

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, AUGUST 10, 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 July 13, 2017

II. PUBLIC COMMENT

III. ACTION ITEMS

A. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer:
That the Committee recommend the Board of Retirement adopt a "Support"
position on H.R. 1205, which would enact the "Social Security Fairness Act of
2017." (Memorandum dated July 25, 2017)

B. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer:
That the Committee recommend the Board of Retirement adopt a "Support"
position on S. 915, which would enact the "Social Security Fairness Act of
2017." (Memorandum dated July 25, 2017)

August 10, 2017

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IV. FOR INFORMATION

- A. Update on Status of Requests for Proposals for State and Federal Legislative Advocacy Services Concerning Health, Benefit, and Plan Administration Issues
Steven P. Rice, Chief Counsel
- B. Staff Activities Report for July 2017
- C. LACERA Claims Experience
- D. Federal Legislation
(for discussion purposes)

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.

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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, JULY 13, 2017, 10:25 A.M. – 10:50 A.M.

COMMITTEE MEMBERS

PRESENT: Vivian H. Gray, Vice Chair
Alan Bernstein
David L. Muir, Alternate

ABSENT: William de la Garza, Chair
Ronald Okum

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Marvin Adams
Anthony Bravo

STAFF, ADVISORS, PARTICIPANTS

Cassandra Smith
Steve Rice
Barry Lew

Segal Consulting

Stephen Murphy
Paul Sadro
Richard Ward

The meeting was called to order by Chair Gray at 10:25 a.m. Due to the absence of Messrs. de la Garza and Okum, 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 June 15, 2017

Mr. Muir made a motion, Ms. Gray seconded, to approve the minutes of the regular meeting of June 15, 2017. The motion passed unanimously.

II. PUBLIC COMMENT

III. ACTION ITEMS

A. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Senate Bill 562, which would enact the Healthy California Act. (Memorandum dated June 28, 2017)

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

IV. FOR INFORMATION

A. Status of Requests for Proposals for State and Federal Legislative Advocacy Services Concerning Health, Benefit, and Plan Administration Issues
Steven P. Rice, Chief Counsel

Mr. Rice gave an update on the status of the Requests for Proposals (RFP) for federal and state legislative advocacy services. Seven responses were received to the federal RFP. The responses were reviewed and scored by an evaluation team, with three finalists selected to be interviewed by the Committee at the October meeting. Two responses were received to the state RFP, one being from the incumbent provider. Staff concluded that this is insufficient to provide the Committee and Board with meaningful alternatives. Accordingly, the RFP response period has been extended one month, with the goal of bringing additional qualified candidates to the Committee for interviews. Other parties may be discouraged from responding to the RFP because LACERA has an existing provider.

B. Staff Activities Report for June, 2017

The staff activities report was discussed.

IV. FOR INFORMATION (Continued)

C. LACERA Claims Experience

The LACERA Claims Experience reports through May 2017 were discussed.

D. Legislation

- Health Care Reform
- Healthy California Act (SB 562)

Submitted for information only.

V. REPORT ON STAFF ACTION ITEMS

There was nothing to report on for staff action items.

VI. GOOD OF THE ORDER

(For information purposes only)

VII. ADJOURNMENT

The meeting adjourned at 10:50 a.m.

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

July 25, 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: August 10, 2017 Insurance, Benefits and Legislative Committee Meeting

SUBJECT: **H.R. 1205—Social Security Fairness Act of 2017**

*Author: Davis [R]
Sponsor: Author and 144 co-sponsors
Introduced: February 21, 2017
Status: Referred to House Subcommittee on Social Security
(03/06/2017)*

Staff Recommendation: Support

RECOMMENDATION

That the Insurance, Benefits and Legislative Committee recommend that the Board of Retirement adopt a “Support” position on H.R. 1205, which would enact the “Social Security Fairness Act of 2017.”

LEGISLATIVE POLICY STANDARD

LACERA’s legislative policy standard is to support proposals that have a positive impact upon LACERA’s members (page 6). In addition, the Board Policy on Engagement (pages 2-3) provides that the Board has a full range of positions that may be lawfully taken to further Board objectives, including preventing adverse impact upon existing rights and interests. H.R. 1205 would repeal the Windfall Elimination Provision and the Government Pension Offset, which reduce or eliminate the Social Security benefits that LACERA members may have earned through service with the County of Los Angeles before January 1, 1983 (the effective date that the County withdrew its employees from Social Security) or through employment outside of the County.

SUMMARY

H.R. 1205 would repeal the Windfall Elimination Provision and the Government Pension Offset of the Social Security Act. H.R. 1205 is identical to S. 915, which was introduced in the United States Senate.

ANALYSIS

Participation in Social Security by the County of Los Angeles

Prior to July 1, 1964. Employees of the County were not covered under Social Security because the County did not participate in Social Security.

July 1, 1964 through December 31, 1982. The County elected to participate in the Social Security system effective July 1, 1964. General members who were hired before July 1, 1964 were given the option to elect Social Security coverage and pay Social Security taxes retroactive to January 1, 1959. General members who were hired on or after July 1, 1964 were mandatorily covered under Social Security. Safety members were never participants under Social Security.

After January 1, 1983. The County withdrew its participation from Social Security effective January 1, 1983. As a result, some LACERA members may not have earned sufficient credits under County employment to be fully insured under Social Security, unless they had other employment that was covered by Social Security.

Windfall Elimination Provision (WEP)

Social Security benefits are designed to replace a percentage of a worker's pre-retirement earnings. A Social Security benefit is calculated by separating average monthly earnings into three amounts known as "bend points." Each bend point is multiplied by a percentage, and the total of the three amounts is the Social Security benefit.

For example, in 2017, the first \$885 of average monthly earnings is multiplied by 90 percent, earnings between \$885 and \$5,336 are multiplied by 32 percent, and the earnings over \$5,336 are multiplied by 15 percent.

For workers who qualify for a pension from a government employer that does not participate in Social Security, the percentage that is multiplied against the first \$885 of average monthly earnings is reduced from 90 percent to as low as 40 percent, based on years of substantial earnings. Those who have 30 years or more of substantial earnings do not see a reduction of the 90-percent factor. Note that to protect workers who receive a low government pension, the reduction of the Social Security benefit under the WEP cannot exceed more than one-half of the worker's government pension amount.

Government Pension Offset (GPO)

Under the GPO, dependent benefits paid by Social Security to a spouse, widow, or widower would be offset by two-thirds of the government pension paid to that person. Therefore, in some cases, if a person receives a government pension and two-thirds of the pension is greater than his or her own Social Security dependent benefits, the GPO will completely eliminate the Social Security dependent benefit.

Conclusion

For LACERA members who are eligible for a pension, the WEP and GPO reduce and in some cases eliminate the Social Security benefits that they earned through covered employment with the County of Los Angeles or become eligible for through their spouses. LACERA has traditionally supported legislation to repeal the WEP and GPO as well as resolutions by the California legislature urging the President and Congress of the United States to repeal the provisions.

IT IS THEREFORE RECOMMENDED THAT YOUR COMMITTEE recommend that the Board of Retirement adopt a “Support” position on H.R. 1205, which would enact the “Social Security Fairness Act of 2017.”

Reviewed and Approved:



Steven P. Rice, Chief Counsel

Attachments

Attachment 1—Board Positions Adopted on Related Legislation
Attachment 2—Support And Opposition
H.R. 1205 (Davis) as introduced on February 21, 2017
Windfall Elimination Provision Fact Sheet
Government Pension Offset Fact Sheet

BOARD POSITIONS ADOPTED ON RELATED LEGISLATION

SJR 1 (Resolution Chapter 92, Statutes of 2015) requested the President and the Congress of the United States to pass legislation repealing the Government Pension Offset and Windfall Elimination Provision from the Social Security Act. The Board of Retirement adopted a “Support” position.

H.R. 711 (2015, held in committee) would have amended the Social Security Act to replace the Windfall Elimination Provision with a new formula for the treatment of noncovered earnings in determining Social Security benefits for individuals who become eligible for benefits after 2016. It would have established a second formula to modify the Windfall Elimination Provision for current beneficiaries. The Board of Retirement adopted a “Watch” position.

H.R. 973 (2015, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

S. 1651 (2015, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

H.R. 1332 (2011, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

AJR 10 (Resolution Chapter 103, Statutes of 2009) requested the President and the Congress of the United States to pass legislation repealing the Government Pension Offset and Windfall Elimination Provision from the Social Security Act. The Board of Retirement adopted a “Support” position.

S. 484 (2009, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

AJR 5 (Resolution Chapter 116, Statutes of 2007) requested the President and the Congress of the United States to pass legislation repealing the Government Pension Offset and Windfall Elimination Provision from the Social Security Act. The Board of Retirement adopted a “Support” position.

HR 1205
Attachment 2—Support And Opposition
Insurance, Benefits and Legislative Committee
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Page 1

SUPPORT

American Postal Workers Union
Fraternal Order of Police
National Association of Police Organizations
National Education Association

OPPOSITION

None

115TH CONGRESS
1ST SESSION

H. R. 1205

To amend title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 21, 2017

Mr. RODNEY DAVIS of Illinois (for himself, Miss RICE of New York, Mr. CICILLINE, Mr. TURNER, Mr. PASCRELL, Mr. GARAMENDI, Ms. CLARK of Massachusetts, Mr. CUMMINGS, Ms. LEE, Mr. CALVERT, Mr. LANGEVIN, Mr. CONNOLLY, Mr. MULLIN, Ms. SCHAKOWSKY, Ms. TSONGAS, Mr. JOYCE of Ohio, Mr. SHIMKUS, Mr. SHERMAN, Mr. LARSEN of Washington, Mr. PRICE of North Carolina, Mr. RYAN of Ohio, Mr. TED LIEU of California, Mr. VEASEY, Mr. GUTHRIE, Ms. DELBENE, Mrs. DAVIS of California, Mrs. DINGELL, Mrs. NAPOLITANO, Ms. ESHOO, Mr. WITTMAN, Mr. POCAN, Ms. JUDY CHU of California, Mr. GRIJALVA, Mr. KATKO, Mr. SWALWELL of California, Mr. POLIQUIN, Mr. KINZINGER, Mr. BOST, Mr. VALADAO, Mr. LOEBSACK, Mr. MCNERNEY, Mr. BRADY of Pennsylvania, Ms. LOFGREN, Ms. ROYBAL-ALLARD, Mr. CONYERS, Mr. FOSTER, Mr. ROYCE of California, Mr. LIPINSKI, Mr. BRENDAN F. BOYLE of Pennsylvania, Mr. DEFazio, Mr. MURPHY of Pennsylvania, Mr. AGUILAR, Mr. MICHAEL F. DOYLE of Pennsylvania, Ms. PINGREE, Ms. SPEIER, Mr. RUPPERSBERGER, Ms. BROWNLEY of California, Mr. O'ROURKE, Ms. SÁNCHEZ, Mr. MCGOVERN, Ms. MCCOLLUM, Mr. RUSH, Mrs. BUSTOS, Mr. YOUNG of Iowa, Mr. BERA, Ms. KAPTUR, Mr. COSTA, Mr. MASSIE, Mr. LOBIONDO, Mr. SARBANES, Mrs. BEATTY, Mr. PALLONE, Mr. NADLER, Mr. TAKANO, Mr. SIRES, Mr. HIMES, Ms. FRANKEL of Florida, and Mr. RICHMOND) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Social Security Fair-
5 ness Act of 2017”.

6 **SEC. 2. REPEAL OF GOVERNMENT PENSION OFFSET PROVI-**
7 **SION.**

8 (a) IN GENERAL.—Section 202(k) of the Social Secu-
9 rity Act (42 U.S.C. 402(k)) is amended by striking para-
10 graph (5).

11 (b) CONFORMING AMENDMENTS.—

12 (1) Section 202(b)(2) of the Social Security Act
13 (42 U.S.C. 402(b)(2)) is amended by striking “sub-
14 sections (k)(5) and (q)” and inserting “subsection
15 (q)”.

16 (2) Section 202(c)(2) of such Act (42 U.S.C.
17 402(c)(2)) is amended by striking “subsections
18 (k)(5) and (q)” and inserting “subsection (q)”.

19 (3) Section 202(e)(2)(A) of such Act (42
20 U.S.C. 402(e)(2)(A)) is amended by striking “sub-
21 section (k)(5), subsection (q),” and inserting “sub-
22 section (q)”.

23 (4) Section 202(f)(2)(A) of such Act (42 U.S.C.
24 402(f)(2)(A)) is amended by striking “subsection

1 (k)(5), subsection (q)” and inserting “subsection
2 (q)”.

3 **SEC. 3. REPEAL OF WINDFALL ELIMINATION PROVISIONS.**

4 (a) IN GENERAL.—Section 215 of the Social Security
5 Act (42 U.S.C. 415) is amended—

6 (1) in subsection (a), by striking paragraph (7);

7 (2) in subsection (d), by striking paragraph (3);

8 and

9 (3) in subsection (f), by striking paragraph (9).

10 (b) CONFORMING AMENDMENTS.—Subsections (e)(2)
11 and (f)(2) of section 202 of such Act (42 U.S.C. 402) are
12 each amended by striking “section 215(f)(5), 215(f)(6),
13 or 215(f)(9)(B)” in subparagraphs (C) and (D)(i) and in-
14 serting “paragraph (5) or (6) of section 215(f)”.

