

AGENDA

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

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 NORTH LAKE AVENUE, SUITE 810
PASADENA, CA 91101

THURSDAY, JANUARY 12, 2017 - 9:00 A.M.**

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

COMMITTEE MEMBERS:

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

I. APPROVAL OF THE MINUTES

- A. Approval of the minutes of the regular meeting of December 15, 2016

II. PUBLIC COMMENT

III. FOR INFORMATION

- A. Staff Activities Report for December 2016
- B. Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) Part II
- C. Cigna & Anthem Blue Cross Claims Experience
- D. Federal Legislation
 - Aon Hewitt Washington Report

IV. GOOD OF THE ORDER

(For information purposes only)

V. ADJOURNMENT

January 12, 2017

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

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

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

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

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

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

GATEWAY PLAZA - 300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

THURSDAY, DECEMBER 15, 2016, 12:15 P.M. – 2:05 P.M.

COMMITTEE MEMBERS

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

ABSENT: Shawn R. Kehoe
Ronald Okum, Alternate

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Marvin Adams
Anthony Bravo
Yves Chery
David L. Muir

STAFF, ADVISORS, PARTICIPANTS

Cassandra Smith Steven Rice
Gregg Rademacher

Aon Hewitt

Kirby Bosley	Leslie McKee	Todd Delahanty
Helen Batsalkin	Tania Nordstrom	John Grosso
Susie Lee	Rachel Arnedt	Laura Peck
Nicole Martinez	Dr. Michael Cryer	Cathy Weis

Segal Consulting

Stephen Murphy	MaryAnne Watson
Richard Ward	Kathryn Bakich
Jennifer Schuster	

The meeting was called to order by Chair Robbins at 12:15 p.m.

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of October 13, 2016

Mr. de la Garza made a motion, Ms. Gray seconded, to approve the minutes of the regular meeting of October 13, 2016. The motion passed unanimously.

B. Approval of the minutes of the special meeting of November 2, 2016

Mr. de la Garza made a motion, Mr. Robbins seconded, to approve the minutes of the special meeting of November 2, 2016. The motion passed unanimously.

II. PUBLIC COMMENT

III. ACTION ITEMS

- A. Recommendation as submitted by Cassandra Smith, Director, Retiree Healthcare Division: That the Committee recommend the Board of Retirement select one firm to provide the Retiree Healthcare Benefits Program Consulting Services for the five year period beginning July 1, 2017 and ending June 30, 2022. (Memorandum dated November 29, 2016)

Aon and Segal Consulting provided brief presentations and answered questions from the Committee.

Ms. Gray made a motion, Mr. Robbins seconded, to recommend the Board of Retirement select Segal Consulting to provide Retiree Healthcare Benefits Program Consulting Services for the five year period beginning July 1, 2017 and ending June 30, 2022, pending review by the Legal Division to ensure there are no conflicts of interest or any potential conflicts are adequately addressed. The motion passed unanimously.

IV. FOR INFORMATION

- A. Staff Activities Report for November, 2016
- B. Medicare Part B Reimbursement Program for 2017
- C. Anthem Blue Cross Plans I, II, and III Prescription Benefit Retail and Maintenance Choice Update
- D. Board Offsite Proposed Agenda Planning – Day 2
- E. Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) Part II
- F. CIGNA & Anthem Blue Cross Claims Experience
- G. Federal Legislation
 - Aon Hewitt Washington Report

The above items A through G were submitted to the Committee for information only.

V. GOOD OF THE ORDER

(For information purposes only)

VI. ADJOURNMENT

The meeting adjourned at 2:05 p.m.

**INSURANCE, BENEFITS & LEGISLATIVE COMMITTEE
RETIREE HEALTHCARE BENEFITS PROGRAM
STAFF ACTIVITIES REPORT
DECEMBER 2016
FOR INFORMATION ONLY**

2017 Medicare Part B Premium Reimbursement Program

On December 13, 2016, the Board of Supervisors approved the 2017 Medicare Part B Premium Reimbursement for eligible retirees and their dependents. Staff conducted a mass mailing to all members currently enrolled in a LACERA-administered medical and/or dental vision plans informing them of this. The letter was mailed on December 30, 2016. Members are required to submit a copy of their 2017 Medicare Premium amount from SSA for verification.

Staff completed the update and re-set 2017 Medicare Part B amounts as follows:

- \$104.90 remains the same for those that were already being reimbursed this amount
- \$121.80 remains the same for those that were already being reimbursed this amount
- \$134 for those enrolling in Medicare in 2017 **and/or** turning 65 in 2017

We would like to thank Systems and Communications staff for their continued support with this annual project.

2017 Medicare Part B Premium Reimbursement – Local 1014

The 2017 Medicare Part B premium amounts for Local 1014 have been updated as they requested in their letter dated November 29, 2016, stating that their Board of Trustees approved the reimbursement.

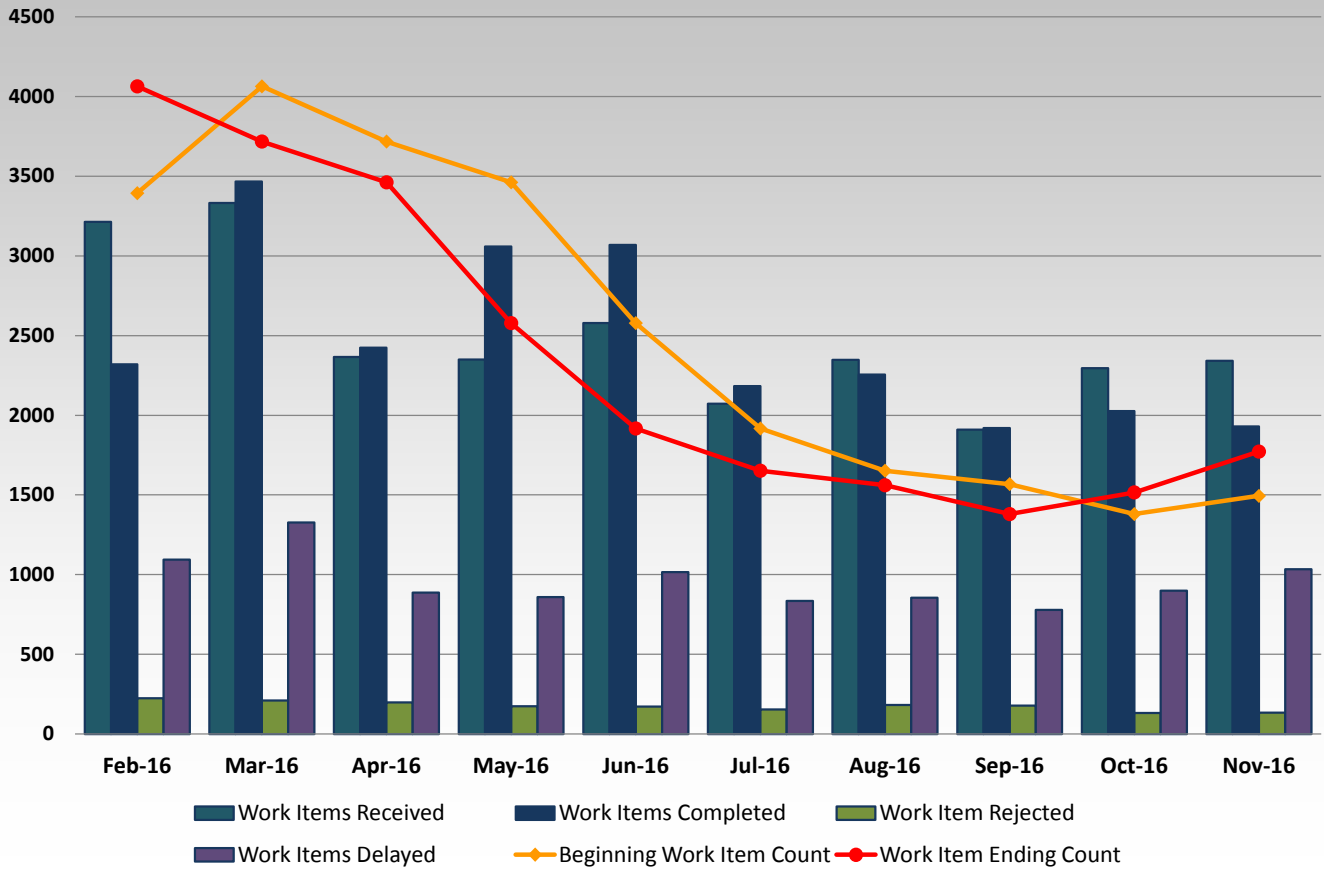
We would like to thank Systems staff for their continued support with this annual project.

Retiree Healthcare Division

Trend Report

February 2016-November 2016

Updated 1/2/2017

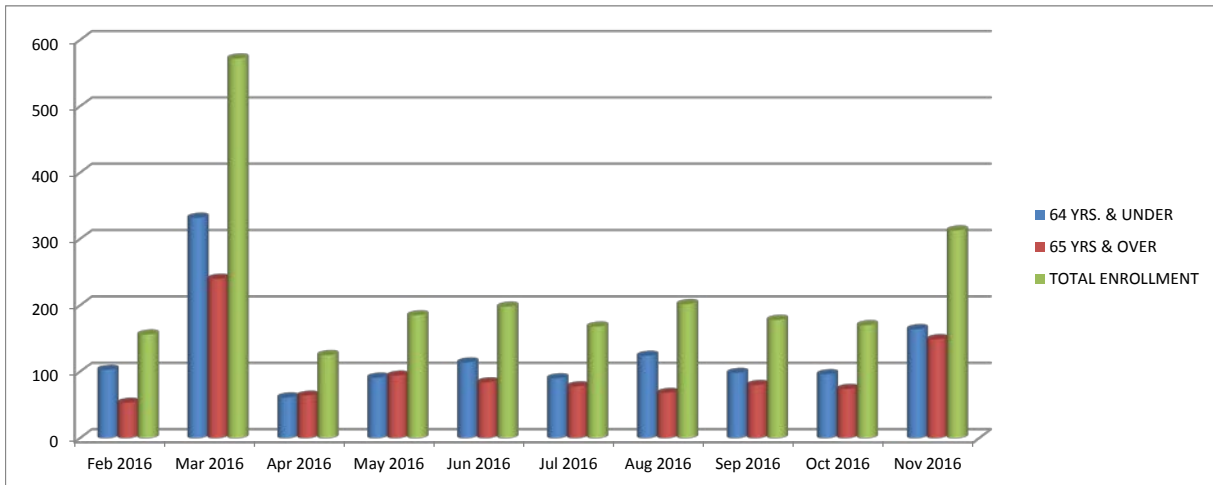


	Beginning Work Item Count	Work Items Received	Work Items Completed	Work Item Rejected	Work Items Delayed	Work Item Ending Count
Feb-16	3393	3214	2320	224	1094	4063
Mar-16	4063	3331	3467	210	1328	3717
Apr-16	3717	2365	2423	198	887	3461
May-16	3461	2350	3059	174	860	2578
Jun-16	2578	2579	3068	172	1015	1917
Jul-16	1917	2072	2183	154	836	1652
Aug-16	1652	2347	2255	183	855	1561
Sep-16	1568	1910	1920	178	780	1380
Oct-16	1380	2295	2027	132	899	1516
Nov-16	1494	2342	1929	135	1034	1772

