

## **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, JUNE 15, 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, Chair  
Vivian H. Gray, Vice Chair  
Alan Bernstein  
Ronald Okum  
David Muir, Alternate

#### **I. APPROVAL OF THE MINUTES**

A. Approval of the minutes of the regular meeting of May 11, 2017

#### **II. PUBLIC COMMENT**

#### **III. ACTION ITEMS**

A. As submitted by Barry W. Lew, Legislative Affairs Officer: Provide direction to staff regarding a potential LACERA Legislative Proposal – Correction of Errors and Omissions. (Memorandum dated June 1, 2017)

#### **IV. FOR INFORMATION**

A. Staff Activities Report for May 2017  
B. Cigna & Anthem Blue Cross Claims Experience  
C. Federal Legislation

June 15, 2017

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V. REPORT ON STAFF ACTION ITEMS

VI. GOOD OF THE ORDER

(For information purposes only)

VII. ADJOURNMENT

**\*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, MAY 11, 2017, 11:35 A.M. – 12:15 P.M.

**COMMITTEE MEMBERS**

PRESENT: Alan Bernstein  
Ronald Okum  
David L. Muir, Alternate (*left at 11:50 a.m.*)

ABSENT: William de la Garza, Chair  
Vivian H. Gray, Vice Chair

**ALSO ATTENDING:**

BOARD MEMBERS AT LARGE

Marvin Adams  
Anthony Bravo  
Shawn R. Kehoe  
Joseph Kelly

STAFF, ADVISORS, PARTICIPANTS

Cassandra Smith  
Steven Rice  
Barry Lew

Aon Hewitt

Kirby Bosley                      Cathy Weis  
Helen Batsalkin

The meeting was called to order by Acting Chair Bernstein at 11:35 a.m. Due to the absence of Mr. de la Garza and Ms. Gray, the Chair announced that Mr. Muir, as the alternate, would be a voting member of the Committee.

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of April 13, 2017

Mr. Okum made a motion, Mr. Bernstein seconded, to approve the minutes of the regular meeting of April 13, 2017. The motion passed unanimously.

II. PUBLIC COMMENT

III. ACTION ITEMS

A. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Committee recommend the Board of Retirement adopt the Policy on Engagement for Issues of Public Policy Relating to Plan Administration and Retirement and Health Care Benefits. (Memorandum dated May 2, 2017)

Mr. Bernstein made a motion, Mr. Okum seconded, to approve the recommendation with additions incorporated as specified by the Committee. The motion passed unanimously.

B. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 526, which provides for the Sacramento County Employees' Retirement System to become a district. (Memorandum dated April 26, 2017)

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

C. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 995, which relates to the transfer of leave balances. (Memorandum dated April 21, 2017)

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

*(Mr. Muir left at 11:50 a.m., following the vote)*

#### IV. FOR INFORMATION

##### A. Staff Activities Report for April, 2017

The staff activities report was discussed.

##### B. Annual Claims Audit Reports

- Anthem Blue Cross Medical Plan
- Cigna Dental Plan

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

Anthem's financial accuracy decreased compared to the 2015 audit and did not meet LACERA's performance guarantee. Non-financial accuracy increased over the previous audit, exceeding LACERA's performance guarantee. However, overall accuracy and payment accuracy fell below the 2015 audit results. Turnaround time improved for the 14-calendar day period, but the 30-calendar day performance guarantee objective was not achieved.

The Cigna Dental Plan audit results reflect a decrease in the performance accuracy as compared to 2015. The timeliness of claims processing has improved, with 30-calendar day turnaround time at 100%.

Both Anthem and Cigna have agreed to the audit findings and have corrected all the affected claims.

##### C. CIGNA & Anthem Blue Cross Claims Experience

The CIGNA & Anthem Blue Cross Claims Experience reports through March 2017 were discussed.

##### D. Federal Legislation

- Aon Hewitt Washington Report

Submitted for information only.

May 11, 2017

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V. GOOD OF THE ORDER

(For information purposes only)


VI. ADJOURNMENT

The meeting adjourned at 12:15 p.m.

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

June 1, 2017

TO: Insurance, Benefits and Legislative Committee  
William de la Garza, Chair  
Vivian H. Gray, Vice Chair  
Ronald Okum  
Alan Bernstein  
David Muir, Alternate

FROM: Barry W. Lew   
Legislative Affairs Officer

FOR: June 15, 2017 Insurance, Benefits and Legislative Committee Meeting

SUBJECT: **Potential LACERA Legislative Proposal—Correction of Errors and Omissions**

## INTRODUCTION

At the Insurance, Benefits and Legislative Committee meeting on December 15, 2016, trustee David Muir requested staff develop a legislative solution to allow the Board to reconsider prior decisions that were based on an error of law. This request was prompted because there was a two-year period beginning in 2013 during which the Board used a different approach than current counsel recommends in applying Section 31724 of the Government Code in the determination of a member's effective date of disability retirement.

In general, a member's effective date of disability retirement is the date of application. If a member applied for disability retirement after he or she last received regular compensation, it is possible for the member's effective date of disability retirement to be earlier than the date of application. Historically, if a member established that he or she was unable to ascertain the permanency of his or her incapacity until after the date following the last day of regular compensation, the member was entitled to an effective date of disability retirement as of that date rather than the date of application. Thus, the member was required to be unable to ascertain the permanency of his or her incapacity as of a single day—the date after the last day of regular compensation.

However, the approach that was used during the two-year period beginning in 2013 required that the member be unable to ascertain the permanency of his or her incapacity for the period from the date following the last day of regular compensation up to the date of application. Therefore, some members were denied an effective date of disability retirement earlier than the date of application under this approach but would have possibly been granted an earlier effective date if the historical approach had been used.

At the Insurance, Benefits and Legislative Committee meeting on March 3, 2017, staff proposed a legislative solution for the Committee's consideration. The solution would have enabled the Board of Retirement to reconsider its decisions made during the two-year period beginning 2013 in determining the effective date of disability retirement. Moreover, the proposal would have allowed the Board of Retirement to reconsider all adjudicatory actions, not just those involving disability cases. Since your Committee expressed concern regarding the broad scope of the proposal in providing authority for the Board to reconsider all adjudicatory actions, your Committee directed staff to limit the scope to only the decisions made regarding the effective date of disability retirement during the two-year period beginning in 2013.

This memorandum provides a revised proposal in accordance with your Committee's direction. The proposal seeks to add a new Section 31541.1 to the Government Code instead of revising LACERA's existing errors and omissions correction statute under Government Code Section 31541 as originally proposed. The proposal is attached as Attachment A with a recommendation from your Committee to the Board of Retirement for sponsorship, if your Committee decides to make this recommendation to the Board. This memo lists the pros and cons of the proposal. Given the significant nature of the pros and cons, the Legal Office does not make a recommendation as to whether your Committee should advance the proposal to the full Board. Instead, staff requests that the Committee discuss the proposal and the information in this memo, and provide direction. Such direction may consist, for example, of (1) action to advance the proposal to the full Board with the Committee's recommendation to sponsor the proposed legislation, (2) action instructing staff to revise the current proposal or develop a different approach, or (3) action that the Committee does not wish to pursue the issue further. All of these actions are permissible under this item as noticed in the Committee agenda.

### **LEGISLATIVE POLICY STANDARD**

This proposal, if the Committee and Board proceed with it, can be viewed as consistent with LACERA's Legislative Policy to support proposals that provide the Board of Retirement with increased flexibility in its administration of the retirement plan and operations or enable more efficient and effective service to members and stakeholders. (Legislative Policy, page 5.) It can also be viewed as consistent with LACERA's Legislative Policy to support proposals that protect vested benefits or have a positive impact upon LACERA's members. (Legislative Policy, page 6.) Since the proposal pertains to LACERA only and none of the other CERL systems, LACERA, rather than SACRS, would sponsor this proposal, if approved by the Board.

### **CURRENT LAW**

In 2012, LACERA proposed legislation to enable the correction of errors and omissions. At that time, existing law under Government Code Section 31539 authorized the boards of retirement systems under the County Employees Retirement Law of 1937 (CERL) to reduce the monthly retirement benefits of members who fraudulently report compensation or overstate earnings that result in improper increases in their pensions.



However, there were no provisions in CERL that provided explicit statutory authority to correct errors and omissions.

LACERA initially proposed that legislation on the correction of errors and omissions be included in the 2012 legislative platform of the State Association of County Retirement Systems (SACRS). However, the proposal was not recommended for inclusion in the platform by the SACRS Legislative Committee; it was also not approved for inclusion in the platform by a vote of the SACRS membership during the business meeting at the 2012 SACRS Fall Conference.

Although the other CERL retirement systems did not see the need to have statutory authority for the correction of errors and omissions, LACERA believed such a statute was necessary to provide clarity regarding its authority to fix mistakes. Accordingly, LACERA sponsored legislation that would apply only to a retirement system operating under a county of the first class, i.e., the County of Los Angeles.

AB 2664 was enacted in 2012 and added Government Code Sections 31540 and 31541, which apply to LACERA only. These sections outline the obligations among the retirement system, plan sponsors, and members, establish periods of time within which correction may be sought, and provide the authority and framework for the Board of Retirement to correct errors and omissions. The full text of Sections 31540 and 31541 as enacted in 2012 is attached as Attachment B.

While Section 31541 as enacted allows for the correction of errors and omissions made by a member, the County, a district, or LACERA, the statute does not permit the Board to reconsider or reopen the Board's own prior adjudicative actions, such as disability decisions or decisions on administrative appeals. Well-established California case law supports that, absent explicit statutory authorization, which currently does not exist for LACERA, the Board does not have the authority to reopen or reconsider its adjudicative actions (even if they are erroneous or based on an error of law).

## **ISSUE**

Although Government Code Section 31541 provides the Board of Retirement with the authority to correct certain errors and omissions and requires that the Board shall correct actions taken as a result of those errors and omissions, the statute does not provide authority for the Board to reopen, reconsider, or modify its prior adjudicatory actions. In general, an administrative agency's quasi-judicial actions are final, and the agency's governing body, such as LACERA's Board of Retirement, cannot reconsider such actions unless authorized by statute.

During the two-year period beginning in 2013, the Board, based on the advice of prior counsel, used a different approach than current counsel recommends in applying Section 31724 of the Government Code in the determination of a member's effective date of disability retirement. How can the Board be provided the authority to reconsider

its decisions regarding the effective date of disability retirement that were made during this period?

### **PROPOSED SOLUTION**

Staff's original proposal was to amend Section 31541 to provide the Board of Retirement the statutory authority to correct board decisions made based upon errors and omissions, including errors of law that existed at the time of the action. The authority would have covered not just the disability cases in question but also any adjudicatory actions made in the future as well.

Based on your Committee's desire to limit the scope of the proposal to the decisions made during the period beginning in 2013 with respect to the effective date of disability retirement, staff now proposes adding a new Section 31541.1 to the Government Code, limited to the specific disability retirement effective date issue that prompted the current discussion, rather than amending Section 31541, which provides for authority in general on the correction of errors and omissions.

The proposal in Attachment A adds Section 31541.1 to the Government Code to provide the Board of Retirement the statutory authority to correct board decisions made during the period beginning in 2013 based upon an error of law existing at the time of the decision. The new section would apply only to the issue of determining the effective date of disability retirement pursuant to Section 31724 of the Government Code; it does not revisit the issue of whether a member was permanently incapacitated pursuant to Section 31720 or whether an application was filed in a timely manner pursuant to Section 31722. The statute would enable the Board to make corrections upon any terms it deems just to ensure that the corrections are performed in an equitable manner. The proposed statute provides for a 1-year period after the effective date of the statute for a member to apply for correction of his or her disability effective date, so that potential claims would not remain outstanding for an open-ended period of time.

These changes only give the Board the power to correct errors, including errors of law, which existed at the time of the decision, not due to subsequent changes in the law. If the law changes, such changes would not constitute an error, but instead they would just be a change in policy by the Legislature. Changes in case law will be evaluated individually. Similarly, issues that could affect cases of LACERA members that actually took their case to court and received a final decision of a court will also need to be evaluated individually; ordinarily, reconsideration of case with a final court judgment would be barred by other legal principles which this proposal does not address.

It is important to note that the final language of this proposal in a bill may be different due to legislative drafting practices, including review by the Legislature's Legislative Counsel. However, if the Board decides to take this proposal to the Legislature, staff will work with LACERA's legislative advocate to ensure that the bill meets the Board's objectives.

### Pros

Advances the public policy embodied in the California Constitution of ensuring the rights of members and retirees to receiving their earned benefits.

Provides the Board with the statutory authority to correct certain errors and omissions, including errors of law, on such terms as the Board deems just.

Is consistent with the Board's fiduciary duty to members and LACERA's mission to produce, protect, and provide the promised benefit.

### Cons

Significant departure from a longstanding practice and existing statutory and case law that recognizes that the Board's quasi-judicial actions are final.

Grants authority to act beyond the time periods stated in the Board of Retirement Regulations, the Board-adopted Procedures for Disability Retirement Hearings, other LACERA policies and procedures, which provide time periods for a member to file an appeal if the member disagrees with the Board's action. In particular, the Regulations provide that a member has 30 days to request a hearing after receiving notice of a Board action denying a disability application; the Regulations also provide that a member entitled to judicial review of a Board action has 90 days to petition a court after receiving notice of the Board action.

May require additional staff resources to process the reconsideration and reopening of designated cases.

Creates risks by setting a precedent for seeking specific legislation to correct errors of law since future errors of law will not be covered under this proposal.