15 **SEC. 4. EFFECTIVE DATE.**

16 The amendments made by this Act shall apply with
17 respect to monthly insurance benefits payable under title
18 II of the Social Security Act for months after December
19 2017. Notwithstanding section 215(f) of the Social Secu-
20 rity Act, the Commissioner of Social Security shall adjust
21 primary insurance amounts to the extent necessary to take
22 into account the amendments made by section 3.

○



Windfall Elimination Provision

Your Social Security retirement or disability benefits can be reduced

The Windfall Elimination Provision can affect how we calculate your retirement or disability benefit. If you work for an employer who doesn't withhold Social Security taxes from your salary, such as a government agency or an employer in another country, any retirement or disability pension you get from that work can reduce your Social Security benefits.

When your benefits can be affected

This provision can affect you when you earn a retirement or disability pension from an employer who didn't withhold Social Security taxes **and** you qualify for Social Security retirement or disability benefits from work in other jobs for which you did pay taxes.

The Windfall Elimination Provision can apply if:

- You reached 62 after 1985; or
- You became disabled after 1985; and
- You first became eligible for a monthly pension based on work where you didn't pay Social Security taxes after 1985. This rule applies even if you're still working.

This provision also affects Social Security benefits for people who performed federal service under the Civil Service Retirement System (CSRS) after 1956. We won't reduce your Social Security benefit amounts if you only performed federal service under a system such as the Federal Employees' Retirement System (FERS). Social Security taxes are withheld for workers under FERS.

How it works

Social Security benefits are intended to replace only some of a worker's pre-retirement earnings.

We base your Social Security benefit on your average monthly earnings adjusted for average wage growth. We separate your average earnings into three amounts and multiply the amounts using three factors to compute your full Primary Insurance Amount (PIA). For example, for a worker who turns 62 in 2017, the first \$885 of average monthly earnings is multiplied by 90 percent; earnings between \$885 and \$5,336 by 32 percent; and the balance by 15 percent. The sum of the three amounts equals the PIA which is then decreased or increased depending

on whether the worker starts benefits before or after full retirement age (FRA). This formula produces the monthly payment amount.

When we apply this formula, the percentage of career average earnings paid to lower-paid workers is greater than higher-paid workers. For example, workers age 62 in 2017, with average earnings of \$3,000 per month could receive a benefit at FRA of \$1,473 (49 percent) of their pre-retirement earnings increased by applicable cost of living adjustments (COLAs). For a worker with average earnings of \$8,000 per month, the benefit starting at FRA could be \$2,620 (32 percent) plus COLAs. However, if either of these workers start benefits earlier, we'll reduce their monthly benefit.

Why we use a different formula

Before 1983, people whose primary job wasn't covered by Social Security had their Social Security benefits calculated as if they were long-term, low-wage workers. They had the advantage of receiving a Social Security benefit representing a higher percentage of their earnings, plus a pension from a job for which they didn't pay Social Security taxes. Congress passed the Windfall Elimination Provision to remove that advantage.

Under the provision, we reduce the 90 percent factor in our formula and phase it in for workers who reached age 62 or became disabled between 1986 and 1989. For people who reach 62 or became disabled in 1990 or later, we reduce the 90 percent factor to as little as 40 percent.

Some exceptions

The Windfall Elimination Provision doesn't apply if:

- You're a federal worker first hired after December 31, 1983;
- You were employed on December 31, 1983, by a nonprofit organization that didn't withhold Social Security taxes from your pay at first, but then began withholding Social Security taxes;
- Your only pension is for railroad employment;
- The only work you performed for which you didn't pay Social Security taxes was before 1957; or
- You have 30 or more years of substantial earnings under Social Security.

The Windfall Elimination Provision doesn't apply to survivors benefits. We may reduce widows or widowers benefits because of another law. For more information, read *Government Pension Offset* (Publication No. 05-10007).

Social Security years of substantial earnings

If you have 30 or more years of substantial earnings, we don't reduce the standard 90 percent factor in our formula. See the first table that lists substantial earnings for each year.

The second table shows the percentage used to reduce the 90 percent factor depending on the number of years of substantial earnings. If you have 21 to 29 years of substantial earnings, we reduce the 90 percent factor to between 45 and 85 percent. To see the maximum amount we could reduce your benefit, visit www.socialsecurity.gov/retire2/wep-chart.htm.

A guarantee

The law protects you if you get a low pension. We won't reduce your Social Security benefit more than half of your pension for earnings after 1956 on which you didn't pay Social Security taxes.

Contacting Social Security

The most convenient way to contact us anytime, anywhere is to visit www.socialsecurity.gov. There, you can: apply for benefits; open a *my* Social Security account, which you can use to review your *Social Security Statement*, verify your earnings, print a benefit verification letter, change your direct deposit information, request a replacement Medicare card, and get a replacement 1099/1042S; obtain valuable information; find publications; get answers to frequently asked questions; and much more.

If you don't have access to the internet, we offer many automated services by telephone, 24 hours a day, 7 days a week. Call us toll-free at **1-800-772-1213** or at our TTY number, **1-800-325-0778**, if you're deaf or hard of hearing.

If you need to speak to a person, we can answer your calls from 7 a.m. to 7 p.m., Monday through Friday. We ask for your patience during busy periods since you may experience higher than usual rate of busy signals and longer hold times to speak to us. We look forward to serving you.

Year	Substantial earnings	Year	Substantial earnings
1937–1954	\$900	1991	\$9,900
1955–1958	\$1,050	1992	\$10,350
1959–1965	\$1,200	1993	\$10,725
1966–1967	\$1,650	1994	\$11,250
1968–1971	\$1,950	1995	\$11,325
1972	\$2,250	1996	\$11,625
1973	\$2,700	1997	\$12,150
1974	\$3,300	1998	\$12,675
1975	\$3,525	1999	\$13,425
1976	\$3,825	2000	\$14,175
1977	\$4,125	2001	\$14,925
1978	\$4,425	2002	\$15,750
1979	\$4,725	2003	\$16,125
1980	\$5,100	2004	\$16,275
1981	\$5,550	2005	\$16,725
1982	\$6,075	2006	\$17,475
1983	\$6,675	2007	\$18,150
1984	\$7,050	2008	\$18,975
1985	\$7,425	2009–2011	\$19,800
1986	\$7,875	2012	\$20,475
1987	\$8,175	2013	\$21,075
1988	\$8,400	2014	\$21,750
1989	\$8,925	2015–2016	\$22,050
1990	\$9,525	2017	\$23,625

Years of substantial earnings	Percentage
30 or more	90 percent
29	85 percent
28	80 percent
27	75 percent
26	70 percent
25	65 percent
24	60 percent
23	55 percent
22	50 percent
21	45 percent
20 or less	40 percent



Securing today
and tomorrow

Social Security Administration
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Windfall Elimination Provision
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Government Pension Offset

A law that affects spouses and widows or widowers

If you receive a retirement or disability pension from a federal, state, or local government based on your own work for which you didn't pay Social Security taxes, we may reduce your Social Security spouses or widows or widowers benefits. This fact sheet provides answers to questions you may have about the reduction.

How much will my Social Security benefits be reduced?

We'll reduce your Social Security benefits by two-thirds of your government pension. In other words, if you get a monthly civil service pension of \$600, two-thirds of that, or \$400, must be deducted from your Social Security benefits. For example, if you're eligible for a \$500 spouses, widows, or widowers benefit from Social Security, you'll get \$100 a month from Social Security ($\$500 - \$400 = \$100$). If two-thirds of your government pension is more than your Social Security benefit, your benefit could be reduced to zero.

If you take your government pension annuity in a lump sum, Social Security will calculate the reduction as if you chose to get monthly benefit payments from your government work.

Why will my Social Security benefits be reduced?

Benefits we pay to spouses, widows, and widowers are "dependent" benefits. Set up in the 1930s, these benefits were to compensate spouses who stayed home to raise a family and were financially dependent on the working spouse. It's now common for both spouses to work, each earning their own Social Security retirement benefit. The law requires a person's spouse, widow, or widower benefit to be offset by the dollar amount of their own retirement benefit.

For example, if a woman worked and earned her own \$800 monthly Social Security benefit, but was also due a \$500 wife's benefit on her husband's record, we couldn't pay that wife's benefit because her own benefit offset it. But, before enactment of the Government Pension Offset, if that same woman was a government employee who didn't pay into Social Security and earned an \$800 government pension, there was no offset. We had to pay her a full wife's benefit and her full government pension.

If this person's government work had been subject to Social Security taxes, we would reduce any spouse, widow, or widower benefit because of their own Social Security benefit. The Government Pension Offset ensures that we calculate the benefits of government employees who don't pay Social Security taxes the same as workers in the private sector who pay Social Security taxes.

When won't my Social Security benefits be reduced?

Generally, we won't reduce your Social Security benefits as a spouse, widow, or widower if you:

- Receive a government pension that's not based on your earnings; or
- Are a federal (including Civil Service Offset), state, or local government employee and your government pension is from a job for which you paid Social Security taxes; and:
 - Your last day of employment (that your pension is based on) is before July 1, 2004; or
 - You filed for and were entitled to spouses, widows, or widowers benefits before April 1, 2004 (you may work your last day in Social Security covered employment at any time); or
 - You paid Social Security taxes on your earnings during the last 60 months of government service. (Under certain conditions, we require fewer than 60

months for people whose last day of employment falls after June 30, 2004, and before March 2, 2009.)

There are other situations for which we won't reduce your Social Security benefits as a spouse, widow, or widower; for example, if you:

- Are a federal employee who switched from the Civil Service Retirement System (CSRS) to the Federal Employees' Retirement System (FERS) after December 31, 1987; and:
 - Your last day of service (that your pension is based on) is before July 1, 2004; or
 - You paid Social Security taxes on your earnings for 60 months or more during the period beginning January 1988 and ending with the first month of entitlement to benefits; or
 - You filed for and were entitled to spouses, widows, or widowers benefits before April 1, 2004 (you may work your last day in Social Security covered employment at any time).
- Received, or were eligible to receive, a government pension before December 1982 and meet all the requirements for Social Security spouse's benefits in effect in January 1977; or
- Received, or were eligible to receive, a federal, state, or local government pension before July 1, 1983, and were receiving one-half support from your spouse.

Note: A Civil Service Offset employee is a federal employee, rehired after December 31, 1983, following a break in service of more than 365 days, with five years of prior CSRS coverage.

What about Medicare?

Even if you don't get cash benefits from your spouse's work, you can still get Medicare at age 65 on your spouse's record if you aren't eligible for it on your own record.

Can I still get Social Security benefits from my own work?

The offset applies only to Social Security benefits as a spouse, or widow, or widower. However, we may reduce your own benefits because of another provision. For more information, ask for *Windfall Elimination Provision* (Publication No. 05-10045).

Contacting Social Security

The most convenient way to contact us anytime, anywhere is to visit www.socialsecurity.gov. There, you can: apply for benefits; open a *my* Social Security account, which you can use to review your *Social Security Statement*, verify your earnings, print a benefit verification letter, change your direct deposit information, request a replacement Medicare card, and get a replacement 1099/1042S; obtain valuable information; find publications; get answers to frequently asked questions; and much more.

If you don't have access to the internet, we offer many automated services by telephone, 24 hours a day, 7 days a week. Call us toll-free at **1-800-772-1213** or at our TTY number, **1-800-325-0778**, if you're deaf or hard of hearing.

If you need to speak to a person, we can answer your calls from 7 a.m. to 7 p.m., Monday through Friday. We ask for your patience during busy periods since you may experience higher than usual rate of busy signals and longer hold times to speak to us. We look forward to serving you.



Securing today
and tomorrow

Social Security Administration
Publication No. 05-10007 | ICN 451453 | Unit of Issue — HD (one hundred)
February 2017 (Recycle prior editions)
Government Pension Offset
Produced and published at U.S. taxpayer expense

July 25, 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: August 10, 2017 Insurance, Benefits and Legislative Committee Meeting

SUBJECT: **S. 915—Social Security Fairness Act of 2017**

Author: Brown [D]
Sponsor: Author and 8 co-sponsors
Introduced: April 24, 2017
Status: Referred to Senate Committee on Finance (04/24/2017)

Staff Recommendation: Support

RECOMMENDATION

That the Insurance, Benefits and Legislative Committee recommend that the Board of Retirement adopt a “Support” position on S. 915, which would enact the “Social Security Fairness Act of 2017.”

LEGISLATIVE POLICY STANDARD

LACERA’s legislative policy standard is to support proposals that have a positive impact upon LACERA’s members (page 6). In addition, the Board Policy on Engagement (pages 2-3) provides that the Board has a full range of positions that may be lawfully taken to further Board objectives, including preventing adverse impact upon existing rights and interests. S. 915 would repeal the Windfall Elimination Provision and the Government Pension Offset, which reduce or eliminate the Social Security benefits that LACERA members may have earned through service with the County of Los Angeles before January 1, 1983 (the effective date that the County withdrew its employees from Social Security) or through employment outside of the County.

SUMMARY

S. 915 would repeal the Windfall Elimination Provision and the Government Pension Offset of the Social Security Act. S. 915 is identical to H.R. 1205, which was introduced in the United States House of Representatives.

ANALYSIS

Participation in Social Security by the County of Los Angeles

Prior to July 1, 1964. Employees of the County were not covered under Social Security because the County did not participate in Social Security.

July 1, 1964 through December 31, 1982. The County elected to participate in the Social Security system effective July 1, 1964. General members who were hired before July 1, 1964 were given the option to elect Social Security coverage and pay Social Security taxes retroactive to January 1, 1959. General members who were hired on or after July 1, 1964 were mandatorily covered under Social Security. Safety members were never participants under Social Security.

