

## 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, OCTOBER 11, 2018 - 9:00 A.M.\*\*

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

#### COMMITTEE MEMBERS:

Les Robbins, Chair  
Shawn R. Kehoe, Vice Chair  
Herman B. Santos  
Gina Zapanta-Murphy  
Thomas Walsh, Alternate

#### I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of September 13, 2018

#### 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 provide the following direction to its voting delegate with respect to the 2019 legislative platform of the State Association of County Retirement Systems (SACRS):

1. Abstain on SACRS sponsorship of "Compensation of Board Members" as proposed by the Orange County Employees' Retirement System (OCERS).

(Memorandum dated October 2, 2018)

IV. FOR INFORMATION

- A. Engagement Report for September 2018  
Barry W. Lew, Legislative Affairs Officer
- B. Staff Activities Report for September 2018  
Cassandra Smith, Director, Retiree Healthcare
- C. LACERA Claims Experience  
Stephen Murphy, Segal Consulting
- D. Federal Legislation  
Stephen Murphy, Segal Consulting  
*(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.

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

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

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

THURSDAY, SEPTEMBER 13, 2018, 9:45 A.M. – 10:00 A.M.

**COMMITTEE MEMBERS**

PRESENT: Shawn R. Kehoe, Vice Chair  
Gina Zapanta-Murphy  
Thomas Walsh, Alternate

ABSENT: Les Robbins, Chair  
Herman B. Santos

**ALSO ATTENDING:**

**BOARD MEMBERS AT LARGE**

Marvin Adams  
Alan Bernstein  
Vivian H. Gray  
JP Harris

**STAFF, ADVISORS, PARTICIPANTS**

Cassandra Smith  
Barry Lew

**Segal Consulting**

Stephen Murphy

The meeting was called to order by Chair Kehoe at 9:45 a.m. Due to the absence of Messrs. Robbins and Santos, the Chair announced that Mr. Walsh, 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 August 9, 2018

Mr. Kehoe made a motion, Ms. Zapanta-Murphy seconded, to approve the minutes of the regular meeting of August 9, 2018. The motion passed unanimously.

II. PUBLIC COMMENT

III. FOR INFORMATION

A. Engagement Report for August 2018  
Barry W. Lew, Legislative Affairs Officer

The engagement report was discussed.

B. Staff Activities Report for August 2018  
Cassandra Smith, Director, Retiree Healthcare

The staff activities report was discussed.

C. LACERA Claims Experience  
Stephen Murphy, Segal Consulting

The LACERA Claims Experience reports through July 2018 were discussed.

D. Federal Legislation  
Stephen Murphy, Segal Consulting

*(for discussion purposes)*

Segal Consulting gave an update on federal legislation.

IV. REPORT ON STAFF ACTION ITEMS

There was nothing to report on for staff action items.

V. GOOD OF THE ORDER

(For information purposes only)

September 13, 2018

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VI. ADJOURNMENT

The meeting adjourned at 10:00 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.**

October 2, 2018

TO: Insurance, Benefits and Legislative Committee  
Les Robbins, Chair  
Shawn R. Kehoe, Vice Chair  
Herman B. Santos  
Gina Zapanta-Murphy  
Thomas Walsh, Alternate

FROM: Barry W. Lew   
Legislative Affairs Officer

FOR: October 11, 2018 Insurance, Benefits and Legislative Committee Meeting

SUBJECT: **PROVIDE VOTING DIRECTIONS ON SACRS 2019 LEGISLATIVE PLATFORM**

## RECOMMENDATION

That the Insurance, Benefits and Legislative Committee consider SACRS sponsorship of "Compensation of Board Members" as proposed by the Orange County Employees' Retirement System and recommend that the Board of Retirement provide direction to its voting delegate on this proposal for the 2019 legislative platform of the State Association of County Retirement Systems.

## DISCUSSION

Each year, the 20 retirement systems operating under the County Employees Retirement Law of 1937 (CERL) are asked to submit proposals to the Legislative Committee of the State Association of County Retirement Systems (SACRS) for sponsorship in the SACRS legislative platform. The items submitted should have applicability to all CERL systems rather than an individual system; they should not propose new benefits that will be paid for by the plan sponsor; and they should not create major issues, such as conflicts with Proposition 162 or with any of the 19 other CERL retirement systems.

Three proposals were submitted to the SACRS Legislative Committee for inclusion in the SACRS 2019 legislative platform. The SACRS Legislative Committee discussed the proposals at its meeting of September 21, 2018 and voted on one proposal since two proposals were withdrawn from consideration.

The recommendation by the SACRS Legislative Committee is listed under the proposal below and is an advisory recommendation. Regardless of the SACRS Legislative Committee's recommendation, the proposal will be presented to the full SACRS

membership for a vote by each system's voting delegate at the SACRS Business Meeting on November 16, 2018 at the SACRS 2018 Fall Conference.

## **I. Compensation of Board Members (OCERS)**

- *Staff Recommendation: **No recommendation.***
- *SACRS Legislative Committee Recommendation: **No recommendation.***

In counties that have a retirement board consisting of nine members and an alternate retired member (such as LACERA's board), CERL currently provides that the board of supervisors may provide that fourth, fifth, sixth, eighth, ninth, and alternate retired members receive compensation of \$100 for a meeting, or for a meeting of a committee authorized by the board, for not more than five meetings per month, together with actual and necessary expenses for all members of the board. In counties having a board of investments, the board of supervisors may provide that the fifth, sixth, seventh, eighth, and ninth members likewise receive compensation of \$100. The members eligible for this compensation consist of appointed and retired members. Elected board members who are employees of the county have their official board duties included as part of their county employment and do not receive any additional compensation.

Additionally, in a provision that applies only to LACERA, the board of supervisors may provide that the fourth, fifth, sixth, eighth, ninth, and alternate retired members of the board of retirement receive compensation for the review and analysis of disability retirement cases at a rate of \$100 per 8-hour day and not to exceed 32 hours per month. The \$100 rate is subject to biennial cost-of-living adjustments by the Board of Retirement and is currently at \$118.

The Orange County Employees' Retirement System (OCERS) proposes to increase the current rate of \$100 per meeting to \$200 per meeting with annual cost-of-living adjustments. OCERS notes that the rate of \$100 per meeting has been in effect for at least 20 years. The addendum to OCERS' proposal indicates that the rate of \$100 has been in effect since 1970. It also notes that \$100 is the rate paid to appointed trustees of the California Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS) as well as to nearly every other political appointee to boards and commissions in the state.

The OCERS proposal would amend Government Code Section 31521 to increase the rate of board compensation. However, that section does not apply to LACERA since compensation for LACERA board members is provided by Section 31521.1, a different section that is not part of the proposal. If the SACRS membership votes to support sponsorship of a bill that would increase board compensation, LACERA may consider

sponsoring its own bill to amend Government Code Sections 31521.1 and 31521.3 to align with the compensation rate under Section 31521.

The SACRS Legislative Committee made no recommendation for or against SACRS sponsorship of OCERS' proposal.

Pro

Advances the public policy embodied in CERL and the California Constitution by attracting and retaining a diverse cross-section of board members to discharge their fiduciary duties.

Con

Proposed rate increase is higher than what board members receive at larger plans such as CalPERS and CalSTRS and presents political challenges and scrutiny.

**II. California Prevailing Wage Application to Real Estate Investment Activities (FCERA)**

The Fresno County Employees' Retirement Association (FCERA) proposes that CERL retirement systems be exempt from California's prevailing wage law with respect to real property in which the retirement systems are invested. FCERA cites the increased expense associated with complying with the prevailing wage law would impact the ability of a CERL retirement system from obtaining a reasonable rate of return for its members. The exemption would not apply to projects that are partially or fully used for the operations of the retirement system.

The discussion of the proposal by the Legislative Committee indicated that it required more development in its formulation and evaluation of potential ramifications. FCERA agreed to withdraw the proposal from consideration at the SACRS 2018 Fall Conference. FCERA may bring a revised proposal for consideration at the SACRS 2019 Spring Conference. LACERA staff has concerns about this proposal, which will be presented to your Committee and the Board of Retirement for direction to LACERA's voting delegate, if the proposal is pursued next year.

**III. Retirement Board Participation – Section 31528 (FCERA)**

FCERA cites difficulties in attracting and retaining appointed board members from the investment community due to prohibitions under CERL on board members from selling or providing any investment product that would be considered an asset of the fund to any CERL retirement systems. FCERA proposes an exemption to that prohibition if the



board member recuses himself or herself from the decision-making process regarding the sale or provision of that investment product.

The discussion of the proposal by the Legislative Committee indicated that it required more development in its formulation and evaluation of potential ramifications. FCERA also agreed to withdraw the proposal from consideration at the SACRS 2018 Fall Conference. FCERA may bring a revised proposal for consideration at the SACRS 2019 Spring Conference. LACERA staff has concerns about this proposal, which will be presented to your Committee and the Board of Retirement for direction to LACERA's voting delegate, if the proposal is pursued next year.

**IT IS THEREFORE RECOMMENDED THAT YOUR COMMITTEE** consider SACRS sponsorship of "Compensation of Board Members" as proposed by the Orange County Employees' Retirement System and recommend that the Board of Retirement provide direction to its voting delegate on this proposal for the 2019 legislative platform of the State Association of County Retirement Systems.

**Reviewed and Approved:**



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**Steven P. Rice, Chief Counsel**

**Attachments**

Attachment 1—Compensation of Board Members

Attachment 2—California Prevailing Wage Application to Real Estate Investment Activities

Attachment 3—Retirement Board Participation – Section 31528

cc: Robert Hill  
James Brekk  
JJ Popowich  
Bernie Buenaflor  
Steven Rice  
Jonathan Grabel  
Joe Ackler, Ackler & Associates

## #2

**COMPLETE**

**Collector:** Web Link 1 (Web Link)  
**Started:** Tuesday, September 04, 2018 10:58:23 AM  
**Last Modified:** Tuesday, September 04, 2018 2:55:14 PM  
**Time Spent:** 03:56:50  
**IP Address:** 12.52.174.18

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Page 1

**Q1 Title of Issue:**

Compensation of Board Members

**Q2 Retirement Association/System:**

Orange County Employees Retirement System

**Q3 Contact Person:**

Gina M. Ratto

**Q4 Contact e-mail:**[gratto@ocers.org](mailto:gratto@ocers.org)**Q5 Contact Phone #:**

(714) 558-6221

**Q6 Description of issue:**

The amount of the stipend paid to appointed members and the retiree member of the board of retirement for attendance at meetings of the board and committees has remained the same (\$100 per meeting) and has not been adjusted (not even for inflation) for at least 20 years.

**Q7 Recommended solution:**

Amend Government Code section 31521 to increase the per meeting stipend to \$200 per meeting, to be adjusted annually.