## **IMPLEMENTATION**

If the Board of Retirement takes action to sponsor this legislative proposal, it would be introduced for the 2018 legislative year. If enacted in 2018, the legislation would be effective January 1, 2019.

The legislation provides that members have one year from the effective date to file an application seeking correction of the errors and omissions with respect to the effective date of disability retirement. According to the Disability Retirement Division's research, there are 85 members who were denied an effective date of disability retirement earlier than the date of application. These members would be provided notice of their right to seek correction of their effective date of disability retirement by having their cases reevaluated by the Board of Retirement to determine eligibility for an earlier effective date.

However, it is possible that not all 85 members will seek correction of their effective date. Members will need to evaluate whether it would be cost-effective to pursue correction. For example, some members may have been receiving benefits under the County of Los Angeles' Long-Term Disability and Survivor Benefit Plan, which requires

an offset based on the amount of disability retirement benefits received. Thus, any additional disability retirement benefits received may require repayment of the corresponding amount of long-term disability benefits. Members who received service-connected disability retirements may also need to evaluate whether they are eligible to file amended tax returns related to the taxability of their disability retirement benefit. To determine whether they should pursue a reevaluation of their disability effective date, members will need to be provided an analysis of their disability retirement benefits under the earlier effective date and counseling regarding the cost-effectiveness of pursuing correction.

### **CONCLUSION**

Based on the information above, staff requests that the Committee determine whether or not to advance the proposal to add Section 31541.1 to the Government Code to the full Board with a recommendation to sponsor the proposal in the Legislature, or give staff other direction with respect to the issue.

**Reviewed and Approved:**



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**Steven P. Rice, Chief Counsel**

### **Attachments**

#### Attachment A

Draft recommendation to Board of Retirement to sponsor legislation  
Draft language for Government Code Section 31541.1

#### Attachment B

Government Code Section 31540  
Government Code Section 31541

cc:    Fern Billingsy                      Michael Herrera  
       Bernie Buenaflor                  Robert Hill  
       Frank Boyd                          Vincent Lim  
       Allan Cochran                      JJ Popowich  
       Ricki Contreras                    Gregg Rademacher  
       Johanna Fontenot                  Joe Ackler, Ackler & Associates

**ATTACHMENT A**

June \_\_, 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: July 13, 2017 Board of Retirement Meeting

SUBJECT: **LACERA 2018 Legislative Proposal—Correction of Errors and Omissions**

## **RECOMMENDATION**

That the Board of Retirement sponsor legislation to provide statutory authority to the Board of Retirement to correct board decisions made between 2013 and 2015 in the determination of the effective date of disability retirement that were based upon an error law existing at the time of the decision.

## **BACKGROUND**

At the Insurance, Benefits and Legislative Committee meeting on December 15, 2016, trustee David Muir requested staff develop a legislative solution to allow the Board to reconsider prior decisions that were based on an error of law. This request was prompted because there was a two-year period beginning in 2013 during which your Board used a different approach than current counsel recommends in applying Section 31724 of the Government Code in the determination of a member's effective date of disability retirement.

In general, a member's effective date of disability retirement is the date of application. If a member applied for disability retirement after he or she last received regular compensation, it is possible for the member's effective date of disability retirement to be earlier than the date of application. Historically, if a member established that he or she was unable to ascertain the permanency of his or her incapacity until after the date following the last day of regular compensation, the member was entitled to an effective date of disability retirement as of that date rather than the date of application. Thus, the member was required to be unable to ascertain the permanency of his or her incapacity as of a single day—the date after the last day of regular compensation.

However, the approach that was used during the two-year period beginning in 2013 required that the member be unable to ascertain the permanency of his or her incapacity for the period from the date following the last day of regular compensation up to the date of application. Therefore, some members were denied an effective date of disability retirement earlier than the date of application under this approach but would

have possibly been granted an earlier effective date if the historical approach had been used.

At the Insurance, Benefits and Legislative Committee meeting on March 3, 2017, staff proposed a legislative solution for the Committee's consideration. The solution would have enabled your Board to reconsider decisions made during the two-year period beginning 2013 in determining the effective date of disability retirement. Moreover, the proposal would have allowed your Board to reconsider all adjudicatory actions, not just those involving disability cases. Since the Committee expressed concern regarding the broad scope of the proposal in providing authority for your Board to reconsider all adjudicatory actions, the Committee directed staff to limit the scope to only the decisions made regarding the effective date of disability retirement during the two-year period beginning in 2013.

### **LEGISLATIVE POLICY STANDARD**

This proposal can be viewed as consistent with LACERA's Legislative Policy to support proposals that provide the Board of Retirement with increased flexibility in its administration of the retirement plan and operations or enable more efficient and effective service to members and stakeholders. (Legislative Policy, page 5.) It can also be viewed as consistent with LACERA's Legislative Policy to support proposals that protect vested benefits or have a positive impact upon LACERA's members. (Legislative Policy, page 6.) Since the proposal pertains to LACERA only and none of the other CERL systems, LACERA, rather than SACRS, would sponsor this proposal, if approved by your Board.

### **CURRENT LAW**

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LACERA sponsored legislation that would apply only to a retirement system operating under a county of the first class, i.e., the County of Los Angeles.

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## **ISSUE**

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During the two-year period beginning in 2013, your Board, based on the advice of prior counsel, used a different approach than current counsel recommends in applying Section 31724 of the Government Code in the determination of a member's effective date of disability retirement. In order for your Board to reconsider decisions regarding the effective date of disability retirement that were made during this period, your Board must have the statutory authority to do so.

## **PROPOSED SOLUTION**

The proposal in Attachment A adds Section 31541.1 to the Government Code to provide the Board of Retirement the statutory authority to correct board decisions made during the period beginning in 2013 based upon an error of law existing at the time of the decision. The new section would apply only to the issue of determining the effective date of disability retirement pursuant to Section 31724 of the Government Code; it does not revisit the issue of whether a member was permanently incapacitated pursuant to Section 31720 or whether an application was filed in a timely manner pursuant to Section 31722. The statute would enable the Board to make corrections upon any terms it deems just to ensure that the corrections are performed in an equitable manner. The proposed statute provides for a 1-year period after the effective date of the statute for a



member to apply for correction of his or her disability effective date, so that potential claims would not remain outstanding for an open-ended period of time.

These changes only give the Board the power to correct errors, including errors of law, which existed at the time of the decision, not due to subsequent changes in the law. If the law changes, such changes would not constitute an error, but instead they would just be a change in policy by the Legislature. Changes in case law will be evaluated individually. Similarly, issues that could affect cases of LACERA members that actually took their case to court and received a final decision of a court will also need to be evaluated individually; ordinarily, reconsideration of case with a final court judgment would be barred by other legal principles which this proposal does not address.

It is important to note that the final language of this proposal in a bill may be different due to legislative drafting practices, including review by the Legislature's Legislative Counsel. However, if the Board decides to take this proposal to the Legislature, staff will work with LACERA's legislative advocate to ensure that the bill meets the Board's objectives.

#### Pros

Advances the public policy embodied in the California Constitution of ensuring the rights of members and retirees to receiving their earned benefits.

Provides the Board with the statutory authority to correct certain errors and omissions, including errors of law, on such terms as the Board deems just.

Is consistent with the Board's fiduciary duty to members and LACERA's mission to produce, protect, and provide the promised benefit.

#### Cons

Significant departure from a longstanding practice and existing statutory and case law that recognizes that the Board's quasi-judicial actions are final.

Grants authority to act beyond the time periods stated in the Board of Retirement Regulations, the Board-adopted Procedures for Disability Retirement Hearings, other LACERA policies and procedures, which provide time periods for a member to file an appeal if the member disagrees with the Board's action. In particular, the Regulations provide that a member has 30 days to request a hearing after receiving notice of a Board action denying a disability application; the Regulations also provide that a member entitled to judicial review of a Board action has 90 days to petition a court after receiving notice of the Board action.

May require additional staff resources to process the reconsideration and reopening of designated cases.

Creates risks by setting a precedent for seeking specific legislation to correct errors of law since future errors of law will not be covered under this proposal.

**IMPLEMENTATION**

If your Board takes action to sponsor this legislative proposal, it would be introduced for the 2018 legislative year. If enacted in 2018, the legislation would be effective January 1, 2019.

The legislation provides that members have one year from the effective date to file an application seeking correction of the errors and omissions with respect to the effective date of disability retirement. According to the Disability Retirement Division’s research, there are 85 members who were denied an effective date of disability retirement earlier than the date of application. These members would be provided notice of their right to seek correction of their effective date of disability retirement by having their cases reevaluated by the Board of Retirement to determine eligibility for an earlier effective date.

However, it is possible that not all 85 members will seek correction of their effective date. Members will need to evaluate whether it would be cost-effective to pursue correction. For example, some members may have been receiving benefits under the County of Los Angeles’ Long-Term Disability and Survivor Benefit Plan, which requires an offset based on the amount of disability retirement benefits received. Thus, any additional disability retirement benefits received may require repayment of the corresponding amount of long-term disability benefits. Members who received service-connected disability retirements may also need to evaluate whether they are eligible to file amended tax returns related to the taxability of their disability retirement benefit. To determine whether they should pursue a reevaluation of their disability effective date, members will need to be provided an analysis of their disability retirement benefits under the earlier effective date and counseling regarding the cost-effectiveness of pursuing correction.

**IT IS THEREFORE RECOMMENDED THAT YOUR BOARD** sponsor legislation to provide statutory authority to the Board of Retirement to correct board decisions made between 2013 and 2015 in the determination of the effective date of disability retirement that were based upon an error law existing at the time of the decision.

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**Attachments**

Attachment A

Draft language for Government Code Section 31541.1

Attachment B

Government Code Section 31540  
Government Code Section 31541

cc: Fern Billingsy  
Bernie Buenaflor  
Frank Boyd  
Allan Cochran  
Ricki Contreras  
Johanna Fontenot  
Michael Herrera  
Robert Hill  
Vincent Lim  
JJ Popowich  
Gregg Rademacher  
Joe Ackler, Ackler & Associates

DRAFT

Legislative Proposal  
Government Code Section 31541.1  
Draft Language

31541.1.

(a) Subject to subdivisions (c), (d), and (e) of Section 31541, the board, upon any terms it deems just, may correct prior board decisions made between January 1, 2013 and December 31, 2015 that were based upon an error of law existing at the time of the decision in the determination of the effective date of disability retirement pursuant to Section 31724. A member seeking correction of errors and omissions pursuant to this section may file an application for correction to the board no later than one year from the effective date of this section.

(b) This section shall apply only to a county of the first class as described in Section 28020.

**ATTACHMENT B**

**State of California**

**GOVERNMENT CODE**

**Section 31540**

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31540. (a) The obligations of the retirement system to its members continue throughout their respective memberships, and the obligations of the retirement system to, and in respect to, retired members continue throughout the lives of the retired members, and thereafter until all obligations to the members' beneficiaries under optional settlements have been discharged. The obligations of the county or district to the retirement system with respect to members employed by them, respectively, continue throughout the memberships of the members, and the obligations of the county or district to the retirement system with respect to retired members formerly employed by them, respectively, continue until all of the obligations of the retirement system to those retired members have been discharged. The obligations of any member to the retirement system continue throughout his or her membership, and thereafter until all of the obligations of the retirement system to that member have been discharged.

(b) For the purposes of payments into or out of the retirement fund for adjustment of errors or omissions, the period of limitation of actions shall be three years, and shall be applied as follows:

(1) In cases in which the retirement system makes an erroneous payment to a member or beneficiary, the system's right to collect shall expire three years from the date of payment.

(2) In cases in which the retirement system owes money to a member or beneficiary, the period of limitation shall not apply.

(c) Notwithstanding subdivision (b), in cases in which payment is erroneous because of the death of the retired member or beneficiary or because of the remarriage of the beneficiary, the period of limitation shall be 10 years and that period shall commence with the discovery of the erroneous payment.

(d) Notwithstanding subdivision (b), if any payment has been made as a result of fraudulent reports for compensation made, or caused to be made, by a member for his or her own benefit, the period of limitation shall be 10 years and that period shall commence either from the date of payment or upon discovery of the fraudulent reporting, whichever date is later.

(e) The board shall determine the applicability of the period of limitation in any case, and its determination with respect to the running of any period of limitation shall be conclusive and binding for purposes of correcting the error or omission.

(f) This section shall apply only to a county of the first class as described in Section 28020.

(Added by Stats. 2012, Ch. 59, Sec. 2. (AB 2664) Effective January 1, 2013.)

**State of California**

**GOVERNMENT CODE**

**Section 31541**

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31541. (a) Subject to subdivisions (c) and (d), the board may, in its discretion and upon any terms it deems just, correct the errors or omissions of any active or retired member, or any beneficiary of an active or retired member, if all of the following facts exist:

(1) The request, claim, or demand to correct the error or omission is made by the party seeking correction within a reasonable time after discovery of the right to make the correction, which in no case shall exceed six months after discovery of this right.

(2) The error or omission was the result of mistake, inadvertence, surprise, or excusable neglect, as each of those terms is used in Section 473 of the Code of Civil Procedure.

(3) The correction will not provide the party seeking correction with a status, right, or obligation not otherwise available under this part.

Failure by a member or beneficiary to make the inquiry that would be made by a reasonable person in like or similar circumstances does not constitute an "error or omission" correctable under this section.

(b) Subject to subdivisions (c) and (d), the board shall correct all actions taken as a result of errors or omissions of the county or district, or this system.

(c) The duty and power of the board to correct mistakes, as provided in this section, shall terminate upon the expiration of obligations of this system to the party seeking correction of the error or omission, as those obligations are defined by Section 31540.