Retirees Monthly Age Breakdown FEBRUARY ~ NOVEMBER, 2016

Service Retirement

MONTH	64 YRS. & UNDER	65 YRS & OVER	TOTAL ENROLLMENT
Feb 2016	103	53	156
Mar 2016	332	240	572
Apr 2016	61	64	125
May 2016	91	94	185
Jun 2016	114	84	198
Jul 2016	90	78	168
Aug 2016	124	68	202
Sep 2016	98	80	178
Oct 2016	96	74	170
Nov 2016	164	149	313



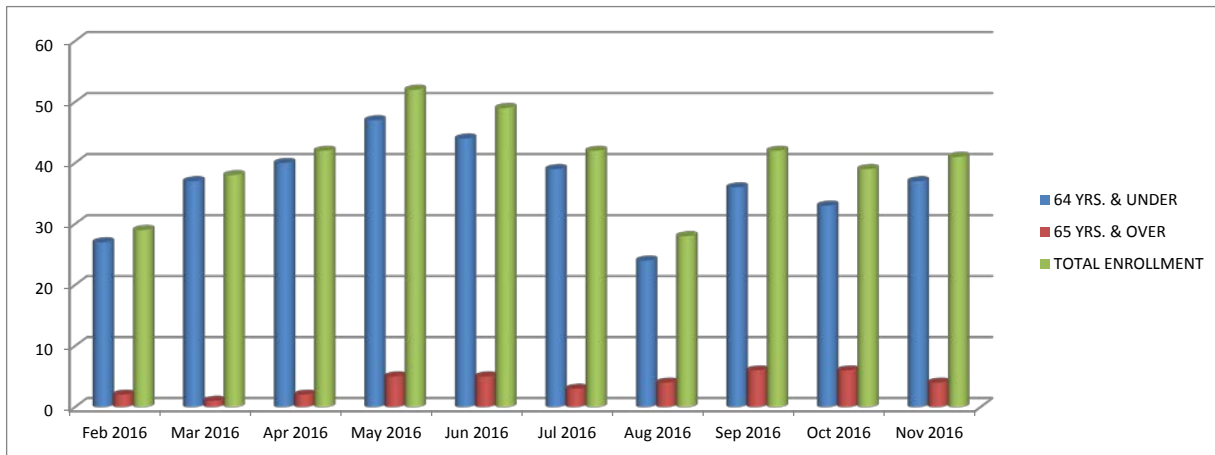
PLEASE NOTE:

- December (12/2016) data is not yet available as data is provided on a full month basis.
- Next Report will include the following dates: February 1, through December 31, 2016.

Retirees Monthly Age Breakdown FEBRUARY ~ NOVEMBER, 2016

Disability Retirement

MONTH	64 YRS. & UNDER	65 YRS. & OVER	TOTAL ENROLLMENT
Feb 2016	27	2	29
Mar 2016	37	1	38
Apr 2016	40	2	42
May 2016	47	5	52
Jun 2016	44	5	49
Jul 2016	39	3	42
Aug 2016	24	4	28
Sep 2016	36	6	42
Oct 2016	33	6	39
Nov 2016	37	4	41



PLEASE NOTE:

- December (12/2016) data is not yet available as data is provided on a **full month basis**.
- Next Report will include the following dates: February 1, through December 31, 2016.

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 12/31/2016

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
ANTHEM BC III				
240	6,304	\$674,609.90	8	\$192.00
241	169	\$18,359.80	1	\$62.90
242	831	\$89,901.40	0	\$0.00
243	3,613	\$769,851.00	6	\$449.10
244	16	\$1,712.20	0	\$0.00
245	52	\$5,742.10	0	\$0.00
246	18	\$1,922.00	0	\$0.00
247	90	\$9,837.80	0	\$0.00
248	10	\$2,114.90	1	\$36.50
249	41	\$8,973.60	0	\$0.00
250	12	\$2,551.40	0	\$0.00
Plan Total:	11,156	\$1,585,576.10	16	\$740.50
CIGNA-HEALTHSPRING PREFERRED with RX				
321	27	\$2,778.10	0	\$0.00
322	8	\$419.60	0	\$0.00
324	13	\$2,744.30	0	\$0.00
327	2	\$209.80	0	\$0.00
329	2	\$436.50	0	\$0.00
Plan Total:	52	\$6,588.30	0	\$0.00
KAISER SR. ADVANTAGE				
403	9,743	\$1,042,467.70	7	\$204.10
413	1,674	\$182,612.40	0	\$0.00
418	4,923	\$1,051,094.70	4	\$226.80
419	271	\$28,846.80	0	\$0.00
426	202	\$21,168.20	0	\$0.00
427	165	\$17,057.90	0	\$0.00
445	2	\$209.80	0	\$0.00
451	31	\$3,348.60	0	\$0.00
457	11	\$2,324.70	0	\$0.00
462	50	\$5,278.80	0	\$0.00
465	13	\$1,380.60	0	\$0.00
466	24	\$5,085.90	0	\$0.00
472	32	\$3,373.70	0	\$0.00
476	5	\$575.20	0	\$0.00
478	13	\$2,727.40	0	\$0.00
482	78	\$8,317.40	0	\$0.00
486	11	\$1,221.50	0	\$0.00
488	41	\$8,851.70	0	\$0.00
492	1	\$104.90	0	\$0.00
494	1	\$226.70	0	\$0.00
Plan Total:	17,291	\$2,386,274.60	11	\$430.90

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 12/31/2016

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
SCAN				
611	282	\$30,122.60	0	\$0.00
613	106	\$22,928.80	0	\$0.00
Plan Total:	388	\$53,051.40	0	\$0.00
UNITED HEALTHCARE GROUP MEDICARE ADV. HMO				
701	1,509	\$163,592.90	1	\$36.50
702	320	\$35,803.90	0	\$0.00
703	832	\$179,277.80	1	\$10.50
704	72	\$8,090.00	0	\$0.00
705	25	\$5,506.00	0	\$0.00
Plan Total:	2,758	\$392,270.60	2	\$47.00
Grand Total:	31,645	\$4,423,761.00	29	\$1,218.40

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 12/31/2016

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ANTHEM BC III				
240	6,304	\$674,609.90	8	\$192.00
241	169	\$18,359.80	1	\$62.90
242	831	\$89,901.40	0	\$0.00
243	3,613	\$769,851.00	6	\$449.10
244	16	\$1,712.20	0	\$0.00
245	52	\$5,742.10	0	\$0.00
246	18	\$1,922.00	0	\$0.00
247	90	\$9,837.80	0	\$0.00
248	10	\$2,114.90	1	\$36.50
249	41	\$8,973.60	0	\$0.00
250	12	\$2,551.40	0	\$0.00
Plan Total:	11,156	\$1,585,576.10	16	\$740.50
CIGNA-HEALTHSPRING PREFERRED with RX				
321	27	\$2,778.10	0	\$0.00
322	8	\$419.60	0	\$0.00
324	13	\$2,744.30	0	\$0.00
327	2	\$209.80	0	\$0.00
329	2	\$436.50	0	\$0.00
Plan Total:	52	\$6,588.30	0	\$0.00
KAISER SR. ADVANTAGE				
403	9,743	\$1,042,467.70	7	\$204.10
413	1,674	\$182,612.40	0	\$0.00
418	4,923	\$1,051,094.70	4	\$226.80
419	271	\$28,846.80	0	\$0.00
426	202	\$21,168.20	0	\$0.00
427	165	\$17,057.90	0	\$0.00
445	2	\$209.80	0	\$0.00
451	31	\$3,348.60	0	\$0.00
457	11	\$2,324.70	0	\$0.00
462	50	\$5,278.80	0	\$0.00
465	13	\$1,380.60	0	\$0.00
466	24	\$5,085.90	0	\$0.00
472	32	\$3,373.70	0	\$0.00
476	5	\$575.20	0	\$0.00
478	13	\$2,727.40	0	\$0.00
482	78	\$8,317.40	0	\$0.00
486	11	\$1,221.50	0	\$0.00
488	41	\$8,851.70	0	\$0.00
492	1	\$104.90	0	\$0.00
494	1	\$226.70	0	\$0.00
Plan Total:	17,291	\$2,386,274.60	11	\$430.90

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 12/31/2016

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
SCAN				
611	282	\$30,122.60	0	\$0.00
613	106	\$22,928.80	0	\$0.00
Plan Total:	388	\$53,051.40	0	\$0.00
UNITED HEALTHCARE GROUP MEDICARE ADV. HMO				
701	1,509	\$163,592.90	1	\$36.50
702	320	\$35,803.90	0	\$0.00
703	832	\$179,277.80	1	\$10.50
704	72	\$8,090.00	0	\$0.00
705	25	\$5,506.00	0	\$0.00
Plan Total:	2,758	\$392,270.60	2	\$47.00
LOCAL 1014				
804	162	\$20,309.00	0	\$0.00
805	176	\$21,961.80	0	\$0.00
806	559	\$124,692.10	0	\$0.00
807	32	\$4,240.00	0	\$0.00
808	10	\$2,280.00	0	\$0.00
812	219	\$24,598.00	0	\$0.00
Plan Total:	1,158	\$198,080.90	0	\$0.00
Grand Total:	32,803	\$4,621,841.90	29	\$1,218.40

Medical and Dental Vision Insurance Premiums January 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Medical Plan							
Anthem Blue Cross Prudent Buyer Plan							
201	736	\$621,080.96	\$101,415.04	\$517,134.34	\$618,549.38	\$0.00	\$618,549.38
202	407	\$676,798.56	\$73,153.94	\$598,668.16	\$671,822.10	\$0.00	\$671,822.10
203	102	\$190,930.74	\$43,165.19	\$142,149.94	\$185,315.13	(\$1,871.87)	\$183,443.26
204	35	\$37,945.25	\$14,354.06	\$23,591.19	\$37,945.25	\$0.00	\$37,945.25
205	1	\$231.33	\$9.25	\$222.08	\$231.33	\$0.00	\$231.33
SUBTOTAL	1,281	\$1,526,986.84	\$232,097.48	\$1,281,765.71	\$1,513,863.19	(\$1,871.87)	\$1,511,991.32
Anthem Blue Cross I							
211	926	\$987,987.33	\$67,634.68	\$924,615.81	\$992,250.49	(\$3,197.37)	\$989,053.12
212	335	\$643,149.75	\$37,014.62	\$604,215.28	\$641,229.90	\$0.00	\$641,229.90
213	49	\$110,948.74	\$15,442.22	\$95,506.52	\$110,948.74	\$0.00	\$110,948.74
214	19	\$26,780.12	\$5,158.70	\$21,621.42	\$26,780.12	\$0.00	\$26,780.12
215	4	\$1,418.04	\$205.61	\$1,212.43	\$1,418.04	\$0.00	\$1,418.04
SUBTOTAL	1,333	\$1,770,283.98	\$125,455.83	\$1,647,171.46	\$1,772,627.29	(\$3,197.37)	\$1,769,429.92
Anthem Blue Cross II							
221	2,100	\$2,240,290.58	\$138,786.58	\$2,098,306.63	\$2,237,093.21	(\$5,380.08)	\$2,231,713.13
222	1,887	\$3,624,676.80	\$100,907.19	\$3,541,012.26	\$3,641,919.45	(\$5,759.55)	\$3,636,159.90
223	564	\$1,281,571.16	\$48,953.17	\$1,160,197.67	\$1,209,150.84	\$0.00	\$1,209,150.84
224	123	\$174,775.52	\$16,378.16	\$165,444.76	\$181,822.92	\$0.00	\$181,822.92
225	3	\$1,063.53	\$177.25	\$886.28	\$1,063.53	\$0.00	\$1,063.53
SUBTOTAL	4,677	\$7,322,377.59	\$305,202.35	\$6,965,847.60	\$7,271,049.95	(\$11,139.63)	\$7,259,910.32