**Q8** Specific language that you would like changed in, or added to, '37 Act Law, and suggested code section numbers:

Amend section 31521 so that it reads as follows: "The board of supervisors may provide that the fourth and fifth members, and in counties having a board consisting of nine members or nine members and an alternate retired member, the fourth, fifth, sixth, eighth, ninth, and alternate retired members, and in counties having a board of investments under Section 31520.2 , the fifth, sixth, seventh, eighth, and ninth members of the board of investments, shall receive compensation at a rate of not more than two hundred dollars (\$200) for a meeting, or for a meeting of a committee authorized by the board, for not more than five meetings per month, adjusted annually by the amount of the adjustment approved by the board in accordance with Article 16.5 of this chapter (commencing with Section 31870), together with actual and necessary expenses for all members of the board."

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**Q9** Why should the proposed legislation be sponsored by SACRS rather than by your individual retirement association/system?

Because all county retirement systems stand to benefit from the amendment.

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**Q10** Do you anticipate that the proposed legislation would create any major problems such as conflicting with Proposition 162 or create a problem with any of the other 19 SACRS retirement associations/systems?

No.

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**Q11** Who will support or oppose this proposed change in the law?

Some county retirement systems may support this proposed change in the law. Some county retirement systems may oppose this proposed change in the law.

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**Q12** Who will be available from your retirement association/system to testify before the

Legislature? Gina M. Ratto, OCERS General Counsel

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# ATTACHMENT 1

## Additional Information for Legislative Committee Discussion

### OCERS Proposal on Trustee Compensation

#### Under Current Law

- **On a five-member board:**  
The two members appointed by the Board of Supervisors (one of whom could be the Supervisor) get \$100 compensation per meeting with a limit of five per month, plus actual and necessary expenses.
- **On a nine-member board:**  
The same as a five member board, plus there are two additional Board of Supervisor appointments and a retiree that get \$100 and expenses.
- LACERA appointed trustees are able to bill/expense for time spent reviewing disability cases. This is capped at \$100 per day and 32 hours per month.

Proposal would raise compensation to \$200 per meeting, still capped at five per month, and would include an annual raise for inflation.

#### Discussion Items

##### 1) **History of Compensation**

The \$100 compensation has existed since 1970. It was raised from \$10 to \$15 in 1951; to \$25 in 1953; to \$50 in 1965 and then \$100 in 1970.

The legislative archive is not helpful in determining the rationale for the 1970 raise. While the \$100 per meeting cap has not risen since 1970, the total compensation was raised by increasing the number of meetings eligible for compensation from three to five. Also, LACERA was able to get additional compensation paid to its trustees for time spent outside of board meetings evaluating disability cases.

#### *Questions*

1. *What was the original rationale for the \$100 per meeting compensation? Did it coincide with increases for all boards and commissions?*
2. *What is the rationale for raising compensation now? Is it a Cost of Living argument?*
3. *Does the \$100 cap limit or hinder the ability to attract qualified people as appointees?*
4. *Would providing compensation for reviewing disability cases, as is done for LACERA, be a prudent alternative?*
5. *Is this compensation taxable as income?*

##### **2) Compensation of similar governing bodies**

*PERS and STRS appointed trustees get the same \$100, as do nearly every other political appointee to a board or commission in the state.*

#### *Questions*

# ATTACHMENT 1

1. *What makes a county retirement trustee more worthy of higher compensation than any other political appointee whose compensation is governed by state law?*
2. *Should this be part of a broader effort to increase compensation for all appointees to boards and commissions?*

### **3) Other reimbursements offered to Board members (travel, meals, etc).**

*There is currently reimbursement allowed for actual and necessary expenses.*

1. *What are those expenses typically comprised of?*

### **4) Floor versus ceiling.**

*The proposal, as currently drafted, sets the \$200 as a floor. It could go up in future years based on inflation. It does not come from Board of Supervisor or county operating expenses. It comes from Retirement System overhead which are separate from county budgets.*

1. *The Legislative Committee may wish to consider whether the annual compensation reset, as currently drafted, is prudent after 40 years of a set amount.*

### **5) Consensus versus opposition**

*It was communicated early that some systems might oppose this measure. We need to understand what “oppose” means. Based on SACRS’ unsuccessful sponsored bill in 2018, which was actively opposed by LACERA, we know that we are significantly disadvantaged pushing a bill if individual SACRS systems actively oppose a bill sponsored of the Association.*

### **6) May/Shall and Elected Official Compensation**

*Current law, in Section 31521, states that the “the Board of Supervisors may provide...” compensation.*

1. *Do all Boards provide allowable compensation to eligible trustees?*
2. *Are Supervisors compensated?*

## #3

**COMPLETE**

**Collector:** Web Link 1 (Web Link)  
**Started:** Friday, September 07, 2018 9:07:03 AM  
**Last Modified:** Friday, September 07, 2018 2:31:27 PM  
**Time Spent:** 05:24:24  
**IP Address:** 50.245.181.177

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Page 1

**Q1 Title of Issue:**

California Prevailing Wage Application to Real Estate Investment Activities

**Q2 Retirement Association/System:**

Fresno County Employee Retirement Association (FCERA)

**Q3 Contact Person:**

Donald Kendig

**Q4 Contact e-mail:**

dkendig@co.fresno.ca.us

**Q5 Contact Phone #:**

(559) 457-4401

**Q6 Description of issue:**

California Prevailing Wage Law requires workers on publicly-funded construction projects—called "public works"—to be paid prevailing wage, as determined by the State Department of Industrial Relations. Labor Code section 1720 defines "Public Works" but they are generally "construction, alteration, demolition, installation, or repair work done under contract and paid in whole or in part out of public funds, including preconstruction and post-construction activities related to a Public Works project. Agencies formed and operated under the California Employee Retirement Law of 1937 (CERL) use public funds for operational activities and to make public investments. CERLs must and should comply with California Prevailing Wage Law with respect to constructing or maintaining projects related to their operational activities. For example, if an association uses public funds to construct a building to house its administrative offices, such construction must be considered a "Public Works" project and be subject to the California Prevailing Wage Law. However, as part of a diversified portfolio of assets, a retirement association may choose to acquire real property in order to construct or remodel a commercial structure strictly as an investment and to earn a return for its members. Such projects would also be considered a "Public Works" project under the California Prevailing Wage Law. The increased expense associated with complying with California Prevailing Wage Law impacts the ability of the retirement association from obtaining a reasonable rate of return for its members.

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**Q7 Recommended solution:**

Labor Code 1720, which defines "Public Works" shall be modified by adding a new subsection (c)(6), stating: "The project is acquired or owned by any public agency formed and operated under the California Employee Retirement Law of 1937 and certified by the Trustees of the Board of Retirement to be an "investment property." This exemption shall not in any way apply to projects that are partially or fully used for the operations of the Retirement Board.

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**Q8 Specific language that you would like changed in, or added to, '37 Act Law, and suggested code section numbers:**

Please see 7 above.

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**Q9 Why should the proposed legislation be sponsored by SACRS rather than by your individual retirement association/system?**

The applicability of prevailing wage affects every retirement association in California. It is very possible that legislation like this could result in opposition by labor unions and others. Have SACRS sponsoring the legislation would make it clear that this problem impacts all retirement associations.

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**Q10 Do you anticipate that the proposed legislation would create any major problems such as conflicting with Proposition 162 or create a problem with any of the other 19 SACRS retirement associations/systems?**

No

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**Q11 Who will support or oppose this proposed change in the law?**

Retirement associations should support. Labor unions may oppose.

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**Q12 Who will be available from your retirement association/system to testify before the Legislature?**

Donald Kendig, Retirement Administrator, Kenneth Price, Legal Counsel, and likely Nathan Magsig, Chair

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## #4

**COMPLETE**

**Collector:** Web Link 1 (Web Link)  
**Started:** Friday, September 07, 2018 4:25:50 PM  
**Last Modified:** Friday, September 07, 2018 5:01:02 PM  
**Time Spent:** 00:35:12  
**IP Address:** 64.171.224.83

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Page 1

**Q1 Title of Issue:**

Retirement Board Participation - Section 31528

**Q2 Retirement Association/System:**

FCERA - Fresno County Employees' Retirement Association

**Q3 Contact Person:**

Donald C. Kendig, CPA

**Q4 Contact e-mail:**

dkendig@fresnocountyca.gov

**Q5 Contact Phone #:**

559-457-4400

**Q6 Description of issue:**

Boards have experienced trouble with keeping or finding good appointments and verbiage in 31528 is causing good trustees to have to resign and is preventing good prospective members of the investment community from accepting an appointment to our Boards. Given the responsibilities of our Boards of Retirement, having trustees with strong investment experience is important, and not having them is a problem.

**Q7 Recommended solution:**

We recommend modifications to Government Code Section 31528. This concept still bars a direct sale or provision of investment product but deletes the language prohibiting the investment firm from selling it to the agency.



**Q8** Specific language that you would like changed in, or added to, '37 Act Law, and suggested code section numbers:

FCERA proposes revising Gov. Code section 31528(b) to state: A member or employee of the board shall not, directly or indirectly, by himself or herself, or as an agent or partner or employee of others, sell or provide any investment product that would be considered an asset of the fund, to any retirement system established pursuant to this chapter. The chapter, and Government Code section 1090, shall not apply to a member of the board that is an agent or partner of others, such as an investment firm, and the investment firm, without the direct or indirect participation of the member or employee of the board, sells or provides any investment product that would be considered an asset of the fund, to any retirement system established pursuant to this chapter, and the member recuses himself or herself from making, participating in making, or in any way attempting to use his or her official position to influence a decision regarding the sale or provision of that investment product.

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**Q9** Why should the proposed legislation be sponsored by SACRS rather than by your individual retirement association/system?

This code section applies to all 1937 Act plans. We have heard of other plans having the same difficulties as FCERA, losing key appointments and having difficulty filling vacant seats.

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**Q10** Do you anticipate that the proposed legislation would create any major problems such as conflicting with Proposition 162 or create a problem with any of the other 19 SACRS retirement associations/systems?

We do not anticipate any law conflicts; however, the history of change related to modifications to 31528 that now cause these difficulties was born out of conflict. We believe that there are ample laws, such as 1090 and the Brown Act, to prevent any potential wrongdoing. 31528 also remains protective of our public pension assets.

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**Q11** Who will support or oppose this proposed change in the law?

Unclear. Please check the vote from the last modification to section 31528.

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**Q12** Who will be available from your retirement association/system to testify before the Legislature?

Donald Kendig, CPA

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**INSURANCE, BENEFITS & LEGISLATIVE COMMITTEE  
ENGAGEMENT REPORT  
SEPTEMBER 2018  
FOR INFORMATION ONLY**

**The World's Largest Pension Funds**

Willis Towers Watson's Thinking Ahead Institute analyzed the world's 300 largest retirement funds. Assets under management for these 300 funds total \$18.1 trillion, which represent 43.8% of global pension assets totaling \$41.3 trillion. U.S. pension funds comprise 133 funds that make up 36.7% of assets under management. The Federal Employees Retirement System for U.S. civil service employees is the world's fourth largest pension fund.

Defined benefit plans account for 64.7% of total assets in the funds, defined contributions plans 22.7%, reserve funds 11.8%, and hybrid plans 0.8%. Defined benefit assets increased by 13.5% in 2017, compared to a 17.6% increase for defined contribution plans and reserve funds, and a 15.1% increase for hybrid plans.