(d) The party seeking correction of an error or omission pursuant to this section has the burden of presenting documentation or other evidence to the board establishing the right to correction pursuant to subdivisions (a) and (b).

(e) Corrections of errors or omissions pursuant to this section shall be such that the status, rights, and obligations of all parties described in subdivisions (a) and (b) are adjusted to be the same as they would have been if the act that would have been taken, but for the error or omission, was taken at the proper time. However, notwithstanding any other provision of this section, corrections made pursuant to this section shall adjust the status, rights, and obligations of all parties described in subdivisions (a) and (b) as of the time that the correction actually takes place if the board finds any of the following:

(1) That the correction cannot be performed in a retroactive manner.

(2) That, even if the correction can be performed in a retroactive manner, the status, rights, and obligations of all of the parties described in subdivisions (a) and (b) cannot be adjusted to be the same, as they would have been if the error or omission had not occurred.

(3) That the purposes of this chapter will not be effectuated if the correction is performed in a retroactive manner.

(f) This section shall apply only to a county of the first class as described in Section 28020.

(Added by Stats. 2012, Ch. 59, Sec. 3. (AB 2664) Effective January 1, 2013.)



**INSURANCE, BENEFITS & LEGISLATIVE COMMITTEE  
RETIREE HEALTHCARE BENEFITS PROGRAM  
STAFF ACTIVITIES REPORT  
MAY 2017  
FOR INFORMATION ONLY**

**2017 World Health Care Congress**

Staff recently attended the 2017 World Health Care Congress in Washington, DC. During the conference, the following topics were addressed:

- Policy and Market Forces Impacting Health Care
- Delivery System Overhaul: How Medical Groups of the Future will Connect Across the Congress and Trump Administration
- Serving the New Health Care Consumer - Thrifty, Savvy, and more Complex
- Propel the Shift to Value - Based Care: The Forefront of Financial Sustainability, Cost Reduction, and Outcomes Improvement
- Payment Transformation and Business Model Innovation to Reshape U.S. Health Care
- Path to Digital Revolution and Technology Transformation
- Un-break Health Care: Collaborative Ways to Revitalize a Dysfunctional System
- Beyond the Drug *Du Jour*: Leverage Behavioral Health, Prevention, and Policy to Curb the Opioid Epidemic
- Cross-Sector Initiatives to Find Affordability in Drug Pricing
- Health Care Reform in the Age of Trump
- Health Care Reform: Pros, Cons, and Path Forward

**Retiree Healthcare Benefits Program Annual Letter Packet Mailing for Plan Year 2017-2018**

Staff completed the review of the Annual Letter Packet for Plan Year 2017-2018. The packet contains the Rate Booklet, listing the new healthcare premium rates effective July 1, 2017.

The mass mailing to all members and survivors currently enrolled in a LACERA-administered medical and dental/vision plans (51,000) was mailed the week of May 22. The electronic versions are now available on the LACERA website.

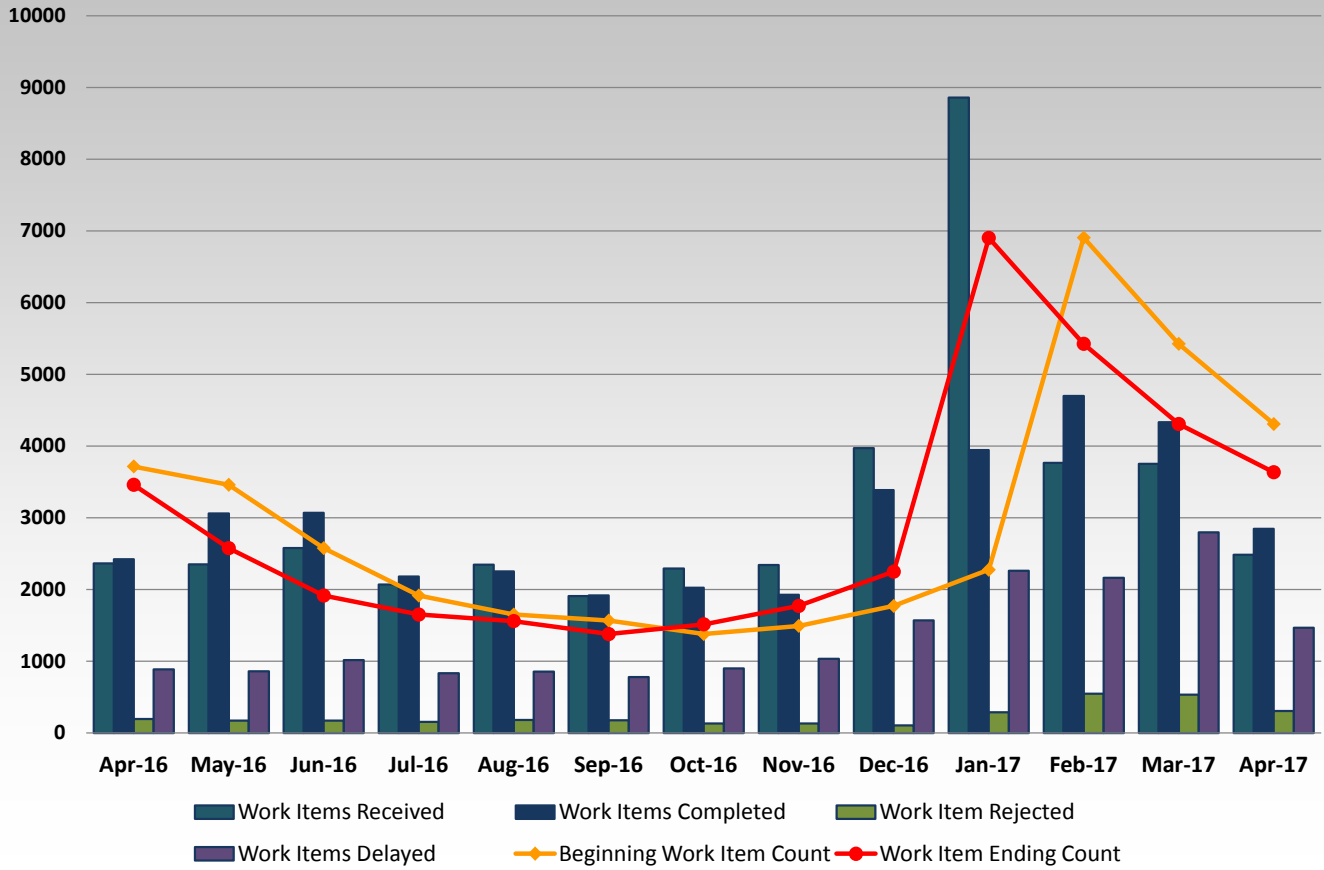
Kudos to the following teams: Aon, Systems and Communications for their assistance with this annual project.

# Retiree Healthcare Division

## Trend Report

April 2016-April 2017

Updated 5/31/2017

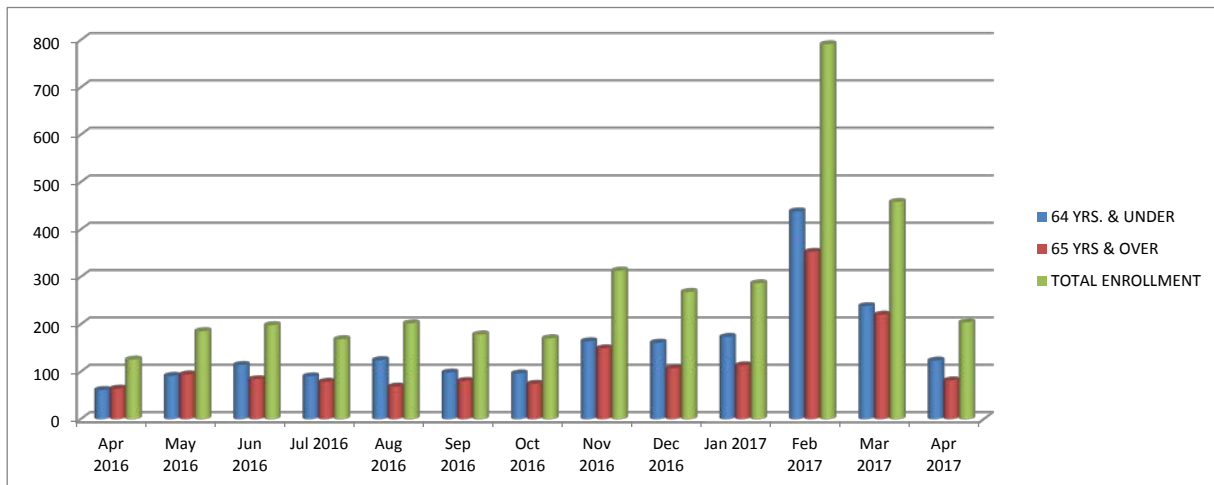


	Beginning Work Item Count	Work Items Received	Work Items Completed	Work Item Rejected	Work Items Delayed	Work Item Ending Count
Apr-16	3717	2365	2423	198	887	3461
May-16	3461	2350	3059	174	860	2578
Jun-16	2578	2579	3068	172	1015	1917
Jul-16	1917	2072	2183	154	836	1652
Aug-16	1652	2347	2255	183	855	1561
Sep-16	1568	1910	1920	178	780	1380
Oct-16	1380	2295	2027	132	899	1516
Nov-16	1494	2342	1929	135	1034	1772
Dec-16	1772	3970	3387	105	1572	2250
Jan-17	2276	8859	3944	288	2260	6903
Feb-17	6906	3767	4698	549	2164	5426
Mar-17	5426	3753	4334	537	2798	4308
Apr-17	4308	2484	2848	308	1467	3636

## Retirees Monthly Age Breakdown APRIL 2016 ~ APRIL 2017

### Service Retirement

MONTH	64 YRS. & UNDER	65 YRS & OVER	TOTAL ENROLLMENT
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
Dec 2016	161	107	268
Jan 2017	173	113	286
Feb 2017	438	353	791
Mar 2017	238	220	458
Apr 2017	123	81	204



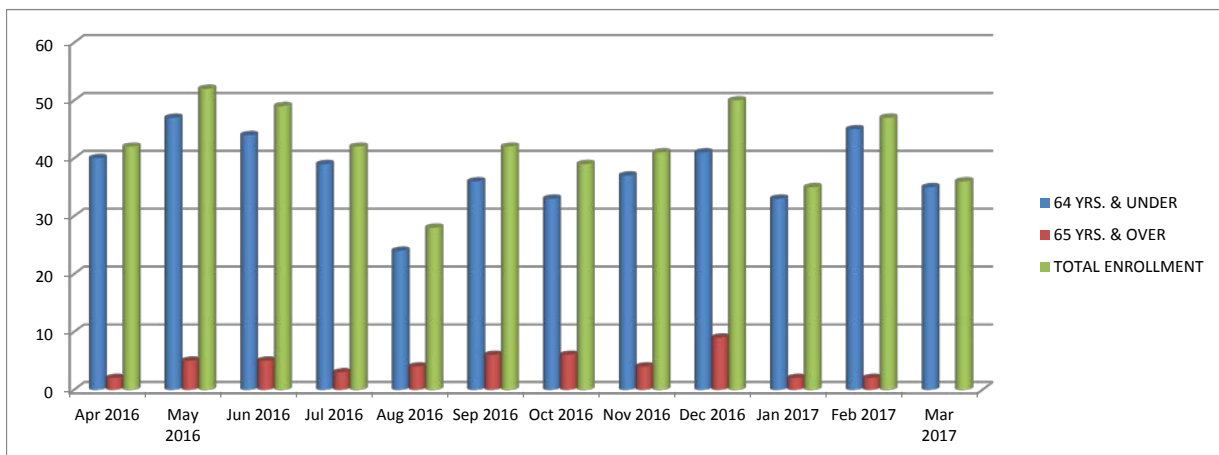
**PLEASE NOTE:**

- May (5/2017) data is not yet available as data is provided on a **full month basis**.
- Next Report will include the following dates: **May 1, 2016 through May 31, 2017.**

## Retirees Monthly Age Breakdown APRIL 2016 ~ APRIL 2017

### Disability Retirement

MONTH	64 YRS. & UNDER	65 YRS. & OVER	TOTAL ENROLLMENT
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
Dec 2016	41	9	50
Jan 2017	33	2	35
Feb 2017	45	2	47
Mar 2017	35	1	36
Apr 2017	44	4	48



**PLEASE NOTE:**

- May (5/2017) data is not yet available as data is provided on a **full month basis**.
- Next Report will include the following dates: **May 1, 2016 through May 31, 2017.**

