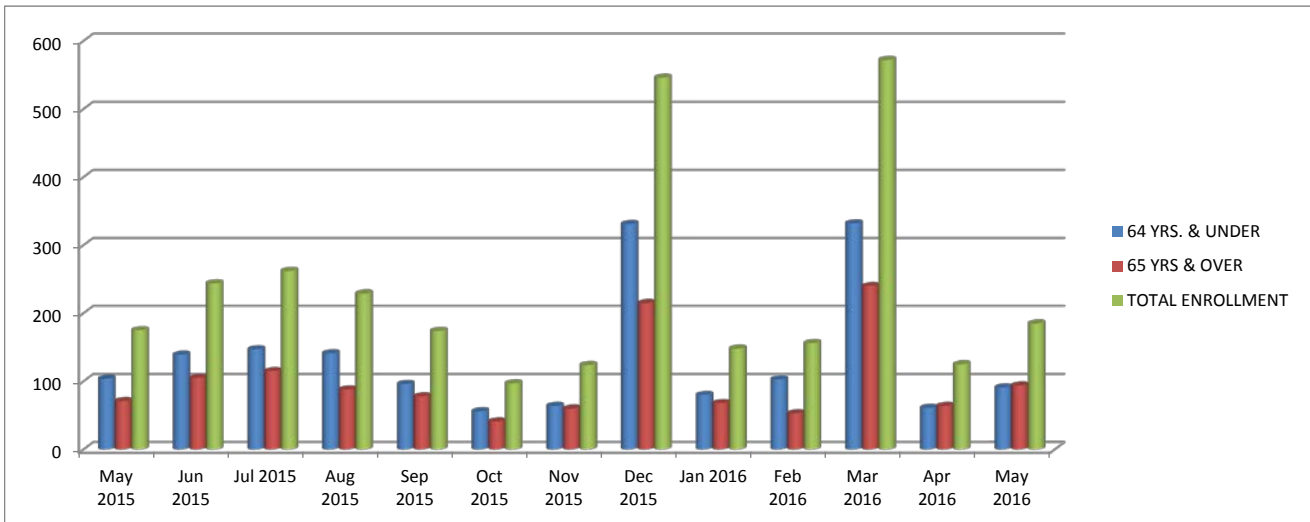
Date	Beg. Balance of Documents	Total Documents Received	Total Documents Completed	Total Documents Rejected	Remaining Documents to be Processed
May 2015	1883	2648	1959	134	2438
Jun 2015	2438	2019	1582	138	2737
Jul 2015	2737	1639	2228	146	2002
Aug 2015	2002	1501	1686	134	1683
Sep 2015	1683	1862	1366	125	2054
Oct 2015	2054	1849	1428	103	2372
Nov 2015	2372	1863	1380	61	2794
Dec 2015	2794	2859	1661	127	3865
Jan 2016	3865	4498	3378	197	4788
Feb 2016	4788	2614	1550	224	5628
Mar 2016	5628	3024	2486	209	5957
Apr 2016	5957	2190	1943	190	6014
May 2016	6014	2349	2735	174	5454

**CIB TO WORKTREE
TRANSITION PERIOD**

Retirees Monthly Age Breakdown MAY 1, 2015 - MAY 31, 2016

Service Retirement

MONTH	64 YRS. & UNDER	65 YRS & OVER	TOTAL ENROLLMENT
May 2015	104	71	175
Jun 2015	139	105	244
Jul 2015	147	115	262
Aug 2015	141	88	229
Sep 2015	96	78	174
Oct 2015	56	41	97
Nov 2015	64	60	124
Dec 2015	331	215	546
Jan 2016	80	68	148
Feb 2016	103	53	156
Mar 2016	332	240	572
Apr 2016	61	64	125
May 2016	91	94	185



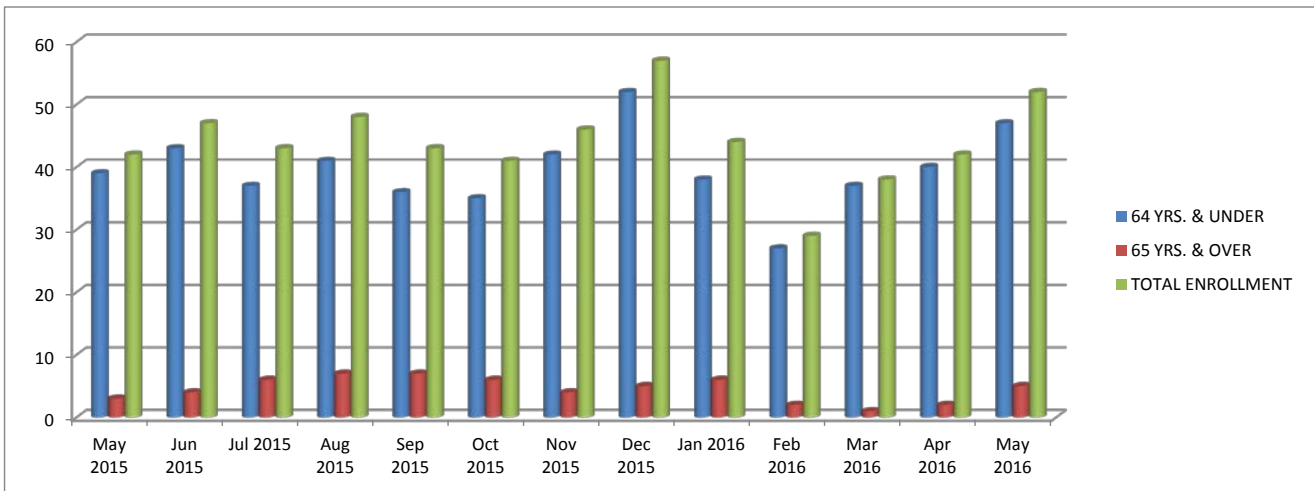
* Please Note: June's (6/2016) data is not yet available as data is provided on a full month basis.

* **Next Report will include the following dates: June 1, 2015 through 30, 2016.

Retirees Monthly Age Breakdown MAY 1, 2015 - MAY 31, 2016

Disability Retirement

MONTH	64 YRS. & UNDER	65 YRS. & OVER	TOTAL ENROLLMENT
May 2015	39	3	42
Jun 2015	43	4	47
Jul 2015	37	6	43
Aug 2015	41	7	48
Sep 2015	36	7	43
Oct 2015	35	6	41
Nov 2015	42	4	46
Dec 2015	52	5	57
Jan 2016	38	6	44
Feb 2016	27	2	29
Mar 2016	37	1	38
Apr 2016	40	2	42
May 2016	47	5	52



* Please Note: June's (6/2016) data is not yet available as data is provided on a **full month basis**.

* **Next Report will include the following dates: June 1, 2015 through June 30, 2016.

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 6/30/2016

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
ANTHEM BC III				
240	6,240	\$666,860.80	11	\$324.50
241	185	\$19,500.90	1	\$62.90
242	835	\$89,842.10	0	\$0.00
243	3,552	\$759,006.50	6	\$580.20
244	15	\$1,607.30	0	\$0.00
245	45	\$5,028.20	0	\$0.00
246	18	\$1,922.00	0	\$0.00
247	84	\$9,410.10	0	\$0.00
248	10	\$2,114.90	1	\$31.50
249	42	\$8,834.90	0	\$0.00
250	13	\$2,744.30	0	\$0.00
Plan Total:	11,039	\$1,566,872.00	19	\$999.10
CIGNA-HEALTHSPRING PREFERRED with RX				
321	23	\$2,446.50	0	\$0.00
322	7	\$734.30	0	\$0.00
324	15	\$3,163.90	0	\$0.00
327	3	\$104.90	0	\$0.00
329	2	\$663.20	0	\$0.00
Plan Total:	50	\$7,112.80	0	\$0.00
KAISER SR. ADVANTAGE				
403	9,550	\$1,023,798.60	7	\$235.30
413	1,720	\$186,614.90	0	\$0.00
418	4,763	\$1,022,174.70	4	\$233.80
419	242	\$25,483.20	0	\$0.00
426	200	\$21,246.90	0	\$0.00
427	166	\$16,130.70	0	\$0.00
445	2	\$209.80	0	\$0.00
451	28	\$3,075.90	0	\$0.00
457	11	\$2,324.70	0	\$0.00
462	54	\$5,698.40	0	\$0.00
465	15	\$1,065.90	0	\$0.00
466	24	\$5,069.00	0	\$0.00
472	32	\$3,373.70	0	\$0.00
476	5	\$575.20	0	\$0.00
478	12	\$2,517.60	0	\$0.00
482	73	\$7,776.00	1	\$12.20
486	10	\$1,082.80	0	\$0.00
488	43	\$9,258.00	0	\$0.00
492	1	\$104.90	0	\$0.00
493	1	\$104.90	0	\$0.00
Plan Total:	16,952	\$2,337,685.80	12	\$481.30

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 6/30/2016

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
SCAN				
611	262	\$27,750.70	0	\$0.00
613	97	\$20,658.30	0	\$0.00
Plan Total:	359	\$48,409.00	0	\$0.00
UNITED HEALTHCARE GROUP MEDICARE ADV. HMO				
701	1,482	\$160,428.70	1	\$36.50
702	327	\$35,833.90	0	\$0.00
703	797	\$171,121.40	1	\$10.50
704	66	\$7,278.30	0	\$0.00
705	23	\$5,150.00	0	\$0.00
Plan Total:	2,695	\$379,812.30	2	\$47.00
Grand Total:	31,095	\$ 4,339,891.90	33	\$1,527.40