Five U.S. non-public sector funds are in the top 50: Boeing with \$122 billion, AT&T with \$114 billion, IBM with \$104 billion, General Motors with \$96 billion, and General Electric with \$79 billion. Only about 17% of the \$18.1 trillion is in company-sponsored plans; 68.6% is in sovereign and public sector pension funds. LACERA is ranked 78 in the list of 300 in terms of total assets. [\(Source\)](#) [\(Source\)](#)

Staff Note: Although there has been a long-term trend in the decline of defined benefit plans in favor of defined contribution plans, defined benefit plans still make up the bulk of assets under management at 64.7% for these 300 funds. More of the decline has been in private sector funds as they make up only 17% of the list of 300 funds.

**Retirement in America: Out of Reach for Working Americans?**

The National Institute on Retirement Security released a report that examined the challenges facing working age individuals in retirement by analyzing the U.S. Census Bureau's Survey of Income and Program Participation released in 2016 and 2017. The NIRS found that although the total value of 401(k) and IRA accounts hit a record high of a \$16.9 trillion at the end of 2017, the bulk of those retirement assets were held by individuals in the top income quartile, and the typical worker falls behind in meeting recommended guidelines for retirement readiness. The report has four key findings:

1. Retirement account ownership is correlated with income and wealth. Over 100 million (59.3%) working age individuals do not have any retirement account

assets. Individuals with retirement accounts have on average three times the annual income of individuals without accounts.

2. The typical working American has no retirement savings. When all working age individuals are included—not just individuals with retirement accounts—the median retirement account balance is \$0. Among those with accounts, the typical balance is \$40,000.
3. Three-fourths (76.7%) of Americans fall short of conservative retirement savings targets for their age and income based on working until age 67 and on a benchmark savings target of 10x current income for age 67. At a savings goal that is 25% lower, 70.7% of Americans fall short.
4. Public policy can be critical in retirement security by strengthening Social Security, expanding access to retirement plans, and helping low-income workers and families save.

One estimate is that the typical working American needs to replace 85% of pre-retirement income to maintain their standard of living in retirement. Social Security replaces about 35%, so the other 50% would typically come from employer-sponsored retirement plans and personal savings. ([Source](#)) ([Source](#))

Staff Note: The median retirement account balance of \$0 was derived from all working age individuals. One reason such individuals do not have any retirement savings is that their employer may not offer a retirement savings plan. The lack of retirement savings puts more pressure on the other legs of personal savings and Social Security in the three-legged stool model of retirement security.

As noted in other reports on retirement security, the NIRS report cites the shift away from traditional defined benefit plans to defined contribution plans beginning in the 1980s that have eroded retirement security.

### **More Older Americans are “Unretiring”**

One trend reflecting the shortfall in Americans’ retirement savings is the act of “unretiring,” where those who have previously retired are returning to the workforce. Currently, the workforce participation rate for people over 55 is 40.2%; the last time it was this high was in the mid-1960s. According to one survey, the main reason seniors cite for returning to the workforce is financial necessity, whereas the second reason is fighting boredom by having meaningful work. According to a RAND study, meaningful work is a key reason that older workers delay retirement. Older workers also tend to have worked their way into more interesting jobs over their careers, whereas workers with tedious, unfulfilling jobs simply left the workforce earlier than those with fulfilling jobs. ([Source](#)) ([Source](#))

Staff Note: As reported in the August 2018 Engagement Report, financial necessity has adversely impacted older Americans who have increased rates of filing for bankruptcy as well as causing more of them to work well into their retirement years.

The County Employees Retirement Law of 1937 contains provisions that allow retired members to suspend their retirement allowance and return to membership through full-time employment. From time to time, these applications for returning retirees come before the Board of Retirement for approval. However, members who return to county employment and work less than 120 days per fiscal year can continue to receive their pensions.

### **Candidate for State Treasurer in California Pushes Public Pension Reform**

Greg Conlon, a Republican candidate who finished in the top two of the June 5 primary for State Treasurer with Democratic candidate Fiona Ma, is advocating for changes in the state's public employee pension system to save California's credit rating. Conlon contends that a higher credit rating would result in lower interest expense and thereby save money for taxpayers. Conlon aims to reform the state's pension system by changing the retirement plan for new employees to a defined contribution plan but leaving alone the pension plan for current employees.

Conlon lost a 2014 election for treasurer with 41.19% of the vote. In the June 5 primary, he received 20.9% of the vote compared to Fiona Ma, who received 44.5%. They will face off in November's general election. ([Source](#)) ([Source](#))

Staff Note: The California State Treasurer is an ex-officio member on the boards of the California Public Employees' Retirement System and the California State Teachers' Retirement System.

**INSURANCE, BENEFITS & LEGISLATIVE COMMITTEE  
RETIREE HEALTHCARE BENEFITS PROGRAM  
STAFF ACTIVITIES REPORT  
SEPTEMBER 2018  
FOR INFORMATION ONLY**

**Retiree Wellness Program - Staying Healthy Together Half-Day Workshop**

Staff is pleased to announce that the retiree wellness program called Staying Healthy Together Fall Workshop will take place in October. Dr. Jonathan Doris of Kaiser Permanente will present an important topic titled Fighting Diabetes with Better Nutrition.

We are looking forward to this fun-filled and educational event for our retired members. Members will get a chance to get healthy food ideas and recipes at a live cooking demonstration, win raffle prizes and reconnecting with fellow retirees. Below are the details of the event:

Date/Time: Tuesday, October 23, 2018, 9:00 a.m. – 1:00 p.m.  
Location: Pickwick Gardens  
1001 W. Riverside Drive  
Burbank, CA

Our carriers sponsor this event, namely: Accordant, Anthem Blue Cross, Cigna, CVS Caremark, Kaiser Permanente, SCAN, and UnitedHealthcare.

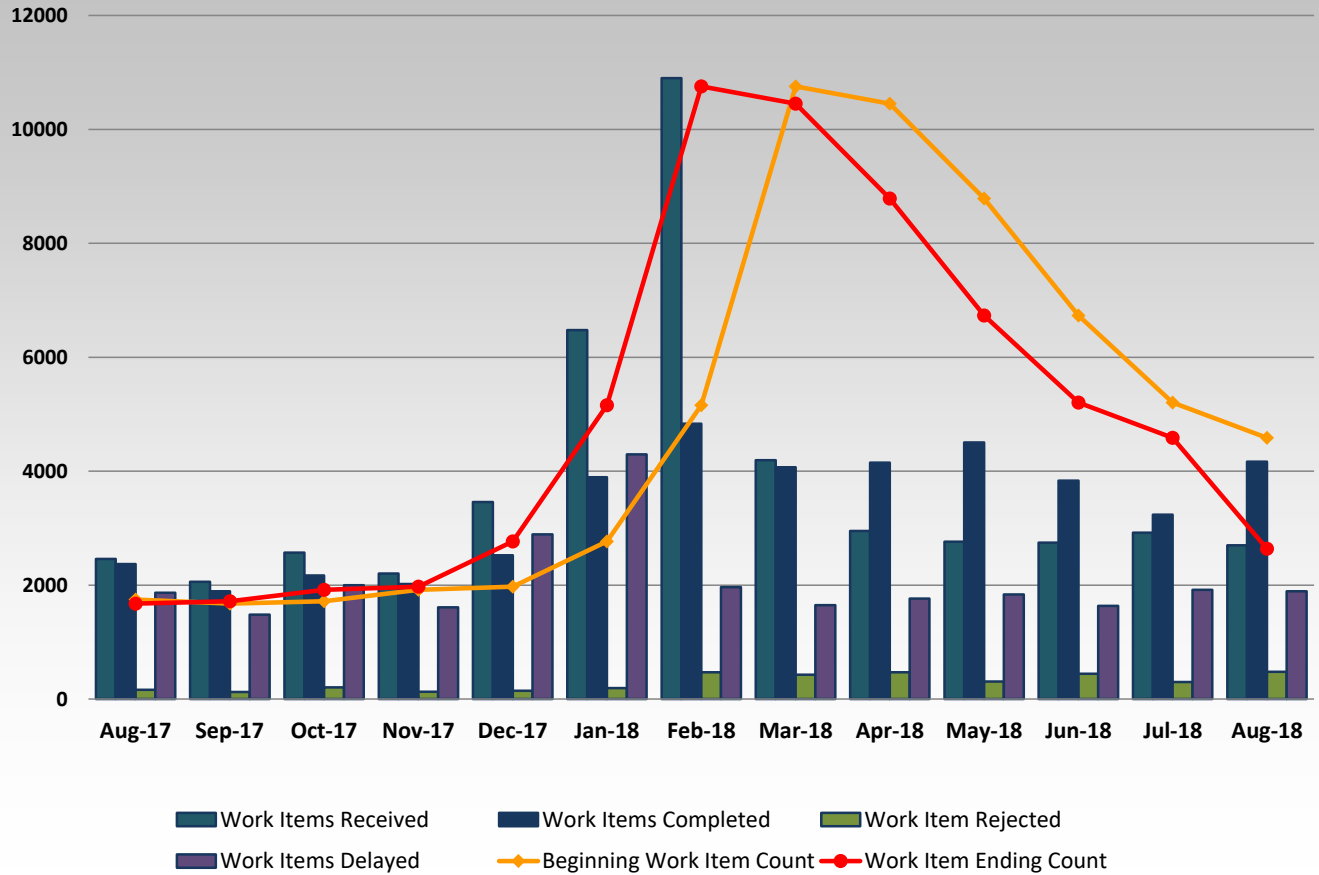
We invite all of you to attend and we hope that you can join us!