**Medicare Part B Reimbursement and Penalty Report**

**PAY PERIOD 5/31/2017**

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
<b>ANTHEM BC III</b>				
202	1	\$268.00	0	\$0.00
203	1	\$268.00	0	\$0.00
240	6,402	\$706,831.60	9	\$270.90
241	163	\$17,934.80	0	\$0.00
242	836	\$95,178.70	0	\$0.00
243	3,662	\$808,269.40	8	\$229.90
244	19	\$2,087.40	0	\$0.00
245	50	\$5,651.50	0	\$0.00
246	19	\$2,108.10	0	\$0.00
247	102	\$11,892.40	0	\$0.00
248	11	\$2,406.50	1	\$36.50
249	44	\$10,541.70	0	\$0.00
250	14	\$3,120.80	0	\$0.00
<b>Plan Total:</b>	<b>11,324</b>	<b>\$1,666,558.90</b>	<b>18</b>	<b>\$537.30</b>
<b>CIGNA-HEALTHSPRING PREFERRED with RX</b>				
321	30	\$3,277.60	0	\$0.00
322	9	\$1,032.50	0	\$0.00
324	14	\$2,969.70	0	\$0.00
327	2	\$238.90	0	\$0.00
329	2	\$440.70	0	\$0.00
<b>Plan Total:</b>	<b>57</b>	<b>\$7,959.40</b>	<b>0</b>	<b>\$0.00</b>
<b>KAISER SR. ADVANTAGE</b>				
403	9,937	\$1,100,753.20	7	\$206.50
411	1	\$268.00	0	\$0.00
413	1,694	\$194,913.40	0	\$0.00
418	5,017	\$1,103,294.70	4	\$217.30
419	284	\$30,316.90	0	\$0.00
426	210	\$23,145.50	0	\$0.00
427	159	\$16,750.80	0	\$0.00
445	2	\$210.90	0	\$0.00
451	33	\$3,598.10	0	\$0.00
457	11	\$2,329.00	0	\$0.00
458	1	\$134.00	0	\$0.00
462	49	\$5,278.00	0	\$0.00
465	12	\$1,274.20	0	\$0.00
466	26	\$5,594.20	0	\$0.00
472	34	\$3,636.10	0	\$0.00
476	6	\$733.60	0	\$0.00
478	11	\$2,344.10	0	\$0.00
482	81	\$8,750.30	0	\$0.00
486	11	\$1,257.90	0	\$0.00
488	41	\$9,112.10	0	\$0.00
492	1	\$104.90	0	\$0.00
494	1	\$226.70	0	\$0.00
<b>Plan Total:</b>	<b>17,622</b>	<b>\$2,514,026.60</b>	<b>11</b>	<b>\$423.80</b>

**Medicare Part B Reimbursement and Penalty Report**

**PAY PERIOD 5/31/2017**

<b>Deduction Code</b>	<b>No. of Members</b>	<b>Reimbursement Amount</b>	<b>No. of Penalties</b>	<b>Penalty Amount</b>
<b>SCAN</b>				
611	290	\$32,211.80	0	\$0.00
613	108	\$22,241.30	0	\$0.00
<b>Plan Total:</b>	<b>398</b>	<b>\$54,453.10</b>	<b>0</b>	<b>\$0.00</b>
<b>UNITED HEALTHCARE GROUP MEDICARE ADV. HMO</b>				
701	1,544	\$171,490.80	1	\$36.50
702	335	\$40,260.10	0	\$0.00
703	864	\$191,664.40	1	\$10.50
704	75	\$8,703.10	0	\$0.00
705	27	\$6,467.50	0	\$0.00
<b>Plan Total:</b>	<b>2,845</b>	<b>\$418,585.90</b>	<b>2</b>	<b>\$47.00</b>
<b>Grand Total:</b>	<b>32,246</b>	<b>\$4,661,583.90</b>	<b>31</b>	<b>\$1,008.10</b>

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 5/31/2017

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
<b>ANTHEM BC III</b>				
202	1	\$268.00	0	\$0.00
203	1	\$268.00	0	\$0.00
240	6,402	\$706,831.60	9	\$270.90
241	163	\$17,934.80	0	\$0.00
242	836	\$95,178.70	0	\$0.00
243	3,662	\$808,269.40	8	\$229.90
244	19	\$2,087.40	0	\$0.00
245	50	\$5,651.50	0	\$0.00
246	19	\$2,108.10	0	\$0.00
247	102	\$11,892.40	0	\$0.00
248	11	\$2,406.50	1	\$36.50
249	44	\$10,541.70	0	\$0.00
250	14	\$3,120.80	0	\$0.00
<b>Plan Total:</b>	<b>11,324</b>	<b>\$1,666,558.90</b>	<b>18</b>	<b>\$537.30</b>
<b>CIGNA-HEALTHSPRING PREFERRED with RX</b>				
321	30	\$3,277.60	0	\$0.00
322	9	\$1,032.50	0	\$0.00
324	14	\$2,969.70	0	\$0.00
327	2	\$238.90	0	\$0.00
329	2	\$440.70	0	\$0.00
<b>Plan Total:</b>	<b>57</b>	<b>\$7,959.40</b>	<b>0</b>	<b>\$0.00</b>
<b>KAISER SR. ADVANTAGE</b>				
403	9,937	\$1,100,753.20	7	\$206.50
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418	5,017	\$1,103,294.70	4	\$217.30
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476	6	\$733.60	0	\$0.00
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482	81	\$8,750.30	0	\$0.00
486	11	\$1,257.90	0	\$0.00
488	41	\$9,112.10	0	\$0.00
492	1	\$104.90	0	\$0.00
494	1	\$226.70	0	\$0.00
<b>Plan Total:</b>	<b>17,622</b>	<b>\$2,514,026.60</b>	<b>11</b>	<b>\$423.80</b>



Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 5/31/2017

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
<b>SCAN</b>				
611	290	\$32,211.80	0	\$0.00
613	108	\$22,241.30	0	\$0.00
<b>Plan Total:</b>	<b>398</b>	<b>\$54,453.10</b>	<b>0</b>	<b>\$0.00</b>
<b>UNITED HEALTHCARE GROUP MEDICARE ADV. HMO</b>				
701	1,544	\$171,490.80	1	\$36.50
702	335	\$40,260.10	0	\$0.00
703	864	\$191,664.40	1	\$10.50
704	75	\$8,703.10	0	\$0.00
705	27	\$6,467.50	0	\$0.00
<b>Plan Total:</b>	<b>2,845</b>	<b>\$418,585.90</b>	<b>2</b>	<b>\$47.00</b>
<b>LOCAL 1014</b>				
804	165	\$23,197.20	0	\$0.00
805	179	\$24,831.00	0	\$0.00
806	555	\$132,122.76	0	\$0.00
807	35	\$5,489.70	0	\$0.00
808	10	\$2,280.00	0	\$0.00
812	219	\$25,379.40	0	\$0.00
<b>Plan Total:</b>	<b>1,163</b>	<b>\$213,300.06</b>	<b>0</b>	<b>\$0.00</b>
<b>Grand Total:</b>	<b>33,409</b>	<b>\$4,874,883.96</b>	<b>31</b>	<b>\$1,008.10</b>

## Medical and Dental Vision Insurance Premiums June 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Medical Plan</b>							
<b>Anthem Blue Cross Prudent Buyer Plan</b>							
201	714	\$603,359.90	\$98,613.42	\$500,527.18	\$599,140.60	(\$5,063.16)	\$594,077.44
202	394	\$653,575.08	\$69,172.78	\$586,061.12	\$655,233.90	\$0.00	\$655,233.90
203	101	\$189,058.87	\$44,138.57	\$146,792.17	\$190,930.74	\$0.00	\$190,930.74
204	36	\$39,029.40	\$14,939.49	\$24,089.91	\$39,029.40	\$0.00	\$39,029.40
205	1	\$231.33	\$9.25	\$222.08	\$231.33	\$0.00	\$231.33
<b>SUBTOTAL</b>	<b>1,246</b>	<b>\$1,485,254.58</b>	<b>\$226,873.51</b>	<b>\$1,257,692.46</b>	<b>\$1,484,565.97</b>	<b>(\$5,063.16)</b>	<b>\$1,479,502.81</b>
<b>Anthem Blue Cross I</b>							
211	893	\$953,882.05	\$60,856.27	\$900,486.31	\$961,342.58	(\$5,325.95)	\$956,016.63
212	319	\$614,352.00	\$35,056.38	\$573,536.07	\$608,592.45	(\$3,839.70)	\$604,752.75
213	54	\$122,270.04	\$17,027.20	\$105,242.84	\$122,270.04	\$0.00	\$122,270.04
214	20	\$28,189.60	\$5,553.35	\$24,045.73	\$29,599.08	\$0.00	\$29,599.08
215	4	\$1,418.04	\$205.61	\$1,212.43	\$1,418.04	\$0.00	\$1,418.04
<b>SUBTOTAL</b>	<b>1,290</b>	<b>\$1,720,111.73</b>	<b>\$118,698.81</b>	<b>\$1,604,523.38</b>	<b>\$1,723,222.19</b>	<b>(\$9,165.65)</b>	<b>\$1,714,056.54</b>
<b>Anthem Blue Cross II</b>							
221	2,102	\$2,246,685.32	\$133,990.50	\$2,114,826.40	\$2,248,816.90	(\$2,131.58)	\$2,246,685.32
222	1,899	\$3,653,474.55	\$99,332.92	\$3,551,572.31	\$3,650,905.23	(\$5,759.55)	\$3,645,145.68
223	606	\$1,376,670.08	\$55,564.79	\$1,325,633.81	\$1,381,198.60	\$0.00	\$1,381,198.60
224	141	\$198,736.68	\$17,336.61	\$189,856.95	\$207,193.56	\$0.00	\$207,193.56
225	2	\$709.02	\$177.25	\$531.77	\$709.02	\$0.00	\$709.02
<b>SUBTOTAL</b>	<b>4,750</b>	<b>\$7,476,275.65</b>	<b>\$306,402.07</b>	<b>\$7,182,421.24</b>	<b>\$7,488,823.31</b>	<b>(\$7,891.13)</b>	<b>\$7,480,932.18</b>

## Medical and Dental Vision Insurance Premiums June 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Anthem Blue Cross III</b>							
240	6,419	\$2,773,240.80	\$438,071.93	\$2,351,573.47	\$2,789,645.40	(\$7,338.90)	\$2,782,306.50
241	163	\$225,593.48	\$25,744.64	\$198,991.70	\$224,736.34	\$0.00	\$224,736.34
242	837	\$1,156,854.37	\$75,683.70	\$1,075,668.39	\$1,151,352.09	\$1,365.57	\$1,152,717.66
243	3,668	\$3,153,418.06	\$369,374.86	\$2,766,654.68	\$3,136,029.54	(\$4,285.70)	\$3,131,743.84
244	19	\$14,655.27	\$3,285.86	\$11,369.41	\$14,655.27	\$0.00	\$14,655.27
245	51	\$39,337.83	\$5,414.73	\$33,151.77	\$38,566.50	\$0.00	\$38,566.50
246	19	\$32,586.90	\$2,812.76	\$29,774.14	\$32,586.90	\$0.00	\$32,586.90
247	102	\$176,655.30	\$10,187.69	\$166,467.61	\$176,655.30	\$3,430.20	\$180,085.50
248	11	\$13,162.49	\$1,914.54	\$11,247.95	\$13,162.49	\$0.00	\$13,162.49
249	45	\$53,846.55	\$4,283.80	\$50,759.34	\$55,043.14	\$0.00	\$55,043.14
250	14	\$18,770.78	\$965.35	\$17,805.43	\$18,770.78	\$0.00	\$18,770.78
<b>SUBTOTAL</b>	<b>11,348</b>	<b>\$7,658,121.83</b>	<b>\$937,739.86</b>	<b>\$6,713,463.89</b>	<b>\$7,651,203.75</b>	<b>(\$6,828.83)</b>	<b>\$7,644,374.92</b>
<b>CIGNA Network Model Plan</b>							
301	359	\$479,710.80	\$115,637.45	\$366,738.41	\$482,375.86	(\$1,332.53)	\$481,043.33
302	158	\$382,280.52	\$85,034.61	\$299,650.19	\$384,684.80	\$0.00	\$384,684.80
303	21	\$62,436.00	\$13,950.13	\$37,133.87	\$51,084.00	\$0.00	\$51,084.00
304	23	\$40,655.72	\$15,953.32	\$26,470.04	\$42,423.36	\$0.00	\$42,423.36
<b>SUBTOTAL</b>	<b>561</b>	<b>\$965,083.04</b>	<b>\$230,575.51</b>	<b>\$729,992.51</b>	<b>\$960,568.02</b>	<b>(\$1,332.53)</b>	<b>\$959,235.49</b>

## Medical and Dental Vision Insurance Premiums June 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>CIGNA Healthspring Pref w/ Rx - Phoenix, AZ</b>							
321	30	\$10,334.70	\$1,591.55	\$8,743.15	\$10,334.70	(\$344.49)	\$9,990.21
322	10	\$14,155.30	\$452.96	\$12,286.81	\$12,739.77	\$0.00	\$12,739.77
324	14	\$9,533.72	\$1,157.67	\$8,376.05	\$9,533.72	\$0.00	\$9,533.72
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
<b>SUBTOTAL</b>	<b>58</b>	<b>\$40,083.68</b>	<b>\$3,571.93</b>	<b>\$35,096.22</b>	<b>\$38,668.15</b>	<b>(\$344.49)</b>	<b>\$38,323.66</b>