After January 1, 1983. The County withdrew its participation from Social Security effective January 1, 1983. As a result, some LACERA members may not have earned sufficient credits under County employment to be fully insured under Social Security, unless they had other employment that was covered by Social Security.

Windfall Elimination Provision (WEP)

Social Security benefits are designed to replace a percentage of a worker's pre-retirement earnings. A Social Security benefit is calculated by separating average monthly earnings into three amounts known as "bend points." Each bend point is multiplied by a percentage, and the total of the three amounts is the Social Security benefit.

For example, in 2017, the first \$885 of average monthly earnings is multiplied by 90 percent, earnings between \$885 and \$5,336 are multiplied by 32 percent, and the earnings over \$5,336 are multiplied by 15 percent.

For workers who qualify for a pension from a government employer that does not participate in Social Security, the percentage that is multiplied against the first \$885 of average monthly earnings is reduced from 90 percent to as low as 40 percent, based on years of substantial earnings. Those who have 30 years or more of substantial earnings do not see a reduction of the 90-percent factor. Note that to protect workers who receive a low government pension, the reduction of the Social Security benefit under the WEP cannot exceed more than one-half of the worker's government pension amount.

Government Pension Offset (GPO)

Under the GPO, dependent benefits paid by Social Security to a spouse, widow, or widower would be offset by two-thirds of the government pension paid to that person. Therefore, in some cases, if a person receives a government pension and two-thirds of the pension is greater than his or her own Social Security dependent benefits, the GPO will completely eliminate the Social Security dependent benefit.

Conclusion

For LACERA members who are eligible for a pension, the WEP and GPO reduce and in some cases eliminate the Social Security benefits that they earned through covered employment with the County of Los Angeles or become eligible for through their spouses. LACERA has traditionally supported legislation to repeal the WEP and GPO as well as resolutions by the California legislature urging the President and Congress of the United States to repeal the provisions.

IT IS THEREFORE RECOMMENDED THAT YOUR COMMITTEE recommend that the Board of Retirement adopt a “Support” position on S. 915, which would enact the “Social Security Fairness Act of 2017.”

Reviewed and Approved:

A handwritten signature in blue ink that reads "Steven P. Rice".

Steven P. Rice, Chief Counsel

Attachments

Attachment 1—Board Positions Adopted on Related Legislation
Attachment 2—Support And Opposition
S. 915 (Brown) as introduced on April 24, 2017
Windfall Elimination Provision Fact Sheet
Government Pension Offset Fact Sheet

BOARD POSITIONS ADOPTED ON RELATED LEGISLATION

SJR 1 (Resolution Chapter 92, Statutes of 2015) requested the President and the Congress of the United States to pass legislation repealing the Government Pension Offset and Windfall Elimination Provision from the Social Security Act. The Board of Retirement adopted a “Support” position.

H.R. 711 (2015, held in committee) would have amended the Social Security Act to replace the Windfall Elimination Provision with a new formula for the treatment of noncovered earnings in determining Social Security benefits for individuals who become eligible for benefits after 2016. It would have established a second formula to modify the Windfall Elimination Provision for current beneficiaries. The Board of Retirement adopted a “Watch” position.

H.R. 973 (2015, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

S. 1651 (2015, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

H.R. 1332 (2011, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

AJR 10 (Resolution Chapter 103, Statutes of 2009) requested the President and the Congress of the United States to pass legislation repealing the Government Pension Offset and Windfall Elimination Provision from the Social Security Act. The Board of Retirement adopted a “Support” position.

S. 484 (2009, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

AJR 5 (Resolution Chapter 116, Statutes of 2007) requested the President and the Congress of the United States to pass legislation repealing the Government Pension Offset and Windfall Elimination Provision from the Social Security Act. The Board of Retirement adopted a “Support” position.

S. 915
Attachment 2—Support And Opposition
Insurance, Benefits and Legislative Committee
July 25, 2017
Page 1

SUPPORT

American Federation of State, County and Municipal Employees
Fraternal Order of Police
National Education Association

OPPOSITION

None

115TH CONGRESS
1ST SESSION

S. 915

To amend title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

IN THE SENATE OF THE UNITED STATES

APRIL 24, 2017

Mr. BROWN (for himself, Ms. COLLINS, Ms. MURKOWSKI, Ms. BALDWIN, Mr. HELLER, and Mrs. MCCASKILL) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Social Security Fair-
5 ness Act of 2017”.

1 **SEC. 2. REPEAL OF GOVERNMENT PENSION OFFSET PROVI-**
2 **SION.**

3 (a) IN GENERAL.—Section 202(k) of the Social Secu-
4 rity Act (42 U.S.C. 402(k)) is amended by striking para-
5 graph (5).

6 (b) CONFORMING AMENDMENTS.—

7 (1) Section 202(b)(2) of the Social Security Act
8 (42 U.S.C. 402(b)(2)) is amended by striking “sub-
9 sections (k)(5) and (q)” and inserting “subsection
10 (q)”.

11 (2) Section 202(c)(2) of such Act (42 U.S.C.
12 402(c)(2)) is amended by striking “subsections
13 (k)(5) and (q)” and inserting “subsection (q)”.

14 (3) Section 202(e)(2)(A) of such Act (42
15 U.S.C. 402(e)(2)(A)) is amended by striking “sub-
16 section (k)(5), subsection (q),” and inserting “sub-
17 section (q)”.

18 (4) Section 202(f)(2)(A) of such Act (42 U.S.C.
19 402(f)(2)(A)) is amended by striking “subsection
20 (k)(5), subsection (q)” and inserting “subsection
21 (q)”.

22 **SEC. 3. REPEAL OF WINDFALL ELIMINATION PROVISIONS.**

23 (a) IN GENERAL.—Section 215 of the Social Security
24 Act (42 U.S.C. 415) is amended—

25 (1) in subsection (a), by striking paragraph (7);

1 (2) in subsection (d), by striking paragraph (3);

2 and

3 (3) in subsection (f), by striking paragraph (9).

4 (b) CONFORMING AMENDMENTS.—Subsections (e)(2)
5 and (f)(2) of section 202 of such Act (42 U.S.C. 402) are
6 each amended by striking “section 215(f)(5), 215(f)(6),
7 or 215(f)(9)(B)” in subparagraphs (C) and (D)(i) and in-
8 serting “paragraph (5) or (6) of section 215(f)”.

9 **SEC. 4. EFFECTIVE DATE.**

10 The amendments made by this Act shall apply with
11 respect to monthly insurance benefits payable under title
12 II of the Social Security Act for months after December
13 2017. Notwithstanding section 215(f) of the Social Secu-
14 rity Act, the Commissioner of Social Security shall adjust
15 primary insurance amounts to the extent necessary to take
16 into account the amendments made by section 3.

○



Windfall Elimination Provision

Your Social Security retirement or disability benefits can be reduced

The Windfall Elimination Provision can affect how we calculate your retirement or disability benefit. If you work for an employer who doesn't withhold Social Security taxes from your salary, such as a government agency or an employer in another country, any retirement or disability pension you get from that work can reduce your Social Security benefits.

When your benefits can be affected

This provision can affect you when you earn a retirement or disability pension from an employer who didn't withhold Social Security taxes **and** you qualify for Social Security retirement or disability benefits from work in other jobs for which you did pay taxes.

The Windfall Elimination Provision can apply if:

- You reached 62 after 1985; or
- You became disabled after 1985; and
- You first became eligible for a monthly pension based on work where you didn't pay Social Security taxes after 1985. This rule applies even if you're still working.

This provision also affects Social Security benefits for people who performed federal service under the Civil Service Retirement System (CSRS) after 1956. We won't reduce your Social Security benefit amounts if you only performed federal service under a system such as the Federal Employees' Retirement System (FERS). Social Security taxes are withheld for workers under FERS.

How it works

Social Security benefits are intended to replace only some of a worker's pre-retirement earnings.

We base your Social Security benefit on your average monthly earnings adjusted for average wage growth. We separate your average earnings into three amounts and multiply the amounts using three factors to compute your full Primary Insurance Amount (PIA). For example, for a worker who turns 62 in 2017, the first \$885 of average monthly earnings is multiplied by 90 percent; earnings between \$885 and \$5,336 by 32 percent; and the balance by 15 percent. The sum of the three amounts equals the PIA which is then decreased or increased depending

on whether the worker starts benefits before or after full retirement age (FRA). This formula produces the monthly payment amount.

When we apply this formula, the percentage of career average earnings paid to lower-paid workers is greater than higher-paid workers. For example, workers age 62 in 2017, with average earnings of \$3,000 per month could receive a benefit at FRA of \$1,473 (49 percent) of their pre-retirement earnings increased by applicable cost of living adjustments (COLAs). For a worker with average earnings of \$8,000 per month, the benefit starting at FRA could be \$2,620 (32 percent) plus COLAs. However, if either of these workers start benefits earlier, we'll reduce their monthly benefit.

Why we use a different formula

Before 1983, people whose primary job wasn't covered by Social Security had their Social Security benefits calculated as if they were long-term, low-wage workers. They had the advantage of receiving a Social Security benefit representing a higher percentage of their earnings, plus a pension from a job for which they didn't pay Social Security taxes. Congress passed the Windfall Elimination Provision to remove that advantage.

Under the provision, we reduce the 90 percent factor in our formula and phase it in for workers who reached age 62 or became disabled between 1986 and 1989. For people who reach 62 or became disabled in 1990 or later, we reduce the 90 percent factor to as little as 40 percent.

Some exceptions

The Windfall Elimination Provision doesn't apply if:

- You're a federal worker first hired after December 31, 1983;
- You were employed on December 31, 1983, by a nonprofit organization that didn't withhold Social Security taxes from your pay at first, but then began withholding Social Security taxes;
- Your only pension is for railroad employment;
- The only work you performed for which you didn't pay Social Security taxes was before 1957; or
- You have 30 or more years of substantial earnings under Social Security.

The Windfall Elimination Provision doesn't apply to survivors benefits. We may reduce widows or widowers benefits because of another law. For more information, read *Government Pension Offset* (Publication No. 05-10007).

Social Security years of substantial earnings

If you have 30 or more years of substantial earnings, we don't reduce the standard 90 percent factor in our formula. See the first table that lists substantial earnings for each year.

The second table shows the percentage used to reduce the 90 percent factor depending on the number of years of substantial earnings. If you have 21 to 29 years of substantial earnings, we reduce the 90 percent factor to between 45 and 85 percent. To see the maximum amount we could reduce your benefit, visit www.socialsecurity.gov/retire2/wep-chart.htm.

A guarantee

The law protects you if you get a low pension. We won't reduce your Social Security benefit more than half of your pension for earnings after 1956 on which you didn't pay Social Security taxes.

Contacting Social Security

The most convenient way to contact us anytime, anywhere is to visit www.socialsecurity.gov. There, you can: apply for benefits; open a *my* Social Security account, which you can use to review your *Social Security Statement*, verify your earnings, print a benefit verification letter, change your direct deposit information, request a replacement Medicare card, and get a replacement 1099/1042S; obtain valuable information; find publications; get answers to frequently asked questions; and much more.

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If you need to speak to a person, we can answer your calls from 7 a.m. to 7 p.m., Monday through Friday. We ask for your patience during busy periods since you may experience higher than usual rate of busy signals and longer hold times to speak to us. We look forward to serving you.

Year	Substantial earnings	Year	Substantial earnings
1937–1954	\$900	1991	\$9,900
1955–1958	\$1,050	1992	\$10,350
1959–1965	\$1,200	1993	\$10,725
1966–1967	\$1,650	1994	\$11,250
1968–1971	\$1,950	1995	\$11,325
1972	\$2,250	1996	\$11,625
1973	\$2,700	1997	\$12,150
1974	\$3,300	1998	\$12,675
1975	\$3,525	1999	\$13,425
1976	\$3,825	2000	\$14,175
1977	\$4,125	2001	\$14,925
1978	\$4,425	2002	\$15,750
1979	\$4,725	2003	\$16,125
1980	\$5,100	2004	\$16,275
1981	\$5,550	2005	\$16,725
1982	\$6,075	2006	\$17,475
1983	\$6,675	2007	\$18,150
1984	\$7,050	2008	\$18,975
1985	\$7,425	2009–2011	\$19,800
1986	\$7,875	2012	\$20,475
1987	\$8,175	2013	\$21,075
1988	\$8,400	2014	\$21,750
1989	\$8,925	2015–2016	\$22,050
1990	\$9,525	2017	\$23,625

Years of substantial earnings	Percentage
30 or more	90 percent
29	85 percent
28	80 percent
27	75 percent
26	70 percent
25	65 percent
24	60 percent
23	55 percent
22	50 percent
21	45 percent
20 or less	40 percent



Securing today
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Social Security Administration
Publication No. 05-10045 | ICN 460275 | Unit of Issue — HD (one hundred)
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Windfall Elimination Provision
Produced and published at U.S. taxpayer expense



Government Pension Offset

A law that affects spouses and widows or widowers

If you receive a retirement or disability pension from a federal, state, or local government based on your own work for which you didn't pay Social Security taxes, we may reduce your Social Security spouses or widows or widowers benefits. This fact sheet provides answers to questions you may have about the reduction.

How much will my Social Security benefits be reduced?