Medical and Dental Vision Insurance Premiums January 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Anthem Blue Cross III							
240	6,323	\$2,731,797.60	\$431,327.30	\$2,303,039.50	\$2,734,366.80	(\$3,885.30)	\$2,730,481.50
241	169	\$233,846.90	\$27,670.43	\$208,070.47	\$235,740.90	\$0.00	\$235,740.90
242	836	\$1,154,103.23	\$75,683.71	\$1,044,048.27	\$1,119,731.98	(\$4,126.71)	\$1,115,605.27
243	3,616	\$3,111,418.20	\$365,981.57	\$2,719,303.25	\$3,085,284.82	(\$2,571.42)	\$3,082,713.40
244	16	\$12,341.28	\$2,946.47	\$9,394.81	\$12,341.28	\$0.00	\$12,341.28
245	53	\$40,880.49	\$5,445.58	\$34,663.58	\$40,109.16	\$0.00	\$40,109.16
246	18	\$30,871.80	\$2,332.53	\$28,539.27	\$30,871.80	\$0.00	\$30,871.80
247	91	\$157,789.20	\$8,884.22	\$145,474.78	\$154,359.00	\$0.00	\$154,359.00
248	10	\$11,965.90	\$1,914.54	\$10,051.36	\$11,965.90	\$0.00	\$11,965.90
249	41	\$49,060.19	\$4,331.66	\$44,728.53	\$49,060.19	\$0.00	\$49,060.19
250	12	\$16,089.24	\$750.83	\$15,338.41	\$16,089.24	\$0.00	\$16,089.24
SUBTOTAL	11,185	\$7,550,164.03	\$927,268.84	\$6,562,652.23	\$7,489,921.07	(\$10,583.43)	\$7,479,337.64
CIGNA Network Model Plan							
301	369	\$491,703.57	\$116,300.00	\$374,071.04	\$490,371.04	\$0.00	\$490,371.04
302	167	\$403,919.04	\$88,325.17	\$310,785.31	\$399,110.48	\$0.00	\$399,110.48
303	23	\$68,112.00	\$16,184.45	\$40,575.55	\$56,760.00	\$0.00	\$56,760.00
304	23	\$40,655.72	\$15,989.82	\$24,665.90	\$40,655.72	\$0.00	\$40,655.72
SUBTOTAL	582	\$1,004,390.33	\$236,799.44	\$750,097.80	\$986,897.24	\$0.00	\$986,897.24

Medical and Dental Vision Insurance Premiums January 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
CIGNA Healthspring Pref w/ Rx - Phoenix, AZ							
321	27	\$9,301.23	\$1,619.11	\$8,026.61	\$9,645.72	\$0.00	\$9,645.72
322	8	\$12,739.77	\$452.96	\$9,455.75	\$9,908.71	\$0.00	\$9,908.71
324	13	\$8,852.74	\$1,157.67	\$7,695.07	\$8,852.74	(\$680.98)	\$8,171.76
327	2	\$3,697.48	\$369.75	\$3,327.73	\$3,697.48	\$0.00	\$3,697.48
329	2	\$2,362.48	\$0.00	\$2,362.48	\$2,362.48	\$0.00	\$2,362.48
SUBTOTAL	52	\$36,953.70	\$3,599.49	\$30,867.64	\$34,467.13	(\$680.98)	\$33,786.15

Medical and Dental Vision Insurance Premiums January 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Kaiser/Senior Advantage							
401	1,621	\$1,485,566.55	\$139,053.73	\$1,353,246.52	\$1,492,300.25	\$2,735.85	\$1,495,036.10
403	9,810	\$2,384,758.00	\$255,025.95	\$2,132,804.09	\$2,387,830.04	(\$6,062.00)	\$2,381,768.04
404	511	\$507,248.64	\$18,387.84	\$515,067.04	\$533,454.88	(\$1,981.44)	\$531,473.44
405	901	\$860,026.23	\$21,143.53	\$825,880.66	\$847,024.19	(\$1,904.82)	\$845,119.37
406	46	\$84,725.00	\$22,133.15	\$30,396.35	\$52,529.50	(\$1,694.50)	\$50,835.00
411	1,784	\$3,252,276.90	\$178,975.15	\$3,033,896.63	\$3,212,871.78	(\$1,815.90)	\$3,211,055.88
413	1,677	\$1,937,669.50	\$90,875.35	\$1,801,231.95	\$1,892,107.30	\$0.00	\$1,892,107.30
414	141	\$269,043.14	\$3,258.83	\$273,362.99	\$276,621.82	\$0.00	\$276,621.82
418	4,906	\$2,351,164.40	\$188,761.39	\$2,138,257.16	\$2,327,018.55	(\$3,340.40)	\$2,323,678.15
419	271	\$340,638.96	\$7,645.98	\$358,108.02	\$365,754.00	\$0.00	\$365,754.00
420	126	\$248,653.44	\$1,341.95	\$249,284.93	\$250,626.88	\$0.00	\$250,626.88
421	9	\$8,207.55	\$1,203.79	\$7,003.76	\$8,207.55	\$0.00	\$8,207.55
422	209	\$393,548.32	\$1,262.31	\$373,722.41	\$374,984.72	\$0.00	\$374,984.72
423	20	\$54,567.45	\$7,067.88	\$34,507.32	\$41,575.20	\$0.00	\$41,575.20
426	200	\$240,963.03	\$3,394.82	\$235,568.75	\$238,963.57	\$0.00	\$238,963.57
427	165	\$335,663.40	\$2,469.24	\$296,206.71	\$298,675.95	\$0.00	\$298,675.95
428	53	\$106,432.15	\$1,083.68	\$124,269.33	\$125,353.01	\$0.00	\$125,353.01
429	9	\$29,449.42	\$1,238.88	\$6,792.78	\$8,031.66	\$0.00	\$8,031.66
430	134	\$256,070.70	\$3,528.08	\$255,168.56	\$258,696.64	\$0.00	\$258,696.64
431	9	\$23,750.19	\$3,371.85	\$20,378.34	\$23,750.19	\$0.00	\$23,750.19
432	8	\$27,048.00	\$8,933.92	\$18,114.08	\$27,048.00	\$0.00	\$27,048.00
SUBTOTAL	22,610	\$15,197,470.97	\$960,157.30	\$14,083,268.38	\$15,043,425.68	(\$14,063.21)	\$15,029,362.47

Medical and Dental Vision Insurance Premiums January 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Kaiser - Colorado							
450	4	\$4,250.44	\$510.05	\$3,740.39	\$4,250.44	\$0.00	\$4,250.44
451	31	\$10,637.96	\$1,221.67	\$9,416.29	\$10,637.96	\$0.00	\$10,637.96
453	3	\$7,047.99	\$858.96	\$3,839.70	\$4,698.66	\$0.00	\$4,698.66
454	1	\$3,171.92	\$907.66	\$2,264.26	\$3,171.92	\$0.00	\$3,171.92
457	11	\$7,461.52	\$1,302.37	\$6,159.15	\$7,461.52	\$0.00	\$7,461.52
SUBTOTAL	50	\$32,569.83	\$4,800.71	\$25,419.79	\$30,220.50	\$0.00	\$30,220.50
Kaiser - Georgia							
440	1	\$1,164.41	\$98.62	\$1,065.79	\$1,164.41	\$0.00	\$1,164.41
441	2	\$2,328.82	\$197.24	\$2,131.58	\$2,328.82	\$0.00	\$2,328.82
442	4	\$4,657.64	\$394.48	\$4,263.16	\$4,657.64	\$0.00	\$4,657.64
445	2	\$3,129.34	\$0.00	\$3,129.34	\$3,129.34	\$0.00	\$3,129.34
461	16	\$18,630.56	\$3,717.45	\$13,748.70	\$17,466.15	\$0.00	\$17,466.15
462	52	\$21,229.52	\$3,633.50	\$17,596.02	\$21,229.52	\$0.00	\$21,229.52
463	3	\$9,283.32	\$1,761.88	\$2,879.78	\$4,641.66	\$0.00	\$4,641.66
465	13	\$20,340.71	\$2,503.47	\$17,837.24	\$20,340.71	\$0.00	\$20,340.71
466	24	\$19,404.48	\$743.84	\$18,660.64	\$19,404.48	\$0.00	\$19,404.48
SUBTOTAL	117	\$100,168.80	\$13,050.48	\$81,312.25	\$94,362.73	\$0.00	\$94,362.73

Medical and Dental Vision Insurance Premiums January 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Kaiser - Hawaii							
471	7	\$7,022.40	\$1,123.58	\$5,898.82	\$7,022.40	\$0.00	\$7,022.40
472	32	\$12,103.04	\$1,860.84	\$10,242.20	\$12,103.04	\$0.00	\$12,103.04
473	2	\$2,992.72	\$989.03	\$2,003.69	\$2,992.72	\$0.00	\$2,992.72
474	4	\$7,993.60	\$1,235.73	\$6,757.87	\$7,993.60	\$0.00	\$7,993.60
476	5	\$6,867.10	\$2,582.03	\$4,285.07	\$6,867.10	\$0.00	\$6,867.10
478	13	\$9,729.72	\$568.81	\$9,160.91	\$9,729.72	\$0.00	\$9,729.72
SUBTOTAL	63	\$46,708.58	\$8,360.02	\$38,348.56	\$46,708.58	\$0.00	\$46,708.58
Kaiser - Oregon							
481	7	\$7,625.17	\$2,019.10	\$5,606.07	\$7,625.17	\$0.00	\$7,625.17
482	78	\$35,521.98	\$5,364.73	\$30,157.25	\$35,521.98	(\$2,277.05)	\$33,244.93
484	2	\$4,341.24	\$655.13	\$3,686.11	\$4,341.24	\$0.00	\$4,341.24
486	11	\$16,903.92	\$1,659.66	\$15,244.26	\$16,903.92	\$0.00	\$16,903.92
488	41	\$37,015.62	\$4,803.02	\$32,212.60	\$37,015.62	\$0.00	\$37,015.62
489	1	\$991.06	\$0.00	\$991.06	\$991.06	\$0.00	\$991.06
492	1	\$1,603.48	\$320.70	\$1,282.78	\$1,603.48	\$0.00	\$1,603.48
494	1	\$1,984.13	\$0.00	\$1,984.13	\$1,984.13	\$0.00	\$1,984.13
495	2	\$4,608.28	\$768.58	\$3,839.70	\$4,608.28	\$0.00	\$4,608.28
SUBTOTAL	144	\$110,594.88	\$15,590.92	\$95,003.96	\$110,594.88	(\$2,277.05)	\$108,317.83
SCAN Health Plan							
611	284	\$87,188.00	\$18,223.52	\$68,964.48	\$87,188.00	\$307.00	\$87,495.00
613	106	\$64,236.00	\$11,344.32	\$54,103.68	\$65,448.00	(\$606.00)	\$64,842.00
SUBTOTAL	390	\$151,424.00	\$29,567.84	\$123,068.16	\$152,636.00	(\$299.00)	\$152,337.00

