

AGENDA

A REGULAR MEETING OF THE BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

9:00 A.M., THURSDAY, APRIL 13, 2017

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

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. REPORT ON CLOSED SESSION ITEMS
- IV. OTHER COMMUNICATIONS
 - A. For Information
 - 1. February 2017 All Stars
 - 2. Chief Executive Officer's Report
(Memo dated April 4, 2017)
- V. PUBLIC COMMENT
- VI. NON-CONSENT AGENDA
 - A. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Board adopt the Board of Retirement Charter and the Board of Retirement Standing Committee Charters.
(Memo dated April 4, 2017)
 - B. Recommendation as submitted by Cassandra Smith, Director, Retiree Healthcare Division: That the Board approve the fiscal year 2017-2018 rate renewal proposal and mandatory contractual changes, listed by carrier, and the administrative fee. (Memo dated March 23, 2017)

VI. NON-CONSENT AGENDA (Continued)

C. Recommendation as submitted by Robert Hill, Assistant Executive Officer; John Popowich, Assistant Executive Officer; and John Nogales, Director, Human Resources: That the Board approve the following:

1. Approve the new LACERA classifications and pay ranges:

- Deputy Chief Investment Officer, LACERA, (UC) – LR 24
- Deputy Chief Executive Officer, LACERA, (UC) – LS 18
- Principal Staff Counsel, LACERA – LS 17
- Chief Financial Officer, LACERA - LS 14
- Assistant Chief Financial Officer, LACERA – LS 12

2. Approve the revised pay ranges for existing LACERA classifications:

- Chief Counsel, LACERA – LS 20
- Assistant Executive Officer, LACERA, (UC) – LS 16
- Assistant Executive Officer, LACERA – LS 16
- Chief, Internal Audit, LACERA – LS 14
- Director, Human Resources, LACERA – LS 14
- Assistant Director, Human Resources, LACERA – LS 12

3. Direct staff to submit to the Board of Supervisors the required ordinance language to implement the new LACERA classifications and revised pay ranges by amending the Los Angeles County Salary Code Sections 6.28.050, 6.127.010, and 6.127.030.

(Memo dated March 28, 2017)

D. Recommendation as submitted by James Beasley, Administrative Services Analyst III; James Pu, Chief Information Officer; Johanna M. Fontenot, Senior Staff Counsel; and Michael Herrera, Senior Staff Counsel: That the Board approve the proposed revisions to the Records and Information Management Policy. (Memo dated April 3, 2017)

E. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer: That the Board adopt a “Neutral” position on Assembly Bill 283, which relates to disability retirement and peace officers.

(Memo dated March 15, 2017) (Supplemental Memo dated April 3, 2017)

VI. NON-CONSENT AGENDA (Continued)

- F. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Board provide the SACRS voting delegate direction on voting for the SACRS slate of officers and miscellaneous business items. (Memo dated April 6, 2017)
- G. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Board review the January 2018 meeting schedule and consider rescheduling the Wednesday, January 3, 2018 meeting. (Memo dated March 29, 2017)
- H. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Board approve attendance of Board members at the Fortune Brainstorm Tech on July 17 –19, 2017 in Aspen, CO and approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy. (Memo dated April 4, 2017)
(Placed on the agenda at the request of Mr. Kehoe)

VII. FOR INFORMATION ONLY

- A. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the summary of actions and plans in support of Board activism. (Memo dated April 4, 2017)

VIII. REPORT ON STAFF ACTION ITEMS

IX. GOOD OF THE ORDER

(For information purposes only)

X. EXECUTIVE SESSION

- A. Conference with Legal Counsel - Anticipated Litigation
Initiation of Litigation (Pursuant to Paragraph (4) of Subdivision (d) of California Government Code Section 54956.9)

- 1. Number of Cases: 1

X. EXECUTIVE SESSION (Continued)

B. Conference with Legal Counsel - Anticipated Litigation
Significant Exposure to Litigation (Pursuant to Paragraph (2) of Subdivision
(d) of California Government Code Section 54956.9)

1. Administrative Appeal of Daniel Duerksen
2. Administrative Appeal of Joel Zicari/Levon Der Krikorian
3. Administrative Appeal of Karen J. (Green) Henkel
4. Administrative Appeal of Wendell A. Davis

XI. ADJOURNMENT

Documents subject to public disclosure that relate to an agenda item for an open session of the Board of Retirement that are distributed to members of the Board of Retirement less than 72 hours prior to the meeting will be available for public inspection at the time they are distributed to a majority of the Board of Retirement Members at LACERA's offices at 300 N. Lake Avenue, Suite 820, Pasadena, CA 91101, during normal business hours of 9:00 a.m. to 5:00 p.m. Monday through Friday.

Persons requiring an alternative format of this agenda pursuant to Section 202 of the Americans with Disabilities Act of 1990 may request one by calling Cynthia Guider at (626) 564-6000, from 8:30 a.m. to 5:00 p.m. Monday through Friday, but no later than 48 hours prior to the time the meeting is to commence. Assistive Listening Devices are available upon request. American Sign Language (ASL) Interpreters are available with at least three (3) business days notice before the meeting date.



April 4, 2017

TO: Each Member
Board of Retirement
Board of Investments

FROM: Gregg Rademacher 
Chief Executive Officer

SUBJECT: **CHIEF EXECUTIVE OFFICER'S REPORT**

I am pleased to present the Chief Executive Officer's Report that highlights a few of the operational activities that have taken place during the past month, key business metrics to monitor how well we are meeting our performance objectives, and an educational calendar.

March Madness

We refer to the period beginning in December through the end of March as "March Madness" because retirements tend to spike during this period as members desire to retire in time to be eligible for any April 1st cost-of-living adjustment (COLA) that may be approved. As we have in years past, we are continuing our commitment to share the annual March Madness statistics in the Chief Executive Officer's report. There are two key statistics we track during this time of year.

How well are we keeping up with our member's requests to retire? The chart below shows the total number of pending retirement elections. All incoming retirement requests are triaged by staff to facilitate processing those retirements with immediate retirement dates and those which will require special handling (i.e. legal splits and those with uncompleted service credit purchases).

Retirement Month	Retirement Elections
December 2016	1
January 2017	2
February 2017	3
March 2017	75
Pending Disability Cases	95
Total Pending	176

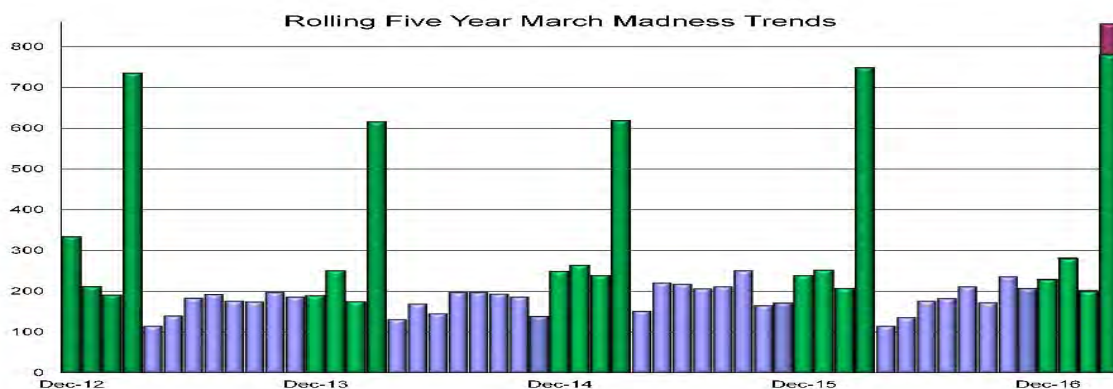
The 81 retirement elections not completed for January - March are pending for the following reasons: last minute submissions (51), additional research or information required (10),

receipt/review of reciprocal confirmations (7), receipt/review of dissolution documents (1), and twelve (12) cases that are scheduled to be processed after the date of this memo.

The Pending Disability Cases represents the number of approved disability cases being processed by the Benefits Division. Once a disability has been granted by the Board, the Benefits Division staff work with the member and their employer to select a disability effective date, determine the member's option election, and bring them on payroll. Of the 95 cases pending, 30 are new, 36 are waiting for an effective date to be determined, 23 are waiting for the member to sign their retirement election, and 6 cases require research. These cases are not assigned to a specific month in the "March Madness" period because the final effective date has not been determined. As with service retirements some cases have mitigating factors such as legal splits and uncompleted purchases which can also extend processing.

The second key statistic is the volume of retirements during the year, and especially during March Madness. This gives us an indication on the severity of the stress being placed on our capacity to meet our various member service requests and demands placed upon our staff.

As of March 23, 2017, we have processed 1,483 out of 1,564 retirements for the March Madness period so far. The green bars in the following chart reflect those members who have been approved to retire (i.e., their retirement elections have been approved and completed). The red bars reflect those cases that have not been processed as of the date of this report.

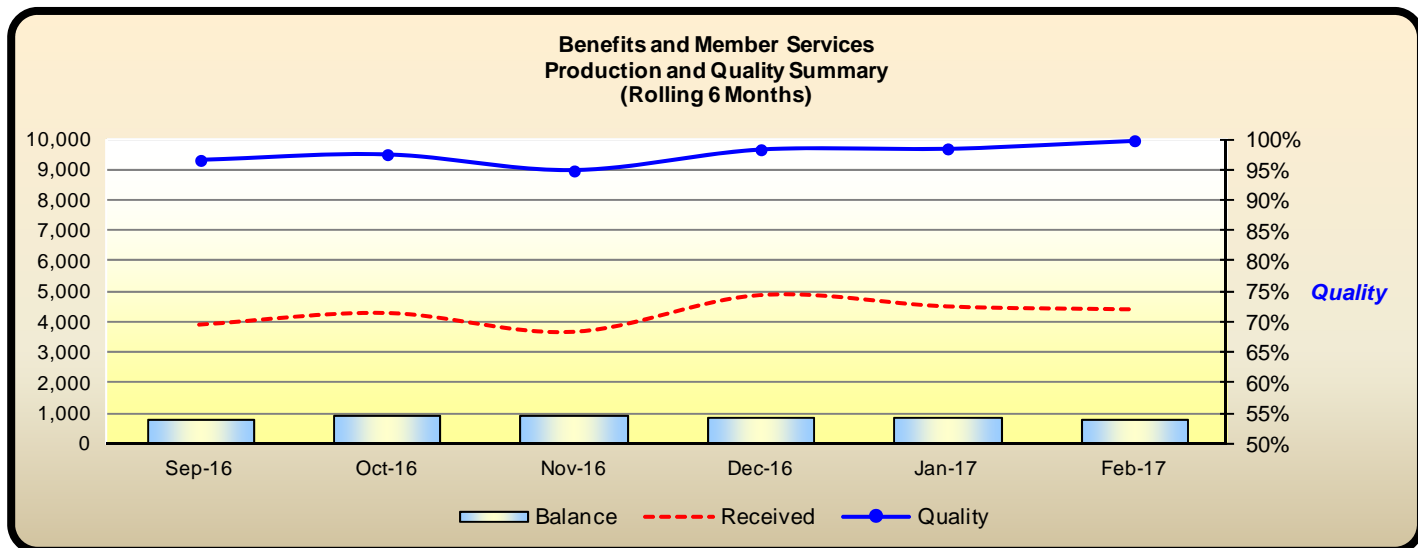
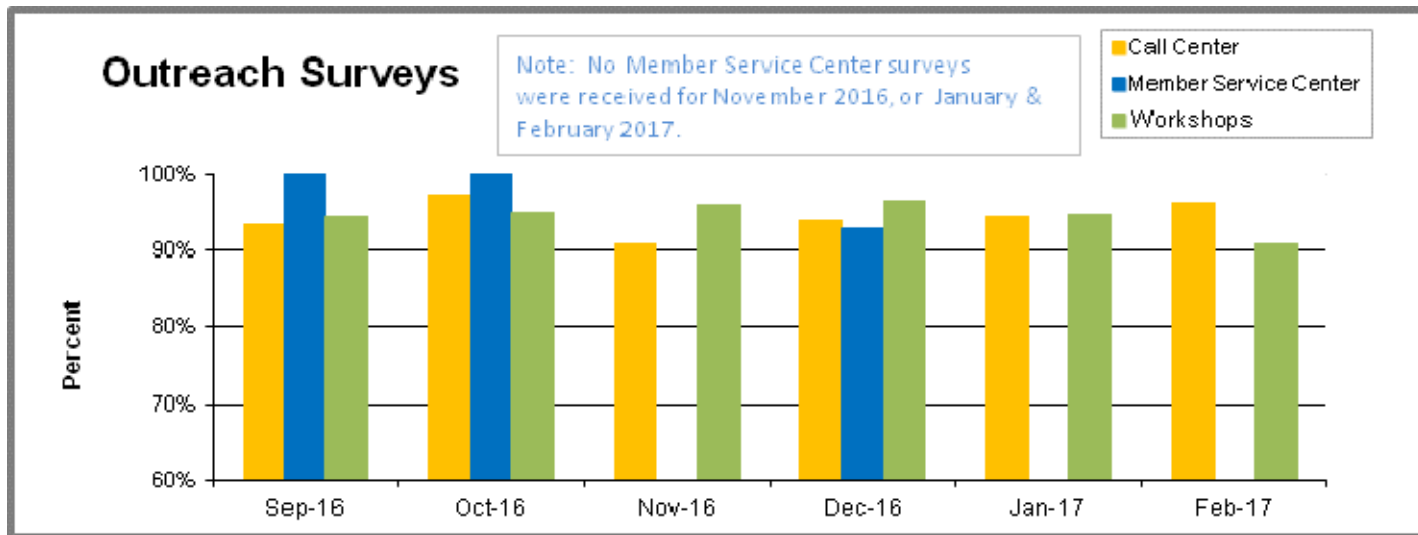


Comparing the total processed and pending per month we ran under the rolling five year average for December (228 vs. avg. of 246), over the five year average for January (281 vs. avg. of 250), nearly on par for the five year average for February (201 vs. avg. of 200), and higher than average for March (854 vs. 698). Putting this into perspective during last year's March Madness 1,439 members retired, which was higher than the rolling five year average of 1,394 (averages may change from month to month as members change or rescind retirement dates and disability cases with retroactive dates are processed).

LACERA's KEY BUSINESS METRICS

OUTREACH EVENTS AND ATTENDANCE

Type	# of WORKSHOPS		# of MEMBERS	
	Monthly	YTD	Monthly	YTD
Benefit Information	4	108	204	4,193
Mid Career	2	20	103	734
New Member	12	113	234	2,450
Pre-Retirement	4	58	59	1,252
General Information	0	5	0	381
Retiree Events	0	11	0	617
Member Service Center	Daily	Daily	1,612	11,090
TOTALS	22	315	2,212	20,717



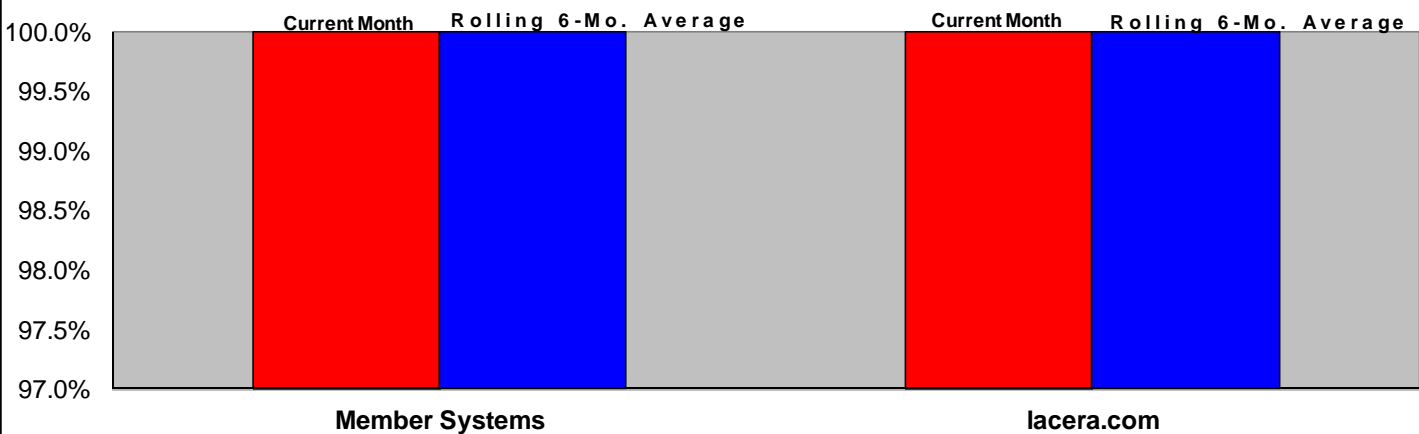
Member Services Contact Center			RHC Call Center	Top Calls
Overall Key Performance Indicator (KPI)	92.07%			
Category	Goal	Rating		
Call Center Monitoring Score	95%	94.89%	99%	<u>Member Services</u>
Grade of Service (80% in 60 seconds)	80%	51%	27%	1) Workshop Info.\Appts.: Inquiries
Call Center Survey Score	90%	95.96%	xxxxx	2) Retirement Counseling: Estimate
Agent Utilization Rate	65%	72%	85%	3) Taxes: Reprint Requests (1099-R)
Number of Calls	11,414		5,027	<u>Retiree Health Care</u>
Calls Answered	10,595		4,144	1) Medical Benefits - General Inquiries
Calls Abandoned	819		888	2) Dental/Vision Benefits Gen. Inquiries
Calls-Average Speed of Answer	00:02:11		06:02	3) Medical-New Enroll/Change/Cancel
Number of Emails	320		433	
Emails-Average Response Time	4:41:14		1	Adjusted for weekends

LACERA's KEY BUSINESS METRICS

Fiscal Years	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Assets-Market Value	\$40.9	\$38.7	\$30.5	\$33.4	\$39.5	\$41.2	\$43.7	\$51.1	\$51.4	\$50.9
Funding Ratio	93.8%	94.5%	88.9%	83.3%	80.6%	76.8%	75.0%	79.5%	83.3%	79.4%
Investment Return	19.1%	-1.4%	-18.2%	11.8%	20.4%	0.3%	12.1%	16.8%	4.3%	1.1%

DISABILITY INVESTIGATIONS						
APPLICATIONS	TOTAL	YTD		APPEALS	TOTAL	YTD
On Hand	519	xxxxxxx		On Hand	130	xxxxxxx
Received	52	368		Received	1	23
Re-opened	0	1		Administratively Closed/Rule 32	2	19
To Board – Initial	31	277		Referee Recommendation	0	5
Closed	3	41		Revised/Reconsidered for Granting	1	10
In Process	537	537		In Process	128	128

SYSTEMS AVAILABILITY - FEBRUARY 2017



Active Members as of 4/3/17		Retired Members/Survivors as of 4/3/17			Retired Members	
		Retirees	Survivors	Total		
General-Plan A	205	18,715	4,659	23,374	Monthly Payroll	254.63 Million
General-Plan B	74	687	64	751	Payroll YTD	2.0 Billion
General-Plan C	75	422	60	482	Monthly Added	355
General-Plan D	45,864	12,413	1,182	13,595	Seamless %	100.00
General-Plan E	20,060	11,455	971	12,426	YTD Added	2,244
General-Plan G	18,076	7	0	7	Seamless YTD %	99.82
Total General	84,354	43,699	6,936	50,635	Direct Deposit	95.00%
Safety-Plan A	9	5,717	1,565	7,282		
Safety-Plan B	11,022	4,577	244	4,821		
Safety-Plan C	1,694	1	0	1		
Total Safety	12,725	10,295	1,809	12,104		
TOTAL ACTIVE	97,079	TOTAL RETIRED	53,994	8,745	62,739	

Health Care Program (YTD Totals)		
	Employer Amount	Member Amount
Medical	300,007,235	26,041,551
Dental	27,027,513	2,855,709
Med Part B	35,146,628	xxxxxxxxxx
Total Amount	\$362,181,376	\$28,897,260

Health Care Program Enrollments	
Medical	48,031
Dental	49,106
Med Part B	31,751
Long Term Care (LTC)	734

Funding Metrics as of 6/30/16	
Employer Normal Cost	9.97%
UAAL	9.73%
Assumed Rate	7.25%
Star Reserve	\$614 million
Total Assets	\$47.8 billion

Member Contributions as of 6/30/16	
Annual Additions	\$458.7 million
% of Payroll	6.65%


Employer Contributions as of 6/30/16	
Annual Addition	\$1,443.1 million
% of Payroll	19.70%

Date	Conference
May, 2017	
1-3	IFEBP (International Foundation of Employment Benefit Plans) Health Care Mgmt. Conference New Orleans, LA
1-4	Portfolio Concepts & Management (<i>prev. Fundamentals of Money Management</i>) Wharton School, University of Pennsylvania
2-3	African Pension and Sovereign Wealth Fund Leaders' Summit Johannesburg, South Africa
8-12	Investment Strategies & Portfolio Management (<i>prev. Pension Fund & Investment Mgmt.</i>) Wharton School, University of Pennsylvania
16-19	SACRS Napa, CA
21-24	NCPERS (National Conference on Public Employee Retirement Systems) Annual Conference Hollywood, FL
21-24	Government Finance Officers Association (GFOA) Annual Conference Denver, CO
22-23	IFEBP (International Foundation of Employment Benefit Plans) Legislative Update Washington D.C.
22-23	BioEquity Europe Conference Paris, France
June, 2017	
2	CALAPRS (California Association of Public Retirement Systems) Round Table – Trustees Marriott Burbank Airport
2	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Marriott Burbank Airport
7-9	AHIP (America's Health Insurance Plans) Institute Austin, TX
12-15	Gartner Security & Risk Management 2017 Summit National Harbor, MD
12-15	Ignite 2017 Cybersecurity Conference Vancouver, BC
26-28	National Association of Securities Professionals (NASP) 28 th Annual Pension & Financial Services Conference Los Angeles, CA



April 4, 2017

TO: Each Member
Board of Retirement

FROM: Gregg Rademacher 
Chief Executive Officer

FOR: April 13, 2017 Board of Retirement Meeting

SUBJECT: **Board of Retirement Charter and Committee Charter Adoption**

RECOMMENDATION

Adopt the Board of Retirement Charter and the Board of Retirement Standing Committee Charters.

DISCUSSION

The Board of Retirement began its project to define a Board Charter and its Standing Committee Charters at the November 2016 Operations Oversight Committee meeting as part of the annual board offsite planning process. To facilitate the project, Funston Advisory Services LLC (Funston Advisors) was engaged to survey the Board of Retirement members during December 2016 on Board operations, roles and responsibilities of its Board officers, and the delegated responsibilities for the Board's standing committees:

- Insurance, Benefits and Legislative Committee (IBLC),
- Operations Oversight Committee (OOC), and
- Disability Procedures and Services Committee (DPSC).

The survey results were instrumental in crafting draft Board of Retirement and Standing Committee Charters that were presented for discussion at the Board's January 24, 2017 offsite meeting. Based upon the Board's offsite meeting discussion, the Board directed Funston Advisors and staff to revise the draft Board of Retirement Charter and the Board of Retirement Standing Committee Charters and present them for adoption at a Board of Retirement meeting. The attached revised draft charters are presented for the Board's consideration and adoption. To facilitate the Board's review, a redline version is included highlighting the changes made to the charters as presented to the Board at the January 2017 offsite meeting.

The revised Board of Retirement Charter and Standing Committee Charters are a codification of current business practices with explicit documentation of key tenets, which include:

1. The Board of Retirement relies upon its officers to be action oriented to facilitate and coordinate the work of the Board.
2. The Board of Retirement delegates work to its committees and the committees will have an advisory role in making recommendations for the Board's action.
3. Building bridges of communication is critical to successfully complete LACERA's mission to Produce, Protect, and Provide the Promised Benefits. This includes communication between board members, between the Board and the Committees, between the Board/Committees and its consultants and staff, and between the LACERA Boards.
4. The Board and the Committees have responsibility to oversee actual and potential conflict of interest and ethics issues.

Funston Advisors will be attending the April 13, 2017 meeting to facilitate the consideration and adoption of the Board of Retirement Charter and the Standing Committee Charters.

LEGAL AUTHORITY

The California Government Codes 31525 and 31526 provide the Board of Retirement the authority to define its own regulations for the election of officers, their terms, meetings and all other matters relating to the administrative procedures of the Board as approved by the Board of Supervisors. The Board of Supervisors adopted the current Board of Retirement regulations on May 5, 2015, and the proposed Board and Committee charters are harmonious with the current Board of Retirement regulations.

It is therefore recommended the Board of Retirement adopt the Board of Retirement Charter and the Board of Retirement Standing Committee Charters.

GR:nm

Board of Retirement Charter Adoption April 13 2017.docx

Attachments

ATTACHMENTS



LOS ANGELES COUNTY
EMPLOYEES RETIREMENT
ASSOCIATION
LACERA

Board of Retirement Charter
Role of Chair/Vice-Chair/Secretary

LACERA
Board of Retirement Charter

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LACERA
Board of Retirement Charter

1 Overview of the LACERA Board of Retirement

In 1937, Los Angeles County (County) established a pension trust fund (Fund) to provide defined retirement and death benefits to eligible County employees to be governed by the County Employees Retirement Law of 1937. In 1938, the Los Angeles County Employees Retirement Association (LACERA) was introduced to administer it. Since 1971, LACERA has also administered the Retiree Healthcare Benefits Program, on behalf of and through contractual agreement with the County.

LACERA is an independent governmental entity, separate and distinct from the County, which administers and manages the Retiree Healthcare Benefits Program for the County and outside districts. LACERA is one of the largest county retirement systems in America. LACERA is funded by the County, participating employers, employees, and investment earnings.

LACERA is governed by two Boards. Both Boards include a mix of trustees which are appointed and elected members and an ex-officio member, the sitting County Treasurer and Tax Collector. The Board of Retirement (BOR) is responsible for the overall management of the retirement system and the LACERA-administered Retiree Healthcare Benefits Program. The Board of Investments (BOI) is responsible for determining LACERA's investment objectives, strategies, and policies as well as exercising authority and control over the investment management of the Fund. The BOI also invests and manages the Other Postemployment Benefits Program (OPEB) trust assets for participating employers.

LACERA is a public pension system created in accordance with the County Employees Retirement Law of 1937 (the '37 Act or CERL) and administered pursuant to the '37 Act and the California Public Employees' Pension Reform Act of 2013 (PEPRA). CERL Section 31520.2 provides that "Except as otherwise delegated to the board of investment and except for the statutory duties of the county treasurer, the management of the retirement system is vested in the board of retirement." The BOR has joint authority with the BOI over shared responsibilities, including, for example: the appointment and evaluation of the Chief Executive Officer (CEO); classification and compensation of personnel; and, adoption of LACERA's administrative budget.

LACERA
Board of Retirement Charter

2 Fiduciary and Co-Fiduciary Duties of the BOR

The members of the BOR recognize that they serve as fiduciaries for the administration of the retirement system, with fiduciary duties as defined in the California Constitution and CERL. The trustees have fiduciary duties both individually and collectively as a BOR.

In the exercise of their individual and collective fiduciary duties, the trustees and the BOR may, under the California Constitution and CERL, prudently delegate to staff, outside consultants and vendors, and other fiduciaries, while recognizing that the ultimate fiduciary responsibility of the BOR and its individual trustees for the retirement program is non-delegable. The BOR and the trustees exercise their fiduciary duties with respect to prudently delegated matters by having adequate processes in place to oversee their delegates, which processes should include reporting by and active monitoring and questioning of delegates.

The BOR's must discharge its duties solely in the interest of members and their beneficiaries, and for the exclusive purposes of providing benefits to participants and their beneficiaries. In addition, the BOR is required to exercise the care, skill, prudence and diligence that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

The BOR also has a fiduciary duty of undivided loyalty, and must be impartial in the exercise of such duty in regards to any divergent interests of various groups of members of the retirement system. The BOR must strive to minimize employer contributions and defray reasonable expenses of administering the system.

In the exercise of his or her individual fiduciary responsibilities, a trustee cannot knowingly participate in, or act to conceal, a breach of fiduciary duties by another trustee, enable another trustee to breach their fiduciary duties by failing to exercise reasonable care and prudence, or fail to take reasonable steps to report or remedy a breach of duty by another trustee when it is known or should have been known or suspected under the circumstances.

Further, the BOR and its members must observe laws applicable to the retirement program and to their conduct as trustees. They may not engage in any related party transactions with the retirement program or plan sponsor that are prohibited by California Constitution, CERL, and other applicable laws.

Trustees are also bound to observe applicable standards of conduct and limitations on conflicts of interest that are prohibited by the Political Reform Act of 1974 and other applicable laws. BOR members or anyone acting on their behalf must comply with these provisions.

LACERA
Board of Retirement Charter

3 Expectations of Trustees

To be effective as a BOR and as individual trustees, and in recognition of their fiduciary and co-fiduciary duties, trustees should:

- 3.1. Appropriately prepare for and attend the entirety of each BOR meeting and of each Committee meeting of which they are a member;
- 3.2. Provide proactive input to the BOR and Committees to aid their deliberations;
- 3.3. Be respectful of their fellow members and of staff while giving firm and clear direction;
- 3.4. Be respectful of majority decisions, without compromising their ability to properly advocate for the things they believe are in the organization's interests;
- 3.5. Be respectful of the roles of the Chair/ Vice-Chair/ Secretary in their efforts to facilitate the effectiveness of the BOR in achieving its objectives; and,
- 3.6. Maintain a sense of professional, personal decorum and collegiality amongst the trustees.
- 3.7. Diligently avoid conflicts of interest and adhere to the Conflict of Interest and Code of Ethical Conduct.

LACERA
Board of Retirement Charter

4 The Role of the Chair and Vice-Chair

See BOR Regulations for the:

- A. Election of Chair;
- B. Election of Vice Chair;
- C. Election of Secretary;
- D. Election of Audit Committee Member; and,
- E. Filling of Vacancy in Office.

Overall, the Chair (and in the absence of the Chair, the Vice-Chair), should facilitate the BOR deliberations and preside over its meetings, coordinate the setting of its agenda, and ensure the BOR is an effective working group in making progress on the BOR's duties and objectives. The Chair should promote a culture of openness, respect and debate, and ensure there is effective open communication. The Chair should ensure that all BOR members receive accurate, timely and clear information.

Activities of the Chair (Vice-Chair) include the following:

- 4.1. Facilitate and preside over BOR meetings
- 4.2. Coordinate the setting of agendas
- 4.3. Liaise with staff through the CEO
- 4.4. Facilitate the establishment of the BOR's major policy goals and objectives
- 4.5. Coordinate the BOR's self-assessment of its effectiveness
- 4.6. Coordinate the CEO's annual performance review
- 4.7. Coordinate sharing of leading practices
- 4.8. Make appointments to Committees
- 4.9. Oversee the effectiveness of stakeholder relations
- 4.10. Coordinate with the Chair of the BOI concerning matters of common interest

Frequently Used Terms

- Facilitate means to make (an action or process) easy or easier.
- Coordinate means to bring the different elements (of a complex activity or organization) into a relationship that will ensure efficiency or harmony.
- Liaise means to establish a working relationship, typically to cooperate on a matter of mutual concern.
- Ensure means make certain that (something) shall occur or be the case.

LACERA
Board of Retirement Charter

4.1 Facilitate and preside over BOR meetings

- 4.1.1 In consultation with the BOR and the CEO, schedule dates, times and location for BOR meetings.
- 4.1.2 Facilitate and preside over BOR meetings to enable effective and efficient functioning of such meetings including:
 - 4.1.2.1 Ensure that discussion on agenda items is on topic, productive and professional;
 - 4.1.2.2 Ensure there is sufficient time during the meeting to fully discuss agenda items; and,
 - 4.1.2.3 Ensure that all meetings are conducted in a manner consistent with the Brown Act and Robert's Rules of Order
- 4.1.3 Ensure meetings are called and held in accordance with LACERA's BOR Regulations.
- 4.1.4 Ensure the meeting agenda and relevant documents are circulated to the members of the BOR in advance of the BOR meeting and in compliance with the Brown Act to ensure sufficient preparation time.
- 4.1.5 Chair and facilitate the BOR meetings ensuring respectful debate such that all voices and opinions are heard.
- 4.1.6 Ensure meetings are run and votes are taken in accordance with agreed upon rules of order / procedure.
- 4.1.7 Call special meetings of the BOR when warranted.
- 4.1.8 Chair Executive sessions of the BOR.

4.2 Coordinate the setting of agendas

- 4.2.1 Facilitate the BOR in setting the strategy and policy of the BOR.
- 4.2.2 In consultation with the Vice Chair and CEO coordinate and confirm an agenda for each BOR meeting (refer to the BOR Regulations for rules regarding placing an item on the agenda).
- 4.2.3 Plan agendas that facilitate the flow of work and the effectiveness of the achievement of the BOR's goals and objectives.
- 4.2.4 Maintain an annual calendar of BOR decisions to be made and communicate to Committee Chairs to facilitate appropriate timing of Committee recommendations to the BOR.

LACERA
Board of Retirement Charter

- 4.2.5 Communicate with Committee Chairs in setting the Committee agendas and integrating the activities of the Committees with the objectives of the BOR as a whole.

4.3 Liaise with Staff through the CEO

- 4.3.1 Liaise with staff through the CEO to keep an overview of the system's affairs and to provide BOR support as appropriate.
- 4.3.2 Monitor that BOR requests are implemented by staff, and reported back and confirmed to the BOR.

4.4 Facilitate the establishment of the BOR's major policy goals and objectives

- 4.4.1 Ensure the BOR identifies policy goals and objectives for the year.
- 4.4.2 Oversee that these goals and objectives link to the retirement program's strategic plan and are measurable.
- 4.4.3 Coordinate with BOI to ensure the BOI's goals and objectives link to LACERA's overall strategic plan.

4.5 Coordinate the BOR's self-assessment of its effectiveness

- 4.5.1 Coordinate the BOR's self-assessment of the effectiveness of its performance in achieving its objectives, its Committees, and its use of consultants.
- 4.5.2 The BOR Chair, the CEO, and the Chief Counsel will periodically evaluate the training requirements/program for the trustees and put forth any revisions as necessary to the full BOR.

4.6 Coordinate the CEO's annual performance review

- 4.6.1 Coordinate the annual performance review of the CEO with the BOI and any other BOR direct reports and/or ensure there is a capable process to do so.
- 4.6.2 Coordinate with the BOI to establish annual goals for the CEO and other BOR direct reports.
- 4.6.3 Ensure the CEO's performance goals are linked to the strategic plan.

LACERA
Board of Retirement Charter

4.7 Coordinate the sharing of leading practices

- 4.7.1 Coordinate the sharing and timely advice on leading and prevailing practices regarding retirement program activities.
- 4.7.2 Oversee the CEO's coordination of the BOR training with staff and consultants.

4.8 Make appointments to Committees

- 4.8.1 Appoint Committee Chairs and Vice-Chairs (Standing and Ad Hoc in accordance with BOR Regulations).
- 4.8.2 Appoint members to Committees as detailed in the BOR Regulations and Standing Committee Charter.
- 4.8.3 Coordinate Committee Chair reporting to the BOR on Committee actions and agendas.
- 4.8.4 Provide leadership and ensure Committee members are aware of their obligations and comply with their responsibilities.

4.9 Oversee the effectiveness of stakeholder relations

- 4.9.1 Ensure the BOR, staff and consultants develop and manage key stakeholder relationships.
- 4.9.2 Be the BOR spokesperson for matters agreed upon by the BOR.
- 4.9.3 Act as an ambassador for the organization as agreed upon by the BOR.

4.10 Coordinate with the Chair of the BOI concerning matters of common interest

- 4.10.1 Ensure the two Boards openly communicate, have consensus on their respective separate jurisdictions as well as joint jurisdictions, and otherwise work well together in furtherance of LACERA's mission.

LACERA
Board of Retirement Charter

5 The Role of the Secretary

- 5.1 The Secretary is responsible for ensuring accurate and sufficient documentation exists to meet legal requirements, and to enable the public to determine when, how, and by whom the BOR's business was conducted.
- 5.2 Upon the BOR approving the BOR meeting minutes, the Secretary will join the BOR Chair in signing the minutes as evidence of their authenticity and completeness.
- 5.3 In the absence of the Chair and Vice-Chair, the Secretary will call the meeting to order, presiding until the Chair or Vice-Chair is present.
- 5.4 The Secretary will conduct the Officer elections as detailed in the BOR Regulations.

6 Duties and Responsibilities of the BOR

6.1 Governance and Strategy

- 6.1.1 Approve BOR Charter
- 6.1.2 Approve BOR Committee structure, roles and charters
- 6.1.3 Approve BOR delegations to staff
- 6.1.4 Approve BOR development policy and educational programs
- 6.1.5 Approve BOR governance principles and policies
- 6.1.6 Approve Organizational Policies as proposed by Committees and Staff, and act upon other Committee and Staff reports and recommendations, as appropriate
- 6.1.7 Conduct BOR self-assessment of its effectiveness
- 6.1.8 Oversee the Strategic Planning Process
- 6.1.9 Oversee the effectiveness of the of the BOR strategic plans
- 6.1.10 Oversee the BOR stakeholder engagement program
- 6.1.11 Oversee the BOR business planning process and business plans

6.2 Reassurance, Risk and Compliance

- 6.2.1 Oversee Internal Audit reports referred by the Audit Committee or BOR Standing Committee.
- 6.2.2 Oversee retirement and retiree healthcare-related risk framework and management
- 6.2.3 Select LACERA's External Financial Auditor
- 6.2.4 Oversee retirement benefit and healthcare benefit controls and compliance

LACERA
Board of Retirement Charter

6.3 Administration

- 6.3.1 Approve staff classification and compensation
- 6.3.2 Approve litigation and settlements related to retirement and retiree healthcare benefits
- 6.3.3 Approve budget process and budgets
- 6.3.4 Oversee the Privacy of Member Information
- 6.3.5 Conduct hiring, evaluation, compensation and firing of the CEO
- 6.3.6 Oversee human resource policies for retirement and retiree healthcare operations
- 6.3.7 Oversee accounting policies for non-investment activities
- 6.3.8 Oversee the CEO's effectiveness in hiring/firing and management of the performance for senior executives
- 6.3.9 Oversee business continuity plans

6.4 Conflicts and Ethics

In addition to the BOR's other responsibilities, the BOR will have authority and responsibility to oversee actual and potential conflict of interest and ethics issues concerning the BOR's areas of responsibility as follows:

- 6.4.1 General Compliance. Oversee compliance with the Conflict of Interest Code, Code of Ethical Conduct, and conflict of interest and ethics laws, and take action with respect to such matters as appropriate.
- 6.4.2 Matters Referred by Standing Committees. Review and take such action as appropriate with respect to reports and recommendations received from the Board of Retirement Standing Committees relating to conflict of interest and ethics issues in each Committee's areas of responsibility as defined in the Committee Charter.
- 6.4.3 BOR Members. BOR members will avoid actual or potential conflict of interest or ethics issues. BOR members will notify the BOR Chair and Vice Chair, the CEO, and Legal Counsel of such issues concerning themselves and other BOR members related to the business of the BOR. The BOR will take such action as is lawful and appropriate with respect to such issues, including procedures provided in the BOR Regulations.

LACERA
Board of Retirement Charter

- 6.4.4 Third-Parties. BOR members and staff will exercise diligence in identifying, and informing the BOR about, all actual and potential conflict of interest issues concerning persons and entities who have business before the BOR, such as vendors, consultants, and all other third-parties (Third-Parties). The BOR take appropriate action with regard to such issues, including:
- 6.4.4.1 Disclosure of actual or potential conflict of interest and ethics issues.
 - 6.4.4.2 Waiver of any disclosed conflict of interest and ethics issues.
 - 6.4.4.3 Other measures to eliminate or mitigate conflict of interest or ethics issues, including the costs of such measures.
 - 6.4.4.4 The prudence of contracting, doing business, or taking other action on behalf of LACERA with any Third-Party with conflict or interest or ethics issues.
 - 6.4.4.5 Contract provisions and other means of ensuring against, monitoring, and addressing future conflict of interest and ethics issues of Third-Parties.
 - 6.4.4.6 Violations by any Third-Party of LACERA's Conflict of Interest Code and Code of Ethical Conduct.
 - 6.4.4.7 Such other conflict of interest and ethics issues as may arise relating to Third-Parties.
- 6.4.5 LACERA Staff
- 6.4.5.1 LACERA Staff Other Than the CEO. In that conflict of interest and ethics issues relating to staff other than the CEO may implicate Civil Services Rules, rights of privacy, and other employee rights, staff conflict of interest and ethics issues will be addressed by the BOR on an individual basis based upon consultation with the CEO, Human Resources, and Legal Counsel. The BOR will make recommendations concerning staff training on conflict of interest and ethics issues relating to the BOR's areas of responsibility.
 - 6.4.5.2 CEO. Oversee conflict of interest and ethics issues with regard to the CEO. The BOR's discussion will take place in executive session to the extent permitted under the Brown Act given the circumstances of each individual issue. The Chair of the BOR will inform the Chair of the BOI of such issues and coordinate with the BOI as appropriate under the circumstances.

LACERA
Board of Retirement Charter

7 Expectations of Committees

To be effective as a Committee, Committees should:

- 7.1 Develop and pursue agendas to make timely and substantive progress on issues within the Committee's area of responsibility, as described in their charters, with the goal of providing effective assistance to the full BOR in pursuing its work;
- 7.2 Provide ample opportunity for input by all trustees both verbally and in writing (even if they are not members of the Committee) during the course of its deliberations;
- 7.3 Once a decision has been made and recommended by the Committee, the Committee chair shall oversee staff in the preparation of executive summaries to the full BOR of issues considered by the Committee. Such summaries should include a high-level description of:
 - The issue(s) being addressed;
 - A brief background;
 - The due diligence process used to arrive at the Committee's recommendation;
 - The options available to the BOR (the least it could do to the most it could do);
 - The pros and cons of the main options including sharing dissenting opinions when making recommendations to the BOR;
 - The risks of action and inaction; and,
 - Its recommendations to the BOR.

8 Charter Review

- 8.1 BOR shall review and update of this charter at least once every three years.
- 8.2 This Charter was adopted by the Board of Retirement on _____, 2017.



LOS ANGELES COUNTY
EMPLOYEES RETIREMENT
ASSOCIATION
LACERA

Board of Retirement Charter
Role of Chair/Vice-Chair/Secretary

v.9

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LACERA
Board of Retirement Charter

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LACERA
Board of Retirement Charter

1 Overview of the LACERA Board of Retirement

In 1937, Los Angeles County (County) established a pension trust fund (Fund) to provide defined retirement and death benefits to eligible County employees to be governed by the County Employees Retirement Law of 1937. In 1938, the Los Angeles County Employees Retirement Association (LACERA) was introduced to administer it. Since 1971, LACERA has also administered the Retiree Healthcare Benefits Program, on behalf of and through contractual agreement with [Los Angeles](#) County.

LACERA is an independent governmental entity, separate and distinct from the County, which administers and manages the Retiree Healthcare Benefits Program for the County and outside districts. LACERA is one of the largest county retirement systems in America. LACERA is funded by the County, participating employers, employees, and investment earnings.

LACERA is governed by two Boards. Both Boards include a mix of trustees which are appointed and elected members and an ex-officio member, the sitting County Treasurer and Tax Collector. The Board of Retirement (BOR) is responsible for the overall management of the retirement system and the LACERA-administered Retiree Healthcare Benefits Program. The Board of Investments (BOI) is responsible for determining LACERA's investment objectives, strategies, and policies as well as exercising authority and control over the investment management of the Fund. The BOI also invests and manages the Other Postemployment Benefits Program (OPEB) trust assets for participating employers.

LACERA is a public pension system created in accordance with the County Employees Retirement Law of 1937 (the '37 Act or CERL) and administered pursuant to the '37 Act and the California Public Employees' Pension Reform Act of 2013 (PEPRA). CERL Section 31520.2 provides that "Except as otherwise delegated to the board of investment and except for the statutory duties of the county treasurer, the management of the retirement system is vested in the board of retirement." The BOR has joint authority with the BOI over shared responsibilities, including, for example: the appointment and evaluation of the [CEO; Chief Executive Officer \(CEO\)](#); classification and compensation of personnel; and, adoption of LACERA's administrative budget.

LACERA
Board of Retirement Charter

2 Fiduciary and Co-Fiduciary Duties of the ~~Board of Retirement~~BOR

The members of the BOR recognize that they serve as fiduciaries for the administration of the retirement system, with fiduciary duties as defined in the California Constitution and CERL. The trustees have fiduciary duties both individually and collectively as a BOR.

In the exercise of their individual and collective fiduciary duties, the trustees and the BOR may, under the California Constitution and CERL, prudently delegate to staff, outside consultants and vendors, and other fiduciaries, while recognizing that the ultimate fiduciary responsibility of the BOR and its individual trustees for the retirement program is non-delegable. The BOR and the trustees exercise their fiduciary duties with respect to prudently delegated matters by having adequate processes in place to oversee their delegates, which processes should include reporting by and active monitoring and questioning of delegates.

The BOR's must discharge its duties solely in the interest of members and their beneficiaries, and for the exclusive purposes of providing benefits to participants and their beneficiaries. In addition, the BOR is required to exercise the care, skill, prudence and diligence that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

The BOR also has a fiduciary duty of undivided loyalty, and must be impartial in the exercise of such duty in regards to any divergent interests of various groups of members of the retirement system. The BOR must strive to minimize employer contributions and defray reasonable expenses of administering the system.

In the exercise of his or her individual fiduciary responsibilities, a trustee cannot knowingly participate in, or act to conceal, a breach of fiduciary duties by another trustee, enable another trustee to breach their fiduciary duties by failing to exercise reasonable care and prudence, or fail to take reasonable steps to report or remedy a breach of duty by another trustee when it is known or should have been known or suspected under the circumstances.

Further, the BOR and its members must observe laws applicable to the retirement program and to their conduct as trustees. They may not engage in any related party transactions with the retirement program or plan sponsor that are prohibited by California Constitution, CERL, and other applicable laws.

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Trustees are also bound to observe applicable standards of conduct and limitations on conflicts of interest that are prohibited by the Political Reform Act of 1974 and other applicable laws. BOR members or anyone acting on their behalf must comply with these provisions.

3 Expectations of Trustees

To be effective as a BOR and as individual trustees, and in recognition of their fiduciary and co-fiduciary duties, trustees should:

- 3.1. Appropriately prepare for and attend the entirety of each BOR meeting and of each Committee meeting of which they are a member;
- 3.2. Provide proactive input to the BOR and Committees to aid their deliberations;
- 3.3. Be respectful of their fellow members and of staff while giving firm and clear direction;
- 3.4. Be respectful of majority decisions, without compromising their ability to properly advocate for the things they believe are in the organization's interests;
- 3.5. Be respectful of the roles of the Chair/ Vice-Chair/ Secretary in their efforts to facilitate the effectiveness of the BOR in achieving its objectives; and,
- 3.6. Maintain a sense of professional, personal decorum and collegiality amongst the trustees.
- 3.7. Diligently avoid conflicts of interest and adhere to the Conflict of Interest and Code of Ethical Conduct.

LACERA
Board of Retirement Charter

4 The Role of the Chair and Vice-Chair

See BOR Regulations for the:

- A. Election of Chair;
- B. Election of Vice Chair;
- C. Election of Secretary;
- D. Election of Audit Committee Member; and,
- E. Filling of Vacancy in Office.

Overall, the Chair (and in the absence of the Chair, the Vice-Chair), should facilitate the BOR deliberations and preside over its meetings, coordinate the setting of its agenda, and ensure the BOR is an effective working group in making progress on the BOR's duties and objectives. The Chair should promote a culture of openness, respect and debate, and ensure there is effective open communication. The Chair should ensure that all BOR members receive accurate, timely and clear information.

Activities of the Chair (Vice-Chair) include the following:

- 4.1. Facilitate and preside over BOR meetings
- 4.2. Coordinate the setting of agendas
- 4.3. Liaise with staff through the ~~Chief Executive Officer~~CEO
- 4.4. Facilitate the establishment of the BOR's major policy goals and objectives
- 4.5. Coordinate the BOR's self-assessment of its effectiveness
- 4.6. Coordinate the CEO's annual performance review
- 4.7. Coordinate sharing of leading practices
- 4.8. Make appointments to ~~committees~~Committees
- 4.9. Oversee the effectiveness of stakeholder relations
- 4.10. Coordinate with the Chair of the ~~Board of Investment~~BOI concerning matters of common interest

Frequently Used Terms

- Facilitate means to make (an action or process) easy or easier.
- Coordinate means to bring the different elements (of a complex activity or organization) into a relationship that will ensure efficiency or harmony.
- Liaise means to establish a working relationship, typically to cooperate on a matter of mutual concern.
- Ensure means make certain that (something) shall occur or be the case.

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4.1 Facilitate and preside over BoardBOR meetings

- 4.1.1 In consultation with the BOR and the CEO, schedule dates, times and location for BOR meetings.
- 4.1.2 Facilitate and preside over BOR meetings to enable effective and efficient functioning of such meetings including:
 - 4.1.2.1 Ensure that discussion on agenda items is on topic, productive and professional;
 - 4.1.2.2 Ensure there is sufficient time during the meeting to fully discuss agenda items; and,
 - 4.1.2.3 Ensure that all meetings are conducted in a manner consistent with the Brown Act and Robert’s Rules of Order
- 4.1.3 Ensure meetings are called and held in accordance with LACERA’s BOR Regulations.
- 4.1.4 Ensure the meeting agenda and relevant documents are circulated to the members of the BOR in advance of the BOR meeting and in compliance with the Brown Act to ensure sufficient preparation time.
- 4.1.5 Chair and facilitate the BOR meetings ensuring respectful debate such that all voices and opinions are heard.
- 4.1.6 Ensure meetings are run and votes are taken in accordance with agreed upon rules of order / procedure.
- 4.1.7 Call special meetings of the BOR when warranted.
- 4.1.8 Chair Executive sessions of the BOR.

4.2 Coordinate the setting of agendas

- 4.2.1 Facilitate the BOR in setting the strategy and policy of the BOR.
- 4.2.2 In consultation with the Vice Chair and CEO coordinate and confirm an agenda for each BOR meeting (refer to the BOR Regulations for rules regarding placing an item on the agenda).
- 4.2.3 Plan agendas that facilitate the flow of work and the effectiveness of the achievement of the BOR’s goals and objectives.
- 4.2.4 Maintain an annual calendar of BOR decisions to be made and communicate to Committee Chairs to facilitate appropriate timing of Committee recommendations to the BOR.

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Board of Retirement Charter

~~4.2.44.2.5~~ Communicate with Committee Chairs in setting the Committee agendas and integrating the activities of the Committees with the objectives of the BOR as a whole.

4.3 Liaise with Staff through the ~~Chief Executive Officer~~CEO

4.3.1 Liaise with staff through the ~~Chief Executive Officer~~CEO to keep an overview of the system's affairs and to provide BOR support as appropriate.

4.3.2 Monitor that BOR requests are implemented by staff, and reported back and confirmed to the BOR.

4.4 Facilitate the establishment of the BOR's major policy goals and objectives

4.4.1 Ensure the BOR identifies policy goals and objectives for the year.

4.4.2 Oversee that these goals and objectives link to the retirement program's strategic plan and are measurable.

4.4.3 Coordinate with BOI to ensure the BOI's goals and objectives link to LACERA's overall strategic plan.

4.5 Coordinate the BOR's self-assessment of its effectiveness

4.5.1 ~~On at least an annual basis, coordinate~~Coordinate the BOR's self-assessment of the effectiveness of its performance in achieving its objectives, its ~~committees, Committees, and~~ its use of consultants.

4.5.2 The BOR Chair ~~and,~~ the CEO, and the Chief Counsel ~~should annually will~~ periodically evaluate the training requirements/program for the trustees and put forth any revisions as necessary to the full ~~Board~~BOR.

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4.6.1 Coordinate the annual performance review of the CEO with the BOI and any other BOR direct reports and/or ensure there is a capable process to do so.

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LACERA
Board of Retirement Charter

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LACERA
Board of Retirement Charter

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6.4.4.5 Contract provisions and other means of ensuring against, monitoring, and addressing future conflict of interest and ethics issues of Third-Parties.

6.4.4.6 Violations by any Third-Party of LACERA's Conflict of Interest Code and Code of Ethical Conduct.

6.4.4.7 Such other conflict of interest and ethics issues as may arise relating to Third-Parties.

6.4.5 LACERA Staff

LACERA
Board of Retirement Charter

6.4.5.1 LACERA Staff Other Than the CEO. In that conflict of interest and ethics issues relating to staff other than the CEO may implicate Civil Services Rules, rights of privacy, and other employee rights, staff conflict of interest and ethics issues will be addressed by the BOR on an individual basis based upon consultation with the CEO, Human Resources, and Legal Counsel. The BOR will make recommendations concerning staff training on conflict of interest and ethics issues relating to the BOR's areas of responsibility.

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 - The options available to the BOR (the least it could do to the most it could do);
 - The pros and cons of the main options including sharing dissenting opinions when making recommendations to the BOR;
 - The risks of action and inaction; and,
 - Its recommendations to the BOR.

LACERA
Board of Retirement Charter

8 Charter Review

8.1 BOR shall review and update of this charter at least once every three years.

8.2 This Charter was adopted by the Board of Retirement on _____, 2017.



**LOS ANGELES COUNTY
EMPLOYEES RETIREMENT
ASSOCIATION
LACERA**

Board of Retirement
Standing Committee Charters

**Board of Retirement
Standing Committee Charters**

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Board of Retirement Standing Committee Charters

A. Introduction

The growth and increasing complexity of the Los Angeles County Employees Retirement Association (LACERA) pension fund is imposing greater demands on LACERA's staff, consultants, and the Board of Retirement (BOR), which together with the Board of Investments is responsible for the retirement system. The BOR will be asked to adopt positions on an increasing number of complex issues. Changes in legislative leadership at both the federal and state levels of government require increased vigilance over legislative initiatives in the areas of pension and healthcare policy.

Full exposition and debate of many issues would be too time consuming to accomplish at regular BOR meetings. These issues can be best worked from the conceptual state to the development of complete recommendations at the committee level.

B. Purpose of this Document

The purpose of this document is twofold:

1. To describe the common purpose, scope, responsibilities, meetings and structure of the Board of Retirement Standing Committees (Committees).
2. To describe the specific terms of reference for each Committee. Currently, there are three Committees:
 - Insurance, Benefits and Legislative Committee (IBLC)
 - Operations and Oversight Committee (OOC)
 - Disability Procedures and Services Committee (DPSC)

At its discretion, the BOR Chair may appoint additional standing or ad hoc committees, as appropriate.

C. Purpose of the Committees

In 1995, the BOR approved the current structure of the Committees to oversee designated various administrative activities of the retirement system. The purpose of Committees is to facilitate the following objectives:

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- Enable the BOR to better meet its governance and oversight responsibility for the purposes of providing benefits to participants and their beneficiaries, and defray reasonable expenses of administering the system;
- Provide the BOR with improved access to LACERA consultants and staff for superior decision making;
- Facilitate timely issue vetting by the BOR, leading to greater BOR understanding and more efficient organizational decision making and execution;
- Improve BOR member subject matter understanding and education;
- Expedite decision making concerning resource allocation, structure, processes, and staffing;
- Assess and oversee overall risk management; and,
- Improve communication between BOR members and staff.

D. Committee Authority

Each of the Committees will act in an advisory capacity only and will bring all actionable items affecting the LACERA administration of the retirement system and retiree healthcare program to the BOR. As they relate to their specific charter, each Committee Chair will bring the following matters to the BOR Chair's attention for inclusion on a BOR meeting agenda:

- Proposed amendments to LACERA's retirement system and retiree healthcare program policies and standards;
- Performance deviations from LACERA strategic and policy objectives;
- Other initiatives which each Committee deems appropriate for BOR consideration.

E. Composition and Appointment of Committee Chairs, Vice-Chairs and Members

The BOR Chair will appoint four Committee members and one alternate from the current BOR members to a calendar year term and designate the Committee's Chair and Vice Chair for each Committee. The BOR Chair will consider continuity of service when selecting Committee members so that development of expertise and familiarity with the subject matter is

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encouraged and to benefit Committee goals. The BOR Chair will endeavor to include an overall mix of ex-officio, appointed, elected, active, and retired members when selecting Committee members.

Each Committee Chair will be responsible for setting meeting dates and agendas. The Chief Executive Officer (CEO) will assign senior LACERA staff to liaise with the Insurance, Benefits and Legislative Committee, the Operations Oversight Committee, and the Disability Procedures and Services Committee. The CEO and designated staff will assist in performing each Committee's duties.

BOR members who are not Committee members may attend and participate in a Committee meeting but may not vote on any matter discussed at the meeting nor make or second motions. The alternate Committee member may participate in meetings and make or second motions but may only vote in the absence of at least one Committee member. In the event five or more BOR members (including members appointed to the Committee) are in attendance, the meeting will constitute a joint meeting of the Committee and the BOR. All Committee meetings will be noticed as joint meetings of the Committee and the BOR.

F. Reporting

The Committee Chair is responsible for sharing the following with the BOR:

- Report to the BOR about Committee activities, issues, and related recommendations at each regularly scheduled BOR meeting following a Committee meeting, as appropriate;
- Each committee should maintain a calendar of key activities including those required for effective program oversight, training, and required action items for the BOR;
- Ensuring Committee meeting minutes are distributed or made available to all BOR members; and
- Ensuring agendas for upcoming Committee meetings are distributed or made available to all BOR members prior to the Committee meeting.

G. Frequency of Meetings

Each of the Committees will meet regularly between the monthly scheduled BOR meetings. Committee Chair should set frequency, time and agenda for committee meetings as required to

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achieve the objectives of the committee. Generally, there shall be one Committee meeting per month, however, there shall be no less than one meeting per quarter. Committee meetings will generally be held at 300 N. Lake Avenue in the LACERA Board Room. The Committee meetings will comply with all Brown Act notice requirements.

H. Insurance, Benefits and Legislative Committee (IBLC) Charter

The Insurance, Benefits, and Legislative Committee (IBLC) supports the Board of Retirement (BOR) with its oversight responsibilities with respect to the Retiree Healthcare Program and legislative matters. Additionally, the IBLC will support the BOR with matters concerning the design or changes to the retirement, retiree healthcare, death, insurance or other benefits.

The IBLC meets immediately following the second BOR meeting of each month unless otherwise scheduled by the BOR.

1 Retiree Healthcare Program

- 1.1 Set and oversee health care strategy and LACERA leadership in health care.
- 1.2 Oversee health benefit plans, providers, managers, administrators, consultants, and rates.
- 1.3 Oversee health benefit plan contracting.
- 1.4 Make recommendations to the BOR on the selection of Retiree Healthcare Program consultants.
- 1.5 Oversee cost and quality of health care program. Review cost-benefit analyses and recommendations from the BOR's consultant and staff and recommend related actions to the BOR.
- 1.6 Oversee research to evaluate leading health care practices that benefit members and their families.
- 1.7 Recommend to the BOR pilot projects for upcoming plan years that focus on improved health and lower costs, with appropriate evaluation methods of health outcomes, costs, and resources identified.
- 1.8 Receive information from the actuaries concerning the Other Post-Employment Benefits (OPEB).

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- 1.9 Review the structure of the plans and their administration to ensure they are taking advantages of best practices (including plan design and strategic planning, investment, custody, adequacy of LACERA staff and resources) and make such recommendations or changes as are necessary to fulfill fiduciary best practices related thereto.
- 1.10 Review the financial results of the plans (audited results; quarterly reviews; compliance with policy).
- 1.11 Oversee health administration cost effectiveness.
- 1.12 Oversee agency communications involving areas of insurance and benefit responsibilities.
- 1.13 Set the benchmarks and triggers for information that comes to the IBLC for review, as well as approve performance metrics to be reported to the Committee.
- 1.14 Establish performance standards for professional benefits consultants and participate in performance evaluations of those consultants;
- 1.15 Review periodic reports by staff or consultants on benefit delivery services, benefit-related trends, and other significant benefit topics.
- 1.16 At least quarterly, meet with the CEO, or a designee, regarding the operational and financial performance of the LACERA insurance programs to monitor progress toward strategic objectives and make recommendations to the BOR.
- 1.17 No later than March of each year, develop recommendations to the BOR concerning proposed premiums for the fiscal year beginning in July.

2 Legislative Matters

- 2.1 Develop, review and oversee legislative and executive branch benefit and benefit administration initiatives and make recommendations to the BOR;
- 2.2 Evaluate pending benefit and benefit administration legislation and report its findings and recommendations to the BOR.
- 2.3 Review and track pending national and/or state benefit and benefit administration legislation.
- 2.4 Recommend LACERA's position on state and federal benefit and benefit administration legislation to the BOR.

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- 2.5 Annually review the Legislative Policy and make recommendations as needed to the BOR.

I. Operations Oversight Committee (OOC) Charter

The Operations Oversight Committee (OOC) advises the BOR in the development, implementation, and review of LACERA's retirement and administrative operating policies and procedures, for reviewing plans involving acquisition and implementation of new technology, the use of external consultants supporting the retirement and administrative operations, setting standards for service delivery, and monitoring program effectiveness.

The OOC meets after the second BOR meeting of each month, convenes following the Insurance, Benefits and Legislative Committee meeting, unless otherwise scheduled by the BOR.

The OOC assists the BOR with its oversight responsibilities with respect to:

- 1 Enterprise Governance
- 2 Procurement
- 3 Financial Planning, Budgeting & Accounting Oversight
- 4 Oversee Overall Operations and Cost Effectiveness of the System
- 5 Business Continuity Oversight
- 6 Information Technology & Data Security
- 7 Retirement Benefit Administration
- 8 Retirement System Performance
- 9 Communications
- 10 Member Information Privacy

- 1 Enterprise Governance

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- 1.1 Monitor the organization’s progress in meeting our mission to “Produce, Protect and Provide the Promised Benefits”
- 1.2 Develop a strategic plan for LACERA governance, retirement benefit, administration, financial reporting, auditing and regulatory compliance and make recommendations to the BOR.
- 1.3 Review business plans and oversee business planning process.
- 1.4 Evaluate staff’s effectiveness and efficiency in securing appropriate resources
- 1.5 Review plans involving acquisition and use of external consultants.
- 1.6 Review any proposed changes to the governance of LACERA and make recommendations to the BOR.
- 1.7 At least annually, review LACERA governance documents to determine compliance with the documents, to determine whether any changes to the governing documents are required and to make recommendations to the BOR.
- 1.8 Serve as an educational forum.
- 1.9 Oversee Human Resource policies and procedures.
- 1.10 Oversee Document Retention policies and procedures.
- 1.11 Periodically review status of property and equipment.
- 1.12 Periodically review expenditure reports.