Medicare Part B Reimbursement and Penalty Report

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245	45	\$5,028.20	0	\$0.00
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324	15	\$3,163.90	0	\$0.00
327	3	\$104.90	0	\$0.00
329	2	\$663.20	0	\$0.00
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482	73	\$7,776.00	1	\$12.20
486	10	\$1,082.80	0	\$0.00
488	43	\$9,258.00	0	\$0.00
492	1	\$104.90	0	\$0.00
493	1	\$104.90	0	\$0.00
Plan Total:	16,952	\$2,337,685.80	12	\$481.30

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 6/30/2016

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SCAN				
611	262	\$27,750.70	0	\$0.00
613	97	\$20,658.30	0	\$0.00
Plan Total:	359	\$48,409.00	0	\$0.00
UNITED HEALTHCARE GROUP MEDICARE ADV. HMO				
701	1,482	\$160,428.70	1	\$36.50
702	327	\$35,833.90	0	\$0.00
703	797	\$171,121.40	1	\$10.50
704	66	\$7,278.30	0	\$0.00
705	23	\$5,150.00	0	\$0.00
Plan Total:	2,695	\$379,812.30	2	\$47.00
LOCAL 1014				
804	163	\$20,501.00	0	\$0.00
805	176	\$21,570.20	0	\$0.00
806	556	\$125,030.70	0	\$0.00
807	35	\$4,565.80	0	\$0.00
808	9	\$1,922.00	0	\$0.00
812	208	\$22,999.30	0	\$0.00
Plan Total:	1,147	\$196,589.00	0	\$0.00
Grand Total:	32,242	\$4,536,480.90	33	\$1,527.40

Medical and Dental Vision Insurance Premiums July 2016

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Medical Plan							
Anthem Blue Cross Prudent Buyer Plan							
201	749	\$634,582.72	\$103,830.00	\$524,004.84	\$627,834.84	(\$6,951.08)	\$620,883.76
202	420	\$700,022.04	\$77,003.89	\$613,969.89	\$690,973.78	(\$1,655.82)	\$689,317.96
203	112	\$213,393.18	\$41,340.80	\$160,827.16	\$202,167.96	\$0.00	\$202,167.96
204	39	\$42,281.85	\$19,266.83	\$30,583.07	\$49,849.90	\$0.00	\$49,849.90
205	1	\$231.33	\$9.25	\$222.08	\$231.33	\$0.00	\$231.33
SUBTOTAL	1,321	\$1,590,511.12	\$241,450.77	\$1,329,607.04	\$1,571,057.81	(\$8,606.90)	\$1,562,450.91
Anthem Blue Cross I							
211	956	\$1,022,092.61	\$71,299.55	\$951,846.85	\$1,023,146.40	(\$5,313.95)	\$1,017,832.45
212	353	\$685,386.45	\$39,586.44	\$632,367.07	\$671,953.51	(\$5,750.55)	\$666,202.96
213	50	\$113,213.00	\$16,755.25	\$98,716.01	\$115,471.26	\$0.00	\$115,471.26
214	17	\$23,961.16	\$4,623.09	\$19,338.07	\$23,961.16	\$0.00	\$23,961.16
215	6	\$2,481.57	\$233.97	\$2,596.11	\$2,830.08	\$0.00	\$2,830.08
SUBTOTAL	1,382	\$1,847,134.79	\$132,498.30	\$1,704,864.11	\$1,837,362.41	(\$11,064.50)	\$1,826,297.91
Anthem Blue Cross II							
221	2,104	\$2,254,145.85	\$140,276.31	\$2,117,003.91	\$2,257,280.22	(\$7,439.53)	\$2,249,840.69
222	1,934	\$3,732,188.40	\$104,917.43	\$3,570,116.93	\$3,675,034.36	(\$3,833.70)	\$3,671,200.66
223	551	\$1,256,664.30	\$48,047.88	\$1,163,358.22	\$1,211,406.10	\$0.00	\$1,211,406.10
224	115	\$166,318.64	\$13,644.97	\$148,540.39	\$162,185.36	\$0.00	\$162,185.36
225	2	\$709.02	\$177.25	\$531.77	\$709.02	\$0.00	\$709.02
SUBTOTAL	4,706	\$7,410,026.21	\$307,063.84	\$6,999,551.22	\$7,306,615.06	(\$11,273.23)	\$7,295,341.83

Medical and Dental Vision Insurance Premiums July 2016

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Anthem Blue Cross III							
240	6,256	\$2,702,873.70	\$433,105.90	\$2,280,490.17	\$2,713,596.07	(\$9,066.12)	\$2,704,529.95
241	185	\$254,480.45	\$32,903.52	\$221,576.93	\$254,480.45	\$0.00	\$254,480.45
242	836	\$1,162,356.65	\$80,291.82	\$1,059,204.57	\$1,139,496.39	(\$2,745.14)	\$1,136,751.25
243	3,560	\$3,060,846.94	\$359,311.73	\$2,686,928.09	\$3,046,239.82	(\$5,124.84)	\$3,041,114.98
244	15	\$11,569.95	\$2,560.81	\$9,009.14	\$11,569.95	\$0.00	\$11,569.95
245	45	\$34,709.85	\$4,535.29	\$31,711.22	\$36,246.51	\$0.00	\$36,246.51
246	18	\$30,871.80	\$3,190.08	\$27,681.72	\$30,871.80	\$0.00	\$30,871.80
247	86	\$147,498.60	\$8,472.60	\$140,735.10	\$149,207.70	\$0.00	\$149,207.70
248	10	\$11,965.90	\$1,914.54	\$10,051.36	\$11,965.90	\$0.00	\$11,965.90
249	41	\$50,256.78	\$4,977.94	\$46,962.06	\$51,940.00	\$0.00	\$51,940.00
250	13	\$17,430.01	\$750.83	\$16,679.18	\$17,430.01	\$0.00	\$17,430.01
SUBTOTAL	11,065	\$7,484,860.63	\$932,015.06	\$6,531,029.54	\$7,463,044.60	(\$16,936.10)	\$7,446,108.50
CIGNA Network Model Plan							
301	374	\$499,698.75	\$119,353.86	\$380,290.95	\$499,644.81	(\$3,835.77)	\$495,809.04
302	176	\$425,557.56	\$93,421.64	\$325,113.40	\$418,535.04	(\$2,309.12)	\$416,225.92
303	26	\$76,626.00	\$19,159.41	\$48,952.59	\$68,112.00	\$0.00	\$68,112.00
304	24	\$42,423.36	\$17,625.36	\$26,495.94	\$44,121.30	\$0.00	\$44,121.30
SUBTOTAL	600	\$1,044,305.67	\$249,560.27	\$780,852.88	\$1,030,413.15	(\$6,144.89)	\$1,024,268.26

Medical and Dental Vision Insurance Premiums July 2016

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
CIGNA Healthspring Pref w/ Rx - Phoenix, AZ							
321	23	\$7,923.27	\$1,522.65	\$6,400.62	\$7,923.27	(\$334.90)	\$7,588.37
322	8	\$11,324.24	\$452.96	\$9,455.75	\$9,908.71	\$0.00	\$9,908.71
324	15	\$10,214.70	\$1,348.34	\$8,866.36	\$10,214.70	\$0.00	\$10,214.70
327	2	\$5,546.22	\$369.75	\$1,546.43	\$1,916.18	\$0.00	\$1,916.18
329	2	\$2,362.48	\$0.00	\$3,498.60	\$3,498.60	\$0.00	\$3,498.60
SUBTOTAL	50	\$37,370.91	\$3,693.70	\$29,767.76	\$33,461.46	(\$334.90)	\$33,126.56

