

# AGENDA

## A REGULAR MEETING OF THE BOARD OF RETIREMENT

### LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

9:00 A.M., THURSDAY, MARCH 14, 2019

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

\*Although the meeting is scheduled for 9:00 a.m., the meeting will start at the conclusion of the Audit Committee meeting scheduled prior to this meeting.

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. APPROVAL OF MINUTES
  - A. Approval of the Minutes of the Regular Meeting of February 14, 2019
- IV. OTHER COMMUNICATIONS
  - A. For Information
    - 1. December 2018 All Stars
    - 2. January 2019 All Stars
    - 3. Chief Executive Officer's Report  
(Memo dated February 4, 2019)
    - 4. Chief Executive Officer's Report  
(Memo dated March 4, 2019)
- V. PUBLIC COMMENT

VI. CONSENT ITEMS

- A. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board approve fiscal year 2019-2020 rate renewal proposal and mandatory contractual changes, listed by carrier, and the administrative fee. (Memo dated February 21, 2019)
- B. Recommendation as submitted by Shawn R. Kehoe, Chair, Operations Oversight Committee: That the Board adopt the Administrative Appeals Procedures for Felony Forfeiture. (Memo dated February 14, 2019)

VII. EXCLUDED CONSENT ITEMS

VIII. NON-CONSENT ITEMS

- A. Recommendation as submitted by Beulah S. Auten, Chief Financial Officer: That the Board adopt the OPEB actuarial assumptions as presented by the OPEB consulting actuary, Milliman, based on their 2018 Investigation of Experience for OPEB Assumptions report. (Memo dated February 22, 2019)
- B. Recommendation as submitted by Vivian Gray, Board member: That the Board authorize administrative travel for the purpose of participating on the SACRS Board and Committees, thus not counting towards the 8 conference attendance limit from July 2014 through the end of 2019 or until it is addressed in the next Education and Travel Policy. (Memo dated February 19, 2019)

IX. REPORTS

- A. Additional Information Regarding Potential Use of E-Voting Procedure for Board Elections as submitted by Lou Lazatin, Chief Executive Officer, and Steven P. Rice, Chief Counsel. (Memo dated March 4, 2019)
- B. For Information Only as submitted by Jonathan Grabel, Chief Investment Officer, regarding Trustees United. (Memo dated February 14, 2019)
- C. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the January 2019 Fiduciary Counsel Contact and Billing Report. (Memo dated February 14, 2019) (Privileged and Confidential Attorney-Client Communication/Attorney Work Product)

IX. REPORTS (Continued)

- D. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the February 2019 Fiduciary Counsel Contact and Billing Report. (Memo dated March 4, 2019) (Privileged and Confidential Attorney-Client Communication/Attorney Work Product)

X. ITEMS FOR STAFF REVIEW

- XI. GOOD OF THE ORDER  
(For information purposes only)

XII. EXECUTIVE SESSION

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

- 1. One Case

- B. Conference with Legal Counsel - Existing Litigation  
(Pursuant to Paragraph (1) of Subdivision (d) of California Government Code Section 54956.9)

- 1. Sandra J. Claggett v. County of Los Angeles, et al. etc.  
LASC Case No. BC681877  
For Information Only

XIII. ADJOURNMENT

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

*Persons requiring an alternative format of this agenda pursuant to Section 202 of the Americans with Disabilities Act of 1990 may request one by calling the Board Offices at (626) 564-6000, Ext. 4401/4402 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 REGULAR MEETING OF THE BOARD OF RETIREMENT  
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

9:00 A.M., THURSDAY, FEBRUARY 14, 2019

PRESENT: Alan Bernstein, Chair  
Les Robbins, Vice Chair  
Gina Zapanta-Murphy, Secretary  
Vivian H. Gray  
Shawn R. Kehoe  
Joseph Kelly  
Keith Knox (Chief Deputy to Joseph Kelly)  
Ronald Okum  
Herman Santos  
Thomas Walsh

ABSENT: JP Harris (Alternate Retired)  
William Pryor (Alternate Safety)

STAFF ADVISORS AND PARTICIPANTS

Lou Lazatin, Chief Executive Officer  
John Popowich, Assistant Executive Officer  
Steven P. Rice, Chief Counsel

I. CALL TO ORDER

The meeting was called to order by Mr. Bernstein at 1:30 p.m., in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was conducted at the joint Board meeting prior to this meeting.

III. OTHER COMMUNICATIONS

Without objection, the following items were moved to the next meeting.

A. For Information

1. December 2018 All Stars
2. Chief Executive Officer's Report  
(Memo dated February 4, 2019)

IV. PUBLIC COMMENT

There were no requests from the public to speak.

V. CONSENT ITEMS

Mr. Robbins made a motion, Mr. Okum seconded, to approve Consent Items B-D and Non-Consent Items A-C. The motion passed unanimously. Consent Item A was moved to the next meeting.

- A. Recommendation as submitted by Shawn R. Kehoe, Chair, Operations Oversight Committee: That the Board of Retirement adopt the Administrative Appeals Procedures for Felony Forfeiture. (Memo dated February 4, 2019)

V. CONSENT ITEMS (Continued)

- B. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer: That the Board 1) Approve a visit during the month of March 2019 in Sacramento, CA with the California State Legislature by staff as designated by the Chair of the Boards of Retirement; and 2) Approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy. (Memo dated February 4, 2019)
  
- C. Recommendation that the Board approve attendance of Board members at the 2019 Traumatic Brain Injury Legal Conference on April 5-6, 2019 in San Diego, California and approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy. (Placed on the agenda at the request of Mrs. Zapanta-Murphy) (Memo dated February 5, 2019)
  
- D. Recommendation that the Board approve attendance of Board members at the National Association of Corporate Directors – Advanced Director Professionalism Program on June 17–18, 2019 in Chicago, Illinois and approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy. (Memo dated February 5, 2019) (Placed on the agenda at the request of Mr. Bernstein)

VI. NON-CONSENT ITEMS

Without objection, the following items were moved to the Consent Items.

- A. Recommendation as submitted by Bernie Buenaflor, Division Manager, Benefits Division: That the Board 1) Determine, based upon the medical evaluation from the Los Angeles County Office of Occupational Health Programs, that Earl Fred Leaf III is not incapacitated for the assigned duties, and 2) Grant the application of Earl Fred Leaf III for reinstatement to active membership. (Memo dated January 29, 2019)
  
- B. Recommendation as submitted by Beulah Auten, Chief Financial Officer: That the Board for year ended December 2018, determine the Consumer Price Index changed by 3.24% (or when rounded to the nearest one-half of 1.00% as the COLA benefit rules require, 3.00%: the LACERA 2019 COLA Award), and approve cost-of-living increases and respective COLA Accumulation adjustments for retired LACERA members and beneficiaries, based on retirement plan and date of retirement or death, to become effective April 1,

VI. NON-CONSENT ITEMS (Continued)

2019 in accordance with applicable California Government Code Sections.  
(Memo dated February 1, 2019)

- C. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board Approve the ballot insert entitled “Powers and Duties of Retirement Board Members,” which will be included with the ballot materials for the election of the Seventh Member and the Alternate Safety Member of the Board of Retirement and posted on lacera.com.  
(Memo dated February 5, 2019)

VII. REPORTS

Without objection, the following Items were moved to the next Board meeting.

- A. For Information Only as submitted by Jonathan Grabel, Chief Investment Officer, regarding Trustees United. (Memo dated January 28, 2019)
- B. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the January 2019 Fiduciary Counsel Contact and Billing Report. (Memo dated February 4, 2019) (Privileged and Confidential Attorney-Client Communication/Attorney Work Product)

VIII. ITEMS FOR STAFF REVIEW

There was nothing to report.

IX. GOOD OF THE ORDER  
(For information purposes only)

There were no comments made during Good of the Order.

X. EXECUTIVE SESSION

Without objection, the following Items were moved to the next Board meeting.



X. EXECUTIVE SESSION (Continued)

A. Conference with Legal Counsel - Existing Litigation  
(Pursuant to Paragraph (1) of Subdivision (d) of California Government  
Code Section 54956.9)

1. Sandra J. Claggett v. County of Los Angeles, et al. etc.  
LASC Case No. BC681877  
For Information Only

B. Conference with Legal Counsel – Initiation of Litigation  
Paragraph (4) of Subdivision (d) of Section 54956.9

1. One Case

XI. ADJOURNMENT

Green Folder Information (Information distributed in each Board Member’s Green Folder  
at the beginning of the meeting)

1. Status of Appeals Arising from the County’s Overpayment of the Deputy Sheriff Level  
II Bonus (Memo dated February 12, 2019) (Attorney-Client Communication and  
Attorney Work Product)
2. LACERA’s Request for Publication: *Mijares et al. v. Orange County Employees  
Retirement System* Case No. G055439 (Memo dated February 12, 2019) (For  
Information Only)

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GINA ZAPANTA-MURPHY, SECRETARY

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ALAN BERNSTEIN, CHAIR



February 4, 2019

TO: Each Member  
Board of Retirement  
Board of Investments

FROM: Lou Lazatin  
Chief Executive Officer

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

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

### **March Madness**

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

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

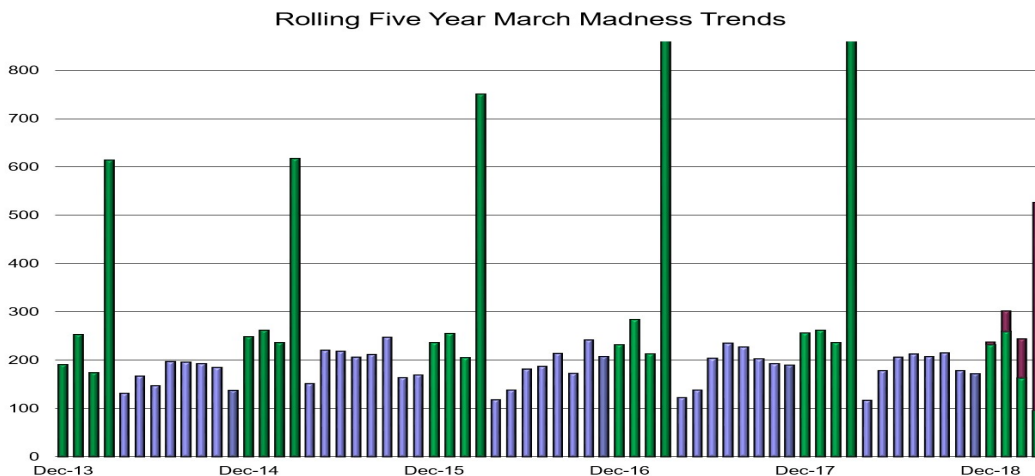
<b>Retirement Month</b>	<b>Retirement Elections</b>
December 2018	<b>6</b>
January 2019	<b>43</b>
February 2019	<b>81</b>
March 2019	<b>432</b>
Pending Disability Cases	<b>113</b>
<b>Total Pending</b>	<b>675</b>

The 562 retirement elections not completed for December - March are pending for the following reasons: additional research or information required (16), processed after the month end payroll process (51), in process (actively assigned for work) (193), and pending processing (302).

The 113 Pending Disability Cases represents the number of approved disability cases being processed by the Benefits Division. Once a disability has been granted by the Board, the Benefits Division staff work with the member and their employer to select a disability effective date, determine the member's option election, and bring them on payroll. These disability cases are pending for the following reasons: pending research (2), waiting for reciprocal validation (3), in process (47), pending a decision on the effective date (16), and waiting for an action by the member (45). These cases are not assigned to a specific month in the "March Madness" period because the final effective date has not been determined. As with service retirements, some cases have mitigating factors such as legal splits and uncompleted purchases, which can also extend processing. We expect to successfully meet the retirement agenda deadlines for a majority of our March Madness retirees.

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

The green bars in the following chart reflect those members who have been approved to retire (i.e., their retirement elections have been approved and completed). The red bars reflect those cases that have not been processed as of the date of this report. As of January 25, 2019, we have processed 749 out of 1311 retirements for the March Madness period so far. Comparing the total processed and pending per month we are running on ahead of the five-year average (last five completed years) for both December (238 vs. avg. of 233) and January (302 vs. avg. of 263). Putting this into perspective during last year's March Madness 1,685 members retired, which was higher than the rolling five-year average of 1,466 (the five-year averages may change from month to month as disability cases are processed due to retroactive retirement dates).



### **Expanded Member Service Hours for March Madness**

March Madness is in full swing here at LACERA and we have seen our appointment schedule for the Member Services Center fill up quickly. Recognizing the calendar was already full for the month of January and almost full for the month of February, Member Services and the Systems teams teamed up to expand our hours of operation to six days a week through the end of March. The Member Services Center will be open every Saturday from January 26, 2019 through March 16, 2019 for several hours. This will allow LACERA to offer additional appointment slots for Saturday. Additionally, we will be offering the Pre-Retirement Workshop each Saturday. I would like to recognize and thank the entire Member Services and Systems teams for their efforts to assist our members.

### **Taking Advantage of Opportunities to Improve Operations**

One of my priorities when I joined LACERA was to meet one on one with each Board member, manager, and talk to as many staff members as I could to get a sense of what each feels LACERA could do to fulfill our mission and provide the highest level of service we can to our members. During these meetings, there were a few operational opportunities that were consistent across all stakeholders. We have formed working teams to focus our efforts on these opportunities:

- **Case Management Capabilities:** The Legal Office, Disability Retirement Services (DRS), and Disability Litigation have all identified the need for a case management software solution. This request has been around since the re-engineering of DRS, which began circa 2012. A team consisting of Systems, the Legal Office, Disability Retirement Services (DRS), Disability Litigation and the Executive Office has begun discussing how we can provide case management capabilities to the Legal Office, Disability Litigation and DRS.
- **Workspace Development:** An offshoot of the Case Management discussion lead to a discussion about the future of Workspace (our member services software package) and two specific areas: the job ticket system and the ability to ingest electronic documents into the Member Document Library. The job ticket system has been part of our Strategic Plan for several years now, and was meant to serve as a case management tool for Benefits and Member Services. The need to electronically take in documents was a second area of discussion and would support all of the member facing divisions in their efforts to serve members better and in the case of the Legal Office comply with current court requirements. A team consisting of Systems, Benefits, Member Services, DRS, and Retiree Healthcare was created, to focus on developing case management capability for our Member Services Workspace program.

- **Matter/Knowledge Management System:** Investments, Legal Services, and Systems have been working together for over a year to develop requirements and evaluate various software providers of knowledge management systems. The idea was to create an environment where knowledge and work papers could be shared among staff members and where processes could be developed to streamline routine work. This team is nearing the end of the product evaluation stage and will soon be recommending a vendor and software package to the Boards for approval.
- **Business Continuity:** Administrative Service introduced the next phase of an existing project to revamp our Business Continuity program at our January management team meeting. Administrative Services has partnered with SunGuard – a respected consulting company that provides program design and software to support a robust business continuity program. Over the next year, SunGuard will assess LACERA's current business continuity plan and work with management to create a new program that will include regular education and drills to keep the staff members prepared in the case of an emergency.
- **Contract Management System:** Administrative Services also announced it is rolling out our updated Contract Management System for the benefits side of LACERA. This system will allow LACERA to more effectively monitor the contract adherence.
- **Procurement Policy:** The Administrative Services team has led a multi-year, comprehensive effort to update our Procurement Policy. The most recent draft of this policy is ready to be reviewed by the LACERA management team. We hope to have a suggested policy before the March 2019 Operations Oversight Committee meeting.

Two more cross functional teams will be formed in the next few weeks: A team will be formed to focus on moving the website redevelopment project forward. This project is not just a structural re-design of the website but a complete review of all the material on the website and will be conducted in phases. We will also be forming another team to evaluate our current accounting system software and looking for ways to integrate the budgeting software with the accounting system.

Finally, the next Management Offsite is scheduled for February 5<sup>th</sup>. As outlined at the Board of Retirement Offsite, the team will be evaluating the Strategic Plan in context of our recently completed SWOT, prioritizing goals, and forming work teams who will be responsible for drafting project plans to complete the prioritized goals by the end of the year.

### **The Brown Bag: A Continuing Success Story**

We are continuing LACERA's long-standing Brown Bag Meeting tradition; where each month the CEO hosts a meeting that any staff member is welcome to attend on their lunch break. It is an opportunity for the CEO to share what the organization is working on, insights about our industry, and answer questions staff members may have. We also invite guest speakers from various parts of LACERA's organization to talk about their part in fulfilling the LACERA mission.

This month Vanessa Gonzalez and Stephanie Kawai shared the Pre-Conversion Service Credit Project presentation provided to Board members at the recent Offsite with staff members. The presentation was extremely well received by the staff in question, the presenters received several compliments, and encouragement from staff members who feel this project would definitely help us improve our efficiency, accuracy, and speed up our turnaround time for member requests.

### **New Core Benefits Training Class**

We are excited to announce we started a new Core Benefits Training class this month. The Core Benefits Training program is a rigorous year-long training regime including a mix of classroom instruction, testing, detailed case analysis, case discussion, and real-time production experience. Throughout training, 100% of the employee's work is checked for quality with feedback being provided in a very collegial learning environment. The new class consists of fourteen new hires that are all scheduled to work in Member Services as we beef up our staff to support the Rotating Day Off (RDO) Schedule, additional call volume, and to fill positions vacated due to internal promotional opportunities.

### **NCPERS Legislative Conference**

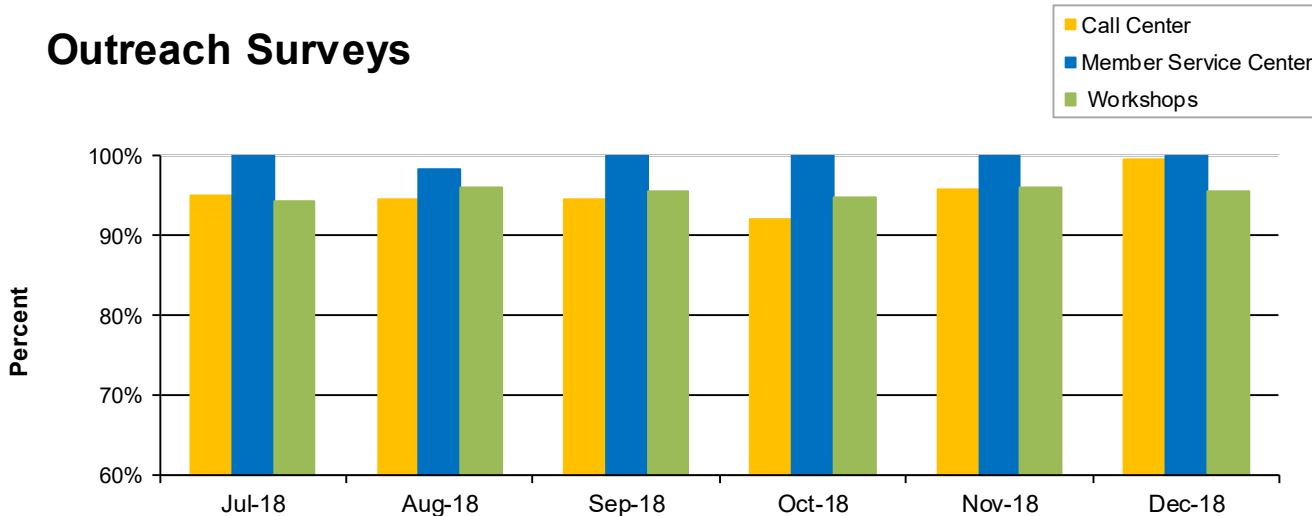
An important part of protecting members' benefits includes advocating on LACERA's behalf and maintaining relationships with lawmakers. At the end of January, Trustees Alan Bernstein, Herman Santos, Gina Sanchez, and Wayne Moore, Legislative Affairs Officer Barry Lew, and I visited with congressional representatives and our senators as part of the NCPERS Legislative Conference in Washington, D.C. including the following: Nancy Pelosi - 12<sup>th</sup> District; Judy Chu, PhD. - 27<sup>th</sup> District; Adam Schiff, Esq. - 28<sup>th</sup> District; Brad Sherman - 30<sup>th</sup> District; Ted Lieu - 33<sup>rd</sup> District; Jimmy Gomez - 34<sup>th</sup> District; Linda Sanchez - 38<sup>th</sup> District; Gilbert Cisneros - 39<sup>th</sup> District; and Senators Diane Feinstein and Kamala Harris. Cultivation of relationships with each congressional district staff will be made as a follow-up to these successful visits.

# LACERA's KEY BUSINESS METRICS

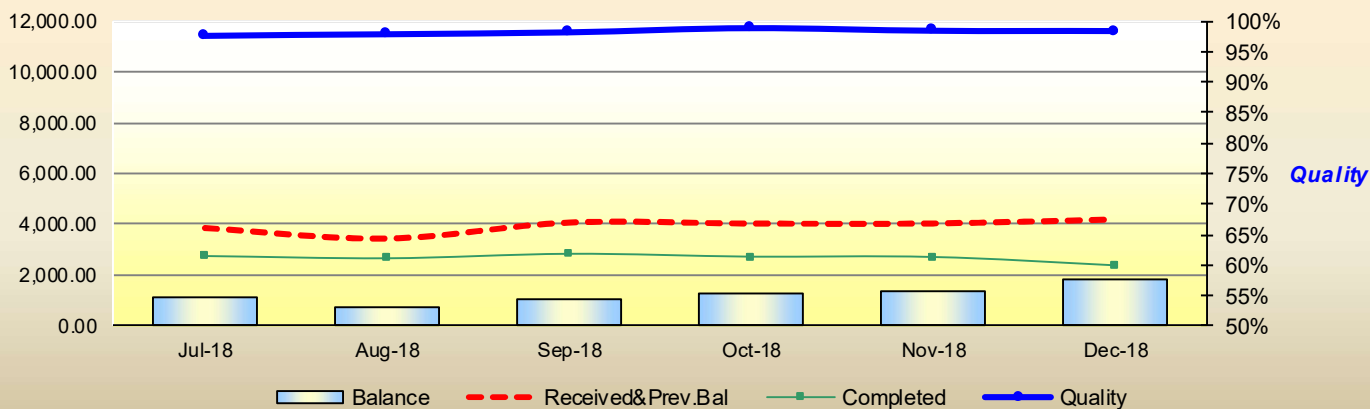
## OUTREACH EVENTS AND ATTENDANCE

Type	# of WORKSHOPS		# of MEMBERS	
	Monthly	YTD	Monthly	YTD
Benefit Information	10	98	336	6,312
Mid Career	1	16	15	840
New Member	7	60	138	1,459
Pre-Retirement	5	38	90	924
General Information	0	17	0	864
Retiree Events	1	3	75	275
Member Service Center	Daily	Daily	1,765	9,881
<b>TOTALS</b>	<b>24</b>	<b>232</b>	<b>2,419</b>	<b>20,555</b>

## Outreach Surveys



## Benefits and Member Services Production and Quality Summary (Rolling 6 Months)



Member Services Contact Center			RHC Call Center	Top Calls
Overall Key Performance Indicator (KPI)		92.58%		
<b>Category</b>	<b>Goal</b>	<b>Rating</b>		
Call Center Monitoring Score	95%	96.93%	100%	<u>Member Services</u>
Grade of Service (80% in 60 seconds)	80%	47%	25%	1) Benefit Pmts.-Gen. Inq./Payday Info
Call Center Survey Score	90%	99.54%	77.90%	2) Workshop Info.Appointments: Inquiry
Agent Utilization Rate	65%	73%	76%	3) Retirement Counseling: Process Overview
Number of Calls		10,219	5,961	<u>Retiree Health Care</u>
Number of Calls Answered		9,042	4,558	1) Part B Premium Reimbursement
Number of Calls Abandoned		1,177	1,403	2) Medical Benefits-Gen. Inquiries (RHC)
Calls-Average Speed of Answer (hh:mm:ss)		00:04:02	00:09:12	3) Dental/Vision Benefits Gen. Inquiries
Number of Emails		260	241	
Emails-Average Response Time (hh:mm:ss)		04:19:12	(Days) 1	Adjusted for weekends

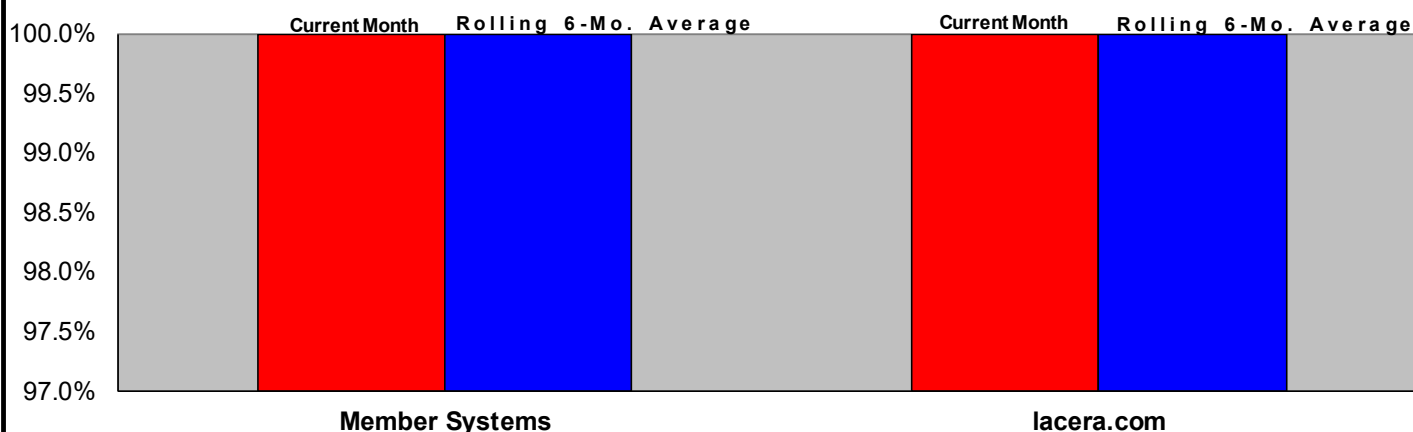
## LACERA's KEY BUSINESS METRICS

Fiscal Years	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Assets-Market Value	\$30.5	\$33.4	\$39.5	\$41.2	\$43.7	\$51.1	\$51.4	\$50.9	\$55.8	\$59.4
Funding Ratio	88.9%	83.3%	80.6%	76.8%	75.0%	79.5%	83.3%	79.4%	79.9%	80.6%
Investment Return	-18.3%	11.6%	20.2%	0.0%	11.9%	16.5%	4.1%	0.8%	12.7%	9.0%

### DISABILITY INVESTIGATIONS

APPLICATIONS	TOTAL	YTD		APPEALS	TOTAL	YTD
On Hand	530	xxxxxxx		On Hand	98	xxxxxxx
Received	51	243		Received	1	11
Re-opened	0	0		Administratively Closed/Rule 32	0	8
To Board – Initial	47	274		Referee Recommendation	1	6
Closed	6	13		Revised/Reconsidered for Granting	0	4
<b>In Process</b>	<b>530</b>	<b>530</b>		<b>In Process</b>	<b>98</b>	<b>98</b>

### SYSTEMS AVAILABILITY - DECEMBER 2018



Active Members as of 1/18/19		Retired Members/Survivors as of 1/18/19			Retired Members		
		Retirees	Survivors	Total			
General-Plan A	127	17,224	4,488	21,712	Monthly Payroll	281.03 Million	
General-Plan B	42	684	66	750	Payroll YTD	1.7 Billion	
General-Plan C	52	421	67	488	No. Monthly Added	253	
General-Plan D	42,793	14,817	1,357	16,174	Seamless %	98.42%	
General-Plan E	17,922	12,700	1,136	13,836	No. YTD Added	1,723	
General-Plan G	25,352	20	1	21	Seamless YTD %	97.74%	
<b>Total General</b>	<b>86,288</b>	<b>Total General</b>	<b>45,866</b>	<b>7,115</b>	<b>52,981</b>	Direct Deposit %	96.00%
Safety-Plan A	5	5,364	1,591	6,955			
Safety-Plan B	10,149	5,499	273	5,772			
Safety-Plan C	2,795	8	0	8			
<b>Total Safety</b>	<b>12,949</b>	<b>Total Safety</b>	<b>10,871</b>	<b>1,864</b>	<b>12,735</b>		
<b>TOTAL ACTIVE</b>	<b>99,237</b>	<b>TOTAL RETIRED</b>	<b>56,737</b>	<b>8,979</b>	<b>65,716</b>		

#### Health Care Program (YTD Totals)

	Employer Amount	Member Amount
Medical	255,593,253	21,420,135
Dental	21,805,689	2,209,074
Med Part B	31,304,449	xxxxxxxxxx
<b>Total Amount</b>	<b>\$308,703,391</b>	<b>\$23,629,209</b>

#### Health Care Program Enrollments (Monthly)

Medical	50,312
Dental	51,543
Med Part B	33,892
Long Term Care (LTC)	657

#### Funding Metrics as of 6/30/18

Employer Normal Cost	9.92%
UAAL	10.99%
Assumed Rate	7.25%
Star Reserve	\$614 million
Total Assets	\$56.3 billion

#### Member Contributions as of 6/30/18

Annual Additions	\$591.3 million
% of Payroll	6.88%

#### Employer Contributions as of 6/30/18

Annual Addition	\$1,524.8 million
% of Payroll	20.91%



# Striving for Excellence in Service



**Outreach Attendance**  
**2,419**

20,555 Year-to-Date



**Outreach Events**  
**24**

232 Year-to-Date



**Outreach Satisfaction**  
**95.5%**

0.6% Change Since Last Mo.



**Member Service Center**  
**100.0%**

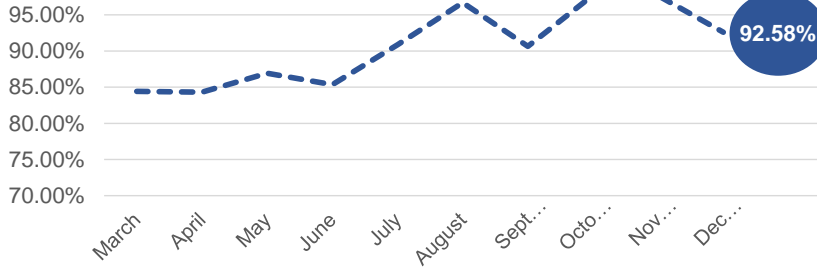
0.0% Change Since Last Mo.



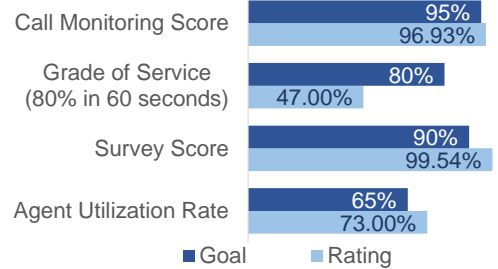
**Member Services Calls**  
**10,219**

9,799 3 Mo. Avg.

## Key Performance Indicator (Overall Performance)



## Key Performance Indicator (Components)



## Member Services



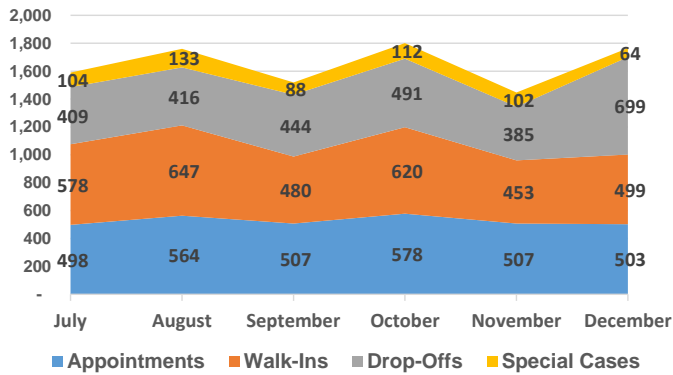
## Top Calls

- Benefit Payments: Gen. Inquiry/Payday Info
- Workshop Info./Appointments: Inquiry
- Retirement Counseling: Process Overview

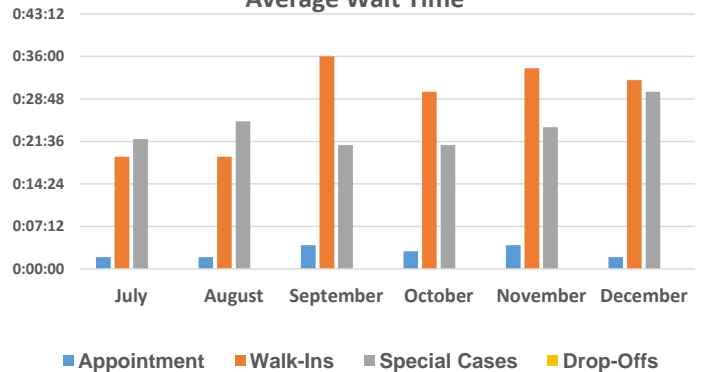


**260 Emails**  
**4:19 hours**  
Avg. Response Time (ART)

## Member Service Center Visits

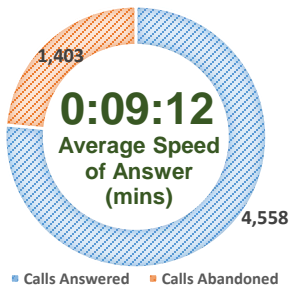


## Member Service Center Average Wait Time



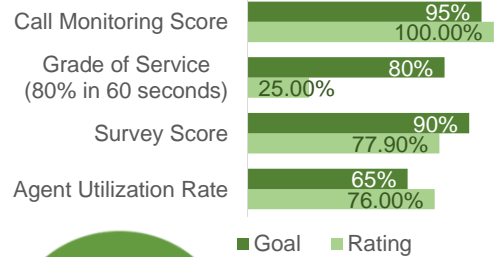
\*Drop Off Wait Time: No Waiting

## Retiree Healthcare



## Top Calls

- Part B Premium Reimbursement
- Med. Benefits - General Inquiries (RHC)
- Dental/Vision Benefits Gen. Inquiries



**241 Emails**  
**1 day**  
Avg. Response Time (ART)

## Striving for Excellence in Service (Continued)

### Applications

**530**

On Hand

- 51 Received
- 243 Year-to-Date
- 0 Re-opened
- 0 Year-to-Date
- 47 To Board - Initial
- 274 Year-to-Date
- 6 Closed
- 13 Year-to-Date
- 530 In Process
- 530 Year-to-Date

### Appeals

**98**

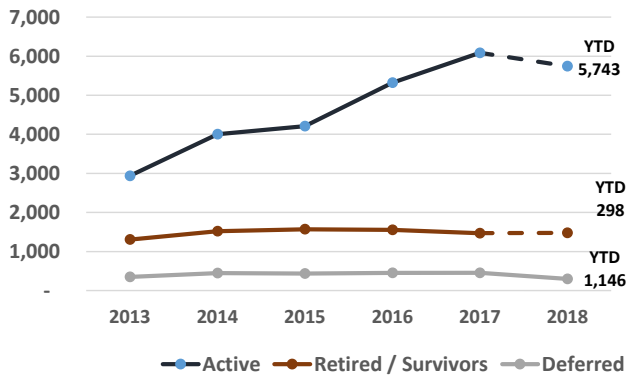
On Hand

- 1 Received
- 11 Year-to-Date
- 0 Admin Closed/Rule 32
- 8 Year-to-Date
- 1 Referee Recommended
- 6 Year-to-Date
- 0 Revised/Reconsidered for Granting
- 4 Year-to-Date
- 98 In Process
- 98 Year-to-Date

Disability

### My LACERA Registrations

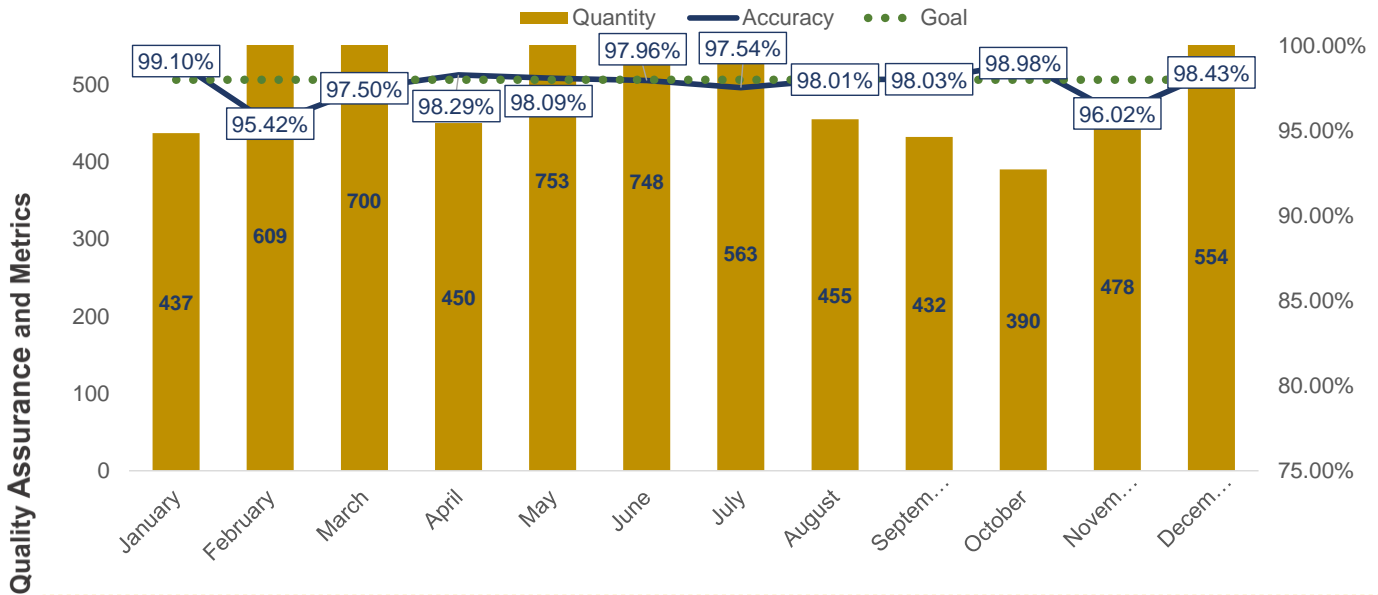
My LACERA



MORE COMING SOON!

## Striving for Excellence in Quality

### Audits of Retirement Elections, Payment Contracts, and Data Entry



**December 2018**  
**98.43%**



#### Retirement Elections

**254** Samples  
**98.87%** Accuracy

#### Payment Contracts

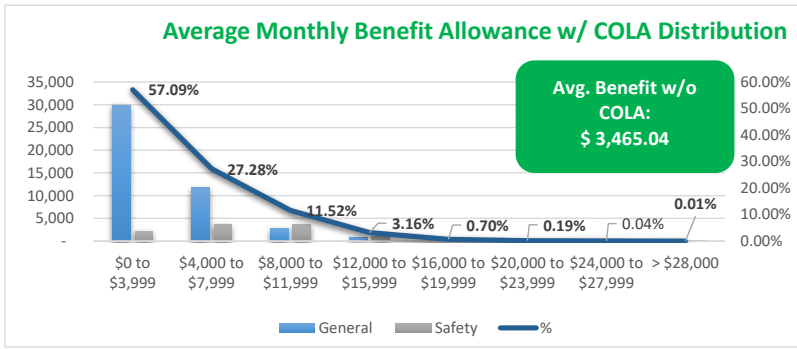
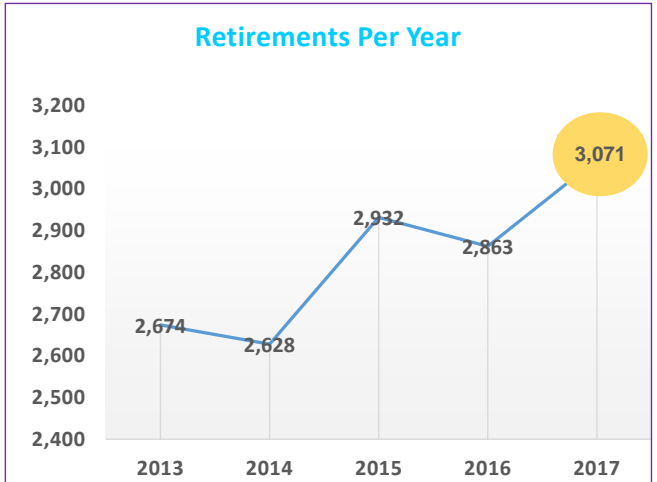
**190** Samples  
**96.81%** Accuracy

#### Data Entry

**90** Samples  
**99.61%** Accuracy

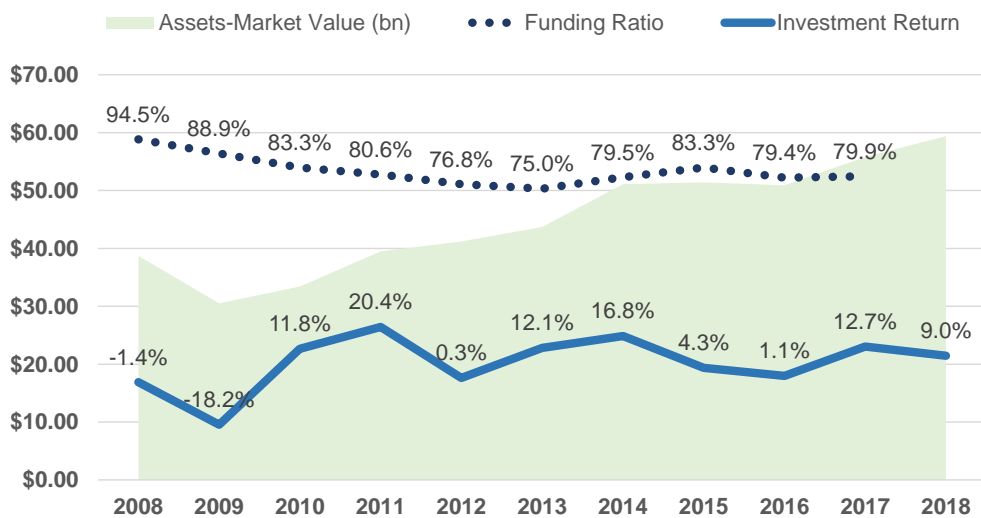
## Member Snapshot

	Members as of 01/18/19				
	Plan	Active	Retired	Survivors	Total
<b>General</b>	Plan A	127	17,224	4,488	<b>21,839</b>
	Plan B	42	684	66	<b>792</b>
	Plan C	52	421	67	<b>540</b>
	Plan D	42,793	14,817	1,357	<b>58,967</b>
	Plan E	17,922	12,700	1,136	<b>31,758</b>
	Plan G	25,352	20	1	<b>25,373</b>
	<b>Total General</b>	<b>86,288</b>	<b>45,866</b>	<b>7,115</b>	<b>139,269</b>
<b>Safety</b>	Plan A	5	5,364	1,591	<b>6,960</b>
	Plan B	10,149	5,499	273	<b>15,921</b>
	Plan C	2,795	8	0	<b>2,803</b>
	<b>Total Safety</b>	<b>12,949</b>	<b>10,871</b>	<b>1,864</b>	<b>25,684</b>
<b>TOTAL MEMBERS</b>	<b>99,237</b>	<b>56,737</b>	<b>8,979</b>	<b>164,953</b>	
<b>% by Category</b>	<b>60%</b>	<b>34%</b>	<b>5%</b>	<b>100%</b>	



Healthcare Program (YTD)		Healthcare Enrollments (Monthly)	
	Employer	Member	
Medical	\$255.6m	\$21.4m	Medical 50,312
Dental	\$21.8m	\$2.2m	Dental 51,543
Part B	\$31.3m	xxxx	Part B 33,892
<b>Total</b>	<b>\$308.7m</b>	<b>\$23.6m</b>	<b>Total 136,404</b>

## Key Financial Metrics



### Funding Metrics (as of 6/30/18)

Employer NC	9.92%*
UAAL	10.99%
Assumed Rate	7.25%
Star Reserve	\$614m*
Total Assets	\$56.3b*

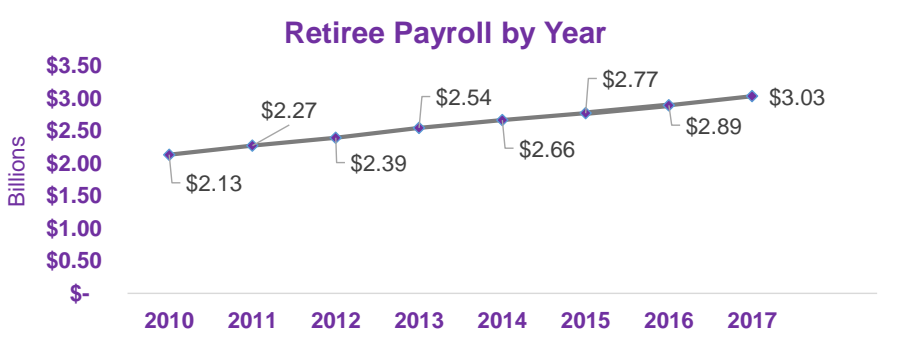
### Contributions (as of 6/30/18)

	Employer	Member
Annual Add	\$1,524.8m	\$591.3m
% of Payroll	20.91%	6.88%

\*Effective July 1, 2018, as of 06/30/18 actuarial valuation

### Retired Members Payroll

Monthly Payroll	\$281.03m
Payroll YTD	1.7b
New Retired Payees Added	253
Seamless %	98.42%
New Seamless Payees Added	1,723
Seamless YTD	97.74%
By Check %	4.00%
By Direct Deposit %	96.00%



Date	Conference
<b>March, 2019</b>	
2-5	CALAPRS (California Association of Public Retirement Systems) General Assembly Meeting Monterey, CA
3-5	2019 PPI Study Mission to Mexico City Mexico City, Mexico
4-6	Council of Institutional Investors (CII) Spring Conference Washington D.C.
13-14	AHIP (America's Health Insurance Plans) National Health Policy Conference Washington D.C.
14-15	PREA (Pension Real Estate Association) Spring Conference Dallas, TX
27-29	CALAPRS (California Association of Public Retirement Systems) Advanced Principles of Pension Management for Trustees at UCLA Los Angeles, CA
28	NASP (National Association of Securities Professionals) Day of Education in Private Equity Los Angeles, CA
<b>April, 2019</b>	
8-10	IFEBP (International Foundation of Employment Benefit Plans) Investments Institute Phoenix, AZ
10-13	2019 Forum for Institutional Investors: Protecting Shareholder Rights New Orleans, LA
14-17	CRCEA (California Retired County Employees Association) Spring Conference San Diego, CA
28-May 1	World Healthcare Congress Washington D.C.
28-May 1	Milken Institute Global Conference Beverly Hills, CA
<b>May, 2019</b>	
6-8	IFEBP (International Foundation of Employment Benefit Plans) Health Care Mgmt. Conference Boston, MA
7-10	SACRS Spring Conference Lake Tahoe, CA
19-22	Government Finance Officers Association (GFOA) Annual Conference Los Angeles, CA



March 4, 2019

TO: Each Member  
Board of Retirement  
Board of Investments

FROM: Lou Lazatin  
Chief Executive Officer

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

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

### **March Madness**

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

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

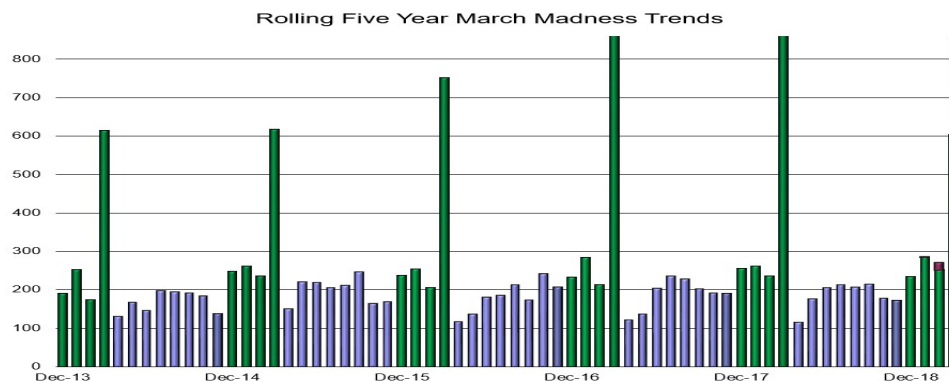
<b>Retirement Month</b>	<b>Retirement Elections</b>
December 2018	<b>0</b>
January 2019	<b>3</b>
February 2019	<b>21</b>
March 2019	<b>333</b>
Pending Disability Cases	<b>79</b>
<b>Total Pending</b>	<b>436</b>

The 357 retirement elections not completed for December - March are pending for the following reasons: additional research or information required (12), processed after the month end payroll process (25), in process (actively assigned for work) (208), and pending processing (112).

The 79 Pending Disability Cases represents the number of approved disability cases being processed by the Benefits Division. Once a disability has been granted by the Board, the Benefits Division staff work with the member and their employer to select a disability effective date, determine the member's option election, and bring them on payroll. These disability cases are pending for the following reasons: pending research or appeal (5), waiting for reciprocal validation (2), in process (42), pending a decision on the effective date (5), and waiting for an action by the member (25). These cases are not assigned to a specific month in the "March Madness" period because the final effective date has not been determined. As with service retirements, some cases have mitigating factors such as legal splits and uncompleted purchases, which can also extend processing. We expect to successfully meet the retirement agenda deadlines for a majority of our March Madness retirees.

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

The green bars in the following chart reflect those members who have been approved to retire (i.e., their retirement elections have been approved and completed). The red bars reflect those cases that have not been processed as of the date of this report. As of March 1, 2019, we have processed 1,376 out of 1,733 retirements for the March Madness period so far. Comparing the total processed and pending per month we are running on ahead of the five-year average (last five completed years) for both December (238 vs. avg. of 233), January (302 vs. avg. of 263), and February (273 vs. avg. 213). Putting this into perspective during last year's March Madness 1,685 members retired, which was higher than the rolling five-year average of 1,466 (the five-year averages may change from month-to-month as disability cases are processed due to retroactive retirement dates).



### **Expanded Member Service Hours for March Madness**

The expanded hours for March Madness seem to be a hit so far with our members. On average we are seeing about 60 people each Saturday between the Workshop and the one-on-one counseling hours. The feedback received from members indicates they appreciate the extended service hours. The Member Services and Systems teams have done a tremendous job coordinating together to provide this service. We are now working to make this a permanent service offered each March Madness period.

### **Update on Our Focus on Strategic Plan Goals and Operations Improvement**

As I outlined last month, our Workgroups focusing on the four prioritized Strategic Plan goals, are meeting weekly and developing their work plans to complete their respective goals. The entire management team gathered on February 5<sup>th</sup> to finalize the Workgroups that are focusing on completing our prioritized goals and to discuss the need to develop project plans for each goal. On February 20<sup>th</sup>, the team met again to hear the team's progress. Each team turned in drafts of their proposed project plans to date. The teams will continue fleshing out the plans with final plans due within the next 30-60 days. As reminder our teams are:

- **Case Management Capabilities:** The Legal Office, Disability Retirement Services (DRS), and Disability Litigation have all identified the need for a case management software solution. This request has been around since the re-engineering of DRS, which began circa 2012. A team consisting of Systems, the Legal Office, Disability Retirement Services (DRS), Disability Litigation and the Executive Office has begun discussing how we can provide Case Management Capabilities to the Legal Office, Disability Litigation and DRS. This team has been merged with the Workspace Development team outlined in my January CEO Report.

Both teams recognized the synergy the two teams could achieve by working together as one. While each team has unique case management tool needs and processes, both case management processes will need to work together to provide service to our members. Cases often start in one division and have to circle through several other divisions before it can be completed and ensuring they all work as one will improve member services. Member Services, Benefits, Retiree Healthcare and Quality Assurance are working with Systems to complete an initial needs analysis to make sure we have a similar needs document for both teams. Within the next few months we will begin evaluating consultants to help come in and complete an overall needs assessment so we can define what we need to build. This goal combines three separate Case Management goals from our Strategic Plan and will likely be completed in phases defined by our needs assessment.

- **LACERA.com Redesign:** We have been working on a redesign of the LACERA.com for several years. This month a Workgroup began meeting and developing plans to move this effort towards the finish line. The team is headed up by Communications consists of members from Benefits, Disability Retirement Services, the Executive Office, Financial Accounting Services, Internal Audit, Investments, the Legal Office, Member Services, Retiree Healthcare, and Systems. The team is building upon the site architecture designed by the Systems Division over the last several years. They are currently assessing site navigation on several mid to large size pension system websites and will be defining a preliminary navigation flow in the next week or so. The team is on target to develop a robust project plan that will be the roadmap to launching a new website.
- **Retirement Estimate Redesign Project:** Another of our Strategic Plan goals that the Management Team prioritized is the redesign of the Retirement Benefit Estimate and Election form. The organization has been discussing the need for a redesigned estimate and election for many years. The team is in the early stages of discussing design concepts. For example, one concept being considered is the development of a “retirement prospectus” with a separate election form. The revised design would be able to provide a member all the information they need to make an informed decision and help them understand their benefits better, which can enhance any one on one counseling they receive. This is just one idea out of many the team is considering and we look forward to seeing what their final design will be. Additionally, the team has decided to incorporate an on-line election process in their redesign efforts (taking an opportunity to tackle a related Strategic Plan goal). The team is on track to complete their project plan within the next 30-60 days.
- **PEPRA Implementation:** This team is reviewing all the progress made to date on the implementation of the Public Employees Pension Reform Act of 2013 and subsequent updates to the act passed since then. This final stage of our implementation plan is to review all work completed to date and make sure that we have addressed all areas of the legislation. One area of focus is the actual retirement process for PEPRA members. With over 25,000 PEPRA plan members we are beginning to see a few retirements being filed. The Workgroup consists of members from Benefits, Communications, the Executive Office, Internal Audit, the Legal Office, Member Services, Quality Assurance, and Systems.

In addition, to these Strategic Plan Workgroups several other cross functional teams are working hard to provide improvements to LACERA's operations and the services we provide to our members.



- **Matter/Knowledge Management System:** Investments, Legal Services, and Systems have been working together for over a year to develop requirements and evaluate various software providers of knowledge management systems. The idea was to create an environment where knowledge and work papers could be shared among Staff Members and where processes could be developed to streamline routine work. This team is making a vendor selection recommendation to the Operations Oversight Committee this month.
- **Business Continuity:** Last month we announced that Administrative Services introduced the next phase of an existing project to revamp our Business Continuity program at our January Management Team meeting. Administrative Services had partnered with SunGard – a respected consulting company that provides program design and software to support a robust business continuity program. At a recent kickoff meeting LACERA's Executive Office was informed the company had been acquired by Assurance Software, Inc. As a result, in the change of ownership, we have placed this project on a temporary hold as we learn more about the acquisition and assess its impact on our long range plans.
- **Credit Card Policy:** Financial Accounting Services, the Executive Office, Internal Audit, and the Legal Office recently teamed up to update and issue a new Credit Card Policy. The Policy strengthens LACERA's procedures in a way that will provide better management oversight and adherence to the policy rules. The new rules were effective on March 1, 2019. All credit card carrying Staff Members have attended training on the new policy.

### **Active Assailant Readiness Training**

The world we live in can be a dangerous place and all too often we hear news about workplace violence event. These events can range from a disgruntled employee, a domestic violence situation or to a random active assailant. LACERA's number one asset is our Staff Members and we take their security very seriously. One of the best ways to protect Staff Members is to provide them training that prepares them with knowledge on how to prevent dangerous situations and how best to respond to mitigate the impact and maximize their safety. LACERA engaged Trident Shield to provide a comprehensive Active Assailant Readiness Training to create a culture of safety and trust for all Staff Members, both at work and at home. This Training educates Staff Members on preventing, preparing for, and surviving a security event in the workplace. The Training will help Staff Members to tune-in to their environment, to notice the indicators, and to respond appropriately and proactively.

### **Safety Incident: Restroom Dangers Addressed**

One of the smaller restrooms on the eighth floor experienced a minor toilet tank explosion that caused cosmetic and water damage to some of the Executive Office. A preliminary review of the event indicates the explosion was caused by a defective water Flushmate III Pressure Assist Flushing system. The product had been recalled by the manufacturer in 2016 and 2018. Fortunately, no one was injured during the incident. I'd like to thank Administrative Services, Systems, the Executive Office Staff Members and the Office of the Building for their quick response to help mitigate and begin repair of the damage. We have identified one other restroom in the building with a similar device and it has been taken offline and is being repaired. We also notified all Staff Members of the incident and how they can check to make sure their restrooms at home does not have a similar type of system.

### **CEO Report Dashboard**

About one year ago today we launched a new CEO Report Dashboard. The new report was updated with a new look and feel that modernized the report, making it easier to read at a glance. Since then we have published both the new and old report while we worked to finalize the content and design. The new report has been stabilized with minimal changes for the last several months and we feel it's time to retire the older version. Effective April 2019 the CEO Report we will no longer publish the old dashboard. As always, we welcome and encourage Board members to provide feedback on the report and any information they would like to see in the report going forward.

# Striving for Excellence in Service



**Outreach Attendance**  
**3,063**

23,618 Year-to-Date



**Outreach Events**  
**24**

256 Year-to-Date



**Outreach Satisfaction**  
**93.4%**

2.1% Change Since Last Mo.



**Member Service Center**  
**100.0%**

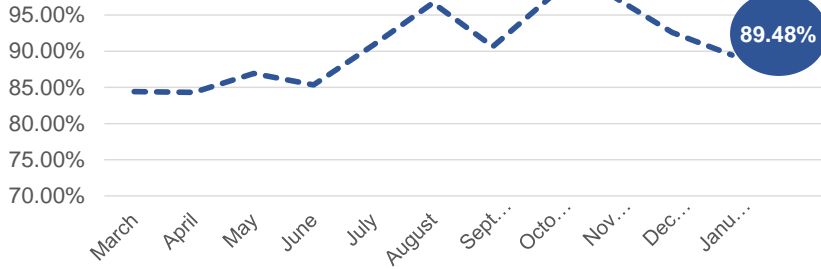
0.0% Change Since Last Mo.



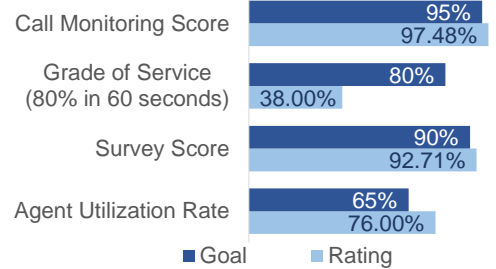
**Member Services Calls**  
**14,320**

10,916 3 Mo. Avg.

## Key Performance Indicator (Overall Performance)



## Key Performance Indicator (Components)



Member Services



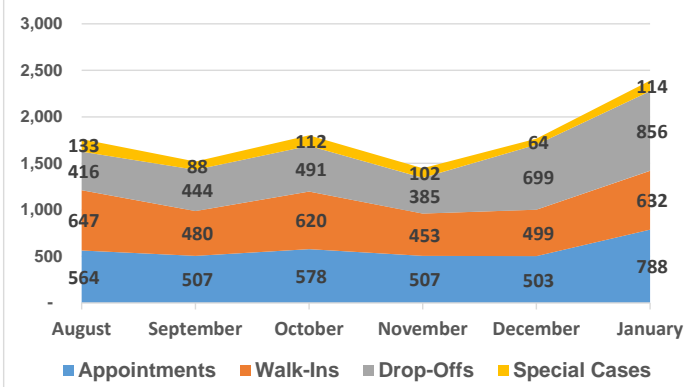
## Top Calls

1. Workshop Info./Appointments: Inquiry
2. Retirement Counseling: Estimate
3. Retirement Counseling: Process Overview

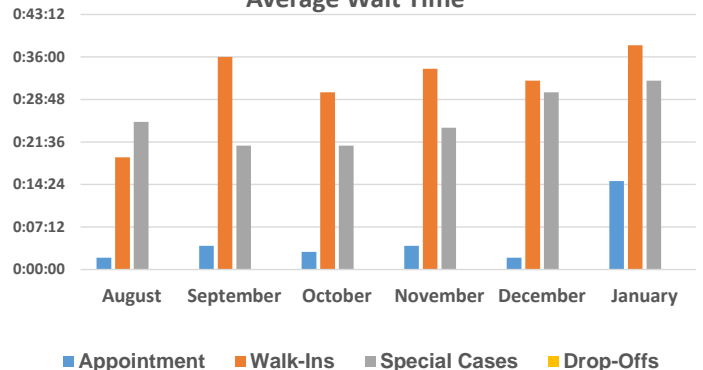


**513 Emails**  
**12:00 hours**  
Avg. Response Time (ART)

## Member Service Center Visits



## Member Service Center Average Wait Time



\*Drop Off Wait Time: No Waiting



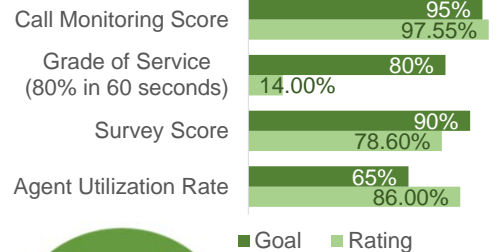
**Total RHC Calls: 8,355**

Retiree Healthcare



## Top Calls

1. General Inquiries (RHC)
2. Med. Benefits - General Inquiries (RHC)
3. Part B Premium Reimbursement



**224 Emails**  
**5 day**  
Avg. Response Time (ART)

## Striving for Excellence in Service (Continued)

### Applications

**523**

On Hand

32 Received  
 282 Year-to-Date  
 0 Re-opened  
 0 Year-to-Date  
 35 To Board - Initial  
 309 Year-to-Date  
 2 Closed  
 21 Year-to-Date  
 523 In Process  
 523 Year-to-Date

### Appeals

**99**

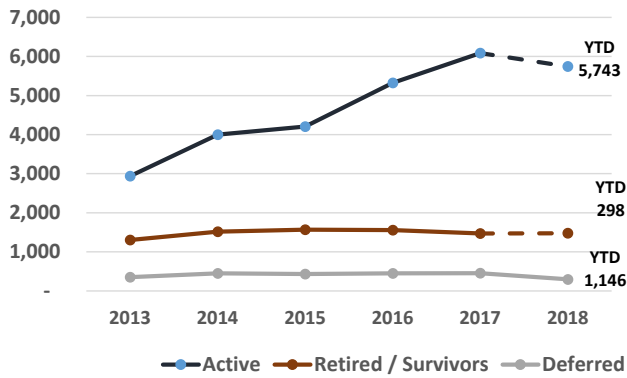
On Hand

3 Received  
 14 Year-to-Date  
 2 Admin Closed/Rule 32  
 10 Year-to-Date  
 1 Referee Recommended  
 7 Year-to-Date  
 0 Revised/Reconsidered for Granting  
 4 Year-to-Date  
 98 In Process  
 98 Year-to-Date

Disability

### My LACERA Registrations

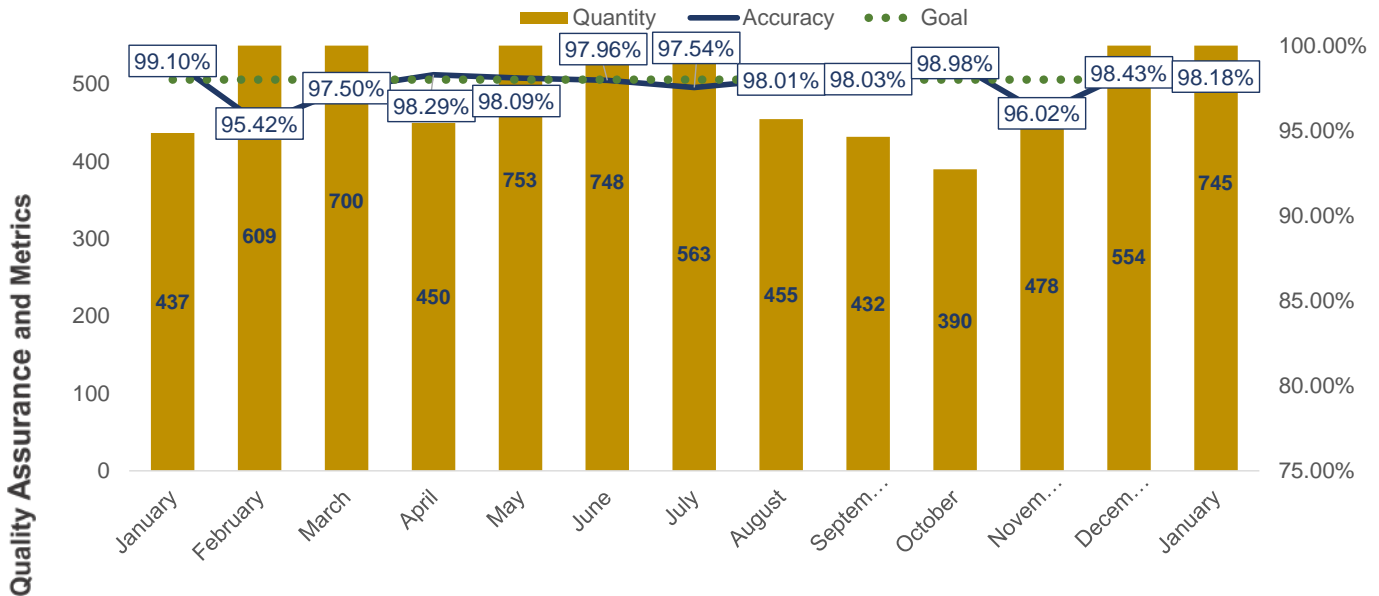
My LACERA



MORE COMING SOON!

## Striving for Excellence in Quality

### Audits of Retirement Elections, Payment Contracts, and Data Entry



**January 2018**  
**98.18%**



#### Retirement Elections

**505** Samples  
**98.87%** Accuracy

#### Payment Contracts

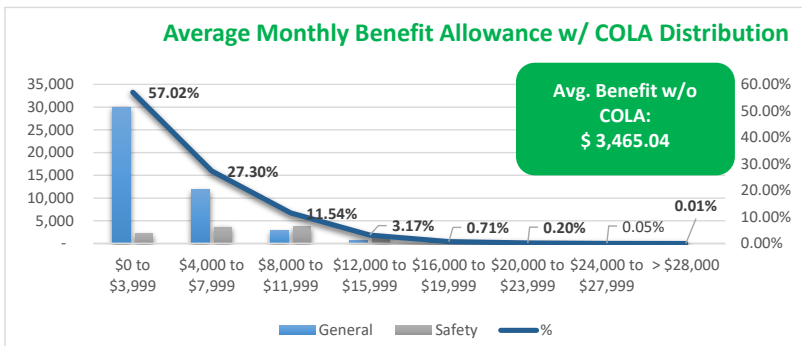
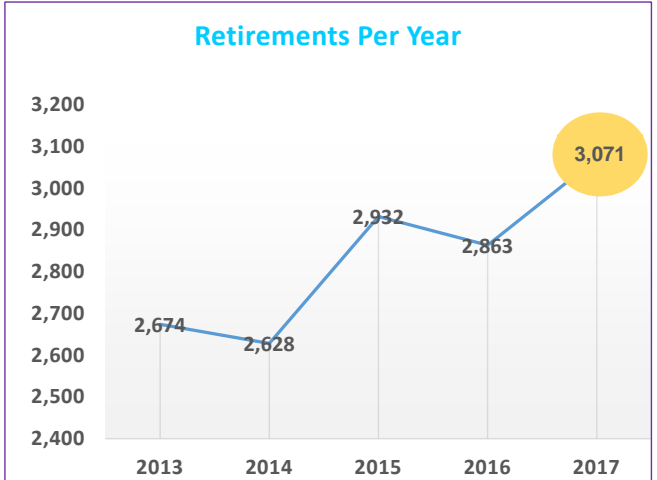
**109** Samples  
**96.50%** Accuracy

#### Data Entry

**90** Samples  
**99.16%** Accuracy

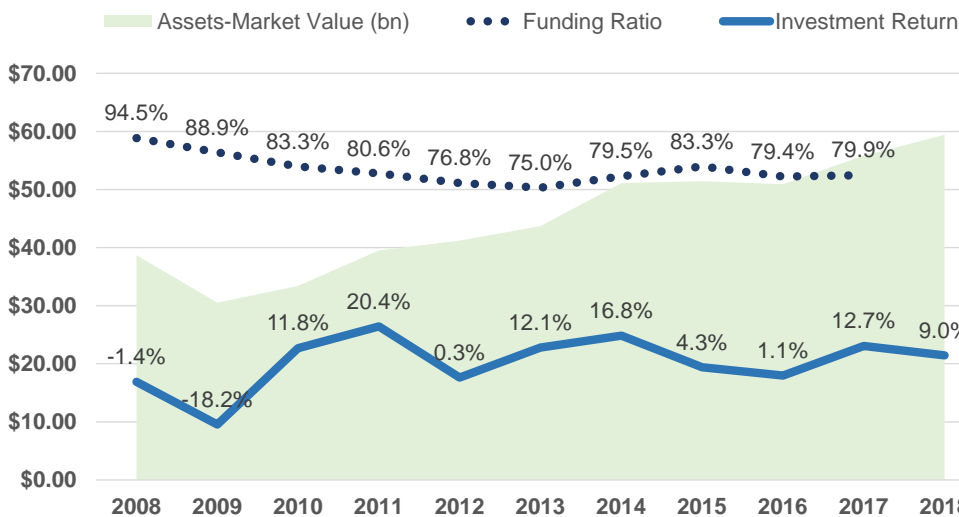
## Member Snapshot

	Members as of 01/18/19				
	Plan	Active	Retired	Survivors	Total
General	Plan A	124	17,149	4,472	21,745
	Plan B	42	683	67	792
	Plan C	51	422	67	540
	Plan D	42,703	14,875	1,368	58,946
	Plan E	17,882	12,710	1,152	31,744
	Plan G	25,669	20	1	25,690
	<b>Total General</b>	<b>86,471</b>	<b>45,859</b>	<b>7,127</b>	<b>139,457</b>
Safety	Plan A	5	5,347	1,592	6,944
	Plan B	10,123	5,532	274	15,929
	Plan C	2,862	8	0	2,870
	<b>Total Safety</b>	<b>12,990</b>	<b>10,887</b>	<b>1,866</b>	<b>25,743</b>
<b>TOTAL MEMBERS</b>	<b>99,461</b>	<b>56,746</b>	<b>8,993</b>	<b>165,200</b>	
<b>% by Category</b>	<b>60%</b>	<b>34%</b>	<b>5%</b>	<b>100%</b>	



Healthcare Program (YTD)		Healthcare Enrollments (Monthly)	
	Employer	Member	
Medical	\$298.1m	\$25m	Medical 50,303
Dental	\$25.5m	\$2.6m	Dental 51,536
Part B	\$36.5m	xxxx	Part B 33,882
<b>Total</b>	<b>\$360m</b>	<b>\$27.6m</b>	<b>Total 136,375</b>

## Key Financial Metrics



### Funding Metrics (as of 6/30/18)

Employer NC	9.92%*
UAAL	10.99%
Assumed Rate	7.25%
Star Reserve	\$614m*
Total Assets	\$56.3b*

### Contributions (as of 6/30/18)

	Employer	Member
Annual Add	\$1,524.8m	\$591.3m
% of Payroll	20.91%	6.88%

\*Effective July 1, 2018, as of 06/30/18 actuarial valuation

### TOTAL FUND RETURN (Net of Fees)

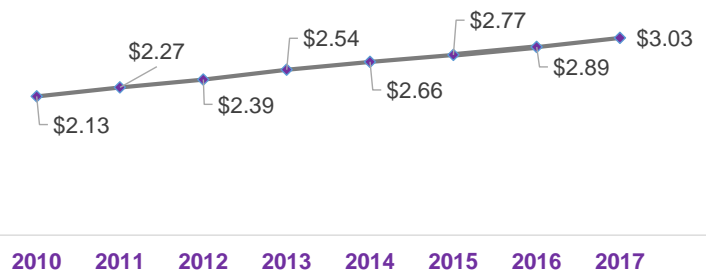
5 YR:	8.5%
10 YR:	6.3%

### Retired Members Payroll

Monthly Payroll	\$281.49m
Payroll YTD	2.0b
New Retired Payees Added	325
Seamless %	98.46%
New Seamless Payees Added	2,048
Seamless YTD	97.85%
By Check %	4.00%
By Direct Deposit %	96.00%

Billions  
\$3.50  
\$3.00  
\$2.50  
\$2.00  
\$1.50  
\$1.00  
\$0.50  
\$-

### Retiree Payroll by Year

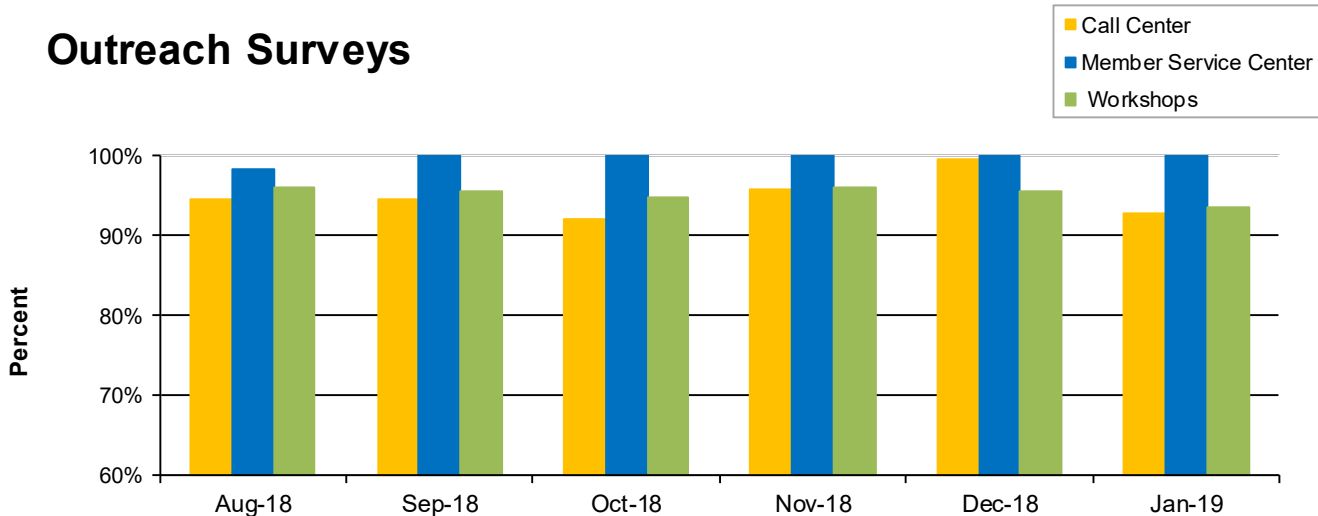


# LACERA's KEY BUSINESS METRICS

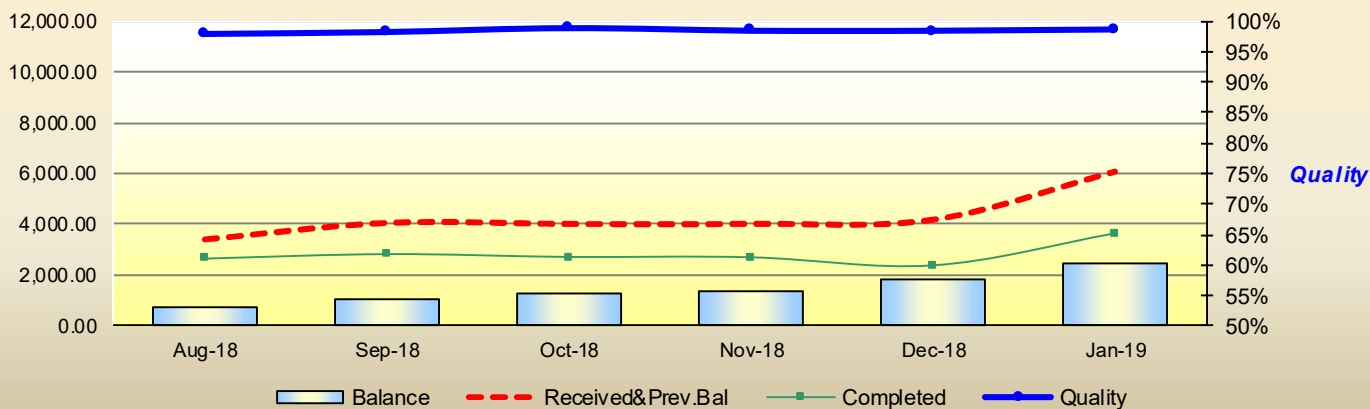
## OUTREACH EVENTS AND ATTENDANCE

Type	# of WORKSHOPS		# of MEMBERS	
	Monthly	YTD	Monthly	YTD
Benefit Information	5	103	154	6,466
Mid Career	1	17	55	895
New Member	10	70	343	1,802
Pre-Retirement	6	44	181	1,105
General Information	0	17	0	864
Retiree Events	2	5	60	335
Member Service Center	Daily	Daily	2,270	12,151
<b>TOTALS</b>	<b>24</b>	<b>256</b>	<b>3,063</b>	<b>23,618</b>

## Outreach Surveys



## Benefits and Member Services Production and Quality Summary (Rolling 6 Months)



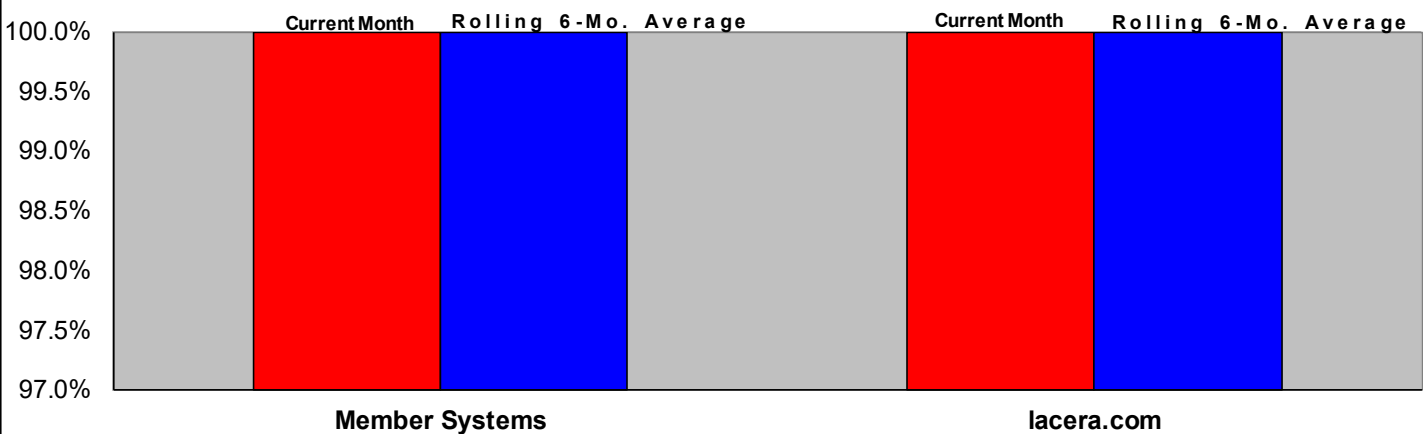
Member Services Contact Center			RHC Call Center	Top Calls
Overall Key Performance Indicator (KPI)		89.48%		
<b>Category</b>	<b>Goal</b>	<b>Rating</b>		
Call Center Monitoring Score	95%	97.48%	97.55%	<u>Member Services</u>
Grade of Service (80% in 60 seconds)	80%	38%	14%	1) Workshop Info.Appointments: Inquiry
Call Center Survey Score	90%	92.71%	78.60%	2) Retirement Counseling: Estimate
Agent Utilization Rate	65%	76%	86%	3) Retirement Counseling: Process Overview
Number of Calls		14,320	8,355	<u>Retiree Health Care</u>
Number of Calls Answered		12,645	5,947	1) General Inquiries (RHC)
Number of Calls Abandoned		1,675	2,408	2) Medical Benefits - General Inquiries
Calls-Average Speed of Answer (hh:mm:ss)		00:04:23	00:12:03	3) Part B Premium Reimbursement
Number of Emails		513	224	
Emails-Average Response Time (hh:mm:ss)		12:00:00	(Days) 5	Adjusted for weekends

## LACERA's KEY BUSINESS METRICS

Fiscal Years	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Assets-Market Value	\$30.5	\$33.4	\$39.5	\$41.2	\$43.7	\$51.1	\$51.4	\$50.9	\$55.8	\$59.4
Funding Ratio	88.9%	83.3%	80.6%	76.8%	75.0%	79.5%	83.3%	79.4%	79.9%	80.6%
Investment Return	-18.3%	11.6%	20.2%	0.0%	11.9%	16.5%	4.1%	0.8%	12.7%	9.0%

DISABILITY INVESTIGATIONS						
APPLICATIONS	TOTAL	YTD		APPEALS	TOTAL	YTD
On Hand	523	xxxxxxx		On Hand	99	xxxxxxx
Received	32	282		Received	3	14
Re-opened	0	0		Administratively Closed/Rule 32	2	10
To Board – Initial	35	309		Referee Recommendation	1	7
Closed	2	21		Revised/Reconsidered for Granting	0	4
<b>In Process</b>	<b>523</b>	<b>523</b>		<b>In Process</b>	<b>98</b>	<b>98</b>

### SYSTEMS AVAILABILITY - JANUARY 2019



Active Members as of 2/14/19		Retired Members/Survivors as of 2/14/19			Retired Members		
		Retirees	Survivors	Total			
General-Plan A	124	17,149	4,472	21,621	Monthly Payroll	281.49 Million	
General-Plan B	42	683	67	750	Payroll YTD	2.0 Billion	
General-Plan C	51	422	67	489	No. Monthly Added	325	
General-Plan D	42,703	14,875	1,368	16,243	Seamless %	98.46%	
General-Plan E	17,882	12,710	1,152	13,862	No. YTD Added	2,048	
General-Plan G	25,669	20	1	21	Seamless YTD %	97.85%	
<b>Total General</b>	<b>86,471</b>	<b>Total General</b>	<b>45,859</b>	<b>7,127</b>	<b>52,986</b>	Direct Deposit %	96.00%
Safety-Plan A	5	Safety-Plan A	5,347	1,592	6,939		
Safety-Plan B	10,123	Safety-Plan B	5,532	274	5,806		
Safety-Plan C	2,862	Safety-Plan C	8	0	8		
<b>Total Safety</b>	<b>12,990</b>	<b>Total Safety</b>	<b>10,887</b>	<b>1,866</b>	<b>12,753</b>		
<b>TOTAL ACTIVE</b>	<b>99,461</b>	<b>TOTAL RETIRED</b>	<b>56,746</b>	<b>8,993</b>	<b>65,739</b>		

Health Care Program (YTD Totals)		
	Employer Amount	Member Amount
Medical	298,110,387	24,980,259
Dental	25,451,179	2,579,377
Med Part B	36,526,086	xxxxxxxxxx
<b>Total Amount</b>	<b>\$360,087,652</b>	<b>\$27,559,636</b>

Health Care Program Enrollments (Monthly)	
Medical	50,303
Dental	51,536
Med Part B	33,882
Long Term Care (LTC)	654

Funding Metrics as of 6/30/18	
Employer Normal Cost	9.92%
UAAL	10.99%
Assumed Rate	7.25%
Star Reserve	\$614 million
Total Assets	\$56.3 billion

Member Contributions as of 6/30/18	
Annual Additions	\$591.3 million
% of Payroll	6.88%

Employer Contributions as of 6/30/18	
Annual Addition	\$1,524.8 million
% of Payroll	20.91%

Date	Conference
<b>April, 2019</b>	
Mar. 30-Apr. 7	NASP (National Association of Securities Professionals) and USAID (United States Agency for International Development) 3 <sup>rd</sup> Annual Delegation Trip to Africa Nairobi, Kenya and Johannesburg, South Africa
5-6	2019 Traumatic Brain Injury Legal Conference San Diego, CA
8-10	IFEBP (International Foundation of Employment Benefit Plans) Investments Institute Phoenix, AZ
10-13	2019 Forum for Institutional Investors: Protecting Shareholder Rights New Orleans, LA
14-17	CRCEA (California Retired County Employees Association) Spring Conference San Diego, CA
28-May 1	World Healthcare Congress Washington D.C.
28-May 1	Milken Institute Global Conference Beverly Hills, CA
<b>May, 2019</b>	
6-8	IFEBP (International Foundation of Employment Benefit Plans) Health Care Mgmt. Conference Boston, MA
7-10	SACRS Spring Conference Lake Tahoe, CA
19-22	Government Finance Officers Association (GFOA) Annual Conference Los Angeles, CA
19-22	NCPERS (National Conference on Public Employee Retirement Systems) Annual Conference Austin, TX
20-21	IFEBP (International Foundation of Employment Benefit Plans) Legislative Update Washington D.C.
<b>June, 2019</b>	
3-7	Investment Strategies & Portfolio Management ( <i>prev. Pension Fund &amp; Investment Mgmt.</i> ) Wharton School, University of Pennsylvania
7	CALAPRS (California Association of Public Retirement Systems) Round Table – Trustees Marriott Burbank Airport





February 21, 2019

TO:

Each Member  
Board of Retirement

FROM:

Insurance ,Benefits and Legislative Committee  
Les Robbins, Chair  
Shawn R. Kehoe, Vice Chair  
Vivian H. Gray  
Ronald A. Okum  
J.P. Harris, Alternate

FOR:

Board of Retirement Meeting of March 14, 2019

SUBJECT: **2019-2020 PLAN YEAR HEALTH INSURANCE RATE RENEWALS AND  
BENEFIT CHANGES FOR LACERA'S RETIREE HEALTHCARE  
BENEFITS PROGRAM**

### **RECOMMENDATION**

Recommend the Board of Retirement approve fiscal year 2019-2020 rate renewal proposal and mandatory contractual changes, listed by carrier, and the administrative fee.

### **EXECUTIVE SUMMARY**

This year's contract negotiation with LACERA's health insurance carriers concluded with an overall renewal increase of 2.4%. This reflects a 1.2% reduction from the preliminary renewal proposal of 3.6% or approximately \$7.1 million in annual premium savings.

The overall medical premiums are increasing by approximately 2.7%. The dental/vision plans are experiencing a rate pass for the 2019-2020 plan year. The total projected overall annual program cost for the 2019-2020 plan year will be approximately \$639 million.

In 2014, the Affordable Care Act (ACA) imposed a tax that would exceed \$156 billion over 10 years (2017-2026). This Health Insurer Tax (HIT) is a sales tax on health insurance coverage that would be passed on to consumers through higher premiums. In 2017, the Congressional Budget Office provided a one-year suspension of the tax. During our annual renewal process in January 2018, it was announced the suspension had been extended for twelve months effective January 2019.

As a result of the extension, our carriers adjusted the Health Insurer Tax on a prorated basis for the 2018-2019 renewal thereby providing an additional premium savings for the year. No updated announcements were made to further suspend the taxes for the 2019-2020 premium renewal, therefore, the moratorium is expected to expire in December 2019. Consequently, six-months (January – June 2020) of the Health Insurance taxes have been included in LACERA's 2019-2020 renewal by all applicable carriers.

The healthcare landscape continues to be as complex as ever. Therefore, we are monitoring very closely the healthcare related initiatives. Segal and staff will continue discussions and meeting with our carriers to see what it is they are doing as it correlates with any related initiatives that may affect the healthcare program.

## **RATE RENEWAL AND BENEFIT CHANGE PROPOSALS**

### Anthem Blue Cross Plans I, II, III and Prudent Buyer Plan

- Accept the 2.7% overall renewal increase with the following separate increases:
  - Accept the 2.0% increase for Plans I, II, and III
  - Accept the 11.9% increase for Prudent Buyer Plan
  - Accept the mandatory contractual changes for all Anthem Blue Cross Plans as referenced in the Appendix.
- Instruct Anthem Blue Cross to release the year-end 2017-2018 net surplus of \$2.8 million to LACERA, for all plans, based on the 2017-2018 year-end accounting listed below:
  - Anthem Blue Cross Plans I, II, and III experienced an estimated surplus amount of \$3.9 million.
  - Anthem Prudent Buyer Plan experienced an estimated deficit amount of \$1.1 million.

### Cigna Medical

- Accept the 7.7% overall renewal increase with the following separate increases:
  - Accept the 8.0% increase for the Cigna Network Model Plan
  - Accept the rate pass for the Cigna Health Spring Preferred with Rx
  - Accept the mandatory contractual changes referenced in the Appendix

### Cigna Dental and Vision

- Accept the rate pass with the following separate plans:
  - Accept the rate pass to the indemnity dental and vision plan
  - Accept the rate pass to the pre-paid dental and vision plan
  - No mandatory contractual changes for the 2019-2020 plan year

### Kaiser California

- Accept the 3.0% overall renewal increase with the following separate increases:
  - Accept the 2.9% increase for the Basic/Pre-65 plan
  - Accept the 2.4% increase for Senior Advantage plan
  - Accept the 3.9% increase for Kaiser Excess
  - Accept the mandatory contractual changes referenced in the Appendix

### Kaiser - Out of State

- Accept the 0.7% overall renewal increase in Out of State plans with the following separate changes for Medicare and non-Medicare plans listed:
  - Accept the Kaiser Colorado overall rate decrease of 3.6%
  - Accept the Kaiser Georgia overall rate decrease of 2.2%
  - Accept the Kaiser Hawaii overall rate increase of 0.1%
  - Accept the Kaiser Oregon overall rate increase of 4.9%
  - Accept the mandatory contractual changes referenced in the Appendix

### SCAN

- Accept the 13.7% overall renewal decrease:
  - Accept the mandatory contractual changes as referenced in the Appendix

### United HealthCare (UHC)

- Accept the 1.9% overall renewal increase with the following separate increases:
  - Accept the 3.0% increase on the Pre-65 HMO Plan
  - Accept the rate pass on the Medicare Advantage Plan
  - Accept the mandatory contractual changes as referenced in the Appendix

**Administrative Fee**

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

**CONCLUSION**

Our overall increase of 2.4% for our healthcare benefits program is an incredible outcome. The negotiated overall total premium savings was \$7.1 million.

We remain diligent with our carriers, vendors, and Federal Government to stay ahead of the many things happening in Washington, D.C., and on a national basis as a whole within the healthcare landscape. The 2019-2020 plan year will continue to be challenging. Therefore, staff and Segal, will continue to be actively involved in the health care arena, especially on those issues of concern to our population. Detailed information regarding the renewal proposal can be found in the enclosed 2019-2020 Renewal Evaluation Report prepared by Segal Consulting.

**IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:**

Approve fiscal year 2019-2020 rate renewal proposal and mandatory contractual changes, listed by carrier, and the administrative fee.

CS:cs

Attachment

**REVIEWED AND APPROVED**



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Lou Lazatin  
Chief Executive Officer



**Los Angeles County Employees  
Retirement Association**

***2019-2020 Renewal Evaluation Report  
Presented on March 14, 2019***

**Renewal Analysis - Effective 7/1/2019**  
**Los Angeles County Employees Retirement Association**

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*The projections of annual premium in this report are estimates of future costs and are based on information available to The Segal Company at the time the projections were made. The Segal Company has not audited the information provided. Projections are not a guarantee of future results. Actual experience may differ due to, but not limited to, such variables as changes in the regulatory environment, local market pressure, health trend rates and claims volatility. The accuracy and reliability of health projections decrease as the projection period increases.*

**Renewal Analysis - Effective 7/1/2019**  
**Los Angeles County Employees Retirement Association**

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Renewal Analysis - Effective 7/1/2019  
Los Angeles County Employees Retirement Association

## 2019-2020 Renewal Overview

The content of this report summarizes the final 2019-2020 renewal results for the LACERA-administered Retiree Healthcare Benefits Program (RHCBP).

- The overall negotiated renewal increase is 2.4%.
  - This reflects a 1.2% decrease from the preliminary renewal increase of 3.6%.
- Negotiations resulted in premium savings of approximately \$7.1 million annually.

Annual Premiums	Current	Preliminary	Negotiated	Change (%)
Total Medical	\$ 575,900,000	\$ 598,302,000	\$ 591,166,000	2.7%
Total Dental/Vision	48,148,000	48,148,000	48,148,000	0.0%
<b>Total Medical/Dental/Vision</b>	<b>\$ 624,048,000</b>	<b>\$ 646,450,000</b>	<b>\$ 639,314,000</b>	<b>2.4%</b>
<b>Total Negotiated Premium Savings</b>				<b>\$ (7,136,000)</b>

Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.



**Renewal Analysis - Effective 7/1/2019**  
**Los Angeles County Employees Retirement Association**

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## KEY FINDINGS

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### Anthem Blue Cross Plans

- Anthem initially proposed an overall rate increase of 5.0%. Initial rate increases were 4.1% for Plans I, II, and III, and 17.4% for Prudent Buyer.
- After negotiations with Segal and Staff, Anthem reduced the overall rate increase to 2.7%. Rate increases were reduced to 2.0% for Plans I, II, and III, and 11.9% for Prudent Buyer. Concessions represent an estimated savings of \$5.6 million annually.