2 Procurement

- 2.1 Review policies concerning the procurement of supplies, consider amendments, and propose any amendments to the BOR.
- 2.2 Review policies concerning the selection of consultants, consider amendments, and propose any amendments to the BOR.
- 2.3 Oversee contract management policies and procedures.

3 Financial Planning, Budgeting & Accounting Oversight

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- 3.1 Oversee the LACERA's budgeting process
- 3.2 Monitor implementation of the operating budgets of LACERA.
- 3.3 Oversee the collection and retention of data as may be necessary for the preparation of the retirement and OPEB actuarial valuations.
- 3.4 Collaborate with staff to develop and review accounting policies and procedures and recommend any changes to such policies to the BOR.

4 Oversee overall operations and cost effectiveness of the System.

- 4.1 Oversee organizational operations and cost effectiveness.
- 4.2 Collaborate with staff to oversee periodic compensation studies and recommend staff compensation.
- 4.3 Recommend to the BOR contracting policies and oversee effective management of service provider contracts.
- 4.4 Recommend to the BOR regulations and policies affecting finance and administration.

5 Business Continuity Oversight

- 5.1 Oversee business continuity and disaster recovery processes including testing process.
- 5.2 Recommend for approval by the BOR a business continuity plan.

6 Information Technology & Data Security

- 6.1 Oversee information technology plans and budgets.
- 6.2 Monitor status of LACERA data security
- 6.3 Review cyber security and data security policies and make recommendations to the BOR.

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7 Retirement Benefit Administration

- 7.1 Oversee LACERA's administration of retirement benefits to members.
- 7.2 Review standards for service delivery and monitor staff effectiveness.
- 7.3 Investigate retirement benefit service issues.
- 7.4 Oversee research on pension policy and related issues developing at the state and national level.
- 7.5 Recommend to the BOR regulations and policies that affect retirement benefit administration.
- 7.6 Review member services, including responding to member inquiries, processing member requests, providing member reports, managing retired member actions and providing member education services.
- 7.7 Oversee LACERA's administration of employer services. Review employer services, including enrolling new employers, managing employer relations, coordinating actuarial information, managing employer contracts and compliance services, managing employer data and providing employer support services.
- 7.8 Maintain an awareness of issues affecting LACERA's members and employers and propose strategies for improving LACERA satisfaction to the BOR.

8 Retirement System Performance

- 8.1 Identify strategic goals regarding LACERA's performance and oversee implementation of strategy to achieve such goals.
- 8.2 Oversee the performance and delivery of LACERA's services.
- 8.3 Oversee member and employer service delivery quality and efficiency.
- 8.4 Oversee pension administration cost effectiveness.

9 Communications

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- 9.1 Collaborate with staff to develop and periodically review the BOR's communication plan. The communication plan shall contemplate the views of stakeholder groups, which may include active members, retirees, legislators, employers and consultants.
- 9.2 Evaluate the information, communication and educational efforts undertaken to encourage participants to obtain retirement readiness and make such recommendations or changes as are necessary to achieve best practices related thereto
- 9.3 Oversee LACERA's communications involving areas of OOC responsibilities.

10 Member Information Privacy

- 10.1 Oversee strategy and plan to protect and guard against the misuse of members' protected personal identifiable and health information within applicable laws.
- 10.2 Recommend to the BOR policies designed to ensure safeguarding of member information.
- 10.3 Ensure LACERA has resources such as, competent staff and adequate tools, to reasonably protect member information.
- 10.4 Monitor the effectiveness of member information privacy program.
- 10.5 Propose changes to member information privacy program to the BOR.

J. Disability Procedures and Services Committee (DPSC) Charter

The Disability Procedures and Services Committee (DPSC) shall be responsible for evaluating disability retirement policies and procedures, identifying and recommending policy and procedural improvements, addressing substantial issues as to the interpretation and application of CERL and other laws affecting disability retirement, and recruiting and evaluating the external professionals and consultants required to administer the disability retirement program.

The DPSC meets as needed, following the first BOR meeting of the month, unless otherwise scheduled by the BOR.

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1 Oversee Disability Benefits Administration Process

- 1.1 Periodically review and propose any changes to eligibility requirements for disability benefits.
- 1.2 Periodically commission and oversee a third-party benchmark study to determine leading disability application and appeal practices. Propose recommended changes to the BOR.
- 1.3 Oversee process for selection and monitoring of Examining Physicians. and make selection recommendations to the BOR.
- 1.4 Periodically review BOR Physician Guidelines and make recommendations to the BOR.
- 1.5 Review and make recommendations to the BOR for the following:
 - 1.5.1 Applications to the LACERA Panel of Examining Physicians
 - 1.5.2 Applications to the LACERA Service Providers panel
 - 1.5.3 Performance of an individual or firm on any LACERA panel
- 1.6 Periodically review BOR Regulations and policies pertaining to the disability process.

K. Conflicts and Ethics

In addition to each Committee's other specific responsibilities, each Committee will have responsibility to oversee actual and potential conflict of interest and ethics issues concerning that Committee's areas of responsibility, as follows:

1 Committee Members

- 1.1 Committee members will notify the Committee Chair and Vice Chair, the CEO, and Legal Counsel of actual or potential conflict of interest or ethics issues concerning themselves and other Committee members related to the business of the Committee. Such issues not resolved at the Committee level will be referred to the BOR to be handled as provided in the BOR Charter and Regulations. The Committee Chair and Vice Chair will notify the BOR Chair and Vice Chair of such issues, even if resolved at the Committee level.

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2 Third-Parties

Committee members and staff will exercise diligence in identifying, and informing the Committee about, all actual and potential conflict of interest issues concerning persons and entities who have business before the Committee, such as vendors, consultants, and all other third-parties (Third-Parties). The Committee will report and make recommendations to the BOR with regard to such issues, including:

- 2.1 Disclosure of actual or potential conflict of interest and ethics issues.
- 2.2 Waiver of any disclosed conflict of interest and ethics issues.
- 2.3 Other measures to eliminate or mitigate conflict of interest or ethics issues, including the costs of such measures.
- 2.4 The prudence of contracting, doing business, or taking other action on behalf of LACERA with any Third-Party with conflict or interest or ethics issues.
- 2.5 Contract provisions and other means of ensuring against, monitoring, and addressing future conflict of interest and ethics issues of Third-Parties.
- 2.6 Violations by any Third-Party of LACERA's Conflict of Interest Code and Code of Ethical Conduct.
- 2.7 Such other conflict of interest and ethics issues as may arise relating to Third-Parties.

3 LACERA Staff

- 3.1 In that conflict of interest and ethics issues relating to staff other than the CEO may implicate Civil Services Rules, rights of privacy, and other employee rights, staff conflict of interest and ethics issues will be addressed by the Committee on an individual basis based upon consultation with the CEO, Human Resources, and Legal Counsel. The Committee may make recommendations concerning staff training on conflict of interest and ethics issues relating to the Committee's areas of responsibility.
- 3.2 Conflict of interest and ethics issues with regard to the CEO will be referred to the Chair of the BOR. The Chair of the BOR will then inform the Chair of the Board of Investments of such issues.

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L. Interpretation of Charters

Each Committee Charter, and other duties and responsibilities as set forth above, will be interpreted and applied in a manner consistent with the BOR Charter.

M. Charter Review

At least every three years, each Committee should evaluate its charter and recommend amendments of this Charter to the BOR, as appropriate.

BOR shall review and update of this Charter at least once every three years, following review by the Committees.

N. Approval Date

This Charter was adopted by the Board of Retirement on _____, 2017.



LOS ANGELES COUNTY
EMPLOYEES RETIREMENT
ASSOCIATION
LACERA

Board of Retirement
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**Board of Retirement
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A. Introduction

The growth and increasing complexity of the [Los Angeles County Employees Retirement Association](#) (LACERA) pension fund is imposing greater demands on LACERA's staff, consultants, and the Board of Retirement (BOR), which together with the Board of Investments is responsible for the retirement system. The [BoardBOR](#) will be asked to adopt positions on an increasing number of complex issues. Changes in legislative leadership at both the federal and state levels of government require increased vigilance over legislative initiatives in the areas of pension and healthcare policy.

Full exposition and debate of many issues would be too time consuming to accomplish at regular [BoardBOR](#) meetings. These issues can be best worked from the conceptual state to the development of complete recommendations at the committee level.

B. Purpose of this Document

The purpose of this document is twofold:

1. To describe the common purpose, scope, responsibilities, meetings and structure of the Board of Retirement Standing Committees (~~BORSCs~~ [Committees](#)).
2. To describe the specific terms of reference for each ~~Standing~~ Committee. Currently, there are three ~~Standing~~ Committees:
 - Insurance, Benefits and Legislative Committee (IBLC)
 - Operations and Oversight Committee (OOC)
 - Disability Procedures and Services Committee (DPSC)

At its discretion, the BOR Chair may appoint additional standing or ad hoc committees, as appropriate.

C. Purpose of the ~~Standing~~ Committees

In 1995, the [BoardBOR](#) approved the current structure of the ~~Committees~~ [BORSCs](#) to oversee designated various administrative activities of the retirement system. The purpose of [Committees \[BORSCs\]\(#\) is to facilitate the following objectives:](#)

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- Enable the BOR to better meet its governance and oversight responsibility for the purposes of providing benefits to participants and their beneficiaries, and defray reasonable expenses of administering the system;
- Provide the BOR with improved access to LACERA consultants and staff for superior decision making;
- Facilitate timely issue vetting by the BOR, leading to greater [BoardBOR](#) understanding and more efficient organizational decision making and execution;
- Improve [BoardBOR](#) member subject matter understanding and education;
- Expedite decision making concerning resource allocation, structure, processes, and staffing;
- Assess and oversee overall risk management; and,
- Improve communication between [BoardBOR](#) members and staff.

D. Committee Authority

Each of the [CommitteesBORSCs](#) will act in an advisory capacity only and will bring all actionable items affecting the LACERA administration of the retirement system and retiree healthcare program to the BOR. As they relate to their specific charter, each [CommitteeBORSC](#) Chair will bring the following matters to the BOR Chair's attention for inclusion on a BOR meeting agenda:

- Proposed amendments to LACERA's retirement system and retiree healthcare program policies and standards;
- Performance deviations from LACERA strategic and policy objectives;
- Other initiatives which each [CommitteeBORSC](#) deems appropriate for BOR consideration.

E. Composition and Appointment of Committee Chairs, Vice-Chairs and Members

The BOR Chair will appoint four Committee members and one alternate from the current BOR members to a calendar year term and designate the Committee's Chair and Vice Chair for each [BORSCCommittee](#). The BOR Chair will consider continuity of service when selecting Committee members so that development of expertise and familiarity with the subject matter is

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encouraged and to benefit Committee goals. The BOR Chair will endeavor to include an overall mix of ex-officio, appointed, elected, active, and retired members when selecting Committee members.

Each [BORSC-Committee](#) Chair will be responsible for setting meeting dates and agendas. The Chief Executive Officer (CEO) will assign senior LACERA staff to liaise with the Insurance, Benefits and Legislative Committee, the Operations Oversight Committee, and the Disability Procedures and Services Committee. The CEO and designated staff will assist in performing each [BORSC's-Committee's](#) duties.

BOR members who are not Committee members may attend and participate in a Committee meeting but may not vote on any matter discussed at the meeting nor make or second motions. The alternate Committee member may participate in meetings and make or second motions but may only vote in the absence of at least one Committee member. In the event five or more BOR members (including members appointed to the Committee) are in attendance, the meeting will constitute a joint meeting of the Committee and the [BoardBOR](#). All [Standing Committee meetings](#) will be noticed as joint meetings of the Committee and the [BoardBOR](#).

F. Reporting

The Committee Chair is responsible for sharing the following with the BOR:

- Report to the [BoardBOR](#) about Committee activities, issues, and related recommendations at each regularly scheduled [BoardBOR](#) meeting following a Committee meeting, [as appropriate](#);
- [Each committee should maintain a calendar of key activities including those required for effective program oversight, training, and required action items for the BOR;](#)
- Ensuring Committee meeting minutes are distributed or made available to all [BoardBOR](#) members; and
- Ensuring agendas for upcoming Committee meetings are distributed or made available to all [BoardBOR](#) members prior to the Committee meeting.

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G. Frequency of Meetings

Each of the ~~BORSCs~~ Committees will meet regularly between the monthly scheduled BOR meetings. Committee Chair should set frequency, time and agenda for committee meetings as required to achieve the objectives of the committee. Generally, there shall be one Committee meeting per month, however, there shall be no less than one meeting per quarter. ~~BORSC~~ Committee meetings will generally be held at 300 N. Lake Avenue in the LACERA Board Room. The ~~BORSC~~ Committee meetings will comply with all Brown Act notice requirements.

H. Insurance, Benefits and Legislative Committee (IBLC) Charter

The Insurance, Benefits, and Legislative Committee (IBLC) supports the Board of Retirement (BOR) with its oversight responsibilities with respect to the Retiree Healthcare Program and legislative matters. Additionally, the IBLC will support the BOR with matters concerning the design or changes to the retirement, retiree healthcare, death, insurance or other benefits.

The IBLC meets immediately following the second BOR meeting of each month unless otherwise scheduled by the BOR.

~~The IBLC Charter will be interpreted and applied in a manner consistent with the Board of Retirement Charter.~~

1 Retiree Healthcare Program

- 1.1 Set and oversee health care strategy and LACERA leadership in health care.
- 1.2 Oversee health benefit plans, providers, managers, administrators, consultants, and rates.
- 1.3 Oversee health benefit plan contracting.
- 1.4 Make recommendations to the BOR on the selection of Retiree Healthcare Program consultants.
- 1.5 Oversee cost and quality of health care program. Review cost-benefit analyses and recommendations from the ~~Board's~~ BOR's consultant and staff and recommend related actions to the BOR.

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- 1.6 Oversee research to evaluate leading health care practices that benefit members and their families.
- 1.7 Recommend to the BOR pilot projects for upcoming plan years that focus on improved health and lower costs, with appropriate evaluation methods of health outcomes, costs, and resources identified.
- 1.8 Receive information from the actuaries concerning the Other Post-Employment Benefits (OPEB).
- 1.9 Review the structure of the plans and their administration to ensure they are taking advantages of best practices (including plan design and strategic planning, investment, custody, adequacy of LACERA staff and resources) and make such recommendations or changes as are necessary to fulfill fiduciary best practices related thereto.
- 1.10 Review the financial results of the plans (audited results; quarterly reviews; compliance with policy).
- 1.11 Oversee health administration cost effectiveness.
- 1.12 Oversee agency communications involving areas of insurance and benefit responsibilities.
- 1.13 Set the benchmarks and triggers for information that comes to the IBLC for review, as well as approve performance metrics to be reported to the Committee.
- 1.14 Establish performance standards for professional benefits consultants and participate in performance evaluations of those consultants.
- 1.15 Review periodic reports by staff or consultants on benefit delivery services, benefit-related trends, and other significant benefit topics.
- 1.16 At least quarterly, meet with the CEO, or a designee, regarding the operational and financial performance of the LACERA insurance programs to monitor progress toward strategic objectives and make recommendations to the BOR.
- 1.17 No later than March of each year, develop recommendations to the BOR concerning proposed premiums for the fiscal year beginning in July.

2 Legislative Matters

- 2.1 Develop, review and oversee legislative and executive branch benefit and benefit administration initiatives and make recommendations to the BOR;

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- 2.2 Evaluate pending benefit and benefit administration legislation and report its findings and recommendations to the BOR.
- 2.3 Review and track pending national and/or state benefit and benefit administration legislation.
- 2.4 Recommend LACERA's position on state and federal benefit and benefit administration legislation to the BOR.
- 2.5 Annually review the Legislative Policy and make recommendations as needed to the BOR.

I. Operations Oversight Committee (OOC) Charter

The Operations Oversight Committee (OOC) advises the BOR in the development, implementation, and review of LACERA's retirement and administrative operating policies and procedures, for reviewing plans involving acquisition and implementation of new technology, the use of external consultants supporting the retirement and administrative operations, setting standards for service delivery, and monitoring program effectiveness.

The OOC meets after the second boardBOR meeting of each month, convenes following the Insurance, Benefits and Legislative Committee meeting, unless otherwise scheduled by the BoardBOR.

The OOC assists the BOR with its oversight responsibilities with respect to:

- ~~1~~ Board Governance
- ~~2~~1 Enterprise Governance
- ~~3~~ Ethics
- ~~4~~2 Procurement
- ~~5~~3 Financial Planning, Budgeting & Accounting Oversight
- ~~6~~4 Oversee overall operationsOverall Operations and cost-effectivenessCost Effectiveness of the System
- ~~7~~5 Business Continuity Oversight
- ~~8~~6 Information Technology & Data Security
- ~~9~~7 Retirement Benefit Administration

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~~108~~ Retirement System Performance

~~119~~ Communications

~~1210~~ Member Information Privacy

~~The OOC Charter will be interpreted and applied in a manner consistent with the Board of Retirement Charter.~~

~~1~~ Board Governance

~~1.1~~ — ~~Oversee board processes and organizational accountability.~~

~~1.2~~ — ~~Conduct an annual review of the delegation to the CEO, and update, as appropriate.~~

~~1.3~~ — ~~Oversee the process of and compliance with the requirement for Board member and staff FPPC disclosure statements.~~

~~1.4~~ — ~~Conduct the selection of the Board's consultant on self-assessment and recommend the finalist to the Board.~~

~~1.5~~ — ~~Set the benchmarks and triggers for information that comes to the OOC for review, as well as approve performance metrics to be reported to the OOC.~~

~~2~~ Enterprise Governance

~~2.1.1.1~~ Monitor the organization's progress in meeting our mission to "Produce, Protect and Provide the Promised Benefits"

~~2.2.1.2~~ Develop a strategic plan for LACERA governance, retirement benefit, administration, financial reporting, auditing and regulatory compliance and make recommendations to the BOR.

~~2.3.1.3~~ Review business plans and oversee business planning process.

~~2.4.1.4~~ Evaluate staff's effectiveness and efficiency in securing appropriate resources

~~2.5.1.5~~ Review plans involving acquisition and use of external consultants.

~~2.6~~ — ~~Oversee development of Board member training and handbook.~~

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~~2.7~~1.6 Review any proposed changes to the governance of LACERA and make recommendations to the BOR.

~~2.8~~1.7 At least annually, review LACERA governance documents to determine compliance with the documents, to determine whether any changes to the governing documents are required and to make recommendations to the BOR.

~~2.9~~1.8 Serve as an educational forum.

~~2.10~~ ~~Create and maintain a calendar of events for LACERA.~~

~~2.11~~1.9 Oversee Human Resource policies and procedures.

~~2.12~~1.10 Oversee Document Retention policies and procedures.

~~2.13~~1.11 Periodically review status of property and equipment.

~~2.14~~1.12 Periodically review expenditure reports.

~~3~~ Ethics

~~2.1~~ ~~Make recommendations, as deemed advisable, relating to reports regarding conflict of interest disclosures~~

~~2.2~~ ~~Make recommendations to the BOR regarding waivers of any disclosed conflict of interest or a waiver of the prohibition against involvement in any matter affected by a disclosed conflict of interest, at a meeting held in compliance with the Open Meetings Act.~~

~~2.3~~ ~~Make recommendations to the BOR or CEO regarding the prudence of contracting on behalf of LACERA with any entity or a controlled affiliate of such entity that employs or is represented by a former trustee or former employee.~~

~~2.4~~ ~~Make recommendations, as deemed advisable, regarding reports from the CEO of any approval given for outside employment by key employees, including the nature of the employment.~~

~~2.5~~ ~~Make recommendations to the BOR regarding approval in advance of any outside employment by the CEO.~~

~~2.6~~ ~~Make recommendations, as deemed advisable, regarding reports from the CEO of any disciplinary action disclosed by key employees.~~

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~~2.7~~ — ~~Make recommendations, as deemed advisable, regarding reports of violations of LACERA's Conflict of Interest and Code of Ethical Conduct policy and any resulting disciplinary actions.~~

42 Procurement

~~4.12.1~~ Review policies concerning the procurement of supplies, consider amendments, and propose any amendments to the BOR.

~~4.22.2~~ Review policies concerning the selection of consultants, consider amendments, and propose any amendments to the BOR.

~~4.32.3~~ Oversee contract management policies and procedures.

53 Financial Planning, Budgeting & Accounting Oversight

~~5.13.1~~ Oversee the LACERA's budgeting process

~~5.23.2~~ Monitor implementation of the operating budgets of LACERA.

~~5.33.3~~ Oversee the collection and retention of data as may be necessary for the preparation of the retirement and OPEB actuarial valuations.

~~5.43.4~~ Collaborate with staff to develop and review accounting policies and procedures and recommend any changes to such policies to the ~~Board~~BOR.

64 Oversee overall operations and cost effectiveness of the System.

4.1 Oversee organizational operations and cost effectiveness.

4.2 Collaborate with staff to oversee periodic compensation studies and recommend staff compensation.

4.3 Recommend to the BOR contracting policies and oversee effective management of service provider contracts.

4.4 Recommend to the BOR regulations and policies affecting finance and administration.

Board of Retirement Standing Committee Charters

75 Business Continuity Oversight

- 5.1 Oversee business continuity and disaster recovery processes including testing process.
- 5.2 Recommend for approval by the BOR a business continuity plan.

86 Information Technology & Data Security

- ~~8.16.1~~ 8.16.1 Oversee information technology plans and budgets.
- ~~8.26.2~~ 8.26.2 Monitor status of LACERA data security
- ~~8.36.3~~ 8.36.3 Review cyber security and data security policies and make recommendations to the BOR.

97 Retirement Benefit Administration

- ~~9.17.1~~ 9.17.1 Oversee LACERA's administration of retirement benefits to members.
- ~~9.27.2~~ 9.27.2 Review standards for service delivery and monitor staff effectiveness.
- ~~9.37.3~~ 9.37.3 Investigate retirement benefit service issues.
- ~~9.47.4~~ 9.47.4 Oversee research on pension policy and related issues developing at the state and national level.
- ~~9.57.5~~ 9.57.5 Recommend to the BOR regulations and policies that affect retirement benefit administration.
- ~~9.67.6~~ 9.67.6 Review member services, including responding to member inquiries, processing member requests, providing member reports, managing retired member actions and providing member education services.
- ~~9.77.7~~ 9.77.7 Oversee LACERA's administration of employer services. Review employer services, including enrolling new employers, managing employer relations, coordinating actuarial information, managing employer contracts and compliance services, managing employer data and providing employer support services.

Board of Retirement Standing Committee Charters

~~9.87.8~~ Maintain an awareness of issues affecting LACERA's members and employers and propose strategies for improving LACERA satisfaction to the BOR.

~~108~~ Retirement System Performance

- 8.1 Identify strategic goals regarding LACERA's performance and oversee implementation of strategy to achieve such goals.
- 8.2 Oversee the performance and delivery of LACERA's services.
- 8.3 Oversee member and employer service delivery quality and efficiency.
- 8.4 Oversee pension administration cost effectiveness.

~~119~~ Communications

~~11.19.1~~ Collaborate with staff to develop and periodically review the BOR's communication plan. The communication plan shall contemplate the views of stakeholder groups, which may include active members, retirees, legislators, employers and consultants.

~~11.29.2~~ Evaluate the information, communication and educational efforts undertaken to encourage participants to obtain retirement readiness and make such recommendations or changes as are necessary to achieve best practices related thereto

~~11.39.3~~ Oversee LACERA's communications involving areas of OOC responsibilities.

~~1210~~ Member Information Privacy

~~12.110.1~~ Oversee strategy and plan to protect and guard against the misuse of members' protected personal identifiable and health information within applicable laws.

~~12.210.2~~ Recommend to the BOR policies designed to ensure safeguarding of member information.

~~12.310.3~~ Ensure LACERA has resources such as, competent staff and adequate tools, to reasonably protect member information.

Board of Retirement Standing Committee Charters

~~12.4~~10.4 Monitor the effectiveness of member information privacy program.

~~12.5~~10.5 Propose changes to member information privacy program to the BOR.

J. Disability Procedures and Services Committee (DPSC) Charter

The Disability Procedures and Services Committee (DPSC) shall be responsible for evaluating disability retirement policies and procedures, identifying and recommending policy and procedural improvements, addressing substantial issues as to the interpretation and application of CERL and other laws affecting disability retirement, and recruiting and evaluating the external professionals and consultants required to administer the disability retirement program.

The DPSC meets as needed, following the first ~~board~~BOR meeting of the month, unless otherwise scheduled by the ~~Board~~BOR.

~~The DPSC Charter will be interpreted and applied in a manner consistent with the Board of Retirement Charter.~~

1 Oversee Disability Benefits Administration Process

- 1.1 Periodically review and propose any changes to eligibility requirements for disability benefits.
- 1.2 Periodically commission and oversee a third-party benchmark study to determine leading disability application and appeal practices. Propose recommended changes to the BOR.
- 1.3 Oversee process for selection and monitoring of Examining Physicians. and make selection recommendations to the ~~Board~~BOR.
- 1.4 Periodically review BOR Physician Guidelines and make recommendations to the ~~Board~~BOR.
- 1.5 Review and make recommendations to the ~~Board~~BOR for the following:

Board of Retirement Standing Committee Charters

- 1.5.1 Applications to the LACERA Panel of Examining Physicians
- 1.5.2 Applications to the LACERA Service Providers panel
- 1.5.3 Performance of an individual or firm on any LACERA panel
- 1.6 Periodically review BOR Regulations and policies pertaining to the disability process.

~~K. Self-Evaluation~~

K. Conflicts and Ethics

In addition to each Committee's other specific responsibilities, each Committee will have responsibility to oversee actual and potential conflict of interest and ethics issues concerning that Committee's areas of responsibility, as follows:

1 Committee Members

1.1 Committee members will notify the Committee Chair and Vice Chair, the CEO, and Legal Counsel of actual or potential conflict of interest or ethics issues concerning themselves and other Committee members related to the business of the Committee. Such issues not resolved at the Committee level will be referred to the BOR to be handled as provided in the BOR Charter and Regulations. The Committee Chair and Vice Chair will notify the BOR Chair and Vice Chair of such issues, even if resolved at the Committee level.

2 Third-Parties

Committee members and staff will exercise diligence in identifying, and informing the Committee about, all actual and potential conflict of interest issues concerning persons and entities who have business before the Committee, such as vendors, consultants, and all other third-parties (Third-Parties). The Committee will report and make recommendations to the BOR with regard to such issues, including:

2.1 Disclosure of actual or potential conflict of interest and ethics issues.

Board of Retirement Standing Committee Charters

- 2.2 Waiver of any disclosed conflict of interest and ethics issues.
- 2.3 Other measures to eliminate or mitigate conflict of interest or ethics issues, including the costs of such measures.
- 2.4 The prudence of contracting, doing business, or taking other action on behalf of LACERA with any Third-Party with conflict or interest or ethics issues.
- 2.5 Contract provisions and other means of ensuring against, monitoring, and addressing future conflict of interest and ethics issues of Third-Parties.
- 2.6 Violations by any Third-Party of LACERA's Conflict of Interest Code and Code of Ethical Conduct.
- 2.7 Such other conflict of interest and ethics issues as may arise relating to Third-Parties.

3 LACERA Staff

- 3.1 In that conflict of interest and ethics issues relating to staff other than the CEO may implicate Civil Services Rules, rights of privacy, and other employee rights, staff conflict of interest and ethics issues will be addressed by the [Committee](#) on an individual basis based upon consultation with the CEO, Human Resources, and Legal Counsel. The [Committee](#) may make recommendations concerning staff training on conflict of interest and ethics issues relating to the [Committee](#)'s areas of responsibility.
- 3.2 Conflict of interest and ethics issues with regard to the CEO will be referred to the Chair of the BOR. The Chair of the BOR will then inform the Chair of the Board of Investments of such issues.

L. Interpretation of Charters

Each [Committee](#) Charter, and other duties and responsibilities as set forth above, will be interpreted and applied in a manner consistent with the BOR Charter.

M. Charter Review

At least every three years, each ~~Standing~~ Committee should evaluate its ~~performance charter~~ and ~~review and amend~~ recommend amendments of this Charter to the BOR, as appropriate.

**Board of Retirement
Standing Committee Charters**

BOR shall review and update of this Charter at least once every three years, following review by the Committees.

L.N. Approval Date

This Charter was adopted by the Board of Retirement on _____, 2017.



March 23, 2017

TO: Each Member
Board of Retirement

FROM: Cassandra Smith, Director *CS*
Retirement Healthcare Division

FOR: Board of Retirement Meeting of April 13, 2017

SUBJECT: **2017-2018 PLAN YEAR HEALTH INSURANCE RATE RENEWALS AND
BENEFIT CHANGES FOR LACERA'S RETIREE HEALTHCARE
BENEFITS PROGRAM**

RECOMMENDATION

Recommend the Board of Retirement approve the fiscal year 2017-2018 rate renewal proposal and mandatory contractual changes, listed by carrier, and the administrative fee.

EXECUTIVE SUMMARY

This year's contract negotiations with LACERA's health insurance carriers concluded with an overall renewal increase of 3.30%, or approximately \$18.29 million annually. This amount reflects a \$5.95 million reduction from the original renewal proposal of 4.37% as a result of negotiations. The medical premiums are increasing overall by approximately 3.41%, or approximately \$17.40 million annually. All references to appendix are in the attached 2017-2018 Renewal Evaluation Report.

The dental/vision increase is approximately 1.98%, or approximately \$888,839. The total projected overall annual program cost for the 2017-2018 plan year will be approximately \$573 million.

The national health care survey average is projected to be in the neighborhood of 4% as reflected on page 7 of the evaluation report. We are extremely pleased with the results of these negotiations; particularly noting with the exception of 2015-2016, LACERA's renewals have outperformed the national averages over the past five years.

RATE RENEWAL AND BENEFIT CHANGE PROPOSALS

Anthem Blue Cross Plan I, II and III

- Accept the overall renewal increase of 2.73% with the following separate increases on the plans:
 - Accept the increase of 2.74% on Plans I and II
 - Accept the 2.72% increase on Plan III
 - Accept the mandatory contractual changes as referenced in Appendix E
- Advise Anthem Blue Cross to remit the \$18.40M surplus to LACERA

Anthem Blue Cross Prudent Buyer Plan

- Accept the 2.73% renewal increase
- Accept the mandatory contractual changes as referenced in Appendix E
- Advise Anthem Blue Cross to remit the \$1.60M surplus to LACERA

Cigna Medical

- Accept the 6.68% overall renewal increase with the following separate increases:
 - Accept the 6.56% increase for the Cigna Network Model Plan
 - Accept the 11.61% increase for the Cigna Health Spring Preferred with Rx
 - Accept the mandatory contractual changes referenced in Appendix F

Cigna Dental and Vision

- Accept the 1.98% overall rate increase with the following separate increases:
 - Accept the 2.15% increase to the indemnity and vision plan
 - Accept the 0.35% increase to the pre-paid and vision plan
 - Retain current benefit levels

Kaiser California

- Accept the 4.04% overall renewal increase with the following separate increases:
 - Accept the Basic/Pre-65 increase of 2.82%
 - Accept the Senior Advantage increase of 5.78%
 - Accept the mandatory contractual changes referenced in Appendix G

Kaiser - Out of State

- Accept the 3.39% overall renewal decrease in Out of State plans with the following separate changes for Medicare and non-Medicare plans combined:
 - Accept the Kaiser Colorado increase of 1.40%
 - Accept the Kaiser Georgia rate pass
 - Accept the Kaiser Hawaii increase of 7.11%
 - Accept the Kaiser Oregon decrease of 12.23%
 - Accept the mandatory contractual changes referenced in Appendix G

SCAN

- Accept the 2.95% renewal decrease
 - Accept the mandatory contractual changes as referenced in Appendix H

United HealthCare (UHC)

- Accept the 4.84% overall renewal increase with the following separate increases:
 - Accept the 6.53% increase on the Pre-65 HMO Plan
 - Accept the 1.95% increase on the Medicare Advantage Plan
 - Accept the mandatory contractual changes as referenced in Appendix I

Administrative Fee

Approve the continuation of the flat monthly fee of \$8.00 to cover LACERA's administrative services (including consulting, vendor fees, and the cost of administering LACERA's healthcare benefits program).

CONCLUSION

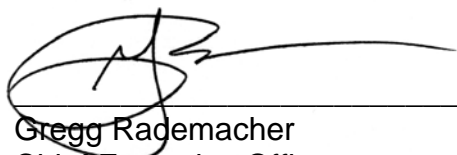
Our overall increase of 3.30% for our healthcare benefits program is an incredible outcome. With national trends at 4%, we have once again outperformed the industry. We need to be continuously diligent with our carriers, vendors, and Federal agencies to stay ahead of the many things happening in Washington, D.C and on a national basis as a whole within the healthcare landscape. The 2017-2018 plan year will be a very challenging, busy and unpredictable year for the healthcare industry. Staff will continue to be very actively involved in the health care arena, especially on those issues of concern to our population.

Detailed information regarding the renewal proposal can be found in the enclosed 2017-2018 Renewal Evaluation Report prepared by Aon Consulting.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

Recommend the Board of Retirement approve the fiscal year 2017-2018 rate renewal proposal and mandatory contractual changes, listed by carrier, and the administrative fee.

REVIEWED AND APPROVED



Gregg Rademacher
Chief Executive Officer

Attachment

CS:cs



**2017/2018 Renewal Evaluation Report
Los Angeles County Employees Retirement
Association (LACERA)
April 13, 2017**

Contents

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Overall Summary

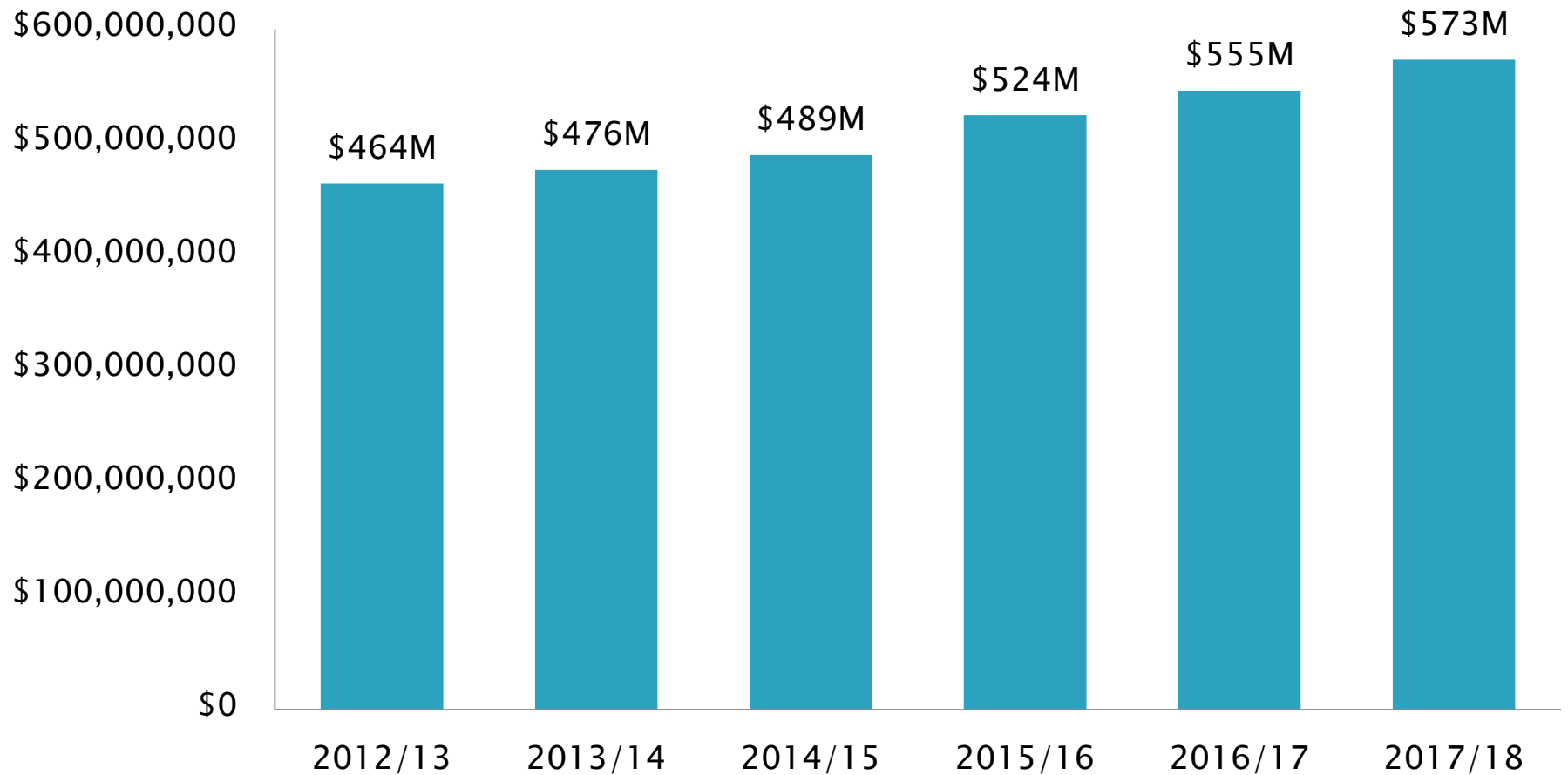
The content of this report summarizes the final July 1, 2017 – June 30, 2018 renewal results for the LACERA-administered Retiree Healthcare Benefits Program (RHCBP).

The overall renewal increase is 3.30% or approximately \$18.29 million annually. This reflects a \$5.95 million reduction from the original renewal of 4.37% as a result of Staff and Aon's renewal negotiations with the carriers. The medical premiums are increasing by 3.41% or approximately \$17.40 million (refer to Appendix A for full breakdown).

The dental/vision increase is approximately 1.98% or \$888,839. The following chart summarizes the total projected premium cost for the LACERA plans during the past five years and the projected 2017/2018 policy period.

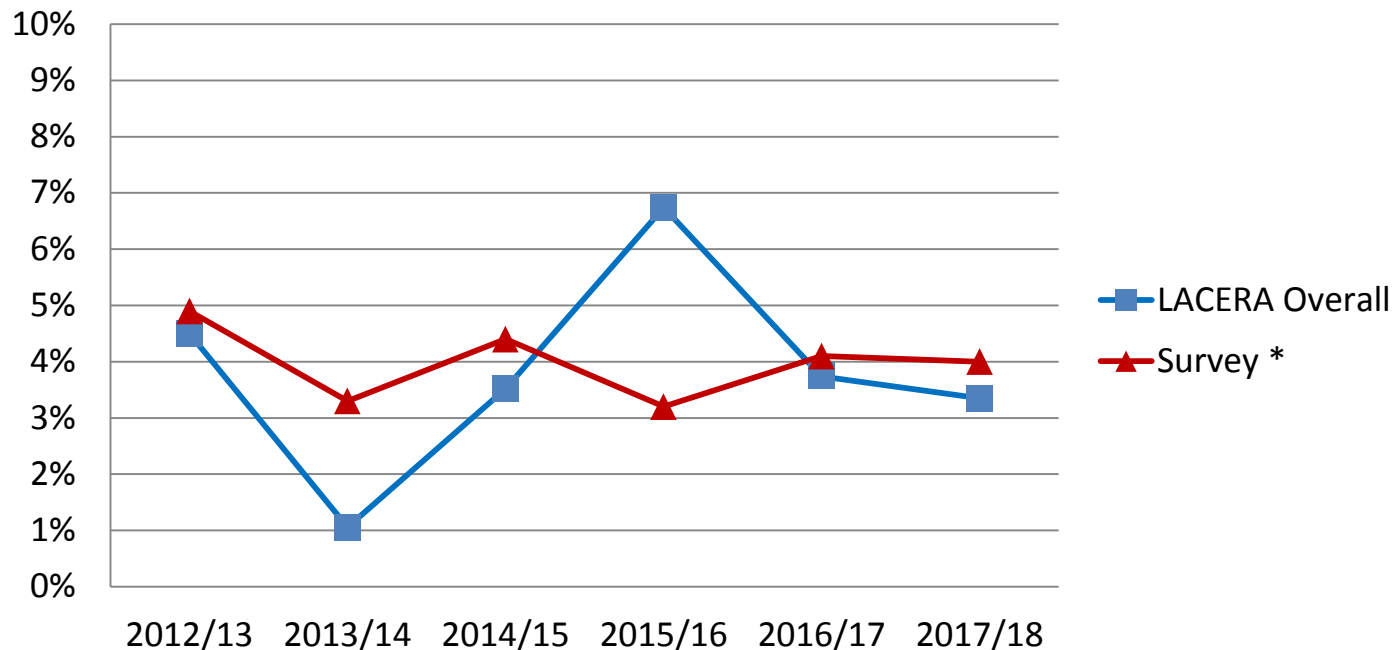
Note: The results indicated include the LACERA Administrative Fee and Medicare Part B Premium Reimbursement.

Overall Summary – Total Projected Premium



Overall Summary – Trend

- With the exception of the 2015/2016 plan year, LACERA's renewals have outperformed the national survey averages over the past five years, resulting in single digit increases.
- The finalized 2017/2018 renewal was very favorable and yielded only a 3.30% overall plan increase. This is substantially lower than the national survey average.



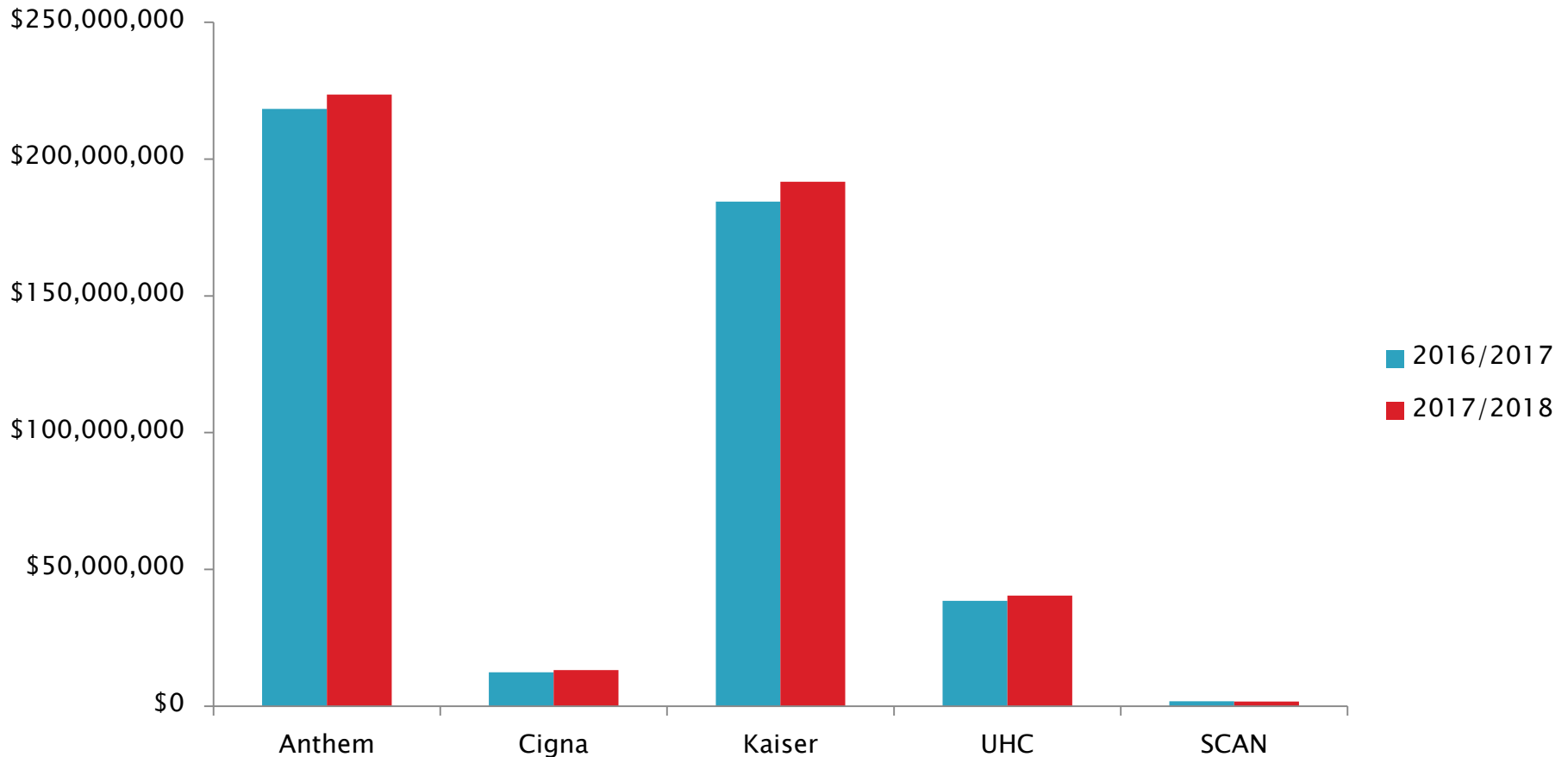
*Aon's data is derived from the Aon's Health Value Initiative (HVI) database.

The 4% increase in 2017 is projected.

* LACERA's trends do not include the impact of plan and tier migration.

* Health Value Initiative (HVI) trends do not include dental and vision as they are not captured in the database

Overall Summary – Projected Premium by Medical Plan



Projected premiums are based on LACERA's January 2017 enrollment data with renewal increases applied to current rates. All increases/decreases shown in this report are inclusive of the \$8.00 LACERA administrative fee. Anthem Plan I, II, and III, the Anthem Prudent Buyer Plan, and Kaiser CA make up 72% of the total premiums. Anthem Plans I, II, and III by themselves reflect 39% of the premium. Kaiser CA and Kaiser Out of State plans reflect 33% of the premium.

Recommendations

The following summarizes LACERA Staff and Aon's recommendations to the LACERA Board of Retirement for the plan year effective July 1, 2017. These recommendations are presented with all mandatory plan design changes.

Anthem Plans Overall *

- Accept the 2.73% overall increase
 - Instruct Anthem to release the combined 2015–2016 surplus of \$20 million to LACERA
 - Accept the mandatory contractual changes as referenced in Appendix E
- **Anthem Plans I, II, III**
- Accept the 2.74% overall increase to Plans I and II
 - Accept the 2.72% overall increase to Plan III
 - Instruct Anthem to release the 2015–2016 surplus of \$18.4 million to LACERA
 - Accept the mandatory contractual changes as referenced in Appendix E

*Renewal rate changes include the administrative fee. In addition, each deduct code within the same plan may reflect different rate changes based on tier and Medicare vs. non-Medicare Advantage Plans.

Recommendations

Anthem Plans Overall (continued)

- **Anthem Prudent Buyer**
 - Accept the 2.73% increase
 - Instruct Anthem to release the 2015–2016 surplus of \$1.6 million to LACERA
 - Accept the mandatory contractual changes as referenced in Appendix E

Recommendations

Cigna *

➤ Cigna Medical

- Accept the 6.68% overall increase to the Cigna medical plans
 - ✓ Accept the 6.56% increase to the Cigna Network Model Medical Plan (based on single rate)
 - ✓ Accept the 11.61% increase to the Cigna–HealthSpring Preferred with Rx Plan (based on single Medicare Advantage rate)
- Accept the mandatory contractual changes as referenced in Appendix F

➤ Cigna Dental/Vision

- Accept the overall increase of 1.98% for the Cigna Dental/Vision Plans
 - ✓ Accept the indemnity dental/vision plan increase of 2.15%
 - ✓ Accept the prepaid dental/vision plan increase of 0.35%

*Renewal rate changes include the administrative fee. In addition, each deduct code within the same plan may reflect different rate changes based on tier and Medicare vs. non–Medicare Advantage Plans.

Recommendations

Kaiser California*

- Accept the 4.04% overall increase with the following separate changes
 - ✓ Accept the Basic/Pre-65 increase of 2.82%
 - ✓ Accept the Senior Advantage increase of 5.78%
- Accept the mandatory contractual changes as referenced in Appendix G

Kaiser Out of State*

- Accept the 3.39% overall decrease in Out-of-State change with the following separate changes for Medicare and non-Medicare plans combined:
 - ✓ Accept the Kaiser Colorado increase of 1.40%
 - ✓ Accept rate pass for the Kaiser Georgia plan
 - ✓ Accept the Kaiser Hawaii increase of 7.11%
 - ✓ Accept the Kaiser Oregon decrease of 12.23%
- Accept the mandatory contractual changes as referenced in Appendix G

*Renewal rate changes include the administrative fee. In addition, each deduct code within the same plan may reflect different rate changes based on tier and Medicare vs. non-Medicare Advantage Plans.

Recommendations

SCAN Health Plan *

- Accept the decrease of 2.95% on the Medicare Advantage Plan
- Accept the mandatory contractual changes as referenced in Appendix H

UHC Medical*

- Accept the 4.84% overall increase
 - ✓ Accept the 6.53% increase on the Pre-65 HMO Plan
 - ✓ Accept the 1.95% increase on the Medicare Advantage Plan
- Accept the mandatory contractual changes as referenced in Appendix I

*Renewal rate changes include the administrative fee. In addition, each deduct code within the same plan may reflect different rate changes based on tier and Medicare vs. non-Medicare Advantage Plans.

Recommendations

➤ **Administrative Fee**

- The administrative fee will remain at \$8.00 per member, per plan, per month.

Anthem Blue Cross Renewal Results*

- Anthem initially offered a 9.62% increase on the Prudent Buyer Plan and a 4.11% increase on Plans I, II, and III for the 2017/2018 plan year
- After negotiations with Staff and Aon, Anthem agreed to a **2.73% overall increase resulting in \$4.01 million in negotiated savings.**
- Anthem conducted their year end accounting for the 2015–2016 plan year for the Prudent Buyer Plan and Plans I, II, and III. The combined claims experience generated a \$20 million surplus in favor of LACERA.

*Renewal rate changes include the administrative fee. In addition, each deduct code within the same plan may reflect different rate changes based on tier and Medicare vs. non-Medicare Advantage Plans.

Anthem Blue Cross Renewal Results

Recommendation

- Accept the 2.73% renewal increase
- Authorize Anthem to release the \$20 million surplus from the 2015–2016 year end accounting analysis to LACERA.

Plan Design Changes

- Refer to Appendix E for mandatory contractual changes

Cigna Renewal Results*

- Cigna initially offered the following increases for the 2017/2018 plan year:
 - Combined Cigna Network Model and HealthSpring Preferred – 9.79%
 - ✓ Cigna Network Model Plan – 9.74% (based on single rate)
 - ✓ Cigna HealthSpring Preferred with Rx Plan– 11.61% (based on single Medicare Advantage rate)
 - Indemnity Dental/Vision – 3.82%
 - Prepaid Dental/Vision – 0.42%
- After negotiations with Staff and Aon, Cigna agreed to the following renewal positions:
 - Combined Cigna Network Model and HealthSpring Preferred – 6.68%
 - ✓ Cigna Network Model Plan – 6.56% (based on single rate)
 - ✓ Cigna HealthSpring Preferred with Rx Plan – 11.61% (based on single Medicare Advantage rate)
 - Indemnity Dental/Vision – 2.15%
 - Prepaid Dental/Vision – 0.35%

*Renewal rate changes include the administrative fee. In addition, each deduct code within the same plan may reflect different rate changes based on tier and Medicare vs. non-Medicare Advantage Plans.

Cigna Renewal Results

- The final overall medical renewal action for Cigna resulted in a **6.68% increase, which amounts to \$386,439 in negotiated savings**
- The final overall dental/vision renewal action for Cigna resulted in **1.98% increase, which amounts to \$681,358 in negotiated savings**
- Cigna conducted their year end accounting for the 2015–16 plan year for the Cigna dental/vision plans. The claims experience generated a \$1.38 million deficit. However, the combined results for the most recent 10 years generated a surplus. Cigna has agreed to roll forward the current deficit until it is recoverable from a future surplus, as has been done in the past.

Cigna Renewal Results

Recommendation

- Accept the 3.00% blended renewal increase as outlined above

Plan Design Changes

- Refer to Appendix F for mandatory contractual changes

Kaiser Renewal Results*

- Kaiser offered the following rate changes for the 2017/2018 plan year:
 - Kaiser California (under 65) – 2.82% increase
 - Kaiser California Medicare Advantage – 5.78% increase
 - Kaiser Colorado – 1.40% increase
 - Kaiser Georgia – rate pass
 - Kaiser Hawaii – 7.11% increase
 - Kaiser Oregon – 12.23% decrease

*Renewal rate changes include the administrative fee. In addition, each deduct code within the same plan may reflect different rate changes based on tier and Medicare vs. non-Medicare Advantage Plans. Kaiser Out Of State plans include combinations of under 65 and Medicare Advantage.

Kaiser Renewal Results

Recommendation

- Accept the renewal changes as outlined on the prior page

Plan Design Changes

- Refer to Appendix G for mandatory contractual changes

SCAN Renewal Results *

SCAN Health Plan entered the medical market as a demonstration project that, in addition to medical benefits, provided assisted living and support services, thus receiving extra capitation payments from CMS. The demonstration project has ended and CMS has reduced its payments to SCAN to be more in line with other MAPDs that do not provide the assisted living benefits. Even though SCAN Health Plan does not receive the extra compensation, they continue to offer the special needs benefits as part of their program mission.

- SCAN offered a 2.95% decrease to their Medicare Advantage Plan for the 2017/2018 plan year

*Renewal rate changes include the administrative fee.

SCAN Renewal Results*

Recommendation

- Accept the negotiated 2.95% renewal decrease as outlined on the prior page

Plan Design Changes

- Refer to Appendix H for contractual changes

UnitedHealthcare Renewal Results*

- UHC initially offered the following increases for the 2017/2018 plan year:
 - Pre-65 HMO: 9.55% increase
 - Medicare Advantage HMO: 2.93% increase
- After negotiations with Staff and Aon, UHC agreed to the following concessions:
 - Pre-65 HMO: 6.53% increase
 - Medicare Advantage HMO: 1.95% increase
- The final overall renewal action for UHC resulted in **4.84% increase, which amounts to \$877,634 in negotiated savings.**

Recommendation

- Accept the negotiated 4.84% blended renewal increase as outlined above

Plan Design Changes

- Refer to Appendix I for mandatory contractual changes.

*Renewal rate changes include the administrative fee. In addition, each deduct code within the same plan may reflect different rate changes based on tier and Medicare vs. non-Medicare Advantage Plans.

Administrative Fee

- Staff recommends continuation of the administrative fee of \$8.00 per member, per plan, per month for the 2017/2018 plan year. This fee covers LACERA's administrative expenses, including consulting services, vendor fees, and the cost of administering the Retiree Healthcare Benefits Program.

Medicare Advantage/Supplement Plans

The LACERA-administered Retiree Healthcare Benefits Program is directly and indirectly impacted by Medicare. In the early 1990s Medicare Plus Choice HMO plans were introduced to the market. Under these plans, retirees would sign over their Medicare benefits, and the HMO would provide all benefits. In many cases, the benefits provided by Medicare HMOs were better than those provided by traditional Medicare – often at the same price.

In 1992, with Board of Supervisors approval, LACERA implemented the Medicare Part B Reimbursement program which included the Medicare HMOs as an option to its members, through Anthem Plan III, Kaiser Senior Advantage, UnitedHealthcare Group Medicare Advantage HMO and Cigna HealthSpring Preferred with RX. In addition, LACERA added a pre-65 HMO product through UnitedHealthcare (UHC). Continuance of the Medicare Part B Reimbursement program is subject to annual Board of Supervisors' approval.

In 1997, the Balanced Budget Act was passed which put pressure on Medicare HMOs. Several of the plans reduced their service areas; the largest impact on LACERA was Cigna's exit from the Medicare HMO market in California.

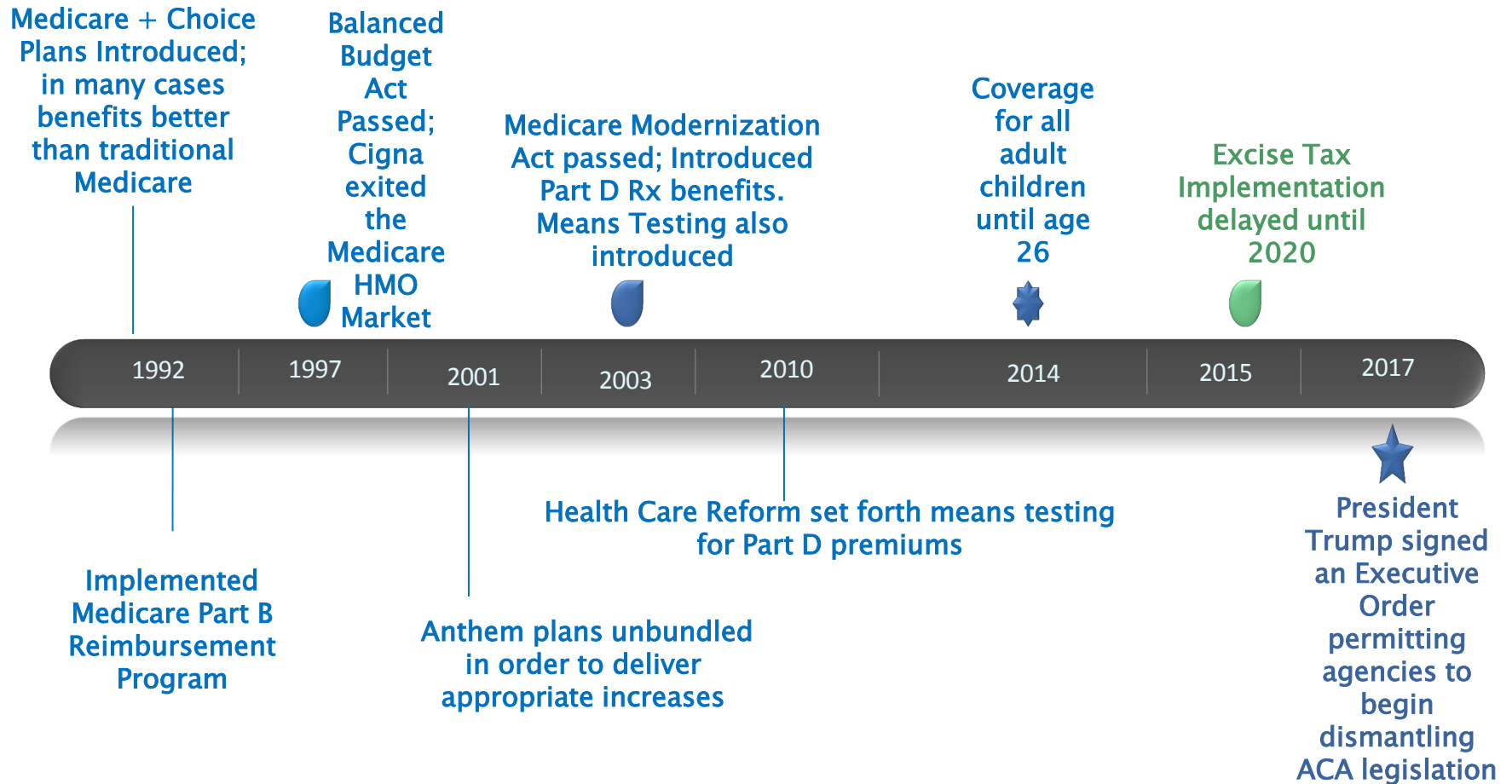
Medicare Advantage/Supplement Plans

In 2003, the Medicare Modernization Act was passed, which introduced Medicare Part D (prescription drug) benefits. The Medicare Modernization Act also established means testing on Part B premiums (higher premiums for higher income individuals).

In 2010, Health Care Reform set forth means testing for the Part D premiums. In addition, there continues to be political pressure for reductions in Medicare's physician reimbursements, as well as on Medicare HMOs (now known as Medicare Advantage Prescription Drug, or MAPD plans). We are closely monitoring the Washington agenda on Medicare Advantage plans since they form a cornerstone of LACERA's cost management strategy.

With the inauguration of President Trump in 2017, we will continue to closely monitor the Washington agenda on Medicare Advantage plans.

Historical Timeline



Plans Exceeding Benchmark

- Over the last several years, the Non-Medicare HMO rates have risen at a rate faster than the benchmark rates, in most plans. The single coverage benchmark rate for the 2017/2018 is \$1,094.88.
- Cigna's Network Model HMO rates have exceeded the benchmark premium rates for the past five plan years. This will continue to be the case in 2017/2018.
- There are several Kaiser premium rates that exceed the benchmark contribution amount.

Plans Exceeding Benchmark

As with the past several renewals, Cigna's premium will be higher for the July 1, 2017 renewal than the benchmark rates. A retiree with 25 or more years of service will pay the additional amounts over the benchmark rates:

	Benchmark Anthem BC Plan I&II Monthly Premium	Cigna Monthly Premium	Amount over the Benchmark (Member Portion)
Retiree Only	\$1,094.88	\$1,419.91	\$325.03
Retiree & Spouse	\$1,972.43	\$2,562.36	\$589.93
Retiree & Family	\$2,326.31	\$3,025.54	\$699.23
Retiree & Children	\$1,448.02	\$1,883.69	\$435.67

Last year the amount above the benchmark was \$258.72 for single coverage and \$574.27 for family coverage. The difference for 2017/2018 renewal is shown above and represents an increase which might make the plan less financially attractive to members.