Medical and Dental Vision Insurance Premiums January 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
UHC Medicare Adv.							
701	1,514	\$504,191.28	\$63,123.93	\$442,582.35	\$505,706.28	(\$1,330.32)	\$504,375.96
702	323	\$430,080.96	\$29,107.00	\$399,642.44	\$428,749.44	\$0.00	\$428,749.44
703	829	\$547,414.28	\$57,383.23	\$488,716.73	\$546,099.96	\$0.00	\$546,099.96
704	74	\$111,267.88	\$5,112.27	\$103,148.37	\$108,260.64	\$0.00	\$108,260.64
705	25	\$20,731.50	\$1,144.38	\$19,587.12	\$20,731.50	\$0.00	\$20,731.50
SUBTOTAL	2,765	\$1,613,685.90	\$155,870.81	\$1,453,677.01	\$1,609,547.82	(\$1,330.32)	\$1,608,217.50
United Healthcare							
707	412	\$415,866.22	\$46,178.35	\$370,694.81	\$416,873.16	\$0.00	\$416,873.16
708	349	\$643,034.00	\$31,380.17	\$613,491.07	\$644,871.24	\$1,837.24	\$646,708.48
709	251	\$546,675.49	\$34,368.67	\$518,840.79	\$553,209.46	(\$2,177.99)	\$551,031.47
SUBTOTAL	1,012	\$1,605,575.71	\$111,927.19	\$1,503,026.67	\$1,614,953.86	(\$340.75)	\$1,614,613.11

Medical and Dental Vision Insurance Premiums January 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Local 1014 Firefighters							
801	43	\$44,462.00	\$1,344.20	\$43,117.80	\$44,462.00	\$1,034.00	\$45,496.00
802	262	\$488,467.56	\$12,826.95	\$480,810.61	\$493,637.56	\$0.00	\$493,637.56
803	233	\$512,413.60	\$15,438.38	\$527,764.02	\$543,202.40	\$4,398.40	\$547,600.80
804	162	\$167,508.00	\$9,409.40	\$158,098.60	\$167,508.00	(\$21,343.00)	\$146,165.00
805	176	\$328,130.88	\$11,074.43	\$317,056.45	\$328,130.88	(\$23,826.18)	\$304,304.70
806	559	\$1,042,188.42	\$34,528.37	\$1,007,660.05	\$1,042,188.42	(\$126,556.48)	\$915,631.94
807	32	\$70,374.40	\$703.74	\$69,670.66	\$70,374.40	(\$4,240.00)	\$66,134.40
808	10	\$21,992.00	\$175.94	\$21,816.06	\$21,992.00	(\$2,280.00)	\$19,712.00
809	22	\$22,748.00	\$2,647.04	\$22,168.96	\$24,816.00	\$0.00	\$24,816.00
810	4	\$7,457.52	\$1,528.79	\$5,928.73	\$7,457.52	\$0.00	\$7,457.52
811	6	\$13,195.20	\$791.71	\$13,986.91	\$14,778.62	\$0.00	\$14,778.62
812	219	\$226,446.00	\$20,204.36	\$207,275.64	\$227,480.00	(\$24,598.00)	\$202,882.00
SUBTOTAL	1,728	\$2,945,383.58	\$110,673.31	\$2,875,354.49	\$2,986,027.80	(\$197,411.26)	\$2,788,616.54
Medical Plan Total	47,989	\$41,014,738.72	\$3,240,422.01	\$37,516,881.71	\$40,757,303.72	(\$243,194.87)	\$40,514,108.85

Medical and Dental Vision Insurance Premiums January 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<u>Dental/Vision Plan</u>							
CIGNA Indemnity Dental/Vision							
501	22,665	\$1,159,168.23	\$136,863.37	\$1,026,945.54	\$1,163,808.91	(\$2,454.24)	\$1,161,354.67
502	20,961	\$2,228,596.48	\$181,095.08	\$2,045,336.18	\$2,226,431.26	(\$1,806.08)	\$2,224,625.18
503	13	\$816.92	\$144.53	\$672.39	\$816.92	\$0.00	\$816.92
SUBTOTAL	43,639	\$3,388,581.63	\$318,102.98	\$3,072,954.11	\$3,391,057.09	(\$4,260.32)	\$3,386,796.77
CIGNA Dental HMO/Vision							
901	3,154	\$145,620.18	\$19,493.58	\$127,395.72	\$146,889.30	(\$323.19)	\$146,566.11
902	2,263	\$213,192.00	\$19,991.92	\$191,629.92	\$211,621.84	(\$282.00)	\$211,339.84
903	5	\$233.75	\$29.92	\$203.83	\$233.75	\$0.00	\$233.75
SUBTOTAL	5,422	\$359,045.93	\$39,515.42	\$319,229.47	\$358,744.89	(\$605.19)	\$358,139.70
Dental/Vision Plan Total	49,061	\$3,747,627.56	\$357,618.40	\$3,392,183.58	\$3,749,801.98	(\$4,865.51)	\$3,744,936.47
GRAND TOTALS	97,050	\$44,762,366.28	\$3,598,040.41	\$40,909,065.29	\$44,507,105.70	(\$248,060.38)	\$44,259,045.32

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

*Benchmark premiums are bolded.

CARRIER DEDUCTION PREMIUMS*	CODES	DEDUCTION CODE DEFINITIONS
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CIGNA Network Model Plan

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

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

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

Kaiser

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

*Benchmark premiums are bolded.

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

*Benchmark premiums are bolded.

CARRIER DEDUCTION PREMIUMS*	CODES	DEDUCTION CODE DEFINITIONS
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Kaiser Georgia (continued)

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

Kaiser Hawaii

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

Kaiser Oregon

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

*Benchmark premiums are bolded.

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

Kaiser Rate Category Definitions

"Basic" - includes those who are under age 65

Medicare Cost ("Supplement")

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

"Senior Advantage"

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

"Excess I"

- Is for participants who have Medicare Part A only.

"Excess II"

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

"Excess III"

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

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

*Benchmark premiums are bolded.

PREMIUMS*	CARRIER DEDUCTION CODES	DEDUCTION CODE DEFINITIONS
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Local 1014 Firefighters (continued)

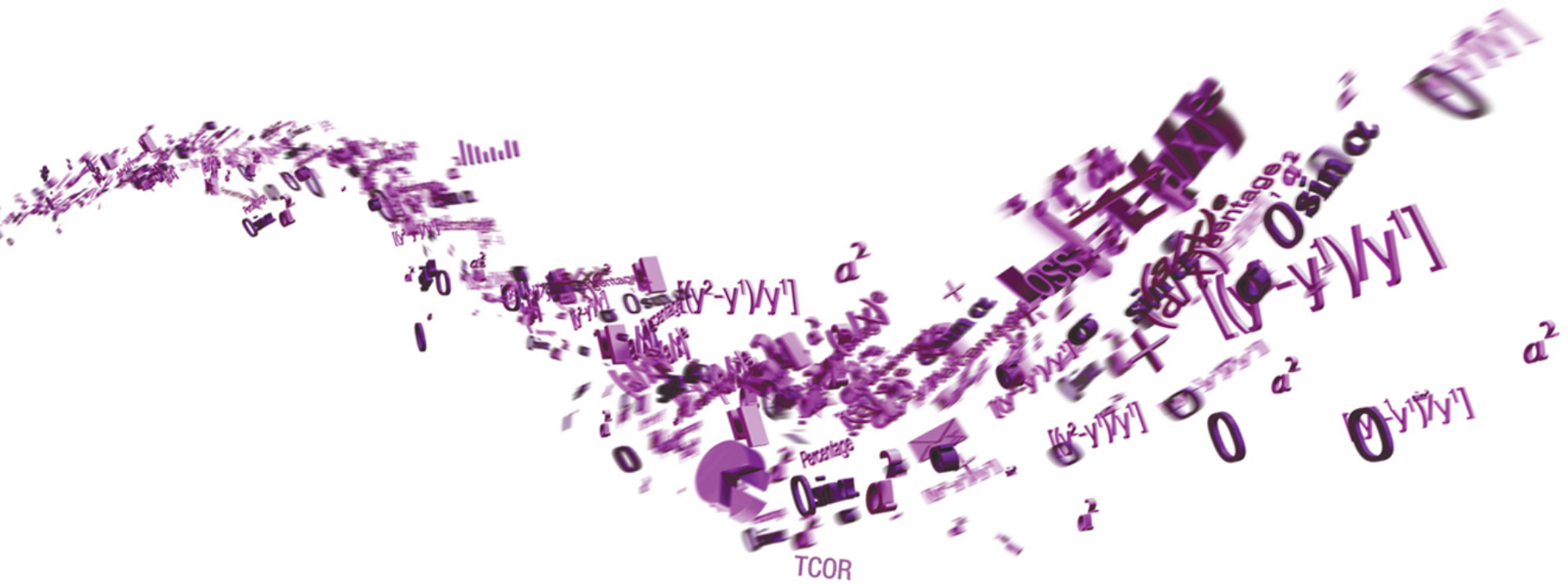
\$914.03	809	Surviving Spouse Under 65
\$1,648.06	810	Surviving Spouse + 1; Under 65
\$1,944.04	811	Surviving Spouse + 2 Under 65
\$914.03	812	Surviving Spouse with Medicare
\$1,648.06	813	Surviving Spouse + 1; 1 Medicare
\$1,944.04	814	Spouse + 1; 1 Medicare
\$1,648.06	815	Surviving Spouse + 1; 2 Medicare

CIGNA Indemnity - Dental/Vision

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

CIGNA HMO - Dental/Vision

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



Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) Part II

January 12, 2017



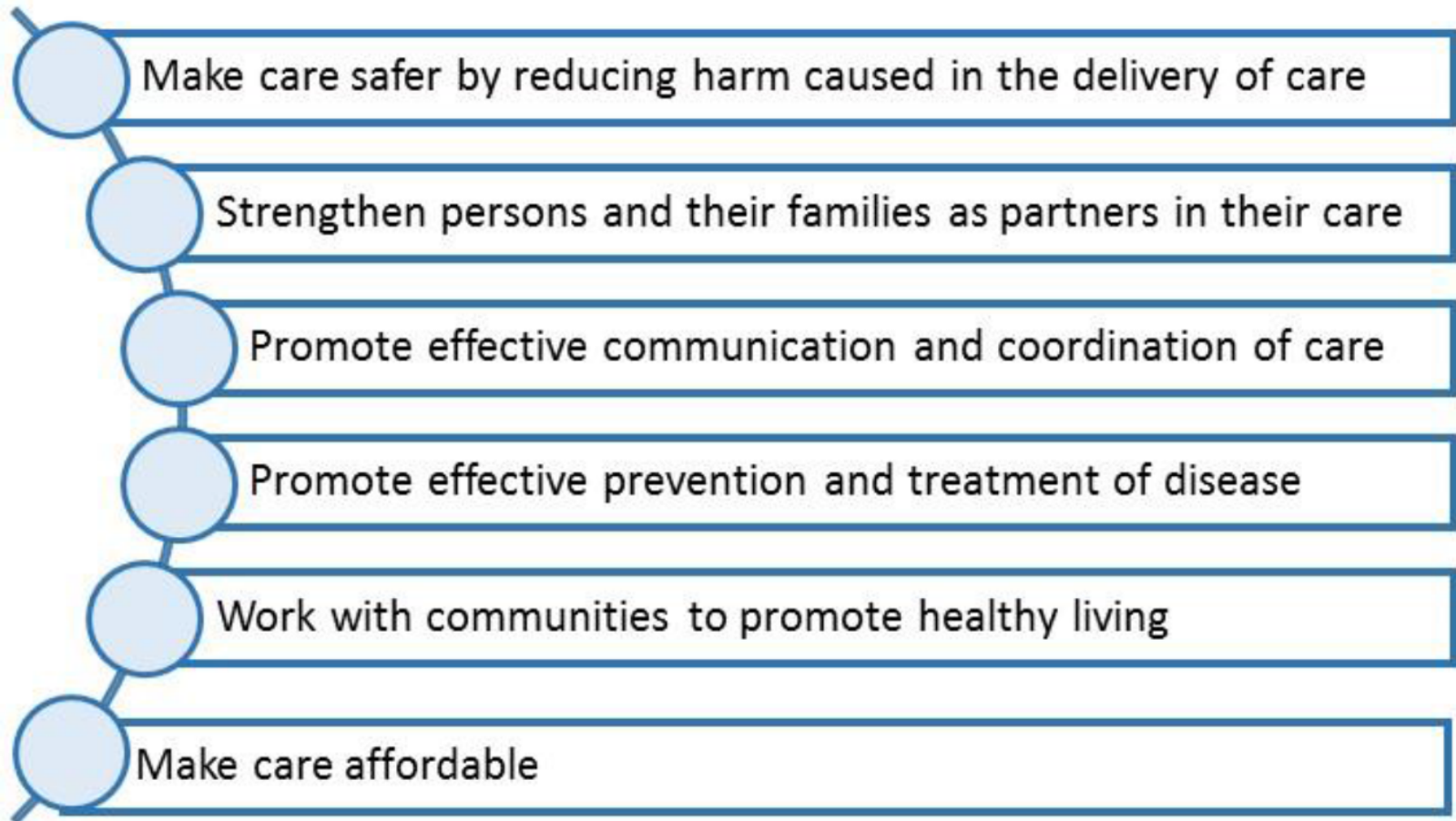
MACRA

- Three changes to how Medicare pays those who give care to Medicare patients
 - Ends the Sustainable Growth Rate (SGR) formula for determining Medicare payments for healthcare providers' services;
 - Creates a new framework for rewarding health care providers for giving better care not just more care; and
 - Combines existing CMS quality reporting programs into one new system.
- Replaces existing multiple systems of Medicare reporting programs
- MACRA also requires CMS to develop and post a Quality Measure Development Plan