Annual Premiums	Current	Preliminary	Negotiated	Change (%)
Anthem BC Plan I & II	\$ 117,718,000	\$ 122,580,000	\$ 120,061,000	2.0%
Anthem BC Plan III	104,439,000	108,726,000	106,504,000	2.0%
Anthem BC Prudent Buyer	16,580,000	19,460,000	18,557,000	11.9%
<b>Total</b>	<b>\$ 238,737,000</b>	<b>\$ 250,766,000</b>	<b>\$ 245,122,000</b>	<b>2.7%</b>

Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

**Renewal Analysis - Effective 7/1/2019**  
**Los Angeles County Employees Retirement Association**

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## KEY FINDINGS

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### Cigna - Medical Plans

- Cigna initially proposed an overall increase of 9.0%. Initial rate increases were 9.3% for the Network Model (HMO), and a rate pass for the Cigna Healthsprings Preferred Rx, MAPD.
- After negotiations with Segal and Staff, Cigna agreed to reduce the overall rate increase to 7.7%. The rate increase for Network Model (HMO) plan was reduced to 8.0%. Concessions represent an estimated savings of \$0.1 million annually.

Annual Premiums	Current	Preliminary	Negotiated	Change (%)
<b>Total Cigna Medical</b>	<b>\$ 11,486,000</b>	<b>\$ 12,520,000</b>	<b>\$ 12,374,000</b>	<b>7.7%</b>

Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

Renewal Analysis - Effective 7/1/2019  
Los Angeles County Employees Retirement Association

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## KEY FINDINGS

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### Cigna - Dental/Vision Plans

- Cigna proposed a rate pass for both the Indemnity and HMO Dental/Vision plans.

Annual Premiums	Current	Preliminary	Negotiated	Change (%)
<b>Total Cigna Dental/Vision</b>	<b>\$ 48,148,000</b>	<b>\$ 48,148,000</b>	<b>\$ 48,148,000</b>	<b>0.0%</b>

Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

**Renewal Analysis - Effective 7/1/2019**  
**Los Angeles County Employees Retirement Association**

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## KEY FINDINGS

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### Kaiser - California

- Kaiser initially proposed an overall rate increase of 3.1%. The initial rate increase was 2.9% for Basic/Pre-65 and Kaiser Senior Advantage rates, and 3.9% for Excess <sup>(1)</sup> rates.
- After negotiations with Segal and Staff, Kaiser agreed to reduce the overall rate increase to 3.0%. The Basic/Pre-65 and Excess <sup>(1)</sup> rate increases remained unchanged, but the Kaiser Senior Advantage rate increase was reduced to 2.4%. Concessions represent an estimated savings of \$355,000 annually.

Annual Premiums	Current	Preliminary	Negotiated	Change (%)
<b>Kaiser California</b>	<b>\$ 208,443,000</b>	<b>\$ 214,950,000</b>	<b>\$ 214,595,000</b>	<b>3.0%</b>

<sup>(1)</sup> Excess premiums apply to participants who do not qualify for Basic/Pre-65 or Kaiser Senior Advantage rates, on account of being 65 or older without Medicare assignment.

Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

**Renewal Analysis - Effective 7/1/2019**  
**Los Angeles County Employees Retirement Association**

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**KEY FINDINGS**

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**Kaiser - Out of State (OOS)**

- The initial overall increase for Kaiser's OOS plans for the 2019-2020 policy period was 1.8%.
- After negotiations with Segal and Staff, the overall increase for Kaiser's OOS plans was reduced to 0.7%. Concessions represent an estimated savings of \$39,000 annually.

Annual Premiums	Current	Preliminary	Negotiated	Change (%)
<b>Kaiser OOS</b>	\$ 3,474,000	\$ 3,538,000	\$ 3,499,000	0.7%

Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

Renewal Analysis - Effective 7/1/2019  
Los Angeles County Employees Retirement Association

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## KEY FINDINGS

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### Senior Care Action Network (SCAN) Plan

- SCAN proposed an overall rate decrease of 13.7%.

Annual Premiums	Current	Preliminary	Negotiated	Change (%)
SCAN	\$ 1,907,000	\$ 1,646,000	\$ 1,646,000	-13.7%

Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

**Renewal Analysis - Effective 7/1/2019**  
**Los Angeles County Employees Retirement Association**

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## KEY FINDINGS

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### UnitedHealthcare (UHC)

- UHC initially proposed an overall rate increase 3.9%. Initial rate increases were 4.9% for Pre-65 rates and 2.0% for UnitedHealthcare Medicare Advantage (UHC MA) rates.
- After negotiations with Segal and Staff, UHC reduced the overall rate increase to 1.9%. The Pre-65 rate increase was reduced to 3.0% and the UHC MA plan was given a rate pass. Concessions represent an estimated savings of \$1.0 million annually.

Annual Premiums	Current	Preliminary	Negotiated	Change (%)
UHC	\$ 49,211,000	\$ 51,106,000	\$ 50,154,000	1.9%

Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

## RECOMMENDATIONS

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### Anthem Blue Cross Plans Overall

- Accept the 2.7% overall rate increase, based on the individual plan increases noted below:
  - 2.0% overall rate increase to Anthem Blue Cross Plans I and II.
  - 2.0% rate increase to Anthem Blue Cross Plan III.
  - 11.9% rate increase to Anthem Blue Cross Prudent Buyer Plan.
- Instruct Anthem Blue Cross to release year-end 2017-2018 surpluses for all plans. The amount is estimated at \$2.8 million including changes in the Claims Stabilization Reserves to reflect the 2019-2020 rate concessions.
- Accept the mandatory contractual changes included in the appendix.

Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.



## RECOMMENDATIONS

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### Cigna Medical

- Accept the 7.7% overall increase to Cigna medical plans, based on the individual plan increases noted below:
  - 8.0% increase to the Network Model Medical Plan HMO.
  - Rate pass to the HealthSpring Preferred with Rx Plan MAPD.
- Accept the mandatory contractual changes included in the appendix.

### Cigna Dental/Vision

- Accept the rate pass on Cigna Dental/Vision plans, based on the individual plan increases noted below:
  - Rate pass to the Cigna Indemnity Dental/Vision Plan.
  - Rate pass to the Cigna Dental/Vision HMO Plan.
- No mandatory contractual changes apply for the 2019-2020 policy period.

Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

## RECOMMENDATIONS

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### Kaiser California

- Accept the 3.0% overall increase, based on the plan increases listed below:
  - 2.9% rate increase to the Basic/Pre-65 Plan.
  - 2.4% rate increase to the Kaiser Senior Advantage Plan.
  - 3.9% rate increase to the Kaiser Excess <sup>(1)</sup> Plan.
- Accept the mandatory contractual changes included in the appendix.

### Kaiser Out of State (OOS)

- Accept the 0.7% overall increase for Non-Medicare and Medicare combined OOS plans, based on the plan increases listed below:
  - 3.6% overall rate decrease to Kaiser-Colorado Plans.
  - 2.2% overall rate decrease to Kaiser-Georgia Plans.
  - 0.1% overall rate increase to Kaiser-Hawaii Plans.
  - 4.9% overall rate increase to Kaiser-Oregon Plans.
- Accept the mandatory contractual changes included in the appendix.

<sup>(1)</sup> Excess premiums apply to participants who do not qualify for Basic/Pre-65 or Kaiser Senior Advantage rates, on account of being 65 or older without Medicare assignment.

Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

## RECOMMENDATIONS

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### Senior Care Action Network (SCAN)

- Accept the 13.7% overall decrease.
- Accept the mandatory contractual changes included in the appendix.

### UnitedHealthcare

- Accept the 1.9% overall increase, based on the plan increases listed below:
  - 3.0% increase for the Pre-65 HMO Plan.
  - Rate pass for the Medicare Advantage Plan.
- Accept the mandatory contractual changes included in the appendix.

### LACERA Administrative Fee

- Segal recommends LACERA maintain its Administrative Fee at \$8.00 per member, per plan, per month for the 2019-2020 policy period.
  - The fee is for administering the Retiree Healthcare Program, based on budget.

Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

Renewal Analysis - Effective 7/1/2019  
Los Angeles County Employees Retirement Association

**PREMIUM PROJECTIONS FOR JULY 1, 2019 THROUGH JUNE 30, 2020**

	Retiree Count	Current Premiums	Preliminary		Negotiated	
			Premiums	Change (%)	Premiums	Change (%)
<b>Medical Plans</b>						
Anthem BC Plan I & II	5,978	\$117,718,000	\$122,580,000	4.1%	\$120,061,000	2.0%
Anthem BC Plan III	11,893	104,439,000	108,726,000	4.1%	106,504,000	2.0%
Anthem BC Prudent Buyer	1,086	16,580,000	19,460,000	17.4%	18,557,000	11.9%
Cigna HMO & MAPD	534	11,486,000	12,520,000	9.0%	12,374,000	7.7%
Kaiser California	23,906	208,443,000	214,950,000	3.1%	214,595,000	3.0%
Kaiser Out of State (OOS)	379	3,474,000	3,538,000	1.8%	3,499,000	0.7%
SCAN Health Plan	410	1,907,000	1,646,000	-13.7%	1,646,000	-13.7%
United Healthcare	4,248	49,211,000	51,106,000	3.9%	50,154,000	1.9%
Medicare Part B	33,862	62,642,000	63,776,000	1.8%	63,776,000	1.8%
<b>Total Medical</b>	<b>48,434</b>	<b>\$575,900,000</b>	<b>\$598,302,000</b>	<b>3.9%</b>	<b>\$591,166,000</b>	<b>2.7%</b>
<b>Dental / Vision Plans</b>						
Indemnity Dental / Vision	45,916	\$43,699,000	\$43,699,000	0.0%	\$43,699,000	0.0%
Prepaid Dental / Vision	5,620	4,449,000	4,449,000	0.0%	4,449,000	0.0%
<b>Total Dental/Vision</b>	<b>51,536</b>	<b>\$48,148,000</b>	<b>\$48,148,000</b>	<b>0.0%</b>	<b>\$48,148,000</b>	<b>0.0%</b>
<b>Total Medical/Dental/Vision</b>		<b>\$624,048,000</b>	<b>\$646,450,000</b>	<b>3.6%</b>	<b>\$639,314,000</b>	<b>2.4%</b>
<b>Total Negotiated Premium Savings</b>					<b>(\$7,136,000)</b>	<b>-1.2%</b>

Note: Premiums and Rate Changes include LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

Renewal Analysis - Effective 7/1/2019  
Los Angeles County Employees Retirement Association

**GROUP INSURANCE RATES EFFECTIVE JULY 1, 2019 THROUGH JUNE 30, 2020**

	Count	Current 2018-2019 Rates	Admin Fee	Total Rate	Preliminary 2019-2020 Rates	Admin Fee	Total Rate	% Change	Final 2019-2020 Rates	Admin Fee	Total Rate	% Change
<b>Anthem BC Plan I&amp;II</b>												
211 Retiree Only	778	\$1,139.49	\$8.00	\$1,147.49	\$1,186.78	\$8.00	\$1,194.78	4.1%	\$1,162.28	\$8.00	\$1,170.28	2.0%
221 Retiree Only	2,154	1,139.49	8.00	1,147.49	1,186.78	8.00	1,194.78	4.1%	1,162.28	8.00	1,170.28	2.0%
212 Retiree & Spouse	280	2,059.52	8.00	2,067.52	2,144.99	8.00	2,152.99	4.1%	2,100.71	8.00	2,108.71	2.0%
222 Retiree & Spouse	1,866	2,059.52	8.00	2,067.52	2,144.99	8.00	2,152.99	4.1%	2,100.71	8.00	2,108.71	2.0%
213 Retiree & Family	58	2,430.53	8.00	2,438.53	2,531.40	8.00	2,539.40	4.1%	2,479.14	8.00	2,487.14	2.0%
223 Retiree & Family	646	2,430.53	8.00	2,438.53	2,531.40	8.00	2,539.40	4.1%	2,479.14	8.00	2,487.14	2.0%
214 Retiree & Children	20	1,509.73	8.00	1,517.73	1,572.38	8.00	1,580.38	4.1%	1,539.92	8.00	1,547.92	2.0%
224 Retiree & Children	171	1,509.73	8.00	1,517.73	1,572.38	8.00	1,580.38	4.1%	1,539.92	8.00	1,547.92	2.0%
215 Survivor	3	373.27	8.00	381.27	388.76	8.00	396.76	4.1%	380.74	8.00	388.74	2.0%
225 Survivor	2	380.82	8.00	388.82	396.62	8.00	404.62	4.1%	388.43	8.00	396.43	2.0%
Total	5,978	\$117,144,571		\$117,718,459	\$122,006,126		\$122,580,014	4.1%	\$119,487,444		\$120,061,332	2.0%
<b>Anthem BC Plan III</b>												
240 One Medicare	6,693	\$460.23	\$8.00	\$468.23	\$479.33	\$8.00	\$487.33	4.1%	\$469.43	\$8.00	\$477.43	2.0%
241 Retiree & Spouse- 1 Medicare	155	1,485.50	8.00	1,493.50	1,547.15	8.00	1,555.15	4.1%	1,515.21	8.00	1,523.21	2.0%
242 Retiree & Spouse- 1 Medicare	879	1,485.50	8.00	1,493.50	1,547.15	8.00	1,555.15	4.1%	1,515.21	8.00	1,523.21	2.0%
243 Retiree & Spouse- 2 Medicare	3,883	922.36	8.00	930.36	960.64	8.00	968.64	4.1%	940.80	8.00	948.80	2.0%
244 Retiree & Children- 1 Medicare	20	829.15	8.00	837.15	863.56	8.00	871.56	4.1%	845.73	8.00	853.73	2.0%
245 Retiree & Children- 1 Medicare	52	829.15	8.00	837.15	863.56	8.00	871.56	4.1%	845.73	8.00	853.73	2.0%
246 Retiree & Family- 1 Medicare	18	1,854.31	8.00	1,862.31	1,931.26	8.00	1,939.26	4.1%	1,891.39	8.00	1,899.39	2.0%
247 Retiree & Family- 1 Medicare	116	1,854.31	8.00	1,862.31	1,931.26	8.00	1,939.26	4.1%	1,891.39	8.00	1,899.39	2.0%
248 Retiree & Family- 2 Medicare	13	1,291.09	8.00	1,299.09	1,344.67	8.00	1,352.67	4.1%	1,316.91	8.00	1,324.91	2.0%
249 Retiree & Family- 2 Medicare	47	1,291.09	8.00	1,299.09	1,344.67	8.00	1,352.67	4.1%	1,316.91	8.00	1,324.91	2.0%
250 Retiree & Family- 3 Medicare	17	1,447.70	8.00	1,455.70	1,507.78	8.00	1,515.78	4.1%	1,476.65	8.00	1,484.65	2.0%
Total	11,893	\$103,297,235		\$104,438,963	\$107,584,218		\$108,725,946	4.1%	\$105,362,460		\$106,504,188	2.0%
<b>Anthem BC Prudent Buyer</b>												
201 Retiree Only	633	\$900.42	\$8.00	\$908.42	\$1,057.82	\$8.00	\$1,065.82	17.3%	\$1,008.48	\$8.00	\$1,016.48	11.9%
202 Retiree & Spouse	327	1,778.33	8.00	1,786.33	2,089.19	8.00	2,097.19	17.4%	1,991.73	8.00	1,999.73	11.9%
203 Retiree & Family	90	2,007.84	8.00	2,015.84	2,358.81	8.00	2,366.81	17.4%	2,248.78	8.00	2,256.78	12.0%
204 Retiree & Children	35	1,159.26	8.00	1,167.26	1,361.90	8.00	1,369.90	17.4%	1,298.38	8.00	1,306.38	11.9%
205 Survivor	1	240.58	8.00	248.58	282.63	8.00	290.63	16.9%	269.44	8.00	277.44	11.6%
Total	1,086	\$16,476,001		\$16,580,257	\$19,356,087		\$19,460,343	17.4%	\$18,453,198		\$18,557,454	11.9%
<b>Cigna</b>												
301 Network- Retiree Only	313	\$1,496.58	\$8.00	\$1,504.58	\$1,635.80	\$8.00	\$1,643.80	9.3%	\$1,616.26	\$8.00	\$1,624.26	8.0%
302 Network- Retiree & Spouse	131	2,707.52	8.00	2,715.52	2,959.38	8.00	2,967.38	9.3%	2,924.02	8.00	2,932.02	8.0%
303 Network- Retiree & Family	17	3,198.43	8.00	3,206.43	3,495.85	8.00	3,503.85	9.3%	3,454.10	8.00	3,462.10	8.0%
304 Network- Retiree & Children	17	1,988.12	8.00	1,996.12	2,172.97	8.00	2,180.97	9.3%	2,147.02	8.00	2,155.02	8.0%
305 Network- Survivor	-	468.31	8.00	476.31	519.88	8.00	527.88	10.8%	505.74	8.00	513.74	7.9%
321 Risk- Retiree Only	30	376.49	8.00	384.49	376.49	8.00	384.49	0.0%	376.49	8.00	384.49	0.0%
322 Risk- Retiree & Spouse	9	1,587.43	8.00	1,595.43	1,700.07	8.00	1,708.07	7.1%	1,684.25	8.00	1,692.25	6.1%
324 Risk- Retiree & Spouse (Both Risk)	14	752.98	8.00	760.98	752.98	8.00	760.98	0.0%	752.98	8.00	760.98	0.0%
325 Risk- Retiree & Children	-	868.71	8.00	876.71	914.35	8.00	922.35	5.2%	907.93	8.00	915.93	4.5%
327 Risk- Retiree & Family (1 Medicare)	2	2,079.02	8.00	2,087.02	2,237.21	8.00	2,245.21	7.6%	2,215.01	8.00	2,223.01	6.5%
329 Risk- Retiree & Family (2 Medicare)	1	1,315.31	8.00	1,323.31	1,360.95	8.00	1,368.95	3.4%	1,362.53	8.00	1,370.53	3.0%
Total	534	\$11,434,592		\$11,485,856	\$12,468,318		\$12,519,582	9.0%	\$12,323,211		\$12,374,475	7.7%

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**GROUP INSURANCE RATES EFFECTIVE JULY 1, 2019 THROUGH JUNE 30, 2020**

	Count	Current 2018-2019 Rates	Admin Fee	Total Rate	Preliminary 2019-2020 Rates	Admin Fee	Total Rate	% Change	Final 2019-2020 Rates	Admin Fee	Total Rate	% Change
<b>Kaiser California</b>												
401 Retiree Basic (Under 65)	1,510	\$994.90	\$8.00	\$1,002.90	\$1,024.28	\$8.00	\$1,032.28	2.9%	\$1,024.28	\$8.00	\$1,032.28	2.9%
403 Retiree Risk (Senior Advantage)	10,563	266.22	8.00	274.22	274.05	8.00	282.05	2.9%	272.80	8.00	280.80	2.4%
404 Retiree Excess	583	1,117.53	8.00	1,125.53	1,170.79	8.00	1,178.79	4.7%	1,170.79	8.00	1,178.79	4.7%
405 Retiree Excess - Part B	1,006	1,043.35	8.00	1,051.35	1,078.88	8.00	1,086.88	3.4%	1,078.88	8.00	1,086.88	3.4%
406 Excess - Medicare Not Provided (MNP)	38	1,858.70	8.00	1,866.70	1,914.46	8.00	1,922.46	3.0%	1,914.46	8.00	1,922.46	3.0%
411 Family Basic	1,803	1,989.80	8.00	1,997.80	2,048.56	8.00	2,056.56	2.9%	2,048.56	8.00	2,056.56	2.9%
413 One Advantage, One Basic	1,589	1,261.12	8.00	1,269.12	1,298.33	8.00	1,306.33	2.9%	1,297.08	8.00	1,305.08	2.8%
414 One Excess, One Basic	132	2,112.43	8.00	2,120.43	2,195.07	8.00	2,203.07	3.9%	2,195.07	8.00	2,203.07	3.9%
418 Two+ Advantage	5,408	532.44	8.00	540.44	548.10	8.00	556.10	2.9%	545.60	8.00	553.60	2.4%
419 One Excess, One Advantage	276	1,383.75	8.00	1,391.75	1,444.84	8.00	1,452.84	4.4%	1,443.59	8.00	1,451.59	4.3%
420 Two+ Excess	135	2,235.06	8.00	2,243.06	2,341.58	8.00	2,349.58	4.7%	2,341.58	8.00	2,349.58	4.7%
422 One Excess - Part B, One Basic	229	2,038.25	8.00	2,046.25	2,103.16	8.00	2,111.16	3.2%	2,103.16	8.00	2,111.16	3.2%
423 One Excess (MNP), One Basic	13	2,853.60	8.00	2,861.60	2,938.74	8.00	2,946.74	3.0%	2,938.74	8.00	2,946.74	3.0%
426 One Advantage, One Excess - Part B	213	1,309.57	8.00	1,317.57	1,352.93	8.00	1,360.93	3.3%	1,351.68	8.00	1,359.68	3.2%
427 One Advantage, One Excess (MNP)	168	2,124.92	8.00	2,132.92	2,188.51	8.00	2,196.51	3.0%	2,187.26	8.00	2,195.26	2.9%
428 One Excess, One Excess - Part B	58	2,160.88	8.00	2,168.88	2,249.67	8.00	2,257.67	4.1%	2,249.67	8.00	2,257.67	4.1%
429 One Excess, One Excess (MNP)	9	2,976.23	8.00	2,984.23	3,085.25	8.00	3,093.25	3.7%	3,085.25	8.00	3,093.25	3.7%
430 Two Excess - Part B	148	2,086.70	8.00	2,094.70	2,157.76	8.00	2,165.76	3.4%	2,157.76	8.00	2,165.76	3.4%
431 One Excess - Part B, One Excess (MNP)	12	2,902.05	8.00	2,910.05	2,993.34	8.00	3,001.34	3.1%	2,993.34	8.00	3,001.34	3.1%
432 Two Excess - Both (MNP)	4	3,717.40	8.00	3,725.40	3,828.92	8.00	3,836.92	3.0%	3,828.92	8.00	3,836.92	3.0%
421 Survivor	9	994.90	8.00	1,002.90	1,024.28	8.00	1,032.28	2.9%	1,024.28	8.00	1,032.28	2.9%
Total	23,906	\$206,147,676		\$208,442,652	\$212,654,537		\$214,949,513	3.1%	\$212,300,162		\$214,595,138	3.0%
<b>Kaiser- Colorado</b>												
450 Retiree Basic	5	\$961.67	\$8.00	\$969.67	\$913.59	\$8.00	\$921.59	-5.0%	\$913.59	\$8.00	\$921.59	-5.0%
451 Retiree Risk (Senior Advantage)	33	355.27	8.00	363.27	351.72	8.00	359.72	-1.0%	351.72	8.00	359.72	-1.0%
453 Retiree Basic (Two Party)	1	2,135.00	8.00	2,143.00	2,028.25	8.00	2,036.25	-5.0%	2,028.25	8.00	2,036.25	-5.0%
454 Retiree Basic Family	1	2,885.11	8.00	2,893.11	2,649.75	8.00	2,657.75	-8.1%	2,649.75	8.00	2,657.75	-8.1%
455 One Risk, One Basic	1	1,302.30	8.00	1,310.30	1,164.95	8.00	1,172.95	-10.5%	1,164.95	8.00	1,172.95	-10.5%
457 Two Retiree Risk	7	710.54	8.00	718.54	703.44	8.00	711.44	-1.0%	703.44	8.00	711.44	-1.0%
458 One Risk, Two or More Dependents	1	2,194.25	8.00	2,202.25	1,999.89	8.00	2,007.89	-8.8%	1,999.89	8.00	2,007.89	-8.8%
459 Two Risk, Two or More Dependents	-	1,657.57	8.00	1,665.57	1,516.67	8.00	1,524.67	-8.5%	1,516.67	8.00	1,524.67	-8.5%
Total	49	\$360,272		\$364,976	\$347,300		\$352,004	-3.6%	\$347,300		\$352,004	-3.6%

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<b>Kaiser- Georgia</b>												
440	-	\$1,156.41	\$8.00	\$1,164.41	\$1,156.41	\$8.00	\$1,164.41	0.0%	\$1,100.67	\$8.00	\$1,108.67	-4.8%
441	3	1,156.41	8.00	1,164.41	1,156.41	8.00	1,164.41	0.0%	1,100.67	8.00	1,108.67	-4.8%
442	4	1,156.41	8.00	1,164.41	1,156.41	8.00	1,164.41	0.0%	1,100.67	8.00	1,108.67	-4.8%
443	-	415.47	8.00	423.47	415.47	8.00	423.47	0.0%	415.47	8.00	423.47	0.0%
444	-	1,571.88	8.00	1,579.88	1,571.88	8.00	1,579.88	0.0%	1,516.14	8.00	1,524.14	-3.5%
445	3	1,571.88	8.00	1,579.88	1,571.88	8.00	1,579.88	0.0%	1,516.14	8.00	1,524.14	-3.5%
446	1	1,571.88	8.00	1,579.88	1,571.88	8.00	1,579.88	0.0%	1,516.14	8.00	1,524.14	-3.5%
461	14	1,156.41	8.00	1,164.41	1,156.41	8.00	1,164.41	0.0%	1,100.67	8.00	1,108.67	-4.8%
462	59	415.47	8.00	423.47	415.47	8.00	423.47	0.0%	415.47	8.00	423.47	0.0%
463	3	2,312.82	8.00	2,320.82	2,312.82	8.00	2,320.82	0.0%	2,201.34	8.00	2,209.34	-4.8%
464	-	3,469.24	8.00	3,477.24	3,469.24	8.00	3,477.24	0.0%	3,302.01	8.00	3,310.01	-4.8%
465	6	1,571.88	8.00	1,579.88	1,571.88	8.00	1,579.88	0.0%	1,516.14	8.00	1,524.14	-3.5%
466	30	830.94	8.00	838.94	830.94	8.00	838.94	0.0%	830.94	8.00	838.94	0.0%
467	2	2,728.29	8.00	2,736.29	2,728.29	8.00	2,736.29	0.0%	2,616.81	8.00	2,624.81	-4.1%
468	-	1,987.35	8.00	1,995.35	1,987.35	8.00	1,995.35	0.0%	1,931.61	8.00	1,939.61	-2.8%
469	-	1,246.41	8.00	1,254.41	1,246.41	8.00	1,254.41	0.0%	1,246.41	8.00	1,254.41	0.0%
470	-	2,728.29	8.00	2,736.29	2,728.29	8.00	2,736.29	0.0%	2,616.81	8.00	2,624.81	-4.1%
Total	125	\$1,222,073		\$1,234,073	\$1,222,073		\$1,234,073	0.0%	\$1,194,648		\$1,206,648	-2.2%
<b>Kaiser- Hawaii</b>												
471	6	\$995.20	\$8.00	\$1,003.20	\$995.20	\$8.00	\$1,003.20	0.0%	\$947.23	\$8.00	\$955.23	-4.8%
472	31	428.04	8.00	436.04	440.03	8.00	448.03	2.7%	440.03	8.00	448.03	2.7%
473	1	1,638.39	8.00	1,646.39	1,758.93	8.00	1,766.93	7.3%	1,758.93	8.00	1,766.93	7.3%
474	4	1,990.40	8.00	1,998.40	1,990.40	8.00	1,998.40	0.0%	1,894.46	8.00	1,902.46	-4.8%
475	-	2,985.60	8.00	2,993.60	2,985.60	8.00	2,993.60	0.0%	2,841.69	8.00	2,849.69	-4.8%
476	3	1,423.24	8.00	1,431.24	1,435.23	8.00	1,443.23	0.8%	1,387.26	8.00	1,395.26	-2.5%
477	-	2,633.59	8.00	2,641.59	2,754.13	8.00	2,762.13	4.6%	2,706.16	8.00	2,714.16	2.7%
478	14	856.08	8.00	864.08	880.06	8.00	888.06	2.8%	880.06	8.00	888.06	2.8%
479	-	2,066.43	8.00	2,074.43	2,198.96	8.00	2,206.96	6.4%	2,198.96	8.00	2,206.96	6.4%
Total	59	\$541,143		\$546,807	\$551,510		\$557,174	1.9%	\$541,724		\$547,388	0.1%

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<b>Kaiser- Oregon</b>												
481 Retiree Basic (Under 65)	7	\$1,176.06	\$8.00	\$1,184.06	\$1,173.12	\$8.00	\$1,181.12	-0.2%	\$1,167.60	\$8.00	\$1,175.60	-0.7%
482 Retiree Risk (Senior Advantage)	79	424.64	8.00	432.64	457.80	8.00	465.80	7.7%	457.80	8.00	465.80	7.7%
483 Retiree Over 65 unassigned Medicare A&B	1	1,262.00	8.00	1,270.00	1,241.03	8.00	1,249.03	-1.7%	1,241.03	8.00	1,249.03	-1.7%
484 Retiree Basic (Two Party)	2	2,352.11	8.00	2,360.11	2,346.23	8.00	2,354.23	-0.2%	2,335.20	8.00	2,343.20	-0.7%
485 Retiree Basic Family (Under 65)	-	3,528.17	8.00	3,536.17	3,519.35	8.00	3,527.35	-0.2%	3,502.80	8.00	3,510.80	-0.7%
486 One Retiree Risk, One Basic	9	1,600.70	8.00	1,608.70	1,630.92	8.00	1,638.92	1.9%	1,625.40	8.00	1,633.40	1.5%
488 Two Retiree Risk	42	849.28	8.00	857.28	915.60	8.00	923.60	7.7%	915.60	8.00	923.60	7.7%
489 Retiree/Part A Only	1	1,062.36	8.00	1,070.36	1,037.40	8.00	1,045.40	-2.3%	1,037.40	8.00	1,045.40	-2.3%
490 Retiree/Part B Only	-	1,262.00	8.00	1,270.00	1,241.03	8.00	1,249.03	-1.7%	1,241.03	8.00	1,249.03	-1.7%
491 One Risk, One Medicare Part A Only	1	1,487.00	8.00	1,495.00	1,495.20	8.00	1,503.20	0.5%	1,495.20	8.00	1,503.20	0.5%
492 One Risk, One Over 65 No Medicare	1	1,686.64	8.00	1,694.64	1,698.83	8.00	1,706.83	0.7%	1,698.83	8.00	1,706.83	0.7%
493 One Risk, Two Basic	-	2,776.75	8.00	2,784.75	2,804.03	8.00	2,812.03	1.0%	2,793.00	8.00	2,801.00	0.6%
494 Two Risk, One Basic	-	2,025.34	8.00	2,033.34	2,088.72	8.00	2,096.72	3.1%	2,083.20	8.00	2,091.20	2.8%
495 Two Over 65 No Medicare	2	2,524.00	8.00	2,532.00	2,482.06	8.00	2,490.06	-1.7%	2,482.06	8.00	2,490.06	-1.7%
496 Two Medicare Part A Only	-	2,124.72	8.00	2,132.72	2,074.80	8.00	2,082.80	-2.3%	2,074.80	8.00	2,082.80	-2.3%
497 One Basic, One Medicare Part A Only	-	2,238.42	8.00	2,246.42	2,210.52	8.00	2,218.52	-1.2%	2,205.00	8.00	2,213.00	-1.5%
498 One Basic, One Over 65 no Medicare A&B	1	2,438.06	8.00	2,446.06	2,414.15	8.00	2,422.15	-1.0%	2,408.63	8.00	2,416.63	-1.2%
Total	146	\$1,314,520		\$1,328,536	\$1,380,657		\$1,394,673	5.0%	\$1,379,266		\$1,393,282	4.9%
<b>SCAN Health Plan</b>												
611 Retiree Only	303	\$301.00	\$8.00	\$309.00	\$259.00	\$8.00	\$267.00	-13.6%	\$259.00	\$8.00	\$267.00	-13.6%
613 Retiree & 1 Dependent(2 Medicare)	107	602.00	8.00	610.00	518.00	8.00	526.00	-13.8%	518.00	8.00	526.00	-13.8%
Total	410	\$1,867,404		\$1,906,764	\$1,606,836		\$1,646,196	-13.7%	\$1,606,836		\$1,646,196	-13.7%
<b>UnitedHealthcare</b>												
701 Retiree Only	1,669	\$348.76	\$8.00	\$356.76	\$355.80	\$8.00	\$363.80	2.0%	\$348.76	\$8.00	\$356.76	0.0%
702 Retiree & 1 Dependent (1 Medicare)	323	1,500.13	8.00	1,508.13	1,563.39	8.00	1,571.39	4.2%	1,534.33	8.00	1,542.33	2.3%
703 Retiree & 1 Dependent (2 Medicare)	974	697.52	8.00	705.52	711.60	8.00	719.60	2.0%	697.52	8.00	705.52	0.0%
704 Retiree & 2 + Deps. (1 Medicare)	79	1,698.49	8.00	1,706.49	1,771.43	8.00	1,779.43	4.3%	1,738.57	8.00	1,746.57	2.3%
705 Retiree & 2 + Deps. (2 Medicare)	26	895.88	8.00	903.88	919.64	8.00	927.64	2.6%	901.76	8.00	909.76	0.7%
706 Survivor (Child only)	1	324.14	8.00	332.14	339.97	8.00	347.97	4.8%	333.77	8.00	341.77	2.9%
707 UnitedHealthcare Single	459	1,151.37	8.00	1,159.37	1,207.59	8.00	1,215.59	4.8%	1,185.57	8.00	1,193.57	2.9%
708 UnitedHealthcare Two-Party	404	2,108.35	8.00	2,116.35	2,211.29	8.00	2,219.29	4.9%	2,170.97	8.00	2,178.97	3.0%
709 UnitedHealthcare Family	313	2,501.10	8.00	2,509.10	2,623.22	8.00	2,631.22	4.9%	2,575.38	8.00	2,583.38	3.0%
Total	4,248	\$48,802,814		\$49,210,622	\$50,697,720		\$51,105,528	3.9%	\$49,746,270		\$50,154,078	1.9%



Renewal Analysis - Effective 7/1/2019  
Los Angeles County Employees Retirement Association

**GROUP INSURANCE RATES EFFECTIVE JULY 1, 2019 THROUGH JUNE 30, 2020**

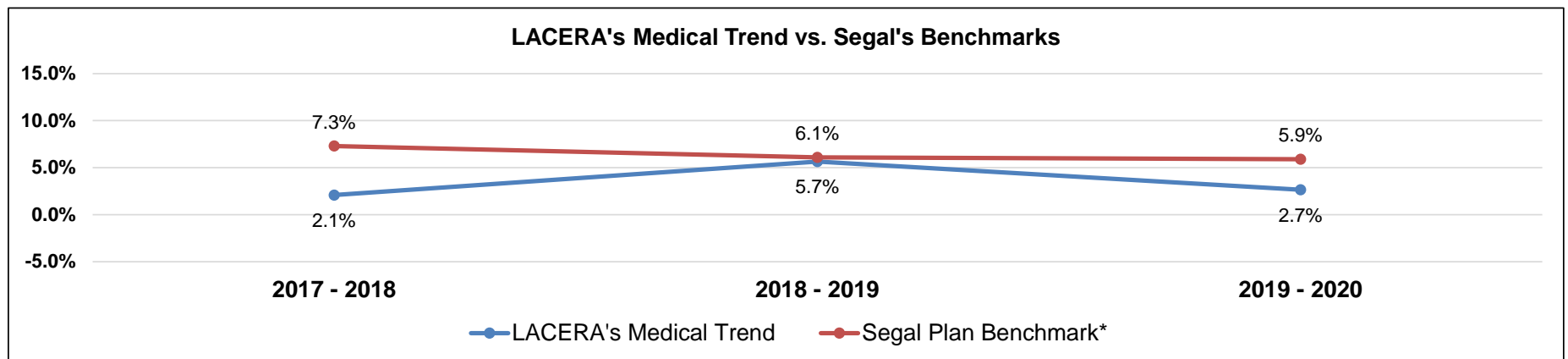
	Count	Current 2018-2019 Rates	Admin Fee	Total Rate	Preliminary 2019-2020 Rates	Admin Fee	Total Rate	% Change	Final 2019-2020 Rates	Admin Fee	Total Rate	% Change
<b>Medicare Part B</b>	<u>33,862</u>	<u>\$154.16</u>	\$0.00	<u>\$154.16</u>	<u>\$156.95</u>	\$0.00	<u>\$156.95</u>	<u>1.8%</u>	<u>\$156.95</u>	\$0.00	<u>\$156.95</u>	<u>1.8%</u>
Total	33,862	\$62,641,991		\$62,641,991	\$63,775,691		\$63,775,691	1.8%	\$63,775,691		\$63,775,691	1.8%
<b>Cigna Dental (Indemnity) / Vision</b>												
501 Retiree Only	23,819	\$44.16	\$8.00	\$52.16	\$44.16	\$8.00	\$52.16	0.0%	\$44.16	\$8.00	\$52.16	0.0%
502 Retiree & Dependents	22,084	100.60	8.00	108.60	100.60	8.00	108.60	0.0%	100.60	8.00	108.60	0.0%
503 Survivor / Minor	13	<u>56.15</u>	8.00	<u>64.15</u>	<u>56.15</u>	8.00	<u>64.15</u>	<u>0.0%</u>	<u>56.15</u>	8.00	<u>64.15</u>	<u>0.0%</u>
Total	45,916	\$39,290,729		\$43,698,665	\$39,290,729		\$43,698,665	0.0%	\$39,290,729		\$43,698,665	0.0%
<b>Cigna Dental (Prepaid) / Vision</b>												
901 Retiree only	3,316	\$38.19	\$8.00	\$46.19	\$38.19	\$8.00	\$46.19	0.0%	\$38.19	\$8.00	\$46.19	0.0%
902 Retiree & Dependents	2,300	86.52	8.00	94.52	86.52	8.00	94.52	0.0%	86.52	8.00	94.52	0.0%
903 Survivor/ Minor	4	<u>38.78</u>	8.00	<u>46.78</u>	<u>38.78</u>	8.00	<u>46.78</u>	<u>0.0%</u>	<u>38.78</u>	8.00	<u>46.78</u>	<u>0.0%</u>
Total	5,620	\$3,909,470		\$4,448,990	\$3,909,470		\$4,448,990	0.0%	\$3,909,470		\$4,448,990	0.0%

Renewal Analysis - Effective 7/1/2019  
Los Angeles County Employees Retirement Association

### HISTORICAL AGGREGATE PREMIUMS - MEDICAL <sup>(1)</sup>

Policy Period	2016-2017		2017-2018		2018-2019		2019-2020	
	Aggregate Premium	Aggregate Premium	Change (%)	Aggregate Premium	Change (%)	Aggregate Premium	Change (%)	
Anthem	\$217,604,000	\$224,461,000	3.2%	\$238,737,000	6.4%	\$245,122,000	2.7%	
Cigna	12,402,000	11,992,000	-3.3%	11,486,000	-4.2%	12,374,000	7.7%	
Kaiser	184,501,000	194,812,000	5.6%	211,917,000	8.8%	218,094,000	2.9%	
SCAN	1,817,000	1,814,000	-0.2%	1,907,000	5.1%	1,646,000	-13.7%	
UnitedHealthcare	38,557,000	43,215,000	12.1%	49,211,000	13.9%	50,154,000	1.9%	
Medicare Part B	55,047,000	57,124,000	3.8%	62,642,000	9.7%	63,776,000	1.8%	
<b>Total Premium</b>	<b>\$509,928,000</b>	<b>\$533,418,000</b>	<b>4.6%</b>	<b>\$575,900,000</b>	<b>8.0%</b>	<b>\$591,166,000</b>	<b>2.7%</b>	
<b>Total Retirees Insured</b>	<b>46,257</b>	<b>47,396</b>	<b>2.5%</b>	<b>48,434</b>	<b>2.2%</b>	<b>48,434</b>	<b>0.0%</b>	
<b>Premiums per Retiree per Month</b>	<b>\$918.65</b>	<b>\$937.87</b>	<b>2.1%</b>	<b>\$990.87</b>	<b>5.7%</b>	<b>\$1,017.13</b>	<b>2.7%</b>	

<sup>(1)</sup> The 2016-2017 and 2017-2018 premiums are projected based on enrollment from LACERA's January 2017 and January 2018 Staff Activity reports, respectively. The 2018-2019 and 2019-2020 premiums are projected based on enrollment from LACERA's January 2019 Staff Activity report.



\*Benchmarks are based on Segal's Annual Trend Surveys, weighted by LACERA's enrollment distribution in Non-Medicare (33%) and Medicare (67%) Plans.

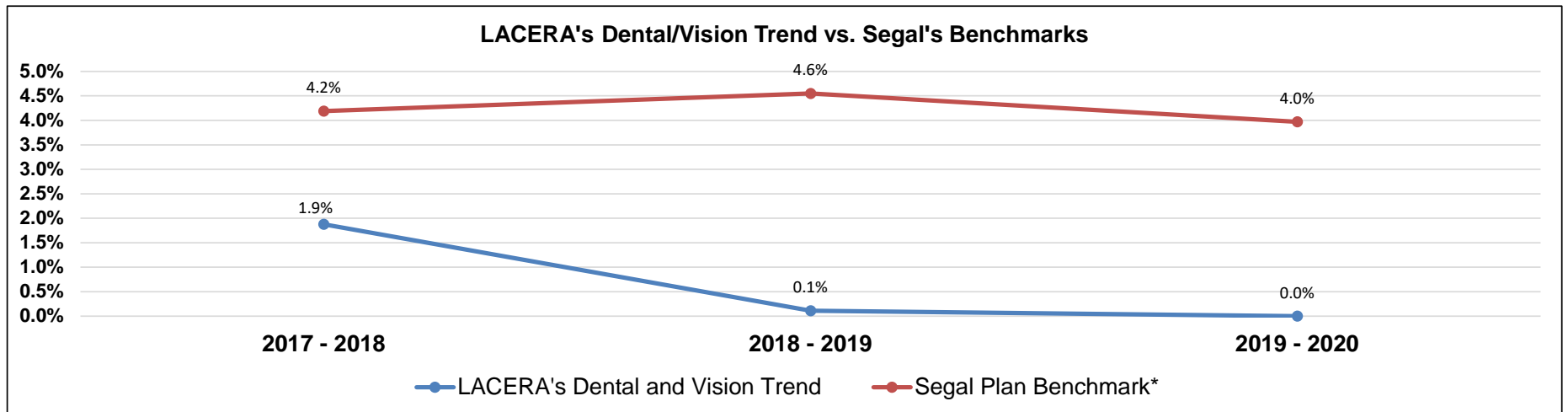
Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

Renewal Analysis - Effective 7/1/2019  
Los Angeles County Employees Retirement Association

### HISTORICAL AGGREGATE PREMIUMS - DENTAL AND VISION <sup>(1)</sup>

Policy Period	2016-2017		2017-2018		2018-2019		2019-2020	
	Aggregate Premium	Aggregate Premium	Change (%)	Aggregate Premium	Change (%)	Aggregate Premium	Change (%)	
Cigna Indemnity Dental / Vision	\$40,639,000	\$42,562,000	4.7%	\$43,699,000	2.7%	\$43,699,000	0.0%	
Cigna Prepaid Dental / Vision	4,303,000	4,388,000	2.0%	4,449,000	1.4%	4,449,000	0.0%	
<b>Total Premium</b>	<b>\$44,942,000</b>	<b>\$46,950,000</b>	<b>4.5%</b>	<b>\$48,148,000</b>	<b>2.6%</b>	<b>\$48,148,000</b>	<b>0.0%</b>	
<b>Total Retirees Insured</b>	<b>49,061</b>	<b>50,309</b>	<b>2.5%</b>	<b>51,536</b>	<b>2.4%</b>	<b>51,536</b>	<b>0.0%</b>	
<b>Premiums per Retiree per Month</b>	<b>\$76.34</b>	<b>\$77.77</b>	<b>1.9%</b>	<b>\$77.85</b>	<b>0.1%</b>	<b>\$77.85</b>	<b>0.0%</b>	

<sup>(1)</sup> The 2016-2017 and 2017-2018 premiums are projected based on enrollment from LACERA's January 2017 and January 2018 Staff Activity reports, respectively. The 2018-2019 and 2019-2020 premiums are projected based on enrollment from LACERA's January 2019 Staff Activity report.



\*Benchmarks are based on Segal's Annual Trend Surveys, weight by LACERA's enrollment distribution in Indemnity (90%) and Prepaid (10%) Dental Plans.

Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

## RETIREE HEALTHCARE CONTRIBUTIONS

### County Contributions and Benchmark

County contributions are provided for medical and dental/vision insurance premiums based on years of service credit, the plan chosen, and the number of eligible dependents covered.

- Fewer than 10 years of service credit - Not eligible for the County contributions.
- 10 or more years of service credit - Initial 40% County contribution, increasing by 4% for each additional year of service up to a maximum of 100% for 25 years of service credit.

County contribution percentage is applied to the monthly premium of the selected healthcare plan or the monthly premium of the benchmark plan, whichever is less. The retiree is responsible for any premium difference over the benchmark rates.

### Plan(s) Exceeding Benchmark Monthly Premium

Coverage Tier	Benchmark Anthem BC Plan I & II	Cigna Network Model (HMO)	Amount over the Benchmark (Member Portion)
Retiree Only	\$1,170.28	\$1,624.26	\$453.98
Retiree & Spouse	2,108.71	2,932.02	823.31
Retiree & Family	2,487.14	3,462.10	974.96
Retiree & Children	1,547.92	2,155.02	607.10

Note: Premiums and Rate Changes **include** LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

## RETIREE HEALTHCARE CONTRIBUTIONS

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### LACERA Retiree Healthcare Benefits Program - Tier 1

Tier 1 applies to all eligible County employees hired before June 30, 2014. Tier 1 County contributions are based on the selected coverage tier (retiree only, retiree and eligible dependents).

The following **benchmark plans** are used to determine County contributions:

- **Anthem Blue Cross I & II** is used to determine maximum County contribution applied to **all** Non-Medicare and Medicare Medical plans.
- **Cigna Indemnity Dental/Vision** is used to determine maximum County contribution applied to **all** Dental Plans.

### LACERA Retiree Healthcare Benefits Program - Tier 2

Tier 2 applies to all eligible County employees hired after June 30, 2014. Tier 2 County contributions are based on **retiree-only coverage**, regardless of the selected coverage tier.

The following provisions also apply for Tier 2 County contributions:

- Medicare-eligible retirees and eligible dependents must enroll in Medicare Parts A and B and in a corresponding Medicare health plan.
- Retirees and eligible dependents must be enrolled in the same medical plan.
- Medicare Part B Premium Reimbursement (standard rate) applies to Retiree/Survivor only.

The following **benchmark plans** are used to determine County contribution:

- **Anthem Blue Cross I & II** is used to determine maximum County contribution applied when Retiree is not Medicare-eligible.
- **Anthem Blue Cross III** is used to determine maximum County contribution applied when Retiree is Medicare-eligible.
- **Cigna Indemnity Dental/Vision** is used to determine maximum County contribution for most Dental plans.

## MEDICARE HISTORY

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### LACERA and Medicare

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

In 1992, with Board of Supervisors approval, LACERA implemented the Medicare Part B Reimbursement program. Continuance of the Medicare Part B Reimbursement program, which is limited to the Medicare Part B base rate, is subject to annual Board of Supervisors' approval. The Part B Reimbursement Program included the LACERA-administered Medicare Supplement Plan and Medicare Risk plans now referred to as Medicare Advantage Prescription Drug Plans (MAPD). In addition, LACERA added a Pre-65 HMO product through UnitedHealthcare (UHC).

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

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

In 2010, Health Care Reform set forth means testing for the Part D premiums. In addition, there continues to be political pressure for reduction in Medicare's physician reimbursements, as well as on Medicare HMOs (now known as Medicare Advantage Prescription Drug or MAPD plans).

## HEALTHCARE REFORM

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### Recent Developments

As retiree only plans, LACERA's plans are mostly exempt from health care reform requirements with the exception of the few listed below:

- The Affordable Care Act's health insurance premium tax has been suspended for 2019. Segal has ensured that the current premium rates and the renewal rates proposed and negotiated for 2019 - 2020 do not include the suspended premium tax. The suspended premium tax represents a reduction of \$6.3 million to the annual premium in 2018 - 2019 and \$5.9 million reduction for 2019 - 2020. Without further suspension, the reduction may not apply to future renewals, resulting in a corresponding increase from current levels.
- The Affordable Care Act's 40% excise tax on high-cost plans, known as the Cadillac tax, has been suspended for two additional years until January 1, 2022.

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Anthem Blue Cross I**

Years of Service	Retiree Only 211	Retiree & Spouse 212	Retiree, Spouse, & Children 213	Retiree & Children 214
Less than 10*	\$1,170.28	\$2,108.71	\$2,487.14	\$1,547.92
10-11*	\$702.17	\$1,265.23	\$1,492.28	\$928.75
11-12*	\$655.36	\$1,180.88	\$1,392.80	\$866.84
12-13*	\$608.55	\$1,096.53	\$1,293.31	\$804.92
13-14	\$561.73	\$1,012.18	\$1,193.83	\$743.00
14-15	\$514.92	\$927.83	\$1,094.34	\$681.08
15-16	\$468.11	\$843.48	\$994.86	\$619.17
16-17	\$421.30	\$759.14	\$895.37	\$557.25
17-18	\$374.49	\$674.79	\$795.88	\$495.33
18-19	\$327.68	\$590.44	\$696.40	\$433.42
19-20	\$280.87	\$506.09	\$596.91	\$371.50
20-21	\$234.06	\$421.74	\$497.43	\$309.58
21-22	\$187.24	\$337.39	\$397.94	\$247.67
22-23	\$140.43	\$253.05	\$298.46	\$185.75
23-24	\$93.62	\$168.70	\$198.97	\$123.83
24-25	\$46.81	\$84.35	\$99.49	\$61.92
25 or more	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$585.14	\$1,054.35	\$1,243.57	\$773.96
COBRA	\$1,193.69	\$2,150.88	\$2,536.88	\$1,578.88



**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Anthem Blue Cross II**

Years of Service	Retiree Only 221	Retiree & Spouse 222	Retiree, Spouse, & Children 223	Retiree & Children 224
Less than 10*	\$1,170.28	\$2,108.71	\$2,487.14	\$1,547.92
10-11*	\$702.17	\$1,265.23	\$1,492.28	\$928.75
11-12*	\$655.36	\$1,180.88	\$1,392.80	\$866.84
12-13*	\$608.55	\$1,096.53	\$1,293.31	\$804.92
13-14	\$561.73	\$1,012.18	\$1,193.83	\$743.00
14-15	\$514.92	\$927.83	\$1,094.34	\$681.08
15-16	\$468.11	\$843.48	\$994.86	\$619.17
16-17	\$421.30	\$759.14	\$895.37	\$557.25
17-18	\$374.49	\$674.79	\$795.88	\$495.33
18-19	\$327.68	\$590.44	\$696.40	\$433.42
19-20	\$280.87	\$506.09	\$596.91	\$371.50
20-21	\$234.06	\$421.74	\$497.43	\$309.58
21-22	\$187.24	\$337.39	\$397.94	\$247.67
22-23	\$140.43	\$253.05	\$298.46	\$185.75
23-24	\$93.62	\$168.70	\$198.97	\$123.83
24-25	\$46.81	\$84.35	\$99.49	\$61.92
25 or more	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$585.14	\$1,054.35	\$1,243.57	\$773.96
COBRA	\$1,193.69	\$2,150.88	\$2,536.88	\$1,578.88

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Anthem Blue Cross III (Medicare Supplement Plan)**

Years of Service	Retiree Only w/ Medicare 240	Retiree & Spouse - 1 w/ Medicare 241 <sup>(1)</sup>	Retiree & Spouse - 1 w/ Medicare 242 <sup>(2)</sup>	Retiree & Spouse - Both w/ Medicare 243
Less than 10*	\$477.43	\$1,523.21	\$1,523.21	\$948.80
10-11*	\$286.46	\$913.93	\$913.93	\$569.28
11-12*	\$267.36	\$853.00	\$853.00	\$531.33
12-13*	\$248.26	\$792.07	\$792.07	\$493.38
13-14	\$229.17	\$731.14	\$731.14	\$455.42
14-15	\$210.07	\$670.21	\$670.21	\$417.47
15-16	\$190.97	\$609.28	\$609.28	\$379.52
16-17	\$171.87	\$548.36	\$548.36	\$341.57
17-18	\$152.78	\$487.43	\$487.43	\$303.62
18-19	\$133.68	\$426.50	\$426.50	\$265.66
19-20	\$114.58	\$365.57	\$365.57	\$227.71
20-21	\$95.49	\$304.64	\$304.64	\$189.76
21-22	\$76.39	\$243.71	\$243.71	\$151.81
22-23	\$57.29	\$182.79	\$182.79	\$113.86
23-24	\$38.19	\$121.86	\$121.86	\$75.90
24-25	\$19.10	\$60.93	\$60.93	\$37.95
25 or more	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$238.71	\$761.60	\$761.60	\$474.40
COBRA	\$486.98	\$1,553.67	\$1,553.67	\$967.78

<sup>(1)</sup> Non-Medicare has Anthem Blue Cross I

<sup>(2)</sup> Non-Medicare has Anthem Blue Cross II

**Los Angeles County Employees Retirement Association  
Rates Effective July 1, 2019  
Tier 1 - Anthem Blue Cross III (Medicare Supplement Plan)**

<b>Years of Service</b>	<b>Retiree &amp; Children 244 <sup>(3)</sup></b>	<b>Retiree &amp; Children 245 <sup>(4)</sup></b>	<b>Retiree, Spouse, &amp; Children - 1 w/ Medicare 246 <sup>(5)</sup></b>	<b>Retiree, Spouse, &amp; Children - 1 w/ Medicare 247 <sup>(6)</sup></b>	<b>Retiree, Spouse, &amp; Children - 2 w/ Medicare 248 <sup>(7)</sup></b>	<b>Retiree, Spouse, &amp; Children - 2 w/ Medicare 249 <sup>(8)</sup></b>	<b>Retiree, Spouse, &amp; Children - each w/ Medicare 250 <sup>(9)</sup></b>
Less than 10*	\$853.73	\$853.73	\$1,899.39	\$1,899.39	\$1,324.91	\$1,324.91	\$1,484.65
10-11*	\$512.24	\$512.24	\$1,139.63	\$1,139.63	\$794.95	\$794.95	\$890.79
11-12*	\$478.09	\$478.09	\$1,063.66	\$1,063.66	\$741.95	\$741.95	\$831.40
12-13*	\$443.94	\$443.94	\$987.68	\$987.68	\$688.95	\$688.95	\$772.02
13-14	\$409.79	\$409.79	\$911.71	\$911.71	\$635.96	\$635.96	\$712.63
14-15	\$375.64	\$375.64	\$835.73	\$835.73	\$582.96	\$582.96	\$653.25
15-16	\$341.49	\$341.49	\$759.76	\$759.76	\$529.96	\$529.96	\$593.86
16-17	\$307.34	\$307.34	\$683.78	\$683.78	\$476.97	\$476.97	\$534.47
17-18	\$273.19	\$273.19	\$607.80	\$607.80	\$423.97	\$423.97	\$475.09
18-19	\$239.04	\$239.04	\$531.83	\$531.83	\$370.97	\$370.97	\$415.70
19-20	\$204.90	\$204.90	\$455.85	\$455.85	\$317.98	\$317.98	\$356.32
20-21	\$170.75	\$170.75	\$379.88	\$379.88	\$264.98	\$264.98	\$296.93
21-22	\$136.60	\$136.60	\$303.90	\$303.90	\$211.99	\$211.99	\$237.54
22-23	\$102.45	\$102.45	\$227.93	\$227.93	\$158.99	\$158.99	\$178.16
23-24	\$68.30	\$68.30	\$151.95	\$151.95	\$105.99	\$105.99	\$118.77
24-25	\$34.15	\$34.15	\$75.98	\$75.98	\$53.00	\$53.00	\$59.39
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>							
	\$426.86	\$426.86	\$949.69	\$949.69	\$662.45	\$662.45	\$742.32
COBRA	\$870.80	\$870.80	\$1,937.38	\$1,937.38	\$1,351.41	\$1,351.41	\$1,514.34

<sup>(3)</sup> Retiree has Medicare; Children have Anthem Blue Cross I

<sup>(4)</sup> Retiree has Medicare; Children have Anthem Blue Cross II

<sup>(5)</sup> Non-Medicare has Anthem Blue Cross I

<sup>(6)</sup> Non-Medicare has Anthem Blue Cross II

<sup>(7)</sup> Children have Anthem Blue Cross I

<sup>(8)</sup> Children have Anthem Blue Cross II

<sup>(9)</sup> Please note only two parties will qualify for Medicare Part B Premium Reimbursement Program, approved annually by Los Angeles County Board of Supervisors.

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Anthem Blue Cross Prudent Buyer Plan**

<b>Years of Service</b>	<b>Retiree Only 201</b>	<b>Retiree &amp; Spouse 202</b>	<b>Retiree, Spouse, &amp; Children 203</b>	<b>Retiree &amp; Children 204</b>
Less than 10*	\$1,016.48	\$1,999.73	\$2,256.78	\$1,306.38
10-11*	\$609.89	\$1,199.84	\$1,354.07	\$783.83
11-12*	\$569.23	\$1,119.85	\$1,263.80	\$731.57
12-13*	\$528.57	\$1,039.86	\$1,173.53	\$679.32
13-14	\$487.91	\$959.87	\$1,083.25	\$627.06
14-15	\$447.25	\$879.88	\$992.98	\$574.81
15-16	\$406.59	\$799.89	\$902.71	\$522.55
16-17	\$365.93	\$719.90	\$812.44	\$470.30
17-18	\$325.27	\$639.91	\$722.17	\$418.04
18-19	\$284.61	\$559.92	\$631.90	\$365.79
19-20	\$243.96	\$479.94	\$541.63	\$313.53
20-21	\$203.30	\$399.95	\$451.36	\$261.28
21-22	\$162.64	\$319.96	\$361.08	\$209.02
22-23	\$121.98	\$239.97	\$270.81	\$156.77
23-24	\$81.32	\$159.98	\$180.54	\$104.51
24-25	\$40.66	\$79.99	\$90.27	\$52.26
25 or more	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$508.24	\$999.86	\$1,128.39	\$653.19
COBRA	\$1,036.81	\$2,039.72	\$2,301.92	\$1,332.51

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Cigna Network Model Plan**

Years of Service	Retiree Only 301	Retiree & Spouse 302	Retiree, Spouse, & Children 303	Retiree & Children 304
Less than 10*	\$1,624.26	\$2,932.02	\$3,462.10	\$2,155.02
10-11*	\$1,156.15	\$2,088.54	\$2,467.24	\$1,535.85
11-12*	\$1,109.34	\$2,004.19	\$2,367.76	\$1,473.94
12-13*	\$1,062.53	\$1,919.84	\$2,268.27	\$1,412.02
13-14	\$1,015.71	\$1,835.49	\$2,168.79	\$1,350.10
14-15	\$968.90	\$1,751.14	\$2,069.30	\$1,288.18
15-16	\$922.09	\$1,666.79	\$1,969.82	\$1,226.27
16-17	\$875.28	\$1,582.45	\$1,870.33	\$1,164.35
17-18	\$828.47	\$1,498.10	\$1,770.84	\$1,102.43
18-19	\$781.66	\$1,413.75	\$1,671.36	\$1,040.52
19-20	\$734.85	\$1,329.40	\$1,571.87	\$978.60
20-21	\$688.04	\$1,245.05	\$1,472.39	\$916.68
21-22	\$641.22	\$1,160.70	\$1,372.90	\$854.77
22-23	\$594.41	\$1,076.36	\$1,273.42	\$792.85
23-24	\$547.60	\$992.01	\$1,173.93	\$730.93
24-25	\$500.79	\$907.66	\$1,074.45	\$669.02
25 or more	\$453.98	\$823.31	\$974.96	\$607.10
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$1,039.12	\$1,877.66	\$2,218.53	\$1,381.06
COBRA	\$1,656.75	\$2,990.66	\$3,531.34	\$2,198.12

**Los Angeles County Employees Retirement Association**

**Rates Effective July 1, 2019**

**Tier 1 - Cigna-HealthSpring Preferred w/ Rx**

**(available in Maricopa County and Apache Junction, Pinal County, Arizona only)**

<b>Years of Service</b>	<b>Retiree Only with Medicare 321</b>	<b>Retiree &amp; Spouse/Domestic Partner - 1 w/ Medicare 322</b>	<b>Retiree &amp; Spouse/Domestic Partner - Both w/ Medicare 324</b>	<b>Retiree &amp; Children 325</b>	<b>Retiree, Spouse/Domestic Partner &amp; Children - 1 w/ Medicare 327</b>	<b>Retiree, Spouse/Domestic Partner &amp; Children - 2 w/ Medicare 329</b>
Less than 10*	\$384.49	\$1,692.25	\$760.98	\$915.93	\$2,223.01	\$1,362.53
10-11*	\$230.69	\$1,015.35	\$456.59	\$549.56	\$1,333.81	\$817.52
11-12*	\$215.31	\$947.66	\$426.15	\$512.92	\$1,244.89	\$763.02
12-13*	\$199.93	\$879.97	\$395.71	\$476.28	\$1,155.97	\$708.52
13-14	\$184.56	\$812.28	\$365.27	\$439.65	\$1,067.04	\$654.01
14-15	\$169.18	\$744.59	\$334.83	\$403.01	\$978.12	\$599.51
15-16	\$153.80	\$676.90	\$304.39	\$366.37	\$889.20	\$545.01
16-17	\$138.42	\$609.21	\$273.95	\$329.73	\$800.28	\$490.51
17-18	\$123.04	\$541.52	\$243.51	\$293.10	\$711.36	\$436.01
18-19	\$107.66	\$473.83	\$213.07	\$256.46	\$622.44	\$381.51
19-20	\$92.28	\$406.14	\$182.64	\$219.82	\$533.52	\$327.01
20-21	\$76.90	\$338.45	\$152.20	\$183.19	\$444.60	\$272.51
21-22	\$61.52	\$270.76	\$121.76	\$146.55	\$355.68	\$218.00
22-23	\$46.14	\$203.07	\$91.32	\$109.91	\$266.76	\$163.50
23-24	\$30.76	\$135.38	\$60.88	\$73.27	\$177.84	\$109.00
24-25	\$15.38	\$67.69	\$30.44	\$36.64	\$88.92	\$54.50
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>						
	\$192.24	\$846.12	\$380.49	\$457.96	\$1,111.50	\$681.26
COBRA	\$392.18	\$1,726.10	\$776.20	\$934.25	\$2,267.47	\$1,389.78

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente / Kaiser Senior Advantage (California Residents)**

<b>Years of Service</b>	<b>Retiree Only 401</b>	<b>Retiree Only 403</b>	<b>Retiree Only 404</b>	<b>Retiree Only 405</b>	<b>Retiree Only 406</b>
Less than 10*	\$1,032.28	\$280.80	\$1,178.79	\$1,086.88	\$1,922.46
10-11*	\$619.37	\$168.48	\$710.68	\$652.13	\$1,454.35
11-12*	\$578.08	\$157.25	\$663.87	\$608.65	\$1,407.54
12-13*	\$536.79	\$146.02	\$617.06	\$565.18	\$1,360.73
13-14	\$495.49	\$134.78	\$570.24	\$521.70	\$1,313.91
14-15	\$454.20	\$123.55	\$523.43	\$478.23	\$1,267.10
15-16	\$412.91	\$112.32	\$476.62	\$434.75	\$1,220.29
16-17	\$371.62	\$101.09	\$429.81	\$391.28	\$1,173.48
17-18	\$330.33	\$89.86	\$383.00	\$347.80	\$1,126.67
18-19	\$289.04	\$78.62	\$336.19	\$304.33	\$1,079.86
19-20	\$247.75	\$67.39	\$289.38	\$260.85	\$1,033.05
20-21	\$206.46	\$56.16	\$242.57	\$217.38	\$986.24
21-22	\$165.16	\$44.93	\$195.75	\$173.90	\$939.42
22-23	\$123.87	\$33.70	\$148.94	\$130.43	\$892.61
23-24	\$82.58	\$22.46	\$102.13	\$86.95	\$845.80
24-25	\$41.29	\$11.23	\$55.32	\$43.48	\$798.99
25 or more	\$0.00	\$0.00	\$8.51	\$0.00	\$752.18
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$516.14	\$140.40	\$593.65	\$543.44	\$1,337.32
COBRA	\$1,052.93	\$286.42	\$1,202.37	\$1,108.62	\$1,960.91

**Deduct Codes:**

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

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente / Kaiser Senior Advantage (California Residents)**

Years of Service	Retiree & Family 411	Retiree & Family 413	Retiree & Family 414
Less than 10*	\$2,056.56	\$1,305.08	\$2,203.07
10-11*	\$1,233.94	\$783.05	\$1,321.84
11-12*	\$1,151.67	\$730.84	\$1,233.72
12-13*	\$1,069.41	\$678.64	\$1,145.60
13-14	\$987.15	\$626.44	\$1,057.47
14-15	\$904.89	\$574.24	\$969.35
15-16	\$822.62	\$522.03	\$881.23
16-17	\$740.36	\$469.83	\$793.11
17-18	\$658.10	\$417.63	\$704.98
18-19	\$575.84	\$365.42	\$616.86
19-20	\$493.57	\$313.22	\$528.74
20-21	\$411.31	\$261.02	\$440.61
21-22	\$329.05	\$208.81	\$352.49
22-23	\$246.79	\$156.61	\$264.37
23-24	\$164.52	\$104.41	\$176.25
24-25	\$82.26	\$52.20	\$88.12
25 or more	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$1,028.28	\$652.54	\$1,101.53
COBRA	\$2,097.69	\$1,331.18	\$2,247.13

**Deduct Codes:**

411 - All family members are "Basic"

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

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

**Definitions:**

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

"Senior Advantage" - includes participants who are age 65 or over and who have assigned both Medicare Parts A & B to Kaiser.

"Excess I" - participants who have Medicare Part A only.

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

"Excess III" - participants in the Excess Plan who have either Medicare Part A & B and have not assigned their Medicare benefits to Kaiser or have not provided their Medicare status to LACERA.



**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente / Kaiser Senior Advantage (California Residents)**

Years of Service	Retiree & Family 418	Retiree & Family 419	Retiree & Family 420	Retiree & Family 422
Less than 10*	\$553.60	\$1,451.59	\$2,349.58	\$2,111.16
10-11*	\$332.16	\$870.95	\$1,409.75	\$1,266.70
11-12*	\$310.02	\$812.89	\$1,315.76	\$1,182.25
12-13*	\$287.87	\$754.83	\$1,221.78	\$1,097.80
13-14	\$265.73	\$696.76	\$1,127.80	\$1,013.36
14-15	\$243.58	\$638.70	\$1,033.82	\$928.91
15-16	\$221.44	\$580.64	\$939.83	\$844.46
16-17	\$199.30	\$522.57	\$845.85	\$760.02
17-18	\$177.15	\$464.51	\$751.87	\$675.57
18-19	\$155.01	\$406.45	\$657.88	\$591.12
19-20	\$132.86	\$348.38	\$563.90	\$506.68
20-21	\$110.72	\$290.32	\$469.92	\$422.23
21-22	\$88.58	\$232.25	\$375.93	\$337.79
22-23	\$66.43	\$174.19	\$281.95	\$253.34
23-24	\$44.29	\$116.13	\$187.97	\$168.89
24-25	\$22.14	\$58.06	\$93.98	\$84.45
25 or more	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$276.80	\$725.79	\$1,174.79	\$1,055.58
COBRA	\$564.67	\$1,480.62	\$2,396.57	\$2,153.38

**Deduct Codes:**

- 418 - Two or more family members are "Senior Advantage"
- 419 - One family member is "Excess I"; others are "Senior Advantage"
- 420 - Two or more family members are "Excess I"
- 422 - One family member is "Excess II"; others are "Basic"

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente / Kaiser Senior Advantage (California Residents)**

Years of Service	Retiree & Family 423	Retiree & Family 426	Retiree & Family 427	Retiree & Family 428
Less than 10*	\$2,946.74	\$1,359.68	\$2,195.26	\$2,257.67
10-11*	\$1,951.88	\$815.81	\$1,317.16	\$1,354.60
11-12*	\$1,852.40	\$761.42	\$1,229.35	\$1,264.30
12-13*	\$1,752.91	\$707.03	\$1,141.54	\$1,173.99
13-14	\$1,653.43	\$652.65	\$1,053.72	\$1,083.68
14-15	\$1,553.94	\$598.26	\$965.91	\$993.37
15-16	\$1,454.46	\$543.87	\$878.10	\$903.07
16-17	\$1,354.97	\$489.48	\$790.29	\$812.76
17-18	\$1,255.48	\$435.10	\$702.48	\$722.45
18-19	\$1,156.00	\$380.71	\$614.67	\$632.15
19-20	\$1,056.51	\$326.32	\$526.86	\$541.84
20-21	\$957.03	\$271.94	\$439.05	\$451.53
21-22	\$857.54	\$217.55	\$351.24	\$361.23
22-23	\$758.06	\$163.16	\$263.43	\$270.92
23-24	\$658.57	\$108.77	\$175.62	\$180.61
24-25	\$559.09	\$54.39	\$87.81	\$90.31
25 or more	\$459.60	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$1,703.17	\$679.84	\$1,097.63	\$1,128.83
COBRA	\$3,005.67	\$1,386.87	\$2,239.17	\$2,302.82

**Deduct Codes:**

- 423 - One family member is "Excess III"; others are "Basic"
- 426 - One family member is "Senior Advantage"; others are "Excess II"
- 427 - One family member is "Senior Advantage"; others are "Excess III"
- 428 - One family member is "Excess I"; others are "Excess II"

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente / Kaiser Senior Advantage (California Residents)**

Years of Service	Retiree & Family 429	Retiree & Family 430	Retiree & Family 431	Retiree & Family 432
Less than 10*	\$3,093.25	\$2,165.76	\$3,001.34	\$3,836.92
10-11*	\$2,098.39	\$1,299.46	\$2,006.48	\$2,842.06
11-12*	\$1,998.91	\$1,212.83	\$1,907.00	\$2,742.58
12-13*	\$1,899.42	\$1,126.20	\$1,807.51	\$2,643.09
13-14	\$1,799.94	\$1,039.56	\$1,708.03	\$2,543.61
14-15	\$1,700.45	\$952.93	\$1,608.54	\$2,444.12
15-16	\$1,600.97	\$866.30	\$1,509.06	\$2,344.64
16-17	\$1,501.48	\$779.67	\$1,409.57	\$2,245.15
17-18	\$1,401.99	\$693.04	\$1,310.08	\$2,145.66
18-19	\$1,302.51	\$606.41	\$1,210.60	\$2,046.18
19-20	\$1,203.02	\$519.78	\$1,111.11	\$1,946.69
20-21	\$1,103.54	\$433.15	\$1,011.63	\$1,847.21
21-22	\$1,004.05	\$346.52	\$912.14	\$1,747.72
22-23	\$904.57	\$259.89	\$812.66	\$1,648.24
23-24	\$805.08	\$173.26	\$713.17	\$1,548.75
24-25	\$705.60	\$86.63	\$613.69	\$1,449.27
25 or more	\$606.11	\$0.00	\$514.20	\$1,349.78
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$1,849.68	\$1,082.88	\$1,757.77	\$2,593.35
COBRA	\$3,155.12	\$2,209.08	\$3,061.37	\$3,913.66

**Deduct Codes:**

429 - One family member is "Excess I"; others are "Excess III"

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

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

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

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente Colorado**

Years of Service	Retiree Only 450	Retiree Only 451	*Retiree & Family 453	Retiree & Family 454	*Retiree & Family 455
Less than 10*	\$921.59	\$359.72	\$2,036.25	\$2,657.75	\$1,172.95
10-11*	\$552.95	\$215.83	\$1,221.75	\$1,662.89	\$703.77
11-12*	\$516.09	\$201.44	\$1,140.30	\$1,563.41	\$656.85
12-13*	\$479.23	\$187.05	\$1,058.85	\$1,463.92	\$609.93
13-14	\$442.36	\$172.67	\$977.40	\$1,364.44	\$563.02
14-15	\$405.50	\$158.28	\$895.95	\$1,264.95	\$516.10
15-16	\$368.64	\$143.89	\$814.50	\$1,165.47	\$469.18
16-17	\$331.77	\$129.50	\$733.05	\$1,065.98	\$422.26
17-18	\$294.91	\$115.11	\$651.60	\$966.49	\$375.34
18-19	\$258.05	\$100.72	\$570.15	\$867.01	\$328.43
19-20	\$221.18	\$86.33	\$488.70	\$767.52	\$281.51
20-21	\$184.32	\$71.94	\$407.25	\$668.04	\$234.59
21-22	\$147.45	\$57.56	\$325.80	\$568.55	\$187.67
22-23	\$110.59	\$43.17	\$244.35	\$469.07	\$140.75
23-24	\$73.73	\$28.78	\$162.90	\$369.58	\$93.84
24-25	\$36.86	\$14.39	\$81.45	\$270.10	\$46.92
25 or more	\$0.00	\$0.00	\$0.00	\$170.61	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$460.79	\$179.86	\$1,018.12	\$1,414.18	\$586.47
COBRA	\$940.02	\$366.91	\$2,076.98	\$2,710.91	\$1,196.41

**Deduct Codes:**

450 - "Basic" under age 65

451 - "Senior Advantage"

453 - Two family members are "Basic"

454 - Three or more family members are "Basic"

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

\*Deduct codes 453 & 455 represent 2-party contract

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente Colorado**

Years of Service	*Retiree & Family 457	Retiree & Family 458	Retiree & Family 459
Less than 10*	\$711.44	\$2,007.89	\$1,524.67
10-11*	\$426.86	\$1,204.73	\$914.80
11-12*	\$398.41	\$1,124.42	\$853.82
12-13*	\$369.95	\$1,044.10	\$792.83
13-14	\$341.49	\$963.79	\$731.84
14-15	\$313.03	\$883.47	\$670.85
15-16	\$284.58	\$803.16	\$609.87
16-17	\$256.12	\$722.84	\$548.88
17-18	\$227.66	\$642.52	\$487.89
18-19	\$199.20	\$562.21	\$426.91
19-20	\$170.75	\$481.89	\$365.92
20-21	\$142.29	\$401.58	\$304.93
21-22	\$113.83	\$321.26	\$243.95
22-23	\$85.37	\$240.95	\$182.96
23-24	\$56.92	\$160.63	\$121.97
24-25	\$28.46	\$80.32	\$60.99
25 or more	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$355.72	\$1,003.94	\$762.33
COBRA	\$725.67	\$2,048.05	\$1,555.16

**Deduct Codes:**

457 - Two family members are "Senior Advantage"

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

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

\*Deduct code 457 represent 2-party contract

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente Georgia**

<b>Years of Service</b>	<b>Retiree Only 440</b>	<b>Retiree Only 441</b>	<b>Retiree Only 442</b>	<b>Retiree Only 443</b>	<b>*Retiree &amp; Family 444</b>	<b>*Retiree &amp; Family 445</b>	<b>*Retiree &amp; Family 446</b>
Less than 10*	\$1,108.67	\$1,108.67	\$1,108.67	\$423.47	\$1,524.14	\$1,524.14	\$1,524.14
10-11*	\$665.20	\$665.20	\$665.20	\$254.08	\$914.48	\$914.48	\$914.48
11-12*	\$620.86	\$620.86	\$620.86	\$237.14	\$853.52	\$853.52	\$853.52
12-13*	\$576.51	\$576.51	\$576.51	\$220.20	\$792.55	\$792.55	\$792.55
13-14	\$532.16	\$532.16	\$532.16	\$203.27	\$731.59	\$731.59	\$731.59
14-15	\$487.81	\$487.81	\$487.81	\$186.33	\$670.62	\$670.62	\$670.62
15-16	\$443.47	\$443.47	\$443.47	\$169.39	\$609.66	\$609.66	\$609.66
16-17	\$399.12	\$399.12	\$399.12	\$152.45	\$548.69	\$548.69	\$548.69
17-18	\$354.77	\$354.77	\$354.77	\$135.51	\$487.72	\$487.72	\$487.72
18-19	\$310.43	\$310.43	\$310.43	\$118.57	\$426.76	\$426.76	\$426.76
19-20	\$266.08	\$266.08	\$266.08	\$101.63	\$365.79	\$365.79	\$365.79
20-21	\$221.73	\$221.73	\$221.73	\$84.69	\$304.83	\$304.83	\$304.83
21-22	\$177.39	\$177.39	\$177.39	\$67.76	\$243.86	\$243.86	\$243.86
22-23	\$133.04	\$133.04	\$133.04	\$50.82	\$182.90	\$182.90	\$182.90
23-24	\$88.69	\$88.69	\$88.69	\$33.88	\$121.93	\$121.93	\$121.93
24-25	\$44.35	\$44.35	\$44.35	\$16.94	\$60.97	\$60.97	\$60.97
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>							
	\$554.33	\$554.33	\$554.33	\$211.73	\$762.07	\$762.07	\$762.07
COBRA	\$1,130.84	\$1,130.84	\$1,130.84	\$431.94	\$1,554.62	\$1,554.62	\$1,554.62

**Deduct Codes:**

440 - "Basic" over age 65 with Medicare Part B only

441 - "Basic" over age 65 with Medicare Part A only

442 - "Basic" over age 65 without Medicare Parts A or B

443 - "Basic" over age 65 - Medicare-eligible who is classified as having renal failure

444 - One family member in "Senior Advantage"; one is "Basic" over age 65 with Medicare Part B only

445 - One family member in "Senior Advantage"; one is "Basic" over age 65 with Medicare Part A only

446 - One family member in "Senior Advantage"; one is "Basic" over age 65 without Medicare Parts A & B

\*Deduct codes 444, 445, & 446 represent 2-party contract

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente Georgia**

Years of Service	Retiree Only 461	Retiree Only 462	*Retiree & Family 463	Retiree & Family 464	*Retiree & Family 465
Less than 10*	\$1,108.67	\$423.47	\$2,209.34	\$3,310.01	\$1,524.14
10-11*	\$665.20	\$254.08	\$1,365.86	\$2,315.15	\$914.48
11-12*	\$620.86	\$237.14	\$1,281.51	\$2,215.67	\$853.52
12-13*	\$576.51	\$220.20	\$1,197.16	\$2,116.18	\$792.55
13-14	\$532.16	\$203.27	\$1,112.81	\$2,016.70	\$731.59
14-15	\$487.81	\$186.33	\$1,028.46	\$1,917.21	\$670.62
15-16	\$443.47	\$169.39	\$944.11	\$1,817.73	\$609.66
16-17	\$399.12	\$152.45	\$859.77	\$1,718.24	\$548.69
17-18	\$354.77	\$135.51	\$775.42	\$1,618.75	\$487.72
18-19	\$310.43	\$118.57	\$691.07	\$1,519.27	\$426.76
19-20	\$266.08	\$101.63	\$606.72	\$1,419.78	\$365.79
20-21	\$221.73	\$84.69	\$522.37	\$1,320.30	\$304.83
21-22	\$177.39	\$67.76	\$438.02	\$1,220.81	\$243.86
22-23	\$133.04	\$50.82	\$353.68	\$1,121.33	\$182.90
23-24	\$88.69	\$33.88	\$269.33	\$1,021.84	\$121.93
24-25	\$44.35	\$16.94	\$184.98	\$922.36	\$60.97
25 or more	\$0.00	\$0.00	\$100.63	\$822.87	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$554.33	\$211.73	\$1,154.98	\$2,066.44	\$762.07
COBRA	\$1,130.84	\$431.94	\$2,253.53	\$3,376.21	\$1,554.62

**Deduct Codes:**

461 - "Basic" under age 65

462 - "Senior Advantage"

463 - Two family members are "Basic"

464 - Three or more family members are "Basic"

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

\*Deduct codes 463 & 465 represent 2-party contract

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente Georgia**

Years of Service	*Retiree & Family 466	Retiree & Family 467	Retiree & Family 468	Retiree & Family 469	Retiree & Family 470
Less than 10*	\$838.94	\$2,624.81	\$1,939.61	\$1,254.41	\$2,624.81
10-11*	\$503.36	\$1,629.95	\$1,163.77	\$752.65	\$1,629.95
11-12*	\$469.81	\$1,530.47	\$1,086.18	\$702.47	\$1,530.47
12-13*	\$436.25	\$1,430.98	\$1,008.60	\$652.29	\$1,430.98
13-14	\$402.69	\$1,331.50	\$931.01	\$602.12	\$1,331.50
14-15	\$369.13	\$1,232.01	\$853.43	\$551.94	\$1,232.01
15-16	\$335.58	\$1,132.53	\$775.84	\$501.76	\$1,132.53
16-17	\$302.02	\$1,033.04	\$698.26	\$451.59	\$1,033.04
17-18	\$268.46	\$933.55	\$620.68	\$401.41	\$933.55
18-19	\$234.90	\$834.07	\$543.09	\$351.23	\$834.07
19-20	\$201.35	\$734.58	\$465.51	\$301.06	\$734.58
20-21	\$167.79	\$635.10	\$387.92	\$250.88	\$635.10
21-22	\$134.23	\$535.61	\$310.34	\$200.71	\$535.61
22-23	\$100.67	\$436.13	\$232.75	\$150.53	\$436.13
23-24	\$67.12	\$336.64	\$155.17	\$100.35	\$336.64
24-25	\$33.56	\$237.16	\$77.58	\$50.18	\$237.16
25 or more	\$0.00	\$137.67	\$0.00	\$0.00	\$137.67
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$419.47	\$1,381.24	\$969.80	\$627.20	\$1,381.24
COBRA	\$855.72	\$2,677.31	\$1,978.40	\$1,279.50	\$2,677.31

**Deduct Codes:**

466 - Two family members are "Senior Advantage"

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

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

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

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

\*Deduct code 466 represents 2-party contract



**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente Hawaii**

Years of Service	Retiree Only 471	Retiree Only 472	Retiree Only 473	*Retiree & Family 474	Retiree & Family 475
Less than 10*	\$955.23	\$448.03	\$1,766.93	\$1,902.46	\$2,849.69
10-11*	\$573.14	\$268.82	\$1,298.82	\$1,141.48	\$1,854.83
11-12*	\$534.93	\$250.90	\$1,252.01	\$1,065.38	\$1,755.35
12-13*	\$496.72	\$232.98	\$1,205.20	\$989.28	\$1,655.86
13-14	\$458.51	\$215.05	\$1,158.38	\$913.18	\$1,556.38
14-15	\$420.30	\$197.13	\$1,111.57	\$837.08	\$1,456.89
15-16	\$382.09	\$179.21	\$1,064.76	\$760.98	\$1,357.41
16-17	\$343.88	\$161.29	\$1,017.95	\$684.89	\$1,257.92
17-18	\$305.67	\$143.37	\$971.14	\$608.79	\$1,158.43
18-19	\$267.46	\$125.45	\$924.33	\$532.69	\$1,058.95
19-20	\$229.26	\$107.53	\$877.52	\$456.59	\$959.46
20-21	\$191.05	\$89.61	\$830.71	\$380.49	\$859.98
21-22	\$152.84	\$71.68	\$783.89	\$304.39	\$760.49
22-23	\$114.63	\$53.76	\$737.08	\$228.30	\$661.01
23-24	\$76.42	\$35.84	\$690.27	\$152.20	\$561.52
24-25	\$38.21	\$17.92	\$643.46	\$76.10	\$462.04
25 or more	\$0.00	\$0.00	\$596.65	\$0.00	\$362.55
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$477.61	\$224.01	\$1,181.79	\$951.23	\$1,606.12
COBRA	\$974.33	\$456.99	\$1,802.27	\$1,940.51	\$2,906.68

**Deduct Codes:**

- 471 - "Basic" under age 65
- 472 - "Senior Advantage"
- 473 - Over age 65 without Medicare Parts A or B
- 474 - Two family members are "Basic"
- 475 - Three or more family members are "Basic"
- \*Deduct code 474 represents 2-party contract

**Los Angeles County Employees Retirement Association  
Rates Effective July 1, 2019  
Tier 1 - Kaiser Permanente Hawaii**

Years of Service	*Retiree & Family 476	*Retiree & Family 477	*Retiree & Family 478	*Retiree & Family 479
Less than 10*	\$1,395.26	\$2,714.16	\$888.06	\$2,206.96
10-11*	\$837.16	\$1,870.68	\$532.84	\$1,363.48
11-12*	\$781.35	\$1,786.33	\$497.31	\$1,279.13
12-13*	\$725.54	\$1,701.98	\$461.79	\$1,194.78
13-14	\$669.72	\$1,617.63	\$426.27	\$1,110.43
14-15	\$613.91	\$1,533.28	\$390.75	\$1,026.08
15-16	\$558.10	\$1,448.93	\$355.22	\$941.73
16-17	\$502.29	\$1,364.59	\$319.70	\$857.39
17-18	\$446.48	\$1,280.24	\$284.18	\$773.04
18-19	\$390.67	\$1,195.89	\$248.66	\$688.69
19-20	\$334.86	\$1,111.54	\$213.13	\$604.34
20-21	\$279.05	\$1,027.19	\$177.61	\$519.99
21-22	\$223.24	\$942.84	\$142.09	\$435.64
22-23	\$167.43	\$858.50	\$106.57	\$351.30
23-24	\$111.62	\$774.15	\$71.04	\$266.95
24-25	\$55.81	\$689.80	\$35.52	\$182.60
25 or more	\$0.00	\$605.45	\$0.00	\$98.25
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$697.63	\$1,659.80	\$444.03	\$1,152.60
COBRA	\$1,423.17	\$2,768.44	\$905.82	\$2,251.10

**Deduct Codes:**

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

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

478 - Two family members are "Senior Advantage"

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

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

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente Oregon**

Years of Service	Retiree Only 481	Retiree Only 482	Retiree Only 483	*Retiree & Family 484	Retiree & Family 485
Less than 10*	\$1,175.60	\$465.80	\$1,249.03	\$2,343.20	\$3,510.80
10-11*	\$707.49	\$279.48	\$780.92	\$1,499.72	\$2,515.94
11-12*	\$660.68	\$260.85	\$734.11	\$1,415.37	\$2,416.46
12-13*	\$613.87	\$242.22	\$687.30	\$1,331.02	\$2,316.97
13-14	\$567.05	\$223.58	\$640.48	\$1,246.67	\$2,217.49
14-15	\$520.24	\$204.95	\$593.67	\$1,162.32	\$2,118.00
15-16	\$473.43	\$186.32	\$546.86	\$1,077.97	\$2,018.52
16-17	\$426.62	\$167.69	\$500.05	\$993.63	\$1,919.03
17-18	\$379.81	\$149.06	\$453.24	\$909.28	\$1,819.54
18-19	\$333.00	\$130.42	\$406.43	\$824.93	\$1,720.06
19-20	\$286.19	\$111.79	\$359.62	\$740.58	\$1,620.57
20-21	\$239.38	\$93.16	\$312.81	\$656.23	\$1,521.09
21-22	\$192.56	\$74.53	\$265.99	\$571.88	\$1,421.60
22-23	\$145.75	\$55.90	\$219.18	\$487.54	\$1,322.12
23-24	\$98.94	\$37.26	\$172.37	\$403.19	\$1,222.63
24-25	\$52.13	\$18.63	\$125.56	\$318.84	\$1,123.15
25 or more	\$5.32	\$0.00	\$78.75	\$234.49	\$1,023.66
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$590.46	\$232.90	\$663.89	\$1,288.84	\$2,267.23
COBRA	\$1,199.11	\$475.12	\$1,274.01	\$2,390.06	\$3,581.02

**Deduct Codes:**

- 481 - "Basic" under age 65
- 482 - "Senior Advantage"
- 483 - Over age 65 without Medicare Parts A or B
- 484 - Two family members are "Basic"
- 485 - Three or more family members are "Basic"
- \*Deduct code 484 represents 2-party contract

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente Oregon**

Years of Service	*Retiree & Family 486	*Retiree & Family 488	Retiree Only 489	Retiree Only 490
Less than 10*	\$1,633.40	\$923.60	\$1,045.40	\$1,249.03
10-11*	\$980.04	\$554.16	\$627.24	\$780.92
11-12*	\$914.70	\$517.22	\$585.42	\$734.11
12-13*	\$849.37	\$480.27	\$543.61	\$687.30
13-14	\$784.03	\$443.33	\$501.79	\$640.48
14-15	\$718.70	\$406.38	\$459.98	\$593.67
15-16	\$653.36	\$369.44	\$418.16	\$546.86
16-17	\$588.02	\$332.50	\$376.34	\$500.05
17-18	\$522.69	\$295.55	\$334.53	\$453.24
18-19	\$457.35	\$258.61	\$292.71	\$406.43
19-20	\$392.02	\$221.66	\$250.90	\$359.62
20-21	\$326.68	\$184.72	\$209.08	\$312.81
21-22	\$261.34	\$147.78	\$167.26	\$265.99
22-23	\$196.01	\$110.83	\$125.45	\$219.18
23-24	\$130.67	\$73.89	\$83.63	\$172.37
24-25	\$65.34	\$36.94	\$41.82	\$125.56
25 or more	\$0.00	\$0.00	\$0.00	\$78.75
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$816.70	\$461.80	\$522.70	\$663.89
COBRA	\$1,666.07	\$942.07	\$1,066.31	\$1,274.01

**Deduct Codes:**

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

488 - Two family members are "Senior Advantage"

489 - Over age 65 with Medicare Part A only

490 - Over age 65 with Medicare Part B only

\*Deduct codes 486 & 488 represent 2-party contract

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente Oregon**

Years of Service	*Retiree & Family 491	*Retiree & Family 492	Retiree & Family 493	Retiree & Family 494	*Retiree & Family 495
Less than 10*	\$1,503.20	\$1,706.83	\$2,801.00	\$2,091.20	\$2,490.06
10-11*	\$901.92	\$1,024.10	\$1,806.14	\$1,254.72	\$1,646.58
11-12*	\$841.79	\$955.82	\$1,706.66	\$1,171.07	\$1,562.23
12-13*	\$781.66	\$887.55	\$1,607.17	\$1,087.42	\$1,477.88
13-14	\$721.54	\$819.28	\$1,507.69	\$1,003.78	\$1,393.53
14-15	\$661.41	\$751.01	\$1,408.20	\$920.13	\$1,309.18
15-16	\$601.28	\$682.73	\$1,308.72	\$836.48	\$1,224.83
16-17	\$541.15	\$614.46	\$1,209.23	\$752.83	\$1,140.49
17-18	\$481.02	\$546.19	\$1,109.74	\$669.18	\$1,056.14
18-19	\$420.90	\$477.91	\$1,010.26	\$585.54	\$971.79
19-20	\$360.77	\$409.64	\$910.77	\$501.89	\$887.44
20-21	\$300.64	\$341.37	\$811.29	\$418.24	\$803.09
21-22	\$240.51	\$273.09	\$711.80	\$334.59	\$718.74
22-23	\$180.38	\$204.82	\$612.32	\$250.94	\$634.40
23-24	\$120.26	\$136.55	\$512.83	\$167.30	\$550.05
24-25	\$60.13	\$68.27	\$413.35	\$83.65	\$465.70
25 or more	\$0.00	\$0.00	\$313.86	\$0.00	\$381.35
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$751.60	\$853.41	\$1,557.43	\$1,045.60	\$1,435.70
COBRA	\$1,533.26	\$1,740.97	\$2,857.02	\$2,133.02	\$2,539.86

**Deduct Codes:**

- 491 - One family member is "Senior Advantage"; one is over age 65 with Medicare Part A only
  - 492 - One family member is "Senior Advantage"; one is over age 65 without Medicare Parts A or B
  - 493 - One family member is "Senior Advantage"; two or more are "Basic"
  - 494 - Two family members are "Senior Advantage"; one is "Basic"
  - 495 - Two family members are over age 65 without Medicare Parts A or B
- \*Deduct codes 491, 492, & 495 represent 2-party contract

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Kaiser Permanente Oregon**

Years of Service	*Retiree & Family 496	*Retiree & Family 497	*Retiree & Family 498
Less than 10*	\$2,082.80	\$2,213.00	\$2,416.63
10-11*	\$1,249.68	\$1,369.52	\$1,573.15
11-12*	\$1,166.37	\$1,285.17	\$1,488.80
12-13*	\$1,083.06	\$1,200.82	\$1,404.45
13-14	\$999.74	\$1,116.47	\$1,320.10
14-15	\$916.43	\$1,032.12	\$1,235.75
15-16	\$833.12	\$947.77	\$1,151.40
16-17	\$749.81	\$863.43	\$1,067.06
17-18	\$666.50	\$779.08	\$982.71
18-19	\$583.18	\$694.73	\$898.36
19-20	\$499.87	\$610.38	\$814.01
20-21	\$416.56	\$526.03	\$729.66
21-22	\$333.25	\$441.68	\$645.31
22-23	\$249.94	\$357.34	\$560.97
23-24	\$166.62	\$272.99	\$476.62
24-25	\$83.31	\$188.64	\$392.27
25 or more	\$0.00	\$104.29	\$307.92
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$1,041.40	\$1,158.64	\$1,362.27
COBRA	\$2,124.46	\$2,257.26	\$2,464.96

**Deduct Codes:**

- 496 - Two family members are over age 65 with Medicare Part A only
  - 497 - One family member is "Basic"; one is over age 65 with Medicare Part A only
  - 498 - One family member is "Basic"; one is over age 65 without Medicare Parts A or B
- \*Deduct codes 496, 497, & 498 represent 2-party contract

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - SCAN Health Plan**

Years of Service	Retiree Only with SCAN 611	Retiree & 1 Dependent - Both with SCAN 613 <sup>(1)</sup>
Less than 10*	\$267.00	\$526.00
10-11*	\$160.20	\$315.60
11-12*	\$149.52	\$294.56
12-13*	\$138.84	\$273.52
13-14	\$128.16	\$252.48
14-15	\$117.48	\$231.44
15-16	\$106.80	\$210.40
16-17	\$96.12	\$189.36
17-18	\$85.44	\$168.32
18-19	\$74.76	\$147.28
19-20	\$64.08	\$126.24
20-21	\$53.40	\$105.20
21-22	\$42.72	\$84.16
22-23	\$32.04	\$63.12
23-24	\$21.36	\$42.08
24-25	\$10.68	\$21.04
25 or more	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>		
	\$133.50	\$263.00
COBRA	\$272.34	\$536.52

<sup>(1)</sup> Retiree & 1 Dependent = Retiree & Spouse/Domestic Partner or Retiree & 1 Child. Both Retiree & eligible dependent must be enrolled in Medicare Parts A & B.