# Retiree Healthcare Division

## Trend Report

AUGUST 2017 ~ AUGUST 2018

Updated 9/26/2018

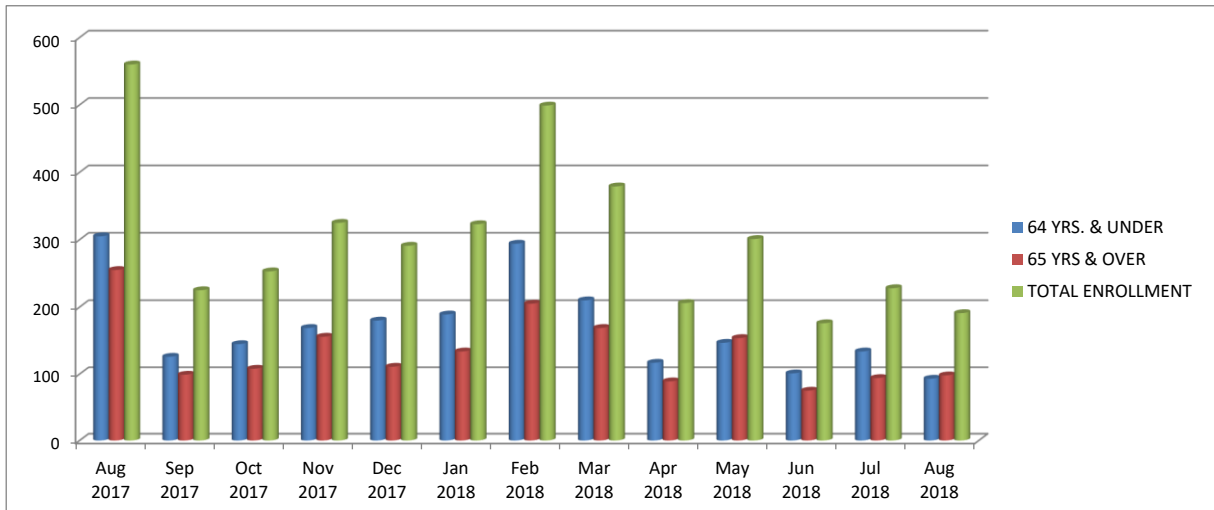


	Beginning Work Item Count	Work Items Received	Work Items Completed	Work Item Rejected	Work Items Delayed	Work Item Ending Count
Aug-17	1746	2457	2368	160	1865	1675
Sep-17	1675	2059	1893	125	1480	1716
Oct-17	1716	2571	2167	205	1999	1915
Nov-17	1915	2202	2018	126	1611	1973
Dec-17	1973	3457	2521	143	2892	2766
Jan-18	2766	6478	3895	190	4293	5159
Feb-18	5159	10900	4834	470	1965	10755
Mar-18	10755	4192	4069	425	1648	10453
Apr-18	10453	2949	4148	468	1764	8786
May-18	8786	2762	4506	309	1835	6733
Jun-18	6733	2746	3834	442	1635	5203
Jul-18	5203	2920	3236	300	1918	4587
Aug-18	4587	2699	4168	478	1891	2640

## Retirees Monthly Age Breakdown AUGUST 2017 ~ AUGUST 2018

### Service Retirement

MONTH	64 YRS. & UNDER	65 YRS & OVER	TOTAL ENROLLMENT
Aug 2017	305	255	560
Sep 2017	126	99	225
Oct 2017	145	108	253
Nov 2017	169	156	325
Dec 2017	180	111	291
Jan 2018	189	134	323
Feb 2018	294	205	499
Mar 2018	210	169	379
Apr 2018	117	89	206
May 2018	147	154	301
Jun 2018	101	75	176
Jul 2018	134	94	228
Aug 2018	93	98	191



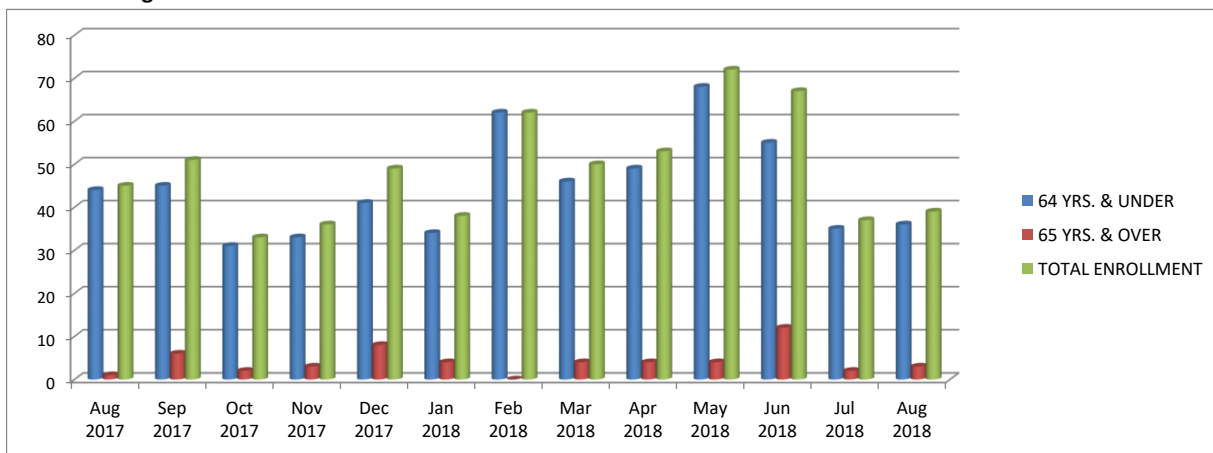
**PLEASE NOTE:**

- September's data (9/2018) is not yet available as data is provided on a **full month basis**.
- Next Report will include the following dates: September 1, 2017 through September 30, 2018.

## Retirees Monthly Age Breakdown AUGUST 2017 ~ AUGUST 2018

### Disability Retirement

MONTH	64 YRS. & UNDER	65 YRS. & OVER	TOTAL ENROLLMENT
Aug 2017	44	1	45
Sep 2017	45	6	51
Oct 2017	31	2	33
Nov 2017	33	3	36
Dec 2017	41	8	49
Jan 2018	34	4	38
Feb 2018	62	0	62
Mar 2018	46	4	50
Apr 2018	49	4	53
May 2018	68	4	72
Jun 2018	55	12	67
Jul 2018	35	2	37
Aug 2018	36	3	39



**PLEASE NOTE:**

- September's data (9/2018) is not yet available as data is provided on a full month basis.
- Next Report will include the following dates: September 1, 2017 through September 30, 2018.



**Medicare Part B Reimbursement and Penalty Report**

**PAY PERIOD 9/30/2018**

<b>Deduction Code</b>	<b>No. of Members</b>	<b>Reimbursement Amount</b>	<b>No. of Penalties</b>	<b>Penalty Amount</b>
<b>ANTHEM BC III</b>				
240	6636	\$775,209.20	7	\$290.00
241	152	\$17,853.60	0	\$0.00
242	876	\$107,240.60	0	\$0.00
243	3849	\$907,764.70	3	\$108.00
244	20	\$2,390.00	0	\$0.00
245	54	\$6,379.00	0	\$0.00
246	18	\$2,136.00	0	\$0.00
247	110	\$13,719.60	0	\$0.00
248	12	\$2,861.80	1	\$36.50
249	48	\$12,315.20	0	\$0.00
250	17	\$3,981.10	0	\$0.00
<b>Plan Total:</b>	<b>11,792</b>	<b>\$1,851,850.80</b>	<b>11</b>	<b>\$434.50</b>
<b>CIGNA-HEALTHSPRING PREFERRED with RX</b>				
321	31	\$3,077.70	0	\$0.00
322	8	\$927.60	0	\$0.00
324	14	\$3,168.50	0	\$0.00
327	2	\$238.90	0	\$0.00
329	1	\$226.70	0	\$0.00
<b>Plan Total:</b>	<b>56</b>	<b>\$7,639.40</b>	<b>0</b>	<b>\$0.00</b>
<b>KAISER SR. ADVANTAGE</b>				
401	1	-\$104.90	0	\$0.00
403	10438	\$1,216,504.10	7	\$159.20
404	1	-\$268.00	0	\$0.00
413	1603	\$196,950.00	0	\$0.00
418	5384	\$1,271,307.00	2	\$104.00
419	274	\$30,120.30	0	\$0.00
426	213	\$23,955.40	0	\$0.00
427	169	\$19,011.30	0	\$0.00
445	3	\$344.90	0	\$0.00
446	1	\$106.00	0	\$0.00
451	33	\$3,817.10	0	\$0.00
455	1	\$134.00	0	\$0.00
457	7	\$1,491.90	0	\$0.00
458	1	\$134.00	0	\$0.00
462	57	\$6,539.70	0	\$0.00
465	5	\$582.70	0	\$0.00
466	31	\$7,126.40	0	\$0.00
467	2	\$377.60	0	\$0.00
472	31	\$3,489.50	0	\$0.00
476	4	\$494.70	0	\$0.00
478	13	\$3,239.70	0	\$0.00
482	77	\$8,871.10	0	\$0.00
486	9	\$1,116.40	0	\$0.00
488	47	\$11,180.80	0	\$0.00
491	1	\$104.90	0	\$0.00
492	1	\$104.90	0	\$0.00
<b>Plan Total:</b>	<b>18,407</b>	<b>\$2,806,731.50</b>	<b>9</b>	<b>\$263.20</b>

**Medicare Part B Reimbursement and Penalty Report**

**PAY PERIOD 9/30/2018**

<b>Deduction Code</b>	<b>No. of Members</b>	<b>Reimbursement Amount</b>	<b>No. of Penalties</b>	<b>Penalty Amount</b>
<b>SCAN</b>				
611	305	\$35,851.80	0	\$0.00
613	107	\$25,132.90	0	\$0.00
<b>Plan Total:</b>	<b>412</b>	<b>\$60,984.70</b>	<b>0</b>	<b>\$0.00</b>
<b>UNITED HEALTHCARE GROUP MEDICARE ADV. HMO</b>				
701	1660	\$196,161.20	1	\$36.50
702	309	\$37,134.20	0	\$0.00
703	966	\$228,413.50	0	\$0.00
704	78	\$9,469.40	0	\$0.00
705	25	\$5,713.10	0	\$0.00
707	1	-\$104.90	0	\$0.00
<b>Plan Total:</b>	<b>3,039</b>	<b>\$476,786.50</b>	<b>1</b>	<b>\$36.50</b>
<b>Grand Total:</b>	<b>33,706</b>	<b>\$5,203,992.90</b>	<b>21</b>	<b>\$734.20</b>

Medicare Part B Reimbursement and Penalty Report

PAY PERIOD 9/30/2018

Deduction Code	No. of Members	Reimbursement Amount	No. of Penalties	Penalty Amount
<b>ANTHEM BC III</b>				
240	6636	\$775,209.20	7	\$290.00
241	152	\$17,853.60	0	\$0.00
242	876	\$107,240.60	0	\$0.00
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248	12	\$2,861.80	1	\$36.50
249	48	\$12,315.20	0	\$0.00
250	17	\$3,981.10	0	\$0.00
<b>Plan Total:</b>	<b>11,792</b>	<b>\$1,851,850.80</b>	<b>11</b>	<b>\$434.50</b>
<b>CIGNA-HEALTHSPRING PREFERRED with RX</b>				
321	31	\$3,077.70	0	\$0.00
322	8	\$927.60	0	\$0.00
324	14	\$3,168.50	0	\$0.00
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329	1	\$226.70	0	\$0.00
<b>Plan Total:</b>	<b>56</b>	<b>\$7,639.40</b>	<b>0</b>	<b>\$0.00</b>
<b>KAISER SR. ADVANTAGE</b>				
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478	13	\$3,239.70	0	\$0.00
482	77	\$8,871.10	0	\$0.00
486	9	\$1,116.40	0	\$0.00
488	47	\$11,180.80	0	\$0.00
491	1	\$104.90	0	\$0.00
492	1	\$104.90	0	\$0.00
<b>Plan Total:</b>	<b>18,407</b>	<b>\$2,806,731.50</b>	<b>9</b>	<b>\$263.20</b>