We'll reduce your Social Security benefits by two-thirds of your government pension. In other words, if you get a monthly civil service pension of \$600, two-thirds of that, or \$400, must be deducted from your Social Security benefits. For example, if you're eligible for a \$500 spouses, widows, or widowers benefit from Social Security, you'll get \$100 a month from Social Security ($\$500 - \$400 = \$100$). If two-thirds of your government pension is more than your Social Security benefit, your benefit could be reduced to zero.

If you take your government pension annuity in a lump sum, Social Security will calculate the reduction as if you chose to get monthly benefit payments from your government work.

Why will my Social Security benefits be reduced?

Benefits we pay to spouses, widows, and widowers are "dependent" benefits. Set up in the 1930s, these benefits were to compensate spouses who stayed home to raise a family and were financially dependent on the working spouse. It's now common for both spouses to work, each earning their own Social Security retirement benefit. The law requires a person's spouse, widow, or widower benefit to be offset by the dollar amount of their own retirement benefit.

For example, if a woman worked and earned her own \$800 monthly Social Security benefit, but was also due a \$500 wife's benefit on her husband's record, we couldn't pay that wife's benefit because her own benefit offset it. But, before enactment of the Government Pension Offset, if that same woman was a government employee who didn't pay into Social Security and earned an \$800 government pension, there was no offset. We had to pay her a full wife's benefit and her full government pension.

If this person's government work had been subject to Social Security taxes, we would reduce any spouse, widow, or widower benefit because of their own Social Security benefit. The Government Pension Offset ensures that we calculate the benefits of government employees who don't pay Social Security taxes the same as workers in the private sector who pay Social Security taxes.

When won't my Social Security benefits be reduced?

Generally, we won't reduce your Social Security benefits as a spouse, widow, or widower if you:

- Receive a government pension that's not based on your earnings; or
- Are a federal (including Civil Service Offset), state, or local government employee and your government pension is from a job for which you paid Social Security taxes; and:
 - Your last day of employment (that your pension is based on) is before July 1, 2004; or
 - You filed for and were entitled to spouses, widows, or widowers benefits before April 1, 2004 (you may work your last day in Social Security covered employment at any time); or
 - You paid Social Security taxes on your earnings during the last 60 months of government service. (Under certain conditions, we require fewer than 60

months for people whose last day of employment falls after June 30, 2004, and before March 2, 2009.)

There are other situations for which we won't reduce your Social Security benefits as a spouse, widow, or widower; for example, if you:

- Are a federal employee who switched from the Civil Service Retirement System (CSRS) to the Federal Employees' Retirement System (FERS) after December 31, 1987; and:
 - Your last day of service (that your pension is based on) is before July 1, 2004; or
 - You paid Social Security taxes on your earnings for 60 months or more during the period beginning January 1988 and ending with the first month of entitlement to benefits; or
 - You filed for and were entitled to spouses, widows, or widowers benefits before April 1, 2004 (you may work your last day in Social Security covered employment at any time).
- Received, or were eligible to receive, a government pension before December 1982 and meet all the requirements for Social Security spouse's benefits in effect in January 1977; or
- Received, or were eligible to receive, a federal, state, or local government pension before July 1, 1983, and were receiving one-half support from your spouse.

Note: A Civil Service Offset employee is a federal employee, rehired after December 31, 1983, following a break in service of more than 365 days, with five years of prior CSRS coverage.

What about Medicare?

Even if you don't get cash benefits from your spouse's work, you can still get Medicare at age 65 on your spouse's record if you aren't eligible for it on your own record.

Can I still get Social Security benefits from my own work?

The offset applies only to Social Security benefits as a spouse, or widow, or widower. However, we may reduce your own benefits because of another provision. For more information, ask for *Windfall Elimination Provision* (Publication No. 05-10045).

Contacting Social Security

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FOR INFORMATION ONLY

July 31, 2017

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

FROM: Steven P. Rice *SPR*
Chief Counsel

FOR: August 10, 2017 Insurance, Benefits & Legislative Committee Meeting

SUBJECT: **UPDATE ON STATUS OF REQUESTS FOR PROPOSALS FOR STATE AND FEDERAL LEGISLATIVE ADVOCACY SERVICES CONCERNING HEALTH, BENEFIT, AND PLAN ADMINISTRATION ISSUES**

This memo will provide the Committee with a further update on the status of the Requests for Proposals (RFPs) for state and federal legislative advocacy services approved by the Board of Retirement on May 11, 2017.


State RFP

As reported at the July 13, 2017 Committee meeting, two responses were originally received to the California state RFP. Thereafter, staff extended the RFP response period until August 11, 2017 to encourage additional responses. Staff will update the Committee at its September 6, 2017 meeting as to next steps in the state RFP.

Federal RFP

As also reported at the July 13, 2017 Committee meeting, staff selected three finalists from the seven responses received to the federal RFP. The finalists will be present for interviews at the Committee's October 12, 2017 meeting.

Reviewed and Approved.



Gregg Rademacher
Chief Executive Officer

cc. Gregg Rademacher
Robert Hill
John J. Popowich
Cassandra Smith
Leilani Ignacio
Barry Lew

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

Retiree Wellness Program - Staying Healthy Together

Staff, our carriers, and the Segal team are working together in coordinating the Fall Staying Healthy Together half-day workshop event for our retirees. The workshop details are as follows:

When: Monday, September 18, 2017
Where: Diamond Bar Center, Diamond Bar

The event venues are held in different areas of Los Angeles County to allow members the opportunity to attend.

We will provide additional details as we finalize the planning for this event. We invite you and we hope that you can join us in this special retiree event!

Kaiser Due Diligence Meeting

Staff and representatives from Kaiser attended an all-day meeting at Kaiser's offices in San Diego. The following topics were discussed:

- Kaiser Customer Account Service System
- Membership & Medicare Administration

This meeting gave our operational staff an opportunity to meet the Kaiser representatives that they deal with on a day-to-day basis and to discuss operational and eligibility issues and concerns.

Centers for Medicare and Medicaid Services (CMS) Medicare Part D Retiree Drug Subsidy (RDS) Applications for Plan Year 7/1/2015 – 6/30/2016 – Payment Request

Staff and carriers began the subsidy payment request to CMS/RDS for the 2015-2016 plan year for the following plans:

- Anthem Blue Cross
- Cigna HMO
- Kaiser
- Local 1014 and Local 1014

Staff and carriers intend to complete the payment request by the October 2, 2017, CMS deadline. We will continue to keep your Board apprised as we complete the steps and as CMS approves the payment requests.

Meeting with L.A. County CEO Office

Staff met with representatives from the L.A. County CEO's office to evaluate the premium reserve balance and the possibility of conducting a premium holiday. At the meeting, the following was also discussed:

- the history behind the 20% of the total annual program premium costs vs. 20% of the indemnity plan premium costs only
- to have the current reserve policy changed, it would be a two or three month process as it would require going to both the Insurance, Benefits & Legislative Committee and LACERA's Board of Retirement
- transferring a portion of the retiree drug subsidy (RDS) monies to the OPEB Trust Funds at the conclusion of the 2015-2016 plan year RDS Audit

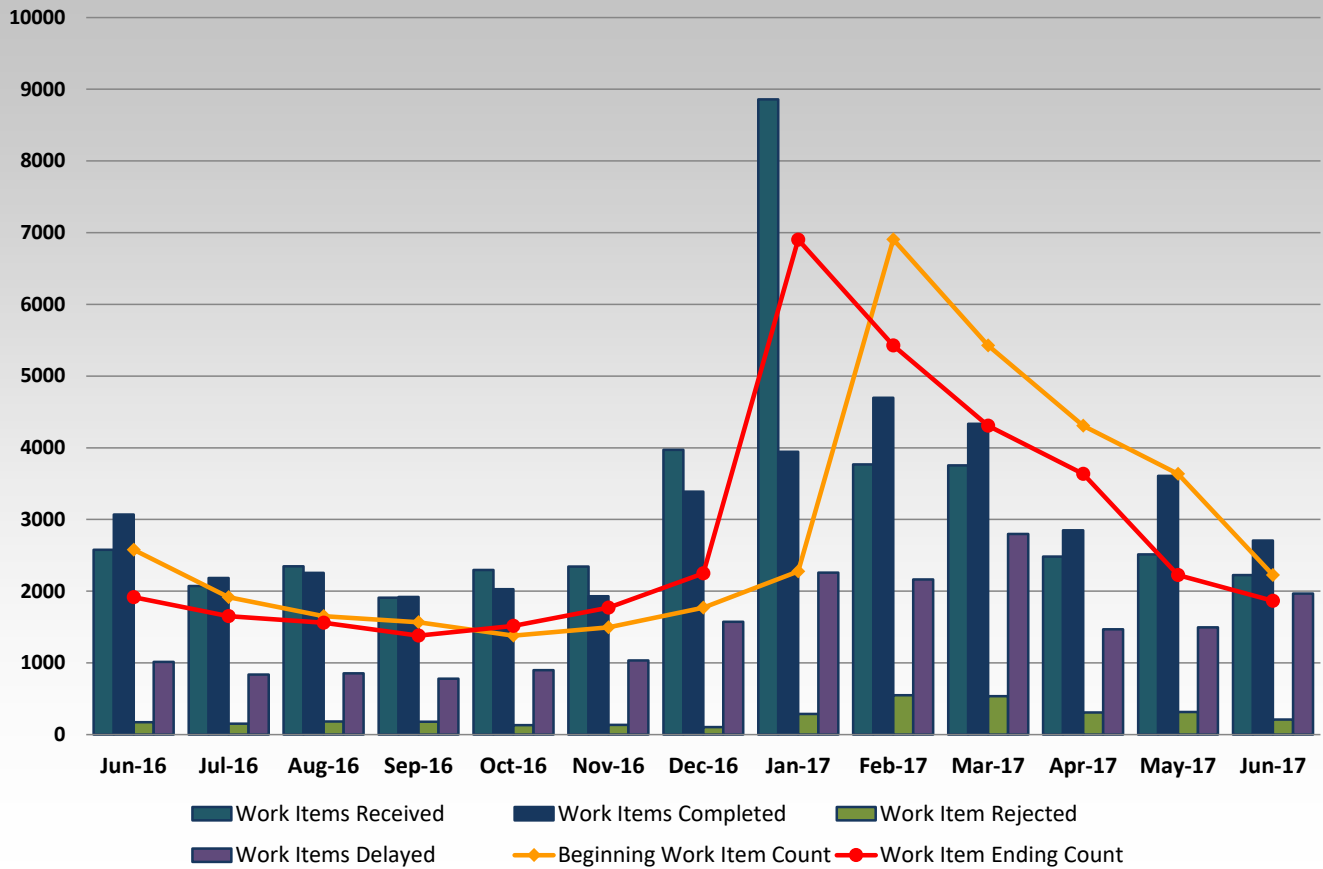
The group is scheduled to reconvene in mid-November.

Retiree Healthcare Division

Trend Report

JUNE 2016-JUNE 2017

Updated 7/27/2017

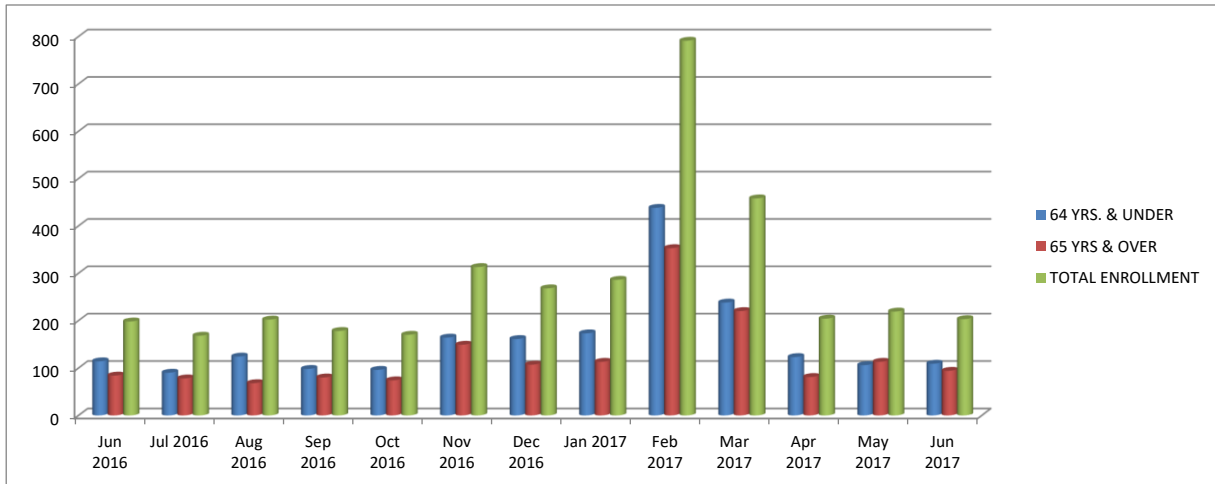


	Beginning Work Item Count	Work Items Received	Work Items Completed	Work Item Rejected	Work Items Delayed	Work Item Ending Count
Jun-16	2578	2579	3068	172	1015	1917
Jul-16	1917	2072	2183	154	836	1652
Aug-16	1652	2347	2255	183	855	1561
Sep-16	1568	1910	1920	178	780	1380
Oct-16	1380	2295	2027	132	899	1516
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
May-17	3636	2513	3609	314	1495	2226
Jun-17	2226	2225	2706	211	1966	1864

Retirees Monthly Age Breakdown JUNE 2016 ~ JUNE 2017

Service Retirement

MONTH	64 YRS. & UNDER	65 YRS & OVER	TOTAL ENROLLMENT
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
May 2017	106	113	219
Jun 2017	109	94	203