**Los Angeles County Employees Retirement Association**

**Rates Effective July 1, 2019**

**Tier 1 - United Healthcare Group Medicare Advantage HMO/UnitedHealthcare**

<b>Years of Service</b>	<b>Retiree Only with UnitedHealthcare Group Medicare Advantage HMO 701</b>	<b>Retiree &amp; 1 Dependent - 1 with UnitedHealthcare Group Medicare Advantage HMO 702 <sup>(1)</sup></b>	<b>Retiree &amp; 1 Dependent - Both with UnitedHealthcare Group Medicare Advantage HMO 703 <sup>(1)</sup></b>	<b>Retiree &amp; 2 or More Dependents - 1 with UnitedHealthcare Group Medicare Advantage HMO 704 <sup>(2)</sup></b>	<b>Retiree &amp; 2 or More Dependents - 2 with UnitedHealthcare Group Medicare Advantage HMO 705 <sup>(2)</sup></b>
Less than 10*	\$356.76	\$1,542.33	\$705.52	\$1,746.57	\$909.76
10-11*	\$214.06	\$925.40	\$423.31	\$1,047.94	\$545.86
11-12*	\$199.79	\$863.70	\$395.09	\$978.08	\$509.47
12-13*	\$185.52	\$802.01	\$366.87	\$908.22	\$473.08
13-14	\$171.24	\$740.32	\$338.65	\$838.35	\$436.68
14-15	\$156.97	\$678.63	\$310.43	\$768.49	\$400.29
15-16	\$142.70	\$616.93	\$282.21	\$698.63	\$363.90
16-17	\$128.43	\$555.24	\$253.99	\$628.77	\$327.51
17-18	\$114.16	\$493.55	\$225.77	\$558.90	\$291.12
18-19	\$99.89	\$431.85	\$197.55	\$489.04	\$254.73
19-20	\$85.62	\$370.16	\$169.32	\$419.18	\$218.34
20-21	\$71.35	\$308.47	\$141.10	\$349.31	\$181.95
21-22	\$57.08	\$246.77	\$112.88	\$279.45	\$145.56
22-23	\$42.81	\$185.08	\$84.66	\$209.59	\$109.17
23-24	\$28.54	\$123.39	\$56.44	\$139.73	\$72.78
24-25	\$14.27	\$61.69	\$28.22	\$69.86	\$36.39
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$178.38	\$771.16	\$352.76	\$873.28	\$454.88
COBRA	\$363.90	\$1,573.18	\$719.63	\$1,781.50	\$927.96

<sup>(1)</sup> Retiree & 1 Dependent = Retiree & Spouse/Domestic Partner or Retiree & 1 Child

<sup>(2)</sup> Retiree & 2 or More Dependents = Retiree, Spouse/Domestic Partner & 1 or More Children or Retiree & 2 or More Children



**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - UnitedHealthcare**

Years of Service	Retiree Only 707	Retiree & 1 Dependent 708	Retiree & 2 or More Dependents 709
Less than 10*	\$1,193.57	\$2,178.97	\$2,583.38
10-11*	\$725.46	\$1,335.49	\$1,588.52
11-12*	\$678.65	\$1,251.14	\$1,489.04
12-13*	\$631.84	\$1,166.79	\$1,389.55
13-14	\$585.02	\$1,082.44	\$1,290.07
14-15	\$538.21	\$998.09	\$1,190.58
15-16	\$491.40	\$913.74	\$1,091.10
16-17	\$444.59	\$829.40	\$991.61
17-18	\$397.78	\$745.05	\$892.12
18-19	\$350.97	\$660.70	\$792.64
19-20	\$304.16	\$576.35	\$693.15
20-21	\$257.35	\$492.00	\$593.67
21-22	\$210.53	\$407.65	\$494.18
22-23	\$163.72	\$323.31	\$394.70
23-24	\$116.91	\$238.96	\$295.21
24-25	\$70.10	\$154.61	\$195.73
25 or more	\$23.29	\$70.26	\$96.24
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$608.43	\$1,124.61	\$1,339.81
COBRA	\$1,217.44	\$2,222.55	\$2,635.05

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Cigna Indemnity Dental/Vision**

Years of Service	Retiree Only 501	Retiree & Dependent(s) 502
Less than 10*	\$52.16	\$108.60
10-11*	\$31.30	\$65.16
11-12*	\$29.21	\$60.82
12-13*	\$27.12	\$56.47
13-14	\$25.04	\$52.13
14-15	\$22.95	\$47.78
15-16	\$20.86	\$43.44
16-17	\$18.78	\$39.10
17-18	\$16.69	\$34.75
18-19	\$14.60	\$30.41
19-20	\$12.52	\$26.06
20-21	\$10.43	\$21.72
21-22	\$8.35	\$17.38
22-23	\$6.26	\$13.03
23-24	\$4.17	\$8.69
24-25	\$2.09	\$4.34
25 or more	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>		
	\$26.08	\$54.30
COBRA	\$53.20	\$110.77

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Cigna Prepaid Dental/Vision**

Years of Service	Retiree Only 901	Retiree & Dependent(s) 902
Less than 10*	\$46.19	\$94.52
10-11*	\$27.71	\$56.71
11-12*	\$25.87	\$52.93
12-13*	\$24.02	\$49.15
13-14	\$22.17	\$45.37
14-15	\$20.32	\$41.59
15-16	\$18.48	\$37.81
16-17	\$16.63	\$34.03
17-18	\$14.78	\$30.25
18-19	\$12.93	\$26.47
19-20	\$11.09	\$22.68
20-21	\$9.24	\$18.90
21-22	\$7.39	\$15.12
22-23	\$5.54	\$11.34
23-24	\$3.70	\$7.56
24-25	\$1.85	\$3.78
25 or more	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>		
	\$23.09	\$47.26
COBRA	\$47.11	\$96.41

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Non-Medicare Surviving Spouse**

Years of Service	Blue Cross Plan I & II	Kaiser	Blue Cross Prudent Buyer	Cigna	UHC HMO	Cigna Indemnity Dental/Vision	Cigna Prepaid Dental/Vision
Less than 10*	\$1,170.28	\$1,032.28	\$1,016.48	\$1,624.26	\$1,193.57	\$52.16	\$46.19
10-11*	\$702.17	\$619.37	\$609.89	\$1,156.15	\$725.46	\$31.30	\$27.71
11-12*	\$655.36	\$578.08	\$569.23	\$1,109.34	\$678.65	\$29.21	\$25.87
12-13*	\$608.55	\$536.79	\$528.57	\$1,062.53	\$631.84	\$27.12	\$24.02
13-14	\$561.73	\$495.49	\$487.91	\$1,015.71	\$585.02	\$25.04	\$22.17
14-15	\$514.92	\$454.20	\$447.25	\$968.90	\$538.21	\$22.95	\$20.32
15-16	\$468.11	\$412.91	\$406.59	\$922.09	\$491.40	\$20.86	\$18.48
16-17	\$421.30	\$371.62	\$365.93	\$875.28	\$444.59	\$18.78	\$16.63
17-18	\$374.49	\$330.33	\$325.27	\$828.47	\$397.78	\$16.69	\$14.78
18-19	\$327.68	\$289.04	\$284.61	\$781.66	\$350.97	\$14.60	\$12.93
19-20	\$280.87	\$247.75	\$243.96	\$734.85	\$304.16	\$12.52	\$11.09
20-21	\$234.06	\$206.46	\$203.30	\$688.04	\$257.35	\$10.43	\$9.24
21-22	\$187.24	\$165.16	\$162.64	\$641.22	\$210.53	\$8.35	\$7.39
22-23	\$140.43	\$123.87	\$121.98	\$594.41	\$163.72	\$6.26	\$5.54
23-24	\$93.62	\$82.58	\$81.32	\$547.60	\$116.91	\$4.17	\$3.70
24-25	\$46.81	\$41.29	\$40.66	\$500.79	\$70.10	\$2.09	\$1.85
25 or more	\$0.00	\$0.00	\$0.00	\$453.98	\$23.29	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>							
	\$585.14	\$516.14	\$508.24	\$1,039.12	\$608.43	\$26.08	\$23.09
COBRA	\$1,193.69	\$1,052.93	\$1,036.81	\$1,656.75	\$1,217.44	\$53.20	\$47.11

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - Children Only Rates**

Years of Service	Anthem Plan I & II 215 or 225	Kaiser One Child 421	Kaiser 2 or More 411	Prudent Buyer 205	Cigna 305	UHC HMO 706	Cigna Indemnity Dental/Vision 503	Cigna Prepaid Dental/Vision 903
Less than 10*	\$396.43	\$1,032.28	\$2,056.56	\$277.44	\$513.74	\$341.77	\$64.15	\$46.78
10-11*	\$237.86	\$619.37	\$1,233.94	\$166.46	\$308.24	\$205.06	\$38.49	\$28.07
11-12*	\$222.00	\$578.08	\$1,151.67	\$155.37	\$287.69	\$191.39	\$35.92	\$26.20
12-13*	\$206.14	\$536.79	\$1,069.41	\$144.27	\$267.14	\$177.72	\$33.36	\$24.33
13-14	\$190.29	\$495.49	\$987.15	\$133.17	\$246.60	\$164.05	\$30.79	\$22.45
14-15	\$174.43	\$454.20	\$904.89	\$122.07	\$226.05	\$150.38	\$28.23	\$20.58
15-16	\$158.57	\$412.91	\$822.62	\$110.98	\$205.50	\$136.71	\$25.66	\$18.71
16-17	\$142.71	\$371.62	\$740.36	\$99.88	\$184.95	\$123.04	\$23.09	\$16.84
17-18	\$126.86	\$330.33	\$658.10	\$88.78	\$164.40	\$109.37	\$20.53	\$14.97
18-19	\$111.00	\$289.04	\$575.84	\$77.68	\$143.85	\$95.70	\$17.96	\$13.10
19-20	\$95.14	\$247.75	\$493.57	\$66.59	\$123.30	\$82.02	\$15.40	\$11.23
20-21	\$79.29	\$206.46	\$411.31	\$55.49	\$102.75	\$68.35	\$12.83	\$9.36
21-22	\$63.43	\$165.16	\$329.05	\$44.39	\$82.20	\$54.68	\$10.26	\$7.48
22-23	\$47.57	\$123.87	\$246.79	\$33.29	\$61.65	\$41.01	\$7.70	\$5.61
23-24	\$31.71	\$82.58	\$164.52	\$22.20	\$41.10	\$27.34	\$5.13	\$3.74
24-25	\$15.86	\$41.29	\$82.26	\$11.10	\$20.55	\$13.67	\$2.57	\$1.87
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>								
	\$198.21	\$516.14	\$1,028.28	\$138.72	\$256.87	\$170.88	\$32.07	\$23.39
COBRA	\$404.36	\$1,052.93	\$2,097.69	\$282.99	\$524.01	\$348.61	\$65.43	\$47.72

**Los Angeles County Employees Retirement Association  
Rates Effective July 1, 2019  
Tier 1 - COBRA Rates**

<b>Blue Cross and CIGNA COBRA Rates</b>	<b>Retiree Only</b>	<b>Retiree &amp; Spouse</b>	<b>Retiree, Spouse &amp; Children</b>	<b>Retiree &amp; Children</b>	<b>Spouse Only</b>	<b>Under 26 Child or Children Only</b>	<b>Spouse &amp; Children</b>	<b>Over 26 Child</b>
Plan I & II	\$1,193.69	\$2,150.88	\$2,536.88	\$1,578.88	\$1,193.69	\$404.36	\$1,578.88	\$1,193.69
Blue Cross Prudent Buyer	\$1,036.81	\$2,039.72	\$2,301.92	\$1,332.51	\$1,036.81	\$282.99	\$1,332.51	\$1,036.81
Cigna	\$1,656.75	\$2,990.66	\$3,531.34	\$2,198.12	\$1,656.75	\$524.01	\$2,198.12	\$1,656.75
Cigna Indemnity Dental/Vision	\$53.20	\$110.77	\$110.77	\$110.77	\$53.20	\$65.43	\$110.77	\$53.20
Cigna Prepaid Dental/Vision	\$47.11	\$96.41	\$96.41	\$96.41	\$47.11	\$47.72	\$96.41	\$47.11

<b>UHC Without Medicare COBRA Rates</b>	<b>Retiree Only 707</b>	<b>Retiree &amp; 1 Dependent 708</b>	<b>Retiree &amp; 2 or More Dependents 709</b>	<b>Spouse Only 707</b>	<b>Spouse &amp; 1 Dependent 708</b>	<b>Spouse &amp; 2 or More Dependents 709</b>	<b>Under 26 Child or Children Only 706</b>	<b>Over 26 Child 707</b>
	\$1,217.44	\$2,222.55	\$2,635.05	\$1,217.44	\$2,222.55	\$2,635.05	\$348.61	\$1,217.44

<b>Plan III* COBRA Rates</b>	<b>Retiree Only w/ Medicare 240</b>	<b>Spouse Only w/ Medicare 240</b>	<b>Retiree &amp; Spouse - One w/ Medicare 241/242</b>	<b>Retiree &amp; Spouse - Both w/ Medicare 243</b>	<b>Retiree w/ Medicare &amp; Children 244/245</b>	<b>Spouse w/ Medicare &amp; Children 244/245</b>	<b>Retiree, Spouse &amp; Children - One w/ Medicare 246/247</b>	<b>Retiree, Spouse &amp; Children - Two w/ Medicare 248/249</b>
	\$486.98	\$486.98	\$1,553.67	\$967.78	\$870.80	\$870.80	\$1,937.38	\$1,351.41

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

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - COBRA Rates - Cigna Medicare Risk**

Cigna Medicare Risk COBRA Rates	Retiree Only w/ Medicare 321	Retiree & Spouse - One w/ Medicare 322	Retiree & Spouse - Both w/ Medicare 324	Retiree & Children 325	Retiree, Spouse & Children - One w/ Medicare 327	Retiree, Spouse & Children - Two w/ Medicare 329
	\$392.18	\$1,726.10	\$776.20	\$934.25	\$2,267.47	\$1,389.78

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - COBRA Rates - UHC MAPD Risk**

<b>UHC MAPD Risk COBRA Rates</b>	<b>Retiree Only w/ Medicare 701</b>	<b>Retiree &amp; 1 Dependent - One w/ Medicare 702</b>	<b>Retiree &amp; 1 Dependent - Both w/ Medicare 703</b>	<b>Retiree &amp; 2 Or More Dependents - One w/ Medicare 704</b>	<b>Retiree &amp; 2 Or More Dependents - Two w/ Medicare 705</b>	<b>Under 26 Child or Children Only 706</b>	<b>Over 26 Child 707</b>
	\$363.90	\$1,573.18	\$719.63	\$1,781.50	\$927.96	\$348.61	\$1,217.44



**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - COBRA Rates - SCAN Health Plan**

SCAN COBRA Rates	Retiree Only w/ Medicare Risk 611	Retiree & 1 Dependent - Both w/ Medicare Risk 613
	\$272.34	\$536.52

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 1 - COBRA Rates - Kaiser**

<b>Kaiser - COBRA Rates</b>	
Single "Basic"	\$1,052.93
Single "Senior Advantage"	\$286.42
Single "Excess"	\$1,202.37
All family members are "Basic"	\$2,097.69
One family member is "Senior Advantage"; others are "Basic"	\$1,331.18
One family member is "Excess"; others are "Basic"	\$2,247.13
Two or more family members are "Senior Advantage"	\$564.67
One family member is "Excess"; another is "Senior Advantage"	\$1,480.62
Two family members are "Excess"	\$2,396.57
Child under 26	\$1,052.93
Children under 26	\$2,097.69

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Anthem Blue Cross I**

Years of Service	Retiree Only 211	Retiree & Spouse 212	Retiree, Spouse, & Children 213	Retiree & Children 214
Less than 10*	\$1,170.28	\$2,108.71	\$2,487.14	\$1,547.92
10-11*	\$702.17	\$1,640.60	\$2,019.03	\$1,079.81
11-12*	\$655.36	\$1,593.79	\$1,972.22	\$1,033.00
12-13*	\$608.55	\$1,546.98	\$1,925.41	\$986.19
13-14	\$561.73	\$1,500.16	\$1,878.59	\$939.37
14-15	\$514.92	\$1,453.35	\$1,831.78	\$892.56
15-16	\$468.11	\$1,406.54	\$1,784.97	\$845.75
16-17	\$421.30	\$1,359.73	\$1,738.16	\$798.94
17-18	\$374.49	\$1,312.92	\$1,691.35	\$752.13
18-19	\$327.68	\$1,266.11	\$1,644.54	\$705.32
19-20	\$280.87	\$1,219.30	\$1,597.73	\$658.51
20-21	\$234.06	\$1,172.49	\$1,550.92	\$611.70
21-22	\$187.24	\$1,125.67	\$1,504.10	\$564.88
22-23	\$140.43	\$1,078.86	\$1,457.29	\$518.07
23-24	\$93.62	\$1,032.05	\$1,410.48	\$471.26
24-25	\$46.81	\$985.24	\$1,363.67	\$424.45
25 or more	\$0.00	\$938.43	\$1,316.86	\$377.64
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$585.14	\$1,523.57	\$1,902.00	\$962.78
COBRA	\$1,193.69	\$2,150.88	\$2,536.88	\$1,578.88

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Anthem Blue Cross II**

Years of Service	Retiree Only 221	Retiree & Spouse 222	Retiree, Spouse, & Children 223	Retiree & Children 224
Less than 10*	\$1,170.28	\$2,108.71	\$2,487.14	\$1,547.92
10-11*	\$702.17	\$1,640.60	\$2,019.03	\$1,079.81
11-12*	\$655.36	\$1,593.79	\$1,972.22	\$1,033.00
12-13*	\$608.55	\$1,546.98	\$1,925.41	\$986.19
13-14	\$561.73	\$1,500.16	\$1,878.59	\$939.37
14-15	\$514.92	\$1,453.35	\$1,831.78	\$892.56
15-16	\$468.11	\$1,406.54	\$1,784.97	\$845.75
16-17	\$421.30	\$1,359.73	\$1,738.16	\$798.94
17-18	\$374.49	\$1,312.92	\$1,691.35	\$752.13
18-19	\$327.68	\$1,266.11	\$1,644.54	\$705.32
19-20	\$280.87	\$1,219.30	\$1,597.73	\$658.51
20-21	\$234.06	\$1,172.49	\$1,550.92	\$611.70
21-22	\$187.24	\$1,125.67	\$1,504.10	\$564.88
22-23	\$140.43	\$1,078.86	\$1,457.29	\$518.07
23-24	\$93.62	\$1,032.05	\$1,410.48	\$471.26
24-25	\$46.81	\$985.24	\$1,363.67	\$424.45
25 or more	\$0.00	\$938.43	\$1,316.86	\$377.64
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$585.14	\$1,523.57	\$1,902.00	\$962.78
COBRA	\$1,193.69	\$2,150.88	\$2,536.88	\$1,578.88

**Los Angeles County Employees Retirement Association  
Rates Effective July 1, 2019  
Tier 2 - Anthem Blue Cross III (Medicare Supplement Plan)**

Years of Service	Retiree Only 240	Retiree & Spouse - Retiree w/ Medicare (Plan III Benchmark) 241 <sup>(1)</sup> /242	Retiree & Spouse - Dependent w/ Medicare (Plan I, II Benchmark) 241/242 <sup>(2)</sup>	Retiree & Spouse - Both w/ Medicare (Plan III Benchmark) 243
Less than 10*	\$477.43	\$1,523.21	\$1,523.21	\$948.80
10-11*	\$286.46	\$1,332.24	\$1,055.10	\$757.83
11-12*	\$267.36	\$1,313.14	\$1,008.29	\$738.73
12-13*	\$248.26	\$1,294.04	\$961.48	\$719.63
13-14	\$229.17	\$1,274.95	\$914.66	\$700.54
14-15	\$210.07	\$1,255.85	\$867.85	\$681.44
15-16	\$190.97	\$1,236.75	\$821.04	\$662.34
16-17	\$171.87	\$1,217.65	\$774.23	\$643.24
17-18	\$152.78	\$1,198.56	\$727.42	\$624.15
18-19	\$133.68	\$1,179.46	\$680.61	\$605.05
19-20	\$114.58	\$1,160.36	\$633.80	\$585.95
20-21	\$95.49	\$1,141.27	\$586.99	\$566.86
21-22	\$76.39	\$1,122.17	\$540.17	\$547.76
22-23	\$57.29	\$1,103.07	\$493.36	\$528.66
23-24	\$38.19	\$1,083.97	\$446.55	\$509.56
24-25	\$19.10	\$1,064.88	\$399.74	\$490.47
25 or more	\$0.00	\$1,045.78	\$352.93	\$471.37
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$238.71	\$1,284.49	\$938.07	\$710.08
COBRA	\$486.98	\$1,553.67	\$1,553.67	\$967.78

<sup>(1)</sup> Non-Medicare has Anthem Blue Cross I

<sup>(2)</sup> Non-Medicare has Anthem Blue Cross II

**Los Angeles County Employees Retirement Association  
Rates Effective July 1, 2019  
Tier 2 - Anthem Blue Cross III (Medicare Supplement Plan)**

<b>Years of Service</b>	<b>Retiree with Medicare and Children 244 <sup>(3)</sup>/245 <sup>(4)</sup></b>	<b>Retiree &amp; Children - Dependent w/ Medicare (Plan I &amp; II Benchmark) 244 <sup>(3)</sup>/245 <sup>(4)</sup></b>	<b>Retiree, Spouse, &amp; Children - Retiree w/ Medicare (Plan III Benchmark) 246 <sup>(3)</sup>/247 <sup>(4)</sup></b>	<b>Retiree, Spouse, &amp; Children - 1 Dependent w/ Medicare (Plan I, II Benchmark) 246 <sup>(3)</sup>/247 <sup>(4)</sup></b>	<b>Retiree, Spouse, &amp; Children - Retiree + 1 w/ Medicare (Plan III Benchmark) 248 <sup>(3)</sup>/249 <sup>(4)</sup></b>	<b>Retiree, Spouse, &amp; Children - Dependent + 1 w/ Medicare (Plan I, II Benchmark) 248 <sup>(3)</sup>/249 <sup>(4)</sup></b>	<b>Retiree, Spouse, &amp; Children - each w/ Medicare (Plan III Benchmark) 250 <sup>(5)</sup></b>
Less than 10*	\$853.73	\$853.73	\$1,899.39	\$1,899.39	\$1,324.91	\$1,324.91	\$1,484.65
10-11*	\$662.76	\$512.24	\$1,708.42	\$1,431.28	\$1,133.94	\$856.80	\$1,293.68
11-12*	\$643.66	\$478.09	\$1,689.32	\$1,384.47	\$1,114.84	\$809.99	\$1,274.58
12-13*	\$624.56	\$443.94	\$1,670.22	\$1,337.66	\$1,095.74	\$763.18	\$1,255.48
13-14	\$605.47	\$409.79	\$1,651.13	\$1,290.84	\$1,076.65	\$716.36	\$1,236.39
14-15	\$586.37	\$375.64	\$1,632.03	\$1,244.03	\$1,057.55	\$669.55	\$1,217.29
15-16	\$567.27	\$341.49	\$1,612.93	\$1,197.22	\$1,038.45	\$622.74	\$1,198.19
16-17	\$548.17	\$307.34	\$1,593.83	\$1,150.41	\$1,019.35	\$575.93	\$1,179.09
17-18	\$529.08	\$273.19	\$1,574.74	\$1,103.60	\$1,000.26	\$529.12	\$1,160.00
18-19	\$509.98	\$239.04	\$1,555.64	\$1,056.79	\$981.16	\$482.31	\$1,140.90
19-20	\$490.88	\$204.90	\$1,536.54	\$1,009.98	\$962.06	\$435.50	\$1,121.80
20-21	\$471.79	\$170.75	\$1,517.45	\$963.17	\$942.97	\$388.69	\$1,102.71
21-22	\$452.69	\$136.60	\$1,498.35	\$916.35	\$923.87	\$341.87	\$1,083.61
22-23	\$433.59	\$102.45	\$1,479.25	\$869.54	\$904.77	\$295.06	\$1,064.51
23-24	\$414.49	\$68.30	\$1,460.15	\$822.73	\$885.67	\$248.25	\$1,045.41
24-25	\$395.40	\$34.15	\$1,441.06	\$775.92	\$866.58	\$201.44	\$1,026.32
25 or more	\$376.30	\$0.00	\$1,421.96	\$729.11	\$847.48	\$154.63	\$1,007.22
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>							
	\$615.01	\$426.86	\$1,660.67	\$1,314.25	\$1,086.19	\$739.77	\$1,245.93
COBRA	\$870.80	\$870.80	\$1,937.38	\$1,937.38	\$1,351.41	\$1,351.41	\$1,514.34

<sup>(3)</sup> Non-Medicare has Anthem Blue Cross I

<sup>(4)</sup> Non-Medicare has Anthem Blue Cross II

<sup>(5)</sup> Please note only retirees or eligible survivors will qualify for Medicare Part B Premium Reimbursement Program, approved annually by Los Angeles Board of Supervisors

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Anthem Blue Cross Prudent Buyer Plan**

<b>Years of Service</b>	<b>Retiree Only 201</b>	<b>Retiree &amp; Spouse 202</b>	<b>Retiree, Spouse, &amp; Children 203</b>	<b>Retiree &amp; Children 204</b>
Less than 10*	\$1,016.48	\$1,999.73	\$2,256.78	\$1,306.38
10-11*	\$609.89	\$1,531.62	\$1,788.67	\$838.27
11-12*	\$569.23	\$1,484.81	\$1,741.86	\$791.46
12-13*	\$528.57	\$1,438.00	\$1,695.05	\$744.65
13-14	\$487.91	\$1,391.18	\$1,648.23	\$697.83
14-15	\$447.25	\$1,344.37	\$1,601.42	\$651.02
15-16	\$406.59	\$1,297.56	\$1,554.61	\$604.21
16-17	\$365.93	\$1,250.75	\$1,507.80	\$557.40
17-18	\$325.27	\$1,203.94	\$1,460.99	\$510.59
18-19	\$284.61	\$1,157.13	\$1,414.18	\$463.78
19-20	\$243.96	\$1,110.32	\$1,367.37	\$416.97
20-21	\$203.30	\$1,063.51	\$1,320.56	\$370.16
21-22	\$162.64	\$1,016.69	\$1,273.74	\$323.34
22-23	\$121.98	\$969.88	\$1,226.93	\$276.53
23-24	\$81.32	\$923.07	\$1,180.12	\$229.72
24-25	\$40.66	\$876.26	\$1,133.31	\$182.91
25 or more	\$0.00	\$829.45	\$1,086.50	\$136.10
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$508.24	\$1,414.59	\$1,671.64	\$721.24
COBRA	\$1,036.81	\$2,039.72	\$2,301.92	\$1,332.51

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Cigna Network Model Plan**

Years of Service	Retiree Only 301	Retiree & Spouse 302	Retiree, Spouse, & Children 303	Retiree & Children 304
Less than 10*	\$1,624.26	\$2,932.02	\$3,462.10	\$2,155.02
10-11*	\$1,156.15	\$2,463.91	\$2,993.99	\$1,686.91
11-12*	\$1,109.34	\$2,417.10	\$2,947.18	\$1,640.10
12-13*	\$1,062.53	\$2,370.29	\$2,900.37	\$1,593.29
13-14	\$1,015.71	\$2,323.47	\$2,853.55	\$1,546.47
14-15	\$968.90	\$2,276.66	\$2,806.74	\$1,499.66
15-16	\$922.09	\$2,229.85	\$2,759.93	\$1,452.85
16-17	\$875.28	\$2,183.04	\$2,713.12	\$1,406.04
17-18	\$828.47	\$2,136.23	\$2,666.31	\$1,359.23
18-19	\$781.66	\$2,089.42	\$2,619.50	\$1,312.42
19-20	\$734.85	\$2,042.61	\$2,572.69	\$1,265.61
20-21	\$688.04	\$1,995.80	\$2,525.88	\$1,218.80
21-22	\$641.22	\$1,948.98	\$2,479.06	\$1,171.98
22-23	\$594.41	\$1,902.17	\$2,432.25	\$1,125.17
23-24	\$547.60	\$1,855.36	\$2,385.44	\$1,078.36
24-25	\$500.79	\$1,808.55	\$2,338.63	\$1,031.55
25 or more	\$453.98	\$1,761.74	\$2,291.82	\$984.74
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$1,039.12	\$2,346.88	\$2,876.96	\$1,569.88
COBRA	\$1,656.75	\$2,990.66	\$3,531.34	\$2,198.12



**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Cigna-HealthSpring Preferred w/ Rx**  
**(available in Maricopa County and Apache Junction, Pinal County, Arizona only)**

<b>Years of Service</b>	<b>Retiree Only with Medicare 321</b>	<b>Retiree &amp; Spouse/Domestic Partner - Retiree w/ Medicare (Plan III Benchmark) 322</b>	<b>Retiree &amp; Spouse/Domestic Partner - Both w/ Medicare 324</b>	<b>Retiree &amp; Children 325</b>	<b>Retiree, Spouse/Domestic Partner &amp; Children - Retiree w/ Medicare (Plan III Benchmark) 327</b>	<b>Retiree, Spouse/Domestic Partner, &amp; Children - Retiree + 1 w/ Medicare (Plan III Benchmark) 329</b>
Less than 10*	\$384.49	\$1,692.25	\$760.98	\$915.93	\$2,223.01	\$1,362.53
10-11*	\$230.69	\$1,501.28	\$570.01	\$724.96	\$2,032.04	\$1,171.56
11-12*	\$215.31	\$1,482.18	\$550.91	\$705.86	\$2,012.94	\$1,152.46
12-13*	\$199.93	\$1,463.08	\$531.81	\$686.76	\$1,993.84	\$1,133.36
13-14	\$184.56	\$1,443.99	\$512.72	\$667.67	\$1,974.75	\$1,114.27
14-15	\$169.18	\$1,424.89	\$493.62	\$648.57	\$1,955.65	\$1,095.17
15-16	\$153.80	\$1,405.79	\$474.52	\$629.47	\$1,936.55	\$1,076.07
16-17	\$138.42	\$1,386.69	\$455.42	\$610.37	\$1,917.45	\$1,056.97
17-18	\$123.04	\$1,367.60	\$436.33	\$591.28	\$1,898.36	\$1,037.88
18-19	\$107.66	\$1,348.50	\$417.23	\$572.18	\$1,879.26	\$1,018.78
19-20	\$92.28	\$1,329.40	\$398.13	\$553.08	\$1,860.16	\$999.68
20-21	\$76.90	\$1,310.31	\$379.04	\$533.99	\$1,841.07	\$980.59
21-22	\$61.52	\$1,291.21	\$359.94	\$514.89	\$1,821.97	\$961.49
22-23	\$46.14	\$1,272.11	\$340.84	\$495.79	\$1,802.87	\$942.39
23-24	\$30.76	\$1,253.01	\$321.74	\$476.69	\$1,783.77	\$923.29
24-25	\$15.38	\$1,233.92	\$302.65	\$457.60	\$1,764.68	\$904.20
25 or more	\$0.00	\$1,214.82	\$283.55	\$438.50	\$1,745.58	\$885.10
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>						
	\$192.24	\$1,453.53	\$522.26	\$677.21	\$1,984.29	\$1,123.81
COBRA	\$392.18	\$1,726.10	\$776.20	\$934.25	\$2,267.47	\$1,389.78

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Kaiser Permanente / Kaiser Senior Advantage (California Residents)**

Years of Service	Retiree Basic (Under 65) 401	Retiree with Medicare 403
Less than 10*	\$1,032.28	\$280.80
10-11*	\$619.37	\$168.48
11-12*	\$578.08	\$157.25
12-13*	\$536.79	\$146.02
13-14	\$495.49	\$134.78
14-15	\$454.20	\$123.55
15-16	\$412.91	\$112.32
16-17	\$371.62	\$101.09
17-18	\$330.33	\$89.86
18-19	\$289.04	\$78.62
19-20	\$247.75	\$67.39
20-21	\$206.46	\$56.16
21-22	\$165.16	\$44.93
22-23	\$123.87	\$33.70
23-24	\$82.58	\$22.46
24-25	\$41.29	\$11.23
25 or more	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>		
	\$516.14	\$140.40
COBRA	\$1,052.93	\$286.42

**Deduct Codes:**

401 - "Basic"

403 - "Senior Advantage"

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Kaiser Permanente / Kaiser Senior Advantage (California Residents)**

Years of Service	Retiree with Family (Basic) 411	Retiree with Medicare 413	Dependent with Medicare 413	Two or more Family members with Medicare 418
Less than 10*	\$2,056.56	\$1,305.08	\$1,305.08	\$553.60
10-11*	\$1,588.45	\$1,114.11	\$836.97	\$362.63
11-12*	\$1,541.64	\$1,095.01	\$790.16	\$343.53
12-13*	\$1,494.83	\$1,075.91	\$743.35	\$324.43
13-14	\$1,448.01	\$1,056.82	\$696.53	\$305.34
14-15	\$1,401.20	\$1,037.72	\$649.72	\$286.24
15-16	\$1,354.39	\$1,018.62	\$602.91	\$267.14
16-17	\$1,307.58	\$999.52	\$556.10	\$248.04
17-18	\$1,260.77	\$980.43	\$509.29	\$228.95
18-19	\$1,213.96	\$961.33	\$462.48	\$209.85
19-20	\$1,167.15	\$942.23	\$415.67	\$190.75
20-21	\$1,120.34	\$923.14	\$368.86	\$171.66
21-22	\$1,073.52	\$904.04	\$322.04	\$152.56
22-23	\$1,026.71	\$884.94	\$275.23	\$133.46
23-24	\$979.90	\$865.84	\$228.42	\$114.36
24-25	\$933.09	\$846.75	\$181.61	\$95.27
25 or more	\$886.28	\$827.65	\$134.80	\$76.17
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$1,471.42	\$1,066.36	\$719.94	\$314.88
COBRA	\$2,097.69	\$1,331.18	\$1,331.18	\$564.67

**Deduct Codes:**

411 - All family members are "Basic"

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

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

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Kaiser Permanente Colorado**

Years of Service	Retiree Only 450	Retiree Only 451	Retiree & Family 453	Retiree & Family 454	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 455	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 455
Less than 10*	\$921.59	\$359.72	\$2,036.25	\$2,657.75	\$1,172.95	\$1,172.95
10-11*	\$552.95	\$215.83	\$1,568.14	\$2,189.64	\$981.98	\$704.84
11-12*	\$516.09	\$201.44	\$1,521.33	\$2,142.83	\$962.88	\$658.03
12-13*	\$479.23	\$187.05	\$1,474.52	\$2,096.02	\$943.78	\$611.22
13-14	\$442.36	\$172.67	\$1,427.70	\$2,049.20	\$924.69	\$564.40
14-15	\$405.50	\$158.28	\$1,380.89	\$2,002.39	\$905.59	\$517.59
15-16	\$368.64	\$143.89	\$1,334.08	\$1,955.58	\$886.49	\$470.78
16-17	\$331.77	\$129.50	\$1,287.27	\$1,908.77	\$867.39	\$423.97
17-18	\$294.91	\$115.11	\$1,240.46	\$1,861.96	\$848.30	\$377.16
18-19	\$258.05	\$100.72	\$1,193.65	\$1,815.15	\$829.20	\$330.35
19-20	\$221.18	\$86.33	\$1,146.84	\$1,768.34	\$810.10	\$283.54
20-21	\$184.32	\$71.94	\$1,100.03	\$1,721.53	\$791.01	\$236.73
21-22	\$147.45	\$57.56	\$1,053.21	\$1,674.71	\$771.91	\$189.91
22-23	\$110.59	\$43.17	\$1,006.40	\$1,627.90	\$752.81	\$143.10
23-24	\$73.73	\$28.78	\$959.59	\$1,581.09	\$733.71	\$96.29
24-25	\$36.86	\$14.39	\$912.78	\$1,534.28	\$714.62	\$49.48
25 or more	\$0.00	\$0.00	\$865.97	\$1,487.47	\$695.52	\$2.67
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>						
	\$460.79	\$179.86	\$1,451.11	\$2,072.61	\$934.23	\$587.81
COBRA	\$940.02	\$366.91	\$2,076.98	\$2,710.91	\$1,196.41	\$1,196.41

**Deduct Codes:**

450 - "Basic" under age 65

451 - "Senior Advantage"

453 - Two family members are "Basic"

454 - Three or more family members are "Basic"

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

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Kaiser Permanente Colorado**

Years of Service	Retiree & Family 457	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 458	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 458	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 459	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 459
Less than 10*	\$711.44	\$2,007.89	\$2,007.89	\$1,524.67	\$1,524.67
10-11*	\$520.47	\$1,816.92	\$1,539.78	\$1,333.70	\$1,056.56
11-12*	\$501.37	\$1,797.82	\$1,492.97	\$1,314.60	\$1,009.75
12-13*	\$482.27	\$1,778.72	\$1,446.16	\$1,295.50	\$962.94
13-14	\$463.18	\$1,759.63	\$1,399.34	\$1,276.41	\$916.12
14-15	\$444.08	\$1,740.53	\$1,352.53	\$1,257.31	\$869.31
15-16	\$424.98	\$1,721.43	\$1,305.72	\$1,238.21	\$822.50
16-17	\$405.88	\$1,702.33	\$1,258.91	\$1,219.11	\$775.69
17-18	\$386.79	\$1,683.24	\$1,212.10	\$1,200.02	\$728.88
18-19	\$367.69	\$1,664.14	\$1,165.29	\$1,180.92	\$682.07
19-20	\$348.59	\$1,645.04	\$1,118.48	\$1,161.82	\$635.26
20-21	\$329.50	\$1,625.95	\$1,071.67	\$1,142.73	\$588.45
21-22	\$310.40	\$1,606.85	\$1,024.85	\$1,123.63	\$541.63
22-23	\$291.30	\$1,587.75	\$978.04	\$1,104.53	\$494.82
23-24	\$272.20	\$1,568.65	\$931.23	\$1,085.43	\$448.01
24-25	\$253.11	\$1,549.56	\$884.42	\$1,066.34	\$401.20
25 or more	\$234.01	\$1,530.46	\$837.61	\$1,047.24	\$354.39
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$472.72	\$1,769.17	\$1,422.75	\$1,285.95	\$939.53
COBRA	\$725.67	\$2,048.05	\$2,048.05	\$1,555.16	\$1,555.16

**Deduct Codes:**

457 - Two family members are "Senior Advantage"

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

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

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Kaiser Permanente Georgia**

Years of Service	Retiree Only 443	Retiree Only 461	Retiree Only 462	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 463	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 463
Less than 10*	\$423.47	\$1,108.67	\$423.47	\$2,209.34	\$2,209.34
10-11*	\$254.08	\$665.20	\$254.08	\$2,018.37	\$1,741.23
11-12*	\$237.14	\$620.86	\$237.14	\$1,999.27	\$1,694.42
12-13*	\$220.20	\$576.51	\$220.20	\$1,980.17	\$1,647.61
13-14	\$203.27	\$532.16	\$203.27	\$1,961.08	\$1,600.79
14-15	\$186.33	\$487.81	\$186.33	\$1,941.98	\$1,553.98
15-16	\$169.39	\$443.47	\$169.39	\$1,922.88	\$1,507.17
16-17	\$152.45	\$399.12	\$152.45	\$1,903.78	\$1,460.36
17-18	\$135.51	\$354.77	\$135.51	\$1,884.69	\$1,413.55
18-19	\$118.57	\$310.43	\$118.57	\$1,865.59	\$1,366.74
19-20	\$101.63	\$266.08	\$101.63	\$1,846.49	\$1,319.93
20-21	\$84.69	\$221.73	\$84.69	\$1,827.40	\$1,273.12
21-22	\$67.76	\$177.39	\$67.76	\$1,808.30	\$1,226.30
22-23	\$50.82	\$133.04	\$50.82	\$1,789.20	\$1,179.49
23-24	\$33.88	\$88.69	\$33.88	\$1,770.10	\$1,132.68
24-25	\$16.94	\$44.35	\$16.94	\$1,751.01	\$1,085.87
25 or more	\$0.00	\$0.00	\$0.00	\$1,731.91	\$1,039.06
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$211.73	\$554.33	\$211.73	\$1,970.62	\$1,624.20
COBRA	\$431.94	\$1,130.84	\$431.94	\$2,253.53	\$2,253.53

**Deduct Codes:**

- 443 - "Basic" over age 65 - Medicare-eligible who is classified as having renal failure (ESRD)
- 461 - "Basic" under age 65
- 462 - "Senior Advantage"
- 463 - Two family members are "Basic"

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Kaiser Permanente Georgia**

Years of Service	Retiree & Family 464	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 465	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 465
Less than 10*	\$3,310.01	\$1,524.14	\$1,524.14
10-11*	\$2,841.90	\$1,333.17	\$1,056.03
11-12*	\$2,795.09	\$1,314.07	\$1,009.22
12-13*	\$2,748.28	\$1,294.97	\$962.41
13-14	\$2,701.46	\$1,275.88	\$915.59
14-15	\$2,654.65	\$1,256.78	\$868.78
15-16	\$2,607.84	\$1,237.68	\$821.97
16-17	\$2,561.03	\$1,218.58	\$775.16
17-18	\$2,514.22	\$1,199.49	\$728.35
18-19	\$2,467.41	\$1,180.39	\$681.54
19-20	\$2,420.60	\$1,161.29	\$634.73
20-21	\$2,373.79	\$1,142.20	\$587.92
21-22	\$2,326.97	\$1,123.10	\$541.10
22-23	\$2,280.16	\$1,104.00	\$494.29
23-24	\$2,233.35	\$1,084.90	\$447.48
24-25	\$2,186.54	\$1,065.81	\$400.67
25 or more	\$2,139.73	\$1,046.71	\$353.86
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$2,724.87	\$1,285.42	\$939.00
COBRA	\$3,376.21	\$1,554.62	\$1,554.62

**Deduct Codes:**

464 - Three or more family members are "Basic"

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

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Kaiser Permanente Georgia**

Years of Service	Retiree & Family 466	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 467	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 467	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 468	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 468
Less than 10*	\$838.94	\$2,624.81	\$2,624.81	\$1,939.61	\$1,939.61
10-11*	\$647.97	\$2,433.84	\$2,156.70	\$1,748.64	\$1,471.50
11-12*	\$628.87	\$2,414.74	\$2,109.89	\$1,729.54	\$1,424.69
12-13*	\$609.77	\$2,395.64	\$2,063.08	\$1,710.44	\$1,377.88
13-14	\$590.68	\$2,376.55	\$2,016.26	\$1,691.35	\$1,331.06
14-15	\$571.58	\$2,357.45	\$1,969.45	\$1,672.25	\$1,284.25
15-16	\$552.48	\$2,338.35	\$1,922.64	\$1,653.15	\$1,237.44
16-17	\$533.38	\$2,319.25	\$1,875.83	\$1,634.05	\$1,190.63
17-18	\$514.29	\$2,300.16	\$1,829.02	\$1,614.96	\$1,143.82
18-19	\$495.19	\$2,281.06	\$1,782.21	\$1,595.86	\$1,097.01
19-20	\$476.09	\$2,261.96	\$1,735.40	\$1,576.76	\$1,050.20
20-21	\$457.00	\$2,242.87	\$1,688.59	\$1,557.67	\$1,003.39
21-22	\$437.90	\$2,223.77	\$1,641.77	\$1,538.57	\$956.57
22-23	\$418.80	\$2,204.67	\$1,594.96	\$1,519.47	\$909.76
23-24	\$399.70	\$2,185.57	\$1,548.15	\$1,500.37	\$862.95
24-25	\$380.61	\$2,166.48	\$1,501.34	\$1,481.28	\$816.14
25 or more	\$361.51	\$2,147.38	\$1,454.53	\$1,462.18	\$769.33
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$600.22	\$2,386.09	\$2,039.67	\$1,700.89	\$1,354.47
COBRA	\$855.72	\$2,677.31	\$2,677.31	\$1,978.40	\$1,978.40

**Deduct Codes:**

466 - Two family members are "Senior Advantage"

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

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



**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Kaiser Permanente Georgia**

Years of Service	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 469	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 469	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 470	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 470
Less than 10*	\$1,254.41	\$1,254.41	\$2,624.81	\$2,624.81
10-11*	\$1,063.44	\$786.30	\$2,433.84	\$2,156.70
11-12*	\$1,044.34	\$739.49	\$2,414.74	\$2,109.89
12-13*	\$1,025.24	\$692.68	\$2,395.64	\$2,063.08
13-14	\$1,006.15	\$645.86	\$2,376.55	\$2,016.26
14-15	\$987.05	\$599.05	\$2,357.45	\$1,969.45
15-16	\$967.95	\$552.24	\$2,338.35	\$1,922.64
16-17	\$948.85	\$505.43	\$2,319.25	\$1,875.83
17-18	\$929.76	\$458.62	\$2,300.16	\$1,829.02
18-19	\$910.66	\$411.81	\$2,281.06	\$1,782.21
19-20	\$891.56	\$365.00	\$2,261.96	\$1,735.40
20-21	\$872.47	\$318.19	\$2,242.87	\$1,688.59
21-22	\$853.37	\$271.37	\$2,223.77	\$1,641.77
22-23	\$834.27	\$224.56	\$2,204.67	\$1,594.96
23-24	\$815.17	\$177.75	\$2,185.57	\$1,548.15
24-25	\$796.08	\$130.94	\$2,166.48	\$1,501.34
25 or more	\$776.98	\$84.13	\$2,147.38	\$1,454.53
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$1,015.69	\$669.27	\$2,386.09	\$2,039.67
COBRA	\$1,279.50	\$1,279.50	\$2,677.31	\$2,677.31

**Deduct Codes:**

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

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

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Kaiser Permanente Hawaii**

Years of Service	Retiree Only 471	Retiree Only 472	Retiree & Dependent 474	Retiree & Family 475
Less than 10*	\$955.23	\$448.03	\$1,902.46	\$2,849.69
10-11*	\$573.14	\$268.82	\$1,434.35	\$2,381.58
11-12*	\$534.93	\$250.90	\$1,387.54	\$2,334.77
12-13*	\$496.72	\$232.98	\$1,340.73	\$2,287.96
13-14	\$458.51	\$215.05	\$1,293.91	\$2,241.14
14-15	\$420.30	\$197.13	\$1,247.10	\$2,194.33
15-16	\$382.09	\$179.21	\$1,200.29	\$2,147.52
16-17	\$343.88	\$161.29	\$1,153.48	\$2,100.71
17-18	\$305.67	\$143.37	\$1,106.67	\$2,053.90
18-19	\$267.46	\$125.45	\$1,059.86	\$2,007.09
19-20	\$229.26	\$107.53	\$1,013.05	\$1,960.28
20-21	\$191.05	\$89.61	\$966.24	\$1,913.47
21-22	\$152.84	\$71.68	\$919.42	\$1,866.65
22-23	\$114.63	\$53.76	\$872.61	\$1,819.84
23-24	\$76.42	\$35.84	\$825.80	\$1,773.03
24-25	\$38.21	\$17.92	\$778.99	\$1,726.22
25 or more	\$0.00	\$0.00	\$732.18	\$1,679.41
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$477.61	\$224.01	\$1,317.32	\$2,264.55
COBRA	\$974.33	\$456.99	\$1,940.51	\$2,906.68

**Deduct Codes:**

471 - "Basic" under age 65

472 - "Senior Advantage"

474 - Two family members are "Basic"

475 - Three or more family members are "Basic"

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Kaiser Permanente Hawaii**

Years of Service	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 476	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 476	Retiree & Family 478
Less than 10*	\$1,395.26	\$1,395.26	\$888.06
10-11*	\$1,204.29	\$927.15	\$697.09
11-12*	\$1,185.19	\$880.34	\$677.99
12-13*	\$1,166.09	\$833.53	\$658.89
13-14	\$1,147.00	\$786.71	\$639.80
14-15	\$1,127.90	\$739.90	\$620.70
15-16	\$1,108.80	\$693.09	\$601.60
16-17	\$1,089.70	\$646.28	\$582.50
17-18	\$1,070.61	\$599.47	\$563.41
18-19	\$1,051.51	\$552.66	\$544.31
19-20	\$1,032.41	\$505.85	\$525.21
20-21	\$1,013.32	\$459.04	\$506.12
21-22	\$994.22	\$412.22	\$487.02
22-23	\$975.12	\$365.41	\$467.92
23-24	\$956.02	\$318.60	\$448.82
24-25	\$936.93	\$271.79	\$429.73
25 or more	\$917.83	\$224.98	\$410.63
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$1,156.54	\$810.12	\$649.34
COBRA	\$1,423.17	\$1,423.17	\$905.82

**Deduct Codes:**

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

478 - Two family members are "Senior Advantage"

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Kaiser Permanente Oregon**

Years of Service	Retiree Only 481	Retiree Only 482	Retiree & Family 484	Retiree & Family 485
Less than 10*	\$1,175.60	\$465.80	\$2,343.20	\$3,510.80
10-11*	\$707.49	\$279.48	\$1,875.09	\$3,042.69
11-12*	\$660.68	\$260.85	\$1,828.28	\$2,995.88
12-13*	\$613.87	\$242.22	\$1,781.47	\$2,949.07
13-14	\$567.05	\$223.58	\$1,734.65	\$2,902.25
14-15	\$520.24	\$204.95	\$1,687.84	\$2,855.44
15-16	\$473.43	\$186.32	\$1,641.03	\$2,808.63
16-17	\$426.62	\$167.69	\$1,594.22	\$2,761.82
17-18	\$379.81	\$149.06	\$1,547.41	\$2,715.01
18-19	\$333.00	\$130.42	\$1,500.60	\$2,668.20
19-20	\$286.19	\$111.79	\$1,453.79	\$2,621.39
20-21	\$239.38	\$93.16	\$1,406.98	\$2,574.58
21-22	\$192.56	\$74.53	\$1,360.16	\$2,527.76
22-23	\$145.75	\$55.90	\$1,313.35	\$2,480.95
23-24	\$98.94	\$37.26	\$1,266.54	\$2,434.14
24-25	\$52.13	\$18.63	\$1,219.73	\$2,387.33
25 or more	\$5.32	\$0.00	\$1,172.92	\$2,340.52
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$590.46	\$232.90	\$1,758.06	\$2,925.66
COBRA	\$1,199.11	\$475.12	\$2,390.06	\$3,581.02

**Deduct Codes:**

481 - "Basic" under age 65

482 - "Senior Advantage"

484 - Two family members are "Basic"

485 - Three or more family members are "Basic"

**Los Angeles County Employees Retirement Association  
Rates Effective July 1, 2019  
Tier 2 - Kaiser Permanente Oregon**

Years of Service	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 486	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 486	Retiree & Family 488
Less than 10*	\$1,633.40	\$1,633.40	\$923.60
10-11*	\$1,442.43	\$1,165.29	\$732.63
11-12*	\$1,423.33	\$1,118.48	\$713.53
12-13*	\$1,404.23	\$1,071.67	\$694.43
13-14	\$1,385.14	\$1,024.85	\$675.34
14-15	\$1,366.04	\$978.04	\$656.24
15-16	\$1,346.94	\$931.23	\$637.14
16-17	\$1,327.84	\$884.42	\$618.04
17-18	\$1,308.75	\$837.61	\$598.95
18-19	\$1,289.65	\$790.80	\$579.85
19-20	\$1,270.55	\$743.99	\$560.75
20-21	\$1,251.46	\$697.18	\$541.66
21-22	\$1,232.36	\$650.36	\$522.56
22-23	\$1,213.26	\$603.55	\$503.46
23-24	\$1,194.16	\$556.74	\$484.36
24-25	\$1,175.07	\$509.93	\$465.27
25 or more	\$1,155.97	\$463.12	\$446.17
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$1,394.68	\$1,048.26	\$684.88
COBRA	\$1,666.07	\$1,666.07	\$942.07

**Deduct Codes:**

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

488 - Two family members are "Senior Advantage"

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Kaiser Permanente Oregon**

Years of Service	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 493	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 493	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 494	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 494
Less than 10*	\$2,801.00	\$2,801.00	\$2,091.20	\$2,091.20
10-11*	\$2,610.03	\$2,332.89	\$1,900.23	\$1,623.09
11-12*	\$2,590.93	\$2,286.08	\$1,881.13	\$1,576.28
12-13*	\$2,571.83	\$2,239.27	\$1,862.03	\$1,529.47
13-14	\$2,552.74	\$2,192.45	\$1,842.94	\$1,482.65
14-15	\$2,533.64	\$2,145.64	\$1,823.84	\$1,435.84
15-16	\$2,514.54	\$2,098.83	\$1,804.74	\$1,389.03
16-17	\$2,495.44	\$2,052.02	\$1,785.64	\$1,342.22
17-18	\$2,476.35	\$2,005.21	\$1,766.55	\$1,295.41
18-19	\$2,457.25	\$1,958.40	\$1,747.45	\$1,248.60
19-20	\$2,438.15	\$1,911.59	\$1,728.35	\$1,201.79
20-21	\$2,419.06	\$1,864.78	\$1,709.26	\$1,154.98
21-22	\$2,399.96	\$1,817.96	\$1,690.16	\$1,108.16
22-23	\$2,380.86	\$1,771.15	\$1,671.06	\$1,061.35
23-24	\$2,361.76	\$1,724.34	\$1,651.96	\$1,014.54
24-25	\$2,342.67	\$1,677.53	\$1,632.87	\$967.73
25 or more	\$2,323.57	\$1,630.72	\$1,613.77	\$920.92
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$2,562.28	\$2,215.86	\$1,852.48	\$1,506.06
COBRA	\$2,857.02	\$2,857.02	\$2,133.02	\$2,133.02

**Deduct Codes:**

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

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

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - SCAN Health Plan**

Years of Service	Retiree Only with SCAN 611	Retiree & 1 Dependent - Both with SCAN 613 <sup>(1)</sup>
Less than 10*	\$267.00	\$526.00
10-11*	\$160.20	\$335.03
11-12*	\$149.52	\$315.93
12-13*	\$138.84	\$296.83
13-14	\$128.16	\$277.74
14-15	\$117.48	\$258.64
15-16	\$106.80	\$239.54
16-17	\$96.12	\$220.44
17-18	\$85.44	\$201.35
18-19	\$74.76	\$182.25
19-20	\$64.08	\$163.15
20-21	\$53.40	\$144.06
21-22	\$42.72	\$124.96
22-23	\$32.04	\$105.86
23-24	\$21.36	\$86.76
24-25	\$10.68	\$67.67
25 or more	\$0.00	\$48.57
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>		
	\$133.50	\$287.28
COBRA	\$272.34	\$536.52

<sup>(1)</sup> Retiree & 1 Dependent = Retiree & Spouse/Domestic Partner or Retiree & 1 Child. Both retiree & eligible dependent must be enrolled in Medicare Parts A & B.

**Los Angeles County Employees Retirement Association**

**Rates Effective July 1, 2019**

**Tier 2 - United Healthcare Group Medicare Advantage HMO/UnitedHealthcare**

<b>Years of Service</b>	<b>Retiree Only with UnitedHealthcare Group Medicare Advantage HMO 701</b>	<b>Retiree &amp; 1 Dependent - Retiree with UnitedHealthcare Group Medicare Advantage HMO 702 <sup>(1)</sup></b>	<b>Retiree &amp; 1 Dependent - Both with UnitedHealthcare Group Medicare Advantage HMO 703 <sup>(1)</sup></b>	<b>Retiree &amp; 2 or More Dependents - Retiree w/ Medicare UnitedHealthCare Group Medicare Advantage HMO 704 <sup>(2)</sup></b>	<b>Retiree &amp; 2 or More Dependents - Retiree + 1 w/ Medicare UnitedHealthCare Group Medicare Advantage HMO 705 <sup>(2)</sup></b>
Less than 10*	\$356.76	\$1,542.33	\$705.52	\$1,746.57	\$909.76
10-11*	\$214.06	\$1,351.36	\$514.55	\$1,555.60	\$718.79
11-12*	\$199.79	\$1,332.26	\$495.45	\$1,536.50	\$699.69
12-13*	\$185.52	\$1,313.16	\$476.35	\$1,517.40	\$680.59
13-14	\$171.24	\$1,294.07	\$457.26	\$1,498.31	\$661.50
14-15	\$156.97	\$1,274.97	\$438.16	\$1,479.21	\$642.40
15-16	\$142.70	\$1,255.87	\$419.06	\$1,460.11	\$623.30
16-17	\$128.43	\$1,236.77	\$399.96	\$1,441.01	\$604.20
17-18	\$114.16	\$1,217.68	\$380.87	\$1,421.92	\$585.11
18-19	\$99.89	\$1,198.58	\$361.77	\$1,402.82	\$566.01
19-20	\$85.62	\$1,179.48	\$342.67	\$1,383.72	\$546.91
20-21	\$71.35	\$1,160.39	\$323.58	\$1,364.63	\$527.82
21-22	\$57.08	\$1,141.29	\$304.48	\$1,345.53	\$508.72
22-23	\$42.81	\$1,122.19	\$285.38	\$1,326.43	\$489.62
23-24	\$28.54	\$1,103.09	\$266.28	\$1,307.33	\$470.52
24-25	\$14.27	\$1,084.00	\$247.19	\$1,288.24	\$451.43
25 or more	\$0.00	\$1,064.90	\$228.09	\$1,269.14	\$432.33
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$178.38	\$1,303.61	\$466.80	\$1,507.85	\$671.04
COBRA	\$363.90	\$1,573.18	\$719.63	\$1,781.50	\$927.96

<sup>(1)</sup> Retiree & 1 Dependent = Retiree & Spouse/Domestic Partner or Retiree & 1 Child

<sup>(2)</sup> Retiree & 2 or More Dependents = Retiree, Spouse/Domestic Partner & 1 or More Children or Retiree & 2 or More Children



**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - UnitedHealthcare**

<b>Years of Service</b>	<b>Retiree Only 707</b>	<b>Retiree &amp; 1 Dependent 708</b>	<b>Retiree &amp; 2 or More Dependents 709</b>
Less than 10*	\$1,193.57	\$2,178.97	\$2,583.38
10-11*	\$725.46	\$1,710.86	\$2,115.27
11-12*	\$678.65	\$1,664.05	\$2,068.46
12-13*	\$631.84	\$1,617.24	\$2,021.65
13-14	\$585.02	\$1,570.42	\$1,974.83
14-15	\$538.21	\$1,523.61	\$1,928.02
15-16	\$491.40	\$1,476.80	\$1,881.21
16-17	\$444.59	\$1,429.99	\$1,834.40
17-18	\$397.78	\$1,383.18	\$1,787.59
18-19	\$350.97	\$1,336.37	\$1,740.78
19-20	\$304.16	\$1,289.56	\$1,693.97
20-21	\$257.35	\$1,242.75	\$1,647.16
21-22	\$210.53	\$1,195.93	\$1,600.34
22-23	\$163.72	\$1,149.12	\$1,553.53
23-24	\$116.91	\$1,102.31	\$1,506.72
24-25	\$70.10	\$1,055.50	\$1,459.91
25 or more	\$23.29	\$1,008.69	\$1,413.10
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$608.43	\$1,593.83	\$1,998.24
COBRA	\$1,217.44	\$2,222.55	\$2,635.05

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Cigna Indemnity Dental/Vision**

Years of Service	Retiree Only 501	Retiree & Dependent(s) 502
Less than 10*	\$52.16	\$108.60
10-11*	\$31.30	\$87.74
11-12*	\$29.21	\$85.65
12-13*	\$27.12	\$83.56
13-14	\$25.04	\$81.48
14-15	\$22.95	\$79.39
15-16	\$20.86	\$77.30
16-17	\$18.78	\$75.22
17-18	\$16.69	\$73.13
18-19	\$14.60	\$71.04
19-20	\$12.52	\$68.96
20-21	\$10.43	\$66.87
21-22	\$8.35	\$64.79
22-23	\$6.26	\$62.70
23-24	\$4.17	\$60.61
24-25	\$2.09	\$58.53
25 or more	\$0.00	\$56.44
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>		
	\$26.08	\$82.52
COBRA	\$53.20	\$110.77

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - Cigna Prepaid Dental/Vision**

Years of Service	Retiree Only 901	Retiree & Dependent(s) 902
Less than 10*	\$46.19	\$94.52
10-11*	\$27.71	\$73.66
11-12*	\$25.87	\$71.57
12-13*	\$24.02	\$69.48
13-14	\$22.17	\$67.40
14-15	\$20.32	\$65.31
15-16	\$18.48	\$63.22
16-17	\$16.63	\$61.14
17-18	\$14.78	\$59.05
18-19	\$12.93	\$56.96
19-20	\$11.09	\$54.88
20-21	\$9.24	\$52.79
21-22	\$7.39	\$50.71
22-23	\$5.54	\$48.62
23-24	\$3.70	\$46.53
24-25	\$1.85	\$44.45
25 or more	\$0.00	\$42.36
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>		
	\$23.09	\$68.44
COBRA	\$47.11	\$96.41

**Los Angeles County Employees Retirement Association  
Rates Effective July 1, 2019  
Tier 2 - Children Only Rates**

<b>Years of Service</b>	<b>Anthem Plan I &amp; II 215 or 225</b>	<b>Kaiser One Child 421</b>	<b>Kaiser 2 or More 411</b>	<b>Prudent Buyer 205</b>	<b>Cigna 305</b>	<b>UHC HMO 706</b>	<b>Cigna Indemnity Dental/Vision 503</b>	<b>Cigna Prepaid Dental/Vision 903</b>
Less than 10*	\$396.43	\$1,032.28	\$2,056.56	\$277.44	\$513.74	\$341.77	\$64.15	\$46.78
10-11*	\$237.86	\$619.37	\$1,588.45	\$166.46	\$308.24	\$205.06	\$38.49	\$28.07
11-12*	\$222.00	\$578.08	\$1,541.64	\$155.37	\$287.69	\$191.39	\$35.92	\$26.20
12-13*	\$206.14	\$536.79	\$1,494.83	\$144.27	\$267.14	\$177.72	\$33.36	\$24.33
13-14	\$190.29	\$495.49	\$1,448.01	\$133.17	\$246.60	\$164.05	\$30.79	\$22.45
14-15	\$174.43	\$454.20	\$1,401.20	\$122.07	\$226.05	\$150.38	\$28.23	\$20.58
15-16	\$158.57	\$412.91	\$1,354.39	\$110.98	\$205.50	\$136.71	\$25.66	\$18.71
16-17	\$142.71	\$371.62	\$1,307.58	\$99.88	\$184.95	\$123.04	\$23.09	\$16.84
17-18	\$126.86	\$330.33	\$1,260.77	\$88.78	\$164.40	\$109.37	\$20.53	\$14.97
18-19	\$111.00	\$289.04	\$1,213.96	\$77.68	\$143.85	\$95.70	\$17.96	\$13.10
19-20	\$95.14	\$247.75	\$1,167.15	\$66.59	\$123.30	\$82.02	\$15.40	\$11.23
20-21	\$79.29	\$206.46	\$1,120.34	\$55.49	\$102.75	\$68.35	\$12.83	\$9.36
21-22	\$63.43	\$165.16	\$1,073.52	\$44.39	\$82.20	\$54.68	\$10.26	\$7.48
22-23	\$47.57	\$123.87	\$1,026.71	\$33.29	\$61.65	\$41.01	\$7.70	\$5.61
23-24	\$31.71	\$82.58	\$979.90	\$22.20	\$41.10	\$27.34	\$5.13	\$3.74
24-25	\$15.86	\$41.29	\$933.09	\$11.10	\$20.55	\$13.67	\$2.57	\$1.87
25 or more	\$0.00	\$0.00	\$886.28	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>								
	\$198.21	\$516.14	\$1,471.42	\$138.72	\$256.87	\$170.88	\$32.07	\$23.39
COBRA	\$404.36	\$1,052.93	\$2,097.69	\$282.99	\$524.01	\$348.61	\$65.43	\$47.72

**Los Angeles County Employees Retirement Association**  
**Rates Effective July 1, 2019**  
**Tier 2 - COBRA Rates - Kaiser**

<b>Kaiser - COBRA Rates</b>	
Single "Basic"	\$1,052.93
Single "Senior Advantage"	\$286.42
Single "Excess"	\$1,202.37
All family members are "Basic"	\$2,097.69
One family member is "Senior Advantage"; others are "Basic"	\$1,331.18
One family member is "Excess"; others are "Basic"	\$2,247.13
Two or more family members are "Senior Advantage"	\$564.67
One family member is "Excess"; another is "Senior Advantage"	\$1,480.62
Two family members are "Excess"	\$2,396.57
Child under 26	\$1,052.93
Children under 26	\$2,097.69

**California Contract Changes**

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

Plan Impact	Provision	Description of Change	Type of Change	Date of Change	Effective
PBP	Prorated Costshares on Schedule II Drugs	Added information about prorated costshares for Schedule II controlled substances. This is being added to comply with AB1048.	CA Regulatory requirement AB 1048	1/1/2019	At Renewal
PBP	Drug Cost Share Assistance Programs	Added information about potential cost sharing rebates on certain drugs as determined solely by drug manufacturers or other party. This information also explains how a member's payment will be applied toward deductible and out-of-pocket maximum amounts when copayment coupons, or similar discounts, are used.	Company change EOC Change	1/1/2019	At Renewal
PBP	Definition: Pharmacy Benefits Manager (PBM)	Revised the definition of Pharmacy Benefits Manager to clarify its intent.	Company change EOC Change	1/1/2019	At Renewal
PBP	Preventive Prescription Drugs and Other Items	Removed supply limit for OTC drugs used to treat nicotine addiction. Additionally, coverage for low dose statins for members 40-75 and at risk for heart disease was added as covered preventive medications.	Company change EOC Change	1/1/2019	At Renewal
PBP, Plan I, Plan II	Special Footwear Rider	Removed bunions as an excluded services covered under the Special Footwear benefit.	Company change EOC Change	1/1/2019	At Renewal
PBP, Plan I, Plan II	Schedules for Non-Participating Providers	For plans with Schedules for Non-Participating Providers, the sections that detail the specific allowable amounts, unit values, procedure codes and other information describing its requirements have been removed from the EOC. Removing these from the EOC will ensure inaccurate or obsolete information will not be included in the member's EOC in the event these amounts have changed or change during the plan year.	Company change EOC Change	1/1/2019	At Renewal
PBP, Plan I, Plan II	Telehealth	Revised the Telehealth provision to include care management and self-management as typical services provided under this benefit. This better aligns with the state's definition of telehealth, and is also meant to account for future programs that involve telehealth.	Company change EOC Change	1/1/2019	At Renewal

**California Contract Changes**

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

Plan Impact	Provision	Description of Change	Type of Change	Date of Change	Effective
PBP, Plan I, Plan II	Home Health Care	Revised the Home Health Care benefit to clarify the circumstances in which benefits are provided. Additionally, coverage for other organizations or providers has been added when approved by Anthem. This change also accounts for possible future programs that involve care in the home.	Company change EOC Change	1/1/2019	At Renewal
PBP, Plan I, Plan II	Ambulance	Revised the Ambulance benefit to include rehabilitation facilities as an excluded non-acute care hospital transport destination. This is not a change in what is done today, and is meant to ensure awareness that air ambulance travel to such facilities is not covered.	Company change EOC Change	1/1/2019	At Renewal
PBP, Plan I, Plan II	Speech Therapy	Added pre-service review requirements for Speech Therapy.	Company change EOC Change	1/1/2019	At Renewal
PBP, Plan I, Plan II	Exclusion: Residential Accommodations	Revised the Residential Accommodations exclusion to provide more detail and specificities about the excluded services.	Company change EOC Change	1/1/2019	At Renewal
PBP, Plan I, Plan II	Utilization Review Program	Revised the Utilization Review program language to define Clinically Equivalent as treatments that for most members, will give patients similar results for a disease or condition. A state regulator for another Anthem plan asked that this language be clarified. As a result, a decision was made to make the change to all Anthem plans for consistency.	Company change EOC Change	1/1/2019	At Renewal
PBP, Plan I, Plan II	Policies and Procedures	Added a provision for Policies and Procedures to inform members about enhancements and introducing pilot or test programs.	Company change EOC Change	1/1/2019	At Renewal
PBP, Plan I, Plan II	Definition: Intensive Outpatient Program	Revised the Intensive Outpatient Program to clarify the definition.	Company change EOC Change	1/1/2019	At Renewal
PBP, Plan I, Plan II	Definition: Medically Necessary	Revised the Medically Necessary definition to include additional details about alternative settings, in order to support or accommodate company initiatives that involve such settings.	Company change EOC Change	1/1/2019	At Renewal

**California Contract Changes**

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

Plan Impact	Provision	Description of Change	Type of Change	Date of Change	Effective
PBP, Plan I, Plan II	Definition: Partial Hospitalization Program	Revised the Partial Hospitalization Program to clarify the definition.	Company change EOC Change	1/1/2019	At Renewal
PBP, Plan I, Plan II	Hospice	Revised the Hospice benefit to clarify the circumstances in which benefits are provided. This was needed in order to ensure understanding that services beyond palliative care are also covered.	Company change EOC Change	1/1/2019	At Renewal



**2019 CIGNA-HEALTHSPRING PREFERRED WITH RX (HMO) - MAPD BENEFITS**

**Arizona**

As shown in the 2019 benefit summary, there are a few changes which will be made to the Medicare Select Plan. The benefits that are changing are highlighted. All other benefits remain at their current levels.

The HealthSpring Preferred with Rx (MAPD) renewal rates are included in the HMO Renewal Package.

Benefit Changes include the following:

Medical

	2018	2019
<b>Emergency room (not followed by admission)</b>	\$75 copay; waived if admitted	\$90 copay; waived if admitted*
<b>Cardiac and Pulmonary Rehab</b>	\$12 copay	\$10 copay
<b>Meal Benefit</b>	Not Available	Members are eligible to receive 14 nutritional meals delivered to their home after being discharged from a hospital stay for up to 3 qualified hospital stays per year. Benefit only applies to discharge during an acute inpatient stay and does not apply to a behavioral health discharge.

Prescription Drug Plan

- Bipartisan Budget Act of 2018 Changes to Part D

2018 Standard Part D	2019 Standard Part D
Manufacturer discount of <b>50%</b> in the donut hole	Manufacturer discount of <b>70%</b> in the donut hole
Plan pays <b>20%</b> of brand drugs in the donut hole	Plan pays <b>5%</b> of brand drugs in the donut hole
Retiree pays <b>44%</b> of generic drugs in the coverage gap phase	Retiree pays <b>37%</b> of generic drugs in the coverage gap phase
Retiree pays <b>30%</b> of brand drugs in the coverage gap phase	Retiree pays <b>25%</b> of brand drugs in the coverage gap phase*
Biosimilars <b>not included</b> in manufacturer discount program	Biosimilars <b>included</b> in manufacturer discount program

- **Opioid drugs**
  - 30 day supply limit will apply for Opioid drugs on all plans in Cigna's commitment to reduce Opioid use by 25% by 2019
  - 7 day supply limit will apply for Opioid naïve patients on all plans to limit initial opioid fills for acute pain to 7 days' supply and cover safer pain treatment alternatives
- **Formulary**
  - The formularies change annually. In early fall, we will share details about the annual formulary changes including any disruption notifications that will be mailed to impacted customers.

**DENTAL & VISION RENEWAL INFORMATION**

**DENTAL BENEFITS**

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

**VISION BENEFITS**

No Benefit Changes are being proposed (Full Vision, Exam Only Vision)

## 2019 RENEWAL PORTFOLIO | CALIFORNIA

# Preliminary changes to 2019 benefits

This is an overview of recent California benefit changes we're planning to make to:

- ▶ 2019 Kaiser Foundation Health Plan (KFHP), Inc., *Group Agreement* and *Evidence of Coverage* documents
- ▶ 2019 Kaiser Permanente Insurance Company (KPIC) *Group Policy* and *Certificate of Insurance* documents

Unless otherwise noted, these changes apply to all the plans we offer, and they'll become effective as contracts renew starting in January 2019.<sup>1</sup>

These changes may be subject to regulatory approval. This summary doesn't include all changes that may be made for 2019, including changes to Medicare coverage. You'll find all the information on the final changes in your:

- ▶ 2019 renewal notice or renewal contract for KFHP coverage
- ▶ 2019 *Summary of Benefit Changes* for KPIC coverage

## Extending tobacco-cessation medication coverage at no cost share to more commercial members

Currently, most Kaiser Permanente health plans cover all FDA-approved medications for tobacco cessation (including over-the-counter medications when prescribed by a plan provider) at no cost share for members.<sup>2</sup>

Kaiser Permanente is adding this no-cost coverage to the following plans, as well as an option for employers to opt out:

- ▶ Grandfathered KFHP plans that don't have the National Preventive Care Package and cover more than state-mandated drugs
- ▶ Grandfathered KPIC point-of-service plans

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## Ensuring continued compliance with the Mental Health Parity and Addiction Equity Act (MHPAEA) of 2008

Based on a clarification from federal agencies on MHPAEA rules, Kaiser Permanente will make the following changes:

- ▶ For all deductible HMO plans and health savings account (HSA)-qualified high deductible health plan HMOs with copays for complex imaging services (MRI, CT scan, PET scan) and coinsurance for outpatient surgery, the copay for complex imaging services will change to coinsurance up to the member's current complex imaging copay.
- ▶ For all deductible HMO plans and HSA-qualified high deductible health plan HMOs with an applied behavioral analysis (ABA) copay and outpatient-surgery coinsurance, the ABA copay will change to coinsurance up to the member's current ABA copay.
- ▶ For all deductible HMO plans where complex imaging and outpatient surgery services have different accumulation types (that is, the deductible applies to one service and not the other), the partial hospitalization program and intensive outpatient program under Outpatient Mental Health Services will no longer be subject to the plan deductible.

## Additional screenings now available for women's preventive care services

Kaiser Permanente has added 2 new screenings to women's preventive care services:

- ▶ Screenings for diabetes mellitus after pregnancy
- ▶ Screenings for urinary incontinence

This change doesn't apply to grandfathered plans that don't have the preventive care package.

For a complete list of preventive services, visit [kp.org/prevention](http://kp.org/prevention).

**For more information, please see your renewal notice, renewal contract, or Summary of Benefit Changes.**

This document includes forward-looking statements. All statements made that are not historical facts are subject to a number of risks and uncertainties, and actual results may differ materially.

The traditional HMO plan, deductible HMO plan, and HMO portion of the POS plan are underwritten by Kaiser Foundation Health Plan (KFHP), Inc. KPIC underwrites the PPO plan, OOA indemnity plan, and in-network and out-of-network portions of the POS plan. KPIC is a subsidiary of KFHP.

<sup>1</sup>Scheduled dates subject to change.

<sup>2</sup>Applies to all nongrandfathered commercial large group plans and grandfathered plans that have added the National Preventive Care Package covering FDA-approved medications for tobacco cessation at no copay, coinsurance, or deductible payment.



## KAISER FOUNDATION HEALTH PLAN OF COLORADO

### Summary of 2019 Benefit Changes\*

#### **Large Group/Non-Medicare**

#### **Traditional HMO Plans**

*(Effective upon Renewal on or after January 1, 2019)*

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### CLARIFICATIONS

**No clarifications at this time.**

### BASE PLAN CHANGES

#### **Out-of-Area Benefit**

- Initial exams to evaluate your hearing will be covered will be added to the Out-of-Area benefit. Exams will have the same copayment or coinsurance as primary care. Hearing tests to determine the need for hearing correction and hearing aids are excluded from this coverage.
- ACA prevention immunizations will now be part of the office visit cost share. Flu immunizations will be covered at no cost.
- Outpatient generic, brand, specialty, and non-preferred drugs will be 50% coinsurance. Mail order is not available.
- Diabetic supplies will be 20% coinsurance and preventive drugs are covered at no cost.

### CHANGES DUE TO LEGISLATION

#### **Health Coverage Prescription Contraceptives Supply** – Members will be able to get:

- a 3-month supply of a prescription contraceptive the first time it is dispensed; and
- a 12-month supply any time the same prescription is subsequently redispensed, or until the plan coverage end, whichever is shorter; or
- A vaginal contraceptive ring that is intended to last for three months.

**Prohibition Against Step Therapy for Stage 4 Advanced Metastatic Cancer** - Step therapy will not be required for a drug approved by the United States Food and Drug Administration (FDA) and that is on the carrier's prescription drug formulary for the treatment of stage 4 advanced metastatic cancer so long as use of the approved drug is consistent with:

- the FDA-approved indication or the National Comprehensive Cancer Network Drugs and Biologics Compendium Indication for the treatment of stage 4 advanced metastatic cancer; or
- peer-reviewed medical literature

**Substance Use Disorders Legislation** - Health benefit plans must provide coverage without prior authorization for a five-day supply of at least one of the FDA-approved drugs for the treatment of opioid dependence. This benefit is limited to a single request within a 12-month period.

**REMINDERS**

In accord with the “**WOMEN’S HEALTH AND CANCER RIGHTS ACT OF 1998,**” and as determined in consultation with the attending physician and the patient, we provide the following coverage after a mastectomy:

- Reconstruction of the breast on which the mastectomy was performed.
- Surgery and reconstruction of the other breast to produce a symmetrical (balanced) appearance.
- Prosthesis (artificial replacements).
- Services for physical complications resulting from the mastectomy.

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\* This Summary of 2019 Benefit Changes does not include changes that may occur throughout the remainder of the year including, but not limited to, mandated federal and state changes.

**NOTE:** To the extent this Summary of 2019 Benefit Changes conflicts with, modifies or supplements the information contained in your 2019 renewal packet, the information contained in your 2019 renewal packet shall supersede what is set forth above.

2019 RENEWAL PORTFOLIO | GEORGIA

# Changes to your 2019 benefits



## This is an overview of recent Georgia health care legislation and changes we're planning to make to:

- ▶ 2019 Kaiser Foundation Health Plan of Georgia, Inc. (Health Plan) *Group Agreement and Evidence of Coverage*

Unless otherwise noted, these changes will apply to all the small and large group plans Health Plan offers and will become effective as contracts renew starting January 1, 2019.

These changes may be subject to regulatory approval. This summary doesn't include all changes that may be made for 2019, including changes to Medicare coverage. You'll find information on the final changes and clarifications in your:

- ▶ 2019 renewal notice or renewal contract for Health Plan and KPIC.

## Overview of relevant 2019 Georgia Legislative Updates

The following summary provides highlights of recently enacted Georgia legislature.

### Autism Coverage Expansion - Senate Bill (SB 118)

- ▶ Legislation passed in 2018 will affect both the annual limit, as well as the maximum age for Applied Behavior Analysis treatment.
- ▶ Effective January 1, 2019.
- ▶ ABA Coverage for children expanded from through the age of 6 to through the age of 20.
- ▶ Annual Maximum for ABA Services increased from \$30,000 per year to \$35,000 per year. However, the Georgia Region will no longer apply an Annual Maximum for ABA Services. The Georgia Region will continue to preauthorize ABA Services when medically necessary.

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[kp.org/choosebetter](http://kp.org/choosebetter)



(continued)

- ▶ Kaiser Permanente applies ABA Coverage to all Group Commercial Plans.
- ▶ For more information regarding this particular benefit, please see the Schedule of Benefits in your Evidence of Coverage.

## Overview of select 2019 Federal Changes

### National Preventive Services Policy

Screening for Diabetes Mellitus after Pregnancy, and Screening for Urinary Incontinence:

- ▶ The Health Resources & Services Administration (HRSA) has updated their Women's Preventive Services policy to include two additional preventive services which will be covered with no cost share; Screening for Diabetes Mellitus after Pregnancy, and Screening for Urinary Incontinence.
- ▶ Effective for plan years beginning on or after January 1, 2019.
- ▶ Includes all ACA Plans, including Grandfathered Plans with the Preventive Services Package.
- ▶ Does not include Medicare and FEHB Plans.

### Vitamin D coverage

The United States Preventive Services Task Force (USPSTF) has downgraded its recommendation under the Affordable Care Act for the use of Vitamin D as a treatment to prevent falls. As a result, Kaiser Permanente will no longer cover Vitamin D over-the-counter at zero cost share for fall prevention after 12/31/2018.

The Multi Choice Plan Select Provider tier is underwritten by Kaiser Permanente Foundation Health Plan of Georgia, Inc. Participating Provider and Non-Participating Provider tiers are underwritten by Kaiser Permanente Insurance Company, a subsidiary of Kaiser Foundation Health Plan, Inc.

The Added Choice Plan In-Network Provider tier is underwritten by Kaiser Permanente Foundation Health Plan of Georgia, Inc. Out-of-Network Provider tier is underwritten by Kaiser Permanente Insurance Company, a subsidiary of Kaiser Foundation Health Plan, Inc.

[kp.org/choosebetter](http://kp.org/choosebetter)





## 2019 Group Agreement and Evidence of Coverage Summary of Changes and Clarifications for Oregon Large Employer Groups

This is a summary of changes and clarifications that we have made to your *Group Agreement*. The *Group Agreement* includes the *Evidence of Coverage (EOC)*, “Benefit Summary,” and any applicable endorsement documents. This summary does not include minor changes and clarifications we are making to improve the readability and accuracy of the *Group Agreement*. These changes and clarifications do not include changes that may occur throughout the remainder of the year as a result of federal or state mandates. Other Group-specific or product-specific plan design changes may apply, such as moving to standard benefits. Refer to the Plan Updates document for information about these types of changes.

To the extent that this summary of changes and clarifications conflicts with, modifies, or supplements the information contained in your *Group Agreement*, the information contained in the *Group Agreement* shall supersede what is set forth below. Unless another date is listed, the changes in this document are effective when your Group renews in 2019. The products named below are offered and underwritten by Kaiser Foundation Health Plan of the Northwest.

### **Changes and clarifications that apply to Traditional, Deductible, High Deductible, Added Choice®, and PPO Plus medical plans**

Changes to Senior Advantage plans are explained at the end of this summary.

#### ***Benefit changes***

- Interrupted pregnancy surgery and vasectomy have been removed from the outpatient surgery bullet under “Benefits for Outpatient Services” in the *EOC*. Separate bullets for these items have been added to the section to differentiate these services from outpatient surgery as interrupted pregnancy and vasectomy are now required to be covered at no cost share, subject to Deductible only on HSA-qualified plans, per House Bill 3391.
- The “Benefits for Inpatient Hospital Services” section of the *EOC* has been modified. A bullet for Vasectomy has been added due to House Bill 3391.
- The “Outpatient Services” section of the Benefit Summary has been modified. Rows for vasectomy and interrupted pregnancy surgery have been added to reflect that these Services are now required to be covered at no cost share, subject to Deductible only on HSA-qualified plans, per House Bill 3391 and Senate Bill 1549.
- The “Inpatient Hospital Services” section of the Benefit Summary has been modified. Rows for vasectomy and interrupted pregnancy surgery have been added to reflect that these Services are now required to be covered at no cost share, subject to Deductible only on HSA-qualified plans, per House Bill 3391 and Senate Bill 1549.
- The “Limited Outpatient Prescription Drugs and Supplies” section of the *EOC* and Benefit Summary have been modified. Oral chemotherapy medications used for the treatment of cancer will now be referred to using the broader term “self-administered” chemotherapy. There is now a cost share associated with self-administered chemotherapy drugs equal to that of a plan's administered medications up to 20% or at the applicable prescription drug tier, whichever is less. These drugs are not subject to the Deductible except for HSA-qualified plans. The benefit summary will point Members to the

“Outpatient Prescription Drug Rider” if one has been purchased by the group, or indicate the appropriate Deductible, Copayment, or Coinsurance if not.

- The Enteral pump and supplies row under “Outpatient Durable Medical Equipment (DME)” in the Benefit Summary has been removed. These Services are no longer covered at \$0, they are now covered at the Outpatient Durable Medical Equipment Deductible, Copayment, or Coinsurance.

### **Benefit clarifications**

- The “External Prosthetic Devices and Orthotic Devices” row in the Benefit Summary has been split into two separate rows for “External Prosthetic Devices” and “Orthotic Devices.”
- The Medically Necessary contact lenses row in the “Pediatric Vision Services” section of the Benefit Summary has been expanded to indicate that one conventional pair of contact lens or up to a 12-month supply of disposable contact lenses is covered, as industry standard has changed with the development of disposable contact lenses
- The Emergency Services Definition has been modified. Language has been added to clarify that patient observation is included as part of a medical screening examination with respect to an Emergency Medical Condition.
- The definition of Participating Pharmacy in the Traditional, Deductible and High Deductible Health Plan *EOCs* has been modified to include other pharmacies designated and listed as a Participating Pharmacy in the Medical Directory.
- The “Coverage, Deductible, Copayments, Coinsurance, and Reimbursement” and “Emergency Services” sections under “Emergency, Post-Stabilization, and Urgent Care” in the *EOC* have been modified. We clarify that all Services received in the emergency department are subject to the Emergency Services Deductible, Copayment or Coinsurance.
- The emergency department visit row in the benefit summary has been modified to reflect Emergency Services, for clarification that all Services received in the emergency department are subject to the Emergency Services Deductible, Copayment or Coinsurance.
- References to multidisciplinary rehabilitative Services have been removed throughout the *EOC* for consistency with the benefit summary and to avoid Member confusion. Covered therapy modalities have not changed and are clearly stated in the *EOC* and benefit summary.
- References to temporomandibular joint (TMJ) have been updated throughout the *EOC* for accuracy and consistency.
- The “Virtual Care Services” section of the *EOC* and Benefit Summary has been renamed “Telehealth Services.” All references to virtual care throughout the contract documents have been modified to telehealth for alignment across the organization.
- The blood and blood products bullet under “Benefits for Inpatient Hospital Services” and “Skilled Nursing Facility Services” has been modified to include blood storage and Services and supplies of a blood bank.
- The “Preventive Care Services” section of the *EOC* has been modified. Language has been added to clarify that when an individual satisfies medically appropriate criteria for a covered Service or treatment, we will cover that Service regardless of sex assigned at birth, gender identity, or gender of the individual recorded by us.

- The thermography exclusion under “Alternative Care Services Exclusions” has been removed due to redundancy. This bullet is included under the list of laboratory Services that are excluded within the same section.
- The “Chemical Dependency Services,” “Mental Health Services,” and “Skilled Nursing Facility Services” sections of the *EOC* have been modified to clarify that drugs prescribed as part of the inpatient plan of care are covered when administered by medical personnel in the facility.
- The “Hospice Services” section of the *EOC* has been modified. Homemaker Services have been removed from the home health aide bullet under covered Services for clarification and accuracy. Only homemaker Services provided as part of a home health aide’s Services are covered.
- The “Drug Formulary Exception Process” section of the *EOC* has been modified to clarify that the exception process is also available when any licensed dentist prescribes a drug or supply.
- The “Maternity and Newborn Care” section in the *EOC* and Benefit Summary has been modified for clarity. The word “first” in reference to postpartum visits has been removed as additional postpartum visits are covered when medically necessary.
- The “Laboratory, X-ray, and Imaging” section of the *EOC* has been modified. Cardiovascular testing has been added under covered Services for Member clarity.
- The “Rehabilitative Therapy Services Exclusions” section of the *EOC* has been modified. The exclusions for comprehensive rehabilitation programs and long-term rehabilitation have been removed. These terms are no longer clinically relevant. We rely on clinical criteria and utilization management guidelines as the basis for determining medically necessary, covered rehabilitative therapy Services.
- The “Skilled Nursing Facility Services” section has been modified. Language indicating that rehabilitative therapy Services in a Skilled Nursing Facility are subject to the “Rehabilitative Therapy Services” limits has been removed for accuracy.
- The “Exclusions and Limitations” section has been modified. The Infertility Services exclusion has been removed from all *EOCs* in which there is an “Infertility Services” section, as covered and excluded infertility Services are described within that section. In *EOCs* without an “Infertility Services” section, the exclusion has been aligned across products for consistency with the exclusions as stated in *EOCs* with an “Infertility Services” section. The exclusion language and administration has not changed.

### **Administrative changes or clarifications**

- The First Choice Health Network name has been updated to align with the Healthcare Consumer Access Unit filing. “PPO” and “(FCH PPO)” have been removed from the name.
- The introduction paragraph of the Benefit Summary has been modified. A sentence has been added referring readers to the “Definitions” section of their *EOC* for a list of defined terms.
- The “Who Is Eligible” section has been modified. The live/work bullet in the “General” section has been moved to the “Subscriber” section and additional minor edits have been made to the “Subscriber” section for accuracy and clarity.
- The “Adding New Dependents to an Existing Account” section of the *EOC* has been modified. Language has been reintroduced to clarify that an enrollment application is required to add new dependents if additional premium is required to add the dependent and that the application requirement is waived if additional premium is not required.
- All references to the “Chiropractic Services Rider” have been removed as these Services are now included on the “Alternative Care Services Rider” when purchased by a group.

- The URL for the HRSA women’s preventive care Services has been updated for accuracy.
- All references to the Mail-Delivery Pharmacy in the *EOC* and Benefit Summary have been modified to Mail-Order Pharmacy for alignment with Pharmacy Department terminology and marketing collateral materials.
- The “About Our Drug Formulary” section of the *EOC* has been modified. The URL to view the drug formulary has been expanded to [kp.org/formulary](http://kp.org/formulary) for clarity.

## **Additional changes and clarifications that apply to Added Choice® medical plans only**

### ***Benefit clarifications***

- The “Tier 1 Urgent Care” section of the Added Choice *EOCs* has been modified. Language specifying differences between Urgent Care inside our Service Area as opposed to outside our Service Area has been removed. Urgent Care is covered under Tier 1 at designated medical offices that are Select Facilities and under Tier 2 and Tier 3 dependent upon the type of provider or facility from which Services are received.
- The “Dialysis Services” section of the Added Choice *EOCs* has been modified. The “Tier 3” subsection indicating that Services are covered only if they are provided inside the United States, has been removed to reduce redundancy. The Added Choice *EOCs* already state that “Tier 3 is for covered Services you receive inside the United States from a Non-Participating Provider” under “How to Obtain Services – General Information.”

### ***Administrative changes or clarifications***

- The Member Services number in all Added Choice plan contract documents has been updated to the phone number specifically designated for Added Choice Members.
- The definition of Select Pharmacy in the Added Choice *EOCs* has been modified to include other pharmacies designated and listed as a Select Pharmacy in the Added Choice Medical Directory.
- The “Tier 1 and Tier 2 Copayments and Coinsurance” section of the Added Choice *EOCs* has been modified. Language has been added indicating that we have financial arrangements for rates that we pay to PPO Providers and Facilities.
- The “Tier 3 Out-of-Pocket Maximum” section of the Added Choice *EOCs* has been modified. The following bullets indicating amounts that do not count toward Out-of-Pocket Maximum, have been added for accuracy and consistency with the “Tier 1 and Tier 2 Out-of-Pocket Maximum” section:
  - “Payments for Services that are not covered under the *EOC*.”
  - “Payments that you make because we already covered the benefit maximum amount or the maximum number of days or visits for a Service.”

## **Changes and clarifications that apply to medical benefit riders**

### ***Benefit changes***

- The “Outpatient Prescription Drug Rider” has been modified. A row for self-administered chemotherapy medications used for the treatment of cancer has been added. These medications are

subject to the plan's administered medications benefit up to 20% or at the applicable prescription drug tier, whichever is less. These drugs are not subject to the Deductible except for HSA-qualified plans.