Medical and Dental Vision Insurance Premiums July 2016

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Kaiser/Senior Advantage							
401	1,699	\$1,574,025.70	\$138,622.86	\$1,402,357.39	\$1,540,980.25	\$868.90	\$1,541,849.15
403	9,626	\$2,338,421.40	\$256,887.49	\$2,094,687.91	\$2,351,575.40	(\$7,036.14)	\$2,344,539.26
404	490	\$488,424.96	\$17,614.56	\$488,381.28	\$505,995.84	\$978.27	\$506,974.11
405	881	\$840,025.62	\$21,730.67	\$827,134.19	\$848,864.86	(\$2,670.45)	\$846,194.41
406	49	\$93,197.50	\$22,945.41	\$30,541.13	\$53,486.54	(\$3,222.38)	\$50,264.16
411	1,838	\$3,406,628.40	\$173,816.58	\$3,121,140.12	\$3,294,956.70	\$5,198.40	\$3,300,155.10
413	1,716	\$1,993,850.45	\$91,428.05	\$1,872,439.90	\$1,963,867.95	(\$1,103.50)	\$1,962,764.45
414	145	\$278,516.49	\$6,031.46	\$305,538.69	\$311,570.15	(\$1,842.14)	\$309,728.01
418	4,757	\$2,275,766.80	\$186,873.78	\$2,091,693.22	\$2,278,567.00	(\$4,033.20)	\$2,274,533.80
419	242	\$298,978.08	\$6,371.66	\$303,497.02	\$309,868.68	\$0.00	\$309,868.68
420	122	\$246,680.00	\$168.66	\$254,261.38	\$254,430.04	\$0.00	\$254,430.04
421	8	\$8,207.55	\$1,167.31	\$3,521.59	\$4,688.90	\$3,475.60	\$8,164.50
422	209	\$387,979.24	\$1,633.58	\$416,164.51	\$417,798.09	\$0.00	\$417,798.09
423	20	\$70,158.15	\$1,505.28	(\$20,923.17)	(\$19,417.89)	\$0.00	(\$19,417.89)
426	199	\$237,402.00	\$3,299.86	\$232,915.13	\$236,214.99	(\$1,124.75)	\$235,090.24
427	164	\$326,017.90	\$3,257.53	\$296,502.76	\$299,760.29	\$0.00	\$299,760.29
428	43	\$83,210.59	\$1,083.68	\$83,990.30	\$85,073.98	\$0.00	\$85,073.98
429	9	\$32,126.64	\$808.11	\$27.00	\$835.11	\$0.00	\$835.11
430	130	\$246,586.60	\$3,300.46	\$243,286.14	\$246,586.60	\$0.00	\$246,586.60
431	13	\$34,305.83	\$5,323.30	\$28,982.53	\$34,305.83	\$0.00	\$34,305.83
432	8	\$27,048.00	\$8,933.92	\$18,114.08	\$27,048.00	\$0.00	\$27,048.00
SUBTOTAL	22,368	\$15,287,557.90	\$952,804.21	\$14,094,253.10	\$15,047,057.31	(\$10,511.39)	\$15,036,545.92

Medical and Dental Vision Insurance Premiums July 2016

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Kaiser - Colorado							
450	5	\$5,313.05	\$1,105.11	\$4,207.94	\$5,313.05	\$0.00	\$5,313.05
451	28	\$9,608.48	\$1,138.71	\$8,809.93	\$9,948.64	\$0.00	\$9,948.64
453	2	\$4,698.66	\$858.96	\$3,839.70	\$4,698.66	\$0.00	\$4,698.66
454	1	\$3,171.92	\$907.66	\$2,264.26	\$3,171.92	\$0.00	\$3,171.92
457	11	\$7,461.52	\$1,302.37	\$6,159.15	\$7,461.52	\$0.00	\$7,461.52
SUBTOTAL	47	\$30,253.63	\$5,312.81	\$25,280.98	\$30,593.79	\$0.00	\$30,593.79
Kaiser - Georgia							
440	1	\$1,164.41	\$98.62	\$1,065.79	\$1,164.41	\$0.00	\$1,164.41
441	2	\$2,328.82	\$197.24	\$2,131.58	\$2,328.82	\$0.00	\$2,328.82
442	4	\$4,657.64	\$394.48	\$4,263.16	\$4,657.64	\$0.00	\$4,657.64
445	2	\$3,129.34	\$0.00	\$3,129.34	\$3,129.34	\$0.00	\$3,129.34
461	18	\$20,959.38	\$4,426.27	\$15,368.70	\$19,794.97	\$0.00	\$19,794.97
462	55	\$22,454.30	\$3,486.53	\$18,967.77	\$22,454.30	\$0.00	\$22,454.30
463	6	\$13,924.98	\$3,365.80	\$10,559.18	\$13,924.98	\$0.00	\$13,924.98
465	14	\$23,470.05	\$2,503.47	\$18,010.13	\$20,513.60	\$0.00	\$20,513.60
466	24	\$19,404.48	\$905.54	\$18,498.94	\$19,404.48	\$0.00	\$19,404.48
SUBTOTAL	126	\$111,493.40	\$15,377.95	\$91,994.59	\$107,372.54	\$0.00	\$107,372.54

Medical and Dental Vision Insurance Premiums July 2016

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Kaiser - Hawaii							
471	6	\$6,019.20	\$1,123.58	\$4,895.62	\$6,019.20	\$0.00	\$6,019.20
472	32	\$12,103.04	\$2,012.12	\$10,090.92	\$12,103.04	\$0.00	\$12,103.04
473	2	\$2,992.72	\$989.03	\$2,003.69	\$2,992.72	\$0.00	\$2,992.72
474	3	\$5,995.20	\$1,157.18	\$4,838.02	\$5,995.20	\$0.00	\$5,995.20
476	5	\$6,867.10	\$2,582.03	\$4,285.07	\$6,867.10	\$0.00	\$6,867.10
478	12	\$8,981.28	\$568.81	\$8,412.47	\$8,981.28	\$0.00	\$8,981.28
SUBTOTAL	60	\$42,958.54	\$8,432.75	\$34,525.79	\$42,958.54	\$0.00	\$42,958.54
Kaiser - Oregon							
481	8	\$8,714.48	\$1,978.68	\$6,735.80	\$8,714.48	\$0.00	\$8,714.48
482	73	\$33,244.93	\$4,435.70	\$28,809.23	\$33,244.93	\$0.00	\$33,244.93
484	4	\$8,682.48	\$905.90	\$5,605.96	\$6,511.86	\$0.00	\$6,511.86
485	0	\$3,251.93	(\$978.73)	(\$2,261.26)	(\$3,239.99)	\$0.00	(\$3,239.99)
486	10	\$15,367.20	\$1,106.44	\$14,260.76	\$15,367.20	\$0.00	\$15,367.20
488	43	\$38,821.26	\$5,453.05	\$33,368.21	\$38,821.26	(\$890.60)	\$37,930.66
489	1	\$991.06	\$0.00	\$991.06	\$991.06	\$0.00	\$991.06
492	1	\$1,603.48	\$320.70	\$1,282.78	\$1,603.48	\$0.00	\$1,603.48
493	1	\$2,618.03	\$353.77	\$2,264.26	\$2,618.03	\$0.00	\$2,618.03
495	2	\$4,608.28	\$768.58	\$3,839.70	\$4,608.28	\$0.00	\$4,608.28
SUBTOTAL	143	\$117,903.13	\$14,344.09	\$94,896.50	\$109,240.59	(\$890.60)	\$108,349.99
SCAN Health Plan							
611	262	\$81,048.00	\$17,208.98	\$63,907.02	\$81,116.00	(\$36.40)	\$81,079.60
613	97	\$58,782.00	\$11,906.00	\$47,553.00	\$59,459.00	\$0.00	\$59,459.00
SUBTOTAL	359	\$139,830.00	\$29,114.98	\$111,460.02	\$140,575.00	(\$36.40)	\$140,538.60

Medical and Dental Vision Insurance Premiums July 2016

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
UHC Medicare Adv.							
701	1,485	\$495,211.62	\$62,109.46	\$426,474.66	\$488,584.12	(\$628.24)	\$487,955.88
702	324	\$440,733.12	\$27,196.99	\$405,226.41	\$432,423.40	\$0.00	\$432,423.40
703	797	\$524,413.68	\$55,151.44	\$470,191.36	\$525,342.80	\$0.00	\$525,342.80
704	68	\$103,749.78	\$4,841.62	\$92,984.47	\$97,826.09	\$0.00	\$97,826.09
705	23	\$19,072.98	\$1,028.28	\$18,829.40	\$19,857.68	\$0.00	\$19,857.68
SUBTOTAL	2,697	\$1,583,181.18	\$150,327.79	\$1,413,706.30	\$1,564,034.09	(\$628.24)	\$1,563,405.85
United Healthcare							
707	416	\$424,928.68	\$47,271.59	\$369,536.88	\$416,808.47	\$942.25	\$417,750.72
708	366	\$683,453.28	\$25,586.83	\$625,608.07	\$651,194.90	\$0.00	\$651,194.90
709	235	\$514,005.64	\$37,417.85	\$478,491.72	\$515,909.57	\$2,040.96	\$517,950.53
SUBTOTAL	1,017	\$1,622,387.60	\$110,276.27	\$1,473,636.67	\$1,583,912.94	\$2,983.21	\$1,586,896.15

Medical and Dental Vision Insurance Premiums July 2016

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Local 1014 Firefighters							
801	42	\$43,428.00	\$1,675.08	\$51,643.82	\$53,318.90	\$0.00	\$53,318.90
802	269	\$501,518.22	\$13,162.54	\$541,857.98	\$555,020.52	(\$1,783.41)	\$553,237.11
803	230	\$505,816.00	\$15,174.48	\$594,983.64	\$610,158.12	\$0.00	\$610,158.12
804	163	\$168,542.00	\$10,464.08	\$158,077.92	\$168,542.00	(\$22,479.18)	\$146,062.82
805	176	\$328,130.88	\$9,806.65	\$327,169.94	\$336,976.59	(\$21,570.20)	\$315,406.39
806	558	\$1,040,324.04	\$36,504.61	\$1,000,877.07	\$1,037,381.68	(\$128,597.52)	\$908,784.16
807	35	\$76,972.00	\$703.74	\$76,268.26	\$76,972.00	(\$4,565.80)	\$72,406.20
808	9	\$19,792.80	\$175.94	\$19,616.86	\$19,792.80	(\$1,922.00)	\$17,870.80
809	22	\$22,748.00	\$2,647.04	\$21,090.05	\$23,737.09	\$0.00	\$23,737.09
810	4	\$7,457.52	\$1,528.79	\$5,928.73	\$7,457.52	\$0.00	\$7,457.52
811	5	\$10,996.00	\$0.00	\$10,996.00	\$10,996.00	\$0.00	\$10,996.00
812	208	\$215,072.00	\$19,997.56	\$199,525.35	\$219,522.91	(\$21,515.67)	\$198,007.24
SUBTOTAL	1,721	\$2,940,797.46	\$111,840.51	\$3,008,035.62	\$3,119,876.13	(\$202,433.78)	\$2,917,442.35
Medical Plan Total	47,662	\$41,290,572.17	\$3,264,113.30	\$37,723,462.12	\$40,987,575.42	(\$265,877.72)	\$40,721,697.70