Quality Metrics Are Not New

- An adaptation of the PQRS program, the quality category requires clinicians to choose six measures to report that best reflect their practice (as opposed to nine under PQRS).
- Quality measures will be selected annually through a call for quality measures process. CMS will publish a final list of quality measures in the Federal Register by November 1 of each year
- If a clinician/group does not have a sufficient sample size to report on six quality measures, there is no penalty

CMS Quality Strategy Goals



Quality Measurement Dimensions

Clinical Care

- Measures incorporating patient preferences and shared decision-making
- Cross-cutting measures that may apply to more than one specialty
- Focused measures for specialties that have clear gaps
- Outcome measures

Safety

- Measures of diagnostic accuracy
- Medication safety related to important drug classes

Care Coordination

- Assessing team-based care (e.g., timely exchange of clinical information)
- Effective use of new technologies, such as telehealth

Quality Measurement Dimensions (cont)

Patient and Caregiver Experience

- Patient-reported outcome measures (PROMs)
- Additional topics that are important to patients and families/caregivers (e.g., knowledge, skill, and confidence for self-management)

Population Health and Prevention

- Developing or adapting outcome measures at a population level, such as a community or other identified population, to assess the effectiveness of the health promotion and preventive services delivered by professionals
- IOM *Vital Signs* topics (e.g., life expectancy, well-being, addictive behavior)
- Detection or prevention of chronic disease (e.g., chronic kidney disease)

Affordable Care

Overuse measures (e.g., overuse of clinical tests/procedures)

- Primary goal of the program is to reward clinicians for quality patient outcomes, rather than paying for the volume of services provided
- Process of reporting quality measures will remain similar to what clinicians and practices are currently familiar with under PQRS

Sample Quality Metrics

PQRS#	NQF#	Reporting Method	National Quality Strategy Domain	Measure Title: Description
1	0059	Claims, Registry, EHR, GPRO (Web Interface), Measures Groups	Effective Clinical Care	Diabetes: Hemoglobin A1c (Poor Control): Percentage of patients 18-75 years of age with diabetes who had hemoglobin A1c > 9.0% during the measurement period
5	0081	Registry, EHR, Measures Groups	Effective Clinical Care	Heart Failure: Angiotensin-Converting Enzyme (ACE) Inhibitor or Angiotensin Receptor Blocker (ARB) Therapy for Left Ventricular Systolic Dysfunction (LVSD): Percentage of patients aged 18 years and older with a diagnosis of heart failure (HF) with a current or prior left ventricular ejection fraction (LVEF) < 40% who were prescribed ACE inhibitor or ARB therapy either within a 12 month period when seen in the outpatient setting or at each hospital discharge

How Might MACRA Be Affected Under the New Administration?

- Components of MACRA are embedded in ACA
 - Centers for Medicare and Medicaid Innovation. (CMMI) has oversight on changes in payment reforms for Medicare
 - The Medicare Shared Savings program is the main vehicle for alternative payment models
- MACRA had wide support from Congress when it was passed.
 - 91% of Congress supported MACRA. The House passed the bill 392-37. The Senate vote was 92-8.
 - Bi-partisan law was designed to bring about long needed value-based payment reform and repeal the flawed SGR
- MACRA data collection began in 2016, first performance measurement year is 2017, and incentive payments commence in 2019

Too soon to tell but providers are being encouraged to proceed with compliance

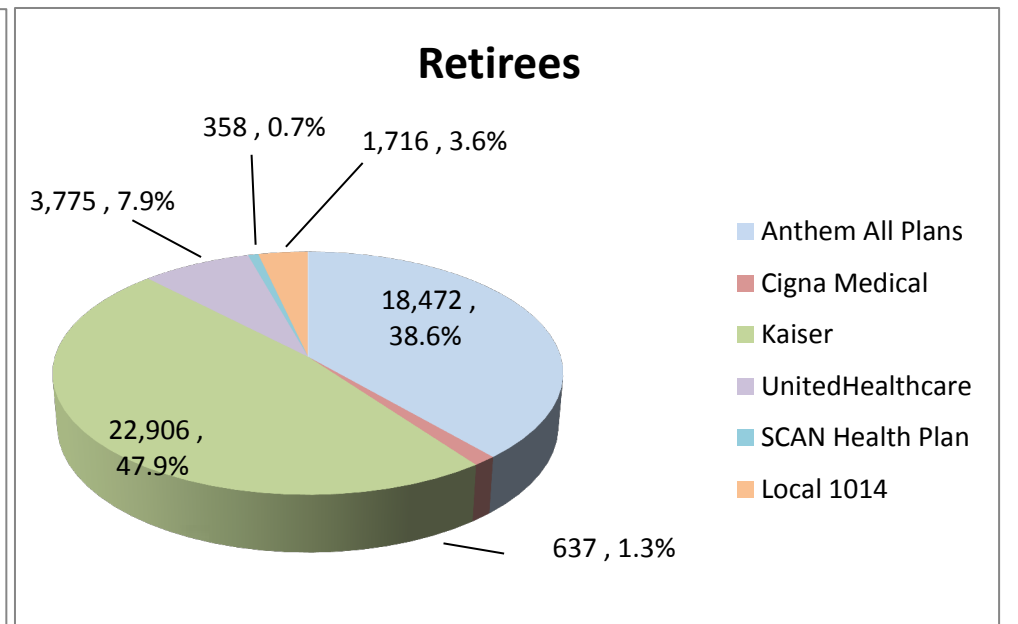
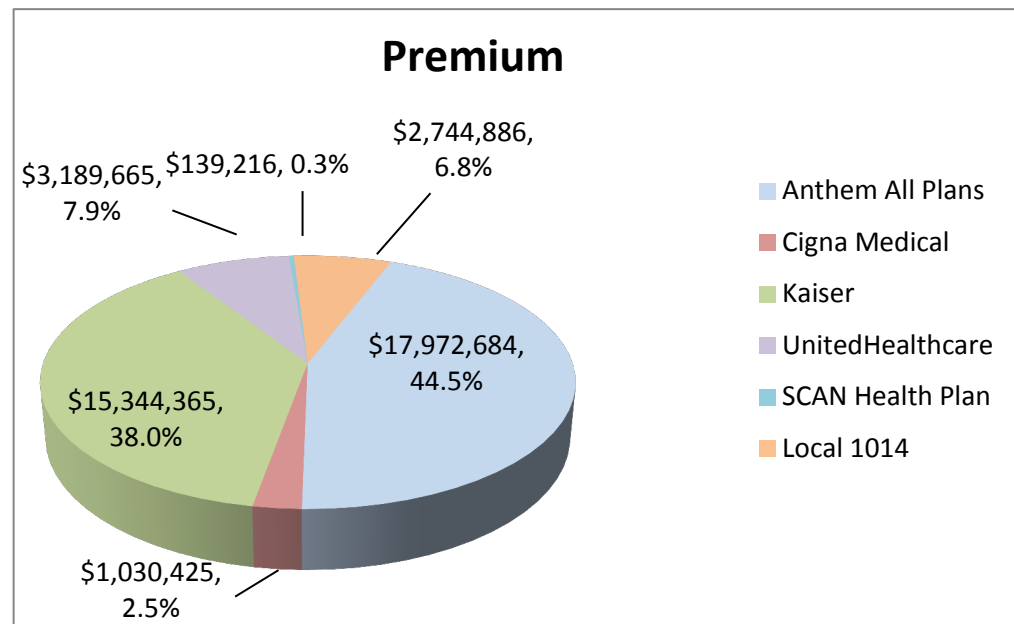
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Premium and Enrollment

Coverage Month November 2016

Carrier / Plan	Monthly Premium	Percent of Total	Retirees	Percent of Total
Anthem All Plans	\$17,972,684	44.5%	18,472	38.6%
Cigna Medical	\$1,030,425	2.5%	637	1.3%
Kaiser	\$15,344,365	38.0%	22,906	47.9%
UnitedHealthcare	\$3,189,665	7.9%	3,775	7.9%
SCAN Health Plan	\$139,216	0.3%	358	0.7%
Local 1014	\$2,744,886	6.8%	1,716	3.6%
Combined Medical	\$40,421,243	100.0%	47,864	100.0%

Cigna Dental & Vision	\$3,727,710	48,926
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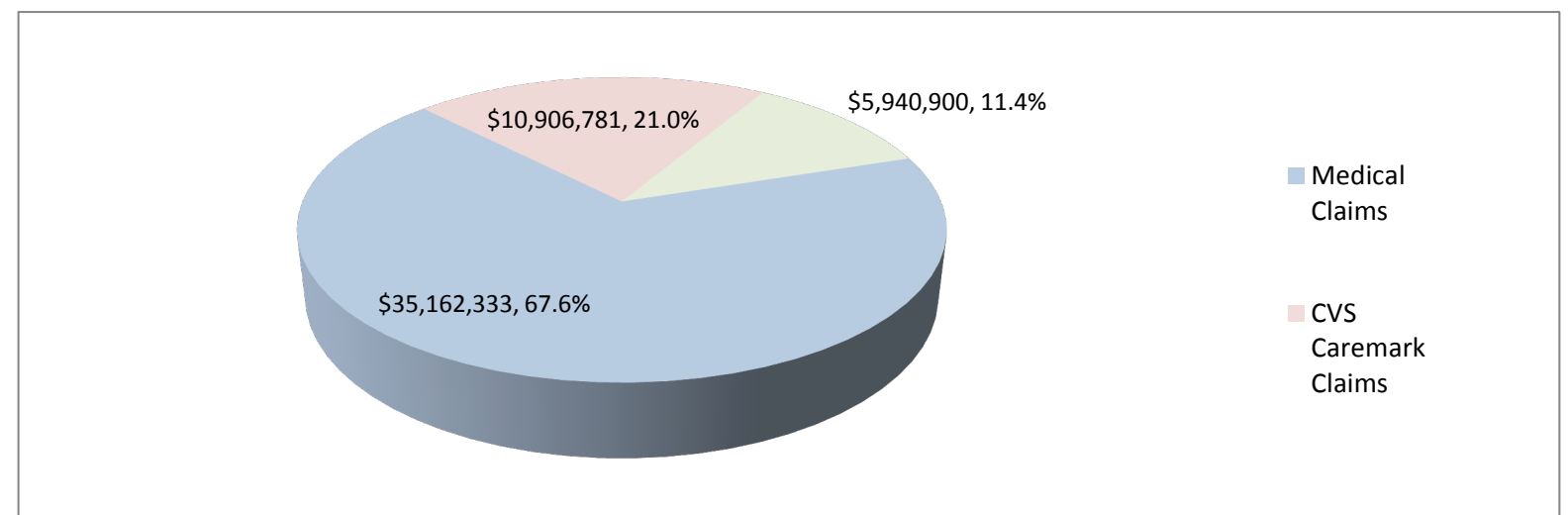
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Anthem Plans I and II