### **Benefit clarifications**

- The “Outpatient Prescription Drug Rider” used for Added Choice plans has been modified to clarify that drugs and supplies received at MedImpact Pharmacies are subject to the Deductible, Copayment, or Coinsurance until the Tier 1 medical Out-of-Pocket is met.
- The “About Our Drug Formulary” section of the “Outpatient Prescription Drug Rider” has been modified. The URL to view the drug formulary has been expanded to [kp.org/formulary](http://kp.org/formulary) for clarity.
- The “Drug Formulary Exception Process” section of the “Outpatient Prescription Drug Rider” has been modified to clarify that the exception process is also available when any licensed dentist prescribes a drug or supply.
- The “Outpatient Prescription Drug Rider” has been modified for clarity. A Medication Synchronization section has been added to describe the process for coordinating medication refills when Members are taking two or more medications for a chronic condition.
- The “Outpatient Prescription Drug Limitations” section of the “Outpatient Prescription Drug Rider” has been modified for clarity. Language has been added describing that quantity limits may be applied to certain drugs or supplies to ensure safe and appropriate use. Members may view drugs or supplies subject to quantity limits on our drug formulary.
- An “Outpatient Prescription Drug Limitations (Select Pharmacies Only)” section has been added to the “Outpatient Prescription Drug Rider (including MedImpact Pharmacies)” describing quantity limits that may be applied to certain drugs or supplies to ensure safe and appropriate use. Members may view drugs or supplies subject to quantity limits on our drug formulary.
- The “Pediatric Vision Hardware and Optical Services Rider” and the “Adult Vision Hardware and Optical Services Rider” have been modified. The vision therapy exclusion has been updated using clinical language for clarity to state that optometric vision therapy and orthoptics (eye exercises) are excluded.
- The “Pediatric Vision Hardware and Optical Services Rider” has been modified. The exclusion for professional services for fitting and follow-up care for cosmetic contact lenses has been removed. Contact lens fitting fees may only be excluded for adult Members if the contact lenses are not medically necessary. These fees may not be excluded for pediatric Members who have coverage for vision hardware or for adult Members whose contact lenses are medically necessary.
- The Eyeglasses and Contact Lenses – Enhanced Benefit row in the “Pediatric Vision Hardware and Optical Services Enhanced Benefit Rider Benefit Summary” has been expanded to indicate that one conventional pair of contact lens or up to a 12-month supply of disposable contact lenses is covered, as industry standard has changed with the development of disposable contact lenses
- The Medically Necessary contact lenses row in the “Pediatric Vision Hardware and Optical Services Rider Benefit Summary” has been expanded to indicate that one conventional pair of contact lens or up to a 12-month supply of disposable contact lenses is covered, as industry standard has changed with the development of disposable contact lenses
- The “Eyeglasses and Contact Lenses” section of the “Adult Vision Hardware and Optical Services Rider” has been modified to clarify that we provide an allowance toward prescription eyeglasses or contact lenses, including Medically Necessary contact lenses.

- The “Adult Vision Hardware and Optical Services Rider” has been modified. A “Medically Necessary Contact Lenses” section has been added to provide clarity regarding when medically necessary contact lenses are covered.
- The “Eyeglasses and Contact Lenses after Cataract Surgery” section of the “Adult Vision Hardware and Optical Services Rider” and the “Pediatric Vision Hardware and Optical Services Rider” has been modified. The bullet describing coverage of contact lenses has been expanded to indicate that one conventional contact lens or up to a six-month supply of disposable contact lenses is covered for each eye, as industry standard has changed with the development of disposable contact lenses.
- The “Adult Vision Hardware and Optical Services Rider Benefit Summary” has been modified to clarify that the allowance may be used toward prescription eyeglasses or conventional or disposable prescription contact lenses, including Medically Necessary contact lenses.
- The “Dental Accidental Injury Rider” has been modified. The sentence referencing the dental accidental injury exclusion in the *EOC* has been removed as the exclusion has been removed from the *EOC*.
- A sentence has been added to the “Alternative Care Services Rider” used for Added Choice plans, to clarify that visit limits are combined across all tiers.
- The thermography exclusion in the “Alternative Care Services Rider” has been removed due to redundancy. This bullet is included under the list of laboratory Services that are excluded within the same section.

### **Administrative changes or clarifications**

- All references to the Mail-Delivery Pharmacy in the “Outpatient Prescription Drug Rider” have been modified to Mail-Order Pharmacy for alignment with Pharmacy Department terminology and marketing collateral materials.

## **Changes and clarifications that apply to dental plans**

### **Benefit changes**

- The exclusion “Changes in orthodontic treatment necessitated by accident” and “Dental Services following accidental injury to teeth” has been deleted due to guidance received regarding not restricting Services based on an injury’s source if the injury is the result of an underlying medical or dental condition or an act of domestic violence.
- The limitation “Amalgams and composites are allowed one restoration per surface every 36 months.” has been removed in our adult PPO plans to be more in line with the marketplace.

### **Benefit clarifications**

- The additional fee for Emergency Dental Care or Urgent Dental Care has been changed to an Emergency Dental Care office visit Copayment. This clarification will help members have a better understanding of their cost share responsibility when they receive Emergency Dental Care or an Urgent Dental Care appointment from a Participating Provider.
- References to TMJ have been standardized to “Temporomandibular Joint (TMJ) Disorder” for consistency.

- The full mouth reconstruction exclusion has been modified by adding “including, but not limited to” to clarify that the exclusion is inclusive of all procedures that fall into the definition of “full mouth reconstruction” and are not limited to what is currently listed in the exclusion.
- The teeth cleaning (prophylaxis) limitation has been moved from the “Preventive Services” section to the “Exclusions and Limitations” section. The limitation has been standardized for member clarity and consistency across products and more accurately captures the administration of the benefit. The limitation now reads “Examination and prophylaxis (routine preventive teeth cleaning), including scaling and polishing, is covered for up to two visits per Calendar Year as Dentally Necessary.”
- The nonPPO benefit summary has been modified by adding a Periodontal surgery row, adding rows for specific types of teeth under Endodontic Services, and splitting out the full and partial dentures row into two rows for clarity and to accommodate new plans.
- The “Diagnosis and evaluation” row from the “Periodontic Services” section of the benefit summary has been removed and the row below has been modified to read “Diagnosis, evaluation, and treatment of gum disease” to match the *EOC* language.
- The Dental Implant Services Rider Limitations section has been modified for member clarity and transparency.
  - A new limitation regarding repairs has been added: “Repair of a Dental Implant is not covered, except when the Member has five or more years of continuous dental coverage under this or any other Company dental contract that includes coverage for Dental Implant Services.”
  - The limitation “These benefits or alternate benefits are not provided if the tooth, Dental Implant, or tooth space received a cast restoration or prosthodontic benefit, including a Pontic, within the previous five years.” has been revised to specify a prosthodontic benefit that is fixed or removable.

### ***Administrative changes or clarifications***

- The “Representation Regarding Waiting Periods” paragraph in the Group Agreement has been removed because it does not apply to dental plans that are not required to be ACA compliant.
- The Group Agreement has been updated to clarify that groups that have a contract term longer than twelve months will pay the applicable premium in the event they terminate.
- The definition of Dental Office Visit Charge in the “Definitions” section has been removed to align our dental language with the language regarding office visits in the medical *EOCs*. The word “charge” has been removed in any place it was used to incorrectly describe the member’s copayment.
- The definition of Dental Specialist in the “Definitions” section has been updated to include oral radiologist. The definition has been aligned across products for consistency.
- The definition of Dentally Necessary in the “Definitions” section has been updated to clarify that Company determines if a Service is Dentally Necessary and the Member has the right to appeal that decision.
- A sentence has been added for clarification explaining that Permanente Dental Associates is a part of the Dental and Dental Choice networks.
- The term “PPO” has been removed from our Dental Choice provider network name for accuracy.
- The Dental Appointment Center number has been changed to one phone number to aid in simplicity for members and align our marketing materials.





- The “Who Is Eligible” section has been modified. The live/work bullet in the “General” section has been moved to the “Subscriber” section and additional minor edits have been made to the “Subscriber” section for accuracy and clarity.
- The “Grievances, Claims, and Appeals” section has been modified. Updates have been made to indicate the appropriate department contact information for claims and appeals per recent administrative changes in Member Relations. Additional edits were made in the “Grievance Procedure” section due to minor process changes.

### **Changes and clarifications that apply to all Senior Advantage plans**

- Changes and clarifications that apply to Senior Advantage plans will be available no earlier than June 1, 2018.





3800 Kilroy Airport Way, Suite 100  
Long Beach, CA 90806  
562-989-5106

October 29, 2018

Stephen E. Murphy  
Vice President, Benefits Consultant  
Segal Consulting

**Sent Via Email 10.29.18**

**Subject: 2019-2020 Medical Renewal for Los Angeles County Employees Retirement Association**

Dear Stephen:

SCAN Health Plan appreciates the opportunity to continue to serve the health care needs of the Los Angeles County Employees Retirement Association (LACERA). We are excited to inform you, The Centers for Medicare and Medicaid Services (CMS), has awarded SCAN Health Plan 4.5 Star rating for 2018 and 2019 Calendar Year.

As part of the renewal we are including a Fully-Insured Medicare Advantage Plan inclusive of value-added benefits.

- SCAN Health Plan 2018-2019 Summary of Benefits
- Independent Living Power™ (ILP) – In-home Care Services
- SilverSneakers by TivityHealth
- MD Live

### **Service Area**

SCAN Health Plan Service Area by Counties: Los Angeles, Orange, Riverside, San Bernardino, Ventura, San Diego, Santa Clara, Sonoma, Napa Valley, and San Francisco.

Effective January 1, 2019, Marin County will no longer be part of the SCAN service area. There are no LACERA retirees impacted by this change.

At this time we do not anticipate any additional service area expansions or disruptions. 2020 service area changes will be communicated by October 1, 2019.

### **Medical Benefits**

SCAN Health Plan medical benefits are comprehensive and inclusive of value-added benefits:

Independent Living Power Services, a program designed to assist retirees to stay out of nursing homes and keep their independence, as long as they can safely do so in the comfort of their home.

Routine transportation for members to obtain medical care at a SCAN contracted covered destination. Unlimited rides; 75 mile max limit per each ride.

Routine hearing care coverage provided by Hear USA and Epic Hearing Health Care.

SilverSneakers, the nation's leading fitness program designed exclusively for retirees.

Generic drug discounts using our preferred pharmacy network (CVS, Rite-Aid, Costco, Vons, Ralphs.)

### **What's New Effective July 1, 2019?**

#### **Part D:**

Initial Coverage Limit increased from \$5,000 to \$5,100.

Retirees stay in the Initial Coverage Stage until the yearly out-of-pocket costs reach \$5,100. After the yearly out-of-pocket drug costs reach \$5,100, retirees pay whichever is the larger amount:

- 5% of the cost, or
- \$3.40 copay for generic (including drugs that are treated like a generic) and \$8.50 copay for all other drugs.

#### **Viagra:**

Generic Viagra will be available for members under the Tier 2 benefit and will have a limit of 4 pills per month. SCAN has chosen to waive the additional cost for LACERA.

#### **MDLive:**

Members will pay \$40 per visit/call to speak to a board-certified doctor. Members will be able to access this service either through a computer/tablet, mobile app, or through the telephone. SCAN has chosen to waive the additional cost for LACERA.

#### **Independent Living Power Services (ILP):**

Expanding ILP benefits to San Diego County

Los Angeles, Orange, Riverside, San Bernardino, and San Diego Counties.

### **Provider Network Changes**

At this time no changes are anticipated. Provider network changes will be communicated by October 1, 2019.

## Summary of Medicare and Product Changes for 2019

### Medical

**Take advantage of these options to reduce costs and improve the retiree experience:**

#### *Readmission Prevention*

We are pleased to introduce two new exciting benefits that you may choose to add to your plan as a buy-up.

#### *Post-Discharge Meal Delivery*

Nutrition is clinically proven to prevent malnourishment and reduce readmissions, particularly in the senior population. As part of the Post-Discharge Meal Delivery program we offer 84 home-delivered meals to members immediately following a hospital discharge through our national vendor Moms Meals. Moms Meals offers fresh-made, refrigerated meals to support 9 different health conditions including breakfast, lunch, dinner and snacks. Members are referred into the program by our transitions case management team providing an integrated approach towards readmission prevention.

Please consider adding this valuable benefit to your plan. Learn more about Mom's Meals at [www.momsmeals.com/](http://www.momsmeals.com/).

#### *Post-Discharge Routine Transportation*

Transportation barriers are associated with poor health care access, missed or delayed medical appointments, and an increased need for emergency care. In order to help mitigate the risk for readmission for our most susceptible members we now offer routine transportation at no additional cost to members, through our internal national transportation partner National Med Trans. As part of the Post-Discharge Routine Transportation program members are eligible for transportation to medical appointment, pharmacy visits, and more up to 30 days immediately following hospital discharges. Members are referred into the program by our transitions case management team providing an integrated approach towards readmission prevention.

Please consider adding this valuable benefit to your plan. Learn more about National Med Trans at <https://www.natmedtrans.com/>

**Don't forget about all of these great things that are already a part of your UnitedHealthcare plan:**

#### *Virtual Doctor Visits*

Don't forget to remind your retirees that UnitedHealthcare Medicare Virtual Visits are here! If desired, we are able to partner with clients on virtual visit education strategies for retirees.

Plan members will have the option of seeing and speaking with physicians via secure connection from their homes or anyplace they take a computer, tablet or smartphone. Plan members may use Virtual Visits to obtain a diagnosis and necessary prescriptions (except controlled substances) for minor medical needs including allergies, sinus and bladder infections, bronchitis and more.



In addition, we have expanded our services to include behavioral health coverage. Services include initial evaluation, medication management and ongoing counseling.

A Virtual Visit is not a replacement for an in-person visit with a primary care physician, but another way for plan members to access in-network care. Our in-network virtual medical groups are:

Doctor on Demand: [www.doctorondemand.com/](http://www.doctorondemand.com/)

American Well: [www.amwell.com](http://www.amwell.com)

In select markets, we will also be piloting primary care telehealth to extend the reach of retirees' own primary care practices.

#### *Member Rewards and Incentives*

Our Renew Rewards program motivates members to take action by rewarding the achievement of certain milestone activities. Renew Rewards is based on characteristics shown by research to be effective at providing timely "nudges" to improve member engagement and help retirees make healthy lifestyle choices. Members can receive merchant gift cards for completing an annual wellness visit, accepting a HouseCall or completing certain eligible health care screenings.

Throughout the year we notify plan members how they can claim rewards via mail, email and existing inbound and outbound telephone touch points.

We will continue to monitor and improve our member rewards program as opportunities arise. Please let me know if you would like to learn more about our program and ways that you can encourage your retirees to earn rewards!

#### *HouseCalls*

Our HouseCalls program gives eligible members a yearly visit with an advanced practice clinician right in the privacy of their own home. It's a great opportunity for members to discuss their health care needs, create a plan for prevention and get the personal attention they deserve. During the visit, the clinician will confirm medical history, complete a physical exam, review medications and answer any questions that the member may have. Certain health screenings may also be included.

A HouseCalls visit supports and complements the care of a primary care provider and is available to eligible members at no additional cost.

## Prescription Drug Coverage

### 2019 Member Cost Sharing Thresholds

In 2019, the cost sharing thresholds or amounts members must pay for Part D have changed. The chart below lists the changes for your reference. **Please note: many group plans include additional coverage beyond what is shown below.**

	2018	2019
Deductible	\$405	<b>\$415</b>
Initial Coverage Limit	\$3,750	<b>\$3,820</b>
Standard Coverage Gap (your plan may have additional coverage)	Generic Drugs – 56% coverage Brand Drugs – 50% manufacturer discount PLUS 15% plan coverage	<b>Generic Drugs – 63% coverage Brand Drugs – 70% manufacturer discount PLUS 5% plan coverage</b>
Catastrophic Phase Begins	\$5,000 TrOOP	<b>\$5,100 TrOOP</b>
Standard Catastrophic Member Cost Share	The greater of \$3.35 or 5% coinsurance for generic drugs The greater of \$8.35 or 5% coinsurance for brand name drugs	<b>The greater of \$3.40 or 5% coinsurance for generic drugs The greater of \$8.50 or 5% coinsurance for brand name drugs</b>
Maximum copayments		
Tier 1 Generics	\$15*	<b>\$15*</b>
Tier 2 Preferred Brand	\$47	<b>\$47</b>
Tier 3 Non-Preferred Brand	\$100	<b>\$100</b>
Tier 4 Specialty Drugs	\$100	<b>\$100</b>

\*CMS permits cost sharing up to \$20. However, UHC limits member cost sharing at \$15. Requests for Tier 1 cost shares above \$15 must be approved through our exception process.

### Brand over Generic Approaches

To maintain an affordable and sustainable Part D benefit we may from time to time implement “brand over generic” strategies. While new generic products coming to market are often lower in price than their brand-name equivalents, that is not always the case: sometimes they cost more. Depending on market conditions, we may choose not to add certain new generic medications to our plan formulary until the generic drug’s price falls enough to become the lowest-net-cost product. In these instances, the brand-name medication will remain on the plan formulary at the same or better coverage tier for a period of time.

In 2019 we plan to implement brand over generic strategies for the following drugs:

- Advair
- Vesicare

*Pharmacy Saver program changes for 2019:*

As we have previously shared, due to industry trends that made it increasingly difficult to sustain pharmacy participation in UnitedHealthcare's Pharmacy Saver program, the Pharmacy Saver program is being phased out over two years. Beginning January 1, 2018, the network for UnitedHealthcare's Pharmacy Saver program changed to include only the following pharmacy retailers: Walgreens, Kroger and HEB. Consistent with our previously communicated plan, the Pharmacy Saver Program will end on December 31, 2018 and will not be available in 2019.

While the Pharmacy Saver Program will end at the end of 2018, please be assured that all members, regardless of where they fill their prescriptions, will have access to the lowest price available at the point of sale often below their cost share for many generic drugs.

*5-tier formulary option*

In 2019 we will continue to offer our 5-tier Group Performance formulary that helps optimize cost effectiveness while maintaining prescription drug access for beneficiaries. Please let me know if you are interested in receiving a quote and learning more about a potential change.

February 14, 2019

TO: Each Member  
Board of Retirement

FROM Operations Oversight Committee  
Shawn R. Kehoe, Chair  
Thomas Walsh, Vice Chair  
Alan Bernstein  
William Pryor  
Vivian Gray, Alternate

FOR: March 14, 2019 Board of Retirement Meeting  
(Held from February 14, 2019 Board of Retirement Meeting)

**SUBJECT: Proposed Administrative Appeals Procedures for Felony Forfeiture**

#### **RECOMMENDATION**

**The Operations Oversight Committee recommends that the Board of Retirement adopt the Administrative Appeals Procedures for Felony Forfeiture.**

#### **EXECUTIVE SUMMARY**

With the implementation of the Public Employees' Pension Reform Act of 2013 (PEPRA), members who are convicted of a work-related felony must forfeit all service credit and contributions accrued on and after the date the crime was first committed.

On June 19, 2018, the Second District Court of Appeals rejected constitutional challenges to the new felony forfeiture statute in *Hipsher v. LACERA, County of Los Angeles and the State of California*. Although the Court upheld the constitutionality of the felony forfeiture statute, it ruled in Hipsher's favor as to his due process rights. The court explained that retirement systems have authority to determine whether forfeiture of retirement benefits is warranted under Government Code Sections 7522.72 and 7522.74. As a consequence, the Court concluded LACERA, and not the County, is the appropriate party to offer due process when the conviction does not necessarily arise from the scope of the pensioner's public duties. The California Supreme Court accepted review of the case, but not on the due process issue, and therefore LACERA intends to implement procedures to comply with that part of the Court of Appeals opinion.

In order to comply with the *Hipsher* decision, Staff prepared the proposed Administrative Appeals Procedures for Felony Forfeiture (the "Procedure") attached hereto. The Procedure addresses the employer's notification obligations and establishes a procedure for members to file an administrative appeal related to the Initial Determination that the conviction is job-related and the financial impact.

## **Roles and Responsibilities**

The law requires that the prosecuting agency notify the employer within 60 days of the work-related felony conviction. The employer is required by law to notify the retirement system within 90 days of a qualifying felony conviction.

The County provides LACERA with a package of information regarding each qualifying felony conviction as part of their notification obligation. Once LACERA receives the packet from the County, LACERA staff will send a letter to the member informing them that LACERA is in the process of determining the applicability of the felony forfeiture law and the possible impact on the member's benefits.

After staff has completed its review, staff will send a Notice of Initial Determination to the member which will include: 1) a copy of the Administrative Appeal Procedures for Felony Forfeiture; 2) a letter explaining the applicability of the felony forfeiture law and explanation of the potential impact; and 3) information about the member's right to appeal Staff's Determination to the Board of Retirement within 30 days.

A member's timely challenge will be heard by the Board of Retirement. If the Initial Determination is not timely challenged by the member, it will be deemed final and LACERA will implement the felony forfeiture adjustments. A member will have the ability to seek judicial review of the Board's decision.

## **RECOMMENDATION**

**IT IS THEREFORE RECOMMENDED THAT** the Board of Retirement adopt the Administrative Appeals Procedures for Felony Forfeiture.

Reviewed and Approved



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Steven P. Rice  
Chief Counsel

Attachment

c: Lou Lazatin  
JJ Popowich





**ADMINISTRATIVE APPEALS PROCEDURES FOR FELONY FORFEITURE**  
(Effective \_\_\_\_\_)

## **I. PURPOSE**

Under the California Public Employees' Pension Reform Act of 2013 (PEPRA), public employees who have been convicted on or after January 1, 2013, by a state or federal trial court of any felony under the law for conduct arising out of or in the performance of his or her official duties must forfeit all accrued rights and benefits in any public retirement system that they are a member of at the time the felony is committed retroactive to the first commission date of the crime and shall not accrue further benefits in that public retirement system. (Government Code sections 7522.72 and 7522.74.)<sup>1</sup>

These statutes require the forfeiture if the public employee is convicted of any felony for conduct:

- Arising out of or in the performance of his or her official duties, or
- In pursuit of the office or appointment, or
- In connection with obtaining salary, disability retirement, service retirement, or other benefits, or
- Committed within the scope of official duties against or involving a child.

The public employee and the prosecuting agency are required by law to notify the public employer within 60 days of the qualifying felony conviction. The employer is required by law to notify the public retirement system within 90 days of a qualifying felony conviction.

Although it is the employer's responsibility to notify LACERA of an employee's felony conviction, LACERA can be notified by the media, third parties or members. When this occurs, LACERA will reach out to the employer to request the information described below in Section II A.

## **II. FELONY FORFEITURE PROCEDURES<sup>2</sup>**

### **A. Employer's Notification to LACERA of Felony Conviction**

The County of Los Angeles and other participating employers are required by law to notify LACERA within 90 days of a qualifying felony conviction. Upon notification,

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<sup>1</sup> Section 7522.72 applies to public employee first employed by a public employer or first elected or appointed to an office before January 1, 2013 and Section 7522.74 applies to public employees first employed, elected or appointed on or after January 1, 2013.

<sup>2</sup> The Felony Forfeiture Procedures shall not be subject to LACERA's Administrative Appeals Procedures for Retirement Benefits.

LACERA will request that the employer provide the following information:

1. Name of member and County employee ID.
2. Date of conviction which is the date that the public employee pleads guilty, or when the judge (or jury) decides the case.
3. Date of the first known commission of each felony.
4. Name of the court(s) in which the case was heard.
5. Name and contact information for the prosecuting attorney.
6. Description of the felony charges for which the public employee was convicted.
7. Copy of court documents related to public employee's conviction/guilty plea.
8. Information and supporting documents relating to whether the felony offense for which the conviction was entered was committed during the conduct or performance of the public employee's job duties pursuant to Government Code sections 7522.72 or 7522.74.
9. eHR Employee Job History and Class Specifications.

#### **B. LACERA'S Notification to the Member of the Forfeiture Review**

Once LACERA receives notification from the employer of a job-related felony conviction LACERA will send a letter to the member informing them that LACERA is in process of determining the applicability of the felony forfeiture law, and, if applicable, the impact on the member's benefits. Following notification, the member's account is locked to prevent withdrawals of the account pending determination of the impact, if any, of the conviction.<sup>3</sup>

#### **C. Staff's Review of Information**

Staff will review the information provided by the employer under Section II A and determine what additional information, if any, is needed from the employer, the member and or the prosecuting agency to make the required determinations. Staff is not limited to the criminal record in gathering the information it believes is appropriate. Staff may request the Board to exercise its subpoena power under Government Code section 31535.

#### **D. Notice of Initial Determination**

After staff's review, staff will send a Notice of Initial Determination (the "Notice" or "Staff Initial Determination") to the member as to the applicability of the felony forfeiture law to the facts. This Notice will include:

1. A copy of this Procedure;
2. A letter explaining the applicability of the felony forfeiture law and, if applicable, an explanation of the impact of the forfeiture on the member's benefits and the applicable proposed actions.

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<sup>3</sup> If these Procedures conflict with any statutory or case law, the statutory or case law shall govern.

3. Information about the member's right to appeal Staff's Initial Determination to the Board of Retirement within 30 calendar days of the date of the mailing of the Notice.

#### **E. Member's Appeal of Staff's Initial Determination**

The appeal shall contain a statement of the facts forming the basis of the appeal and provide copies of documents and other evidence, if any, the member deems relevant to the appeal. The appeal shall be in writing and mailed to the following address: LACERA Legal Office, 300 N. Lake Avenue, Suite 620, Pasadena, CA. 91101. Both the member and LACERA staff shall have the opportunity to submit to the Board of Retirement written evidence and argument relevant to the matters under consideration.

If Staff's Initial Determination is not timely challenged by the member, within the time limit established above in Section II.D, it will be deemed final and binding and LACERA will implement the felony forfeiture adjustments as indicated in the Notice. Staff will send a Final Letter to the member explaining the applicability of the felony forfeiture law and the impact on the member's benefits.

#### **F. Board of Retirement's Determination**

A member's timely challenge will be heard by the Board of Retirement. Notice of the date and time of the meeting will be provided to the member at least 20 calendar days, unless waived by the member, prior to the Board of Retirement meeting along with any instructions regarding the submission of documents and other evidence as necessary.

The matter will be placed on the Board of Retirement's regular public agenda for its review, findings and decision. The member and his or her counsel will have the opportunity to address the Board in open-session prior to the closed-session. The Legal Office's analysis, recommendations, and the alternatives which are available to the Board for action will be discussed with the Board in closed-session pursuant to Government Code Section 54956.9(d)(2).

#### **G. Member's Appeal of Board's Decision**

Following the Board meeting, the Legal Office will provide the member with written notice of the Board's decision. If the Board agrees with Staff's Initial Determination, LACERA will implement the adjustments as indicated in the Notice. If the Board adopts another resolution, LACERA staff shall implement the adjustments as indicated in the Board's decision.

If the member is dissatisfied with the Board's action, the member may obtain judicial review by filing a petition for a writ of mandate in accordance with the Code of Civil Procedure section 1085. The written notice of the Board's decision will include information as to the member's right to seek judicial review.

A member's filing of a writ challenging the Board's final administrative determination shall not prevent LACERA from implementing the Board's determination, unless a court orders otherwise.

### **III. ACTIONS TAKEN AFTER THE FORFEITURE OF BENEFITS**

Any refunds returned to the public employee pursuant to Government Code sections 7522.72 and 7522.74 shall be disbursed by electronic funds transfer to an account of the public employee in a manner conforming with the requirements of the Internal Revenue Code, and LACERA shall notify the court and district attorney at least three business days before that disbursement of funds.

If there is a reversal of the conviction, and that decision is final, the member has the option to redeposit the contributions from the forfeited period or recover the forfeited rights and benefits.

**Adopted:**

**Approved by Board of Retirement:**



February 22, 2019

TO: Each Member  
Board of Retirement

FROM: Beulah S. Auten, CPA, CGFM, CGMA  
Chief Financial Officer

FOR: March 14, 2019 Board of Retirement Meeting

SUBJECT: **2018 INVESTIGATION OF EXPERIENCE FOR OPEB ASSUMPTIONS**

### **RECOMMENDATION**

It is recommended that the Board of Retirement adopt the Los Angeles County Other Post-Employment Benefits (OPEB) Program actuarial assumptions as presented by the OPEB consulting actuary, Milliman, based on its 2018 Investigation of Experience for OPEB Assumptions Report.

### **EXECUTIVE SUMMARY**

Attached for your Board's consideration is the latest investigation of experience or experience study, which Milliman conducted. This experience study is a review of the OPEB related actuarial assumptions, including a discussion of the demographic and economic assumptions. These actuarial assumptions used to generate the valuation results are based on those developed for the retirement benefits plan and supplemented with those specific to the OPEB Program, which were previously identified and reviewed by the OPEB Program stakeholders (Stakeholders). The OPEB related actuarial assumptions are critical components used in calculating the OPEB valuation results. Once approved by your Board, Milliman uses these assumptions to perform the 2018 OPEB actuarial valuation.

### **LACERA's OPEB ACTUARIAL VALUATION AND AUDIT POLICY**

Your Board's OPEB Actuarial Valuation and Audit Policy (Policy), revised in October 2017, requires annual valuations such that financial statement disclosure reports under Governmental Accounting Standards Board (GASB) 74 (for pension plans) and 75 (for plan sponsors or employers) can be prepared for LACERA, as well as the plan sponsors, to report the Net OPEB Liability. In addition to the annual valuations, the Policy also requires the actuary to review the reasonableness of the economic and non-economic actuarial assumptions every three years. This review, commonly referred to as the investigation of experience or experience study, is accomplished by comparing actual experience during the preceding three years to what was expected to happen according to the actuarial assumptions. On the basis of the experience study, the actuary recommends whether any changes in the assumptions or methodology would allow a more accurate projection of total program liabilities and asset growth. This 2018 Investigation of

Experience for OPEB Assumptions is the first review in accordance with the revised Policy to meet timelines associated with LACERA's and the plan sponsors' financial statement reporting requirements.

Your Board's Policy also requires periodic actuarial audits of the OPEB experience study and valuation every three years. LACERA engaged Cavanaugh MacDonald (Cav Mac), the OPEB audit actuary, to perform actuarial audits of Milliman's 2018 OPEB experience study and valuation. Also similar to the experience study, the actuarial audits of the 2018 OPEB experience study and valuation report mark the first audits in accordance with the revised Policy.

### **FINANCIAL REPORTING PROCESS**

Starting in January 2016, staff organized and held monthly Taskforce meetings, which included the following organizations: LACERA, LA County Chief Executive Office, LA County Auditor-Controller, LA County Superior Court, Local Agency Formation Commission, South Coast Air Quality Management District, Milliman, Cav Mac, Cheiron, Plante Moran, Macias Gini & O'Connell, Platinum Consulting Group, and BCA Watson Rice, LLP. The Taskforce meetings were charged with preparing GASB 74 and 75 disclosures to meet the financial statement reporting requirements for LACERA's and plan sponsors' financial statements. The Taskforce collaborated to review, discuss and deliberate, and ultimately make final decisions regarding specifics such as discount rates, covered employee payroll, actuarial cost method, Cost Sharing versus Agent Plan reporting, and employers' proportionate share methodology and calculations.

### **EXPERIENCE STUDY PROCESS**

Annually, staff spearheads and conducts several meetings with the Stakeholders to discuss and review the OPEB experience study and valuation reports completed by Milliman. Once the reports are finalized, LACERA staff provides your Board with the final reports. The most recent reports reviewed and approved by the Stakeholders were the July 1, 2017 valuation report and July 1, 2016 experience study report. In compliance with your Board's approved valuation cycle, the next experience study would be conducted as of July 1, 2018.

In August 2018, staff coordinated the July 1, 2018 Experience Study and Valuation entrance meeting with the Stakeholders, which is composed of staff and actuaries from LACERA, LA County, LA Superior Court, the Outside Districts, SEIU Local 721, and the California Association of Professional Employees. Milliman outlined the scope and timeline of the project and focused on the transition from a Cost Sharing to an Agent Plan reporting, as well as considerations for changing some assumptions for comparability to financial statement disclosure reports prepared under GASB 74 and 75, which are intended to improve program cost disclosures only and do *not* require any funding arrangements.

In January 2019, the Stakeholders participated in a conference call to review the 2018 Investigation of Experience for OPEB Assumptions draft report. At Cav Mac's recommendation, the Stakeholders agreed to use the higher investment earnings assumption based on OPEB Trust investment earnings as compared to the investment earnings assumption as required by GASB 74

and 75, which is based on blending the OPEB Trust investment earnings with a municipal bond rate when OPEB Trust assets are scheduled to be depleted. Also in January 2019, staff and Milliman provided an educational session at your Board's offsite meeting to provide updates on the OPEB Program including transitioning from a Cost Sharing to an Agent Plan reporting, changing the actuarial cost method from Projected Unit Credit to Entry Age Normal for consistency with GASB 74 and 75, as well as the retirement benefits program actuarial cost method, and including the excise tax in future valuations. Other assumptions Milliman recommends changing include Health Cost Trends such as Medical, Medicare Part B Premium, and Dental/Vision Plans.

OPEB specific health cost trend assumptions are reviewed and changes are made to reflect recent OPEB Program experience. A summary of the Health Cost Trend Assumptions is included in Table A-22 on pages A-64 and A-65 of the experience study report. These updated trends will be modified to reflect the July 1, 2019 premium renewals approved by your Board and included in the July 1, 2018 OPEB Valuation.

## **INVESTIGATIVE PROCESS**

As a matter of sound practice, Milliman prefers to discuss the experience study results with your Board prior to performing the valuation. This enables your Board to discuss the reasonableness of the actuarial assumptions and methodology with Milliman and provides the opportunity for your Board to give direction to Milliman prior to completing the annual valuation of OPEB Program liabilities. The first step in the investigation process is to evaluate our plan experience. Milliman completed this task and presents its findings in the attached report entitled '2018 Investigation of Experience for OPEB Assumptions'.

The Investigation of Experience for OPEB Assumptions Report is the basis for completing the second step in the investigative process, which is for your Board to review the reasonableness of the actuarial assumptions for use in the upcoming calculation of OPEB Program liabilities. Milliman includes their recommendations in this report.

Cav Mac also performed a concurrent audit of Milliman's 2018 OPEB experience study. Cav Mac has substantially completed its review and has no significant items to report. The final experience study audit report will be presented to your Board along with the valuation audit report later this year.

## **CONCLUSION**

LACERA's OPEB consulting actuary, Robert L. Schmidt with Milliman, and LACERA's OPEB audit actuary, Brent Banister with Cav Mac, will be present at your March 14, 2019 meeting to discuss the 2018 Investigation of Experience for OPEB Assumptions and answer any questions your Board may have.

Finally, we would like to recognize and express our gratitude to the Stakeholders who actively participated in the OPEB experience study process.

**It is therefore recommended** the Board of Retirement adopt the OPEB actuarial assumptions as presented by the OPEB consulting actuary, Milliman, based on their 2018 Investigation of Experience for OPEB Assumptions report.

LL:BSA:TG:ew:gr

Actual18 Investigation to the Board March 2019\_FINAL.docx

Attachments

REVIEWED AND APPROVED:



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Lou Lazatin  
Chief Executive Officer

March 5, 2019

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Date

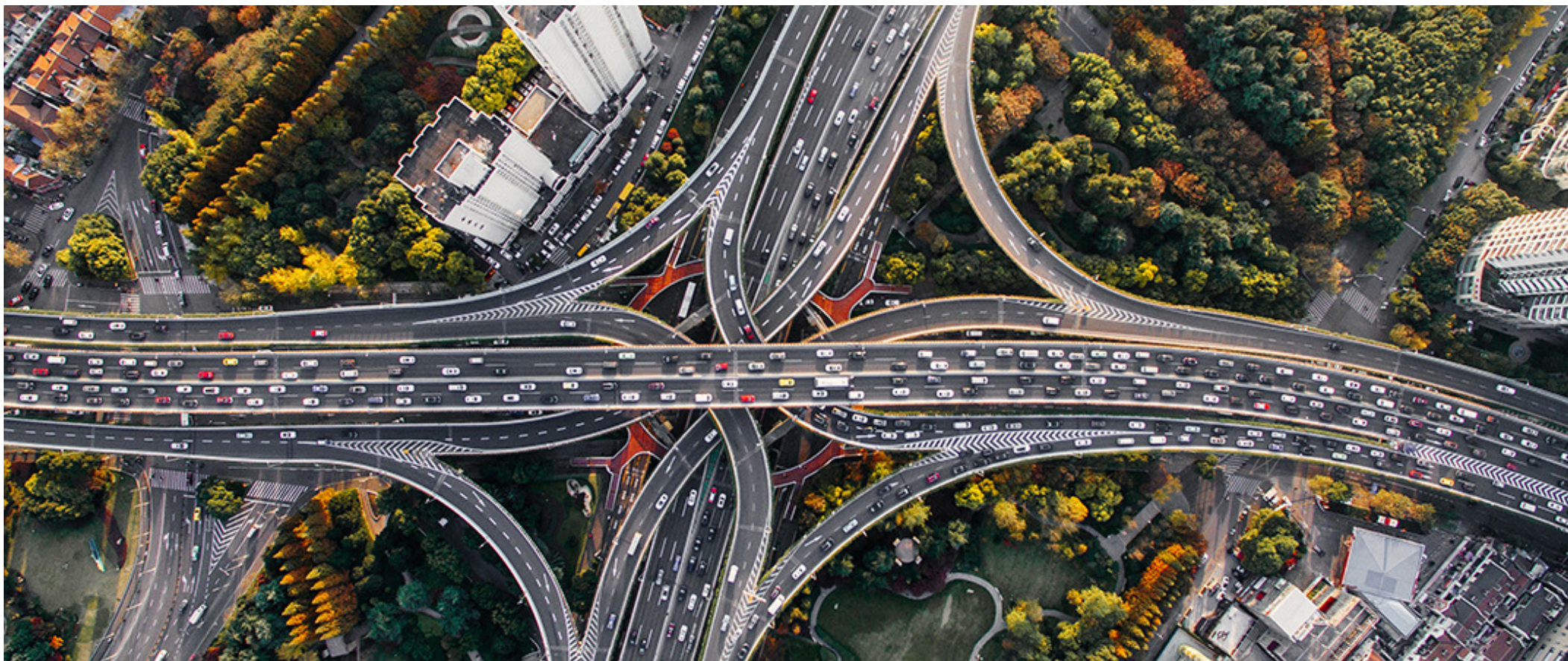


# Los Angeles County OPEB Program

2018 Experience Study  
Board of Retirement

Robert Schmidt, FSA, MAAA

MARCH 14, 2019



# Agenda

**Timeline**

**Process Summary**

**Assumptions**

**Experience Study Summary Results**

**Experience Study Audit Results**

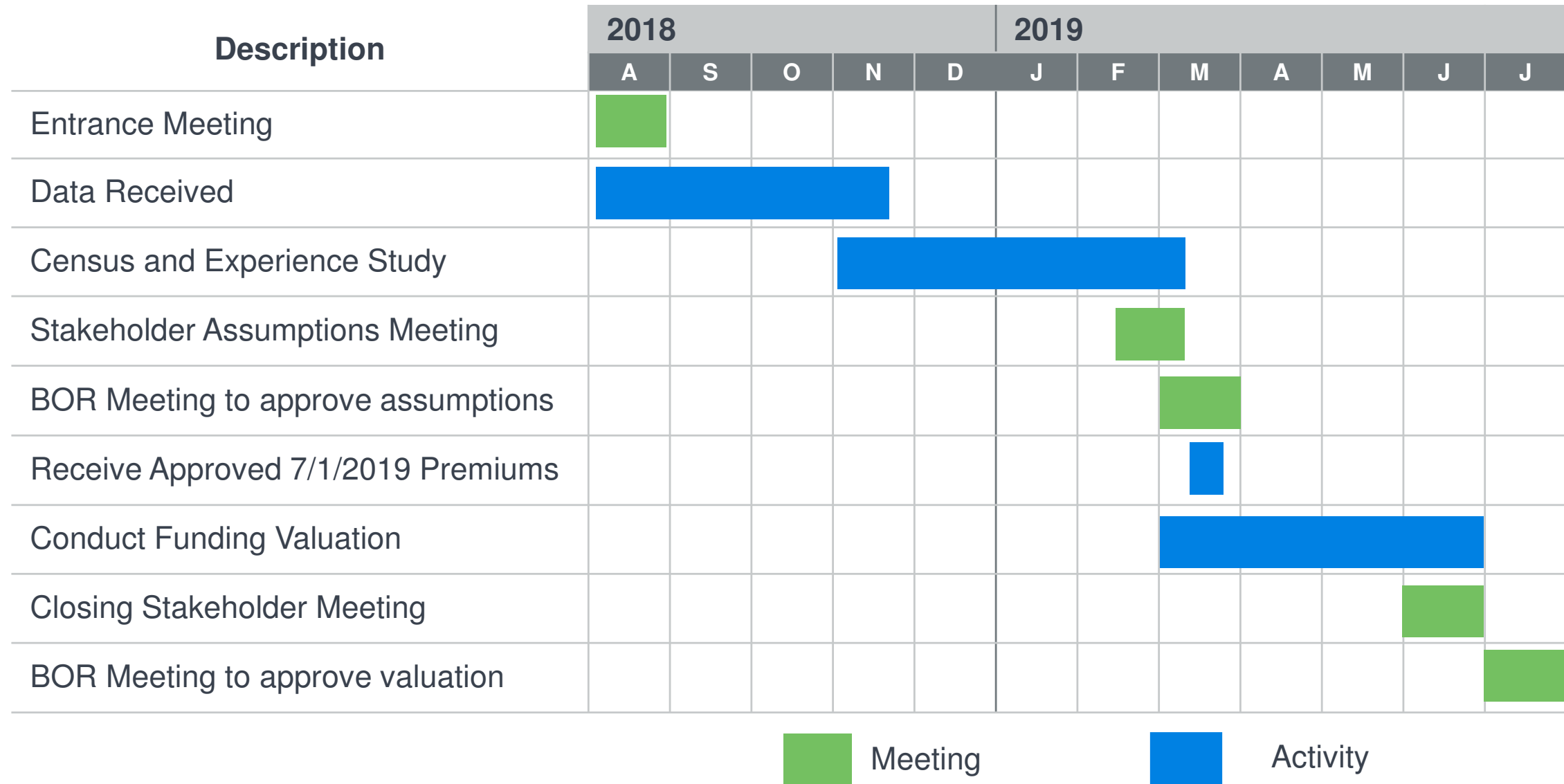
**Next Steps**

**Questions and Comments**

**Appendix**

# Timeline

# Timeline



# Process Summary

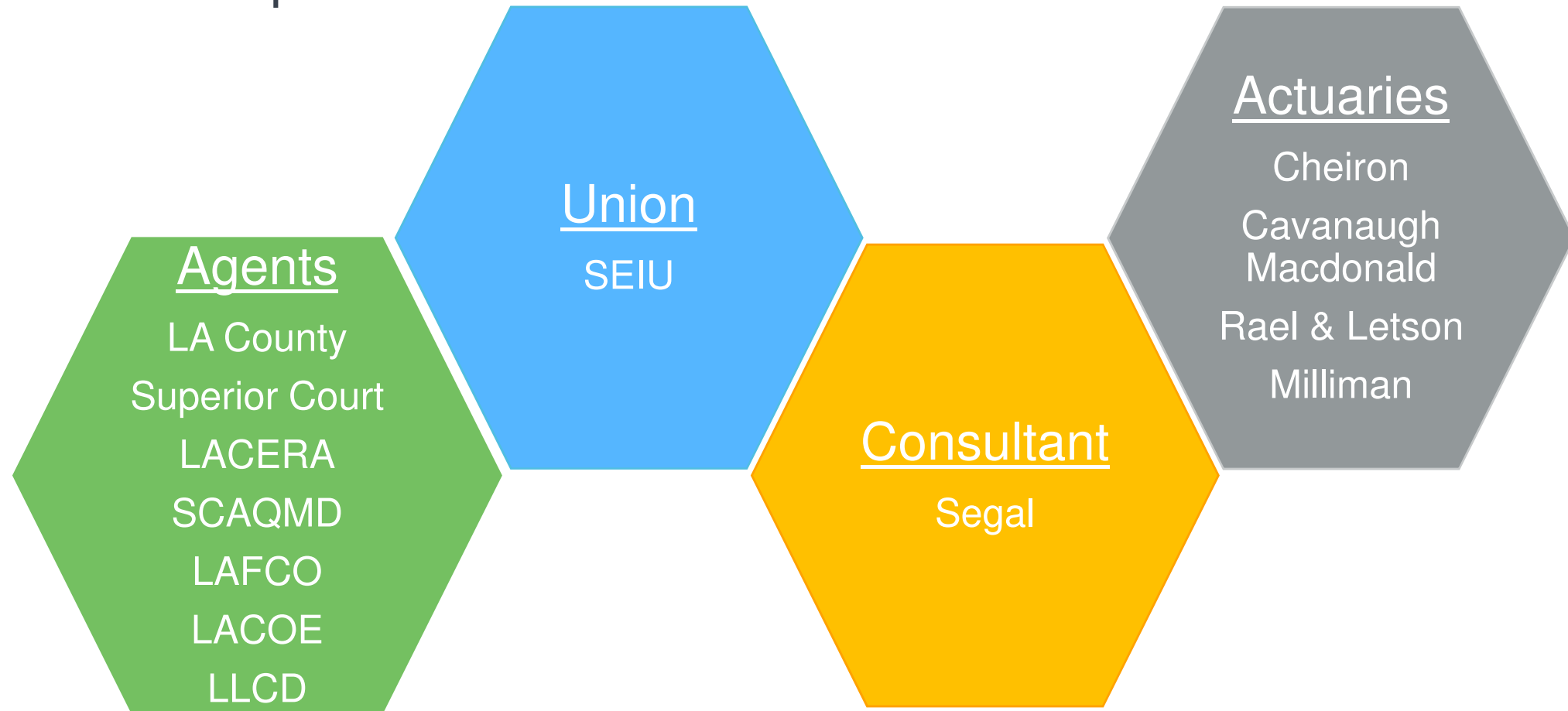


# Process Summary

- July 1, 2016 Last OPEB Experience Study
- July 1, 2017 Last OPEB Funding Valuation
- July 1, 2018 Experience Study and July 1, 2018 Funding Valuation
- July 1, 2019 OPEB Funding Valuation
- July 1, 2020 OPEB Experience Study and Funding Valuation
- Experience study returns to three year cycle
- Continue with annual funding valuations

# Process Summary (Continued)

- Similar to the July 1, 2016 experience study and July 1, 2016 valuation
- Collaborative process



# Process Summary (continued)

- Experience study assumptions
  - 2016 Retirement benefit related demographic and economic assumptions
  - 2018 Vested terminated members retirement rates
  - 2018 OPEB demographic assumptions
    - Health initial enrollment, health plan and coverage tier selection, and other OPEB assumptions
  - 2018 OPEB economic assumptions (discount rate and trend)
- Experience study cost method change from PUC to EAN
- Valuation assumption changes
  - Claim costs
  - Trend updated with July 1, 2018 premiums and ACA fee adjustments
- Valuation based on
  - June 30, 2018 census data
  - July 1, 2018 and July 1, 2019 health plan premiums



# Assumptions

# Retirement Benefit Related Assumptions

- Based on 2016 Investigation of Experience for Retirement Benefits
- Demographic (termination of employment, disability, retirement, and mortality)
- Economic as of June 30, 2016
  - CPI: 2.75%
  - General wages: 3.25%

# OPEB Assumptions

- OPEB demographic
  - Initial enrollment
  - Plan and tier selection
  - Spouse age difference and remarriage assumptions
- Health cost trend rates before adjustments for July 1, 2019 premiums and ACA fee adjustments
  - Medical
  - Medicare Part B
  - Dental/Vision
- Investment earnings assumption

# OPEB Demographic Assumptions

- Initial Enrollment
  - Slight decrease in costs
- Plan and Tier Selection
  - Modest increase in costs
- Vested Terminated Commencement
  - Slight decrease in costs
- Other OPEB Demographic
  - Modest decrease in costs
- Overall Impact
  - 0.17% decrease in AAL and 0.06% of payroll\* increase in ADC

\* Payroll is pensionable payroll throughout this presentation.

# Health Cost Trend

- Updated based on current long-term outlook for medical, dental/vision and Part B
- Excise tax for high cost health coverage under (ACA)
  - 40% tax on health plan costs in excess of certain single and family thresholds
    - \$10,000 for single only and \$27,500 for family in 2018 (not high risk)
    - Tax has been delayed until 2022
  - Funding valuation reports through July 1, 2017 had Excise tax results in Section 3
  - Beginning July 1, 2018, funding valuation will only show results with Excise tax
- Medical and dental/vision trends will be updated to reflect the July 1, 2019 renewals and adjustments for the health insurer fee moratorium
- Change from prior trend assumption reduces the AAL by 2.31% and reduces the ADC by 0.85% of payroll

# Investment Earnings Approach Background

- The investment earnings assumption for Government Accounting Standards Board (GASB) accounting and funding used to be the same
  - Blended of expected return from the OPEB Trust and General Assets
  - Based on the percent of Annual Required Contribution (ARC) that was funded
- New GASB statements now have a more prescribed approach for accounting
- For funding, using an approach consistent with actuarial standards for the discount rate assumption

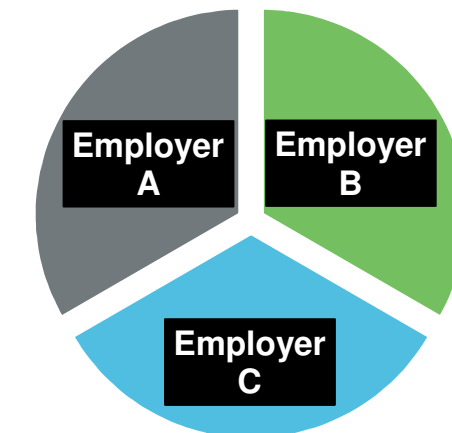
# Investment Earnings for Each Agent

- Cost sharing has combined assets with proportionate shares
- OPEB reporting changed from Cost Sharing to Agent effective July 1, 2018
- Pre-funding creates need for more explicit asset tracking
  - Employers have different funding policies
  - Necessitates an agent structure
- Agent structure partitions assets according to each employer's funding actions
- Each agent's investment earnings assumption should be aligned with their funding policy
  - For agents that are pre-funding, the OPEB Trust return is supported by actuarial standards
  - For agents that are not pre-funding, the County general fund investment earnings is used

## Cost Sharing Plan



## Agent Plan



# Investment Earnings - OPEB Trust

- The OPEB Trust expected return is 6.00%
- Based on Meketa's 2018 capital market assumptions and investment forecast model

Asset Class	Estimated Annual Arithmetic Return	Asset Allocation
Cash	1.81%	2.00%
Investment Grade Bonds	2.78%	8.00%
TIPS	3.08%	6.00%
High Yield Bonds	4.98%	6.00%
Bank Loans	4.80%	10.00%
Emerging Market Bonds	5.75%	4.00%
Global Equity	8.01%	50.00%
REIT's	10.26%	10.00%
Commodities	7.02%	4.00%
Expected Arithmetic Return (10 yrs) <sup>(1)</sup>		6.07%
Expected Geometric Return (10 yrs) <sup>(2)</sup>		6.00%

1. The expected arithmetic return is the average or "mean" long-term expected compound return based on the capital market assumptions and the asset allocation.
2. The expected geometric return is the "median" long-term expected compound return based on the estimated variability of the asset allocation. It is less than the expected arithmetic return because of the variability in future expected returns.



# Investment Earnings - General Assets

- Based on June 30, 2018 County General Fund balance sheet
- Assumption of 3.69% is within the building block approach range

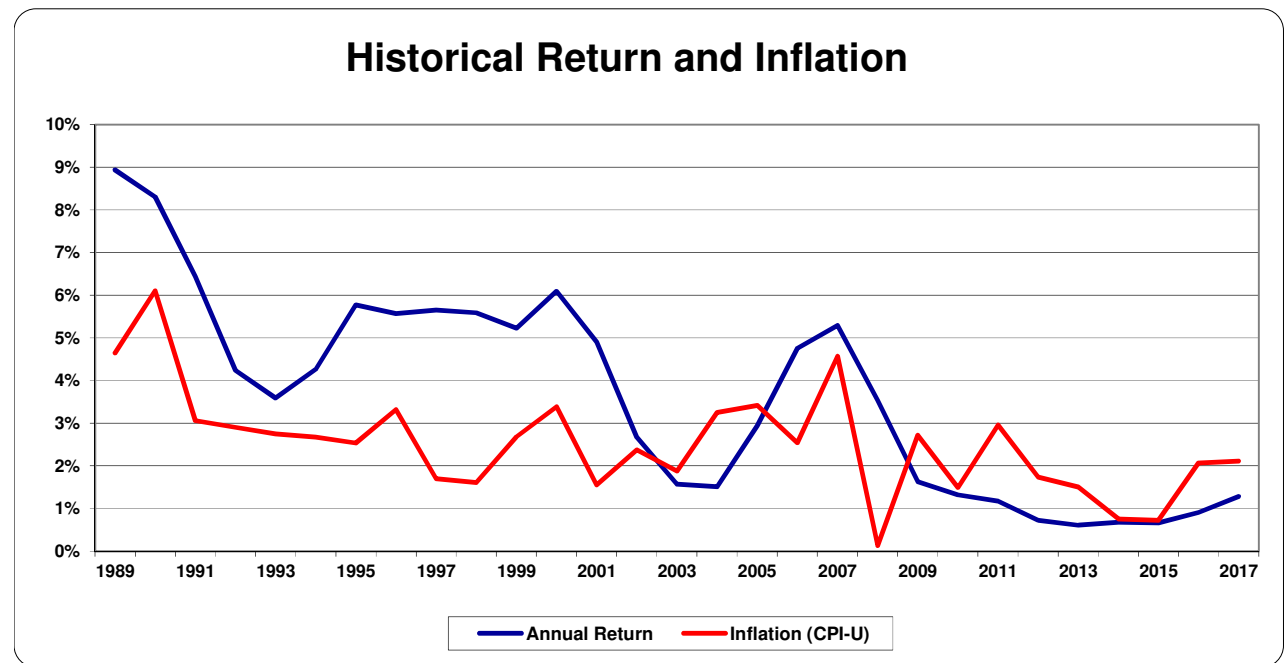
Asset Class	Expected Arithmetic Nominal Return (30 yrs)	Asset Allocation
Cash	3.04%	37.41%
Short-term U.S. Bonds	4.10%	62.59%
Expected Arithmetic Return (30 yrs) <sup>(1)</sup>		3.70%
Expected Geometric Return (30 yrs) <sup>(2)</sup>		3.69%

1. The expected arithmetic return is the average or “mean” long-term expected compound return based on the capital market assumptions and the asset allocation.
2. The expected geometric return is the “median” long-term expected compound return based on the estimated variability of the asset allocation. It is less than the expected arithmetic return because of the variability in future expected returns.

# Investment Earnings - General Assets

## Building Block Approach

- Real returns on County general assets from 1989 through 2017 averaged 1.1% per year
- However, current projections indicate that real returns of 0.5% to 1.0% are more likely going forward based on the current asset allocation
- With 2.75% inflation, the range is between 3.25% and 3.75%



# Investment Earnings by Agent

OPEB Trust Long Term Rate of Return (6.00%)

- Pre-funding Agents
  - County
  - LACERA
  - Superior Court

OPEB Trust Long Term Rate of Return (6.00%)

- Portion of Agent funded by County
  - SCAQMD
  - LAFCO
  - LACOE
  - LLCD (100% County)

General Assets Rate of Return (3.69%)

- Portion of Agent not funded by County
  - SCAQMD
  - LAFCO
  - LACOE

- Change from prior 4.50% assumption to new assumption results in a 25.08% decrease in AAL and a decrease in ADC of 6.06% of payroll

# Actuarial Cost Method (PUC) to (EAN)

- The actuarial cost method is a way to divide liabilities between the Actuarial Accrued Liability (AAL) and the future Normal Costs (NC)
- LACERA has been using Projected Unit Credit (PUC)
  - Funding and GASB 43 and 45 accounting
- LACERA must now use Entry Age Normal (EAN)
  - For GASB 74 and 75 accounting
- We recommend EAN for funding effective with the July 1, 2018 valuation
  - Consistency between funding and accounting is desirable
  - Will also be consistent with retirement program actuarial cost method
  - This change is a “shift” from AAL to future normal costs
- Impact of change is a 2.25% increase in AAL and a 0.38% of payroll increase in ADC

# Experience Study Summary Results

# Analysis of Changes

	Actuarial Accrued Liability <sup>(1)</sup>	(Assets) <sup>(1)</sup>	Unfunded Actuarial Accrued Liability <sup>(1)</sup>	Normal Cost Rate <sup>(2)</sup>	ADC Percentage <sup>(2)</sup>
<b>July 1, 2017 Valuation</b>	\$ 27,707.7	\$ (742.9)	\$ 26,964.8	13.68%	27.42%
<b>Assumption Changes</b>					
Retirement Demographic	\$ -	\$ -	\$ -	0.00%	0.00%
Initial Enrollment	(11.7)	-	(11.7)	(0.03%)	(0.03%)
Plan and Tier Selection	231.5	-	231.5	0.18%	0.30%
Vested Terminated Commencement	(16.9)	-	(16.9)	(0.01%)	(0.02%)
Other OPEB Demographic	(155.7)	-	(155.7)	(0.11%)	(0.19%)
Trend - Without 1st Year Renewal Adjustment	(640.3)	-	(640.3)	(0.52%)	(0.85%)
Discount Rate	(6,801.0)	-	(6,801.0)	(4.64%)	(6.06%)
<b>Total Assumption Changes</b>	<b>\$ (7,394.1)</b>	<b>\$ -</b>	<b>\$ (7,394.1)</b>	<b>(5.13%)</b>	<b>(6.85%)</b>
<b>July 1, 2017 Valuation with Assumption Changes</b>	<b>\$ 20,313.6</b>	<b>\$ (742.9)</b>	<b>\$ 19,570.7</b>	<b>8.55%</b>	<b>20.57%</b>
Entry Age Normal	\$ 457.9	\$ -	457.9	0.10%	0.38%
<b>July 1, 2017 Valuation with Assumption and Cost Method Changes</b>	<b>\$ 20,771.5</b>	<b>\$ (742.9)</b>	<b>\$ 20,028.6</b>	<b>8.65%</b>	<b>20.95%</b>

(1) In millions of dollars

(2) Expressed as a percentage of payroll

# **Cavanaugh Macdonald Experience Study Audit Results**

**Next Steps**



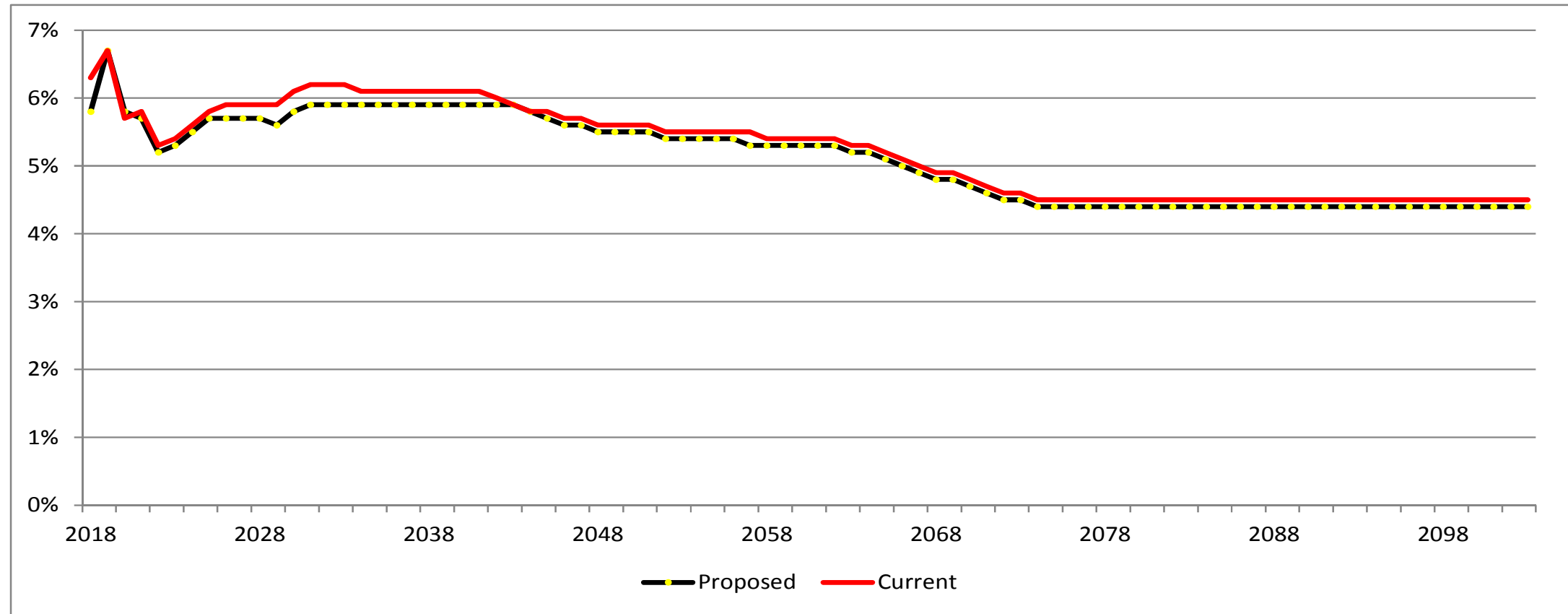
# Next Steps

- 2018 Experience Study and Audit of the Experience Study will be finalized
- Milliman to conduct the July 1, 2018 OPEB Valuation with audit by Cavanaugh Macdonald
- Present 2018 OPEB Valuation results for Board of Retirement approval in July, including the following final reports:
  - 2018 OPEB Experience Study
  - Audit of 2018 OPEB Experience Study
  - 2018 OPEB Valuation
  - Audit of 2018 OPEB Valuation

**Questions and Comments?**

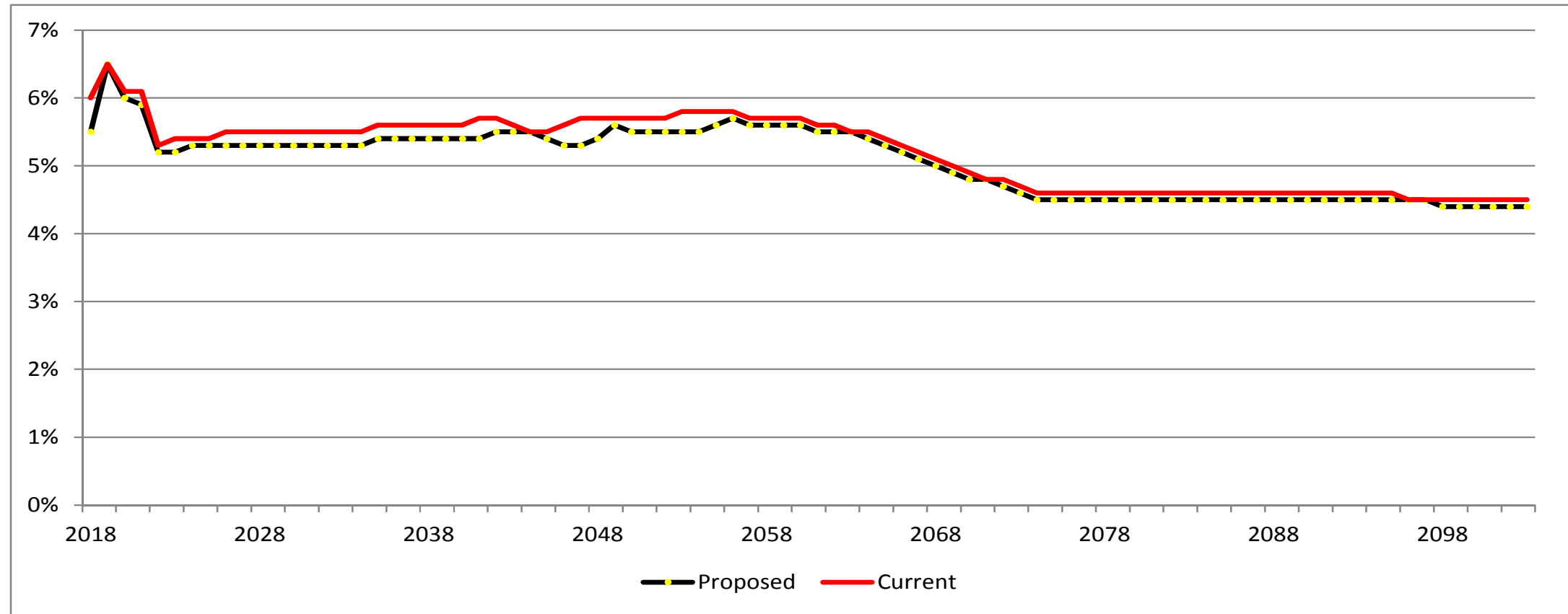
# Appendix

# Medical Trend Pre 65



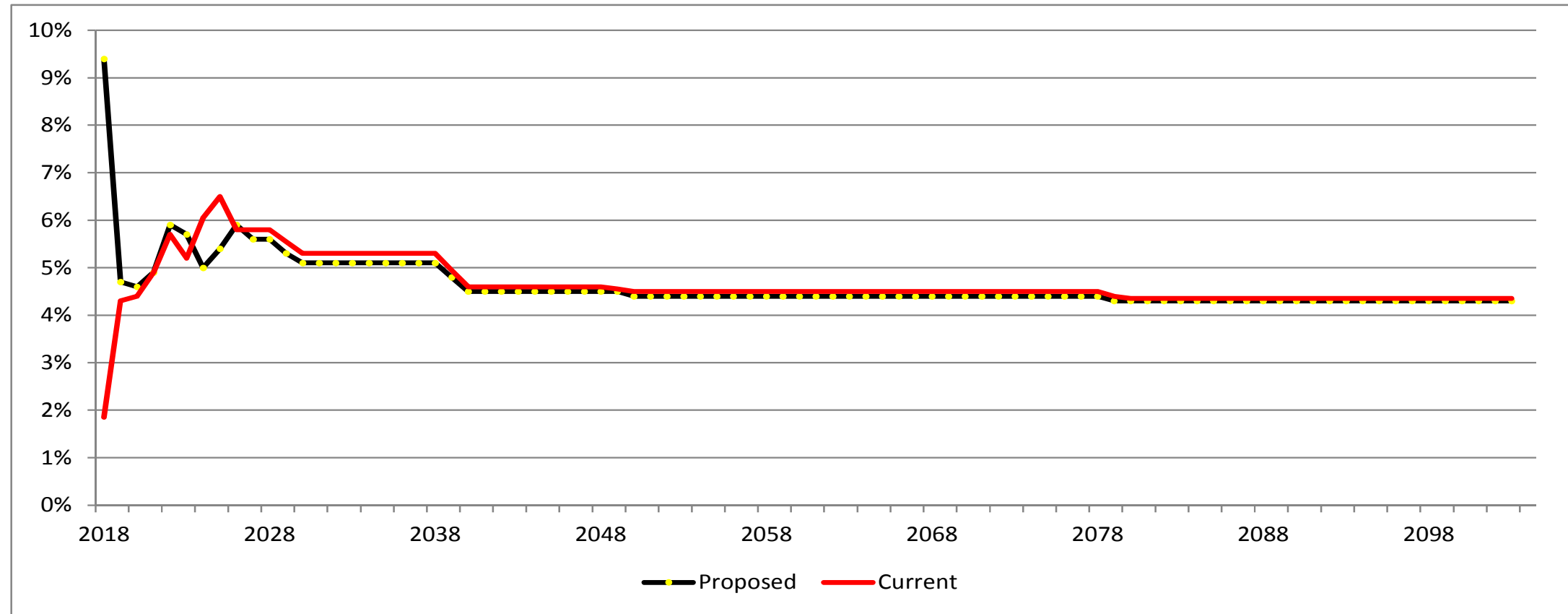
- Includes Excise tax.
- Medical trend will be updated to reflect the July 1, 2019 renewals and adjustments for the health insurer fee moratorium.

# Medical Trend Post 65



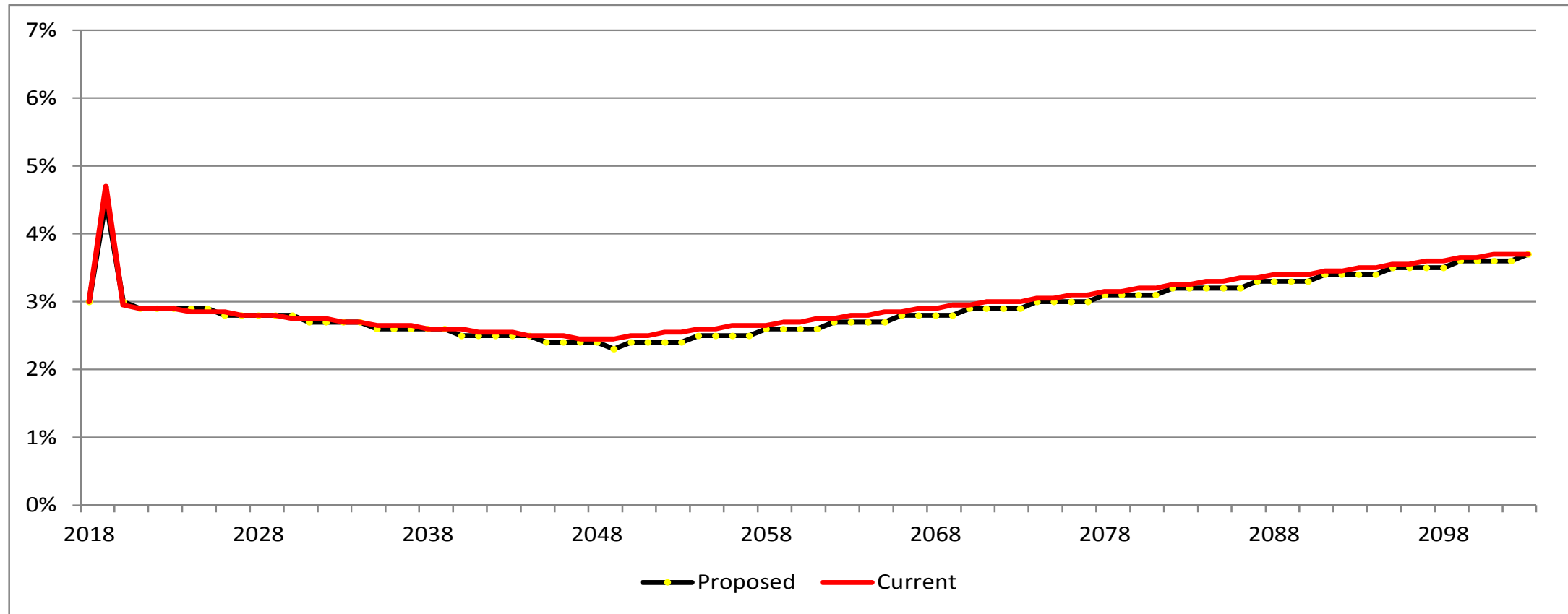
- Includes Excise tax.
- Medical trend will be updated to reflect the July 1, 2019 renewals and adjustments for the health insurer fee moratorium.

# Medicare Part B Trend



- 2018 Trend is offset by lower 2018 Part B premiums.
- Based on
  - 2018 Medicare Trustees Report and 2018 CMS Report on Projected Medicare Expenditures under an Illustrative Scenario with Alternative Physician Payment Updates.
  - Calendar year 2018 LACERA Part B premiums and 2019 Medicare standard Part B premium.

# Dental/Vision Trend



- Underling trend is assumed to be CPI + 1.50% (4.25%).
- CPD analysis to model indemnity plan annual maximum.
- Dental/Vision trend will be updated to reflect the July 1, 2019 renewals and adjustments for the health insurer fee moratorium.



**Thank you**

**Robert Schmidt**

Robert.Schmidt@milliman.com



# Limitations and Reliances

This presentation is subject to the same data, methods, assumptions, and plan provisions as in the DRAFT July 1, 2018 Experience Study report issued February 28, 2019.

- All caveats, limitations, and certifications from that report apply to this presentation.



Robert Schmidt, FSA, EA, MAAA  
Principal and Consulting Actuary



Janet Jennings, ASA, MAAA  
Associate Actuary



# Los Angeles County Employees Retirement Association

## 2018 Investigation of Experience for Other Postemployment Benefits Assumptions

Prepared by:

**Robert L. Schmidt**, FSA, EA, MAAA  
Principal and Consulting Actuary

**Janet O. Jennings**, ASA, MAAA  
Associate Actuary

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February 28, 2019

Ms. Lou Lazatin  
Chief Executive Officer  
Los Angeles County Employees Retirement Association  
300 North Lake Avenue  
Pasadena, CA 91101-4199

Dear Lou:

It is a pleasure to submit this report of our investigation of the experience of the Los Angeles County Retirement Association (LACERA) Other Postemployment Benefits (OPEB) Program for the period ending June 30, 2018. It has been two years since the last 2016 OPEB experience Study. The results of this investigation are the basis for recommended changes in OPEB related actuarial assumptions for the actuarial valuation to be performed as of July 1, 2018.

The purpose of this report is to communicate the results of our review of the OPEB related actuarial assumptions to be used in the completion of the upcoming valuation. Several of our recommendations represent changes from the prior assumptions and are designed to better anticipate the emerging experience of LACERA's OPEB Program.

We have provided financial information showing the estimated hypothetical impact of the recommended assumptions if they had been used in the July 1, 2017 actuarial OPEB valuation. We believe the recommended assumptions provide a reasonable estimate of anticipated experience affecting LACERA. Nevertheless, the emerging costs will vary from those presented in this report to the extent that actual experience differs from that projected by the actuarial assumptions.

In preparing this report, we relied without audit on information (some oral and some in writing) supplied by LACERA's staff; Segal, LACERA's Health Care Benefits Consultant; and Meketa Investment Group, LACERA's general investment consultant. This information includes, but is not limited to benefit descriptions, membership data, and financial information. We used LACERA's benefit provisions as summarized in our July 1, 2017 OPEB Actuarial Valuation report. In our examination, after discussion with LACERA and making certain adjustments, we have found the data to be reasonably consistent and comparable with data used for other purposes. Since the experience study results are dependent on the integrity of the data supplied, the results can be expected to differ if the underlying data is incomplete or missing. It should be noted that if any data or other information is inaccurate or incomplete, our determinations might need to be revised.

Components of ACA are reflected in the trend assumption, which is evaluated in this experience study. The trend will be updated for the July 1, 2018 valuation to reflect the July 1, 2019 final renewals.

This work product was prepared solely for LACERA for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

We certify that the assumptions developed in this report satisfy Actuarial Standards Board (ASB) Standards of Practice, in particular, No. 6 (Measuring Retiree Group Benefit Obligations). The assumptions used in this OPEB Investigation of Experience are derived from a combination of assumptions identified during the 2016 LACERA Investigation of Experience for Retirement Benefit Assumptions and collaboration among a group of stakeholder representatives. Demographic assumptions from the latest 2016 Retirement Benefit Investigation of Experience, conducted by Milliman and approved by LACERA's Board of Investments, are integrated into the OPEB Investigation of Experience. Assumptions unique to OPEB are identified, evaluated, and agreed upon collaboratively by the actuaries and consultants representing the OPEB program stakeholders including: Milliman, LACERA's actuary; Cavanaugh Macdonald, LACERA's auditing actuary; Segal, LACERA's Health Care Benefits Consultant; Cheiron, Los Angeles County's actuary; and Rael & Letson, actuary for SEIU Local 721. Types of OPEB specific assumptions include: initial enrollment, plan and tier selection, spouse age difference, and re-enrollment assumptions. The claim cost assumptions and final trend rates reflecting the July 1, 2019 renewals will be developed and agreed upon collaboratively with the same LACERA stakeholders during the July 1, 2018 valuation.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: program experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the program's funded status); and changes in program provisions or applicable law. Due to the limited scope of the assignment, we did not perform an analysis of the potential range of future measurements.

Actuarial computations under Government Accounting Standards Board (GASB) Statement Numbers 74 and 75 are for purposes of fulfilling financial accounting requirements for LACERA and Los Angeles County (the employer) respectively. The GASB 74 and 75 reports need to meet the requirements of these standards which include but are not limited to a different discount rate and actuarial cost methodology. LACERA must report under GASB 74 since the County, LACERA, and the Superior Courts are prefunding through the OPEB Trust. Additionally, the benefit payments flow through LACERA's financial accounts. Determinations for purposes other than meeting these financial accounting requirements may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes.

Milliman's work is prepared solely for the internal business use of LACERA. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exception(s):

- (a) LACERA may provide a copy of Milliman's work, in its entirety, to LACERA's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit LACERA.
- (b) LACERA may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

This work product was prepared solely for LACERA for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

No third party recipient of Milliman's work product should rely upon Milliman's work product. Any third party recipient of Milliman's work product, including Los Angeles County, the Superior Courts, the South Coast Air Quality Management District, Local Agency Formation Commission, Los Angeles County Office of Education, and Little Lake Cemetery District who desires professional guidance should not rely upon Milliman's work product, but should engage qualified professionals for advice appropriate to their own specific needs.

We would like to express our appreciation to LACERA staff members, Los Angeles County, Cavanaugh Macdonald, Segal, Rael & Letson, Cheiron, and Meketa Investment Group who gave substantial assistance in supplying the data on which this report is based. We respectfully submit the following report and we look forward to discussing it with you.

The consultants who worked on this assignment are employee benefit and health actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

We are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,

Robert L. Schmidt, FSA, EA, MAAA  
Principal and Consulting Actuary

Janet O. Jennings, ASA, MAAA  
Associate Actuary

RLS/JOJ/bh

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## Section 1 Executive Summary and Recommendations

### Overview



This is a study of the OPEB related assumptions of the Los Angeles County OPEB Program for the period ending June 30, 2018. It includes a discussion of the OPEB- related demographic actuarial assumptions. These assumptions were set initially for the July 1, 2006 inaugural OPEB valuation. An Investigation of Experience was conducted in 2008 for the July 1, 2008 OPEB valuation, in 2010 for the July 1, 2010 and July 1, 2012 OPEB valuations, in 2013 for the July, 1, 2014 OPEB Valuation, in 2016 for the July 1, 2016 and July 1, 2017 OPEB Valuations. Now that two additional years have passed since the 2016 Investigation of Experience, we have more information with which to test the validity of the assumptions of the program. In addition, the retirement benefit related assumptions used for pension benefits were studied in 2016. Some of those assumptions are also used in the OPEB valuations. For consistency, changes to those assumptions will continue to be made for the July 1, 2018 OPEB valuation. The next retirement benefit investigation of experience study is scheduled for 2019.

The OPEB funding valuations starting with the July 1, 2018 report will be under an agent structure with results shown by agent. This 2018 OPEB Investigation of Experience Study reviews experience for all agents combined. Assumptions are also on a combined basis.

This report recommends several assumption changes that result in an Actuarially Determined Contribution (ADC) rate decrease of 6.85% of payroll. This report also recommends a cost method change that results in an ADC increase of 0.38% of payroll. Where the recommended assumptions are different from the current assumptions, the recommended assumptions are highlighted in **yellow**.

### Summary

This Section of the report includes a brief summary of each of the other sections of the report, our recommendations for changes in the current actuarial assumptions and the financial impact of the recommendations if they are adopted by LACERA's Board of Retirement.

### Healthcare Tier

There is a retiree health insurance program for employees who are hired after June 30, 2014, called Tier 2. Given the subsidy for members in Tier 2 applies to retiree-only coverage and the Tier 2 benchmark is different than Tier 1, we have evaluated plan and tier selection of Tier 1 members separately from Tier 2 members.

### Section 2 Introduction

Just as certain investment choices have an associated "investment risk", choices in actuarial assumptions have an associated "actuarial risk." Determining the OPEB liabilities and costs is dependent on the assumptions we use to project the future benefit payments and then to discount the value of future benefits to determine the present values. Thus, it is important that the County and LACERA understand the sensitivity of the actuarial calculations to the underlying assumptions.

Section 2 provides an introduction to the process of setting OPEB demographic and economic actuarial assumptions. It discusses the following:

- The “actuarial risk” associated with setting actuarial assumptions
- An overview of the presentation of results you will see in this report
- Our philosophy in setting actuarial assumptions
- Actuarial Standard of Practice No. 6
- Actuarial Standard of Practice No. 27
- Actuarial Standard of Practice No. 35

### **Section 3 Initial Enrollment**

Section 3 discusses the probability of initial enrollment of current active and vested terminated Tier 1 members who are anticipated to retire in the future for both medical and dental/vision coverage. We are recommending adjustments from the current assumptions to reflect recent experience while achieving an actual-to-expected enrollment ratio of 100% for both medical and dental/vision. We recommend the same initial enrollment assumptions for both Tier 1 and Tier 2.

### **Section 4 Plan and Tier Selections**

Section 4 discusses the probability of medical and dental/vision plan and tier selection upon retirement and attainment of age 65 for healthcare Tiers 1 and 2. We are recommending changes to these assumptions to reflect recent plan and tier selection patterns.

### **Section 5 Retirement of Vested Terminated Members**

Section 5 discusses the assumption for retirement of vested terminated members. For all groups including General Plans A, B, C, and D, General Plan E, and Safety Plans A and B, the actual retirements have been lower than our assumptions, and we recommend small changes to these assumptions. There is insufficient data to separately analyze experience for General Plan G and Safety Plan C for the retirement of vested terminated member’s assumption. We recommend these plans use the same assumptions as General Plans A, B, C and D and Safety Plans A and B respectively. Experience from the five year period ended June 30, 2018 was used. We recommend the same assumptions for both Tier 1 and Tier 2.

### **Section 6 Other OPEB Demographic Assumptions**

Section 6 discusses the following other OPEB demographic assumptions:

- Enrolled spouse age difference
- Medicare enrollment for members in Blue Cross Plan I, Plan II, and Prudent Buyer
- Probability of survivor and new dependent enrollment

For female retirees, we recommend the age difference assumption for male spouses be changed from one year older to two years older. We recommend no change for male retirees to the assumption that spouses are four years younger. We are recommending no change to our Medicare enrollment assumption and are recommending small changes to our survivor enrollment assumptions. We are also recommending that a small change be made to the new dependent enrollment assumption.

We recommend these assumptions be the same for Tier 1 and Tier 2.



## Section 7 OPEB Economic Assumptions

Section 7 discusses the investment earnings and health cost trend assumptions. Based on a decision made by the Board of Investments in December 2016 to use economic alternative #1, we are proposing continuing to use retirement alternative #1 inflation and general wage increases of 2.75% and 3.25% respectively. This is consistent with the July 1, 2018 retirement funding valuation. The OPEB investment earnings assumption for agents that are prefunding through the OPEB Trust is 6.00%. The investment earnings assumption for the portion of the agents that are funded by the County will also be the OPEB Trust expected return of 6.00%. The portion of the agents that are not funded by the County and that are not prefunding through the OPEB Trust will have an investment earnings assumption of the County's general funds expected return of 3.69%. For the health cost trend rates, we utilized the updated version of the Getzen trend model sponsored by the Society of Actuaries. Based on this information, we are recommending changes to the trend assumptions. The first year trend assumptions will be updated to reflect the final July 1, 2019 renewals.

## Financial Impact

The assumption changes in total are projected to decrease the Actuarial Accrued Liability (AAL) by 26.7%, decrease the Normal Cost Rate by 5.13% of payroll, and decrease the Actuarially Determined Contribution (ADC) by 6.85% of payroll. The change in cost method from Projected Unit Credit to Entry Age Normal is projected to increase the AAL by 2.25%, increase the Normal Cost Rate by 0.10% of payroll and increase the ADC by 0.38% of payroll.

Exhibit 1-1 summarizes the financial impact of the assumption changes. It shows the impact on the Actuarial Accrued Liability, Normal Cost Rate, and Actuarially Determined Contribution of each individual assumption change. This is based solely on the impact the new assumptions would have had on the July 1, 2017 OPEB valuation results with Excise tax. Note that the relative impact of the various assumption changes by component is somewhat dependent on the order in which they are evaluated. For this study, the impact from the 2016 retirement demographic assumption changes are not applicable because the assumptions based on the 2016 Retirement Benefit Investigation of Experience for LACERA have already been reflected in the July 1, 2017 OPEB valuation results.

Upon request from LACERA we have also shown the effect of changing the actuarial cost method from Projected Unit Credit (PUC) to Entry Age Normal (EAN). We recommend changing the actuarial cost method to EAN. The funding valuations would then be on a consistent basis as the Government Accounting Standards Board (GASB) Statements Numbers 74 and 75 that require EAN.

**Exhibit 1-1  
 Hypothetical Results of July 1, 2017 Valuation  
 With Proposed Assumptions**

	Actuarial Accrued Liability <sup>(1)</sup>	(Assets) <sup>(1)</sup>	Unfunded Actuarial Accrued Liability <sup>(1)</sup>	Normal Cost Rate <sup>(2)</sup>	ADC Percentage <sup>(2)</sup>
<b>July 1, 2017 Valuation</b>	\$ 27,707.7	\$ (742.9)	\$ 26,964.8	13.68%	27.42%
<b>Assumption Changes</b>					
Retirement Demographic	\$ -	\$ -	\$ -	0.00%	0.00%
Initial Enrollment	(11.7)	-	(11.7)	(0.03%)	(0.03%)
Plan and Tier Selection	231.5	-	231.5	0.18%	0.30%
Vested Terminated Commencement	(16.9)	-	(16.9)	(0.01%)	(0.02%)
Other OPEB Demographic	(155.7)	-	(155.7)	(0.11%)	(0.19%)
Trend - Without 1st Year Renewal Adjustment	(640.3)	-	(640.3)	(0.52%)	(0.85%)
Discount Rate	(6,801.0)	-	(6,801.0)	(4.64%)	(6.06%)
Total Assumption Changes	\$ (7,394.1)	\$ -	\$ (7,394.1)	(5.13%)	(6.85%)
<b>July 1, 2017 Valuation with Assumption Changes</b>	\$ 20,313.6	\$ (742.9)	\$ 19,570.7	8.55%	20.57%
Entry Age Normal	\$ 457.9	\$ -	457.9	0.10%	0.38%
<b>July 1, 2017 Valuation with Assumption and Cost Method Changes</b>	\$ 20,771.5	\$ (742.9)	\$ 20,028.6	8.65%	20.95%

(1) In millions of dollars

(2) Expressed as a percentage of payroll

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## Section 2 Introduction



While our goal is to make the best possible estimate of future experience, it is important for the Board to recognize that the future will almost certainly differ from our current best efforts to forecast it. Routine scheduled reevaluations of the actuarial assumptions, such as through this experience investigation, are a sound methodology to identify where assumptions differ from emerging experience and to fine-tune the actuarial estimates to keep them as close as possible to emerging experience.

OPEB actuarial assumptions can be broken into three broad groups:

- Retirement Benefit Related Assumptions
- OPEB Demographic Assumptions
- OPEB Economic Assumptions

The Retirement Benefit Related Assumptions were studied in Milliman's 2016 Retirement Benefit Investigation of Experience for LACERA. The focus of this study is the OPEB Demographic Assumptions. This section, however, encompasses all three types of assumptions and provides an overview of the process and importance of setting actuarial assumptions.

The history of assumption studies for this program is shown below.

<u>Year</u>	<u>Assumptions Studied</u>
2006	OPEB Demographic and Economic Assumptions
2008	OPEB Demographic and Economic Assumptions
2010	OPEB Demographic and Economic Assumptions
2013	OPEB Demographic Assumptions
2014	OPEB Economic Assumptions
2016	OPEB Demographic and Economic Assumptions
2017	OPEB Economic Assumptions
2018	OPEB Demographic and Economic Assumptions

Due to the timing requirements of GASB 74 and 75 along with the audit schedule, the experience study is performed on a two year cycle, from 2016 to 2018 and 2018 to 2020. After 2020, we will return to a three year cycle. These OPEB experience studies will be one year after the study of assumptions for LACERA's retirement benefit program beginning with year 2020.

## Funding and Valuation Principles and “Actuarial Risk”

Just as certain investment choices have an associated “investment risk,” choices in actuarial assumptions have an associated “actuarial risk.” Our responsibility is to always consider the impact our work will have on future taxpayers and on the members of the Los Angeles County OPEB Program.

Our estimate of the OPEB liabilities and costs is dependent on the assumptions we use to project the future benefit payments and then to discount the value of future benefits to determine the present values. Thus, it is important that the County understand the sensitivity of the actuarial calculations to the underlying assumptions.

- If actual experience shows that the assumptions significantly overestimated the true cost of the program, decisions for change could be made based on the higher estimated cost levels. This may also result in an overstatement of cost today and the longer-term impact will not be realized until many years in the future when costs may need to be lowered due to the current overstatement.
- If actual experience shows that the assumptions significantly underestimated the true cost of the program, decisions for change could be made based on the lower estimated costs levels. This may result in an unexpected need to increase costs in the future and may lead to budgeting difficulties.
- The valuation presents the costs as of only one date. Further analysis illustrating the potential volatility of the cost results may be needed to fully appreciate the “actuarial risk” associated with actuarial assumptions. These further studies are beyond the scope of this project.

As stated above, the actuarial assumptions can be divided into three groups: retirement benefit related, OPEB demographic, and OPEB economic.

The retirement benefit related assumptions are based on the recommendations from the LACERA 2016 Investigation of Experience, as developed under Actuarial Standards of Practice (ASOP) Number 27 and 35.

The OPEB demographic assumptions are based on the County OPEB program’s actual experience, adjusted to reflect trends and historical experience. These are developed under ASOP Numbers 6 and 35.

The OPEB economic assumptions must not only reflect the County’s actual experience but also give even greater consideration to the long-term expectation of future economic growth for the nation, as well as the global economy. By long term, we are looking at time periods of from 20 to 40, possibly to 60, years – a much longer time frame than any period investment managers or economists would typically be discussing with you. Since the economic assumptions are for the long-term, it is expected that in the short-term there will be years in which the actual investment return will exceed the actuarial assumption, and there will be years when the actual experience will not meet the assumed rate. It is the expected long-term rate that is used to project and finance the OPEB benefits. These are developed under ASOP Number 27.

Thus, the economic assumptions are much more subjective than the demographic assumptions, and the demographic assumptions are much more dependent on the results of the experience studies.

## Overview

This report presents the results of an investigation of the recent actuarial experience of the County OPEB program. We will refer to this investigation as an experience study.

Throughout this report, we refer to “expected” and “proposed” actuarial assumptions. The “expected” assumptions are those used for our actuarial valuation of the County OPEB program dated July 1, 2017. They may also be referred to as the “current” or “old” assumptions. The “proposed” or “recommended” assumptions are those we recommend for use in the OPEB valuation dated July 1, 2018 and for subsequent valuations until further changes are made.

The assumptions used in this OPEB Investigation of Experience are derived from a combination of assumptions identified during the 2016 LACERA Investigation of Experience for Retirement Benefit Related Assumptions and collaboration among a group of stakeholder representatives. Economic and demographic assumptions from the Retirement Benefit Investigation of Experience, conducted by Milliman and approved by LACERA's Board of Investments, are integrated into the OPEB Investigation of Experience. Assumptions unique to OPEB are identified, evaluated, and agreed upon collaboratively by the actuaries and consultants representing the OPEB program stakeholders including: Milliman, LACERA's actuary; Cavanaugh Macdonald, LACERA's auditing actuary; Segal, LACERA's Health Care Benefits Consultant; Cheiron, Los Angeles County's actuary; and Rael & Letson, actuary for SEIU Local 721. Types of OPEB specific assumptions include: initial enrollment, plan and tier selection, spouse age difference, and re-enrollment assumptions. The OPEB Investigation of Experience is reviewed in conjunction with the approval of the OPEB Valuation by LACERA's Board of Retirement.

This report shows the results of our study of OPEB demographic and economic assumptions. The exhibits are detailed comparisons between the actual and expected experience on both the current and proposed bases.

For each type of assumption, graphs and tables show the actual, the expected (or old), and proposed rates. The exhibits also show the total numbers of actual and expected retirements from vested terminated status, and enrollment probabilities. Ratios larger than 100% on the current basis indicate that the rates may need to be raised; ratios smaller than 100% indicate that rates may need to be lowered.

For the graphical exhibits, the actual rates and actual rates from the prior 2016 study are shown as bars on the graphs on either a years-of-service basis, or, in the case of retirement rates, on an age-by-age basis. The current, or “expected”, rates used in the July 1, 2017 OPEB valuation and the new proposed assumptions are as lines on the graphs. Therefore, the assumption changes we are proposing are illustrated by the difference between the two lines in each exhibit.

For the tabular exhibits, the current assumptions, actual rates, and recommended assumptions are identified in the tables. Where the recommended assumptions are different from the current assumptions, the recommended assumptions are highlighted.

## Our Philosophy

Similar to an actuarial valuation, the calculation of actual and expected experience is a fairly mechanical process. From one actuary to another, you would expect to see very little difference. However, the setting of assumptions is a different story, as it is much more subjective. In this report, we recommend new assumptions. To help you understand our thought process, here is a brief summary of our philosophy:

- **Don't Overreact:** When we see significant changes in experience, we generally do not adjust our rates to reflect the entire difference. We will generally recommend rates somewhere between the old rates and the new experience. If the experience during the next study shows the same result, we will probably recognize this trend at that point. On the other hand, if the experience returns closer to its prior level, we will not have overreacted, minimizing volatility in results.
- **Anticipate Trends:** If there is an identified trend that is expected to continue, we believe that this should be recognized. An example of this is the initial enrollment assumption. Rather than looking at where all retirees are enrolled today, we consider recent experience in developing this assumption, combined with input from LACERA staff and the stakeholders.
- **Simplify:** Where there is no material difference in results, we attempt to simplify our assumptions and methods. In general, we attempt to identify which factors are significant and eliminate the ones that do not materially improve accuracy.