Medical and Dental Vision Insurance Premiums July 2016

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<u>Dental/Vision Plan</u>							
CIGNA Indemnity Dental/Vision							
501	22,474	\$1,149,453.53	\$137,139.65	\$1,019,882.90	\$1,157,022.55	(\$2,998.30)	\$1,154,024.25
502	20,788	\$2,211,704.32	\$179,467.93	\$2,032,861.35	\$2,212,329.28	(\$2,939.65)	\$2,209,389.63
503	14	\$942.60	\$149.56	\$672.30	\$821.86	\$231.60	\$1,053.46
SUBTOTAL	43,276	\$3,362,100.45	\$316,757.14	\$3,053,416.55	\$3,370,173.69	(\$5,706.35)	\$3,364,467.34
CIGNA Dental HMO/Vision							
901	3,158	\$145,943.37	\$19,824.25	\$126,735.85	\$146,560.10	(\$253.48)	\$146,306.62
902	2,237	\$210,560.00	\$19,936.98	\$191,502.70	\$211,439.68	\$89.39	\$211,529.07
903	4	\$187.00	\$28.05	\$158.95	\$187.00	\$0.00	\$187.00
SUBTOTAL	5,399	\$356,690.37	\$39,789.28	\$318,397.50	\$358,186.78	(\$164.09)	\$358,022.69
Dental/Vision Plan Total	48,675	\$3,718,790.82	\$356,546.42	\$3,371,814.05	\$3,728,360.47	(\$5,870.44)	\$3,722,490.03
GRAND TOTALS	96,337	\$45,009,362.99	\$3,620,659.72	\$41,095,276.17	\$44,715,935.89	(\$271,748.16)	\$44,444,187.73

CARRIER DEDUCTION PREMIUMS*	CODES	DEDUCTION CODE DEFINITIONS
<u>Anthem Blue Cross Prudent Buyer Plan</u>		
\$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
<u>Anthem Blue Cross Plan I</u>		
\$904.25	211	Retiree Only
\$1,630.31	212	Retiree and Spouse/Domestic Partner
\$1,923.10	213	Retiree, Spouse/Domestic Partner and Children
\$1,196.44	214	Retiree and Children
\$299.58	215	Survivor Children Only Rates
<u>Anthem Blue Cross Plan II</u>		
\$904.25	221	Retiree Only
\$1,630.31	222	Retiree and Spouse/Domestic Partner
\$1,923.10	223	Retiree, Spouse/Domestic Partner and Children
\$1,196.44	224	Retiree and Children
\$299.58	225	Survivor Children Only Rates
<u>Anthem Blue Cross Plan III</u>		
\$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
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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
<u>Kaiser (continued)</u>		
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")
<u>Kaiser Colorado</u>		
\$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")
<u>Kaiser Georgia</u>		
\$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
<u>Kaiser Georgia (continued)</u>		
\$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")
<u>Kaiser Hawaii</u>		
\$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)
<u>Kaiser Oregon</u>		
\$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
<u>Kaiser Oregon (continued)</u>		
\$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
<u>SCAN Health Plan</u>		
\$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.)
<u>United Healthcare Medicare Advantage (UHCMA)</u>		
(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
<u>United Healthcare (UHC)</u>		
(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
<u>Local 1014 Firefighters</u>		
\$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
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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

\$46.55	501	Retiree Only
\$99.61	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



FOR INFORMATION ONLY

June 28, 2016

TO: Each Member
Insurance, Benefits & Legislative Committee

FROM: Cassandra Smith, Director
Retiree Healthcare Division

FOR: July 14, 2016 Insurance, Benefits & Legislative Committee Meeting

SUBJECT: **Anthem Blue Cross Plan 2012-2013 Medicare Part D Retiree Drug
Subsidiary (RDS) Resubmission**

EXECUTIVE SUMMARY

Milliman's analysis of claims for Anthem Blue Cross Plan I, II, III and Prudent Buyer plans determined that LACERA may be entitled to additional estimated subsidies amount of \$697,789 for the 2012-2013 plan year.

Staff submitted the re-open request for 2012-2013 to CMS on April 26, 2016. On April 29, 2016, LACERA received an email notification from CMS approving our reopen request.

Anthem determined and Milliman confirmed that an additional subsidy of \$697,789 over the actual subsidy of \$9,290,220 was due to LACERA. Staff, Anthem, and Milliman are in the process of completing the required steps of the RDS Reconciliation process by the August 31, 2016 deadline, and anticipate that CMS will transfer the funds for the additional subsidy amount within 30 days.

BACKGROUND

Staff informed your board in December, 2015 that Milliman completed their audit of the Anthem Blue Cross 2012-2013 RDS Program, estimating that LACERA may be entitled to an additional subsidy of approximately \$697,789. As a result, Milliman recommended resubmission of the RDS cost reporting and covered retiree list for all four plans in the program managed by Anthem between July 1, 2012 and June 30, 2013 for the plan year ending June 30, 2013.

LACERA, Anthem, and Milliman are in the process of completing the steps needed to complete the 2012-2013 resubmission by the given deadline. Upon completion, Anthem shall submit the new RDS Cost Reporting and new Cover Retiree List (CRL) to CMS.

CONCLUSION

Milliman's analysis of claims for Anthem Blue Cross Plan I, II, III and Prudent Buyer plans determined that LACERA may be entitled to additional estimated subsidies amount of \$697,789 for the 2012-2013 plan year.

The reopening request was sent by LACERA to CMS on April 26, 2016. The request was approved on April 29, 2016.

Anthem determined and Milliman confirmed that an additional subsidy of \$697,789 over the initial subsidy of \$9,290,220 was due to LACERA. The team is currently in the process of completing the final step of the RDS Reconciliation process and anticipates that CMS will transfer the funds for the additional subsidy amount within 30 days of receipt of the required supporting documentation.

CS:jb

Attachment

Reviewed and Approved



Gregg Rademacher
Chief Executive Officer



4370 La Jolla Village Drive
Suite 700
San Diego, CA 92122

Tel (858) 558-8400
Fax (858) 597-0111
www.milliman.com

October 26, 2015

Cassandra Smith, Retiree Healthcare Director
LACERA Retiree Healthcare Division
300 North Lake Avenue, Suite 840
Pasadena, California 91101

Re: LACERA 2012-2013 Medicare Part D Retiree Drug Subsidy Audit

Dear Cassandra:

Los Angeles County Employees Retirement Association (LACERA) retained Milliman, Inc. (Milliman) to audit LACERA's Retiree Drug Subsidy (RDS) program managed by Anthem Blue Cross (Anthem) for claims incurred between July 1, 2012 and June 30, 2013. The claims include CVS Caremark (Caremark) mail order and specialty claims. The following provides an overview of our RDS audit and reconciliation process.

Scope of Services

Milliman provided audit services to validate if:

- The reported costs included costs from all eligible Medicare participants enrolled in LACERA's Anthem Plans including Plan I, Plan II, Plan III, and the Prudent Buyer Plan.
- The reported prescription drugs included all prescription drugs eligible for coverage under the Medicare Part D.
- The subsidy amounts were calculated in accordance with the Centers for Medicare and Medicaid Services (CMS) guidelines and requirements.

Summary of Audit Results

We estimate that LACERA may be entitled to an additional subsidy of approximately \$697,789. Based on the results of this report, we recommend a resubmission of the RDS cost reporting and covered retiree lists for all four plans in the program managed by Anthem between July 1, 2012 and June 30, 2013.