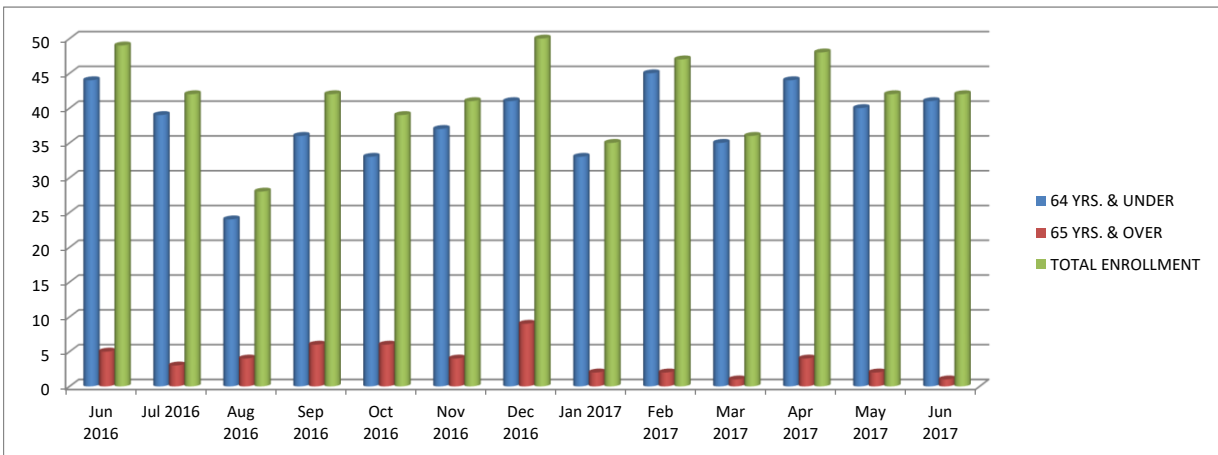
PLEASE NOTE:

- July's data (7/2017) is not yet available as data is provided on a **full month basis**.
- Next Report will include the following dates: July 1, 2016 through July 31, 2017.

Retirees Monthly Age Breakdown JUNE 2016 ~ JUNE 2017

Disability Retirement

MONTH	64 YRS. & UNDER	65 YRS. & OVER	TOTAL ENROLLMENT
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
May 2017	40	2	42
Jun 2017	41	1	42



PLEASE NOTE:

- July's data (7/2017) is not yet available as data is provided on a full month basis.
- Next Report will include the following dates: July 1, 2016 through July 31, 2017.

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 7/31/2017

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
ANTHEM BC III				
211	1	(\$104.90)	0	\$0.00
240	6,418	\$706,489.00	9	\$270.90
241	159	\$17,518.20	0	\$0.00
242	839	\$95,897.00	0	\$0.00
243	3,688	\$813,156.50	6	\$473.50
244	20	\$2,192.30	0	\$0.00
245	49	\$5,546.60	0	\$0.00
246	19	\$2,108.10	0	\$0.00
247	103	\$12,092.10	0	\$0.00
248	11	\$2,406.50	1	\$36.50
249	44	\$10,063.90	0	\$0.00
250	14	\$3,120.80	0	\$0.00
Plan Total:	11,365	\$1,670,486.10	16	\$780.90
CIGNA-HEALTHSPRING PREFERRED with RX				
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
Plan Total:	57	\$7,959.40	0	\$0.00
KAISER SR. ADVANTAGE				
401	1	(\$104.90)	0	\$0.00
403	10,005	\$1,103,919.02	7	\$206.50
413	1,663	\$191,928.00	0	\$0.00
418	5,082	\$1,120,882.20	4	\$217.30
419	270	\$28,702.10	0	\$0.00
426	207	\$21,781.10	0	\$0.00
427	155	\$16,469.90	0	\$0.00
445	2	\$210.90	0	\$0.00
451	32	\$3,491.20	0	\$0.00
457	12	\$2,555.70	0	\$0.00
458	1	\$134.00	0	\$0.00
462	48	\$5,231.30	0	\$0.00
465	10	\$1,062.30	0	\$0.00
466	27	\$5,837.30	0	\$0.00
472	31	\$3,318.30	0	\$0.00
476	6	\$733.60	0	\$0.00
478	11	\$2,348.30	0	\$0.00
482	83	\$9,247.90	0	\$0.00
486	11	\$1,257.90	0	\$0.00
488	41	\$9,170.30	0	\$0.00
492	1	\$104.90	0	\$0.00
494	1	\$226.70	0	\$0.00
Plan Total:	17,700	\$2,528,508.02	11	\$423.80

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 7/31/2017

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
SCAN				
611	297	\$33,068.20	0	\$0.00
613	104	\$22,074.70	0	\$0.00
Plan Total:	401	\$55,142.90	0	\$0.00
UNITED HEALTHCARE GROUP MEDICARE ADV. HMO				
701	1,567	\$175,409.60	1	\$36.50
702	332	\$38,767.90	0	\$0.00
703	873	\$191,908.50	1	\$10.50
704	73	\$8,391.50	0	\$0.00
705	27	\$6,199.50	0	\$0.00
Plan Total:	2,872	\$420,677.00	2	\$47.00
Grand Total:	32,395	\$4,682,773.42	29	\$1,251.70

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 7/31/2017

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
ANTHEM BC III				
211	1	(\$104.90)	0	\$0.00
240	6,418	\$706,489.00	9	\$270.90
241	159	\$17,518.20	0	\$0.00
242	839	\$95,897.00	0	\$0.00
243	3,688	\$813,156.50	6	\$473.50
244	20	\$2,192.30	0	\$0.00
245	49	\$5,546.60	0	\$0.00
246	19	\$2,108.10	0	\$0.00
247	103	\$12,092.10	0	\$0.00
248	11	\$2,406.50	1	\$36.50
249	44	\$10,063.90	0	\$0.00
250	14	\$3,120.80	0	\$0.00
Plan Total:	11,365	\$1,670,486.10	16	\$780.90
CIGNA-HEALTHSPRING PREFERRED with RX				
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
Plan Total:	57	\$7,959.40	0	\$0.00
KAISER SR. ADVANTAGE				
401	1	(\$104.90)	0	\$0.00
403	10,005	\$1,103,919.02	7	\$206.50
413	1,663	\$191,928.00	0	\$0.00
418	5,082	\$1,120,882.20	4	\$217.30
419	270	\$28,702.10	0	\$0.00
426	207	\$21,781.10	0	\$0.00
427	155	\$16,469.90	0	\$0.00
445	2	\$210.90	0	\$0.00
451	32	\$3,491.20	0	\$0.00
457	12	\$2,555.70	0	\$0.00
458	1	\$134.00	0	\$0.00
462	48	\$5,231.30	0	\$0.00
465	10	\$1,062.30	0	\$0.00
466	27	\$5,837.30	0	\$0.00
472	31	\$3,318.30	0	\$0.00
476	6	\$733.60	0	\$0.00
478	11	\$2,348.30	0	\$0.00
482	83	\$9,247.90	0	\$0.00
486	11	\$1,257.90	0	\$0.00
488	41	\$9,170.30	0	\$0.00
492	1	\$104.90	0	\$0.00
494	1	\$226.70	0	\$0.00
Plan Total:	17,700	\$2,528,508.02	11	\$423.80

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 7/31/2017

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
SCAN				
611	297	\$33,068.20	0	\$0.00
613	104	\$22,074.70	0	\$0.00
Plan Total:	401	\$55,142.90	0	\$0.00
UNITED HEALTHCARE GROUP MEDICARE ADV. HMO				
701	1,567	\$175,409.60	1	\$36.50
702	332	\$38,767.90	0	\$0.00
703	873	\$191,908.50	1	\$10.50
704	73	\$8,391.50	0	\$0.00
705	27	\$6,199.50	0	\$0.00
Plan Total:	2,872	\$420,677.00	2	\$47.00
LOCAL 1014				
804	164	\$23,088.20	0	\$0.00
805	175	\$24,339.70	0	\$0.00
806	557	\$134,746.66	0	\$0.00
807	37	\$5,970.10	0	\$0.00
808	10	\$2,280.00	0	\$0.00
812	221	\$25,618.30	0	\$0.00
Plan Total:	1,164	\$216,042.96	0	\$0.00
Grand Total:	33,559	\$4,898,816.38	29	\$1,251.70

Medical and Dental Vision Insurance Premiums August 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Medical Plan							
Anthem Blue Cross Prudent Buyer Plan							
201	698	\$605,928.15	\$98,746.70	\$504,557.91	\$603,304.61	(\$2,600.25)	\$600,704.36
202	385	\$656,124.70	\$65,714.80	\$590,409.90	\$656,124.70	\$0.00	\$656,124.70
203	97	\$188,466.74	\$44,385.75	\$135,749.14	\$180,134.89	\$0.00	\$180,134.89
204	36	\$40,094.64	\$17,201.88	\$25,090.65	\$42,292.53	\$0.00	\$42,292.53
205	1	\$237.47	\$9.50	\$227.97	\$237.47	\$0.00	\$237.47
SUBTOTAL	1,217	\$1,490,851.70	\$226,058.63	\$1,256,035.57	\$1,482,094.20	(\$2,600.25)	\$1,479,493.95
Anthem Blue Cross I							
211	882	\$967,873.92	\$60,963.26	\$914,371.19	\$975,334.45	(\$1,065.79)	\$974,268.66
212	312	\$617,370.59	\$35,543.13	\$566,310.92	\$601,854.05	(\$1,972.43)	\$599,881.62
213	53	\$125,620.74	\$15,936.74	\$96,036.39	\$111,973.13	\$0.00	\$111,973.13
214	20	\$28,960.40	\$5,950.44	\$31,505.38	\$37,455.82	\$0.00	\$37,455.82
215	4	\$1,456.16	\$211.14	\$1,245.02	\$1,456.16	\$0.00	\$1,456.16
SUBTOTAL	1,271	\$1,741,281.81	\$118,604.71	\$1,609,468.90	\$1,728,073.61	(\$3,038.22)	\$1,725,035.39
Anthem Blue Cross II							
221	2,119	\$2,323,335.36	\$141,721.85	\$2,198,578.88	\$2,340,300.73	(\$1,094.88)	\$2,339,205.85
222	1,871	\$3,698,306.25	\$101,185.56	\$3,543,717.92	\$3,644,903.48	\$0.00	\$3,644,903.48
223	604	\$1,407,417.55	\$56,389.62	\$1,339,042.50	\$1,395,432.12	\$2,326.31	\$1,397,758.43
224	140	\$202,722.80	\$17,405.19	\$189,623.13	\$207,028.32	\$0.00	\$207,028.32
225	2	\$728.08	\$182.02	\$546.06	\$728.08	\$0.00	\$728.08
SUBTOTAL	4,736	\$7,632,510.04	\$316,884.24	\$7,271,508.49	\$7,588,392.73	\$1,231.43	\$7,589,624.16

Medical and Dental Vision Insurance Premiums August 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Anthem Blue Cross III							
240	6,441	\$2,856,947.40	\$445,175.99	\$2,413,906.61	\$2,859,082.60	(\$4,421.85)	\$2,854,660.75
241	159	\$226,108.80	\$25,397.77	\$199,816.28	\$225,214.05	\$0.00	\$225,214.05
242	844	\$1,194,137.10	\$79,562.08	\$1,104,682.76	\$1,184,244.84	\$1,423.18	\$1,185,668.02
243	3,699	\$3,263,976.43	\$381,791.87	\$2,861,232.52	\$3,243,024.39	(\$880.49)	\$3,242,143.90
244	20	\$15,846.40	\$3,771.45	\$12,074.95	\$15,846.40	\$0.00	\$15,846.40
245	50	\$39,616.00	\$5,165.92	\$33,657.76	\$38,823.68	\$0.00	\$38,823.68
246	19	\$33,478.95	\$2,889.76	\$30,589.19	\$33,478.95	\$0.00	\$33,478.95
247	104	\$183,253.20	\$9,761.76	\$173,491.44	\$183,253.20	\$0.00	\$183,253.20
248	11	\$13,522.08	\$1,966.85	\$11,555.23	\$13,522.08	\$0.00	\$13,522.08
249	45	\$55,317.60	\$4,425.40	\$49,662.92	\$54,088.32	\$0.00	\$54,088.32
250	14	\$19,283.88	\$991.74	\$18,292.14	\$19,283.88	\$0.00	\$19,283.88
SUBTOTAL	11,406	\$7,901,487.84	\$960,900.59	\$6,908,961.80	\$7,869,862.39	(\$3,879.16)	\$7,865,983.23
CIGNA Network Model Plan							
301	357	\$506,907.87	\$135,692.98	\$374,054.71	\$509,747.69	\$0.00	\$509,747.69
302	150	\$386,913.34	\$93,302.84	\$285,923.48	\$379,226.32	(\$2,562.34)	\$376,663.98
303	19	\$60,510.80	\$14,584.09	\$33,824.55	\$48,408.64	\$0.00	\$48,408.64
304	25	\$47,092.25	\$19,088.81	\$29,887.13	\$48,975.94	\$0.00	\$48,975.94
SUBTOTAL	551	\$1,001,424.26	\$262,668.72	\$723,689.87	\$986,358.59	(\$2,562.34)	\$983,796.25