## Actuarial Standard of Practice No. 6

Actuarial Standard of Practice (ASOP) No. 6 *Measuring Retiree Group Benefit Obligations* provides guidance to actuaries giving advice on selecting assumptions for measuring obligations under OPEB plans.

Each individual OPEB assumption should satisfy the criteria of ASOP No. 6. In selecting OPEB assumptions, the actuary should also consider: the internal consistency between the assumptions, materiality, cost effectiveness, and the combined effect of all assumptions. At each measurement date, the actuary should consider whether the selected assumptions continue to be reasonable, but the actuary is not required to do a complete assumption study at each measurement date. In our opinion, the demographic assumptions recommended in this report have been developed in accordance with ASOP No. 6.

## Actuarial Standard of Practice No. 35: Selection of Demographic Assumptions

Actuarial Standard of Practice No. 35 (ASOP No. 35) governs the selection of demographic and other non-economic assumptions for measuring pension and OPEB obligations. ASOP No. 35 states that the actuary should use professional judgment to estimate possible future outcomes based on past experience and future expectations, and select assumptions based upon application of that professional judgment. The actuary should select reasonable demographic assumptions in light of the particular characteristics of the defined benefit plan that is the subject of the measurement.



### ASOP No. 35 Steps

The actuary should follow the following steps in selecting the demographic assumptions which pertain to OPEB:

1. Identify the types of assumptions. Types of demographic assumptions include but are not limited to initial enrollment, plan and tier selection, spouse age difference, and re-enrollment assumptions.

The actuary should consider the purpose and nature of the measurement, the materiality of each assumption, and the characteristics of the covered group in determining which types of assumptions should be incorporated into the actuarial model.

2. Consider the relevant assumption universe. The relevant assumption universe includes experience studies or published tables based on the experience of other representative populations, the experience of the plan sponsor, the effects of plan design, general trends, and future expectations.
3. Consider the assumption format. The assumption format includes whether assumptions are based on parameters such as gender, age, service or calendar year. The actuary should consider the impact the format may have on the results, the availability of relevant information, the potential to model anticipated plan experience, and the size of the covered population.
4. Select the specific assumptions. In selecting an assumption the actuary should consider the potential impact of future plan design as well as the factors listed above.
5. Select a reasonable assumption. The assumption should be expected to appropriately model the contingency being measured. The assumption should not be anticipated to produce significant actuarial gains or losses.

### ASOP 35 General Considerations and Application

Each individual demographic assumption should satisfy the criteria of ASOP No. 35. In selecting demographic assumptions, the actuary should also consider: the internal consistency between the assumptions, materiality, cost effectiveness, and the combined effect of all assumptions. At each measurement date the actuary should consider whether the selected assumptions continue to be reasonable, but the actuary is not required to do a complete assumption study at each measurement date. In our opinion, the demographic assumptions recommended in this report have been developed in accordance with ASOP No. 35.

### Actuarial Standard of Practice No. 27

The Actuarial Standards Board has adopted Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. This standard provides guidance to actuaries giving advice on selecting economic assumptions for measuring obligations under defined benefit plans such as LACERA.

Because no one knows what the future holds, the best an actuary can do is to use professional judgment to estimate possible future economic outcomes. These estimates are based on a mixture of past experience, future expectations, and professional judgment. The actuary should consider a number of factors, including the purpose and nature of the measurement, and appropriate recent and long-term historical economic data. However, the standard explicitly advises the actuary not to give undue weight to recent experience.

ASOP No. 27 states that each economic assumption selected by the actuary should be reasonable. The assumption is reasonable if it has the following characteristics:

- It is appropriate for the purpose of the measurement.
- It reflects the actuary's professional judgment.
- It takes into account relevant historical and current economic data.
- It reflects the actuary's best estimate of future experience and observation of the estimates in market data.
- It has no specific bias (i.e. it is not significantly optimistic or pessimistic), but may specifically make provision for adverse deviation.

Each economic assumption should individually satisfy this standard. Furthermore, with respect to any particular valuation, each economic assumption should be consistent with every other economic assumption over the measurement period.

In our opinion, the economic assumptions we recommend for Board of Retirement consideration in this report have been developed in accordance with ASOP No. 27.



### Section 3 Initial Enrollment



The initial enrollment assumption is used to estimate the probability that a new retiree from active or vested terminated status, who is eligible for retiree health care coverage, will elect to join the OPEB program. For the retiree death benefit coverage, the enrollment assumption is 100%, since retirees do not pay for coverage and enrollment is automatic. For retiree medical and dental/vision coverage, we have reviewed recent retiree experience and used an enrollment assumption that is graded by years of service at retirement. The County subsidy for medical and dental/vision coverage is 40% of the benchmark plan rate (or 40% of the premium for the plan elected, if less) for retirees with 10 years of retirement service credit. For each year of service beyond 10 years, the County contributes an additional 4%, up to a maximum of 100% for a retiree with 25 years of service. Since the County subsidy increases with years of service, retirees with more service are more likely to enroll. A retiree with service connected disability retirement with less than 13 years of service will receive a 50% County subsidy of the benchmark plan rate (or 50% of the premium for the plan elected, if less). If a retiree with service connected disability retirement has 13 or more years of service, the County subsidy is the same as a non-disabled retiree.

Exhibits 3-1 and 3-2 show a comparison of actual medical enrollees to assumed enrollees for the three-year period ending June 30, 2018 separately for males and females. The results show those who both enrolled at the time of retirement and those who enrolled sometime after retirement.

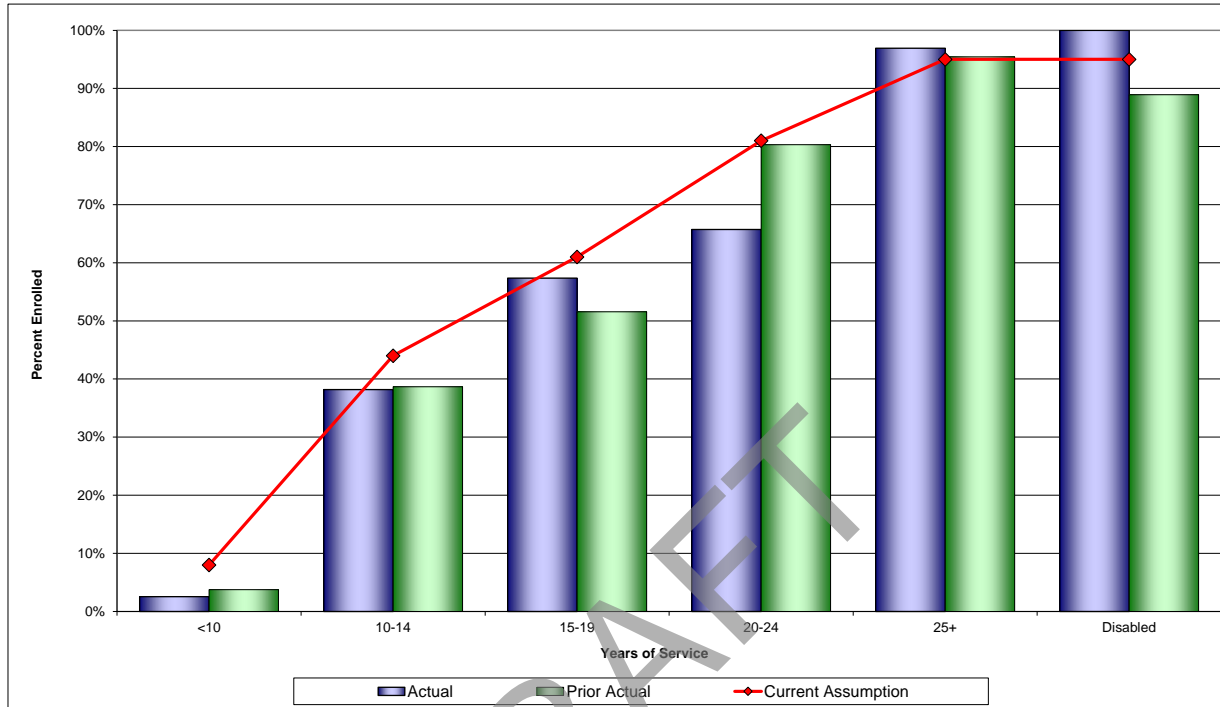
The exhibits show that patterns for males and females are similar. Therefore, we recommend using combined male/female assumptions.

Exhibit 3-3 shows the combined male and female experience, along with the current and proposed assumptions. The proposed assumptions involve adjustments from the current assumptions to achieve an actual-to-expected ratio closer to 100%.

Exhibits 3-4 through 3-6 show the results for the dental/vision enrollees. We are recommending similar assumption changes for the dental/vision enrollment as the medical enrollment.

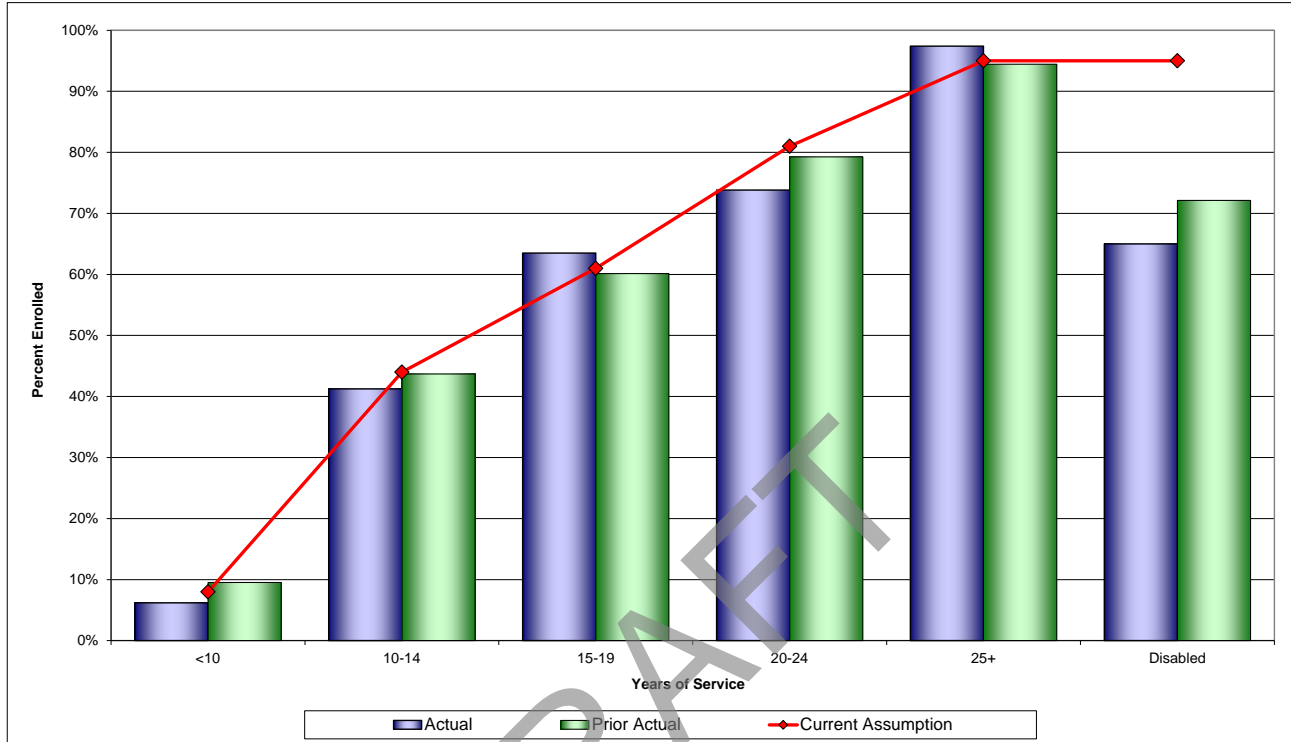
Due to lack of credible experience with respect to Tier 2 enrollees, we recommend the same initial enrollment assumptions for Tier 1 and Tier 2 enrollees. We will monitor Tier 2 as experience develops.

**Exhibit 3-1**  
**Initial Medical Enrollment – Males**



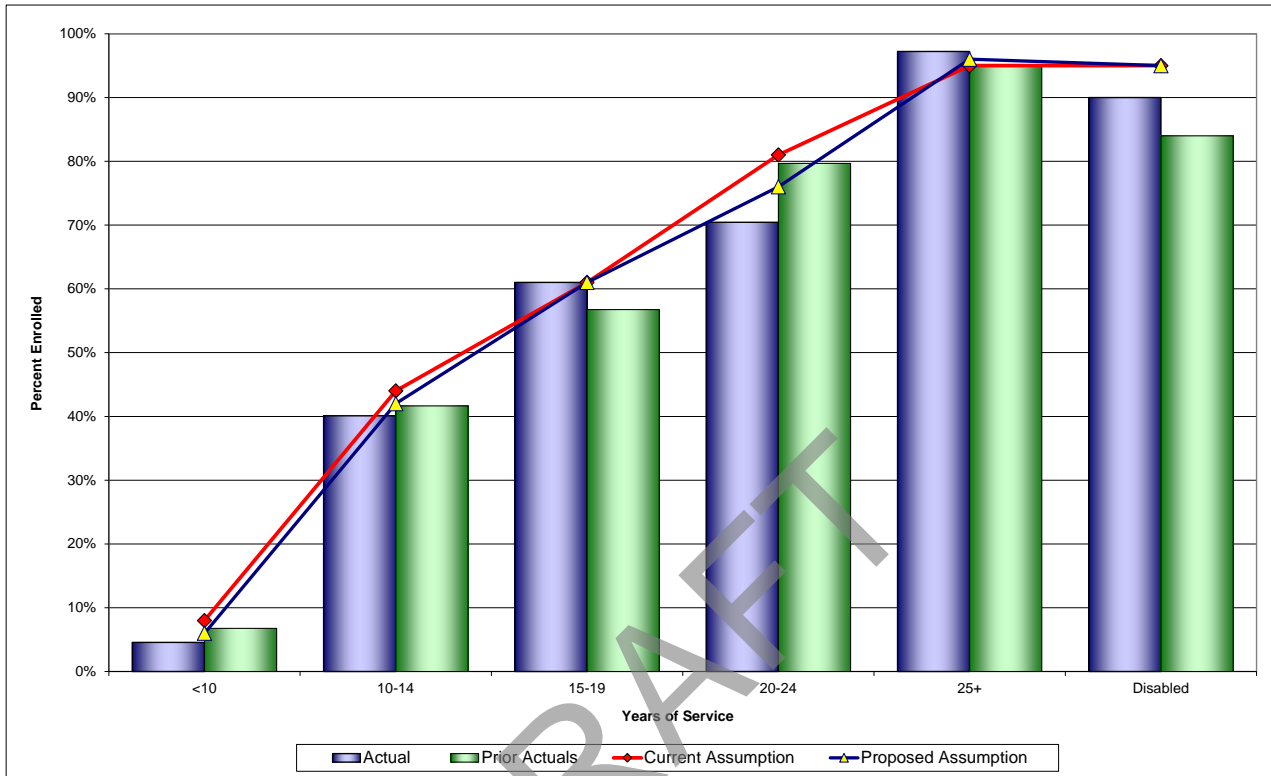
All Enrollees	Current Assumption	Actual
Total Count	3,146	3,117
Actual / Expected	99%	

**Exhibit 3-2**  
**Initial Medical Enrollment – Females**



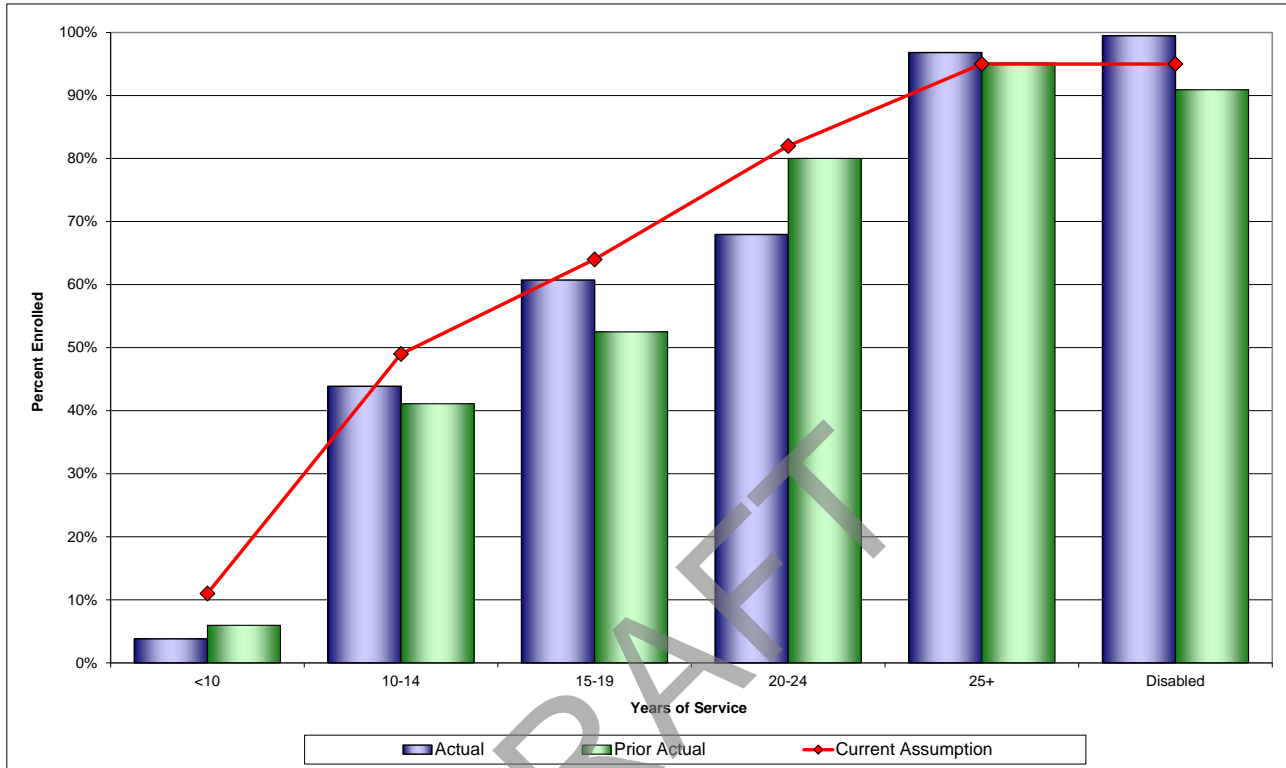
All Enrollees	Current Assumption	Actual
Total Count	4,045	4,039
Actual / Expected	100%	

**Exhibit 3-3**  
**Initial Medical Enrollment – Males and Females**



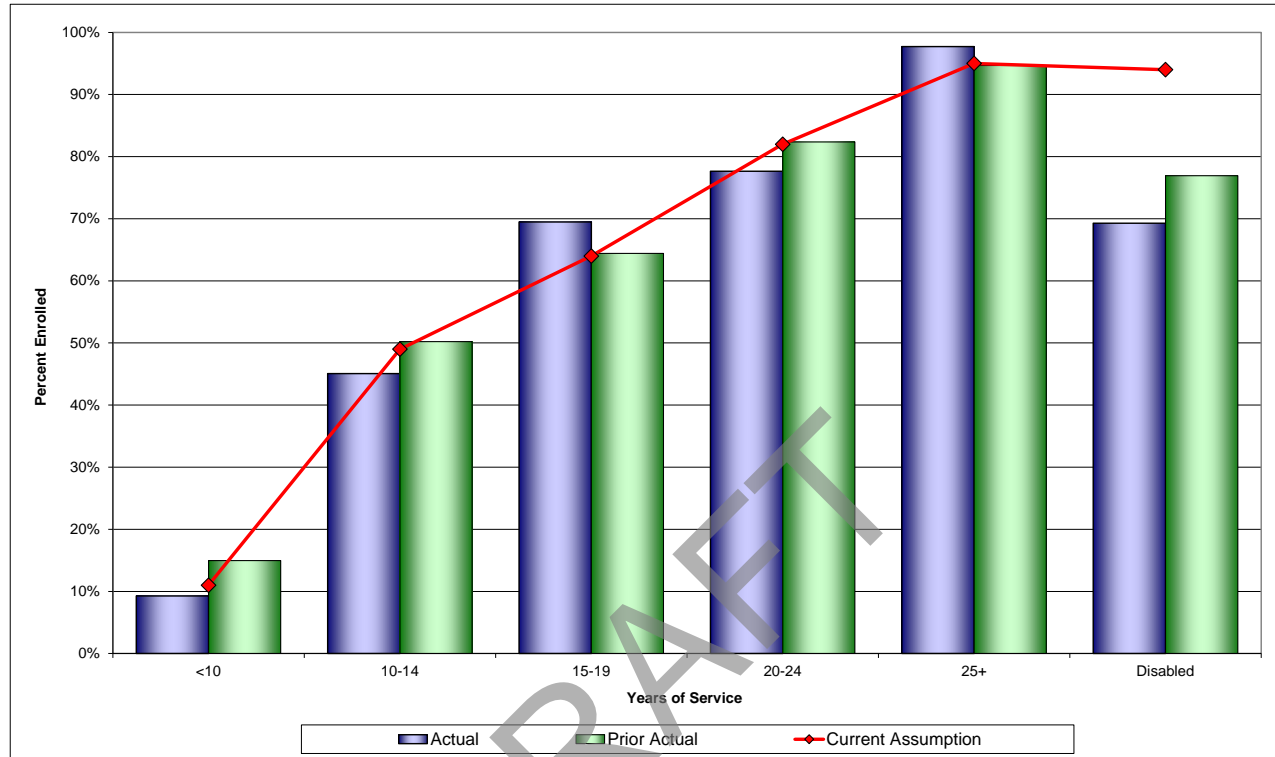
All Enrollees	Current Assumption	Actual	Proposed Assumption
Total Count	7,191	7,156	7,165
Actual / Expected	100%		100%

**Exhibit 3-4**  
**Initial Dental/Vision Enrollment – Males**



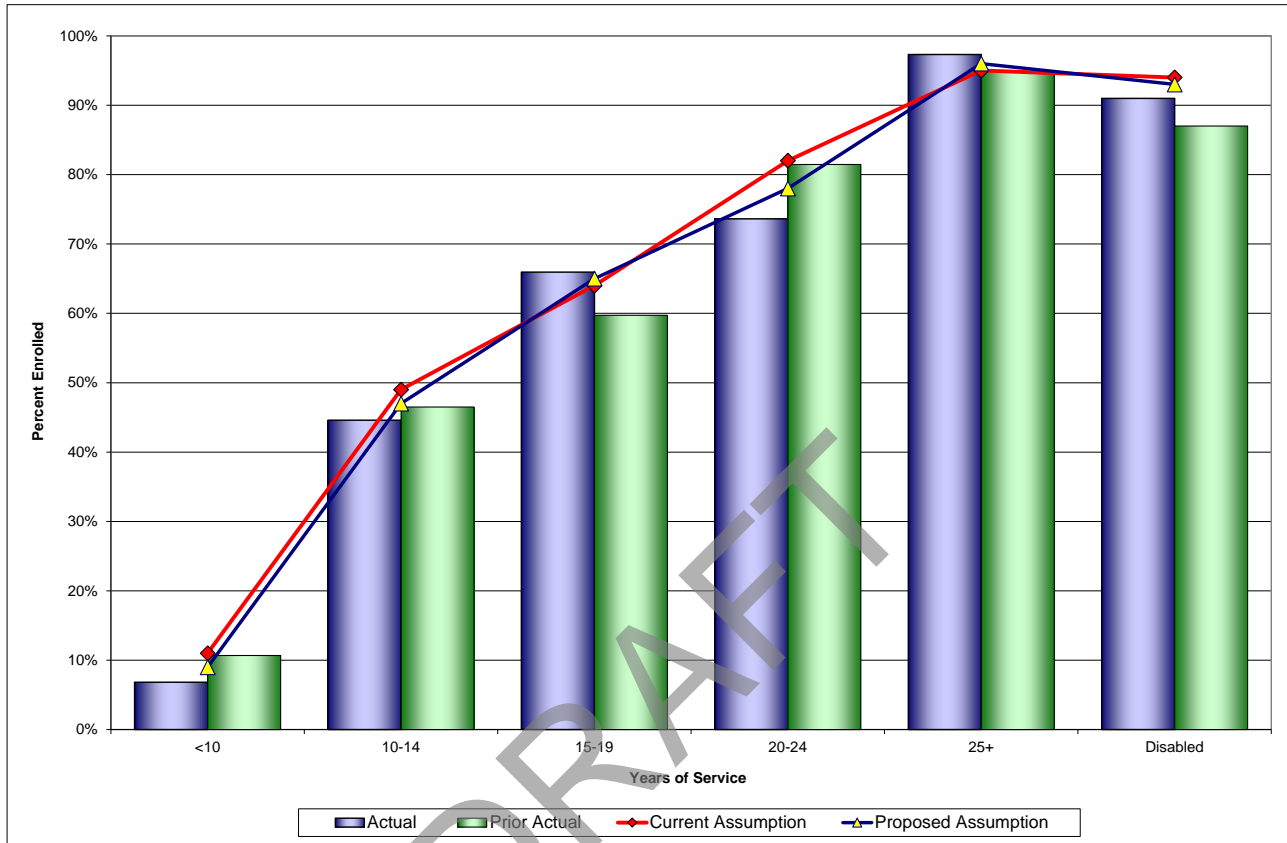
All Enrollees	Current Assumption	Actual
Total Count	3,180	3,154
Actual / Expected	99%	

**Exhibit 3-5  
 Initial Dental/Vision Enrollment – Females**



All Enrollees	Current Assumption	Actual
Total Count	4,099	4,133
Actual / Expected	101%	

**Exhibit 3-6**  
**Initial Dental/Vision Enrollment – Males and Females**



All Enrollees	Current Assumption	Actual	Proposed Assumption
Total Count	7,279	7,287	7,274
Actual / Expected	100%		100%

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This work product was prepared solely for LACERA for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.



## Section 4 Plan and Tier Selection



The plan and tier selection assumption is used to model the range of possible selections for new enrollees. In our July 1, 2017 OPEB valuation, the selections were indexed by deduction code and gender separately for pre-65 and post-65 enrollees. We include only Tier 1 members in this evaluation since there is not yet sufficient experience for Tier 2 members. To determine Tier 2 members plan and tier selection, we considered the fact that the Tier 2 benchmark is based on the Blue Cross III retiree only premium for Medicare-eligible retirees and that it is possible that more retirees could enroll in lower cost plans such as Kaiser or United Healthcare. We also considered the fact that the benchmarks are based on Blue Cross I and Blue Cross II premiums for all retirees of Tier 1 and non-Medicare eligible retirees of Tier 2. The Tier 2 benchmark is for the retiree-only tier and the Tier 1 benchmark is for the tier that the member selects.

### Medical Selection Upon Enrollment

Exhibits 4-1 and 4-2 examine the medical plan and tier selection separately for males and females who enrolled before age 65, between July 1, 2016 and June 30, 2018. The plan and tier options were constant throughout the study period. The actual experience is compared to the expected results, along with new proposed assumptions. When the proposed assumptions differ from the current assumptions, changes are highlighted in yellow. At the bottom of the exhibits, the total enrollment for the non-single tiers is totaled. This represents the probability of enrolling at least one dependent.

Exhibits 4-3 and 4-4 are similar to Exhibits 4-1 and 4-2, except that they focus on those who enrolled after age 65. The exhibits show that patterns for males and females are quite different. Based on this, we recommend continuing with separate assumptions for males and females.

### Dental/Vision Selection Upon Enrollment

Exhibit 4-5 examines the dental/vision plan and tier selection separately for males and females.

Similar to the medical exhibits, the dental/vision exhibits show that patterns for males and females are quite different, resulting in a recommendation for continuing with separate assumptions for males and females.

### Medical Selection for Pre-65 Retirees When They Reach Age 65

When pre-65 retirees reach age 65, they may migrate to a different plan and/or tier. Exhibit 4-6 compares the actual experience to expected results. Based on the updated experience and future expectations, we are recommending changes in the assumed migration patterns. Note that in many cases where retirees are not the same age as their spouses, retirees migrate from a tier with two pre-65 members to a tier where the pre and post-65 members have different plans. For our modeling purposes, we encompassed these into a pure post-65 tier. This is especially evident in the Kaiser plans.

Exhibit 4-1  
 Initial Medical Pre-65 Enrollment – Males

Non Local 1014 Firefighters Retirees

Deduction Code	Plan	Tier	Current Assumption	Prior Actual	Actual	Proposed Assumption Tier 1	Proposed Assumption Tier 2
201	Anthem Blue Cross Prudent Buyer Plan	Retiree Only	0.5%	0.6%	0.2%	0.5%	0.5%
202	Anthem Blue Cross Prudent Buyer Plan	Retiree and Spouse	1.5%	1.3%	0.2%	0.5%	0.5%
203	Anthem Blue Cross Prudent Buyer Plan	Retiree and Family	1.0%	1.0%	1.2%	1.0%	1.0%
204	Anthem Blue Cross Prudent Buyer Plan	Retiree and Children		0.1%			
205	Anthem Blue Cross Prudent Buyer Plan	Minor Survivor					
211	Anthem Blue Cross I	Retiree Only	0.5%	0.3%	0.1%	0.5%	0.5%
212	Anthem Blue Cross I	Retiree and Spouse		0.4%	0.1%		
213	Anthem Blue Cross I	Retiree, Spouse and Children	0.5%	0.2%	0.6%	0.5%	0.5%
214	Anthem Blue Cross I	Retiree and Children		0.1%	0.1%		
215	Anthem Blue Cross I	Minor Survivor					
221	Anthem Blue Cross II	Retiree Only	5.5%	5.4%	4.2%	4.5%	4.5%
222	Anthem Blue Cross II	Retiree and Spouse	14.0%	15.2%	10.1%	12.5%	12.5%
223	Anthem Blue Cross II	Retiree, Spouse and Children	10.5%	9.6%	14.0%	12.5%	12.5%
224	Anthem Blue Cross II	Retiree and Children	1.0%	0.8%	1.7%	1.5%	1.5%
225	Anthem Blue Cross II	Minor Survivor					
240	Anthem Blue Cross III	One Medicare		0.1%			
241	Anthem Blue Cross III	Retiree and Spouse 1 Medicare					
242	Anthem Blue Cross III	Retiree and Spouse 1 Medicare					
243	Anthem Blue Cross III	Retiree and Spouse 2 Medicare		0.1%			
244	Anthem Blue Cross III	Retiree and Children 1 Medicare					
245	Anthem Blue Cross III	Retiree and Children 1 Medicare			0.1%		
246	Anthem Blue Cross III	Retiree and Family 1 Medicare					
247	Anthem Blue Cross III	Retiree and Family 1 Medicare					
248	Anthem Blue Cross III	Retiree and Family 2 Medicare					
249	Anthem Blue Cross III	Retiree and Family 2 Medicare					
250	Anthem Blue Cross III	Retiree and Family 3 Medicare					
301	Cigna Network Model Plan	Retiree Only		0.2%	0.2%		
302	Cigna Network Model Plan	Retiree and Spouse		0.4%	0.3%	0.5%	0.5%
303	Cigna Network Model Plan	Retiree and Family		0.3%	0.1%		
304	Cigna Network Model Plan	Retiree and Children		0.1%			
305	Cigna Network Model Plan	Minor Survivor					
321	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree Only					
322	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse					
324	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse (Both Risk)					
325	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Children					
327	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (1 Medicare)					
329	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (2 Medicare)					
401	Kaiser (CA)	Retiree Basic (Under 65)	12.5%	12.5%	10.5%	12.0%	12.0%
402	Kaiser (CA)	Retiree Cost ("M" Coverage)					
403	Kaiser (CA)	Retiree Risk (Senior Advantage)			0.3%		
404	Kaiser (CA)	Retiree Excess I					
405	Kaiser (CA)	Retiree Excess II - Part B					
406	Kaiser (CA)	Excess III - Medicare Not Provided (MNP)					
411	Kaiser (CA)	Family Basic	36.0%	36.5%	32.1%	35.0%	35.0%
412	Kaiser (CA)	One Cost ("M" Coverage), Others Basic					
413	Kaiser (CA)	One Advantage, Others Basic			1.7%		
414	Kaiser (CA)	One Excess I, Others Basic					
415	Kaiser (CA)	Two+ Cost ("M" Coverage)					
416	Kaiser (CA)	One Advantage, One Cost ("M" Coverage)					
417	Kaiser (CA)	One Excess I, One Cost ("M" Coverage)					
418	Kaiser (CA)	Two+ Advantage		0.1%			
419	Kaiser (CA)	One Excess I, One Advantage					
420	Kaiser (CA)	Two+ Excess I					
421	Kaiser (CA)	Survivor		0.1%			
422	Kaiser (CA)	One Excess II - Part B, One Basic		0.2%			
423	Kaiser (CA)	One Excess III (MNP), One Basic			0.1%		
424	Kaiser (CA)	One Cost ("M" Coverage), One Excess II - Part B					
425	Kaiser (CA)	One Cost ("M" Coverage), One Excess III (MNP)					
426	Kaiser (CA)	One Risk, One Excess II - Part B					
427	Kaiser (CA)	One Risk, One Excess III (MNP)					
428	Kaiser (CA)	One Excess I, One Excess II - Part B					
429	Kaiser (CA)	One Excess I, One Excess III (MNP)					
430	Kaiser (CA)	Two Excess II - Part B					
431	Kaiser (CA)	One Excess II - Part B, One Excess III (MNP)					
432	Kaiser (CA)	Two Excess III - Both (MNP)					



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Exhibit 4-1  
 Initial Medical Pre-65 Enrollment – Males (continued)

Non Local 1014 Firefighters Retirees

Deduction Code	Plan	Tier	Current Assumption	Prior Actual *	Actual *	Proposed Assumption Tier 1	Proposed Assumption Tier 2
450	Kaiser - Colorado Basic	Retiree Basic					
451	Kaiser - Colorado	Retiree Risk					
452	Kaiser (Other)	Retiree Only					
453	Kaiser - Colorado	Retiree Basic (Two Party)					
454	Kaiser - Colorado	Retiree Basic Family			0.1%		
455	Kaiser - Colorado	One Risk, One Basic					
456	Kaiser (Other)	Retiree and Spouse					
457	Kaiser - Colorado	Two Retiree Risk					
458	Kaiser - Colorado	One Risk, Two or More Dependents					
459	Kaiser - Colorado	Two Risk, Two or More Dependents					
460	Kaiser (Other)	Retiree and Spouse					
440	Kaiser - Georgia	One Medicare Member with Part B only					
441	Kaiser - Georgia	One Medicare Member with Part A only					
442	Kaiser - Georgia	One Member without Medicare Part A&B					
443	Kaiser - Georgia	One Medicare Member (Renal Failure)					
444	Kaiser - Georgia	One Medicare Member + One Medicare with Part B only					
445	Kaiser - Georgia	One Medicare Member + One Medicare with Part A only					
446	Kaiser - Georgia	One Medicare Member + One Medicare without Part A&B					
461	Kaiser - Georgia Basic	Basic					
462	Kaiser - Georgia	Retiree Risk		0.1%			
463	Kaiser - Georgia	Retiree (Two Party)		0.1%	0.1%		
464	Kaiser - Georgia	Retiree Basic Family					
465	Kaiser - Georgia	One Retiree Risk, One Basic					
466	Kaiser - Georgia	Two Retiree Risk					
467	Kaiser - Georgia	One Retiree Risk, Two Retiree Basic					
468	Kaiser - Georgia	Two Retiree Risk, One Basic					
469	Kaiser - Georgia	Three Retiree Risk, One Basic					
470	Kaiser - Georgia	Any other Family, at least one Retiree Risk					
471	Kaiser - Hawaii	Retiree Basic (Under 65)		0.1%			
472	Kaiser - Hawaii	Retiree Risk					
473	Kaiser - Hawaii	Retiree Over 65 without Medicare A&B					
474	Kaiser - Hawaii Basic	Retiree Basic (Two Party)			0.1%		
475	Kaiser - Hawaii	Retiree Basic Family (Under 65)					
476	Kaiser - Hawaii	One Retiree Risk, One Basic					
477	Kaiser - Hawaii	Over 65 without Medicare A&B, One Basic					
478	Kaiser - Hawaii	Two Retiree Risk					
479	Kaiser - Hawaii	One Risk, One Over 65 without Medicare A&B					
481	Kaiser - Oregon	Retiree Basic (Under 65)					
482	Kaiser - Oregon	Retiree Risk					
483	Kaiser - Oregon	Retiree Over 65 unassigned Medicare A&B					
484	Kaiser - Oregon	Retiree Basic (Two Party)			0.1%		
485	Kaiser - Oregon Basic	Retiree Basic Family (Under 65)		0.1%			
486	Kaiser - Oregon	One Retiree Risk, One Basic					
487	Kaiser - Oregon	Retiree Cost					
488	Kaiser - Oregon	Two Retiree Risk					
489	Kaiser - Oregon	Retiree w/ Part A only					
490	Kaiser - Oregon	Retiree w/ Part B only					
491	Kaiser - Oregon	One Risk, One Medicare Part A only					
492	Kaiser - Oregon	One Risk, One Over 65 No Medicare					
493	Kaiser - Oregon	One Risk, Two Basic					
494	Kaiser - Oregon	Two Risk, One Basic					
495	Kaiser - Oregon	Two Over 65 Unassigned Medicare					
496	Kaiser - Oregon	Two Medicare Part A only					
497	Kaiser - Oregon	One Basic, One Medicare Part A only					
498	Kaiser - Oregon	One Basic, One over 65 unassigned Medicare A&B					
611	SCAN Health Plan	Retiree Only		0.1%			
613	SCAN Health Plan	Retiree & 1 Dependent (2 Medicare)					
701	United Healthcare Medicare Advantage	Retiree Only		0.1%			
702	United Healthcare Medicare Advantage	Retiree & 1 Dependent (1 Medicare)	0.5%	0.3%	0.5%	0.5%	0.5%
703	United Healthcare Medicare Advantage	Retiree & 1 Dependent (2 Medicare)			0.1%		
704	United Healthcare Medicare Advantage	Retiree & 2 + Deps. (1 Medicare)			0.2%		
705	United Healthcare Medicare Advantage	Retiree & 2 + Deps. (2 Medicare)					
706	United Healthcare Medicare Advantage	Minor Survivor					
707	United Healthcare	Single	3.5%	3.4%	3.6%	3.5%	3.5%
708	United Healthcare	Two-Party	7.0%	6.8%	7.4%	7.0%	7.0%
709	United Healthcare	Family	5.5%	3.3%	9.9%	7.5%	7.5%
<b>Total</b>			100.0%	100.0%	100.0%	100.0%	100.0%

Probability of enrolling at least one dependent	77.5%	76.9%	80.8%	79.0%	79.0%
Total New Enrollees		1,552	1,718		

\* May not total to 100% due to rounding.



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**Exhibit 4-1  
 Initial Medical Pre-65 Enrollment – Males (continued)**

**Firefighters Local 1014 Retirees**

Deduction Code	Plan	Tier	Current Assumption	Prior Actual *	Actual *	Proposed Assumption Tier 1	Proposed Assumption Tier 2
801	Firefighters Local 1014	Med-Member under 65	7.0%	5.1%	7.3%	7.0%	7.0%
802	Firefighters Local 1014	Med-Member +1 under 65	47.0%	55.0%	30.4%	39.0%	39.0%
803	Firefighters Local 1014	Med-Member +2 under 65	46.0%	38.4%	62.3%	54.0%	54.0%
804	Firefighters Local 1014	Med-Member with Medicare					
805	Firefighters Local 1014	Med-Member +1; 1 MDC		1.5%			
806	Firefighters Local 1014	Med-Member +1; 2 MDC					
807	Firefighters Local 1014	Med-Member +2; 1 MDC					
808	Firefighters Local 1014	Med-Member +2; 2 MDC					
809	Firefighters Local 1014	Med-Surv. Sp. Under 65					
810	Firefighters Local 1014	Med-Surv. Sp. +1 Under 65					
811	Firefighters Local 1014	Med-Surv. Sp. +2 Under 65					
812	Firefighters Local 1014	Med-Surv. Sp. With MDC					
813	Firefighters Local 1014	Med-Surv. Sp. +1 1 MDC					
814	Firefighters Local 1014	Med-Surv. Sp. +2; 1 MDC					
815	Firefighters Local 1014	Med-Surv. Sp. +1; 2 MDC					
<b>Total</b>			100.0%	100.0%	100.0%	100.0%	100.0%

<b>Probability of enrolling at least one dependent</b>	<b>93.0%</b>	<b>94.9%</b>	<b>92.7%</b>	<b>93.0%</b>	<b>93.0%</b>
<b>Total New Enrollees</b>		<b>221</b>	<b>276</b>		

\* May not total to 100% due to rounding.

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**Exhibit 4-2**  
**Initial Medical Pre-65 Enrollment – Females**

**Non Local 1014 Firefighters Retirees**

Deduction Code	Plan	Tier	Current Assumption	Prior Actual	Actual	Proposed Assumption Tier 1	Proposed Assumption Tier 2
201	Anthem Blue Cross Prudent Buyer Plan	Retiree Only	1.0%	1.1%	0.5%	0.5%	0.5%
202	Anthem Blue Cross Prudent Buyer Plan	Retiree and Spouse	0.5%	0.2%	0.2%	0.5%	0.5%
203	Anthem Blue Cross Prudent Buyer Plan	Retiree and Family			0.2%	0.5%	0.5%
204	Anthem Blue Cross Prudent Buyer Plan	Retiree and Children		0.2%	0.2%		
205	Anthem Blue Cross Prudent Buyer Plan	Minor Survivor					
211	Anthem Blue Cross I	Retiree Only	0.5%	1.0%	0.5%	0.5%	0.5%
212	Anthem Blue Cross I	Retiree and Spouse	0.5%	0.5%	0.2%	0.5%	0.5%
213	Anthem Blue Cross I	Retiree, Spouse and Children			0.1%		
214	Anthem Blue Cross I	Retiree and Children			0.2%		
215	Anthem Blue Cross I	Minor Survivor					
221	Anthem Blue Cross II	Retiree Only	8.0%	8.3%	7.2%	7.5%	7.5%
222	Anthem Blue Cross II	Retiree and Spouse	7.0%	6.7%	5.9%	6.5%	6.5%
223	Anthem Blue Cross II	Retiree, Spouse and Children	2.0%	1.1%	2.6%	2.5%	2.5%
224	Anthem Blue Cross II	Retiree and Children	1.0%	0.9%	1.5%	1.5%	1.5%
225	Anthem Blue Cross II	Minor Survivor					
240	Anthem Blue Cross III	One Medicare	0.5%	0.3%	0.2%	0.5%	0.5%
241	Anthem Blue Cross III	Retiree and Spouse 1 Medicare					
242	Anthem Blue Cross III	Retiree and Spouse 1 Medicare					
243	Anthem Blue Cross III	Retiree and Spouse 2 Medicare			0.1%		
244	Anthem Blue Cross III	Retiree and Children 1 Medicare					
245	Anthem Blue Cross III	Retiree and Children 1 Medicare					
246	Anthem Blue Cross III	Retiree and Family 1 Medicare					
247	Anthem Blue Cross III	Retiree and Family 1 Medicare		0.1%	0.2%		
248	Anthem Blue Cross III	Retiree and Family 2 Medicare					
249	Anthem Blue Cross III	Retiree and Family 2 Medicare					
250	Anthem Blue Cross III	Retiree and Family 3 Medicare					
301	Cigna Network Model Plan	Retiree Only		0.2%	0.2%		
302	Cigna Network Model Plan	Retiree and Spouse	0.5%		0.1%		
303	Cigna Network Model Plan	Retiree and Family					
304	Cigna Network Model Plan	Retiree and Children		0.1%	0.1%		
305	Cigna Network Model Plan	Minor Survivor					
321	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree Only					
322	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse					
324	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse (Both Risk)					
325	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Children					
327	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (1 Medicare)					
329	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (2 Medicare)					
401	Kaiser (CA)	Retiree Basic (Under 65)	31.0%	32.4%	26.4%	28.5%	28.5%
402	Kaiser (CA)	Retiree Cost ("M" Coverage)					
403	Kaiser (CA)	Retiree Risk (Senior Advantage)		0.5%	0.7%	0.5%	0.5%
404	Kaiser (CA)	Retiree Excess I			0.1%		
405	Kaiser (CA)	Retiree Excess II - Part B					
406	Kaiser (CA)	Excess III - Medicare Not Provided (MNP)					
411	Kaiser (CA)	Family Basic	30.0%	28.8%	22.8%	30.5%	30.5%
412	Kaiser (CA)	One Cost ("M" Coverage), Others Basic					
413	Kaiser (CA)	One Advantage, Others Basic			7.6%		
414	Kaiser (CA)	One Excess I, Others Basic			0.2%		
415	Kaiser (CA)	Two+ Cost ("M" Coverage)					
416	Kaiser (CA)	One Advantage, One Cost ("M" Coverage)					
417	Kaiser (CA)	One Excess I, One Cost ("M" Coverage)					
418	Kaiser (CA)	Two+ Advantage		0.3%	0.1%		
419	Kaiser (CA)	One Excess I, One Advantage					
420	Kaiser (CA)	Two+ Excess I					
421	Kaiser (CA)	Survivor					
422	Kaiser (CA)	One Excess II - Part B, One Basic		0.2%	0.2%		
423	Kaiser (CA)	One Excess III (MNP), One Basic					
424	Kaiser (CA)	One Cost ("M" Coverage), One Excess II - Part B					
425	Kaiser (CA)	One Cost ("M" Coverage), One Excess III (MNP)					
426	Kaiser (CA)	One Risk, One Excess II - Part B					
427	Kaiser (CA)	One Risk, One Excess III (MNP)					
428	Kaiser (CA)	One Excess I, One Excess II - Part B					
429	Kaiser (CA)	One Excess I, One Excess III (MNP)					
430	Kaiser (CA)	Two Excess II - Part B					
431	Kaiser (CA)	One Excess II - Part B, One Excess III (MNP)					
432	Kaiser (CA)	Two Excess III - Both (MNP)					

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Exhibit 4-2  
 Initial Medical Pre-65 Enrollment – Females (continued)

Non Local 1014 Firefighters Retirees

Deduction Code	Plan	Tier	Current Assumption	Prior Actual *	Actual *	Proposed Assumption Tier 1	Proposed Assumption Tier 2
450	Kaiser - Colorado Basic	Retiree Basic			0.2%		
451	Kaiser - Colorado	Retiree Risk					
452	Kaiser (Other)	Retiree Only					
453	Kaiser - Colorado	Retiree Basic (Two Party)					
454	Kaiser - Colorado	Retiree Basic Family					
455	Kaiser - Colorado	One Risk, One Basic					
456	Kaiser (Other)	Retiree and Spouse					
457	Kaiser - Colorado	Two Retiree Risk					
458	Kaiser - Colorado	One Risk, Two or More Dependents					
459	Kaiser - Colorado	Two Risk, Two or More Dependents					
460	Kaiser (Other)	Retiree and Spouse					
440	Kaiser - Georgia	One Medicare Member with Part B only					
441	Kaiser - Georgia	One Medicare Member with Part A only					
442	Kaiser - Georgia	One Member without Medicare Part A&B					
443	Kaiser - Georgia	One Medicare Member (Renal Failure)					
444	Kaiser - Georgia	One Medicare Member + One Medicare with Part B only					
445	Kaiser - Georgia	One Medicare Member + One Medicare with Part A only					
446	Kaiser - Georgia	One Medicare Member + One Medicare without Part A&B					
461	Kaiser - Georgia Basic	Basic		0.2%	0.1%		
462	Kaiser - Georgia	Retiree Risk					
463	Kaiser - Georgia	Retiree (Two Party)			0.1%		
464	Kaiser - Georgia	Retiree Basic Family					
465	Kaiser - Georgia	One Retiree Risk, One Basic					
466	Kaiser - Georgia	Two Retiree Risk					
467	Kaiser - Georgia	One Retiree Risk, Two Retiree Basic					
468	Kaiser - Georgia	Two Retiree Risk, One Basic					
469	Kaiser - Georgia	Three Retiree Risk, One Basic					
470	Kaiser - Georgia	Any other Family, at least one Retiree Risk					
471	Kaiser - Hawaii	Retiree Basic (Under 65)			0.1%		
472	Kaiser - Hawaii	Retiree Risk					
473	Kaiser - Hawaii	Retiree Over 65 without Medicare A&B					
474	Kaiser - Hawaii Basic	Retiree Basic (Two Party)					
475	Kaiser - Hawaii	Retiree Basic Family (Under 65)					
476	Kaiser - Hawaii	One Retiree Risk, One Basic					
477	Kaiser - Hawaii	Over 65 without Medicare A&B, One Basic					
478	Kaiser - Hawaii	Two Retiree Risk					
479	Kaiser - Hawaii	One Risk, One Over 65 without Medicare A&B					
481	Kaiser - Oregon	Retiree Basic (Under 65)		0.1%			
482	Kaiser - Oregon	Retiree Risk					
483	Kaiser - Oregon	Retiree Over 65 unassigned Medicare A&B					
484	Kaiser - Oregon	Retiree Basic (Two Party)					
485	Kaiser - Oregon Basic	Retiree Basic Family (Under 65)					
486	Kaiser - Oregon	One Retiree Risk, One Basic					
487	Kaiser - Oregon	Retiree Cost					
488	Kaiser - Oregon	Two Retiree Risk					
489	Kaiser - Oregon	Retiree w/ Part A only					
490	Kaiser - Oregon	Retiree w/ Part B only					
491	Kaiser - Oregon	One Risk, One Medicare Part A only					
492	Kaiser - Oregon	One Risk, One Over 65 No Medicare					
493	Kaiser - Oregon	One Risk, Two Basic					
494	Kaiser - Oregon	Two Risk, One Basic					
495	Kaiser - Oregon	Two Over 65 unassigned Medicare					
496	Kaiser - Oregon	Two Medicare Part A only					
497	Kaiser - Oregon	One Basic, One Medicare Part A only					
498	Kaiser - Oregon	One Basic, One over 65 unassigned Medicare A&B					
611	SCAN Health Plan	Retiree Only			0.1%		
613	SCAN Health Plan	Retiree & 1 Dependent (2 Medicare)					
701	United Healthcare Medicare Advantage	Retiree Only		0.1%	0.2%		
702	United Healthcare Medicare Advantage	Retiree & 1 Dependent (1 Medicare)	2.0%	1.8%	2.1%	2.0%	2.0%
703	United Healthcare Medicare Advantage	Retiree & 1 Dependent (2 Medicare)		0.1%	0.2%		
704	United Healthcare Medicare Advantage	Retiree & 2 + Deps. (1 Medicare)	0.5%	0.1%	0.4%	0.5%	0.5%
705	United Healthcare Medicare Advantage	Retiree & 2 + Deps. (2 Medicare)					
706	United Healthcare Medicare Advantage	Minor Survivor					
707	United Healthcare	Single	9.0%	9.5%	9.1%	9.0%	9.0%
708	United Healthcare	Two-Party	5.0%	4.1%	5.7%	5.5%	5.5%
709	United Healthcare	Family	1.0%	1.1%	3.4%	2.5%	2.5%
<b>Total</b>			100.0%	100.0%	100.0%	100.0%	100.0%

<b>Probability of enrolling at least one dependent</b>	<b>50.0%</b>	<b>46.3%</b>	<b>54.4%</b>	<b>53.0%</b>	<b>53.0%</b>
<b>Total New Enrollees</b>		<b>1,875</b>	<b>1,988</b>		

\* May not total to 100% due to rounding.



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**Exhibit 4-2  
 Initial Medical Pre-65 Enrollment – Females (continued)**

**Firefighters Local 1014 Retirees**

Deduction Code	Plan	Tier	Current Assumption	Prior Actual *	Actual *	Proposed Assumption Tier 1	Proposed Assumption Tier 2
801	Firefighters Local 1014	Med-Member under 65	7.0%		66.7%	7.0%	7.0%
802	Firefighters Local 1014	Med-Member +1 under 65	47.0%			39.0%	39.0%
803	Firefighters Local 1014	Med-Member +2 under 65	46.0%	20.0%	33.3%	54.0%	54.0%
804	Firefighters Local 1014	Med-Member with Medicare					
805	Firefighters Local 1014	Med-Member +1; 1 MDC		20.0%			
806	Firefighters Local 1014	Med-Member +1; 2 MDC					
807	Firefighters Local 1014	Med-Member +2; 1 MDC					
808	Firefighters Local 1014	Med-Member +2; 2 MDC					
809	Firefighters Local 1014	Med-Surv. Sp. Under 65					
810	Firefighters Local 1014	Med-Surv. Sp. +1 Under 65		60.0%			
811	Firefighters Local 1014	Med-Surv. Sp. +2 Under 65					
812	Firefighters Local 1014	Med-Surv. Sp. With MDC					
813	Firefighters Local 1014	Med-Surv. Sp. +1 1 MDC					
814	Firefighters Local 1014	Med-Surv. Sp. +2; 1 MDC					
815	Firefighters Local 1014	Med-Surv. Sp. +1; 2 MDC					
<b>Total</b>			100.0%	100.0%	100.0%	100.0%	100.0%

<b>Probability of enrolling at least one dependent</b>	<b>93.0%</b>	<b>40.0%</b>	<b>33.3%</b>	<b>93.0%</b>	<b>93.0%</b>
<b>Total New Enrollees</b>		<b>0</b>	<b>3</b>		

\* May not total to 100% due to rounding.

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Exhibit 4-3  
 Initial Medical Post-65 Enrollment – Males

Non Local 1014 Firefighters Retirees

Deduction Code	Plan	Tier	Current Assumption	Prior Actual	Actual	Proposed Assumption Tier 1	Proposed Assumption Tier 2
201	Anthem Blue Cross Prudent Buyer Plan	Retiree Only		0.2%	0.1%		
202	Anthem Blue Cross Prudent Buyer Plan	Retiree and Spouse		0.2%	0.1%		
203	Anthem Blue Cross Prudent Buyer Plan	Retiree and Family		0.1%	0.1%		
204	Anthem Blue Cross Prudent Buyer Plan	Retiree and Children					
205	Anthem Blue Cross Prudent Buyer Plan	Minor Survivor					
211	Anthem Blue Cross I	Retiree Only			0.2%	0.5%	
212	Anthem Blue Cross I	Retiree and Spouse		0.2%			
213	Anthem Blue Cross I	Retiree, Spouse and Children					
214	Anthem Blue Cross I	Retiree and Children					
215	Anthem Blue Cross I	Minor Survivor					
221	Anthem Blue Cross II	Retiree Only	1.0%	1.2%	0.8%	1.0%	
222	Anthem Blue Cross II	Retiree and Spouse	3.5%	3.3%	2.4%	2.5%	
223	Anthem Blue Cross II	Retiree, Spouse and Children	1.0%	0.8%	0.9%	1.0%	
224	Anthem Blue Cross II	Retiree and Children		0.1%	0.2%	0.5%	
225	Anthem Blue Cross II	Minor Survivor					
240	Anthem Blue Cross III	One Medicare	6.5%	6.0%	7.2%	7.0%	8.5%
241	Anthem Blue Cross III	Retiree and Spouse 1 Medicare		0.2%	0.2%		
242	Anthem Blue Cross III	Retiree and Spouse 1 Medicare	6.5%	6.3%	5.3%	5.5%	8.0%
243	Anthem Blue Cross III	Retiree and Spouse 2 Medicare	6.5%	6.6%	7.1%	7.0%	7.0%
244	Anthem Blue Cross III	Retiree and Children 1 Medicare		0.1%			
245	Anthem Blue Cross III	Retiree and Children 1 Medicare	0.5%	0.3%	0.4%	0.5%	1.0%
246	Anthem Blue Cross III	Retiree and Family 1 Medicare		0.1%			
247	Anthem Blue Cross III	Retiree and Family 1 Medicare		1.1%	1.2%	1.0%	2.0%
248	Anthem Blue Cross III	Retiree and Family 2 Medicare			0.1%		
249	Anthem Blue Cross III	Retiree and Family 2 Medicare		0.2%	0.5%	0.5%	0.5%
250	Anthem Blue Cross III	Retiree and Family 3 Medicare		0.1%	0.3%	0.5%	0.5%
301	Cigna Network Model Plan	Retiree Only		0.1%	0.1%		
302	Cigna Network Model Plan	Retiree and Spouse		0.2%	0.1%		
303	Cigna Network Model Plan	Retiree and Family					
304	Cigna Network Model Plan	Retiree and Children					
305	Cigna Network Model Plan	Minor Survivor					
321	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree Only					
322	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse			0.1%		
324	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse (Both Risk)					
325	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Children					
327	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (1 Medicare)					
329	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (2 Medicare)					
401	Kaiser (CA)	Retiree Basic (Under 65)		1.9%	1.2%		
402	Kaiser (CA)	Retiree Cost ("M" Coverage)					
403	Kaiser (CA)	Retiree Risk (Senior Advantage)	20.0%	15.8%	17.1%	18.0%	19.5%
404	Kaiser (CA)	Retiree Excess I	1.0%	0.6%	0.3%	0.5%	
405	Kaiser (CA)	Retiree Excess II - Part B	2.0%	1.1%	1.2%	1.0%	
406	Kaiser (CA)	Excess III - Medicare Not Provided (MNP)			0.1%		
411	Kaiser (CA)	Family Basic		1.8%	2.0%		
412	Kaiser (CA)	One Cost ("M" Coverage), Others Basic					
413	Kaiser (CA)	One Advantage, Others Basic	19.5%	20.9%	21.5%	21.0%	22.5%
414	Kaiser (CA)	One Excess I, Others Basic	1.0%	0.6%	0.3%	0.5%	
415	Kaiser (CA)	Two+ Cost ("M" Coverage)					
416	Kaiser (CA)	One Advantage, One Cost ("M" Coverage)					
417	Kaiser (CA)	One Excess I, One Cost ("M" Coverage)					
418	Kaiser (CA)	Two+ Advantage	14.0%	13.7%	13.1%	16.0%	16.0%
419	Kaiser (CA)	One Excess I, One Advantage	0.5%	0.1%	0.1%		
420	Kaiser (CA)	Two+ Excess I	0.5%	0.2%			
421	Kaiser (CA)	Survivor					
422	Kaiser (CA)	One Excess II - Part B, One Basic	2.0%	1.5%	0.9%	1.0%	
423	Kaiser (CA)	One Excess III (MNP), One Basic	1.0%				
424	Kaiser (CA)	One Cost ("M" Coverage), One Excess II - Part B					
425	Kaiser (CA)	One Cost ("M" Coverage), One Excess III (MNP)					
426	Kaiser (CA)	One Risk, One Excess II - Part B					
427	Kaiser (CA)	One Risk, One Excess III (MNP)		0.2%			
428	Kaiser (CA)	One Excess I, One Excess II - Part B					
429	Kaiser (CA)	One Excess I, One Excess III (MNP)					
430	Kaiser (CA)	Two Excess II - Part B		0.2%	0.2%		
431	Kaiser (CA)	One Excess II - Part B, One Excess III (MNP)					
432	Kaiser (CA)	Two Excess III - Both (MNP)		0.1%			

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**Exhibit 4-3  
 Initial Medical Post-65 Enrollment – Males (continued)**

**Non Local 1014 Firefighters Retirees**

Deduction Code	Plan	Tier	Current Assumption	Prior Actual *	Actual *	Proposed Assumption Tier 1	Proposed Assumption Tier 2
450	Kaiser - Colorado Basic	Retiree Basic					
451	Kaiser - Colorado	Retiree Risk					
452	Kaiser (Other)	Retiree Only					
453	Kaiser - Colorado	Retiree Basic (Two Party)					
454	Kaiser - Colorado	Retiree Basic Family					
455	Kaiser - Colorado	One Risk, One Basic					
456	Kaiser (Other)	Retiree and Spouse					
457	Kaiser - Colorado	Two Retiree Risk					
458	Kaiser - Colorado	One Risk, Two or More Dependents					
459	Kaiser - Colorado	Two Risk, Two or More Dependents					
460	Kaiser (Other)	Retiree and Spouse					
440	Kaiser - Georgia	One Medicare Member with Part B only					
441	Kaiser - Georgia	One Medicare Member with Part A only					
442	Kaiser - Georgia	One Member without Medicare Part A&B		0.1%			
443	Kaiser - Georgia	One Medicare Member (Renal Failure)					
444	Kaiser - Georgia	One Medicare Member + One Medicare with Part B only					
445	Kaiser - Georgia	One Medicare Member + One Medicare with Part A only					
446	Kaiser - Georgia	One Medicare Member + One Medicare without Part A&B					
461	Kaiser - Georgia Basic	Basic					
462	Kaiser - Georgia	Retiree Risk					
463	Kaiser - Georgia	Retiree (Two Party)					
464	Kaiser - Georgia	Retiree Basic Family		0.1%			
465	Kaiser - Georgia	One Retiree Risk, One Basic					
466	Kaiser - Georgia	Two Retiree Risk					
467	Kaiser - Georgia	One Retiree Risk, Two Retiree Basic					
468	Kaiser - Georgia	Two Retiree Risk, One Basic					
469	Kaiser - Georgia	Three Retiree Risk, One Basic					
470	Kaiser - Georgia	Any other Family, at least one Retiree Risk					
471	Kaiser - Hawaii	Retiree Basic (Under 65)					
472	Kaiser - Hawaii	Retiree Risk					
473	Kaiser - Hawaii	Retiree Over 65 without Medicare A&B					
474	Kaiser - Hawaii Basic	Retiree Basic (Two Party)					
475	Kaiser - Hawaii	Retiree Basic Family (Under 65)					
476	Kaiser - Hawaii	One Retiree Risk, One Basic					
477	Kaiser - Hawaii	Over 65 without Medicare A&B, One Basic					
478	Kaiser - Hawaii	Two Retiree Risk					
479	Kaiser - Hawaii	One Risk, One Over 65 without Medicare A&B					
481	Kaiser - Oregon	Retiree Basic (Under 65)					
482	Kaiser - Oregon	Retiree Risk					
483	Kaiser - Oregon	Retiree Over 65 unassigned Medicare A&B					
484	Kaiser - Oregon	Retiree Basic (Two Party)					
485	Kaiser - Oregon Basic	Retiree Basic Family (Under 65)					
486	Kaiser - Oregon	One Retiree Risk, One Basic					
487	Kaiser - Oregon	Retiree Cost					
488	Kaiser - Oregon	Two Retiree Risk		0.1%	0.1%		
489	Kaiser - Oregon	Retiree w/ Part A only					
490	Kaiser - Oregon	Retiree w/ Part B only					
491	Kaiser - Oregon	One Risk, One Medicare Part A only					
492	Kaiser - Oregon	One Risk, One Over 65 No Medicare					
493	Kaiser - Oregon	One Risk, Two Basic					
494	Kaiser - Oregon	Two Risk, One Basic					
495	Kaiser - Oregon	Two Over 65 unassigned Medicare					
496	Kaiser - Oregon	Two Medicare Part A only					
497	Kaiser - Oregon	One Basic, One Medicare Part A only					
498	Kaiser - Oregon	One Basic, One over 65 unassigned Medicare A&B					
611	SCAN Health Plan	Retiree Only	0.5%	0.2%	0.3%	0.5%	0.5%
613	SCAN Health Plan	Retiree & 1 Dependent (2 Medicare)	0.5%	0.7%	0.4%	0.5%	0.5%
701	United Healthcare Medicare Advantage	Retiree Only	3.0%	3.2%	4.2%	4.0%	4.0%
702	United Healthcare Medicare Advantage	Retiree & 1 Dependent (1 Medicare)	3.5%	3.8%	4.6%	4.5%	4.5%
703	United Healthcare Medicare Advantage	Retiree & 1 Dependent (2 Medicare)	3.5%	3.9%	3.1%	3.0%	3.0%
704	United Healthcare Medicare Advantage	Retiree & 2 + Deps. (1 Medicare)	1.5%	1.6%	1.6%	1.5%	1.5%
705	United Healthcare Medicare Advantage	Retiree & 2 + Deps. (2 Medicare)	0.5%	0.2%	0.3%	0.5%	0.5%
706	United Healthcare Medicare Advantage	Minor Survivor					
707	United Healthcare	Single					
708	United Healthcare	Two-Party					
709	United Healthcare	Family					
<b>Total</b>			100.0%	100.0%	100.0%	100.0%	100.0%

<b>Probability of enrolling at least one dependent</b>	<b>66.0%</b>	<b>69.5%</b>	<b>67.1%</b>	<b>67.5%</b>	<b>67.5%</b>
<b>Total New Enrollees</b>		<b>1,003</b>	<b>1,117</b>		

\* May not total to 100% due to rounding.

**Exhibit 4-3  
 Initial Medical Post-65 Enrollment – Males (continued)**

**Firefighters Local 1014 Retirees**

Deduction Code	Plan	Tier	Current Assumption	Prior Actual *	Actual *	Proposed Assumption Tier 1	Proposed Assumption Tier 2
801	Firefighters Local 1014	Med-Member under 65					
802	Firefighters Local 1014	Med-Member +1 under 65					
803	Firefighters Local 1014	Med-Member +2 under 65					
804	Firefighters Local 1014	Med-Member with Medicare	7.0%			7.0%	7.0%
805	Firefighters Local 1014	Med-Member +1; 1 MDC			50.0%		
806	Firefighters Local 1014	Med-Member +1; 2 MDC	47.0%		16.7%	39.0%	39.0%
807	Firefighters Local 1014	Med-Member +2; 1 MDC			33.3%		
808	Firefighters Local 1014	Med-Member +2; 2 MDC	46.0%			54.0%	54.0%
809	Firefighters Local 1014	Med-Surv. Sp. Under 65					
810	Firefighters Local 1014	Med-Surv. Sp. +1 Under 65					
811	Firefighters Local 1014	Med-Surv. Sp. +2 Under 65					
812	Firefighters Local 1014	Med-Surv. Sp. With MDC					
813	Firefighters Local 1014	Med-Surv. Sp. +1 1 MDC					
814	Firefighters Local 1014	Med-Surv. Sp. +2; 1 MDC					
815	Firefighters Local 1014	Med-Surv. Sp. +1; 2 MDC					
<b>Total</b>			100.0%	0.0%	100.0%	100.0%	100.0%

<b>Probability of enrolling at least one dependent</b>	<b>93.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>93.0%</b>	<b>93.0%</b>
<b>Total New Enrollees</b>		<b>6</b>	<b>6</b>		

\* May not total to 100% due to rounding.

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Exhibit 4-4  
 Initial Medical Post-65 Enrollment – Females

Non Local 1014 Firefighters Retirees

Deduction Code	Plan	Tier	Current Assumption	Prior Actual	Actual	Proposed Assumption Tier 1	Proposed Assumption Tier 2
201	Anthem Blue Cross Prudent Buyer Plan	Retiree Only		0.4%	0.1%		
202	Anthem Blue Cross Prudent Buyer Plan	Retiree and Spouse		0.1%			
203	Anthem Blue Cross Prudent Buyer Plan	Retiree and Family					
204	Anthem Blue Cross Prudent Buyer Plan	Retiree and Children					
205	Anthem Blue Cross Prudent Buyer Plan	Minor Survivor					
211	Anthem Blue Cross I	Retiree Only	0.5%	0.2%	0.1%		
212	Anthem Blue Cross I	Retiree and Spouse		0.2%			
213	Anthem Blue Cross I	Retiree, Spouse and Children					
214	Anthem Blue Cross I	Retiree and Children					
215	Anthem Blue Cross I	Minor Survivor					
221	Anthem Blue Cross II	Retiree Only	2.0%	1.5%	1.6%	1.5%	
222	Anthem Blue Cross II	Retiree and Spouse	1.0%	0.5%	0.8%	1.0%	
223	Anthem Blue Cross II	Retiree, Spouse and Children			0.1%		
224	Anthem Blue Cross II	Retiree and Children					
225	Anthem Blue Cross II	Minor Survivor					
240	Anthem Blue Cross III	One Medicare	10.5%	10.5%	11.8%	11.5%	13.0%
241	Anthem Blue Cross III	Retiree and Spouse 1 Medicare		0.1%	0.1%		
242	Anthem Blue Cross III	Retiree and Spouse 2 Medicare	1.0%	0.9%	1.2%	1.0%	2.0%
243	Anthem Blue Cross III	Retiree and Spouse 1 Medicare	4.0%	3.7%	4.5%	4.5%	4.5%
244	Anthem Blue Cross III	Retiree and Children 1 Medicare		0.1%	0.1%		
245	Anthem Blue Cross III	Retiree and Children 2 Medicare		0.1%	0.1%		
246	Anthem Blue Cross III	Retiree and Family 1 Medicare					
247	Anthem Blue Cross III	Retiree and Family 2 Medicare			0.1%		
248	Anthem Blue Cross III	Retiree and Family 3 Medicare					
249	Anthem Blue Cross III	Retiree and Family 4 Medicare		0.2%	0.1%		
250	Anthem Blue Cross III	Retiree and Family 5 Medicare					
301	Cigna Network Model Plan	Retiree Only		0.1%			
302	Cigna Network Model Plan	Retiree and Spouse					
303	Cigna Network Model Plan	Retiree and Family					
304	Cigna Network Model Plan	Retiree and Children					
305	Cigna Network Model Plan	Minor Survivor					
321	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree Only					
322	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse					
324	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse (Both Risk)					
325	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Children					
327	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (1 Medicare)					
329	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (2 Medicare)					
401	Kaiser (CA)	Retiree Basic (Under 65)		3.4%	2.9%		
402	Kaiser (CA)	Retiree Cost ("M" Coverage)					
403	Kaiser (CA)	Retiree Risk (Senior Advantage)	39.5%	37.2%	34.1%	38.5%	42.0%
404	Kaiser (CA)	Retiree Excess I	2.0%	1.3%	0.8%	1.0%	
405	Kaiser (CA)	Retiree Excess II - Part B	3.0%	1.8%	2.7%	2.5%	
406	Kaiser (CA)	Excess III - Medicare Not Provided (MNP)					
411	Kaiser (CA)	Family Basic		0.4%	0.7%		
412	Kaiser (CA)	One Cost ("M" Coverage), Others Basic					
413	Kaiser (CA)	One Advantage, Others Basic	4.5%	5.1%	4.9%	5.0%	5.5%
414	Kaiser (CA)	One Excess I, Others Basic		0.2%	0.1%		
415	Kaiser (CA)	Two+ Cost ("M" Coverage)					
416	Kaiser (CA)	One Advantage, One Cost ("M" Coverage)					
417	Kaiser (CA)	One Excess I, One Cost ("M" Coverage)					
418	Kaiser (CA)	Two+ Advantage	15.5%	15.7%	15.9%	16.5%	17.0%
419	Kaiser (CA)	One Excess I, One Advantage	0.5%	0.1%	0.1%		
420	Kaiser (CA)	Two+ Excess I					
421	Kaiser (CA)	Survivor					
422	Kaiser (CA)	One Excess II - Part B, One Basic	0.5%	0.3%	0.5%	0.5%	
423	Kaiser (CA)	One Excess III (MNP), One Basic					
424	Kaiser (CA)	One Cost ("M" Coverage), One Excess II - Part B					
425	Kaiser (CA)	One Cost ("M" Coverage), One Excess III (MNP)					
426	Kaiser (CA)	One Risk, One Excess II - Part B		0.2%	0.2%	0.5%	
427	Kaiser (CA)	One Risk, One Excess III (MNP)		0.1%			
428	Kaiser (CA)	One Excess I, One Excess II - Part B					
429	Kaiser (CA)	One Excess I, One Excess III (MNP)					
430	Kaiser (CA)	Two Excess II - Part B		0.1%			
431	Kaiser (CA)	One Excess II - Part B, One Excess III (MNP)					
432	Kaiser (CA)	Two Excess III - Both (MNP)					



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**Exhibit 4-4  
 Initial Medical Post-65-Enrollment – Females (continued)**

**Non Local 1014 Firefighters Retirees**

Deduction Code	Plan	Tier	Current Assumption	Prior Actual *	Actual *	Proposed Assumption Tier 1	Proposed Assumption Tier 2
450	Kaiser - Colorado Basic	Retiree Basic			0.1%		
451	Kaiser - Colorado	Retiree Risk					
452	Kaiser (Other)	Retiree Only					
453	Kaiser - Colorado	Retiree Basic (Two Party)					
454	Kaiser - Colorado	Retiree Basic Family					
455	Kaiser - Colorado	One Risk, One Basic					
456	Kaiser (Other)	Retiree and Spouse					
457	Kaiser - Colorado	Two Retiree Risk		0.1%			
458	Kaiser - Colorado	One Risk, Two or More Dependents					
459	Kaiser - Colorado	Two Risk, Two or More Dependents					
460	Kaiser (Other)	Retiree and Spouse					
440	Kaiser - Georgia	One Medicare Member with Part B only					
441	Kaiser - Georgia	One Medicare Member with Part A only					
442	Kaiser - Georgia	One Member without Medicare Part A&B		0.1%			
443	Kaiser - Georgia	One Medicare Member (Renal Failure)					
444	Kaiser - Georgia	One Medicare Member + One Medicare with Part B only					
445	Kaiser - Georgia	One Medicare Member + One Medicare with Part A only					
446	Kaiser - Georgia	One Medicare Member + One Medicare without Part A&B					
461	Kaiser - Georgia Basic	Basic					
462	Kaiser - Georgia	Retiree Risk		0.1%			
463	Kaiser - Georgia	Retiree (Two Party)					
464	Kaiser - Georgia	Retiree Basic Family					
465	Kaiser - Georgia	One Retiree Risk, One Basic					
466	Kaiser - Georgia	Two Retiree Risk					
467	Kaiser - Georgia	One Retiree Risk, Two Retiree Basic					
468	Kaiser - Georgia	Two Retiree Risk, One Basic					
469	Kaiser - Georgia	Three Retiree Risk, One Basic					
470	Kaiser - Georgia	Any other Family, at least one Retiree Risk					
471	Kaiser - Hawaii	Retiree Basic (Under 65)					
472	Kaiser - Hawaii	Retiree Risk					
473	Kaiser - Hawaii	Retiree Over 65 without Medicare A&B					
474	Kaiser - Hawaii Basic	Retiree Basic (Two Party)					
475	Kaiser - Hawaii	Retiree Basic Family (Under 65)					
476	Kaiser - Hawaii	One Retiree Risk, One Basic					
477	Kaiser - Hawaii	Over 65 without Medicare A&B, One Basic					
478	Kaiser - Hawaii	Two Retiree Risk					
479	Kaiser - Hawaii	One Risk, One Over 65 without Medicare A&B					
481	Kaiser - Oregon	Retiree Basic (Under 65)					
482	Kaiser - Oregon	Retiree Risk					
483	Kaiser - Oregon	Retiree Over 65 unassigned Medicare A&B					
484	Kaiser - Oregon	Retiree Basic (Two Party)					
485	Kaiser - Oregon Basic	Retiree Basic Family (Under 65)					
486	Kaiser - Oregon	One Retiree Risk, One Basic					
487	Kaiser - Oregon	Retiree Cost					
488	Kaiser - Oregon	Two Retiree Risk					
489	Kaiser - Oregon	Retiree w/ Part A only					
490	Kaiser - Oregon	Retiree w/ Part B only					
491	Kaiser - Oregon	One Risk, One Medicare Part A only					
492	Kaiser - Oregon	One Risk, One Over 65 No Medicare					
493	Kaiser - Oregon	One Risk, Two Basic					
494	Kaiser - Oregon	Two Risk, One Basic					
495	Kaiser - Oregon	Two Over 65 unassigned Medicare					
496	Kaiser - Oregon	Two Medicare Part A only					
497	Kaiser - Oregon	One Basic, One Medicare Part A only					
498	Kaiser - Oregon	One Basic, One over 65 unassigned Medicare A&B					
611	SCAN Health Plan	Retiree Only	1.0%	0.6%	0.8%	1.0%	1.0%
613	SCAN Health Plan	Retiree & 1 Dependent (2 Medicare)	0.5%	0.4%	0.5%	0.5%	0.5%
701	United Healthcare Medicare Advantage	Retiree Only	9.5%	9.5%	9.3%	9.5%	9.5%
702	United Healthcare Medicare Advantage	Retiree & 1 Dependent (1 Medicare)	1.0%	1.2%	1.3%	1.0%	1.0%
703	United Healthcare Medicare Advantage	Retiree & 1 Dependent (2 Medicare)	3.5%	3.2%	4.0%	4.0%	4.0%
704	United Healthcare Medicare Advantage	Retiree & 2 + Deps. (1 Medicare)		0.1%	0.2%		
705	United Healthcare Medicare Advantage	Retiree & 2 + Deps. (2 Medicare)		0.1%	0.2%		
706	United Healthcare Medicare Advantage	Minor Survivor					
707	United Healthcare	Single		0.1%			
708	United Healthcare	Two-Party					
709	United Healthcare	Family					
<b>Total</b>			100.0%	100.0%	100.0%	100.0%	100.0%

<b>Probability of enrolling at least one dependent</b>	<b>32.0%</b>	<b>33.2%</b>	<b>35.7%</b>	<b>34.5%</b>	<b>34.5%</b>
<b>Total New Enrollees</b>		<b>1,709</b>	<b>2,046</b>		

\* May not total to 100% due to rounding.



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**Exhibit 4-4  
 Initial Medical Post-65-Enrollment – Females (continued)**

**Firefighters Local 1014 Retirees**

Deduction Code	Plan	Tier	Current Assumption	Prior Actual *	Actual *	Proposed Assumption Tier 1	Proposed Assumption Tier 2
801	Firefighters Local 1014	Med-Member under 65					
802	Firefighters Local 1014	Med-Member +1 under 65					
803	Firefighters Local 1014	Med-Member +2 under 65					
804	Firefighters Local 1014	Med-Member with Medicare	7.0%		50.0%	7.0%	7.0%
805	Firefighters Local 1014	Med-Member +1; 1 MDC			50.0%		
806	Firefighters Local 1014	Med-Member +1; 2 MDC	47.0%			39.0%	39.0%
807	Firefighters Local 1014	Med-Member +2; 1 MDC					
808	Firefighters Local 1014	Med-Member +2; 2 MDC	46.0%			54.0%	54.0%
809	Firefighters Local 1014	Med-Surv. Sp. Under 65					
810	Firefighters Local 1014	Med-Surv. Sp. +1 Under 65					
811	Firefighters Local 1014	Med-Surv. Sp. +2 Under 65					
812	Firefighters Local 1014	Med-Surv. Sp. With MDC					
813	Firefighters Local 1014	Med-Surv. Sp. +1 1 MDC					
814	Firefighters Local 1014	Med-Surv. Sp. +2; 1 MDC					
815	Firefighters Local 1014	Med-Surv. Sp. +1; 2 MDC					
<b>Total</b>			100.0%	0.0%	100.0%	100.0%	100.0%

<b>Probability of enrolling at least one dependent</b>	<b>93.0%</b>	<b>0.0%</b>	<b>50.0%</b>	<b>93.0%</b>	<b>93.0%</b>
<b>Total New Enrollees</b>		<b>3</b>	<b>2</b>		

\* May not total to 100% due to rounding.

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**Exhibit 4-5  
 Initial Dental/Vision Enrollment**

Tier Deduction Code	CIGNA Indemnity Dental/Vision			CIGNA HMO Dental/Vision		
	Retiree Only	Retiree and Dependents	Survivor	Retiree Only	Retiree and Dependents	Survivor
	501	502	503	901	902	903
<b>Current Assumption Percentage:</b>						
Males	20%	67%	0%	4%	9%	0%
Females	46%	39%	0%	9%	6%	0%

**Prior Actual:**

Tier Deduction Code	Cigna Indemnity Dental/Vision			CIGNA HMO Dental/Vision		
	Retiree Only	Retiree and Dependents	Survivor	Retiree Only	Retiree and Dependents	Survivor
	501	502	503	901	902	903
Male						
Count	540	1,911	0	100	243	0
Percentage	19.3%	68.4%	0.0%	3.6%	8.7%	0.0%
Female						
Count	1,711	1,446	0	316	201	0
Percentage	46.6%	39.3%	0.0%	8.6%	5.5%	0.0%

**Actual:**

Tier Deduction Code	Cigna Indemnity Dental/Vision			CIGNA HMO Dental/Vision		
	Retiree Only	Retiree and Dependents	Survivor	Retiree Only	Retiree and Dependents	Survivor
	501	502	503	901	902	903
Male						
Count	590	2,178	0	119	267	0
Percentage	18.7%	69.0%	0.0%	3.8%	8.5%	0.0%
Female						
Count	1,874	1,718	0	321	220	0
Percentage	45.3%	41.6%	0.0%	7.8%	5.3%	0.0%

**Proposed Assumption Percentage:**

Tier Deduction Code	Cigna Indemnity Dental/Vision			CIGNA HMO Dental/Vision		
	Retiree Only	Retiree and Dependents	Survivor	Retiree Only	Retiree and Dependents	Survivor
	501	502	503	901	902	903
Male	19%	68%	0%	4%	9%	0%
Female	46%	40%	0%	8%	6%	0%



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## Section 5 Retirement of Vested Terminated Members



The exhibits in this section present comparisons of actual retirements from vested terminated status during the five-year period ending June 30, 2018 with those expected to retire according to the actuarial assumptions used in our 2017 OPEB valuation.

### Assumption Format

- Age – We recommend that the current format based on age is maintained.
- Since the experience for this assumption is somewhat limited, we have not differentiated this assumption by gender.

Experience was examined separately for the General retirement Plans A-D, General Plan E, and the Safety Plans, due to different retirement eligibility provisions. There is insufficient data to separately analyze experience for General Plan G and Safety Plan C. We recommend these plans use the same assumptions as General Plan D and Safety Plan B respectively.

### Results and Recommendations

Over the five year period ended June 30, 2018, retirements from vested terminated status were slightly lower than our assumptions. In addition, there has been some variation in the retirement patterns by age compared to our assumptions. Based on this, we are recommending adjustments to the age based rates to bring the actual to expected ratios closer to 100%. The table below summarizes the results which are presented by age on Exhibits 5-1, 5-2, and 5-3.

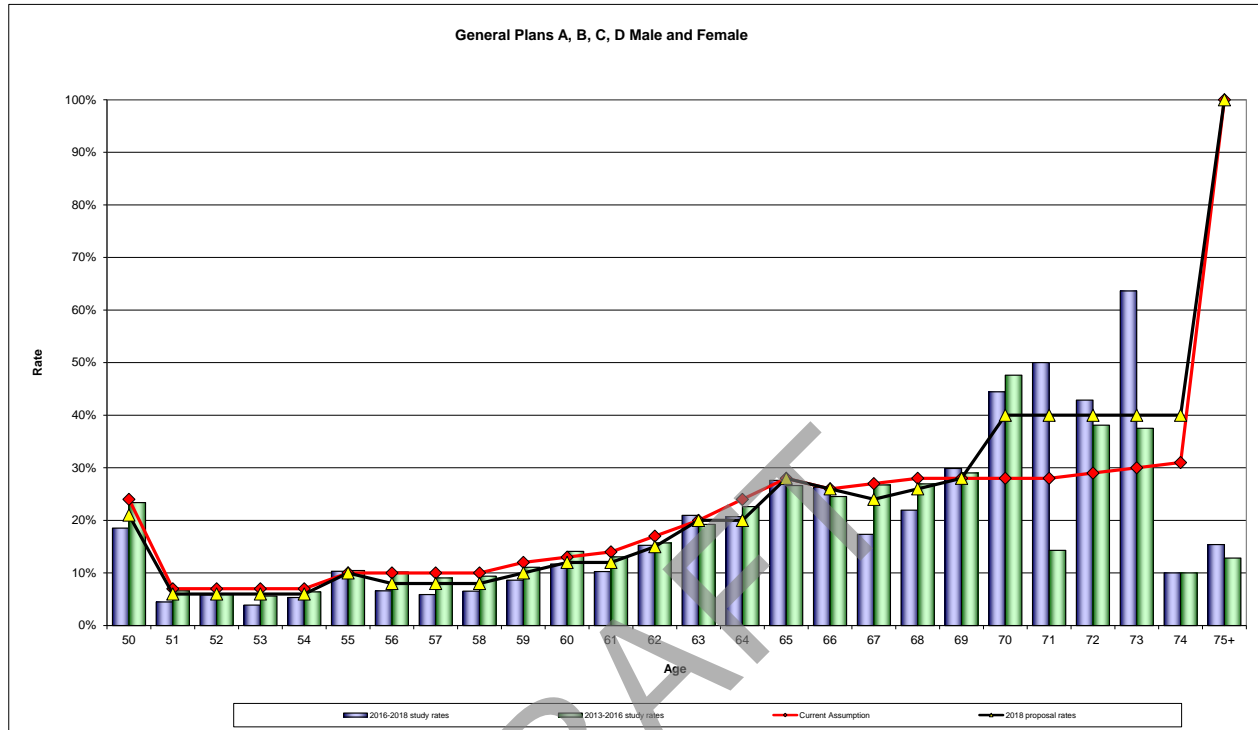
We recommend these assumptions be the same for Tier 1 and Tier 2.

Retirement of Vested Terminated Members

Class of Members	Number of Retirements				Actual / Expected	
	Current Assump.	Prior Actual	Actual	Proposed	Current	Proposed
General A,B,C,D	1,042	1,017	830	949	80%	87%
General E	1,431	1,460	1,151	1,325	80%	87%
Safety A,B	118	119	99	116	84%	85%
<b>Total</b>	<b>2,591</b>	<b>2,596</b>	<b>2,080</b>	<b>2,390</b>	<b>80%</b>	<b>87%</b>

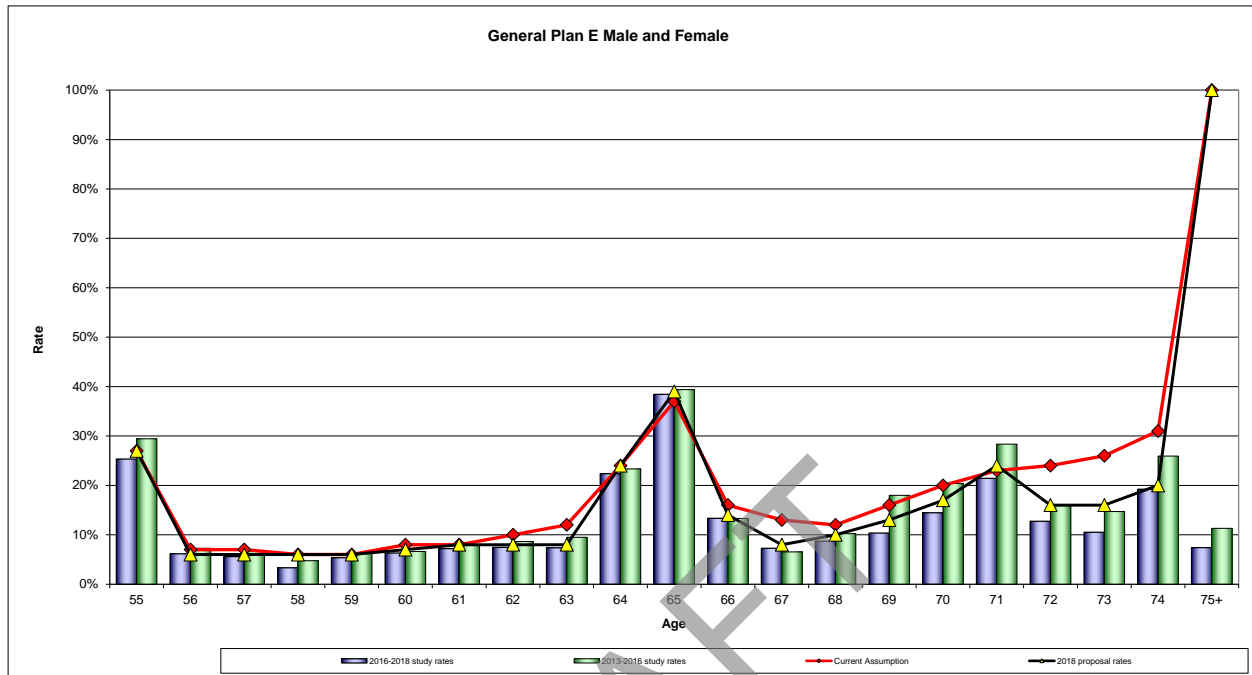
The charts in Exhibits 5-1, 5-2, and 5-3 include results for ages below the assumed certain retirement age, since a considerable number of vested terminated members retire later than that.

**Exhibit 5-1**  
**Retirement of Vested Terminated Members**  
**General Plans A, B, C, and D – Male & Female**



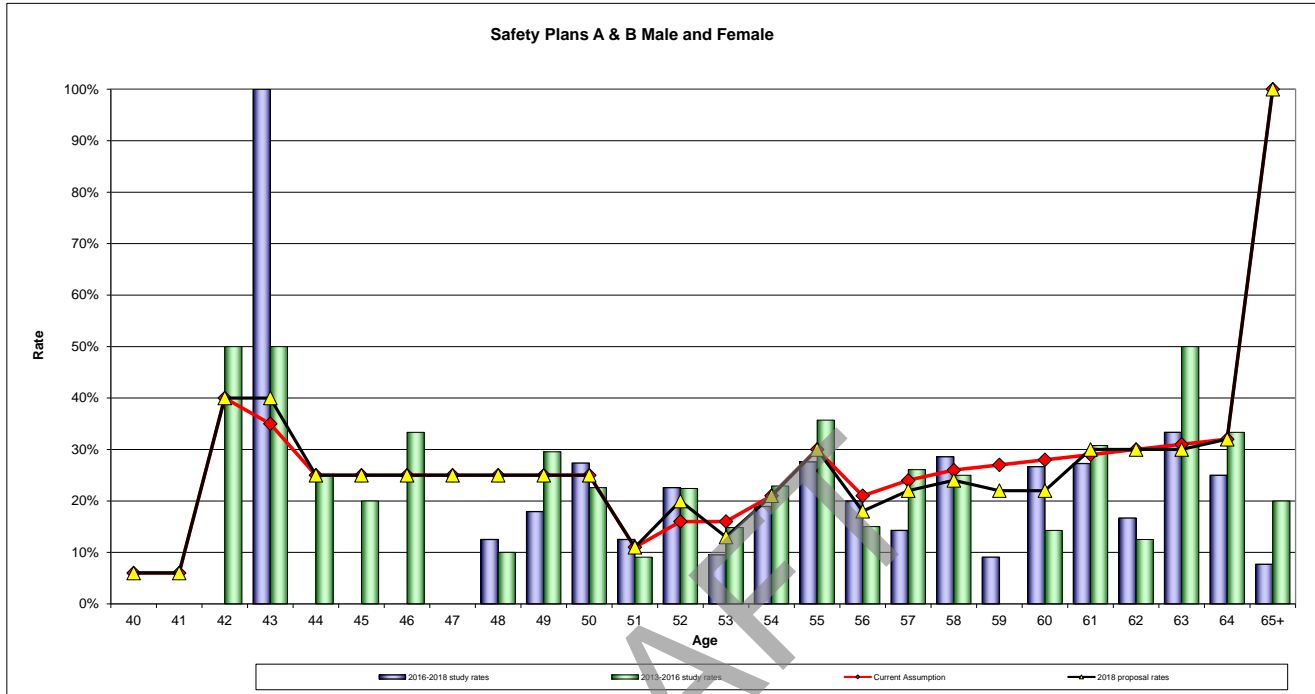
All Eligible VTs	Current Assumption	Prior Actual	Actual	2018 Proposal
Total Count	1,042	1,017	830	949
Actual / Expected	80%			87%
Total Count w/o 75+	990	1,012	822	897
Actual / Expected w/o 75+	83%			92%

**Exhibit 5-2**  
**Retirement of Vested Terminated Members**  
**General Plan E – Male & Female**



All Eligible VTs	Current Assumption	Prior Actual	Actual	2018 Proposal
Total Count	1,431	1,460	1,151	1,325
Actual / Expected	80%			87%
Total Count w/o 75+	1,350	1,454	1,145	1,244
Actual / Expected w/o 75+	85%			92%

**Exhibit 5-3**  
**Retirement of Vested Terminated Members**  
**Safety Plans A & B – Male & Female**



All Eligible VTs	Current Assumption	Prior Actual	Actual	2018 Proposal
Total Count	118	119	99	116
Actual / Expected	84%			85%
Total Count w/o 65+	105	115	98	103
Actual / Expected w/o 65+	93%			95%

**Section 6 Other OPEB Demographic Assumptions**



This section discusses the following OPEB demographic assumptions:

- Age difference for enrolled spouses
- Medicare enrollment for members in Blue Cross Plans I, II, and Prudent Buyer
- Survivor and new dependent enrollment, after the death of a retired member or dependent

**Age Difference for Enrolled Spouses**

The age difference for enrolled spouses is used for the valuation of current active members projected to retire and enroll a spouse in the future. In our July 1, 2017 OPEB valuation, we assumed that future male retirees will be four years older than their female spouse. Furthermore, we assumed that future female retirees will be one year younger than their male spouses.

**Results and Recommendation**

We studied the age difference for two groups of current retirees with spouses enrolled in order to forecast what patterns may be for future retirees.

- Group 1: All current retirees
- Group 2: Recent retirees (5 years)

The table below shows the results by group based on the July 1, 2016, 2017, and 2018 OPEB valuation data along with our recommended assumption. Note that our valuation system is designed to utilize whole year age differences.