Plan Year July 1, 2016 - June 30, 2017

Month	Monthly Enrollment	Monthly Premium	Medical Claims	CVS Caremark Claims	Medical & Rx Claims	Claims Per Retiree Per Month	Paid Loss Ratio	Medical & Rx Expenses	Total Paid Claims & Expenses	Expense Ratio
Jul-16	6,088	\$9,121,640	\$6,534,411	\$2,101,899	\$8,636,310	\$1,418.58	94.7%	\$1,191,231	\$9,827,541	107.7%
Aug-16	6,078	\$9,135,046	\$7,874,179	\$2,364,260	\$10,238,438	\$1,684.51	112.1%	\$1,200,737	\$11,439,175	125.2%
Sep-16	6,065	\$9,111,569	\$6,408,946	\$1,939,840	\$8,348,785	\$1,376.55	91.6%	\$1,186,724	\$9,535,509	104.7%
Oct-16	6,043	\$9,086,383	\$6,521,156	\$2,190,072	\$8,711,228	\$1,441.54	95.9%	\$1,182,770	\$9,893,999	108.9%
Nov-16	6,025	\$9,041,462	\$7,823,642	\$2,310,711	\$10,134,352	\$1,682.05	112.1%	\$1,179,437	\$11,313,789	125.1%
Dec-16										
Jan-17										
Feb-17										
Mar-17										
Apr-17										
May-17										
Jun-17										
YTD Plan Year	30,299	\$45,496,100	\$35,162,333	\$10,906,781	\$46,069,114	\$1,520.48	101.3%	\$5,940,900	\$52,010,014	114.3%
5 Month Average	6,060	\$9,099,220	\$7,032,467	\$2,181,356	\$9,213,823	\$1,520.48	101.3%	\$1,188,180	\$10,402,003	114.3%
12 Month Rollup	79,109	\$109,252,616	\$80,825,599	\$25,004,719	\$105,830,318	\$1,337.78	96.9%	\$12,849,801	\$118,680,119	108.6%

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



LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

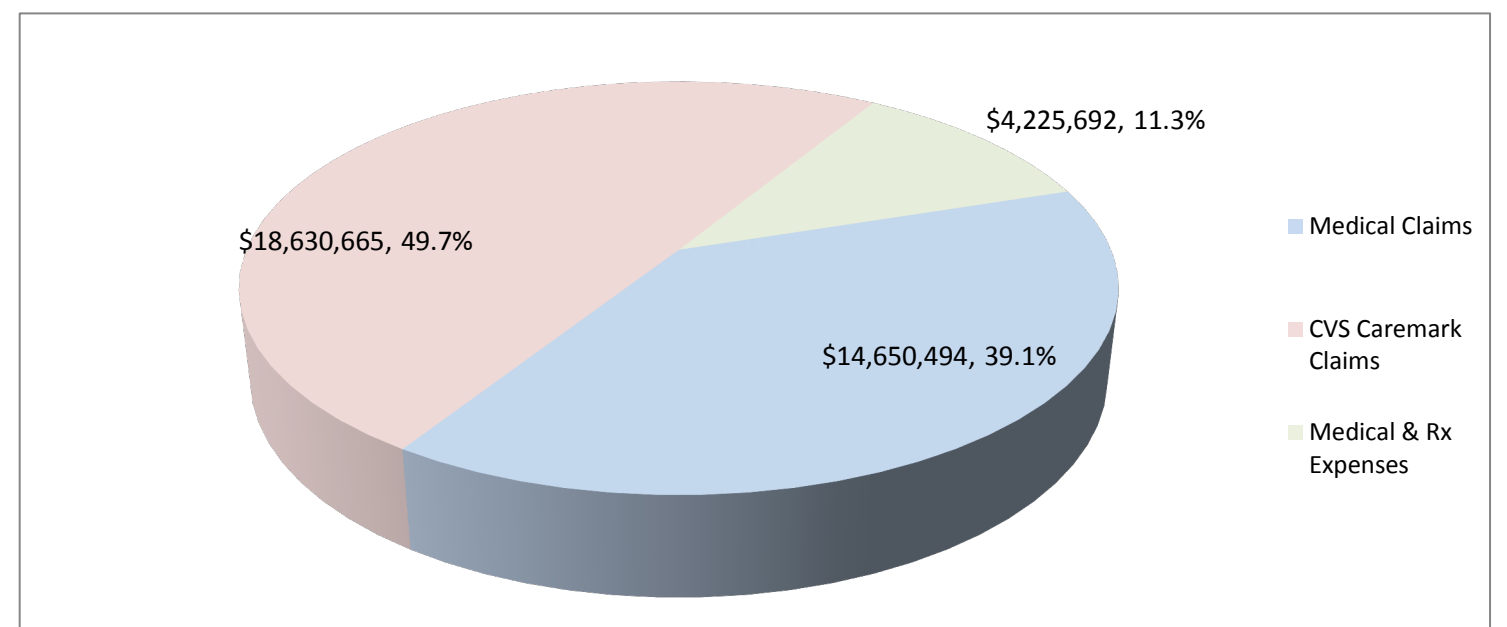
Anthem Plan III

Plan Year July 1, 2016 - June 30, 2017

Month	Monthly Enrollment	Monthly Premium	Medical Claims	CVS Caremark Claims	Medical & Rx Claims	Claims Per Retiree Per Month	Paid Loss Ratio	Medical & Rx Expenses	Total Paid Claims & Expenses	Expense Ratio
Jul-16	11,065	\$7,446,109	\$2,789,671	\$3,515,111	\$6,304,782	\$569.80	84.7%	\$841,852	\$7,146,634	96.0%
Aug-16	11,083	\$7,427,254	\$2,960,288	\$3,940,053	\$6,900,341	\$622.61	92.9%	\$843,221	\$7,743,562	104.3%
Sep-16	11,112	\$7,458,876	\$2,956,685	\$3,631,303	\$6,587,988	\$592.87	88.3%	\$845,427	\$7,433,415	99.7%
Oct-16	11,131	\$7,449,421	\$3,010,763	\$3,770,776	\$6,781,539	\$609.25	91.0%	\$846,873	\$7,628,412	102.4%
Nov-16	11,150	\$7,412,057	\$2,933,086	\$3,773,422	\$6,706,508	\$601.48	90.5%	\$848,319	\$7,554,827	101.9%
Dec-16										
Jan-17										
Feb-17										
Mar-17										
Apr-17										
May-17										
Jun-17										

YTD Plan Year	55,541	\$37,193,716	\$14,650,494	\$18,630,665	\$33,281,158	\$599.22	89.5%	\$4,225,692	\$37,506,850	100.8%
5 Month Average	11,108	\$7,438,743	\$2,930,099	\$3,726,133	\$6,656,232	\$599.22	89.5%	\$845,138	\$7,501,370	100.8%
12 Month Rollup	132,141	\$88,532,131	\$35,653,424	\$42,637,177	\$78,290,602	\$592.48	88.4%	\$9,547,838	\$87,838,439	99.2%

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



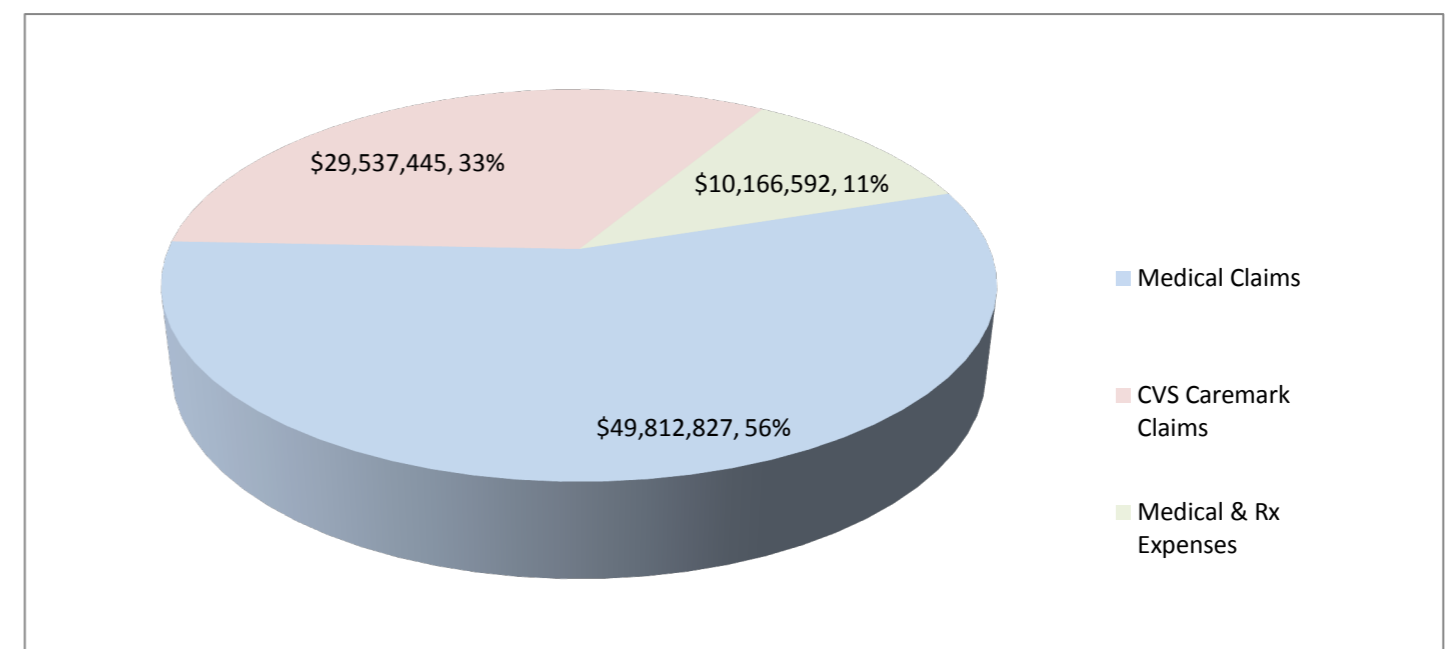
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Anthem Plan I, II, and III