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<b>SCAN</b>				
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<b>Plan Total:</b>	<b>412</b>	<b>\$60,984.70</b>	<b>0</b>	<b>\$0.00</b>
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701	1660	\$196,161.20	1	\$36.50
702	309	\$37,134.20	0	\$0.00
703	966	\$228,413.50	0	\$0.00
704	78	\$9,469.40	0	\$0.00
705	25	\$5,713.10	0	\$0.00
707	1	-\$104.90	0	\$0.00
<b>Plan Total:</b>	<b>3,039</b>	<b>\$476,786.50</b>	<b>1</b>	<b>\$36.50</b>
<b>LOCAL 1014</b>				
804	170	\$27,476.90	0	\$0.00
805	174	\$25,680.00	0	\$0.00
806	583	\$165,793.40	0	\$0.00
807	35	\$5,520.00	0	\$0.00
808	14	\$4,558.30	0	\$0.00
812	226	\$31,577.20	0	\$0.00
<b>Plan Total:</b>	<b>1,202</b>	<b>\$260,605.80</b>	<b>0</b>	<b>\$0.00</b>
<b>Grand Total:</b>	<b>34,908</b>	<b>\$5,464,598.70</b>	<b>21</b>	<b>\$734.20</b>

## Medical and Dental Vision Insurance Premiums

### October 2018

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Medical Plan</b>							
<b>Anthem Blue Cross Prudent Buyer Plan</b>							
201	646	\$586,839.32	\$92,894.81	\$490,310.83	\$583,205.64	(\$2,725.26)	\$580,480.38
202	331	\$591,275.23	\$56,983.82	\$534,291.41	\$591,275.23	(\$1,189.33)	\$590,085.90
203	90	\$181,425.60	\$42,574.58	\$134,819.34	\$177,393.92	\$0.00	\$177,393.92
204	38	\$44,355.88	\$16,878.54	\$27,477.34	\$44,355.88	\$0.00	\$44,355.88
<b>SUBTOTAL</b>	<b>1,105</b>	<b>\$1,403,896.03</b>	<b>\$209,331.75</b>	<b>\$1,186,898.92</b>	<b>\$1,396,230.67</b>	<b>(\$3,914.59)</b>	<b>\$1,392,316.08</b>
<b>Anthem Blue Cross I</b>							
211	785	\$903,074.63	\$57,213.99	\$845,860.64	\$903,074.63	(\$6,779.72)	\$896,294.91
212	286	\$593,378.24	\$36,595.02	\$556,783.22	\$593,378.24	(\$2,067.52)	\$591,310.72
213	59	\$146,311.80	\$19,118.02	\$124,755.25	\$143,873.27	\$0.00	\$143,873.27
214	20	\$30,354.60	\$5,342.39	\$25,012.21	\$30,354.60	\$0.00	\$30,354.60
215	3	\$1,166.46	\$31.10	\$1,135.36	\$1,166.46	\$0.00	\$1,166.46
<b>SUBTOTAL</b>	<b>1,153</b>	<b>\$1,674,285.73</b>	<b>\$118,300.52</b>	<b>\$1,553,546.68</b>	<b>\$1,671,847.20</b>	<b>(\$8,847.24)</b>	<b>\$1,662,999.96</b>
<b>Anthem Blue Cross II</b>							
221	2,146	\$2,464,808.52	\$149,082.39	\$2,331,475.33	\$2,480,557.72	(\$7,821.99)	\$2,472,735.73
222	1,887	\$3,915,882.88	\$96,835.37	\$3,730,073.81	\$3,826,909.18	(\$12,310.03)	\$3,814,599.15
223	644	\$1,570,413.32	\$61,841.01	\$1,491,502.60	\$1,553,343.61	\$112.22	\$1,553,455.83
224	166	\$251,943.18	\$24,101.51	\$227,841.67	\$251,943.18	\$4,553.19	\$256,496.37
225	2	\$777.64	\$194.41	\$583.23	\$777.64	\$0.00	\$777.64
<b>SUBTOTAL</b>	<b>4,845</b>	<b>\$8,203,825.54</b>	<b>\$332,054.69</b>	<b>\$7,781,476.64</b>	<b>\$8,113,531.33</b>	<b>(\$15,466.61)</b>	<b>\$8,098,064.72</b>

## Medical and Dental Vision Insurance Premiums October 2018

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Anthem Blue Cross III</b>							
240	6,659	\$3,118,411.80	\$478,269.16	\$2,655,929.76	\$3,134,198.92	(\$8,078.86)	\$3,126,120.06
241	151	\$228,505.50	\$24,403.79	\$204,101.71	\$228,505.50	\$0.00	\$228,505.50
242	882	\$1,321,747.50	\$94,269.72	\$1,214,036.28	\$1,308,306.00	\$0.00	\$1,308,306.00
243	3,856	\$3,598,632.48	\$404,907.77	\$3,145,974.81	\$3,550,882.58	(\$4,502.19)	\$3,546,380.39
244	20	\$16,743.00	\$3,264.87	\$13,478.13	\$16,743.00	\$0.00	\$16,743.00
245	54	\$45,206.10	\$4,688.04	\$40,518.06	\$45,206.10	\$0.00	\$45,206.10
246	18	\$33,521.58	\$2,085.79	\$31,435.79	\$33,521.58	\$0.00	\$33,521.58
247	113	\$210,441.03	\$10,615.17	\$196,101.24	\$206,716.41	\$0.00	\$206,716.41
248	12	\$15,589.08	\$1,299.09	\$14,289.99	\$15,589.08	\$0.00	\$15,589.08
249	49	\$63,655.41	\$4,910.57	\$60,043.93	\$64,954.50	\$0.00	\$64,954.50
250	17	\$24,746.90	\$1,048.10	\$23,698.80	\$24,746.90	\$0.00	\$24,746.90
<b>SUBTOTAL</b>	<b>11,831</b>	<b>\$8,677,200.38</b>	<b>\$1,029,762.07</b>	<b>\$7,599,608.50</b>	<b>\$8,629,370.57</b>	<b>(\$12,581.05)</b>	<b>\$8,616,789.52</b>
<b>CIGNA Network Model Plan</b>							
301	320	\$481,465.60	\$133,467.76	\$349,502.42	\$482,970.18	(\$1,419.91)	\$481,550.27
302	135	\$369,310.72	\$90,401.71	\$270,762.45	\$361,164.16	(\$2,715.52)	\$358,448.64
303	17	\$54,509.31	\$15,663.99	\$32,432.46	\$48,096.45	\$0.00	\$48,096.45
304	18	\$35,930.16	\$14,681.91	\$21,248.25	\$35,930.16	\$0.00	\$35,930.16
<b>SUBTOTAL</b>	<b>490</b>	<b>\$941,215.79</b>	<b>\$254,215.37</b>	<b>\$673,945.58</b>	<b>\$928,160.95</b>	<b>(\$4,135.43)</b>	<b>\$924,025.52</b>

## Medical and Dental Vision Insurance Premiums October 2018

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>CIGNA Healthspring Pref w/ Rx - Phoenix, AZ</b>							
321	29	\$11,919.19	\$1,384.17	\$9,381.55	\$10,765.72	\$0.00	\$10,765.72
322	9	\$14,358.87	\$893.44	\$11,870.00	\$12,763.44	\$0.00	\$12,763.44
324	14	\$10,653.72	\$1,293.67	\$9,360.05	\$10,653.72	\$0.00	\$10,653.72
327	2	\$4,174.04	\$417.40	\$3,756.64	\$4,174.04	\$0.00	\$4,174.04
329	1	\$1,323.31	\$0.00	\$1,323.31	\$1,323.31	\$0.00	\$1,323.31
<b>SUBTOTAL</b>	<b>55</b>	<b>\$42,429.13</b>	<b>\$3,988.68</b>	<b>\$35,691.55</b>	<b>\$39,680.23</b>	<b>\$0.00</b>	<b>\$39,680.23</b>

## Medical and Dental Vision Insurance Premiums October 2018

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Kaiser/Senior Advantage</b>							
401	1,535	\$1,544,466.00	\$139,222.54	\$1,429,402.18	\$1,568,624.72	(\$1,875.26)	\$1,566,749.46
403	10,502	\$2,882,052.20	\$297,786.37	\$2,606,754.71	\$2,904,541.08	(\$9,262.80)	\$2,895,278.28
404	570	\$648,305.28	\$19,633.47	\$608,095.66	\$627,729.13	(\$2,161.18)	\$625,567.95
405	994	\$1,045,041.90	\$22,772.23	\$1,023,321.02	\$1,046,093.25	(\$5,186.16)	\$1,040,907.09
406	45	\$85,868.20	\$34,376.28	\$47,758.52	\$82,134.80	\$0.00	\$82,134.80
411	1,811	\$3,633,998.20	\$183,307.63	\$3,399,531.01	\$3,582,838.64	\$130.54	\$3,582,969.18
413	1,604	\$2,050,897.92	\$97,959.51	\$1,948,468.09	\$2,046,427.60	(\$3,641.62)	\$2,042,785.98
414	133	\$286,258.05	\$3,943.99	\$265,505.77	\$269,449.76	\$0.00	\$269,449.76
418	5,374	\$2,911,890.72	\$227,072.64	\$2,666,536.28	\$2,893,608.92	(\$6,309.28)	\$2,887,299.64
419	273	\$389,690.00	\$3,027.91	\$363,324.88	\$366,352.79	\$0.00	\$366,352.79
420	135	\$302,813.10	\$1,794.44	\$301,018.66	\$302,813.10	\$0.00	\$302,813.10
421	9	\$9,026.10	\$1,002.91	\$8,023.19	\$9,026.10	\$0.00	\$9,026.10
422	225	\$460,406.25	\$3,154.14	\$488,905.23	\$492,059.37	\$0.00	\$492,059.37
423	17	\$54,370.40	\$3,360.98	\$6,718.78	\$10,079.76	(\$5,723.20)	\$4,356.56
426	212	\$280,642.41	\$3,293.92	\$276,030.92	\$279,324.84	\$0.00	\$279,324.84
427	170	\$364,729.32	\$3,839.26	\$360,890.06	\$364,729.32	(\$1,993.72)	\$362,735.60
428	55	\$121,457.28	\$1,388.09	\$115,731.43	\$117,119.52	\$0.00	\$117,119.52
429	10	\$29,842.30	\$5,457.00	\$24,385.30	\$29,842.30	\$0.00	\$29,842.30
430	144	\$301,636.80	\$3,812.35	\$297,824.45	\$301,636.80	(\$1,953.52)	\$299,683.28
431	13	\$37,830.65	\$6,129.76	\$31,700.89	\$37,830.65	\$0.00	\$37,830.65
432	4	\$18,627.00	(\$1,825.74)	(\$6,349.36)	(\$8,175.10)	\$0.00	(\$8,175.10)
<b>SUBTOTAL</b>	<b>23,835</b>	<b>\$17,459,850.08</b>	<b>\$1,060,509.68</b>	<b>\$16,263,577.67</b>	<b>\$17,324,087.35</b>	<b>(\$37,976.20)</b>	<b>\$17,286,111.15</b>