Class of Retirees With Spouses	Male Retirees		Female Retirees	
	Number	Male Age Less Female Age	Number	Male Age Less Female Age
Current Assumption		4.0 years		1.0 year
Prior Actual Experience				
All Retirees	16,594	4.6 years	8,218	1.2 years
Recent Retirees	3,528	4.0 years	2,626	1.4 years
Actual Experience				
All Retirees	17,110	4.4 years	9,060	1.5 years
Recent Retirees	3,825	3.7 years	2,919	1.7 years
Recommended Assumption (Tier 1 and Tier 2)		4.0 years		2.0 years

**Medicare Enrollment for Blue Cross Plans I, II and Prudent Buyer**

Our July 1, 2017 OPEB valuation assumed that members in Blue Cross I, II, and Prudent Buyer were not eligible for Medicare Part B premium reimbursement. We checked the validity of this assumption based on July 1, 2016, 2017 and 2018 enrollment information. Medicare Part A information from LACERA for both inactives and actives was incomplete, so we relied on the Medicare Part B indicator. There were not any members in the Blue Cross I, II, and Prudent Buyer plans who were in Medicare Part B. We recommend continuing with the current assumption for Tier 1. We will assume Tier 2 members will enroll in Medicare Parts A and B.

**Survivor and New Dependent Enrollment**

There are three scenarios that we incorporated into our July 1, 2017 OPEB valuation:

1. If a dependent spouse/domestic partner dies, the retiree may enroll a new spouse/domestic partner and/or a new dependent. This applies for new spouses and dependents of Tier 1 and Tier 2.
2. If a retiree who has a pension option which qualifies as eligible for continuing retirement benefits to the survivor dies and the spouse/domestic partner has retiree health coverage, the existing spouse/domestic partner or dependent may continue to be enrolled and may also enroll a new spouse/domestic partner and/or a new dependent. There is no subsidy for a new spouse or child of a surviving spouse who is under Tier 2.
3. If a retiree who has a pension option which qualifies as eligible for continuing retirement benefits to the survivor dies and the spouse/domestic partner does not have retiree health coverage, we assume no additional spouse/domestic partner or dependent will be enrolled in both Tiers.

**Results and Recommendations**

We studied the experience since the July 1, 2016 OPEB Experience Study and developed the recommendations shown in the table below. Although actual experience from these assumptions is somewhat difficult to track, we were able to develop approximate results for Scenarios 1 and 2. We did not study Scenario 3 since it is based on LACERA policy. LACERA staff will consider how to track this experience in the future.

Scenario	New Spouse/Domestic Partner Enrollment	New Dependent Enrollment
<b>Scenario 1</b>		
Current Assumption	3%	3%
Prior Actual Experience	3%	N/A
Number of Observations	23	N/A
Actual Experience	1%	N/A
Number of Observations	17	N/A
Recommended Assumption	2%	3%
<b>Scenario 2</b>		
Current Assumption	5%	3%
Prior Actual Experience	6%	8%
Number of Observations	9	11
Actual Experience	2%	2%
Number of Observations	14	13
Recommended Assumption	4%	3%



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## Section 7 OPEB Economic Assumptions



This section discusses the investment earnings and health cost trend assumptions, which are the primary economic assumptions that differentiate the OPEB valuation for Los Angeles County from the LACERA retirement benefit valuation. Although the salary increase assumptions and inflation are also used in the OPEB valuation, we have not studied them here, since they are included in the retirement benefit experience studies.

### Investment Earnings

With respect to the investment earnings assumption, ASOP No. 6 references ASOP No. 27, Selection of Economic Assumptions for Measuring Pension Obligations, which provides guidance to actuaries giving advice on selecting economic assumptions for measuring obligations under defined benefit plans. For more details of ASOP No. 27, refer to Milliman's 2016 Investigation of Experience for Retirement Benefit Assumptions dated December 5, 2016.

The change from cost sharing to agent is effective for the July 1, 2018 OPEB funding valuation. The investment earnings assumption approach for this funding valuation is intended to reflect the funding policy associated with each agent. **The investment earnings assumption for agents that are prefunding through the OPEB Trust will be the expected return of the OPEB Trust. The investment earnings assumption for the portion of the agents that are funded by the County will also be the expected return of the OPEB Trust. The portion of the agents that are not funded by the County and not prefunding through the OPEB Trust will have an investment earnings assumption of the County's general funds' expected return.**

### OPEB Trust Investment Earnings

The County, Superior Court, and LACERA are contributing to a trust fund for the purposes of prefunding future OPEB costs. The expected investment return on the OPEB Trust is 6.00%, based on the Trust's investment policy and Meketa's current capital market assumptions and investment forecast model.

We recommend using the 6.00% return assumption for agents that are prefunding through the OPEB Trust because the funding policies are structured such that contributions will exceed benefit payments by a significant amount until the contribution reaches the Actuarially Determined Contribution (ADC). After that point, benefits are projected to be payable out of Trust assets for the foreseeable future.

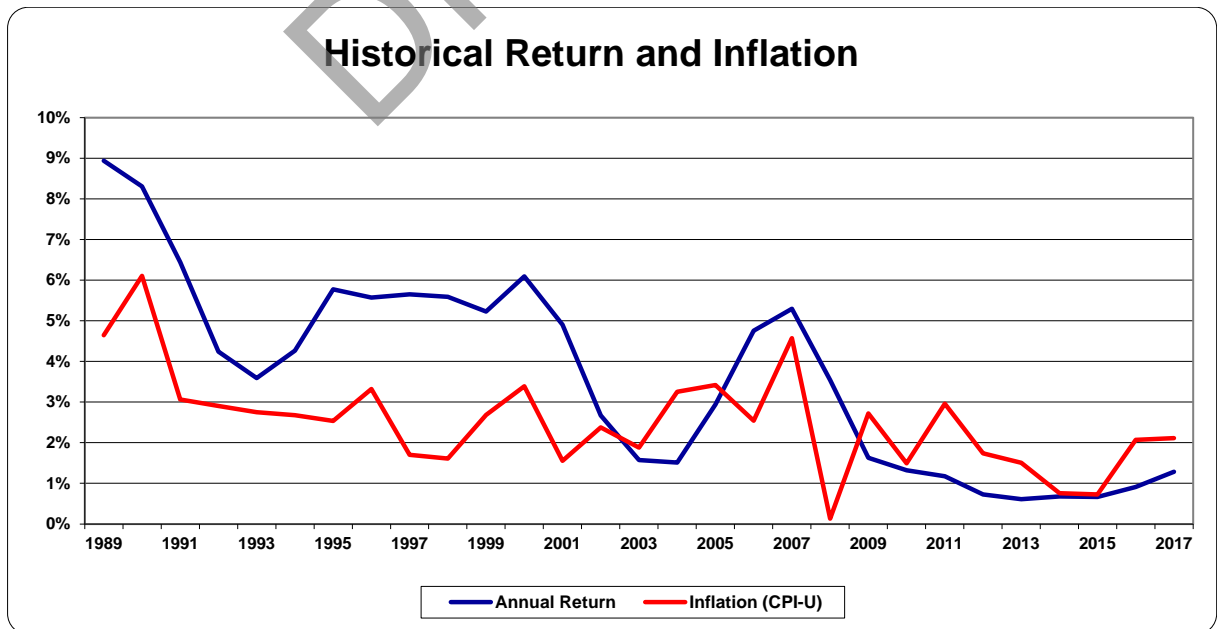
Asset Class	Estimated Annual Arithmetic Return	Asset Allocation
Cash	1.81%	2.00%
Investment Grade Bonds	2.78%	8.00%
TIPS	3.08%	6.00%
High Yield Bonds	4.98%	6.00%
Bank Loans	4.80%	10.00%
Emerging Market Bonds	5.75%	4.00%
Global Equity	8.01%	50.00%
REIT's	10.26%	10.00%
Commodities	7.02%	4.00%

Expected Arithmetic Return (10 yrs) <sup>(1)</sup> 6.07%  
 Expected Geometric Return (10 yrs) <sup>(2)</sup> 6.00%

1. The expected arithmetic return is the average or "mean" long-term expected compound return based on the capital market assumptions and the asset allocation.
2. The expected geometric return is the "median" long-term expected compound return based on the estimated variability of the asset allocation. It is less than the expected arithmetic return because of the variability in future expected returns.

**General Fund  
 Investment Earnings**

In setting the investment earnings assumption for the General Fund, we use a "building block" approach, which involves an estimate of inflation plus an assumed real return. In reviewing the real return assumption, we looked at historical information from the County, combined with our estimate of long-term expectations for short-term high-quality fixed income investments. The following chart compares historical County returns to the rate of inflation from 1989 through 2017. Over this period, the geometric averages of the annual return and the rate of inflation were 3.6% and 2.5%, respectively, resulting in a real return over the period of approximately 1.1% per year.



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**General Fund  
 Investment Earnings  
 (continued)**

Based on our discussions with the County and our review of asset class returns over this period, the returns are consistent with those of a fixed income investment portfolio concentrated in short-term U.S. Government investments with maturities of three years or less. Recent projections of returns for these investments indicate that the historical 1.1% real return may be higher than what is achievable in the future. Current projections are for real returns in the 0.5% to 1.0% range for these investments.

The 2016 retirement benefit experience study analyzed the rate of price inflation and wage inflation. Subsequently, the Board of Investment decided at the December 14, 2016 meeting to make changes in these economic assumptions for the retirement benefit program. The price inflation assumption was changed to 2.75%. To be consistent with the retirement benefit program, we propose using 2.75% for the price inflation assumption used for the OPEB valuation.

Using the building block approach to combine assumed real return and assumed inflation, the preceding discussion yields a range from which to choose the assumed investment return of the general assets. This range is between 3.25% and 3.75% (2.75% inflation plus assumed real return between 0.50% and 1.00%).

Milliman used our current capital market assumptions and investment forecast model to develop an expected return on general assets of 3.69%. We incorporated LACERA's general fund balance sheet as of June 30, 2018 to develop this result, as shown in the chart below. Note that this estimate falls within the range derived from the building block approach described above.

Asset Class	Expected Arithmetic Nominal Return (30 yrs)	Asset Allocation
Cash	3.04%	37.41%
Short-term U.S. Bonds	4.10%	62.59%
Expected Arithmetic Return (30 yrs) <sup>(1)</sup>		3.70%
Expected Geometric Return (30 yrs) <sup>(2)</sup>		3.69%

1. The expected arithmetic return is the average or "mean" long-term expected compound return based on the capital market assumptions and the asset allocation.
2. The expected geometric return is the "median" long-term expected compound return based on the estimated variability of the asset allocation. It is less than the expected arithmetic return because of the variability in future expected returns.

**Investment Earnings**

The investment earnings assumptions will vary by Agent. The County, LACERA, and Superior Courts will have an investment earnings assumption based on the OPEB Trust expected return of 6.00%. The investment earnings assumption for the portion of the agents that are funded by the County will also be the OPEB Trust expected return of 6.00%. The portion of the agents that are not funded by the County and not prefunding through the OPEB Trust will have an investment earnings assumption of the County's general funds expected return of 3.69%.

**Investment Earnings  
 (continued)**

Assumption	Current OPEB	Proposed OPEB
Price Inflation (CPI)	2.75%	2.75%
Wage Inflation	3.25%	3.25%
Investment Earnings		
Agents prefunding in the OPEB Trust	4.50%	6.00%
Agents not prefunding	4.50%	3.69%

**Health Cost Trend  
 General Discussion**

In our July 1, 2017 OPEB valuation, we developed trend rates for the following three benefit types:

- LACERA and Firefighters Local 1014 medical plans
- Medicare Part B premiums
- Dental/vision plans

We have examined these assumptions and are recommending modifications as discussed below. The first year trends will be modified to reflect the July 1, 2019 final renewals which will be reflected in the July 1, 2018 OPEB valuation.

**Medical Trend**

Starting with the July 1, 2008 OPEB valuation, we began setting the medical trend assumption based on the Society of Actuaries (SOA) report entitled “Modeling Long-Term Healthcare Cost Trends,” by Professor Thomas E. Getzen. The report includes detailed research performed by a committee of economists and actuaries (including a Milliman representative) and proposes the use of the “Getzen Model” named after the professor who developed the model. We believe that the research and the model are fundamentally and technically sound and advance the body of knowledge available to actuaries to more accurately project long-term medical trends.

The Getzen model is a tool that Milliman uses as the foundation for the trend that we recommend to our clients for OPEB valuations. The Getzen model uses assumptions about healthcare to model its growth as a share of the U.S. Gross Domestic Product (GDP) in order to develop a long-term medical trend assumption. The premise is that although health costs will continue to grow as a percentage of GDP, that growth will ultimately reach a limit. The major assumptions are as follows:

- *Trends through 2022.* These trends are based on our review of the July 1, 2018 renewals and summaries provided by Segal taking into account drug percentage of total, approximate annual premiums, and plan type.
- *2028 GDP % Share.* This is the assumed percentage of GDP that is spent on health care and is assumed to be 20.5%. This is based on the most recent actuarial projection of National Health Expenditures (NHE) from the Centers for Medicare & Medicaid Services (CMS).
- *Inflation (CPI).* This is consistent with the assumption used for the investment earnings rate above.
- *Real GDP Per Capita.* This is the assumed growth in the GDP over inflation. Based on the 2018 Medicare Trustees Report, we used a 1.5% assumption.

**Medical Trend  
(continued)**

- *Excess Medical Cost Growth.* This component represents all other sources of excess trend, and it is assumed to be 1.2%, based on the SOA research.
- *GDP Resistance Point.* This is the point at which health care costs as a percentage of GDP are assumed to begin to meet resistance. The assumption used is 25% based on the SOA research.
- *GDP Limit Year.* The model assumes that after 2075, health costs will grow at the rate of GDP growth, equal to the CPI plus real per capita GDP growth.

We made several adjustments to the base trends obtained from the Getzen model, as discussed below.

- *Aging.* Since the Getzen model projects overall health care spending in the U.S., it implicitly includes aging of the population. Since we have an explicit assumption for aging in the OPEB valuation, we have removed the aging factor from the Getzen model, resulting in a 0.42% decrease in the 2018 trend assumption, grading to 0.0% by 2061. We assume the aging reduction is limited such that trend is not reduced below inflation plus GDP growth.
- *Administrative Costs.* A portion of the retiree health premiums (assumed to be 10%) are used for carrier administrative costs. We assume that this portion of the premium will grow at inflation plus 0.75% annually.
- *Rounding.* We rounded the trend assumptions to the nearest 0.10% for each year.

An Excise tax for high cost health coverage, was included as part of ACA. The provision levies a 40% tax on the value of health plan costs that exceed certain thresholds for single coverage or family coverage. The 2018 annual thresholds are \$10,200 for single coverage and \$27,500 for a family plan. For qualified retirees aged 55 to 64 or workers in “high risk” professions such as firefighters and police officers, the thresholds are \$11,850 for single coverage and \$30,950 for a family plan.

The Consolidated Appropriations Act of 2016 included a two year delay of the Excise tax, allowance of the Excise tax to be deductible, and no health insurer fee for calendar year 2017. The Tax Cuts and Jobs Act, passed in December 2017, adjusted the indexing of future Excise tax thresholds from CPI-U to chained CPI-U. Additional legislation passed in January 2018 further delayed the Excise tax until 2022 and suspended the health insurer fee for calendar year 2019. We received detailed health insurer fee information from the carriers and reflected adjustments in the trend assumption.

Exhibits 7-1 through 7-4 show the recommended medical trend assumptions including Excise tax for the July 1, 2018 OPEB valuation compared to the medical trend assumptions used for the July 1, 2017 OPEB valuation. Exhibits 7-1 and 7-2 are for the under 65 members, and Exhibits 7-3 and 7-4 are for the over 65 members.

## Medicare Part B Premium Trend

In the July 1, 2017 OPEB valuation, we established the Medicare Part B premium trend assumption to be consistent with projections from CMS. We have updated the Medicare Part B assumption for the July 1, 2018, valuation based on the following CMS reports:

- *2018 Medicare Trustees Report.* We used this report for assumed Medicare Part B enrollment growth and for the real GDP growth assumption of 1.5%.
- *2018 CMS Report on Projected Medicare Expenditures under an Illustrative Scenario with Alternative Physician Payment Updates.* We used this report for assumed Part B premium increases, under the assumption that physician updates will increase in line with the Medicare Economic Index (MEI).

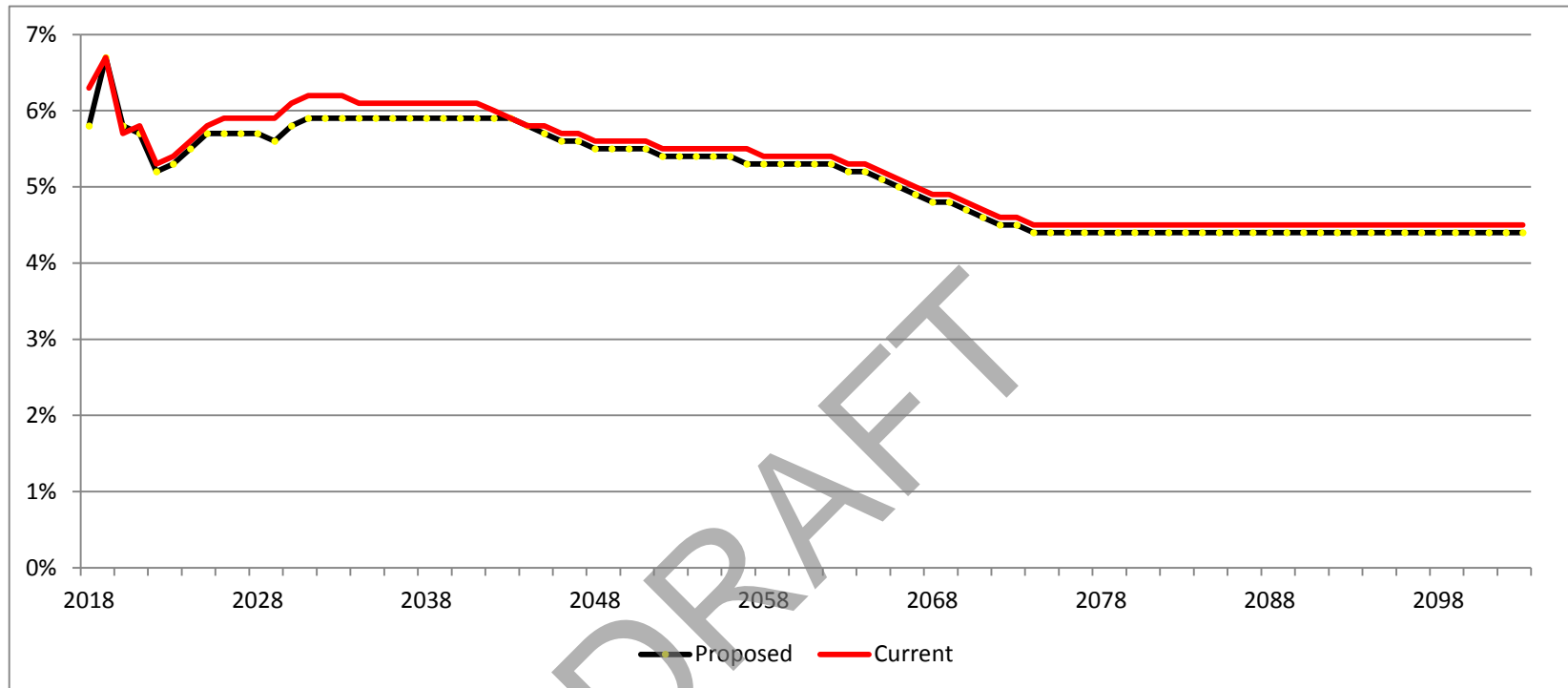
Our recommended July 1, 2018, Medicare Part B premium trend is compared to the July 1, 2017 assumption in Exhibits 7-5 and 7-6. The July 1, 2018 census data indicates that a large number of individuals are being reimbursed for an amount lower than the 2018 standard Part B premium of \$134. Based on recent cost of living adjustments, we believe that most of these individuals are actually paying the standard amount, and we assume that these individuals will verify their updated premium by 2019, causing a large trend increase in the first year. Exhibits 7-5 and 7-6 include a calendar year to fiscal year adjustment.

## Dental/Vision Trend

In our July 1, 2018 OPEB valuation, the underlying dental/vision trend rate is 4.25%. This assumption is based on the CPI plus 1.5%. We also incorporate a Claim Probability Distribution (CPD) analysis to model the indemnity plan annual maximum. This causes the trend to decline for about 30 years, but then increase once the costs of the HMO plan begin to have a greater influence on the trend than the indemnity plan. Refer to Exhibits 7-7 and 7-8.

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Exhibit 7-1  
Medical Trend with Excise Tax for Pre-65 Members



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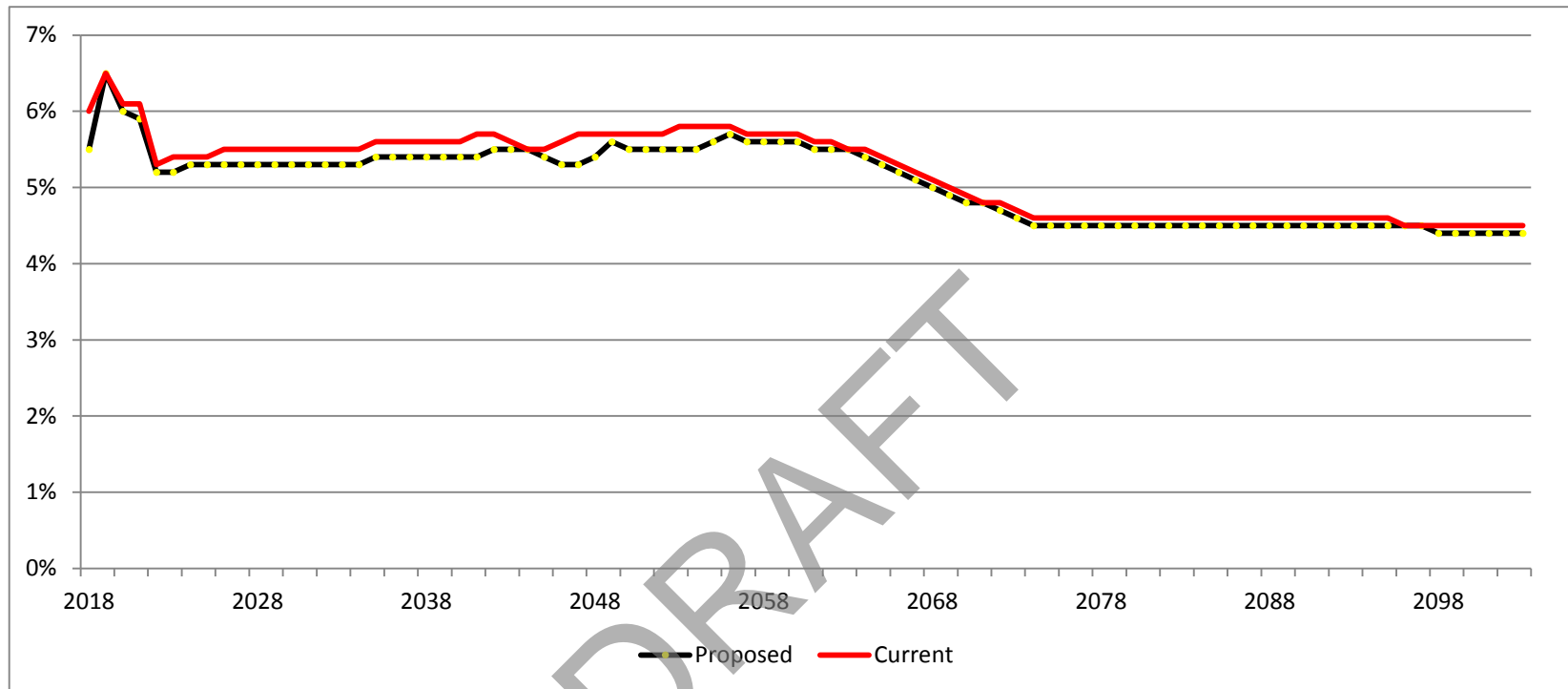
**Exhibit 7-2  
 Medical Trend with Excise Tax for Pre-65 Members – Percentage Table**

Fiscal Year Ending		Current	Proposed	Fiscal Year Ending		Current	Proposed
From	To			From	To		
6/30/2019	6/30/2020	6.30%	5.80%	6/30/2062	6/30/2063	5.40%	5.30%
6/30/2020	6/30/2021	6.70%	6.70%	6/30/2063	6/30/2064	5.40%	5.30%
6/30/2021	6/30/2022	5.70%	5.80%	6/30/2064	6/30/2065	5.30%	5.20%
6/30/2022	6/30/2023	5.80%	5.70%	6/30/2065	6/30/2066	5.30%	5.20%
6/30/2023	6/30/2024	5.30%	5.20%	6/30/2066	6/30/2067	5.20%	5.10%
6/30/2024	6/30/2025	5.40%	5.30%	6/30/2067	6/30/2068	5.10%	5.00%
6/30/2025	6/30/2026	5.60%	5.50%	6/30/2068	6/30/2069	5.00%	4.90%
6/30/2026	6/30/2027	5.80%	5.70%	6/30/2069	6/30/2070	4.90%	4.80%
6/30/2027	6/30/2028	5.90%	5.70%	6/30/2070	6/30/2071	4.90%	4.80%
6/30/2028	6/30/2029	5.90%	5.70%	6/30/2071	6/30/2072	4.80%	4.70%
6/30/2029	6/30/2030	5.90%	5.70%	6/30/2072	6/30/2073	4.70%	4.60%
6/30/2030	6/30/2031	5.90%	5.60%	6/30/2073	6/30/2074	4.60%	4.50%
6/30/2031	6/30/2032	6.10%	5.80%	6/30/2074	6/30/2075	4.60%	4.50%
6/30/2032	6/30/2033	6.20%	5.90%	6/30/2075	6/30/2076	4.50%	4.40%
6/30/2033	6/30/2034	6.20%	5.90%	6/30/2076	6/30/2077	4.50%	4.40%
6/30/2034	6/30/2035	6.20%	5.90%	6/30/2077	6/30/2078	4.50%	4.40%
6/30/2035	6/30/2036	6.10%	5.90%	6/30/2078	6/30/2079	4.50%	4.40%
6/30/2036	6/30/2037	6.10%	5.90%	6/30/2079	6/30/2080	4.50%	4.40%
6/30/2037	6/30/2038	6.10%	5.90%	6/30/2080	6/30/2081	4.50%	4.40%
6/30/2038	6/30/2039	6.10%	5.90%	6/30/2081	6/30/2082	4.50%	4.40%
6/30/2039	6/30/2040	6.10%	5.90%	6/30/2082	6/30/2083	4.50%	4.40%
6/30/2040	6/30/2041	6.10%	5.90%	6/30/2083	6/30/2084	4.50%	4.40%
6/30/2041	6/30/2042	6.10%	5.90%	6/30/2084	6/30/2085	4.50%	4.40%
6/30/2042	6/30/2043	6.10%	5.90%	6/30/2085	6/30/2086	4.50%	4.40%
6/30/2043	6/30/2044	6.00%	5.90%	6/30/2086	6/30/2087	4.50%	4.40%
6/30/2044	6/30/2045	5.90%	5.90%	6/30/2087	6/30/2088	4.50%	4.40%
6/30/2045	6/30/2046	5.80%	5.80%	6/30/2088	6/30/2089	4.50%	4.40%
6/30/2046	6/30/2047	5.80%	5.70%	6/30/2089	6/30/2090	4.50%	4.40%
6/30/2047	6/30/2048	5.70%	5.60%	6/30/2090	6/30/2091	4.50%	4.40%
6/30/2048	6/30/2049	5.70%	5.60%	6/30/2091	6/30/2092	4.50%	4.40%
6/30/2049	6/30/2050	5.60%	5.50%	6/30/2092	6/30/2093	4.50%	4.40%
6/30/2050	6/30/2051	5.60%	5.50%	6/30/2093	6/30/2094	4.50%	4.40%
6/30/2051	6/30/2052	5.60%	5.50%	6/30/2094	6/30/2095	4.50%	4.40%
6/30/2052	6/30/2053	5.60%	5.50%	6/30/2095	6/30/2096	4.50%	4.40%
6/30/2053	6/30/2054	5.50%	5.40%	6/30/2096	6/30/2097	4.50%	4.40%
6/30/2054	6/30/2055	5.50%	5.40%	6/30/2097	6/30/2098	4.50%	4.40%
6/30/2055	6/30/2056	5.50%	5.40%	6/30/2098	6/30/2099	4.50%	4.40%
6/30/2056	6/30/2057	5.50%	5.40%	6/30/2099	6/30/2100	4.50%	4.40%
6/30/2057	6/30/2058	5.50%	5.40%	6/30/2100	6/30/2101	4.50%	4.40%
6/30/2058	6/30/2059	5.50%	5.30%	6/30/2101	6/30/2102	4.50%	4.40%
6/30/2059	6/30/2060	5.40%	5.30%	6/30/2102	6/30/2103	4.50%	4.40%
6/30/2060	6/30/2061	5.40%	5.30%	6/30/2103	6/30/2104	4.50%	4.40%
6/30/2061	6/30/2062	5.40%	5.30%	6/30/2104	6/30/2105	4.50%	4.40%

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Exhibit 7-3  
Medical Trend with Excise Tax for Post-65 Members



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**Exhibit 7-4  
 Medical Trend with Excise Tax for Post-65 Members – Percentage Table**

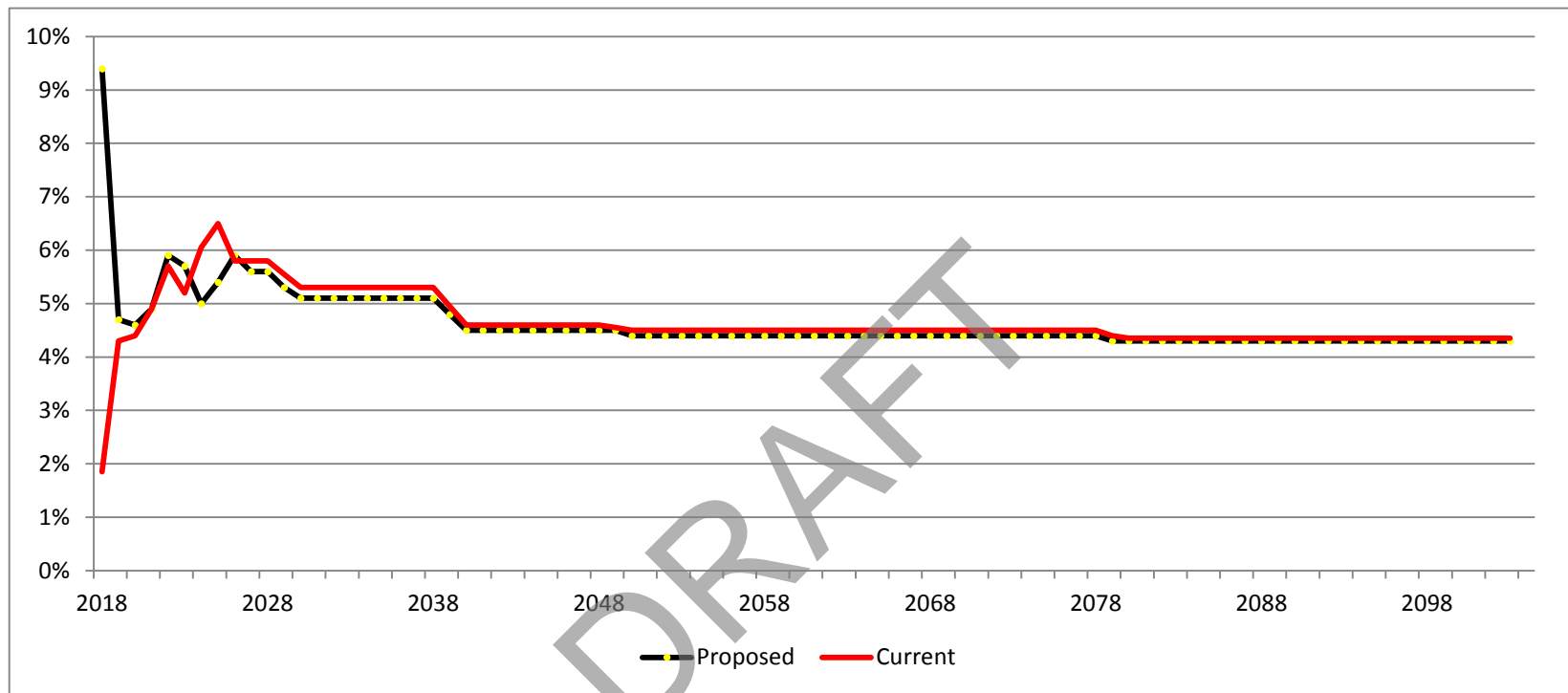
Fiscal Year Ending		Current	Proposed	Fiscal Year Ending		Current	Proposed
From	To			From	To		
6/30/2019	6/30/2020	6.00%	5.50%	6/30/2062	6/30/2063	5.60%	5.50%
6/30/2020	6/30/2021	6.50%	6.50%	6/30/2063	6/30/2064	5.60%	5.50%
6/30/2021	6/30/2022	6.10%	6.00%	6/30/2064	6/30/2065	5.50%	5.50%
6/30/2022	6/30/2023	6.10%	5.90%	6/30/2065	6/30/2066	5.50%	5.40%
6/30/2023	6/30/2024	5.30%	5.20%	6/30/2066	6/30/2067	5.40%	5.30%
6/30/2024	6/30/2025	5.40%	5.20%	6/30/2067	6/30/2068	5.30%	5.20%
6/30/2025	6/30/2026	5.40%	5.30%	6/30/2068	6/30/2069	5.20%	5.10%
6/30/2026	6/30/2027	5.40%	5.30%	6/30/2069	6/30/2070	5.10%	5.00%
6/30/2027	6/30/2028	5.50%	5.30%	6/30/2070	6/30/2071	5.00%	4.90%
6/30/2028	6/30/2029	5.50%	5.30%	6/30/2071	6/30/2072	4.90%	4.80%
6/30/2029	6/30/2030	5.50%	5.30%	6/30/2072	6/30/2073	4.80%	4.80%
6/30/2030	6/30/2031	5.50%	5.30%	6/30/2073	6/30/2074	4.80%	4.70%
6/30/2031	6/30/2032	5.50%	5.30%	6/30/2074	6/30/2075	4.70%	4.60%
6/30/2032	6/30/2033	5.50%	5.30%	6/30/2075	6/30/2076	4.60%	4.50%
6/30/2033	6/30/2034	5.50%	5.30%	6/30/2076	6/30/2077	4.60%	4.50%
6/30/2034	6/30/2035	5.50%	5.30%	6/30/2077	6/30/2078	4.60%	4.50%
6/30/2035	6/30/2036	5.50%	5.30%	6/30/2078	6/30/2079	4.60%	4.50%
6/30/2036	6/30/2037	5.60%	5.40%	6/30/2079	6/30/2080	4.60%	4.50%
6/30/2037	6/30/2038	5.60%	5.40%	6/30/2080	6/30/2081	4.60%	4.50%
6/30/2038	6/30/2039	5.60%	5.40%	6/30/2081	6/30/2082	4.60%	4.50%
6/30/2039	6/30/2040	5.60%	5.40%	6/30/2082	6/30/2083	4.60%	4.50%
6/30/2040	6/30/2041	5.60%	5.40%	6/30/2083	6/30/2084	4.60%	4.50%
6/30/2041	6/30/2042	5.60%	5.40%	6/30/2084	6/30/2085	4.60%	4.50%
6/30/2042	6/30/2043	5.70%	5.40%	6/30/2085	6/30/2086	4.60%	4.50%
6/30/2043	6/30/2044	5.70%	5.50%	6/30/2086	6/30/2087	4.60%	4.50%
6/30/2044	6/30/2045	5.60%	5.50%	6/30/2087	6/30/2088	4.60%	4.50%
6/30/2045	6/30/2046	5.50%	5.50%	6/30/2088	6/30/2089	4.60%	4.50%
6/30/2046	6/30/2047	5.50%	5.40%	6/30/2089	6/30/2090	4.60%	4.50%
6/30/2047	6/30/2048	5.60%	5.30%	6/30/2090	6/30/2091	4.60%	4.50%
6/30/2048	6/30/2049	5.70%	5.30%	6/30/2091	6/30/2092	4.60%	4.50%
6/30/2049	6/30/2050	5.70%	5.40%	6/30/2092	6/30/2093	4.60%	4.50%
6/30/2050	6/30/2051	5.70%	5.60%	6/30/2093	6/30/2094	4.60%	4.50%
6/30/2051	6/30/2052	5.70%	5.50%	6/30/2094	6/30/2095	4.60%	4.50%
6/30/2052	6/30/2053	5.70%	5.50%	6/30/2095	6/30/2096	4.60%	4.50%
6/30/2053	6/30/2054	5.70%	5.50%	6/30/2096	6/30/2097	4.60%	4.50%
6/30/2054	6/30/2055	5.80%	5.50%	6/30/2097	6/30/2098	4.50%	4.50%
6/30/2055	6/30/2056	5.80%	5.50%	6/30/2098	6/30/2099	4.50%	4.50%
6/30/2056	6/30/2057	5.80%	5.60%	6/30/2099	6/30/2100	4.50%	4.40%
6/30/2057	6/30/2058	5.80%	5.70%	6/30/2100	6/30/2101	4.50%	4.40%
6/30/2058	6/30/2059	5.70%	5.60%	6/30/2101	6/30/2102	4.50%	4.40%
6/30/2059	6/30/2060	5.70%	5.60%	6/30/2102	6/30/2103	4.50%	4.40%
6/30/2060	6/30/2061	5.70%	5.60%	6/30/2103	6/30/2104	4.50%	4.40%
6/30/2061	6/30/2062	5.70%	5.60%	6/30/2104	6/30/2105	4.50%	4.40%



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Exhibit 7-5  
Medicare Part B Premium Trend



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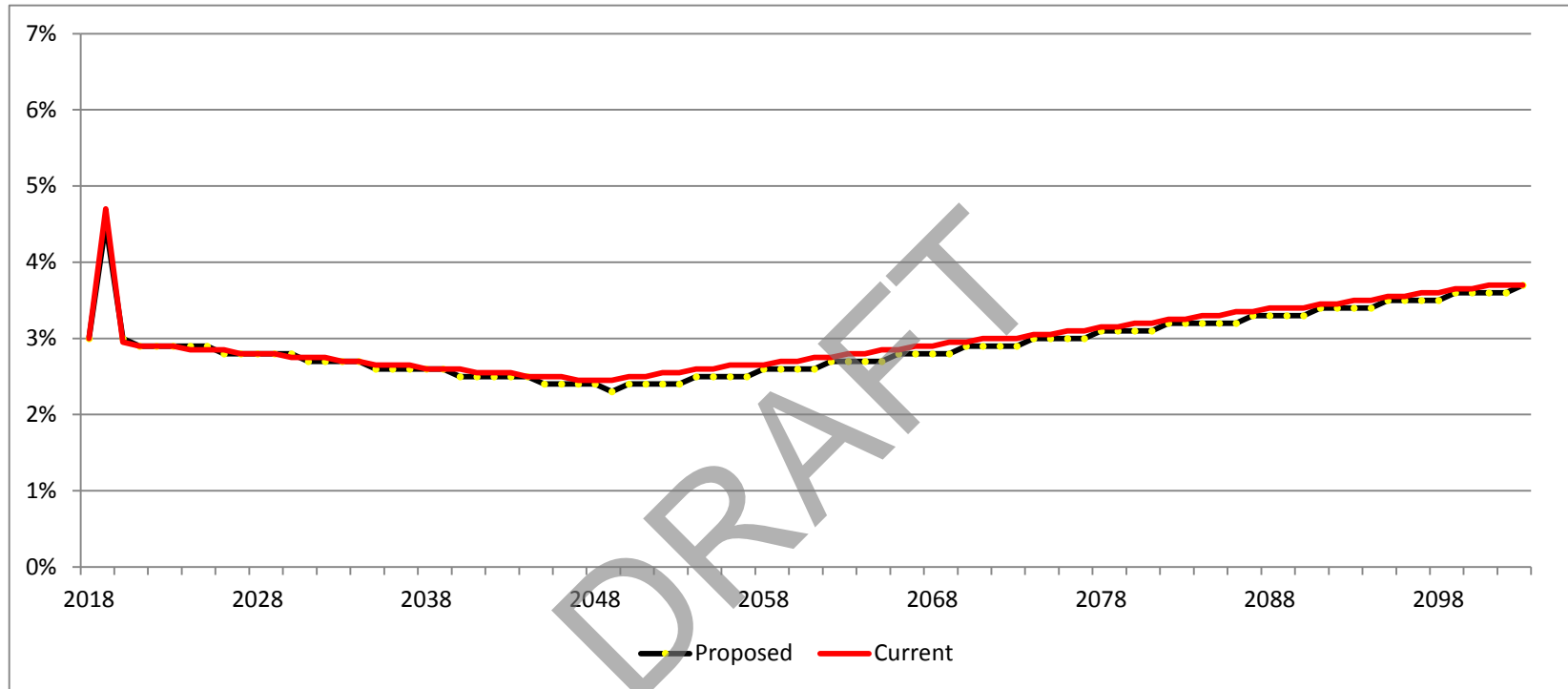
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**Exhibit 7-6  
 Medicare Part B Premium Trend – Percentage Table**

Fiscal Year Ending		Current	Proposed	Fiscal Year Ending		Current	Proposed
From	To			From	To		
6/30/2019	6/30/2020	1.85%	9.40%	6/30/2062	6/30/2063	4.50%	4.40%
6/30/2020	6/30/2021	4.30%	4.70%	6/30/2063	6/30/2064	4.50%	4.40%
6/30/2021	6/30/2022	4.40%	4.60%	6/30/2064	6/30/2065	4.50%	4.40%
6/30/2022	6/30/2023	4.90%	4.90%	6/30/2065	6/30/2066	4.50%	4.40%
6/30/2023	6/30/2024	5.70%	5.90%	6/30/2066	6/30/2067	4.50%	4.40%
6/30/2024	6/30/2025	5.20%	5.70%	6/30/2067	6/30/2068	4.50%	4.40%
6/30/2025	6/30/2026	6.05%	5.00%	6/30/2068	6/30/2069	4.50%	4.40%
6/30/2026	6/30/2027	6.50%	5.40%	6/30/2069	6/30/2070	4.50%	4.40%
6/30/2027	6/30/2028	5.80%	5.90%	6/30/2070	6/30/2071	4.50%	4.40%
6/30/2028	6/30/2029	5.80%	5.60%	6/30/2071	6/30/2072	4.50%	4.40%
6/30/2029	6/30/2030	5.80%	5.60%	6/30/2072	6/30/2073	4.50%	4.40%
6/30/2030	6/30/2031	5.55%	5.30%	6/30/2073	6/30/2074	4.50%	4.40%
6/30/2031	6/30/2032	5.30%	5.10%	6/30/2074	6/30/2075	4.50%	4.40%
6/30/2032	6/30/2033	5.30%	5.10%	6/30/2075	6/30/2076	4.50%	4.40%
6/30/2033	6/30/2034	5.30%	5.10%	6/30/2076	6/30/2077	4.50%	4.40%
6/30/2034	6/30/2035	5.30%	5.10%	6/30/2077	6/30/2078	4.50%	4.40%
6/30/2035	6/30/2036	5.30%	5.10%	6/30/2078	6/30/2079	4.50%	4.40%
6/30/2036	6/30/2037	5.30%	5.10%	6/30/2079	6/30/2080	4.50%	4.40%
6/30/2037	6/30/2038	5.30%	5.10%	6/30/2080	6/30/2081	4.40%	4.30%
6/30/2038	6/30/2039	5.30%	5.10%	6/30/2081	6/30/2082	4.35%	4.30%
6/30/2039	6/30/2040	5.30%	5.10%	6/30/2082	6/30/2083	4.35%	4.30%
6/30/2040	6/30/2041	4.95%	4.80%	6/30/2083	6/30/2084	4.35%	4.30%
6/30/2041	6/30/2042	4.60%	4.50%	6/30/2084	6/30/2085	4.35%	4.30%
6/30/2042	6/30/2043	4.60%	4.50%	6/30/2085	6/30/2086	4.35%	4.30%
6/30/2043	6/30/2044	4.60%	4.50%	6/30/2086	6/30/2087	4.35%	4.30%
6/30/2044	6/30/2045	4.60%	4.50%	6/30/2087	6/30/2088	4.35%	4.30%
6/30/2045	6/30/2046	4.60%	4.50%	6/30/2088	6/30/2089	4.35%	4.30%
6/30/2046	6/30/2047	4.60%	4.50%	6/30/2089	6/30/2090	4.35%	4.30%
6/30/2047	6/30/2048	4.60%	4.50%	6/30/2090	6/30/2091	4.35%	4.30%
6/30/2048	6/30/2049	4.60%	4.50%	6/30/2091	6/30/2092	4.35%	4.30%
6/30/2049	6/30/2050	4.60%	4.50%	6/30/2092	6/30/2093	4.35%	4.30%
6/30/2050	6/30/2051	4.55%	4.50%	6/30/2093	6/30/2094	4.35%	4.30%
6/30/2051	6/30/2052	4.50%	4.40%	6/30/2094	6/30/2095	4.35%	4.30%
6/30/2052	6/30/2053	4.50%	4.40%	6/30/2095	6/30/2096	4.35%	4.30%
6/30/2053	6/30/2054	4.50%	4.40%	6/30/2096	6/30/2097	4.35%	4.30%
6/30/2054	6/30/2055	4.50%	4.40%	6/30/2097	6/30/2098	4.35%	4.30%
6/30/2055	6/30/2056	4.50%	4.40%	6/30/2098	6/30/2099	4.35%	4.30%
6/30/2056	6/30/2057	4.50%	4.40%	6/30/2099	6/30/2100	4.35%	4.30%
6/30/2057	6/30/2058	4.50%	4.40%	6/30/2100	6/30/2101	4.35%	4.30%
6/30/2058	6/30/2059	4.50%	4.40%	6/30/2101	6/30/2102	4.35%	4.30%
6/30/2059	6/30/2060	4.50%	4.40%	6/30/2102	6/30/2103	4.35%	4.30%
6/30/2060	6/30/2061	4.50%	4.40%	6/30/2103	6/30/2104	4.35%	4.30%
6/30/2061	6/30/2062	4.50%	4.40%	6/30/2104	6/30/2105	4.35%	4.30%

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Exhibit 7-7  
Dental/Vision Trend



**Exhibit 7-8  
 Dental/Vision Trend – Percentage Table**

Fiscal Year Ending		Current	Proposed	Fiscal Year Ending		Current	Proposed
From	To			From	To		
6/30/2019	6/30/2020	3.00%	3.00%	6/30/2062	6/30/2063	2.75%	2.60%
6/30/2020	6/30/2021	4.70%	4.50%	6/30/2063	6/30/2064	2.75%	2.70%
6/30/2021	6/30/2022	2.95%	3.00%	6/30/2064	6/30/2065	2.80%	2.70%
6/30/2022	6/30/2023	2.90%	2.90%	6/30/2065	6/30/2066	2.80%	2.70%
6/30/2023	6/30/2024	2.90%	2.90%	6/30/2066	6/30/2067	2.85%	2.70%
6/30/2024	6/30/2025	2.90%	2.90%	6/30/2067	6/30/2068	2.85%	2.80%
6/30/2025	6/30/2026	2.85%	2.90%	6/30/2068	6/30/2069	2.90%	2.80%
6/30/2026	6/30/2027	2.85%	2.90%	6/30/2069	6/30/2070	2.90%	2.80%
6/30/2027	6/30/2028	2.85%	2.80%	6/30/2070	6/30/2071	2.95%	2.80%
6/30/2028	6/30/2029	2.80%	2.80%	6/30/2071	6/30/2072	2.95%	2.90%
6/30/2029	6/30/2030	2.80%	2.80%	6/30/2072	6/30/2073	3.00%	2.90%
6/30/2030	6/30/2031	2.80%	2.80%	6/30/2073	6/30/2074	3.00%	2.90%
6/30/2031	6/30/2032	2.75%	2.80%	6/30/2074	6/30/2075	3.00%	2.90%
6/30/2032	6/30/2033	2.75%	2.70%	6/30/2075	6/30/2076	3.05%	3.00%
6/30/2033	6/30/2034	2.75%	2.70%	6/30/2076	6/30/2077	3.05%	3.00%
6/30/2034	6/30/2035	2.70%	2.70%	6/30/2077	6/30/2078	3.10%	3.00%
6/30/2035	6/30/2036	2.70%	2.70%	6/30/2078	6/30/2079	3.10%	3.00%
6/30/2036	6/30/2037	2.65%	2.60%	6/30/2079	6/30/2080	3.15%	3.10%
6/30/2037	6/30/2038	2.65%	2.60%	6/30/2080	6/30/2081	3.15%	3.10%
6/30/2038	6/30/2039	2.65%	2.60%	6/30/2081	6/30/2082	3.20%	3.10%
6/30/2039	6/30/2040	2.60%	2.60%	6/30/2082	6/30/2083	3.20%	3.10%
6/30/2040	6/30/2041	2.60%	2.60%	6/30/2083	6/30/2084	3.25%	3.20%
6/30/2041	6/30/2042	2.60%	2.50%	6/30/2084	6/30/2085	3.25%	3.20%
6/30/2042	6/30/2043	2.55%	2.50%	6/30/2085	6/30/2086	3.30%	3.20%
6/30/2043	6/30/2044	2.55%	2.50%	6/30/2086	6/30/2087	3.30%	3.20%
6/30/2044	6/30/2045	2.55%	2.50%	6/30/2087	6/30/2088	3.35%	3.20%
6/30/2045	6/30/2046	2.50%	2.50%	6/30/2088	6/30/2089	3.35%	3.30%
6/30/2046	6/30/2047	2.50%	2.40%	6/30/2089	6/30/2090	3.40%	3.30%
6/30/2047	6/30/2048	2.50%	2.40%	6/30/2090	6/30/2091	3.40%	3.30%
6/30/2048	6/30/2049	2.45%	2.40%	6/30/2091	6/30/2092	3.40%	3.30%
6/30/2049	6/30/2050	2.45%	2.40%	6/30/2092	6/30/2093	3.45%	3.40%
6/30/2050	6/30/2051	2.45%	2.30%	6/30/2093	6/30/2094	3.45%	3.40%
6/30/2051	6/30/2052	2.50%	2.40%	6/30/2094	6/30/2095	3.50%	3.40%
6/30/2052	6/30/2053	2.50%	2.40%	6/30/2095	6/30/2096	3.50%	3.40%
6/30/2053	6/30/2054	2.55%	2.40%	6/30/2096	6/30/2097	3.55%	3.50%
6/30/2054	6/30/2055	2.55%	2.40%	6/30/2097	6/30/2098	3.55%	3.50%
6/30/2055	6/30/2056	2.60%	2.50%	6/30/2098	6/30/2099	3.60%	3.50%
6/30/2056	6/30/2057	2.60%	2.50%	6/30/2099	6/30/2100	3.60%	3.50%
6/30/2057	6/30/2058	2.65%	2.50%	6/30/2100	6/30/2101	3.65%	3.60%
6/30/2058	6/30/2059	2.65%	2.50%	6/30/2101	6/30/2102	3.65%	3.60%
6/30/2059	6/30/2060	2.65%	2.60%	6/30/2102	6/30/2103	3.70%	3.60%
6/30/2060	6/30/2061	2.70%	2.60%	6/30/2103	6/30/2104	3.70%	3.60%
6/30/2061	6/30/2062	2.70%	2.60%	6/30/2104	6/30/2105	3.70%	3.70%

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## Appendix A Proposed Actuarial Procedures and Assumptions

Upon approval of the proposed assumptions, this section of the next experience study report will reflect how the Appendix A of the July 1, 2018 actuarial valuation would appear if the Board of Retirement adopts all of the recommended assumptions. This will only contain assumptions approved in the 2018 Investigation of Experience for OPEB related assumptions proposed in this report. There will be no Retirement Benefit Assumptions changes highlighted in green because the retirement experience study will be conducted in 2019. Changes to OPEB related assumptions will be highlighted in yellow.

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## Appendix A: Actuarial Procedures and Assumptions

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**Note:** The OPEB specific assumptions shown in this appendix are Milliman's proposed assumptions and have not yet been adopted by the Board. Recommended OPEB related changes from the prior assumptions have been shaded in yellow. All OPEB specific numbers in the tables and certain items within the text may be modified after the Board makes its decision regarding the actuarial assumptions. There are no new retirement related changes since the 2016 OPEB Investigation of Experience Study. The next retirement Investigation of Experience study is scheduled for 2019.



The actuarial procedures and assumptions used in this valuation are described in this section. Where applicable, the same assumptions are used for the LACERA postemployment health and death benefit program as for the LACERA retirement benefits. The assumptions that overlap with the LACERA retirement benefits plan assumptions were reviewed and changed June 30, 2016, as a result of the 2016 triennial Retirement Benefit Investigation of Experience Study, approved by the Board of Investments in December 2016. These assumptions are consistent with the June 30, 2018 retirement funding valuation. The investment earnings assumption is OPEB specific. For agents that are prefunding into LACERA's OPEB Trust, the expected return of the assets of the OPEB trust is based on the asset allocation approved in the December 2017 Board of Investments meeting, which is a different asset allocation from the one used for the retirement benefits plan. For agents that are not prefunding into LACERA's OPEB Trust, we use the expected return from the County's general assets. The OPEB specific assumptions other than premiums, claim costs, and aging were reviewed and changed as a result of the 2018 OPEB Investigation of Experience Study. The premiums, claim costs, aging, and trend updated with the 2019-2020 renewals used for the July 1, 2018 valuation will be updated in the July 1, 2018 OPEB funding valuation report.

The actuarial assumptions used in both the retirement benefits plan and OPEB program actuarial valuations are intended to estimate the future experience of the members eligible for benefit payments and the projected benefit flow and anticipated investment earnings. Any variations in future experience from that expected from these assumptions will result in corresponding changes in the estimated costs of the benefits.

Table A-1 summarizes the assumptions. The general wage increase, inflation, and retirement specific demographic assumptions were developed in the 2016 retirement experience study. Nearly all of the OPEB specific demographic and investment earnings assumptions were developed in this 2018 OPEB experience study report. The

### Retirement Benefit Assumptions

claim costs and health cost trend assumptions with the 2019-2020 renewals will be updated in the July 1, 2018 OPEB funding valuation.

Tables A-2 and A-3 show how members are expected to leave retired status due to death. These were developed from the experience as measured by the 2016 Retirement Benefit Investigation of Experience Study.

Table A-4 presents the probability of refund of retirement benefit contributions upon termination of employment while vested. These were developed from the experience as measured by the 2016 Retirement Benefit Investigation of Experience Study.

Table A-5 presents the general wage increase of 3.25% per annum. This was developed from the experience as measured by the 2016 Retirement Benefit Investigation of Experience Study.

Tables A-6 to A-13 present the rates of separation of active service. These were developed from the experience as measured by the 2016 Retirement Benefit Investigation of Experience Study. The rates are the probabilities a member will leave active employment for various reasons.

### OPEB Assumptions

Tables A-14 to A-19 present enrollment assumptions. These were developed from the 2018 OPEB Investigation of Experience Study to estimate health eligibility and enrollment.

Tables A-20 to A-21 present premium and claim cost assumptions developed from the OPEB program's July 1, 2017 premium and claim information. These will be updated in the July 1, 2018 OPEB valuation with the OPEB program's premium and claim information.

Table A-22 presents the health cost trend rates for the July 1, 2018 OPEB valuation. These will be updated for the July 1, 2018 OPEB valuation upon receipt of the final July 1, 2019 renewals.

Table A-23 presents the assumed retirement rates for vested terminated members developed from the 2018 OPEB Investigation of Experience study.

### Actuarial Cost Method

OPEB valuations prior to July 1, 2018 have been prepared under the Projected Unit Credit (PUC) actuarial cost method. Under the principles of the PUC method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated pro-rata to each year of service between entry age and assumed exit.

For members who transferred between plans, entry age is based on original entry into the LACERA retirement benefits plan.

The portion of this actuarial present value allocated to a valuation year is called the Normal Cost (NC). The portion of this actuarial present value not provided for at a valuation date by the sum of



(a) the actuarial value of the assets (if the benefits are funded), and (b) the actuarial present value of future normal costs is called the Unfunded Actuarial Accrued Liability (UAAL). The UAAL is amortized as a level percentage of the projected salaries of the active members, both present and future, covered by the LACERA retirement benefits plan over a 30-year period from the valuation date; this is commonly referred to as a “rolling 30-year amortization method”. This method does not cover interest on the UAAL.

Effective with the July 1, 2018 OPEB funding valuation, the Entry Age Normal (EAN) actuarial cost method is being used. Under the principles of this method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated as a level percentage of the individual's projected compensation between entry age and assumed exit (until maximum retirement age). For members who transferred between plans, entry age is based on original entry into the system.

The portion of this actuarial present value allocated to a valuation year is called the Normal Cost (NC). The portion of this actuarial present value not provided for at a valuation date by the sum of (a) the actuarial value of the assets, and (b) the actuarial present value of future Normal Costs is called the Unfunded Actuarial Accrued Liability (UAAL). The UAAL is amortized as a level percentage of the projected salaries of the active members, both present and future, covered by the LACERA retirement benefits plan over a 30-year period from the valuation date; this is commonly referred to as a “rolling 30-year amortization method”. This method does not cover interest on the UAAL.

### Records and Data

The data used in this valuation consist of medical and dental/vision premiums, financial information, and the age, service, and salary records for active and inactive members and their survivors. All of the information was supplied by LACERA, Segal, and Meketa Investment Group and was accepted for valuation purposes without audit.

### Growth in Membership

For benefit determination purposes, no growth in the membership of LACERA is assumed. For funding purposes, if amortization is required, the total payroll of covered members is assumed to grow due to the combined effects of future wage increases of current active members and the replacement of the current active members by new employees. No growth in the total number of active members is assumed.

**Investment Earnings and Expenses**

The investment earnings assumption for agents that are prefunding through the OPEB Trust is the OPEB Trust expected return of 6.00%. The investment earnings assumption for the portion of the agents that are funded by the County is also the OPEB Trust expected return of 6.00%. The portion of the agents that are not funded by the County and not prefunding through the OPEB Trust has an investment earnings assumption of the County's general funds expected return of 3.69%.

The change from cost sharing to agent begins with the July 1, 2018 OPEB funding valuation. The investment earnings assumption approach for this funding valuation is intended to reflect the earnings associated with each agent. The separate GASB 74/75 disclosure reports, which are different from this funding valuation, follow prescribed discount rate for accounting disclosures.

**Health Cost Trend**

The rates of the health cost trends are illustrated in Table A-22. Table A-22 includes a description of the model we use. These rates reflect the final July 1, 2018 renewals and the impact from the 2019 calendar year moratorium of the Health Insurer Fee under the ACA. The trends in Table A-22 include the Excise tax under the ACA. These rates were adopted July 1, 2018. These rates will be updated upon receipt of the final July 1, 2019 renewals.

**Future Salaries**

The 3.25% per annum rate of increase in the general wage level of membership is in Table A-5. This rate was adopted June 30, 2016.

**Retirement**

Members in General Plans A-D may retire at age 50 with 10 years of service, or any age with 30 years of service, or age 70 regardless of the number of years of service. General Plan G members are eligible to retire at age 52 with 5 years of service, or age 70 regardless of the number of years of service. Non-contributory Plan E members may retire at age 55 with 10 years of service. Members of Safety Plans A and B may retire at age 50 with 10 years of service, or any age with 20 years of service. Safety Plan C members are eligible to retire at age 50 with 5 years of County service.

The retirement rates for active members vary by age and are shown by plan in Tables A-6 through A-13.

All general members who attain or who have attained age 75 in active service and all safety members who have attained age 65 in active service are assumed to retire immediately (except for Safety Plan C members who have not yet attained 5 years of service). All deferred vested members are assumed to retire according to Table A-23.

**Retirement (cont.)**

The assumptions regarding termination of employment, early retirement, and unreduced service retirement are treated as a single set of decrements in regards to a particular member. For example, a general member hired at age 30 has a probability to withdraw from LACERA due to death, disability, or *other termination of employment* until age 50. After age 50, the member could still withdraw due to death, disability, or *retirement*. Thus, in no year during the member's projected employment would they be eligible for both a probability of other termination of employment and a probability of retirement.

The active members' retirement probabilities were adopted June 30, 2016. The term vested member's retirement probabilities were adopted July 1, 2018, for purposes of the OPEB program valuation only.

**Disability**

The rates of disability used in the valuation are illustrated in Tables A-6 through A-13. These rates were adopted June 30, 2016.

**Postretirement  
Mortality Other Than  
Disabled Members**

The same postretirement mortality rates are used in the valuation for active members, members retired for service, and beneficiaries. These rates are illustrated in Table A-2. The mortality assumption for beneficiaries is the same as the mortality assumption as General members of the same gender. Future beneficiaries are assumed to be the opposite gender of the future retiree. These assumptions include a margin for expected future mortality improvement. These rates were adopted June 30, 2016

*Males*

General members: RP-2014 Healthy Annuitant Mortality Table for Males multiplied by 105%, with 100% of MP-2014 Ultimate Projection Scale.

Safety members: RP-2014 Healthy Annuitant Mortality Table for Males multiplied by 95%, with 100% of MP-2014 Ultimate Projection Scale.

*Females*

General members: RP-2014 Healthy Annuitant Mortality Table for Females, with 100% of MP-2014 Ultimate Projection Scale.

Safety members: Same as General Females.

**Mortality – Disabled Members**

For disabled members, the mortality rates used in the valuation rates are illustrated in Table A-3. These assumptions include a margin for expected future mortality improvement. These rates were adopted June 30, 2016.

*Males* General members: Average of RP-2014 Healthy Annuitant Mortality Table for Males multiplied by 105% and RP-2014 Disabled Annuitant Mortality Table for Males, both projected with 100% of MP-2014 Ultimate Projection Scale.

Safety members: RP-2014 Healthy Annuitant Mortality Table for Males, with 100% of MP-2014 Ultimate Projection Scale.

*Females* General members: Average of RP-2014 Healthy Annuitant Mortality Table for Females and RP-2014 Disabled Annuitant Mortality Table for Females, both projected with 100% of MP-2014 Ultimate Projection Scale.

Safety members: RP-2014 Healthy Annuitant Mortality Table for Females, with 100% of MP-2014 Ultimate Projection Scale.

**Mortality While in Active Status**

For active members, the mortality rates used in the valuation are illustrated in Tables A-6 through A-13. These rates were adopted June 30, 2016.

Class	Gender	Proposed Table	
General	Male	RP 2014E Male, Generational <sup>(1)</sup>	-2
General	Female	RP 2014E Female, Generational <sup>(1)</sup>	-0
Safety	Male	RP 2014E Male, Generational <sup>(1)</sup>	-6
Safety	Female	RP 2014E Female, Generational <sup>(1)</sup>	-0

1. Projection using 100% of MP-2014 Ultimate projection scale.

Safety members have an additional service-connected mortality rate of 0.01% per year.

**Other Employment Terminations**

Tables A-6 to A-13 show, for all ages, the rates assumed in this valuation for future termination from active service other than for death, disability, or retirement. These rates do not apply to members eligible for service retirement. These rates were adopted June 30, 2016.

Terminating employees may withdraw their contributions immediately upon termination of employment and forfeit the right to further retirement, medical, dental/vision and death benefits, or they may

**Other Employment  
 Terminations (cont.)**

leave their contributions with LACERA. Former contributing members whose contributions are on deposit may later elect to receive a refund, may return to work or may remain inactive until becoming eligible to receive a retirement benefit under either LACERA or a reciprocal retirement plan. All terminating members who are not eligible for vested benefits are assumed to withdraw their contributions immediately. All terminating members are assumed not to be rehired.

Table A-4 gives the assumed probabilities that vested members will withdraw their contributions and elect a refund immediately upon termination and the probability that remaining members will elect a deferred retirement allowance. All non-vested members are assumed to elect a refund and withdraw their contributions. These rates in Table A-4 were adopted June 30, 2016.

**Future Transfers**

Though a few active members may change pension plans, this valuation assumes the active members remain in the plan they are enrolled in at the time of the valuation. Specifically, we assume there will be no future transfers between retirement benefit plans.

**Retiree Medical and  
 Dental/Vision  
 Eligibility and  
 Enrollment  
 Assumptions**

Any retired or vested terminated members who have not yet elected a refund of their member contributions and will receive a pension benefit other than a refund are eligible for retiree medical and dental/vision enrollment.

The 2018 OPEB Investigation of Experience report was used to set the following assumptions:

Age difference for future retirees and spouses	Table A-1
Probability of initial medical enrollment upon retirement	Table A-14
Probability of medical plan and tier selection upon retirement for Tier 1	Table A-15A
Probability of medical plan and tier selection upon retirement for Tier 2	Table A-15B
Probability of medical plan and tier selection for Pre 65 retirees who become eligible for a Post 65 Plan	Table A-16
Probability of survivor and new dependent enrollment	Table A-17
Probability of dental/vision enrollment upon retirement	Table A-18

<b>Retiree Medical and Dental/Vision Eligibility and Enrollment Assumptions (cont.)</b>	Probability of dental/vision plan and tier selection upon retirement	Table A-19
	Retirement of vested terminated members	Table A-23
	Probability of retirees in group plans who elect Medicare Part D	0%

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**Table A-1: Summary of Valuation Assumptions as of July 1, 2017**

I.	Economic Assumptions	
A.	General wage increases	3.25%
B1.	Investment earnings (prefunding in OPEB Trust)	6.00%
B2.	Investment earnings (no prefunding)	3.69%
C.	Growth in membership	0.00%
D.	CPI inflation assumption	2.75%
E.	Medical cost trend	Table A-22
F.	Dental and vision cost trend	Table A-22
II.	Demographic Assumptions	
A.	Salary increases due to Service	Table A-5
B.	Retirement	Tables A-6 to A-13
C.	Disability	Tables A-6 to A-13
D.	Mortality during active employment	Tables A-6 to A-13
E.	Mortality for active members after termination and service retired members.	Table A-2
	Basis – RP-2014 Healthy Annuitant Mortality Table for respective genders with 100% of MP-2014 Ultimate Projection Scale:	
	<u>Class of Members</u>	<u>Adjustment</u>
	General – males	105% of rates
	General – females	100% of rates
	Safety – males	95% of rates
	Safety – females	100% of rates
F.	Mortality among disabled members	Table A-3
	Basis – Average of RP-2014 Healthy Annuitant (multiplied by 105% for males) and Disabled Mortality Tables for respective genders, with 100% of MP-2014 Ultimate Projection Scale:	
	General – males	100% of Disabled Rates
	General – females	100% of Disabled Rates
	Basis – RP-2014 Healthy Mortality Table, for respective genders with 100% of MP-2014 Ultimate Projection Scale:	
	Safety – males	100% of rates
	Safety – females	100% of rates

G. Mortality for Beneficiaries	Table A-2
Basis – Beneficiaries are assumed to have the same mortality as a general member of the opposite gender who has taken a service retirement.	
H. Other Terminations of Employment	Tables A-6 to A-13
I. Refund of Contributions on Vested Termination	Table A-4
J. Future male retirees are assumed to be four years older than their female spouses. Assumption adopted July 1, 2008. Future female retirees are assumed to be two years younger than their male spouses. Assumption adopted July 1, 2018.	
III. Retiree Medical and Dental/Vision Enrollment Assumptions	
A. Probability of Initial Medical Enrollment upon Retirement	Table A-14
B. Probability of Medical Plan and Tier Selection Upon Retirement (Pre 65 Male, Pre 65 Female, Post 65 Male, Post 65 Female)	Table A-15
C. Probability of Medical Plan and Tier Selection for Pre 65 Retirees Who become Eligible for a Post 65 Plan	Table A-16
D. Probability of Medical Survivor and New Dependent Enrollment	Table A-17
E. Probability of Retirees in Group Plans Who Elect Medicare Part D. We have assumed there is no cost impact due to retirees and dependents enrolling in Part D.	0%
F. Probability of Dental/Vision Enrollment upon Retirement	Table A-18
G. Probability of Dental/Vision Plan and Tier Selection Upon Retirement	Table A-19
IV. Premium and Claim Cost Analysis	Tables A-20 to A-21
V. Medical and Dental/Vision Trend	Table A-22
VI. Retirement of Vested Terminated Members	Table A-23



Table A-2: Mortality for Members Retired for Service <sup>(1)</sup>

Age	Safety Male	Safety Female	General Male	General Female
20	0.090%	0.041%	0.103%	0.041%
25	0.108%	0.044%	0.122%	0.044%
30	0.101%	0.055%	0.114%	0.055%
35	0.116%	0.072%	0.132%	0.072%
40	0.140%	0.100%	0.159%	0.100%
45	0.217%	0.165%	0.246%	0.165%
50	0.386%	0.277%	0.427%	0.277%
55	0.545%	0.362%	0.602%	0.362%
60	0.738%	0.519%	0.816%	0.519%
65	1.046%	0.805%	1.156%	0.805%
70	1.593%	1.287%	1.761%	1.287%
75	2.548%	2.094%	2.817%	2.094%
80	4.249%	3.484%	4.696%	3.484%
85	7.362%	6.050%	8.137%	6.050%
90	12.911%	10.713%	14.270%	10.713%

**Annual Projected Mortality Improvement**

Age	All Groups
65 & Less	1.000%
70	1.000%
75	1.000%
80	1.000%
85	1.000%
90	0.930%
95	0.850%
100	0.640%
105	0.430%
110	0.210%
115	0.000%

1. Mortality rates are those applicable for the fiscal year beginning in 2014. Annual projected improvements are assumed in the following years under the schedule shown. For example, the annual mortality rate for an 85-year old General male in fiscal year beginning in 2017 is 7.143% calculated as follows:

$$\begin{aligned}
 \text{Age 85 rate in 2017} &= \text{Age 85 rate in 2014 with 3 years improvement} \\
 &= 7.362\% \times (100.0\% - 1.0\%) \times (100.0\% - 1.0\%) \times (100.0\% - 1.0\%) \\
 &= 7.143\%
 \end{aligned}$$

**Table A-3: Mortality for Members Retired for Disability <sup>(1)</sup>**

<b>Age</b>	<b>Safety Male</b>	<b>Safety Female</b>	<b>General Male</b>	<b>General Female</b>
20	0.098%	0.041%	0.407%	0.132%
25	0.117%	0.044%	0.485%	0.141%
30	0.109%	0.055%	0.453%	0.178%
35	0.126%	0.072%	0.524%	0.233%
40	0.151%	0.100%	0.629%	0.322%
45	0.234%	0.165%	0.975%	0.535%
50	0.406%	0.277%	1.233%	0.734%
55	0.573%	0.362%	1.470%	0.905%
60	0.777%	0.519%	1.738%	1.109%
65	1.101%	0.805%	2.162%	1.445%
70	1.677%	1.287%	2.898%	2.054%
75	2.683%	2.094%	4.123%	3.099%
80	4.472%	3.484%	6.179%	4.794%
85	7.750%	6.050%	9.734%	7.546%
90	13.591%	10.713%	15.785%	11.989%

1. Mortality rates are those applicable the year fiscal year beginning in 2014. Annual projected improvements are assumed in the following years under the schedule shown on the preceding page.

**Table A-4: Immediate Refund of Contributions upon Termination of Employment (Excludes Plan E)**

Years of Service	Safety	General
0	100%	100%
1	100%	100%
2	100%	100%
3	100%	100%
4	100%	100%
5	35%	35%
6	35%	35%
7	35%	35%
8	33%	34%
9	31%	34%
10	29%	33%
11	27%	33%
12	25%	32%
13	22%	31%
14	19%	30%
15	16%	30%
16	13%	29%
17	10%	28%
18	6%	25%
19	2%	23%
20	0%	20%
21	0%	18%
22	0%	15%
23	0%	12%
24	0%	9%
25	0%	6%
26	0%	3%
27	0%	0%
28	0%	0%
29	0%	0%
30 & Up	0%	0%

**Table A-5: Annual Increase in Salary**

Payroll is assumed to increase with the general wage increase of 3.25% per annum in addition to individual annual increases from promotion and longevity. The promotion and longevity increases shown in the table below are combined with the general wage increase on a compound basis, and are used for the **Entry Age Normal** cost method.

General wage increases and individual salary increases due to promotion and longevity do not affect the amount of the OPEB program's benefits.

<b>Years of Service</b>	<b>General</b>	<b>Safety</b>
<1	6.00%	8.00%
1	5.25%	7.00%
2	4.50%	6.00%
3	3.75%	4.00%
4	3.00%	3.00%
5	2.50%	2.50%
6	2.00%	2.00%
7	1.75%	1.75%
8	1.50%	1.50%
9	1.30%	1.30%
10	1.15%	1.15%
11	1.00%	1.00%
12	0.85%	0.85%
13	0.70%	0.70%
14	0.60%	0.60%
15	0.50%	0.50%
16	0.40%	0.50%
17	0.35%	0.50%
18	0.30%	0.50%
19	0.25%	0.50%
20 or More	0.25%	0.50%

**Appendix A: Rates of Separation from Active Service  
Tables A-6 to A-13**

A schedule of the probabilities of termination of employment due to the following causes can be found on the following pages:

Service Retirement:	Member retires after meeting age and service requirements for reasons other than disability.
Other Terminations:	Member terminates and elects a refund of member contributions or a deferred vested retirement benefit.
Service Disability:	Member receives disability retirement; disability is service related.
Ordinary Disability:	Member receives disability retirement; disability is not service related.
Service Death:	Member dies before retirement; death is service related.
Ordinary Death:	Member dies before retirement; death is not service related.

Each rate represents the probability that a member will separate from service at each age due to the particular cause. For example, a rate of 0.0300 for a member's service retirement at age 50 means we assume that 30 out of 1,000 members who are age 50 will retire at that age.

Each table represents the detailed rates needed for each LACERA plan by gender:

Table A-6: General Plans A, B, & C Males	A-10: General Plan E Males
A-7: General Plans A, B, & C Females	A-11: General Plan E Females
A-8: General Plans D & G Males	A-12: Safety Plans A, B, & C Males
A-9: General Plans D & G Females	A-13: Safety Plans A, B, & C Females

**Table A-6: Rate of Separation from Active Service for General Members  
 Plans A, B, & C – Male**

Age	Service Retirement	Other Terminations	Service Disability	Ordinary Disability	Service Death	Ordinary Death
18	0.0000	0.0050	0.0002	0.0001	N/A	0.0003
19	0.0000	0.0050	0.0002	0.0001	N/A	0.0003
20	0.0000	0.0050	0.0002	0.0001	N/A	0.0003
21	0.0000	0.0050	0.0002	0.0001	N/A	0.0004
22	0.0000	0.0050	0.0002	0.0001	N/A	0.0004
23	0.0000	0.0050	0.0002	0.0001	N/A	0.0004
24	0.0000	0.0050	0.0002	0.0001	N/A	0.0005
25	0.0000	0.0050	0.0002	0.0001	N/A	0.0005
26	0.0000	0.0050	0.0002	0.0001	N/A	0.0005
27	0.0000	0.0050	0.0002	0.0001	N/A	0.0005
28	0.0000	0.0050	0.0002	0.0001	N/A	0.0005
29	0.0000	0.0050	0.0002	0.0001	N/A	0.0004
30	0.0000	0.0050	0.0002	0.0001	N/A	0.0004
31	0.0000	0.0050	0.0002	0.0001	N/A	0.0004
32	0.0000	0.0050	0.0002	0.0001	N/A	0.0005
33	0.0000	0.0050	0.0002	0.0001	N/A	0.0005
34	0.0000	0.0050	0.0003	0.0001	N/A	0.0005
35	0.0000	0.0050	0.0003	0.0001	N/A	0.0005
36	0.0000	0.0050	0.0004	0.0001	N/A	0.0005
37	0.0000	0.0050	0.0004	0.0001	N/A	0.0005
38	0.0000	0.0050	0.0005	0.0001	N/A	0.0005
39	0.0000	0.0050	0.0006	0.0001	N/A	0.0006
40	0.0300	0.0050	0.0006	0.0002	N/A	0.0006
41	0.0300	0.0050	0.0007	0.0002	N/A	0.0006
42	0.0300	0.0050	0.0008	0.0002	N/A	0.0006
43	0.0300	0.0050	0.0008	0.0003	N/A	0.0007
44	0.0300	0.0050	0.0009	0.0003	N/A	0.0007
45	0.0300	0.0050	0.0009	0.0003	N/A	0.0008
46	0.0300	0.0050	0.0010	0.0004	N/A	0.0009
47	0.0300	0.0050	0.0010	0.0004	N/A	0.0010
48	0.0300	0.0050	0.0010	0.0004	N/A	0.0011
49	0.0300	0.0050	0.0011	0.0004	N/A	0.0012
50	0.0300	0.0050	0.0011	0.0004	N/A	0.0014
51	0.0300	0.0050	0.0012	0.0004	N/A	0.0015
52	0.0300	0.0050	0.0012	0.0004	N/A	0.0017
53	0.0300	0.0050	0.0016	0.0005	N/A	0.0019
54	0.0600	0.0050	0.0019	0.0006	N/A	0.0021
55	0.1000	0.0050	0.0023	0.0006	N/A	0.0023
56	0.1200	0.0050	0.0026	0.0007	N/A	0.0025
57	0.1700	0.0050	0.0030	0.0008	N/A	0.0028
58	0.2200	0.0050	0.0035	0.0009	N/A	0.0031
59	0.2400	0.0050	0.0040	0.0010	N/A	0.0034
60	0.2600	0.0050	0.0045	0.0010	N/A	0.0038
61	0.3100	0.0050	0.0050	0.0011	N/A	0.0042
62	0.3500	0.0050	0.0055	0.0012	N/A	0.0047
63	0.2800	0.0050	0.0053	0.0014	N/A	0.0052
64	0.2800	0.0050	0.0051	0.0015	N/A	0.0059
65	0.2800	0.0050	0.0049	0.0017	N/A	0.0066
66	0.2800	0.0050	0.0047	0.0018	N/A	0.0074
67	0.2800	0.0050	0.0045	0.0020	N/A	0.0083
68	0.2800	0.0050	0.0045	0.0022	N/A	0.0092
69	0.2800	0.0050	0.0045	0.0023	N/A	0.0102
70	0.2800	0.0050	0.0045	0.0025	N/A	0.0113
71	0.2800	0.0050	0.0045	0.0026	N/A	0.0125
72	0.2800	0.0050	0.0045	0.0028	N/A	0.0139
73	0.2800	0.0050	0.0045	0.0030	N/A	0.0154
74	0.2800	0.0050	0.0045	0.0031	N/A	0.0170
75	1.0000	0.0000	0.0000	0.0000	N/A	0.0189



This work product was prepared solely for LACERA for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

**Table A-7: Rate of Separation from Active Service for General Members  
 Plans A, B, & C – Female**

Age	Service Retirement	Other Terminations	Service Disability	Ordinary Disability	Service Death	Ordinary Death
18	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
19	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
20	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
21	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
22	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
23	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
24	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
25	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
26	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
27	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
28	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
29	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
30	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
31	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
32	0.0000	0.0050	0.0002	0.0001	N/A	0.0002
33	0.0000	0.0050	0.0002	0.0001	N/A	0.0003
34	0.0000	0.0050	0.0003	0.0001	N/A	0.0003
35	0.0000	0.0050	0.0003	0.0001	N/A	0.0003
36	0.0000	0.0050	0.0004	0.0001	N/A	0.0003
37	0.0000	0.0050	0.0004	0.0001	N/A	0.0003
38	0.0000	0.0050	0.0004	0.0001	N/A	0.0003
39	0.0000	0.0050	0.0004	0.0001	N/A	0.0004
40	0.0300	0.0050	0.0005	0.0002	N/A	0.0004
41	0.0300	0.0050	0.0005	0.0002	N/A	0.0004
42	0.0300	0.0050	0.0005	0.0002	N/A	0.0005
43	0.0300	0.0050	0.0006	0.0003	N/A	0.0005
44	0.0300	0.0050	0.0007	0.0003	N/A	0.0006
45	0.0300	0.0050	0.0008	0.0003	N/A	0.0007
46	0.0300	0.0050	0.0009	0.0004	N/A	0.0007
47	0.0300	0.0050	0.0010	0.0004	N/A	0.0008
48	0.0300	0.0050	0.0011	0.0004	N/A	0.0009
49	0.0300	0.0050	0.0012	0.0004	N/A	0.0010
50	0.0300	0.0050	0.0013	0.0004	N/A	0.0011
51	0.0300	0.0050	0.0014	0.0004	N/A	0.0012
52	0.0300	0.0050	0.0015	0.0004	N/A	0.0013
53	0.0300	0.0050	0.0016	0.0005	N/A	0.0014
54	0.0600	0.0050	0.0016	0.0006	N/A	0.0015
55	0.1000	0.0050	0.0017	0.0006	N/A	0.0017
56	0.1200	0.0050	0.0017	0.0007	N/A	0.0018
57	0.1700	0.0050	0.0018	0.0008	N/A	0.0019
58	0.2200	0.0050	0.0020	0.0009	N/A	0.0021
59	0.2400	0.0050	0.0023	0.0010	N/A	0.0023
60	0.2600	0.0050	0.0025	0.0010	N/A	0.0024
61	0.3100	0.0050	0.0028	0.0011	N/A	0.0026
62	0.3500	0.0050	0.0030	0.0012	N/A	0.0029
63	0.2800	0.0050	0.0030	0.0014	N/A	0.0031
64	0.2800	0.0050	0.0030	0.0015	N/A	0.0034
65	0.2800	0.0050	0.0030	0.0017	N/A	0.0037
66	0.2800	0.0050	0.0030	0.0018	N/A	0.0041
67	0.2800	0.0050	0.0030	0.0020	N/A	0.0046
68	0.2800	0.0050	0.0030	0.0022	N/A	0.0051
69	0.2800	0.0050	0.0030	0.0023	N/A	0.0057
70	0.2800	0.0050	0.0030	0.0025	N/A	0.0063
71	0.2800	0.0050	0.0030	0.0026	N/A	0.0070
72	0.2800	0.0050	0.0030	0.0028	N/A	0.0078
73	0.2800	0.0050	0.0030	0.0030	N/A	0.0087
74	0.2800	0.0050	0.0030	0.0031	N/A	0.0097
75	1.0000	0.0000	0.0000	0.0000	N/A	0.0108

**Table A-8: Rate of Separation from Active Service for General Members  
 Plan D & G – Male**

Age	Service Retirement	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations
18	0.0000	0.0002	0.0001	N/A	0.0003	0	0.0800
19	0.0000	0.0002	0.0001	N/A	0.0003	1	0.0550
20	0.0000	0.0002	0.0001	N/A	0.0003	2	0.0375
21	0.0000	0.0002	0.0001	N/A	0.0004	3	0.0300
22	0.0000	0.0002	0.0001	N/A	0.0004	4	0.0250
23	0.0000	0.0002	0.0001	N/A	0.0004	5	0.0233
24	0.0000	0.0002	0.0001	N/A	0.0005	6	0.0217
25	0.0000	0.0002	0.0001	N/A	0.0005	7	0.0200
26	0.0000	0.0002	0.0001	N/A	0.0005	8	0.0190
27	0.0000	0.0002	0.0001	N/A	0.0005	9	0.0180
28	0.0000	0.0002	0.0001	N/A	0.0005	10	0.0170
29	0.0000	0.0002	0.0001	N/A	0.0004	11	0.0160
30	0.0000	0.0002	0.0001	N/A	0.0004	12	0.0150
31	0.0000	0.0002	0.0001	N/A	0.0004	13	0.0140
32	0.0000	0.0002	0.0001	N/A	0.0005	14	0.0130
33	0.0000	0.0002	0.0001	N/A	0.0005	15	0.0120
34	0.0000	0.0003	0.0001	N/A	0.0005	16	0.0110
35	0.0000	0.0003	0.0001	N/A	0.0005	17	0.0100
36	0.0000	0.0004	0.0001	N/A	0.0005	18	0.0092
37	0.0000	0.0004	0.0001	N/A	0.0005	19	0.0084
38	0.0000	0.0005	0.0001	N/A	0.0005	20	0.0076
39	0.0000	0.0006	0.0001	N/A	0.0006	21	0.0068
40	0.0150	0.0006	0.0002	N/A	0.0006	22	0.0060
41	0.0150	0.0007	0.0002	N/A	0.0006	23	0.0056
42	0.0150	0.0008	0.0002	N/A	0.0006	24	0.0052
43	0.0150	0.0008	0.0003	N/A	0.0007	25	0.0048
44	0.0150	0.0009	0.0003	N/A	0.0007	26	0.0044
45	0.0150	0.0009	0.0003	N/A	0.0008	27	0.0040
46	0.0150	0.0010	0.0004	N/A	0.0009	28	0.0040
47	0.0150	0.0010	0.0004	N/A	0.0010	29	0.0040
48	0.0150	0.0010	0.0004	N/A	0.0011	30 & Above	0.0000
49	0.0150	0.0011	0.0004	N/A	0.0012		
50	0.0150	0.0011	0.0004	N/A	0.0014		
51	0.0120	0.0012	0.0004	N/A	0.0015		
52	0.0120	0.0012	0.0004	N/A	0.0017		
53	0.0150	0.0016	0.0005	N/A	0.0019		
54	0.0200	0.0019	0.0006	N/A	0.0021		
55	0.0250	0.0023	0.0006	N/A	0.0023		
56	0.0250	0.0026	0.0007	N/A	0.0025		
57	0.0300	0.0030	0.0008	N/A	0.0028		
58	0.0350	0.0035	0.0009	N/A	0.0031		
59	0.0500	0.0040	0.0010	N/A	0.0034		
60	0.0600	0.0045	0.0010	N/A	0.0038		
61	0.0800	0.0050	0.0011	N/A	0.0042		
62	0.1000	0.0055	0.0012	N/A	0.0047		
63	0.0900	0.0053	0.0014	N/A	0.0052		
64	0.1500	0.0051	0.0015	N/A	0.0059		
65	0.2000	0.0049	0.0017	N/A	0.0066		
66	0.2000	0.0047	0.0018	N/A	0.0074		
67	0.1800	0.0045	0.0020	N/A	0.0083		
68	0.1800	0.0045	0.0022	N/A	0.0092		
69	0.1800	0.0045	0.0023	N/A	0.0102		
70	0.2000	0.0045	0.0025	N/A	0.0113		
71	0.2000	0.0045	0.0026	N/A	0.0125		
72	0.2000	0.0045	0.0028	N/A	0.0139		
73	0.2000	0.0045	0.0030	N/A	0.0154		
74	0.2000	0.0045	0.0031	N/A	0.0170		
75	1.0000	0.0000	0.0000	N/A	0.0189		



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**Table A-9: Rate of Separation from Active Service for General Members  
 Plan D and G – Female**

Age	Service Retirement	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations
18	0.0000	0.0002	0.0001	N/A	0.0002	0	0.0800
19	0.0000	0.0002	0.0001	N/A	0.0002	1	0.0550
20	0.0000	0.0002	0.0001	N/A	0.0002	2	0.0375
21	0.0000	0.0002	0.0001	N/A	0.0002	3	0.0300
22	0.0000	0.0002	0.0001	N/A	0.0002	4	0.0250
23	0.0000	0.0002	0.0001	N/A	0.0002	5	0.0233
24	0.0000	0.0002	0.0001	N/A	0.0002	6	0.0217
25	0.0000	0.0002	0.0001	N/A	0.0002	7	0.0200
26	0.0000	0.0002	0.0001	N/A	0.0002	8	0.0190
27	0.0000	0.0002	0.0001	N/A	0.0002	9	0.0180
28	0.0000	0.0002	0.0001	N/A	0.0002	10	0.0170
29	0.0000	0.0002	0.0001	N/A	0.0002	11	0.0160
30	0.0000	0.0002	0.0001	N/A	0.0002	12	0.0150
31	0.0000	0.0002	0.0001	N/A	0.0002	13	0.0140
32	0.0000	0.0002	0.0001	N/A	0.0002	14	0.0130
33	0.0000	0.0002	0.0001	N/A	0.0003	15	0.0120
34	0.0000	0.0003	0.0001	N/A	0.0003	16	0.0110
35	0.0000	0.0003	0.0001	N/A	0.0003	17	0.0100
36	0.0000	0.0004	0.0001	N/A	0.0003	18	0.0092
37	0.0000	0.0004	0.0001	N/A	0.0003	19	0.0084
38	0.0000	0.0004	0.0001	N/A	0.0003	20	0.0076
39	0.0000	0.0004	0.0001	N/A	0.0004	21	0.0068
40	0.0150	0.0005	0.0002	N/A	0.0004	22	0.0060
41	0.0150	0.0005	0.0002	N/A	0.0004	23	0.0056
42	0.0150	0.0005	0.0002	N/A	0.0005	24	0.0052
43	0.0150	0.0006	0.0003	N/A	0.0005	25	0.0048
44	0.0150	0.0007	0.0003	N/A	0.0006	26	0.0044
45	0.0150	0.0008	0.0003	N/A	0.0007	27	0.0040
46	0.0150	0.0009	0.0004	N/A	0.0007	28	0.0040
47	0.0150	0.0010	0.0004	N/A	0.0008	29	0.0040
48	0.0150	0.0011	0.0004	N/A	0.0009	30 & Above	0.0000
49	0.0150	0.0012	0.0004	N/A	0.0010		
50	0.0150	0.0013	0.0004	N/A	0.0011		
51	0.0120	0.0014	0.0004	N/A	0.0012		
52	0.0120	0.0015	0.0004	N/A	0.0013		
53	0.0150	0.0016	0.0005	N/A	0.0014		
54	0.0200	0.0016	0.0006	N/A	0.0015		
55	0.0250	0.0017	0.0006	N/A	0.0017		
56	0.0250	0.0017	0.0007	N/A	0.0018		
57	0.0300	0.0018	0.0008	N/A	0.0019		
58	0.0350	0.0020	0.0009	N/A	0.0021		
59	0.0500	0.0023	0.0010	N/A	0.0023		
60	0.0600	0.0025	0.0010	N/A	0.0024		
61	0.0800	0.0028	0.0011	N/A	0.0026		
62	0.1000	0.0030	0.0012	N/A	0.0029		
63	0.0900	0.0030	0.0014	N/A	0.0031		
64	0.1500	0.0030	0.0015	N/A	0.0034		
65	0.2000	0.0030	0.0017	N/A	0.0037		
66	0.2000	0.0030	0.0018	N/A	0.0041		
67	0.1800	0.0030	0.0020	N/A	0.0046		
68	0.1800	0.0030	0.0022	N/A	0.0051		
69	0.1800	0.0030	0.0023	N/A	0.0057		
70	0.2000	0.0030	0.0025	N/A	0.0063		
71	0.2000	0.0030	0.0026	N/A	0.0070		
72	0.2000	0.0030	0.0028	N/A	0.0078		
73	0.2000	0.0030	0.0030	N/A	0.0087		
74	0.2000	0.0030	0.0031	N/A	0.0097		
75	1.0000	0.0000	0.0000	N/A	0.0108		

**Table A-10: Rate of Separation from Active Service for General Members  
 Plan E – Male**

Age	Service Retirement	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations
18	0.0000	N/A	N/A	N/A	0.0003	0	0.1500
19	0.0000	N/A	N/A	N/A	0.0003	1	0.0800
20	0.0000	N/A	N/A	N/A	0.0003	2	0.0600
21	0.0000	N/A	N/A	N/A	0.0004	3	0.0450
22	0.0000	N/A	N/A	N/A	0.0004	4	0.0350
23	0.0000	N/A	N/A	N/A	0.0004	5	0.0310
24	0.0000	N/A	N/A	N/A	0.0005	6	0.0270
25	0.0000	N/A	N/A	N/A	0.0005	7	0.0230
26	0.0000	N/A	N/A	N/A	0.0005	8	0.0220
27	0.0000	N/A	N/A	N/A	0.0005	9	0.0210
28	0.0000	N/A	N/A	N/A	0.0005	10	0.0200
29	0.0000	N/A	N/A	N/A	0.0004	11	0.0190
30	0.0000	N/A	N/A	N/A	0.0004	12	0.0180
31	0.0000	N/A	N/A	N/A	0.0004	13	0.0168
32	0.0000	N/A	N/A	N/A	0.0005	14	0.0156
33	0.0000	N/A	N/A	N/A	0.0005	15	0.0144
34	0.0000	N/A	N/A	N/A	0.0005	16	0.0132
35	0.0000	N/A	N/A	N/A	0.0005	17	0.0120
36	0.0000	N/A	N/A	N/A	0.0005	18	0.0116
37	0.0000	N/A	N/A	N/A	0.0005	19	0.0112
38	0.0000	N/A	N/A	N/A	0.0005	20	0.0108
39	0.0000	N/A	N/A	N/A	0.0006	21	0.0104
40	0.0000	N/A	N/A	N/A	0.0006	22	0.0100
41	0.0000	N/A	N/A	N/A	0.0006	23	0.0100
42	0.0000	N/A	N/A	N/A	0.0006	24	0.0100
43	0.0000	N/A	N/A	N/A	0.0007	25	0.0100
44	0.0000	N/A	N/A	N/A	0.0007	26	0.0100
45	0.0000	N/A	N/A	N/A	0.0008	27	0.0100
46	0.0000	N/A	N/A	N/A	0.0009	28	0.0100
47	0.0000	N/A	N/A	N/A	0.0010	29	0.0100
48	0.0000	N/A	N/A	N/A	0.0011	30 & Above	0.0100
49	0.0000	N/A	N/A	N/A	0.0012		
50	0.0000	N/A	N/A	N/A	0.0014		
51	0.0000	N/A	N/A	N/A	0.0015		
52	0.0000	N/A	N/A	N/A	0.0017		
53	0.0000	N/A	N/A	N/A	0.0019		
54	0.0000	N/A	N/A	N/A	0.0021		
55	0.0200	N/A	N/A	N/A	0.0023		
56	0.0200	N/A	N/A	N/A	0.0025		
57	0.0200	N/A	N/A	N/A	0.0028		
58	0.0200	N/A	N/A	N/A	0.0031		
59	0.0300	N/A	N/A	N/A	0.0034		
60	0.0400	N/A	N/A	N/A	0.0038		
61	0.0600	N/A	N/A	N/A	0.0042		
62	0.0900	N/A	N/A	N/A	0.0047		
63	0.0900	N/A	N/A	N/A	0.0052		
64	0.2000	N/A	N/A	N/A	0.0059		
65	0.2500	N/A	N/A	N/A	0.0066		
66	0.1800	N/A	N/A	N/A	0.0074		
67	0.1800	N/A	N/A	N/A	0.0083		
68	0.1800	N/A	N/A	N/A	0.0092		
69	0.1800	N/A	N/A	N/A	0.0102		
70	0.2000	N/A	N/A	N/A	0.0113		
71	0.2000	N/A	N/A	N/A	0.0125		
72	0.2000	N/A	N/A	N/A	0.0139		
73	0.2000	N/A	N/A	N/A	0.0154		
74	0.2000	N/A	N/A	N/A	0.0170		
75	1.0000	N/A	N/A	N/A	0.0189		



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**Table A-11: Rate of Separation from Active Service for General Members  
 Plan E – Female**

Age	Service Retirement	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations
18	0.0000	N/A	N/A	N/A	0.0002	0	0.1500
19	0.0000	N/A	N/A	N/A	0.0002	1	0.0800
20	0.0000	N/A	N/A	N/A	0.0002	2	0.0600
21	0.0000	N/A	N/A	N/A	0.0002	3	0.0450
22	0.0000	N/A	N/A	N/A	0.0002	4	0.0350
23	0.0000	N/A	N/A	N/A	0.0002	5	0.0310
24	0.0000	N/A	N/A	N/A	0.0002	6	0.0270
25	0.0000	N/A	N/A	N/A	0.0002	7	0.0230
26	0.0000	N/A	N/A	N/A	0.0002	8	0.0220
27	0.0000	N/A	N/A	N/A	0.0002	9	0.0210
28	0.0000	N/A	N/A	N/A	0.0002	10	0.0200
29	0.0000	N/A	N/A	N/A	0.0002	11	0.0190
30	0.0000	N/A	N/A	N/A	0.0002	12	0.0180
31	0.0000	N/A	N/A	N/A	0.0002	13	0.0168
32	0.0000	N/A	N/A	N/A	0.0002	14	0.0156
33	0.0000	N/A	N/A	N/A	0.0003	15	0.0144
34	0.0000	N/A	N/A	N/A	0.0003	16	0.0132
35	0.0000	N/A	N/A	N/A	0.0003	17	0.0120
36	0.0000	N/A	N/A	N/A	0.0003	18	0.0116
37	0.0000	N/A	N/A	N/A	0.0003	19	0.0112
38	0.0000	N/A	N/A	N/A	0.0003	20	0.0108
39	0.0000	N/A	N/A	N/A	0.0004	21	0.0104
40	0.0000	N/A	N/A	N/A	0.0004	22	0.0100
41	0.0000	N/A	N/A	N/A	0.0004	23	0.0100
42	0.0000	N/A	N/A	N/A	0.0005	24	0.0100
43	0.0000	N/A	N/A	N/A	0.0005	25	0.0100
44	0.0000	N/A	N/A	N/A	0.0006	26	0.0100
45	0.0000	N/A	N/A	N/A	0.0007	27	0.0100
46	0.0000	N/A	N/A	N/A	0.0007	28	0.0100
47	0.0000	N/A	N/A	N/A	0.0008	29	0.0100
48	0.0000	N/A	N/A	N/A	0.0009	30 & Above	0.0100
49	0.0000	N/A	N/A	N/A	0.0010		
50	0.0000	N/A	N/A	N/A	0.0011		
51	0.0000	N/A	N/A	N/A	0.0012		
52	0.0000	N/A	N/A	N/A	0.0013		
53	0.0000	N/A	N/A	N/A	0.0014		
54	0.0000	N/A	N/A	N/A	0.0015		
55	0.0200	N/A	N/A	N/A	0.0017		
56	0.0200	N/A	N/A	N/A	0.0018		
57	0.0200	N/A	N/A	N/A	0.0019		
58	0.0200	N/A	N/A	N/A	0.0021		
59	0.0300	N/A	N/A	N/A	0.0023		
60	0.0400	N/A	N/A	N/A	0.0024		
61	0.0600	N/A	N/A	N/A	0.0026		
62	0.0900	N/A	N/A	N/A	0.0029		
63	0.0900	N/A	N/A	N/A	0.0031		
64	0.2000	N/A	N/A	N/A	0.0034		
65	0.2500	N/A	N/A	N/A	0.0037		
66	0.1800	N/A	N/A	N/A	0.0041		
67	0.1800	N/A	N/A	N/A	0.0046		
68	0.1800	N/A	N/A	N/A	0.0051		
69	0.1800	N/A	N/A	N/A	0.0057		
70	0.2000	N/A	N/A	N/A	0.0063		
71	0.2000	N/A	N/A	N/A	0.0070		
72	0.2000	N/A	N/A	N/A	0.0078		
73	0.2000	N/A	N/A	N/A	0.0087		
74	0.2000	N/A	N/A	N/A	0.0097		
75	1.0000	N/A	N/A	N/A	0.0108		

**Table A-12: Rate of Separation from Active Service for Safety Members  
 Plans A, B, & C – Male**

Age	Service Retirement	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations
18	0.0000	0.0020	0.0000	0.0001	0.0002	0	0.0300
19	0.0000	0.0020	0.0000	0.0001	0.0002	1	0.0250
20	0.0000	0.0020	0.0000	0.0001	0.0002	2	0.0200
21	0.0000	0.0020	0.0000	0.0001	0.0002	3	0.0150
22	0.0000	0.0020	0.0000	0.0001	0.0003	4	0.0120
23	0.0000	0.0020	0.0000	0.0001	0.0003	5	0.0113
24	0.0000	0.0020	0.0000	0.0001	0.0003	6	0.0107
25	0.0000	0.0020	0.0000	0.0001	0.0004	7	0.0100
26	0.0000	0.0020	0.0000	0.0001	0.0004	8	0.0092
27	0.0000	0.0020	0.0000	0.0001	0.0004	9	0.0084
28	0.0000	0.0020	0.0000	0.0001	0.0005	10	0.0076
29	0.0000	0.0020	0.0000	0.0001	0.0005	11	0.0068
30	0.0000	0.0020	0.0000	0.0001	0.0005	12	0.0060
31	0.0000	0.0020	0.0000	0.0001	0.0005	13	0.0054
32	0.0000	0.0020	0.0000	0.0001	0.0005	14	0.0048
33	0.0000	0.0021	0.0000	0.0001	0.0004	15	0.0042
34	0.0000	0.0022	0.0000	0.0001	0.0004	16	0.0036
35	0.0000	0.0023	0.0000	0.0001	0.0004	17	0.0030
36	0.0000	0.0024	0.0000	0.0001	0.0005	18	0.0024
37	0.0000	0.0025	0.0000	0.0001	0.0005	19	0.0018
38	0.0000	0.0026	0.0000	0.0001	0.0005	20 & Above	0.0000
39	0.0000	0.0027	0.0000	0.0001	0.0005		
40	0.0100	0.0028	0.0000	0.0001	0.0005		
41	0.0100	0.0029	0.0000	0.0001	0.0005		
42	0.0100	0.0030	0.0000	0.0001	0.0005		
43	0.0100	0.0031	0.0000	0.0001	0.0006		
44	0.0100	0.0032	0.0000	0.0001	0.0006		
45	0.0100	0.0033	0.0000	0.0001	0.0006		
46	0.0100	0.0034	0.0000	0.0001	0.0006		
47	0.0100	0.0035	0.0000	0.0001	0.0007		
48	0.0100	0.0040	0.0000	0.0001	0.0007		
49	0.0100	0.0050	0.0000	0.0001	0.0008		
50	0.0100	0.0100	0.0000	0.0001	0.0009		
51	0.0200	0.0120	0.0000	0.0001	0.0010		
52	0.0250	0.0140	0.0000	0.0001	0.0011		
53	0.0300	0.0300	0.0000	0.0001	0.0012		
54	0.1200	0.0500	0.0000	0.0001	0.0014		
55	0.2400	0.1200	0.0000	0.0001	0.0015		
56	0.1500	0.0900	0.0000	0.0001	0.0017		
57	0.1600	0.1000	0.0000	0.0001	0.0019		
58	0.1800	0.1000	0.0000	0.0001	0.0021		
59	0.2500	0.1000	0.0000	0.0001	0.0023		
60	0.3000	0.1000	0.0000	0.0001	0.0025		
61	0.3000	0.1000	0.0000	0.0001	0.0028		
62	0.3000	0.1000	0.0000	0.0001	0.0031		
63	0.3000	0.1000	0.0000	0.0001	0.0034		
64	0.3000	0.1000	0.0000	0.0001	0.0038		
65	1.0000	0.0000	0.0000	0.0000	0.0042		

**Table A-13: Rate of Separation from Active Service for Safety Members  
 Plans A, B, & C – Female**

Age	Service Retirement	Service Disability	Ordinary Disability	Service Death	Ordinary Death	Years of Service	Other Terminations
18	0.0000	0.0030	0.0000	0.0001	0.0002	0	0.0300
19	0.0000	0.0030	0.0000	0.0001	0.0002	1	0.0250
20	0.0000	0.0030	0.0000	0.0001	0.0002	2	0.0200
21	0.0000	0.0030	0.0000	0.0001	0.0002	3	0.0150
22	0.0000	0.0030	0.0000	0.0001	0.0002	4	0.0120
23	0.0000	0.0030	0.0000	0.0001	0.0002	5	0.0113
24	0.0000	0.0030	0.0000	0.0001	0.0002	6	0.0107
25	0.0000	0.0030	0.0000	0.0001	0.0002	7	0.0100
26	0.0000	0.0030	0.0000	0.0001	0.0002	8	0.0092
27	0.0000	0.0030	0.0000	0.0001	0.0002	9	0.0084
28	0.0000	0.0034	0.0000	0.0001	0.0002	10	0.0076
29	0.0000	0.0038	0.0000	0.0001	0.0002	11	0.0068
30	0.0000	0.0042	0.0000	0.0001	0.0002	12	0.0060
31	0.0000	0.0046	0.0000	0.0001	0.0002	13	0.0054
32	0.0000	0.0050	0.0000	0.0001	0.0002	14	0.0048
33	0.0000	0.0056	0.0000	0.0001	0.0003	15	0.0042
34	0.0000	0.0062	0.0000	0.0001	0.0003	16	0.0036
35	0.0000	0.0068	0.0000	0.0001	0.0003	17	0.0030
36	0.0000	0.0074	0.0000	0.0001	0.0003	18	0.0024
37	0.0000	0.0080	0.0000	0.0001	0.0003	19	0.0018
38	0.0000	0.0084	0.0000	0.0001	0.0003	20 & Above	0.0000
39	0.0000	0.0088	0.0000	0.0001	0.0004		
40	0.0100	0.0092	0.0000	0.0001	0.0004		
41	0.0100	0.0096	0.0000	0.0001	0.0004		
42	0.0100	0.0100	0.0000	0.0001	0.0005		
43	0.0100	0.0104	0.0000	0.0001	0.0005		
44	0.0100	0.0108	0.0000	0.0001	0.0006		
45	0.0100	0.0112	0.0000	0.0001	0.0007		
46	0.0100	0.0116	0.0000	0.0001	0.0007		
47	0.0100	0.0120	0.0000	0.0001	0.0008		
48	0.0100	0.0130	0.0000	0.0001	0.0009		
49	0.0100	0.0150	0.0000	0.0001	0.0010		
50	0.0100	0.0180	0.0000	0.0001	0.0011		
51	0.0200	0.0200	0.0000	0.0001	0.0012		
52	0.0250	0.0240	0.0000	0.0001	0.0013		
53	0.0300	0.0280	0.0000	0.0001	0.0014		
54	0.1200	0.0320	0.0000	0.0001	0.0015		
55	0.2400	0.1100	0.0000	0.0001	0.0017		
56	0.1500	0.0700	0.0000	0.0001	0.0018		
57	0.1600	0.0700	0.0000	0.0001	0.0019		
58	0.1800	0.0800	0.0000	0.0001	0.0021		
59	0.2500	0.0800	0.0000	0.0001	0.0023		
60	0.3000	0.0800	0.0000	0.0000	0.0024		
61	0.3000	0.0800	0.0000	0.0000	0.0026		
62	0.3000	0.0800	0.0000	0.0000	0.0029		
63	0.3000	0.0800	0.0000	0.0000	0.0031		
64	0.3000	0.0800	0.0000	0.0000	0.0034		
65	1.0000	0.0000	0.0000	0.0000	0.0037		

**Table A-14: Probability of Initial Medical Enrollment**

*Males and Females:*

<u>Years of Service</u>	<u>Assumed Enrollment %</u>
< 10	6%
10-14	42%
15-19	61%
20-24	76%
25+	96%
Disabled	95%

This applies to the medical and Medicare Part B premium reimbursement benefits.