## Medical and Dental Vision Insurance Premiums June 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Kaiser/Senior Advantage</b>							
401	1,620	\$1,489,214.35	\$134,001.50	\$1,378,011.60	\$1,512,013.10	\$911.95	\$1,512,925.05
403	10,012	\$2,432,065.00	\$260,115.75	\$2,189,416.45	\$2,449,532.20	(\$4,366.80)	\$2,445,165.40
404	533	\$528,053.76	\$21,320.39	\$518,622.01	\$539,942.40	\$990.72	\$540,933.12
405	913	\$869,550.33	\$19,733.95	\$857,435.66	\$877,169.61	\$0.00	\$877,169.61
406	42	\$74,558.00	\$22,729.58	\$36,577.92	\$59,307.50	\$0.00	\$59,307.50
411	1,821	\$3,324,912.90	\$175,517.60	\$3,186,352.80	\$3,361,870.40	(\$3,631.80)	\$3,358,238.60
413	1,694	\$1,959,453.95	\$90,783.66	\$1,869,788.84	\$1,960,572.50	\$0.00	\$1,960,572.50
414	151	\$287,989.84	\$5,804.18	\$285,974.33	\$291,778.51	\$0.00	\$291,778.51
418	5,004	\$2,396,021.20	\$192,101.83	\$2,192,496.57	\$2,384,598.40	(\$2,386.00)	\$2,382,212.40
419	285	\$350,441.52	\$7,940.06	\$353,529.34	\$361,469.40	\$0.00	\$361,469.40
420	125	\$246,680.00	\$1,341.95	\$247,311.49	\$248,653.44	\$0.00	\$248,653.44
421	9	\$8,207.55	\$510.71	\$7,696.84	\$8,207.55	\$0.00	\$8,207.55
422	220	\$412,111.92	\$1,262.31	\$403,424.17	\$404,686.48	\$0.00	\$404,686.48
423	18	\$46,772.10	\$7,826.83	\$38,945.27	\$46,772.10	\$0.00	\$46,772.10
426	210	\$249,272.10	\$3,299.86	\$255,468.32	\$258,768.18	(\$1,187.01)	\$257,581.17
427	158	\$310,585.10	\$4,436.92	\$282,998.98	\$287,435.90	\$0.00	\$287,435.90
428	56	\$108,367.28	\$1,083.68	\$107,283.60	\$108,367.28	\$0.00	\$108,367.28
429	12	\$32,126.64	\$4,955.52	\$27,171.12	\$32,126.64	\$0.00	\$32,126.64
430	132	\$250,380.24	\$3,376.33	\$247,003.91	\$250,380.24	\$0.00	\$250,380.24
431	9	\$23,750.19	\$3,371.85	\$20,378.34	\$23,750.19	\$0.00	\$23,750.19
432	7	\$23,667.00	\$7,817.18	\$15,849.82	\$23,667.00	\$0.00	\$23,667.00
<b>SUBTOTAL</b>	<b>23,031</b>	<b>\$15,424,180.97</b>	<b>\$969,331.64</b>	<b>\$14,521,737.38</b>	<b>\$15,491,069.02</b>	<b>(\$9,668.94)</b>	<b>\$15,481,400.08</b>

## Medical and Dental Vision Insurance Premiums June 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Kaiser - Colorado</b>							
450	5	\$5,313.05	\$1,062.61	\$4,250.44	\$5,313.05	\$0.00	\$5,313.05
451	33	\$11,324.28	\$1,393.25	\$9,931.03	\$11,324.28	\$0.00	\$11,324.28
453	2	\$4,698.66	\$858.96	\$3,839.70	\$4,698.66	\$0.00	\$4,698.66
457	11	\$7,461.52	\$1,302.37	\$6,159.15	\$7,461.52	\$0.00	\$7,461.52
458	1	\$2,391.04	\$126.78	\$2,264.26	\$2,391.04	\$0.00	\$2,391.04
<b>SUBTOTAL</b>	<b>52</b>	<b>\$31,188.55</b>	<b>\$4,743.97</b>	<b>\$26,444.58</b>	<b>\$31,188.55</b>	<b>\$0.00</b>	<b>\$31,188.55</b>
<b>Kaiser - Georgia</b>							
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	13	\$15,137.33	\$2,419.75	\$11,553.17	\$13,972.92	\$0.00	\$13,972.92
462	51	\$20,821.26	\$3,633.50	\$17,187.76	\$20,821.26	\$0.00	\$20,821.26
463	3	\$6,962.49	\$2,162.86	\$4,799.63	\$6,962.49	\$0.00	\$6,962.49
465	12	\$18,776.04	\$938.80	\$17,837.24	\$18,776.04	\$0.00	\$18,776.04
466	26	\$21,021.52	\$1,552.36	\$19,469.16	\$21,021.52	\$0.00	\$21,021.52
<b>SUBTOTAL</b>	<b>114</b>	<b>\$93,998.85</b>	<b>\$11,397.61</b>	<b>\$81,436.83</b>	<b>\$92,834.44</b>	<b>\$0.00</b>	<b>\$92,834.44</b>

## Medical and Dental Vision Insurance Premiums June 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Kaiser - Hawaii</b>							
471	7	\$7,022.40	\$1,123.58	\$5,898.82	\$7,022.40	\$0.00	\$7,022.40
472	34	\$12,859.48	\$1,981.87	\$10,877.61	\$12,859.48	\$0.00	\$12,859.48
473	1	\$1,496.36	\$430.57	\$1,065.79	\$1,496.36	\$0.00	\$1,496.36
474	3	\$5,995.20	\$235.65	\$5,759.55	\$5,995.20	\$0.00	\$5,995.20
476	6	\$8,240.52	\$3,241.27	\$4,999.25	\$8,240.52	\$0.00	\$8,240.52
478	11	\$8,232.84	\$329.31	\$7,903.53	\$8,232.84	\$0.00	\$8,232.84
<b>SUBTOTAL</b>	<b>62</b>	<b>\$43,846.80</b>	<b>\$7,342.25</b>	<b>\$36,504.55</b>	<b>\$43,846.80</b>	<b>\$0.00</b>	<b>\$43,846.80</b>
<b>Kaiser - Oregon</b>							
481	7	\$7,625.17	\$2,019.10	\$5,606.07	\$7,625.17	\$0.00	\$7,625.17
482	81	\$36,888.21	\$5,701.73	\$31,641.89	\$37,343.62	\$0.00	\$37,343.62
484	2	\$4,341.24	\$655.13	\$3,686.11	\$4,341.24	\$0.00	\$4,341.24
486	11	\$16,903.92	\$2,274.35	\$14,629.57	\$16,903.92	\$0.00	\$16,903.92
488	41	\$37,015.62	\$4,152.99	\$32,862.63	\$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
<b>SUBTOTAL</b>	<b>147</b>	<b>\$111,961.11</b>	<b>\$15,892.58</b>	<b>\$96,523.94</b>	<b>\$112,416.52</b>	<b>\$0.00</b>	<b>\$112,416.52</b>
<b>SCAN Health Plan</b>							
611	291	\$89,337.00	\$19,371.70	\$70,272.30	\$89,644.00	(\$307.00)	\$89,337.00
613	107	\$65,448.00	\$9,708.12	\$52,709.88	\$62,418.00	\$0.00	\$62,418.00
<b>SUBTOTAL</b>	<b>398</b>	<b>\$154,785.00</b>	<b>\$29,079.82</b>	<b>\$122,982.18</b>	<b>\$152,062.00</b>	<b>(\$307.00)</b>	<b>\$151,755.00</b>

## Medical and Dental Vision Insurance Premiums June 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>UHC Medicare Adv.</b>							
701	1,543	\$515,499.00	\$62,671.59	\$453,093.44	\$515,765.03	(\$1,023.32)	\$514,741.71
702	336	\$450,053.76	\$31,477.10	\$423,902.74	\$455,379.84	\$0.00	\$455,379.84
703	861	\$568,443.40	\$59,078.71	\$507,393.21	\$566,471.92	(\$657.16)	\$565,814.76
704	75	\$114,275.12	\$3,969.53	\$107,298.35	\$111,267.88	\$0.00	\$111,267.88
705	27	\$22,390.02	\$1,177.55	\$22,041.73	\$23,219.28	\$0.00	\$23,219.28
<b>SUBTOTAL</b>	<b>2,842</b>	<b>\$1,670,661.30</b>	<b>\$158,374.48</b>	<b>\$1,513,729.47</b>	<b>\$1,672,103.95</b>	<b>(\$1,680.48)</b>	<b>\$1,670,423.47</b>
<b>United Healthcare</b>							
707	434	\$440,032.78	\$45,533.91	\$407,647.94	\$453,181.85	(\$1,007.04)	\$452,174.81
708	363	\$670,592.60	\$25,868.44	\$670,445.52	\$696,313.96	\$3,674.48	\$699,988.44
709	291	\$633,795.09	\$34,891.39	\$629,395.56	\$664,286.95	\$0.00	\$664,286.95
<b>SUBTOTAL</b>	<b>1,088</b>	<b>\$1,744,420.47</b>	<b>\$106,293.74</b>	<b>\$1,707,489.02</b>	<b>\$1,813,782.76</b>	<b>\$2,667.44</b>	<b>\$1,816,450.20</b>



## Medical and Dental Vision Insurance Premiums June 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Local 1014 Firefighters</b>							
801	44	\$45,496.00	\$1,344.20	\$44,151.80	\$45,496.00	\$4,136.00	\$49,632.00
802	259	\$482,874.42	\$13,721.87	\$473,264.23	\$486,986.10	\$0.00	\$486,986.10
803	229	\$503,616.80	\$16,142.12	\$496,271.48	\$512,413.60	\$2,199.20	\$514,612.80
804	166	\$171,644.00	\$8,747.64	\$143,941.86	\$152,689.50	(\$23,900.32)	\$128,789.18
805	180	\$335,588.40	\$10,850.71	\$324,737.69	\$335,588.40	(\$24,831.00)	\$310,757.40
806	557	\$1,038,459.66	\$32,365.68	\$1,000,138.28	\$1,032,503.96	(\$133,987.14)	\$898,516.82
807	36	\$79,171.20	\$1,803.34	\$81,766.26	\$83,569.60	(\$5,489.70)	\$78,079.90
808	10	\$21,992.00	\$175.94	\$21,816.06	\$21,992.00	(\$2,280.00)	\$19,712.00
809	23	\$23,782.00	\$3,164.04	\$20,617.96	\$23,782.00	\$0.00	\$23,782.00
810	6	\$11,186.28	\$1,528.79	\$11,521.87	\$13,050.66	\$0.00	\$13,050.66
811	5	\$10,996.00	\$791.71	\$10,204.29	\$10,996.00	\$0.00	\$10,996.00
812	220	\$227,480.00	\$20,080.28	\$210,046.76	\$230,127.04	(\$25,379.40)	\$204,747.64
<b>SUBTOTAL</b>	<b>1,735</b>	<b>\$2,952,286.76</b>	<b>\$110,716.32</b>	<b>\$2,838,478.54</b>	<b>\$2,949,194.86</b>	<b>(\$209,532.36)</b>	<b>\$2,739,662.50</b>
<b>Medical Plan Total</b>	<b>48,722</b>	<b>\$41,572,260.32</b>	<b>\$3,237,034.10</b>	<b>\$38,468,516.19</b>	<b>\$41,705,550.29</b>	<b>(\$249,147.13)</b>	<b>\$41,456,403.16</b>

## Medical and Dental Vision Insurance Premiums June 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b><u>Dental/Vision Plan</u></b>							
<b>CIGNA Indemnity Dental/Vision</b>							
501	23,002	\$1,176,399.04	\$138,163.20	\$1,049,146.98	\$1,187,310.18	(\$2,296.33)	\$1,185,013.85
502	21,316	\$2,267,267.84	\$180,961.83	\$2,100,619.96	\$2,281,581.79	(\$1,487.36)	\$2,280,094.43
503	11	\$691.24	\$129.45	\$561.79	\$691.24	\$0.00	\$691.24
<b>SUBTOTAL</b>	<b>44,329</b>	<b>\$3,444,358.12</b>	<b>\$319,254.48</b>	<b>\$3,150,328.73</b>	<b>\$3,469,583.21</b>	<b>(\$3,783.69)</b>	<b>\$3,465,799.52</b>
<b>CIGNA Dental HMO/Vision</b>							
901	3,221	\$148,805.91	\$19,356.97	\$130,557.02	\$149,913.99	(\$461.70)	\$149,452.29
902	2,298	\$216,576.00	\$20,104.72	\$197,317.28	\$217,422.00	(\$94.00)	\$217,328.00
903	4	\$187.00	\$5.61	\$181.39	\$187.00	\$0.00	\$187.00
<b>SUBTOTAL</b>	<b>5,523</b>	<b>\$365,568.91</b>	<b>\$39,467.30</b>	<b>\$328,055.69</b>	<b>\$367,522.99</b>	<b>(\$555.70)</b>	<b>\$366,967.29</b>
<b>Dental/Vision Plan Total</b>	<b>49,852</b>	<b>\$3,809,927.03</b>	<b>\$358,721.78</b>	<b>\$3,478,384.42</b>	<b>\$3,837,106.20</b>	<b>(\$4,339.39)</b>	<b>\$3,832,766.81</b>
<b>GRAND TOTALS</b>	<b>98,574</b>	<b>\$45,382,187.35</b>	<b>\$3,595,755.88</b>	<b>\$41,946,900.61</b>	<b>\$45,542,656.49</b>	<b>(\$253,486.52)</b>	<b>\$45,289,169.97</b>

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

\*Benchmark premiums are bolded.

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

\*Benchmark premiums are bolded.

CARRIER DEDUCTION PREMIUMS*	CODES	DEDUCTION CODE DEFINITIONS
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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.

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

### **Kaiser Rate Category Definitions**

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

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

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

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

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

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

- Is for participants who have Medicare Part A only.

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

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

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

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

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

\*Benchmark premiums are bolded.