Tier 1 and Tier 2 Contributions

LACERA and the County of Los Angeles agreed to change retiree contributions to two separate tiers based on hire date

- Tier 1 applies to all employees hired by the County prior to June 30, 2014:
 - ✓ Benchmark plans:
 - Anthem I & II – Medical
 - Cigna Indemnity – Dental/Vision
 - ✓ No changes to the current contribution structure
 - ✓ No mandatory Medicare enrollment requirements
 - ✓ Retiree has the option of enrolling in Medicare
 - ✓ County reimburses retirees/eligible dependents or eligible survivors (up to 2 parties only) the standard Part B premium amount only

Tier 1 and Tier 2 Contributions

LACERA and the County of Los Angeles agreed to change retiree contributions to two separate tiers based on hire date

- Tier 2 applies to all employees hired by the County on or after June 30, 2014:
 - ✓ Maximum subsidy provided for “retiree only” premium cost
 - ✓ Benchmark plans:
 - Anthem I & II – Medical
 - Anthem III – Medical
 - Cigna Indemnity – Dental/Vision
 - ✓ Mandatory enrollment in both Medicare Parts A and B
 - ✓ Mandatory enrollment in LACERA administered Medicare Advantage or Medicare Supplement plans for Medicare eligible retirees
- County reimburses retirees or eligible survivors the standard Part B premium amount only

Health Care Reform

- The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, passed in March 2010, continues to raise significant implications for the LACERA-administered Retiree Healthcare Benefits Program. The first wave of Health Care Reform requirements (unlimited lifetime benefits, employer mandate, etc.) largely has not affected LACERA. This is due to LACERA's status as a "Retiree Only" plan.
- The only change that LACERA had to adopt came in 2013 as it relates to the age 26 eligibility change. This change required coverage of dependents to **age 26** regardless of student/marital status (California legislature SB1088). LACERA is required to follow California law since the plans are insured, therefore the Board of Retirement ratified and implemented this change in April of 2015.
- Staff and Aon will continue to monitor future legislative developments closely, especially given the Executive Order signed by President Trump on January 20, 2017 and the release of the Legislation Entitled the "American Health Care Act" (AHCA) by House Republicans (GOP) on March 6, 2017. The AHCA contains language in a number of areas that could affect LACERA and its members including a five year delay in the Cadillac Tax and permissible higher variation in premiums based on age.

The Year in Review – Retiree Healthcare Benefits Program Accomplishments

Staff would like to take this opportunity to highlight significant accomplishments over the past year, conducted with the help of our consulting and carrier partners:

Retiree Outreach and Communications:

- Bi-annual half-day Retiree Workshop events
 - Fitness of the Mind– April 27th
 - Fitness of the Body– September 28th
- Retiree Healthcare Benefits Program Annual Letter Packet (May)
- LACERA Spotlight (quarterly newsletter for retired members) Articles
- Ad hoc communication letters (Health Care Reform Updates)

The following page illustrates some of this work.

The Year in Review – Retiree Healthcare Benefits Program Accomplishments

Coordinate Retiree Workshop Events



Join us Wednesday, April 27 2016
 LACERA Retiree Staying Healthy Together Spring Workshop:
Fitness of the Mind
 LACERA Using Healthcare Your Options
 Anthem Blue Cross - Cigna - CVS Caremark
 UnitedHealthcare - Accordant

LACERA



LACERA STAYING HEALTHY TOGETHER

LACERA Retiree Staying Healthy Together Fall Workshop:
Fitness of the Mind and Body

Join us Wednesday September 28, 2016

Come for the information, healthy snacks, and refreshments! Stay to win raffle prizes and to reconnect with your fellow retirees.

LACERA Fall Workshop Event Sponsors
 Anthem Blue Cross • Cigna • CVS Caremark
 Kaiser Permanente • SCAR Health Plan
 UnitedHealthcare • Accordant

Organize Press Kit Updates

Request for Amendment Packet

Retiree Healthcare Benefits

LACERA Pocket Folder Concepts 01.15.14

MEDICAL PLANS OVERVIEW

- DENTAL/ADVISOR PLAN
- COST SHARING GUIDE
- BENEFIT INFORMATION/SELECTING A PLAN
- DECISION GUIDE
- CONTACT INFORMATION

CONTACT INFO

DECISION GUIDE

WHEN YOU TRAVEL

DENTAL PLAN

Coordinate Updates for Annual Packet Mailing

Retiree Healthcare Benefits UPDATE

NOTICE OF CREDITABLE COVERAGE

Monthly Premium RATES

Inventory Management & Vendor Oversight

2016 Medicare Benefits

LACERA Budget

The Year in Review – Retiree Healthcare Benefits Program Accomplishments

Retiree Drug Subsidy (RDS) – LACERA’s Staff continued to file on-going RDS submissions for re-opened prior plan years as well as for the current filings. To date, LACERA staff successfully submitted for and received RDS reimbursements from the Federal Government totaling **\$115 Million** as has been reported to the Insurance, Benefits & Legislative Committee of the Board of Retirement in Staff’s monthly Staff Activities Report.

RDS Performance Guarantees – At the suggestion of LACERA’s Board, Staff has begun discussions with its carriers to implement performance guarantees related to the timeliness and accuracy of data submitted to LACERA for requesting RDS reimbursement from CMS.

Attestation –Aon’s actuaries attested to CMS that LACERA’s prescription drug program qualified for the retiree drug subsidy (RDS).

The Year in Review – Retiree Healthcare Benefits Program Accomplishments

CVS Caremark and Anthem Retail Administration – Staff and Aon worked closely with CVS Caremark and Anthem in 2016 to implement the processing arrangements so that retirees would not have to pay 100% at retail and then wait for reimbursement. The members have received thorough communication materials and the change was implemented January 1, 2017.

Communication Support – LACERA’s Retiree Healthcare (RHC) and Communication staff, in conjunction with Aon, successfully produced the Spring and Fall Staying Healthy Together Workshops, RHC communication pieces and continued to monitor inventory management and vendor oversight.

Contract Review – LACERA’s Retiree Healthcare (RHC) and legal team are working closely with Aon to review and re-negotiate the carrier-provided Evidence of Coverage (EOCs), contracts, terms and conditions, etc. Staff and Aon continue to review the most recent contracts and EOCs.

The Year in Review – Retiree Healthcare Benefits Program Accomplishments

Carrier Due Diligence Meetings – Staff and Aon visited Anthem, CVS Caremark, and Kaiser. These due diligence meetings served to meet and thank the representatives that work directly with LACERA’s retiree members on a day-to-day basis, learn about operational improvements and participate in representative training. Staff visited Cigna and Staff and Aon are scheduled to visit UHC in early 2017.

Anthem and Cigna Claims Review – Aon’s claim auditors conducted on-site audits to confirm that medical and dental benefits are being paid accurately and according to the plan provisions. Cigna’s and Anthem’s overall quality of claims administration were also assessed. Staff is currently in the process of scheduling a due diligence trip to Anthem, and will be soliciting bids in 2017 to audit CVS/Caremark.

Medicare Part B Premium Reimbursement – Aon’s actuaries worked with staff to prepare the annual analysis supporting the County’s continuation of the Medicare Part B reimbursement program for LACERA’s Medicare Advantage and Medicare Supplement Plans. Once again, the Board of Supervisors voted to approve this program for another year.

The Year in Review – Retiree Healthcare Benefits Program Accomplishments

Board Offsite – Retiree Healthcare Division arranged for a full-day focus on health care issues at the 2017 January Board Offsite. In addition, we covered Post-Election Health Care Impact Prognosis, Gerontology, Future of Medicine/Healthcare, and Pharmacy.

Long Term Care – The Board approved LACERA’s endorsement of LifeSecure as the underwriter for LACERA’s long term care plan to replace the MetLife plan which terminated several years ago. Implementation is under way.

Year End Accounting – Staff and Aon’s health and benefits team reviewed and finalized Anthem and Cigna’s year end accounting data.

The Year in Review – Retiree Healthcare Benefits Program Accomplishments

Total Cost of Care (TCC) Report – Staff and Aon completed a discount analysis to better validate the efficiencies of LACERA’s network and better understand the Total Cost of Care (TCC). This analysis compared costs across health plans to determine possible financial efficiencies.

High Cost Claims Pilot– Staff and Aon worked with Anthem, CVS, Accordant and Aon’s subject matter experts to analyze the large claim management process in order to find ways to improve care management. Staff, Aon, Anthem, CVS and Accordant began having strategy meetings in December 2016 to discuss how to help manage health care and costs for LACERA’s members.

ACA Section 1557 – According to Section 1557 of the ACA, discrimination on the basis of race, national origin, sex, age, or disability is prohibited by law in certain health programs or activities. LACERA’s communication materials have been updated accordingly to comply with this provision.

LACERA
 July 1, 2017 Final Renewal
 Renewal Premium Projections

	Current Premiums	Preliminary Premium	Dollar Difference	%	Projected Final Premiums	Dollar Difference	%
Medical Plans							
Anthem BC Plan I&II	\$108,979,276	\$113,467,030	\$4,487,754	4.12%	\$111,960,498	\$2,981,222	2.74%
Anthem BC Plan III	\$90,345,458	\$94,041,053	\$3,695,595	4.09%	\$92,800,268	\$2,454,809	2.72%
Anthem BC Prudent Buyer	\$18,303,936	\$20,065,608	\$1,761,672	9.62%	\$18,803,961	\$500,025	2.73%
Cigna	\$12,416,275	\$13,632,344	\$1,216,069	9.79%	\$13,245,905	\$829,630	6.68%
Kaiser California	\$181,047,939	\$188,356,680	\$7,308,741	4.04%	\$188,356,680	\$7,308,741	4.04%
Kaiser Out of State (OOS)	\$3,452,655	\$3,335,698	-\$116,957	-3.39%	\$3,335,698	-\$116,957	-3.39%
SCAN Health Plan	\$1,817,088	\$1,763,520	-\$53,568	-2.95%	\$1,763,520	-\$53,568	-2.95%
UnitedHealthcare	\$38,557,506	\$41,300,778	\$2,743,272	7.11%	\$40,423,144	\$1,865,638	4.84%
Medicare Part B	\$55,047,305	\$56,680,861	\$1,633,556	2.97%	\$56,680,861	\$1,633,556	2.97%
Total Medical	\$509,967,439	\$532,643,572	\$22,676,132	4.45%	\$527,370,534	\$17,403,094	3.41%
Cigna Dental/Vision Plans							
Cigna Dental (Indemnity) / Vision	\$40,638,900	\$42,190,906	\$1,552,006	3.82%	\$41,512,859	\$873,959	2.15%
Cigna Dental (Prepaid) / Vision	\$4,302,911	\$4,321,102	\$18,191	0.42%	\$4,317,791	\$14,880	0.35%
Total Dental/Vision	\$44,941,811	\$46,512,008	\$1,570,197	3.49%	\$45,830,650	\$888,839	1.98%
Grand Total	\$554,909,251	\$579,155,580	\$24,246,329	4.37%	\$573,201,184	\$18,291,933	3.30%

LACERA
 July 1, 2017 Final Renewal
 Group Insurance Rates

	Count	7/16- 7/17 Current Rate	LACERA Admin. Fee	7/16- 7/17 Total Rate	7/17 - 7/18 Original Renewal Rate	LACERA Admin. Fee	7/17 - 7/18 Total Rate	% Change	7/17 - 7/18 Renewal Rate	LACERA Admin. Fee	7/17 - 7/18 Total Rate	%
Anthem BC Plan I&II												
211 Retiree Only	926	\$1,057.79	\$8.00	\$1,065.79	\$1,101.58	\$8.00	\$1,109.58	4.11%	\$1,086.88	\$8.00	\$1,094.88	2.73%
221 Retiree Only	2,100	\$1,057.79	\$8.00	\$1,065.79	\$1,101.58	\$8.00	\$1,109.58	4.11%	\$1,086.88	\$8.00	\$1,094.88	2.73%
212 Retiree & Spouse	335	\$1,911.85	\$8.00	\$1,919.85	\$1,919.85	\$8.00	\$1,999.00	4.12%	\$1,964.43	\$8.00	\$1,972.43	2.74%
222 Retiree & Spouse	1,887	\$1,911.85	\$8.00	\$1,919.85	\$1,991.00	\$8.00	\$1,999.00	4.12%	\$1,964.43	\$8.00	\$1,972.43	2.74%
213 Retiree & Family	49	\$2,256.26	\$8.00	\$2,264.26	\$2,349.67	\$8.00	\$2,357.67	4.13%	\$2,318.31	\$8.00	\$2,326.31	2.74%
223 Retiree & Family	564	\$2,256.26	\$8.00	\$2,264.26	\$2,349.67	\$8.00	\$2,357.67	4.13%	\$2,318.31	\$8.00	\$2,326.31	2.74%
214 Retiree & Children	19	\$1,401.48	\$8.00	\$1,409.48	\$1,459.50	\$8.00	\$1,467.50	4.12%	\$1,440.02	\$8.00	\$1,448.02	2.73%
224 Retiree & Children	123	\$1,401.48	\$8.00	\$1,409.48	\$1,459.50	\$8.00	\$1,467.50	4.12%	\$1,440.02	\$8.00	\$1,448.02	2.73%
215 Survivor	4	\$346.51	\$8.00	\$354.51	\$360.86	\$8.00	\$368.86	4.05%	\$356.04	\$8.00	\$364.04	2.69%
225 Survivor	3	\$346.51	\$8.00	\$354.51	\$360.86	\$8.00	\$368.86	4.05%	\$356.04	\$8.00	\$364.04	2.69%
Total	6,010	\$108,402,316		\$108,979,276	\$112,890,070		\$113,467,030	4.12%	\$111,383,538		\$111,960,498	2.74%
Anthem BC Plan III												
240 One Medicare	6,323	\$423.70	\$8.00	\$431.70	\$441.24	\$8.00	\$449.24	4.06%	\$435.35	\$8.00	\$443.35	2.70%
241 Retiree & Spouse- 1 Medicare	169	\$1,367.57	\$8.00	\$1,375.57	\$1,424.19	\$8.00	\$1,432.19	4.12%	\$1,405.18	\$8.00	\$1,413.18	2.73%
242 Retiree & Spouse- 1 Medicare	836	\$1,367.57	\$8.00	\$1,375.57	\$1,424.19	\$8.00	\$1,432.19	4.12%	\$1,405.18	\$8.00	\$1,413.18	2.73%
243 Retiree & Spouse- 2 Medicare	3,616	\$849.14	\$8.00	\$857.14	\$884.29	\$8.00	\$892.29	4.10%	\$872.49	\$8.00	\$880.49	2.72%
244 Retiree & Children- 1 Medicare	16	\$763.33	\$8.00	\$771.33	\$794.93	\$8.00	\$802.93	4.10%	\$784.32	\$8.00	\$792.32	2.72%
245 Retiree & Children- 1 Medicare	53	\$763.33	\$8.00	\$771.33	\$794.93	\$8.00	\$802.93	4.10%	\$784.32	\$8.00	\$792.32	2.72%
246 Retiree & Family- 1 Medicare	18	\$1,707.10	\$8.00	\$1,715.10	\$1,777.77	\$8.00	\$1,785.77	4.12%	\$1,754.05	\$8.00	\$1,762.05	2.74%
247 Retiree & Family- 1 Medicare	91	\$1,707.10	\$8.00	\$1,715.10	\$1,777.77	\$8.00	\$1,785.77	4.12%	\$1,754.05	\$8.00	\$1,762.05	2.74%
248 Retiree & Family- 2 Medicare	10	\$1,188.59	\$8.00	\$1,196.59	\$1,237.80	\$8.00	\$1,245.80	4.11%	\$1,221.28	\$8.00	\$1,229.28	2.73%
249 Retiree & Family- 2 Medicare	41	\$1,188.59	\$8.00	\$1,196.59	\$1,237.80	\$8.00	\$1,245.80	4.11%	\$1,221.28	\$8.00	\$1,229.28	2.73%
250 Retiree & Family- 3 Medicare	12	\$1,332.77	\$8.00	\$1,340.77	\$1,387.95	\$8.00	\$1,395.95	4.12%	\$1,369.42	\$8.00	\$1,377.42	2.73%
Total	11,185	\$89,271,698		\$90,345,458	\$92,967,293		\$94,041,053	4.09%	\$91,726,508		\$92,800,268	2.72%
Anthem BC Prudent Buyer												
201 Retiree Only	736	\$835.86	\$8.00	\$843.86	\$916.85	\$8.00	\$924.85	9.60%	\$858.85	\$8.00	\$866.85	2.72%
202 Retiree & Spouse	407	\$1,650.82	\$8.00	\$1,658.82	\$1,810.78	\$8.00	\$1,818.78	9.64%	\$1,696.22	\$8.00	\$1,704.22	2.74%
203 Retiree & Family	102	\$1,863.87	\$8.00	\$1,871.87	\$2,044.48	\$8.00	\$2,052.48	9.65%	\$1,915.13	\$8.00	\$1,923.13	2.74%
204 Retiree & Children	35	\$1,076.15	\$8.00	\$1,084.15	\$1,180.43	\$8.00	\$1,188.43	9.62%	\$1,105.74	\$8.00	\$1,113.74	2.73%
205 Survivor	1	\$223.33	\$8.00	\$231.33	\$244.97	\$8.00	\$252.97	9.35%	\$229.47	\$8.00	\$237.47	2.65%
Total	1,281	\$18,180,960		\$18,303,936	\$19,942,632		\$20,065,608	9.62%	\$18,680,985		\$18,803,961	2.73%
Cigna												
301 Network- Retiree Only	369	\$1,324.51	\$8.00	\$1,332.51	\$1,454.27	\$8.00	\$1,462.27	9.74%	\$1,411.91	\$8.00	\$1,419.91	6.56%
302 Network- Retiree & Spouse	167	\$2,396.23	\$8.00	\$2,404.23	\$2,630.98	\$8.00	\$2,638.98	9.76%	\$2,554.34	\$8.00	\$2,562.34	6.58%
303 Network- Retiree & Family	23	\$2,830.83	\$8.00	\$2,838.83	\$1,931.94	\$8.00	\$1,939.94	-31.66%	\$3,017.54	\$8.00	\$3,025.54	6.58%
304 Network- Retiree & Children	23	\$1,759.64	\$8.00	\$1,767.64	\$3,108.04	\$8.00	\$3,116.04	76.28%	\$1,875.69	\$8.00	\$1,883.69	6.57%
305 Network- Survivor	0	\$435.68	\$8.00	\$443.68	\$478.31	\$8.00	\$486.31	9.61%	\$464.39	\$8.00	\$472.39	6.47%
321 Risk- Retiree Only	27	\$336.49	\$8.00	\$344.49	\$376.49	\$8.00	\$384.49	11.61%	\$376.49	\$8.00	\$384.49	11.61%
322 Risk- Retiree & Spouse	8	\$1,407.53	\$8.00	\$1,415.53	\$1,552.52	\$8.00	\$1,560.52	10.24%	\$1,518.24	\$8.00	\$1,526.24	7.82%
324 Risk- Retiree & Spouse (Both Risk)	13	\$672.98	\$8.00	\$680.98	\$752.98	\$8.00	\$760.98	11.75%	\$752.98	\$8.00	\$760.98	11.75%
325 Risk- Retiree & Children	0	\$770.46	\$8.00	\$778.46	\$853.00	\$8.00	\$861.00	10.60%	\$839.11	\$8.00	\$847.11	8.82%
327 Risk- Retiree & Family (1 Medicare)	2	\$1,840.74	\$8.00	\$1,848.74	\$2,028.19	\$8.00	\$2,036.19	10.14%	\$1,980.05	\$8.00	\$1,988.05	7.54%
329 Risk- Retiree & Family (2 Medicare)	2	\$1,173.24	\$8.00	\$1,181.24	\$1,303.66	\$8.00	\$1,311.66	11.04%	\$1,289.77	\$8.00	\$1,297.77	9.87%
Total	634	\$12,355,411		\$12,416,275	\$13,571,480		\$13,632,344	9.79%	\$13,185,041		\$13,245,905	6.68%

LACERA
 July 1, 2017 Final Renewal
 Group Insurance Rates

	7/16- 7/17	LACERA	7/16- 7/17	7/17 - 7/18	LACERA	7/17 - 7/18	% Change	7/17 - 7/18	LACERA	7/17 - 7/18	
	Count	Current Rate	Admin. Fee	Total Rate	Original Renewal Rate	Admin. Fee	Total Rate	Renewal Rate	Admin. Fee	Total Rate	%
Kaiser California											
401 Retiree Basic (Under 65)	1,621	\$903.95	\$8.00	\$911.95	\$929.63	\$8.00	\$937.63	\$929.63	\$8.00	\$937.63	2.82%
403 Retiree Risk (Senior Advantage)	9,810	\$234.60	\$8.00	\$242.60	\$248.62	\$8.00	\$256.62	\$248.62	\$8.00	\$256.62	5.78%
404 Retiree Excess	511	\$982.72	\$8.00	\$990.72	\$1,027.65	\$8.00	\$1,035.65	\$1,027.65	\$8.00	\$1,035.65	4.54%
405 Retiree Excess - Part B	901	\$944.41	\$8.00	\$952.41	\$972.76	\$8.00	\$980.76	\$972.76	\$8.00	\$980.76	2.98%
406 Excess - Medicare Not Provided (MNP)	46	\$1,686.50	\$8.00	\$1,694.50	\$1,737.10	\$8.00	\$1,745.10	\$1,737.10	\$8.00	\$1,745.10	2.99%
411 Family Basic	1,784	\$1,807.90	\$8.00	\$1,815.90	\$1,859.26	\$8.00	\$1,867.26	\$1,859.26	\$8.00	\$1,867.26	2.83%
413 One Advantage, One Basic	1,677	\$1,138.55	\$8.00	\$1,146.55	\$1,178.25	\$8.00	\$1,186.25	\$1,178.25	\$8.00	\$1,186.25	3.46%
414 One Excess, One Basic	141	\$1,886.67	\$8.00	\$1,894.67	\$1,957.28	\$8.00	\$1,965.28	\$1,957.28	\$8.00	\$1,965.28	3.73%
418 Two+ Advantage	4,906	\$469.20	\$8.00	\$477.20	\$497.24	\$8.00	\$505.24	\$497.24	\$8.00	\$505.24	5.88%
419 One Excess, One Advantage	271	\$1,217.32	\$8.00	\$1,225.32	\$1,276.27	\$8.00	\$1,284.27	\$1,276.27	\$8.00	\$1,284.27	4.81%
420 Two+ Excess	126	\$1,965.44	\$8.00	\$1,973.44	\$2,055.30	\$8.00	\$2,063.30	\$2,055.30	\$8.00	\$2,063.30	4.55%
422 One Excess - Part B, One Basic	209	\$1,848.36	\$8.00	\$1,856.36	\$1,902.39	\$8.00	\$1,910.39	\$1,902.39	\$8.00	\$1,910.39	2.91%
423 One Excess (MNP), One Basic	20	\$2,590.45	\$8.00	\$2,598.45	\$2,666.73	\$8.00	\$2,674.73	\$2,666.73	\$8.00	\$2,674.73	2.94%
426 One Advantage, One Excess - Part B	200	\$1,179.01	\$8.00	\$1,187.01	\$1,221.38	\$8.00	\$1,229.38	\$1,221.38	\$8.00	\$1,229.38	3.57%
427 One Advantage, One Excess (MNP)	165	\$1,921.10	\$8.00	\$1,929.10	\$1,985.72	\$8.00	\$1,993.72	\$1,985.72	\$8.00	\$1,993.72	3.35%
428 One Excess, One Excess - Part B	53	\$1,927.13	\$8.00	\$1,935.13	\$2,000.41	\$8.00	\$2,008.41	\$2,000.41	\$8.00	\$2,008.41	3.79%
429 One Excess, One Excess (MNP)	9	\$2,669.22	\$8.00	\$2,677.22	\$2,764.75	\$8.00	\$2,772.75	\$2,764.75	\$8.00	\$2,772.75	3.57%
430 Two Excess - Part B	134	\$1,888.82	\$8.00	\$1,896.82	\$1,945.52	\$8.00	\$1,953.52	\$1,945.52	\$8.00	\$1,953.52	2.99%
431 One Excess - Part B, One Excess (MNP)	9	\$2,630.91	\$8.00	\$2,638.91	\$2,709.86	\$8.00	\$2,717.86	\$2,709.86	\$8.00	\$2,717.86	2.99%
432 Two Excess - Both (MNP)	8	\$3,373.00	\$8.00	\$3,381.00	\$3,474.20	\$8.00	\$3,482.20	\$3,474.20	\$8.00	\$3,482.20	2.99%
421 Survivor	9	\$903.95	\$8.00	\$911.95	\$929.63	\$8.00	\$937.63	\$929.63	\$8.00	\$937.63	2.82%
Total	22,610	\$178,877,379		\$181,047,939	\$186,186,120		\$188,356,680	\$186,186,120		\$188,356,680	4.04%
Kaiser- Colorado											
450 Retiree Basic	4	\$1,054.61	\$8.00	\$1,062.61	\$996.87	\$8.00	\$1,004.87	\$996.87	\$8.00	\$1,004.87	-5.43%
451 Retiree Risk (Senior Advantage)	31	\$335.16	\$8.00	\$343.16	\$358.62	\$8.00	\$366.62	\$358.62	\$8.00	\$366.62	6.84%
453 Retiree Basic (Two Party)	3	\$2,341.33	\$8.00	\$2,349.33	\$2,213.15	\$8.00	\$2,221.15	\$2,213.15	\$8.00	\$2,221.15	-5.46%
454 Retiree Basic Family	1	\$3,163.92	\$8.00	\$3,171.92	\$2,990.70	\$8.00	\$2,998.70	\$2,990.70	\$8.00	\$2,998.70	-5.46%
455 One Risk, One Basic	0	\$1,389.77	\$8.00	\$1,397.77	\$1,355.49	\$8.00	\$1,363.49	\$1,355.49	\$8.00	\$1,363.49	-2.45%
457 Two Retiree Risk	11	\$670.32	\$8.00	\$678.32	\$717.24	\$8.00	\$725.24	\$717.24	\$8.00	\$725.24	6.92%
458 One Risk, Two or More Dependents	0	\$2,383.04	\$8.00	\$2,391.04	\$2,294.38	\$8.00	\$2,302.38	\$2,294.38	\$8.00	\$2,302.38	-3.71%
459 Two Risk, Two or More Dependents	0	\$1,724.93	\$8.00	\$1,732.93	\$1,714.11	\$8.00	\$1,722.11	\$1,714.11	\$8.00	\$1,722.11	-0.62%
Total	50	\$386,038		\$390,838	\$391,493.88		\$396,294	\$391,494		\$396,294	1.40%

LACERA
 July 1, 2017 Final Renewal
 Group Insurance Rates

	Count	7/16- 7/17	LACERA	7/16- 7/17	7/17 - 7/18	LACERA	7/17 - 7/18	% Change	7/17 - 7/18	LACERA	7/17 - 7/18	
		Current Rate	Admin. Fee	Total Rate	Original Renewal Rate	Admin. Fee	Total Rate	Renewal Rate	Admin. Fee	Total Rate	%	
Kaiser- Georgia												
440 One Medicare Member with Part B Only	1	\$1,156.41	\$8.00	\$1,164.41	\$1,156.41	\$8.00	\$1,164.41	0.00%	\$1,156.41	\$8.00	\$1,164.41	0.00%
441 One Medicare Member with Part A Only	2	\$1,156.41	\$8.00	\$1,164.41	\$1,156.41	\$8.00	\$1,164.41	0.00%	\$1,156.41	\$8.00	\$1,164.41	0.00%
442 One Member without Medicare Part A&B	4	\$1,156.41	\$8.00	\$1,164.41	\$1,156.41	\$8.00	\$1,164.41	0.00%	\$1,156.41	\$8.00	\$1,164.41	0.00%
443 One Medicare Member (Renal Failure)	0	\$400.26	\$8.00	\$408.26	\$400.26	\$8.00	\$408.26	0.00%	\$400.26	\$8.00	\$408.26	0.00%
444 One Medicare Member + One Medicare with Part B C	0	\$1,556.67	\$8.00	\$1,564.67	\$1,556.67	\$8.00	\$1,564.67	0.00%	\$1,556.67	\$8.00	\$1,564.67	0.00%
445 One Medicare Member + One Medicare with Part A C	2	\$1,556.67	\$8.00	\$1,564.67	\$1,556.67	\$8.00	\$1,564.67	0.00%	\$1,556.67	\$8.00	\$1,564.67	0.00%
446 One Medicare Member + One Medicare without Part	0	\$1,556.67	\$8.00	\$1,564.67	\$1,556.67	\$8.00	\$1,564.67	0.00%	\$1,556.67	\$8.00	\$1,564.67	0.00%
461 Basic, or Over 65 without Medicare A&B	16	\$1,156.41	\$8.00	\$1,164.41	\$1,156.41	\$8.00	\$1,164.41	0.00%	\$1,156.41	\$8.00	\$1,164.41	0.00%
462 Retiree Risk (Senior Advantage)	52	\$400.26	\$8.00	\$408.26	\$400.26	\$8.00	\$408.26	0.00%	\$400.26	\$8.00	\$408.26	0.00%
463 Retiree (Two Party)	3	\$2,312.83	\$8.00	\$2,320.83	\$2,312.83	\$8.00	\$2,320.83	0.00%	\$2,312.83	\$8.00	\$2,320.83	0.00%
464 Retiree Basic Family	0	\$3,469.24	\$8.00	\$3,477.24	\$3,469.24	\$8.00	\$3,477.24	0.00%	\$3,469.24	\$8.00	\$3,477.24	0.00%
465 One Retiree Risk, One Basic	13	\$1,556.67	\$8.00	\$1,564.67	\$1,556.67	\$8.00	\$1,564.67	0.00%	\$1,556.67	\$8.00	\$1,564.67	0.00%
466 Two Retiree Risk	24	\$800.52	\$8.00	\$808.52	\$800.52	\$8.00	\$808.52	0.00%	\$800.52	\$8.00	\$808.52	0.00%
467 One Retiree Risk, Two Retiree Basic	0	\$2,713.09	\$8.00	\$2,721.09	\$2,713.09	\$8.00	\$2,721.09	0.00%	\$2,713.09	\$8.00	\$2,721.09	0.00%
468 Two Retiree Risk, One Basic	0	\$1,956.93	\$8.00	\$1,964.93	\$1,956.93	\$8.00	\$1,964.93	0.00%	\$1,956.93	\$8.00	\$1,964.93	0.00%
469 Three Retiree Risk, One Basic	0	\$1,200.78	\$8.00	\$1,208.78	\$1,200.78	\$8.00	\$1,208.78	0.00%	\$1,200.78	\$8.00	\$1,208.78	0.00%
470 Any other Family, at least one Retiree Risk	0	<u>\$2,713.09</u>	<u>\$8.00</u>	<u>\$2,721.09</u>	<u>\$2,713.09</u>	<u>\$8.00</u>	<u>\$2,721.09</u>	<u>0.00%</u>	<u>\$2,713.09</u>	<u>\$8.00</u>	<u>\$2,721.09</u>	<u>0.00%</u>
Total	117	\$1,162,944		\$1,174,176	\$1,162,944		\$1,174,176	0.00%	\$1,162,944		\$1,174,176	0.00%
Kaiser- Hawaii												
471 Retiree Basic (Under 65)	7	\$995.20	\$8.00	\$1,003.20	\$995.20	\$8.00	\$1,003.20	0.00%	\$995.20	\$8.00	\$1,003.20	0.00%
472 Retiree Risk (Senior Advantage)	32	\$370.22	\$8.00	\$378.22	\$421.51	\$8.00	\$429.51	13.56%	\$421.51	\$8.00	\$429.51	13.56%
473 Retiree Over 65 without Medicare A&B	2	\$1,488.36	\$8.00	\$1,496.36	\$1,539.10	\$8.00	\$1,547.10	3.39%	\$1,539.10	\$8.00	\$1,547.10	3.39%
474 Retiree Basic (Two Party)	4	\$1,990.40	\$8.00	\$1,998.40	\$1,990.40	\$8.00	\$1,998.40	0.00%	\$1,990.40	\$8.00	\$1,998.40	0.00%
475 Retiree Basic Family (Under 65)	0	\$2,985.60	\$8.00	\$2,993.60	\$2,985.60	\$8.00	\$2,993.60	0.00%	\$2,985.60	\$8.00	\$2,993.60	0.00%
476 One Retiree Risk, One Basic	5	\$1,365.42	\$8.00	\$1,373.42	\$1,416.71	\$8.00	\$1,424.71	3.73%	\$1,416.71	\$8.00	\$1,424.71	3.73%
477 Over 65 without Medicare A&B, One Basic	0	\$2,483.56	\$8.00	\$2,491.56	\$2,110.94	\$8.00	\$2,118.94	-14.96%	\$2,110.94	\$8.00	\$2,118.94	-14.96%
478 Two Retiree Risk	13	\$740.44	\$8.00	\$748.44	\$842.02	\$8.00	\$850.02	13.57%	\$842.02	\$8.00	\$850.02	13.57%
479 One Risk, One Over 65 without Medicare A&B	0	<u>\$1,858.58</u>	<u>\$8.00</u>	<u>\$1,866.58</u>	<u>\$1,960.61</u>	<u>\$8.00</u>	<u>\$1,968.61</u>	<u>5.47%</u>	<u>\$1,960.61</u>	<u>\$8.00</u>	<u>\$1,968.61</u>	<u>5.47%</u>
Total	63	\$554,455		\$560,503	\$594,292		\$600,340	7.11%	\$594,292		\$600,340	7.11%

LACERA
 July 1, 2017 Final Renewal
 Group Insurance Rates

	Count	7/16 - 7/17	LACERA	7/16 - 7/17	7/17 - 7/18	LACERA	7/17 - 7/18	% Change	7/17 - 7/18	LACERA	7/17 - 7/18	
		Current Rate	Admin. Fee	Total Rate	Original Renewal Rate	Admin. Fee	Total Rate	Renewal Rate	Admin. Fee	Total Rate	%	
Kaiser- Oregon												
481 Retiree Basic (Under 65)	7	\$1,081.31	\$8.00	\$1,089.31	\$1,079.63	\$8.00	\$1,087.63	-0.15%	\$1,079.63	\$8.00	\$1,087.63	-0.15%
482 Retiree Risk (Senior Advantage)	78	\$447.41	\$8.00	\$455.41	\$369.25	\$8.00	\$377.25	-17.16%	\$369.25	\$8.00	\$377.25	-17.16%
483 Retiree Over 65 unassigned Medicare A&B	0	\$1,148.07	\$8.00	\$1,156.07	\$1,167.67	\$8.00	\$1,175.67	1.70%	\$1,167.67	\$8.00	\$1,175.67	1.70%
484 Retiree Basic (Two Party)	2	\$2,162.62	\$8.00	\$2,170.62	\$2,159.27	\$8.00	\$2,167.27	-0.15%	\$2,159.27	\$8.00	\$2,167.27	-0.15%
485 Retiree Basic Family (Under 65)	0	\$3,243.93	\$8.00	\$3,251.93	\$3,238.90	\$8.00	\$3,246.90	-0.15%	\$3,238.90	\$8.00	\$3,246.90	-0.15%
486 One Retiree Risk, One Basic	11	\$1,528.72	\$8.00	\$1,536.72	\$1,448.88	\$8.00	\$1,456.88	-5.20%	\$1,448.88	\$8.00	\$1,456.88	-5.20%
488 Two Retiree Risk	41	\$894.82	\$8.00	\$902.82	\$738.50	\$8.00	\$746.50	-17.31%	\$738.50	\$8.00	\$746.50	-17.31%
489 Retiree w/ Part A Only	1	\$983.06	\$8.00	\$991.06	\$1,002.66	\$8.00	\$1,010.66	1.98%	\$1,002.66	\$8.00	\$1,010.66	1.98%
490 Retiree w/ Part B Only	0	\$1,148.07	\$8.00	\$1,156.07	\$1,167.67	\$8.00	\$1,175.67	1.70%	\$1,167.67	\$8.00	\$1,175.67	1.70%
491 One Risk, One Medicare Part A Only	0	\$1,430.47	\$8.00	\$1,438.47	\$1,371.91	\$8.00	\$1,379.91	-4.07%	\$1,371.91	\$8.00	\$1,379.91	-4.07%
492 One Risk, One Over 65 No Medicare	1	\$1,595.48	\$8.00	\$1,603.48	\$1,536.92	\$8.00	\$1,544.92	-3.65%	\$1,536.92	\$8.00	\$1,544.92	-3.65%
493 One Risk, Two Basic	0	\$2,610.03	\$8.00	\$2,618.03	\$2,528.52	\$8.00	\$2,536.52	-3.11%	\$2,528.52	\$8.00	\$2,536.52	-3.11%
494 Two Risk, One Basic	1	\$1,976.13	\$8.00	\$1,984.13	\$1,818.13	\$8.00	\$1,826.13	-7.96%	\$1,818.13	\$8.00	\$1,826.13	-7.96%
495 Two Over 65 No Medicare	2	\$2,296.14	\$8.00	\$2,304.14	\$2,335.34	\$8.00	\$2,343.34	1.70%	\$2,335.34	\$8.00	\$2,343.34	1.70%
496 Two Medicare Part A Only	0	\$1,966.12	\$8.00	\$1,974.12	\$2,005.32	\$8.00	\$2,013.32	1.99%	\$2,005.32	\$8.00	\$2,013.32	1.99%
497 One Basic, One Medicare Part A Only	0	\$2,064.37	\$8.00	\$2,072.37	\$2,082.29	\$8.00	\$2,090.29	0.86%	\$2,082.29	\$8.00	\$2,090.29	0.86%
498 One Basic, One Over 65 no Medicare A&B	0	<u>\$2,229.38</u>	<u>\$8.00</u>	<u>\$2,237.38</u>	<u>\$2,247.30</u>	<u>\$8.00</u>	<u>\$2,255.30</u>	<u>0.80%</u>	<u>\$2,247.30</u>	<u>\$8.00</u>	<u>\$2,255.30</u>	<u>0.80%</u>
Total	144	\$1,313,315		\$1,327,139	\$1,151,064.24		\$1,164,888	-12.23%	\$1,151,064		\$1,164,888	-12.23%
SCAN Health Plan												
611 Retiree Only	284	\$299.00	\$8.00	\$307.00	\$290.00	\$8.00	\$298.00	-2.93%	\$290.00	\$8.00	\$298.00	-2.93%
613 Retiree & 1 Dependent (2 Medicare)	106	<u>\$598.00</u>	<u>\$8.00</u>	<u>\$606.00</u>	<u>\$580.00</u>	<u>\$8.00</u>	<u>\$588.00</u>	<u>-2.97%</u>	<u>\$580.00</u>	<u>\$8.00</u>	<u>\$588.00</u>	<u>-2.97%</u>
Total	390	\$1,779,648		\$1,817,088	\$1,726,080		\$1,763,520	-2.95%	\$1,726,080		\$1,763,520	-2.95%
UnitedHealthcare												
701 Retiree Only	1,514	\$324.58	\$8.00	\$332.58	\$334.31	\$8.00	\$342.31	2.93%	\$331.07	\$8.00	\$339.07	1.95%
702 Retiree & 1 Dependent (1 Medicare)	323	\$1,323.52	\$8.00	\$1,331.52	\$1,429.45	\$8.00	\$1,437.45	7.96%	\$1,395.67	\$8.00	\$1,403.67	5.42%
703 Retiree & 1 Dependent (2 Medicare)	829	\$649.16	\$8.00	\$657.16	\$668.62	\$8.00	\$676.62	2.96%	\$662.14	\$8.00	\$670.14	1.98%
704 Retiree & 2 + Deps. (1 Medicare)	74	\$1,495.62	\$8.00	\$1,503.62	\$1,618.13	\$8.00	\$1,626.13	8.15%	\$1,579.08	\$8.00	\$1,587.08	5.55%
705 Retiree & 2 + Deps. (2 Medicare)	25	\$821.26	\$8.00	\$829.26	\$857.30	\$8.00	\$865.30	4.35%	\$845.55	\$8.00	\$853.55	2.93%
706 Survivor (Child only)	0	\$281.23	\$8.00	\$289.23	\$308.31	\$8.00	\$316.31	9.36%	\$299.71	\$8.00	\$307.71	6.39%
707 UnitedHealthcare Single	412	\$998.94	\$8.00	\$1,006.94	\$1,095.14	\$8.00	\$1,103.14	9.55%	\$1,064.60	\$8.00	\$1,072.60	6.52%
708 UnitedHealthcare Two-Party	349	\$1,829.24	\$8.00	\$1,837.24	\$2,005.39	\$8.00	\$2,013.39	9.59%	\$1,949.45	\$8.00	\$1,957.45	6.54%
709 UnitedHealthcare Family	251	<u>\$2,169.99</u>	<u>\$8.00</u>	<u>\$2,177.99</u>	<u>\$2,378.96</u>	<u>\$8.00</u>	<u>\$2,386.96</u>	<u>9.59%</u>	<u>\$2,312.60</u>	<u>\$8.00</u>	<u>\$2,320.60</u>	<u>6.55%</u>
Total	3,777	\$38,194,914		\$38,557,506	\$40,938,186		\$41,300,778	7.11%	\$40,060,552		\$40,423,144	4.84%

LACERA
 July 1, 2017 Final Renewal
 Group Insurance Rates

	Count	7/16- 7/17	LACERA	7/16- 7/17	7/17 - 7/18	LACERA	7/17 - 7/18	% Change	7/17 - 7/18	LACERA	7/17 - 7/18	%
		Current Rate	Admin. Fee	Total Rate	Original Renewal Rate	Admin. Fee	Total Rate	Renewal Rate	Admin. Fee	Total Rate		
Medicare Part B Total	32,645	<u>\$140.52</u> \$55,047,305	<u>\$0.00</u>	<u>\$140.52</u> \$55,047,305	<u>\$144.69</u> \$56,680,861			<u>3.00%</u> 2.97%	<u>\$144.69</u> \$56,680,861	<u>\$0.00</u>	<u>\$144.69</u> \$56,680,861	2.97%
Total Medical	46,261	\$505,526,383		\$509,967,439	\$528,202,516		532,643,572		\$522,929,478		\$527,370,534	
Cigna Dental (Indemnity) / Vision												
501 Retiree Only	22,665	\$43.13	\$8.00	\$51.13	\$44.96	\$8.00	\$52.96	3.58%	\$44.16	\$8.00	\$52.16	2.01%
502 Retiree & Dependents	20,961	\$98.24	\$8.00	\$106.24	\$102.43	\$8.00	\$110.43	3.94%	\$100.60	\$8.00	\$108.60	2.22%
503 Survivor / Minor	13	<u>\$54.84</u>	<u>\$8.00</u>	<u>\$62.84</u>	<u>\$57.17</u>	<u>\$8.00</u>	<u>\$65.17</u>	3.71%	<u>\$56.15</u>	<u>\$8.00</u>	<u>\$64.15</u>	2.08%
Total	43,639	\$36,449,556		\$40,638,900	\$38,001,562		\$42,190,906	3.82%	\$37,323,515		\$41,512,859	2.15%
Cigna Dental (Prepaid) / Vision												
901 Retiree Only	3,154	\$38.17	\$8.00	\$46.17	\$38.22	\$8.00	\$46.22	0.11%	\$38.19	\$8.00	\$46.19	0.04%
902 Retiree & Dependents	2,263	\$86.00	\$8.00	\$94.00	\$86.60	\$8.00	\$94.60	0.64%	\$86.52	\$8.00	\$94.52	0.55%
903 Survivor / Minor	5	<u>\$38.75</u>	<u>\$8.00</u>	<u>\$46.75</u>	<u>\$38.83</u>	<u>\$8.00</u>	<u>\$46.83</u>	0.17%	<u>\$38.78</u>	<u>\$8.00</u>	<u>\$46.78</u>	0.06%
Total	5,422	\$3,782,399		\$4,302,911	\$3,800,590		\$4,321,102	0.42%	\$3,797,279		\$4,317,791	0.35%
Total Dental/Vision	49,061	\$40,231,955		\$44,941,811	\$41,802,152		\$46,512,008		\$41,120,794		\$45,830,650	1.98%

Los Angeles County Employees Retirement Association

Rates Effective July 1, 2017

Anthem Blue Cross I

Tier 1

Years of Service	Retiree Only 211	Retiree and Spouse 212	Retiree, Spouse, and Children 213	Retiree and Children 214
Less than 10*	\$1,094.88	\$1,972.43	\$2,326.31	\$1,448.02
10-11*	\$656.93	\$1,183.46	\$1,395.79	\$868.81
11-12*	\$613.13	\$1,104.56	\$1,302.73	\$810.89
12-13*	\$569.34	\$1,025.66	\$1,209.68	\$752.97
13-14	\$525.54	\$946.77	\$1,116.63	\$695.05
14-15	\$481.75	\$867.87	\$1,023.58	\$637.13
15-16	\$437.95	\$788.97	\$930.52	\$579.21
16-17	\$394.16	\$710.07	\$837.47	\$521.29
17-18	\$350.36	\$631.18	\$744.42	\$463.37
18-19	\$306.57	\$552.28	\$651.37	\$405.45
19-20	\$262.77	\$473.38	\$558.31	\$347.52
20-21	\$218.98	\$394.49	\$465.26	\$289.60
21-22	\$175.18	\$315.59	\$372.21	\$231.68
22-23	\$131.39	\$236.69	\$279.16	\$173.76
23-24	\$87.59	\$157.79	\$186.10	\$115.84
24-25	\$43.80	\$78.90	\$93.05	\$57.92
25 or more	\$0.00	\$0.00	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:

	\$547.44	\$986.22	\$1,163.16	\$724.01
COBRA	\$1,116.78	\$2,011.88	\$2,372.84	\$1,476.98

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Anthem Blue Cross II
Tier 1

Years of Service	Retiree Only 221	Retiree and Spouse 222	Retiree, Spouse, and Children 223	Retiree and Children 224
Less than 10*	\$1,094.88	\$1,972.43	\$2,326.31	\$1,448.02
10-11*	\$656.93	\$1,183.46	\$1,395.79	\$868.81
11-12*	\$613.13	\$1,104.56	\$1,302.73	\$810.89
12-13*	\$569.34	\$1,025.66	\$1,209.68	\$752.97
13-14	\$525.54	\$946.77	\$1,116.63	\$695.05
14-15	\$481.75	\$867.87	\$1,023.58	\$637.13
15-16	\$437.95	\$788.97	\$930.52	\$579.21
16-17	\$394.16	\$710.07	\$837.47	\$521.29
17-18	\$350.36	\$631.18	\$744.42	\$463.37
18-19	\$306.57	\$552.28	\$651.37	\$405.45
19-20	\$262.77	\$473.38	\$558.31	\$347.52
20-21	\$218.98	\$394.49	\$465.26	\$289.60
21-22	\$175.18	\$315.59	\$372.21	\$231.68
22-23	\$131.39	\$236.69	\$279.16	\$173.76
23-24	\$87.59	\$157.79	\$186.10	\$115.84
24-25	\$43.80	\$78.90	\$93.05	\$57.92
25 or more	\$0.00	\$0.00	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$547.44	\$986.22	\$1,163.16	\$724.01

COBRA	\$1,116.78	\$2,011.88	\$2,372.84	\$1,476.98
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Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Anthem Blue Cross III (Medicare Supplement Plan)
Tier 1

Years of Service	Retiree Only with Medicare 240	Retiree and Spouse - 1 with Medicare 241¹	Retiree and Spouse - 1 with Medicare 242²	Retiree and Spouse - Both with Medicare 243
Less than 10*	\$443.35	\$1,413.18	\$1,413.18	\$880.49
10-11*	\$266.01	\$847.91	\$847.91	\$528.29
11-12*	\$248.28	\$791.38	\$791.38	\$493.07
12-13*	\$230.54	\$734.85	\$734.85	\$457.85
13-14	\$212.81	\$678.33	\$678.33	\$422.64
14-15	\$195.07	\$621.80	\$621.80	\$387.42
15-16	\$177.34	\$565.27	\$565.27	\$352.20
16-17	\$159.61	\$508.74	\$508.74	\$316.98
17-18	\$141.87	\$452.22	\$452.22	\$281.76
18-19	\$124.14	\$395.69	\$395.69	\$246.54
19-20	\$106.40	\$339.16	\$339.16	\$211.32
20-21	\$88.67	\$282.64	\$282.64	\$176.10
21-22	\$70.94	\$226.11	\$226.11	\$140.88
22-23	\$53.20	\$169.58	\$169.58	\$105.66
23-24	\$35.47	\$113.05	\$113.05	\$70.44
24-25	\$17.73	\$56.53	\$56.53	\$35.22
25 or more	\$0.00	\$0.00	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$221.68	\$706.59	\$706.59	\$440.25

COBRA	\$452.22	\$1,441.44	\$1,441.44	\$898.10
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¹ Non-Medicare has Anthem Blue Cross I

² Non-Medicare has Anthem Blue Cross II

Los Angeles County Employees Retirement Association
 Rates Effective July 1, 2017
 Anthem Blue Cross III (Medicare Supplement Plan)
 Tier 1

Years of Service	Retiree and Children 244 ³	Retiree and Children 245 ⁴	Retiree, Spouse, and Children - 1 with Medicare 246 ⁵	Retiree, Spouse, and Children - 1 with Medicare 247 ⁶	Retiree, Spouse, and Children - 2 with Medicare 248 ⁷	Retiree, Spouse, and Children - 2 with Medicare 249 ⁸	Retiree, Spouse & Children - each with Medicare 250 ⁹
Less than 10*	\$792.32	\$792.32	\$1,762.05	\$1,762.05	\$1,229.28	\$1,229.28	\$1,377.42
10-11*	\$475.39	\$475.39	\$1,057.23	\$1,057.23	\$737.57	\$737.57	\$826.45
11-12*	\$443.70	\$443.70	\$986.75	\$986.75	\$688.40	\$688.40	\$771.36
12-13*	\$412.01	\$412.01	\$916.27	\$916.27	\$639.23	\$639.23	\$716.26
13-14	\$380.31	\$380.31	\$845.78	\$845.78	\$590.05	\$590.05	\$661.16
14-15	\$348.62	\$348.62	\$775.30	\$775.30	\$540.88	\$540.88	\$606.06
15-16	\$316.93	\$316.93	\$704.82	\$704.82	\$491.71	\$491.71	\$550.97
16-17	\$285.24	\$285.24	\$634.34	\$634.34	\$442.54	\$442.54	\$495.87
17-18	\$253.54	\$253.54	\$563.86	\$563.86	\$393.37	\$393.37	\$440.77
18-19	\$221.85	\$221.85	\$493.37	\$493.37	\$344.20	\$344.20	\$385.68
19-20	\$190.16	\$190.16	\$422.89	\$422.89	\$295.03	\$295.03	\$330.58
20-21	\$158.46	\$158.46	\$352.41	\$352.41	\$245.86	\$245.86	\$275.48
21-22	\$126.77	\$126.77	\$281.93	\$281.93	\$196.68	\$196.68	\$220.39
22-23	\$95.08	\$95.08	\$211.45	\$211.45	\$147.51	\$147.51	\$165.29
23-24	\$63.39	\$63.39	\$140.96	\$140.96	\$98.34	\$98.34	\$110.19
24-25	\$31.69	\$31.69	\$70.48	\$70.48	\$49.17	\$49.17	\$55.10
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:	\$396.16	\$396.16	\$881.03	\$881.03	\$614.64	\$614.64	\$688.71
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COBRA	\$808.17	\$808.17	\$1,797.29	\$1,797.29	\$1,253.87	\$1,253.87	\$1,404.97
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³ Retiree has Medicare; Children have Anthem Blue Cross I

⁴ Retiree has Medicare; Children have Anthem Blue Cross II

⁵ Non-Medicare has Anthem Blue Cross I

⁶ Non-Medicare has Anthem Blue Cross II

⁷ Children have Anthem Blue Cross I

⁸ Children have Anthem Blue Cross II

⁹ Please note: only two parties will qualify for the Medicare Part B Premium Reimbursement Program, approved annually by the Los Angeles County Board of Supervisors.

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Anthem Blue Cross Prudent Buyer Plan
Tier 1

Years of Service	Retiree Only 201	Retiree and Spouse 202	Retiree, Spouse, and Children 203	Retiree and Children 204
Less than 10*	\$866.85	\$1,704.22	\$1,923.13	\$1,113.74
10-11*	\$520.11	\$1,022.53	\$1,153.88	\$668.24
11-12*	\$485.44	\$954.36	\$1,076.95	\$623.69
12-13*	\$450.76	\$886.19	\$1,000.03	\$579.14
13-14	\$416.09	\$818.03	\$923.10	\$534.60
14-15	\$381.41	\$749.86	\$846.18	\$490.05
15-16	\$346.74	\$681.69	\$769.25	\$445.50
16-17	\$312.07	\$613.52	\$692.33	\$400.95
17-18	\$277.39	\$545.35	\$615.40	\$356.40
18-19	\$242.72	\$477.18	\$538.48	\$311.85
19-20	\$208.04	\$409.01	\$461.55	\$267.30
20-21	\$173.37	\$340.84	\$384.63	\$222.75
21-22	\$138.70	\$272.68	\$307.70	\$178.20
22-23	\$104.02	\$204.51	\$230.78	\$133.65
23-24	\$69.35	\$136.34	\$153.85	\$89.10
24-25	\$34.67	\$68.17	\$76.93	\$44.55
25 or more	\$0.00	\$0.00	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$433.43	\$852.11	\$961.57	\$556.87

COBRA	\$884.19	\$1,738.30	\$1,961.59	\$1,136.01
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Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Cigna Network Model Plan
Tier 1

Years of Service	Retiree Only 301	Retiree and Spouse 302	Retiree, Spouse and Children 303	Retiree and Children 304
Less than 10*	\$1,419.91	\$2,562.34	\$3,025.54	\$1,883.69
10-11*	\$981.96	\$1,773.37	\$2,095.02	\$1,304.48
11-12*	\$938.16	\$1,694.47	\$2,001.96	\$1,246.56
12-13*	\$894.37	\$1,615.57	\$1,908.91	\$1,188.64
13-14	\$850.57	\$1,536.68	\$1,815.86	\$1,130.72
14-15	\$806.78	\$1,457.78	\$1,722.81	\$1,072.80
15-16	\$762.98	\$1,378.88	\$1,629.75	\$1,014.88
16-17	\$719.19	\$1,299.98	\$1,536.70	\$956.96
17-18	\$675.39	\$1,221.09	\$1,443.65	\$899.04
18-19	\$631.60	\$1,142.19	\$1,350.60	\$841.12
19-20	\$587.80	\$1,063.29	\$1,257.54	\$783.19
20-21	\$544.01	\$984.40	\$1,164.49	\$725.27
21-22	\$500.21	\$905.50	\$1,071.44	\$667.35
22-23	\$456.42	\$826.60	\$978.39	\$609.43
23-24	\$412.62	\$747.70	\$885.33	\$551.51
24-25	\$368.83	\$668.81	\$792.28	\$493.59
25 or more	\$325.03	\$589.91	\$699.23	\$435.67

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:

	\$872.47	\$1,576.13	\$1,862.39	\$1,159.68
COBRA	\$1,448.31	\$2,613.59	\$3,086.05	\$1,921.36

Los Angeles County Employees Retirement Association

Rates Effective July 1, 2017

Cigna-HealthSpring Preferred with Rx (available in Maricopa County and Apache Junction, Pinal County, Arizona only)

Tier 1

Years of Service	Retiree Only with Medicare 321	Retiree and Spouse/Domestic Partner - 1 with Medicare 322	Retiree and Spouse/Domestic Partner - Both with Medicare 324	Retiree and Children 325	Retiree, Spouse/Domestic Partner and Children 1 with Medicare 327	Retiree, Spouse/Domestic Partner, and Children - 2 with Medicare 329
Less than 10*	\$384.49	\$1,526.24	\$760.98	\$847.11	\$1,988.05	\$1,297.77
10-11*	\$230.69	\$915.74	\$456.59	\$508.27	\$1,192.83	\$778.66
11-12*	\$215.31	\$854.69	\$426.15	\$474.38	\$1,113.31	\$726.75
12-13*	\$199.93	\$793.64	\$395.71	\$440.50	\$1,033.79	\$674.84
13-14	\$184.56	\$732.60	\$365.27	\$406.61	\$954.26	\$622.93
14-15	\$169.18	\$671.55	\$334.83	\$372.73	\$874.74	\$571.02
15-16	\$153.80	\$610.50	\$304.39	\$338.84	\$795.22	\$519.11
16-17	\$138.42	\$549.45	\$273.95	\$304.96	\$715.70	\$467.20
17-18	\$123.04	\$488.40	\$243.51	\$271.08	\$636.18	\$415.29
18-19	\$107.66	\$427.35	\$213.07	\$237.19	\$556.65	\$363.38
19-20	\$92.28	\$366.30	\$182.64	\$203.31	\$477.13	\$311.46
20-21	\$76.90	\$305.25	\$152.20	\$169.42	\$397.61	\$259.55
21-22	\$61.52	\$244.20	\$121.76	\$135.54	\$318.09	\$207.64
22-23	\$46.14	\$183.15	\$91.32	\$101.65	\$238.57	\$155.73
23-24	\$30.76	\$122.10	\$60.88	\$67.77	\$159.04	\$103.82
24-25	\$15.38	\$61.05	\$30.44	\$33.88	\$79.52	\$51.91
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:						
	\$192.25	\$763.12	\$380.49	\$423.56	\$994.03	\$648.89

COBRA	\$392.18	\$1,556.76	\$776.20	\$864.05	\$2,027.81	\$1,323.73
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Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser Permanente / Kaiser Senior Advantage for California Residents
Tier 1

Years of Service	Retiree Only 401	Retiree Only 403	Retiree Only 404	Retiree Only 405	Retiree Only 406
Less than 10*	\$937.63	\$256.62	\$1,035.65	\$980.76	\$1,745.10
10-11*	\$562.58	\$153.97	\$621.39	\$588.46	\$1,307.15
11-12*	\$525.07	\$143.71	\$579.96	\$549.23	\$1,263.35
12-13*	\$487.57	\$133.44	\$538.54	\$510.00	\$1,219.56
13-14	\$450.06	\$123.18	\$497.11	\$470.76	\$1,175.76
14-15	\$412.56	\$112.91	\$455.69	\$431.53	\$1,131.97
15-16	\$375.05	\$102.65	\$414.26	\$392.30	\$1,088.17
16-17	\$337.55	\$92.38	\$372.83	\$353.07	\$1,044.38
17-18	\$300.04	\$82.12	\$331.41	\$313.84	\$1,000.58
18-19	\$262.54	\$71.85	\$289.98	\$274.61	\$956.79
19-20	\$225.03	\$61.59	\$248.56	\$235.38	\$912.99
20-21	\$187.53	\$51.32	\$207.13	\$196.15	\$869.20
21-22	\$150.02	\$41.06	\$165.70	\$156.92	\$825.40
22-23	\$112.52	\$30.79	\$124.28	\$117.69	\$781.61
23-24	\$75.01	\$20.53	\$82.85	\$78.46	\$737.81
24-25	\$37.51	\$10.26	\$41.43	\$39.23	\$694.02
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$650.22
*If you are on a service connected disability retirement with less than thirteen years of service, you pay:					
	\$468.82	\$128.31	\$517.83	\$490.38	\$1,197.66
COBRA	\$956.38	\$261.75	\$1,056.36	\$1,000.38	\$1,780.00

- 401 - Basic
- 403 - Senior Advantage
- 404 - Excess I
- 405 - Excess II
- 406 - Excess III

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser Permanente / Kaiser Senior Advantage for California Residents
Tier 1

Years of Service	Retiree and Family 411	Retiree and Family 413	Retiree and Family 414
Less than 10*	\$1,867.26	\$1,186.25	\$1,965.28
10-11*	\$1,120.36	\$711.75	\$1,179.17
11-12*	\$1,045.67	\$664.30	\$1,100.56
12-13*	\$970.98	\$616.85	\$1,021.95
13-14	\$896.28	\$569.40	\$943.33
14-15	\$821.59	\$521.95	\$864.72
15-16	\$746.90	\$474.50	\$786.11
16-17	\$672.21	\$427.05	\$707.50
17-18	\$597.52	\$379.60	\$628.89
18-19	\$522.83	\$332.15	\$550.28
19-20	\$448.14	\$284.70	\$471.67
20-21	\$373.45	\$237.25	\$393.06
21-22	\$298.76	\$189.80	\$314.44
22-23	\$224.07	\$142.35	\$235.83
23-24	\$149.38	\$94.90	\$157.22
24-25	\$74.69	\$47.45	\$78.61
25 or more	\$0.00	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:	\$933.63	\$593.13	\$982.64
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COBRA	\$1,904.61	\$1,209.98	\$2,004.59
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411 - All family members are "Basic"

413 - One family member is "Senior Advantage"; others are "Basic"

414 - One family member is "Excess I"; others are "Basic"

Definitions

"**Basic**" includes participants who are under age 65.

"**Senior Advantage**" - includes participants who are age 65 or over and who have assigned both Medicare Parts A and 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 have either Medicare Part A and B and have not assigned their Medicare benefits to Kaiser or have not provided their Medicare status to LACERA.