Medical and Dental Vision Insurance Premiums August 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
CIGNA Healthspring Pref w/ Rx - Phoenix, AZ							
321	30	\$11,534.70	\$1,776.35	\$9,758.35	\$11,534.70	\$0.00	\$11,534.70
322	10	\$15,262.40	\$488.40	\$13,247.76	\$13,736.16	\$0.00	\$13,736.16
324	14	\$10,653.72	\$1,293.67	\$9,360.05	\$10,653.72	\$0.00	\$10,653.72
327	2	\$3,976.10	\$397.61	\$3,578.49	\$3,976.10	\$0.00	\$3,976.10
329	2	\$2,595.54	\$0.00	\$2,595.54	\$2,595.54	\$0.00	\$2,595.54
SUBTOTAL	58	\$44,022.46	\$3,956.03	\$38,540.19	\$42,496.22	\$0.00	\$42,496.22

Medical and Dental Vision Insurance Premiums August 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Kaiser/Senior Advantage							
401	1,597	\$1,503,958.52	\$137,927.91	\$1,383,203.58	\$1,521,131.49	\$3,718.88	\$1,524,850.37
403	10,090	\$2,590,835.52	\$274,404.65	\$2,318,684.37	\$2,593,089.02	(\$3,322.04)	\$2,589,766.98
404	526	\$544,751.90	\$19,967.30	\$559,684.45	\$579,651.75	\$44.93	\$579,696.68
405	920	\$904,260.72	\$19,662.16	\$864,512.90	\$884,175.06	(\$952.41)	\$883,222.65
406	45	\$80,274.60	\$30,062.02	\$44,926.68	\$74,988.70	\$0.00	\$74,988.70
411	1,823	\$3,413,351.28	\$187,640.31	\$3,217,676.97	\$3,405,317.28	\$3,683.16	\$3,409,000.44
413	1,674	\$1,991,713.75	\$90,822.34	\$1,892,426.06	\$1,983,248.40	(\$2,372.50)	\$1,980,875.90
414	144	\$288,896.16	\$6,139.68	\$267,328.44	\$273,468.12	(\$1,965.28)	\$271,502.84
418	5,078	\$2,570,155.88	\$206,486.96	\$2,358,139.30	\$2,564,626.26	(\$4,041.92)	\$2,560,584.34
419	268	\$349,321.44	\$5,468.86	\$358,261.67	\$363,730.53	(\$1,284.27)	\$362,446.26
420	127	\$262,039.10	\$1,883.86	\$276,212.34	\$278,096.20	\$0.00	\$278,096.20
421	9	\$8,438.67	\$525.08	\$7,913.59	\$8,438.67	\$0.00	\$8,438.67
422	220	\$422,196.19	\$1,681.16	\$403,753.76	\$405,434.92	\$0.00	\$405,434.92
423	17	\$48,145.14	\$6,597.35	\$33,676.16	\$40,273.51	(\$5,273.18)	\$35,000.33
426	206	\$256,940.42	\$3,565.23	\$221,114.07	\$224,679.30	(\$1,229.38)	\$223,449.92
427	155	\$313,014.04	\$3,588.71	\$289,940.47	\$293,529.18	\$0.00	\$293,529.18
428	54	\$108,454.14	\$1,124.70	\$107,329.44	\$108,454.14	\$0.00	\$108,454.14
429	14	\$47,136.75	\$4,497.88	\$8,167.79	\$12,665.67	\$0.00	\$12,665.67
430	130	\$253,957.60	\$3,477.25	\$250,480.35	\$253,957.60	\$0.00	\$253,957.60
431	10	\$27,178.60	\$3,915.50	\$23,263.10	\$27,178.60	\$0.00	\$27,178.60
432	7	\$24,375.40	\$8,091.23	\$16,284.17	\$24,375.40	\$0.00	\$24,375.40
SUBTOTAL	23,114	\$16,009,395.82	\$1,017,530.14	\$14,902,979.66	\$15,920,509.80	(\$12,994.01)	\$15,907,515.79

Medical and Dental Vision Insurance Premiums August 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Kaiser - Colorado							
450	5	\$5,024.35	\$1,004.87	\$4,019.48	\$5,024.35	\$0.00	\$5,024.35
451	32	\$11,731.84	\$1,488.46	\$10,243.38	\$11,731.84	\$0.00	\$11,731.84
453	2	\$4,442.30	\$497.44	\$3,944.86	\$4,442.30	\$0.00	\$4,442.30
457	12	\$8,702.88	\$1,392.46	\$7,310.42	\$8,702.88	\$0.00	\$8,702.88
458	1	\$2,302.38	\$0.00	\$2,302.38	\$2,302.38	\$0.00	\$2,302.38
SUBTOTAL	52	\$32,203.75	\$4,383.23	\$27,820.52	\$32,203.75	\$0.00	\$32,203.75
Kaiser - Georgia							
441	2	\$2,328.82	\$139.06	\$2,189.76	\$2,328.82	\$0.00	\$2,328.82
442	4	\$4,657.64	\$278.12	\$4,379.52	\$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	\$2,104.42	\$11,868.50	\$13,972.92	\$0.00	\$13,972.92
462	50	\$20,413.00	\$2,980.28	\$17,432.72	\$20,413.00	(\$408.26)	\$20,004.74
463	3	\$6,962.49	\$2,031.41	\$4,931.08	\$6,962.49	\$0.00	\$6,962.49
465	10	\$15,646.70	\$938.80	\$14,707.90	\$15,646.70	\$0.00	\$15,646.70
466	27	\$21,830.04	\$1,552.36	\$20,277.68	\$21,830.04	\$0.00	\$21,830.04
SUBTOTAL	111	\$90,105.36	\$10,024.45	\$78,916.50	\$88,940.95	(\$408.26)	\$88,532.69
Kaiser - Hawaii							
471	7	\$7,022.40	\$1,123.58	\$5,898.82	\$7,022.40	\$0.00	\$7,022.40
472	31	\$13,314.81	\$2,027.26	\$11,287.55	\$13,314.81	(\$1,237.24)	\$12,077.57
473	1	\$1,547.10	\$452.22	\$1,094.88	\$1,547.10	\$0.00	\$1,547.10
474	3	\$5,995.20	\$77.91	\$5,917.29	\$5,995.20	\$0.00	\$5,995.20
476	6	\$8,548.26	\$3,362.31	\$5,185.95	\$8,548.26	\$0.00	\$8,548.26
478	11	\$9,350.22	\$374.01	\$8,976.21	\$9,350.22	\$0.00	\$9,350.22
SUBTOTAL	59	\$45,777.99	\$7,417.29	\$38,360.70	\$45,777.99	(\$1,237.24)	\$44,540.75

Medical and Dental Vision Insurance Premiums August 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Kaiser - Oregon							
481	7	\$7,613.41	\$1,892.47	\$5,720.94	\$7,613.41	\$0.00	\$7,613.41
482	83	\$31,311.75	\$5,303.91	\$26,840.50	\$32,144.41	\$0.00	\$32,144.41
484	2	\$4,334.54	\$547.47	\$3,787.07	\$4,334.54	\$0.00	\$4,334.54
486	11	\$16,025.68	\$2,156.18	\$13,869.50	\$16,025.68	\$0.00	\$16,025.68
488	41	\$30,606.50	\$3,433.90	\$27,172.60	\$30,606.50	\$0.00	\$30,606.50
489	1	\$1,010.66	\$0.00	\$1,010.66	\$1,010.66	\$0.00	\$1,010.66
492	1	\$1,544.92	\$308.98	\$1,235.94	\$1,544.92	\$0.00	\$1,544.92
494	1	\$1,826.13	\$0.00	\$1,826.13	\$1,826.13	\$0.00	\$1,826.13
495	2	\$4,686.68	\$741.82	\$3,944.86	\$4,686.68	\$0.00	\$4,686.68
SUBTOTAL	149	\$98,960.27	\$14,384.73	\$85,408.20	\$99,792.93	\$0.00	\$99,792.93
SCAN Health Plan							
611	298	\$88,804.00	\$18,958.76	\$70,748.24	\$89,707.00	\$0.00	\$89,707.00
613	103	\$61,152.00	\$9,749.04	\$50,226.96	\$59,976.00	\$0.00	\$59,976.00
SUBTOTAL	401	\$149,956.00	\$28,707.80	\$120,975.20	\$149,683.00	\$0.00	\$149,683.00
UHC Medicare Adv.							
701	1,571	\$533,018.04	\$67,229.34	\$468,794.90	\$536,024.24	(\$339.07)	\$535,685.17
702	334	\$471,633.12	\$31,470.20	\$419,687.96	\$451,158.16	\$1,403.67	\$452,561.83
703	870	\$585,702.36	\$59,971.40	\$519,055.52	\$579,026.92	(\$1,327.30)	\$577,699.62
704	73	\$117,443.92	\$5,269.11	\$109,000.65	\$114,269.76	\$0.00	\$114,269.76
705	27	\$23,045.85	\$1,212.04	\$21,833.81	\$23,045.85	\$0.00	\$23,045.85
SUBTOTAL	2,875	\$1,730,843.29	\$165,152.09	\$1,538,372.84	\$1,703,524.93	(\$262.70)	\$1,703,262.23

Medical and Dental Vision Insurance Premiums August 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
United Healthcare							
707	437	\$468,726.20	\$47,601.97	\$420,051.63	\$467,653.60	\$0.00	\$467,653.60
708	357	\$698,809.65	\$29,714.08	\$668,975.36	\$698,689.44	\$0.00	\$698,689.44
709	288	\$670,653.40	\$32,163.49	\$631,528.11	\$663,691.60	\$6,819.19	\$670,510.79
SUBTOTAL	1,082	\$1,838,189.25	\$109,479.54	\$1,720,555.10	\$1,830,034.64	\$6,819.19	\$1,836,853.83
Local 1014 Firefighters							
801	54	\$58,220.10	\$2,070.04	\$57,160.00	\$59,230.04	(\$20,275.81)	\$38,954.23
802	277	\$538,485.23	\$13,685.72	\$534,444.19	\$548,129.91	\$0.00	\$548,129.91
803	253	\$580,156.83	\$19,904.15	\$584,994.08	\$604,898.23	\$6,691.51	\$611,589.74
804	165	\$177,894.75	\$8,905.49	\$168,123.42	\$177,028.91	(\$23,088.20)	\$153,940.71
805	176	\$342,142.24	\$11,314.02	\$330,828.22	\$342,142.24	(\$24,339.70)	\$317,802.54
806	557	\$1,082,802.43	\$33,125.60	\$1,049,676.83	\$1,082,802.43	(\$136,690.65)	\$946,111.78
807	38	\$87,138.18	\$1,880.35	\$85,257.83	\$87,138.18	(\$5,970.10)	\$81,168.08
808	10	\$22,931.10	\$183.45	\$22,747.65	\$22,931.10	(\$2,280.00)	\$20,651.10
809	24	\$25,875.60	\$3,299.12	\$22,576.48	\$25,875.60	\$0.00	\$25,875.60
810	7	\$13,607.93	\$1,594.07	\$12,844.66	\$14,438.73	\$0.00	\$14,438.73
811	5	\$11,465.55	\$825.52	\$10,640.03	\$11,465.55	\$0.00	\$11,465.55
812	222	\$239,349.30	\$21,153.24	\$219,274.21	\$240,427.45	(\$25,618.30)	\$214,809.15
SUBTOTAL	1,788	\$3,180,069.24	\$117,940.77	\$3,098,567.60	\$3,216,508.37	(\$231,571.25)	\$2,984,937.12
Medical Plan Total	48,870	\$42,987,079.08	\$3,364,092.96	\$39,420,161.14	\$42,784,254.10	(\$250,502.81)	\$42,533,751.29

Medical and Dental Vision Insurance Premiums August 2017

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
Dental/Vision Plan							
CIGNA Indemnity Dental/Vision							
501	23,115	\$1,206,043.52	\$140,915.93	\$1,072,692.11	\$1,213,608.04	(\$1,251.83)	\$1,212,356.21
502	21,313	\$2,319,044.40	\$183,857.72	\$2,115,175.11	\$2,299,032.83	(\$2,992.13)	\$2,296,040.70
503	11	\$705.65	\$132.14	\$573.51	\$705.65	\$0.00	\$705.65
SUBTOTAL	44,439	\$3,525,793.57	\$324,905.79	\$3,188,440.73	\$3,513,346.52	(\$4,243.96)	\$3,509,102.56
CIGNA Dental HMO/Vision							
901	3,229	\$149,239.89	\$19,638.03	\$130,617.70	\$150,255.73	(\$138.57)	\$150,117.16
902	2,282	\$215,883.68	\$19,427.44	\$195,421.20	\$214,848.64	(\$283.56)	\$214,565.08
903	4	\$187.12	\$5.61	\$181.51	\$187.12	\$0.00	\$187.12
SUBTOTAL	5,515	\$365,310.69	\$39,071.08	\$326,220.41	\$365,291.49	(\$422.13)	\$364,869.36
Dental/Vision Plan Total	49,954	\$3,891,104.26	\$363,976.87	\$3,514,661.14	\$3,878,638.01	(\$4,666.09)	\$3,873,971.92
GRAND TOTALS	98,824	\$46,878,183.34	\$3,728,069.83	\$42,934,822.28	\$46,662,892.11	(\$255,168.90)	\$46,407,723.21

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

*Benchmark premiums are bolded.

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

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

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

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

Kaiser

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

*Benchmark premiums are bolded.

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

*Benchmark premiums are bolded.

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

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

Kaiser Hawaii

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

Kaiser Oregon

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

*Benchmark premiums are bolded.