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**

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

**CIGNA HMO - Dental/Vision**

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

# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

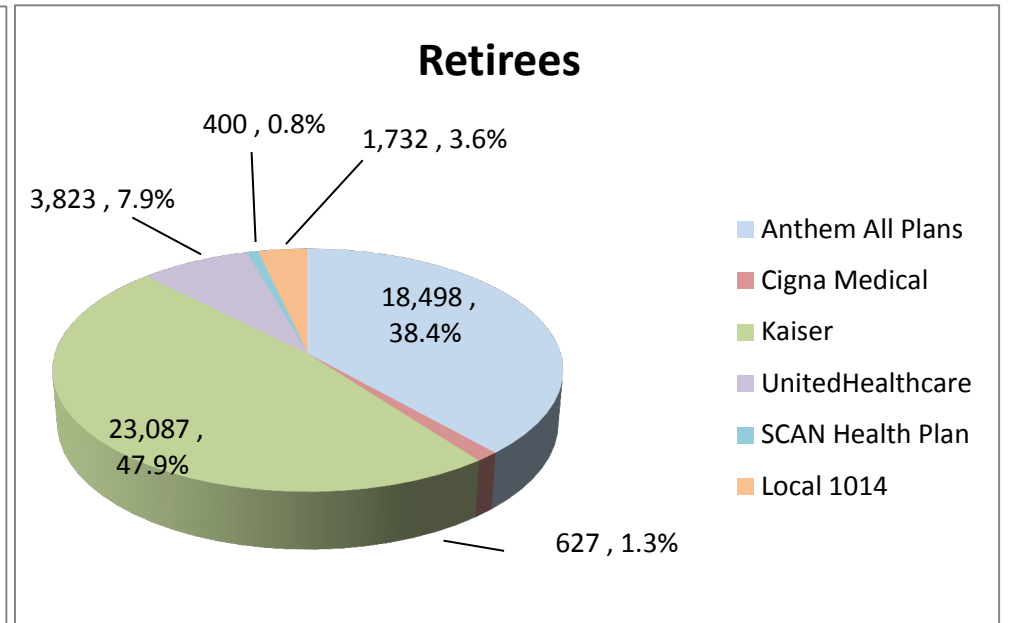
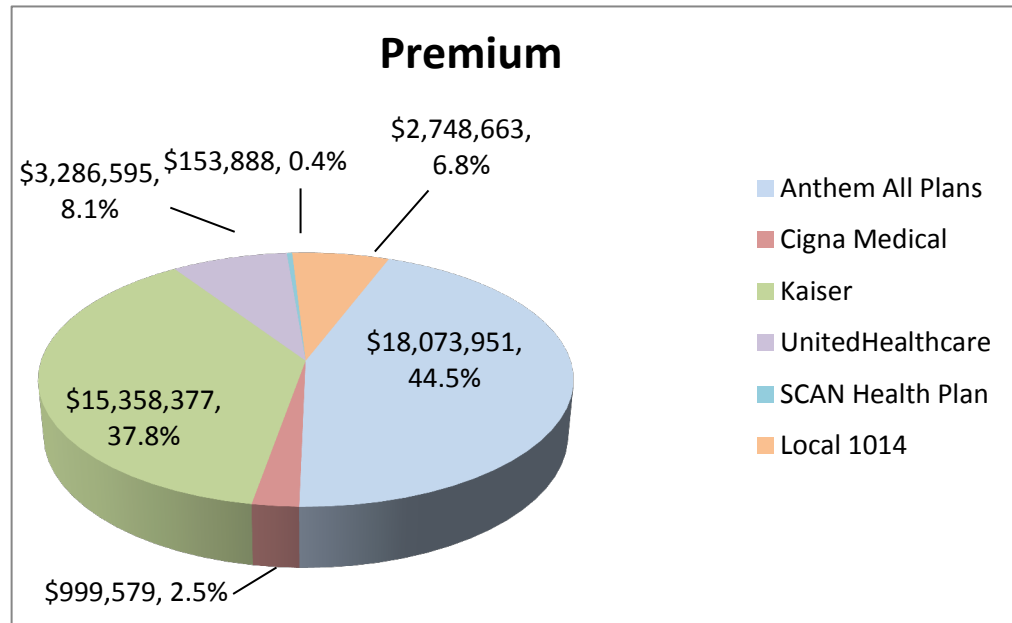


## Premium & Enrollment

Coverage Month April 2017

Carrier / Plan	Monthly Premium	Percent of Total	Retirees	Percent of Total
Anthem All Plans	\$18,073,951	44.5%	18,498	38.4%
Cigna Medical	\$999,579	2.5%	627	1.3%
Kaiser	\$15,358,377	37.8%	23,087	47.9%
UnitedHealthcare	\$3,286,595	8.1%	3,823	7.9%
SCAN Health Plan	\$153,888	0.4%	400	0.8%
Local 1014	\$2,748,663	6.8%	1,732	3.6%
<b>Combined Medical</b>	<b>\$40,621,052</b>	<b>100.0%</b>	<b>48,167</b>	<b>100.0%</b>

<b>Cigna Dental &amp; Vision</b>	<b>\$3,745,274</b>	<b>49,261</b>
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# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

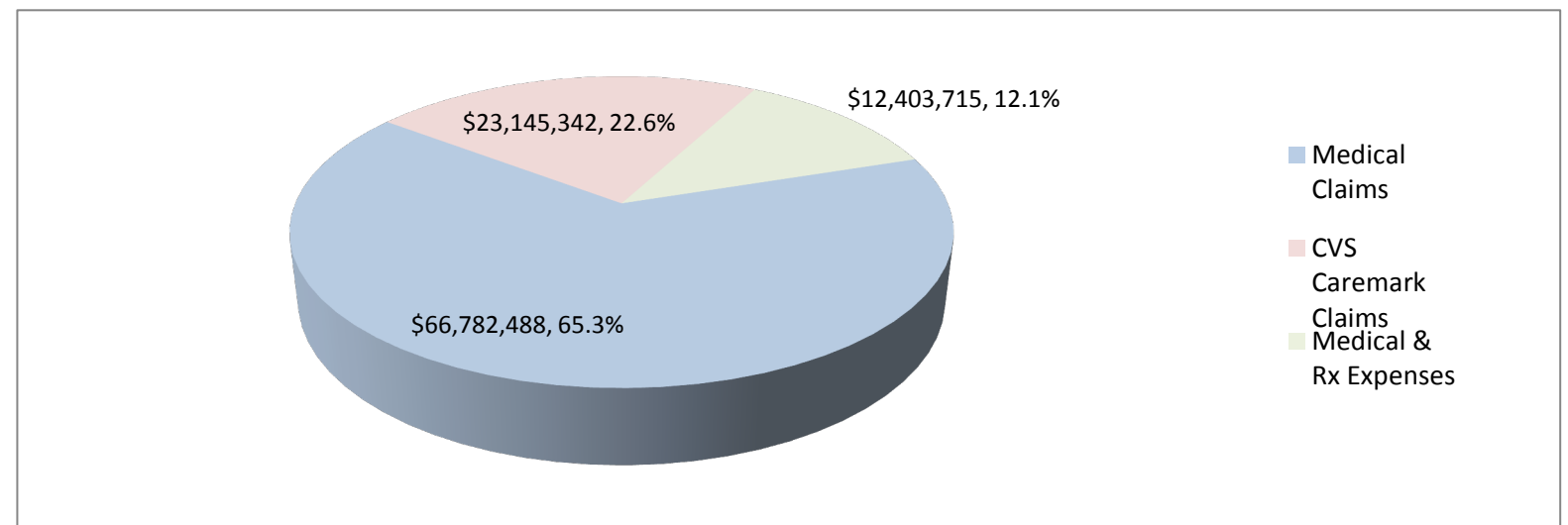


Anthem Plans I & II

Coverage Month April 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	6,016	\$9,027,477	\$7,044,987	\$2,176,658	\$9,221,645	\$1,532.85	102.2%	\$1,178,090	\$10,399,734	115.2%
Jan-17	6,010	\$9,029,340	\$5,286,698	\$2,412,010	\$7,698,708	\$1,280.98	85.3%	\$1,176,968	\$8,875,676	98.3%
Feb-17	6,005	\$9,030,218	\$5,747,803	\$2,564,515	\$8,312,318	\$1,384.23	92.1%	\$1,176,081	\$9,488,398	105.1%
Mar-17	6,010	\$9,063,902	\$7,007,080	\$2,606,369	\$9,613,449	\$1,599.58	106.1%	\$1,754,786	\$11,368,236	125.4%
Apr-17	6,006	\$9,057,867	\$6,533,587	\$2,479,009	\$9,012,596	\$1,500.60	99.5%	\$1,176,890	\$10,189,486	112.5%
May-17										
Jun-17										
<b>YTD Plan Year</b>	<b>60,346</b>	<b>\$90,704,905</b>	<b>\$66,782,488</b>	<b>\$23,145,342</b>	<b>\$89,927,830</b>	<b>\$1,490.20</b>	<b>99.1%</b>	<b>\$12,403,715</b>	<b>\$102,331,545</b>	<b>112.8%</b>
<b>10 Month Average</b>	<b>6,035</b>	<b>\$9,070,491</b>	<b>\$6,678,249</b>	<b>\$2,314,534</b>	<b>\$8,992,783</b>	<b>\$1,490.20</b>	<b>99.1%</b>	<b>\$1,240,371</b>	<b>\$10,233,154</b>	<b>112.8%</b>
<b>12 Month Rollup</b>	<b>72,558</b>	<b>\$108,970,761</b>	<b>\$79,364,047</b>	<b>\$27,304,190</b>	<b>\$106,668,237</b>	<b>\$1,470.11</b>	<b>97.9%</b>	<b>\$14,379,524</b>	<b>\$121,047,761</b>	<b>111.1%</b>

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



# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Anthem Plan III

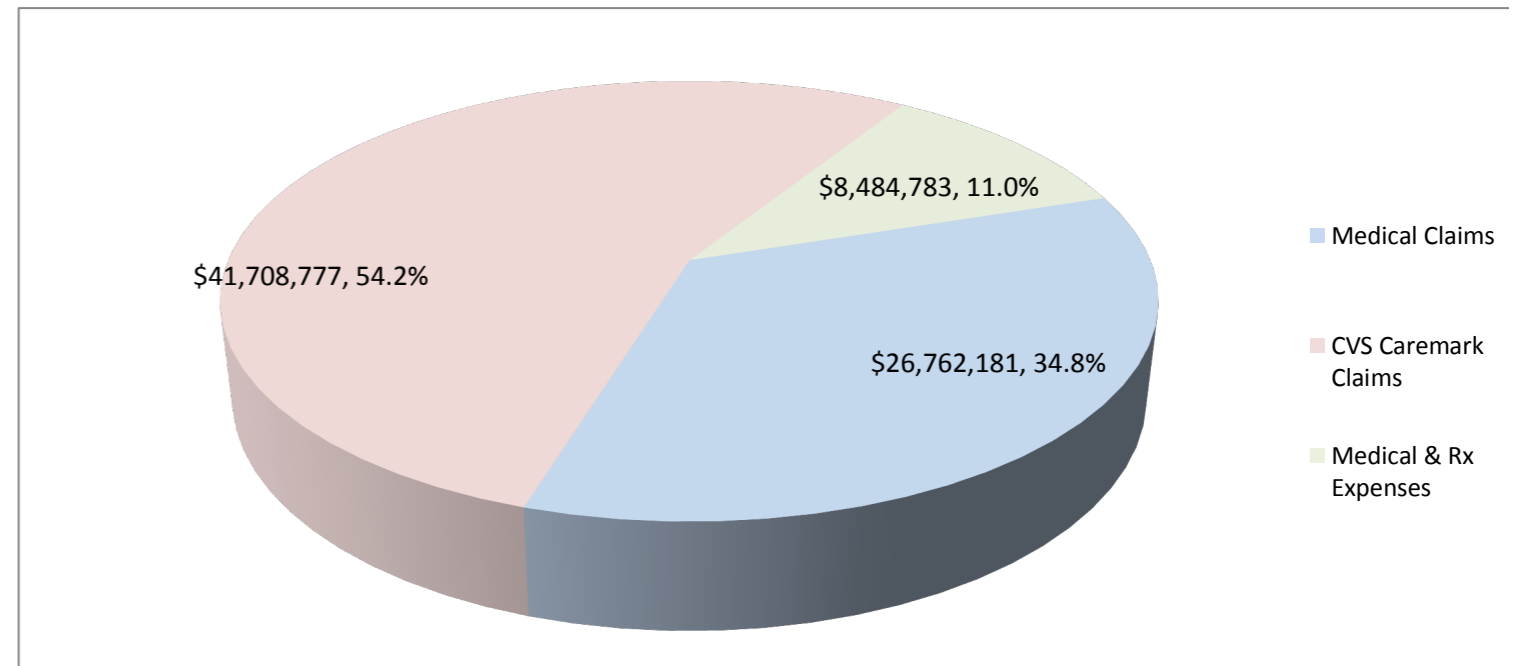
Coverage Month April 2017



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	11,160	\$7,479,004	\$2,734,313	\$3,895,819	\$6,630,133	\$594.10	88.6%	\$849,079	\$7,479,212	100.0%
Jan-17	11,185	\$7,479,338	\$2,556,474	\$4,879,204	\$7,435,678	\$664.79	99.4%	\$850,981	\$8,286,659	110.8%
Feb-17	11,195	\$7,494,130	\$1,847,070	\$4,476,666	\$6,323,736	\$564.87	84.4%	\$851,742	\$7,175,479	95.7%
Mar-17	11,207	\$7,509,780	\$2,703,079	\$5,155,011	\$7,858,091	\$701.18	104.6%	\$852,655	\$8,710,746	116.0%
Apr-17	11,233	\$7,523,877	\$2,270,751	\$4,671,412	\$6,942,163	\$618.02	92.3%	\$854,633	\$7,796,796	103.6%
May-17										
Jun-17										