## Medical and Dental Vision Insurance Premiums

### October 2018

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Kaiser - Colorado</b>							
450	4	\$3,878.68	\$853.31	\$3,025.37	\$3,878.68	\$0.00	\$3,878.68
451	33	\$11,987.91	\$1,235.10	\$10,752.81	\$11,987.91	(\$363.27)	\$11,624.64
453	1	\$4,286.00	(\$165.40)	\$165.40	\$0.00	\$0.00	\$0.00
454	1	\$2,893.11	\$552.12	\$2,340.99	\$2,893.11	\$0.00	\$2,893.11
455	1	\$1,310.30	\$0.00	\$1,310.30	\$1,310.30	\$0.00	\$1,310.30
457	7	\$5,029.78	\$1,149.66	\$3,880.12	\$5,029.78	\$0.00	\$5,029.78
458	1	\$2,202.25	\$0.00	\$2,202.25	\$2,202.25	\$0.00	\$2,202.25
<b>SUBTOTAL</b>	<b>48</b>	<b>\$31,588.03</b>	<b>\$3,624.79</b>	<b>\$23,677.24</b>	<b>\$27,302.03</b>	<b>(\$363.27)</b>	<b>\$26,938.76</b>
<b>Kaiser - Georgia</b>							
441	3	\$3,493.23	\$50.76	\$3,442.47	\$3,493.23	\$0.00	\$3,493.23
442	4	\$4,657.64	\$67.68	\$4,589.96	\$4,657.64	\$0.00	\$4,657.64
445	3	\$4,739.64	\$0.00	\$4,739.64	\$4,739.64	\$0.00	\$4,739.64
446	1	\$1,579.88	\$0.00	\$1,579.88	\$1,579.88	\$0.00	\$1,579.88
461	13	\$15,137.33	\$2,469.04	\$12,668.29	\$15,137.33	\$0.00	\$15,137.33
462	59	\$24,984.73	\$3,853.57	\$21,131.16	\$24,984.73	\$0.00	\$24,984.73
463	4	\$9,283.28	\$2,046.96	\$7,236.32	\$9,283.28	\$0.00	\$9,283.28
465	5	\$7,899.40	\$947.93	\$6,951.47	\$7,899.40	\$0.00	\$7,899.40
466	31	\$26,007.14	\$604.04	\$25,403.10	\$26,007.14	\$0.00	\$26,007.14
467	2	\$5,472.58	\$893.28	\$7,315.59	\$8,208.87	\$0.00	\$8,208.87
<b>SUBTOTAL</b>	<b>125</b>	<b>\$103,254.85</b>	<b>\$10,933.26</b>	<b>\$95,057.88</b>	<b>\$105,991.14</b>	<b>\$0.00</b>	<b>\$105,991.14</b>

## Medical and Dental Vision Insurance Premiums October 2018

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Kaiser - Hawaii</b>							
471	6	\$6,019.20	\$561.79	\$5,457.41	\$6,019.20	\$0.00	\$6,019.20
472	31	\$13,517.24	\$2,092.99	\$11,424.25	\$13,517.24	\$0.00	\$13,517.24
473	1	\$1,646.39	\$498.90	\$1,147.49	\$1,646.39	\$0.00	\$1,646.39
474	4	\$7,993.60	\$0.00	\$7,993.60	\$7,993.60	\$0.00	\$7,993.60
476	4	\$5,724.96	\$2,690.74	\$3,034.22	\$5,724.96	\$0.00	\$5,724.96
478	13	\$11,233.04	\$794.95	\$10,438.09	\$11,233.04	\$0.00	\$11,233.04
<b>SUBTOTAL</b>	<b>59</b>	<b>\$46,134.43</b>	<b>\$6,639.37</b>	<b>\$39,495.06</b>	<b>\$46,134.43</b>	<b>\$0.00</b>	<b>\$46,134.43</b>
<b>Kaiser - Oregon</b>							
481	7	\$8,288.42	\$1,839.52	\$6,448.90	\$8,288.42	\$0.00	\$8,288.42
482	77	\$33,313.28	\$5,208.98	\$28,104.30	\$33,313.28	\$0.00	\$33,313.28
484	3	\$7,080.33	\$1,043.17	\$6,037.16	\$7,080.33	\$0.00	\$7,080.33
486	9	\$14,478.30	\$1,866.09	\$12,612.21	\$14,478.30	\$0.00	\$14,478.30
488	47	\$40,292.16	\$5,177.95	\$35,114.21	\$40,292.16	\$0.00	\$40,292.16
489	1	\$1,070.36	\$0.00	\$1,070.36	\$1,070.36	\$0.00	\$1,070.36
491	1	\$1,495.00	\$0.00	\$1,495.00	\$1,495.00	\$0.00	\$1,495.00
492	1	\$1,694.64	\$338.93	\$1,355.71	\$1,694.64	\$0.00	\$1,694.64
495	2	\$5,064.00	\$928.96	\$4,135.04	\$5,064.00	\$0.00	\$5,064.00
<b>SUBTOTAL</b>	<b>148</b>	<b>\$112,776.49</b>	<b>\$16,403.60</b>	<b>\$96,372.89</b>	<b>\$112,776.49</b>	<b>\$0.00</b>	<b>\$112,776.49</b>
<b>SCAN Health Plan</b>							
611	307	\$94,863.00	\$20,406.36	\$75,074.64	\$95,481.00	(\$309.00)	\$95,172.00
613	107	\$65,270.00	\$11,211.80	\$54,058.20	\$65,270.00	\$0.00	\$65,270.00
<b>SUBTOTAL</b>	<b>414</b>	<b>\$160,133.00</b>	<b>\$31,618.16</b>	<b>\$129,132.84</b>	<b>\$160,751.00</b>	<b>(\$309.00)</b>	<b>\$160,442.00</b>

## Medical and Dental Vision Insurance Premiums October 2018

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>UHC Medicare Adv.</b>							
701	1,660	\$593,291.88	\$72,332.18	\$527,328.31	\$599,660.49	(\$1,070.28)	\$598,590.21
702	306	\$467,520.30	\$29,106.99	\$426,348.27	\$455,455.26	\$0.00	\$455,455.26
703	964	\$682,943.36	\$69,345.49	\$602,415.69	\$671,761.18	\$0.00	\$671,761.18
704	81	\$139,932.18	\$9,556.38	\$123,549.84	\$133,106.22	\$0.00	\$133,106.22
705	25	\$22,597.00	\$976.21	\$21,620.79	\$22,597.00	\$0.00	\$22,597.00
706	1	\$332.14	\$13.29	\$318.85	\$332.14	\$0.00	\$332.14
<b>SUBTOTAL</b>	<b>3,037</b>	<b>\$1,906,616.86</b>	<b>\$181,330.54</b>	<b>\$1,701,581.75</b>	<b>\$1,882,912.29</b>	<b>(\$1,070.28)</b>	<b>\$1,881,842.01</b>
<b>United Healthcare</b>							
707	461	\$536,788.31	\$59,144.44	\$474,165.76	\$533,310.20	\$0.00	\$533,310.20
708	417	\$884,634.30	\$62,182.33	\$826,525.77	\$888,708.10	\$0.00	\$888,708.10
709	325	\$817,966.60	\$56,306.19	\$751,435.51	\$807,741.70	\$0.00	\$807,741.70
<b>SUBTOTAL</b>	<b>1,203</b>	<b>\$2,239,389.21</b>	<b>\$177,632.96</b>	<b>\$2,052,127.04</b>	<b>\$2,229,760.00</b>	<b>\$0.00</b>	<b>\$2,229,760.00</b>

## Medical and Dental Vision Insurance Premiums October 2018

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Local 1014 Firefighters</b>							
801	59	\$66,244.61	\$1,661.71	\$64,582.90	\$66,244.61	\$0.00	\$66,244.61
802	284	\$574,949.48	\$15,912.34	\$559,037.14	\$574,949.48	\$2,024.47	\$576,973.95
803	284	\$678,206.20	\$22,590.91	\$655,615.29	\$678,206.20	\$0.00	\$678,206.20
804	170	\$190,874.30	\$8,825.12	\$182,049.18	\$190,874.30	(\$27,476.90)	\$163,397.40
805	174	\$352,257.78	\$9,798.42	\$342,459.36	\$352,257.78	(\$25,680.00)	\$326,577.78
806	583	\$1,180,266.01	\$33,808.62	\$1,146,457.39	\$1,180,266.01	(\$165,793.40)	\$1,014,472.61
807	35	\$83,581.75	\$1,719.40	\$81,862.35	\$83,581.75	(\$5,520.00)	\$78,061.75
808	14	\$33,432.70	\$191.04	\$33,241.66	\$33,432.70	(\$4,558.30)	\$28,874.40
809	25	\$28,069.75	\$3,256.07	\$24,813.68	\$28,069.75	\$0.00	\$28,069.75
810	7	\$14,171.29	\$1,983.98	\$12,187.31	\$14,171.29	\$0.00	\$14,171.29
811	5	\$11,940.25	\$859.70	\$11,080.55	\$11,940.25	\$0.00	\$11,940.25
812	226	\$253,750.54	\$20,838.81	\$232,911.73	\$253,750.54	(\$32,699.99)	\$221,050.55
<b>SUBTOTAL</b>	<b>1,866</b>	<b>\$3,467,744.66</b>	<b>\$121,446.12</b>	<b>\$3,346,298.54</b>	<b>\$3,467,744.66</b>	<b>(\$259,704.12)</b>	<b>\$3,208,040.54</b>
<b>Medical Plan Total</b>	<b>50,214</b>	<b>\$46,470,340.21</b>	<b>\$3,557,791.56</b>	<b>\$42,578,488.78</b>	<b>\$46,136,280.34</b>	<b>(\$344,367.79)</b>	<b>\$45,791,912.55</b>

## Medical and Dental Vision Insurance Premiums

### October 2018

Carrier Codes	Member Count	Premium Amount	Member Amount	County Subsidy Amount	Total	Adjustments	Total Paid
<b>Dental/Vision Plan</b>							
<b>CIGNA Indemnity Dental/Vision</b>							
501	23,758	\$1,239,373.76	\$142,221.53	\$1,107,375.59	\$1,249,597.12	(\$3,807.68)	\$1,245,789.44
502	22,041	\$2,398,539.60	\$186,164.30	\$2,193,944.86	\$2,380,109.16	(\$3,258.00)	\$2,376,851.16
503	10	\$641.50	\$68.00	\$573.50	\$641.50	\$0.00	\$641.50
<b>SUBTOTAL</b>	<b>45,809</b>	<b>\$3,638,554.86</b>	<b>\$328,453.83</b>	<b>\$3,301,893.95</b>	<b>\$3,630,347.78</b>	<b>(\$7,065.68)</b>	<b>\$3,623,282.10</b>
<b>CIGNA Dental HMO/Vision</b>							
901	3,305	\$152,704.14	\$20,006.77	\$133,898.31	\$153,905.08	(\$461.90)	\$153,443.18
902	2,303	\$218,152.16	\$18,888.61	\$198,979.99	\$217,868.60	(\$378.08)	\$217,490.52
903	5	\$233.90	\$26.19	\$207.71	\$233.90	\$0.00	\$233.90
<b>SUBTOTAL</b>	<b>5,613</b>	<b>\$371,090.20</b>	<b>\$38,921.57</b>	<b>\$333,086.01</b>	<b>\$372,007.58</b>	<b>(\$839.98)</b>	<b>\$371,167.60</b>
<b>Dental/Vision Plan Total</b>	<b>51,422</b>	<b>\$4,009,645.06</b>	<b>\$367,375.40</b>	<b>\$3,634,979.96</b>	<b>\$4,002,355.36</b>	<b>(\$7,905.66)</b>	<b>\$3,994,449.70</b>
<b>GRAND TOTALS</b>	<b>101,636</b>	<b>\$50,479,985.27</b>	<b>\$3,925,166.96</b>	<b>\$46,213,468.74</b>	<b>\$50,138,635.70</b>	<b>(\$352,273.45)</b>	<b>\$49,786,362.25</b>

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

\*Benchmark premiums are bolded.