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**Table A-15A: Probability of Medical Plan and Tier Selection upon Initial Enrollment for Tier 1**

**Non-Local 1014 Firefighters Retirees**

Deduction Code	Plan	Tier	Pre 65		Post 65	
			Male	Female	Male	Female
201	Anthem Blue Cross Prudent Buyer Plan	Retiree Only	0.5%	0.5%		
202	Anthem Blue Cross Prudent Buyer Plan	Retiree and Spouse	0.5%	0.5%		
203	Anthem Blue Cross Prudent Buyer Plan	Retiree and Family	1.0%	0.5%		
204	Anthem Blue Cross Prudent Buyer Plan	Retiree and Children				
205	Anthem Blue Cross Prudent Buyer Plan	Minor Survivor				
211	Anthem Blue Cross I	Retiree Only	0.5%	0.5%	0.5%	
212	Anthem Blue Cross I	Retiree and Spouse		0.5%		
213	Anthem Blue Cross I	Retiree, Spouse and Children	0.5%			
214	Anthem Blue Cross I	Retiree and Children				
215	Anthem Blue Cross I	Minor Survivor				
221	Anthem Blue Cross II	Retiree Only	4.5%	7.5%	1.0%	1.5%
222	Anthem Blue Cross II	Retiree and Spouse	12.5%	6.5%	2.5%	1.0%
223	Anthem Blue Cross II	Retiree, Spouse and Children	12.5%	2.5%	1.0%	
224	Anthem Blue Cross II	Retiree and Children	1.5%	1.5%	0.5%	
225	Anthem Blue Cross II	Minor Survivor				
240	Anthem Blue Cross III	One Medicare		0.5%	7.0%	11.5%
241	Anthem Blue Cross III	Retiree and Spouse 1 Medicare				
242	Anthem Blue Cross III	Retiree and Spouse 1 Medicare			5.5%	1.0%
243	Anthem Blue Cross III	Retiree and Spouse 2 Medicare			7.0%	4.5%
244	Anthem Blue Cross III	Retiree and Children 1 Medicare				
245	Anthem Blue Cross III	Retiree and Children 1 Medicare			0.5%	
246	Anthem Blue Cross III	Retiree and Family 1 Medicare				
247	Anthem Blue Cross III	Retiree and Family 1 Medicare			1.0%	
248	Anthem Blue Cross III	Retiree and Family 2 Medicare				
249	Anthem Blue Cross III	Retiree and Family 2 Medicare			0.5%	
250	Anthem Blue Cross III	Retiree and Family 3 Medicare			0.5%	
301	Cigna Network Model Plan	Retiree Only				
302	Cigna Network Model Plan	Retiree and Spouse	0.5%			
303	Cigna Network Model Plan	Retiree and Family				
304	Cigna Network Model Plan	Retiree and Children				
305	Cigna Network Model Plan	Minor Survivor				
321	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree Only				
322	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse				
324	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse (Both Risk)				
325	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Children				
327	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (1 Medicare)				
329	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (2 Medicare)				
401	Kaiser (CA)	Retiree Basic (Under 65)	12.0%	28.5%		
402	Kaiser (CA)	Retiree Cost ("M" Coverage)				
403	Kaiser (CA)	Retiree Risk (Senior Advantage)		0.5%	18.0%	38.5%
404	Kaiser (CA)	Retiree Excess I			0.5%	1.0%
405	Kaiser (CA)	Retiree Excess II - Part B			1.0%	2.5%
406	Kaiser (CA)	Excess III - Medicare Not Provided (MNP)				
411	Kaiser (CA)	Family Basic	35.0%	30.5%		
412	Kaiser (CA)	One Cost ("M" Coverage), Others Basic				
413	Kaiser (CA)	One Advantage, Others Basic			21.0%	5.0%
414	Kaiser (CA)	One Excess I, Others Basic			0.5%	
415	Kaiser (CA)	Two+ Cost ("M" Coverage)				
416	Kaiser (CA)	One Advantage, One Cost ("M" Coverage)				
417	Kaiser (CA)	One Excess I, One Cost ("M" Coverage)				
418	Kaiser (CA)	Two+ Advantage			16.0%	16.5%
419	Kaiser (CA)	One Excess I, One Advantage				
420	Kaiser (CA)	Two+ Excess I				
421	Kaiser (CA)	Survivor				
422	Kaiser (CA)	One Excess II - Part B, One Basic			1.0%	0.5%
423	Kaiser (CA)	One Excess III (MNP), One Basic				
424	Kaiser (CA)	One Cost ("M" Coverage), One Excess II - Part B				
425	Kaiser (CA)	One Cost ("M" Coverage), One Excess III (MNP)				
426	Kaiser (CA)	One Risk, One Excess II - Part B				0.5%
427	Kaiser (CA)	One Risk, One Excess III (MNP)				
428	Kaiser (CA)	One Excess I, One Excess II - Part B				
429	Kaiser (CA)	One Excess I, One Excess III (MNP)				
430	Kaiser (CA)	Two Excess II - Part B				
431	Kaiser (CA)	One Excess II - Part B, One Excess III (MNP)				
432	Kaiser (CA)	Two Excess III - Both (MNP)				

**Table A-15A: Probability of Medical Plan and Tier Selection upon Initial Enrollment for Tier 1 (continued)**

**Non-Local 1014 Firefighters Retirees**

Deduction Code	Plan	Tier	Pre 65		Post 65	
			Male	Female	Male	Female
450	Kaiser - Colorado Basic	Retiree Basic				
451	Kaiser - Colorado	Retiree Risk				
452	Kaiser (Other)	Retiree Only				
453	Kaiser - Colorado	Retiree Basic (Two Party)				
454	Kaiser - Colorado	Retiree Basic Family				
455	Kaiser - Colorado	One Risk, One Basic				
456	Kaiser (Other)	Retiree and Spouse				
457	Kaiser - Colorado	Two Retiree Risk				
458	Kaiser - Colorado	One Risk, Two or More Dependents				
459	Kaiser - Colorado	Two Risk, Two or More Dependents				
460	Kaiser (Other)	Retiree and Spouse				
440	Kaiser - Georgia	One Medicare Member with Part B only				
441	Kaiser - Georgia	One Medicare Member with Part A only				
442	Kaiser - Georgia	One Member without Medicare Part A&B				
443	Kaiser - Georgia	One Medicare Member (Renal Failure)				
444	Kaiser - Georgia	One Medicare Member + One Medicare with Part B only				
445	Kaiser - Georgia	One Medicare Member + One Medicare with Part A only				
446	Kaiser - Georgia	One Medicare Member + One Medicare without Part A&B				
461	Kaiser - Georgia Basic	Basic				
462	Kaiser - Georgia	Retiree Risk				
463	Kaiser - Georgia	Retiree (Two Party)				
464	Kaiser - Georgia	Retiree Basic Family				
465	Kaiser - Georgia	One Retiree Risk, One Basic				
466	Kaiser - Georgia	Two Retiree Risk				
467	Kaiser - Georgia	One Retiree Risk, Two Retiree Basic				
468	Kaiser - Georgia	Two Retiree Risk, One Basic				
469	Kaiser - Georgia	Three Retiree Risk, One Basic				
470	Kaiser - Georgia	Any other Family, at least one Retiree Risk				
471	Kaiser - Hawaii	Retiree Basic (Under 65)				
472	Kaiser - Hawaii	Retiree Risk				
473	Kaiser - Hawaii	Retiree Over 65 without Medicare A&B				
474	Kaiser - Hawaii Basic	Retiree Basic (Two Party)				
475	Kaiser - Hawaii	Retiree Basic Family (Under 65)				
476	Kaiser - Hawaii	One Retiree Risk, One Basic				
477	Kaiser - Hawaii	Over 65 without Medicare A&B, One Basic				
478	Kaiser - Hawaii	Two Retiree Risk				
479	Kaiser - Hawaii	One Risk, One Over 65 without Medicare A&B				
481	Kaiser - Oregon	Retiree Basic (Under 65)				
482	Kaiser - Oregon	Retiree Risk				
483	Kaiser - Oregon	Retiree Over 65 unassigned Medicare A&B				
484	Kaiser - Oregon	Retiree Basic (Two Party)				
485	Kaiser - Oregon Basic	Retiree Basic Family (Under 65)				
486	Kaiser - Oregon	One Retiree Risk, One Basic				
487	Kaiser - Oregon	Retiree Cost				
488	Kaiser - Oregon	Two Retiree Risk				
489	Kaiser - Oregon	Retiree w/ Part A only				
490	Kaiser - Oregon	Retiree w/ Part B only				
491	Kaiser - Oregon	One Risk, One Medicare Part A only				
492	Kaiser - Oregon	One Risk, One Over 65 No Medicare				
493	Kaiser - Oregon	One Risk, Two Basic				
494	Kaiser - Oregon	Two Risk, One Basic				
495	Kaiser - Oregon	Two Over 65 unassigned Medicare				
496	Kaiser - Oregon	Two Medicare Part A only				
497	Kaiser - Oregon	One Basic, One Medicare Part A only				
498	Kaiser - Oregon	One Basic, One over 65 unassigned Medicare A&B				
611	SCAN Health Plan	Retiree Only			0.5%	1.0%
613	SCAN Health Plan	Retiree & 1 Dependent (2 Medicare)			0.5%	0.5%
701	United Healthcare Medicare Advantage	Retiree Only			4.0%	9.5%
702	United Healthcare Medicare Advantage	Retiree & 1 Dependent (1 Medicare)	0.5%	2.0%	4.5%	1.0%
703	United Healthcare Medicare Advantage	Retiree & 1 Dependent (2 Medicare)			3.0%	4.0%
704	United Healthcare Medicare Advantage	Retiree & 2 + Deps. (1 Medicare)		0.5%	1.5%	
705	United Healthcare Medicare Advantage	Retiree & 2 + Deps. (2 Medicare)			0.5%	
706	United Healthcare Medicare Advantage	Minor Survivor				
707	United Healthcare	Single	3.5%	9.0%		
708	United Healthcare	Two-Party	7.0%	5.5%		
709	United Healthcare	Family	7.5%	2.5%		
<b>Total</b>			<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Probability of enrolling at least one dependent</b>			<b>79.0%</b>	<b>53.0%</b>	<b>67.5%</b>	<b>34.5%</b>



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**Table A-15A: Probability of Medical Plan and Tier Selection upon Initial Enrollment for Tier 1 (continued)**

**Firefighters Local 1014 Retirees**

Deduction Code	Plan	Tier	Pre 65		Post 65	
			Male	Female	Male	Female
801	Firefighters Local 1014	Med-Member under 65	7.0%	7.0%		
802	Firefighters Local 1014	Med-Member +1 under 65	39.0%	39.0%		
803	Firefighters Local 1014	Med-Member +2 under 65	54.0%	54.0%		
804	Firefighters Local 1014	Med-Member with Medicare			7.0%	7.0%
805	Firefighters Local 1014	Med-Member +1; 1 MDC				
806	Firefighters Local 1014	Med-Member +1; 2 MDC			39.0%	39.0%
807	Firefighters Local 1014	Med-Member +2; 1 MDC				
808	Firefighters Local 1014	Med-Member +2; 2 MDC			54.0%	54.0%
809	Firefighters Local 1014	Med-Surv. Sp. Under 65				
810	Firefighters Local 1014	Med-Surv. Sp. +1 Under 65				
811	Firefighters Local 1014	Med-Surv. Sp. +2 Under 65				
812	Firefighters Local 1014	Med-Surv. Sp. With MDC				
813	Firefighters Local 1014	Med-Surv. Sp. +1 1 MDC				
814	Firefighters Local 1014	Med-Surv. Sp. +2; 1 MDC				
815	Firefighters Local 1014	Med-Surv. Sp. +1; 2 MDC				
<b>Total</b>			100.0%	100.0%	100.0%	100.0%

Probability of enrolling at least one dependent      93.0%      93.0%      93.0%      93.0%

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**Table A-15B: Probability of Medical Plan and Tier Selection upon Initial Enrollment for Tier 2**

**Non-Local 1014 Firefighters Retirees**

Deduction Code	Plan	Tier	Pre 65		Post 65	
			Male	Female	Male	Female
201	Anthem Blue Cross Prudent Buyer Plan	Retiree Only	0.5%	0.5%		
202	Anthem Blue Cross Prudent Buyer Plan	Retiree and Spouse	0.5%	0.5%		
203	Anthem Blue Cross Prudent Buyer Plan	Retiree and Family	1.0%	0.5%		
204	Anthem Blue Cross Prudent Buyer Plan	Retiree and Children				
205	Anthem Blue Cross Prudent Buyer Plan	Minor Survivor				
211	Anthem Blue Cross I	Retiree Only	0.5%	0.5%		
212	Anthem Blue Cross I	Retiree and Spouse				
213	Anthem Blue Cross I	Retiree, Spouse and Children	0.5%			
214	Anthem Blue Cross I	Retiree and Children				
215	Anthem Blue Cross I	Minor Survivor				
221	Anthem Blue Cross II	Retiree Only	4.5%	7.5%		
222	Anthem Blue Cross II	Retiree and Spouse	12.5%	6.5%		
223	Anthem Blue Cross II	Retiree, Spouse and Children	12.5%	2.5%		
224	Anthem Blue Cross II	Retiree and Children	1.5%	1.5%		
225	Anthem Blue Cross II	Minor Survivor				
240	Anthem Blue Cross III	One Medicare		0.5%	8.5%	13.0%
241	Anthem Blue Cross III	Retiree and Spouse 1 Medicare				
242	Anthem Blue Cross III	Retiree and Spouse 1 Medicare			8.0%	2.0%
243	Anthem Blue Cross III	Retiree and Spouse 2 Medicare			7.0%	4.5%
244	Anthem Blue Cross III	Retiree and Children 1 Medicare				
245	Anthem Blue Cross III	Retiree and Children 1 Medicare			1.0%	
246	Anthem Blue Cross III	Retiree and Family 1 Medicare				
247	Anthem Blue Cross III	Retiree and Family 1 Medicare			2.0%	
248	Anthem Blue Cross III	Retiree and Family 2 Medicare				
249	Anthem Blue Cross III	Retiree and Family 2 Medicare			0.5%	
250	Anthem Blue Cross III	Retiree and Family 3 Medicare			0.5%	
301	Cigna Network Model Plan	Retiree Only				
302	Cigna Network Model Plan	Retiree and Spouse	0.5%			
303	Cigna Network Model Plan	Retiree and Family				
304	Cigna Network Model Plan	Retiree and Children				
305	Cigna Network Model Plan	Minor Survivor				
321	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree Only				
322	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse				
324	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse (Both Risk)				
325	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Children				
327	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (1 Medicare)				
329	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (2 Medicare)				
401	Kaiser (CA)	Retiree Basic (Under 65)	12.0%	28.5%		
402	Kaiser (CA)	Retiree Cost ("M" Coverage)				
403	Kaiser (CA)	Retiree Risk (Senior Advantage)		0.5%	19.5%	42.0%
404	Kaiser (CA)	Retiree Excess I				
405	Kaiser (CA)	Retiree Excess II - Part B				
406	Kaiser (CA)	Excess III - Medicare Not Provided (MNP)				
411	Kaiser (CA)	Family Basic	35.0%	30.5%		
412	Kaiser (CA)	One Cost ("M" Coverage), Others Basic				
413	Kaiser (CA)	One Advantage, Others Basic			22.5%	5.5%
414	Kaiser (CA)	One Excess I, Others Basic				
415	Kaiser (CA)	Two+ Cost ("M" Coverage)				
416	Kaiser (CA)	One Advantage, One Cost ("M" Coverage)				
417	Kaiser (CA)	One Excess I, One Cost ("M" Coverage)				
418	Kaiser (CA)	Two+ Advantage			16.0%	17.0%
419	Kaiser (CA)	One Excess I, One Advantage				
420	Kaiser (CA)	Two+ Excess I				
421	Kaiser (CA)	Survivor				
422	Kaiser (CA)	One Excess II - Part B, One Basic				
423	Kaiser (CA)	One Excess III (MNP), One Basic				
424	Kaiser (CA)	One Cost ("M" Coverage), One Excess II - Part B				
425	Kaiser (CA)	One Cost ("M" Coverage), One Excess III (MNP)				
426	Kaiser (CA)	One Risk, One Excess II - Part B				
427	Kaiser (CA)	One Risk, One Excess III (MNP)				
428	Kaiser (CA)	One Excess I, One Excess II - Part B				
429	Kaiser (CA)	One Excess I, One Excess III (MNP)				
430	Kaiser (CA)	Two Excess II - Part B				
431	Kaiser (CA)	One Excess II - Part B, One Excess III (MNP)				
432	Kaiser (CA)	Two Excess III - Both (MNP)				

**Table A-15B: Probability of Medical Plan and Tier Selection upon Initial Enrollment for Tier 2 (continued)**

**Non-Local 1014 Firefighters Retirees**

Deduction Code	Plan	Tier	Pre 65		Post 65	
			Male	Female	Male	Female
450	Kaiser - Colorado Basic	Retiree Basic				
451	Kaiser - Colorado	Retiree Risk				
452	Kaiser (Other)	Retiree Only				
453	Kaiser - Colorado	Retiree Basic (Two Party)				
454	Kaiser - Colorado	Retiree Basic Family				
455	Kaiser - Colorado	One Risk, One Basic				
456	Kaiser (Other)	Retiree and Spouse				
457	Kaiser - Colorado	Two Retiree Risk				
458	Kaiser - Colorado	One Risk, Two or More Dependents				
459	Kaiser - Colorado	Two Risk, Two or More Dependents				
460	Kaiser (Other)	Retiree and Spouse				
440	Kaiser - Georgia	One Medicare Member with Part B only				
441	Kaiser - Georgia	One Medicare Member with Part A only				
442	Kaiser - Georgia	One Member without Medicare Part A&B				
443	Kaiser - Georgia	One Medicare Member (Renal Failure)				
444	Kaiser - Georgia	One Medicare Member + One Medicare with Part B only				
445	Kaiser - Georgia	One Medicare Member + One Medicare with Part A only				
446	Kaiser - Georgia	One Medicare Member + One Medicare without Part A&B				
461	Kaiser - Georgia Basic	Basic				
462	Kaiser - Georgia	Retiree Risk				
463	Kaiser - Georgia	Retiree (Two Party)				
464	Kaiser - Georgia	Retiree Basic Family				
465	Kaiser - Georgia	One Retiree Risk, One Basic				
466	Kaiser - Georgia	Two Retiree Risk				
467	Kaiser - Georgia	One Retiree Risk, Two Retiree Basic				
468	Kaiser - Georgia	Two Retiree Risk, One Basic				
469	Kaiser - Georgia	Three Retiree Risk, One Basic				
470	Kaiser - Georgia	Any other Family, at least one Retiree Risk				
471	Kaiser - Hawaii	Retiree Basic (Under 65)				
472	Kaiser - Hawaii	Retiree Risk				
473	Kaiser - Hawaii	Retiree Over 65 without Medicare A&B				
474	Kaiser - Hawaii Basic	Retiree Basic (Two Party)				
475	Kaiser - Hawaii	Retiree Basic Family (Under 65)				
476	Kaiser - Hawaii	One Retiree Risk, One Basic				
477	Kaiser - Hawaii	Over 65 without Medicare A&B, One Basic				
478	Kaiser - Hawaii	Two Retiree Risk				
479	Kaiser - Hawaii	One Risk, One Over 65 without Medicare A&B				
481	Kaiser - Oregon	Retiree Basic (Under 65)				
482	Kaiser - Oregon	Retiree Risk				
483	Kaiser - Oregon	Retiree Over 65 unassigned Medicare A&B				
484	Kaiser - Oregon	Retiree Basic (Two Party)				
485	Kaiser - Oregon Basic	Retiree Basic Family (Under 65)				
486	Kaiser - Oregon	One Retiree Risk, One Basic				
487	Kaiser - Oregon	Retiree Cost				
488	Kaiser - Oregon	Two Retiree Risk				
489	Kaiser - Oregon	Retiree w/ Part A only				
490	Kaiser - Oregon	Retiree w/ Part B only				
491	Kaiser - Oregon	One Risk, One Medicare Part A only				
492	Kaiser - Oregon	One Risk, One Over 65 No Medicare				
493	Kaiser - Oregon	One Risk, Two Basic				
494	Kaiser - Oregon	Two Risk, One Basic				
495	Kaiser - Oregon	Two Over 65 unassigned Medicare				
496	Kaiser - Oregon	Two Medicare Part A only				
497	Kaiser - Oregon	One Basic, One Medicare Part A only				
498	Kaiser - Oregon	One Basic, One over 65 unassigned Medicare A&B				
611	SCAN Health Plan	Retiree Only			0.5%	1.0%
613	SCAN Health Plan	Retiree & 1 Dependent (2 Medicare)			0.5%	0.5%
701	United Healthcare Medicare Advantage	Retiree Only			4.0%	9.5%
702	United Healthcare Medicare Advantage	Retiree & 1 Dependent (1 Medicare)	0.5%	2.0%	4.5%	1.0%
703	United Healthcare Medicare Advantage	Retiree & 1 Dependent (2 Medicare)			3.0%	4.0%
704	United Healthcare Medicare Advantage	Retiree & 2 + Deps. (1 Medicare)		0.5%	1.5%	
705	United Healthcare Medicare Advantage	Retiree & 2 + Deps. (2 Medicare)			0.5%	
706	United Healthcare Medicare Advantage	Minor Survivor				
707	United Healthcare	Single	3.5%	9.0%		
708	United Healthcare	Two-Party	7.0%	5.5%		
709	United Healthcare	Family	7.5%	2.5%		
<b>Total</b>			<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

**Probability of enrolling at least one dependent      79.0%    53.0%    67.5%    34.5%**



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**Table A-15B: Probability of Medical Plan and Tier Selection upon Initial Enrollment for Tier 2 (continued)**

**Firefighters Local 1014 Retirees**

Deduction Code	Plan	Tier	Pre 65		Post 65	
			Male	Female	Male	Female
801	Firefighters Local 1014	Med-Member under 65	7.0%	7.0%		
802	Firefighters Local 1014	Med-Member +1 under 65	39.0%	39.0%		
803	Firefighters Local 1014	Med-Member +2 under 65	54.0%	54.0%		
804	Firefighters Local 1014	Med-Member with Medicare			7.0%	7.0%
805	Firefighters Local 1014	Med-Member +1; 1 MDC				
806	Firefighters Local 1014	Med-Member +1; 2 MDC			39.0%	39.0%
807	Firefighters Local 1014	Med-Member +2; 1 MDC				
808	Firefighters Local 1014	Med-Member +2; 2 MDC			54.0%	54.0%
809	Firefighters Local 1014	Med-Surv. Sp. Under 65				
810	Firefighters Local 1014	Med-Surv. Sp. +1 Under 65				
811	Firefighters Local 1014	Med-Surv. Sp. +2 Under 65				
812	Firefighters Local 1014	Med-Surv. Sp. With MDC				
813	Firefighters Local 1014	Med-Surv. Sp. +1 1 MDC				
814	Firefighters Local 1014	Med-Surv. Sp. +2; 1 MDC				
815	Firefighters Local 1014	Med-Surv. Sp. +1; 2 MDC				
<b>Total</b>			100.0%	100.0%	100.0%	100.0%
<b>Probability of enrolling at least one dependent</b>			<b>93.0%</b>	<b>93.0%</b>	<b>93.0%</b>	<b>93.0%</b>

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**Table A-16: Probability of Medical Plan and Tier Selection for Pre 65 Retirees Who Become Eligible for a Post 65 Plan**

We assume that Pre 65 retirees and dependents will choose Post 65 plans at age 65 according to the following table:

From Pre Age 65 Eligible Plan	To Post Age 65 Eligible Plan	Tier 1	Tier 2
Anthem Blue Cross I	Anthem Blue Cross I	42.0%	0.0%
	Anthem Blue Cross III	58.0%	100.0%
Anthem Blue Cross II	Anthem Blue Cross II	45.0%	0.0%
	Anthem Blue Cross III	55.0%	100.0%
Anthem Blue Cross Prudent Buyer	Anthem Blue Cross Prudent Buyer	48.0%	0.0%
	Anthem Blue Cross II	2.0%	0.0%
	Anthem Blue Cross III	50.0%	100.0%
Cigna Network Model	Cigna Network Model Plan	44.0%	0.0%
	Cigna Medicare Select Plus Rx (AZ)	8.0%	0.0%
	Anthem Blue Cross I	0.0%	0.0%
	Anthem Blue Cross II	0.0%	0.0%
	Anthem Blue Cross III	23.0%	23.0%
	United Healthcare Medicare Advantage Senior Advantage	15.0%	77.0%
	SCAN Health Plan	2.0%	0.0%
United Healthcare	United Healthcare Medicare Advantage	81.0%	82.0%
	Cigna Network Model Plan	1.0%	0.0%
	Anthem Blue Cross II	2.0%	0.0%
	Anthem Blue Cross III	8.0%	10.0%
	SCAN Health Plan	2.0%	2.0%
	Senior Advantage	2.0%	6.0%
	Excess II	3.0%	0.0%
	One Excess II, One Basic	1.0%	0.0%
Kaiser Retiree Basic	Senior Advantage	79.0%	98.0%
	Retiree Excess I	3.0%	0.0%
	Retiree Excess II	12.0%	0.0%
	Excess III (MNP)	4.0%	0.0%
	Anthem Blue Cross III	2.0%	2.0%
Kaiser Family Basic	2+ Advantage	82.0%	99.0%
	One Excess I, One Advantage	4.5%	0.0%
	One Advantage, One Excess II	8.5%	0.0%
	One Advantage, One Excess III (MNP)	3.0%	0.0%
	Two+ Excess II - Part B	0.5%	0.0%
	Anthem Blue Cross III	1.0%	1.0%
United Healthcare Medicare Advantage	0.5%	0.0%	
Firefighters Local 1014	Firefighters Local 1014	100.0%	100.0%

We assume that 100% of the retirees are eligible for Medicare with Part B Premium Reimbursement for the plans listed below. We assume these Post Medicare Only Plans are for enrollees who are entitled for Medicare Parts A and B:

- Anthem Blue Cross III
- Cigna Medicare Select Plus Rx (AZ)
- Firefighters Local 1014 Post Medicare Plan
- Kaiser Senior Advantage
- SCAN
- UnitedHealthcare - Medicare Advantage

We assume all other plans' retirees do not receive Part B Premium Reimbursement.

The Part B reimbursement for Tier 1 is for retiree and any spouse or child(ren), while the Part B reimbursement for Tier 2 is only for retirees and surviving spouses. Tier 2 retirees are required to enroll in Medicare when eligible.

Effective January 1, 2007, Medicare Part B premiums vary depending on income status. The County places a cap on the per member monthly Part B reimbursement amount at the standard amount (e.g. \$135.50 for calendar year 2019). We assume that there will be no shift in enrollment.

For purposes of this valuation, we assume the average Medicare Part B premium reimbursement from July 1, 2018 through July 1, 2019 is \$126.46 per member per month. This is based on the average 2018 calendar year Medicare Part B premium rates provided in the census from LACERA of \$117.41 per member per month and 2019 calendar year Medicare Part B standard premium rate of \$135.50.

## Table A-17: Survivor and New Dependent Enrollment

The valuation methods and assumptions are adjusted with the following considerations from LACERA discussions:

### Scenario I

If a dependent or spouse dies, the retiree may enroll a new spouse/domestic partner and/or a new dependent.

- We assume 2% will enroll a new spouse / domestic partner.
- We assume 3% of the retirees will enroll a new dependent.

### Scenario II

If a retiree who has a retirement plan option which qualifies as eligible for continuing retirement benefits to the survivor dies and the spouse has retiree medical, Part B, or dental/vision coverage, the existing spouse or dependent may continue to be enrolled and may also enroll a new spouse/domestic partner and/or a new dependent.

- We assume 90% of the retirees with spouses have a spouse continuance option.
- We assume 4.5% of the surviving spouse/domestic partners with a continuance option will enroll a new spouse.
- Therefore, we assume 4% (or 90% of the 4.5%) of the surviving spouses' new spouses will enroll and receive the County subsidy.
- We assume 3% of the surviving spouse/domestic partners will enroll a new dependent.

### Scenario III

If a retiree who has a retirement plan option which qualifies as eligible for continuing retirement benefits to the survivor dies and the spouse does NOT have retiree medical coverage, we assume no additional spouse/domestic partner or dependent will be enrolled.

**Table A-18: Probability of Initial Dental/Vision Enrollment**

*Males and Females*

<u>Years of Service</u>	<u>Assumed Enrollment %</u>
< 10	9%
10-14	47%
15-19	65%
20-24	78%
25+	96%
Disabled	93%

**Table A-19: Probability of Dental/Vision Plan and Tier Selection Upon Dental/Vision Retirement Enrollment**

Tier	<u>Cigna Indemnity Dental/Vision</u>			<u>Cigna HMO Dental/Vision</u>		
	<u>Retiree Only</u>	<u>Retiree and Dependents</u>	<u>Minor Survivor</u>	<u>Retiree Only</u>	<u>Retiree and Dependents</u>	<u>Minor Survivor</u>
Deduction Code	501	502	503	901	902	903
Percentage Male	19%	68%	0%	4%	9%	0%
Female	46%	40%	0%	8%	6%	0%



**Table A-20: Premium Information**

This section is from the July 1, 2017 OPEB valuation. The July 1, 2018 information will be displayed with the July 1, 2018 OPEB valuation.

The following premium information is for retirees living in California who have less than 10 years of service and have to pay the full amount. Members who have more than 10 years of service receive a subsidy from the County. Details can be found in this table below. The premium rates in Table A-20 include the carriers' administration fees and LACERA's per contract monthly administration fee. The per contract monthly administration fee was \$8.00 effective July 1, 2017 and July 1, 2018, and is included in the premium rates.

**Pre and Post Age 65 Monthly Rates Effective July 1, 2017  
 UnitedHealthcare is Pre Age 65 Only**

Tier	Anthem Blue Cross - Plan I	Anthem Blue Cross - Plan II	Anthem Blue Cross - Prudent Buyer	Cigna	United Healthcare
Retiree Only	\$ 1,094.88	\$ 1,094.88	\$ 866.85	\$ 1,419.91	
Retiree & Spouse	\$ 1,972.43	\$ 1,972.43	\$ 1,704.22	\$ 2,562.34	
Retiree & Family	\$ 2,326.31	\$ 2,326.31	\$ 1,923.13	\$ 3,025.54	
Retiree & Children	\$ 1,448.02	\$ 1,448.02	\$ 1,113.74	\$ 1,883.69	
Minor Survivor	\$ 364.04	\$ 364.04	\$ 237.47	\$ 472.39	\$ 307.71
UnitedHealthcare Single					\$ 1,072.60
UnitedHealthcare Two-Party					\$ 1,957.45
UnitedHealthcare Family					\$ 2,320.60

**Pre and Post Age 65 Monthly Rates Effective July 1, 2018  
 UnitedHealthcare is Pre Age 65 Only**

Tier	Anthem Blue Cross - Plan I	Anthem Blue Cross - Plan II	Anthem Blue Cross - Prudent Buyer	Cigna	United Healthcare
Retiree Only	\$ 1,147.49	\$ 1,147.49	\$ 908.42	\$ 1,504.58	
Retiree & Spouse	\$ 2,067.52	\$ 2,067.52	\$ 1,786.33	\$ 2,715.52	
Retiree & Family	\$ 2,438.53	\$ 2,438.53	\$ 2,015.84	\$ 3,206.43	
Retiree & Children	\$ 1,517.73	\$ 1,517.73	\$ 1,167.26	\$ 1,996.12	
Minor Survivor	\$ 381.27	\$ 381.27	\$ 248.58	\$ 476.31	\$ 332.14
UnitedHealthcare Single					\$ 1,159.37
UnitedHealthcare Two-Party					\$ 2,116.35
UnitedHealthcare Family					\$ 2,509.10

**Post Age 65 Monthly Rates Effective July 1, 2017**

Tier	Anthem Blue Cross - Plan III	SCAN	United Healthcare Medicare Advantage
One Medicare	\$ 443.35		
Retiree & Spouse- 1 Medicare	\$ 1,413.18		
Retiree & Spouse- 2 Medicare	\$ 880.49		
Retiree & Children- 1 Medicare	\$ 792.32		
Retiree & Family- 1 Medicare	\$ 1,762.05		
Retiree & Family- 2 Medicare	\$ 1,229.28		
Retiree & Family- 3 Medicare	\$ 1,377.42		
Retiree Only		\$ 298.00	\$ 339.07
Retiree & 1 Dependent (1 Medicare)			\$ 1,403.67
Retiree & 1 Dependent (2 Medicare)		\$ 588.00	\$ 670.14
Retiree & 2 + Deps. (1 Medicare)			\$ 1,587.08
Retiree & 2 + Deps. (2 Medicare)			\$ 853.55

**Post Age 65 Monthly Rates Effective July 1, 2018**

Tier	Anthem Blue Cross - Plan III	SCAN	United Healthcare Medicare Advantage
One Medicare	\$ 468.23		
Retiree & Spouse- 1 Medicare	\$ 1,493.50		
Retiree & Spouse- 2 Medicare	\$ 930.36		
Retiree & Children- 1 Medicare	\$ 837.15		
Retiree & Family- 1 Medicare	\$ 1,862.31		
Retiree & Family- 2 Medicare	\$ 1,299.09		
Retiree & Family- 3 Medicare	\$ 1,455.70		
Retiree Only		\$ 309.00	\$ 356.76
Retiree & 1 Dependent (1 Medicare)			\$ 1,508.13
Retiree & 1 Dependent (2 Medicare)		\$ 610.00	\$ 705.52
Retiree & 2 + Deps. (1 Medicare)			\$ 1,706.49
Retiree & 2 + Deps. (2 Medicare)			\$ 903.88

**Kaiser California Monthly Rates**

Effective Date	July 1, 2017	July 1, 2018
Retiree Basic (Under 65)	\$937.63	\$1,002.90
Retiree Risk (Senior Advantage)	\$256.62	\$274.22
Retiree Excess I	\$1,035.65	\$1,125.53
Retiree Excess II - Part B	\$980.76	\$1,051.35
Excess III - Medicare Not Provided (MNP)	\$1,745.10	\$1,866.70
Family Basic	\$1,867.26	\$1,997.80
One Advantage, One Basic	\$1,186.25	\$1,269.12
One Excess I, One Basic	\$1,965.28	\$2,120.43
One Excess II - Part B, One Basic	\$1,910.39	\$2,046.25
One Excess III (MNP), One Basic	\$2,674.73	\$2,861.60
Two+ Advantage	\$505.24	\$540.44
One Excess I, One Advantage	\$1,284.27	\$1,391.75
One Advantage, One Excess II - Part B	\$1,229.38	\$1,317.57
One Advantage, One Excess III (MNP)	\$1,993.72	\$2,132.92
Two+ Excess I	\$2,063.30	\$2,243.06
One Excess I, One Excess II - Part B	\$2,008.41	\$2,168.88
One Excess I, One Excess III (MNP)	\$2,772.75	\$2,984.23
Two Excess II - Part B	\$1,953.52	\$2,094.70
One Excess II - Part B, One Excess III (MNP)	\$2,717.86	\$2,910.05
Two Excess III - Both (MNP)	\$3,482.20	\$3,725.40
Survivor	\$937.63	\$1,002.90

**Firefighters Local 1014 Monthly Rates**

<b>Effective Date</b>	<b>July 1, 2017</b>
Medical Member Under 65	\$ 1,078.15
Medical Member + 1 Under 65	1,943.99
Medical Member + 2 Under 65	2,293.11
Medical Member with Medicare	1,078.15
Medical Member + 1; 1 MDC	1,943.99
Medical Member + 1; 2 MDC	1,943.99
Medical Member + 2; 1 MDC	2,293.11
Medical Member + 2; 2 MDC	2,293.11
Medical Surviving Spouse Under 65	1,078.15
Medical Surviving Spouse + 1 Under 65	1,943.99
Medical Surviving Spouse + 2 Under 65	2,293.11
Medical Surviving Spouse with MDC	1,078.15
Medical Surviving Spouse + 1; 1 MDC	1,943.99
Medical Surviving Spouse + 2; 1 MDC	2,293.11
Medical Surviving Spouse + 1; 2 MDC	1,943.99

July 1, 2018 Firefighter Local 1014 rates were not available in time to include in the valuation. The July 1, 2018 Firefighter Local 1014 rates will be displayed with the July 1, 2018 OPEB Valuation.

**Dental/Vision Monthly Rates**

<b><u>Effective Date</u></b>	<b>July 1, 2017</b>		<b>July 1, 2018</b>	
	<b>Cigna Dental <u>HMO/Vision</u></b>	<b>Cigna Indemnity <u>Dental/Vision</u></b>	<b>Cigna Dental <u>HMO/Vision</u></b>	<b>Cigna Indemnity <u>Dental/Vision</u></b>
<b><u>Tier</u></b>				
Retiree Only	\$46.19	\$52.16	\$46.19	\$52.16
Retiree & Dependents	\$94.52	\$108.60	\$94.52	\$108.60
Minor Survivor	\$46.78	\$64.15	\$46.78	\$64.15

**COUNTY CONTRIBUTIONS TOWARDS RETIREE HEALTH BENEFITS**

**Medical**

If a retiree has 10 years of retirement service credit, the County contributes 40% of the health care plan premium or 40% of the benchmark plan rate, whichever is less. For each year of retirement service credit beyond 10 years, the County contributes an additional 4% per year, up to a maximum of 100% for a member with 25 years of service credit. Details of the benchmark plan rate are in the table below. Tier 2 is for County employees who are hired after June 30, 2014 and are eligible for LACERA membership. If a Tier 2 retiree selects a family tier for a plan where the premium for the retiree only tier is less than the Tier 2 benchmark, there is a spouse subsidy equal to the Tier 2 benchmark less the premium for the retiree-only tier.

<u>Tier</u>	<u>Pre / Post Medicare</u>	<u>Benchmark Plan</u>	<u>Benchmark Amount</u>
1	Pre	Anthem Blue Cross I & II	Same tier that member selects
1	Post	Anthem Blue Cross I & II	Same tier that member selects
2	Pre	Anthem Blue Cross I & II	Retiree-only tier
2	Post	Anthem Blue Cross III	Retiree-only tier

The County contribution can never exceed the premium of the benchmark plan; this means that if the premium for the chosen plan and coverage option exceeds the benchmark premium, the retiree is required to pay the difference, even if the retiree has 25 years of service. Likewise, if the retiree has 25 years of service and the plan premium is less than the benchmark rate, the County contributes 100% of the plan premium only, not the benchmark plan rate. Reciprocal service is not included in contribution calculations.

## Dental/Vision

The contribution percentages follow the same contribution proportions based on years of service (excluding reciprocal service) as the medical plans. The Tier 1 benchmark is the indemnity plan premium for the tier that the member selects. The Tier 2 benchmark is the indemnity plan premium for the retiree-only tier.

## Service-Connected Disability

Any retiree with a service-connected disability retirement with less than 13 years of service will receive a different County contribution for both medical and dental/vision plans. The County contributes 50% of the lesser of the benchmark plan rate or the premium of the plan the retiree is enrolled in. If a retiree with service-connected disability retirement has 13 or more years of service, the County subsidy is the same as a retiree with service retirement. Reciprocal service is not included in contribution calculations.

## FIREFIGHTERS LOCAL 1014 CONTRIBUTIONS TOWARDS RETIREE HEALTH BENEFITS

### Medical, Dental/Vision, and Service-Connected Disability

Contributions are the same as for the County employees.

## Table A-21: Claim Cost Analysis

This section is from the July 1, 2017 OPEB valuation. The July 1, 2018 claims costs information will be displayed with the July 1, 2018 OPEB valuation.

All of the plans' premium rates have been determined based on retiree only information. Active premium rates are established independently. Therefore, no implicit subsidy exists between active and retiree rates. However, some plans pooled the Medicare enrolled and non-Medicare enrolled retirees to determine the rates. The following plans did not pool Medicare and non-Medicare retirees (or have an insignificant Medicare enrollment), so we can assume the premium rates are representative of the average claim costs used to develop the age and gender adjusted claim costs:

- Anthem Blue Cross I and II (Combined)
- Anthem Blue Cross III
- Anthem Blue Cross Prudent Buyer
- Cigna Medicare Select Plus Rx (AZ)
- UnitedHealthcare
- UnitedHealthcare Medicare Advantage
- SCAN Health Plan
- Kaiser and Kaiser Interregional
  - Basic
  - Senior Advantage
  - Medicare Cost Supplement
  - Excess I
  - Excess II
  - Excess III
- Cigna Indemnity Dental/Vision
- Cigna HMO Dental/Vision

The following plans pooled Medicare and non-Medicare retirees to determine premium rates. Therefore, we adjusted the premium rates to compensate for the coordination with Medicare in making our claim cost assumption.

- Cigna Network Model Plan
- Firefighters Local 1014 Plan

For current active members projected to retire in the future, we used the enrollment assumptions in Table A-15A (Tier 1), Table A-15B (Tier 2), and Table A-16 (pre 65 to post 65 election) to develop weighted average claim costs as of July 1, 2017. The weighted average claim costs used for future retirees and dependents are shown in the following tables.

The medical claim costs for pre 65 retirees are different than for post 65 retirees due to different plan selection assumptions.

In the following tables, when shown, child costs are at age 65. The costs for children are assumed to be 39% of the age 65 child costs for males and 21% of the age 65 child costs for females.

**Tier 1**

**A. Future Retirees Retiring Before Age 65**

Age	Retiree			Spouse/Surv Spouse + Dependents		
	Male	Female	Total	Male	Female	Total
25	\$ 349.78	\$ 477.32	\$ 411.89	\$ 515.57	\$ 258.49	\$ 317.77
30	\$ 429.08	\$ 780.30	\$ 600.13	\$ 322.12	\$ 621.38	\$ 552.37
35	\$ 705.86	\$ 1,071.88	\$ 884.12	\$ 328.28	\$ 614.83	\$ 548.75
40	\$ 860.57	\$ 1,170.85	\$ 1,011.68	\$ 494.24	\$ 621.25	\$ 591.96
45	\$ 800.40	\$ 1,117.59	\$ 954.87	\$ 589.52	\$ 687.36	\$ 664.80
50	\$ 790.81	\$ 969.06	\$ 877.62	\$ 657.14	\$ 770.19	\$ 744.12
55	\$ 843.27	\$ 920.95	\$ 881.10	\$ 807.19	\$ 879.10	\$ 862.52
60	\$ 934.11	\$ 948.24	\$ 940.99	\$ 1,033.51	\$ 1,032.37	\$ 1,032.63
65 (Pre 65)	\$ 1,103.58	\$ 1,076.64	\$ 1,090.46	\$ 1,308.99	\$ 1,239.04	\$ 1,255.17
65 (Post 65)	\$ 412.46	\$ 355.43	\$ 381.51	\$ 344.47	\$ 385.75	\$ 372.38
70	\$ 512.71	\$ 430.49	\$ 468.09	\$ 428.19	\$ 467.20	\$ 454.57
75	\$ 591.39	\$ 481.66	\$ 531.84	\$ 493.90	\$ 522.74	\$ 513.40
80	\$ 635.27	\$ 511.28	\$ 567.98	\$ 530.54	\$ 554.89	\$ 547.00
85	\$ 673.89	\$ 535.91	\$ 599.01	\$ 562.79	\$ 581.62	\$ 575.52
90	\$ 707.10	\$ 552.69	\$ 623.30	\$ 590.53	\$ 599.84	\$ 596.83
95	\$ 707.10	\$ 552.69	\$ 623.30	\$ 590.53	\$ 599.84	\$ 596.83

**B. Future Retirees Retiring After Age 65**

Age	Retiree			Spouse/Dependents		
	Male	Female	Total	Male	Female	Total
25	N/A	N/A	N/A	\$ 511.71	\$ 259.97	\$ 318.02
30	N/A	N/A	N/A	\$ 319.71	\$ 624.94	\$ 554.55
35	N/A	N/A	N/A	\$ 325.83	\$ 618.35	\$ 550.89
40	N/A	N/A	N/A	\$ 490.55	\$ 624.81	\$ 593.85
45	N/A	N/A	N/A	\$ 585.11	\$ 691.30	\$ 666.81
50	N/A	N/A	N/A	\$ 652.22	\$ 774.60	\$ 746.38
55	N/A	N/A	N/A	\$ 801.14	\$ 884.13	\$ 864.99
60	N/A	N/A	N/A	\$ 1,025.77	\$ 1,038.28	\$ 1,035.40
65 (Pre 65)	N/A	N/A	N/A	\$ 1,299.19	\$ 1,246.14	\$ 1,258.37
65 (Post 65)	\$ 333.27	\$ 279.24	\$ 303.95	\$ 267.64	\$ 328.94	\$ 309.09
70	\$ 414.28	\$ 338.20	\$ 372.99	\$ 332.69	\$ 398.40	\$ 377.12
75	\$ 477.86	\$ 378.40	\$ 423.89	\$ 383.75	\$ 445.76	\$ 425.68
80	\$ 513.31	\$ 401.67	\$ 452.73	\$ 412.22	\$ 473.17	\$ 453.43
85	\$ 544.52	\$ 421.02	\$ 477.50	\$ 437.28	\$ 495.97	\$ 476.96
90	\$ 571.36	\$ 434.21	\$ 496.93	\$ 458.83	\$ 511.50	\$ 494.44
95	\$ 571.36	\$ 434.21	\$ 496.93	\$ 458.83	\$ 511.50	\$ 494.44

The Firefighters Local 1014 and dental/vision claim costs are shown in the tables on the following page.



Tier 1

Firefighters Local 1014 Plan Monthly Medical Claim Costs

Age	Retiree			Spouse/Surv Spouse + Dependents		
	Male	Female	Total	Male	Female	Total
25	\$ 625.95	\$ 839.53	\$ 626.66	\$ 865.94	\$ 439.79	\$ 447.56
30	\$ 767.86	\$ 1,372.43	\$ 769.88	\$ 541.03	\$ 1,057.22	\$ 1,047.81
35	\$ 1,263.18	\$ 1,885.27	\$ 1,265.25	\$ 551.38	\$ 1,046.07	\$ 1,037.05
40	\$ 1,540.04	\$ 2,059.34	\$ 1,541.77	\$ 830.12	\$ 1,056.99	\$ 1,052.85
45	\$ 1,432.35	\$ 1,965.67	\$ 1,434.13	\$ 990.14	\$ 1,169.46	\$ 1,166.19
50	\$ 1,415.18	\$ 1,704.43	\$ 1,416.14	\$ 1,103.71	\$ 1,310.38	\$ 1,306.61
55	\$ 1,509.05	\$ 1,619.80	\$ 1,509.42	\$ 1,355.73	\$ 1,495.67	\$ 1,493.12
60	\$ 1,671.61	\$ 1,667.80	\$ 1,671.60	\$ 1,735.86	\$ 1,756.45	\$ 1,756.07
65 (Pre 65)	\$ 1,974.88	\$ 1,893.62	\$ 1,974.61	\$ 2,198.53	\$ 2,108.08	\$ 2,109.73
65 (Post 65)	\$ 422.78	\$ 405.39	\$ 422.67	\$ 422.78	\$ 405.39	\$ 405.49
70	\$ 525.54	\$ 490.99	\$ 525.32	\$ 525.54	\$ 490.99	\$ 491.20
75	\$ 606.19	\$ 549.35	\$ 605.83	\$ 606.19	\$ 549.35	\$ 549.69
80	\$ 651.16	\$ 583.13	\$ 650.72	\$ 651.16	\$ 583.13	\$ 583.54
85	\$ 690.75	\$ 611.22	\$ 690.24	\$ 690.75	\$ 611.22	\$ 611.70
90	\$ 724.79	\$ 630.36	\$ 724.18	\$ 724.79	\$ 630.36	\$ 630.93
95	\$ 724.79	\$ 630.36	\$ 724.18	\$ 724.79	\$ 630.36	\$ 630.93

Future Retirees Monthly Dental/Vision Claim Costs

Age	Retiree			Spouse/Surv Spouse + Dependents		
	Male	Female	Total	Male	Female	Total
25	\$ 25.56	\$ 32.06	\$ 28.92	\$ 28.88	\$ 29.42	\$ 29.24
30	\$ 29.10	\$ 34.44	\$ 31.85	\$ 32.14	\$ 38.17	\$ 36.19
35	\$ 30.93	\$ 35.90	\$ 33.49	\$ 34.17	\$ 39.78	\$ 37.94
40	\$ 32.15	\$ 37.26	\$ 34.79	\$ 35.52	\$ 41.30	\$ 39.40
45	\$ 34.11	\$ 39.09	\$ 36.68	\$ 37.68	\$ 43.32	\$ 41.47
50	\$ 37.93	\$ 42.21	\$ 40.14	\$ 41.90	\$ 46.78	\$ 45.18
55	\$ 43.01	\$ 45.74	\$ 44.42	\$ 47.51	\$ 50.70	\$ 49.65
60	\$ 48.18	\$ 49.44	\$ 48.83	\$ 53.23	\$ 54.79	\$ 54.28
65	\$ 52.66	\$ 50.95	\$ 51.78	\$ 58.18	\$ 56.47	\$ 57.03
70	\$ 56.00	\$ 50.78	\$ 53.31	\$ 61.86	\$ 56.28	\$ 58.11
75	\$ 56.00	\$ 50.78	\$ 53.31	\$ 61.86	\$ 56.28	\$ 58.11
80	\$ 56.00	\$ 50.78	\$ 53.31	\$ 61.86	\$ 56.28	\$ 58.11
85	\$ 56.00	\$ 50.78	\$ 53.31	\$ 61.86	\$ 56.28	\$ 58.11
90	\$ 56.00	\$ 50.78	\$ 53.31	\$ 61.86	\$ 56.28	\$ 58.11
95	\$ 56.00	\$ 50.78	\$ 53.31	\$ 61.86	\$ 56.28	\$ 58.11

For current retired members, spouses, and dependents, the claim costs are based on the actual premiums by deduction code, adjusted for age and gender. The tables that follow show the age 65 adjusted claim costs. Adjustments by age and gender are based on the same methodology used in the tables above.

Tier 1

Non Local 1014 Fire Fighters Male Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees			
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv	
201	Anthem Blue Cross Prudent Buyer	Retiree Only	\$ 732.41				\$ 732.41				\$ 556.05		
202	Anthem Blue Cross Prudent Buyer	Retiree and Spouse	\$ 732.41	\$ 732.41	\$ 365.27		\$ 732.41	\$ 732.41			\$ 556.05	\$ 556.05	
203	Anthem Blue Cross Prudent Buyer	Retiree and Family	\$ 732.41	\$ 732.41	\$ 365.27		\$ 732.41	\$ 732.41			\$ 556.05	\$ 556.05	
204	Anthem Blue Cross Prudent Buyer	Retiree and Children	\$ 732.41	\$ 732.41	\$ 365.27		\$ 732.41				\$ 556.05		
205	Anthem Blue Cross Prudent Buyer	Minor Survivor				\$ 365.27			\$ 365.27				
211	Anthem Blue Cross I	Retiree Only	\$ 495.98				\$ 495.98				\$ 402.69		
212	Anthem Blue Cross I	Retiree and Spouse	\$ 495.98	\$ 495.98	\$ 247.36		\$ 495.98	\$ 495.98			\$ 402.69	\$ 402.69	
213	Anthem Blue Cross I	Retiree, Spouse and Children	\$ 495.98	\$ 495.98	\$ 247.36		\$ 495.98	\$ 495.98			\$ 402.69	\$ 402.69	
214	Anthem Blue Cross I	Retiree and Children	\$ 495.98	\$ 495.98	\$ 247.36		\$ 495.98				\$ 402.69		
215	Anthem Blue Cross I	Minor Survivor				\$ 247.36			\$ 247.36				\$ 247.36
221	Anthem Blue Cross II	Retiree Only	\$ 1,052.42				\$ 1,052.42				\$ 660.87		
222	Anthem Blue Cross II	Retiree and Spouse	\$ 1,052.42	\$ 1,052.42	\$ 524.88		\$ 1,052.42	\$ 1,052.42			\$ 660.87	\$ 660.87	
223	Anthem Blue Cross II	Retiree, Spouse and Children	\$ 1,052.42	\$ 1,052.42	\$ 524.88		\$ 1,052.42	\$ 1,052.42			\$ 660.87	\$ 660.87	
224	Anthem Blue Cross II	Retiree and Children	\$ 1,052.42	\$ 1,052.42	\$ 524.88		\$ 1,052.42				\$ 660.87		
225	Anthem Blue Cross II	Minor Survivor				\$ 524.88			\$ 524.88				\$ 524.88
240	Anthem Blue Cross III	One Medicare					\$ 340.51				\$ 340.51		
241	Anthem Blue Cross III	Retiree and Spouse 1 Medicare	\$ 1,112.11	\$ 1,112.11	\$ 554.64		\$ 340.51	\$ 340.51			\$ 340.51	\$ 340.51	
242	Anthem Blue Cross III	Retiree and Spouse 1 Medicare	\$ 1,112.11	\$ 1,112.11	\$ 554.64		\$ 340.51	\$ 340.51			\$ 340.51	\$ 340.51	
243	Anthem Blue Cross III	Retiree and Spouse 2 Medicare					\$ 340.51	\$ 340.51			\$ 340.51	\$ 340.51	
244	Anthem Blue Cross III	Retiree and Children 1 Medicare			\$ 554.64		\$ 340.51				\$ 340.51	\$ 340.51	
245	Anthem Blue Cross III	Retiree and Children 1 Medicare			\$ 554.64		\$ 340.51				\$ 340.51	\$ 340.51	
246	Anthem Blue Cross III	Retiree and Family 1 Medicare	\$ 1,112.11	\$ 1,112.11	\$ 554.64		\$ 340.51	\$ 340.51			\$ 340.51	\$ 340.51	
247	Anthem Blue Cross III	Retiree and Family 1 Medicare	\$ 1,112.11	\$ 1,112.11	\$ 554.64		\$ 340.51	\$ 340.51			\$ 340.51	\$ 340.51	
248	Anthem Blue Cross III	Retiree and Family 2 Medicare		\$ 1,112.11	\$ 554.64		\$ 340.51	\$ 340.51			\$ 340.51	\$ 340.51	
249	Anthem Blue Cross III	Retiree and Family 2 Medicare		\$ 1,112.11	\$ 554.64		\$ 340.51	\$ 340.51			\$ 340.51	\$ 340.51	
250	Anthem Blue Cross III	Retiree and Family 3 Medicare		\$ 1,112.11	\$ 554.64		\$ 340.51	\$ 340.51			\$ 340.51	\$ 340.51	
301	Cigna Network Model Plan	Retiree Only	\$ 2,284.14				\$ 873.34				\$ 567.11		
302	Cigna Network Model Plan	Retiree and Spouse	\$ 2,284.14	\$ 2,284.14	\$ 1,139.17		\$ 873.34	\$ 873.34			\$ 567.11	\$ 566.89	
303	Cigna Network Model Plan	Retiree and Family	\$ 2,284.14	\$ 2,284.14	\$ 1,139.17		\$ 873.34	\$ 873.34			\$ 567.11	\$ 566.89	
304	Cigna Network Model Plan	Retiree and Children	\$ 2,284.14	\$ 2,284.14	\$ 1,139.17		\$ 873.34				\$ 567.11		
305	Cigna Network Model Plan	Minor Survivor				\$ 1,139.17			\$ 1,139.17				
321	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree Only					\$ 315.80				\$ 315.80		
322	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse					\$ 315.80	\$ 315.80			\$ 315.80	\$ 315.80	
324	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse ( Both Risk)					\$ 315.80	\$ 315.80			\$ 315.80	\$ 315.80	
325	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Children					\$ 315.80	\$ 315.80			\$ 315.80	\$ 315.80	
327	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (1 Medicare)					\$ 315.80	\$ 315.80			\$ 315.80	\$ 315.80	
329	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (2 Medicare)					\$ 315.80	\$ 315.80			\$ 315.80	\$ 315.80	
401	Kaiser (CA)	Retiree Basic (Under 65)	\$ 1,120.49								\$ 322.17		
403	Kaiser (CA)	Retiree Risk (Senior Advantage)					\$ 198.66						
404	Kaiser (CA)	Retiree Excess I					\$ 801.74						
405	Kaiser (CA)	Retiree Excess II - Part B					\$ 759.25						
406	Kaiser (CA)	Excess III - Medicare Not Provided (MNP)					\$ 1,350.96						
411	Kaiser (CA)	Family Basic	\$ 1,120.49	\$ 1,120.49	\$ 558.82						\$ 266.26	\$ 260.88	



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Tier 1

Non Local 1014 Fire Fighters Male Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees		
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv
413	Kaiser (CA)	One Advantage, One Basic	\$ 1,120.49	\$ 1,120.49	\$ 558.82		\$ 198.66	\$ 193.01		\$ 198.66	\$ 260.88	
414	Kaiser (CA)	One Excess I, One Basic	\$ 1,120.49	\$ 1,120.49	\$ 558.82		\$ 801.74	\$ 797.77		\$ 801.74	\$ 260.88	
418	Kaiser (CA)	Two+ Advantage					\$ 198.66	\$ 193.01				
419	Kaiser (CA)	One Excess I, One Advantage					\$ 500.20	\$ 495.39				
420	Kaiser (CA)	Two+ Excess I					\$ 801.74	\$ 797.77				
421	Kaiser (CA)	Survivor				\$ 558.82			\$ 558.82		\$ 558.82	
422	Kaiser (CA)	One Excess II - Part B, One Basic	\$ 1,120.49	\$ 1,120.49	\$ 558.82		\$ 759.25	\$ 755.16		\$ 759.25	\$ 260.88	
423	Kaiser (CA)	One Excess III (MNP), One Basic	\$ 1,120.49	\$ 1,120.49	\$ 558.82		\$ 1,350.96	\$ 1,348.52		\$ 1,350.96	\$ 260.88	
426	Kaiser (CA)	One Advantage, One Excess II - Part B					\$ 478.96	\$ 474.08				
427	Kaiser (CA)	One Advantage, One Excess III (MNP)					\$ 774.81	\$ 770.76				
428	Kaiser (CA)	One Excess, One Excess II - Part B					\$ 780.50	\$ 776.46				
429	Kaiser (CA)	One Excess, One Excess III (MNP)					\$ 1,076.35	\$ 1,073.15				
430	Kaiser (CA)	Two Excess II - Part B					\$ 759.25	\$ 755.16				
431	Kaiser (CA)	One Excess II - Part B, One Excess III (MNP)					\$ 1,055.11	\$ 1,051.84				
432	Kaiser (CA)	Two Excess III - Both (MNP)					\$ 1,350.96	\$ 1,348.52				
450	Kaiser - Colorado Basic	Retiree Basic	\$ 1,192.10							\$ 283.82		
451	Kaiser - Colorado	Retiree Risk					\$ 283.82					
453	Kaiser - Colorado	Retiree Basic (Two Party)	\$ 1,192.10	\$ 1,596.11						\$ 283.82	\$ 278.40	
454	Kaiser - Colorado	Retiree Basic Family	\$ 1,192.10	\$ 1,596.11	\$ 1,974.14					\$ 283.82	\$ 278.40	
455	Kaiser - Colorado	One Risk, One Basic	\$ 1,192.10	\$ 1,308.18			\$ 283.82	\$ 278.40		\$ 283.82	\$ 278.40	
457	Kaiser - Colorado	Two Retiree Risk					\$ 283.82	\$ 278.40				
458	Kaiser - Colorado	One Risk, Two or More Dependents	\$ 1,192.10	\$ 1,308.18	\$ 2,383.77		\$ 283.82	\$ 278.40		\$ 283.82	\$ 278.40	
459	Kaiser - Colorado	Two Risk, Two or More Dependents			\$ 2,530.97		\$ 283.82	\$ 278.40		\$ 283.82	\$ 278.40	
440	Kaiser - Georgia	One Medicare Member with Part B only					\$ 901.42					
441	Kaiser - Georgia	One Medicare Member with Part A only					\$ 901.42					
442	Kaiser - Georgia	One Member without Medicare Part A&B					\$ 901.42					
445	Kaiser - Georgia	One Medicare Member + One Medicare with Part A only					\$ 901.42	\$ 310.72				
461	Kaiser - Georgia Basic	Basic	\$ 1,381.37							\$ 316.05		
462	Kaiser - Georgia	Retiree Risk					\$ 316.05					
463	Kaiser - Georgia	Retiree (Two Party)	\$ 1,381.37	\$ 1,517.56	\$ 2,936.06		\$ 316.05	\$ 310.72		\$ 316.05	\$ 310.72	
464	Kaiser - Georgia	Retiree Basic Family	\$ 1,381.37	\$ 1,517.56	\$ 2,936.03					\$ 316.05	\$ 310.72	
465	Kaiser - Georgia	One Retiree Risk, One Basic	\$ 484.33	\$ 1,517.54	\$ 2,936.03		\$ 316.05	\$ 310.72		\$ 316.05	\$ 310.72	
466	Kaiser - Georgia	Two Retiree Risk					\$ 316.05	\$ 310.72				
471	Kaiser - Hawaii	Retiree Basic (Under 65)	\$ 1,190.12							\$ 332.50		
472	Kaiser - Hawaii	Retiree Risk					\$ 332.50					
473	Kaiser - Hawaii	Retiree Over 65 without Medicare A&B					\$ 1,197.68					
474	Kaiser - Hawaii Basic	Retiree Basic (Two Party)	\$ 1,190.12	\$ 1,305.99						\$ 332.50	\$ 327.22	
475	Kaiser - Hawaii	Retiree Basic Family (Under 65)	\$ 1,190.12	\$ 1,305.99	\$ 2,526.73					\$ 332.50	\$ 327.22	
476	Kaiser - Hawaii	One Retiree Risk, One Basic	\$ 1,190.12	\$ 1,305.99	\$ 2,526.73		\$ 332.50	\$ 327.22		\$ 332.50	\$ 327.22	
477	Kaiser - Hawaii	Over 65 without Medicare A&B, One Basic	\$ 1,190.12	\$ 1,305.99	\$ 1,451.86		\$ 1,197.68	\$ 866.16		\$ 1,197.68	\$ 866.16	
478	Kaiser - Hawaii	Two Retiree Risk					\$ 332.50	\$ 326.44				



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Tier 1

Non Local 1014 Fire Fighters Male Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees			
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv	
481	Kaiser - Oregon	Retiree Basic (Under 65)	\$ 1,290.28								\$ 292.05		
482	Kaiser - Oregon	Retiree Risk						\$ 292.05					
483	Kaiser - Oregon	Retiree Over 65 unassigned Medicare A&B						\$ 910.14					
484	Kaiser - Oregon	Retiree Basic (Two Party)	\$ 1,290.28	\$ 1,416.80							\$ 292.05	\$ 286.65	
485	Kaiser - Oregon Basic	Retiree Basic Family (Under 65)	\$ 1,290.28	\$ 2,833.59	\$ 2,741.09						\$ 292.05	\$ 286.65	
486	Kaiser - Oregon	One Retiree Risk, One Basic	\$ 1,290.28	\$ 1,416.79	\$ 2,741.09			\$ 292.05	\$ 286.65		\$ 292.05	\$ 286.65	
488	Kaiser - Oregon	Two Retiree Risk						\$ 292.05	\$ 286.65				
489	Kaiser - Oregon	Retiree w/ Part A only						\$ 782.40					
491	Kaiser - Oregon	One Risk, One Medicare Part A only						\$ 782.40	\$ 286.65				
492	Kaiser - Oregon	One Risk, One Over 65 No Medicare	\$ 1,394.72	\$ 484.56				\$ 910.14	\$ 286.65		\$ 292.05	\$ 286.65	
493	Kaiser - Oregon	One Risk, Two Basic	\$ 1,290.28	\$ 1,416.79				\$ 292.05	\$ 286.65		\$ 292.05	\$ 286.65	
494	Kaiser - Oregon	Two Risk, One Basic	\$ 1,290.28	\$ 1,416.79	\$ 2,741.12			\$ 292.05	\$ 286.65		\$ 292.05	\$ 286.65	
495	Kaiser - Oregon	Two Over 65 unassigned Medicare						\$ 910.14	\$ 906.47				
496	Kaiser - Oregon	Two Medicare Part A only						\$ 782.40	\$ 778.37				
497	Kaiser - Oregon	One Basic, One Medicare Part A only	\$ 1,290.28	\$ 1,416.79				\$ 782.40	\$ 778.37		\$ 782.40	\$ 778.37	
498	Kaiser - Oregon	One Basic, One over 65 unassigned Medicare A&B	\$ 1,290.28	\$ 1,416.79				\$ 910.14	\$ 906.47		\$ 910.14	\$ 906.47	
611	SCAN Health Plan	Retiree Only						\$ 218.50					
613	SCAN Health Plan	Retiree & 1 Dependent (2 Medicare)						\$ 218.50	\$ 218.50				
701	United Healthcare	Retiree Only	\$ 1,259.00					\$ 269.98			\$ 269.98		
702	United Healthcare	Retiree & 1 Dependent (1 Medicare)	\$ 1,259.00	\$ 1,259.00	\$ 627.90			\$ 269.98	\$ 269.98		\$ 269.98	\$ 269.98	
703	United Healthcare	Retiree & 1 Dependent (2 Medicare)						\$ 269.98	\$ 269.98		\$ 269.98	\$ 269.98	
704	United Healthcare	Retiree & 2 + Deps. (1 Medicare)	\$ 1,259.00	\$ 1,259.00	\$ 627.90			\$ 269.98	\$ 269.98		\$ 269.98	\$ 269.98	
705	United Healthcare	Retiree & 2 + Deps. (2 Medicare)	\$ 1,259.00	\$ 1,259.00	\$ 627.90			\$ 269.98	\$ 269.98		\$ 269.98	\$ 269.98	
706	United Healthcare	Minor Survivor				\$ 627.90				\$ 627.90			
707	United Healthcare	Single	\$ 1,259.00								\$ 304.36		
708	United Healthcare	Two-Party	\$ 1,259.00	\$ 1,259.00	\$ 627.90						\$ 304.36	\$ 304.21	
709	United Healthcare	Family	\$ 1,259.00	\$ 1,259.00	\$ 627.90						\$ 304.36	\$ 304.21	



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Tier 1

Fire Fighters Local 1014 Male Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees		
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv
801	Firefighters' Local 1014	Med-Member under 65	\$ 1,974.88				\$ 422.78			\$ 422.78		
802	Firefighters' Local 1014	Med-Member +1 under 65	\$ 1,974.88	\$ 1,974.88	\$ 984.93		\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78
803	Firefighters' Local 1014	Med-Member +2 under 65	\$ 1,974.88	\$ 1,974.88	\$ 984.93		\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78
804	Firefighters' Local 1014	Med-Member or Surviving Sp with Medicare					\$ 422.78		\$ 422.78	\$ 422.78		\$ 422.78
805	Firefighters' Local 1014	Med-Member +1; 1 MDC		\$ 1,974.88	\$ 984.93		\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78
806	Firefighters' Local 1014	Med-Member +1; 2 MDC					\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78
807	Firefighters' Local 1014	Med-Member +2; 1 MDC		\$ 1,974.88	\$ 984.93		\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78
808	Firefighters' Local 1014	Med-Member +2; 2 MDC					\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78
809	Firefighters' Local 1014	Med-Surv. Sp. Under 65				\$ 1,974.88		\$ 422.78	\$ 422.78		\$ 422.78	\$ 422.78
810	Firefighters' Local 1014	Med-Surv. Sp. +1 Under 65		\$ 1,974.88	\$ 984.93	\$ 1,974.88		\$ 422.78	\$ 422.78		\$ 422.78	\$ 422.78
811	Firefighters' Local 1014	Med-Surv. Sp. +2 Under 65		\$ 1,974.88	\$ 984.93	\$ 1,974.88		\$ 422.78	\$ 422.78		\$ 422.78	\$ 422.78
812	Firefighters' Local 1014	Med-Surv. Sp. With MDC					\$ 422.78	\$ 422.78	\$ 422.78		\$ 422.78	\$ 422.78
813	Firefighters' Local 1014	Med-Surv. Sp. +1; 1 MDC		\$ 1,974.88	\$ 984.93	\$ 1,974.88		\$ 422.78	\$ 422.78		\$ 422.78	\$ 422.78
814	Firefighters' Local 1014	Med-Surv. Sp. +2; 1 MDC		\$ 1,974.88	\$ 984.93	\$ 1,974.88		\$ 422.78	\$ 422.78		\$ 422.78	\$ 422.78
815	Firefighters' Local 1014	Med-Surv. Sp. +1; 2 MDC					\$ 422.78	\$ 422.78	\$ 422.78		\$ 422.78	\$ 422.78

Dental/Vision Male Retirees

Deduction Code	Plan	Tier	Age 65 Adjusted Claim Costs		
			Retiree	Sp/Dep	Surv
501	Cigna Indemnity Dental/Vision	Retiree Only	\$ 53.54		
502	Cigna Indemnity Dental/Vision	Family	\$ 53.54	\$ 58.56	
503	Cigna Indemnity Dental/Vision	Minor Survivor			\$ 55.58
901	Cigna Dental HMO/Vision	Retiree Only	\$ 46.82		
902	Cigna Dental HMO/Vision	Family	\$ 46.82	\$ 55.67	
903	Cigna Dental HMO/Vision	Minor Survivor			\$ 48.61



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Tier 1

Non Local 1014 Fire Fighters Female Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees		
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv
201	Anthem Blue Cross Prudent Buyer	Retiree Only	\$ 702.27				\$ 702.27			\$ 533.17		
202	Anthem Blue Cross Prudent Buyer	Retiree and Spouse	\$ 702.27	\$ 702.27	\$ 689.62		\$ 702.27	\$ 702.27		\$ 533.17	\$ 533.17	
203	Anthem Blue Cross Prudent Buyer	Retiree and Family	\$ 702.27	\$ 702.27	\$ 689.62		\$ 702.27	\$ 702.27		\$ 533.17	\$ 533.17	
204	Anthem Blue Cross Prudent Buyer	Retiree and Children	\$ 702.27	\$ 702.27	\$ 689.62		\$ 702.27			\$ 533.17		
205	Anthem Blue Cross Prudent Buyer	Minor Survivor				\$ 689.62			\$ 689.62			
211	Anthem Blue Cross I	Retiree Only	\$ 475.57				\$ 475.57			\$ 386.13		
212	Anthem Blue Cross I	Retiree and Spouse	\$ 475.57	\$ 475.57	\$ 467.00		\$ 475.57	\$ 475.57		\$ 386.13	\$ 386.13	
213	Anthem Blue Cross I	Retiree, Spouse and Children	\$ 475.57	\$ 475.57	\$ 467.00		\$ 475.57	\$ 475.57		\$ 386.13	\$ 386.13	
214	Anthem Blue Cross I	Retiree and Children	\$ 475.57	\$ 475.57	\$ 467.00		\$ 475.57			\$ 386.13		
215	Anthem Blue Cross I	Minor Survivor				\$ 467.00			\$ 467.00			\$ 467.00
221	Anthem Blue Cross II	Retiree Only	\$ 1,009.12				\$ 1,009.12			\$ 633.68		
222	Anthem Blue Cross II	Retiree and Spouse	\$ 1,009.12	\$ 1,009.12	\$ 990.94		\$ 1,009.12	\$ 1,009.12		\$ 633.68	\$ 633.68	
223	Anthem Blue Cross II	Retiree, Spouse and Children	\$ 1,009.12	\$ 1,009.12	\$ 990.94		\$ 1,009.12	\$ 1,009.12		\$ 633.68	\$ 633.68	
224	Anthem Blue Cross II	Retiree and Children	\$ 1,009.12	\$ 1,009.12	\$ 990.94		\$ 1,009.12			\$ 633.68		
225	Anthem Blue Cross II	Minor Survivor				\$ 990.94			\$ 990.94			\$ 990.94
240	Anthem Blue Cross III	One Medicare					\$ 326.50			\$ 326.50		
241	Anthem Blue Cross III	Retiree and Spouse 1 Medicare	\$ 1,066.35	\$ 1,066.35	\$ 1,047.14		\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
242	Anthem Blue Cross III	Retiree and Spouse 1 Medicare	\$ 1,066.35	\$ 1,066.35	\$ 1,047.14		\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
243	Anthem Blue Cross III	Retiree and Spouse 2 Medicare					\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
244	Anthem Blue Cross III	Retiree and Children 1 Medicare	\$ 1,066.35	\$ 1,066.35	\$ 1,047.14		\$ 326.50			\$ 326.50	\$ 326.50	
245	Anthem Blue Cross III	Retiree and Children 1 Medicare	\$ 1,066.35	\$ 1,066.35	\$ 1,047.14		\$ 326.50			\$ 326.50	\$ 326.50	
246	Anthem Blue Cross III	Retiree and Family 1 Medicare	\$ 1,066.35	\$ 1,066.35	\$ 1,047.14		\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
247	Anthem Blue Cross III	Retiree and Family 1 Medicare	\$ 1,066.35	\$ 1,066.35	\$ 1,047.14		\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
248	Anthem Blue Cross III	Retiree and Family 2 Medicare	\$ 1,066.35	\$ 1,066.35	\$ 1,047.14		\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
249	Anthem Blue Cross III	Retiree and Family 2 Medicare	\$ 1,066.35	\$ 1,066.35	\$ 1,047.14		\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
250	Anthem Blue Cross III	Retiree and Family 3 Medicare	\$ 1,066.35	\$ 1,066.35	\$ 1,047.14		\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
301	Cigna Network Model Plan	Retiree Only	\$ 2,190.16				\$ 837.41			\$ 543.78		
302	Cigna Network Model Plan	Retiree and Spouse	\$ 2,190.16	\$ 2,190.16	\$ 2,150.70		\$ 837.41	\$ 837.41		\$ 543.78	\$ 543.56	
303	Cigna Network Model Plan	Retiree and Family	\$ 2,190.16	\$ 2,190.16	\$ 2,150.70		\$ 837.41	\$ 837.41		\$ 543.78	\$ 543.56	
304	Cigna Network Model Plan	Retiree and Children	\$ 2,190.16	\$ 2,190.16	\$ 2,150.70		\$ 837.41			\$ 543.78		
305	Cigna Network Model Plan	Minor Survivor				\$ 2,150.70			\$ 2,150.70			
321	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree Only					\$ 302.80			\$ 302.80		
322	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse					\$ 302.80	\$ 302.80		\$ 302.80	\$ 302.80	
324	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse ( Both Risk)					\$ 302.80	\$ 302.80		\$ 302.80	\$ 302.80	
325	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Children					\$ 302.80	\$ 302.80		\$ 302.80	\$ 302.80	
327	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (1 Medicare)					\$ 302.80	\$ 302.80		\$ 302.80	\$ 302.80	
329	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (2 Medicare)					\$ 302.80	\$ 302.80		\$ 302.80	\$ 302.80	
401	Kaiser (CA)	Retiree Basic (Under 65)	\$ 1,074.39							\$ 308.91		
403	Kaiser (CA)	Retiree Risk (Senior Advantage)					\$ 190.49					
404	Kaiser (CA)	Retiree Excess I					\$ 768.76					
405	Kaiser (CA)	Retiree Excess II - Part B					\$ 728.01					
406	Kaiser (CA)	Excess III - Medicare Not Provided (MNP)					\$ 1,295.38					
411	Kaiser (CA)	Family Basic	\$ 1,074.39	\$ 1,074.39	\$ 1,055.03					\$ 255.31	\$ 250.14	



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Tier 1

Non Local 1014 Fire Fighters Female Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees		
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv
413	Kaiser (CA)	One Advantage, One Basic	\$ 1,074.39	\$ 1,074.39	\$ 1,055.03		\$ 190.49	\$ 185.06		\$ 190.49	\$ 250.14	
414	Kaiser (CA)	One Excess I, One Basic	\$ 1,074.39	\$ 1,074.39	\$ 1,055.03		\$ 768.76	\$ 764.95		\$ 768.76	\$ 250.14	
418	Kaiser (CA)	Two+ Advantage					\$ 190.49	\$ 185.06				
419	Kaiser (CA)	One Excess I, One Advantage					\$ 479.62	\$ 475.01				
420	Kaiser (CA)	Two+ Excess I					\$ 768.76	\$ 764.95				
421	Kaiser (CA)	Survivor				\$ 1,055.03			\$ 1,055.03			\$ 1,055.03
422	Kaiser (CA)	One Excess II - Part B, One Basic	\$ 1,074.39	\$ 1,074.39	\$ 1,055.03		\$ 728.01	\$ 724.09		\$ 728.01	\$ 250.14	
423	Kaiser (CA)	One Excess III (MNP), One Basic	\$ 1,074.39	\$ 1,074.39	\$ 1,055.03		\$ 1,295.38	\$ 1,293.04		\$ 1,295.38	\$ 250.14	
426	Kaiser (CA)	One Advantage, One Excess II - Part B					\$ 459.25	\$ 454.58				
427	Kaiser (CA)	One Advantage, One Excess III (MNP)					\$ 742.93	\$ 739.05				
428	Kaiser (CA)	One Excess, One Excess II - Part B					\$ 748.38	\$ 744.52				
429	Kaiser (CA)	One Excess, One Excess III (MNP)					\$ 1,032.07	\$ 1,028.99				
430	Kaiser (CA)	Two Excess II - Part B					\$ 728.01	\$ 724.09				
431	Kaiser (CA)	One Excess II - Part B, One Excess III (MNP)					\$ 1,011.70	\$ 1,008.56				
432	Kaiser (CA)	Two Excess III - Both (MNP)					\$ 1,295.38	\$ 1,293.04				
450	Kaiser - Colorado Basic	Retiree Basic	\$ 1,143.05							\$ 272.14		
451	Kaiser - Colorado	Retiree Risk					\$ 272.14					
453	Kaiser - Colorado	Retiree Basic (Two Party)	\$ 1,143.05	\$ 1,530.44						\$ 272.14	\$ 266.94	
454	Kaiser - Colorado	Retiree Basic Family	\$ 1,143.05	\$ 1,530.44	\$ 3,727.08					\$ 272.14	\$ 266.94	
455	Kaiser - Colorado	One Risk, One Basic	\$ 1,143.05	\$ 1,254.36			\$ 272.14	\$ 266.94		\$ 272.14	\$ 266.94	
457	Kaiser - Colorado	Two Retiree Risk					\$ 272.14	\$ 266.94				
458	Kaiser - Colorado	One Risk, Two or More Dependents	\$ 1,143.05	\$ 1,254.36	\$ 4,500.45		\$ 272.14	\$ 266.94		\$ 272.14	\$ 266.94	
459	Kaiser - Colorado	Two Risk, Two or More Dependents			\$ 4,778.36		\$ 272.14	\$ 266.94		\$ 272.14	\$ 266.94	
440	Kaiser - Georgia	One Medicare Member with Part B only					\$ 864.33					
441	Kaiser - Georgia	One Medicare Member with Part A only					\$ 864.33					
442	Kaiser - Georgia	One Member without Medicare Part A&B					\$ 864.33					
445	Kaiser - Georgia	One Medicare Member + One Medicare with Part A only					\$ 864.33	\$ 297.94				
461	Kaiser - Georgia Basic	Basic	\$ 1,324.53							\$ 303.05		
462	Kaiser - Georgia	Retiree Risk					\$ 303.05					
463	Kaiser - Georgia	Retiree (Two Party)	\$ 1,324.53	\$ 1,455.12	\$ 5,543.15		\$ 303.05	\$ 297.94		\$ 303.05	\$ 297.94	
464	Kaiser - Georgia	Retiree Basic Family	\$ 1,324.53	\$ 1,455.12	\$ 5,543.10					\$ 303.05	\$ 297.94	
465	Kaiser - Georgia	One Retiree Risk, One Basic	\$ 464.40	\$ 1,455.11	\$ 5,543.10		\$ 303.05	\$ 297.94		\$ 303.05	\$ 297.94	
466	Kaiser - Georgia	Two Retiree Risk					\$ 303.05	\$ 297.94				
471	Kaiser - Hawaii	Retiree Basic (Under 65)	\$ 1,141.15							\$ 318.82		
472	Kaiser - Hawaii	Retiree Risk					\$ 318.82					
473	Kaiser - Hawaii	Retiree Over 65 without Medicare A&B					\$ 1,148.40					
474	Kaiser - Hawaii Basic	Retiree Basic (Two Party)	\$ 1,141.15	\$ 1,252.26						\$ 318.82	\$ 313.76	
475	Kaiser - Hawaii	Retiree Basic Family (Under 65)	\$ 1,141.15	\$ 1,252.26	\$ 4,770.36					\$ 318.82	\$ 313.76	
476	Kaiser - Hawaii	One Retiree Risk, One Basic	\$ 1,141.15	\$ 1,252.26	\$ 4,770.36		\$ 318.82	\$ 313.76		\$ 318.82	\$ 313.76	
477	Kaiser - Hawaii	Over 65 without Medicare A&B, One Basic	\$ 1,141.15	\$ 1,252.26	\$ 2,741.04		\$ 1,148.40	\$ 830.52		\$ 1,148.40	\$ 830.52	
478	Kaiser - Hawaii	Two Retiree Risk					\$ 318.82	\$ 313.01				



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Tier 1

Non Local 1014 Fire Fighters Female Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees			
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv	
481	Kaiser - Oregon	Retiree Basic (Under 65)	\$ 1,237.19								\$ 280.03		
482	Kaiser - Oregon	Retiree Risk						\$ 280.03					
483	Kaiser - Oregon	Retiree Over 65 unassigned Medicare A&B						\$ 872.69					
484	Kaiser - Oregon	Retiree Basic (Two Party)	\$ 1,237.19	\$ 1,358.51							\$ 280.03	\$ 274.86	
485	Kaiser - Oregon Basic	Retiree Basic Family (Under 65)	\$ 1,237.19	\$ 2,717.00	\$ 5,175.06						\$ 280.03	\$ 274.86	
486	Kaiser - Oregon	One Retiree Risk, One Basic	\$ 1,237.19	\$ 1,358.50	\$ 5,175.06			\$ 280.03	\$ 274.86		\$ 280.03	\$ 274.86	
488	Kaiser - Oregon	Two Retiree Risk						\$ 280.03	\$ 274.86				
489	Kaiser - Oregon	Retiree w/ Part A only						\$ 750.21					
491	Kaiser - Oregon	One Risk, One Medicare Part A only						\$ 750.21	\$ 274.86				
492	Kaiser - Oregon	One Risk, One Over 65 No Medicare	\$ 1,337.34	\$ 464.63				\$ 872.69	\$ 274.86		\$ 280.03	\$ 274.86	
493	Kaiser - Oregon	One Risk, Two Basic	\$ 1,237.19	\$ 1,358.50				\$ 280.03	\$ 274.86		\$ 280.03	\$ 274.86	
494	Kaiser - Oregon	Two Risk, One Basic	\$ 1,237.19	\$ 1,358.50	\$ 5,175.11			\$ 280.03	\$ 274.86		\$ 280.03	\$ 274.86	
495	Kaiser - Oregon	Two Over 65 unassigned Medicare						\$ 872.69	\$ 869.17				
496	Kaiser - Oregon	Two Medicare Part A only						\$ 750.21	\$ 746.35				
497	Kaiser - Oregon	One Basic, One Medicare Part A only	\$ 1,237.19	\$ 1,358.50				\$ 750.21	\$ 746.35		\$ 750.21	\$ 746.35	
498	Kaiser - Oregon	One Basic, One over 65 unassigned Medicare A&B	\$ 1,237.19	\$ 1,358.50				\$ 872.69	\$ 869.17		\$ 872.69	\$ 869.17	
611	SCAN Health Plan	Retiree Only						\$ 209.51					
613	SCAN Health Plan	Retiree & 1 Dependent (2 Medicare)						\$ 209.51	\$ 209.51				
701	United Healthcare	Retiree Only	\$ 1,207.20					\$ 258.87			\$ 258.87		
702	United Healthcare	Retiree & 1 Dependent (1 Medicare)	\$ 1,207.20	\$ 1,207.20	\$ 1,185.45			\$ 258.87	\$ 258.87		\$ 258.87	\$ 258.87	
703	United Healthcare	Retiree & 1 Dependent (2 Medicare)						\$ 258.87	\$ 258.87		\$ 258.87	\$ 258.87	
704	United Healthcare	Retiree & 2 + Deps. (1 Medicare)	\$ 1,207.20	\$ 1,207.20	\$ 1,185.45			\$ 258.87	\$ 258.87		\$ 258.87	\$ 258.87	
705	United Healthcare	Retiree & 2 + Deps. (2 Medicare)	\$ 1,207.20	\$ 1,207.20	\$ 1,185.45			\$ 258.87	\$ 258.87		\$ 258.87	\$ 258.87	
706	United Healthcare	Minor Survivor					\$ 1,185.45			\$ 1,185.45			
707	United Healthcare	Single	\$ 1,207.20								\$ 291.84		
708	United Healthcare	Two-Party	\$ 1,207.20	\$ 1,207.20	\$ 1,185.45						\$ 291.84	\$ 291.69	
709	United Healthcare	Family	\$ 1,207.20	\$ 1,207.20	\$ 1,185.45						\$ 291.84	\$ 291.69	



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Tier 1

Fire Fighters Local 1014 Female Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees		
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv
801	Firefighters' Local 1014	Med-Member under 65	\$ 1,893.62				\$ 405.39			\$ 405.39		
802	Firefighters' Local 1014	Med-Member +1 under 65	\$ 1,893.62	\$ 1,893.62	\$ 1,859.51		\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39
803	Firefighters' Local 1014	Med-Member +2 under 65	\$ 1,893.62	\$ 1,893.62	\$ 1,859.51		\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39
804	Firefighters' Local 1014	Med-Member or Surviving Sp with Medicare					\$ 405.39		\$ 405.39	\$ 405.39		\$ 405.39
805	Firefighters' Local 1014	Med-Member +1; 1 MDC		\$ 1,893.62	\$ 1,859.51		\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39
806	Firefighters' Local 1014	Med-Member +1; 2 MDC					\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39
807	Firefighters' Local 1014	Med-Member +2; 1 MDC		\$ 1,893.62	\$ 1,859.51		\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39
808	Firefighters' Local 1014	Med-Member +2; 2 MDC					\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39
809	Firefighters' Local 1014	Med-Surv. Sp. Under 65				\$ 1,893.62		\$ 405.39	\$ 405.39		\$ 405.39	\$ 405.39
810	Firefighters' Local 1014	Med-Surv. Sp. +1 Under 65		\$ 1,893.62	\$ 1,859.51	\$ 1,893.62		\$ 405.39	\$ 405.39		\$ 405.39	\$ 405.39
811	Firefighters' Local 1014	Med-Surv. Sp. +2 Under 65		\$ 1,893.62	\$ 1,859.51	\$ 1,893.62		\$ 405.39	\$ 405.39		\$ 405.39	\$ 405.39
812	Firefighters' Local 1014	Med-Surv. Sp. With MDC					\$ 405.39	\$ 405.39	\$ 405.39		\$ 405.39	\$ 405.39
813	Firefighters' Local 1014	Med-Surv. Sp. +1; 1 MDC		\$ 1,893.62	\$ 1,859.51	\$ 1,893.62		\$ 405.39	\$ 405.39		\$ 405.39	\$ 405.39
814	Firefighters' Local 1014	Med-Surv. Sp. +2; 1 MDC		\$ 1,893.62	\$ 1,859.51	\$ 1,893.62		\$ 405.39	\$ 405.39		\$ 405.39	\$ 405.39
815	Firefighters' Local 1014	Med-Surv. Sp. +1; 2 MDC					\$ 405.39	\$ 405.39	\$ 405.39		\$ 405.39	\$ 405.39

Dental/Vision Female Retirees

Deduction Code	Plan	Tier	Age 65 Adjusted Claim Costs		
			Retiree	Sp/Dep	Surv
501	Cigna Indemnity Dental/Vision	Retiree Only	\$ 51.93		
502	Cigna Indemnity Dental/Vision	Family	\$ 51.93	\$ 56.80	
503	Cigna Indemnity Dental/Vision	Minor Survivor			\$ 52.94
901	Cigna Dental HMO/Vision	Retiree Only	\$ 45.41		
902	Cigna Dental HMO/Vision	Family	\$ 45.41	\$ 54.00	
903	Cigna Dental HMO/Vision	Minor Survivor			\$ 46.30



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Tier 2

A. Future Retirees Retiring Before Age 65

Age	Retiree			Spouse/Surv Spouse + Dependents		
	Male	Female	Total	Male	Female	Total
25	\$ 349.78	\$ 477.32	\$ 411.89	\$ 515.57	\$ 258.49	\$ 317.77
30	\$ 429.08	\$ 780.30	\$ 600.13	\$ 322.12	\$ 621.38	\$ 552.37
35	\$ 705.86	\$ 1,071.88	\$ 884.12	\$ 328.28	\$ 614.83	\$ 548.75
40	\$ 860.57	\$ 1,170.85	\$ 1,011.68	\$ 494.24	\$ 621.25	\$ 591.96
45	\$ 800.40	\$ 1,117.59	\$ 954.87	\$ 589.52	\$ 687.36	\$ 664.80
50	\$ 790.81	\$ 969.06	\$ 877.62	\$ 657.14	\$ 770.19	\$ 744.12
55	\$ 843.27	\$ 920.95	\$ 881.10	\$ 807.19	\$ 879.10	\$ 862.52
60	\$ 934.11	\$ 948.24	\$ 940.99	\$ 1,033.51	\$ 1,032.37	\$ 1,032.63
65 (Pre 65)	\$ 1,103.58	\$ 1,076.64	\$ 1,090.46	\$ 1,308.99	\$ 1,239.04	\$ 1,255.17
65 (Post 65)	\$ 261.29	\$ 231.89	\$ 245.33	\$ 231.90	\$ 246.17	\$ 241.55
70	\$ 324.80	\$ 280.85	\$ 300.95	\$ 288.26	\$ 298.15	\$ 294.95
75	\$ 374.65	\$ 314.23	\$ 341.86	\$ 332.50	\$ 333.59	\$ 333.24
80	\$ 402.45	\$ 333.55	\$ 365.06	\$ 357.17	\$ 354.10	\$ 355.09
85	\$ 426.92	\$ 349.62	\$ 384.97	\$ 378.88	\$ 371.16	\$ 373.66
90	\$ 447.96	\$ 360.57	\$ 400.54	\$ 397.55	\$ 382.78	\$ 387.56
95	\$ 447.96	\$ 360.57	\$ 400.54	\$ 397.55	\$ 382.78	\$ 387.56

B. Future Retirees Retiring After Age 65

Age	Retiree			Spouse/Dependents		
	Male	Female	Total	Male	Female	Total
25	N/A	N/A	N/A	\$ 510.49	\$ 259.42	\$ 317.32
30	N/A	N/A	N/A	\$ 318.95	\$ 623.63	\$ 553.37
35	N/A	N/A	N/A	\$ 325.05	\$ 617.05	\$ 549.71
40	N/A	N/A	N/A	\$ 489.37	\$ 623.49	\$ 592.56
45	N/A	N/A	N/A	\$ 583.71	\$ 689.84	\$ 665.37
50	N/A	N/A	N/A	\$ 650.66	\$ 772.96	\$ 744.76
55	N/A	N/A	N/A	\$ 799.23	\$ 882.26	\$ 863.11
60	N/A	N/A	N/A	\$ 1,023.33	\$ 1,036.08	\$ 1,033.14
65 (Pre 65)	N/A	N/A	N/A	\$ 1,296.09	\$ 1,243.50	\$ 1,255.62
65 (Post 65)	\$ 243.59	\$ 226.19	\$ 234.15	\$ 231.88	\$ 233.18	\$ 232.76
70	\$ 302.79	\$ 273.95	\$ 287.14	\$ 288.24	\$ 282.42	\$ 284.30
75	\$ 349.26	\$ 306.51	\$ 326.06	\$ 332.47	\$ 315.99	\$ 321.33
80	\$ 375.17	\$ 325.36	\$ 348.14	\$ 357.14	\$ 335.42	\$ 342.45
85	\$ 397.98	\$ 341.04	\$ 367.08	\$ 378.85	\$ 351.58	\$ 360.41
90	\$ 417.59	\$ 351.72	\$ 381.84	\$ 397.52	\$ 362.59	\$ 373.90
95	\$ 417.59	\$ 351.72	\$ 381.84	\$ 397.52	\$ 362.59	\$ 373.90

The Firefighters Local 1014 and dental/vision claim costs are shown in the tables on the following page.