Plan Year July 1, 2016 – June 30, 2017

Month	Monthly Enrollment	Monthly Premium	Medical Claims	CVS Caremark Claims	Medical & Rx Claims	Claims Per Retiree Per Month	Paid Loss Ratio	Medical & Rx Expenses	Total Paid Claims & Expenses	Expense Ratio
Jul-16	17,153	\$16,567,748	\$9,324,082	\$5,617,010	\$14,941,092	\$871.05	90.2%	\$2,033,083	\$16,974,175	102.5%
Aug-16	17,161	\$16,562,300	\$10,834,467	\$6,304,312	\$17,138,779	\$998.71	103.5%	\$2,043,958	\$19,182,737	115.8%
Sep-16	17,177	\$16,570,445	\$9,365,631	\$5,571,142	\$14,936,773	\$869.58	90.1%	\$2,032,151	\$16,968,924	102.4%
Oct-16	17,174	\$16,535,805	\$9,531,919	\$5,960,848	\$15,492,768	\$902.11	93.7%	\$2,029,643	\$17,522,411	106.0%
Nov-16	17,175	\$16,453,519	\$10,756,728	\$6,084,132	\$16,840,860	\$980.54	102.4%	\$2,027,756	\$18,868,616	114.7%
Dec-16										
Jan-17										
Feb-17										
Mar-17										
Apr-17										
May-17										
Jun-17										
YTD Plan Year	85,840	\$82,689,816	\$49,812,827	\$29,537,445	\$79,350,272	\$924.40	96.0%	\$10,166,592	\$89,516,864	108.3%
5 Month Average	17,168	\$16,537,963	\$9,962,565	\$5,907,489	\$15,870,054	\$924.40	96.0%	\$2,033,318	\$17,903,373	108.3%
12 Month Rollup	211,250	\$197,784,748	\$116,479,023	\$67,641,896	\$184,120,919	\$871.58	93.1%	\$22,397,639	\$206,518,558	104.4%

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



LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

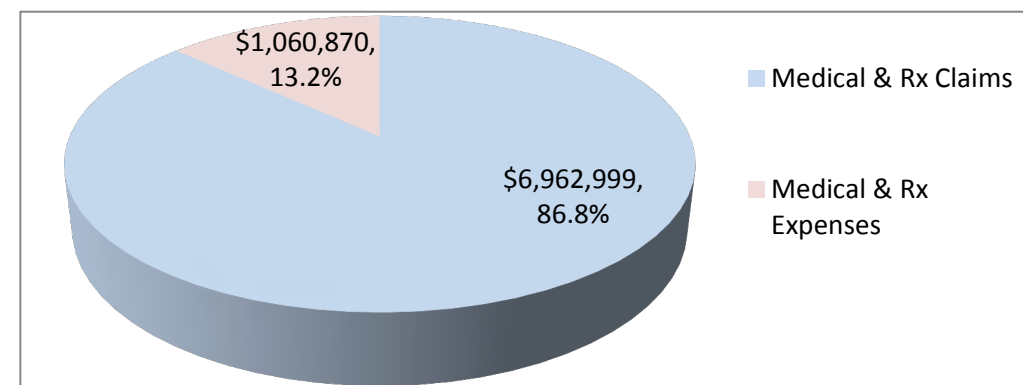
Anthem Prudent Buyer

Plan Year July 1, 2016 – June 30, 2017

Month	Monthly Enrollment	Monthly Premium	Medical & Rx Claims	Claims Per Retiree Per Month	Paid Loss Ratio	Medical & Rx Expenses	Total Paid Claims & Expenses	Expense Ratio
Jul-16	1,321	\$1,562,451	\$1,318,391	\$998.03	84.4%	\$214,611	\$1,533,002	98.1%
Aug-16	1,312	\$1,564,102	\$1,376,003	\$1,048.78	88.0%	\$213,149	\$1,589,152	101.6%
Sep-16	1,302	\$1,546,234	\$1,512,698	\$1,161.83	97.8%	\$211,524	\$1,724,222	111.5%
Oct-16	1,298	\$1,529,406	\$1,442,196	\$1,111.09	94.3%	\$210,874	\$1,653,070	108.1%
Nov-16	1,297	\$1,519,166	\$1,313,711	\$1,012.88	86.5%	\$210,712	\$1,524,423	100.3%
Dec-16								
Jan-17								
Feb-17								
Mar-17								
Apr-17								
May-17								
Jun-17								

YTD Plan Year	6,530	\$7,721,359	\$6,962,999	\$1,066.31	90.2%	\$1,060,870	\$8,023,869	103.9%
5 Month Average	1,306	\$1,544,272	\$1,392,600	\$1,066.31	90.2%	\$212,174	\$1,604,774	103.9%
12 Month Rollup	17,388	\$20,548,498	\$17,029,722	\$979.40	82.9%	\$2,523,570	\$19,553,293	95.2%

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



LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

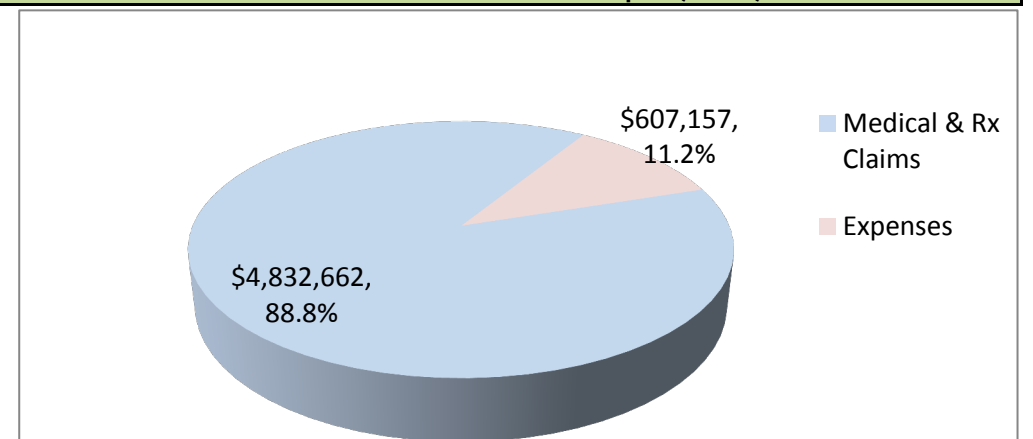
Cigna HMO

Plan Year July 1, 2016 – June 30, 2017

Month	Monthly Enrollment	Monthly Premium	Medical & Rx Claims	Claims Per Retiree Per Month	Paid Loss Ratio	Expenses	Total Paid Claims & Expenses	Expense Ratio
Jul-16	600	\$1,024,268	\$1,053,209	\$1,755.35	102.8%	\$122,810	\$1,176,019	114.8%
Aug-16	598	\$1,023,919	\$898,265	\$1,502.11	87.7%	\$122,768	\$1,021,033	99.7%
Sep-16	594	\$1,014,533	\$1,055,166	\$1,776.37	104.0%	\$121,643	\$1,176,808	116.0%
Oct-16	591	\$1,003,760	\$915,797	\$1,549.57	91.2%	\$120,351	\$1,036,147	103.2%
Nov-16	586	\$997,382	\$910,226	\$1,553.29	91.3%	\$119,586	\$1,029,813	103.3%
Dec-16								
Jan-17								
Feb-17								
Mar-17								
Apr-17								
May-17								
Jun-17								

YTD Plan Year	2,969	\$5,063,862	\$4,832,662	\$1,627.71	95.4%	\$607,157	\$5,439,820	107.4%
5 Month Average	594	\$1,012,772	\$966,532	\$1,627.71	95.4%	\$121,431	\$1,087,964	107.4%
12 Month Rollup	7,266	\$12,173,173	\$12,058,242	\$1,659.54	99.1%	\$1,360,768	\$13,419,010	110.2%

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



LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

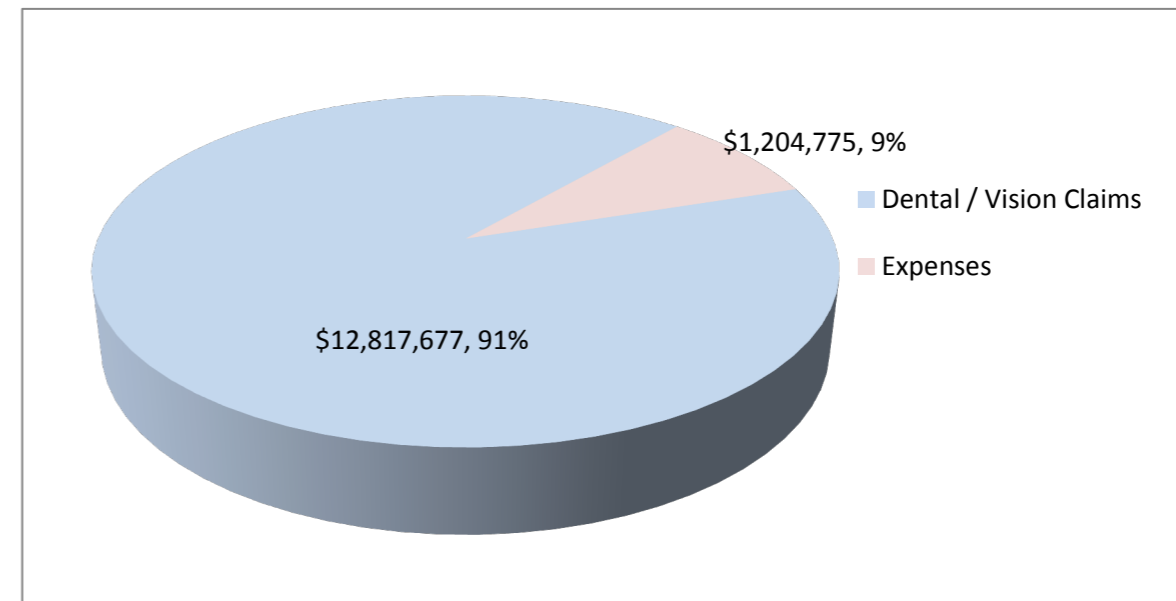
Cigna Dental PPO and Vision

Plan Year July 1, 2016 - June 30, 2017

Month	Monthly Enrollment	Monthly Premium	Dental / Vision Claims	In-Network Dental Claims	Claims Per Retiree Per Month	Paid Loss Ratio	Expenses	Total Paid Claims & Expenses	Expense Ratio
Jul-16	43,276	\$3,364,467	\$2,534,298	54.5%	\$58.56	75.3%	\$240,769	\$2,775,067	82.5%
Aug-16	43,353	\$3,367,060	\$2,730,885	57.7%	\$62.99	81.1%	\$240,955	\$2,971,840	88.3%
Sep-16	43,417	\$3,364,087	\$2,602,511	56.8%	\$59.94	77.4%	\$240,742	\$2,843,253	84.5%
Oct-16	43,475	\$3,370,847	\$2,457,048	58.3%	\$56.52	72.9%	\$241,226	\$2,698,274	80.0%
Nov-16	43,509	\$3,368,847	\$2,492,934	58.3%	\$57.30	74.0%	\$241,083	\$2,734,017	81.2%
Dec-16									
Jan-17									
Feb-17									
Mar-17									
Apr-17									
May-17									
Jun-17									

YTD Plan Year	217,030	\$16,835,309	\$12,817,677	57.1%	\$59.06	76.1%	\$1,204,775	\$14,022,451	83.3%
5 Month Average	43,406	\$3,367,062	\$2,563,535	57.1%	\$59.06	76.1%	\$240,955	\$2,804,490	83.3%
12 Month Rollup	516,553	\$38,664,252	\$33,214,149	56.3%	\$64.30	85.9%	\$3,084,435	\$36,298,583	93.9%

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



LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Kaiser Utilization

- At this committee's request, Aon has included a new report summarizing claim utilization data for Kaiser
- Of the 22,900 members enrolled in Kaiser, 17,200 or 75% are enrolled in Medicare Advantage plans.
- Kaiser does not provide utilization information for retirees enrolled in the MA plans.
- Kaiser is offered to LACERA members in five geographies. Southern California, with approx. 8700 enrolled members, is the only group currently credible from an experience monitoring perspective

Category	Current Period 8/1/15 - 7/31/16	Prior Period 8/1/14 - 7/31/15	Change
Average Members	8,714	8,517	2.31%
Inpatient Claims PMPM	\$201.39	\$231.48	-13.00%
Outpatient Claims PMPM	\$252.69	\$215.22	17.41%
Pharmacy	\$94.08	\$95.51	-1.50%
Other	\$109.95	\$111.30	-1.21%
Total Claims PMPM	\$658.11	\$653.52	0.70%
Total Paid Claims	\$68,817,246.48	\$66,792,358.08	3.03%
# of Large Claims over \$400,000 Pooling Point	5	7	
Large Claims \$ over \$400,000 Pooling Point	\$3,667,107	\$5,236,108	-29.97%
Large Claims as a % of all claims	5.33%	7.84%	
Inpatient Days / 1000	347.9	489.3	-28.90%
Inpatient Admits / 1000	73.6	80.3	-8.34%
Outpatient Visits / 1000	12,351.7	12,234.0	0.96%
Pharmacy Scripts PMPY	11.4	11.8	-3.39%



The Washington Report

December 19, 2016

Happy Holidays From Aon Hewitt

Next *Washington Report* Will Be Published January 9, 2017

The Washington Report will not be published on December 26, 2016, or January 2, 2017. Look for your next Aon Hewitt *Washington Report* on Monday, January 9, 2017. Happy holidays! We look forward to keeping you informed in the new year.