<b>YTD Plan Year</b>	<b>111,521</b>	<b>\$74,679,844</b>	<b>\$26,762,181</b>	<b>\$41,708,777</b>	<b>\$68,470,959</b>	<b>\$613.97</b>	<b>91.7%</b>	<b>\$8,484,783</b>	<b>\$76,955,742</b>	<b>103.0%</b>
<b>10 Month Average</b>	<b>11,152</b>	<b>\$7,467,984</b>	<b>\$2,676,218</b>	<b>\$4,170,878</b>	<b>\$6,847,096</b>	<b>\$613.97</b>	<b>91.7%</b>	<b>\$848,478</b>	<b>\$7,695,574</b>	<b>103.0%</b>
<b>12 Month Rollup</b>	<b>133,557</b>	<b>\$89,494,467</b>	<b>\$32,562,347</b>	<b>\$48,975,654</b>	<b>\$81,538,001</b>	<b>\$610.51</b>	<b>91.1%</b>	<b>\$10,015,838</b>	<b>\$91,553,839</b>	<b>102.3%</b>

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



# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Anthem Plans I,II,III

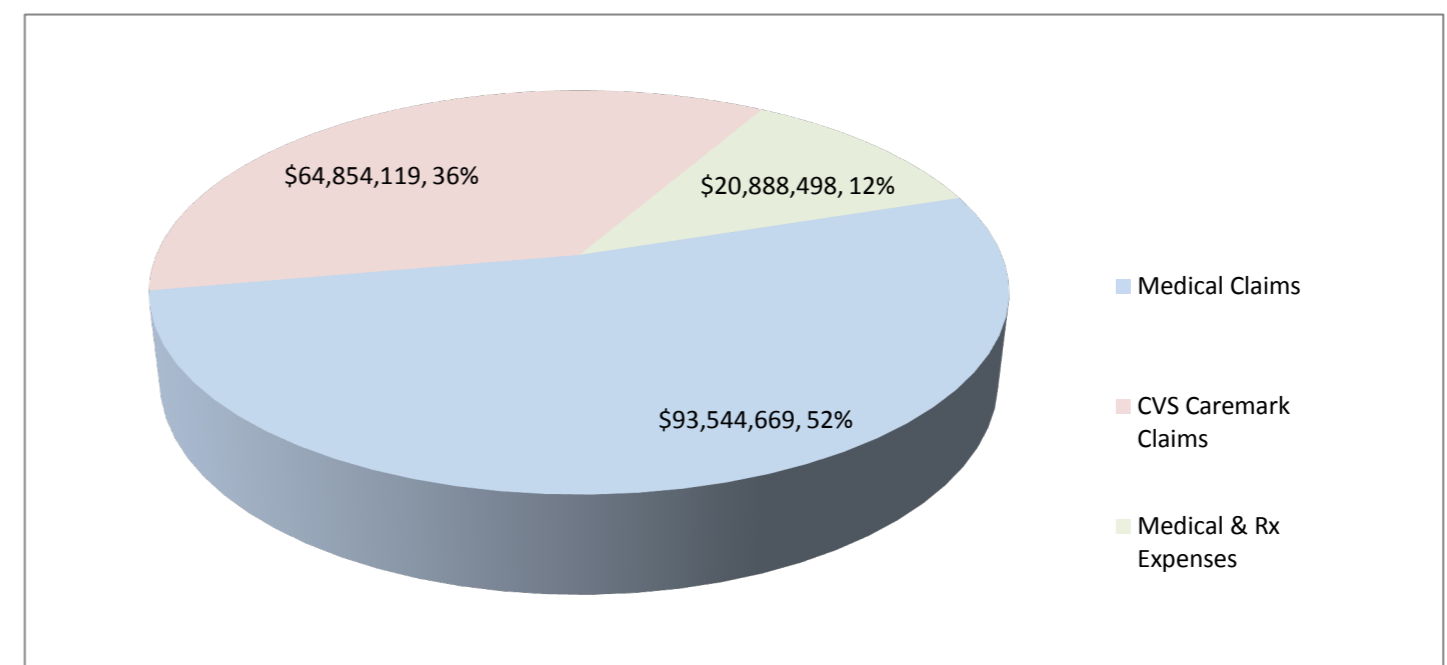
Coverage Month April 2017



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	17,176	\$16,506,482	\$9,779,300	\$6,072,477	\$15,851,777	\$922.90	96.0%	\$2,027,169	\$17,878,946	108.3%
Jan-17	17,195	\$16,508,678	\$7,843,172	\$7,291,214	\$15,134,386	\$880.16	91.7%	\$2,027,949	\$17,162,335	104.0%
Feb-17	17,200	\$16,524,347	\$7,594,873	\$7,041,181	\$14,636,054	\$850.93	88.6%	\$2,027,823	\$16,663,877	100.8%
Mar-17	17,217	\$16,573,683	\$9,710,160	\$7,761,380	\$17,471,540	\$1,014.78	105.4%	\$2,607,442	\$20,078,981	121.1%
Apr-17	17,239	\$16,581,744	\$8,804,338	\$7,150,421	\$15,954,759	\$925.50	96.2%	\$2,031,523	\$17,986,282	108.5%
May-17										
Jun-17										

<b>YTD Plan Year</b>	<b>171,867</b>	<b>\$165,384,750</b>	<b>\$93,544,669</b>	<b>\$64,854,119</b>	<b>\$158,398,789</b>	<b>\$921.64</b>	<b>95.8%</b>	<b>\$20,888,498</b>	<b>\$179,287,287</b>	<b>108.4%</b>
<b>10 Month Average</b>	<b>17,187</b>	<b>\$16,538,475</b>	<b>\$9,354,467</b>	<b>\$6,485,412</b>	<b>\$15,839,879</b>	<b>\$921.64</b>	<b>95.8%</b>	<b>\$2,088,850</b>	<b>\$17,928,729</b>	<b>108.4%</b>
<b>12 Month Rollup</b>	<b>206,115</b>	<b>\$198,465,228</b>	<b>\$111,926,394</b>	<b>\$76,279,844</b>	<b>\$188,206,238</b>	<b>\$913.11</b>	<b>94.8%</b>	<b>\$24,395,362</b>	<b>\$212,601,600</b>	<b>107.1%</b>

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



# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION



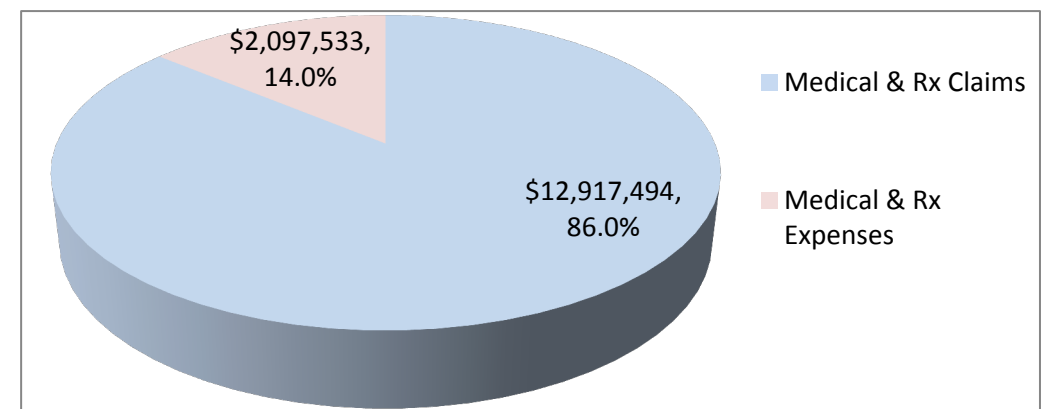
Anthem Prudent Buyer

Coverage Month April 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	1,296	\$1,534,396	\$1,226,492	\$946.37	79.9%	\$210,549	\$1,437,041	93.7%
Jan-17	1,281	\$1,511,991	\$1,081,781	\$844.48	71.5%	\$208,112	\$1,289,893	85.3%
Feb-17	1,278	\$1,515,171	\$1,240,390	\$970.57	81.9%	\$207,625	\$1,448,015	95.6%
Mar-17	1,267	\$1,500,630	\$1,309,228	\$1,033.33	87.2%	\$205,838	\$1,515,066	101.0%
Apr-17	1,259	\$1,492,207	\$1,096,604	\$871.01	73.5%	\$204,538	\$1,301,142	87.2%
May-17								
Jun-17								

<b>YTD Plan Year</b>	<b>12,911</b>	<b>\$15,275,753</b>	<b>\$12,917,494</b>	<b>\$1,000.50</b>	<b>84.6%</b>	<b>\$2,097,533</b>	<b>\$15,015,027</b>	<b>98.3%</b>
<b>10 Month Average</b>	<b>1,291</b>	<b>\$1,527,575</b>	<b>\$1,291,749</b>	<b>\$1,000.50</b>	<b>84.6%</b>	<b>\$209,753</b>	<b>\$1,501,503</b>	<b>98.3%</b>
<b>12 Month Rollup</b>	<b>15,571</b>	<b>\$18,420,469</b>	<b>\$15,501,154</b>	<b>\$995.51</b>	<b>84.2%</b>	<b>\$2,455,866</b>	<b>\$17,957,020</b>	<b>97.5%</b>

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



# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION



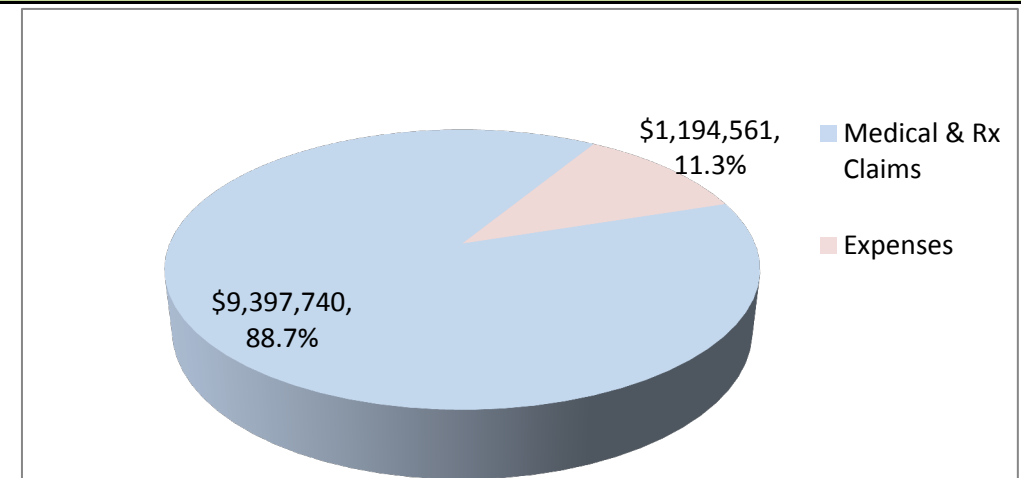
Cigna HMO

Coverage Month April 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	586	\$994,079	\$916,156	\$1,563.41	92.2%	\$119,190	\$1,035,346	104.2%
Jan-17	582	\$986,897	\$850,611	\$1,461.53	86.2%	\$118,329	\$968,940	98.2%
Feb-17	576	\$977,802	\$833,174	\$1,446.48	85.2%	\$117,238	\$950,413	97.2%
Mar-17	577	\$980,844	\$902,355	\$1,563.87	92.0%	\$117,603	\$1,019,958	104.0%
Apr-17	570	\$959,495	\$1,062,781	\$1,864.53	110.8%	\$115,043	\$1,177,825	122.8%
May-17								
Jun-17								

<b>YTD Plan Year</b>	<b>5,860</b>	<b>\$9,962,979</b>	<b>\$9,397,740</b>	<b>\$1,603.71</b>	<b>94.3%</b>	<b>\$1,194,561</b>	<b>\$10,592,301</b>	<b>106.3%</b>
<b>10 Month Average</b>	<b>586</b>	<b>\$996,298</b>	<b>\$939,774</b>	<b>\$1,603.71</b>	<b>94.3%</b>	<b>\$119,456</b>	<b>\$1,059,230</b>	<b>106.3%</b>
<b>12 Month Rollup</b>	<b>7,064</b>	<b>\$11,970,393</b>	<b>\$11,242,352</b>	<b>\$1,591.50</b>	<b>93.9%</b>	<b>\$1,407,354</b>	<b>\$12,649,706</b>	<b>105.7%</b>

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



# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION



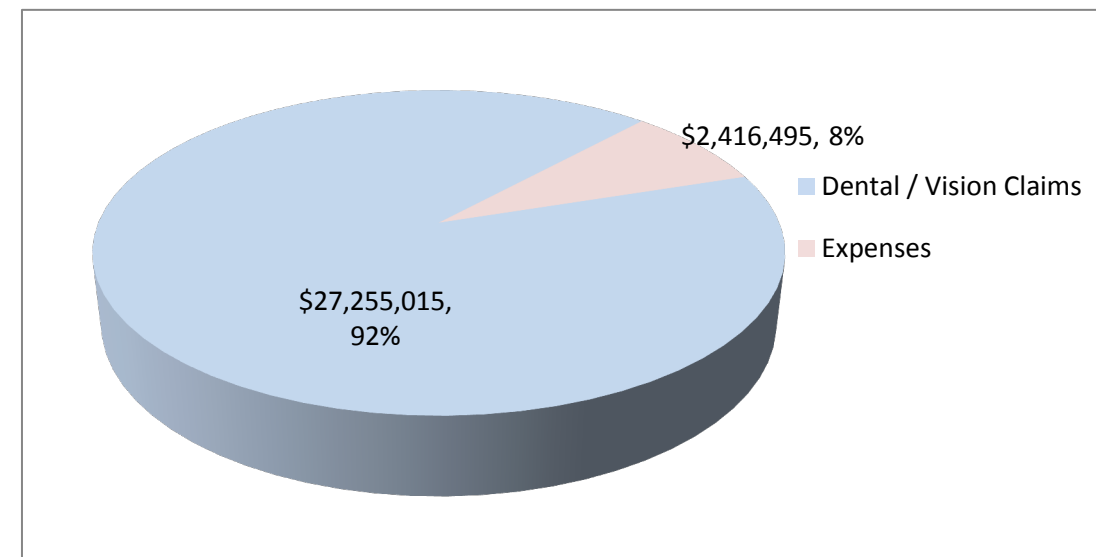
Cigna Dental PPO+Vision

Coverage Month April 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	43,572	\$3,379,536	\$2,489,459	56.2%	\$57.13	73.7%	\$241,848	\$2,731,307	80.8%
Jan-17	43,639	\$3,386,797	\$2,807,693	55.3%	\$64.34	82.9%	\$242,367	\$3,050,060	90.1%
Feb-17	43,678	\$3,388,192	\$3,098,119	54.3%	\$70.93	91.4%	\$242,467	\$3,340,586	98.6%
Mar-17	43,758	\$3,393,355	\$3,514,158	54.4%	\$80.31	103.6%	\$242,837	\$3,756,994	110.7%
Apr-17	43,810	\$3,384,485	\$2,527,910	55.1%	\$57.70	74.7%	\$242,202	\$2,770,111	81.8%
May-17									
Jun-17									