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser Permanente / Kaiser Senior Advantage for California Residents
Tier 1

Years of Service	Retiree and Family 418	Retiree and Family 419	Retiree and Family 420	Retiree and Family 422
Less than 10*	\$505.24	\$1,284.27	\$2,063.30	\$1,910.39
10-11*	\$303.14	\$770.56	\$1,237.98	\$1,146.23
11-12*	\$282.93	\$719.19	\$1,155.45	\$1,069.82
12-13*	\$262.72	\$667.82	\$1,072.92	\$993.40
13-14	\$242.52	\$616.45	\$990.38	\$916.99
14-15	\$222.31	\$565.08	\$907.85	\$840.57
15-16	\$202.10	\$513.71	\$825.32	\$764.16
16-17	\$181.89	\$462.34	\$742.79	\$687.74
17-18	\$161.68	\$410.97	\$660.26	\$611.32
18-19	\$141.47	\$359.60	\$577.72	\$534.91
19-20	\$121.26	\$308.22	\$495.19	\$458.49
20-21	\$101.05	\$256.85	\$412.66	\$382.08
21-22	\$80.84	\$205.48	\$330.13	\$305.66
22-23	\$60.63	\$154.11	\$247.60	\$229.25
23-24	\$40.42	\$102.74	\$165.06	\$152.83
24-25	\$20.21	\$51.37	\$82.53	\$76.42
25 or more	\$0.00	\$0.00	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$252.62	\$642.14	\$1,031.65	\$955.20

COBRA	\$515.34	\$1,309.96	\$2,104.57	\$1,948.60
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- 418 - Two or more family members are "Senior Advantage"
- 419 - One family member is "Excess I"; others are "Senior Advantage"
- 420 - Two or more family members are "Excess I"
- 422 - One family member is "Excess II"; others are "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser Permanente / Kaiser Senior Advantage for California Residents
Tier 1

Years of Service	Retiree and Family 423	Retiree and Family 426	Retiree and Family 427	Retiree and Family 428
Less than 10*	\$2,674.73	\$1,229.38	\$1,993.72	\$2,008.41
10-11*	\$1,744.21	\$737.63	\$1,196.23	\$1,205.05
11-12*	\$1,651.15	\$688.45	\$1,116.48	\$1,124.71
12-13*	\$1,558.10	\$639.28	\$1,036.73	\$1,044.37
13-14	\$1,465.05	\$590.10	\$956.99	\$964.04
14-15	\$1,372.00	\$540.93	\$877.24	\$883.70
15-16	\$1,278.94	\$491.75	\$797.49	\$803.36
16-17	\$1,185.89	\$442.58	\$717.74	\$723.03
17-18	\$1,092.84	\$393.40	\$637.99	\$642.69
18-19	\$999.79	\$344.23	\$558.24	\$562.35
19-20	\$906.73	\$295.05	\$478.49	\$482.02
20-21	\$813.68	\$245.88	\$398.74	\$401.68
21-22	\$720.63	\$196.70	\$319.00	\$321.35
22-23	\$627.58	\$147.53	\$239.25	\$241.01
23-24	\$534.52	\$98.35	\$159.50	\$160.67
24-25	\$441.47	\$49.18	\$79.75	\$80.34
25 or more	\$348.42	\$0.00	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$1,511.58	\$614.69	\$996.86	\$1,004.21

COBRA	\$2,728.22	\$1,253.97	\$2,033.59	\$2,048.58
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- 423 - One family member is "Excess III"; others are "Basic"
- 426 - One family member is "Senior Advantage"; others are "Excess II"
- 427 - One family member is "Senior Advantage"; others are "Excess III"
- 428 - One family member is "Excess I"; others are "Excess II"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser Permanente / Kaiser Senior Advantage for California Residents
Tier 1

Years of Service	Retiree and Family 429	Retiree and Family 430	Retiree and Family 431	Retiree and Family 432
Less than 10*	\$2,772.75	\$1,953.52	\$2,717.86	\$3,482.20
10-11*	\$1,842.23	\$1,172.11	\$1,787.34	\$2,551.68
11-12*	\$1,749.17	\$1,093.97	\$1,694.28	\$2,458.62
12-13*	\$1,656.12	\$1,015.83	\$1,601.23	\$2,365.57
13-14	\$1,563.07	\$937.69	\$1,508.18	\$2,272.52
14-15	\$1,470.02	\$859.55	\$1,415.13	\$2,179.47
15-16	\$1,376.96	\$781.41	\$1,322.07	\$2,086.41
16-17	\$1,283.91	\$703.27	\$1,229.02	\$1,993.36
17-18	\$1,190.86	\$625.13	\$1,135.97	\$1,900.31
18-19	\$1,097.81	\$546.99	\$1,042.92	\$1,807.26
19-20	\$1,004.75	\$468.84	\$949.86	\$1,714.20
20-21	\$911.70	\$390.70	\$856.81	\$1,621.15
21-22	\$818.65	\$312.56	\$763.76	\$1,528.10
22-23	\$725.60	\$234.42	\$670.71	\$1,435.05
23-24	\$632.54	\$156.28	\$577.65	\$1,341.99
24-25	\$539.49	\$78.14	\$484.60	\$1,248.94
25 or more	\$446.44	\$0.00	\$391.55	\$1,155.89

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$1,609.60	\$976.76	\$1,554.71	\$2,319.05

COBRA	\$2,828.21	\$1,992.59	\$2,772.22	\$3,551.84
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429 - One family member is "Excess I"; others are "Excess III"

430 - Two or more family members are "Excess II"

431 - One family member is "Excess II"; others are "Excess III"

432 - Two or more family members are "Excess III"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Colorado
Tier 1

Years of Service	Retiree Only 450	Retiree Only 451	*Retiree and Family 453	Retiree and Family 454	*Retiree and Family 455
Less than 10*	\$1,004.87	\$366.62	\$2,221.15	\$2,998.70	\$1,363.49
10-11*	\$602.92	\$219.97	\$1,432.18	\$2,068.18	\$818.09
11-12*	\$562.73	\$205.31	\$1,353.28	\$1,975.12	\$763.55
12-13*	\$522.53	\$190.64	\$1,274.38	\$1,882.07	\$709.01
13-14	\$482.34	\$175.98	\$1,195.49	\$1,789.02	\$654.48
14-15	\$442.14	\$161.31	\$1,116.59	\$1,695.97	\$599.94
15-16	\$401.95	\$146.65	\$1,037.69	\$1,602.91	\$545.40
16-17	\$361.75	\$131.98	\$958.79	\$1,509.86	\$490.86
17-18	\$321.56	\$117.32	\$879.90	\$1,416.81	\$436.32
18-19	\$281.36	\$102.65	\$801.00	\$1,323.76	\$381.78
19-20	\$241.17	\$87.99	\$722.10	\$1,230.70	\$327.24
20-21	\$200.97	\$73.32	\$643.21	\$1,137.65	\$272.70
21-22	\$160.78	\$58.66	\$564.31	\$1,044.60	\$218.16
22-23	\$120.58	\$43.99	\$485.41	\$951.55	\$163.62
23-24	\$80.39	\$29.33	\$406.51	\$858.49	\$109.08
24-25	\$40.19	\$14.66	\$327.62	\$765.44	\$54.54
25 or more	\$0.00	\$0.00	\$248.72	\$672.39	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:					
	\$502.44	\$183.31	\$1,234.94	\$1,835.55	\$681.75

COBRA	\$1,024.97	\$373.95	\$2,265.57	\$3,058.67	\$1,390.76
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450 - "Basic" under age 65

451 - "Senior Advantage"

453 - Two family members are "Basic"

454 - Three or more family members are "Basic"

455 - One Family member is "Senior Advantage"; one is "Basic"

*Deduct Codes 453 and 455 represent 2-party contract

Los Angeles County Employees Retirement Association

Rates Effective July 1, 2017

Kaiser - Colorado

Tier 1

Years of Service	*Retiree and Family 457	Retiree and Family 458	Retiree and Family 459
Less than 10*	\$725.24	\$2,302.38	\$1,722.11
10-11*	\$435.14	\$1,381.43	\$1,033.27
11-12*	\$406.13	\$1,289.33	\$964.38
12-13*	\$377.12	\$1,197.24	\$895.50
13-14	\$348.12	\$1,105.14	\$826.61
14-15	\$319.11	\$1,013.05	\$757.73
15-16	\$290.10	\$920.95	\$688.84
16-17	\$261.09	\$828.86	\$619.96
17-18	\$232.08	\$736.76	\$551.08
18-19	\$203.07	\$644.67	\$482.19
19-20	\$174.06	\$552.57	\$413.31
20-21	\$145.05	\$460.48	\$344.42
21-22	\$116.04	\$368.38	\$275.54
22-23	\$87.03	\$276.29	\$206.65
23-24	\$58.02	\$184.19	\$137.77
24-25	\$29.01	\$92.10	\$68.88
25 or more	\$0.00	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:			
	\$362.62	\$1,151.19	\$861.06

COBRA	\$739.74	\$2,348.43	\$1,756.55
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457 - Two family members are "Senior Advantage"

458 - One family member is "Senior Advantage"; two or more are "Basic"

459 - Two family members are "Senior Advantage"; one or more are "Basic"

*Deduct code 457 represent 2-party contract

Los Angeles County Employees Retirement Association
 Rates Effective July 1, 2017
 Kaiser - Georgia
 Tier 1

Years of Service	Retiree Only 440	Retiree Only 441	Retiree Only 442	Retiree Only 443	*Retiree and Family 444	*Retiree and Family 445	*Retiree and Family 446
Less than 10*	\$1,164.41	\$1,164.41	\$1,164.41	\$408.26	\$1,564.67	\$1,564.67	\$1,564.67
10-11*	\$726.46	\$726.46	\$726.46	\$244.96	\$938.80	\$938.80	\$938.80
11-12*	\$682.66	\$682.66	\$682.66	\$228.63	\$876.22	\$876.22	\$876.22
12-13*	\$638.87	\$638.87	\$638.87	\$212.30	\$813.63	\$813.63	\$813.63
13-14	\$595.07	\$595.07	\$595.07	\$195.96	\$751.04	\$751.04	\$751.04
14-15	\$551.28	\$551.28	\$551.28	\$179.63	\$688.45	\$688.45	\$688.45
15-16	\$507.48	\$507.48	\$507.48	\$163.30	\$625.87	\$625.87	\$625.87
16-17	\$463.69	\$463.69	\$463.69	\$146.97	\$563.28	\$563.28	\$563.28
17-18	\$419.89	\$419.89	\$419.89	\$130.64	\$500.69	\$500.69	\$500.69
18-19	\$376.10	\$376.10	\$376.10	\$114.31	\$438.11	\$438.11	\$438.11
19-20	\$332.30	\$332.30	\$332.30	\$97.98	\$375.52	\$375.52	\$375.52
20-21	\$288.51	\$288.51	\$288.51	\$81.65	\$312.93	\$312.93	\$312.93
21-22	\$244.71	\$244.71	\$244.71	\$65.32	\$250.35	\$250.35	\$250.35
22-23	\$200.92	\$200.92	\$200.92	\$48.99	\$187.76	\$187.76	\$187.76
23-24	\$157.12	\$157.12	\$157.12	\$32.66	\$125.17	\$125.17	\$125.17
24-25	\$113.33	\$113.33	\$113.33	\$16.33	\$62.59	\$62.59	\$62.59
25 or more	\$69.53	\$69.53	\$69.53	\$0.00	\$0.00	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:	\$616.97	\$616.97	\$616.97	\$204.13	\$782.34	\$782.34	\$782.34
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COBRA	\$1,187.70	\$1,187.70	\$1,187.70	\$416.43	\$1,595.96	\$1,595.96	\$1,595.96
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- 440 - "Basic" over age 65 with Medicare Part B only
 - 441 - "Basic" over age 65 with Medicare Part A only
 - 442 - "Basic" over age 65 without Medicare Parts A or B
 - 443 - "Basic" over age 65 - Medicare-eligible who is classified as having renal failure
 - 444 - One family member in "Senior Advantage"; one is "Basic" over age 65 with Medicare Part B only
 - 445 - One family member in "Senior Advantage"; one is "Basic" over age 65 with Medicare Part A only
 - 446 - One family member in "Senior Advantage"; one is "Basic" over age 65 without Medicare Parts A and B
- *Deduct codes 444, 445, 446 represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Georgia
Tier 1

Years of Service	Retiree Only 461	Retiree Only 462	*Retiree and Family 463	Retiree and Family 464	*Retiree and Family 465
Less than 10*	\$1,164.41	\$408.26	\$2,320.83	\$3,477.24	\$1,564.67
10-11*	\$726.46	\$244.96	\$1,531.86	\$2,546.72	\$938.80
11-12*	\$682.66	\$228.63	\$1,452.96	\$2,453.66	\$876.22
12-13*	\$638.87	\$212.30	\$1,374.06	\$2,360.61	\$813.63
13-14	\$595.07	\$195.96	\$1,295.17	\$2,267.56	\$751.04
14-15	\$551.28	\$179.63	\$1,216.27	\$2,174.51	\$688.45
15-16	\$507.48	\$163.30	\$1,137.37	\$2,081.45	\$625.87
16-17	\$463.69	\$146.97	\$1,058.47	\$1,988.40	\$563.28
17-18	\$419.89	\$130.64	\$979.58	\$1,895.35	\$500.69
18-19	\$376.10	\$114.31	\$900.68	\$1,802.30	\$438.11
19-20	\$332.30	\$97.98	\$821.78	\$1,709.24	\$375.52
20-21	\$288.51	\$81.65	\$742.89	\$1,616.19	\$312.93
21-22	\$244.71	\$65.32	\$663.99	\$1,523.14	\$250.35
22-23	\$200.92	\$48.99	\$585.09	\$1,430.09	\$187.76
23-24	\$157.12	\$32.66	\$506.19	\$1,337.03	\$125.17
24-25	\$113.33	\$16.33	\$427.30	\$1,243.98	\$62.59
25 or more	\$69.53	\$0.00	\$348.40	\$1,150.93	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:					
	\$616.97	\$204.13	\$1,334.62	\$2,314.09	\$782.34

COBRA	\$1,187.70	\$416.43	\$2,367.25	\$3,546.78	\$1,595.96
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461 - "Basic" under age 65

462 - "Senior Advantage"

463 - Two family members are "Basic"

464 - Three or more family members are "Basic"

465 - One family member is "Senior Advantage"; one is "Basic"

*Deduct codes 463 and 465 represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Georgia
Tier 1

Years of Service	*Retiree and Family 466	Retiree and Family 467	Retiree and Family 468	Retiree and Family 469	Retiree and Family 470
Less than 10*	\$808.52	\$2,721.09	\$1,964.93	\$1,208.78	\$2,721.09
10-11*	\$485.11	\$1,790.57	\$1,178.96	\$725.27	\$1,790.57
11-12*	\$452.77	\$1,697.51	\$1,100.36	\$676.92	\$1,697.51
12-13*	\$420.43	\$1,604.46	\$1,021.76	\$628.57	\$1,604.46
13-14	\$388.09	\$1,511.41	\$943.17	\$580.21	\$1,511.41
14-15	\$355.75	\$1,418.36	\$864.57	\$531.86	\$1,418.36
15-16	\$323.41	\$1,325.30	\$785.97	\$483.51	\$1,325.30
16-17	\$291.07	\$1,232.25	\$707.37	\$435.16	\$1,232.25
17-18	\$258.73	\$1,139.20	\$628.78	\$386.81	\$1,139.20
18-19	\$226.39	\$1,046.15	\$550.18	\$338.46	\$1,046.15
19-20	\$194.04	\$953.09	\$471.58	\$290.11	\$953.09
20-21	\$161.70	\$860.04	\$392.99	\$241.76	\$860.04
21-22	\$129.36	\$766.99	\$314.39	\$193.40	\$766.99
22-23	\$97.02	\$673.94	\$235.79	\$145.05	\$673.94
23-24	\$64.68	\$580.88	\$157.19	\$96.70	\$580.88
24-25	\$32.34	\$487.83	\$78.60	\$48.35	\$487.83
25 or more	\$0.00	\$394.78	\$0.00	\$0.00	\$394.78

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:					
	\$404.26	\$1,557.94	\$982.47	\$604.39	\$1,557.94

COBRA	\$824.69	\$2,775.51	\$2,004.23	\$1,232.96	\$2,775.51
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466 - Two family members are "Senior Advantage"

467 - One family member is "Senior Advantage"; two are "Basic"

468 - Two family member are "Senior Advantage"; one is "Basic"

469 - Three or more family members are "Senior Advantage"; one is "Basic"

470 - Three or more family members are "Basic"; one is "Senior Advantage"

*Deduct code 466 represents 2-party contract

Los Angeles County Employees Retirement Association

Rates Effective July 1, 2017

Kaiser - Hawaii

Tier 1

Years of Service	Retiree Only 471	Retiree Only 472	Retiree Only 473	*Retiree and Family 474	Retiree and Family 475
Less than 10*	\$1,003.20	\$429.51	\$1,547.10	\$1,998.40	\$2,993.60
10-11*	\$601.92	\$257.71	\$1,109.15	\$1,209.43	\$2,063.08
11-12*	\$561.79	\$240.53	\$1,065.35	\$1,130.53	\$1,970.02
12-13*	\$521.66	\$223.35	\$1,021.56	\$1,051.63	\$1,876.97
13-14	\$481.54	\$206.16	\$977.76	\$972.74	\$1,783.92
14-15	\$441.41	\$188.98	\$933.97	\$893.84	\$1,690.87
15-16	\$401.28	\$171.80	\$890.17	\$814.94	\$1,597.81
16-17	\$361.15	\$154.62	\$846.38	\$736.04	\$1,504.76
17-18	\$321.02	\$137.44	\$802.58	\$657.15	\$1,411.71
18-19	\$280.90	\$120.26	\$758.79	\$578.25	\$1,318.66
19-20	\$240.77	\$103.08	\$714.99	\$499.35	\$1,225.60
20-21	\$200.64	\$85.90	\$671.20	\$420.46	\$1,132.55
21-22	\$160.51	\$68.72	\$627.40	\$341.56	\$1,039.50
22-23	\$120.38	\$51.54	\$583.61	\$262.66	\$946.45
23-24	\$80.26	\$34.36	\$539.81	\$183.76	\$853.39
24-25	\$40.13	\$17.18	\$496.02	\$104.87	\$760.34
25 or more	\$0.00	\$0.00	\$452.22	\$25.97	\$667.29

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:	\$501.60	\$214.76	\$999.66	\$1,012.19	\$1,830.45
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COBRA	\$1,023.26	\$438.10	\$1,578.04	\$2,038.37	\$3,053.47
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471 - "Basic" under age 65

472 - "Senior Advantage"

473 - Over age 65 without Medicare Parts A or B

474 - Two family members are "Basic"

475 - Three or more family members are "Basic"

*Deduct code 474 represents 2-party contract

Los Angeles County Employees Retirement Association

Rates Effective July 1, 2017

Kaiser - Hawaii

Tier 1

Years of Service	*Retiree and Family 476	*Retiree and Family 477	*Retiree and Family 478	*Retiree and Family 479
Less than 10*	\$1,424.71	\$2,118.94	\$850.02	\$1,968.61
10-11*	\$854.83	\$1,329.97	\$510.01	\$1,181.17
11-12*	\$797.84	\$1,251.07	\$476.01	\$1,102.42
12-13*	\$740.85	\$1,172.17	\$442.01	\$1,023.68
13-14	\$683.86	\$1,093.28	\$408.01	\$944.93
14-15	\$626.87	\$1,014.38	\$374.01	\$866.19
15-16	\$569.88	\$935.48	\$340.01	\$787.44
16-17	\$512.90	\$856.58	\$306.01	\$708.70
17-18	\$455.91	\$777.69	\$272.01	\$629.96
18-19	\$398.92	\$698.79	\$238.01	\$551.21
19-20	\$341.93	\$619.89	\$204.00	\$472.47
20-21	\$284.94	\$541.00	\$170.00	\$393.72
21-22	\$227.95	\$462.10	\$136.00	\$314.98
22-23	\$170.97	\$383.20	\$102.00	\$236.23
23-24	\$113.98	\$304.30	\$68.00	\$157.49
24-25	\$56.99	\$225.41	\$34.00	\$78.74
25 or more	\$0.00	\$146.51	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$712.36	\$1,132.73	\$425.01	\$984.31

COBRA	\$1,453.20	\$2,161.32	\$867.02	\$2,007.98
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476 - One family member is "Senior Advantage"; one is Basic

477 - One family member is "Basic" under age 65; one is over age 65 without Medicare Parts A or B

478 - Two family members are "Senior Advantage"

479 - One family member is "Senior Advantage" one is over age 65 without Medicare Parts A or B

*Deduct codes 476,477,478,479 represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Oregon
Tier 1

Years of Service	Retiree Only 481	Retiree Only 482	Retiree Only 483	*Retiree and Family 484	Retiree and Family 485
Less than 10*	\$1,087.63	\$377.25	\$1,175.67	\$2,167.27	\$3,246.90
10-11*	\$652.58	\$226.35	\$737.72	\$1,378.30	\$2,316.38
11-12*	\$609.07	\$211.26	\$693.92	\$1,299.40	\$2,223.32
12-13*	\$565.57	\$196.17	\$650.13	\$1,220.50	\$2,130.27
13-14	\$522.06	\$181.08	\$606.33	\$1,141.61	\$2,037.22
14-15	\$478.56	\$165.99	\$562.54	\$1,062.71	\$1,944.17
15-16	\$435.05	\$150.90	\$518.74	\$983.81	\$1,851.11
16-17	\$391.55	\$135.81	\$474.95	\$904.91	\$1,758.06
17-18	\$348.04	\$120.72	\$431.15	\$826.02	\$1,665.01
18-19	\$304.54	\$105.63	\$387.36	\$747.12	\$1,571.96
19-20	\$261.03	\$90.54	\$343.56	\$668.22	\$1,478.90
20-21	\$217.53	\$75.45	\$299.77	\$589.33	\$1,385.85
21-22	\$174.02	\$60.36	\$255.97	\$510.43	\$1,292.80
22-23	\$130.52	\$45.27	\$212.18	\$431.53	\$1,199.75
23-24	\$87.01	\$30.18	\$168.38	\$352.63	\$1,106.69
24-25	\$43.51	\$15.09	\$124.59	\$273.74	\$1,013.64
25 or more	\$0.00	\$0.00	\$80.79	\$194.84	\$920.59

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:					\$2,083.75
	\$543.82	\$188.63	\$628.23	\$1,181.06	

COBRA	\$1,109.38	\$384.80	\$1,199.18	\$2,210.62	\$3,311.84
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481 - "Basic" under age 65

482 - "Senior Advantage"

483 - Over age 65 without Medicare Parts A or B

484 - Two family members are "Basic"

485 - Three or more family members are "Basic"

489 - Over age 65 with Medicare Part A only

490 - Over age 65 with Medicare Part B only

*Deduct code 484 represents 2-party contract

Los Angeles County Employees Retirement Association

Rates Effective July 1, 2017

Kaiser - Oregon

Tier 1

Years of Service	*Retiree & Family 486	*Retiree & Family 488	Retiree Only 489	Retiree Only 490
Less than 10*	\$1,456.88	\$746.50	\$1,010.66	\$1,175.67
10-11*	\$874.13	\$447.90	\$606.40	\$737.72
11-12*	\$815.85	\$418.04	\$565.97	\$693.92
12-13*	\$757.58	\$388.18	\$525.54	\$650.13
13-14	\$699.30	\$358.32	\$485.12	\$606.33
14-15	\$641.03	\$328.46	\$444.69	\$562.54
15-16	\$582.75	\$298.60	\$404.26	\$518.74
16-17	\$524.48	\$268.74	\$363.84	\$474.95
17-18	\$466.20	\$238.88	\$323.41	\$431.15
18-19	\$407.93	\$209.02	\$282.98	\$387.36
19-20	\$349.65	\$179.16	\$242.56	\$343.56
20-21	\$291.38	\$149.30	\$202.13	\$299.77
21-22	\$233.10	\$119.44	\$161.71	\$255.97
22-23	\$174.83	\$89.58	\$121.28	\$212.18
23-24	\$116.55	\$59.72	\$80.85	\$168.38
24-25	\$58.28	\$29.86	\$40.43	\$124.59
25 or more	\$0.00	\$0.00	\$0.00	\$80.79

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:

	\$728.44	\$373.25	\$505.33	\$628.23
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COBRA	\$1,486.02	\$761.43	\$1,030.87	\$1,199.18
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486 - One family member is "Senior Advantage" one is "Basic"

488 - Two family members are "Senior Advantage"

489 - Over age 65 with Medicare Part A only

490 - Over age 65 with Medicare Part B only

*Deduct codes 486 and 488 represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Oregon
Tier 1

Years of Service	*Retiree and Family 491	*Retiree and Family 492	Retiree and Family 493	Retiree and Family 494	*Retiree and Family 495
Less than 10*	\$1,379.91	\$1,544.92	\$2,536.52	\$1,826.13	\$2,343.34
10-11*	\$827.95	\$926.95	\$1,606.00	\$1,095.68	\$1,554.37
11-12*	\$772.75	\$865.16	\$1,512.94	\$1,022.63	\$1,475.47
12-13*	\$717.55	\$803.36	\$1,419.89	\$949.59	\$1,396.57
13-14	\$662.36	\$741.56	\$1,326.84	\$876.54	\$1,317.68
14-15	\$607.16	\$679.76	\$1,233.79	\$803.50	\$1,238.78
15-16	\$551.96	\$617.97	\$1,140.73	\$730.45	\$1,159.88
16-17	\$496.77	\$556.17	\$1,047.68	\$657.41	\$1,080.98
17-18	\$441.57	\$494.37	\$954.63	\$584.36	\$1,002.09
18-19	\$386.37	\$432.58	\$861.58	\$511.32	\$923.19
19-20	\$331.18	\$370.78	\$768.52	\$438.27	\$844.29
20-21	\$275.98	\$308.98	\$675.47	\$365.23	\$765.40
21-22	\$220.79	\$247.19	\$582.42	\$292.18	\$686.50
22-23	\$165.59	\$185.39	\$489.37	\$219.14	\$607.60
23-24	\$110.39	\$123.59	\$396.31	\$146.09	\$528.70
24-25	\$55.20	\$61.80	\$303.26	\$73.05	\$449.81
25 or more	\$0.00	\$0.00	\$210.21	\$0.00	\$370.91

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:					
	\$689.96	\$772.46	\$1,373.37	\$913.07	\$1,357.13

COBRA	\$1,407.51	\$1,575.82	\$2,587.25	\$1,862.65	\$2,390.21
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491 - One family member is "Senior Advantage"; one is over age 65 with Medicare Part A only

492 - One family member is "Senior Advantage"; one is over age 65 without Medicare Parts A or B

493 - One family member is "Senior Advantage" two or more are "Basic"

494 - Two family members are "Senior Advantage"; one is "Basic"

495 - Two family members are over age 65 without Medicare Parts A or B

*Deduct codes 491, 492, and 495 represent 2-party contract

Los Angeles County Employees Retirement Association

Rates Effective July 1, 2017

Kaiser - Oregon

Tier 1

Years of Service	*Retiree and Family 496	*Retiree and Family 497	*Retiree and Family 498
Less than 10*	\$2,013.32	\$2,090.29	\$2,255.30
10-11*	\$1,224.35	\$1,301.32	\$1,466.33
11-12*	\$1,145.45	\$1,222.42	\$1,387.43
12-13*	\$1,066.55	\$1,143.52	\$1,308.53
13-14	\$987.66	\$1,064.63	\$1,229.64
14-15	\$908.76	\$985.73	\$1,150.74
15-16	\$829.86	\$906.83	\$1,071.84
16-17	\$750.96	\$827.93	\$992.94
17-18	\$672.07	\$749.04	\$914.05
18-19	\$593.17	\$670.14	\$835.15
19-20	\$514.27	\$591.24	\$756.25
20-21	\$435.38	\$512.35	\$677.36
21-22	\$356.48	\$433.45	\$598.46
22-23	\$277.58	\$354.55	\$519.56
23-24	\$198.68	\$275.65	\$440.66
24-25	\$119.79	\$196.76	\$361.77
25 or more	\$40.89	\$117.86	\$282.87

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:			
	\$1,027.11	\$1,104.08	\$1,269.09

COBRA	\$2,053.59	\$2,132.10	\$2,300.41
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496 - Two family members are over age 65 with Medicare Part A only

497 - One family member is "Basic"; one is over age 65 with Medicare Part A only

498 - One family member is "Basic"; one is over age 65 without Medicare Parts A or B

*Deduct codes 496,497,and 498 represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
SCAN Health Plan
Tier 1

Years of Service	Retiree Only with SCAN 611	Retiree and 1 Dependent - Both with SCAN 613¹
Less than 10*	\$298.00	\$588.00
10-11*	\$178.80	\$352.80
11-12*	\$166.88	\$329.28
12-13*	\$154.96	\$305.76
13-14	\$143.04	\$282.24
14-15	\$131.12	\$258.72
15-16	\$119.20	\$235.20
16-17	\$107.28	\$211.68
17-18	\$95.36	\$188.16
18-19	\$83.44	\$164.64
19-20	\$71.52	\$141.12
20-21	\$59.60	\$117.60
21-22	\$47.68	\$94.08
22-23	\$35.76	\$70.56
23-24	\$23.84	\$47.04
24-25	\$11.92	\$23.52
25 or more	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:	\$149.00	\$294.00
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COBRA	\$303.96	\$599.76
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¹Retiree and 1 Dependent = Retiree and Spouse/Domestic Partner OR Retiree and 1 Child. Both Retiree and eligible dependent must be enrolled in Medicare Parts A & B.

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
UnitedHealthcare Group Medicare Advantage HMO/UnitedHealthcare
Tier 1

Years of Service	Retiree Only with UnitedHealthCare Group Medicare Advantage HMO 701	Retiree and 1 Dependent - 1 with UnitedHealthcare Group Medicare Advantage HMO 702¹	Retiree and 1 Dependent - Both with UnitedHealthcare Group Medicare Advantage HMO 703¹	Retiree and 2 or More Dependents - 1 with UnitedHealthcare Group Medicare Advantage HMO 704²	Retiree and 2 or More Dependents - 2 with UnitedHealthcare Group Medicare Advantage HMO 705²
Less than 10*	\$339.07	\$1,403.67	\$670.14	\$1,587.08	\$853.55
10-11*	\$203.44	\$842.20	\$402.08	\$952.25	\$512.13
11-12*	\$189.88	\$786.05	\$375.28	\$888.76	\$477.99
12-13*	\$176.32	\$729.91	\$348.47	\$825.28	\$443.85
13-14	\$162.75	\$673.76	\$321.67	\$761.80	\$409.70
14-15	\$149.19	\$617.61	\$294.86	\$698.31	\$375.56
15-16	\$135.63	\$561.47	\$268.06	\$634.83	\$341.42
16-17	\$122.07	\$505.32	\$241.25	\$571.35	\$307.28
17-18	\$108.50	\$449.17	\$214.44	\$507.86	\$273.14
18-19	\$94.94	\$393.03	\$187.64	\$444.38	\$238.99
19-20	\$81.38	\$336.88	\$160.83	\$380.90	\$204.85
20-21	\$67.81	\$280.73	\$134.03	\$317.42	\$170.71
21-22	\$54.25	\$224.59	\$107.22	\$253.93	\$136.57
22-23	\$40.69	\$168.44	\$80.42	\$190.45	\$102.43
23-24	\$27.13	\$112.29	\$53.61	\$126.97	\$68.28
24-25	\$13.56	\$56.15	\$26.81	\$63.48	\$34.14
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:					
	\$169.54	\$701.83	\$335.07	\$793.54	\$426.77

COBRA	\$345.85	\$1,431.74	\$683.54	\$1,618.82	\$870.62
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¹ Retiree and 1 Dependent = Retiree and Spouse/Domestic Partner OR Retiree and 1 Child

² Retiree and 2 or More Dependents = Retiree, Spouse/Domestic Partner and 1 or More Children OR Retiree and 2 or More Children

Los Angeles County Employees Retirement Association

Rates Effective July 1, 2017

UnitedHealthcare

Tier 1

Years of Service	Retiree Only 707	Retiree and 1 Dependent 708	Retiree and 2 or More Dependents 709
Less than 10*	\$1,072.60	\$1,957.45	\$2,320.60
10-11*	\$643.56	\$1,174.47	\$1,392.36
11-12*	\$600.65	\$1,096.17	\$1,299.54
12-13*	\$557.75	\$1,017.88	\$1,206.71
13-14	\$514.85	\$939.58	\$1,113.89
14-15	\$471.94	\$861.28	\$1,021.06
15-16	\$429.04	\$782.98	\$928.24
16-17	\$386.13	\$704.68	\$835.42
17-18	\$343.23	\$626.38	\$742.59
18-19	\$300.33	\$548.09	\$649.77
19-20	\$257.42	\$469.79	\$556.94
20-21	\$214.52	\$391.49	\$464.12
21-22	\$171.62	\$313.19	\$371.30
22-23	\$128.71	\$234.89	\$278.47
23-24	\$85.81	\$156.60	\$185.65
24-25	\$42.90	\$78.30	\$92.82
25 or more	\$0.00	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:

	\$536.30	\$978.73	\$1,160.30
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COBRA	\$1,094.05	\$1,996.60	\$2,367.01
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Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Cigna Indemnity Dental/Vision
Tier 1

Years of Service	Retiree Only 501	Retiree and Dependent(s) 502
Less than 10*	\$52.16	\$108.60
10-11*	\$31.30	\$65.16
11-12*	\$29.21	\$60.82
12-13*	\$27.12	\$56.47
13-14	\$25.04	\$52.13
14-15	\$22.95	\$47.78
15-16	\$20.86	\$43.44
16-17	\$18.78	\$39.10
17-18	\$16.69	\$34.75
18-19	\$14.60	\$30.41
19-20	\$12.52	\$26.06
20-21	\$10.43	\$21.72
21-22	\$8.35	\$17.38
22-23	\$6.26	\$13.03
23-24	\$4.17	\$8.69
24-25	\$2.09	\$4.34
25 or more	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:		
	\$26.08	\$54.30

COBRA	\$53.20	\$110.77
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Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Cigna Dental HMO/Vision
Tier 1

Years of Service	Retiree Only 901	Retiree and Dependent(s) 902
Less than 10*	\$46.19	\$94.52
10-11*	\$27.71	\$56.71
11-12*	\$25.87	\$52.93
12-13*	\$24.02	\$49.15
13-14	\$22.17	\$45.37
14-15	\$20.32	\$41.59
15-16	\$18.48	\$37.81
16-17	\$16.63	\$34.03
17-18	\$14.78	\$30.25
18-19	\$12.93	\$26.47
19-20	\$11.09	\$22.68
20-21	\$9.24	\$18.90
21-22	\$7.39	\$15.12
22-23	\$5.54	\$11.34
23-24	\$3.70	\$7.56
24-25	\$1.85	\$3.78
25 or more	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:		
	\$23.10	\$47.26

COBRA	\$47.11	\$96.41
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Los Angeles County Employees Retirement Association
 Rates Effective July 1, 2017
 Non-Medicare Surviving Spouse
 Tier 1

Years of Service	Blue Cross Plan I & II	Kaiser	Blue Cross Prudent Buyer	Cigna	UHC HMO	Cigna Indemnity Dental	Cigna Prepaid Dental
Less than 10*	\$1,094.88	\$937.63	\$866.85	\$1,419.91	\$1,072.60	\$52.16	\$46.19
10-11*	\$656.93	\$562.58	\$520.11	\$981.96	\$643.56	\$31.30	\$27.71
11-12*	\$613.13	\$525.07	\$485.44	\$938.16	\$600.65	\$29.21	\$25.87
12-13*	\$569.34	\$487.57	\$450.76	\$894.37	\$557.75	\$27.12	\$24.02
13-14	\$525.54	\$450.06	\$416.09	\$850.57	\$514.85	\$25.04	\$22.17
14-15	\$481.75	\$412.56	\$381.41	\$806.78	\$471.94	\$22.95	\$20.32
15-16	\$437.95	\$375.05	\$346.74	\$762.98	\$429.04	\$20.86	\$18.48
16-17	\$394.16	\$337.55	\$312.07	\$719.19	\$386.13	\$18.78	\$16.63
17-18	\$350.36	\$300.04	\$277.39	\$675.39	\$343.23	\$16.69	\$14.78
18-19	\$306.57	\$262.54	\$242.72	\$631.60	\$300.33	\$14.60	\$12.93
19-20	\$262.77	\$225.03	\$208.04	\$587.80	\$257.42	\$12.52	\$11.09
20-21	\$218.98	\$187.53	\$173.37	\$544.01	\$214.52	\$10.43	\$9.24
21-22	\$175.18	\$150.02	\$138.70	\$500.21	\$171.62	\$8.35	\$7.39
22-23	\$131.39	\$112.52	\$104.02	\$456.42	\$128.71	\$6.26	\$5.54
23-24	\$87.59	\$75.01	\$69.35	\$412.62	\$85.81	\$4.17	\$3.70
24-25	\$43.80	\$37.51	\$34.67	\$368.83	\$42.90	\$2.09	\$1.85
25 or more	\$0.00	\$0.00	\$0.00	\$325.03	\$0.00	\$0.00	\$0.00
*Service Connected Disability	\$547.44	\$468.82	\$433.43	\$872.47	\$536.30	\$26.08	\$23.10
COBRA	\$1,116.78	\$956.38	\$884.19	\$1,448.31	\$1,094.05	\$53.20	\$47.11

Los Angeles County Employees Retirement Association
 Rates Effective July 1, 2017
 Children Only Rates
 Tier 1

Years of Service	Anthem Plan I 215 or 225	Kaiser One Child 421	Kaiser 2 or More 411	Prudent Buyer 205	CIGNA 305	UHC HMO 706	Cigna Indemnity Dental/ Vision 503	Cigna Prepaid Dental/ Vision 903
Less than 10*	\$364.04	\$937.63	\$1,867.26	\$237.47	\$472.39	\$307.71	\$64.15	\$46.78
10-11*	\$218.42	\$562.58	\$1,120.36	\$142.48	\$283.43	\$184.63	\$38.49	\$28.07
11-12*	\$203.86	\$525.07	\$1,045.67	\$132.98	\$264.54	\$172.32	\$35.92	\$26.20
12-13*	\$189.30	\$487.57	\$970.98	\$123.48	\$245.64	\$160.01	\$33.36	\$24.33
13-14	\$174.74	\$450.06	\$896.28	\$113.99	\$226.75	\$147.70	\$30.79	\$22.45
14-15	\$160.18	\$412.56	\$821.59	\$104.49	\$207.85	\$135.39	\$28.23	\$20.58
15-16	\$145.62	\$375.05	\$746.90	\$94.99	\$188.96	\$123.09	\$25.66	\$18.71
16-17	\$131.05	\$337.55	\$672.21	\$85.49	\$170.06	\$110.78	\$23.09	\$16.84
17-18	\$116.49	\$300.04	\$597.52	\$75.99	\$151.16	\$98.47	\$20.53	\$14.97
18-19	\$101.93	\$262.54	\$522.83	\$66.49	\$132.27	\$86.16	\$17.96	\$13.10
19-20	\$87.37	\$225.03	\$448.14	\$56.99	\$113.37	\$73.85	\$15.40	\$11.23
20-21	\$72.81	\$187.53	\$373.45	\$47.49	\$94.48	\$61.54	\$12.83	\$9.36
21-22	\$58.25	\$150.02	\$298.76	\$38.00	\$75.58	\$49.23	\$10.26	\$7.48
22-23	\$43.68	\$112.52	\$224.07	\$28.50	\$56.69	\$36.93	\$7.70	\$5.61
23-24	\$29.12	\$75.01	\$149.38	\$19.00	\$37.79	\$24.62	\$5.13	\$3.74
24-25	\$14.56	\$37.51	\$74.69	\$9.50	\$18.90	\$12.31	\$2.57	\$1.87
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

*Service Connected Disability	\$182.02	\$468.82	\$933.63	\$118.74	\$236.20	\$153.86	\$32.08	\$23.39
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COBRA	\$371.32	\$956.38	\$1,904.61	\$242.22	\$481.84	\$313.87	\$65.43	\$47.72
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Los Angeles County Employees Retirement Association
 Rates Effective July 1, 2017
 COBRA Rates
 Tier 1

Blue Cross, UHC and CIGNA - COBRA Rates	Retiree Only	Retiree & Spouse	Retiree, Spouse & Children	Retiree & Children	Spouse Only	Under 26 Child or Children Only	Spouse & Children	Over 26 Child
Plan I & II	\$1,116.78	\$2,011.88	\$2,372.84	\$1,476.98	\$1,116.78	\$371.32	\$1,476.98	\$1,116.78
Blue Cross Prudent Buyer	\$884.19	\$1,738.30	\$1,961.59	\$1,136.01	\$884.19	\$242.22	\$1,136.01	\$884.19
CIGNA	\$1,448.31	\$2,613.59	\$3,086.05	\$1,921.36	\$1,448.31	\$481.84	\$1,921.36	\$1,448.31
CIGNA Indemnity Dental/Vision	\$53.20	\$110.77	\$110.77	\$110.77	\$53.20	\$65.43	\$110.77	\$53.20
CIGNA Prepaid Dental/Vision	\$47.11	\$96.41	\$96.41	\$96.41	\$47.11	\$47.72	\$96.41	\$47.11

UHC Without Medicare COBRA Rates	Retiree Only 707	Retiree & 1 Dependent 708	Retiree & 2 Or More Dependents 709	Spouse Only 707	Spouse & 1 Dependent 708	Spouse & 2 Or More Dependents 709	Under 26 Child or Children Only 706	Over 26 Child 707
	\$1,094.05	\$1,996.60	\$2,367.01	\$1,094.05	\$1,996.60	\$2,367.01	\$313.87	\$1,094.05

Plan III* COBRA Rates	Retiree Only With Medicare 240	Spouse Only With Medicare 240	Retiree & Spouse - One With Medicare 241/242	Retiree & Spouse - Both With Medicare 243	Retiree With Medicare & Children 244/245	Spouse With Medicare & Children 244/245	Retiree, Spouse & Children - One With Medicare 246/247	Retiree, Spouse & Children - Two With Medicare 248/249
	\$452.22	\$452.22	\$1,441.44	\$898.10	\$808.17	\$808.17	\$1,797.29	\$1,253.87

* See Plan I & II where no family member has Medicare

Los Angeles County Employees Retirement Association

Rates Effective July 1, 2017

COBRA Rates -- Cigna Medicare Risk

Tier 1

Cigna Medicare Risk - COBRA Rates	Retiree Only With Medicare 321	Retiree & Spouse - One With Medicare 322	Retiree & Spouse - Both With Medicare 324	Retiree & Children 325	Retiree, Spouse & Children - One With Medicare 327	Retiree, Spouse & Children - Two With Medicare 329
	\$392.18	\$1,556.76	\$776.20	\$864.05	\$2,027.81	\$1,323.73

Los Angeles County Employees Retirement Association
 Rates Effective July 1, 2017
 COBRA Rates -- UHC MA-PD Risk
 Tier 1

UHC MAPD Risk - COBRA Rates	Retiree Only With Medicare Risk* 701	Retiree & 1 Dependent - One With Medicare Risk* 702	Retiree & 1 Dependent - Both With Medicare Risk* 703	Retiree & 2 Or More Dependents - One With Medicare Risk* 704	Retiree & 2 Or More Dependents - Two With Medicare Risk* 705	Under 26 Child or Children Only 706	Over 26 Child 707
	\$345.85	\$1,431.74	\$683.54	\$1,618.82	\$870.62	\$313.87	\$1,094.05

**Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
COBRA Rates -- SCAN Health Plan
Tier 1**

SCAN - COBRA Rates	Retiree Only With Medicare Risk 611	Retiree & 1 Dependent - Both With Medicare Risk 613
	\$303.96	\$599.76

Los Angeles County Employees Retirement Association

Rates Effective July 1, 2017

COBRA Rates -- Kaiser

Tier 1

Kaiser COBRA Rates	
Single "Basic"	\$956.38
Single Senior Advantage	\$261.75
Single "Excess"	\$1,056.36
All family members are "Basic"	\$1,904.61
One family member is "Sr. Advantage"; others are "Basic"	\$1,209.98
One family member is "Excess"; others are "Basic"	\$2,004.59
Two or more family members are "Sr. Advantage"	\$515.34
One family member is "Excess"; another is "Sr. Advantage"	\$1,309.96
Two family members are "Excess"	\$2,104.57
Child under 26	\$956.38
Children under 26	\$1,904.61

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Anthem Blue Cross I
Tier 2

Years of Service	Retiree Only 211	Retiree and Spouse 212	Retiree, Spouse, and Children 213	Retiree and Children 214
Less than 10*	\$1,094.88	\$1,972.43	\$2,326.31	\$1,448.02
10-11*	\$656.93	\$1,534.48	\$1,888.36	\$1,010.07
11-12*	\$613.13	\$1,490.68	\$1,844.56	\$966.27
12-13*	\$569.34	\$1,446.89	\$1,800.77	\$922.48
13-14	\$525.54	\$1,403.09	\$1,756.97	\$878.68
14-15	\$481.75	\$1,359.30	\$1,713.18	\$834.89
15-16	\$437.95	\$1,315.50	\$1,669.38	\$791.09
16-17	\$394.16	\$1,271.71	\$1,625.59	\$747.30
17-18	\$350.36	\$1,227.91	\$1,581.79	\$703.50
18-19	\$306.57	\$1,184.12	\$1,538.00	\$659.71
19-20	\$262.77	\$1,140.32	\$1,494.20	\$615.91
20-21	\$218.98	\$1,096.53	\$1,450.41	\$572.12
21-22	\$175.18	\$1,052.73	\$1,406.61	\$528.32
22-23	\$131.39	\$1,008.94	\$1,362.82	\$484.53
23-24	\$87.59	\$965.14	\$1,319.02	\$440.73
24-25	\$43.80	\$921.35	\$1,275.23	\$396.94
25 or more	\$0.00	\$877.55	\$1,231.43	\$353.14

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$547.44	\$1,424.99	\$1,778.87	\$900.58

COBRA	\$1,116.78	\$2,011.88	\$2,372.84	\$1,476.98
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Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Anthem Blue Cross II
Tier 2

Years of Service	Retiree Only 221	Retiree and Spouse 222	Retiree, Spouse, and Children 223	Retiree and Children 224
Less than 10*	\$1,094.88	\$1,972.43	\$2,326.31	\$1,448.02
10-11*	\$656.93	\$1,534.48	\$1,888.36	\$1,010.07
11-12*	\$613.13	\$1,490.68	\$1,844.56	\$966.27
12-13*	\$569.34	\$1,446.89	\$1,800.77	\$922.48
13-14	\$525.54	\$1,403.09	\$1,756.97	\$878.68
14-15	\$481.75	\$1,359.30	\$1,713.18	\$834.89
15-16	\$437.95	\$1,315.50	\$1,669.38	\$791.09
16-17	\$394.16	\$1,271.71	\$1,625.59	\$747.30
17-18	\$350.36	\$1,227.91	\$1,581.79	\$703.50
18-19	\$306.57	\$1,184.12	\$1,538.00	\$659.71
19-20	\$262.77	\$1,140.32	\$1,494.20	\$615.91
20-21	\$218.98	\$1,096.53	\$1,450.41	\$572.12
21-22	\$175.18	\$1,052.73	\$1,406.61	\$528.32
22-23	\$131.39	\$1,008.94	\$1,362.82	\$484.53
23-24	\$87.59	\$965.14	\$1,319.02	\$440.73
24-25	\$43.80	\$921.35	\$1,275.23	\$396.94
25 or more	\$0.00	\$877.55	\$1,231.43	\$353.14

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$547.44	\$1,424.99	\$1,778.87	\$900.58

COBRA	\$1,116.78	\$2,011.88	\$2,372.84	\$1,476.98
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**Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Anthem Blue Cross III (Medicare Supplement Plan)
Tier 2**

Years of Service	Retiree Only with Medicare 240	Retiree and Spouse - (Retiree with Medicare) 241¹/242 (Plan III Benchmark)	Retiree and Spouse - (Dependent with Medicare) 241/242² (Plan I,II Benchmark)	Retiree and Spouse -(Both with Medicare) 243 (Plan III Benchmark)
Less than 10*	\$443.35	\$1,413.18	\$1,413.18	\$880.49
10-11*	\$266.01	\$1,235.84	\$975.23	\$703.15
11-12*	\$248.28	\$1,218.11	\$931.43	\$685.42
12-13*	\$230.54	\$1,200.37	\$887.64	\$667.68
13-14	\$212.81	\$1,182.64	\$843.84	\$649.95
14-15	\$195.07	\$1,164.90	\$800.05	\$632.21
15-16	\$177.34	\$1,147.17	\$756.25	\$614.48
16-17	\$159.61	\$1,129.44	\$712.46	\$596.75
17-18	\$141.87	\$1,111.70	\$668.66	\$579.01
18-19	\$124.14	\$1,093.97	\$624.87	\$561.28
19-20	\$106.40	\$1,076.23	\$581.07	\$543.54
20-21	\$88.67	\$1,058.50	\$537.28	\$525.81
21-22	\$70.94	\$1,040.77	\$493.48	\$508.08
22-23	\$53.20	\$1,023.03	\$449.69	\$490.34
23-24	\$35.47	\$1,005.30	\$405.89	\$472.61
24-25	\$17.73	\$987.56	\$362.10	\$454.87
25 or more	\$0.00	\$969.83	\$318.30	\$437.14

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$221.68	\$1,191.51	\$865.74	\$658.82

COBRA	\$452.22	\$1,441.44	\$1,441.44	\$898.10
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¹ Non-Medicare has Anthem Blue Cross I
² Non-Medicare has Anthem Blue Cross II

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Anthem Blue Cross III (Medicare Supplement Plan)
Tier 2

Years of Service	Retiree with Medicare and Children 244 ³ /245	Retiree and Children - (Dependent with Medicare) 244/245 ⁴ (Plan III Benchmark)	Retiree, Spouse, and Children - (Retiree with Medicare) 246 ⁵ /247 (Plan III Benchmark)	Retiree, Spouse, and Children - (1 Dependent with Medicare) 246/247 ⁶ (Plan I,II Benchmark)	Retiree, Spouse, and Children - (Retiree + 1 with Medicare) 248 ⁷ /249 (Plan III Benchmark)	Retiree, Spouse, and Children - (Dependent + 1 with Medicare) 248/249 ⁸ (Plan I,II Benchmark)	Retiree, Spouse & Children - (each with Medicare) 250 ⁹ (Plan III Benchmark)
Less than 10*	\$792.32	\$792.32	\$1,762.05	\$1,762.05	\$1,229.28	\$1,229.28	\$1,377.42
10-11*	\$614.98	\$475.39	\$1,584.71	\$1,324.10	\$1,051.94	\$791.33	\$1,200.08
11-12*	\$597.25	\$443.70	\$1,566.98	\$1,280.30	\$1,034.21	\$747.53	\$1,182.35
12-13*	\$579.51	\$412.01	\$1,549.24	\$1,236.51	\$1,016.47	\$703.74	\$1,164.61
13-14	\$561.78	\$380.31	\$1,531.51	\$1,192.71	\$998.74	\$659.94	\$1,146.88
14-15	\$544.04	\$348.62	\$1,513.77	\$1,148.92	\$981.00	\$616.15	\$1,129.14
15-16	\$526.31	\$316.93	\$1,496.04	\$1,105.12	\$963.27	\$572.35	\$1,111.41
16-17	\$508.58	\$285.24	\$1,478.31	\$1,061.33	\$945.54	\$528.56	\$1,093.68
17-18	\$490.84	\$253.54	\$1,460.57	\$1,017.53	\$927.80	\$484.76	\$1,075.94
18-19	\$473.11	\$221.85	\$1,442.84	\$973.74	\$910.07	\$440.97	\$1,058.21
19-20	\$455.37	\$190.16	\$1,425.10	\$929.94	\$892.33	\$397.17	\$1,040.47
20-21	\$437.64	\$158.46	\$1,407.37	\$886.15	\$874.60	\$353.38	\$1,022.74
21-22	\$419.91	\$126.77	\$1,389.64	\$842.35	\$856.87	\$309.58	\$1,005.01
22-23	\$402.17	\$95.08	\$1,371.90	\$798.56	\$839.13	\$265.79	\$987.27
23-24	\$384.44	\$63.39	\$1,354.17	\$754.76	\$821.40	\$221.99	\$969.54
24-25	\$366.70	\$31.69	\$1,336.43	\$710.97	\$803.66	\$178.20	\$951.80
25 or more	\$348.97	\$0.00	\$1,318.70	\$667.17	\$785.93	\$134.40	\$934.07

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:	\$570.65	\$396.16	\$1,540.38	\$1,214.61	\$1,007.61	\$681.84	\$1,155.75
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COBRA	\$808.17	\$808.17	\$1,797.29	\$1,797.29	\$1,253.87	\$1,253.87	\$1,404.97
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³ Retiree has Medicare; Children have Anthem Blue Cross I

⁴ Retiree has Medicare; Children have Anthem Blue Cross II

⁵ Non-Medicare has Anthem Blue Cross I

⁶ Non-Medicare has Anthem Blue Cross II

⁷ Children have Anthem Blue Cross I

⁸ Children have Anthem Blue Cross II

⁹ Please note: only retirees or eligible survivors will qualify for the Medicare Part B Premium Reimbursement Program, approved annually by the Los Angeles County Board of Supervisors.

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Anthem Blue Cross Prudent Buyer Plan
Tier 2

Years of Service	Retiree Only 201	Retiree and Spouse 202	Retiree, Spouse, and Children 203	Retiree and Children 204
Less than 10*	\$866.85	\$1,704.22	\$1,923.13	\$1,113.74
10-11*	\$520.11	\$1,266.27	\$1,485.18	\$675.79
11-12*	\$485.44	\$1,222.47	\$1,441.38	\$631.99
12-13*	\$450.76	\$1,178.68	\$1,397.59	\$588.20
13-14	\$416.09	\$1,134.88	\$1,353.79	\$544.40
14-15	\$381.41	\$1,091.09	\$1,310.00	\$500.61
15-16	\$346.74	\$1,047.29	\$1,266.20	\$456.81
16-17	\$312.07	\$1,003.50	\$1,222.41	\$413.02
17-18	\$277.39	\$959.70	\$1,178.61	\$369.22
18-19	\$242.72	\$915.91	\$1,134.82	\$325.43
19-20	\$208.04	\$872.11	\$1,091.02	\$281.63
20-21	\$173.37	\$828.32	\$1,047.23	\$237.84
21-22	\$138.70	\$784.52	\$1,003.43	\$194.04
22-23	\$104.02	\$740.73	\$959.64	\$150.25
23-24	\$69.35	\$696.93	\$915.84	\$106.45
24-25	\$34.67	\$653.14	\$872.05	\$62.66
25 or more	\$0.00	\$609.34	\$828.25	\$18.86

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$433.43	\$1,156.78	\$1,375.69	\$566.30

COBRA	\$884.19	\$1,738.30	\$1,961.59	\$1,136.01
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Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Cigna Network Model Plan
Tier 2

Years of Service	Retiree Only 301	Retiree and Spouse 302	Retiree, Spouse and Children 303	Retiree and Children 304
Less than 10*	\$1,419.91	\$2,562.34	\$3,025.54	\$1,883.69
10-11*	\$981.96	\$2,124.39	\$2,587.59	\$1,445.74
11-12*	\$938.16	\$2,080.59	\$2,543.79	\$1,401.94
12-13*	\$894.37	\$2,036.80	\$2,500.00	\$1,358.15
13-14	\$850.57	\$1,993.00	\$2,456.20	\$1,314.35
14-15	\$806.78	\$1,949.21	\$2,412.41	\$1,270.56
15-16	\$762.98	\$1,905.41	\$2,368.61	\$1,226.76
16-17	\$719.19	\$1,861.62	\$2,324.82	\$1,182.97
17-18	\$675.39	\$1,817.82	\$2,281.02	\$1,139.17
18-19	\$631.60	\$1,774.03	\$2,237.23	\$1,095.38
19-20	\$587.80	\$1,730.23	\$2,193.43	\$1,051.58
20-21	\$544.01	\$1,686.44	\$2,149.64	\$1,007.79
21-22	\$500.21	\$1,642.64	\$2,105.84	\$963.99
22-23	\$456.42	\$1,598.85	\$2,062.05	\$920.20
23-24	\$412.62	\$1,555.05	\$2,018.25	\$876.40
24-25	\$368.83	\$1,511.26	\$1,974.46	\$832.61
25 or more	\$325.03	\$1,467.46	\$1,930.66	\$788.81

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$872.47	\$2,014.90	\$2,478.10	\$1,336.25

COBRA	\$1,448.31	\$2,613.59	\$3,086.05	\$1,921.36
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Los Angeles County Employees Retirement Association

Rates Effective July 1, 2017

Cigna-HealthSpring Preferred with Rx (available in Maricopa County and Apache Junction, Pinal County, Arizona only)

Tier 2

Years of Service	Retiree Only with Medicare 321	Retiree and Spouse/Domestic Partner - (Retiree with Medicare) 322 (Plan III Benchmark)	Retiree and Spouse/Domestic Partner - Both with Medicare 324	Retiree and Children 325	Retiree, Spouse/Domestic Partner and Children - (Retiree with Medicare) 327 (Plan III Benchmark)	Retiree, Spouse/Domestic Partner, and Children - (Retiree +1 with Medicare) 329 (Plan III Benchmark)
Less than 10*	\$384.49	\$1,526.24	\$760.98	\$847.11	\$1,988.05	\$1,297.77
10-11*	\$230.69	\$1,348.90	\$583.64	\$669.77	\$1,810.71	\$1,120.43
11-12*	\$215.31	\$1,331.17	\$565.91	\$652.04	\$1,792.98	\$1,102.70
12-13*	\$199.93	\$1,313.43	\$548.17	\$634.30	\$1,775.24	\$1,084.96
13-14	\$184.56	\$1,295.70	\$530.44	\$616.57	\$1,757.51	\$1,067.23
14-15	\$169.18	\$1,277.96	\$512.70	\$598.83	\$1,739.77	\$1,049.49
15-16	\$153.80	\$1,260.23	\$494.97	\$581.10	\$1,722.04	\$1,031.76
16-17	\$138.42	\$1,242.50	\$477.24	\$563.37	\$1,704.31	\$1,014.03
17-18	\$123.04	\$1,224.76	\$459.50	\$545.63	\$1,686.57	\$996.29
18-19	\$107.66	\$1,207.03	\$441.77	\$527.90	\$1,668.84	\$978.56
19-20	\$92.28	\$1,189.29	\$424.03	\$510.16	\$1,651.10	\$960.82
20-21	\$76.90	\$1,171.56	\$406.30	\$492.43	\$1,633.37	\$943.09
21-22	\$61.52	\$1,153.83	\$388.57	\$474.70	\$1,615.64	\$925.36
22-23	\$46.14	\$1,136.09	\$370.83	\$456.96	\$1,597.90	\$907.62
23-24	\$30.76	\$1,118.36	\$353.10	\$439.23	\$1,580.17	\$889.89
24-25	\$15.38	\$1,100.62	\$335.36	\$421.49	\$1,562.43	\$872.15
25 or more	\$0.00	\$1,082.89	\$317.63	\$403.76	\$1,544.70	\$854.42
*If you are on a service connected disability retirement with less than thirteen years of service, you pay:						
	\$192.25	\$1,304.57	\$539.31	\$625.44	\$1,766.38	\$1,076.10
COBRA	\$392.18	\$1,556.76	\$776.20	\$864.05	\$2,027.81	\$1,323.73

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser Permanente / Kaiser Senior Advantage for California Residents
Tier 2

Years of Service	Retiree Basic (Under 65) 401	Retiree with Medicare 403
Less than 10*	\$937.63	\$256.62
10-11*	\$562.58	\$153.97
11-12*	\$525.07	\$143.71
12-13*	\$487.57	\$133.44
13-14	\$450.06	\$123.18
14-15	\$412.56	\$112.91
15-16	\$375.05	\$102.65
16-17	\$337.55	\$92.38
17-18	\$300.04	\$82.12
18-19	\$262.54	\$71.85
19-20	\$225.03	\$61.59
20-21	\$187.53	\$51.32
21-22	\$150.02	\$41.06
22-23	\$112.52	\$30.79
23-24	\$75.01	\$20.53
24-25	\$37.51	\$10.26
25 or more	\$0.00	\$0.00

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:		
	\$468.82	\$128.31

COBRA	\$956.38	\$261.75
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401 - Basic
403 - Senior Advantage

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser Permanente / Kaiser Senior Advantage for California Residents
Tier 2

Years of Service	Retiree with Family Basic 411	Retiree with Medicare 413	Dependent with Medicare 413	Two or more family members with Medicare 418
Less than 10*	\$1,867.26	\$1,186.25	\$1,186.25	\$505.24
10-11*	\$1,429.31	\$1,008.91	\$748.30	\$327.90
11-12*	\$1,385.51	\$991.18	\$704.50	\$310.17
12-13*	\$1,341.72	\$973.44	\$660.71	\$292.43
13-14	\$1,297.92	\$955.71	\$616.91	\$274.70
14-15	\$1,254.13	\$937.97	\$573.12	\$256.96
15-16	\$1,210.33	\$920.24	\$529.32	\$239.23
16-17	\$1,166.54	\$902.51	\$485.53	\$221.50
17-18	\$1,122.74	\$884.77	\$441.73	\$203.76
18-19	\$1,078.95	\$867.04	\$397.94	\$186.03
19-20	\$1,035.15	\$849.30	\$354.14	\$168.29
20-21	\$991.36	\$831.57	\$310.35	\$150.56
21-22	\$947.56	\$813.84	\$266.55	\$132.83
22-23	\$903.77	\$796.10	\$222.76	\$115.09
23-24	\$859.97	\$778.37	\$178.96	\$97.36
24-25	\$816.18	\$760.63	\$135.17	\$79.62
25 or more	\$772.38	\$742.90	\$91.37	\$61.89

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:

	\$1,319.82	\$964.58	\$638.81	\$283.57
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COBRA	\$1,904.61	\$1,209.98	\$1,209.98	\$515.34
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411 - All family members are "Basic"

413 - One family member is "Senior Advantage"; others are "Basic"

418 - Two or more family members are "Senior Advantage"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Colorado
Tier 2

Years of Service	Retiree Only 450	Retiree Only 451	Retiree and Family 453	Retiree and Family 454	Retiree and Family (Retiree with Medicare) 455 (Plan III Benchmark)	Retiree and Family (Dependent with Medicare) 455 (Plan I,II Benchmark)
Less than 10*	\$1,004.87	\$366.62	\$2,221.15	\$2,998.70	\$1,363.49	\$1,363.49
10-11*	\$602.92	\$219.97	\$1,783.20	\$2,560.75	\$1,186.15	\$925.54
11-12*	\$562.73	\$205.31	\$1,739.40	\$2,516.95	\$1,168.42	\$881.74
12-13*	\$522.53	\$190.64	\$1,695.61	\$2,473.16	\$1,150.68	\$837.95
13-14	\$482.34	\$175.98	\$1,651.81	\$2,429.36	\$1,132.95	\$794.15
14-15	\$442.14	\$161.31	\$1,608.02	\$2,385.57	\$1,115.21	\$750.36
15-16	\$401.95	\$146.65	\$1,564.22	\$2,341.77	\$1,097.48	\$706.56
16-17	\$361.75	\$131.98	\$1,520.43	\$2,297.98	\$1,079.75	\$662.77
17-18	\$321.56	\$117.32	\$1,476.63	\$2,254.18	\$1,062.01	\$618.97
18-19	\$281.36	\$102.65	\$1,432.84	\$2,210.39	\$1,044.28	\$575.18
19-20	\$241.17	\$87.99	\$1,389.04	\$2,166.59	\$1,026.54	\$531.38
20-21	\$200.97	\$73.32	\$1,345.25	\$2,122.80	\$1,008.81	\$487.59
21-22	\$160.78	\$58.66	\$1,301.45	\$2,079.00	\$991.08	\$443.79
22-23	\$120.58	\$43.99	\$1,257.66	\$2,035.21	\$973.34	\$400.00
23-24	\$80.39	\$29.33	\$1,213.86	\$1,991.41	\$955.61	\$356.20
24-25	\$40.19	\$14.66	\$1,170.07	\$1,947.62	\$937.87	\$312.41
25 or more	\$0.00	\$0.00	\$1,126.27	\$1,903.82	\$920.14	\$268.61