**Table 1: Retiree Drug Subsidy (RDS) Resubmission
July 1, 2012 to June 30, 2013
Los Angeles County Employees Retirement Association (LACERA)**

	<u>Gross Retiree Cost (GRC) (2)</u>	<u>Threshold Reduction (THR)</u>	<u>Limit Reduction (LR)</u>	<u>Gross Eligible (GE) = GRC - (THR + LR)</u>	<u>Actual Cost Adjustment (ACA) (3)</u>	<u>Allowable Retiree Cost (ARC) = GE - ACA</u>	<u>Subsidy Amount (SA) = ARC x 0.28 (4)</u>
Milliman Estimation (1)							
Plan I	\$5,087,577	\$497,371	\$1,075,804	\$3,514,402	\$291,428	\$3,222,973	\$898,622
Plan II	\$10,875,811	\$891,803	\$3,343,470	\$6,640,538	\$550,660	\$6,089,878	\$1,697,964
Plan III	\$39,575,283	\$3,682,993	\$9,466,733	\$26,425,558	\$2,191,313	\$24,234,245	\$6,754,626
Prudent Buyer	\$3,173,225	\$360,246	\$528,125	\$2,284,854	\$0	\$2,284,854	\$636,797
Total	\$58,711,897	\$5,432,413	\$14,414,133	\$38,865,351	\$3,033,401	\$35,831,950	\$9,988,010
Anthem Cost Reports							
Plan I	\$4,459,772	\$456,876	\$831,106	\$3,171,790	\$263,018	\$2,908,772	\$810,930
Plan II	\$8,451,797	\$694,787	\$2,643,675	\$5,113,335	\$424,018	\$4,689,317	\$1,307,157
Plan III	\$37,481,620	\$3,566,893	\$8,789,928	\$25,124,799	\$2,083,447	\$23,041,351	\$6,421,422
Prudent Buyer	\$4,065,906	\$330,615	\$1,040,106	\$2,695,186	\$0	\$2,695,186	\$750,711
Total	\$54,459,096	\$5,049,171	\$13,304,816	\$36,105,110	\$2,770,483	\$33,334,627	\$9,290,220
Difference (5)	\$4,252,801	\$383,242	\$1,109,317	\$2,760,241	\$262,918	\$2,497,324	\$697,789
Percentage Difference (5)	7.8%	7.6%	8.3%	7.6%		7.5%	7.5%

- (1) Plan I, Plan II, and Plan III includes only claims provided by Caremark from members on the Modified CRL. These claims contain both Caremark data and Anthem retail data. Prudent Buyer Plan only includes Anthem claims provided by Anthem.
- (2) Includes Medicare B vs. D adjustment of 0.3% per Option 6 of CMS' Part B vs. D guidance.
- (3) Rebate reduction of 8.2924% was applied to Plan I, Plan II, and Plan III.
- (4) A subsidy of 28% is applied for all months. Mandatory Payment Reduction ("Sequestration") of 2% was applied for April 2013 and beyond.
- (5) Positive values in the Subsidy Amount represent possible payment due from CMS to LACERA.

Table 1 above details how the potential additional subsidy was calculated. Our estimation includes Caremark and Anthem eligible claims provided by Caremark for Plan I, Plan II, and Plan III and Anthem eligible claims provided by Anthem for Prudent Buyer from all eligible members. Milliman estimated a subsidy amount of \$9,988,010 compared to Anthem's Cost Reports with a subsidy amount of \$9,290,220.

There were two major contributors to the difference between Anthem's Cost Reports and our calculations:

1. Additional members who may have been eligible for RDS subsidy and other eligibility discrepancies

We identified 1,176 members with claims that may be eligible for an RDS subsidy, but are not on the Covered Retiree List (CRL). These members may be eligible for Medicare. Additional research is needed to verify the Medicare eligibility of these members. The RDS subsidy associated with these members would be \$601,213. See Table 2 in the Appendix for the details on the RDS subsidy calculation for these potential members. We also observed issues with member identification numbers on the claims data, which could explain additional discrepancies between Milliman and Anthem's calculation.

2. Additional drugs eligible for subsidy

Anthem provided the drugs excluded for subsidy for 2012 and 2013. We made the subsidy eligible flag determination, on all claims, using the CMS Formulary Reference File from 2013, and Medi-Span drug classifications to determine the subsidy eligible flag.

Description of RDS Amounts

According to CMS, seven amounts need to be included in the RDS calculation:

- Gross Retiree Costs (GRC) = the drug ingredient costs plus dispensing fees, whether paid for by a plan or retiree, or a combination (e.g., copay and plan reimbursement). The GRC was adjusted by 0.3% for all plans per Option 6, “Targeted Retiree-Specific Methodology,” of CMS’ Part B vs. D guidance¹.
- Threshold Reduction (THR) = the amount below the federally defined cost threshold is not eligible for the subsidy; therefore, Plan Sponsors must reduce the amount of GRC by amounts below the cost threshold. The cost threshold during the period of this audit is \$325.
- Limit Reduction (LR) = the amount in excess of the federally defined cost limit is not eligible for the subsidy; therefore, Plan Sponsors must reduce the amount of GRC by amounts above the cost threshold. The cost limit during the period of this audit is \$6,600.
- Gross Eligible (GE) = $GRC - (THR + LR)$
- Actual Cost Adjustment (ACA) = $GE \times ACA$ from LACERA. An ACA of 8.2924% was applied to the GE amount for a rebate reduction for Plan I, Plan II, and Plan III.
- Allowable Retiree Cost (ARC) = $GE - ACA$
- Subsidy Amount (SA) = $ARC \times 0.28$. A mandatory 2% payment reduction (“sequestration”) was applied to all plan months April 2013 and beyond.

Data Used for RDS Estimates

We used the following data in calculating our estimates:

- Member Eligibility: LACERA provided a complete member eligibility file
- The Covered Retiree List (CRL) Milliman downloaded from the RDS Secure Website. Anthem also provided the Anthem Completed CRL that included additional details not included in the RDS Secure Website CRL.
- Prescription Drug Eligibility: Milliman developed a list of prescription drugs (Part D drug list) eligible for coverage under the Medicare Part D program as defined in the Medicare Prescription Drug Benefit Manual: Chapter 6 – Part D Drugs and Formulary Requirements (<http://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Chapter6.pdf>) and CMS Formulary Reference File from 2013 (http://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/RxContracting_FormularyGuidance.html).

¹ Centers for Medicare & Medicaid Services (CMS). *How To Extract Certain Medicare Part B Costs From RDS Payment Requests - Updated 7/23/2007 (corrected)*.

- Prescription Drug Claims Experience provided by Caremark for Plan I, Plan II, and Plan III for the period July 1, 2012 to June 30, 2013. These claims include both Caremark and Anthem claims.
- Prescription Drug Claims Experience provided by Anthem for Prudent Buyer for the period July 1, 2012 to June 30, 2013. These claims only include Anthem claims.
- ACA from LACERA for Plan I, Plan II, and Plan III.
- Cost data downloaded from the RDS Secure Website.

Audit Process

The audit included a review of the following elements:

1. *Member Eligibility* - The purpose of the member eligibility testing was to determine whether reported costs were incurred by eligible Medicare participants and if all eligible Medicare participants were included. All members were examined to determine the following:
 - The participant was potentially Medicare eligible and had Medicare eligible claims.
2. *Prescription Drug Eligibility* - The purpose of the drug eligibility testing was to determine whether the prescription drugs incurred by all members were eligible for coverage under the Medicare Part D program for the reporting year.
3. *Cost Reporting Spreadsheet* - The purpose of the cost reporting testing was to determine whether the subsidy amounts were calculated in accordance with the CMS guidelines and requirements.

Key Data Processing Steps

Our processing of the data files included a variety of steps. The key steps were:

1. *Data Preparation Steps*
 - a. Submitted data requests to Anthem, Caremark, and LACERA.
 - b. Loaded prescription drug claims, Anthem completed CRL
2. *Member Eligibility Verification Steps*
 - a. Compared LACERA claims against the Anthem Completed CRL table.
 - b. Compared unique members identified in the LACERA claims as age 65 or older to the Anthem Completed CRL.
 - c. We created a Modified CRL. We included all members from LACERA's claims with Medicare eligible claims. We excluded members from LACERA's claims that were previously rejected on the response files.
3. *Prescription Drug Eligibility Verification Steps*
 - a. Anthem provided two exclusion lists for 2012 and 2013. We applied these exclusions to the Caremark claims for Plan I, Plan II, and Plan III for claims with the same NDC and same year.
 - b. We compared Anthem's exclusions to our Part D drug list. The Part D drug list was developed using guidance from Medicare Prescription Drug Benefit Manual: Chapter 6 –

Part D Drugs and Formulary Requirements and CMS Formulary Reference Files from 2013. We included all drugs from the previous steps on our cost reporting spreadsheet.

4. *Cost Reporting Spreadsheet Calculation Steps*

- a. Produced our own independent cost reports based on the Modified CRL, Part D Drug list, and the claims data that we received from Anthem and Caremark. The cost reports can be found in Table 1.
- b. Compared our own independent cost reports to Anthem's cost reports submitted to CMS. This report estimates that LACERA could be entitled to an additional retiree drug subsidy.

Limitations

In our analysis, we relied on the data provided by Anthem, Caremark, LACERA, and other sources to produce the cost report estimates. Other than as described in this report, we have not independently verified this data or other information. If the data is inaccurate or incomplete, our results may be inaccurate. Please review our results carefully and let me know if you see anything that concerns you.

The information included in this report was developed under the terms of the Consulting Services Agreement between LACERA and Milliman, signed September 26, 2013.

Milliman's work product was prepared exclusively for the Los Angeles County Employees Retirement Association (LACERA) for a specific and limited purpose. It is a complex technical analysis that assumes a high level of knowledge concerning the plan's operations, and uses LACERA data. This report may not be distributed to third parties without Milliman's prior written consent. No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

We appreciate the opportunity to work with LACERA on this audit. If you have any questions concerning this letter, please call me at (858) 202-5017.