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

Kaiser Rate Category Definitions

"Basic" - includes those who are under age 65

Medicare Cost ("Supplement")

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

"Senior Advantage"

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

"Excess I"

- Is for participants who have Medicare Part A only.

"Excess II"

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

"Excess III"

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

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

*Benchmark premiums are bolded.

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

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

CIGNA Indemnity - Dental/Vision

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

CIGNA HMO - Dental/Vision

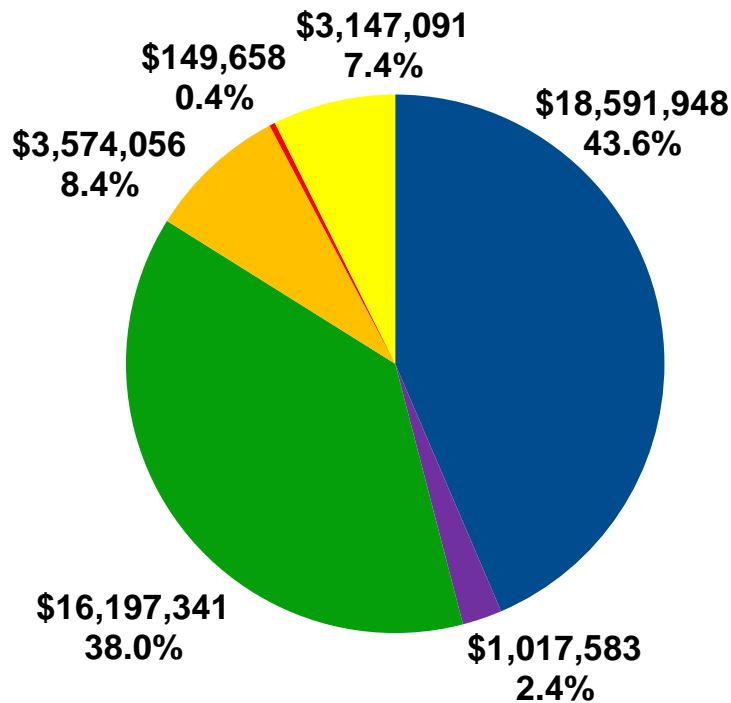
\$39.02	901	Retiree Only
\$81.07	902	Retiree and Dependent(s)
\$39.56	903	Survivor Children Only Rates

Los Angeles County Employees Retirement Association
 Premium & Enrollment
 Coverage Month June 2017

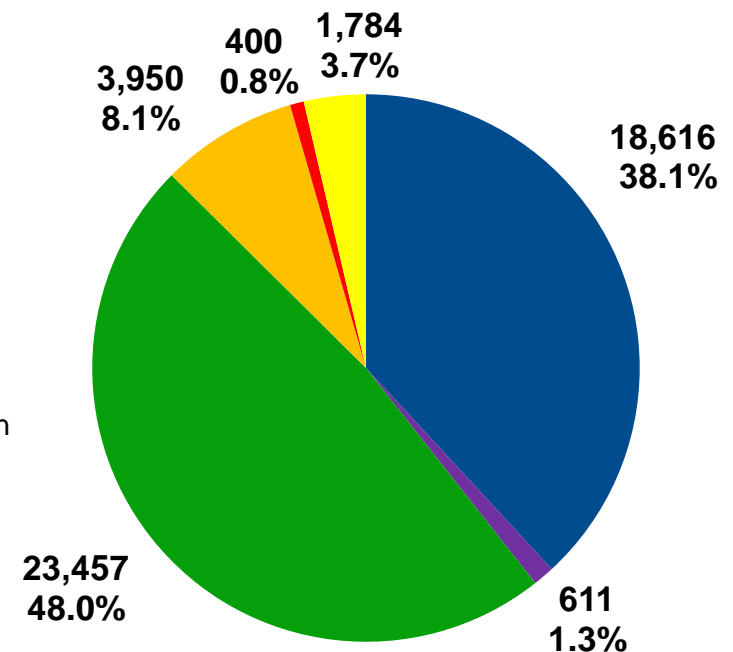
Carrier / Plan	Monthly Premium	Percent of Total	Retirees	Percent of Total
Anthem All Plans	\$18,591,948	43.6%	18,616	38.1%
Cigna Medical	\$1,017,583	2.4%	611	1.3%
Kaiser	\$16,197,341	38.0%	23,457	48.0%
UnitedHealthcare	\$3,574,056	8.4%	3,950	8.1%
SCAN Health Plan	\$149,658	0.4%	400	0.8%
Local 1014	\$3,147,091	7.4%	1,784	3.7%
Combined Medical	\$42,677,677	100.0%	48,818	100.0%

Cigna Dental & Vision (PPO and HMO)	\$3,877,560	49,893
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Monthly Premium



Retirees



- Anthem All Plans
- Cigna Medical
- Kaiser
- UnitedHealthcare
- SCAN Health Plan
- Local 1014

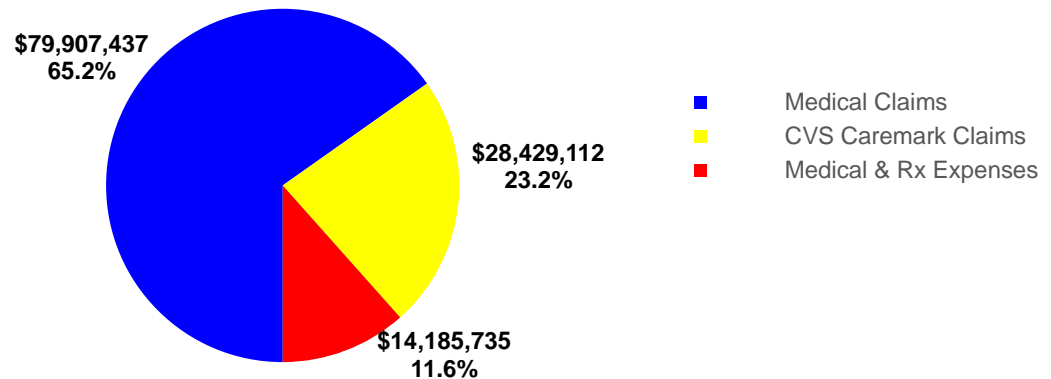
Los Angeles County Employees Retirement Association

Anthem Plans I & II

Coverage Month June 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	\$9,893,998	108.9%
Nov-16	6,025	\$9,041,462	\$7,818,475	\$2,310,711	\$10,129,186	\$1,681.19	112.0%	\$1,179,437	\$11,308,623	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	\$10,399,735	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	\$5,749,803	\$2,564,515	\$8,314,318	\$1,384.57	92.1%	\$1,176,066	\$9,490,384	105.1%
Mar-17	6,010	\$9,063,902	\$7,007,080	\$2,606,369	\$9,613,449	\$1,599.58	106.1%	\$1,177,464	\$10,790,913	119.1%
Apr-17	6,006	\$9,057,867	\$6,533,587	\$2,479,009	\$9,012,596	\$1,500.60	99.5%	\$1,176,875	\$10,189,472	112.5%
May-17	6,029	\$8,942,714	\$6,458,651	\$2,782,994	\$9,241,645	\$1,532.87	103.3%	\$1,182,053	\$10,423,698	116.6%
Jun-17	6,003	\$9,296,857	\$6,669,465	\$2,500,776	\$9,170,241	\$1,527.61	98.6%	\$1,177,320	\$10,347,560	111.3%
YTD Plan Year	72,378	\$108,944,476	\$79,907,437	\$28,429,112	\$108,336,549	\$1,496.82	99.4%	\$14,185,735	\$122,522,283	112.5%
12 Month Average	6,032	\$9,078,706	\$6,658,953	\$2,369,093	\$9,028,046	\$1,496.82	99.4%	\$1,182,145	\$10,210,190	112.5%
12 Month Rollup	72,378	\$108,944,476	\$79,907,437	\$28,429,112	\$108,336,549	\$1,496.82	99.4%	\$14,185,735	\$122,522,283	112.5%

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



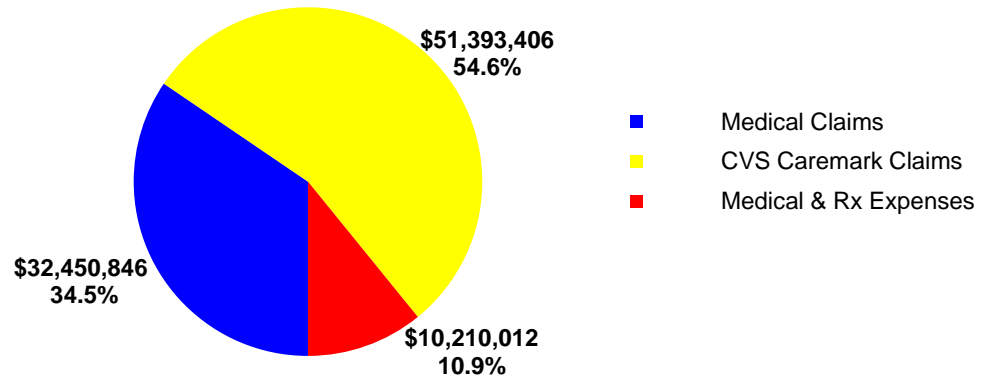
Los Angeles County Employees Retirement Association

Anthem Plan III

Coverage Month June 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%	\$841,825	\$7,146,608	96.0%
Aug-16	11,083	\$7,427,254	\$2,960,288	\$3,940,053	\$6,900,341	\$622.61	92.9%	\$843,195	\$7,743,536	104.3%
Sep-16	11,112	\$7,458,876	\$2,956,685	\$3,631,303	\$6,587,988	\$592.87	88.3%	\$845,401	\$7,433,389	99.7%
Oct-16	11,131	\$7,449,421	\$3,010,763	\$3,770,776	\$6,781,539	\$609.25	91.0%	\$846,846	\$7,628,386	102.4%
Nov-16	11,150	\$7,412,057	\$2,933,086	\$3,773,422	\$6,706,508	\$601.48	90.5%	\$848,292	\$7,554,800	101.9%
Dec-16	11,160	\$7,479,004	\$2,734,313	\$3,895,819	\$6,630,133	\$594.10	88.6%	\$849,053	\$7,479,186	100.0%
Jan-17	11,185	\$7,479,338	\$2,556,474	\$4,879,204	\$7,435,678	\$664.79	99.4%	\$850,955	\$8,286,633	110.8%
Feb-17	11,195	\$7,494,130	\$2,794,741	\$4,476,666	\$7,271,407	\$649.52	97.0%	\$851,716	\$8,123,123	108.4%
Mar-17	11,207	\$7,509,780	\$2,703,079	\$5,155,011	\$7,858,091	\$701.18	104.6%	\$852,629	\$8,710,719	116.0%
Apr-17	11,233	\$7,523,877	\$2,270,751	\$4,671,412	\$6,942,163	\$618.02	92.3%	\$854,607	\$7,796,769	103.6%
May-17	11,299	\$7,543,280	\$2,376,560	\$4,951,877	\$7,328,437	\$648.59	97.2%	\$859,628	\$8,188,065	108.5%
Jun-17	11,381	\$7,802,939	\$2,364,434	\$4,732,752	\$7,097,186	\$623.60	91.0%	\$865,866	\$7,963,053	102.1%
YTD Plan Year	134,201	\$90,026,065	\$32,450,846	\$51,393,406	\$83,844,252	\$624.77	93.1%	\$10,210,012	\$94,054,264	104.5%
12 Month Average	11,183	\$7,502,172	\$2,704,237	\$4,282,784	\$6,987,021	\$624.77	93.1%	\$850,834	\$7,837,855	104.5%
12 Month Rollup	134,201	\$90,026,065	\$32,450,846	\$51,393,406	\$83,844,252	\$624.77	93.1%	\$10,210,012	\$94,054,264	104.5%

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

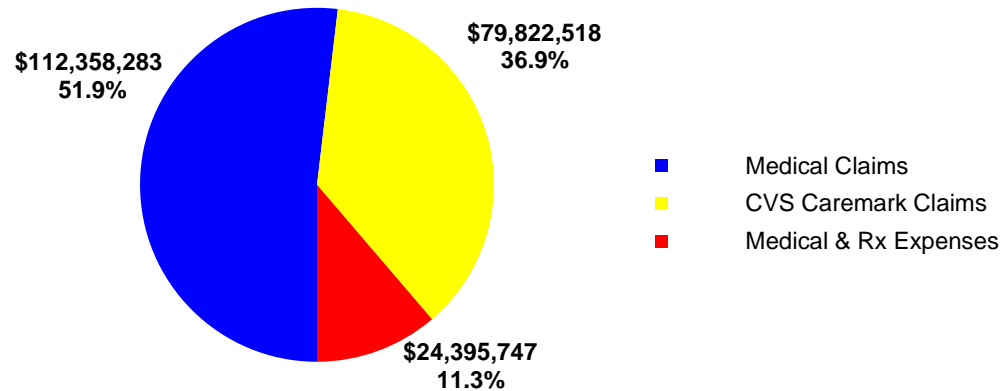


Los Angeles County Employees Retirement Association
Anthem Plans I, II, & III
Coverage Month June 2017