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:	\$502.44	\$183.31	\$1,673.71	\$2,451.26	\$1,141.82	\$816.05
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COBRA	\$1,024.97	\$373.95	\$2,265.57	\$3,058.67	\$1,390.76	\$1,390.76
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- 450 - "Basic" under age 65
- 451 - "Senior Advantage"
- 453 - Two family members are "Basic"
- 454 - Three or more family members are "Basic"
- 455 - One Family member is "Senior Advantage"; one is "Basic"

Los Angeles County Employees Retirement Association
 Rates Effective July 1, 2017
 Kaiser - Colorado
 Tier 2

Years of Service	Retiree and Family 457	Retiree and Family (Retiree with Medicare) 458 (Plan III Benchmark)	Retiree and Family (Dependent with Medicare) 458 (Plan I,II Benchmark)	Retiree and Family (Retiree with Medicare) 459 (Plan III Benchmark)	Retiree and Family (Dependent with Medicare) 459 (Plan I,II Benchmark)
Less than 10*	\$725.24	\$2,302.38	\$2,302.38	\$1,722.11	\$1,722.11
10-11*	\$547.90	\$2,125.04	\$1,864.43	\$1,544.77	\$1,284.16
11-12*	\$530.17	\$2,107.31	\$1,820.63	\$1,527.04	\$1,240.36
12-13*	\$512.43	\$2,089.57	\$1,776.84	\$1,509.30	\$1,196.57
13-14	\$494.70	\$2,071.84	\$1,733.04	\$1,491.57	\$1,152.77
14-15	\$476.96	\$2,054.10	\$1,689.25	\$1,473.83	\$1,108.98
15-16	\$459.23	\$2,036.37	\$1,645.45	\$1,456.10	\$1,065.18
16-17	\$441.50	\$2,018.64	\$1,601.66	\$1,438.37	\$1,021.39
17-18	\$423.76	\$2,000.90	\$1,557.86	\$1,420.63	\$977.59
18-19	\$406.03	\$1,983.17	\$1,514.07	\$1,402.90	\$933.80
19-20	\$388.29	\$1,965.43	\$1,470.27	\$1,385.16	\$890.00
20-21	\$370.56	\$1,947.70	\$1,426.48	\$1,367.43	\$846.21
21-22	\$352.83	\$1,929.97	\$1,382.68	\$1,349.70	\$802.41
22-23	\$335.09	\$1,912.23	\$1,338.89	\$1,331.96	\$758.62
23-24	\$317.36	\$1,894.50	\$1,295.09	\$1,314.23	\$714.82
24-25	\$299.62	\$1,876.76	\$1,251.30	\$1,296.49	\$671.03
25 or more	\$281.89	\$1,859.03	\$1,207.50	\$1,278.76	\$627.23
*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				\$1,500.44	\$1,174.67
COBRA	\$739.74	\$2,348.43	\$2,348.43	\$1,756.55	\$1,756.55

457 - Two family members are "Senior Advantage"

458 - One family member is "Senior Advantage"; two or more are "Basic"

459 - Two family members are "Senior Advantage"; one or more are "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Georgia
Tier 2

Years of Service	Retiree Only 443	Retiree Only 461	Retiree Only 462	Retiree and Family (Retiree with Medicare) 463 (Plan III Benchmark)	Retiree and Family (Dependent with Medicare) 463 (Plan I,II Benchmark)
Less than 10*	\$408.26	\$1,164.41	\$408.26	\$2,320.83	\$2,320.83
10-11*	\$244.96	\$726.46	\$244.96	\$2,143.49	\$1,882.88
11-12*	\$228.63	\$682.66	\$228.63	\$2,125.76	\$1,839.08
12-13*	\$212.30	\$638.87	\$212.30	\$2,108.02	\$1,795.29
13-14	\$195.96	\$595.07	\$195.96	\$2,090.29	\$1,751.49
14-15	\$179.63	\$551.28	\$179.63	\$2,072.55	\$1,707.70
15-16	\$163.30	\$507.48	\$163.30	\$2,054.82	\$1,663.90
16-17	\$146.97	\$463.69	\$146.97	\$2,037.09	\$1,620.11
17-18	\$130.64	\$419.89	\$130.64	\$2,019.35	\$1,576.31
18-19	\$114.31	\$376.10	\$114.31	\$2,001.62	\$1,532.52
19-20	\$97.98	\$332.30	\$97.98	\$1,983.88	\$1,488.72
20-21	\$81.65	\$288.51	\$81.65	\$1,966.15	\$1,444.93
21-22	\$65.32	\$244.71	\$65.32	\$1,948.42	\$1,401.13
22-23	\$48.99	\$200.92	\$48.99	\$1,930.68	\$1,357.34
23-24	\$32.66	\$157.12	\$32.66	\$1,912.95	\$1,313.54
24-25	\$16.33	\$113.33	\$16.33	\$1,895.21	\$1,269.75
25 or more	\$0.00	\$69.53	\$0.00	\$1,877.48	\$1,225.95

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:					
	\$204.13	\$616.97	\$204.13	\$2,099.16	\$1,773.39

COBRA	\$416.43	\$1,187.70	\$416.43	\$2,367.25	\$2,367.25
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443 - "Basic" over age 65 - Medicare-eligible who is classified as having renal failure (ESRD)

461 - "Basic" under age 65

462 - "Senior Advantage"

463 - Two family members are "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Georgia
Tier 2

Years of Service	Retiree and Family 464	Retiree and Family (Retiree with Medicare) 465 (Plan III Benchmark)	Retiree and Family (Dependent with Medicare) 465 (Plan I,II Benchmak)
Less than 10*	\$3,477.24	\$1,564.67	\$1,564.67
10-11*	\$3,039.29	\$1,387.33	\$1,126.72
11-12*	\$2,995.49	\$1,369.60	\$1,082.92
12-13*	\$2,951.70	\$1,351.86	\$1,039.13
13-14	\$2,907.90	\$1,334.13	\$995.33
14-15	\$2,864.11	\$1,316.39	\$951.54
15-16	\$2,820.31	\$1,298.66	\$907.74
16-17	\$2,776.52	\$1,280.93	\$863.95
17-18	\$2,732.72	\$1,263.19	\$820.15
18-19	\$2,688.93	\$1,245.46	\$776.36
19-20	\$2,645.13	\$1,227.72	\$732.56
20-21	\$2,601.34	\$1,209.99	\$688.77
21-22	\$2,557.54	\$1,192.26	\$644.97
22-23	\$2,513.75	\$1,174.52	\$601.18
23-24	\$2,469.95	\$1,156.79	\$557.38
24-25	\$2,426.16	\$1,139.05	\$513.59
25 or more	\$2,382.36	\$1,121.32	\$469.79

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:			
	\$2,929.80	\$1,343.00	\$1,017.23

COBRA	\$3,546.78	\$1,595.96	\$1,595.96
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464 - Three or more family members are "Basic"
465 - One family member is "Senior Advantage"; one is "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Georgia
Tier 2

Years of Service	Retiree and Family 466	Retiree and Family (Retiree with Medicare) 467 (Plan III Benchmark)	Retiree and Family (Dependent with Medicare) 467 (Plan I,II Benchmark)	Retiree and Family (Retiree with Medicare) 468 (Plan III Benchmark)	Retiree and Family (Dependent with Medicare) 468 (Plan I,II Benchmark)
Less than 10*	\$808.52	\$2,721.09	\$2,721.09	\$1,964.93	\$1,964.93
10-11*	\$631.18	\$2,543.75	\$2,283.14	\$1,787.59	\$1,526.98
11-12*	\$613.45	\$2,526.02	\$2,239.34	\$1,769.86	\$1,483.18
12-13*	\$595.71	\$2,508.28	\$2,195.55	\$1,752.12	\$1,439.39
13-14	\$577.98	\$2,490.55	\$2,151.75	\$1,734.39	\$1,395.59
14-15	\$560.24	\$2,472.81	\$2,107.96	\$1,716.65	\$1,351.80
15-16	\$542.51	\$2,455.08	\$2,064.16	\$1,698.92	\$1,308.00
16-17	\$524.78	\$2,437.35	\$2,020.37	\$1,681.19	\$1,264.21
17-18	\$507.04	\$2,419.61	\$1,976.57	\$1,663.45	\$1,220.41
18-19	\$489.31	\$2,401.88	\$1,932.78	\$1,645.72	\$1,176.62
19-20	\$471.57	\$2,384.14	\$1,888.98	\$1,627.98	\$1,132.82
20-21	\$453.84	\$2,366.41	\$1,845.19	\$1,610.25	\$1,089.03
21-22	\$436.11	\$2,348.68	\$1,801.39	\$1,592.52	\$1,045.23
22-23	\$418.37	\$2,330.94	\$1,757.60	\$1,574.78	\$1,001.44
23-24	\$400.64	\$2,313.21	\$1,713.80	\$1,557.05	\$957.64
24-25	\$382.90	\$2,295.47	\$1,670.01	\$1,539.31	\$913.85
25 or more	\$365.17	\$2,277.74	\$1,626.21	\$1,521.58	\$870.05

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:					
	\$586.85	\$2,499.42	\$2,173.65	\$1,743.26	\$1,417.49

COBRA	\$824.69	\$2,775.51	\$2,775.51	\$2,004.23	\$2,004.23
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466 - Two family members are "Senior Advantage"
467 - One family member is "Senior Advantage"; two are "Basic"
468 - Two family member are "Senior Advantage"; one is "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Georgia
Tier 2

Years of Service	Retiree and Family (Retiree with Medicare) 469 (Plan III Benchmark)	Retiree and Family (Dependent with Medicare) 469 (Plan I,II Benchmark)	Retiree and Family (Retiree with Medicare) 470 (Plan III Benchmark)	Retiree and Family (Dependent with Medicare) 470 (Plan I,II Benchmark)
Less than 10*	\$1,208.78	\$1,208.78	\$2,721.09	\$2,721.09
10-11*	\$1,031.44	\$770.83	\$2,543.75	\$2,283.14
11-12*	\$1,013.71	\$727.03	\$2,526.02	\$2,239.34
12-13*	\$995.97	\$683.24	\$2,508.28	\$2,195.55
13-14	\$978.24	\$639.44	\$2,490.55	\$2,151.75
14-15	\$960.50	\$595.65	\$2,472.81	\$2,107.96
15-16	\$942.77	\$551.85	\$2,455.08	\$2,064.16
16-17	\$925.04	\$508.06	\$2,437.35	\$2,020.37
17-18	\$907.30	\$464.26	\$2,419.61	\$1,976.57
18-19	\$889.57	\$420.47	\$2,401.88	\$1,932.78
19-20	\$871.83	\$376.67	\$2,384.14	\$1,888.98
20-21	\$854.10	\$332.88	\$2,366.41	\$1,845.19
21-22	\$836.37	\$289.08	\$2,348.68	\$1,801.39
22-23	\$818.63	\$245.29	\$2,330.94	\$1,757.60
23-24	\$800.90	\$201.49	\$2,313.21	\$1,713.80
24-25	\$783.16	\$157.70	\$2,295.47	\$1,670.01
25 or more	\$765.43	\$113.90	\$2,277.74	\$1,626.21
*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$987.11	\$661.34	\$2,499.42	\$2,173.65
COBRA	\$1,232.96	\$1,232.96	\$2,775.51	\$2,775.51

469 - Three or more family members are "Senior Advantage"; one is "Basic"

470 - Three or more family members are "Basic"; one is "Senior Advantage"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Hawaii
Tier 2

Years of Service	Retiree Only 471	Retiree Only 472	Retiree and Dependent 474	Retiree and Family 475
Less than 10*	\$1,003.20	\$429.51	\$1,998.40	\$2,993.60
10-11*	\$601.92	\$257.71	\$1,560.45	\$2,555.65
11-12*	\$561.79	\$240.53	\$1,516.65	\$2,511.85
12-13*	\$521.66	\$223.35	\$1,472.86	\$2,468.06
13-14	\$481.54	\$206.16	\$1,429.06	\$2,424.26
14-15	\$441.41	\$188.98	\$1,385.27	\$2,380.47
15-16	\$401.28	\$171.80	\$1,341.47	\$2,336.67
16-17	\$361.15	\$154.62	\$1,297.68	\$2,292.88
17-18	\$321.02	\$137.44	\$1,253.88	\$2,249.08
18-19	\$280.90	\$120.26	\$1,210.09	\$2,205.29
19-20	\$240.77	\$103.08	\$1,166.29	\$2,161.49
20-21	\$200.64	\$85.90	\$1,122.50	\$2,117.70
21-22	\$160.51	\$68.72	\$1,078.70	\$2,073.90
22-23	\$120.38	\$51.54	\$1,034.91	\$2,030.11
23-24	\$80.26	\$34.36	\$991.11	\$1,986.31
24-25	\$40.13	\$17.18	\$947.32	\$1,942.52
25 or more	\$0.00	\$0.00	\$903.52	\$1,898.72

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$501.60	\$214.76	\$1,450.96	\$2,446.16

COBRA	\$1,023.26	\$438.10	\$2,038.37	\$3,053.47
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471 - "Basic" under age 65

472 - "Senior Advantage"

474 - Two family members are "Basic"

475 - Three or more family members are "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Hawaii
Tier 2

Years of Service	Retiree and Family (Retiree with Medicare) 476 (Plan III Benchmark)	Retiree and Family (Dependent with Medicare) 476 (Plan I,II Benchmark)	Retiree and Family 478
Less than 10*	\$1,424.71	\$1,424.71	\$850.02
10-11*	\$1,247.37	\$986.76	\$672.68
11-12*	\$1,229.64	\$942.96	\$654.95
12-13*	\$1,211.90	\$899.17	\$637.21
13-14	\$1,194.17	\$855.37	\$619.48
14-15	\$1,176.43	\$811.58	\$601.74
15-16	\$1,158.70	\$767.78	\$584.01
16-17	\$1,140.97	\$723.99	\$566.28
17-18	\$1,123.23	\$680.19	\$548.54
18-19	\$1,105.50	\$636.40	\$530.81
19-20	\$1,087.76	\$592.60	\$513.07
20-21	\$1,070.03	\$548.81	\$495.34
21-22	\$1,052.30	\$505.01	\$477.61
22-23	\$1,034.56	\$461.22	\$459.87
23-24	\$1,016.83	\$417.42	\$442.14
24-25	\$999.09	\$373.63	\$424.40
25 or more	\$981.36	\$329.83	\$406.67

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:			
	\$1,203.04	\$877.27	\$628.35

COBRA	\$1,453.20	\$1,453.20	\$867.02
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476 - One family member is "Senior Advantage"; one is Basic
478 - Two family members are "Senior Advantage"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Oregon
Tier 2

Years of Service	Retiree Only 481	Retiree Only 482	Retiree and Family 484	Retiree and Family 485
Less than 10*	\$1,087.63	\$377.25	\$2,167.27	\$3,246.90
10-11*	\$652.58	\$226.35	\$1,729.32	\$2,808.95
11-12*	\$609.07	\$211.26	\$1,685.52	\$2,765.15
12-13*	\$565.57	\$196.17	\$1,641.73	\$2,721.36
13-14	\$522.06	\$181.08	\$1,597.93	\$2,677.56
14-15	\$478.56	\$165.99	\$1,554.14	\$2,633.77
15-16	\$435.05	\$150.90	\$1,510.34	\$2,589.97
16-17	\$391.55	\$135.81	\$1,466.55	\$2,546.18
17-18	\$348.04	\$120.72	\$1,422.75	\$2,502.38
18-19	\$304.54	\$105.63	\$1,378.96	\$2,458.59
19-20	\$261.03	\$90.54	\$1,335.16	\$2,414.79
20-21	\$217.53	\$75.45	\$1,291.37	\$2,371.00
21-22	\$174.02	\$60.36	\$1,247.57	\$2,327.20
22-23	\$130.52	\$45.27	\$1,203.78	\$2,283.41
23-24	\$87.01	\$30.18	\$1,159.98	\$2,239.61
24-25	\$43.51	\$15.09	\$1,116.19	\$2,195.82
25 or more	\$0.00	\$0.00	\$1,072.39	\$2,152.02

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$543.82	\$188.63	\$1,619.83	\$2,699.46

COBRA	\$1,109.38	\$384.80	\$2,210.62	\$3,311.84
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- 481 - "Basic" under age 65
- 482 - "Senior Advantage"
- 484 - Two family members are "Basic"
- 485 - Three or more family members are "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Oregon
Tier 2

Years of Service	Retiree & Family (Retiree with Medicare) 486 (Plan III Benchmark)	Retiree & Family (Dependent with Medicare) 486 (Plan I,II Benchmark)	Retiree & Family 488
Less than 10*	\$1,456.88	\$1,456.88	\$746.50
10-11*	\$1,279.54	\$1,018.93	\$569.16
11-12*	\$1,261.81	\$975.13	\$551.43
12-13*	\$1,244.07	\$931.34	\$533.69
13-14	\$1,226.34	\$887.54	\$515.96
14-15	\$1,208.60	\$843.75	\$498.22
15-16	\$1,190.87	\$799.95	\$480.49
16-17	\$1,173.14	\$756.16	\$462.76
17-18	\$1,155.40	\$712.36	\$445.02
18-19	\$1,137.67	\$668.57	\$427.29
19-20	\$1,119.93	\$624.77	\$409.55
20-21	\$1,102.20	\$580.98	\$391.82
21-22	\$1,084.47	\$537.18	\$374.09
22-23	\$1,066.73	\$493.39	\$356.35
23-24	\$1,049.00	\$449.59	\$338.62
24-25	\$1,031.26	\$405.80	\$320.88
25 or more	\$1,013.53	\$362.00	\$303.15

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:			
	\$1,235.21	\$909.44	\$524.83

COBRA	\$1,486.02	\$1,486.02	\$761.43
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486 - One family member is "Senior Advantage" one is "Basic"
488 - Two family members are "Senior Advantage"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Kaiser - Oregon
Tier 2

Years of Service	Retiree and Family (Retiree with Medicare) 493 (Plan III Benchmark)	Retiree and Family (Dependent with Medicare) 493 (Plan I,II Benchmark)	Retiree and Family (Retiree with Medicare) 494 (Plan III Benchmark)	Retiree and Family (Dependent with Medicare) 494 (Plan I,II Benchmark)
Less than 10*	\$2,536.52	\$2,536.52	\$1,826.13	\$1,826.13
10-11*	\$2,359.18	\$2,098.57	\$1,648.79	\$1,388.18
11-12*	\$2,341.45	\$2,054.77	\$1,631.06	\$1,344.38
12-13*	\$2,323.71	\$2,010.98	\$1,613.32	\$1,300.59
13-14	\$2,305.98	\$1,967.18	\$1,595.59	\$1,256.79
14-15	\$2,288.24	\$1,923.39	\$1,577.85	\$1,213.00
15-16	\$2,270.51	\$1,879.59	\$1,560.12	\$1,169.20
16-17	\$2,252.78	\$1,835.80	\$1,542.39	\$1,125.41
17-18	\$2,235.04	\$1,792.00	\$1,524.65	\$1,081.61
18-19	\$2,217.31	\$1,748.21	\$1,506.92	\$1,037.82
19-20	\$2,199.57	\$1,704.41	\$1,489.18	\$994.02
20-21	\$2,181.84	\$1,660.62	\$1,471.45	\$950.23
21-22	\$2,164.11	\$1,616.82	\$1,453.72	\$906.43
22-23	\$2,146.37	\$1,573.03	\$1,435.98	\$862.64
23-24	\$2,128.64	\$1,529.23	\$1,418.25	\$818.84
24-25	\$2,110.90	\$1,485.44	\$1,400.51	\$775.05
25 or more	\$2,093.17	\$1,441.64	\$1,382.78	\$731.25

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:				
	\$2,314.85	\$1,989.08	\$1,604.46	\$1,278.69

COBRA	\$2,587.25	\$2,587.25	\$1,862.65	\$1,862.65
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493 - One family member is "Senior Advantage" two or more are "Basic"

494 - Two family members are "Senior Advantage"; one is "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
SCAN Health Plan
Tier 2

Years of Service	Retiree Only with SCAN 611	Retiree and 1 Dependent - Both with SCAN 613¹
Less than 10*	\$298.00	\$588.00
10-11*	\$178.80	\$410.66
11-12*	\$166.88	\$392.93
12-13*	\$154.96	\$375.19
13-14	\$143.04	\$357.46
14-15	\$131.12	\$339.72
15-16	\$119.20	\$321.99
16-17	\$107.28	\$304.26
17-18	\$95.36	\$286.52
18-19	\$83.44	\$268.79
19-20	\$71.52	\$251.05
20-21	\$59.60	\$233.32
21-22	\$47.68	\$215.59
22-23	\$35.76	\$197.85
23-24	\$23.84	\$180.12
24-25	\$11.92	\$162.38
25 or more	\$0.00	\$144.65

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:		
	\$149.00	\$366.33

COBRA	\$303.96	\$599.76
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¹Retiree and 1 Dependent = Retiree and Spouse/Domestic Partner OR Retiree and 1 Child. Both Retiree and eligible dependent must be enrolled in Medicare Parts A & B.

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
UnitedHealthcare Group Medicare Advantage HMO/UnitedHealthcare
Tier 2

Years of Service	Retiree Only with UnitedHealthCare Group Medicare Advantage HMO 701	Retiree and 1 Dependent - 1 with UnitedHealthcare Group Medicare Advantage HMO 702¹	Retiree and 1 Dependent - Both with UnitedHealthcare Group Medicare Advantage HMO 703¹	Retiree and 2 or More Dependents - Retiree with Medicare UnitedHealthcare Group Medicare Advantage HMO 704²	Retiree and 2 or More Dependents - Retiree +1 with Medicare UnitedHealthcare Group Medicare Advantage HMO 705²
Less than 10*	\$339.07	\$1,403.67	\$670.14	\$1,587.08	\$853.55
10-11*	\$203.44	\$1,226.33	\$492.80	\$1,409.74	\$676.21
11-12*	\$189.88	\$1,208.59	\$475.07	\$1,392.00	\$658.48
12-13*	\$176.32	\$1,190.86	\$457.33	\$1,374.27	\$640.74
13-14	\$162.75	\$1,173.12	\$439.60	\$1,356.53	\$623.01
14-15	\$149.19	\$1,155.39	\$421.86	\$1,338.80	\$605.27
15-16	\$135.63	\$1,137.66	\$404.13	\$1,321.07	\$587.54
16-17	\$122.07	\$1,119.92	\$386.40	\$1,303.33	\$569.81
17-18	\$108.50	\$1,102.19	\$368.66	\$1,285.60	\$552.07
18-19	\$94.94	\$1,084.45	\$350.93	\$1,267.86	\$534.34
19-20	\$81.38	\$1,066.72	\$333.19	\$1,250.13	\$516.60
20-21	\$67.81	\$1,048.99	\$315.46	\$1,232.40	\$498.87
21-22	\$54.25	\$1,031.25	\$297.73	\$1,214.66	\$481.14
22-23	\$40.69	\$1,013.52	\$279.99	\$1,196.93	\$463.40
23-24	\$27.13	\$995.78	\$262.26	\$1,179.19	\$445.67
24-25	\$13.56	\$978.05	\$244.52	\$1,161.46	\$427.93
25 or more	\$0.00	\$960.32	\$226.79	\$1,143.73	\$410.20

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:					
	\$169.54	\$1,181.99	\$448.47	\$1,365.40	\$631.87

COBRA	\$345.85	\$1,431.74	\$683.54	\$1,618.82	\$870.62
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¹ Retiree and 1 Dependent = Retiree and Spouse/Domestic Partner OR Retiree and 1 Child

² Retiree and 2 or More Dependents = Retiree, Spouse/Domestic Partner and 1 or More Children OR Retiree and 2 or More Children

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
UnitedHealthcare
Tier 2

Years of Service	Retiree Only 707	Retiree and 1 Dependent 708	Retiree and 2 or More Dependents 709
Less than 10*	\$1,072.60	\$1,957.45	\$2,320.60
10-11*	\$643.56	\$1,519.50	\$1,882.65
11-12*	\$600.65	\$1,475.71	\$1,838.85
12-13*	\$557.75	\$1,431.91	\$1,795.06
13-14	\$514.85	\$1,388.11	\$1,751.26
14-15	\$471.94	\$1,344.32	\$1,707.47
15-16	\$429.04	\$1,300.52	\$1,663.67
16-17	\$386.13	\$1,256.73	\$1,619.88
17-18	\$343.23	\$1,212.93	\$1,576.08
18-19	\$300.33	\$1,169.14	\$1,532.29
19-20	\$257.42	\$1,125.34	\$1,488.49
20-21	\$214.52	\$1,081.55	\$1,444.70
21-22	\$171.62	\$1,037.75	\$1,400.90
22-23	\$128.71	\$993.96	\$1,357.11
23-24	\$85.81	\$950.16	\$1,313.31
24-25	\$42.90	\$906.37	\$1,269.52
25 or more	\$0.00	\$862.57	\$1,225.72

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:	\$536.30	\$1,410.01	\$1,773.16
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COBRA	\$1,094.05	\$1,996.60	\$2,367.01
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Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Cigna Indemnity Dental/Vision
Tier 2

Years of Service	Retiree Only 501	Retiree and Dependent(s) 502
Less than 10*	\$52.16	\$108.60
10-11*	\$31.30	\$87.74
11-12*	\$29.21	\$85.65
12-13*	\$27.12	\$83.56
13-14	\$25.04	\$81.48
14-15	\$22.95	\$79.39
15-16	\$20.86	\$77.30
16-17	\$18.78	\$75.22
17-18	\$16.69	\$73.13
18-19	\$14.60	\$71.04
19-20	\$12.52	\$68.96
20-21	\$10.43	\$66.87
21-22	\$8.35	\$64.79
22-23	\$6.26	\$62.70
23-24	\$4.17	\$60.61
24-25	\$2.09	\$58.53
25 or more	\$0.00	\$56.44

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:		
	\$26.08	\$82.52

COBRA	\$53.20	\$110.77
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Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
Cigna Dental HMO/Vision
Tier 2

Years of Service	Retiree Only 901	Retiree and Dependent(s) 902
Less than 10*	\$46.19	\$94.52
10-11*	\$27.71	\$73.66
11-12*	\$25.87	\$71.57
12-13*	\$24.02	\$69.48
13-14	\$22.17	\$67.40
14-15	\$20.32	\$65.31
15-16	\$18.48	\$63.22
16-17	\$16.63	\$61.14
17-18	\$14.78	\$59.05
18-19	\$12.93	\$56.96
19-20	\$11.09	\$54.88
20-21	\$9.24	\$52.79
21-22	\$7.39	\$50.71
22-23	\$5.54	\$48.62
23-24	\$3.70	\$46.53
24-25	\$1.85	\$44.45
25 or more	\$0.00	\$42.36

*If you are on a service connected disability retirement with less than thirteen years of service, you pay:		
	\$23.10	\$68.44

COBRA	\$47.11	\$96.41
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Los Angeles County Employees Retirement Association
 Rates Effective July 1, 2017
 Children Only Rates
 Tier 2

Years of Service	Anthem Plan I 215 or 225	Kaiser One Child 421	Kaiser 2 or More 411	Prudent Buyer 205	CIGNA 305	UHC HMO 706	Cigna Indemnity Dental/ Vision 503	Cigna Prepaid Dental/ Vision 903
Less than 10*	\$364.04	\$937.63	\$1,867.26	\$237.47	\$472.39	\$307.71	\$64.15	\$46.78
10-11*	\$218.42	\$562.58	\$1,429.31	\$142.48	\$283.43	\$184.63	\$38.49	\$28.07
11-12*	\$203.86	\$525.07	\$1,385.51	\$132.98	\$264.54	\$172.32	\$35.92	\$26.20
12-13*	\$189.30	\$487.57	\$1,341.72	\$123.48	\$245.64	\$160.01	\$33.36	\$24.33
13-14	\$174.74	\$450.06	\$1,297.92	\$113.99	\$226.75	\$147.70	\$30.79	\$22.45
14-15	\$160.18	\$412.56	\$1,254.13	\$104.49	\$207.85	\$135.39	\$28.23	\$20.58
15-16	\$145.62	\$375.05	\$1,210.33	\$94.99	\$188.96	\$123.09	\$25.66	\$18.71
16-17	\$131.05	\$337.55	\$1,166.54	\$85.49	\$170.06	\$110.78	\$23.09	\$16.84
17-18	\$116.49	\$300.04	\$1,122.74	\$75.99	\$151.16	\$98.47	\$20.53	\$14.97
18-19	\$101.93	\$262.54	\$1,078.95	\$66.49	\$132.27	\$86.16	\$17.96	\$13.10
19-20	\$87.37	\$225.03	\$1,035.15	\$56.99	\$113.37	\$73.85	\$15.40	\$11.23
20-21	\$72.81	\$187.53	\$991.36	\$47.49	\$94.48	\$61.54	\$12.83	\$9.36
21-22	\$58.25	\$150.02	\$947.56	\$38.00	\$75.58	\$49.23	\$10.26	\$7.48
22-23	\$43.68	\$112.52	\$903.77	\$28.50	\$56.69	\$36.93	\$7.70	\$5.61
23-24	\$29.12	\$75.01	\$859.97	\$19.00	\$37.79	\$24.62	\$5.13	\$3.74
24-25	\$14.56	\$37.51	\$816.18	\$9.50	\$18.90	\$12.31	\$2.57	\$1.87
25 or more	\$0.00	\$0.00	\$772.38	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

*Service Connected Disability	\$182.02	\$468.82	\$1,319.82	\$118.74	\$236.20	\$153.86	\$32.08	\$23.39
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COBRA	\$371.32	\$956.38	\$1,904.61	\$242.22	\$481.84	\$313.87	\$65.43	\$47.72
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Los Angeles County Employees Retirement Association
Rates Effective July 1, 2017
COBRA Rates -- Kaiser
Tier 2

Single "Basic"	\$956.38
Single Senior Advantage	\$261.75
Single "Excess"	\$1,056.36
All family members are "Basic"	\$1,904.61
One family member is "Sr. Advantage"; others are "Basic"	\$1,209.98
Two or more family members are "Sr. Advantage"	\$515.34
One family member is "Excess"; another is "Sr. Advantage"	\$1,309.96
Two family members are "Excess"	\$2,104.57
Child under 26	\$956.38
Children under 26	\$1,904.61

California Contract Changes

Contract Changes checklists are a tool to be utilized in conjunction with the enclosed notice of contract language changes upon renewal. If not already included, the following is the list of changes that will be added to contract documents. Effective dates are shown and apply at renewal on or after that date. Please note: Some of the changes below will be or have been submitted to State regulatory agencies and will require approval prior to implementation.

Plan Impact	Provision	Description of Change	Type of Change	Date of Change	Effective
PBP, Plan I, Plan II	Definitions: Physician	In the Physician definition, added reference to providers permitted by CA law to provide services for behavioral health treatment for Pervasive Developmental Disorder and autism, and removed the reference to a health care provider includes "any agency licensed by the state to provide services." Added qualified autism service provider, qualified autism service professional, and qualified autism service paraprofessional to the list of providers.	CA Regulatory requirement - EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Definitions: Mental Health Conditions	In the Mental Health Conditions definition, revised the DSM references to more closely align with state law.	CA Regulatory requirement - EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Utilization Review Program	Under Pre-service review, added reference to "detoxification and rehabilitation" to scheduled, non-emergency inpatient hospital stays." Also added a bullet item for partial hospitalization, intensive outpatient programs, and transcranial magnetic stimulation (TMS), under bullet 2.	CA Regulatory requirement - EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Benefits for Mental Health Conditions and Substance Abuse	Newly-created section dedicated to mental health and substance abuse information, following the approach taken for Pervasive Developmental Disorder or Autism. The regulator's perspective is that mental health and substance abuse information needed a greater presence and should be easier to locate.	CA Regulatory requirement - EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Benefits for Pervasive Developmental Disorder	Various statements were changed, including, clarifying how some settings for services from autism providers will be covered; adding a statement to see the Mental Health and Substance Abuse section for more details; changing the Pervasive Developmental Disorder definition by adding reference to autism and removing the other referenced conditions; and lastly, for purposes of the treatment plan, removing a statement that coverage would not be provided for respite care, day care, or educational services.	CA Regulatory requirement - EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Medical Care That is Covered	Struck the Mental or Nervous Disorder or Substance Abuse section and moved it to a new section called Benefits for Mental Health Conditions and Substance Abuse. This newly added, standalone section follows the approach taken for Pervasive Developmental Disorder or Autism.	CA Regulatory requirement - EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Summary of Benefits	Added disclosure text for the Mental Health Parity and Addiction Equity Act. This was done to more fully disclose and inform members about mental health parity.	CA Regulatory requirement - EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Pregnancy and Maternity Care	For DMHC PPO plans, the benefit for prenatal, postnatal and postpartum care has been revised to indicate prenatal care also includes participation in the California Prenatal Screening Program, which is a statewide prenatal testing program administered by the State Department of Public Health. When provided through this program, the applicable deductible and copayment will not apply. In addition, a reference to the Important Note for Newborn and Newly-Adopted Children in the plan's Eligibility section has been added for clarification purposes. Please note: This change was made to CDI regulated plan on 1/1/2016.	CA Regulatory requirement SB 75 - EOC Change and addition of Public Health Dept services	1/1/2017	At Renewal
N/A	Exclusion: Outpatient Prescription Drugs and Medications	For DMHC regulated PPO plans, added clarifying text to indicate the exclusion does not apply to drugs or medicines specified as covered in the Preventive Prescription Drugs and Other Items under the plan's prescription drug benefits.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan II CA	Mental or Nervous Disorders/Substance Abuse	For DMHC regulated PPO plans, the statement indicating no coverage for services not pre-certified has been removed. Coverage under this benefit will also include those for serious emotional disturbance of a child. Certain products to treat nicotine addiction are covered under the plan's Preventive Care benefits.	Company change EOC Change	1/1/2017	At Renewal

Plan Impact	Provision	Description of Change	Type of Change	Date of Change	Effective
PBP, Plan II CA	Jaw Joint Disorders	For DMHC regulated PPO plans, benefit text for Jaw Joint Disorders has been revised to indicate covered benefits apply to conditions directly affecting the upper or lower jawbone or the joints linking the jawbones and the skull (the temporomandibular joints).	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan II CA	Special Food Products	For DMHC regulated PPO plans, benefit text for Special Food Products has been removed and has been replaced with benefit text for Phenylketonuria (PKU). This change does not indicate a change in benefits. The revised benefit text includes additional information and details regarding the member's benefits.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan II CA	Osteoporosis	For DMHC regulated PPO plans, benefit text for Osteoporosis treatment has been added for clarification purposes. Benefits for medically necessary osteoporosis treatments were already considered covered services prior to this change.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan II CA	Contraceptives	For DMHC regulated PPO plans, the benefit for contraceptives has been revised to clarify Anthem will cover contraceptive supplies prescribed by a physician for reasons other than contraceptive purposes for medically necessary treatment such as decreasing the risk of ovarian cancer, eliminating symptoms of menopause or for contraception that is necessary to preserve life or health.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan II CA	Exclusion: Not Specifically Listed	For DMHC regulated PPO plans, removed the exclusion for Not Specifically Listed services.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan II CA	Dental Care	For DMHC regulated PPO plans, the benefit for general anesthesia when receiving medically necessary dental care has been revised to indicate charges for the dental procedure itself, including professional fees of a dentist, may not be covered.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan II CA	Exclusion: Work Related	For DMHC regulated PPO plans, revised the exclusion for Work Related situations where services may be recovered through situations like worker's compensation. Anthem may only recover these payments when they are actually recovered by workers compensation or related coverage.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Utilization Review Program	Revised the Utilization Review Program section to provide details on the description of review categories, types of services where review is required, timeframes for review and the responsibilities for initiating the review.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Inter-Plan Programs	Revised the Inter-Plan Programs provision to match Blue Cross/Blue Shield Association guidelines for outside of California.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Member Services	Changed the term "customer service" to "Member Services". This change aligns with language used in ID Cards.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Prescription Drugs Obtained From Or Administered By a Medical Provider	For prescription drugs obtained from a medical provider, the benefit text was been revised to clarify the member's coverage. Additionally, the prior authorization review text was revised to match the process for drugs obtained from a pharmacy provider.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Definition: Designated Pharmacy Provider	Added a definition for a Designated Pharmacy Provider.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Definition: Partial Hospitalization Program	Added a definition for a Partial Hospitalization Program.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Mental or Nervous Disorders/Substance Abuse	Revised the Mental or Nervous Disorders/Substance Abuse benefit to indicate online visits are available.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Designated Pharmacy Provider	Added text stating that only specific participating providers have been approved to treat hemophilia. This provision aims to guide members to more cost effective providers. This benefit text replaces the notes previously added for the 1-1-2016 Annual Benefit Changes.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Exclusion: Residential Accommodations	Added an exclusion for Residential Accommodations. This change was added to address mental health parity to mitigate potential concerns.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Program Incentives	Revised the Program Incentives provision to clarify the intent of the program.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Online Visits	Added a note to indicate online visits also include coverage for mental or nervous disorders or substance abuse services.	Company change EOC Change	1/1/2017	At Renewal

Plan Impact	Provision	Description of Change	Type of Change	Date of Change	Effective
PBP, Plan I, Plan II	Definition: Intensive Outpatient Program	Added a definition for an Intensive Outpatient Program.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Definition: Residential Treatment Centers	Revised the definition of Residential Treatment Centers to provide additional detail.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Maximum Allowed Amount	Added additional information about the maximum allowed amount when using a non-participating provider.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Ambulance Services	Added clarification to indicate only non-emergency ambulance services are subject to medical necessity reviews by us. This change was added to avoid or prevent possible confusion or misunderstanding that all ambulance services were subject to medical necessity reviews .	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Right of Recovery	Added detail to the Right of Recovery provision to reference claims adjustments and time frames for recovery activities.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Exclusion: Durable Medical Equipment	Added an exclusion for medical equipment other than what is specified as covered benefits.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Exclusion: Gene Therapy	Added an exclusion for Gene Therapy.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Grievance Procedures	Added informative text describing circumstances where additional evidence may impact a grievance or appeal. This was added to mitigate potential concerns from the federal Dept of Labor (DOL), and is the result of DOL feedback.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Identity Protection Services	Added informative text regarding Identity Protection Services, as part of a Blue Cross Blue Shield Association requirement for all Blue plans to offer identity protection services to all eligible members.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Care Coordination	Added a provision describing care coordination circumstances with our network of providers.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Definition: Creditable Coverage	Revised the "creditable coverage" definition to remove conversion coverage from the description. Conversion no longer applies.	Company change EOC Change	1/1/2017	At Renewal
PBP, Plan I, Plan II	Exclusion: Services Received Outside the United States	Revised the "services received outside the United States" exclusion to clarify its intent.	Company change EOC Change (needs customization)	1/1/2017	At Renewal

LACERA Non-Compliant Benefit Review Plan Year 2017-2018

<u>Plan</u>	<u>Category</u>	<u>Current Benefit</u>	<u>Compliance Issue</u>	<u>Proposed Benefit</u>
C00037				
Prudent Buyer Plan	Inpatient Hospitalization	\$325 Non-Par max per day, \$400 for ICU (\$75 RAB / \$150 ICU + \$250 Anc)	Daily maximums are not compliant with current filings.	Per admission deductible, or per day copayment, with coinsurance would be within range.

C20477				
Plan I In & Out-of-State	Inpatient Hospitalization	\$75 RAB, \$150 ICU per day maximum benefit (ancillary reimbursed separately)	Daily maximums are not compliant with current filings.	Per admission deductible, or per day copayment, with coinsurance would be within range.



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LACERA

Cigna Account Number: 3211348

July 1, 2017 Medical Renewal – Benefit Changes

The following benefit changes are effective with the July 1, 2017 renewal:

HMO BENEFITS

The following changes are included with this renewal:

- Addition of Cigna Telehealth Connect
 - Cigna Telehealth Connection provides LACERA Retirees with access to various telehealth services at the PCP copay benefit level.
 - Telehealth vendors provide on-demand 24/7/365 access to cost-effective, quality non-urgent care through a national network of licensed, board-certified U.S.-based doctors, including pediatricians.
 - Telehealth Services will be provided by both American Well (Amwell) and MDLIVE.
 - Retirees will have the option to access mental health/substance abuse providers for individual therapy or medication management through video-based services through the Cigna Behavioral Health network of providers.”

2017 CIGNA-HEALTHSPRING PREFERRED WITH RX (HMO) - MAPD

Benefit Changes include the following:

- Diagnostic Radiological Services (MRI, CT, PET)
 - Cigna Medical Group Copay (was \$100): \$125
 - ASC/Hospital (was = \$150): \$125
- World Wide Emergency Coverage
 - Maximum Coverage Amount (was = No Maximum): \$50,000 per year.

DENTAL BENEFITS

No Benefit Changes are being proposed. The current DHMO (B1-06 PCS) and DPPO benefits will remain in-force with no changes.

VISION BENEFITS

No Benefit Changes are being proposed.



Outlined below is a list of the California (CA) legislative updates that would apply to LACERA for the 2017-18 plan year. Please note, these legislative updates are the laws that we are aware of as of today for the state of CA. We will be sure to update Aon and LACERA of any additional mandates that may come in to effect in the future.

- **CA Legislative bill SB 282-** This law is based on changes that were made to federal regulations as part of the ACA. However, the California law applies to all commercial plans and not just plans subject to the ACA. The law allows members who are denied coverage for a nonformulary drug to request a third party review of their drug request. There are decision timeframes outlined in the bill. For 2017, we have added a section in the Grievances chapter of the EOC to inform members of this new process.
- **CA Legislative bill SB 999-** This law was enacted in the fall of 2016 with an effective of January 1, 2017. It allows individuals who have a prescription for up to 12-month supply of hormonal contraceptives to request the full 12-month supply at one time.
- **CA Legislative bill AB 1135-** This law requires that we add a section in the EOC titled “Timely Access to Care” and add in that section information about appointment wait time standards. We have had this disclosure in our Guidebook for several years. However, now we we will add it to the EOC as well. This law is effective on July 1, 2017.
- **CA Legislative bill AB 72-** Enacted near the end of 2016. This bill builds upon a provision in federal law. This law addresses what are known as “surprise bills”. This is when someone goes to a Plan Facility and is expecting that all the providers involved in the person’s care are network provider, but then the member finds out after the fact that someone on the care team wasn’t in the network and the person gets a large bill. We have added language in the EOC to let members know that the cost share in these types of situations would be the same as if a network provider had provided the care.



3800 Kilroy Airport Way, Suite 100
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562-989-5106

January 18, 2017

Ms. Leslie McKee
Senior Vice President
Aon

Subject: **SCAN/LACERA 2017-2018 Plan Changes**

Pharmacy Benefits

SCAN members will have a **New Option To Save Money** on their medications, by filling their prescriptions at a **SCAN Preferred Pharmacy Network**.

The **SCAN Preferred Pharmacy Network** offers SCAN members lower copayments for many drugs.

- Standard Pharmacy Network 30 day \$7 generic copay
- Standard Pharmacy Network 90 day \$7 generic copay

- **Preferred Pharmacy Network 30 day \$2 generic copay**
- **Preferred Pharmacy Network 90 day \$4 generic copay**

- **90 day supply can be dispense at a retail pharmacy**

Preferred Pharmacy Network: Walgreens, Rite-Aid, Wal-Mart, Albertsons, Costco, and Kmart.

Standard Pharmacy Network: CVS, Target, Kroger, and Shopko.

Part D – Initial Coverage Limit increased from \$4,850 to \$4,950

Network Changes

SCAN annually reviews all supplemental vendor contracts to ensure that we are obtaining the best possible rate, effective January 1, 2017 we are changing hearing aid vendor to TruHearing as well as our transportation vendor to National Med Trans Network (NMN).

These changes will not impact the benefit design and/or the proposed rates.



February 13, 2017

2017 LACERA Plan Changes: UnitedHealthcare

Gender Identity Disorder Mandate

UHC covers medically necessary Inpatient and Outpatient services for Gender Dysphoria as it does for other covered medical services. Prior Authorization (inpatient and outpatient) must be done by UnitedHealthcare or delegated providers. Gender Dysphoria is characterized by the following diagnostic criteria:

- A strong & persistent cross-gender identification (not merely a desire for any perceived cultural advantages of being the other sex).
- Persistent discomfort with his or her sex or sense of inappropriateness in the gender role of that sex
- The disturbance is not concurrent with a physical intersex condition
- The disturbance causes clinically significant distress or impairment in social, occupational, or other important areas of functioning
- The transsexual identity has been present persistently for at least two years
- The disorder is not a symptom of another mental disorder or a chromosomal abnormality

Exclusion & Limitations:

- Reproduction Services
- Reversal of genital surgery or reversal of surgery
- Sperm preservation in advance of hormone treatment or gender surgery
- Surgical or cross-gender hormone treatment for members under 18 years of age
- Transportation
- Treatment received outside the United States

Mental Health – Partial Hospitalization/Day Treatment and Intensive Outpatient Treatment Redefinition from DMHC

- The DMHC has required that UHC move “Mental Health-Partial Hospitalization/Day Treatment and Intensive Outpatient Treatment” from Inpatient Services to the “All Other Outpatient Treatment” category. In moving from Inpatient to Outpatient, retirees that previously paid no Copayment when it was defined as Inpatient will now incur a \$5 Copayment as a result of these services moving to Outpatient.

Assembly Bill 1954 – Prior Authorization Exemption for Certain Services

- For reproductive and sexual health care services, prior approval from a Primary Care Physician or Medical Group or the Plan is not necessary. Such services include:
 - Prevention or treatment of pregnancy
 - Prevention, diagnosis and treatment of an infectious, communicable or sexually transmitted disease, including HIV and HIV testing
 - Abortion
 - Rape including the medical care related to the diagnosis or treatment of the condition and the collection of medical evidence
 - Sexual assault including the medical care related to the diagnosis or treatment of the condition and the collection of medical evidence

Senate Bill 999 – Hormonal Contraceptives and Anticancer Medications

- A 12 month supply at \$0 cost may be provided for FDA-approved, self-administered hormonal contraceptives. Must be furnished or dispensed at one time by a contracted provider or contracted pharmacy.
- Coinsurance/Copayment Maximum of \$200 for up to a 30 day supply of an orally administered anticancer medication regardless of a Prescription Drug Deductible and/or Medical Deductible

Prescription Drug Plan – New Exclusion

- Drugs prescribed solely to treat hair loss are excluded

Virtual Visits for Early Retirees

- Partnership with AmWell and Doctor on Demand
- Seamless integration of LACERA plan design
- Visits through mobile device or computer



March 28, 2017

TO: Each Board Member
Board of Retirement
Board of Investments

FROM: Robert Hill 
Assistant Executive Officer, LACERA

John Popowich 
Assistant Executive Officer, LACERA

John Nogales 
Director, Human Resources, LACERA

FOR: April 13, 2017 Board of Retirement Meeting
May 10, 2017 Board of Investments Meeting

SUBJECT: **LACERA MANAGEMENT CLASSIFICATIONS**

Presented for the consideration of the Board of Retirement and the Board of Investments are the results of a classification and compensation review of LACERA's existing management team and recommendations from the Chief Executive Officer for including new management classifications.

RECOMMENDATIONS

It is recommended the Board of Retirement and Board of Investments:

1. Approve the new LACERA classifications and pay ranges:

<u>Classification</u>	<u>Salary Range</u>
Deputy Chief Investment Officer, LACERA (UC)	LR 24
Deputy Chief Executive Officer, LACERA, (UC)	LS 18
Principal Staff Counsel, LACERA	LS 17
Chief Financial Officer, LACERA	LS 14
Assistant Chief Financial Officer, LACERA	LS 12

2. Approve the revised pay ranges for existing LACERA classifications:

<u>Classification</u>	<u>Salary Range</u>
Chief Counsel, LACERA	LS 20
Assistant Executive Officer, LACERA, (UC)	LS 16
Assistant Executive Officer, LACERA	LS 16

<u>Classification</u>	<u>Salary Range</u>
Chief, Internal Audit, LACERA	LS 14
Director, Human Resources, LACERA	LS 14
Assistant Director, Human Resources, LACERA	LS 12

3. Direct staff to submit to the Board of Supervisors the required ordinance language to implement the new LACERA classifications and revised pay ranges by amending the Los Angeles County Salary Code Sections 6.28.050, 6.127.010, and 6.127.030.

INTRODUCTION

LACERA is often recognized as a premier public pension system that demonstrates thought leadership, management excellence, and effective results. These qualities define a professional management team that engages staff, provides leadership toward goals and mission, and symbolizes an effective role model for the values of the organization. LACERA has an impressive track record of introducing and implementing processes, technologies and business practices that not only improve the service and quality to our membership but also influence or lead the entire pension industry.

Nevertheless, even the best laid strategic plans cannot predict or anticipate all the forthcoming events, challenges or opportunities. Effective management must always be prepared to pivot the organization when there is an inflection point. And in October 2012, we witnessed such a point, the introduction of the PEPRA Plan with a January 1, 2013 effective date. LACERA Management and staff worked tirelessly to meet the almost impossible implementation timeline of January 1, 2013. LACERA Management quickly became PEPRA experts who provided consultation to other 37 Act Counties, provided leadership and information to stakeholder groups, and defined implementation plans that quickly addressed the operational issues and critical time sensitive milestones. The implementation was nearly flawless. The PEPRA challenge proved once again, that LACERA Management provides effective leadership for the organization.

Finally, LACERA must constantly and without fail provide excellent services to our members. Management professionally leads the day-to-day operations that consistently provide excellent results to our membership and plan sponsor.

It's been 16 years since LACERA Management-level positions have been studied. Since then, LACERA has continued its march toward excellence by adding programs, technology and services. The complexity of operations has increased significantly with implementation of OPEB Trusts, investment complexity, GASB implementations, and

the introduction of PEPRA. Therefore, in keeping with LACERA's philosophy to pay fair and competitive wages that will attract, retain and motivate a highly skilled workforce and support its' Mission to Produce, Protect and Provide the Promised Benefits to its membership, it was determined a Management Salary study would be conducted.

BACKGROUND

It is a human resources best practice to market price salaries on a periodic basis; however, due to competing priorities, management-level positions have not been reviewed since 2001, a span of 16 years. Since that time, LACERA has studied over 61 staff classifications. The studies conducted included entire classification series covering LACERA's Secretary, Financial Accounting and Services, Quality Assurance, and the Retirement Benefit Services classifications.

Based on the length of time that expired since LACERA's last management salary study and LACERA's desire to pay appropriate wages, LACERA's Human Resources (HR) conducted a consultant search and hired CPS HR Consulting (CPS) to study LACERA's management classifications and salaries.

CPS possesses expertise in the area of classification and salaries. They are uniquely qualified to assist LACERA because of their broad public sector human resources consulting experience and their prior working relationship with LACERA and the County of Los Angeles. They are well respected in the public human resources field and were recently selected by the County of Los Angeles to provide consulting services for its HR Reset Initiative that will create a new County of Los Angeles Department of Human Resources strategic plan.

The completed CPS salary study data was used by HR to assess pay levels for its management positions in comparison with market rates. The information was also used to assess LACERA's ability to recruit and retain highly skilled professionals to lead its management operations.

Although market competitiveness is a primary element used for setting or adjusting salaries, other factors including internal equity, salary compression, and career paths were taken into consideration when recommending appropriate salary levels.

MANAGEMENT STUDY

CPS Consultants completed its comprehensive compensation study of LACERA's Management positions utilizing salary information through December 2016. The study compared LACERA Management salaries to a peer group made up of:

- The following 1937 Retirement Act County Retirement Systems,
 - Orange County
 - San Diego County
 - San Bernardino County
 - San Francisco Employees Retirement System
- CalPRS,
- CalSTRS,
- Los Angeles City Employees Retirement System (LACERS),
- Los Angeles Fire and Police Pensions,
- San Diego City Employees Retirement System,
- Metropolitan Water District, and the
- Economic Research Institute (ERI) Index.

The Economic Research Institute Index provided private sector salary information for comparable positions in the Los Angeles area.

CPS found that while the County of Los Angeles has many classifications similar to those of LACERA, LACERA's Management positions' span of control, scope and breadth of work was dissimilar with the County of Los Angeles, therefore, the County of Los Angeles was not included in the CPS study peer group. For example, LACERA's operations are conducted independently from the County and are not under the purview of the Los Angeles County Board of Supervisors, Chief Executive Office, Department of Human Resources, Auditor-Controller, County Counsel, or Internal Services Department. Responsibility for LACERA operations are exclusively under the Board of Retirement and Board of Investments, which has sole control of its operations and does not rely on a centralized County Department to make its decisions or guide its day-to-day operations.

However, as having perspective on how LACERA compares to the County is useful, HR performed an additional analysis to find the most comparable fit between LACERA Management positions and Los Angeles County Management positions in **Attachment A**.

Management Study Findings

The CPS study results and HR's LA County Comparables study results (the Management Study) are shown in **Attachment B**. It is important to note that LACERA's positions could not be directly matched to County positions based on organizational structure and size. HR based its LA County Comparable analysis on essential job functions, level of responsibility, and reporting relationships. The Management Study included review of fifteen (15) existing management-level positions. Of these existing

LACERA Management Classifications

March 28, 2017

Page 5

positions, the following nine (9) positions were found to be compensated at market levels; therefore, no salary range adjustments are recommended:

Classification	Current Pay Range	Mid Point
Chief, Communications, LACERA	LS 10	\$9,169
Chief Counsel, Disability Retirement, LACERA	LS 18	\$17,579
Chief, Quality Assurance & Metrics, LACERA	LS 12	\$11,390
Director Retiree Healthcare, LACERA	LS 14	\$13,163
Division Manager, Administrative Services	LS 12	\$11,390
Division Manager, Benefits	LS 12	\$11,390
Division Manager, Disability Retirement	LS 12	\$11,390
Division Manager, Member Services	LS 12	\$11,390
Senior Staff Counsel	LS 16	\$15,211

The Management Study found the following six (6) existing positions were being compensated below market levels and HR recommends the following salary range adjustments:

Classification	Current Pay Range	Current Mid Point	Proposed Pay Range	New Mid Point
Assistant Executive Officer, LACERA	LS 14	\$13,163	LS 16	\$15,211
Assistant Executive Officer, LACERA (UC)	LS 14	\$13,163	LS 16	\$15,211
Chief Counsel, LACERA	LS 18	\$17,579	LS 20	\$21,838
Chief, Internal Audit, LACERA	LS 12	\$11,390	LS 14	\$13,163
Director, Human Resources, LACERA	LS 10	\$9,169	LS 14	\$13,163
Division Manager, LACERA – Financial and Accounting Services	LS 12	\$11,390	LS 14	\$13,163

HR also reviewed the direct subordinate positions to ensure appropriate internal relationships, pay differential practices, and parity with the relevant external market. As a result, the following two (2) existing positions are also recommended for salary range adjustment:

Classification	Current Pay Range	Current Mid Point	Proposed Pay Range	New Mid Point
Assistant Director, Human Resources, LACERA	LS 8	\$8,529	LS 12	\$11,390
Assistant Division Manager, LACERA – Financial and Accounting Services	LS 10	\$9,169	LS 12	\$11,390

Management Study: Reclassifications of Existing Positions

In addition to the Management Study findings above, which determined that the Division Manager, LACERA and Assistant Division Manager, LACERA classifications allocated to the Financial and Accounting Services Division are paid below market, it was also found that the broad job classifications used for these positions no longer matched the essential job functions, responsibilities, complexity, and breadth of the knowledge of the work being performed. As a result, LACERA's HR recommends reclassifying these positions as Chief Financial Officer, LACERA and Assistant Chief Financial Officer, LACERA. This will recognize the specialized professional accounting functions of the positions from the other Division Manager, LACERA and Assistant Division Manager, LACERA, positions. The new classification specifications are presented in **Attachment C and Attachment D**.

Classification	Current Pay Range	Current Mid Point	New Classification	Proposed Pay Range	Proposed Mid Point
Division Manager, LACERA	LS 12	\$11,390	Chief Financial Officer, LACERA	LS 14	\$13,163
Assistant Division Manager, LACERA	LS 10	\$9,856	Assistant Chief Financial Officer, LACERA	LS 12	\$11,390

New LACERA Classifications

In addition to the changes to the eight (8) existing positions previously discussed, on February 1, 2017, the Chief Executive Officer brought to the Operational Oversight Committee the following proposed new classifications to improve Board and overall organizational support with additional leadership positions (**Attachment E**). The following chart shows the proposed classifications and pay range:

New Classifications	Current Pay Range	Proposed Pay Range	Proposed Mid Point
Deputy Chief, Investment Officer, LACERA (UC)	-	LR 24	\$27,129
Deputy Chief, Executive Officer, LACERA (UC)	-	LS 18	\$17,579
Principal Staff Counsel, LACERA	-	LS 17	\$16,352

The Operations Oversight Committee requested that these new classifications be presented in conjunction with the then soon-to-be-completed Management Study. These new positions are also recommended to be included as part of the management classification and salary range revisions. **Attachment F** presents an organizational chart illustrating the reporting relationships of the new positions.

Summary: Management Study and New Positions Requested by CEO

The following presents a unified summary of the Management Study and new positions requested by the CEO.

New Classifications	Proposed Pay Range	Number of Ordinance Items
Deputy Chief, Investment Officer, LACERA (UC)	LR 24	1
Deputy Chief, Executive Officer, LACERA (UC)	LS 18	1
Principal Staff Counsel, LACERA	LS 17	2
Chief Financial Officer, LACERA (reclassified Division Manager)	LS 14	1
Assistant Chief Financial Officer, LACERA (reclassified Asst. Division Mgr)	LS 12	1

Revised Salary Ranges to Existing Classifications	Proposed Pay Range	Number of Ordinance Items
Chief Counsel, LACERA	LS 20	1
Assistant Executive Officer, LACERA, (UC)	LS 16	1
Assistant Executive Officer, LACERA	LS 16	1
Chief, Internal Audit, LACERA	LS 14	1

	Proposed Pay Range	Number of Ordinance Items
Revised Salary Ranges to Existing Classifications		
Director, Human Resources, LACERA	LS 14	1
Assistant Director, Human Resources, LACERA	LS 12	1

Attachment G is a summary of the Management Positions by the current and proposed salary changes. The Salary Ranges for Tier I and Tier II Management Appraisal and Performance Plan (MAPP) are also attached for information (**Attachment H and Attachment I**).

Implementation of New Ranges

The approximate mid points of the current pay ranges overlap into the beginning of the new pay ranges. Staff affected will be placed into the new range on the salary step closest to their current salary range that does not result in a decrease in their current salary, in accordance with the establishment of MAPP. In addition, staff can only move/advance through the range based on an evaluation of performance as provided for in MAPP and any pertinent instructions issued by the retirement administrator.

Fiscal Impact: Management Study and New Positions Requested by CEO

The approximate increase to LACERA's budget for the Management Study and the new positions requested by the CEO are as follows:

- Mgmt Study (Salaries Only) \$ 215,000
- Mgmt Study (Salaries & Employee Benefits) \$ 325,000
- Mgmt Study Percentage Increase to LACERA's (S&EB) 0.55%

- CEO's New Classifications (Salaries Only) \$ 930,000
- CEO's New Classifications (Salaries & Employee Benefits) \$1,400,000
- New Class Percentage Increase to LACERA's (S&EB)¹ 2.3%

- Total Salary Increase (CEO & Mgmt Study) \$1,145,000
- Total S&EB Increase (CEO & Mgmt Study) \$1,725,000
- Total Percentage Increase (CEO & Mgmt Study) 2.85%

¹ Cost difference reflects the deletion of one (1) of the two (2) Deputy Chief Investment Officers from the CEO's 1/20/17 OOC memorandum.

LEGAL AUTHORITY

The authority to add the classifications and implement the proposed salary adjustments rests jointly with the Board of Retirement and Board of Investments. Such authority is provided in the California Government Code Sections 31522.1, 31522.2, and 31522.4, and will require the Board of Supervisors to amend the County Salary Ordinance.

PROCEDURE FOR ESTABLISHING CLASSIFICATIONS AND PAY RANGES

Upon approval from the Board of Retirement and Board of Investments, HR will prepare a memorandum to the County Chief Executive Office (County CEO) which will include the classification specifications, salary schedule, and physical class of the proposed new job classifications. The County CEO's Classification and Compensation staff will review the submitted documents to assure all necessary information is provided in order to add the classifications to the County's payroll system and issue LACERA item numbers for the new classifications. Once the item numbers are received, LACERA's HR staff, with the LACERA Legal Office's oversight, will prepare and submit an Ordinance, incorporating both new job classifications and salary recommendations amending Sections 6.28.050 and 6.127.010 of LACERA's Salary Code, to the Los Angeles County Counsel for their approval. Upon County Counsel's approval, HR will submit the Ordinance to the Los Angeles County Board of Supervisors for adoption. During this process, the CEO and various staff will be briefing various County personnel.

COUNTY SALARY CODE

California Government Code Sections 31522.1, 31522.2, and 31522.4 in California Employees Retirement Law provide that employees of the retirement system be included in the salary ordinance (code) adopted by the BOS. In the past, the County Counsel has advised that the Board of Supervisors has a ministerial duty to adopt the positions and salary levels that are determined necessary by the LACERA Boards. As such, LACERA has a separate section within the County Salary Code documenting the LACERA Boards' approved compensation provisions.