Legislative

President Obama Signs 21st Century Cures Act Into Law

On December 13, 2016, President Obama signed into law the 21st Century Cures Act (H.R. 34), a large spending bill that provides federal dollars for many health initiatives including a Cancer Moonshot spending program for cancer research, as well as other initiatives. Several of the provisions directly affect employer-sponsored health plans, including an expansion of Mental Health Parity and Addiction Equity Act enforcement and the creation of small employer health reimbursement arrangements (HRAs). For additional information, please see the Aon Hewitt bulletin "21st Century Cures Act Expands Mental Health Parity Act Enforcement, Allows Small Employer Standalone HRAs" in the Aon Hewitt Publications section.

The full text of H.R. 34 is available [here](#).

Health

HHS Releases Final Regulations on Benefit and Payment Parameters for 2018; Amendments to Special Enrollment Periods, and the Consumer-Operated and -Oriented Plan Program

On December 16, 2016, the Department of Health and Human Services (HHS) released final regulations setting forth the payment parameters and provisions related to the risk adjustment program; cost-sharing parameters and cost-sharing reductions; and user fees for federally facilitated Exchanges and state-based Exchanges on the federal platform. The regulations also provide additional guidance relating to standardized options; qualified health plans; consumer assistance tools; network adequacy; the Small Business Health Options Programs; stand-alone dental plans; fair health insurance premiums; guaranteed availability and guaranteed renewability; the medical loss ratio program; eligibility and enrollment; appeals; consumer-operated and -oriented plans; special enrollment periods; and other related topics. The final regulations become

effective on January 17, 2017.

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

(The final regulations will be published in the December 22, 2016, edition of the *Federal Register*.)

A fact sheet on the final regulations is available [here](#).

IRS Releases Final Regulations on Premium Tax Credit

On December 14, 2016, the Internal Revenue Service (IRS) released final regulations relating to the health insurance premium tax credit (premium tax credit). These final regulations affect individuals who enroll in qualified health plans through health insurance Exchanges and claim the premium tax credit, and Exchanges that make qualified health plans available to individuals and employers. These final regulations also affect individuals who are eligible for employer-sponsored health coverage. The final regulations are effective as of December 19, 2016. (For dates of applicability, please refer to the final regulations.)

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

Retirement

IRS Publishes Required Amendments List for Qualified Retirement Plans

On December 13, 2016, the Internal Revenue Service (IRS) released Notice 2016-80, which contains the 2016 Required Amendments List for individually designed qualified retirement plans. The list identifies certain changes in qualification requirements that became effective in 2016 that may require a retirement plan to be amended in order to remain qualified, and establishes the date by which any necessary amendment must be made.

IRS Notice 2016-80 is available [here](#).

Other HR-Related Topics

DOL Announces Final Rule Updating Equal Employment Opportunity in Apprenticeship Regulations

On December 16, 2016, the Department of Labor (DOL) announced a final rule that updates and simplifies the guidelines governing how employers and other apprenticeship sponsors ensure equal employment opportunity in apprenticeship programs for traditionally under-represented groups, including women, minorities, and people with disabilities. The final rule amends existing requirements last updated in 1978 and extends current protections against discrimination to include disability, age (40 years or older), genetic information, and sexual orientation. According to the DOL, the rule's provisions "simplify the steps employers and sponsors must take to make compliance easier, ensure equal opportunity in apprenticeship and help businesses leverage the program's benefits." The final rule becomes effective on January 18, 2017.

(Please refer to the final rule for compliance dates.)

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

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

Additional information from the DOL's Office of Apprenticeship's website is available [here](#).

IRS Releases 2017 Standard Mileage Rates for Business, Medical, and Moving

On December 13, 2016, the Internal Revenue Service (IRS) issued Information Release 2016-169, which provides the 2017 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical, or moving purposes. Beginning on January 1, 2017, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 53.5 cents per mile for business miles driven, down from 54 cents for 2016;
- 17 cents per mile driven for medical or moving purposes, down from 19 cents for 2016; and
- 14 cents per mile driven in service of charitable organizations.

IRS Information Release 2016-169 is available [here](#).

Aon Hewitt Publications

Aon Hewitt White Paper: "What's at Stake for Health Care Organizations With Church Pension Plans"

Pension plans sponsored by health care organizations affiliated with churches face serious risks as a result of recent lawsuits challenging the church plan status of these plans. Hospitals that have treated their pension plans as church plans will want to understand the changes in contributions and administrative practices that would be required if these plans were subject to ERISA. In addition, some health care organizations may find that recent lawsuits not only put ERISA-compliance risks to the forefront but also highlight implications for enterprise financial risks.

Our white paper on this topic: "What's at Stake for Health Care Organizations with Church Pension Plans" is available [here](#).

You can also find other timely white papers, as part of the "Aon Hewitt 2016 Retirement & Investment Whitepaper Series," available [here](#).

21st Century Cures Act Expands Mental Health Parity Act Enforcement, Allows

Small Employer Standalone HRAs

On December 13th, 2016, President Obama signed into law the 21st Century Cures Act (H.R. 34), a large spending bill that provides federal dollars for many health initiatives including a Cancer Moonshot spending program for cancer research, as well as other initiatives. Several of the provisions directly affect employer-sponsored health plans, including an expansion of Mental Health Parity and Addiction Equity Act enforcement and the creation of small employer health reimbursement arrangements (HRAs).

The Aon Hewitt bulletin, which provides a brief overview of the legislation, is available [here](#).

December 12, 2016

Legislative

114th Congress Adjourns

The 114th Congress adjourned last week. The 115th Congress is scheduled to meet from January 3, 2017, through January 3, 2019, during the first two years of President-elect Donald Trump's presidency.

President Obama Signs Stopgap Funding Measure Into Law

On December 10, 2016, President Obama signed into law the "Further Continuing and Security Assistance Appropriations Act, 2017" (H.R. 2028). The law continues funding for federal programs and services until April 28, 2017. The House and Senate approved the bill late last week.

The full text of H.R. 2028 is available [here](#).

Aon Hewitt Publications

Aon Hewitt 2017 Limits for Benefit Plans

Each year, the U.S. government adjusts the limits for retirement plans, Social Security, Medicare, and other benefit programs to reflect price and wage inflation, and changes in the law. As a result, employee benefit plans must be adapted annually to accommodate the new limits. All of the numbers in this report are official unless otherwise indicated.

The Aon Hewitt 2017 Limits for Benefit Plans is available [here](#).

December 8, 2016

Aon Hewitt 2017 Limits for Benefit Plans

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The Aon Hewitt 2017 Limits for Benefit Plans is available [here](#).

December 5, 2016

Legislative

Congress Returns for Lame-Duck Session

The 114th Congress returned to the Hill to finish its final lame-duck session. Legislators are expected to adjourn December 9, 2016.

Other HR-Related Topics

DOL Releases Final Rule Updating Nondiscrimination, Equal Opportunity Regulations of WIOA

On December 2, 2016, the Department of Labor (DOL) published a final rule updating the existing nondiscrimination and equal opportunity regulations of the Workforce Innovation and Opportunity Act (WIOA). The final rule contains changes necessary to address developments in equal opportunity and nondiscrimination law since the substantive provisions of the rule were last updated in 1999. The rule also revises procedures and processes for enforcement of the nondiscrimination and equal opportunity provisions to reflect changes in the practices of recipients, including the use of computer-based and Internet-based systems to provide aid, benefits, services and training through WIOA Title I financially assisted programs and activities. According to the DOL, significant changes include:

- Expanding the explanation of the obligations to prevent discrimination based on national origin and provide services to individuals with limited English proficiency.
- Making changes to reflect the Americans with Disabilities Act Amendments Act of 2008.
- Clarifying that sex discrimination includes discrimination on the basis of pregnancy, childbirth and related medical conditions, transgender status, gender identity and sex-based stereotyping.

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

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

Federal District Court Suspends Overtime Rules

On November 22, 2016, the United States District Court for the Eastern District of Texas issued a nationwide preliminary injunction that enjoins the DOL from implementing and

enforcing its final overtime regulations. The DOL's final regulations, issued on May 17, 2016, would have increased the minimum salary level for exempt employees from \$455 per week (\$23,660 annually) to \$913 per week (\$47,476 annually) and made other changes to overtime rules. The regulations were set to take effect on December 1, 2016. The injunction was issued in a case challenging the regulations that was filed by the state of Nevada, 20 other states, and various business groups.

As a result of the preliminary injunction, employers do not have to comply with the DOL's overtime rules that would have otherwise taken effect on December 1, at least for now. The court has not yet ruled on the merits of the case. The injunction is a temporary measure that preserves the status quo while the court decides on its ruling. The DOL has appealed the injunction.

A statement posted by the DOL in response to the issuance of the preliminary injunction is available [here](#).

EEOC Releases Enforcement Guidance on National Origin Discrimination

On November 21, 2016, the Equal Employment Opportunity Commission (EEOC) issued its updated enforcement guidance on national origin discrimination to replace its 2002 compliance manual section on that subject. The EEOC also issued two short resource documents to accompany the guidance: a question-and-answer publication on the guidance document and a small business fact sheet that highlights the major points in the guidance in plain language. "EEOC is dedicated to advancing opportunity for all workers and ensuring freedom from discrimination based on ethnicity or country of origin," said EEOC Chair Jenny R. Yang. "This guidance addresses important legal developments over the past 14 years on issues ranging from human trafficking to workplace harassment. The examples and promising practices included in the guidance will promote compliance with federal anti-discrimination laws and help employers and employees better understand their legal rights and responsibilities."

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

The EEOC Enforcement Guidance is available [here](#).

"Questions and Answers: Enforcement Guidance on National Origin Discrimination" is available [here](#).

"Small Businesses Fact Sheet: National Origin Discrimination" is available [here](#).

Aon Hewitt Publications

IRS Extends Some 1094/1095 Reporting Deadlines

The Internal Revenue Service (IRS) released Notice 2016-70 on November 18, 2016, which provides for relief with respect to certain reporting requirements under IRS Code Sections 6055 and 6056, as well as associated penalties.

The Aon Hewitt bulletin, which provides a brief overview of IRS Notice 2016-70, is available [here](#).