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

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

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

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

**Kaiser**

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

\*Benchmark premiums are bolded.

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

\*Benchmark premiums are bolded.



CARRIER DEDUCTION PREMIUMS*	CODES	DEDUCTION CODE DEFINITIONS
<b><u>Kaiser Georgia (continued)</u></b>		
\$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")
<b><u>Kaiser Hawaii</u></b>		
\$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)
<b><u>Kaiser Oregon</u></b>		
\$806.67	481	Retiree Only ("Basic" under age 65)
\$465.92	482	Retiree Only ("Senior Advantage")
\$1,205.27	483	Retiree Only (Over age 65 without Medicare Part A or Medicare Part B)
\$1,608.34	484	Retiree and Family (Two family members are "Basic")
\$2,410.01	485	Retiree and Family (Three or more family members are "Basic")
\$1,267.59	486	Retiree and Family (One family member is "Senior Advantage"; one is "Basic")
N/A	487	Retiree Only (Medicare Cost "Supplement" program)
\$926.84	488	Retiree and Family (Two family members are "Senior Advantage")
\$1,110.84	489	Retiree Only (Over age 65 with Medicare Part A only)
\$1,205.27	490	Retiree Only (Over age 65 with Medicare Part B only)

\*Benchmark premiums are bolded.

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

### **Kaiser Rate Category Definitions**

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

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

-Includes people who have both Part A and Part B of Medicare, who were enrolled in Kaiser's Medicare supplement ("M" coverage) before July 1, 1987, and who chose to stay in that Kaiser arrangement.

-It is not open to new enrollments.

-People who have left it cannot return to it.

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

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

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

-Is for participants who have Medicare Part A only.

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

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

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

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

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

\*Benchmark premiums are bolded.

<b>PREMIUMS*</b>	<b>CARRIER DEDUCTION CODES</b>	<b>DEDUCTION CODE DEFINITIONS</b>
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**Local 1014 Firefighters (continued)**

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

**CIGNA Indemnity - Dental/Vision**

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

**CIGNA HMO - Dental/Vision**

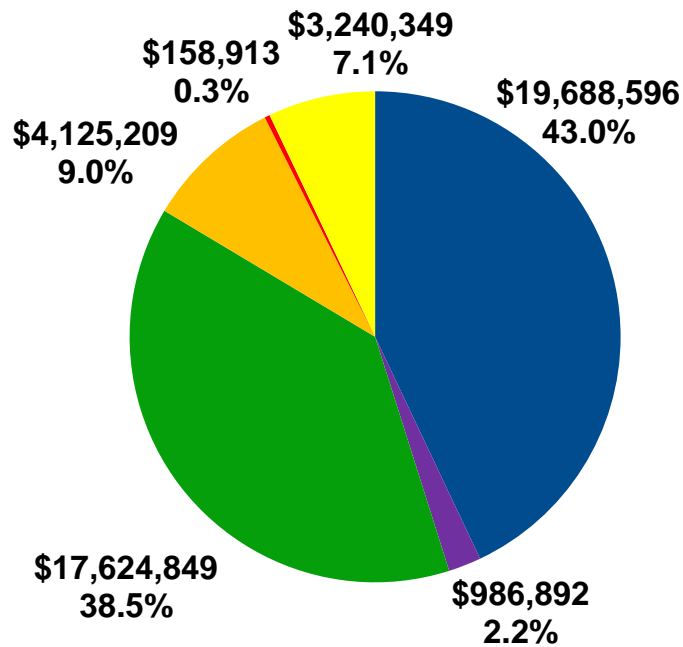
\$39.02	901	Retiree Only
\$81.07	902	Retiree and Dependent(s)
\$39.56	903	Survivor Children Only Rates

**Los Angeles County Employees Retirement Association**  
**Premium & Enrollment**  
*Coverage Month August 2018*

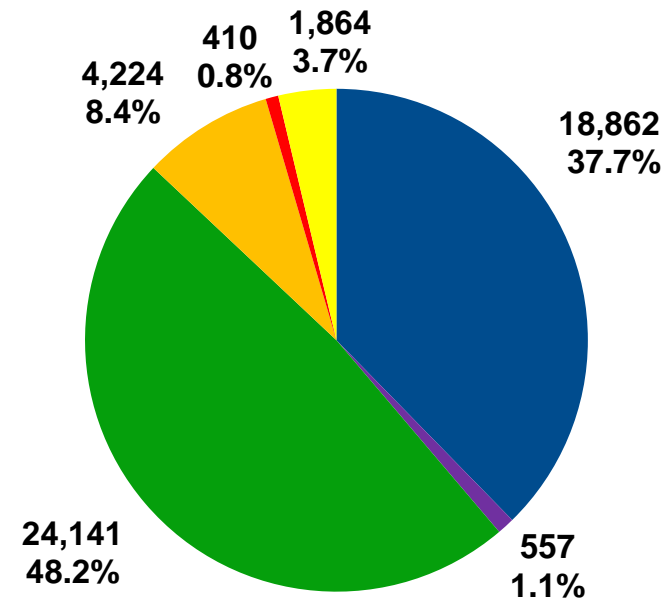
Carrier / Plan	Monthly Premium	Percent of Total	Retirees	Percent of Total
Anthem All Plans	\$19,688,596	43.0%	18,862	37.7%
Cigna Medical	\$986,892	2.2%	557	1.1%
Kaiser	\$17,624,849	38.5%	24,141	48.2%
UnitedHealthcare	\$4,125,209	9.0%	4,224	8.4%
SCAN Health Plan	\$158,913	0.3%	410	0.8%
Local 1014	\$3,240,349	7.1%	1,864	3.7%
<b>Combined Medical</b>	<b>\$45,824,809</b>	<b>100.0%</b>	<b>50,058</b>	<b>100.0%</b>

<b>Cigna Dental &amp; Vision (PPO and HMO)</b>	<b>\$3,984,902</b>	<b>51,258</b>
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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 August 2018

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-18	6,003	\$9,790,841	\$6,299,972	\$2,952,253	\$9,252,225	\$1,541.27	94.5%	\$795,141	\$10,047,365	102.6%
Aug-18	5,991	\$9,761,051	\$7,134,674	\$2,995,750	\$10,130,424	\$1,690.94	103.8%	\$793,878	\$10,924,302	111.9%
Sep-18										
Oct-18										
Nov-18										
Dec-18										
Jan-19										
Feb-19										
Mar-19										
Apr-19										
May-19										
Jun-19										
<b>YTD Plan Year</b>	11,994	\$19,551,893	\$13,434,646	\$5,948,003	\$19,382,648	\$1,616.03	99.1%	\$1,589,019	\$20,971,667	107.3%
<b>12 Month Rollup</b>	71,791	\$112,380,086	\$79,391,130	\$32,906,887	\$112,298,016	\$1,564.24	99.9%	\$8,996,041	\$121,294,057	107.9%

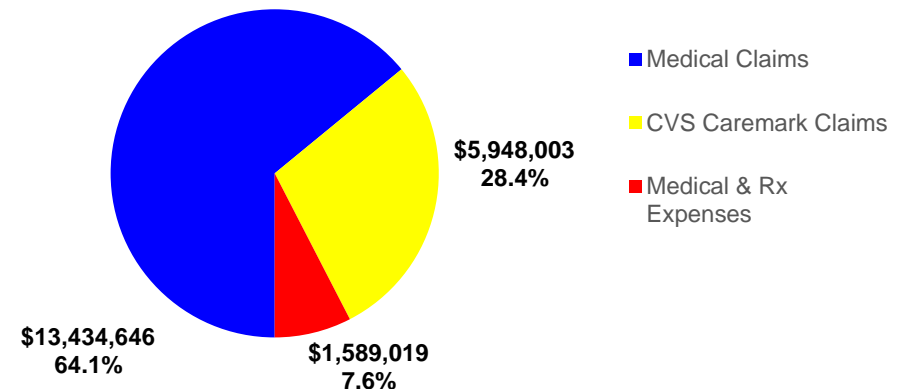
Medical Claims reported by Anthem

CVS Caremark Claims reported by CVS

Expenses: Anthem Admin, Stop Loss, and Premium Taxes

Enrollment and Premium Reported by LACERA

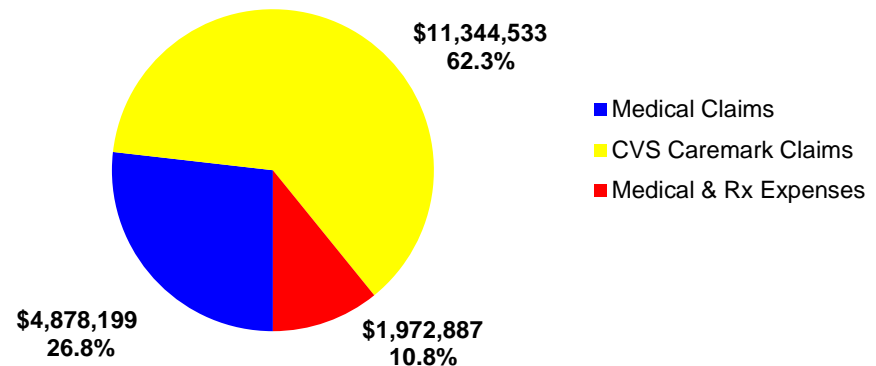
Post May 2018 Medical Claims are adjusted higher by 0.95% due to transition in Anthem reports.