The Los Angeles County Code Section 6.28.050 will be amended to list the new LACERA classifications and new/revised pay ranges. The proposed amendments (as underlined) are as follows upon the Board of Supervisor approval:

LACERA Management Classifications

March 28, 2017

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Item Number	Title	Effective Date	Salary or Salary Schedule Level	
TBD	<u>Assistant Chief Financial Officer, LACERA</u>	TBD	<u>N23L</u>	<u>LS 12</u>
0437	Assistant Director, Human Resources, LACERA	TBD	N23L	<u>LS 12</u>
0778	Assistant Executive Officer, LACERA	TBD	N23L	<u>LS 16</u>
0792	Assistant Executive Officer, LACERA (UC)	TBD	N23L	<u>LS 16</u>
9216	Chief Counsel, LACERA	TBD	N23L	<u>LS 20</u>
TBD	<u>Chief Financial Officer, LACERA</u>	TBD	<u>N23L</u>	<u>LS 14</u>
0774	Chief, Internal Audit, LACERA	TBD	<u>N23L</u>	LS 14
TBD	<u>Deputy Chief, Investment Officer, LACERA (UC)</u>	TBD	<u>N23L</u>	<u>LR 24</u>
TBD	<u>Deputy Chief, Executive Officer, LACERA (UC)</u>	TBD	<u>N23L</u>	<u>LS 18</u>
0425	Director, Human Resources, LACERA	TBD	N23L	<u>LS 14</u>
TBD	<u>Principal Staff Counsel, LACERA</u>	TBD	<u>N23L</u>	<u>LS 17</u>

The Los Angeles County Code Section 6.127.010 will need to be revised to include the new LACERA classifications. This code section lists all available LACERA classifications and their respective item numbers and the number of positions available to be filled. The proposed amendments (as underlined) are as follows:

Item Number	Number of Ordinance Positions	Title
<u>TBD</u>	<u>1</u>	<u>Assistant Chief Financial Officer, LACERA</u>
<u>TBD</u>	<u>1</u>	<u>Chief Financial Officer, LACERA</u>
<u>TBD</u>	<u>1</u>	<u>Deputy Chief, Executive Officer (UC)</u>
<u>TBD</u>	<u>1</u>	<u>Deputy Chief, Investment Officer (UC)</u>
<u>TBD</u>	<u>2</u>	<u>Principal Staff Counsel, LACERA</u>

The Los Angeles County Code Section 6.127.030.D.1.a will be amended to include the CFO, LACERA, and ACFO, LACERA, in the listing of classifications eligible for additional compensation for holding a valid Certified Public Accountant License issued by the state of California or a valid Government Financial Manager certification issued

by the Association of Government Accountants. The proposed amendments (as underlined) are as follows:

6.127.030.D.1.a. In addition to any other compensation provided for in this code, any person employed at LACERA in one of the following classes who possesses a valid Certified Public Accountant license issued by the state of California or a valid Certified Government Financial Manager certification issued by the Association of Government Accountants shall be entitled to compensation at the rate of two schedules higher than that established for this class in Section 6.28.050 of this code:

Title	Item Number
<u>Assistant Chief, Financial Officer, LACERA</u>	<u>TBD</u>
Assistant Chief, Internal Audit, LACERA	0766
Assistant Division Manager, LACERA	0771
<u>Chief Financial Officer, LACERA</u>	<u>TBD</u>
Chief, Internal Audit, LACERA	0774
Division Manager, LACERA	0773
Internal Auditor, LACERA	0764
Internal Auditor, LACERA	0765
Principal Internal Auditor, LACERA	0762
Senior Internal Auditor, LACERA	0763
Special Assistant, LACERA	0775

In addition, the Los Angeles County Code Section 6.127.030.D.6.a will need to be revised to include the Deputy Chief Investment Officer in the listing of classifications eligible for additional compensation for holding a valid Chartered Financial Analyst certification. The proposed amendments (as underlined) are as follows:

6.127.030.D.6.a Any person employed at LACERA in one of the following classes who possesses a valid Chartered Financial Analyst certification from the CFA Institute shall be entitled to compensation at a rate two schedules higher than that established for the class in Section 6.28.050 of this code.

Title	Item Number
Chief Investment Officer, LACERA (UC) 0493	0493
<u>Deputy Chief Investment Officer LACERA (UC)</u>	<u>TBD</u>
Finance Analyst I, LACERA	0767
Finance Analyst II, LACERA	0768
Finance Analyst III, LACERA	0769
Principal Investment Officer, LACERA	0495
Principal Investment Officer, LACERA, (UC) 0496	0496
Senior Investment Officer, LACERA	0492

CONCLUSION

LACERA is often recognized as a premier public pension system. The entire organization including the Boards, management, staff and our valued business partners have contributed toward this excellence. In an effort to ensure adequate management team recruitment and retention, staff hired an external compensation consultant to review the management compensation. The previous study was completed 16 years ago in 2001.

LACERA has a duty to our Members to continue to deliver the high level of service we are recognized for and to continue to set the standard in our industry. We recognize that our drive to maintain service and our leadership role in the industry means we are not competing for the competent manager; we are competing for leaders that continuously strive to exceed expectations. Therefore LACERA must, at a minimum, meet the market in compensation in order to competitively attract, recruit, and retain talent to continue to meet these expectations.

Based on the research conducted by CPS and LACERA's HR, the recommended new classifications and salary ranges revisions serve to bring LACERA closer to compensation levels provided by the public sector and to the County's central administrative departments such as Auditor-Controller, CEO, and DHR. When combined with the CEO's recommended new leadership positions, we feel that LACERA will be well positioned to lead us into the future.

LACERA Management Classifications

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Attachments

- A - Management Study Supporting Information
- B - County Comparisons and CPS Market Data
- C - Chief Financial Officer, LACERA Draft Classification Specification
- D - Assistant Chief Financial Officer, LACERA Draft Classification Specification
- E- LACERA Classifications Letter dated January 20, 2017 (CEO Memorandum to OOC)
- F - LACERA Management Organizational Chart
- G - Summary of LACERA MAPP Positions by Pay
- H - Salary Range Tier I effective January 1, 2016
- I - Salary Range Tier II January 1, 2016

ATTACHMENT A

MANAGEMENT STUDY SUPPORTING INFORMATION

MANAGEMENT STUDY: SUPPORTING INFORMATION FOR NEW JOB CLASSIFICATIONS

The CPS Study determined that although LACERA's positions are not directly matched to the Los Angeles County's (County) positions, the County is a significant job market competitor and candidate source as demonstrated by the fact that six (6) of LACERA's current Division Chiefs/Managers previously worked for the County.

Because LACERA competes and recruits from the County for talent, LACERA's Human Resources (HR) undertook a separate review of County positions to identify most comparable positions. As LACERA's positions could not be directly matched to County positions based on organizational structure and size, positions were compared by essential functions and level of independence. Additionally LACERA's HR considered management positions that LACERA would most likely compare to and compete against in recruitment efforts to attract highly skilled County employees to LACERA.

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Chief Financial Officer, LACERA

LACERA Human Resources recommends adjusting the salary for the Chief Financial Officer, LACERA position to LS14 based on the highly specialized knowledge and experience required of the position, the level of responsibility, and to ensure an appropriate salary differential between this position and the Assistant Executive Officer, and for alignment with the County. The Position is currently compensated at 20.43% less than the current market and two (2) schedules less than the County comparable.

As Chief Financial Officer, LACERA (CFO), the Position is responsible for the full scope of LACERA's corporate and investment accounting, financial planning and reporting, retirement payroll functions, analyzing financial strengths and weaknesses, and determining department-wide corrective actions to ensure plan assets are controlled, safeguarded, and used exclusively for the benefit of our Members and beneficiaries.

Since the 2001 study, the Position has evolved significantly in terms of complexity and scope due to changes related to the Governmental Accounting Standards Board (GASB) standards and other postemployment benefits (OPEB) in a world where governments' finances are coming under increasing scrutiny. The Position is required to be an expert in public pension plan financial operations in order to protect, account for, and report on an approximately \$50 billion pension trust, \$0.5 billion OPEB trust, as well as LACERA's \$70 million corporate accounting activities.

Based on the duties and responsibilities of the CFO, it was determined that it is appropriate to create a new classification for this Position for the purpose of:

- distinguishing the CFO, LACERA Position from a Division Manager, LACERA, and
- to compensate the Position at current market levels.

Assistant Chief Financial Officer, LACERA

LACERA Human Resources recommends a new Assistant Chief Financial Officer, LACERA classification be developed as part of the study with a salary of LS12 based on the highly specialized knowledge and experience required of the position and to ensure an appropriate salary differential between this position and the Chief Financial Officer, LACERA. LACERA's current pay differential practice is to ensure appropriate internal equity. Typically, supervisory salary differentials are 5 to 11 percent higher than subordinate classes or 7.5 to 15 percent higher on the MAPP Salary Range than subordinate classes.

The chart below shows the County comparisons.

Organizational Structure	LACERA	AUDITOR-CONTROLLER
Position Title	Chief Financial Officer, LACERA	Division Chief, Auditor-Controller (R14)*
Major Function(s)	Financial and Accounting Services Division	Accounting Division Countywide Payroll Division
Supervisor	Assistant Executive Officer	Assistant Auditor-Controller (R16)
Subordinate Supervisors	Assistant Financial Officer, LACERA	Principal Accountant-Auditor (105G)
Function		
Fiscal Monitoring	X	X
Controller Bonds Management		X
Cost Rate Studies	LIMITED	X
Financial Reports (e.g. CAFR, Monthly Reports)	X	X
Payroll Administration	MEMBERS	COUNTY EMPLOYEES
Benefits Corrections / Deductions	MEMBERS	COUNTY EMPLOYEES
Fixed Assets		X
Franchise Receipts		X
Garnishment Withhold Salary Ordinance / Union/ Tax	X	X
Inventory		X
Investment Accounting	X	
SB90 Claims		X

*Notes: Division Chief, AC has immediate charge of a division of the Auditor-Controller.

**SUPPORT INFORMATION FOR RECOMMENDED SALARY ADJUSTMENTS TO
EXISTING JOB CLASSIFICATIONS**

Assistant Executive Officer, LACERA

LACERA Human Resources recommends adjustment for the Assistant Executive Officer, LACERA to LS 16 based on the reporting relationship to the Deputy Chief, Executive Office, salary of LS 18. It is County and LACERA practice for supervisory salary differentials between supervisory / subordinate MAPP positions to be two (2) schedules apart. The Assistant Executive Officer, LACERA, is currently compensated at 17.59% less than the market and two (2) schedules less than the County comparable.

The Assistant Executive Officer, LACERA, is benchmarked against the Assistant Auditor Controller. The position is identified as most comparable based on oversight of three to four Divisions and reporting relationship to the Chief Deputy, Auditor-Controller.

The chart below shows the County comparisons.

Organizational Structure	LACERA	AUDITOR-CONTROLLER
Position Title	Assistant Executive Officer, LACERA	Assistant Auditor-Controller, UC (R16)
Major Function(s)	Oversees a Branch of 3-4 Divisions	Oversees a branch of 3-4 Divisions
Supervisor	Deputy Chief, Executive Officer (LS 18)	Chief Deputy (R18)
Subordinate Supervisors	Division Manager, LACERA (LS12) Chief Financial Officer, LACERA Director, Human Resources, LACERA Information Systems Manager, LACERA (LS17)	Division Chief, Auditor-Controller (S14)
Function		
Assists the Chief Deputy and the Auditor-Controller/CEO in the administration of the Department.	X	X
Plans, organizes, directs, monitors, and evaluates the work of multiple divisions of the Department.	X	X
Interacts with, and provides assistance to, Board Offices, including Board members, Deputies, and their support staff on inquiries and special Board requests.	BOARDS OF RETIREMENT/ INVESTMENTS	BOARD OF SUPERVISORS
Represents the Auditor-Controller / CEO in assuming leadership roles, such as serving as chair, or as a member of, various committees, task forces and advisory boards.	X	X
Monitors, interprets, and directs the implementation of new legislation which impacts Departmental policies, procedures, and staff resources.	X	X
Maintains awareness of regulatory reporting requirements and provides oversight for the adequacy of staff resources, work plans and information technology to ensure compliance.	X	X
Maintains awareness of best practices, and significant developments, in accounting, financial reporting, and internal auditing and updates policies and procedures accordingly.	X	X
Manages the development and execution of strategic, business, and operational plans for the Department by establishing relevant priorities and key responsibilities.	X	X
Directs the development in organization, program design and implementation, staffing, work processing, and information systems to increase effectiveness and efficiency of the Departmental operations	X	X

Chief Counsel, LACERA

LACERA Human Resources recommends adjusting the salary for the Chief Counsel, LACERA, to LS 21 for alignment with the County based on the highly specialized knowledge and experience required of the position and responsibility as primary counsel to LACERA's Boards. The Chief Counsel, LACERA, is currently compensated at 3.14% less than the current market and three (3) schedules less than the County comparable.

The Chief Counsel, LACERA, position is benchmarked against the Senior Assistant County Counsel. The Senior Assistant County Counsel is identified as most comparable based on responsibility for a range of functions areas. At County Counsel, the position typically oversees three (3) specialized divisions of attorneys and reports to a Chief Deputy, and the County Counsel who is primary legal counsel to the Board of Supervisors.

LACERA's Chief Counsel is the primary legal counsel to the Boards of Retirement and Investments, and is responsible for eight (8) diverse functional legal areas:

- Benefits
- Disability
- General Litigation
- Government Services
- Investments
- Labor and Employment
- Legislative Affairs
- Litigation
- Workers Compensation

Although LACERA's Legal Office is smaller than County Counsel, the level of authority is similar based on responsibility as primary general counsel to the Boards of Retirement and Investments.

The Legal Office is involved in the compliance with new rules and regulations related to benefits, disability, and investments. The Office is also responsible for LACERA's commercial contracts and Public Records Act requests. The chart below shows the County comparisons.

The chart below shows the County comparisons.

Organizational Structure	LACERA	County Counsel
Position Title	Chief Counsel, LACERA	Senior Assistant County Counsel (R21)
Major Function(s)	Legal Office	Oversees a bureau of 2-3 Divisions
Supervisor	Chief Executive Officer, LACERA (R20)	Chief Deputy, County Counsel UC (R23)
Subordinate Supervisors	Principal Staff Counsel, LACERA (LS17)	Assistant County Counsel (S18)
Function		
Board Governance	X	X
Contracts	X	X
Dependency		X
Disability Law	X	X
General Litigation	X	X
Government Services	LIMITED	X
Health Services		X
Information Technology		X
Investments	X	
Labor and Employment	X	X
Law Enforcement		X
Legislation	X	X
Primary Counsel to the Board(s)	X	Performed by County Counsel (R25)
Probate		X
Property		X
Public Works		X
Retirement Law	X	
Social Services		X
Transportation		X
Workers Comp	X	X

Chief, Internal Audit, LACERA

LACERA Human Resources recommends adjusting the salary for the Chief, Internal Audit, LACERA, to LS 14 for alignment with the County and based on the highly specialized knowledge and experience required of the position and reporting relationship with the Audit Committee. The Chief, Internal Audit, LACERA, is currently compensated at 4.8% less than the current market and two (2) schedules less than the County comparable.

The Chief, Internal Audit, LACERA position is benchmarked against the Chief Compliance Officer, Superior Court, and Division Chief, Auditor-Controller. The Chief Compliance Officer, Superior Court, position was identified as comparable based on responsibility for directing and leading the auditing and compliance review of administrative and financial operations to ensure adherence to Federal, State, and local regulations and standards.

The Division Chief, Auditor -Controller was selected based on responsibility for development of the County risk-based audit plan; operational, management, and fiscal services department audits; special studies; establishment of an effective system of internal controls; and Board-ordered reviews of County departments and affiliated agencies.

The position was not matched with Departmental positions because the Chief, Internal Audit, LACERA position reports directly to the Board Audit Committee, similar to the reporting relationship of the County's Auditor-Controller to the Board of Supervisors, and has responsibility for protecting LACERA's \$50 billion dollars of assets.

The Chief, Internal Audit, LACERA:

- performs risk assessment,
- plans annual audit work to address the risks,
- provides management and staff with consulting services related to internal controls and mitigating risks,
- manages LACERA's privacy and organizational security, and
- hires and manages external audit firms for LACERA's operational, management, and fiscal services audits.

The chart below shows the County comparisons.

Organizational Structure	LACERA	AUDITOR-CONTROLLER
Position Title	Chief, Internal Audit, LACERA	Division Chief, Auditor-Controller (S14)*
Major Function(s)	Internal Audit Division	Audit Contract Monitoring Office of County Investigations
Supervisor	Audit Committee / CEO (R20)	Assistant Auditor-Controller (R16)
Subordinate Supervisors	Principal Internal Auditor (109F)	Chief Accountant-Auditor (110C)
Function		
Board Special Projects	X	X
Children's Group Home Ombudsman		X
Contract Audits	X	X
Staff and Contractor Training	LIMITED	X
Department Audits	LACERA AUDITS	X
External Agency Audits	LIMITED	X
Fiscal Audits	X	X
Fiscal Manual / Policies	X	X
Fraud Hotline	X	X
HIPAA Compliance Audits	X	X
Information Systems Integrity and Security Audits	X	X
Internal Control Reviews	X	X
Investigations of Allegations of Criminal Misconduct	LIMITED	X
Management Audits	X	X
Operational Audits	X	X
Primary Contact to the Board Audit Committee	X	
Privacy - Audits / Hotline	X	X

*Notes: Division Chief, AC has immediate charge of a division of the Auditor-Controller.

Director, Human Resources, LACERA

LACERA Human Resources recommends adjusting the salary for the Director, Human Resources, LACERA, to LS 14 for alignment with the County, based on the reporting relationship to the Assistant Executive Officer, LACERA, and taking into consideration the CPS study findings, highly specialized knowledge and experience required of the position, and the level of responsibility. The Director, Human Resources, LACERA, is currently compensated at 15.02% less than the current market and five (5) schedules less than the County Comparable.

The Director, Human Resources, LACERA, position is benchmarked against the Human Resources Director, Superior Court and Manager, CEO. The Human Resources Director, Superior Court, position was identified as comparable based on responsibility for human resources functions independent of a central administrative department and the Manager, CEO was selected based on responsibility for internal human resources functions for a central administrative department.

The position was not matched with Departmental Human Resources Managers primarily based on additional responsibility for interpretation of Civil Service Rules and direct oversight of LACERA's human resources functions.

LACERA's Human Resources:

- conducts salary surveys,
- makes salary recommendations,
- negotiates contracts with employee unions,
- handles recruitment, and
- manages the classification and compensation programs of LACERA independent of the County.

County Line Departments conduct classification studies and recruitments; however, these functions are under the oversight of the County's CEO and DHR and are subject to their review and approval. County Departments are required to follow policies, procedures, and guidelines based on interpretation of Civil Service Rules by County CEO and DHR. In addition, the County CEO negotiates labor contracts and sets salaries for all County positions. While LACERA does not have oversight of other departments, the Director, Human Resources, LACERA, is required to perform all of the functions of CEO/DHR for LACERA.

Assistant Director, Human Resources

LACERA Human Resources recommends adjusting the salary for the Assistant Director, Human Resources, LACERA to LS12 based on the highly specialized knowledge and experience required of position and to ensure an appropriate salary differential between this position and the Director, Human Resources, LACERA. The new pay range for the Assistant Director, Human Resources, is in accordance with LACERA's and the County's current pay differential practice to avoid salary compression and to ensure appropriate internal equity. Typically, supervisory salary differentials are 5 to 11 percent higher than subordinate classes or 7.5 to 15 percent higher on the MAPP Salary Range than subordinate classes.

The chart below shows the County comparisons.

Organizational Structure	LACERA	SUPERIOR COURT	COUNTYWIDE
Position Title	Director, Human Resources, LACERA (LS14)	Human Resources Director, Superior Court (S15)	Departmental Human Resources Manager I/II/III (S9-S13)
Major Function(s)	Human Resources	Human Resources	Human Resources
Supervisor	Assistant Executive Officer, LACERA	Chief Deputy, Legal Services/Court Counsel (R17)	Administrative Deputy (S11-S16)
Subordinate Supervisors	Assistant Director, Human Resources Senior Human Resources Analyst (97C) Training Coordinator (97B)	Deputy Director, Superior Court (S13) Human Resources Manager, Superior Court (103B)	Administrative Services Manager II (10G) Administrative Service Manager III (110F) Head Departmental Civil Service (105G) Section Manager, ISD (108C)
Duties			
Budget and Finance	LIMITED	LIMITED	LIMITED
Advocacy and Mediation Services	LIMITED	X	
Appeals	X		
Classification	X	X	LIMITED
Compensation	X	X	
Employee Benefits	LIMITED	LIMITED	LIMITED
Employee Development	X	X	X
Employee Relations	X	X	X
Executive Recruitments	X	X	
Interpretation of County Code/CSRs	X	X	LIMITED
Labor Negotiations	X	X	LIMITED
Position Control	X	X	LIMITED
Recruitment	X	X	LIMITED
Return-to-Work	X	X	X
Talent Solutions	X	X	X
Workers Compensation	X	X	X
Workplace Investigations	X	X	X
Workplace Programs	X	X	X

The following table presents the proposed salary changes for LACERA existing Management Positions for alignment to market levels. The approximate mid points of the current pay ranges overlap into the beginning of the new pay ranges. Staff affected will be placed into the new range on the salary step closest to their current salary range that does not result in a decrease in their current salary, in accordance with the establishment of Management Appraisal and Performance Plan (MAPP).

Current Position	Current Mid Point	Current Schedule	New Mid Point	New Schedule
Chief Counsel, LACERA	\$17,579	LS 18	\$21,838	LS 20
Assistant Executive Officer, LACERA	\$13,163	LS 14	\$15,211	LS 16
Assistant Executive Officer, LACERA (UC)	\$13,163	LS 14	\$15,211	LS 16
Chief, Internal Audit, LACERA	\$11,390	LS 12	\$13,163	LS 14
Director, Human Resources, LACERA	\$9,169	LS 10	\$13,163	LS 14
Assistant Director, Human Resources, LACERA	\$8,529	LS 8	\$11,390	LS 12

ATTACHMENT B

COUNTY COMPARISONS AND CPS MARKET DATA

Management Compensation Study Peer Groups

ATTACHMENT B

SUMMARY

LACERA Title	Current Sal Sch	Range Max	CPS - 75th Percentile*	LA County Range Max	Proposed Sal Sch	Range Max
Assistant Executive Officer	LS 14	\$15,852	\$19,236	\$18,875	LS 16	\$18,320
Chief Counsel	LS 18	\$21,170	\$21,856	\$27,097	LS 20	\$24,465
Chief, Internal Audit	LS 12	\$13,717	\$14,409	\$16,333	LS 14	\$15,852
Chief Financial Officer (NEW)	LS 12	\$13,717	\$17,238	\$16,333	LS 14	\$15,852
Director, Human Resources	LS 10	\$11,870	\$13,969	\$17,558	LS 14	\$15,852

LA COUNTY COMPARABLES

LACERA Title	Current Sal Sch	Range Max	LA County Closest Matches	Sal Sch	Range Max ^T
Assistant Executive Officer	LS 14	\$15,852	Assistant Auditor Controller	R 16	\$18,875
Chief Counsel	LS 18	\$21,170	Senior Assistant County Counsel (UC)	R 21	\$27,097
Chief, Internal Audit	LS 12	\$13,717	Division Chief, Auditor Controller	S 14	\$16,333
Chief Financial Officer (NEW)	LS 12	\$13,717	Division Chief, Auditor Controller	S 14	\$16,333
Director, Human Resources	LS 10	\$11,870	HR Director, Superior Court	S 15	\$17,558

CPS MARKET DATA

LACERA Title	CPS - 75th Percentile*	Percentage LACERA is Above/Below CPS	Sal Sch Based on CPS 75th Percentile	Range Max
Assistant Executive Officer	\$19,236	-17.59%	LS 17	\$19,693
Chief Counsel	\$21,856	-3.14%	LS 19	\$22,758
Chief, Internal Audit	\$14,409	-4.80%	LS 13	\$14,746
Chief Financial Officer (NEW)	\$17,238	-20.43%	LS 15	\$17,041
Director, Human Resources	\$13,969	-15.02%	LS 13	\$14,746

^T LA County MAPP Ranges are higher than LACERA's.

* Market pricing at the 75th Percentile is in line with LA County's compensation practices.

ATTACHMENT C

CHIEF FINANCIAL OFFICER, LACERA

CLASS TITLE CHIEF FINANCIAL OFFICER, LACERA

ITEM NUMBER: TBD

APPROVAL DATE: TBD

DEFINITION:

Acts as the Chief Financial Officer for the Los Angeles County Employees Retirement Association (LACERA).

CLASSIFICATION STANDARDS:

The single position allocable to this management level class receives administrative direction from an Assistant Executive Officer, LACERA, and is responsible for the overall management of LACERA's Financial and Accounting Services Division (FASD). The position is responsible for administering, planning and directing, through subordinate managers and supervisors, all core accounting functions and developing long-range integrated plans to ensure the effective operations of fiscal management activities and the provision of accurate, timely, and useful financial reports.

The position must apply a thorough knowledge of management concepts and principles; departmental programs, policies, goals and objectives; Generally Accepted Accounting Principles (GAAP); Governmental Accounting Standards Board (GASB) standards and guidelines; fiscal and accounting controls; and laws governing the administration of retirement benefits at a level sufficient to interpret laws and pronouncements, plan the work of the division, and exercise a high degree of professional judgment to support LACERA's Mission and strategic planning efforts while simultaneously achieving compliance with applicable rules, regulations, and standards.

The position must have refined written and verbal communication skills to clearly convey critical financial issues and proposed resolutions, strong leadership skills to manage a comprehensive financial program, and the ability to establish and maintain effective working relationships with members of LACERA's Boards, Management, internal staff, governmental agencies, and the public.

EXAMPLES OF DUTIES

The following examples are intended to describe the general nature and level of work performed by persons assigned to this unclassified position. Depending on the assignment, duties may include, but are not limited to the following:

Oversees and directs the administration of all aspects of LACERA's fiscal operations and programs, including corporate and investment accounting, short and long-range strategic planning, financial reporting, and retirement payroll functions.

Directs fiscal related policies, programs, and accounting systems associated with financial management and program services, and develops, recommends, and implements appropriate changes where needed.

Analyzes financial strengths and weaknesses and determines department-wide corrective actions to ensure plan assets are controlled, safeguarded, and used exclusively for the benefit of LACERA Members and beneficiaries.

Develops, implements, and maintains comprehensive annual and monthly reporting processes to ensure accuracy, timeliness, and compliance with GAAP, GASB, and other regulatory standards and guidelines.

Reviews and analyzes laws, regulations, and guidelines related to administration and a public pension fund and incorporates their fiscal impact into forecasting and monitoring activities.

Implements departmental policies, operational practices, and strategic plans by formulating revisions in policies and developing changes in organization, staffing, work processing, and management as needed to increase effectiveness and efficiency of LACERA.

Plans, organizes, directs and evaluates the work of the Division through subordinate managers and supervisors, including establishing administrative policies and procedures.

Evaluates employee performance, conducts performance reviews, collaborates with staff to establish goals and address performance deficiencies.

Responds to fiscal-related issues from audits and other reports, and to fiscal inquiries from the Boards of Retirement and Investments, Executive Office, and others.

Establishes and maintains effective working relations between the members of LACERA's Boards, Management, internal staff, governmental agencies, and the public.

MINIMUM REQUIREMENTS:

TRAINING AND EXPERIENCE:

Option A: A Bachelor's degree from an accredited college or university in Accounting, Business Administration, Information Systems, Management, Public Administration, or a related field - AND –

Three (3) years of experience performing professional accounting, auditing, tax compliance, collections, investment, safekeeping, and/or asset transfer duties.

Option B: Four years of experience in performing professional accounting, auditing, tax compliance, collections, investment, safekeeping, and/or asset transfer duties of

a class with a level of responsibility not less than that of an Assistant Division Manager, LACERA.

Option C: Five (5) years of experience in a governmental or private professional accounting agency or position with responsibility for safekeeping, tax compliance, collections, investment, auditing, and/or asset transfer, at least two (2) years shall have involved the direction of a large, complex, comprehensive accounting program.

LICENSE:

A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

PHYSICAL CLASS:

2 - Light.

OTHER REQUIREMENTS:

Possession of a valid certificate issued by the State Board of Accountancy of the State of California to practice as a Certified Public Accountant.

Knowledge of: Generally Accepted Accounting Principles; Statutory Accounting; Insurance Accounting; strategic financial planning; investment accounting software, budgeting software, third-party accounting software; purchasing and inventory accounting systems; principles and techniques of personnel management and supervision; planning, organizing, and directing the work of others; a manager's responsibility for promoting equal opportunity in hiring and employee development and promotion, and for maintaining a work environment that is free from discrimination and harassment.

Ability to: Plan, organize, and direct the fiscal activities of a privately funded organization; install new methods and procedures; devise and direct the installation and maintenance of complex budgetary, accounting, investment accounting, and reinsurance accounting systems; develop and maintain close harmonious working relationships with others; present and explain fiscal and budgetary matters to legislative committees, local governmental agencies, and other groups; effectively promote equal opportunity in employment and maintain a work environment that is free of discrimination and harassment.

ATTACHMENT D

ASSISTANT CHIEF FINANCIAL OFFICER, LACERA

CLASS TITLE ASSISTANT CHIEF FINANCIAL OFFICER, LACERA

ITEM NUMBER: TBD

APPROVAL DATE: TBD

DEFINITION:

Assists the Chief Financial Officer, LACERA in the administration of the financial, accounting and investment accounting activities of the Los Angeles County Employees' Retirement Association (LACERA).

CLASSIFICATION STANDARDS:

The single position allocable to this class reports to the Chief Financial Officer, LACERA, and is responsible for assisting in the overall management of LACERA's Financial and Accounting Services Division (FASD). The position is responsible for assisting with the administering, planning and directing, through subordinate supervisors, assigned accounting functions and making recommendations on long-range integrated plans to ensure the effective operations of fiscal management activities and the provision of accurate, timely, and useful financial reports.

The position must apply a thorough knowledge of management concepts and principles; departmental programs, policies, goals and objectives; Generally Accepted Accounting Principles (GAAP); Governmental Accounting Standards Board (GASB) standards and guidelines; fiscal and accounting controls; and laws governing the administration of retirement benefits at a level sufficient to make recommendations for the interpretation of laws and pronouncements, organize and plan work, and support LACERA's Mission and strategic planning efforts while simultaneously achieving compliance with applicable rules, regulations, and standards.

The position must have refined written and verbal communication skills to clearly convey critical financial issues and proposed resolutions, strong leadership skills to manage professional accounting staff, and the ability to establish and maintain effective working relationships with members of LACERA's Boards, Management, internal staff, governmental agencies, and the public.

EXAMPLES OF DUTIES

The following examples are intended to describe the general nature and level of work performed by persons assigned to this unclassified position. Depending on the assignment, duties may include, but are not limited to the following:

Assists with the administration of LACERA's fiscal operations and programs, including corporate and investment accounting, short and long-range strategic planning, financial reporting, and retirement payroll functions.

Makes recommendations on fiscal related policies, programs, and accounting systems associated with financial management and program services, and develops, recommends, and implements appropriate changes where needed.

Analyzes financial strengths and weaknesses and makes recommendations on department-wide corrective actions to ensure plan assets are controlled, safeguarded, and used exclusively for the benefit of LACERA Members and beneficiaries.

Makes recommendations and provides direction to staff on comprehensive annual and monthly reporting processes to ensure accuracy, timeliness, and compliance with GAAP, GASB, and other regulatory standards and guidelines.

Assists in the review and analysis of laws, regulations, and guidelines related to administration and a public pension fund and makes recommendations on their fiscal impact into forecasting and monitoring activities.

Implements departmental policies, operational practices, and strategic plans by formulating revisions in policies and recommending changes in organization, staffing, work processing, and management as needed to increase effectiveness and efficiency of LACERA.

Plans, organizes, directs and evaluates the work of subordinate supervisors, including evaluating employee performance, conducting performance reviews, collaborating with staff to establish goals and addressing performance deficiencies.

Responds to fiscal-related issues from audits and other reports, and to fiscal inquiries from the Boards of Retirement and Investments, Executive Office, and others.

Establishes and maintains effective working relations between the members of LACERA's Boards, Management, internal staff, governmental agencies, and the public.

May perform in the absence of the Chief Financial Officer, LACERA.

MINIMUM REQUIREMENTS:

TRAINING AND EXPERIENCE:

Option A: A Bachelor's degree from an accredited college or university in Accounting, Business Administration, Information Systems, Management, Public Administration, or a related field - AND –

Four (4) years of experience assisting in the management of a professional accounting department, auditing, tax compliance, collections, investment, safekeeping, and/or asset transfer duties .

Option B: Three (3) years of experience in performing professional accounting, auditing, tax compliance, collections, investment, safekeeping, and/or asset transfer duties of a class with a level of responsibility not less than that of an Accounting Officer I or Accounting Officer II.

Option C: Five (5) years of experience in a governmental or private professional accounting agency or position with responsibility for safekeeping, tax compliance, collections, investment, auditing, and/or asset transfer, at least two (2) years shall have involved the direction of a large, complex, comprehensive accounting program.

LICENSE:

A valid California Class C Driver License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

PHYSICAL CLASS:

2 - Light.

OTHER REQUIREMENTS:

Possession of a valid certificate issued by the State Board of Accountancy of the State of California to practice as a Certified Public Accountant.

Knowledge of: Generally Accepted Accounting Principles; Statutory Accounting; Insurance Accounting; strategic financial planning; investment accounting software, budgeting software, third-party accounting software; purchasing and inventory accounting systems; principles and techniques of personnel management and supervision; planning, organizing, and directing the work of others; a manager's responsibility for promoting equal opportunity in hiring and employee development and promotion, and for maintaining a work environment that is free from discrimination and harassment.

Ability to: Plan, organize, and direct the fiscal activities of a privately funded organization; install new methods and procedures; devise and direct the installation and maintenance of complex budgetary, accounting, investment accounting, and reinsurance accounting systems; develop and maintain close harmonious working relationships with others; present and explain fiscal and budgetary matters to legislative committees, local governmental agencies, and other groups; effectively promote equal opportunity in employment and maintain a work environment that is free of discrimination and harassment.

ATTACHMENT E


CEO MEMORADUM DATED JANUARY 20, 2017

LACERA CLASSIFICATIONS



January 20, 2017

TO: Operations Oversight Committee
Alan Bernstein, Chair
Yves Chery, Vice Chair
Anthony Bravo
Joseph Kelly
Ronald Okum, Alternate

FROM: Gregg Rademacher 
Chief Executive Officer

FOR: February 1, 2017 Operations Oversight Committee meeting

SUBJECT: **LACERA CLASSIFICATIONS**

RECOMMENDATION

It is recommended the Operations Oversight Committee recommend to the Board of Retirement the following actions:

1. Approve the following LACERA classifications and pay ranges:
 - a. Principal Staff Counsel, LACERA, LS17
 - b. Deputy Chief Investment Officer, LACERA, (UC) LR24
 - c. Deputy Chief Executive Officer, LACERA, (UC) LS18
2. Direct staff to submit to the Board of Supervisors the required ordinance language to implement the new LACERA classifications by amending the Los Angeles County Salary Code Sections 6.28.050, 6.127.010, and 6.127.030.

EXECUTIVE SUMMARY

Together, the Board of Retirement and the Board of Investments are responsible for administering a defined benefit pension plan and retiree healthcare program with approximately \$48 billion in assets serving 97,000 working members and more than 62,000 retired members on behalf of the County of Los Angeles and participating employers. The Boards are fiduciaries to the members and participating employers.

The organization to support the Boards has continued to grow and evolve in response to its changing environment. This includes growth in the size of the membership by 20% and growth of the assets under management by 57% over a fifteen year period. With the advent of new

LACERA Classifications

January 20, 2017

Page 2

programs, technology, and services, staffing levels have also increased by 35%. One constant during this time has been the leadership level of support provided to the Boards and the staff.

Evaluating three operational areas, Legal, Investments, and Executive, staff believes we can improve Board and overall organizational support with additional leadership positions.

Specifically, creating a new:

- Principal Staff Counsel, LACERA
 - position reporting to the Chief Counsel
 - anticipate two persons
- Deputy Chief Investment Officer, LACERA (UC)
 - position reporting to the Chief Investment Officer
 - anticipate two persons
- Deputy Chief Executive Officer, LACERA (UC)
 - position reporting to the Chief Executive Officer
 - anticipate one person

The authority to add these classifications to the LACERA team rests jointly with the Board of Retirement and the Board of Investments. Such authority is provided in the California Government Code Sections 31522.1, 31522.2, and 31522.4, and will require the Board of Supervisors to amend the Salary Ordinance. The additional cost to fill these five positions based on the proposed salary range mid-points and benefits will be an annual approximate cost of \$1.9 million, which would increase the current salary and employee budget by approximately 3.2%.

PROPOSED CLASSIFICATIONS

Principal Staff Counsel, LACERA

Currently, LACERA's Chief Counsel directly supervises the work of all five sections, namely, litigation, benefits, investments, disability, and legislative. The Legal Division has become increasingly busy across all sections, and this trend is expected to continue. The Chief Legal Counsel is heavily involved in monitoring, at a close level, the work of all sections. In addition, the Chief Counsel spends significant time on governance, fielding questions from Board members and the Chief Executive Officer, and assisting management with a wide variety of strategic business issues. It is also anticipated that the Chief Counsel will become directly involved in organizational compliance as LACERA establishes a formal compliance function.

Better management of the Legal Division's personnel and work will be provided, now and in the future, by adding additional senior leadership to assist with the day-to-day workload through managing deadlines, follow-up on the flow of work, and communicating as needed with the management and staff in other divisions. The Chief Counsel will be able to devote more time to governance, strategic, and compliance issues. It is anticipated the sections allocated to the Principal Staff Counsel will be grouped into a Benefits/Disability/Legislation team and a Litigation/Investments team. The Chief Counsel will supervise and mentor each Principal Staff Counsel and initially oversee the compliance function.

The following table presents the Board approved counsel positions and the proposed Principal Staff Counsel positions.

Position	Number of Staff	Pay Range
Chief Counsel	1	LS 18
<i>Principal Staff Counsel</i>	2	<i>LS 17</i>
Senior Staff Counsel	5	LS 16
Staff Counsel	3	LS 12

Staff anticipates finding qualified Principal Staff Counsel candidates in-house. The proposed pay range is based upon the internal pay equity between the position's supervisor and subordinates. The anticipated annual salary and benefit cost for two Principal Staff Counsel at the salary range mid-point is approximately \$606,000, and the salary and benefit cost at the salary range maximum is approximately \$730,000. The proposed class specification is attached.

Deputy Chief Investment Officer, LACERA (UC)

The current investment staffing structure facilitates an operational silo approach to managing the asset classes. While the investment staff do cross collaborate on projects and use a matrix staff approach to complete on-going assignments, there could be further synergies gained from a regular and systematic cross collaboration across asset classes. This will become more evident as the investment staff engage risk identification and measurement tools. Furthermore, the investment staff could benefit from adding a team member with additional skill sets. Staff recommends adding the Deputy Chief Investment Officer classification as a tool for the Board and Chief Investment Office to consider implementing in the future as the Board, its consultants, and investment staff gain alignment through its long term strategic planning.

The following table presents the Board approved investment positions and the proposed Deputy Chief Investment Officer positions:

Position	Number of Staff	Pay Range
Chief Investment Officer	1	LR 25
<i>Deputy Chief Investment Officer</i>	2	<i>LR 24</i>
Principal Investment Officer	5	LR 23
Senior Investment Officer	4	LR 20
Finance Analyst III	8	LR 16
Finance Analyst II	8	LR 12
Finance Analyst I	4	99J

The proposed pay range is based upon the internal pay equity between the position's supervisor and subordinates. The anticipated annual salary and benefit cost for two Deputy Chief Investment Officers at the salary range mid-point is approximately \$1.0 million, and the salary and benefit cost at the salary range maximum is approximately \$1.2 million. The proposed class specification is attached.

Deputy Chief Executive Officer, LACERA (UC)

Over the past five years, the Board of Investments has directed the Chief Executive Officer to take an active role in assisting the Investment Office with operational support. As such, a greater amount of the Chief Executive Officer's time has been dedicated toward supporting the investment program than had been in the previous five years. It is anticipated for this level of commitment to continue in the future. Conversely, it has become apparent that the executive level support for benefit programs and administrative related divisions has diminished to some degree. While the Chief Executive Officer and the Assistant Executive Officers have been and will continue to adapt, it would be beneficial to the organization to add an additional executive level position as a resource to the administration of the benefit programs. This need becomes magnified with the understanding that the Chief Executive Officer and one of the Assistant Executive Officers are likely to retire within the next five years. Staff believes it would be beneficial to mentor an additional executive level staff prior to these departures. To facilitate this effort, staff proposes adding a Deputy Chief Executive Officer position reporting directly to the Chief Executive Officer. The Deputy Chief Executive Officer will supervise and support the Assistant Executive Officers and may have direct program oversight responsibility. This will facilitate the Chief Executive Officer's ability to dedicate more time to the investment program

while providing the benefit related programs and administrative divisions the executive level support they need.

The following table presents the Board approved executive positions and the proposed Deputy Chief Executive Officer position.

Position	Number of Staff	Pay Range
Chief Executive Officer	1	[20]
<i>Deputy Chief Executive Officer</i>	<i>1</i>	<i>LS 18</i>
Assistant Executive Officer	2	LS 14

Staff anticipates finding a qualified Deputy Chief Executive Officer candidate in-house. The proposed pay range is based upon the internal pay equity between the position's supervisor and subordinates. The County of Los Angeles salary code lists 36 separate Deputy Chief classifications with a median pay range at level 17 with a distribution from range 24 to range 9. The anticipated annual salary and benefit cost for one Deputy Chief Executive Officer at the salary range mid-point is approximately \$326,000, and the salary and benefit cost at the salary range maximum is approximately \$393,000. The proposed class specification is attached.

PROCEDURE FOR ESTABLISHING CLASSIFICATIONS

LACERA's Human Resources (HR) has drafted new classification specifications, please see attached. The salary recommendations for each position were established in relation to the internal pay equity between the position's supervisor and subordinates. Upon approval from the Board of Retirement and Board of Investments, HR will prepare a memorandum to the Los Angeles County's Chief Executive Office (LACCEO) which will include the classification specifications, salary schedule, and physical class. The LACCEO Class and Compensation staff will review the submitted documents to assure all necessary information is provided in order to add the classifications to the County's Payroll System and will then issue LACERA item numbers for the new classifications. Once the item numbers are received, HR staff, with the LACERA Legal Office's oversight, will prepare and submit an ordinance amending Sections 6.28.050 and 6.127.010 of LACERA's Salary Code to the Los Angeles County Counsel for their approval. Upon County Counsel's approval, LACERA's HR will submit the Ordinance Amendment to the Board of Supervisors for adoption.

COUNTY SALARY CODE

California Government Code Sections 31522.1, 31522.2, and 31522.4 in CERL provide that employees of the retirement system be included in the salary ordinance (code) adopted by the Board of Supervisors. In the past, the County Counsel has advised that the Board of Supervisors has a ministerial duty to adopt the positions and salary levels that are determined necessary by the LACERA Boards. As such, LACERA has a separate section within the County salary code documenting the LACERA Board approved compensation provisions.

The Los Angeles County Code Section 6.28.050 will need to be revised to list the new LACERA classifications and pay ranges. The proposed amendments are as follows (TBD – to be determined by the Los Angeles County's Chief Executive Office staff):

Item No.	Title	Effective Date	Note	Salary
TBD	Principal Staff Counsel, LACERA	TBD	TBD	LS17
TBD	Deputy Chief Investment Officer, LACERA (UC)	TBD	TBD	LS24
TBD	Deputy Chief Executive Officer, LACERA (UC)	TBD	TBD	LS18

The Los Angeles County Code Section 6.127.010 will need to be revised to include the new LACERA classifications. This code section lists all available LACERA classifications and their respective item numbers and the number of positions available to be filled. The proposed amendments are as follows:

Item No.	No. of Ordinance Positions	Title
TBD	2	Principal Staff Counsel, LACERA
TBD	2	Deputy Chief Investment Officer, LACERA (UC)
TBD	1	Deputy Chief Executive Officer, LACERA (UC)

The Los Angeles County Code Section 6.127.030.D.6.a will need to be revised to include the Deputy Chief Investment Officer in the listing of classifications eligible for additional compensation for holding a valid Chartered Financial Analyst certification. The proposed amendments (as underlined> are as follows:

6.127.030.D.6.a Any person employed at LACERA in one of the following classes who possesses a valid Chartered Financial Analyst certification from the CFA Institute shall be entitled to compensation at a rate two schedules higher than that established for the class in Section 6.28.050 of this code.

Title	Item No.
Chief Investment Officer, LACERA (UC)	0493
<u>Deputy Chief Investment Officer LACERA (UC)</u>	<u>TBD</u>
Finance Analyst I, LACERA	0767
Finance Analyst II, LACERA	0768
Finance Analyst III, LACERA	0769
Principal Investment Officer, LACERA	0495
Principal Investment Officer, LACERA, (UC)	0496

UNCLASSIFIED POSITIONS (UC)

Pursuant to the California Government Codes known as the County Employees Retirement Law (CERL) and the California Constitution, the Board of Retirement and the Board of Investments have joint responsibility to appoint personnel to accomplish the necessary work of the Boards. Generally speaking, the personnel shall be county employees subject to civil service rules and shall be included in the salary ordinance adopted by the Board of Supervisors.

In Los Angeles County, nearly all county employees are hired subject to the Civil Service system. These employees are also known as "classified" employees. However, Measure A, which was approved by Los Angeles County voters in March 2000, provides for specific employees to be hired at-will. These at-will employees are known as "unclassified" employees. Measure A applies to county employees hired by the Board of Supervisors; however, it does not apply to county employees hired by the LACERA Boards.

The CERL provides that most LACERA employees are classified employees. However, CERL was amended in 2001 to provide the LACERA Boards the choice to hire specified employees as being "at-will" (also known as being an "unclassified" employee), or being hired subject to the Civil Service rules (also known as being a "classified" employee). As such, it is LACERA Board policy on which positions among these specific categories of employees are at-will or subject to Civil Service.

Currently, the following LACERA positions filled after January 2001 are at-will: Chief Executive Officer, Assistant Executive Officer, Chief Investment Officer, and Principal Investment Officer.

CERL code sections 31522.2 and 31522.4 define the positions which the LACERA Boards may consider hiring as unclassified.

- Retirement Administrator
- Assistant Administrators
- Persons next in line of authority to Assistant Administrators
- Chief Legal Officers
- Chief Deputy Legal Officers
- Chief Investment Officers
- Investment Officers next in line of authority to the Chief Investment Officer

As such, with the creation of the Deputy Chief Investment Officer (UC) position, future hires into the Principal Investment Officer position will be "classified" employees subject to Civil Service rules.

It is therefore recommended the Operations Oversight Committee recommend to the Board of Retirement the following actions:

1. Approve the following LACERA classification and pay ranges:
 - a. Principal Staff Counsel, LACERA, LS17
 - b. Deputy Chief Investment Officer, LACERA, (UC) LR24
 - c. Deputy Chief Executive Officer, LACERA, (UC) LS18
2. Direct staff to submit to the Board of Supervisors the required ordinance language to implement the new LACERA classifications by amending the Los Angeles County Salary Code Sections 6.28.050, 6.127.010, and 6.127.030.

GR:nm

Leadership Classifications OOC Feb 2017.docx

Attachments

Class Specification
Principal Staff Counsel, LACERA

Page 1

CLASS SPECIFICATION: PRINCIPAL STAFF COUNSEL, LACERA

ITEM NUMBER: to be determined

DEFINITION:

Acts as assistant to the Chief Counsel, LACERA, and has immediate charge of a highly specialized legal program of the Legal Division of the Los Angeles County Employees Retirement Association (LACERA).

CLASSIFICATION STANDARDS:

Positions allocable to this class report to a Chief Counsel, LACERA and are characterized by their responsibility for (1) managing or assisting in the management of one or more sections of the division responsible for providing professional legal services in the areas of public pension, investment law, and disability to LACERA staff and the Boards of Retirement and Investments (Boards), and related committees, and/or (2) independently serving as primary counsel for an assigned complex and sensitive section or sections of LACERA's legal program requiring highly specialized experience, skill, and expertise in investments, litigation, disability, benefits, employment, contracts, legislation, and/or governance in relation to the County Employees Retirement Law of 1937 (CERL), the Public Employees' Pension Reform Act of 2013 (PEPRA), the Ralph M. Brown Act, the Public Records Act, the Political Reform Act, and other applicable laws.

Incumbents are responsible for applying an extensive knowledge of, experience with, and judgment in Federal, State, and County laws, regulations, and legislation; current legal and public pension program standards, methods, and terminology; and LACERA rules, policies, and procedures to provide sound legal counsel based on analysis of ambiguous or conflicting information that may require considerable interpretation, apply creative and innovative solutions to complex problems, and assist in the development and implementation of policies, procedures, and systems to carry out LACERA's goals and objectives.

Incumbents must possess sufficient knowledge of management principles related to personnel and financial planning, resource allocation, and coordination of people and resources to assist the Chief Counsel, LACERA with planning, directing, implementing, and evaluating the activities and performance of subordinate staff, preparing budgets, and performing other administrative duties necessary to conduct or assist in conducting the affairs of one or more sections of the division.

Class Specification
Principal Staff Counsel, LACERA
Page 2

Incumbents must have strong written and verbal communication skills and exercise effective interpersonal skills to maintain cooperative relationships with LACERA's Boards, committees, executive management, and other staff.

EXAMPLES OF DUTIES:

The following examples are intended to describe the general nature and level of work performed by persons assigned to each classification. Depending on the assignment, duties may include, but are not limited to the following:

1. Provides legal and policy advice, pre-litigation and litigation counsel, and program implementation guidance to LACERA, Boards and related Committees, executive management, and other staff on a wide variety of legal matters related to investments, pension benefits, disability retirement, retiree healthcare, fiduciary laws, litigation strategy and impacts, development and application of ethical standards, corporate governance, contracts, legislation, and internal Board governance and delegation.
2. Assists in the management of a Legal Division including planning, evaluating or assisting in evaluating, and directing work of subordinate staff, participating in the development of budget and policy, strategic planning, and program implementation.
3. Reviews, analyzes, and communicates case law developments, legislative issues, and legal trends impacting alignment with LACERA objectives.
4. Maintains liaison and consults with external subject matter experts on emerging legal, political, social, economic, and environmental issues potentially impacting the future of public pension funds, and coordinates litigation efforts with similarly situated funds.
5. Collaborates with internal and external working groups to implement legislative or case law changes to plan design, investment planning, healthcare, and tax qualification.
6. Prepares and tries highly complex administrative hearings and civil cases involving public pension law and other specialized areas of law such as institutional investments, family, tax, securities, probate, disability retirement, contracts and medical-legal issues.
7. Drafts and reviews contracts, resolutions, opinions, and other documents, including reviewing and ensuring compliance with public records requests.
8. Assists in the selection, management, and evaluation of outside counsel.
9. Attends Board and Committee meetings as a technical expert.

Class Specification
Principal Staff Counsel, LACERA
Page 3

10. May act in the absence of the Chief Counsel, LACERA.

11. May attend or serve on external committees and associations.

MINIMUM REQUIREMENTS:

Experience

OPTION A: Five (5) years of experience as a Senior Staff Counsel, LACERA.

OPTION B: Seven (7) years of post-bar experience in the practice of law relating to public pensions, investments, employee benefits, retirement systems, or a closely related field. Two (2) years of the required experience must have been in the technical supervision of attorneys.

License

1. Active member, in good standing, of the State Bar of California.
2. A valid California Class C Drivers License or the ability to utilize an alternative method of transportation when needed to carry out job-related functions.

Physical Class

Class 2 – Light. Positions within this class require light physical effort that may include occasional light lifting to a 10 pound limit and some bending, stooping, or squatting. Considerable ambulation may be involved.

DESIRABLE QUALIFICATIONS:

1. Demonstrated knowledge of California Government Code provisions, including the County Employees Retirement Law of 1937, the Public Employees' Pension Reform Act of 2013 (PEPRA), the Ralph M. Brown Act, and the Public Records Act.
2. Federal, State and County law, regulations and rules governing public pension fund administration in general and detailed knowledge of all statutes and regulations related to specific assignment, including pending legislation and legislative issues and proposals.
3. Parliamentary procedure, including Robert's Rules of Order.
4. Fiduciary obligations, conflict of interest, ethics, and the Political Reform Act and the regulations thereunder.

Class Specification
Principal Staff Counsel, LACERA

Page 4

5. Ability to work with, provide expert consultation to, and gain and maintain the confidence of the LACERA Boards, Committees, executive management, Legal Division staff, and other staff.
6. Prepare and handle all phases of complex civil actions and administrative matters, including evaluation, strategy, and handling all phases of litigation.
7. Draft legal opinions, pleadings, rulings, regulations, legislation, and contractual agreements.

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Class Specification
Deputy Chief Investment Officer, LACERA (UC)

Page 1

CLASS SPECIFICATION: DEPUTY CHIEF INVESTMENT OFFICER, LACERA (UNCLASSIFIED)

ITEM NUMER: to be determined

DEFINITION:

Acts as an assistant to the Chief Investment Officer, LACERA.

CLASSIFICATION STANDARDS:

The unclassified positions allocable to this class have responsibility for assisting the Chief Investment Officer, LACERA (CIO) in the planning, organization and direction of all investment operations of LACERA including those provided by LACERA to participating agencies, and implementing investment policies and programs adopted by the Board of Investments (Board). The position also serves as a liaison with County agencies, the public, and public agencies.

EXAMPLES OF DUTIES

The following examples are intended to describe the general nature and level of work performed by persons assigned to this unclassified position. Depending on the assignment, duties may include, but are not limited to the following:

1. Implement the investment policies and strategies established by the Board.
2. Develop, articulate, and present investment vision and strategies to the Board, Chief Investment Officer, and investment staff.
3. Establish reporting mechanisms to keep the Board informed as to the status of LACERA's investment programs and the procedures used to implement it.
4. Standardize policy and procedural guidelines to ensure consistency with investment strategies adopted by the Board and compliance with state and federal laws.
5. Make recommendations to the Board on the selection of external managers, funds, and contractors.
6. Oversee the Principal and Senior Investment Officers in the investment, monitoring, operations, and administration of the investment programs.
7. Evaluate the overall performance of the Principal and Senior Investment Officers, including their role as supervisors of staff.

Class Specification
Deputy Chief Investment Officer, LACERA (UC)

Page 2

8. Supervise and coordinate the activities between the Principal and Senior Investment Officers and external managers, advisors, and consultants.
9. Direct, plan, and supervise the activities of the investment staff.
10. Evaluate the overall performance of the external investment managers and funds.
11. As directed by the Chief Investment Officer, represent LACERA in the investment community, the media, a participant in various functions, and an expert spokesperson on investment matters relating to LACERA.
12. Advise the Chief Investment Officer as to the impact on the investment program from information released to the public, press, legislature, and other similar matters as needed.
13. Direct preparation of the Investment Office budget to ensure adequate staffing and resources to meet the goals and objectives of the Investment Office.
14. Assists the Chief Investment Officer with the administration of the Investment Office and all of its responsibilities.
15. May act in the absence of the Chief Investment Officer, LACERA.
16. May be required to perform other duties related to matters involving the investments or proposed investments, and related to managing, directing, and supervising staff engaged in the external or internal investment programs.

MINIMUM REQUIREMENTS:

Experience

OPTION A: A Bachelor's degree from an accredited university with major course work in economics or finance, and six years of investment management experience with a large financial institution or government agency which included responsibility for continuous supervision and review of an extensive investment program. A Master's degree in Business Administration or a related field may be used to substitute for one year of the required experience.

OPTION B: Three years experience at the level of Principal Investment Officer, LACERA.

Class Specification
Deputy Chief Investment Officer, LACERA (UC)
Page 3

License

A valid California Class C Drivers License or the ability to utilize an alternative method of transportation when needed to carry out job-related functions.

Physical Class

Class 2 – Light. Positions within this class require light physical effort that may include occasional light lifting to a 10 pound limit and some bending, stooping, or squatting. Considerable ambulation may be involved.

DESIRABLE QUALIFICATIONS:

1. Ability to work with and gain and maintain the confidence of the LACERA Boards, Committees, Investment Office staff, management, and other staff.
2. Ability to work collaboratively with third party partners including external investment managers, consultants, advisors, legal counsel, and auditors.
3. A demonstrated track record of investment program success with the ability to introduce new portfolio management techniques, risk assessment tools, and performance measurement tools.
4. A proven ability to recruit, develop and retain strong professionals in various asset classes in investment functions.
5. Excellent oral and written communication skills.

Class Specification
Deputy Chief Executive Officer, LACERA (UC)
Page 1

CLASS SPECIFICATION: DEPUTY CHIEF EXECUTIVE OFFICER, LACERA (UNCLASSIFIED)

ITEM NUMER: to be determined

DEFINITION:

Acts as assistant to the Chief Executive Officer, LACERA, in directing and overseeing operations of the Los Angeles County Employees Retirement Association (LACERA).

CLASSIFICATION STANDARDS:

The unclassified position allocable to this class has executive and administrative responsibility for assisting the Chief Executive Officer, LACERA (CEO) in the planning, organization and direction of all operations of LACERA including systems, programs, and administrative services for the administration of the pension fund. The position also serves as a liaison with County agencies, the public, and public agencies.

EXAMPLES OF DUTIES

The following examples are intended to describe the general nature and level of work performed by persons assigned to this unclassified position. Depending on the assignment, duties may include, but are not limited to the following:

1. Oversees the Assistant Executive Officer, LACERA positions, and other management and staff positions as required, in the overall operations and administration of LACERA.
2. Developing and articulating a strategic vision and obtaining support for implementation.
3. Developing and directing strategic planning efforts.
4. Formulating and evaluating departmental policy, operational practices, and programs by formulating revisions in policies and developing changes in organization, staffing, work processing, and management as needed to increase effectiveness and efficiency of LACERA.
5. Directing the development of recommendations for, and the monitoring of the administration of, the County Employees Retirement Law (CERL) and other laws and regulations required to govern the operation of the Department.

Class Specification
Deputy Chief Executive Officer, LACERA (UC)

Page 2

6. Directing the preparation of recommendations for the adoption and enactment of amendments to the CERL, policies and procedures, State and Federal statutes and regulations to provide effective, efficient administration of LACERA.
7. Establishes and maintains effective working relations between the members of LACERA's Boards, representatives of County departments, governmental agencies, and the public.
8. Directing the fiscal operations; oversees the development of the budget and forecasts and budget expenditures throughout the year.
9. Reviews, revises, and approves staff reports regarding items on the agendas; meets with staff members to discuss agenda items and makes assignment for completion of preparatory work on projects prior to placing these items on the agenda.
10. Directing the preparation of various reports, memorandums and Board letters for the Boards, including reports regarding policy matters and periodic reports concerning accomplishments.
11. Acts in the absence of the Chief Executive Officer, LACERA.

MINIMUM REQUIREMENTS:

Experience

1. Demonstrated knowledge, skills, and abilities required in managing an organization. Such management includes directing budget, personnel, fiscal, supply, and other administrative functions of an organization as well as the direction of line functions.
2. Demonstrated knowledge, skills, and abilities required working effectively with public officials, organized groups, and the public at large.

License

A valid California Class C Drivers License or the ability to utilize an alternative method of transportation when needed to carry out job-related essential functions.

Class Specification
Deputy Chief Executive Officer, LACERA (UC)
Page 3

Physical Class

Class 2 – Light. Positions within this class require light physical effort that may include occasional light lifting to a 10 pound limit and some bending, stooping, or squatting. Considerable ambulation may be involved.

DESIRABLE QUALIFICATIONS:

1. Education in business or public administration.
2. Demonstrated knowledge of Federal, State, and local laws and regulations governing public pension funds; a comprehensive program of retirement, disability, survivor, and health benefits for retired members.
3. Principles and practices of management necessary to plan, analyze, develop, direct and evaluate programs, administrative policies, and organizational structures; and principles and modern methods of administration, including: organization, fiscal management, budgetary preparation and controls, program planning, implementation and administration of public pension fund; operations analysis and evaluation skills, investigative aptitude; and use of personnel resources.
4. Ability to perform management activities including goal setting, budget management, human resources, strategic planning, and the formulation and implementation of departmental policy.
5. Work effectively with public and private officials, vendors, and the public.
6. Excellent oral and written communication skills.