Sincerely,



Brian N. Anderson, MBA
Consultant

cc: Leilani Ignacio, LACERA
Richard Bendall, LACERA
Rebekah Bayram, Milliman
Patrick Cambel, Milliman
Angela Reed, Milliman

Appendix 2

**Table 2: Initial Review and Audit
July 1, 2012 to June 30, 2013 Retiree Drug Subsidy (RDS) Summary Report
Los Angeles County Employees Retirement Association (LACERA)
Potential Additional Members Not Found on CRL**

	<u>Additional</u> <u>Members (1)</u>	<u>Gross</u> <u>Retiree</u> <u>Cost</u> <u>(GRC) (2)</u>	<u>Threshold</u> <u>Reduction</u> <u>(THR)</u>	<u>Limit</u> <u>Reduction</u> <u>(LR)</u>	<u>Gross Eligible</u> <u>(GE) = GRC -</u> <u>(THR + LR)</u>	<u>Actual Cost</u> <u>Adjustment</u> <u>(ACA) (3)</u>	<u>Allowable</u> <u>Retiree Cost</u> <u>(ARC)</u> <u>= GE - ACA</u>	<u>Subsidy</u> <u>Amount (SA) =</u> <u>ARC x 0.28</u>
Additional Findings								
Members Not Found on CRL								
Plan I, II, III	1,015	\$3,301,069	\$286,937	\$935,205	\$2,078,927	\$172,393	\$1,906,534	\$531,682
Prudent Buyer	161	\$352,180	\$43,874	\$58,820	\$249,485	\$0	\$249,485	\$69,531
Total	1,176	\$3,653,248	\$330,811	\$994,026	\$2,328,411	\$172,393	\$2,156,019	\$601,213

- (1) Potentially eligible members not found on Anthem's CRL with eligible claims from Anthem and/or Caremark.
 (2) Includes Medicare B vs. D adjustment of 0.3% per Option 6 of CMS' Part B vs. D guidance.
 (3) Rebate reduction of 8.2924% was applied to Plan I, Plan II, and Plan III.

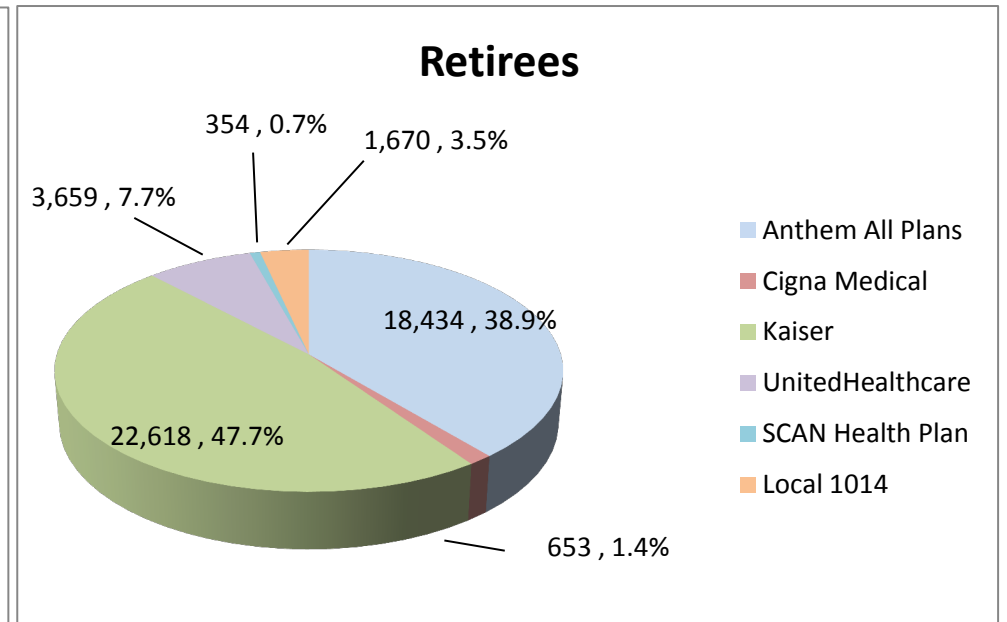
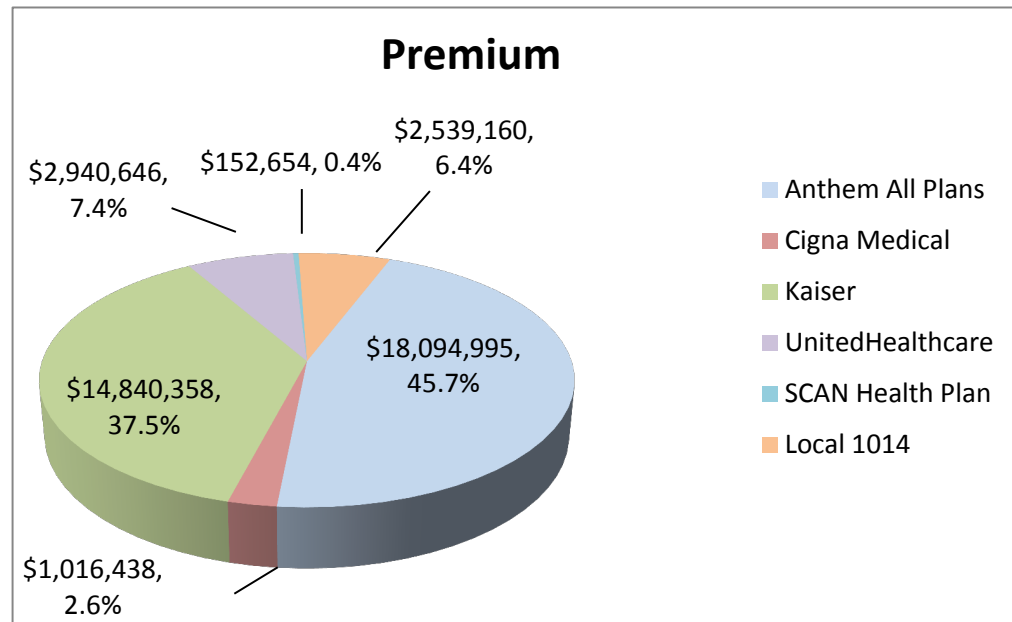
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Premium and Enrollment

May 2016 Coverage Month

Carrier / Plan	Monthly Premium	Percent of Total	Retirees	Percent of Total
Anthem All Plans	\$18,094,995	45.7%	18,434	38.9%
Cigna Medical	\$1,016,438	2.6%	653	1.4%
Kaiser	\$14,840,358	37.5%	22,618	47.7%
UnitedHealthcare	\$2,940,646	7.4%	3,659	7.7%
SCAN Health Plan	\$152,654	0.4%	354	0.7%
Local 1014	\$2,539,160	6.4%	1,670	3.5%
Combined Medical	\$39,584,252	100.0%	47,388	100.0%

Cigna Dental & Vision	\$3,443,682	48,490
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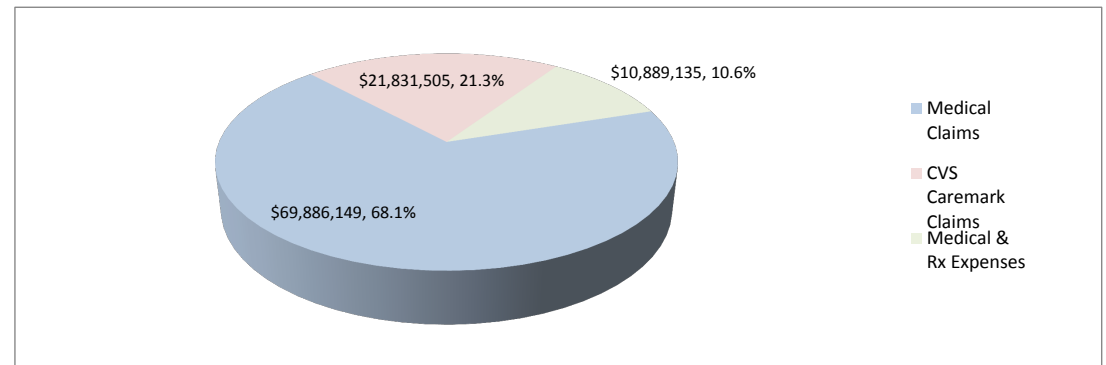
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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	6,115	\$9,119,484	\$5,278,304	\$1,825,634	\$7,103,938	\$1,161.72	77.9%	\$989,661	\$8,093,599	88.8%
Dec-15	6,108	\$9,128,572	\$6,385,606	\$1,865,532	\$8,251,138	\$1,350.87	90.4%	\$988,490	\$9,239,628	101.2%
Jan-16	6,103	\$9,117,643	\$7,139,839	\$1,987,884	\$9,127,723	\$1,495.61	100.1%	\$987,711	\$10,115,434	110.9%
Feb-16	6,087	\$9,068,718	\$4,889,973	\$1,920,447	\$6,810,420	\$1,118.85	75.1%	\$985,077	\$7,795,497	86.0%
Mar-16	6,095	\$9,080,791	\$7,545,117	\$2,117,864	\$9,662,980	\$1,585.39	106.4%	\$986,351	\$10,649,331	117.3%
Apr-16	6,090	\$9,094,936	\$7,121,172	\$2,047,363	\$9,168,535	\$1,505.51	100.8%	\$985,464	\$10,153,999	111.6%
May-16	6,124	\$9,144,216	\$6,411,264	\$2,208,273	\$8,619,538	\$1,407.50	94.3%	\$990,852	\$9,610,389	105.1%
Jun-16										
YTD Plan Year	67,282	\$100,380,819	\$69,886,149	\$21,831,505	\$91,717,653	\$1,363.18	91.4%	\$10,889,135	\$102,606,788	102.2%
11 Month Average	6,117	\$9,125,529	\$6,353,286	\$1,984,682	\$8,337,968	\$1,363.18	91.4%	\$989,921	\$9,327,890	102.2%
12 Month Rollup	73,452	\$108,348,358	\$75,916,323	\$23,836,709	\$99,753,033	\$1,358.07	92.1%	\$11,523,942	\$111,276,975	102.7%