**Los Angeles County Employees Retirement Association**  
**Anthem Plan III**  
*Coverage Month August 2018*

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-18	11,726	\$8,520,749	\$2,251,965	\$5,794,931	\$8,046,897	\$686.24	94.4%	\$985,309	\$9,032,206	106.0%
Aug-18	11,753	\$8,542,776	\$2,626,233	\$5,549,602	\$8,175,835	\$695.64	95.7%	\$987,578	\$9,163,413	107.3%
Sep-18										
Oct-18										
Nov-18										
Dec-18										
Jan-19										
Feb-19										
Mar-19										
Apr-19										
May-19										
Jun-19										
<b>YTD Plan Year</b>	23,479	\$17,063,525	\$4,878,199	\$11,344,533	\$16,222,732	\$690.95	95.1%	\$1,972,887	\$18,195,619	106.6%
<b>12 Month Rollup</b>	138,783	\$96,493,114	\$30,129,588	\$62,410,467	\$92,540,055	\$666.80	95.9%	\$10,559,612	\$103,099,667	106.8%

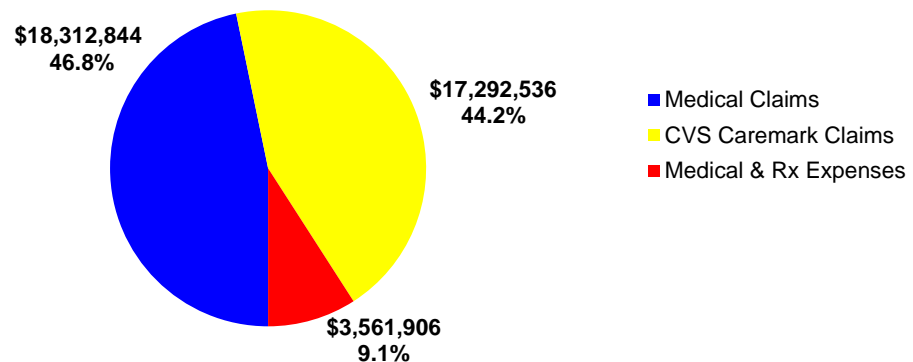
Medical Claims reported by Anthem  
 CVS Caremark Claims reported by CVS  
 Expenses: Anthem Admin, Stop Loss, and Premium Taxes  
 Enrollment and Premium Reported by LACERA  
 Post May 2018 Medical Claims are adjusted higher by 0.95%  
 due to transition in Anthem reports.



**Los Angeles County Employees Retirement Association**  
**Anthem Plans I, II, & III**  
*Coverage Month August 2018*

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-18	17,729	\$18,311,591	\$8,551,937	\$8,747,184	\$17,299,121	\$975.75	94.5%	\$1,780,450	\$19,079,571	104.2%
Aug-18	17,744	\$18,303,827	\$9,760,907	\$8,545,352	\$18,306,259	\$1,031.69	100.0%	\$1,781,456	\$20,087,715	109.7%
Sep-18										
Oct-18										
Nov-18										
Dec-18										
Jan-19										
Feb-19										
Mar-19										
Apr-19										
May-19										
Jun-19										
<b>YTD Plan Year</b>	35,473	\$36,615,418	\$18,312,844	\$17,292,536	\$35,605,380	\$1,003.73	97.2%	\$3,561,906	\$39,167,286	107.0%
<b>12 Month Rollup</b>	210,574	\$208,873,200	\$109,520,717	\$95,317,354	\$204,838,071	\$972.76	98.1%	\$19,555,653	\$224,393,724	107.4%

Medical Claims reported by Anthem  
 CVS Caremark Claims reported by CVS  
 Expenses: Anthem Admin, Stop Loss, and Premium Taxes  
 Enrollment and Premium Reported by LACERA  
 Post May 2018 Medical Claims are adjusted higher by 0.95%  
 due to transition in Anthem reports.

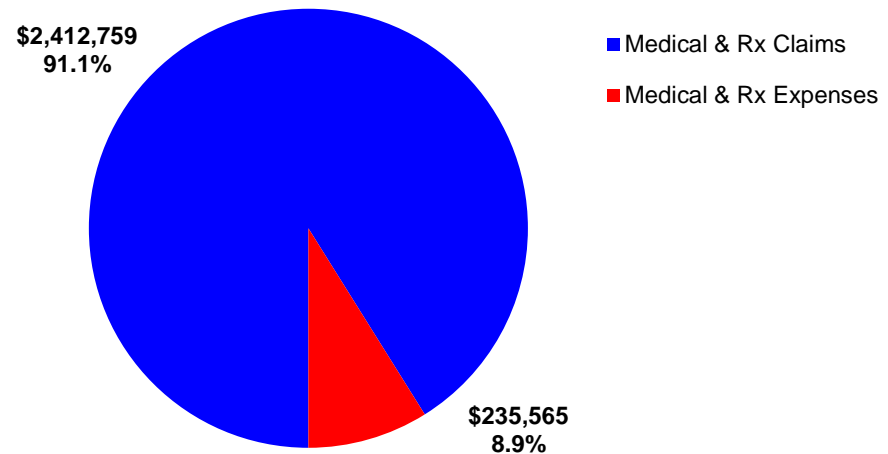




**Los Angeles County Employees Retirement Association**  
**Anthem Prudent Buyer**  
*Coverage Month August 2018*

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-18	1,130	\$1,422,807	\$1,158,284	\$1,025.03	81.4%	\$118,411	\$1,276,696	89.7%
Aug-18	1,118	\$1,384,769	\$1,254,475	\$1,122.07	90.6%	\$117,154	\$1,371,629	99.1%
Sep-18								
Oct-18								
Nov-18								
Dec-18								
Jan-19								
Feb-19								
Mar-19								
Apr-19								
May-19								
Jun-19								
<b>YTD Plan Year</b>	2,248	\$2,807,577	\$2,412,759	\$1,073.29	85.9%	\$235,565	\$2,648,325	94.3%
<b>12 Month Rollup</b>	13,945	\$16,969,180	\$16,049,276	\$1,150.90	94.6%	\$1,790,321	\$17,839,596	105.1%

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



# Los Angeles County Employees Retirement Association

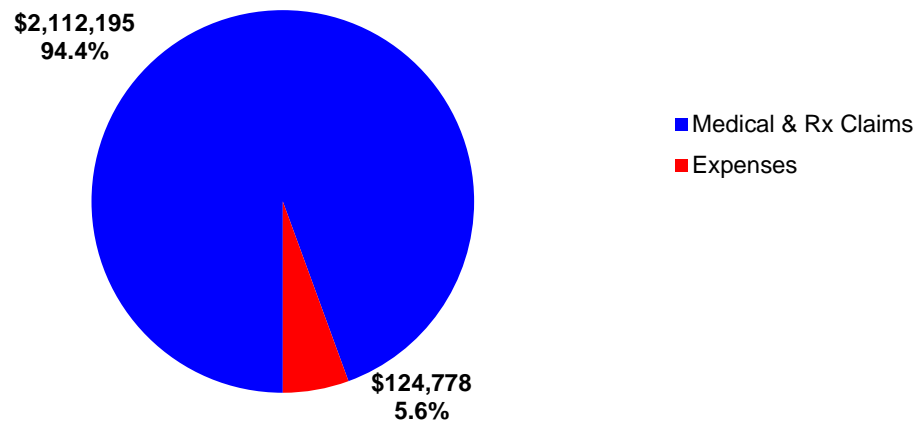
Cigna HMO <sup>(1)</sup>

Coverage Month August 2018

Month	Monthly Enrollment	Monthly Premium	Medical & Rx Claims	Claims Per Retiree Per Month	Paid Loss Ratio	Expenses	Total Paid Claims & Expenses	Expense Ratio
Jul-18	508	\$959,148	\$1,043,402	\$2,053.94	108.8%	\$62,792	\$1,106,194	115.3%
Aug-18	502	\$946,828	\$1,068,793	\$2,129.07	112.9%	\$61,986	\$1,130,779	119.4%
Sep-18								
Oct-18								
Nov-18								
Dec-18								
Jan-19								
Feb-19								
Mar-19								
Apr-19								
May-19								
Jun-19								
<b>YTD Plan Year</b>	1,010	\$1,905,975	\$2,112,195	\$2,091.28	110.8%	\$124,778	\$2,236,973	117.4%
<b>12 Month Rollup</b>	6,281	\$11,343,927	\$11,579,610	\$1,843.59	102.1%	\$1,248,838	\$12,828,448	113.1%

<sup>(1)</sup> Excludes Cigna's HealthSpring Preferred Plan.

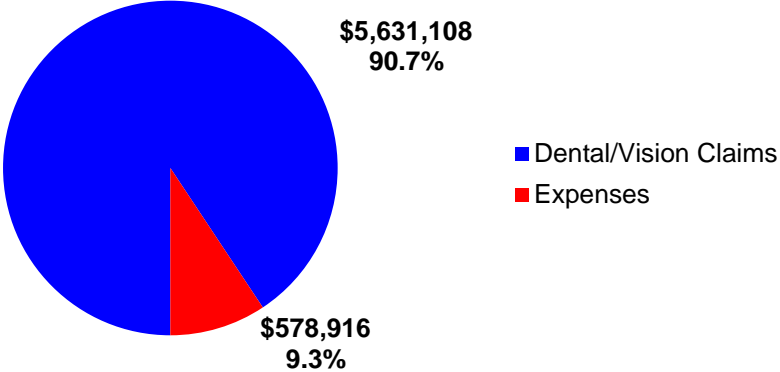
Monthly Enrollment and Premium Data as reported by LACERA  
 Medical Claims reported by Cigna  
 Expenses: Cigna Admin Costs and Premium Taxes  
 Enrollment and Premium Reported by LACERA



**Los Angeles County Employees Retirement Association**  
**Cigna Dental PPO + Vision**  
*Coverage Month August 2018*

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-18	45,630	\$3,615,753	\$2,805,276	56.1%	\$61.48	77.6%	\$289,477	\$3,094,753	85.6%
Aug-18	45,661	\$3,615,280	\$2,825,832	57.8%	\$61.89	78.2%	\$289,439	\$3,115,272	86.2%
Sep-18									
Oct-18									
Nov-18									
Dec-18									
Jan-19									
Feb-19									
Mar-19									
Apr-19									
May-19									
Jun-19									
<b>YTD Plan Year</b>	91,291	\$7,231,032	\$5,631,108	56.9%	\$61.68	77.9%	\$578,916	\$6,210,025	85.9%
<b>12 Month Rollup</b>	539,819	\$42,784,358	\$35,115,124	56.1%	\$65.05	82.1%	\$3,155,552	\$38,270,676	89.5%

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



# Los Angeles County Employees Retirement Association

## Kaiser Utilization

### Coverage Month August 2018



- Kaiser insures approximately 24,000 LACERA retirees, 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 5/1/2017 - 4/30/2018	Prior Period 5/1/2016 - 4/30/2017	Change
<b>Average Contract Size</b>	<b>2.34</b>	<b>2.27</b>	<b>3.08%</b>
<b>Average Members</b>	<b>8,735</b>	<b>8,748</b>	<b>-0.15%</b>
Inpatient Claims PMPM	\$175.56	\$204.86	-14.30%
Outpatient Claims PMPM	\$277.21	\$266.63	3.97%
Pharmacy Claims PMPM	\$100.27	\$87.87	14.11%
Other Claims PMPM	\$105.54	\$109.12	-3.28%
<b>Total Claims PMPM</b>	<b>\$658.58</b>	<b>\$668.48</b>	<b>-1.48%</b>

<b>Total Paid Claims</b>	<b>\$69,028,657</b>	<b>\$70,174,478</b>	<b>-1.63%</b>
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<b>Large Claims over \$400,000 Pooling Point</b>			
Number of Claims over Pooling Point	7	7	
Amount over Pooling Point	\$1,811,885	\$924,463	95.99%
% of Total Paid Claims	<b>2.62%</b>	<b>1.32%</b>	

Inpatient Days / 1000	260.5	337.9	-22.91%
Inpatient Admits / 1000	53.1	66.3	-19.91%
Outpatient Visits / 1000	11,717.9	11,981.3	-2.20%
Pharmacy Scripts PMPY	10.7	11.1	-3.60%