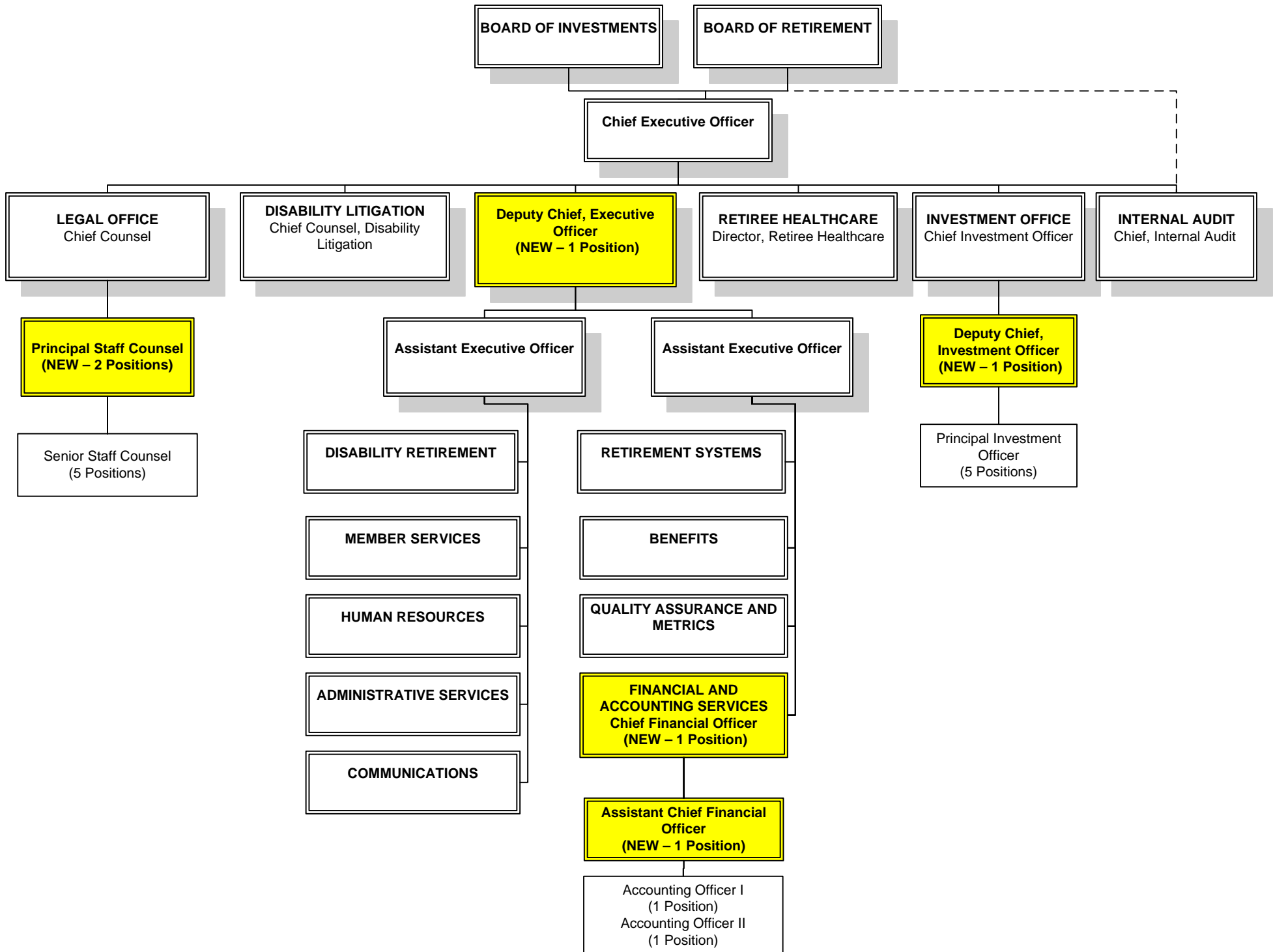
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ATTACHMENT F

LACERA PROPOSED MANAGEMENT ORGANIZATIONAL CHART

PROPOSED ORGANIZATIONAL STRUCTURE

Attachment F



ATTACHMENT G

SUMMARY OF LACERA MAPP POSITIONS BY PAY

LACERA MAPP Positions

Grouped by Proposed Pay Range

Position	Current Mid Point	MAPP Pay Range	Proposed Mid Point	MAPP Pay Range
Chief Investment Officer, LACERA (UC)	\$29,164	LR25	\$29,164	LR25
Deputy Chief, Investment Officer (UC) - NEW	N/A		\$27,129	LR24
Principal Investment Officer, LACERA (UC)	\$25,237	LR23	\$25,237	LR23
Chief Counsel, LACERA	\$17,579	LS18	\$20,314	LS 20
Chief Executive Officer, LACERA (UC)	\$20,314	R20	\$20,314	R20
Senior Investment Officer, LACERA	\$20,314	LR20	\$20,314	LR20
Chief Counsel, Disability Litigation, LACERA	\$17,579	LS18	\$17,579	LS18
Deputy Chief, Executive Officer (UC) - NEW	N/A		\$17,579	LS18
Information Systems Manager, LACERA	\$12,244	LS13	\$16,352	LS17
Principal Staff Counsel, LACERA - NEW	N/A		\$16,352	LS17
Assistant Executive Officer, LACERA (UC)	\$13,163	LS14	\$15,211	LS16
Finance Analyst III, LACERA	\$15,211	LR16	\$15,211	LR16
Senior Staff Counsel, LACERA	\$15,211	LS16	\$15,211	LS16
Chief Technology Officer, LACERA	N/A		\$14,150	LS15
Chief Financial Officer, LACERA - NEW	\$11,390	LS12	\$13,163	LS14
Chief Information Security Officer, LACERA	N/A		\$13,163	LS14
Chief, Internal Audit, LACERA	\$11,390	LS12	\$13,163	LS14
Director, Human Resources, LACERA	\$9,856	LS10	\$13,163	LS14
Director, Retiree Healthcare, LACERA	\$13,163	LS14	\$13,163	LS14
Assistant Chief Financial Officer, LACERA - NEW	\$9,856	LS10	\$11,390	LS12
Assistant Director, Human Resources, LACERA	\$8,529	LS08	\$11,390	LS12
Assistant Information Systems Manager, LACERA	\$10,595	LS11	\$11,390	LS12
Chief, Quality Assurance and Metrics	\$11,390	LS12	\$11,390	LS12
Division Manager, LACERA	\$11,390	LS12	\$11,390	LS12
Finance Analyst II, LACERA	\$11,390	LR12	\$11,390	LS12
Information Technology Manager II, LACERA	N/A		\$11,390	LS12
Staff Counsel, LACERA	\$11,390	LS12	\$11,390	LS12
Information Technology Manager I, LACERA	N/A		\$10,595	LS11
Assistant Division Manager, LACERA	\$9,856	LS10	\$9,856	LS10
Chief, Communications, LACERA	\$9,856	LS10	\$9,856	LS10
Administrative Services Officer, LACERA	\$9,169	LS09	\$9,169	LS09
Section Head, LACERA	\$9,169	LS09	\$9,169	LS09

ATTACHMENT H

TIER I SALARY RANGE

**LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION (LACERA)
MANAGEMENT APPRAISAL AND PERFORMANCE PLAN
TIER I SALARY STRUCTURE TABLES – LR SCHEDULE**

Table LG- Effective January 1, 2016

<u>Range</u>	<u>Minimum</u>	<u>Control Point</u>	<u>Maximum</u>
LR1	49,085.16	61,689.72	74,294.16
LR2	52,766.52	66,316.68	79,866.96
LR3	56,724.00	71,290.20	85,856.40
LR4	60,978.24	76,637.28	92,296.32
LR5	65,551.68	82,385.64	99,219.48
LR6	70,468.08	88,563.12	106,658.28
LR7	75,753.12	95,205.48	114,657.84
LR8	81,434.64	102,346.08	123,257.64
LR9	87,542.16	110,023.44	132,504.72
LR10	94,107.84	118,275.12	142,442.40
LR11	101,165.88	127,145.28	153,124.68
LR12	108,753.36	136,679.52	164,605.56
LR13	116,909.88	146,933.52	176,957.28
LR14	125,678.04	157,953.24	190,228.56
LR15	135,103.92	169,800.36	204,496.68
LR16	145,236.84	182,535.36	219,834.00
LR17	156,129.48	196,223.76	236,318.04
LR18	167,839.20	210,942.60	254,046.00
LR19	180,427.08	226,763.28	273,099.48
LR20	193,959.24	243,770.64	293,581.92
LR21	208,512.48	262,056.60	315,600.60
LR22	224,150.88	281,710.80	339,270.60
LR23	240,962.28	302,839.20	364,716.00
LR24	259,034.40	325,552.08	392,069.64
LR25	278,461.92	349,968.36	421,474.80

ATTACHMENT I

TIER II SALARY RANGE

**LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION (LACERA)
MANAGEMENT APPRAISAL AND PERFORMANCE PLAN
TIER II SALARY STRUCTURE TABLES--LS SCHEDULE**

Table LK--Effective January 1, 2016

<u>Range</u>	<u>Step 1</u>	<u>Midpoint*</u>	<u>Step 18</u>
LS1	49,085.04	61,689.66	74,294.28
LS2	52,766.40	66,316.38	79,866.36
LS3	56,724.00	71,290.20	85,856.40
LS4	60,978.24	76,636.92	92,295.60
LS5	65,551.56	82,384.62	99,217.68
LS6	70,467.96	88,563.48	106,659.00
LS7	75,753.12	95,205.78	114,658.44
LS8	81,434.52	102,346.14	123,257.76
LS9	87,542.16	110,022.12	132,502.08
LS10	94,107.84	118,273.80	142,439.76
LS11	101,165.88	127,144.32	153,122.76
LS12	108,753.36	136,680.24	164,607.12
LS13	116,909.88	146,931.18	176,952.48
LS14	125,678.04	157,951.02	190,224.00
LS15	135,103.92	169,797.30	204,490.68
LS16	145,236.72	182,532.18	219,827.64
LS17	156,129.48	196,222.08	236,314.68
LS18	167,839.20	210,938.76	254,038.32
LS19	180,427.08	226,759.08	273,091.08
LS20	193,959.12	243,766.02	293,572.92

*NOTE: Tier II does not have a true Midpoint. Midpoint is calculated based on Step 1 and Step 18.



Management Compensation Study / CEO Request for New Positions

Robert Hill, Assistant Executive Officer
JJ Popowich, Assistant Executive Officer
John Nogales, Director, Human Resources



The Management Study / CEO Request for New Positions

- Why Now?
- A Comprehensive Approach

- CPS Compensation Study
- HR Compensation Study
- The Results
- Fiscal Impact
- Implementation Plan
- Questions



The Management Study: Why now?

- Last Study: 2001 - 16 Years Ago
 - Over 61 Classification Studies completed since 2001
-
- Individual Classifications
 - Entire Series:
 - FASD
 - Retirement Benefit Specialist
 - Quality Assurance
 - Secretaries
 - Best Practices
 - Periodic Market Pricing



The Management Study: Why now?

- The LACERA of today: More complex than the LACERA of yesterday
 - \$48 Billion funds under management
 - \$2.5 Billion retiree payroll
 - \$70 Million plus administrative budget
 - \$66 Million in securities recovery through litigation
 - Direct Hedge Fund Investing
 - GASB Compliance (67/68, 72, 74/75) & OPEB GASB (43/45)
 - Increased Focus on Compliance
 - Complex Medicare Reimbursement Rules (LIS, RDS, Part B)
 - Multiple Retiree Healthcare Tiers
 - OPEB trust funds management: 3 funds, unitization, audits
 - PEPRA



The Management Study: Why now?

- The LACERA of today: More innovative than ever
 - Case Management
 - Benefits Protection Unit
 - Administrative Appeal Process
 - Proactive Sick Without Pay Eligibility Notifications
 - CORE Benefits Training Program
 - Process Management Group
 - Process Centric Quality Assurance Metrics Improvement Program
 - Call Center Quality Control through Call Monitoring

The Management Study: Why now?

The LACERA of today: More involved as industry leaders than ever before



- Association of Public Pension Auditors



- NAPPA Board of Directors



- Public Pension Financial Forum Board of Directors



- CALAPRS
 - Roundtable Facilitators
 - Advanced Disability Trainers



- SACRS
 - Bylaws, Audit, Legislative, Education Committees
 - Published articles

The Management Study: Why now?

- A long history of industry recognition:
 - Numerous Awards for Excellence in Financial Reporting
 - Model Employer of the Year - Pasadena
 - WorldatWork Seal of Distinction
 - Charitable Giving Awards





The Management Study: Why now?

- A long history of recognizing the LACERA Advantage: Our People
- LACERA's key to Recruiting & Retaining the Right People:
 - Noble Mission
 - Welcoming Culture
 - A forward thinking Compensation Philosophy:
 - Competitive Fair Market Based Pricing
 - Designed to Attract Top Talent
 - Respectful of Plan Sponsor



CEO Request for New Positions

- Positions proposed by CEO at January Operations Oversight Committee
 - Deputy Chief Executive Officer, LACERA (UC)
 - Deputy Chief Investment Officer, LACERA (UC)
 - Deputy Staff Counsel, LACERA



CEO Request for New Positions: Why now?

- New positions will:
 - Enhance Legal and Executive support for the Boards
 - Expand management capacity to provide oversight & direction to staff on critical projects/programs
 - Better position LACERA to identify & take advantage of synergies throughout the organization
 - Increase mentoring and development of management staff to facilitate succession planning



The Management Study: A Comprehensive Approach

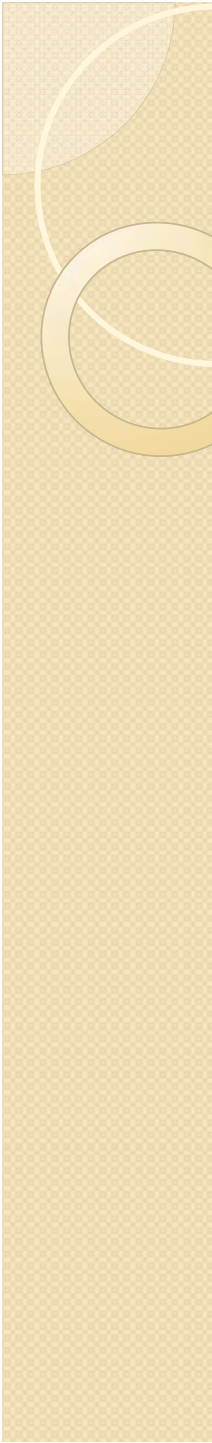
Two pronged approach to ensure a comprehensive overview of the compensation landscape

- CPS: Market Based Study
 - Industry leaders in Human Resources Classification / Compensation Consulting
 - Extensive Public Sector Experience
 - Currently working with the County
- LACERA Human Resources: County Comparisons
 - Familiarity with LA County Organizational Structure
 - Familiarity with LA County Classifications
 - Knowledge of LACERA's competitive position vs. LA County for recruiting




The Management Study: CPS Compensation Study

- Comprehensive analysis of LACERA's Classification and Compensation Systems:
 - Reviewed:
 - Completed Job Classification Questionnaires
 - Classification Descriptions
 - Relevant Los Angeles County salary ordinance sections
 - Discussions with LACERA's Human Resources
- Gained understanding of LACERA's organizational structure by review of organization charts and discussions with LACERA's Human Resources



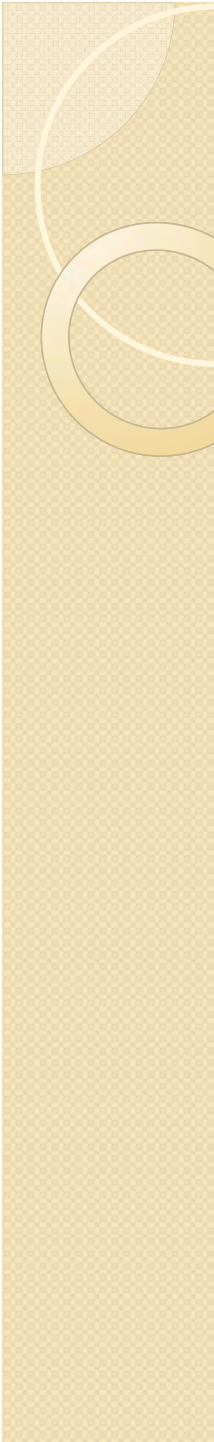
The Management Study: The CPS Compensation Study

- Identified comparable retirement public sector systems for survey
 - 4 Largest CERL County Systems
 - CALPERS
 - CALSTRS
 - LA City Employees Retirement System
 - LA Fire & Police Pension System
- Included non-related public agency to bolster study independence
 - Metropolitan Water District
- Obtained private sector market comparison data
 - Economic Research Institute



The Management Study: The CPS Compensation Study

- Reviewed, analyzed, & validated study data
 - Conducted Interviews with Comparable Agencies
 - Reviewed Classification Descriptions
 - Reviewed Organization Charts
 - Staffing Data
- Developed & reported final market salary findings to LACERA



The Management Study: The HR Compensation Study

- Benchmarking Considerations of LA County Positions
 - Classification Descriptions & Organization Charts
 - Functional scope & complexity of management responsibilities
 - Span of control, independence & authority over operation functions & decision making
 - Scope of work & essential job duties
 - Broad knowledge, skills, & abilities required by LACERA
 - LACERA's Organizational Structure: no centralized oversight
 - Competitive with LA County to recruit & retain highly skilled management talent

The Management Study: The Results

- Most Managers are in an Appropriate Range:

Classification	Current Pay Range
Chief, Communications, LACERA	LS 10
Chief Counsel, Disability Retirement, LACERA	LS 18
Chief, Quality Assurance & Metrics, LACERA	LS 12
Director Retiree Healthcare, LACERA	LS 14
Division Manager, Administrative Services	LS 12
Division Manager, Benefits	LS 12
Division Manager, Disability Retirement	LS 12
Division Manager, Member Services	LS 12
Senior Staff Counsel	LS 16

The Management Study: The Results

- Six Managers Should Be Moved into a More Appropriate Range:

Classification	Current Pay Range	Proposed Pay Range
Assistant Executive Officer, LACERA	LS 14	LS 16
Assistant Executive Officer, LACERA (UC)	LS 14	LS 16
Chief Counsel, LACERA	LS 18	LS 20
Chief, Internal Audit, LACERA	LS 12	LS 14
Director, Human Resources, LACERA	LS 10	LS 14
Division Manager, LACERA – Financial and Accounting Services	LS 12	LS 14

The Management Study: The Results

- Two managers' duties now exceed existing classification specifications and require new classifications:

Classification	Current Pay Range	New Classification	Proposed Pay Range
Division Manager, LACERA	LS 12	Chief Financial Officer, LACERA	LS 14
Assistant Division Manager, LACERA	LS 10	Assistant Chief Financial Officer, LACERA	LS 12

The Management Study: The Results

- In accordance with our internal pay equity policy, two subordinate positions also warrant placement in a more appropriate range:

Classification	Current Pay Range	Proposed Pay Range
Assistant Director, Human Resources, LACERA	LS 8	LS 12
Assistant Division Manager, LACERA – Financial and Accounting Services	LS 10	LS 12

The Management Study: The Results

- The new positions requested by the CEO

Classification	Current Pay Range	Proposed Pay Range
Deputy Chief, Investment Officer, LACERA (UC)	-	LR 24
Deputy Chief, Executive Officer, LACERA (UC)	-	LS 18
Principal Staff Counsel, LACERA	-	LS 17



The Management Study: Fiscal Impact

- Budget Factors
 - Salaries budgeted at Mid Point of the range
-
- Employee Benefits based on an estimated percentage of 50% of proposed salary (based on historical)

The Management Study: Fiscal Impact

Based on 2016-2017 FY Budget

CEO's New Classifications (Salaries Only)	\$ 930,000
CEO's New Classifications (Salaries & Employee Benefits)	\$1,400,000
Percentage Increase to Budget for CEO's New Classifications	2.3%
Management Study - Including Upgrades (Salaries Only)	\$ 215,000
Management Study Upgrades (Salaries & Employee Benefits)	\$ 325,000
Percentage Increase to Budget for Management Study	0.55%
Total Salary Increase	\$1,145,000
Total Salary & Employee Benefits Increase	\$1,725,000
Total Percentage Increase to Budget	2.85%

The Management Study: Implementation Plan

Request BOS Update County Ordinances

- New Classifications (6.127.010)
- Update Salary Schedules (6.28.050)
- Update Eligibility for Certification Bonuses (6.127.030.D.1)

Transition Staff to New Salary Schedules

- Map current salary to nearest appropriate step in new range
- Ranges overlap
- Some positions may see immediate increase in salary

Expected Implementation Time Line: Start of FY 2017-2018



Questions?



April 3, 2017

TO: Each Member
Board of Retirement

From: James Beasley, Administrative Services Analyst III
James Pu, Chief Information Officer
Johanna M. Fontenot, Senior Staff Counsel
Michael Herrera, Senior Staff Counsel

FOR: April 13, 2017 Board of Retirement Meeting

RE: **California Supreme Court Case on Use of Personal Accounts for Public Business; and Proposed Revisions to the Records and Information Management (RIM) Policy**

Recommendation

That the Board of Retirement approve the proposed revisions to the Records and Information Management (RIM) Policy.

Executive Summary

Last month, the California Supreme Court, in a unanimous decision, held that emails and text messages sent to or from personal email accounts of public employees and public officials that relate to the public's business are subject to disclosure under the California Public Records Act (CPRA). The Court recognized the need to broaden the definition of "public records" to address the "evolving methods of electronic communication."

The holding will have a direct and immediate impact on public agencies that regularly receive such requests and on employees and officials who will now be responsible for conducting searches of their personal accounts for responsive documents. For this reason, staff has added more stringent compliance guidelines in the RIM Policy to address the Supreme Court's ruling in *City of San Jose vs. Superior Court of Santa Clara County*. A copy of the proposed revisions to the RIM Policy is at Attachment A. The *City of San Jose* decision is at Attachment B.

City of San Jose v. Superior Court

In *City of San Jose*, a resident made requests for any and all voicemails, emails or text messages sent or received on private electronic devices used by the mayor, two city council members and their staff related to redevelopment efforts in the City downtown. The City refused to provide the information on private devices stating that they were not

public records because the emails and texts were not within the City's custody or control. The City disclosed responsive nonexempt records sent from or received on private electronic devices using the individuals' government accounts, but not records from those personal private electronic devices using their private accounts (e.g., a message sent from a private Gmail account using the person's own smartphone or other electronic device).

Although the ruling did not consider the content of specific records, the ruling is nonetheless very significant due to the widespread use of private electronic devices and personal accounts.

Here are some significant takeaways from the Supreme Court ruling:

- We likewise hold that documents otherwise meeting CPRA's definition of "public records" do not lose this status because they are located in an employee's personal account.
- If communications sent through personal accounts were categorically excluded from CPRA, government officials could hide their most sensitive, and potentially damning, discussions in such accounts.
- Any personal information not related to the conduct of public business, or material falling under a statutory exemption, can be redacted from public records that are produced or presented for review. Privacy concerns can and should be addressed on a case-by-case basis.
- The analysis here, as with other exemptions, appropriately focuses on the content of specific records rather than the location or medium of communication.
- We clarify, however, that to qualify as a public record under CPRA, at a minimum, a writing must relate in some substantive way to the conduct of the public's business. Communications that are primarily personal, containing no more than incidental mentions of agency business, generally will not constitute public records.
- Whether a writing is sufficiently related to public business will not always be clear. For example, depending on the context, an email to a spouse complaining "my coworker is an idiot" would likely not be a public record. Conversely, an email to a superior reporting the coworker's mismanagement of an agency project might well be.

Guidance for Conducting Searches

Additionally, the *City of San Jose* decision offers guidance to government employees and officials for conducting searches. In this regard the Court offered these suggestions:

- CPRA does not prescribe specific methods of searching for documents. Agencies may develop their own internal policies for conducting searches. As to requests seeking public records held in employees' nongovernmental accounts, an agency's first step should be to communicate the request to the employee in question. The agency may then reasonably rely on these employees to search their own personal files, accounts and devices for responsive material.
- Further, agencies can adopt policies that will reduce the likelihood of public records being held in employees' private accounts. Agencies are in the best position to implement policies that fulfill their obligations under public records law yet also preserve the privacy rights of their employees.

Proposed Revisions to RIM Policy

The proposed revisions to the RIM Policy require LACERA employees to send electronic communications relating to LACERA business utilizing LACERA's system whether the communication is sent/received internally or sent/received externally. It strongly discourages the use of private communication accounts and private devices for conducting LACERA business. This proposal, of requiring LACERA employees to use LACERA's email system, will also be included in LACERA's Information Technology Policy and in user agreements for LACERA devices.

Staff believes that the proposed revisions to Section 8.3 Electronic Communications is necessary for the following reasons: 1) fulfills LACERA's obligations under the CPRA; 2) reduces the likelihood of public records being held in employee's private accounts and thereby protecting LACERA employees' privacy; and 3) increases likelihood that LACERA records are in compliance with LACERA's Records Inventory and Maintenance schedule.

For these reasons, staff is proposing revisions to Section 8.3 Electronic Communications, the definition of Records in Section 4.1, as well as other minor edits. We have included a red-lined copy of the Policy with the revised sections highlighted in order to identify the revisions.

Electronic Communications of Board Members

As you know, the RIM Policy and the Information Technology Policy apply to only LACERA employees. The CPRA, however, applies to public employees and to

individual LACERA Board members when conducting LACERA business. As a result, when Board members use their private devices and personal accounts to communicate about LACERA business these writings may be subject to disclosure under the CPRA. For this reason, we will discuss the *City of San Jose* case and electronic communications of Board members when we meet with your Board on April 13, 2017. A copy of the PowerPoint is at Attachment C.

Recommendation

That the Board of Retirement approve the proposed revisions to the Records and Information Management (RIM) Policy.

Reviewed and Approved



Steven P. Rice
Chief Counsel

Attachments

c: Gregg Rademacher
Robert Hill
JJ Popowich

Attachment A

Proposed Revisions to RIM Policy



RECORDS & INFORMATION MANAGEMENT (RIM) POLICY

Last Revised: ~~July 1, 2016~~ [March 29, 2017](#)

Records & Information Management (RIM) Policy

Subject	Records & Information Management (RIM)
Effective Date	September 15, 2016
Date of <u>L</u>ast <u>R</u>evision	July 1, 2016
Previous <u>P</u>olicy	Records Retention Policy and Schedule
Contact	James Beasley
Related <u>D</u>ocuments	Records & Information Management (RIM) Manual
	Records Retention Schedule

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 - 1.2 Rationale 2
- 2 Purpose..... 2**
- 3 Authority, Application & Compliance 2**
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1. Background & Rationale

1.1 Background

The Records & Information Management (RIM) Policy replaces the previous Records Management Policy that was approved by the Board of Retirement on March 13, 2008.

1.2 Rationale

LACERA recognizes that we conduct the business of the people, and that information and records are assets, vital for both ongoing operations and also in providing valuable evidence of business decisions, activities, member information, and transactions.

2. Purpose

The purpose of the RIM Policy is to (1) establish an efficient organization-wide records management system for identifying, maintaining, retrieving, preserving and destroying records, (2) ensure that records are adequately protected, (3) preserve LACERA’s history, (4) ensure that records that are no longer needed or of no value are destroyed at the appropriate time, (5) comply with all applicable local, state, and federal laws and regulations, and (6) provide guidance for the Managers, Staff, and other constituencies with respect to their responsibilities concerning document retention and destruction.

3. Authority, Application & Compliance

3.1 Authority

This ~~policy~~ Policy has been authorized by the Board of Retirement and is available to all staff. It has been developed in consultation with the Legal Office and will be revised, as provided in Section 3.4. Ownership of the ~~policy~~ Policy rests with the Records and Information Management (RIM) Unit in the Administrative Services Division whom are responsible for LACERA’s compliance

with ~~policy~~ Policy requirements Requirements and ~~recordkeeping~~ Recordkeeping standards Standards.

3.2 Application

All staff must comply with this ~~policy~~ Policy in their conduct of ~~official~~ all business for LACERA. This ~~policy~~ Policy applies to records in all formats, including electronic records.

3.3 Compliance

Compliance with this Policy will be monitored by the ~~Records Information and Management~~ RIM Unit (with the support of ~~management~~ Management). Failure to comply with this Policy, particularly, disobeying any preservation/litigation hold could result in possible civil or criminal sanctions. In addition, for ~~staff~~ Staff, it could lead to disciplinary action including possible termination.

3.4 Policy Updates

The RIM Unit will update this Policy as needed if there are any changes in the business or regulatory environment. Minor changes or updates such as contact information, grammatical errors and online references do not require review/approval by the Operations Oversight Committee and Board of Retirement. This Policy will be reviewed by the RIM Unit and the Legal Office on an annual basis.

4. General Provisions

LACERA records, which may be electronic or paper form, shall be retained in accordance with the applicable guidelines including internal, state, and federal regulations. Records that do not need to be retained shall be destroyed after the requisite retention period has passed. A log or other documentation of records destruction will be created to track compliance with periodic audits for regulatory compliance. Pending or potential litigation may require a “hold” or suspension of regularly scheduled destruction of records or other information.

4.1 Definitions:

Non-Record Material: “Non-record material” consists of library material, publications not produced by LACERA, blank forms, and other materials that do not record the position or operations of the organization.

~~Official-Final~~ Record: An ~~“official-Final R~~record” reflects the final, official record position or activities of an organization related to the specific content of the record.

Record: A “Record” is any information, regardless of medium, that is created, received, or maintained because of law, regulation, or in the normal course of LACERA business AND is kept as evidence of that activity.~~A “record” is any information, paper or electronic, recorded in a tangible form that is created or received by LACERA and documents some aspect of its operations.~~

Electronic Communications: Electronic Communication is the sending and receiving of electronic messages, regardless of the technology platform, using any type of ~~computer~~ or ~~another~~ electronic device, such as a computer, mobile phone or a tablet.

~~Unofficial-Draft~~ Record: An ~~“unofficial-Draft R~~record” does not yet reflect the final, official position or activities of an organization and are subject to change before completion.

Vital Record: As part of the Records Information and Management ~~program-Program~~ and the Business Continuity Program, Vital Records are essential to the survival of the organization and are identified for protection from destruction in the event of a disaster. During the records inventory, which is conducted every five (5) years or when required,

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each ~~division~~ Division will determine which records for which they are responsible contain information vital for continued operations should a disaster occur. LACERA's Vital Records include those documents that are critical for both ongoing operations and also in providing valuable evidence of business decisions, activities, member information, and transactions.

4.2 Roles & Responsibilities

All Employees:

All employees are responsible for the creation and management of information and records as defined by this Policy including, but not limited to, safe storage, quick retrieval, records confidentiality, and appropriate records retention period for any record identified on the Record Retention Schedule.

Assistant Executive ~~Officers (AEO):~~ _____ The AEO is responsible for the visible support of, **Officers (AEO):** _____ and adherence to, this Policy by promoting a

_____ culture of compliant records and information
_____ management within the organization and
_____ contributing to the development of strategic
_____ documents such as the records and information
_____ management framework and strategy.

Chief Executive _____ ~~Officer (CEO):~~ The CEO is ultimately responsible for the

Officer (CEO): _____ management of information and records within LACERA. The CEO promotes compliance with this Policy and delegates responsibility for the operational planning and running of the records and information program to ~~the his or her~~ designee ~~Assistant Executive Officer~~ AEO(s).

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- Contract Staff:** Contract staff should create and manage records in accordance with this Policy to the extent specified in the contract.
- Legal Office:** The Legal Office is responsible, annually, for reviewing and approving any updates or changes to the retention schedule and RIM Policy, ensuring compliance with minimum retention periods pursuant to state, federal, and/or regulatory requirements; and communication of the implementation of “preservation hold,” “litigation hold,” or “~~legal hold~~ Legal Hold” procedures that supersede an established retention schedule. The Legal Office will work with the RIM Unit ~~as needed~~ on an ongoing in connection with implementation of this policy.
- Managers/Supervisors:** Managers and ~~supervisors~~ Supervisors are responsible for ensuring ~~staff~~ Staff, including ~~contract~~ Contract ~~s~~ Staff, are aware of and follow the records and information management practices defined in this Policy. They should advise the RIM Unit of any barriers to staff complying with this Policy. They should also advise the ~~unit~~ Unit of any changes in the business environment which would impact the records and information management requirements.
- RIM Unit:** Under the leadership of the delegated Division Manager, the RIM Unit is responsible for overseeing the management of records and information consistent with the requirements described in this Policy. This includes providing annual training, advice and general support to staff, overseeing the proper use of record destruction methodologies, records inventory, and ongoing maintenance of the Record Retention Schedule. Information management products and

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tools may be used in the execution of the RIM Unit's duties and such tools may include data systems to assist in the creation of complete and accurate records, developing and implementing strategies to enable sound records management practices, monitoring compliance with the RIM Policy, procedures, and directives, and advising the AEO(s), Internal Audit, and the Legal Office of any risks associated with non-compliance. The RIM Unit will review the RIM Policy on an on-going basis to ensure organizational efficiency, as provided in Section 3.4.

Systems Division:

Systems staff is responsible for supporting the RIM Program by maintaining the technology for LACERA's business information and records systems necessary for the implementation of this Policy, including appropriate system accessibility, security and back-up. Systems and RIM staff have an important joint role in supporting the organization to ensure compliance with LACERA's policies, procedures, and guidelines of the records and information management program.

5. Records as a Resource

LACERA recognizes that its records are a vital asset to:

- facilitate information accessibility, and enhance operations by supporting program delivery, management and administration.
- deliver member services in an efficient, fair and equitable manner.
- provide evidence of actions and decisions and precedents for future decision making, and
- protect the rights and interests of the County of Los Angeles, LACERA and its members.

6. Benefits

The RIM Policy ensures the reasonable and good faith retention of all records created by or under the control of LACERA, whether paper or electronic, that are necessary or advisable to retain for: business operations; historical value; payment of member benefits; member service; accounting, audit, tax and financial purposes; compliance with applicable law; possible future use in litigation involving LACERA; and possible future use in an official proceeding, audit or other matters. A ~~legal hold~~ Legal Hold notice shall be issued by the Legal Office when it becomes necessary to preserve a record or other information which may not otherwise be retained or is scheduled or due for ordinary and appropriate destruction in accordance with this Policy.

RIM's primary concern is the efficient and effective management of information. The guiding principle of RIM is to insure that information is available when and where it is needed, in an organized and efficient manner, and in a well-maintained environment. RIM is more than the retention schedule and the disposition of records; RIM also encompasses all the record-keeping requirements that allow LACERA to establish and maintain control over information flow and administrative operations. RIM seeks to control and manage records through the entirety of their life cycle, from their creation to their final disposition.

Other benefits of effective records management include:

- Space Savings
- Reduced expenditures for new filing equipment
- Increased efficiency in information retrieval
- Compliance with legal, administrative, and fiscal retention requirements
- Identification and protection of Vital Records
- Identification of records with research value
- Identification of records with historical value

7. Best Practices

Best ~~practices~~ Practices, based on documented experience from a variety of recognized sources, are contained in the Policy, and will be maintained through the Policy review process, to help avoid problems and maintain high standards for Records and Information Management at LACERA. Best ~~practices~~ Practices, as documented in the Policy, extend to LACERA's general policy and practices, codes of conduct, and related procedures, and are the basis of good Records and Information Management.

8. Elements of the Records & Information Management Program

8.1 Storage

Current hardcopy records should be stored in designated storage areas with access restrictions as appropriate to the level of confidentiality required. Rarely used records or records no longer in use for official purposes that are still required to be retained in accordance with the current Retention Schedule should be forwarded to archive. Electronic records must be retained on LACERA's network. Records of short term value will be disposed of at suitable intervals by the Systems Division. Records of long term or archival value should be retained on LACERA's network.

8.2 Records Retention Schedule

A ~~Records R~~etention ~~S~~chedule ("Schedule") is a control document that sets out the amount of time that LACERA needs to keep certain types of records in accordance with state or federal guidelines and as necessitated by business practices. The schedule applies to all records irrespective of the format in which they are maintained or the media upon which they are held.

A properly prepared and approved ~~Records Retention~~ Schedule is LACERA's legal authority to do what needs to be done with records and documents entrusted to the organization's care. It certifies the life, care, and disposition of LACERA records.

A ~~Record Retention~~ Schedule does not look at individual records but rather at the individual group, records series or collection of related records, and, for retention purposes, are evaluated together.

The ~~Record Retention~~ Schedule will be reviewed annually in accordance with the Policy and amended as needed to reflect changing legal requirements, business needs or evolving practices. The authority for any changes made to the ~~Record Retention~~ Schedule to conform to applicable state ~~or~~ federal laws and the necessity for business purposes is delegated to the CEO or his/her designee. Changes will be approved by the Legal Office prior to being made.

8.3 ~~Emails~~ Electronic Communications

~~Sending and receiving electronic communication regarding LACERA business using a non-official electronic messaging account on personal devices is strongly discouraged. LACERA Staff should send electronic communications relating to LACERA business utilizing LACERA's system whether the electronic communication is sent/received internally or sent/received externally.~~

LACERA Staff may not create or send a record using a non-official electronic messaging account unless Staff 1) copies a LACERA email address of Staff in the original creation or transmission of the record; or 2) forwards a complete copy of the record to LACERA's email system after the original creation or transmission of the record.

Email messages are electronic records created and sent to, or received by, a user of a computer system. The email itself is a communication method of transmission of information. ~~Official~~ All "Final Records" and "Vital Records" created using the email system should be saved to an appropriate archival medium. It is each individual user's responsibility to apply the appropriate retention period from the ~~Records Retention~~ Schedule (~~"Schedule"~~) to the subject matter of the email, including any attachments. Each user is responsible for the application of the proper retention period regardless of whether they are the sender or the receiver and regardless of whether the email is sent/received internally or sent/received externally.

For example, an email from a member to a Member Services Retirement Benefits Specialist regarding a member's account would be classified as a "Member Record" on the ~~Records Retention~~ Schedule and must be stored indefinitely in the member's account per the Schedule.

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Email messages that are not archived to an appropriate medium will remain in the email system for sixty (60) calendar days from inception date, and then moved automatically by the email system to the "Trash" folder; items in "Trash" will be deleted within fourteen (14) calendar days, from placement in the "Trash" folder, regardless of the inception date. Support can be obtained from the Systems Division with respect to the proper archiving of email messages. ~~LACERA's email is for business purposes only.~~

8.4 Preservation/Litigation Hold

Records should be kept for a period of time not exceeding the established retention period, unless under relevant litigation or potential litigation, audit, or investigation and are subject to litigation holds. If the Legal Office informs you, that LACERA records are relevant to litigation or potential litigation you must preserve these records until the Legal Office determines that the records are no longer needed. This exception supersedes any previously or subsequently established destruction schedule for those records such that records subject to a litigation hold should not be destroyed with the permission of the Legal Office. Further, if ~~state~~ State or ~~F~~ federal ~~regulations~~ Regulations specifies a longer retention period for any record identified on the retention schedule, ~~state~~ State or ~~federal~~ Federal ~~Regulations~~ will supersede the ~~Record Retention~~ Schedule, as monitored and communicated by the Legal Office. Legal Office will inform RIM ~~staff~~ Staff of any updates or changes that needs to be made to the retention schedule, ensuring compliance with minimum retention periods pursuant to state, federal, and/or regulatory requirements. ~~If you have~~ Any questions concerning retention of records that may be relevant to litigation or a legal issue, regardless of whether they are subject to a litigation hold, the Legal Office should be consulted and will provide guidance.

8.5 Access

Records must be available to all authorized staff that requires access ~~to them~~ for business purposes. The Legal Office will determine which records are public and all public records requests shall be directed to the Legal Office. ~~All public access to LACERA records can be made through the Request for Public Records process. Questions regarding public access to documents should be directed to the Legal Office.~~

8.6 Contractors & Outsourced Functions

All records created by contractors performing work on behalf of LACERA belong to LACERA and are LACERA records, subject to the terms of LACERA's contract with each individual contractor. This includes the records of contract staff working on the premises as well as external service providers.

Contracts should clearly state that ownership of records resides with LACERA, and instructions regarding creation, management, and access to the records created. The Legal Office must be consulted during the formulation of the contract.

8.7 Maintenance & Monitoring

The location of all maintained records should be recorded and updated at every movement of the record. This ensures that records, as assets, can be accounted for in the same way that the other assets of LACERA.

The RIM Unit is responsible for ensuring that records and environmental conditions are monitored regularly to protect records. This includes checking temperature and humidity levels in dedicated records storage areas for paper records as well as regularly validating proper maintenance of records at offsite storage facilities.

The Systems Division is responsible for ensuring that digital records are stored, refreshed, and secured as required.

LACERA has implemented a number of security and Business Continuity measures, including information security policies, for safeguarding its information assets. Staff should abide by these measures at all times.

8.8 Transfer

LACERA has an off-site storage facility for the storage of physical records that are infrequently used for business purposes but still need to be retained according to the ~~Records Retention~~ Schedule. The RIM Unit is responsible for transferring these records to the facility.

8.9 Disposal

LACERA has a defined ~~Records Retention~~ Schedule for all ~~divisions~~ Divisions. The RIM Unit recommends that disposal actions are assigned to records in all formats on creation to ensure they are managed appropriately. No LACERA records can be dispensed of unless in accordance with the ~~Records Retention~~ Schedule. Approval and signed authorization for retention, destruction or transfer of records must be sought from the appropriate division manager before any disposal takes place.

Records shall be maintained for as long as the period stated in the Records Retention Schedule, which schedule is based on the minimum periods required by applicable state or federal law, and necessity for ongoing business purposes.

Unless a ~~legal hold~~ Legal Hold is in effect, destruction of records shall occur within one (1) month after the time period stated in the Records Retention Schedule has been met. Management will be contacted prior to the scheduled destruction for their final approval. Any request to extend the retention period of a document or a series of documents, must be made in writing to RIM staff providing business justification and approved by the Legal Office.

The RIM Unit will monitor and assure compliance with the disposal requirements of the Records Retention Schedule.

8.10 PROCEDURES MANUAL

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The ~~Administrative Services~~ RIM Unit shall be responsible for preparing and maintaining a procedures manual that details the records management process and any delegated duties and defined terminology. This ~~procedures-Procedures manual-Manual~~ shall include this policy and must be approved by the ~~Chief Executive Officer~~ CEO. These ~~procedures-Procedures~~ may be modified at any time as deemed necessary, provided that the ~~procedures-Procedures~~ remain within the framework of this ~~policy~~ Policy.

In the event that there is a conflict between this ~~p~~ Policy and the ~~procedures Procedures manual-Manual~~ the ~~policy~~ Policy shall prevail.

Attachment B

**City of San Jose v. Superior Court
Decision**

LexisNexis

1 of 1 DOCUMENT

CITY OF SAN JOSE et al., Petitioners, v. THE SUPERIOR COURT OF SANTA CLARA COUNTY, Respondent; TED SMITH, Real Party in Interest.

S218066

SUPREME COURT OF CALIFORNIA

2 Cal. 5th 608; 2017 Cal. LEXIS 1607

March 2, 2017, Filed

SUBSEQUENT HISTORY: Reported at *City of San Jose v. Superior Court*, 2017 Cal. LEXIS 1749 (Cal., Mar. 2, 2017)

PRIOR HISTORY: [**I] Superior Court of Santa Clara County, No. 109CV150427, James P. Kleinberg, Judge. Court of Appeal, Sixth Appellate District, No. H039498. *City of San Jose v. Superior Court*, 225 Cal. App. 4th 75, 169 Cal. Rptr. 3d 840, 2014 Cal. App. LEXIS 293 (Cal. App. 6th Dist., 2014)

SUMMARY: [*608]

CALIFORNIA OFFICIAL REPORTS SUMMARY

Pursuant to the California Public Records Act (CPRA) (*Gov. Code, § 6250 et seq.*), a citizen requested disclosure of 32 categories of public records from a city. The targeted documents concerned redevelopment efforts and included e-mails and text messages sent or received on private electronic devices used by city officials. The city disclosed communications made using city telephone numbers and e-mail accounts, but did not disclose communications made using the officials' personal e-mail accounts. The citizen sued for declaratory relief, arguing CPRA's definition of "public records" encompasses all communications about official business, regardless of how they are created, communicated, or stored. The superior court granted the citizen's motion for summary judgment and ordered disclosure. (Superior Court of Santa Clara County, No. 109CV150427, James P. Kleinberg, Judge.) However, the Court of Appeal, Sixth Dist., No. H039498, issued a peremptory writ of mandate directing the superior court to vacate the order

granting the citizen's motion for summary judgment and to enter a new order denying that motion and granting the city's motion for summary judgment.

The Supreme Court reversed the judgment of the Court of Appeal and remanded the case for further proceedings. The court held that a city employee's writings about public business are not excluded from CPRA simply because they have been sent, received, or stored in a personal account. A writing prepared by a public employee conducting agency business has been "prepared by" the agency within the meaning of *Gov. Code, § 6252, subd. (e)*, even if the writing is prepared using the employee's personal account. A document's status as public or confidential does not turn on the arbitrary circumstance of where the document is located. If public officials could evade the law simply by clicking into a different e-mail account, or communicating through a personal device, sensitive information could routinely evade public scrutiny. The city's interpretation of CPRA would not only put an increasing amount of information beyond the public's grasp but also encourage government officials to conduct the public's business in private. (Opinion by Corrigan, J., expressing the unanimous view of the court.) [* 609]

HEADNOTES

CALIFORNIA OFFICIAL REPORTS HEADNOTES

(1) Records and Recording Laws § 12--Inspection of Public Records--Disclosure--Exemptions--Privacy.--Enacted in 1968, the California Public Records Act (CPRA) (*Gov. Code, § 6250 et seq.*) declares that access to information concerning the conduct of the people's business is a fun-

damental and necessary right of every person in California (*Gov. Code*, § 6250). In 2004, voters made this principle part of the California Constitution. Public access laws serve a crucial function. Openness in government is essential to the functioning of a democracy. Implicit in the democratic process is the notion that government should be accountable for its actions. In order to verify accountability, individuals must have access to government files. Such access permits checks against the arbitrary exercise of official power and secrecy in the political process. However, public access to information must sometimes yield to personal privacy interests. When enacting CPRA, the Legislature was mindful of the right to privacy, and set out multiple exemptions designed to protect that right. Similarly, while the California Constitution provides for public access, it does not supersede or modify existing privacy rights (*Cal. Const.*, art. I, § 3, subd. (b)(3)).

(2) Records and Recording Laws § 12--Inspection of Public Records--Disclosure--Exemptions--Public Interest.--The California Public Records Act (CPRA) (*Gov. Code*, § 6250 *et seq.*) establishes a basic rule requiring disclosure of public records upon request (*Gov. Code*, § 6253). In general, it creates a presumptive right of access to any record created or maintained by a public agency that relates in any way to the business of the public agency. Every such record must be disclosed unless a statutory exception is shown. The CPRA also includes a catchall provision exempting disclosure if the public interest served by not disclosing the record clearly outweighs the public interest served by disclosure (*Gov. Code*, § 6255, subd. (a)).

(3) Statutes
29--Construction--Language--Legislative Intent--Plain Meaning.--When a court interprets a statute, its fundamental task is to determine the Legislature's intent so as to effectuate the law's purpose. The court first examines the statutory language, giving it a plain and commonsense meaning. The court does not examine that language in isolation, but in the context of the statutory framework as a whole in order to determine its scope and purpose and to harmonize the various parts of the enactment. If the language is clear, courts must generally follow its plain meaning unless a literal interpretation would result in absurd consequences the Legislature did not intend. If the statutory language permits more than one reasonable interpretation, courts may consider other [*610] aids, such as the statute's purpose, legislative history, and public policy. Furthermore, the court considers portions of a statute in the context of the entire statute and the statutory scheme of which it is a part, giving significance to every word, phrase, sentence, and part of an act in pursuance of the legislative purpose.

(4) Records and Recording Laws § 12--Inspection of Public Records--Disclosure--Exemptions--Public Policy.--Given the strong public policy of the people's right to information concerning the people's business (*Gov. Code*, § 6250), and the constitutional mandate to construe statutes limiting the right of access narrowly (*Cal. Const.*, art. I, § 3, subd. (b)(2)), all public records are subject to disclosure unless the Legislature has expressly provided to the contrary.

(5) Records and Recording Laws § 2--Definitions--Public Record.--The California Public Records Act (*Gov. Code*, § 6250 *et seq.*), defines the term "public record" to include any writing containing information relating to the conduct of the public's business prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics. *Gov. Code*, § 6252, subd. (e). Under this definition, a public record has four aspects. It is (1) a writing, (2) with content relating to the conduct of the public's business, which is (3) prepared by, or (4) owned, used, or retained by any state or local agency.

(6) Records and Recording Laws § 2--Public Record--Conduct of Public's Business--Discharge of Official Duty.--To qualify as a public record, a writing must contain information relating to the conduct of the public's business (*Coy. Code*, § 6252, subd. (e)). Generally, any record kept by an officer because it is necessary or convenient to the discharge of his official duty is a public record.

(7) Records and Recording Laws § 2--Public Record--Conduct of Public's Business--Personal Communications.--To qualify as a public record under the California Public Records Act (*Gov. Code*, § 6250 *et seq.*) at a minimum, a writing must relate in some substantive way to the conduct of the public's business. This standard, though broad, is not so elastic as to include every piece of information the public may find interesting. Communications that are primarily personal, containing no more than incidental mentions of agency business, generally will not constitute public records. For example, the public might be titillated to learn that not all agency workers enjoy the company of their colleagues, or hold them in high regard. However, an employee's electronic musings about a colleague's personal shortcomings will often fall far short of being a writing containing information relating to the conduct of the public's business (*Gov. Code*, § 6252, subd. (e)). [*611]

(8) Records and Recording Laws § 2--Public Record--Conduct of Public's Business--Writing Prepared by Public Employee--Personal Account.--Broadly con-

strued, the term "local agency," for purposes of the California Public Records Act (*Gov. Code, § 6250 et seq.*), logically includes not just the discrete governmental entities listed in *Gov. Code, § 6252, subd. (a)*, but also the individual officials and staff members who conduct the agencies' affairs. It is well established that a governmental entity, like a corporation, can act only through its individual officers and employees. A disembodied governmental agency cannot prepare, own, use, or retain any record. Only the human beings who serve in agencies can do these things. When employees are conducting agency business, they are working for the agency and on its behalf. The judiciary presumes the Legislature was aware of these settled principles. A writing prepared by a public employee conducting agency business has been "prepared by" the agency within the meaning of *Gov. Code, § 6252, subd. (e)*, even if the writing is prepared using the employee's personal account.

(9) Records and Recording Laws § 12--Inspection of Public Records--Disclosure--Public Official--Refusal to Disclose.--When it is alleged that public records have been improperly withheld, *Gov. Code, § 6259, subd. (a)*, part of the California Public Records Act (CPRA) (*Gov. Code, § 6250 et seq.*), directs that the court order the officer or person charged with withholding the records to disclose the records or show cause why they should not be produced. If the court concludes the public official's decision to refuse disclosure is not justified, it can order the public official to make the record public (*, 6259, subd. (b)*). If the court finds that the public official was justified in refusing disclosure, it must return the item to the public official without disclosing its content. The Legislature's repeated use of the singular word "official" in § 6259 indicates an awareness that an individual may possess materials that qualify as public records. Moreover, the broad term "public official" encompasses officials in state and local agencies, signifying that CPRA disclosure obligations apply to individuals working in both levels of government.

(10) Records and Recording Laws § 12--Inspection of Public Records--Disclosure--Actual or Constructive Possession.--Records related to public business are subject to disclosure if they are in an agency's actual or constructive possession. An agency has constructive possession of records if it has the right to control the records, either directly or through another person. [*612]

(11) Records and Recording Laws § 12--Inspection of Public Records--Disclosure--Actual or Constructive Possession.--An agency's actual or constructive possession of records is relevant in determining whether it has an obligation to search for, collect, and disclose the material requested (*Gov. Code, § 6253, subd. (c)*). It is a

separate and more fundamental question whether a document located outside an agency's walls, or servers, is sufficiently owned, used, or retained by the agency so as to constitute a public record (*Gov. Code, § 6252, subd. (e)*).

(12) Records and Recording Laws § 2--Definitions--Public Record--Personal Account.--Documents otherwise meeting the definition of "public records" under the California Public Records Act (*Gov. Code, § 6250 et seq.*) do not lose this status because they are located in an employee's personal account. A writing retained by a public employee conducting agency business has been "retained by" the agency within the meaning of *Gov. Code, § 6252, subd. (e)*, even if the writing is retained in the employee's personal account.

(13) Records and Recording Laws § 2--Public Record--Conduct of Public's Business--Personal Account.--A city employee's communications related to the conduct of public business do not cease to be public records just because they were sent or received using a personal account.

(14) Records and Recording Laws § 12--Inspection of Public Records--Disclosure--Exemptions.--Beyond the definition of a "public record," the California Public Records Act (*Gov. Code, § 6250 et seq.*) itself limits or exempts disclosure of various kinds of information, including certain types of preliminary drafts, notes, or memoranda (*Gov. Code, § 6254, subd. (a)*), personal financial data (*Gov. Code, § 6254, subd. (n)*), personnel and medical files (*Gov. Code, § 6254, subd. (c)*), and material protected by evidentiary privileges (*Gov. Code, § 6254, subd. (k)*). Finally, a catchall exemption allows agencies to withhold any record if the public interest served by withholding it clearly outweighs the public interest in disclosure (*Gov. Code, § 6255, subd. (a)*). This exemption permits a balance between the public's interest in disclosure and the individual's privacy interest. The analysis, as with other exemptions, appropriately focuses on the content of specific records rather than their location or medium of communication.

(15) Records and Recording Laws § 12--Inspection of Public Records--Disclosure--Reasonable Effort.--Unless a records request is overbroad or unduly burdensome, agencies are obliged to disclose all records they can locate with reasonable effort. Reasonable efforts do not require that [*613] agencies undertake extraordinarily extensive or intrusive searches, however. In general, the scope of an agency's search for public records need only be reasonably calculated to locate responsive documents.

(16) Records and Recording Laws § 12--Inspection of Public Records--Disclosure--Exemptions--Personal Account.--In a case in which a citizen requested disclosure of 32 categories of public records written by city officials, but the city did not disclose communications made using the individuals' personal e-mail accounts, the Supreme Court held that a city employee's writings about public business are not excluded from disclosure under the California Public Records Act (*Gov. Code, § 6250 et seq.*) simply because the writings have been sent, received, or stored in a personal account.

[*Cal. Forms of Pleading and Practice (2016) ch. 470C, Public Records Act, § 470C.11.*]

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JUDGES: Opinion by Corrigan, J., expressing the unanimous view of the court.

OPINION BY: Corrigan

OPINION

CORRIGAN, J.--Here, we hold that when a city employee uses a personal account to communicate about the conduct of public business, the writings may be subject to disclosure under the California Public Records Act (CPRA or Act; *Gov. Code, § 6250 et seq.*).¹ We overturn the contrary judgment of the Court of Appeal.

¹ *Government Code section 6250 et seq.* All statutory references are to the Government Code unless otherwise specified.

I. BACKGROUND

In June 2009, petitioner Ted Smith requested disclosure of 32 categories of public records from the City of San Jose, its redevelopment agency and the agency's executive director, along with certain other elected officials and their [*615] staffs.² The targeted documents concerned redevelopment efforts [**4] in downtown San Jose and included e-mails and text messages "sent or received on private electronic devices used by" the

mayor, two city council members, and their staffs. The City disclosed communications made using City telephone numbers and e-mail accounts but did not disclose communications made using the individuals' personal accounts.

2 These parties, sued as defendants below and the petitioners here, are collectively referred to as the "City."

Smith sued for declaratory relief, arguing CPRA's definition of "public records" encompasses all communications about official business, regardless of how they are created, communicated, or stored. The City responded that messages communicated through personal accounts are not public records because they are not within the public entity's custody or control. The trial court granted summary judgment for Smith and ordered disclosure, but the Court of Appeal issued a writ of mandate. At present, no documents from employees' personal accounts have been collected or disclosed.

II. DISCUSSION

This case concerns how laws, originally designed to cover paper documents, apply to evolving methods of electronic communication. It requires recognition that, in today's environment, not all employment-related activity occurs during a conventional workday, or in an employer-maintained [**5] workplace.

(1) Enacted in 1968, CPRA declares that "access to information concerning the conduct of the people's business is a fundamental and necessary right of every person in this state." (§ 6250.) In 2004, voters made this principle part of our Constitution. A provision added by Proposition 59 states: "The people have the right of access to information concerning the conduct of the people's business, and, therefore, ... the writings of public officials and agencies shall be open to public scrutiny." (*Cal. Const., art. I, § 3, subd. (b)(1).*) Public access laws serve a crucial function. "Openness in government is essential to the functioning of a democracy. 'Implicit in the democratic process is the notion that government should be accountable for its actions. In order to verify accountability, individuals must have access to government files. Such access permits checks against the arbitrary exercise of official power and secrecy in the political process.'" (*International Federation of Professional & Technical Engineers, Local 21, AFL-CIO v. Superior Court* (2007) 42 Cal 4th 319, 328-329 [64 Cal. Rptr. 3d 693, 165 P.3d 488] (*International Federation*)).

However, public access to information must sometimes yield to personal privacy interests. When enacting CPRA, the Legislature was mindful of the [*616] right to privacy (§ 6250), and set out multiple exemptions de-

signed to protect that right. (*Commission on Peace Officer Standards & Training v. Superior Court* (2007) 42 Cal.4th 278, 288 [64 Cal. Rptr. 3d 661, 165 P.3d 462] (*Commission* [**6] *on Peace Officer Standards*); see § 6254.) Similarly, while the Constitution provides for public access, it does not supersede or modify existing privacy rights. (*Cal. Const., art. I, § 3, subd. (b)(3).*)

CPRA and the Constitution strike a careful balance between public access and personal privacy. This case concerns how that balance is served when documents concerning official business are created or stored outside the workplace. The issue is a narrow one: Are writings concerning the conduct of public business beyond CPRA's reach merely because they were sent or received using a nongovernmental account? Considering the statute's language and the important policy interests it serves, the answer is no. Employees' communications about official agency business may be subject to CPRA regardless of the type of account used in their preparation or transmission.

A. Statutory Language, Broadly Construed, Supports Public Access

(2) CPRA establishes a basic rule requiring disclosure of public records upon request. (§ 6253.)³ In general, it creates "a presumptive right of access to any record *created or maintained* by a public agency that relates in any way to the business of the public agency." (*Sander v. State Bar of California* (2013) 58 Cal.4th 300, 323 [165 Cal. Rptr. 3d 250, 314 P.3d 488], italics added.) Every such record "must be disclosed [**7] unless a statutory exception is shown." (*Ibid.*) Section 6254 sets out a variety of exemptions, "many of which are designed to protect individual privacy." (*International Federation, supra*, 42 Cal.4th at p. 329.) The Act also includes a catchall provision exempting disclosure if "the public interest served by not disclosing the record clearly outweighs the public interest served by disclosure." (§ 6255, subd. (a).)

3 CPRA was modeled on the *federal Freedom of Information Act (FOIA)* (5 U.S.C. § 552). (*San Gabriel Tribune v. Superior Court* (1983) 143 Cal.App.3d 762, 772 [192 Cal. Rptr. 415].)

(3) "When we interpret a statute, [o]ur fundamental task ... is to determine the Legislature's intent so as to effectuate the law's purpose. We first examine the statutory language, giving it a plain and commonsense meaning. We do not examine that language in isolation, but in the context of the statutory framework as a whole in order to determine its scope and purpose and to harmonize the various parts of the enactment. If the language is clear, courts must generally follow its plain meaning unless a literal interpretation would result in absurd con-

sequences the Legislature did not intend. If the statutory language permits more than one reasonable interpretation, courts may consider other aids, such as the statute's purpose, legislative [*617] history, and public policy.' [Citation.] 'Furthermore, we consider portions of a statute in the context of the entire statute [**8] and the statutory scheme of which it is a part, giving significance to every word, phrase, sentence, and part of an act in pursuance of the legislative purpose.' (*Sierra Club v. Superior Court* (2013) 57 Cal.4th 157, 165-166 [158 Cal. Rptr. 3d 639, 302 P.3d 1026].)

(4) In CPRA cases, this standard approach to statutory interpretation is augmented by a constitutional imperative. (See *Sierra Club v. Superior Court*, *supra*, 57 Cal.4th at p. 166.) Proposition 59 amended the Constitution to provide "A statute, court rule, or other authority, including those in effect on the effective date of this subdivision, shall be *broadly* construed if it furthers the people's right of access, and *narrowly* construed if it limits the right of access." (*Cal. Const.*, art. I, § 3, subd. (b)(2), italics added.) "'Given the strong public policy of the people's right to information concerning the people's business (*Gov. Code*, § 6250), and the constitutional mandate to construe statutes limiting the right of access narrowly (*Cal. Const.*, art. I, § 3, subd. (b)(2)), "all public records are subject to disclosure unless the Legislature has *expressly* provided to the contrary.'" (*Sierra Club*, at p. 166.)

(5) We begin with the term "public record," which CPRA defines to include "any writing containing information relating to the conduct of the public's business prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics." (§ 6252, subd. (e); hereafter [**9] "public records" definition.) Under this definition, a public record has four aspects. It is (1) a writing, (2) with content relating to the conduct of the public's business, which is (3) prepared by, or (4) owned, used, or retained by any state or local agency.

1. Writing

CPRA defines a "writing" as "any handwriting, typewriting, printing, photostating, photographing, photocopying, transmitting by electronic mail or facsimile, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof, and any record thereby created, regardless of the manner in which the record has been stored." (§ 6252, subd. (g).) It is undisputed that the items at issue here constitute writings.

In 1968, creating a "writing" could be a fairly involved process. Typically, a person would use an im-

plement to type, or record words longhand, or would dictate to someone else who would write or type a document. Writings were generally made on paper or some other tangible medium. These writings were physically identifiable and could be retrieved by examining the physical repositories where they were stored. Writings [**10] exchanged with people outside [*618] the agency were generally sent, on paper, through the mail or by courier. In part because of the time required for their preparation, such writings were fairly formal and focused on the business at hand.

Today, these tangible, if laborious, writing methods have been enhanced by electronic communication. E-mail, text messaging, and other electronic platforms, permit writings to be prepared, exchanged, and stored more quickly and easily. However, the ease and immediacy of electronic communication has encouraged a commonplace tendency to share fleeting thoughts and random bits of information, with varying degrees of import, often to broad audiences. As a result, the line between an official communication and an electronic aside is now sometimes blurred. The second aspect of CPRA's "public records" definition establishes a framework to distinguish between work-related and purely private communications.

2. Relating to the Conduct of the Public's Business

(6) The overall structure of CPRA, with its many exemptions, makes clear that not everything written by a public employee is subject to review and disclosure. To qualify as a public record, a writing must "contain[] [**11] information relating to the conduct of the public's business." (§ 6252, subd. (e).) Generally, any "record ... kept by an officer because it is necessary or convenient to the discharge of his official duty ... is a public record." (*Braun v. City of Taft* (1984) 154 Cal.App.3d 332, 340 [201 Cal. Rptr. 654]; see *People v. Purcell* (1937) 22 Cal.App.2d 126, 130 [70 P.2d 706].)

Whether a writing is sufficiently related to public business will not always be clear. For example, depending on the context, an e-mail to a spouse complaining "my coworker is an idiot" would likely not be a public record. Conversely, an e-mail to a superior reporting the coworker's mismanagement of an agency project might well be. Resolution of the question, particularly when writings are kept in personal accounts, will often involve an examination of several factors, including the content itself; the context in, or purpose for which, it was written; the audience to whom it was directed; and whether the writing was prepared by an employee acting or purporting to act within the scope of his or her employment. Here, the City claimed all communications in personal accounts are beyond the reach of CPRA. As a result, the content of specific records is not before us. Any disputes

over this aspect of the "public records" definition await resolution in future proceedings. [* *12]

(7) We clarify, however, that to qualify as a public record under CPRA, at a minimum, a writing must relate in some substantive way to the conduct of the public's business. This standard, though broad, is not so elastic as to include every piece of information the public may find interesting. Communications that are primarily personal, containing no more than incidental [*619] mentions of agency business, generally will not constitute public records. For example, the public might be titillated to learn that not all agency workers enjoy the company of their colleagues, or hold them in high regard. However, an employee's electronic musings about a colleague's personal shortcomings will often fall far short of being a "writing containing information relating to the conduct of the public's business." (§ 6252, *subd. (e).*)

4 We recognize that this test departs from the notion that "[o]nly purely personal" communications "totally void of reference to governmental activities" are excluded from CPRA's definition of public records. (Assem. Corn. on Statewide Information Policy, Final Rep. (Mar. 1970) 1 Assem. J. (1970 Reg. Sess.) p. 9; see *San Gabriel Tribune v. Superior Court*, *supra*, 143 Cal.App.3d at p. 774.) While this conception may yield correct results in some circumstances, it may sweep too broadly in others, particularly when applied to electronic communications sent through personal accounts.