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	\$16,567,749	\$9,324,082	\$5,617,010	\$14,941,092	\$871.05	90.2%	\$2,033,056	\$16,974,148	102.5%
Aug-16	17,161	\$16,562,300	\$10,834,467	\$6,304,312	\$17,138,779	\$998.71	103.5%	\$2,043,932	\$19,182,711	115.8%
Sep-16	17,177	\$16,570,445	\$9,365,631	\$5,571,142	\$14,936,773	\$869.58	90.1%	\$2,032,125	\$16,968,898	102.4%
Oct-16	17,174	\$16,535,804	\$9,531,919	\$5,960,848	\$15,492,768	\$902.11	93.7%	\$2,029,616	\$17,522,384	106.0%
Nov-16	17,175	\$16,453,519	\$10,751,561	\$6,084,132	\$16,835,694	\$980.24	102.3%	\$2,027,729	\$18,863,423	114.6%
Dec-16	17,176	\$16,506,481	\$9,779,300	\$6,072,477	\$15,851,777	\$922.90	96.0%	\$2,027,143	\$17,878,920	108.3%
Jan-17	17,195	\$16,508,678	\$7,843,172	\$7,291,214	\$15,134,386	\$880.16	91.7%	\$2,027,923	\$17,162,309	104.0%
Feb-17	17,200	\$16,524,347	\$8,544,544	\$7,041,181	\$15,585,725	\$906.15	94.3%	\$2,027,782	\$17,613,506	106.6%
Mar-17	17,217	\$16,573,683	\$9,710,160	\$7,761,380	\$17,471,540	\$1,014.78	105.4%	\$2,030,092	\$19,501,632	117.7%
Apr-17	17,239	\$16,581,744	\$8,804,338	\$7,150,421	\$15,954,759	\$925.50	96.2%	\$2,031,482	\$17,986,241	108.5%
May-17	17,328	\$16,485,995	\$8,835,211	\$7,734,871	\$16,570,081	\$956.26	100.5%	\$2,041,681	\$18,611,762	112.9%
Jun-17	17,384	\$17,099,797	\$9,033,899	\$7,233,528	\$16,267,427	\$935.77	95.1%	\$2,043,186	\$18,310,613	107.1%
YTD Plan Year	206,579	\$198,970,541	\$112,358,283	\$79,822,518	\$192,180,801	\$930.30	96.6%	\$24,395,747	\$216,576,548	108.8%
12 Month Average	17,215	\$16,580,878	\$9,363,190	\$6,651,876	\$16,015,067	\$930.30	96.6%	\$2,032,979	\$18,048,046	108.8%
12 Month Rollup	206,579	\$198,970,541	\$112,358,283	\$79,822,518	\$192,180,801	\$930.30	96.6%	\$24,395,747	\$216,576,548	108.8%

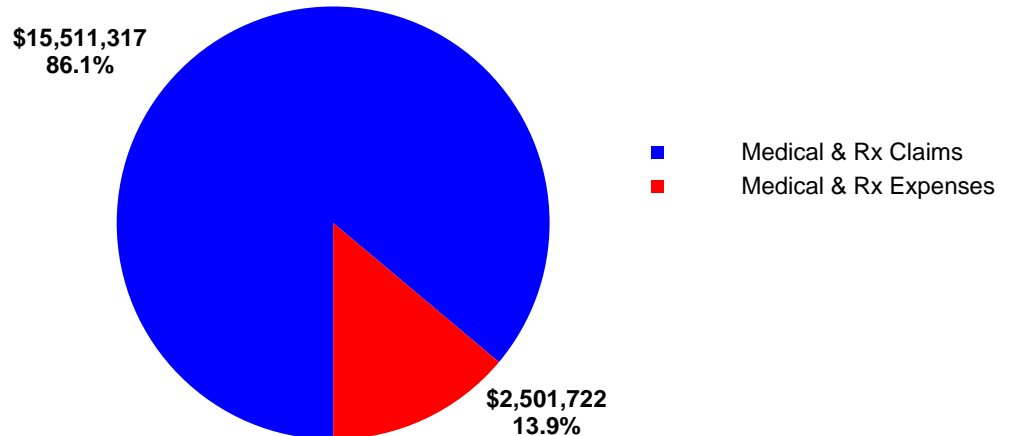
Medical Claims reported by Anthem
 CVS Caremark Claims reported by CVS
 Expenses: Anthem Admin, Stop Loss, and Premium Taxes
 Enrollment and Premium Reported by LACERA



Los Angeles County Employees Retirement Association
Anthem Prudent Buyer
Coverage Month June 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%	\$214,610	\$1,533,001	98.1%
Aug-16	1,312	\$1,564,102	\$1,376,003	\$1,048.78	88.0%	\$213,148	\$1,589,151	101.6%
Sep-16	1,302	\$1,546,234	\$1,512,698	\$1,161.83	97.8%	\$211,523	\$1,724,221	111.5%
Oct-16	1,298	\$1,529,406	\$1,442,196	\$1,111.09	94.3%	\$210,873	\$1,653,069	108.1%
Nov-16	1,297	\$1,519,166	\$1,313,575	\$1,012.78	86.5%	\$210,711	\$1,524,285	100.3%
Dec-16	1,296	\$1,534,396	\$1,226,492	\$946.37	79.9%	\$210,548	\$1,437,040	93.7%
Jan-17	1,281	\$1,511,991	\$1,081,781	\$844.48	71.5%	\$208,111	\$1,289,892	85.3%
Feb-17	1,278	\$1,515,171	\$1,240,390	\$970.57	81.9%	\$207,624	\$1,448,014	95.6%
Mar-17	1,267	\$1,500,630	\$1,309,228	\$1,033.33	87.2%	\$205,837	\$1,515,065	101.0%
Apr-17	1,259	\$1,492,207	\$1,096,604	\$871.01	73.5%	\$204,537	\$1,301,141	87.2%
May-17	1,256	\$1,453,288	\$1,483,733	\$1,181.32	102.1%	\$204,050	\$1,687,782	116.1%
Jun-17	1,232	\$1,492,151	\$1,110,226	\$901.16	74.4%	\$200,151	\$1,310,377	87.8%
YTD Plan Year	15,399	\$18,221,192	\$15,511,317	\$1,007.29	85.1%	\$2,501,722	\$18,013,039	98.9%
12 Month Average	1,283	\$1,518,433	\$1,292,610	\$1,007.29	85.1%	\$208,477	\$1,501,087	98.9%
12 Month Rollup	15,399	\$18,221,192	\$15,511,317	\$1,007.29	85.1%	\$2,501,722	\$18,013,039	98.9%

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

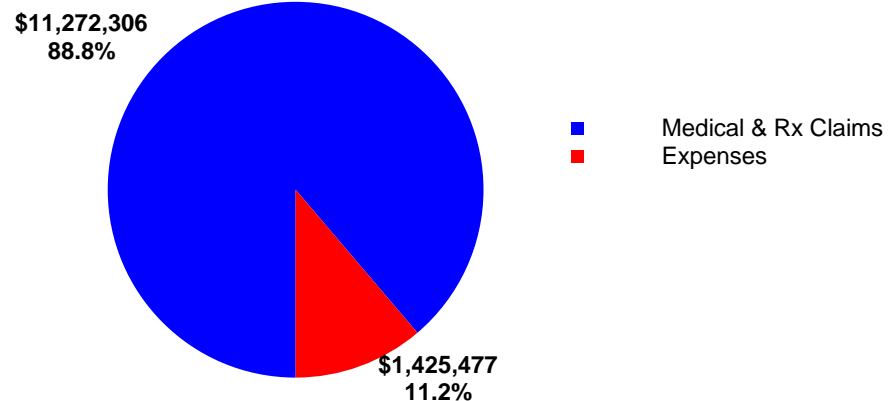


Los Angeles County Employees Retirement Association
Cigna HMO
Coverage Month June 2017



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%	\$122,809	\$1,176,018	114.8%
Aug-16	598	\$1,023,919	\$898,265	\$1,502.11	87.7%	\$122,767	\$1,021,032	99.7%
Sep-16	594	\$1,014,533	\$1,055,166	\$1,776.37	104.0%	\$121,642	\$1,176,808	116.0%
Oct-16	591	\$1,003,760	\$915,797	\$1,549.57	91.2%	\$120,350	\$1,036,147	103.2%
Nov-16	586	\$997,382	\$910,226	\$1,553.29	91.3%	\$119,586	\$1,029,812	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%	\$118,328	\$968,939	98.2%
Feb-17	576	\$977,802	\$833,174	\$1,446.48	85.2%	\$117,238	\$950,412	97.2%
Mar-17	577	\$980,844	\$902,355	\$1,563.87	92.0%	\$117,603	\$1,019,957	104.0%
Apr-17	570	\$959,495	\$1,062,781	\$1,864.53	110.8%	\$115,043	\$1,177,824	122.8%
May-17	564	\$950,862	\$985,701	\$1,747.70	103.7%	\$114,008	\$1,099,709	115.7%
Jun-17	553	\$975,087	\$888,865	\$1,607.35	91.2%	\$116,912	\$1,005,778	103.1%
YTD Plan Year	6,977	\$11,888,927	\$11,272,306	\$1,615.64	94.8%	\$1,425,477	\$12,697,783	106.8%
12 Month Average	581	\$990,744	\$939,359	\$1,615.64	94.8%	\$118,790	\$1,058,149	106.8%
12 Month Rollup	6,977	\$11,888,927	\$11,272,306	\$1,615.64	94.8%	\$1,425,477	\$12,697,783	106.8%

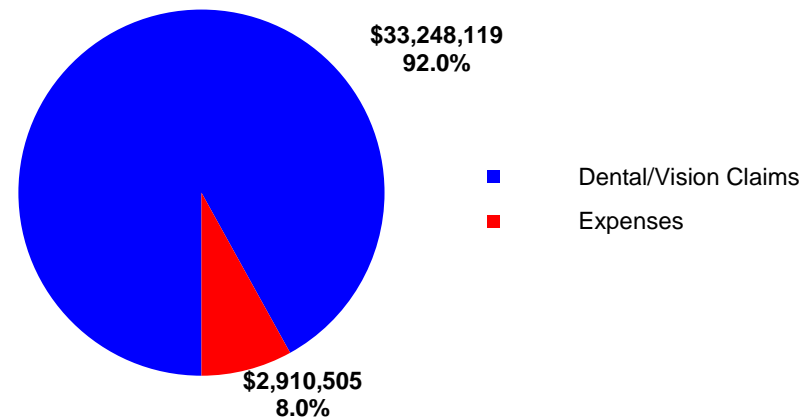
Monthly Enrollment and Premium Data as reported by LACERA
 Medical Claims reported by Cigna
 Expenses: Cigna Admin Costs and Premium Taxes
 Enrollment and Premium Reported by LACERA



Los Angeles County Employees Retirement Association
Cigna Dental PPO + Vision
Coverage Month June 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%	\$240,770	\$2,775,067	82.5%
Aug-16	43,353	\$3,367,060	\$2,730,885	57.7%	\$62.99	81.1%	\$240,955	\$2,971,841	88.3%
Sep-16	43,417	\$3,364,087	\$2,602,511	56.8%	\$59.94	77.4%	\$240,743	\$2,843,254	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%	\$242,368	\$3,050,061	90.1%
Feb-17	43,678	\$3,388,192	\$3,098,119	54.3%	\$70.93	91.4%	\$242,468	\$3,340,586	98.6%
Mar-17	43,758	\$3,393,355	\$3,514,158	54.4%	\$80.31	103.6%	\$242,837	\$3,756,995	110.7%
Apr-17	43,810	\$3,384,485	\$2,527,910	55.1%	\$57.70	74.7%	\$242,202	\$2,770,112	81.8%
May-17	44,100	\$3,388,694	\$3,065,363	55.4%	\$69.51	90.5%	\$242,503	\$3,307,866	97.6%
Jun-17	44,382	\$3,514,433	\$2,927,741	55.9%	\$65.97	83.3%	\$251,502	\$3,179,243	90.5%
YTD Plan Year	523,969	\$40,670,801	\$33,248,119	55.9%	\$63.45	81.7%	\$2,910,505	\$36,158,624	88.9%
12 Month Average	43,664	\$3,389,233	\$2,770,677	55.9%	\$63.45	81.7%	\$242,542	\$3,013,219	88.9%
12 Month Rollup	523,969	\$40,670,801	\$33,248,119	55.9%	\$63.45	81.7%	\$2,910,505	\$36,158,624	88.9%

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



Los Angeles County Employees Retirement Association

Kaiser Utilization

Coverage Month June 2017

- Kaiser insures approximately 23,000 LACERA members, with the majority enrolled in Medicare Advantage plans.
- Kaiser's Periodic Utilization Report (PUR) monitors utilization patterns of LACERA's non-Medicare population in Southern California.

Category	Current Period 3/1/2016 - 2/28/2017	Prior Period 3/1/2015 - 2/28/2016	Change
Average Members	8,751	8,615	1.58%
Inpatient Claims PMPM	\$203.19	\$199.15	2.03%
Outpatient Claims PMPM	\$257.10	\$236.08	8.90%
Pharmacy	\$88.33	\$102.45	-13.78%
Other	\$109.21	\$109.17	0.04%
Total Claims PMPM	\$657.82	\$646.85	1.70%

Total Paid Claims	\$69,079,070	\$66,868,866	3.31%
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Large Claims over \$400,000 Pooling Point			
Number of Claims over Pooling Point	8	4	
Amount over Pooling Point	\$1,135,988	\$1,724,712	-34.13%
% of Total Paid Claims	1.64%	2.58%	

Inpatient Days / 1000	321.6	341.2	-5.74%
Inpatient Admits / 1000	65.8	73.1	-9.99%
Outpatient Visits / 1000	12,058.9	12,291.2	-1.89%
Pharmacy Scripts PMPY	11.2	11.6	-3.45%