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

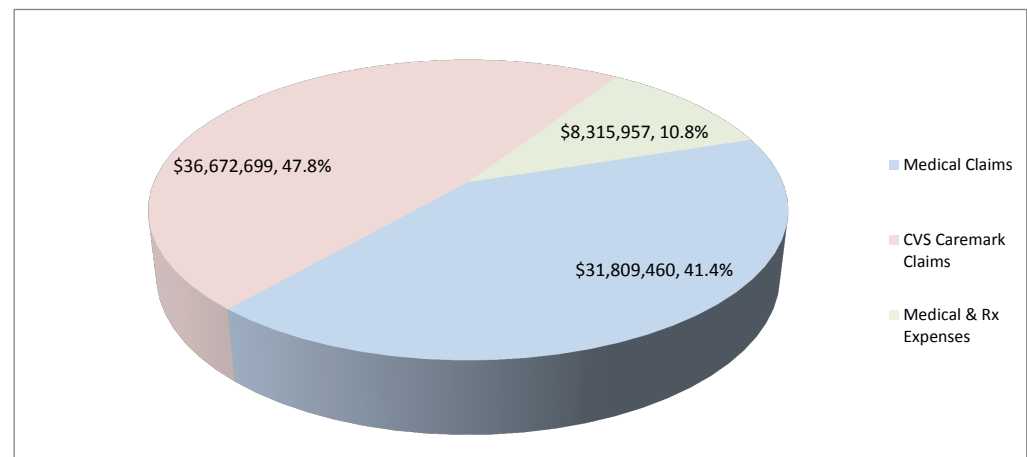
Anthem Plan III

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	10,885	\$7,297,436	\$2,730,333	\$3,159,912	\$5,890,245	\$541.13	80.7%	\$756,287	\$6,646,532	91.1%
Dec-15	10,885	\$7,265,650	\$2,828,255	\$3,287,954	\$6,116,209	\$561.89	84.2%	\$756,287	\$6,872,495	94.6%
Jan-16	10,916	\$7,317,893	\$3,047,641	\$3,306,747	\$6,354,388	\$582.12	86.8%	\$758,441	\$7,112,828	97.2%
Feb-16	10,912	\$7,308,221	\$3,172,574	\$3,374,092	\$6,546,667	\$599.95	89.6%	\$758,163	\$7,304,829	100.0%
Mar-16	10,919	\$7,298,060	\$3,376,843	\$3,474,444	\$6,851,287	\$627.46	93.9%	\$758,649	\$7,609,936	104.3%
Apr-16	10,932	\$7,333,969	\$2,777,452	\$3,296,399	\$6,073,851	\$555.60	82.8%	\$759,552	\$6,833,404	93.2%
May-16	10,971	\$7,368,514	\$2,842,154	\$3,675,730	\$6,517,884	\$594.10	88.5%	\$762,262	\$7,280,146	98.8%
Jun-16										

YTD Plan Year	119,689	\$80,220,379	\$31,809,460	\$36,672,699	\$68,482,159	\$572.17	85.4%	\$8,315,957	\$76,798,116	95.7%
11 Month Average	10,881	\$7,292,762	\$2,891,769	\$3,333,882	\$6,225,651	\$572.17	85.4%	\$755,996	\$6,981,647	95.7%
12 Month Rollup	130,423	\$86,463,498	\$34,572,159	\$40,015,870	\$74,588,030	\$571.89	86.3%	\$8,962,161	\$83,550,191	96.6%

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

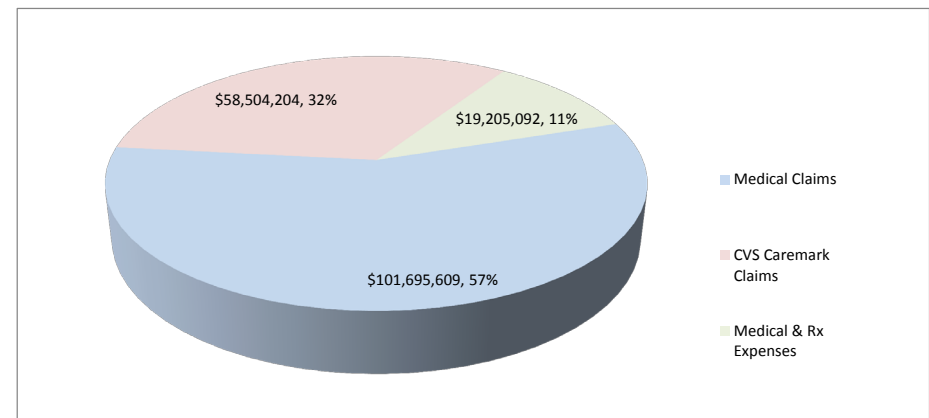
Anthem Plan I, II, and III

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	17,000	\$16,416,920	\$8,008,636	\$4,985,547	\$12,994,183	\$764.36	79.2%	\$1,745,948	\$14,740,131	89.8%
Dec-15	16,993	\$16,394,222	\$9,213,861	\$5,153,485	\$14,367,346	\$845.49	87.6%	\$1,744,777	\$16,112,123	98.3%
Jan-16	17,019	\$16,435,536	\$10,187,480	\$5,294,631	\$15,482,111	\$909.70	94.2%	\$1,746,151	\$17,228,262	104.8%
Feb-16	16,999	\$16,376,939	\$8,062,547	\$5,294,540	\$13,357,087	\$785.76	81.6%	\$1,743,239	\$15,100,326	92.2%
Mar-16	17,014	\$16,378,851	\$10,921,960	\$5,592,307	\$16,514,267	\$970.63	100.8%	\$1,745,000	\$18,259,267	111.5%
Apr-16	17,022	\$16,428,905	\$9,898,624	\$5,343,762	\$15,242,387	\$895.45	92.8%	\$1,745,016	\$16,987,403	103.4%
May-16	17,095	\$16,512,730	\$9,253,419	\$5,884,003	\$15,137,422	\$885.49	91.7%	\$1,753,114	\$16,890,535	102.3%
Jun-16										

YTD Plan Year	186,971	\$180,601,197	\$101,695,609	\$58,504,204	\$160,199,812	\$856.82	88.7%	\$19,205,092	\$179,404,904	99.3%
11' Month Average	16,997	\$16,418,291	\$9,245,055	\$5,318,564	\$14,563,619	\$856.82	88.7%	\$1,745,917	\$16,309,537	99.3%
12 Month Rollup	203,875	\$194,811,856	\$110,488,482	\$63,852,580	\$174,341,062	\$855.14	89.5%	\$20,486,103	\$194,827,165	100.0%

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

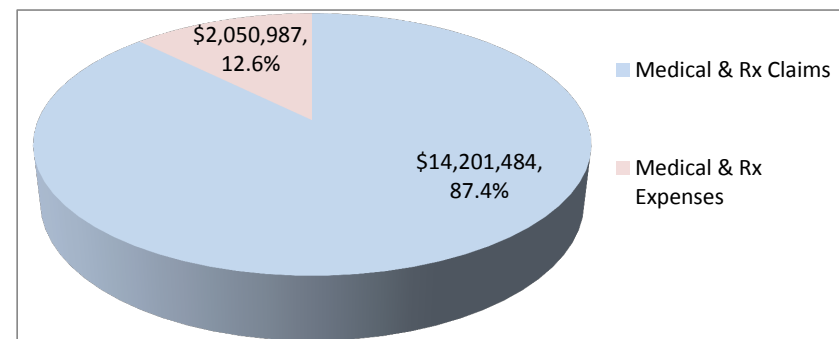
Anthem Prudent Buyer

Plan Year July 1, 2015 – June 30, 2016

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	1,395	\$1,644,613	\$1,200,740	\$860.75	73.0%	\$187,923	\$1,388,662	84.4%
Dec-15	1,385	\$1,637,330	\$1,365,728	\$986.09	83.4%	\$186,576	\$1,552,304	94.8%
Jan-16	1,368	\$1,621,362	\$1,045,999	\$764.62	64.5%	\$184,286	\$1,230,285	75.9%
Feb-16	1,360	\$1,601,847	\$1,117,655	\$821.81	69.8%	\$183,208	\$1,300,863	81.2%
Mar-16	1,344	\$1,580,929	\$1,432,587	\$1,065.91	90.6%	\$181,053	\$1,613,639	102.1%
Apr-16	1,346	\$1,596,341	\$1,320,355	\$980.95	82.7%	\$181,322	\$1,501,677	94.1%
May-16	1,339	\$1,582,265	\$1,354,294	\$1,011.42	85.6%	\$180,379	\$1,534,673	97.0%
Jun-16								

YTD Plan Year	15,225	\$17,959,474	\$14,201,484	\$932.77	79.1%	\$2,050,987	\$16,252,471	90.5%
11 Month Average	1,384	\$1,632,679	\$1,291,044	\$932.77	79.1%	\$186,453	\$1,477,497	90.5%
12 Month Rollup	16,677	\$19,317,028	\$15,446,140	\$926.19	80.0%	\$2,244,189	\$17,690,329	91.6%