Coronado Police Officers Assn. v. Carroll (2003) 106 Cal.App.4th 1001 [131 Cal. Rptr. 2d 553] demonstrates the intricacy of determining whether a writing is related to public business. There, police officers sought access to a database of impeachment material compiled by public defenders. The attorneys contributed to the database and used its contents in their work. (*Id.* at p. 1005.) However, their representation of individual clients, though paid for by a public entity, was considered under case law [*13] to be essentially a private function. (*Id.* at pp. 1007-1009; see *Polk County v. Dodson* (1981) 454 U.S. 312, 321-322 [70 L. Ed. 2d 509, 102 S. Ct. 445].) Accordingly, the *Coronado* court concluded the database did not relate to public business and thus was not a public record. (*Coronado*, at pp. 1007-1009.) The court was careful to note that not all documents related to the database were private, however. Documents reflecting policy decisions about whether and how to maintain the database might well relate to public business, rather than the representation of individual clients. (*Id.* at p. 1009.) Content of that kind would constitute public records. (*Ibid.*)

3. Prepared by Any State or Local Agency

The City focuses its challenge on the final portion of the "public records" definition, which requires that writings be "prepared, owned, used, or retained by any state or local agency." (§ 6252, *subd. (e).*) The City argues this language does not encompass communications agency employees make through their personal accounts. However, the broad construction mandated by the Constitution supports disclosure.

A writing is commonly understood to have been prepared by the person who wrote it. If an agency employee prepares a writing that substantively relates to the conduct of public business, that writing would appear to satisfy the Act's [*14] definition of a public record. The City urges a contrary conclusion [*620] when the writing is transmitted through a personal account. In focusing its attention on the "owned, used, or retained by" aspect of the "public records" definition, however, it ignores the "prepared ... by" aspect. (§ 6252, *subd. (e).*) This approach fails to give "significance to every word, phrase, sentence, and part" of the Act. (*Sierra Club v. Superior Court*, *supra*, 57 Cal.4th at p. 166.)

The City draws its conclusion by comparing the Act's definitions of "local" and "state" agency. Under CPRA, "'Local agency' includes a county; city, whether general law or chartered; city and county; school district; municipal corporation; district; political subdivision; or any board, commission or agency thereof; other local public agency; or entities that are legislative bodies of a local agency pursuant to *subdivisions (c) and (d) of Section 54952.*" (§ 6252, *subd. (a)*, italics added.) The City points out that this definition does not specifically include individual government officials or staff members, whereas individuals *are* specifically mentioned in CPRA's definition of "state agency." According to that definition, "'State agency' means every state office, *officer*, department, division, bureau, board, and commission or other [*15] state body or agency, except those agencies provided for in *Article IV (except Section 20 thereof) or Article VI of the California Constitution.*" (sC 6252, *subd. (f)(1)*, italics added.) The City contends this difference shows the Legislature intended to exclude individuals from the local agency definition. If a local agency does not encompass individual officers and employees, it argues, only writings accessible to the agency as a whole are public records. This interpretation is flawed for a number of reasons.

5 Article IV establishes the Legislature, and *article VI* establishes the state's judiciary. (*Cal. Const., arts. IV, VI.*) These branches of government are thus generally exempt from CPRA. (See *Sander v. State Bar of California*, *supra*, 58 Cal.4th at p. 318; *Copley Press, Inc. v. Superior*

Court (1992) 6 Cal.App.4th 106, 111 [7 Cal. Rptr. 2d 8411.]

(8) The City's narrow reading of CPRA's local agency definition is inconsistent with the constitutional directive of broad interpretation. (*Cal. Const., art. I, § 3, subd. (b)(2)*; see *Sierra Club v. Superior Court*, *supra*, 57 Cal.4th at p. 175.) Broadly construed, the term "local agency" logically includes not just the discrete governmental entities listed in *section 6252, subdivision (a)* but also the individual officials and staff members who conduct the agencies' affairs. It is well established that a governmental entity, like a corporation, can act only through its individual officers and employees. (*Suezaki v. Superior Court* (1962) 58 Cal.2d 166, 174 [23 Cal. Rptr. 368, 373 P.2d 432]; *Alvarez v. Felker Mfg. Co.* (1964) 230 Cal.App.2d 987, 998 [41 Cal. Rptr. 514]; see *United States v. Dotterweich* (1943) 320 U.S. 277, 281 [88 L. Ed. 48, 64 S. Ct. 134]; *Reno v. Baird* (1998) 18 Cal.4th 640, 656 [76 Cal Rptr. 2d 499, 957 P.2d 1333]) A disembodied governmental agency [*621] cannot prepare, own, use, or retain any record. Only the human beings who serve in agencies can do these things. When employees are conducting agency business, they are working for the agency and on its behalf. (See, e.g., *California Assn. of Health Facilities v. Department of Health Services* (1997) 16 Cal.4th 284, 296-297 [65 Cal. Rptr. 2d 872, 940 P.2d 323]; cf. [*I 6] *Competitive Enterprise Institute v. Office of Science & Technology Policy* (D.C. Cir. 2016) 827 F.3d 145, 149 [reaching the same conclusion for federal FOIA requests].) We presume the Legislature was aware of these settled principles. (See *People v. Superior Court (Zamudio)* (2000) 23 Cal.4th 183, 199 [96 Cal. Rptr. 2d 463, 999 P.2d 686]) A writing prepared by a public employee conducting agency business has been "prepared by" the agency within the meaning of *section 6252, subdivision (e)*, even if the writing is prepared using the employee's personal account.

The City also fails to explain how its proposed requirement that a public record be "accessible to the agency as a whole" could be practically interpreted. Even when documents were stored in filing cabinets or ledgers, many writings would not have been considered accessible to all agency employees, regardless of their level of responsibility or involvement in a particular project.

Moreover, although employees are not specifically mentioned in the local agency definition, nothing in the statutory language indicates the Legislature meant to *exclude* these individuals from CPRA obligations. The City argues the omission of the word "officer" from the local agency definition reflects a legislative intent that CPRA apply to individuals who work in *state* agencies but *not* employees in local government. The City offers no reason why the Legislature would draw such an arbi-

trary [*17] distinction. If it intended to impose different disclosure obligations on state and local agencies, one would expect to find this difference highlighted throughout the statutory scheme, particularly when the obligations relate to a "fundamental and necessary right of every person in this state." (sC 6250.) Yet there is no mention of such an intent anywhere in the Act. Indeed, under the City's logic, CPRA obligations would potentially extend only to state *officers*, not necessarily state *employees*. The distinction between tenured public officers and those who hold public employment has long been recognized. (See *In re M.M.* (2012) 54 Cal.4th 530, 542-544 [142 Cal. Rptr. 3d 869, 278 P.3d 1221]) Considering CPRA's goal of promoting public access, it would have been odd for the Legislature to establish different rules for different levels of state employment. Contrary to the City's view, it seems more plausible that the reference to "every state ... officer" in the state agency definition (§ 6252, *subd. (P)*) was meant to extend CPRA obligations to elected state officers, such as the Governor, Treasurer, or [*622] Secretary of State, who are not part of a collective governmental body nor generally considered *employees* of a state agency.⁶

6 In one respect the local agency definition is worded more broadly than the state agency definition. *Section 6252, subdivision (a)* states that the term local agency "includes" a county, city, or one of several other listed entities. In statutory drafting, the term "includes" is ordinarily one "of enlargement rather than limitation." (*Ornelas v. Randolph* (1993) 4 Cal.4th 1095, 1101 [17 Cal. Rptr. 2d 594, 847 P.2d 560].) "The 'statutory definition of a thing as 'including' certain things does not necessarily place thereon a meaning limited to the inclusions.'" (*Flanagan v. Flanagan* (2002) 27 Cal.4th 766, 774 [117 Cal. Rptr. 2d 574, 41 P.3d 575].) By contrast, the definition of "state agency" is couched in more restrictive language: "'State agency' *means* every state office, officer ... ," and other listed entities. (,§ 6252, *subd. (I)*), italics added.)

(9) The City's position is further undermined by another [*18] CPRA provision, which indicates that public records can be held by individual officials and need not belong to an agency as a whole. When it is alleged that public records have been improperly withheld, *section 6259, subdivision (a)* directs that "the court shall order the officer or person charged with withholding the records" to disclose the records or show cause why they should not be produced. If the court concludes "the public official's decision to refuse disclosure is not justified," it can order "the public official to make the record public." (§ 6259, *subd. (b)*.) If the court finds "that the public official was justified in refusing" disclosure, it must "re-

turn the item to the public official without disclosing its content." (*Ibid.*) The Legislature's repeated use of the singular word "official" in *section 6259* indicates an awareness that an individual may possess materials that qualify as public records. Moreover, the broad term "public official" encompasses officials in state and local agencies, signifying that CPRA disclosure obligations apply to individuals working in both levels of government.

4. *Owned, Used, or Retained by Any State or Local Agency*

CPRA encompasses writings prepared by an agency but also writings it owns, uses, [**19] or retains, regardless of authorship. Obviously, an agency engaged in the conduct of public business will use and retain a variety of writings related to that business, including those prepared by people outside the agency. These final two factors of the "public records" definition, use and retention, thus reflect the variety of ways an agency can possess writings used to conduct public business.

As to retention, the City argues "public records" include only materials in an agency's possession or directly accessible to the agency. Citing statutory arguments and cases limiting the duty to obtain and disclose documents possessed by others, the City contends writings held in an employee's personal account are beyond an agency's reach and fall outside CPRA. The argument fails. [*623]

(10) Appellate courts have generally concluded records related to public business are subject to disclosure if they are in an agency's actual or constructive possession. (See, e.g., *Board of Pilot Commissioners v. Superior Court* (2013) 218 Cal.App.4th 577, 598 [160 Cal. Rptr. 3d 285]; *Consolidated Irrigation Dist. v. Superior Court* (2012) 205 Cal.App.4th 697, 710 [140 Cal. Rptr. 3d 622] (*Consolidated Irrigation*)). "[A]n agency has constructive possession of records if it has the right to control the records, either directly or through another person." (*Consolidated Irrigation*, at p. 710.) For example, in *Consolidated Irrigation*, a city [**20] did not have constructive possession of documents in files maintained by subconsultants who prepared portions of an environmental impact report because the city had no contractual right to control the subconsultants or their files. (*Id.* at pp. 703, 710-711.) By contrast, a city had a CPRA duty to disclose a consultant's field survey records because the city had a contractual ownership interest and right to possess this material. (See *Community Youth Athletic Center v. City of National City* (2013) 220 Cal.App.4th 1385, 1426, 1428-1429 [164 Cal. Rptr. 3d 644] (*Community Youth*)).

(11) An agency's actual or constructive possession of records is relevant in determining whether it has an

obligation to search for, collect, and disclose the material requested. (See § 6253, *subd. (c)*.) It is a separate and more fundamental question whether a document located outside an agency's walls, or servers, is sufficiently "owned, used, or retained" by the agency so as to constitute a public record. (See § 6252, *subd. (e)*.) In construing FOIA, federal courts have remarked that an agency's public records "do not lose their agency character just because the official who possesses them takes them out the door." (*Competitive Enterprise Institute v. Office of Science and Technology Policy*, *supra*, 827 F.3d at p. 149.) (12) We likewise hold that documents otherwise meeting CPRA's definition of "public records" do not lose this status because they are located in an employee's personal account. A writing [**21] retained by a public employee conducting agency business has been "retained by" the agency within the meaning of *section 6252, subdivision (e)*, even if the writing is retained in the employee's personal account.

The City argues various CPRA provisions run counter to this conclusion. First, the City cites *section 6270*, which provides that a state or local agency may not transfer a public record to a private entity in a manner that prevents the agency "from providing the record directly pursuant to this chapter." (Italics added.) Taking the italicized language out of context, the City argues that public records are only those an agency is able to access "directly." But this strained interpretation sets legislative intent on its head. The statute's clear purpose is to prevent an agency from evading its disclosure duty by transferring custody of a record to a private holder and then arguing the record falls outside CPRA because it is no longer in the agency's possession. [*624] Furthermore, *section 6270* does not purport to excuse agencies from obtaining public records in the possession of their own employees. It simply prohibits agencies from attempting to evade CPRA by transferring public records to an intermediary not bound by the Act's disclosure [**22] requirements.

Next, the City relies on *section 6253.9, subdivision (a)(1)*, which states that an agency must make a public record available "in any electronic format in which it holds the information" (italics added), and on *section 6253, subdivision (a)*, which requires that public records be available for inspection "during ... office hours." These provisions do not assist the City. They merely address the mechanics of how public records must be disclosed. They do not purport to define or limit what constitutes a public record in the first place. Moreover, to say that only public records "in the possession of the agency" (5C 6253, *subd. (c)*) must be disclosed begs the question of whether the term "agency" includes individual officers and employees. We have concluded it does.

Under the City's interpretation of CPRA, a document concerning official business is only a public record if it is located on a government agency's computer servers or in its offices. Indirect access, through the agency's employees, is not sufficient in the City's view. However, we have previously stressed that a document's status as public or confidential does not turn on the arbitrary circumstance of where the document is located.

In *Commission on Peace Officer Standards, supra*, 42 Cal.4th at pages 289 to 290, a state agency argued certain employment information [**23] was exempt from disclosure under CPRA because it had been placed in confidential personnel files. In considering a Penal Code provision that deems peace officer personnel records confidential, we rejected an interpretation that made confidentiality turn on the type of file in which records are located, finding it "unlikely the Legislature intended to render documents confidential based on their location, rather than their content." (*Commission on Peace Officer Standards, at p. 291.*) Although we made this observation in analyzing the scope of a CPRA exemption, the same logic applies to the Act's definition of what constitutes a public record in the first place. We found it unlikely "the Legislature intended that a public agency be able to shield information from public disclosure simply by placing it in" a certain type of file. (*Commission on Peace Officer Standards, at p. 291.*) Likewise, there is no indication the Legislature meant to allow public officials to shield communications about official business simply by directing them through personal accounts. Such an expedient would gut the public's presumptive right of access (*Sander v. State Bar of California, supra*, 58 Cal.4th at p. 323), and the constitutional imperative to broadly construe this right (*Cal. Const., art. I, § 3, subd. (b)(2).*) [**625]

(13) In light of these principles, and considering *section 6252, subdivision (e)* in the context [**24] of the Act as a whole (see *Smith v. Superior Court (2006)* 39 Cal.4th 77, 83 [45 Cal. Rptr. 3d 394, 137 P.3d 218]), we conclude a city employee's communications related to the conduct of public business do not cease to be public records just because they were sent or received using a personal account. Sound public policy supports this result.

B. Policy Considerations

Both sides cite policy considerations to support their interpretation of the "public records" definition. The City argues the definition reflects a legislative balance between the public's right of access and individual employees' privacy rights, and should be interpreted categorically. Smith counters that privacy concerns are properly addressed in the case-specific application of CPRA's exemptions, not in defining the overall scope of

a public record. Smith also contends any privacy intrusion resulting from a search for records in personal accounts can be minimized through procedural safeguards. Smith has the better of these arguments.

The City's interpretation would allow evasion of CPRA simply by the use of a personal account. We are aware of no California law requiring that public officials or employees use only government accounts to conduct public business. If communications sent through personal accounts [**25] were categorically excluded from CPRA, government officials could hide their most sensitive, and potentially damning, discussions in such accounts. The City's interpretation "would not only put an increasing amount of information beyond the public's grasp but also encourage government officials to conduct the public's business in private." (*Senat, Whose Business Is It: Is Public Business Conducted on Officials' Personal Electronic Devices Subject to State Open Records Laws?* (2014) 19 *Comm. L. & Pori* 293, 322.)

It is no answer to say, as did the Court of Appeal, that we must presume public officials conduct official business in the public's best interest. The Constitution neither creates nor requires such an optimistic presumption. Indeed, the rationale behind the Act is that it is for the *public* to make that determination, based on information to which it is entitled under the law. Open access to government records is essential to *verb* that government officials are acting responsibly and held accountable to the public they serve. (*CBS, Inc. v. Block (1986)* 42 Cal.3d 646, 651 [230 Cal. Rptr. 362, 725 P.2d 470].) "Such access permits checks against the arbitrary exercise of official power and secrecy in the political process." (*Ibid.*) The whole purpose of CPRA is to ensure transparency [**26] in government activities. If public officials could evade the law simply by clicking into a different e-mail account, or communicating through a personal device, sensitive information could routinely evade public scrutiny. [**626]

The City counters that the privacy interests of government employees weigh against interpreting "public records" to include material in personal accounts. Of course, public employees do not forfeit all rights to privacy by working for the government. (*Long Beach City Employees Assn. v. City of Long Beach (1986)* 41 *Cat 3d* 937, 951 [227 *Cat Rptr.*90, 719 P.2d 660].) Even so, the City essentially argues that the contents of personal e-mail and other messaging accounts should be categorically excluded from public review because these materials have traditionally been considered private. However, compliance with CPRA is not necessarily inconsistent with the privacy rights of public employees. Any personal information not related to the conduct of public business, or material falling under a statutory exemption, can

be redacted from public records that are produced or presented for review. (See § 6253, *subd. (a)*.)

(14) Furthermore, a crabbed and categorical interpretation of the "public records" definition is unnecessary to protect employee privacy. Privacy concerns can and should be addressed on a case-by-case [**27] basis. (See *International Federation, supra*, 42 Cal.4th at p. 329.) Beyond the definition of a public record, the Act itself limits or exempts disclosure of various kinds of information, including certain types of preliminary drafts, notes, or memoranda (§ 6254, *subd. (a)*), personal financial data (§ 6254, *subd. (n)*), personnel and medical files (§ 6254, *subd. (c)*), and material protected by evidentiary privileges (§ 6254, *subd. (k)*). Finally, a catchall exemption allows agencies to withhold any record if the public interest served by withholding it "clearly outweighs" the public interest in disclosure. (§ 6255, *subd. (a)*.) This exemption permits a balance between the public's interest in disclosure and the individual's privacy interest. (*International Federation, at pp. 329-330; BR V. Inc. v. Superior Court (2006) 143 Cal.App.4th 742, 755-756 [49 Cal. Rptr. 3d 519J]*.) The analysis here, as with other exemptions, appropriately focuses on the *content* of specific records rather than their location or medium of communication. (See *Commission on Peace Officer Standards, supra*, 42 Cal.4th at p. 291.)'

7 While admitting it invoked no CPRA exemptions in the proceedings below, the City nevertheless asks us to decide that messages in employees' personal accounts are universally exempt from disclosure under *section 6255*. This issue has not been preserved and is beyond the scope of our grant of review. It also appears impossible to decide on this record. Answering threshold questions about whether employees have a reasonable expectation of privacy (see *Hill v. National Collegiate Athletic Assn. (1994) 7 Cal.4th 1, 35 [26 Cal. Rptr. 2d 834, 865 P.2d 633J]*), or whether their messages are covered by the "deliberative process" privilege (*Times Mirror Co. v. Superior Court (1991) 53 Cal.3d 1325, 1339-1344 [283 Cal. Rptr. 893, 813 P.2d 240]*) would require a fact-intensive review of the City's policies and practices regarding electronic communications, if not the contents of the challenged documents themselves. The record here is insufficient.

The City also contends the search for public records in employees' accounts would itself raise privacy concerns. In order to search for responsive [**627] documents, the City claims agencies would have to demand the surrender of employees' electronic devices and passwords to their personal accounts. Such a search would be tantamount to invading employees' homes and rifling

through their filing cabinets, [**28] the City argues. It urges no case has extended CPRA so far.

Arguments that privacy interests outweigh the need for disclosure in CPRA cases have typically focused on the sensitive content of the documents involved, rather than the intrusiveness involved in searching for them. (See, e.g., *International Federation, supra*, 42 Cal.4th 319; *Copley Press, Inc. v. Superior Court (2006) 39 Cal.4th 1272 [48 Cal. Rptr. 3d 183, 141 P.3d 288]*.) Assuming the search for responsive documents can also constitute an unwarranted invasion of privacy, however, this concern alone does not tip the policy balance in the City's favor. Searches can be conducted in a manner that respects individual privacy.

C. Guidance for Conducting Searches

The City has not attempted to search for documents located in personal accounts, so the legality of a specific kind of search is not before us. However, the City and some amici curiae do highlight concerns about employee privacy. Some guidance about how to strike the balance between privacy and disclosure may be of assistance.

(15) CPRA requests invariably impose some burden on public agencies. Unless a records request is overbroad or unduly burdensome, agencies are obliged to disclose all records they can locate "with reasonable effort." (*California First Amendment Coalition v. Superior Court (1998) 67 Cal.App.4th 159, 166 [78 Cal. Rptr. 2d 847J]*.) Reasonable efforts do not require that agencies undertake extraordinarily [**29] extensive or intrusive searches, however. (See *American Civil Liberties Union Foundation v. Deukmejian (1982) 32 Cal.3d 440, 453 [186 Cal. Rptr. 235, 651 P.2d 822J]*; *Bertoli v. City of Sebastopol (2015) 233 Cal.App.4th 353, 371-372 [182 Cal. Rptr. 3d 308]*.) In general, the scope of an agency's search for public records "need only be reasonably calculated to locate responsive documents." (*American Civil Liberties Union of Northern California v. Superior Court (2011) 202 Cal.App.4th 55, 85 [134 Cal. Rptr. 3d 472]*; see *Community Youth, supra*, 220 Cal.App.4th at p. 1420.)

CPRA does not prescribe specific methods of searching for those documents. Agencies may develop their own internal policies for conducting searches. Some general principles have emerged, however. Once an agency receives a CPRA request, it must "communicate the scope of the information requested to the custodians of its records," although it need not use the [**628] precise language of the request. (*Community Youth, supra*, 220 Cal.App.4th at p. 1417.) As to requests seeking public records held in employees' nongovernmental accounts, an agency's first step should be to communicate the request to the employees in question. The agency may then reasonably rely on these employees to search

their own personal files, accounts, and devices for responsive material.

Federal courts applying FOIA have approved of individual employees conducting their own searches and segregating public records from personal records, so long as the employees have been properly trained in how to distinguish between the two. (See *Ethyl Corp. v. U.S. Environmental Protection Agency* (4th Cir. 1994) 25 F.3d 1241, 1247.) A federal employee who withholds a document identified [**30] as potentially responsive may submit an affidavit providing the agency, and a reviewing court, "with a sufficient factual basis upon which to determine whether contested items were 'agency records' or personal materials." (*Grand Central Partnership, Inc. v. Cuomo* (2d Cir. 1999) 166 F.3d 473, 481.) The Washington Supreme Court recently adopted this procedure under its state public records law, holding that employees who withhold personal records from their employer "must submit an affidavit with facts sufficient to show the information is not a 'public record' under the PRA. So long as the affidavits give the requester and the trial court a sufficient factual basis to determine that withheld material is indeed nonresponsive, the agency has performed an adequate search under the PRA." (*Nissen v. Pierce County* (2015) 183 Wn.2d 863, 886 [357 P.3d 45, 57].) We agree with Washington's high court that this procedure, when followed in good faith, strikes an appropriate balance, allowing a public agency "to fulfill its responsibility to search for and disclose public records without unnecessarily treading on the constitutional rights of its employees." (*Id.*, 357 P.3d at p. 58.)

Further, agencies can adopt policies that will reduce the likelihood of public records being held in employees' private accounts. "Agencies are in the best position to implement [**31] policies that fulfill their obligations" under public records laws "yet also preserve the privacy rights of their employees." (*Nissen v. Pierce County*, *supra*, 357 P.3d at p. 58.) For example, agencies might require that employees use or copy their government accounts for all communications touching on public business. Federal agency employees must follow such

procedures to ensure compliance with analogous FOIA requests. (See 44 U.S.C. § 2911(a) [prohibiting use of personal electronic accounts for official business unless messages are copied or forwarded to an official account]; 36 C.F.R. § 1236.22(6) (2016) [requiring that agencies ensure official e-mail messages in employees' personal accounts are preserved in the agency's recordkeeping system]; *Landmark Legal Foundation v. Environmental Protection Agency* (D.D.C. 2015) 82 F.Supp.3d 211, 225-226 [*629] [encouraging a policy that official e-mails be preserved in employees' personal accounts as well].)

We do not hold that any particular search method is required or necessarily adequate. We mention these alternatives to offer guidance on remand and to explain why privacy concerns do not require categorical exclusion of documents in personal accounts from CPRA's "public records" definition. If the City maintains the burden of obtaining records from personal accounts is too onerous, it will have an opportunity to so establish in [**32] future proceedings. (See *Connell v. Superior Court* (1997) 56 Cal.App.4th 601, 615-616 [65 Cal. Rptr. 2d 738]; *State Bd. of Equalization v. Superior Court* (1992) 10 Cal.1.App.4th 1177, 1188 [13 Cal. Rptr. 2d 342].)

D. Conclusion

(16) Consistent with the Legislature's purpose in enacting CPRA, and our constitutional mandate to interpret the Act broadly in favor of public access (*Cal. Const., art. I, § 3, subd. (b)(2)*), we hold that a city employee's writings about public business are not excluded from CPRA simply because they have been sent, received, or stored in a personal account.

DISPOSITION

The judgment is reversed, and the case is remanded for further proceedings consistent with this opinion.

Cantil-Sakauye, C. J., Werdegar, J., Chin, J., Liu, J., Cuellar, J., and Kruger, J., concurred.

Attachment C

**Public Disclosure Obligations for Electronic
Communications on Personal Accounts or Devices**

Public Disclosure Obligations for Electronic Communications on Personal Accounts or Devices



April 12 and 13, 2017
Meetings of LACERA Boards of
Investments and Retirement

Agenda

1. Overview of the CA Public Records Act and “electronic communications”
2. The Supreme Court’s decision in *City of San Jose v. Superior Court*
3. Proposed changes to LACERA’s Records Information Management (RIM) Policy
4. Discussion regarding next steps



California Public Records Act

Fundamental Precepts:

1. Information concerning the conduct of the public's business is a fundamental and necessary right for every person in the State.
2. Governmental records **shall** be disclosed, upon request, **unless** there is a specific exemption.
3. Disclosure obligations is interpreted broadly in favor of public access.



Two recurring interests that justify most exemptions:

1. Recognition of the individual's right to privacy (e.g., privacy in certain personnel, medical or similar records).
2. Key exemptions are based on the government's need to perform its assigned functions in a reasonably efficient manner (e.g., maintaining confidentiality of investigative records, official information, records related to pending litigation, and preliminary notes or memoranda).

California Public Records Act

To this end....

A presumptive right

The PRA creates a presumptive right of access to any record *created or maintained* by a public agency that relates in any way to the business of the public.



Disclosure is mandatory, unless exempt

Every such record must be disclosed unless a statutory exception is shown.

Narrowly construed

Exemptions are to be narrowly construed.

California Public Records Act

“Public Record” defined:

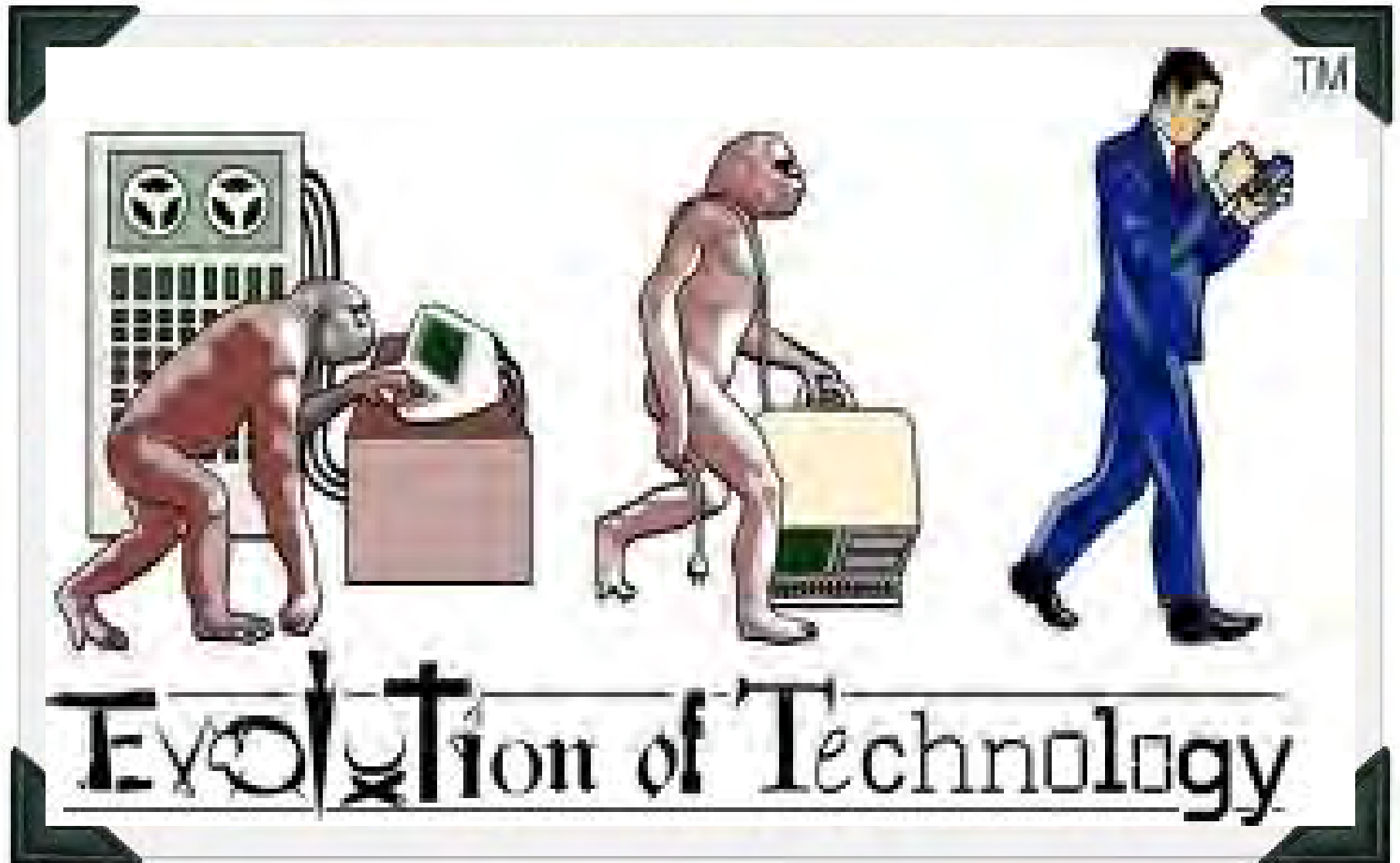
Any writing containing information relating to the conduct of the public’s business prepared, owned, used, or retained by any state or local agency. Govt. Code § 6252(e).

“Writing” defined:

Any handwriting, typewriting, printing, photostating, photographing, photocopying, transmitting by electronic mail or facsimile, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof, and any record thereby created, regardless of the manner in which the record has been stored. Govt. Code § 6252(g).

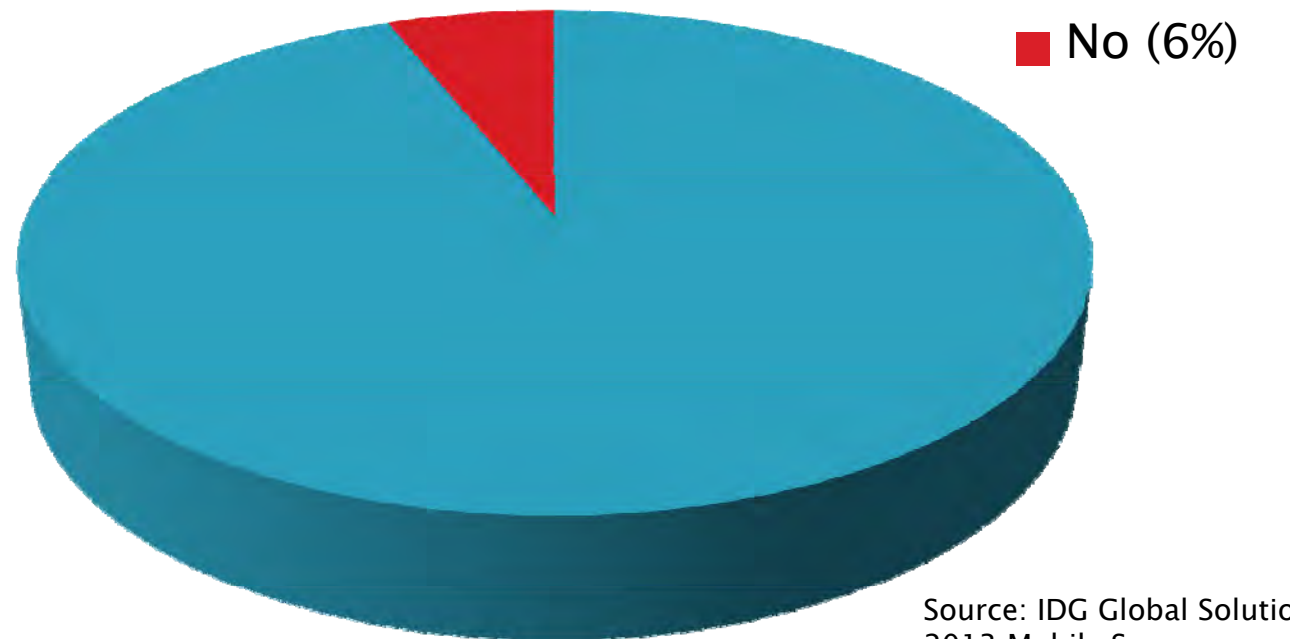


Business Revolution



The “Consumerization of Information Technology”

Employees Who Check Work Email Via Smartphone



Source: IDG Global Solutions
2013 Mobile Survey

“Newton’s 3rd Law : To Every Action, An Opposite And Equal Reaction!”

The problem:

The PRA was originally designed to cover paper documents. Applying it to evolving methods of electronic communication “[r]equires recognition that, in today’s environment, not all employment-related activity occurs during a conventional workday, or in an employer-maintained workplace.”

City of San Jose v. Superior Court (2017)
2 Cal. 5th 608



City of San Jose v. Superior Court

Issue

Are writings concerning the conduct of public business beyond the PRA's reach merely because they were sent or received using a nongovernmental account?

Held

Emails and text messages sent to or from personal accounts of public employees and public officials that relate to the public's business are subject to disclosure under the PRA.

Reasoning

Considering the PRA's language and the important policy interests it serves, employees' communications about official agency business may be subject to PRA regardless of the type of account used in their preparation or transmission.



City of San Jose v. Superior Court

Significant takeaways from the ruling:

- ▶ Documents otherwise meeting the PRA's definition of "public records" do not lose this status because they are located in an employee's personal account.
- ▶ If communications sent through personal accounts were categorically excluded from PRA, government officials could hide their most sensitive, and potentially damning, discussions in such accounts.
- ▶ Any personal information not related to the conduct of public business, or material falling under a statutory exemption, can be redacted from public records that are produced or presented for review. Privacy concerns can/should be addressed on a case-by-case basis.



City of San Jose v. Superior Court

Significant takeaways from the ruling:

- ▶ The analysis, as with other exemptions, focuses on the content of specific records rather than the location or the medium.
- ▶ To qualify as a public record under PRA, at a minimum, a writing must relate in some substantive way to the conduct of the public's business. Communications that are primarily personal, containing no more than incidental mentions of agency business, will generally not constitute public records. But this will not always be clear.
- ▶ For example, depending on the context, an email to a spouse complaining "my coworker is an idiot" would likely not be a public record. Conversely, an email to a superior reporting the coworker's mismanagement of a project might well be.



City of San Jose v. Superior Court

Guidance for conducting searches:

- ▶ PRA does not prescribe specific methods of searching for documents. Agencies may develop their own internal policies for conducting searches.
- ▶ An agency's first step should be to communicate a request for records held in employees' nongovernmental accounts to the employee in question. The agency may then reasonably rely on the employees to search their own personal files, accounts and devices for responsive material.
- ▶ Agencies can adopt policies that will reduce the likelihood of public records being held in employees' private accounts.



A man in a white shirt and red tie is writing the word 'PLANNING' on a whiteboard. The word is written in a simple, hand-drawn style with black marker. The man's face is partially visible behind the whiteboard.

PLANNING

PLANNING

Proposed Revisions to LACERA's Records Information Management (RIM) Policy



- ▶ Would require LACERA employees to send emails relating to LACERA business using LACERA controlled accounts, whether sent/received internally or sent/received externally.
- ▶ Strongly discourages the use of private communication accounts and private devices for LACERA business.
- ▶ **If adopted, staff believes the changes would:**
 - 1) fulfill LACERA's obligations under the CPRA;
 - 2) reduce the likelihood of public records being held in employee's private accounts and thereby protecting LACERA employees' privacy;
 - 3) increase likelihood that LACERA records are in compliance with LACERA's Records Inventory and Maintenance schedule.

TO DO...

What's next:

Education is key.

- ▶ Staff and Board Training

Got policy?

- ▶ Recommend/adopt changes to RIM and Information Technology Policy

Next Steps

- ▶ Migration to LACERA controlled accounts and devices?



Questions?



April 12 and 13, 2017
Meetings of LACERA Boards of
Investments and Retirement

April 3, 2017

SUPPLEMENTAL AGENDA INFORMATION

TO: Each Member
Board of Retirement

FROM: Barry W. Lew 
Legislative Affairs Officer

FOR: April 13, 2017 Board of Retirement Meeting

SUBJECT: **Assembly Bill 283—Disability Retirement and Peace Officers**

Author: Cooper [D]
Sponsor: Law Enforcement Managers Association
Introduced: February 2, 2017
Amended: March 23, 2017
Status: Re-referred to ASSEMBLY Committee on Public Employees,
Retirement & Social Security (03/27/2017)

IBLC Recommendation: Neutral (03/03/2017)
Staff Recommendation: Neutral

RECOMMENDATION

That the Board of Retirement adopt a “Neutral” position on Assembly Bill 283, which relates to disability retirement and peace officers.

LEGISLATIVE POLICY STANDARD

A “Neutral” position indicates that the legislative proposal affects LACERA and its stakeholders, but the Board neither supports nor opposes it. AB 283 proposes a change in plan design relating to the eligibility criteria for disability retirement and is not consistent with existing legislative policy standards that would entail support or opposition.

SUMMARY AND ANALYSIS OF AMENDMENTS

As amended on March 23, 2017, AB 283 would require that any member who is employed as a peace officer under Section 830 of the Penal Code shall be evaluated under a retirement system’s existing procedures to determine if he or she can perform all of the usual and customary duties of a peace officer. The evaluation would be based on the standards for peace officers as specified in Section 1031 of the Government Code.

The standard that is most germane to the determination of disability retirement is specified in Section 1031(f), which provides that peace officers “be found to be free from any physical, emotional, or mental condition that might adversely affect the exercise of

the powers of a peace officer.” The section further provides that physical condition shall be evaluated by a licensed physician and surgeon; emotional and mental condition shall be evaluated by a physician and surgeon or a psychologist, who meets certain requirements prescribed by Section 1031(f).

If AB 283 is enacted in 2017, the amended eligibility criteria under the bill would apply to any member who files an application for disability retirement on or after the effective date of the amendments, which would be January 1, 2018. The amendments would also apply to appeals filed on or after January 1, 2018. Thus, any applications or appeals filed before the amendments take effect on January 1, 2018, would continue to be determined without regard to the amended eligibility criteria.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD adopt a “Neutral” position on Assembly Bill 283, which relates to disability retirement and peace officers.

Reviewed and Approved:



Steven P. Rice, Chief Counsel

Attachment

AB 283 (Cooper) as amended March 23, 2017

cc: Frank Boyd
Ricki Contreras
Vincent Lim

AMENDED IN ASSEMBLY MARCH 23, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 283

Introduced by Assembly Member Cooper

February 2, 2017

An act to amend Section 31720 of the Government Code, relating to county employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 283, as amended, Cooper. County employees' retirement: permanent incapacity.

The County Employees Retirement Law of 1937 provides that a member who is permanently incapacitated shall be retired for disability despite age if, among other conditions, the member's incapacity is a result of injury or disease arising out of and in the course of the member's employment, and that employment contributes substantially to that incapacity or the member has completed 5 years of service and not waived retirement in respect to the particular incapacity or aggravation thereof, as specified.

This bill would specify that any member who is classified as a peace officer, as defined, shall be retired for disability upon meeting the criteria of this provision, regardless of the member's rank, position, or duty at the time of injury or at the time of application for permanent incapacity require, for purposes of determining permanent incapacity of certain members employed as peace officers, that those members be evaluated by the retirement system to determine if they can perform all of the usual and customary duties of a peace officer, as specified. The bill would apply to members who file applications for disability on or after

the effective date of the act, except for cases on appeal at that time. The bill also would also make nonsubstantive changes to that provision.

Vote: majority. Appropriation: no. Fiscal committee: no.
 State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 31720 of the Government Code is
 2 amended to read:

3 31720. (a) Any member permanently incapacitated for the
 4 performance of duty shall be retired for disability regardless of
 5 age if, and only if:

6 (1) The member’s incapacity is a result of injury or disease
 7 arising out of and in the course of the member’s employment, and
 8 that employment contributes substantially to that incapacity, or

9 (2) The member has completed five years of service, and

10 (3) The member has not waived retirement in respect to the
 11 particular incapacity or aggravation thereof as provided by Section
 12 31009.

13 ~~(b) Any member who is designated as a peace officer in Section~~
 14 ~~830 of the Penal Code, shall be retired for disability upon meeting~~
 15 ~~the criteria set forth in subdivision (a) regardless of that member’s~~
 16 ~~rank, position, or duty at the time of injury, or at the time of~~
 17 ~~application for permanent incapacity.~~

18 *(b) For any member who is employed in a position classified*
 19 *as a peace officer under Section 830 of the Penal Code, in*
 20 *determining permanent incapacity pursuant to subdivision (a), the*
 21 *member, based on the standards specified in Section 1031, shall*
 22 *be evaluated by the existing procedure established by the*
 23 *retirement system, to determine if that member can perform all of*
 24 *the usual and customary duties of a peace officer who is described*
 25 *under Section 830 of the Penal Code.*

26 (c) The amendments to this section enacted during the 1979–80
 27 Regular Session of the Legislature shall apply to all applicants for
 28 disability retirement on or after the effective date of those
 29 amendments.

30 *(d) The amendments to this section enacted during the 2017–18*
 31 *Regular Session of the Legislature shall apply to any member who*
 32 *files an application for disability retirement on or after the effective*
 33 *date of the amendments, except that the amendments shall not*

- 1 *apply to an appeal brought before the effective date of these*
- 2 *amendments.*

O

March 15, 2017

TO: Each Member
Board of Retirement

FROM: Insurance, Benefits and Legislative Committee
William de la Garza, Chair
Vivian H. Gray, Vice Chair
Ronald Okum
Alan Bernstein
David Muir, Alternate

FOR: April 13, 2017 Board of Retirement Meeting

SUBJECT: **Assembly Bill 283—Disability Retirement and Peace Officers**

Author: Cooper [D]
Sponsor: Law Enforcement Managers Association
Introduced: February 2, 2017
Status: Introduced (02/02/2017)

IBLC Recommendation: Neutral (03/03/2017)
Staff Recommendation: Neutral

RECOMMENDATION

That the Board of Retirement adopt a “Neutral” position on Assembly Bill 283, which relates to disability retirement and peace officers.

LEGISLATIVE POLICY STANDARD

A “Neutral” position indicates that the legislative proposal affects LACERA and its stakeholders, but the Board neither supports nor opposes it. AB 283 proposes a change in plan design relating to the eligibility criteria for disability retirement and is not consistent with existing legislative policy standards that would entail support or opposition.

SUMMARY

AB 283 would require that a member who is designated as a peace officer under Section 830 of the Penal Code be retired for disability if the member meets the criteria for disability retirement, regardless of the member’s rank, position, or duty at the time of the injury or at the time of application for disability retirement.

ANALYSIS

Existing Law

Section 31720 of the Government Code currently provides that a member shall be retired for disability regardless of age if the member is permanently incapacitated for the

performance of duty. The member is eligible for nonservice-connected disability retirement if the member has at least five years of service. The member is eligible for service-connected disability retirement if the member's incapacity is the result of injury or disease arising out of and in the course of the member's employment, and such employment contributes substantially to the incapacity.

In general, permanent incapacity for the performance of duty is determined by the inability of the member to substantially perform his or her usual duties. The definition of the term "incapacitated for the performance of duty" in *Mansperger v. Public Employees' Retirement System* (1970) 6 Cal.App.3d 873 was defined as the inability of the member to substantially perform his or her usual duties. The definition of incapacity under *Mansperger* has been applied to disability cases under the County Employees Retirement Law of 1937 (CERL). (See *Harmon v. Board of Retirement of San Mateo County* (1976) 62 Cal.App.3d 689 and *Schrier v. San Mateo County Employees' Retirement Association* (1983) 142 Cal.App.3d 957.)

This Bill

AB 283 provides that a member who is designated as a peace officer in Section 830 of the Penal Code will be retired for disability upon meeting the criteria in Section 31720 of the Government Code, regardless of the member's rank, position, or duty at the time of the injury or at the time of application for permanent incapacity.

According to a fact sheet issued by the bill's author, there is an inconsistency among the CERL retirement systems in the consideration of disability applications from peace officers in management positions. Some systems have denied disability retirement if the usual duties of the member do not require the physical demands that are found in the standards of being a peace officer. Other systems have granted disability retirement since regardless of the member's usual duties, he or she is required to meet the standards of a peace officer and be ready to respond to the physical demands of the job, such as being able to respond to emergencies and effect arrests, but is unable to. The bill seeks to resolve this inconsistency by specifying that regardless of rank, position, or duty, peace officers who are permanently incapacitated for the performance of duty would be granted disability retirement. As such, the standard of full duties of a peace officer instead of usual duties would be used in the determination of disability retirement for peace officers.

Sections 830 – 832.18 of the Penal Code list the various positions that are defined as peace officers; the sections also list positions that are defined as not being peace officers. Attachment 3 outlines the various categories of peace officer positions under the Penal Code that may include Los Angeles County employees as well as categories of positions that would not be considered peace officers. Attachment 4 lists various job classifications of employees that may be considered peace officers and the current employee population in each classification. The County of Los Angeles does not

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD adopt a “Neutral” position on Assembly Bill 283, which relates to disability retirement and peace officers.

Attachments

Attachment 1—Board Positions Adopted on Related Legislation

Attachment 2—Support And Opposition

Attachment 3—Peace Officers Under Penal Code Sections 830 – 832.18

Attachment 4—Peace Officer Job Classifications in Los Angeles County

AB 283 (Cooper) as introduced February 2, 2017

cc: Frank Boyd
Ricki Contreras
Vincent Lim
Steven P. Rice

BOARD POSITIONS ADOPTED ON RELATED LEGISLATION

AB 1692 (Chapter 123, Statutes of 2016) applied the terms and conditions of disability retirement in Tier Three to nonsafety members of the Contra Costa Employees' Retirement Association who are subject to the California Public Employees' Pension Reform Act of 2013 and for whom the Board of Supervisors of Contra Costa County is the governing body. The Board of Retirement adopted a "Watch" position.

AB 992 (Chapter 40, Statutes of 2015) clarified that a member who retired for service pursuant to Government Code Section 31725.7 and is later granted a disability retirement may change the retirement option that he or she elected at the time the service retirement was granted. The Board of Retirement adopted a "Support" position.

AB 1902 (Chapter 86, Statutes of 2010) enabled Plan D members who transferred prospectively from Plan E but do not meet the requirements for disability retirement to transfer back to Plan E and continue to be eligible for long-term disability benefits from Los Angeles County. The Board of Retirement adopted a "Support" position.

AB 1739 (Chapter 83, Statutes of 2010) required that a member who becomes permanently incapacitated for the performance of duty as a direct result of injury or disease arising out of, and in the course of, active military service while on military leave, to be retired for nonservice-connected disability regardless of age or years of service. The section becomes operative upon adoption of a resolution by majority vote by the board of supervisors of Los Angeles County. The Board of Retirement adopted a "Watch" position.

AB 538 (Chapter 190, Statutes of 2009) provided a safety member who was on a disability leave of absence the opportunity to receive a physician certification upon his or her return to service that the member was capable of performing his or her assigned duties and consequently not subject to mandatory retirement prior to receiving that opportunity. The Board of Retirement adopted a "Watch" position.

AB 283
Attachment 2—Support And Opposition
Insurance, Benefits and Legislative Committee
March 15, 2017
Page 1

SUPPORT

Law Enforcement Managers Association

OPPOSITION

None

Positions defined as “peace officers” under Sections 830 – 832.18 of the Penal Code that may include Los Angeles County employees.

Section	Position
830.1	Sheriff, undersheriff, deputy sheriff, district attorney investigator.
830.31	Police officer of County of Los Angeles. (Office of Public Safety merged with Sheriff’s Department in 2010.)
830.35	Welfare fraud investigator or inspector, child support investigator or inspector, coroner and deputy coroners.
830.37	Members of arson-investigating unit of county fire department, members in other units of county fire department that enforce laws relating to fire prevention or fire suppression.
830.5	Probation officer, deputy probation officer.
830.55	Correctional officers of a county that operates certain facilities.
830.6	Reserve or auxiliary sheriff, reserve deputy sheriffs, any person summoned to the aid of a uniformed peace officer.

Positions defined as not “peace officers” under Sections 830 – 832.18 of the Penal Code that may include Los Angeles County employees.

Section	Position
830.7	Security officers of health facilities owned and operated by a county.
830.9	Animal control officers
830.12	Litter control officers, vehicle abatement officers, registered sanitarians, solid waste specialists.
830.13	Investigators of a county auditor-controller.
831	Custodial officers of a county law enforcement agency.
831.4	Sheriff’s security officer.
831.7	Custody assistant of county sheriff’s department.

ITEM	CLASSIFICATION	COUNT
1638	ASSISTANT CHIEF, CORONER'S INVESTIGATIONS	1
8612	ASSISTANT PROBATION DIRECTOR	10
9969	ASSISTANT SHERIFF/UC/	3
8629	ASST HEAD TRANSP DEPUTY,PROBATION	0
8633	BUREAU CHIEF, PROBATION	11
2721	CAPTAIN	77
2896	CAPTAIN,DA	5
1645	CHIEF, CORONER'S INVESTIGATIONS	2
8632	CHIEF DEPUTY PROBATION OFFICER (UC)	1
2723	COMMANDER	26
1637	CORONER INVESTIGATOR	35
1636	CORONER INVESTIGATOR TRAINEE	4
8616	DEPUTY DIRECTOR, PROBATION (UC)	2
8604	DEPUTY PROBATION OFFICER I, FIELD	0
8607	DEPUTY PROBATION OFFICER II, FIELD	1,423
2708	DEPUTY SHERIFF	7,685
9977	DETECTIVE, UNCLASSIFIED	1
9978	DETECTIVE, UNCLASSIFIED	1
9979	DETECTIVE, UNCLASSIFIED	1
9980	DETECTIVE, UNCLASSIFIED	2
8655	DETENTION SERVICES OFFICER	777
9968	DIVISION CHIEF,SHERIFF/UC/	13
8609	DPY PROB OFCR II, RESIDENT TREAT/DETENTION SVCS	285
8608	DPY PROB OFFCR I, RESIDENT TREAT/DETENTION SVCS	482
8602	GROUP SUPERVISOR II	38
8619	GROUP SUPERVISOR II, PROBATION	0
8618	GROUP SUPERVISOR, NIGHTS, PROBATION	375
2889	INVESTIGATOR, D.A.	19
2719	LIEUTENANT	384
2894	LIEUTENANT,DA	13
8620	PROBATION DIRECTOR	87
8624	PROBATION OFFICER	2
8657	SENIOR DETENTION SERVICES OFFICER	139
2890	SENIOR INVESTIGATOR, D.A.	208
8621	SENIOR PROBATION DIRECTOR	14

AB 283

Attachment 4—Peace Officer Job Classifications in Los Angeles County
Insurance, Benefits and Legislative Committee

March 15, 2017

Page 2

ITEM	CLASSIFICATION	COUNT
2717	SERGEANT	1,293
2891	SERGEANT, D.A.	40
1639	SUPERVISING CORONER'S INVESTIGATOR I	5
1642	SUPERVISING CORONER'S INVESTIGATOR II	1
9994	SHERIFF/UNCLASSIFIED	1
8610	SUPVVG DEPUTY PROBATION OFFICER	302
8659	SUPVVG DETENTION SERVICES OFFICER	60
8627	SUPVVG TRANSP DEPUTY, PROBATION	9
9153	SUPERVISING WELFARE FRAUD INVESTIGATOR	27
8626	TRANSPORTATION DEPUTY, PROBATION	84
9970	UNDERSHERIFF, UNCLASSIFIED	1
9151	WELFARE FRAUD INVESTIGATOR TRAINEE	23
9152	WELFARE FRAUD INVESTIGATOR	136
TOTAL		14,108

ASSEMBLY BILL

No. 283

Introduced by Assembly Member Cooper

February 2, 2017

An act to amend Section 31720 of the Government Code, relating to county employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 283, as introduced, Cooper. County employees' retirement: permanent incapacity.

The County Employees Retirement Law of 1937 provides that a member who is permanently incapacitated shall be retired for disability despite age if, among other conditions, the member's incapacity is a result of injury or disease arising out of and in the course of the member's employment, and that employment contributes substantially to that incapacity or the member has completed 5 years of service and not waived retirement in respect to the particular incapacity or aggravation thereof, as specified.

This bill would specify that any member who is classified as a peace officer, as defined, shall be retired for disability upon meeting the criteria of this provision, regardless of the member's rank, position, or duty at the time of injury or at the time of application for permanent incapacity. The bill would also make nonsubstantive changes to that provision.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 31720 of the Government Code is
2 amended to read:

3 31720. (a) Any member permanently incapacitated for the
4 performance of duty shall be retired for disability regardless of
5 age if, and only if:

6 (a)
7 (1) The member’s incapacity is a result of injury or disease
8 arising out of and in the course of the member’s employment, and
9 ~~such that~~ employment contributes substantially to ~~such that~~
10 incapacity, or

11 (b)
12 (2) The member has completed five years of service, and

13 (c)
14 (3) The member has not waived retirement in respect to the
15 particular incapacity or aggravation thereof as provided by Section
16 31009.

17 (b) *Any member who is designated as a peace officer in Section*
18 *830 of the Penal Code, shall be retired for disability upon meeting*
19 *the criteria set forth in subdivision (a) regardless of that member’s*
20 *rank, position, or duty at the time of injury, or at the time of*
21 *application for permanent incapacity.*

22 (c) The amendments to this section enacted during the 1979–80
23 Regular Session of the Legislature shall ~~be applicable~~ *apply* to all
24 applicants for disability retirement on or after the effective date
25 of ~~such those~~ amendments.

O



April 6, 2017

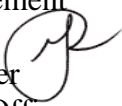
TO: Each Member
Board of Retirement

SUBJECT: BOR Meeting on April 13, 2017 – Non-Consent Agenda: Item VI. F.

No written materials are presently available for this item. Materials will be provided via email prior to the Board meeting and will also be provided in the Green Folder.

March 29, 2017

TO: Each Member
Board of Retirement

FROM: Gregg Rademacher 
Chief Executive Officer

FOR: April 13, 2017 Board of Retirement Meeting

SUBJECT: **BOARD OF RETIREMENT MEETING CALENDAR**

RECOMMENDATION

It is recommended the Board of Retirement review the January 2018 meeting schedule and consider rescheduling the Wednesday, January 3, 2018 meeting.

DISCUSSION

Dr. Campese would like to request the Board to reschedule the Wednesday, January 3, 2018 meeting due to his vacation plans during the New Year's holiday week.

Following are potential meeting dates for our January 2018 meeting.

Monday, January 8, 2018
Tuesday, January 9, 2018
Thursday, January 11, 2018 – Joint Meeting

A copy of the January educational calendar is attached for your planning convenience. Please note, the LACERA Board Offsite dates have yet to be determined due to our current search for available hotels; therefore, the week of January 22 and January 29 have been reserved pending the dates of the LACERA Board Offsite.

GR:bn

Attachment

January 2018

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 New Year's Day	2	3 BOR (Disability & OOC Committees)	4	5	6
7	8	9	10 BOI (Committees)	11 BOR (IBL Committee)	12	13
14	15 Martin Luther King Day	16	17 RELAC Annual Luncheon - Alhambra, CA	18	19	20
21	22	23	24	25	26	27
		<i>TENTATIVE</i> - LACERA Board Offsite				
		(BOR)	(RHC)	(BOI)	(BOI)	
28	29	30	31	1	2	
		<i>TENTATIVE</i> - LACERA Board Offsite				
		(BOR)	(RHC)	(BOI)	(BOI)	
NCPERS Legislative Conference - Washington D.C.						



April 4, 2017

TO: Each Member
Board of Investments

FROM: Gregg Rademacher 
Chief Executive Officer

FOR: Board of Investments Meeting of April 12, 2017
Board of Retirement Meeting of April 13, 2017

SUBJECT: The 2017 Fortune Brainstorm Tech Conference
July 17 –19, 2017 in Aspen, Colorado

The 2017 Fortune Brainstorm Tech Conference will be held on July 17-19, 2017 at the Aspen Institute in Aspen, Colorado. This conference will provide a unique blend of the power of Fortune 500 companies, top emerging entrepreneurs of the tech world, and the most important investors who finance them.

Main conference highlights include the following:

- Enterprise Disruption
- Direct-to-Consumer Challenges
- Tackling Issues of Talent Development and Artificial Intelligence
- Venture Capital, Diversity and Hiring, Health, and Fintech
- Cyber Warfare, Retail, Design, Ethics, Venture Capital, and Entertainment

The conference meets LACERA's policy of an average of five (5) hours of substantive educational content per day. The registration fee is \$6,500 and participation is subject to approval. The conference will be held at the Aspen Institute and attendees are responsible for their hotel accommodations. The discounted hotel rates range from \$364.00 to \$500.00 plus applicable resort fees and taxes.

If the registration fee is insufficient to pay the cost of the meals provided by the conference sponsor, LACERA must reimburse the sponsor for the actual cost of the meals, less any registration fee paid. Otherwise, the attendee will be deemed to have received a gift equal to the value of the meals, less any registration fee paid, under California's Political Reform Act.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

Approve attendance of Board members at the 2017 Fortune Brainstorm Tech Conference on July 17 –19, 2017 in Aspen, Colorado and approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy.

GR/lg

Attachment

FORTUNE BRAINSTORM TECH

July 17-19, 2017: Aspen, CO

MONDAY, JULY 17, 2017

8:00 AM–12:00 PM

RECREATIONAL ACTIVITIES

Take a 25-mile bike ride through Maroon Bells or a hike to the top of Maroon Lake, practice yoga in Anderson Park, experience the slopes of Buttermilk Mountain on horseback, or visit the Baldwin Gallery and the Aspen Art Museum. All activities hosted by Fortune editors.

2:00 PM–5:50 PM

WELCOME, OPENING SESSIONS, RECEPTION, AND KEYNOTE CONVERSATION

Afternoon sessions include interviews with leaders, experts, and creators about big mergers, robotics, artificial intelligence, the future of transportation, security, and commerce. After a reception in the fresh air, attendees will return to the Brainstorm Tent for the evening keynote conversation.

TUESDAY, JULY 18, 2017

8:00 AM–9:00 AM

BREAKFAST ROUNDTABLES

Brainstorm TECH roundtables give attendees the opportunity to choose the session they want to attend and be part of the discussion, along with featured panelists. Topics include enterprise disruption, direct-to-consumer challenges, and tech's role in the burgeoning marijuana business.

9:00 AM–12:10 PM

MORNING SESSIONS

Attendees return to the Brainstorm Tent for compelling interviews and small-panel discussions on topics such as cyber warfare, retail, design, ethics, venture capital, and entertainment.

TUESDAY, JULY 18, 2017 (Continued)

12:10 PM–1:35 PM

LUNCH

Attendees choose one of two concurrent lunches tackling the issues of talent development and artificial intelligence—or attend the informal networking lunch.

1:45 PM–5:15 PM

AFTERNOON SESSIONS

Choose from a selection of afternoon roundtable discussions, then join us back in the Brainstorm Tent for more challenging topics by top CEOs, entrepreneurs, and financiers—plus demos that will give you new perspective. Topics include retail, how a well-known entertainment company is leveraging tech, the blockchain (and why we all need to know more about it), and a panel of well-known CEOs sharing their experiences on a hot-button issue.

5:30 PM–7:30 PM

RECEPTION

Attendees are invited to our annual early evening reception at the lovely, walking-distance home of Laura and Gary Lauder.

WEDNESDAY, JULY 19, 2017

8:00 AM–9:00 AM

BREAKFAST ROUNDTABLES

Start off the morning by choosing one of our captivating Brainstorm TECH roundtables and be an active part of the discussion, along with featured panelists. Topics include venture capital, diversity and hiring, health, and fintech.

9:00 AM–11:00 AM

MORNING SESSIONS

Join us in the Brainstorm Tent for our grand closing sessions featuring intimate interviews and a look to the future.

FOR INFORMATION ONLY

April 4, 2017

TO: Each Member,
Board of Retirement

FROM: Steven P. Rice *SPR*
Chief Counsel

FOR: April 13, 2017 Board of Retirement Meeting

SUBJECT: **SUMMARY OF ACTIONS AND PLANS IN SUPPORT OF BOARD
ACTIVISM**

This memo will represent a summary of staff actions taken and currently planned regarding Activism by the Board of Retirement (Board) following the discussion at the January 2017 Offsite. These actions are in addition to the regular monthly consideration of legislation by the Insurance, Benefits & Legislative Committee (IBLC) and the Board.

Actions Taken

1. Several Board discussions of the *MAPE v. Marin CERA* vested rights case.
2. Presentation to the Board on April 5, 2017 by Chris Waddell, outside counsel, concerning the *MAPE v. Marin CERA* vested rights case, other pending litigation, and the potential impact of the cases on administration of public retirement systems.
3. Recommendation to the Insurance, Benefits & Legislative Committee (IBLC) on April 13, 2017 that the Board approve issuance of two Requests for Proposal (RFPs) for state and federal legislative advocacy services on health, benefit, and plan administration issues.

Actions Currently Planned to Be Taken

1. Continued monitoring, and presentations to the Board as needed, on *MAPE v. Marin CERA* and other pending litigation.
2. If the IBLC approves the recommendation, action by the Board on May 11, 2017 to approve the RFPs for state and federal legislative advocacy services, followed by estimated completion of the RFPs and approval of successful respondents at the IBLC's July 13, 2017 meeting and the Board's August 10, 2017 meeting.

///

3. Presentation for discussion by the IBLC at its May 11, 2017 meeting, and first review, of draft documents for the Board's Activism program, including:
 - a. Governing Principles; and
 - b. Policy and Procedures.

Reviewed and Approved:



Gregg Rademacher
Chief Executive Officer

- c: Gregg Rademacher
Robert Hill
John Popowich



Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.

**For further information, contact:
LACERA
Attention: Public Records Act Requests
300 N. Lake Ave., Suite 620
Pasadena, CA 91101**



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