<b>YTD Plan Year</b>	<b>435,487</b>	<b>\$33,767,675</b>	<b>\$27,255,015</b>	<b>57.1%</b>	<b>\$62.59</b>	<b>80.7%</b>	<b>\$2,416,495</b>	<b>\$29,671,510</b>	<b>87.9%</b>
<b>10 Month Average</b>	<b>43,549</b>	<b>\$3,376,767</b>	<b>\$2,725,501</b>	<b>56.1%</b>	<b>\$62.59</b>	<b>80.7%</b>	<b>\$241,649</b>	<b>\$2,967,151</b>	<b>87.9%</b>
<b>12 Month Rollup</b>	<b>521,851</b>	<b>\$40,242,310</b>	<b>\$32,913,648</b>	<b>56.8%</b>	<b>\$63.07</b>	<b>81.8%</b>	<b>\$2,974,017</b>	<b>\$35,887,665</b>	<b>89.2%</b>

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





# LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

## Kaiser Utilization

### Coverage Month April 2017

- At this committee's request, Aon has included this report summarizing claim utilization data for Kaiser
- Of the 23,087 members enrolled in Kaiser, 14,465 or 62.7% 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. 8746 enrolled members, is the only group currently credible from an experience monitoring perspective

Category	Current Period 1/1/2016 - 12/31/2016	Prior Period 1/1/2015 - 12/31/2015	Change
<b>Average Members</b>	<b>8,746</b>	<b>8,576</b>	<b>1.98%</b>
Inpatient Claims PMPM	\$211.37	\$200.41	5.47%
Outpatient Claims PMPM	\$257.56	\$231.51	11.25%
Pharmacy	\$90.42	\$101.49	-10.91%
Other	\$110.25	\$109.44	0.74%
<b>Total Claims PMPM</b>	<b>\$669.61</b>	<b>\$642.85</b>	<b>4.16%</b>
<b>Total Paid Claims</b>	<b>\$70,276,908.72</b>	<b>\$66,156,979.20</b>	<b>6.23%</b>
# of Large Claims over \$400,000 Pooling Point	9	4	
Large Claims \$ over \$400,000 Pooling Point	\$4,550,160	\$2,865,036	58.82%
<b>Large Claims as a % of all claims</b>	<b>6.47%</b>	<b>4.33%</b>	
Inpatient Days / 1000	359.1	379.3	-5.33%
Inpatient Admits / 1000	69.5	78.1	-11.01%
Outpatient Visits / 1000	12,180.8	12,287.8	-0.87%
Pharmacy Scripts PMPY	11.3	11.7	-3.42%

May 30, 2017

## Retirement

### **DOL Publishes New Transition Period Fiduciary Rule Guidance**

On May 22, 2017, the Department of Labor's (DOL's) Employee Benefits Security Administration issued new fiduciary investment advice rule guidance for financial advisors, retirement plan sponsors, and individual workers and retirees. In advance of the rule's June 9, 2017 applicability date, the updated information includes a temporary enforcement policy (Field Assistance Bulletin No. 2017-02) and Conflict of Interest Frequently Asked Questions (FAQs) (Transition Period).

On April 7, 2017, the DOL announced that the applicability dates in its fiduciary investment advice rule and related prohibited transaction exemptions would be delayed from April 10, 2017, to June 9, 2017, with certain provisions in the exemptions further delayed to January 1, 2018. As a result, on June 9, 2017, investment advice providers to retirement savers will become fiduciaries, and the "impartial conduct standards" will become requirements of the exemptions. Other exemption conditions scheduled to become applicable on April 10, 2017, will be delayed to January 1, 2018, while the DOL conducts its ongoing examination of the fiduciary investment advice rule as directed by the president.

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

The Conflict of Interest FAQs (Transition Period) are available [here](#).

The temporary enforcement policy (Field Assistance Bulletin No. 2017-02) is available [here](#).

## Aon Hewitt Publications

### **CBO Releases Cost Estimate of the House-Passed American Health Care Act (AHCA)**

On May 24, 2017, the Congressional Budget Office (CBO) and the Joint Committee on Taxation (JCT) released a cost estimate of the 2017 AHCA (H.R. 1628), as passed by the House on May 4, 2017. The CBO and JCT estimate that H.R. 1628 would do the following over the next 10 years:

- Reduce the cumulative federal deficit by \$119 billion;
- Result in an estimated 51 million uninsured people under age 65; and
- Increase premiums by an average of about 20% in 2018 and 5% in 2019 compared to current law, with average premiums varying greatly starting in 2020 depending on whether or not states are granted full or partial waivers, or do not apply for a waiver at all.

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

**May 22, 2017**

## Legislative/Executive

### **Congress to Recess for Memorial Day Holiday**

The House and Senate are tentatively scheduled to adjourn for the Memorial Day holiday the week of May 29, 2017.

## Health

### **CBO to Release Health Care Reform Cost Estimate**

The Congressional Budget Office (CBO) is scheduled to release its cost estimate on the American Health Care Act (H.R. 1628) on May 24, 2017. The House approved the measure on May 4.

**May 15, 2017**

## Aon Hewitt Publications

### **IRS Issues 2018 HSA Limits**

On May 4, 2017, the Internal Revenue Service (IRS) issued inflation-adjusted limits for contributions to a health savings account (HSA) for calendar year 2018 (Revenue Procedure 2017-37). In addition, the IRS provided revised minimum deductible amounts and maximum out-of-pocket limits.

The Aon Hewitt bulletin, which contains a chart providing the limits for calendar years 2016 through 2018, is available [here](#).

**May 8, 2017**

## Legislative/Executive

### **Houses Passes American Health Care Act**

On May 4, 2017, the House passed H.R. 1628, the American Health Care Act, by a vote of 217–213. The bill would substantially amend portions of the Affordable Care Act (ACA) and includes the repeal of the individual and employer mandate penalties and the essential health benefits requirement. It would also impose a penalty for the failure to maintain continuous health care coverage in the individual market and make numerous other changes to the ACA. The bill now goes to the Senate, which is expected to modify the bill, probably significantly, before passage.

For more details on the health care bill passed by the House, see "U.S. House of Representatives Passes the American Health Care Act" in the Aon Hewitt Publications section of this newsletter.

H.R. 1628 is available [here](#).

### **Spending Bill That Will Fund Government Through September Enacted**

On May 5, 2017, President Trump signed into law a \$1.1 trillion spending bill (H.R. 244) that funds the government through September 30, 2017, the end of the fiscal year. The measure passed the Senate on May 4 by a vote of 79–18 and the House on May 3 by a vote of 309–118.

H.R. 244 is available [here](#).

### **Senate Passes Resolution to Halt State-Run Retirement Plans for Private-Sector Employees**

On May 3, 2017, the Senate approved with a 50–49 vote H.J. Res. 66, which prevents a Department of Labor (DOL) regulation regarding state-run retirement plans for private sector workers from going into effect. The House approved the measure February 15. President Trump is expected to sign the legislation into law.

In August 2016, the DOL issued a final safe harbor regulation that describes how states may design and operate payroll deduction savings programs using automatic enrollment for private-sector employees, without causing the states or the private-sector employers to establish employee pension benefit plans under ERISA. According to the DOL, eight states have enacted legislation to create retirement savings programs for private-sector workers.

H.J. Res. 66 is available [here](#).

The DOL news release from August 2016 on the final regulation for state plans (including a link to the regulation) is available [here](#).

### **House Approves Working Families Flexibility Act; Senate Passage Uncertain**

On May 2, 2017, the House approved the Working Families Flexibility Act (H.R. 1180) with a 229–197 vote. The bill would amend the Fair Labor Standards Act (FLSA) by allowing private employers and employees to voluntarily agree to accrue compensatory time off at the rate of one and one-half hours of every hour of overtime worked, in lieu of receiving overtime pay. An employee could accrue up to 160 hours, but an employer could determine to provide monetary compensation for up to 80 of those hours. The bill would apply only to workers who are eligible for overtime pay and have worked at least 1,000 hours for their employer during the previous 12 months of continuous employment. The bill would not affect workers who are exempt from the overtime provisions of the FLSA, including those subject to the exemptions for executive, administrative, and professional employees. The measure moves to the Senate, where passage is uncertain.

H.R. 1180 is available [here](#).

"H.R. 1180, Working Families 'Flexibility' Act—Frequently Asked Questions," is available [here](#).

### **President Signs Executive Order Prompting HHS to Reconsider Contraceptive Coverage Under ACA**

On May 4, 2017, President Trump signed an Executive Order (Promoting Free Speech and Religious Liberty) instructing federal agencies to comply with federal law on the protection of religious liberty. The order specifically instructs the Departments of Treasury, Labor, and Health and Human Services (HHS) to consider amending Affordable Care Act (ACA) regulations to address conscience-based objections with respect to the requirement that employers cover contraception.

The Executive Order is available [here](#).

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

## **Health**

### **IRS Issues HSA Contribution Limits for 2018**

On May 4, 2017, the Internal Revenue Service (IRS) issued the 2018 inflation-adjusted amounts for health savings

accounts (HSAs). The annual limit on deductions for an individual with self-only coverage under a high deductible health plan is \$3,450; and for an individual with family coverage under a high deductible health plan is \$6,900. A high-deductible health plan is defined for 2018 as a health plan with an annual deductible of at least \$1,350 for self-only coverage or \$2,700 for family coverage. Annual out-of-pocket expenses must not exceed \$6,650 for self-only coverage or \$13,300 for family coverage.

An Aon Hewitt bulletin on the 2018 HSA limits will be available soon.

Revenue Procedure 2017-37 is available [here](#).

## Aon Hewitt Publications

### **U.S. House of Representatives Passes the American Health Care Act**

On May 4, 2017, the U.S. House of Representatives passed the GOP's long-awaited "repeal and replace" health care bill, entitled the American Health Care Act (AHCA) (H.R. 1628). The AHCA, which passed by a vote of 217–213, now moves to the U.S. Senate for consideration. The AHCA would, if enacted into law in its present form, amend substantial portions of the Affordable Care Act.

The Aon Hewitt bulletin, which provides an overview of the AHCA, is available [here](#).

### **Now Available: Retirement Legal Consulting and Compliance Quarterly Update**

The Aon Hewitt Retirement Legal Consulting & Compliance practice is pleased to present its *Quarterly Update* of recent legal developments and consulting opportunities for the second quarter of 2017. In this issue you will find the following articles:

- Is Your Pension Plan Ready for Termination?
- Avoid Overpaying User Fees for VCP Submissions
- Fiduciary Investment Advice Rules—Where Are We Now?
- Substantiation of Safe-Harbor Hardship Distributions
- Plan Fiduciaries—How to Mitigate Risk of Conflicts
- Supreme Court Ends Verizon Annuity Lift-Out Litigation
- New Disability Claims Procedure Rules
- Restricted Annuity Can Be DC Plan Default Investment
- IRS Releases Operational Compliance List—Next Steps
- New Puerto Rico Tax Law Changes Impact Retirement Plans
- Quarterly Roundup
- Recent Publications

The second quarter 2017 issue of the *Retirement Legal Consulting & Compliance Quarterly Update* is available [here](#).

## Aon Hewitt Webinar Events

### **A Closer Look: Health Care Reform in the First 100 Days of the Trump Administration**

**When:** Wednesday, May 10, 2017

**Time:** 2:00 p.m. ET

Join us on May 10 as our experts explore:

- The latest legislative developments;
- Potential implications for employer-sponsored health care; and
- How to stay compliant with new laws and regulations, as well as ways to ensure your health care strategies are adaptive and supportive of business objectives and the needs of your people.

Click on the link below to reserve your spot.

Register for "A Closer Look: Health Care Reform in the First 100 Days of the Trump Administration" [here](#).

**May 1, 2017**

## Legislative/Executive

### President Trump Signs One-Week Funding Bill Into Law

On April 28, 2017, President Trump signed into law H.J. Res. 99, a stop-gap measure that funds the government through May 5. The law allows legislators time to approve a long-term budget bill that would fund operations through September 30, 2017.

H.J. Res. 99 is available [here](#).

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### A Closer Look: Health Care Reform in the First 100 Days of the Trump Administration

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With the ongoing debate over health care reform and the uncertain future of the Affordable Care Act, how should employers think about moving forward with health and benefit strategies? Join us on May 10 as our experts explore:

- The latest legislative developments;
- Potential implications for employer-sponsored health care; and
- How to stay compliant with new laws and regulations, as well as ways to ensure your health care strategies are adaptive and supportive of business objectives and the needs of your people.

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