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

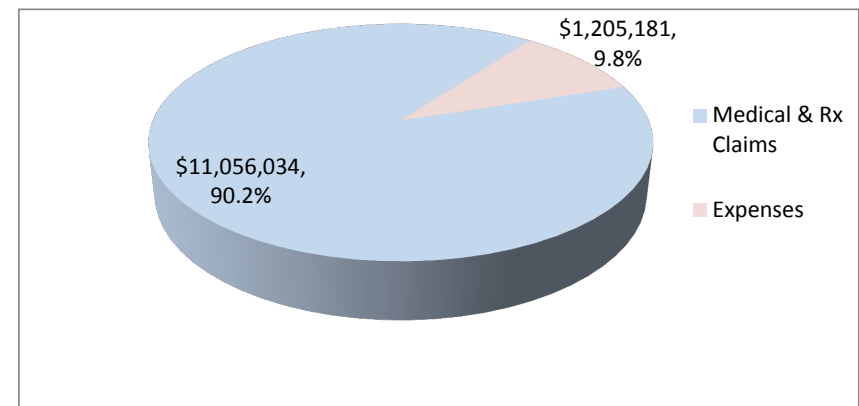
Cigna HMO

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	633	\$1,044,271	\$1,097,762	\$1,734.22	105.1%	\$110,696	\$1,208,458	115.7%
Dec-15	630	\$1,037,369	\$1,067,015	\$1,693.67	102.9%	\$109,965	\$1,176,980	113.5%
Jan-16	623	\$1,022,580	\$1,123,269	\$1,803.00	109.8%	\$108,397	\$1,231,666	120.4%
Feb-16	618	\$1,021,163	\$997,046	\$1,613.34	97.6%	\$108,247	\$1,105,293	108.2%
Mar-16	614	\$1,014,018	\$1,165,945	\$1,898.93	115.0%	\$107,489	\$1,273,434	125.6%
Apr-16	608	\$1,006,766	\$1,027,692	\$1,690.28	102.1%	\$106,721	\$1,134,413	112.7%
May-16	604	\$983,146	\$934,993	\$1,548.00	95.1%	\$104,217	\$1,039,210	105.7%
Jun-16								

YTD Plan Year	6,911	\$11,369,265	\$11,056,034	\$1,599.77	97.2%	\$1,205,181	\$12,261,215	107.8%
11 Month Average	628	\$1,033,570	\$1,005,094	\$1,599.77	97.2%	\$109,562	\$1,114,656	107.8%
12 Month Rollup	7,579	\$12,435,260	\$11,950,759	\$1,576.83	96.1%	\$1,374,373	\$13,325,132	107.2%

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



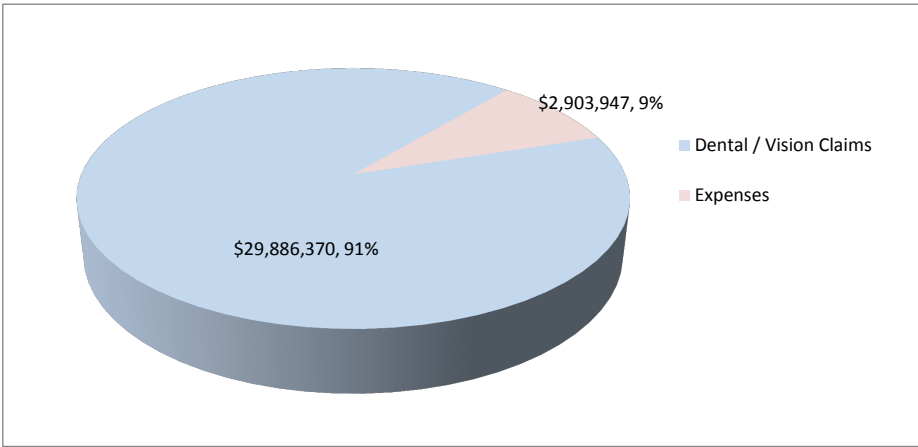
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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	42,492	\$3,060,671	\$2,204,045	58.8%	\$51.87	72.0%	\$263,550	\$2,467,595	80.6%
Dec-15	42,534	\$3,063,692	\$2,514,858	56.2%	\$59.13	82.1%	\$263,810	\$2,778,668	90.7%
Jan-16	42,585	\$3,067,278	\$2,741,522	55.5%	\$64.38	89.4%	\$264,119	\$3,005,641	98.0%
Feb-16	42,629	\$3,072,464	\$3,221,828	52.9%	\$75.58	104.9%	\$264,566	\$3,486,393	113.5%
Mar-16	42,680	\$3,069,525	\$3,294,064	56.3%	\$77.18	107.3%	\$264,313	\$3,558,377	115.9%
Apr-16	42,731	\$3,081,349	\$2,965,567	55.6%	\$69.40	96.2%	\$265,331	\$3,230,898	104.9%
May-16	43,088	\$3,110,168	\$2,876,797	56.1%	\$66.77	92.5%	\$267,812	\$3,144,609	101.1%
Jun-16									

YTD Plan Year	468,027	\$33,724,227	\$29,886,370	55.6%	\$63.86	88.6%	\$2,903,947	\$32,790,316	97.2%
11 Month Average	42,548	\$3,065,839	\$2,716,943	55.6%	\$63.86	88.6%	\$263,995	\$2,980,938	97.2%
12 Month Rollup	510,149	\$36,753,335	\$32,574,492	53.9%	\$63.85	88.6%	\$3,171,671	\$35,746,163	97.3%

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



May 2, 2016

Legislative

House Approves Resolution Prohibiting Fiduciary Rule From Taking Effect

On April 28, 2016, the House passed with a 234–183 vote a resolution (H.J. Res. 88) that would nullify a Department of Labor rule (published on April 8, 2016), relating to the definition of the term "fiduciary" and the conflict of interest rule with respect to retirement investment advice. The resolution moves to the Senate. In a White House Statement of Administration Policy, President Obama promised to veto the resolution if it passes both chambers.

H.J. Res. 88 is available [here](#).

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

Retirement

PBGC Proposes Rule to Lower Premium Penalties

On April 27, 2016, the Pension Benefit Guaranty Corporation (PBGC) released a proposed rule to lower the penalty rates charged for late payment of premiums by all pension plans, and to provide a waiver of most of the penalty for plans with a demonstrated commitment to premium compliance. The proposed rule is an effort to reduce costs and make it easier for plan sponsors to maintain traditional pension plans.

The PBGC seeks public comment on its proposal. Comments must be submitted on or before June 27, 2016.

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

The proposed rule is available [here](#).

Other HR-Related Topics

Treasury, IRS Release Third Quarter Update to 2015–2016 Priority Guidance Plan

On April 29, 2016, the Internal Revenue Service (IRS) released the third quarter update to the 2015–2016 Priority Guidance Plan. The 2015–2016 Priority Guidance Plan contains 277 projects that are priorities for allocation of the resources of the Treasury and IRS during the twelve-month period from July 2015 through June 2016 (the plan year). The plan represents projects that the Treasury and IRS intend to actively work on during the plan year and does not place any deadline on completion of projects. Projects on the 2015–2016 plan will provide guidance on a variety of issues important to individuals and businesses, including international taxation, health care, and implementation of legislative changes. In addition to the items in the 2015–2016 plan, the Appendix lists the more routine guidance that is generally published each year.

This third quarter update reflects 20 additional projects that have become priorities and/or guidance that has been published during the period from October 1, 2015, through March 31, 2016.

The third quarter update is available [here](#).

DOL Releases New FMLA Employer Guidebook and Revised Notice Poster

On April 25, 2016, the Department of Labor (DOL) released a new Family and Medical Leave Act (FMLA) employer guidebook and revised notice poster. "The Employer's Guide to the Family and Medical Leave Act" is designed to provide essential information about the FMLA, including information about employers' obligations under the law and the options available to employers in administering leave under the FMLA. The Guide is organized to correspond to the order of events from an employee's leave request to restoration of the employee to the same or equivalent job at the end of the employee's FMLA leave. A topical index is also included.

According to the DOL, the new poster does not contain many substantive changes, but has been reorganized for clarity. On its website, the DOL notes that the 2013 version of the FMLA poster is "still good and can be used to fulfill the posting requirement."

"The Employer's Guide to the Family and Medical Leave Act" is available [here](#).

The revised notice poster is available [here](#).

Aon Hewitt Publications IRS Issues 2017 HSA Limits

On April 28, 2016, the Internal Revenue Service (IRS) issued inflation-adjusted limits for contributions to a health savings account (HSA) for calendar year 2017 (Revenue Procedure 2016-28). In addition, the IRS provided revised minimum deductible amounts and maximum out-of-pocket limits. The attached chart provides the limits for calendar years 2015 through 2017.

The Aon Hewitt chart of 2017 HSA limits is available [here](#).

April 25, 2016

Health Care

Departments Issue FAQs on Affordable Care Act; Include Mental Health Parity and Women's Health and Cancer Rights Act Implementation

On April 20, 2016, the Departments of Labor, Health and Human Services, and the Treasury (the Departments) issued the 31st set of frequently asked questions (FAQs) related to Affordable Care Act implementation. The FAQs address the following topics:

- Coverage of preventive services;
- Rescissions;
- Out-of-network emergency services;
- Coverage for individuals participating in approved clinical trials;
- Limitations on cost sharing;
- The Mental Health Parity and Addiction Equity Act of 2008; and
- The Women's Health and Cancer Rights Act.

The FAQs are available [here](#).