Tier 2

Firefighters Local 1014 Plan Monthly Medical Claim Costs

Age	Retiree			Spouse/Surv Spouse + Dependents		
	Male	Female	Total	Male	Female	Total
25	\$ 625.95	\$ 839.53	\$ 626.66	\$ 865.94	\$ 439.79	\$ 447.56
30	\$ 767.86	\$ 1,372.43	\$ 769.88	\$ 541.03	\$ 1,057.22	\$ 1,047.81
35	\$ 1,263.18	\$ 1,885.27	\$ 1,265.25	\$ 551.38	\$ 1,046.07	\$ 1,037.05
40	\$ 1,540.04	\$ 2,059.34	\$ 1,541.77	\$ 830.12	\$ 1,056.99	\$ 1,052.85
45	\$ 1,432.35	\$ 1,965.67	\$ 1,434.13	\$ 990.14	\$ 1,169.46	\$ 1,166.19
50	\$ 1,415.18	\$ 1,704.43	\$ 1,416.14	\$ 1,103.71	\$ 1,310.38	\$ 1,306.61
55	\$ 1,509.05	\$ 1,619.80	\$ 1,509.42	\$ 1,355.73	\$ 1,495.67	\$ 1,493.12
60	\$ 1,671.61	\$ 1,667.80	\$ 1,671.60	\$ 1,735.86	\$ 1,756.45	\$ 1,756.07
65 (Pre 65)	\$ 1,974.88	\$ 1,893.62	\$ 1,974.61	\$ 2,198.53	\$ 2,108.08	\$ 2,109.73
65 (Post 65)	\$ 422.78	\$ 405.39	\$ 422.67	\$ 422.78	\$ 405.39	\$ 405.49
70	\$ 525.54	\$ 490.99	\$ 525.32	\$ 525.54	\$ 490.99	\$ 491.20
75	\$ 606.19	\$ 549.35	\$ 605.83	\$ 606.19	\$ 549.35	\$ 549.69
80	\$ 651.16	\$ 583.13	\$ 650.72	\$ 651.16	\$ 583.13	\$ 583.54
85	\$ 690.75	\$ 611.22	\$ 690.24	\$ 690.75	\$ 611.22	\$ 611.70
90	\$ 724.79	\$ 630.36	\$ 724.18	\$ 724.79	\$ 630.36	\$ 630.93
95	\$ 724.79	\$ 630.36	\$ 724.18	\$ 724.79	\$ 630.36	\$ 630.93

Future Retirees Monthly Dental/Vision Claim Costs

Age	Retiree			Spouse/Surv Spouse + Dependents		
	Male	Female	Total	Male	Female	Total
25	\$ 25.56	\$ 32.06	\$ 28.92	\$ 28.88	\$ 29.42	\$ 29.24
30	\$ 29.10	\$ 34.44	\$ 31.85	\$ 32.14	\$ 38.17	\$ 36.19
35	\$ 30.93	\$ 35.90	\$ 33.49	\$ 34.17	\$ 39.78	\$ 37.94
40	\$ 32.15	\$ 37.26	\$ 34.79	\$ 35.52	\$ 41.30	\$ 39.40
45	\$ 34.11	\$ 39.09	\$ 36.68	\$ 37.68	\$ 43.32	\$ 41.47
50	\$ 37.93	\$ 42.21	\$ 40.14	\$ 41.90	\$ 46.78	\$ 45.18
55	\$ 43.01	\$ 45.74	\$ 44.42	\$ 47.51	\$ 50.70	\$ 49.65
60	\$ 48.18	\$ 49.44	\$ 48.83	\$ 53.23	\$ 54.79	\$ 54.28
65	\$ 52.66	\$ 50.95	\$ 51.78	\$ 58.18	\$ 56.47	\$ 57.03
70	\$ 56.00	\$ 50.78	\$ 53.31	\$ 61.86	\$ 56.28	\$ 58.11
75	\$ 56.00	\$ 50.78	\$ 53.31	\$ 61.86	\$ 56.28	\$ 58.11
80	\$ 56.00	\$ 50.78	\$ 53.31	\$ 61.86	\$ 56.28	\$ 58.11
85	\$ 56.00	\$ 50.78	\$ 53.31	\$ 61.86	\$ 56.28	\$ 58.11
90	\$ 56.00	\$ 50.78	\$ 53.31	\$ 61.86	\$ 56.28	\$ 58.11
95	\$ 56.00	\$ 50.78	\$ 53.31	\$ 61.86	\$ 56.28	\$ 58.11

For current retired members, spouses, and dependents, the claim costs are based on the actual premiums by deduction code, adjusted for age and gender. The tables that follow show the age 65 adjusted claim costs. Adjustments by age and gender are based on the same methodology used in the tables above.

Tier 2

Non Local 1014 Fire Fighters Male Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees		
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv
201	Anthem Blue Cross Prudent Buyer	Retiree Only	\$ 732.41				\$ 732.41			\$ 340.51		
202	Anthem Blue Cross Prudent Buyer	Retiree and Spouse	\$ 732.41	\$ 732.41	\$ 365.27		\$ 732.41	\$ 732.41		\$ 340.51	\$ 340.51	
203	Anthem Blue Cross Prudent Buyer	Retiree and Family	\$ 732.41	\$ 732.41	\$ 365.27		\$ 732.41	\$ 732.41		\$ 340.51	\$ 340.51	
204	Anthem Blue Cross Prudent Buyer	Retiree and Children	\$ 732.41	\$ 732.41	\$ 365.27		\$ 732.41			\$ 340.51		
205	Anthem Blue Cross Prudent Buyer	Minor Survivor				\$ 365.27			\$ 365.27			
211	Anthem Blue Cross I	Retiree Only	\$ 495.98				\$ 495.98			\$ 340.51		
212	Anthem Blue Cross I	Retiree and Spouse	\$ 495.98	\$ 495.98	\$ 247.36		\$ 495.98	\$ 495.98		\$ 340.51	\$ 340.51	
213	Anthem Blue Cross I	Retiree, Spouse and Children	\$ 495.98	\$ 495.98	\$ 247.36		\$ 495.98	\$ 495.98		\$ 340.51	\$ 340.51	
214	Anthem Blue Cross I	Retiree and Children	\$ 495.98	\$ 495.98	\$ 247.36		\$ 495.98			\$ 340.51		
215	Anthem Blue Cross I	Minor Survivor				\$ 247.36			\$ 247.36			\$ 247.36
221	Anthem Blue Cross II	Retiree Only	\$ 1,052.42				\$ 1,052.42			\$ 340.51		
222	Anthem Blue Cross II	Retiree and Spouse	\$ 1,052.42	\$ 1,052.42	\$ 524.88		\$ 1,052.42	\$ 1,052.42		\$ 340.51	\$ 340.51	
223	Anthem Blue Cross II	Retiree, Spouse and Children	\$ 1,052.42	\$ 1,052.42	\$ 524.88		\$ 1,052.42	\$ 1,052.42		\$ 340.51	\$ 340.51	
224	Anthem Blue Cross II	Retiree and Children	\$ 1,052.42	\$ 1,052.42	\$ 524.88		\$ 1,052.42			\$ 340.51		
225	Anthem Blue Cross II	Minor Survivor				\$ 524.88			\$ 524.88			\$ 524.88
240	Anthem Blue Cross III	One Medicare					\$ 340.51			\$ 340.51		
241	Anthem Blue Cross III	Retiree and Spouse 1 Medicare	\$ 1,112.11	\$ 1,112.11	\$ 554.64		\$ 340.51	\$ 340.51		\$ 340.51	\$ 340.51	
242	Anthem Blue Cross III	Retiree and Spouse 1 Medicare	\$ 1,112.11	\$ 1,112.11	\$ 554.64		\$ 340.51	\$ 340.51		\$ 340.51	\$ 340.51	
243	Anthem Blue Cross III	Retiree and Spouse 2 Medicare					\$ 340.51	\$ 340.51		\$ 340.51	\$ 340.51	
244	Anthem Blue Cross III	Retiree and Children 1 Medicare		\$ 1,112.11	\$ 554.64		\$ 340.51			\$ 340.51	\$ 340.51	
245	Anthem Blue Cross III	Retiree and Children 1 Medicare		\$ 1,112.11	\$ 554.64		\$ 340.51			\$ 340.51	\$ 340.51	
246	Anthem Blue Cross III	Retiree and Family 1 Medicare	\$ 1,112.11	\$ 1,112.11	\$ 554.64		\$ 340.51	\$ 340.51		\$ 340.51	\$ 340.51	
247	Anthem Blue Cross III	Retiree and Family 1 Medicare	\$ 1,112.11	\$ 1,112.11	\$ 554.64		\$ 340.51	\$ 340.51		\$ 340.51	\$ 340.51	
248	Anthem Blue Cross III	Retiree and Family 2 Medicare		\$ 1,112.11	\$ 554.64		\$ 340.51	\$ 340.51		\$ 340.51	\$ 340.51	
249	Anthem Blue Cross III	Retiree and Family 2 Medicare		\$ 1,112.11	\$ 554.64		\$ 340.51	\$ 340.51		\$ 340.51	\$ 340.51	
250	Anthem Blue Cross III	Retiree and Family 3 Medicare		\$ 1,112.11	\$ 554.64		\$ 340.51	\$ 340.51		\$ 340.51	\$ 340.51	
301	Cigna Network Model Plan	Retiree Only	\$ 2,284.14				\$ 873.34			\$ 284.08		
302	Cigna Network Model Plan	Retiree and Spouse	\$ 2,284.14	\$ 2,284.14	\$ 1,139.17		\$ 873.34	\$ 873.34		\$ 284.08	\$ 284.08	
303	Cigna Network Model Plan	Retiree and Family	\$ 2,284.14	\$ 2,284.14	\$ 1,139.17		\$ 873.34	\$ 873.34		\$ 284.08	\$ 284.08	
304	Cigna Network Model Plan	Retiree and Children	\$ 2,284.14	\$ 2,284.14	\$ 1,139.17		\$ 873.34			\$ 284.08		
305	Cigna Network Model Plan	Minor Survivor				\$ 1,139.17			\$ 1,139.17			
321	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree Only					\$ 315.80					
322	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse					\$ 315.80	\$ 315.80		\$ 315.80	\$ 315.80	
324	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse (Both Risk)					\$ 315.80	\$ 315.80				
325	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Children					\$ 315.80	\$ 315.80		\$ 315.80	\$ 315.80	
327	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (1 Medicare)					\$ 315.80	\$ 315.80		\$ 315.80	\$ 315.80	
329	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (2 Medicare)					\$ 315.80	\$ 315.80				
401	Kaiser (CA)	Retiree Basic (Under 65)	\$ 1,120.49							\$ 201.50		
403	Kaiser (CA)	Retiree Risk (Senior Advantage)					\$ 198.66					
404	Kaiser (CA)	Retiree Excess I					\$ 801.74					
405	Kaiser (CA)	Retiree Excess II - Part B					\$ 759.25					
406	Kaiser (CA)	Excess III - Medicare Not Provided (MNP)					\$ 1,350.96					
411	Kaiser (CA)	Family Basic	\$ 1,120.49	\$ 1,120.49	\$ 558.82					\$ 200.08	\$ 194.48	



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Tier 2

Non Local 1014 Fire Fighters Male Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees		
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv
413	Kaiser (CA)	One Advantage, One Basic	\$ 1,120.49	\$ 1,120.49	\$ 558.82		\$ 198.66	\$ 193.01		\$ 198.66	\$ 194.48	
414	Kaiser (CA)	One Excess I, One Basic	\$ 1,120.49	\$ 1,120.49	\$ 558.82		\$ 801.74	\$ 797.77		\$ 801.74	\$ 194.48	
418	Kaiser (CA)	Two+ Advantage					\$ 198.66	\$ 193.01				
419	Kaiser (CA)	One Excess I, One Advantage					\$ 500.20	\$ 495.39				
420	Kaiser (CA)	Two+ Excess I					\$ 801.74	\$ 797.77				
421	Kaiser (CA)	Survivor				\$ 558.82			\$ 558.82			\$ 558.82
422	Kaiser (CA)	One Excess II - Part B, One Basic	\$ 1,120.49	\$ 1,120.49	\$ 558.82		\$ 759.25	\$ 755.16		\$ 759.25	\$ 194.48	
423	Kaiser (CA)	One Excess III (MNP), One Basic	\$ 1,120.49	\$ 1,120.49	\$ 558.82		\$ 1,350.96	\$ 1,348.52		\$ 1,350.96	\$ 194.48	
426	Kaiser (CA)	One Advantage, One Excess II - Part B					\$ 478.96	\$ 474.08				
427	Kaiser (CA)	One Advantage, One Excess III (MNP)					\$ 774.81	\$ 770.76				
428	Kaiser (CA)	One Excess, One Excess II - Part B					\$ 780.50	\$ 776.46				
429	Kaiser (CA)	One Excess, One Excess III (MNP)					\$ 1,076.35	\$ 1,073.15				
430	Kaiser (CA)	Two Excess II - Part B					\$ 759.25	\$ 755.16				
431	Kaiser (CA)	One Excess II - Part B, One Excess III (MNP)					\$ 1,055.11	\$ 1,051.84				
432	Kaiser (CA)	Two Excess III - Both (MNP)					\$ 1,350.96	\$ 1,348.52				
450	Kaiser - Colorado Basic	Retiree Basic	\$ 1,192.10							\$ 283.82		
451	Kaiser - Colorado	Retiree Risk					\$ 283.82					
453	Kaiser - Colorado	Retiree Basic (Two Party)	\$ 1,192.10	\$ 1,596.11						\$ 283.82	\$ 278.40	
454	Kaiser - Colorado	Retiree Basic Family	\$ 1,192.10	\$ 1,596.11	\$ 1,974.14					\$ 283.82	\$ 278.40	
455	Kaiser - Colorado	One Risk, One Basic	\$ 1,192.10	\$ 1,308.18			\$ 283.82	\$ 278.40		\$ 283.82	\$ 278.40	
457	Kaiser - Colorado	Two Retiree Risk					\$ 283.82	\$ 278.40				
458	Kaiser - Colorado	One Risk, Two or More Dependents	\$ 1,192.10	\$ 1,308.18	\$ 2,383.77		\$ 283.82	\$ 278.40		\$ 283.82	\$ 278.40	
459	Kaiser - Colorado	Two Risk, Two or More Dependents			\$ 2,530.97		\$ 283.82	\$ 278.40		\$ 283.82	\$ 278.40	
440	Kaiser - Georgia	One Medicare Member with Part B only					\$ 901.42					
441	Kaiser - Georgia	One Medicare Member with Part A only					\$ 901.42					
442	Kaiser - Georgia	One Member without Medicare Part A&B					\$ 901.42					
445	Kaiser - Georgia	One Medicare Member + One Medicare with Part A only					\$ 901.42	\$ 310.72				
461	Kaiser - Georgia Basic	Basic	\$ 1,381.37							\$ 316.05		
462	Kaiser - Georgia	Retiree Risk					\$ 316.05					
463	Kaiser - Georgia	Retiree (Two Party)	\$ 1,381.37	\$ 1,517.56	\$ 2,936.06		\$ 316.05	\$ 310.72		\$ 316.05	\$ 310.72	
464	Kaiser - Georgia	Retiree Basic Family	\$ 1,381.37	\$ 1,517.56	\$ 2,936.03					\$ 316.05	\$ 310.72	
465	Kaiser - Georgia	One Retiree Risk, One Basic	\$ 484.33	\$ 1,517.54	\$ 2,936.03		\$ 316.05	\$ 310.72		\$ 316.05	\$ 310.72	
466	Kaiser - Georgia	Two Retiree Risk					\$ 316.05	\$ 310.72				
471	Kaiser - Hawaii	Retiree Basic (Under 65)	\$ 1,190.12							\$ 332.50		
472	Kaiser - Hawaii	Retiree Risk					\$ 332.50					
473	Kaiser - Hawaii	Retiree Over 65 without Medicare A&B					\$ 1,197.68					
474	Kaiser - Hawaii Basic	Retiree Basic (Two Party)	\$ 1,190.12	\$ 1,305.99						\$ 332.50	\$ 327.22	
475	Kaiser - Hawaii	Retiree Basic Family (Under 65)	\$ 1,190.12	\$ 1,305.99	\$ 2,526.73					\$ 332.50	\$ 327.22	
476	Kaiser - Hawaii	One Retiree Risk, One Basic	\$ 1,190.12	\$ 1,305.99	\$ 2,526.73		\$ 332.50	\$ 327.22		\$ 332.50	\$ 327.22	
477	Kaiser - Hawaii	Over 65 without Medicare A&B, One Basic	\$ 1,190.12	\$ 1,305.99	\$ 1,451.86		\$ 1,197.68	\$ 866.16		\$ 1,197.68	\$ 866.16	
478	Kaiser - Hawaii	Two Retiree Risk					\$ 332.50	\$ 326.44				



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Tier 2

Non Local 1014 Fire Fighters Male Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees				
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv		
481	Kaiser - Oregon	Retiree Basic (Under 65)	\$ 1,290.28									\$ 292.05		
482	Kaiser - Oregon	Retiree Risk						\$ 292.05						
483	Kaiser - Oregon	Retiree Over 65 unassigned Medicare A&B						\$ 910.14						
484	Kaiser - Oregon	Retiree Basic (Two Party)	\$ 1,290.28	\$ 1,416.80								\$ 292.05	\$ 286.65	
485	Kaiser - Oregon Basic	Retiree Basic Family (Under 65)	\$ 1,290.28	\$ 2,833.59	\$ 2,741.09							\$ 292.05	\$ 286.65	
486	Kaiser - Oregon	One Retiree Risk, One Basic	\$ 1,290.28	\$ 1,416.79	\$ 2,741.09			\$ 292.05	\$ 286.65			\$ 292.05	\$ 286.65	
488	Kaiser - Oregon	Two Retiree Risk						\$ 292.05	\$ 286.65					
489	Kaiser - Oregon	Retiree w/ Part A only						\$ 782.40						
491	Kaiser - Oregon	One Risk, One Medicare Part A only						\$ 782.40	\$ 286.65					
492	Kaiser - Oregon	One Risk, One Over 65 No Medicare	\$ 1,394.72	\$ 484.56				\$ 910.14	\$ 286.65			\$ 292.05	\$ 286.65	
493	Kaiser - Oregon	One Risk, Two Basic	\$ 1,290.28	\$ 1,416.79				\$ 292.05	\$ 286.65			\$ 292.05	\$ 286.65	
494	Kaiser - Oregon	Two Risk, One Basic	\$ 1,290.28	\$ 1,416.79	\$ 2,741.12			\$ 292.05	\$ 286.65			\$ 292.05	\$ 286.65	
495	Kaiser - Oregon	Two Over 65 unassigned Medicare						\$ 910.14	\$ 906.47					
496	Kaiser - Oregon	Two Medicare Part A only						\$ 782.40	\$ 778.37					
497	Kaiser - Oregon	One Basic, One Medicare Part A only	\$ 1,290.28	\$ 1,416.79				\$ 782.40	\$ 778.37			\$ 782.40	\$ 778.37	
498	Kaiser - Oregon	One Basic, One over 65 unassigned Medicare A&B	\$ 1,290.28	\$ 1,416.79				\$ 910.14	\$ 906.47			\$ 910.14	\$ 906.47	
611	SCAN Health Plan	Retiree Only						\$ 218.50						
613	SCAN Health Plan	Retiree & 1 Dependent (2 Medicare)						\$ 218.50	\$ 218.50					
701	United Healthcare	Retiree Only	\$ 1,259.00					\$ 269.98				\$ 269.98		
702	United Healthcare	Retiree & 1 Dependent (1 Medicare)	\$ 1,259.00	\$ 1,259.00	\$ 627.90			\$ 269.98	\$ 269.98			\$ 269.98	\$ 269.98	
703	United Healthcare	Retiree & 1 Dependent (2 Medicare)						\$ 269.98	\$ 269.98			\$ 269.98	\$ 269.98	
704	United Healthcare	Retiree & 2 + Deps. (1 Medicare)	\$ 1,259.00	\$ 1,259.00	\$ 627.90			\$ 269.98	\$ 269.98			\$ 269.98	\$ 269.98	
705	United Healthcare	Retiree & 2 + Deps. (2 Medicare)	\$ 1,259.00	\$ 1,259.00	\$ 627.90			\$ 269.98	\$ 269.98			\$ 269.98	\$ 269.98	
706	United Healthcare	Minor Survivor				\$ 627.90				\$ 627.90				
707	United Healthcare	Single	\$ 1,259.00									\$ 272.45		
708	United Healthcare	Two-Party	\$ 1,259.00	\$ 1,259.00	\$ 627.90							\$ 272.45	\$ 272.28	
709	United Healthcare	Family	\$ 1,259.00	\$ 1,259.00	\$ 627.90							\$ 272.45	\$ 272.28	

Tier 2

Fire Fighters Local 1014 Male Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees		
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv
801	Firefighters' Local 1014	Med-Member under 65	\$ 1,974.88				\$ 422.78			\$ 422.78		
802	Firefighters' Local 1014	Med-Member +1 under 65	\$ 1,974.88	\$ 1,974.88	\$ 984.93		\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78
803	Firefighters' Local 1014	Med-Member +2 under 65	\$ 1,974.88	\$ 1,974.88	\$ 984.93		\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78
804	Firefighters' Local 1014	Med-Member or Surviving Sp with Medicare					\$ 422.78		\$ 422.78	\$ 422.78		\$ 422.78
805	Firefighters' Local 1014	Med-Member +1; 1 MDC		\$ 1,974.88	\$ 984.93		\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78
806	Firefighters' Local 1014	Med-Member +1; 2 MDC					\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78
807	Firefighters' Local 1014	Med-Member +2; 1 MDC		\$ 1,974.88	\$ 984.93		\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78
808	Firefighters' Local 1014	Med-Member +2; 2 MDC					\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78	\$ 422.78
809	Firefighters' Local 1014	Med-Surv. Sp. Under 65				\$ 1,974.88		\$ 422.78	\$ 422.78		\$ 422.78	\$ 422.78
810	Firefighters' Local 1014	Med-Surv. Sp. +1 Under 65		\$ 1,974.88	\$ 984.93	\$ 1,974.88		\$ 422.78	\$ 422.78		\$ 422.78	\$ 422.78
811	Firefighters' Local 1014	Med-Surv. Sp. +2 Under 65		\$ 1,974.88	\$ 984.93	\$ 1,974.88		\$ 422.78	\$ 422.78		\$ 422.78	\$ 422.78
812	Firefighters' Local 1014	Med-Surv. Sp. With MDC						\$ 422.78	\$ 422.78		\$ 422.78	\$ 422.78
813	Firefighters' Local 1014	Med-Surv. Sp. +1; 1 MDC		\$ 1,974.88	\$ 984.93	\$ 1,974.88		\$ 422.78	\$ 422.78		\$ 422.78	\$ 422.78
814	Firefighters' Local 1014	Med-Surv. Sp. +2; 1 MDC		\$ 1,974.88	\$ 984.93	\$ 1,974.88		\$ 422.78	\$ 422.78		\$ 422.78	\$ 422.78
815	Firefighters' Local 1014	Med-Surv. Sp. +1; 2 MDC						\$ 422.78	\$ 422.78		\$ 422.78	\$ 422.78

Dental/Vision Male Retirees

Deduction Code	Plan	Tier	Age 65 Adjusted Claim Costs		
			Retiree	Sp/Dep	Surv
501	Cigna Indemnity Dental/Vision	Retiree Only	\$ 53.54		
502	Cigna Indemnity Dental/Vision	Family	\$ 53.54	\$ 58.56	
503	Cigna Indemnity Dental/Vision	Minor Survivor			\$ 55.58
901	Cigna Dental HMO/Vision	Retiree Only	\$ 46.82		
902	Cigna Dental HMO/Vision	Family	\$ 46.82	\$ 55.67	
903	Cigna Dental HMO/Vision	Minor Survivor			\$ 48.61

Tier 2

Non Local 1014 Fire Fighters Female Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees		
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv
201	Anthem Blue Cross Prudent Buyer	Retiree Only	\$ 702.27				\$ 702.27			\$ 326.50		
202	Anthem Blue Cross Prudent Buyer	Retiree and Spouse	\$ 702.27	\$ 702.27	\$ 689.62		\$ 702.27	\$ 702.27		\$ 326.50	\$ 326.50	
203	Anthem Blue Cross Prudent Buyer	Retiree and Family	\$ 702.27	\$ 702.27	\$ 689.62		\$ 702.27	\$ 702.27		\$ 326.50	\$ 326.50	
204	Anthem Blue Cross Prudent Buyer	Retiree and Children	\$ 702.27	\$ 702.27	\$ 689.62		\$ 702.27			\$ 326.50		
205	Anthem Blue Cross Prudent Buyer	Minor Survivor				\$ 689.62			\$ 689.62			
211	Anthem Blue Cross I	Retiree Only	\$ 475.57				\$ 475.57			\$ 326.50		
212	Anthem Blue Cross I	Retiree and Spouse	\$ 475.57	\$ 475.57	\$ 467.00		\$ 475.57	\$ 475.57		\$ 326.50	\$ 326.50	
213	Anthem Blue Cross I	Retiree, Spouse and Children	\$ 475.57	\$ 475.57	\$ 467.00		\$ 475.57	\$ 475.57		\$ 326.50	\$ 326.50	
214	Anthem Blue Cross I	Retiree and Children	\$ 475.57	\$ 475.57	\$ 467.00		\$ 475.57			\$ 326.50		
215	Anthem Blue Cross I	Minor Survivor				\$ 467.00			\$ 467.00			\$ 467.00
221	Anthem Blue Cross II	Retiree Only	\$ 1,009.12				\$ 1,009.12			\$ 326.50		
222	Anthem Blue Cross II	Retiree and Spouse	\$ 1,009.12	\$ 1,009.12	\$ 990.94		\$ 1,009.12	\$ 1,009.12		\$ 326.50	\$ 326.50	
223	Anthem Blue Cross II	Retiree, Spouse and Children	\$ 1,009.12	\$ 1,009.12	\$ 990.94		\$ 1,009.12	\$ 1,009.12		\$ 326.50	\$ 326.50	
224	Anthem Blue Cross II	Retiree and Children	\$ 1,009.12	\$ 1,009.12	\$ 990.94		\$ 1,009.12			\$ 326.50		
225	Anthem Blue Cross II	Minor Survivor				\$ 990.94			\$ 990.94			\$ 990.94
240	Anthem Blue Cross III	One Medicare					\$ 326.50			\$ 326.50		
241	Anthem Blue Cross III	Retiree and Spouse 1 Medicare	\$ 1,066.35	\$ 1,066.35	\$ 1,047.14		\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
242	Anthem Blue Cross III	Retiree and Spouse 1 Medicare	\$ 1,066.35	\$ 1,066.35	\$ 1,047.14		\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
243	Anthem Blue Cross III	Retiree and Spouse 2 Medicare					\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
244	Anthem Blue Cross III	Retiree and Children 1 Medicare			\$ 1,066.35	\$ 1,047.14	\$ 326.50			\$ 326.50	\$ 326.50	
245	Anthem Blue Cross III	Retiree and Children 1 Medicare			\$ 1,066.35	\$ 1,047.14	\$ 326.50			\$ 326.50	\$ 326.50	
246	Anthem Blue Cross III	Retiree and Family 1 Medicare	\$ 1,066.35	\$ 1,066.35	\$ 1,047.14		\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
247	Anthem Blue Cross III	Retiree and Family 1 Medicare	\$ 1,066.35	\$ 1,066.35	\$ 1,047.14		\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
248	Anthem Blue Cross III	Retiree and Family 2 Medicare		\$ 1,066.35	\$ 1,047.14		\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
249	Anthem Blue Cross III	Retiree and Family 2 Medicare		\$ 1,066.35	\$ 1,047.14		\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
250	Anthem Blue Cross III	Retiree and Family 3 Medicare		\$ 1,066.35	\$ 1,047.14		\$ 326.50	\$ 326.50		\$ 326.50	\$ 326.50	
301	Cigna Network Model Plan	Retiree Only	\$ 2,190.16				\$ 837.41			\$ 272.40		
302	Cigna Network Model Plan	Retiree and Spouse	\$ 2,190.16	\$ 2,190.16	\$ 2,150.70		\$ 837.41	\$ 837.41		\$ 272.40	\$ 272.40	
303	Cigna Network Model Plan	Retiree and Family	\$ 2,190.16	\$ 2,190.16	\$ 2,150.70		\$ 837.41	\$ 837.41		\$ 272.40	\$ 272.40	
304	Cigna Network Model Plan	Retiree and Children	\$ 2,190.16	\$ 2,190.16	\$ 2,150.70		\$ 837.41			\$ 272.40		
305	Cigna Network Model Plan	Minor Survivor				\$ 2,150.70			\$ 2,150.70			
321	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree Only					\$ 302.80					
322	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse					\$ 302.80	\$ 302.80		\$ 302.80	\$ 302.80	
324	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Spouse ( Both Risk)					\$ 302.80	\$ 302.80				
325	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Children					\$ 302.80	\$ 302.80		\$ 302.80	\$ 302.80	
327	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (1 Medicare)					\$ 302.80	\$ 302.80		\$ 302.80	\$ 302.80	
329	Cigna Medicare Select Plus Rx (AZ)	Risk-Retiree & Family (2 Medicare)					\$ 302.80	\$ 302.80				
401	Kaiser (CA)	Retiree Basic (Under 65)	\$ 1,074.39							\$ 193.21		
403	Kaiser (CA)	Retiree Risk (Senior Advantage)					\$ 190.49					
404	Kaiser (CA)	Retiree Excess I					\$ 768.76					
405	Kaiser (CA)	Retiree Excess II - Part B					\$ 728.01					
406	Kaiser (CA)	Excess III - Medicare Not Provided (MNP)					\$ 1,295.38					
411	Kaiser (CA)	Family Basic	\$ 1,074.39	\$ 1,074.39	\$ 1,055.03					\$ 191.85	\$ 186.48	



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Tier 2

Non Local 1014 Fire Fighters Female Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees		
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv
413	Kaiser (CA)	One Advantage, One Basic	\$ 1,074.39	\$ 1,074.39	\$ 1,055.03	\$ 190.49	\$ 185.06		\$ 190.49	\$ 186.48		
414	Kaiser (CA)	One Excess I, One Basic	\$ 1,074.39	\$ 1,074.39	\$ 1,055.03	\$ 768.76	\$ 764.95		\$ 768.76	\$ 186.48		
418	Kaiser (CA)	Two+ Advantage				\$ 190.49	\$ 185.06					
419	Kaiser (CA)	One Excess I, One Advantage				\$ 479.62	\$ 475.01					
420	Kaiser (CA)	Two+ Excess I				\$ 768.76	\$ 764.95					
421	Kaiser (CA)	Survivor			\$ 1,055.03			\$ 1,055.03			\$ 1,055.03	
422	Kaiser (CA)	One Excess II - Part B, One Basic	\$ 1,074.39	\$ 1,074.39	\$ 1,055.03	\$ 728.01	\$ 724.09		\$ 728.01	\$ 186.48		
423	Kaiser (CA)	One Excess III (MNP), One Basic	\$ 1,074.39	\$ 1,074.39	\$ 1,055.03	\$ 1,295.38	\$ 1,293.04		\$ 1,295.38	\$ 186.48		
426	Kaiser (CA)	One Advantage, One Excess II - Part B				\$ 459.25	\$ 454.58					
427	Kaiser (CA)	One Advantage, One Excess III (MNP)				\$ 742.93	\$ 739.05					
428	Kaiser (CA)	One Excess, One Excess II - Part B				\$ 748.38	\$ 744.52					
429	Kaiser (CA)	One Excess, One Excess III (MNP)				\$ 1,032.07	\$ 1,028.99					
430	Kaiser (CA)	Two Excess II - Part B				\$ 728.01	\$ 724.09					
431	Kaiser (CA)	One Excess II - Part B, One Excess III (MNP)				\$ 1,011.70	\$ 1,008.56					
432	Kaiser (CA)	Two Excess III - Both (MNP)				\$ 1,295.38	\$ 1,293.04					
450	Kaiser - Colorado Basic	Retiree Basic	\$ 1,143.05						\$ 272.14			
451	Kaiser - Colorado	Retiree Risk				\$ 272.14						
453	Kaiser - Colorado	Retiree Basic (Two Party)	\$ 1,143.05	\$ 1,530.44					\$ 272.14	\$ 266.94		
454	Kaiser - Colorado	Retiree Basic Family	\$ 1,143.05	\$ 1,530.44	\$ 3,727.08				\$ 272.14	\$ 266.94		
455	Kaiser - Colorado	One Risk, One Basic	\$ 1,143.05	\$ 1,254.36		\$ 272.14	\$ 266.94		\$ 272.14	\$ 266.94		
457	Kaiser - Colorado	Two Retiree Risk				\$ 272.14	\$ 266.94					
458	Kaiser - Colorado	One Risk, Two or More Dependents	\$ 1,143.05	\$ 1,254.36	\$ 4,500.45	\$ 272.14	\$ 266.94		\$ 272.14	\$ 266.94		
459	Kaiser - Colorado	Two Risk, Two or More Dependents			\$ 4,778.36	\$ 272.14	\$ 266.94		\$ 272.14	\$ 266.94		
440	Kaiser - Georgia	One Medicare Member with Part B only				\$ 864.33						
441	Kaiser - Georgia	One Medicare Member with Part A only				\$ 864.33						
442	Kaiser - Georgia	One Member without Medicare Part A&B				\$ 864.33						
445	Kaiser - Georgia	One Medicare Member + One Medicare with Part A only				\$ 864.33	\$ 297.94					
461	Kaiser - Georgia Basic	Basic	\$ 1,324.53						\$ 303.05			
462	Kaiser - Georgia	Retiree Risk				\$ 303.05						
463	Kaiser - Georgia	Retiree (Two Party)	\$ 1,324.53	\$ 1,455.12	\$ 5,543.15	\$ 303.05	\$ 297.94		\$ 303.05	\$ 297.94		
464	Kaiser - Georgia	Retiree Basic Family	\$ 1,324.53	\$ 1,455.12	\$ 5,543.10				\$ 303.05	\$ 297.94		
465	Kaiser - Georgia	One Retiree Risk, One Basic	\$ 464.40	\$ 1,455.11	\$ 5,543.10	\$ 303.05	\$ 297.94		\$ 303.05	\$ 297.94		
466	Kaiser - Georgia	Two Retiree Risk				\$ 303.05	\$ 297.94					
471	Kaiser - Hawaii	Retiree Basic (Under 65)	\$ 1,141.15						\$ 318.82			
472	Kaiser - Hawaii	Retiree Risk				\$ 318.82						
473	Kaiser - Hawaii	Retiree Over 65 without Medicare A&B				\$ 1,148.40						
474	Kaiser - Hawaii Basic	Retiree Basic (Two Party)	\$ 1,141.15	\$ 1,252.26					\$ 318.82	\$ 313.76		
475	Kaiser - Hawaii	Retiree Basic Family (Under 65)	\$ 1,141.15	\$ 1,252.26	\$ 4,770.36				\$ 318.82	\$ 313.76		
476	Kaiser - Hawaii	One Retiree Risk, One Basic	\$ 1,141.15	\$ 1,252.26	\$ 4,770.36	\$ 318.82	\$ 313.76		\$ 318.82	\$ 313.76		
477	Kaiser - Hawaii	Over 65 without Medicare A&B, One Basic	\$ 1,141.15	\$ 1,252.26	\$ 2,741.04	\$ 1,148.40	\$ 830.52		\$ 1,148.40	\$ 830.52		
478	Kaiser - Hawaii	Two Retiree Risk				\$ 318.82	\$ 313.01					



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Tier 2

Non Local 1014 Fire Fighters Female Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees			
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv	
481	Kaiser - Oregon	Retiree Basic (Under 65)	\$ 1,237.19								\$ 280.03		
482	Kaiser - Oregon	Retiree Risk					\$ 280.03						
483	Kaiser - Oregon	Retiree Over 65 unassigned Medicare A&B					\$ 872.69						
484	Kaiser - Oregon	Retiree Basic (Two Party)	\$ 1,237.19	\$ 1,358.51							\$ 280.03	\$ 274.86	
485	Kaiser - Oregon Basic	Retiree Basic Family (Under 65)	\$ 1,237.19	\$ 2,717.00	\$ 5,175.06						\$ 280.03	\$ 274.86	
486	Kaiser - Oregon	One Retiree Risk, One Basic	\$ 1,237.19	\$ 1,358.50	\$ 5,175.06		\$ 280.03	\$ 274.86			\$ 280.03	\$ 274.86	
488	Kaiser - Oregon	Two Retiree Risk					\$ 280.03	\$ 274.86					
489	Kaiser - Oregon	Retiree w/ Part A only					\$ 750.21						
491	Kaiser - Oregon	One Risk, One Medicare Part A only					\$ 750.21	\$ 274.86					
492	Kaiser - Oregon	One Risk, One Over 65 No Medicare	\$ 1,337.34	\$ 464.63			\$ 872.69	\$ 274.86			\$ 280.03	\$ 274.86	
493	Kaiser - Oregon	One Risk, Two Basic	\$ 1,237.19	\$ 1,358.50			\$ 280.03	\$ 274.86			\$ 280.03	\$ 274.86	
494	Kaiser - Oregon	Two Risk, One Basic	\$ 1,237.19	\$ 1,358.50	\$ 5,175.11		\$ 280.03	\$ 274.86			\$ 280.03	\$ 274.86	
495	Kaiser - Oregon	Two Over 65 unassigned Medicare					\$ 872.69	\$ 869.17					
496	Kaiser - Oregon	Two Medicare Part A only					\$ 750.21	\$ 746.35					
497	Kaiser - Oregon	One Basic, One Medicare Part A only	\$ 1,237.19	\$ 1,358.50			\$ 750.21	\$ 746.35			\$ 750.21	\$ 746.35	
498	Kaiser - Oregon	One Basic, One over 65 unassigned Medicare A&B	\$ 1,237.19	\$ 1,358.50			\$ 872.69	\$ 869.17			\$ 872.69	\$ 869.17	
611	SCAN Health Plan	Retiree Only					\$ 209.51						
613	SCAN Health Plan	Retiree & 1 Dependent (2 Medicare)					\$ 209.51	\$ 209.51					
701	United Healthcare	Retiree Only	\$ 1,207.20				\$ 258.87				\$ 258.87		
702	United Healthcare	Retiree & 1 Dependent (1 Medicare)	\$ 1,207.20	\$ 1,207.20	\$ 1,185.45		\$ 258.87	\$ 258.87			\$ 258.87	\$ 258.87	
703	United Healthcare	Retiree & 1 Dependent (2 Medicare)					\$ 258.87	\$ 258.87			\$ 258.87	\$ 258.87	
704	United Healthcare	Retiree & 2 + Depts. (1 Medicare)	\$ 1,207.20	\$ 1,207.20	\$ 1,185.45		\$ 258.87	\$ 258.87			\$ 258.87	\$ 258.87	
705	United Healthcare	Retiree & 2 + Depts. (2 Medicare)	\$ 1,207.20	\$ 1,207.20	\$ 1,185.45		\$ 258.87	\$ 258.87			\$ 258.87	\$ 258.87	
706	United Healthcare	Minor Survivor					\$ 1,185.45			\$ 1,185.45			
707	United Healthcare	Single	\$ 1,207.20								\$ 261.24		
708	United Healthcare	Two-Party	\$ 1,207.20	\$ 1,207.20	\$ 1,185.45						\$ 261.24	\$ 261.08	
709	United Healthcare	Family	\$ 1,207.20	\$ 1,207.20	\$ 1,185.45						\$ 261.24	\$ 261.08	



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Tier 2

Fire Fighters Local 1014 Female Retirees

Deduct Code	Plan	Tier	Pre 65 Claim Costs				Post 65 Claim Costs for Post 65 Retirees			Post 65 Claim Costs for Pre 65 Retirees		
			Retiree	Spouse	Child	Surv	Retiree	Spouse	Surv	Retiree	Spouse	Surv
801	Firefighters' Local 1014	Med-Member under 65	\$ 1,893.62				\$ 405.39			\$ 405.39		
802	Firefighters' Local 1014	Med-Member +1 under 65	\$ 1,893.62	\$ 1,893.62	\$ 1,859.51		\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39
803	Firefighters' Local 1014	Med-Member +2 under 65	\$ 1,893.62	\$ 1,893.62	\$ 1,859.51		\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39
804	Firefighters' Local 1014	Med-Member or Surviving Sp with Medicare					\$ 405.39		\$ 405.39	\$ 405.39		\$ 405.39
805	Firefighters' Local 1014	Med-Member +1; 1 MDC		\$ 1,893.62	\$ 1,859.51		\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39
806	Firefighters' Local 1014	Med-Member +1; 2 MDC					\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39
807	Firefighters' Local 1014	Med-Member +2; 1 MDC		\$ 1,893.62	\$ 1,859.51		\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39
808	Firefighters' Local 1014	Med-Member +2; 2 MDC					\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39	\$ 405.39
809	Firefighters' Local 1014	Med-Surv. Sp. Under 65				\$ 1,893.62		\$ 405.39	\$ 405.39		\$ 405.39	\$ 405.39
810	Firefighters' Local 1014	Med-Surv. Sp. +1 Under 65		\$ 1,893.62	\$ 1,859.51	\$ 1,893.62		\$ 405.39	\$ 405.39		\$ 405.39	\$ 405.39
811	Firefighters' Local 1014	Med-Surv. Sp. +2 Under 65		\$ 1,893.62	\$ 1,859.51	\$ 1,893.62		\$ 405.39	\$ 405.39		\$ 405.39	\$ 405.39
812	Firefighters' Local 1014	Med-Surv. Sp. With MDC					\$ 405.39	\$ 405.39	\$ 405.39		\$ 405.39	\$ 405.39
813	Firefighters' Local 1014	Med-Surv. Sp. +1; 1 MDC		\$ 1,893.62	\$ 1,859.51	\$ 1,893.62		\$ 405.39	\$ 405.39		\$ 405.39	\$ 405.39
814	Firefighters' Local 1014	Med-Surv. Sp. +2; 1 MDC		\$ 1,893.62	\$ 1,859.51	\$ 1,893.62		\$ 405.39	\$ 405.39		\$ 405.39	\$ 405.39
815	Firefighters' Local 1014	Med-Surv. Sp. +1; 2 MDC					\$ 405.39	\$ 405.39	\$ 405.39		\$ 405.39	\$ 405.39

Dental/Vision Female Retirees

Deduction Code	Plan	Tier	Age 65 Adjusted Claim Costs		
			Retiree	Sp/Dep	Surv
501	Cigna Indemnity Dental/Vision	Retiree Only	\$ 51.93		
502	Cigna Indemnity Dental/Vision	Family	\$ 51.93	\$ 56.80	
503	Cigna Indemnity Dental/Vision	Minor Survivor			\$ 52.94
901	Cigna Dental HMO/Vision	Retiree Only	\$ 45.41		
902	Cigna Dental HMO/Vision	Family	\$ 45.41	\$ 54.00	
903	Cigna Dental HMO/Vision	Minor Survivor			\$ 46.30

**Table A-22: Health Cost Trend Assumptions**

The health cost trend assumptions are shown in the following table. These trends have changed from the July 1, 2017 valuation, due to updates in the trend models that we use. The medical trend model is based on the Society of Actuaries' (SOA) published report on long-term medical trend. That report includes detailed research performed by a committee of economists and actuaries that uses the "Getzen Model," named after the professor who developed the model, updated in October of 2018. We believe that the research and the model are fundamentally and technically sound and advance the body of knowledge available to actuaries to accurately project long-term medical trends. Milliman uses this model as the foundation for the trend that it recommends to our clients for OPEB valuations.

The first year trend rates for LACERA non-firefighter Local medical and dental/vision plans have not yet been adjusted to reflect the final July 1, 2019 renewals. Upon receipt of the final July 1, 2019 renewals, the first year trend will be updated. ACA fees including the Patient Centered Outcomes Research Institute (PCORI) fee and the impact from the 2019 calendar year moratorium on the Health Insurer Fee are also included in the medical and dental/vision trends. The remaining short term trends are based on Milliman's *Health Cost Guidelines*<sup>TM</sup>.

The trend assumption for Medicare Part B premiums was updated based on long-term projected Part B costs from the 2018 Medicare Trustees Report from CMS dated June 5, 2018. The dental trend assumption was updated based on the same methodology we used in our 2018 OPEB Investigation of Experience Study.

The following table presents the trend assumptions with the impact of the ACA Excise tax. The weighted Average Trend is based on the expected payouts from each of the coverages (medical under 65, medical over 65, Part B, and Dental).

After fiscal year ending June 30, 2029, selected years are shown in the table. The trend rates for the years not shown grade ratably into the next value shown in the table. The medical trend remains at 4.40% beginning with the medical trend from fiscal year ending June 30, 2099 to fiscal year ending June 30, 2100.

Fiscal Year Ending		LACERA Medical		Part B	Dental Under	Weighted
From	To	Under 65	Over 65	Premiums	and Over 65	Average
						Trend
6/30/2019	6/30/2020	5.80%	5.50%	9.40%	3.00%	TBD
6/30/2020	6/30/2021	6.70%	6.50%	4.70%	4.50%	TBD
6/30/2021	6/30/2022	5.80%	6.00%	4.60%	3.00%	TBD
6/30/2022	6/30/2023	5.70%	5.90%	4.90%	2.90%	TBD
6/30/2023	6/30/2024	5.20%	5.20%	5.90%	2.90%	TBD
6/30/2024	6/30/2025	5.30%	5.20%	5.70%	2.90%	TBD
6/30/2025	6/30/2026	5.50%	5.30%	5.00%	2.90%	TBD
6/30/2026	6/30/2027	5.70%	5.30%	5.40%	2.90%	TBD
6/30/2027	6/30/2028	5.70%	5.30%	5.90%	2.80%	TBD
6/30/2028	6/30/2029	5.70%	5.30%	5.60%	2.80%	TBD
6/30/2038	6/30/2039	5.90%	5.40%	5.10%	2.60%	TBD
6/30/2048	6/30/2049	5.60%	5.30%	4.50%	2.40%	TBD
6/30/2058	6/30/2059	5.30%	5.60%	4.40%	2.50%	TBD
6/30/2068	6/30/2069	4.90%	5.10%	4.40%	2.80%	TBD
6/30/2078	6/30/2079	4.40%	4.50%	4.40%	3.00%	TBD
6/30/2088	6/30/2089	4.40%	4.50%	4.30%	3.30%	TBD
6/30/2098	6/30/2099	4.40%	4.50%	4.30%	3.50%	TBD
6/30/2102	6/30/2103	4.40%	4.40%	4.30%	3.70%	TBD

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Table A-23: Retirement of Vested Terminated Members

Annual Rates			
Age	General Plans A, B, C, D & G	General Plan E	Safety Plans A, B & C
<40	0.00%	0.00%	0.00%
40	0.00%	0.00%	6.00%
41	0.00%	0.00%	6.00%
42	0.00%	0.00%	40.00%
43	0.00%	0.00%	40.00%
44	0.00%	0.00%	25.00%
45	0.00%	0.00%	25.00%
46	0.00%	0.00%	25.00%
47	0.00%	0.00%	25.00%
48	0.00%	0.00%	25.00%
49	0.00%	0.00%	25.00%
50	21.00%	0.00%	25.00%
51	6.00%	0.00%	11.00%
52	6.00%	0.00%	20.00%
53	6.00%	0.00%	13.00%
54	6.00%	0.00%	21.00%
55	10.00%	27.00%	30.00%
56	8.00%	6.00%	18.00%
57	8.00%	6.00%	22.00%
58	8.00%	6.00%	24.00%
59	10.00%	6.00%	22.00%
60	12.00%	7.00%	22.00%
61	12.00%	8.00%	30.00%
62	15.00%	8.00%	30.00%
63	20.00%	8.00%	30.00%
64	20.00%	24.00%	32.00%
65	28.00%	39.00%	100.00%
66	26.00%	14.00%	100.00%
67	24.00%	8.00%	100.00%
68	26.00%	10.00%	100.00%
69	28.00%	13.00%	100.00%
70	40.00%	17.00%	100.00%
71	40.00%	24.00%	100.00%
72	40.00%	16.00%	100.00%
73	40.00%	16.00%	100.00%
74	40.00%	20.00%	100.00%
75	100.00%	100.00%	100.00%
75 or older	100.00%	100.00%	100.00%



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February 19, 2019

TO: Each Member  
Board of Retirement

FROM: Vivian Gray, Board Member

FOR: March 14, 2019 Board of Retirement Meeting

SUBJECT: **SACRS ADMINISTRATIVE TRAVEL**

The State Association of County Retirement Systems (SACRS) consists of 20 independent county retirement systems in California that were created as part of the County Employees Retirement Law of 1937. SACRS delivers actionable information to those managing public pensions so they may be more effective stewards of their plans.

I currently participate as Vice President on the SACRS Board of Directors; member of the Bylaw Committee; and Chair of the Program Committee. The partnership between LACERA and SACRS aides in the collaboration and active role in the legislation process as it affects county retirement systems. As part of the Board of Retirement Powers & Duties – Board Member Responsibilities, one of the duties includes *Involvement*, which addresses Board member participation in state and national pension and retirement related organizations, including serving as an executive or committee member in these organizations. In addition, participation of trustees and LACERA staff in SACRS programs and committees has and continues to be extensive with several staff participating in SACRS committees and as conference speakers. Lastly, the importance of maintaining LACERA's active participation in SACRS for LACERA's benefit, including for example legislative coordination, benefits resources, and so forth contribute to the importance of trustee and staff involvement.

## **BACKGROUND**

On July 16, 2014, the Travel Policy Committee approved the reformation of the travel policy, which included removing Section 705.14 C. Exceptions (Attachment 1) excerpt below reflects 705.14 (C) (1) (a):

### 705.14 - C. Exceptions

(1) The following do not count as conferences for purposes of Section 705.14. A  
Number of Conferences Subject to Reimbursement per Fiscal Year:

(a) Meetings, conferences, and courses sponsored by SACRS...

The Travel Policy reformation addressed meetings (implied by staff as administrative meetings) in the new policy (Attachment 2) under 705.01 (A) (2), but did not address it in 705.07; therefore the practice internally remained the same. Administrative travel by

Board members will be part of the Education and Travel Policy review and discussion in the upcoming months.

**RECOMMENDATION**


It is requested, that the Board authorize administrative travel for the purpose of participating on the SACRS Board and Committees, thus not counting towards the 8 conference attendance limit from July 2014 through the end of 2019 (Attachment 3) or until it is addressed in the next Education and Travel Policy.





July 7, 2014

To: Each Member  
Travel Policy Committee

From: Gregg Rademacher   
Chief Executive Officer

For: July 16, 2014 Travel Policy Committee Meeting

Subject: **Travel Policy Reformation**

### **Recommendation**

The Travel Policy Committee consider forwarding the revised "Education and Travel Policy" to the Board of Retirement and the Board of Investments for adoption.

### **Discussion**

Over the past year this Committee and the Boards have held numerous discussions on the best manner to ensure LACERA Board Members receive the most appropriate and cost effective education.

A significant part of this discussion focused on:

1. Board Member priority for attending a conference,
2. Board Member attending a conference where the educational content is beyond the respective Board Member's direct oversight responsibility, and
3. Approving international travel for conference attendance.

The Travel Policy Committee's latest attempt to find a mutually agreeable solution satisfying each Board's needs was not wholly approved by either board, and as such, we remain in a state of uncertainty.

In a good spirited attempt to bring resolution to this quandary, staff is proposing the attached "Education and Travel Policy – Reformation Draft July 2014" (Reformation Policy) for your consideration. Based on the various Board, Committee, and individual discussions I have enjoyed on this topic over the past year, I believe you will find policy solutions you like and policy solutions you don't like. However, I believe it is a compromise that establishes a workable framework to facilitate your educational needs.

## **New Policy Approaches**

You will find the Reformation Policy very familiar. Much of the existing Education and Travel Policy remains intact, albeit reorganized. Due to the reorganization magnitude, it was not effective to provide a red-line version. To facilitate your review, the following highlights the Reformation Policy's new approaches:

### Educational Priority Framework

A conference provider may limit conference attendance, thus creating a situation where we have more members from both Boards who desire to attend than the conference provider can accommodate. The previous solution, not adopted by both Boards, would have mandatorily split conference attendance between both Boards. The Reformation Policy provides a priority framework based on conference content, please see Attachment C. For example, if there is a limited attendance conference for Healthcare, then the Board of Retirement members would have priority as they are directly responsible for this program. Similarly, if there is limited attendance conference for Investments, then the Board of Investment members would have priority as they are directly responsible for this program. The Board of Retirement will have priority for conferences whose primary content is related to: benefits, healthcare, plan administration, and general policy matters. The Board of Investments will have priority for conferences whose primary content is related to: investments and actuarial. The Reformation Policy allows the priority Board to fill all attendance. The Reformation Policy also allows the non-priority Board to fill attendance on an as-available basis after meeting the priority Board's needs.

### Board Member Priority

Once the education priority framework establishes which Board has attendance priority, we need to assign members from the priority Board for attendance. This is done using an Educational Priority List. Each Board will maintain separate lists for domestic conferences and international conferences. The Reformation Policy rules for maintaining the list are similar to the current policy. Namely, attending a conference moves a Board Member to the bottom of the list, new Board Members are placed at the bottom of the list, and to provide equity between elected and appointed Board Members, returning Board Members reestablish their previous position on the Educational Priority List if returning to the Board within 18 months.

### Encouraging Local Conferences

The Reformation Policy encourages Board Members to maximize local educational opportunities. Basically, conference attendance not requiring lodging and/or common carrier (bus, train or plane) does not count toward the number of conferences attended by the

Board Members. It is the policy's intent to encourage Board members, when practical, to select cost effective local conferences over more expensive non-local conferences.

#### International Conference

An International Conference is any conference not held in the United States. This is different than the current Education and Travel Policy where conferences held in Canada and Mexico are considered domestic conferences. The practical implication under the Reformation Policy is that all International Conferences require explicit Board approval even though the conference may be listed on the Pre-Approved Conferences and Board Priority list, please see Attachment C.

#### Removing Conference Count Exceptions

The Reformation Policy controls Board Member educational costs in a variety of ways; however, the primary way is limiting the number of conferences a Board Member may attend. This limit remains at eight (8) conferences per fiscal year (12 if serving on both Boards). Importantly, the practice of adding specific conferences which were excluded from counting toward the limit was removed.

#### Report Following Attendance

The Reformation Policy encourages Board Members to report during a Board meeting on the information and knowledge gained from conference attendance, evaluation of the conference, and recommendations for future attendance. The current policy's Report of Attendance form and its submission requirement was deleted due to a near zero compliance history.

### **Significant Similarities to the Past**

As previously mentioned, you will find the Reformation Policy very familiar. The following highlights some existing policy provisions which carry forward in Reformation Policy:

#### Pre-Approved Conferences

The Reformation Policy continues the practice of recognizing certain conferences whose educational content consistently meets or exceeds Board Member expectations. These conferences are "pre-approved" for attendance and do not require additional board action prior to attending the conference. These conferences are listed in Attachment C, Pre-Approved Conferences and Board Priority. Pre-approved conferences, as listed in Attachment C, are available to members of both boards, however, board priority rules will

apply and international conference attendance requires board approval prior to attending the conference.

#### Reimbursement Methods

The Reformation Policy continues the practice to allow meal and incidental travel costs to be reimbursed to by either the "Actual Receipts Method" or the "Per Diem Method".

#### IRS Limits

The Reformation Policy continues the practice of using Internal Revenue Service reimbursement rates when applicable.

#### Education and Travel by New Board Members

The Reformation Policy continues the practice of encouraging newly appointed or elected Board Members to begin their public pension plan education as soon as practically possible by allowing conference attendance prior to beginning their term.

#### No Gifts

The Reformation Policy continues the practice for LACERA to decline gifts of travel. Individual Board Members may accept gifts of travel subject to the Fair Political Practices Commission (FPPC) rules.

### **Conclusion**

Staff hopes this Reformation Policy is seen by the Travel Policy Committee as a compromise solution that attempts to bring harmony to the various perspectives expressed by the Board Members. In a compromise solution we hope everyone gets something that they need, and is not too disappointed about not getting everything that they want.

Staff believes the Reformation Policy addresses the significant concerns raised by the Board Members.

1. Board Member priority for attending a conference.

Priority provided to Board Members with Direct Responsibility over the subject matter covered by the conference.

2. Board Member attending a conference where the educational content is beyond the respective board's responsibility.

Board Members without Direct Responsibility may attend provided there is conference attendance capacity after Board Members with Direct Responsibility have the opportunity to consider attending.

3. Approving international travel for conference attendance.

In all cases, attending an international conference must be approved by the Board even though the conference may be included in the pre-approved list.

In summary, I believe the Reformation Policy is a good spirited compromise that establishes a workable framework for both Boards that facilitates Board Members' educational needs.

**It is therefore recommended** the Travel Policy Committee consider forwarding the revised "Education and Travel Policy" to the Board of Retirement and the Board of Investments for adoption.

GR:tm

Travel Policy Reformation July 2014 Committee Memo.docx

Attachment



## **Education and Travel Policy**

LOS ANGELES COUNTY  
EMPLOYEES RETIREMENT ASSOCIATION

**EDUCATION AND TRAVEL POLICY**

**Statement of Purpose**

The Board of Retirement, the Board of Investments, and designated staff have a fiduciary duty (i) to obtain education on matters of public pension investments and administration, (ii) to monitor the investments and administration of the Trust, (iii) to monitor the work of those to whom the Board has delegated authority to manage and administer Trust assets, and (iv) to advocate positions that protect and further the interests of the Trust. Members of both Boards are required to complete 24 hours of “board member education” every two years. (Gov. Code §31522.8.)

It is the desire and intention of the Board of Retirement and the Board of Investments to insure that the Boards and designated staff may perform their fiduciary duties, by implementing an education and travel policy by which:

- Individual board members and staff receive current benefit, financial and policy information pertinent to the investment of public pension funds, the administration of public pension plans, and the administration and management of the retiree health care program; and
- The Boards and designated staff may travel to advocate positions that protect and further the interests of the Trust; and
- The Chief Executive Officer has discretionary authority to approve staff travel as necessary in carrying out the administrative responsibilities of the Trust, such as, attending legislative meetings and hearings, conducting on-site visits as part of due diligence evaluations, and attending investment advisory Board meetings and the like.

The Boards desire to avoid even the appearance of impropriety in connection with education and travel. The Boards acknowledge that acceptance of gifts of travel, such as transportation, meals, and lodging by a public agency, though permitted under certain circumstances by applicable law, can create the appearance that LACERA encourages “pay to play” and may, unwittingly, create opportunities for undue influence

on Board members and staff. LACERA's education and travel policy therefore does not permit LACERA as an entity to accept gifts of travel.

The Boards further acknowledge that international travel, though expensive, is increasingly necessary in light of today's global economy and LACERA's ongoing prudent investment of a substantial portion of its assets outside the United States.

This policy is to be implemented in compliance with the relevant provisions of the California Government Code and federal law, and in harmony with existing philosophy, objectives, policies and guidelines previously approved by the Boards of Retirement and Investments. A copy of this policy and related travel policy procedures are to be provided to each new Board member at the beginning of his/her term.

This policy shall be reviewed by the Travel Committee of the Board of Retirement and Board of Investments annually or as needed and may be amended by both Boards at any time.

#### **705.01 - TRAVEL AUTHORIZATION**

A. Board Members. Travel by a Board member outside California requires prior approval by the Board. Travel within California does not require prior approval if no registration fee is charged LACERA. [Requests for travel must be made in writing and directed to the appropriate Board Secretary.](#)

B. Staff Members.

(1) Administrative Purposes. The Chief Executive Officer or his designee<sup>1</sup> shall approve travel by staff for administrative purposes. ~~[Requests for travel must be made in writing and directed to the appropriate Board Secretary.](#)~~

(2) Educational Purposes. Travel by staff to attend conferences and seminars outside California requires prior approval by the Chief Executive Officer. Travel by staff within California for educational purposes requires the prior approval by the appropriate Division Manager, which may be given if within that Division's approved travel budget.

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<sup>1</sup> All references in the text to "the Chief Executive Officer" are to be read as "the Chief Executive Officer or his designee"



C. Conference/Seminar Requirements.

- (1) Conferences and seminars must contain an average of five hours of substantive content per day, excluding travel days.
- (2) Attendance at client conferences organized or sponsored by a single company or firm shall be restricted to conferences sponsored by firms that maintain a contractual relationship with LACERA.

D. Ratification. The appropriate Board may ratify otherwise unapproved travel for good cause explained in written communication to the Board.

E. Waiver of Policy Provisions. For good cause, and in the exercise of its sound discretion, the Board of Retirement or the Board of Investments may waive compliance with specific requirements of this Policy when in the best interest of LACERA.

**705.02 - LIMITATION ON MEETING FOR BUSINESS PURPOSE - BROWN ACT COMPLIANCE**

No more than four members of either Board are authorized to meet together to discuss LACERA business unless there is appropriate public notice of the meeting pursuant to the Ralph M. Brown Act. All meetings subject to the Brown Act must be held within the County of Los Angeles, unless otherwise permitted by the Brown Act. A person holding membership on both the Board of Retirement and Board of Investments counts as one of the members in attendance for each of the Boards. Attendance at conferences, seminars and social activities by more than four members of a Board is not a violation of this provision.

**705.03 - COSTS OF ADMINISTRATION**

Travel expense of Board members and staff shall be direct costs of Administration to LACERA and may not be paid through third party contracts or otherwise without express authorization of one or both Boards, as appropriate.

**705.04 - AUTHORIZED EXPENSES**

Authorized expenses for travel for LACERA Board members and staff shall be determined by the Boards as set forth on the attached schedule. Such reimbursement rates shall require an annual adjustment based on an annual change in the Consumer Price Index (CPI) and shall be approved by both Boards. In addition, LACERA Board

members and staff shall be entitled to reimbursement for all other reasonable and necessary expenses incurred in connection with LACERA business.

### **705.05 - CLAIMS FOR REIMBURSEMENT**

Travel expense reimbursement shall be claimed by completing the travel expense vouchers form available on the LACERA internet website and submitting it to the appropriate authorizing person for approval prior to submission to the Financial and Accounting Services Division.

Board website:

[http://www.lacera.com/BoardResourcesWebSite/BoardOrientationPdf/travel\\_expense\\_voucher.xls](http://www.lacera.com/BoardResourcesWebSite/BoardOrientationPdf/travel_expense_voucher.xls)

[http://www.lacera.com/BoardResourcesWebSite/BoardOrientationPdf/mileage\\_claim\\_form.doc](http://www.lacera.com/BoardResourcesWebSite/BoardOrientationPdf/mileage_claim_form.doc)

The deadline for submitting claims for reimbursement of any and all business related expenses is 90 calendar days following completion of the transaction, or within 30 days after the fiscal year-end, whichever comes first. Extensions to this deadline may be granted by the employee's division manager upon a showing of good cause. Approval of the travel for which reimbursement is requested will be verified prior to reimbursement. Once a request for reimbursement has been submitted by a traveler, it may not be amended to qualify as a conference satisfying the requirements of Section 705.14.C.(1)(e).

"Transaction" refers to the activity or event which caused you to incur the business related expense(s) on LACERA's behalf. These expenses also include those covered under the Mileage Permittee and Reimbursement Policy, as well as the Education and Travel Policy.

### **705.06 - ATTENDANCE AT DESIGNATED CONFERENCES AND MEETINGS FOR WHICH PRIOR BOARD APPROVAL IS NOT REQUIRED**

The Boards have determined certain regularly scheduled conferences and meetings provide valuable educational opportunities and comply with the standards of approval set forth in the policy. Attendance at those conferences and meetings does not require prior Board approval as set forth below. In all cases, however, attendance by a staff member requires the prior approval of the Chief Executive Officer. **Exhibit C** sets forth the conferences and meetings for which prior Board approval is not required. Staff will

inform Board members of the cancellation policy for each conference shown on Exhibit C.

Memoranda submitted to the Board seeking approval to attend conferences and meetings shall include the registration fee, hotel rate, and sponsor's cancellation policy. Requests shall be placed on the applicable Board's consent agenda unless the registration fee exceeds \$1,000, per participant or a hotel room that exceeds an average of \$280 per night, in which case the request shall be placed on the non-consent agenda.

The Chief Executive Officer shall give each newly elected or appointed member of a Board a list of all pre-approved, approved, or likely to be approved conferences scheduled to occur during the first six months of the newly elected or appointed member's term.

#### **705.07 - CASH ADVANCES**

Cash advances will not be allowed unless specifically approved by the appropriate Board.

#### **705.08 - EXPENSES FOR TRAVELING COMPANIONS**

Expenses of family members and/or traveling companions are not reimbursable by LACERA.

#### **705.09 - USUAL AND REASONABLE EXPENSES; LIMITATION ON LODGING**

Allowance for time and expense shall not exceed that which is usual and reasonable as claimed by others to that precise destination whether by private automobile or common carrier. Travel the day prior to and/or the day after a conference will be reimbursed if reasonably necessary because of time constraints. In addition, lodging and per diem for extra days prior to or after a conference will be reimbursed if such extension results in lower overall trip costs. For staff, cost comparisons for trip extensions shall include the costs of salary for any work days lost by the extension. Written justification for travel expenses incurred prior to or after a conference shall be submitted with the claim for reimbursement. This section is to be read in harmony with the provisions of the Reimbursement Schedule – Other Common Carrier Travel, *infra*.

#### **705.10 – GIFTS OF TRAVEL**

It is LACERA's policy that LACERA, as an agency, will not accept gifts of travel.

#### **705.11 - GROUND TRANSPORTATION**

Individuals will be expected to use airport shuttle service to and from metropolitan destinations unless such use is precluded by time constraints or it is safer, more efficient, or more economical to hire a taxi or rent a car, pay for parking, fuel, etc. Reimbursement of an alternative mode of transportation will be limited to the cost of the airport shuttle service unless otherwise justified. When renting a vehicle, purchase of optional insurance is not necessary as LACERA's insurance will cover the same risks.

#### **705.12 - CANCELLATION OF TRAVEL AND LODGING ARRANGEMENTS**

Individuals are responsible for timely cancellation of registration, travel and lodging arrangements made on his/her behalf which will not be used so that no costs will be incurred by LACERA.

#### **705.13 - RESPONSIBILITY FOR TRAVEL AND LODGING COSTS**

The traveler is responsible for all costs LACERA incurs as a result of the traveler's failure to cancel conference registration, travel and lodging arrangements before cancellation charges accrue, unless the failure to cancel was due to facts or circumstances beyond the traveler's control. The traveler must reimburse LACERA within 30 days after notification by staff of the amount due. If reimbursement is not made within such 30-day period, and payment is still due, the amount shall be deducted from any payment due the traveler from LACERA. In addition, the traveler's failure to reimburse will be reported to the Board on which the traveler sits, or to the CEO and the relevant department head if the traveler is staff.

If the traveler believes the failure to cancel was due to facts or circumstances beyond the traveler's control, the traveler must submit a written excuse to the chair of the Board on which the traveler sits, or to the CEO if the traveler is staff, within 30 days after receiving notification of the cancellation expenses due. The Board Chair or the CEO, as applicable, will approve or disapprove the excuse in writing to the traveler, with a copy to the Financial and Accounting Services Division. If the traveler is a Board Chair, then the written excuse must be submitted to that Board's Vice Chair who will then approve or disapprove the excuse. If the traveler is a Vice Chair simultaneously serving as the acting Chair, then the Vice Chair's written excuse must be submitted to that Board's Secretary who will then approve or disapprove the excuse.

LACERA will purchase travel insurance covering Board Members and staff while traveling internationally on LACERA business. The insurance will include accident, medical, security assistance and evacuation, travel assistance, trip cancellation, interruption or delay, and baggage loss or delay coverage.

#### **705.14 - LIMITATION ON ATTENDANCE AT SEMINARS AND CONFERENCES**

##### **A. Number of Conferences Subject to Reimbursement per Fiscal Year**

Every Board Member is authorized to attend up to 8 approved conferences requiring overnight stays per fiscal year effective July 1, 2010, and up to 12 if the Board Member is serving simultaneously on both Boards.

Travel expenses incurred by a Board Member for the first 8 (or 12, as applicable) approved conferences the Board Member attends per fiscal year are subject to reimbursement by LACERA in accordance with this Travel Policy. If a Board Member is enrolled for a conference but fails to attend or timely cancel and LACERA incurs an expense as a result (e.g., conference registration, travel and lodging cancellation fees), that conference counts toward the limit until the Board Member reimburses LACERA for all expenses incurred, unless the failure to cancel is excused under section 705.13.

LACERA will not reimburse the Board Member for expenses associated with conference attendance by the Board Member during the remainder of the fiscal year once the sum of approved conferences a Board Member attends plus those for which LACERA has incurred unreimbursed, unexcused cancellation expenses reaches 8 (or 12), The Board Member shall be responsible for all such expenses, including without limitation the registration fee, lodging, transportation and meal expenses.

Neither Board is deemed to have approved attendance by a Board Member at a conference which exceeds that Board Member's maximum amount of reimbursable conferences.

##### **B. Seminars and Conferences Outside the United States, Canada, and Mexico**

In addition to the limitations described in 705.14.A, the following limitations shall apply to attendance at conferences and seminars outside the United States, Canada, and Mexico (International Conferences): (1) An individual Board member shall not be authorized to attend more than two International Conferences in any fiscal year; (2) not more than three Board members shall be authorized to attend the same International Conference; (3) prior to attending an International Benefit Conference, a Board member is required to attend the American Health Insurance Plans (AHIP) National Policy Forum

or World Health Care Congress; and (4) prior to attending an International Investment Conference a Board member is required to successfully complete the State Association of County Retirement Systems (SACRS) Public Pension Investment Management Program or the University of Pennsylvania Wharton School of Business Portfolio Concepts and Management course.

C. Exceptions

- (1) The following do not count as conferences for purposes of Section 705.14.A:
  - (a) Meetings, conferences, and courses sponsored by SACRS;
  - (b) Meetings, conferences, and courses sponsored by CALAPRS;
  - (c) Conferences of the Council of Institutional Investors (CII);
  - (d) Conferences of the International Corporate Governance Network (ICGN);
  - (e) Annual Domestic Milken Institute Conferences
  - (f) Conferences held in Southern California for which LACERA's expenses in connection with conference attendance by the traveler are less than \$1,000. "Southern California" means Imperial, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura Counties.
- (2) The limitations set forth in 705.14.B shall not apply to attendance at ICGN conferences.

**705.15 - QUARTERLY TRAVEL REPORTS**

The Chief Executive Officer shall submit a monthly conference report to both Boards listing the current year's completed, cancelled, and planned conference attendance for staff (outside of Los Angeles County only) and Board members.

A quarterly travel expenditure report covering trustee travel reimbursed by LACERA and staff travel outside Los Angeles County reimbursed by LACERA shall also be provided to both Boards. Such report shall identify the staff, location, cost, and purpose of travel.

The Travel Policy Committee shall meet semi-annually to review these quarterly travel reports.

#### **705.16 - SELECTION OF ATTENDEES WHERE ATTENDANCE IS LIMITED**

In the event the Board authorizes attendance at a conference or seminar where the number of LACERA representatives that may attend is limited, the secretary to the Board shall canvass the Boards to identify those members interested in attending. For conferences outside the United States, Canada, and Mexico, the member or members authorized to attend shall be determined in accordance with the priority procedure set forth in Exhibit "A".

#### **705.17 - REPORT FOLLOWING ATTENDANCE AT CONFERENCE AND SEMINARS**

LACERA Board members who travel to conferences and seminars may, when appropriate, report at a Board meeting or file with the secretary of the appropriate Board a report which briefly summarizes the information and knowledge gained, provides an evaluation of the conference, and provides a recommendation concerning future participation. Such report shall be made by completing the form attached hereto as Exhibit "B," and shall be filed at the time the expense claim is submitted.

The secretary of the Board shall cause a copy of the report to be distributed to each member of the Boards of Retirement and Investments, the Chief Executive Officer, the Assistant Executive Officers, and the Chief Investment Officer.

#### **705.18 - TRAVEL BY NEWLY APPOINTED AND ELECTED BOARD MEMBERS**

A person duly appointed or elected to the Board of Retirement or Board of Investments shall, for purposes of this policy, be deemed to have assumed the office of Board Member as of the date the person's appointment is approved or election is certified by the Board of Supervisors. It is the intent of this Section that incoming Board Members attend seminars and conferences as part of their orientation and preparation to assume the duties of a LACERA Board Member.

For purposes of Section 705.14, seminars and conferences attended prior to the date an individual's term of office commences shall be counted towards the number of seminars and conferences that may be attended during the first year of the individual's term in office.

**LOS ANGELES COUNTY  
EMPLOYEES RETIREMENT ASSOCIATION  
EDUCATION AND TRAVEL EXPENSE  
REIMBURSEMENT SCHEDULE**

When determining reimbursement limits for lodging and meals, LACERA considers how much control it has over those travel costs.

Conference/seminar sponsors select the city and hotel for their conferences and LACERA has little or no input in the decision. Similarly, conference sponsors often provide meals, and LACERA again has little or no input as to the place or menu. Where LACERA's input regarding lodging and meals is limited - and thus its ability to control the cost of such items is limited – it is appropriate to reimburse the actual travel costs incurred, unless to do so would jeopardize LACERA's tax-exempt status.

The same rationale applies to meetings of limited partners, members, shareholders, advisory committees, etc. of entities to which LACERA has invested trust funds (“investor meetings”). LACERA has little or no input as to the location of investor meetings, or with respect to the meals provided during such meetings. Therefore investor meetings should be treated as “conferences/seminars” and not administrative travel for purposes of determining appropriate lodging and meal reimbursements.<sup>2</sup>

A policy that reimburses actual lodging and meal costs where LACERA has little or no control over those costs provides benefits to LACERA. First, its Boards and staff will be better able to travel to educational conferences and investor meetings in fulfillment of their fiduciary duties if they do not have to bear the cost of such travel personally. Second, LACERA benefits from having its personnel enjoy the convenient educational access, increased networking opportunities, and safety afforded when staying at the designated conference or investor meeting hotel.

Travelers are encouraged to schedule travel in a way that minimizes LACERA's travel expenses. For example, a traveler may have a conference to attend and a due diligence visit to make in the same geographic area at or about the same time. The traveler should either (i) make two trips (i.e., return home after the first event) or (ii) make one trip (i.e., remain in the region in the interim between the events, and receive

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<sup>2</sup> Please note that the distinction between (i) education/conference travel and (ii) administrative travel for reimbursement purposes does not affect the travel authorization procedure under Section 705.01 of the Policy. Travel to an investor meeting, for example, which is considered to be “administrative” under Section 705.01, would be considered “conference” travel for purposes of lodging and meal reimbursement.



transportation, lodging and meal reimbursement during the interim as otherwise permitted by the Travel Policy), depending upon which results in lower overall cost to LACERA.

Amounts which can be reimbursed for transportation, lodging, meals and other items are indicated below:

## **TRANSPORTATION:**

### AIRLINE TRAVEL:

Board Members and staff will travel in coach/economy class except that they may travel in business class or its equivalent (i) on flights having a scheduled non-stop flight time of six hours or more and (ii) on red-eye flights. "Red-eye flights" are defined as flights in which a majority of the flight time occurs between midnight and 6:00 AM.

LACERA will reimburse the additional cost of coach/economy class seats advertised as having additional leg room regardless of flight time. Recognizing that carriers have begun charging for incidental items historically included in the ticket price (for example, checking luggage and providing pillows, blankets, and non-alcoholic beverages during flights, etc.), LACERA also will reimburse carrier charges for such incidental items.

Substantiation of airline travel shall include a copy of the ticket or E-mail confirmation showing the cost of the air travel.

Board members and staff traveling by air to conduct LACERA business may use only regularly-scheduled airline services operating by an air carrier certified by the Federal Aviation Administration or comparable foreign authority. Board members and staff are prohibited from traveling on LACERA business via private aircraft, including but not limited to aircraft owned, leased, or rented by the individual Board member or staff. Persons traveling on LACERA business via private aircraft will be deemed to be acting outside the scope of their responsibilities and employment. They will not be covered by LACERA's liability insurance.

### OTHER COMMON CARRIER TRAVEL:

Travel permitted under this Travel Policy should be accomplished in the most cost-effective and efficient manner practicable, considering the costs of the mode of transportation, travel time, accommodations, and per diem. Generally air travel is the most cost-effective and efficient means for long distance travel, with “long distance travel” defined as a travel to a site more than 600 miles from LACERA’s headquarters. Where a traveler has special travel needs or concerns such that travel by air for long distance travel is not practicable, then the traveler may use an alternate common carrier (e.g., train or bus) and incur such reasonable expenses associated with that mode of travel (e.g., sleeper car, additional days of per diem).

## **LODGING:**

### 1. Government Rates

Board members and staff traveling on LACERA business should always request government rates when making reservations and/or checking in. LACERA recognizes that the governmental rate offered for local governmental entities like LACERA may be higher than the federal government rate, or may not be available at all, especially in connection with international travel or conference attendance.

### 2. Attendance at Conferences and Investor Meetings

LACERA acknowledges that the cost of a standard room at a conference or investor meeting hotel may exceed the normal reimbursement rate for lodging for LACERA personnel traveling for administrative purposes. Nevertheless, Board Members and staff attending conferences and investor meetings are expected to stay at the designated conference/investor meeting hotel to promote convenient educational access, networking, and safety.

Actual expenses for lodging will be reimbursed upon submittal of receipts. Reimbursement is limited to a standard class single room rate. Reimbursement for lodging for attendance at a conference or investor meeting is limited to the standard room rate charged by the conference/investor meeting hotel. When lodging at the conference or investor meeting hotel is unavailable, reimbursement is limited to the best available rate for a standard room at a nearby hotel of comparable quality. The traveler will be responsible for any excess cost.

### 3. Travel Not Connected With Conferences or Investor Meetings

The maximum lodging amounts are intended to cover the cost of lodging at adequate, suitable and moderately-priced facilities located near the destination city's airport or the specific area in the destination city where LACERA's business will be conducted. Reimbursement for lodging connected with all non-conference travel is limited to:

Domestic:

Not more than three times the regular per diem rate for the location as established from time to time by the Internal Revenue Service, found at [www.gsa.gov](http://www.gsa.gov) (click on "per diem rates").

International:

Not more than three times the rate for the location as established from time to time by the United States Department of State, found at: [www.state.gov/m/a/als/prdm](http://www.state.gov/m/a/als/prdm).

In addition to the rates set forth above, reimbursement will be allowed for all taxes included on the receipt.

## **MEALS/RECEPTIONS:**

### 1. Attendance at Conferences and Investor Meetings

Reimbursement is limited to the actual costs incurred for meals (including associated programs) and receptions provided by the conference/investor meeting sponsor as part of the formal conference/investor meeting agenda.

A written statement from the sponsor indicating such cost is sufficient evidence as to the actual cost.

Reimbursement for non-sponsored meals is the same as for travel not connected with conferences or investor meetings.

### 2. Travel Not Connected With Conferences or Investor Meetings

Except for travel where no overnight stay is required, reimbursement for meals shall, at the traveler's option, be based either on:

(a) The Per Diem Method

The per diem allowance computed at the Meals & Incidental Expenses rate (the “M&IE Rate”) published by the Internal Revenue Service and in effect on the date of travel for the locality of travel. A copy of the current M&IE Rates will be kept in the Board office.

The per diem allowance shall be reported in accordance with the Meals & Incidental Expenses Breakdown (M&IE Breakdown) per the IRS, based on the M&IE Rate.

or

(b) The Actual Cost (Receipt Method)

Actual cost incurred, not to exceed \$100 per day. Itemized receipts shall be required for meals in excess of \$20. (Credit card receipt is not sufficient).

The traveler may use both the per diem method and the actual cost method of reimbursement on a single trip, so long as only one method is used per calendar day.

NOTE: Under the actual cost (receipt) method, reimbursement for meals is based on the actual purchase of a meal. If a host provides meals, and actual expenses are not incurred, then that meal should be excluded from reimbursement. Under the actual cost (receipt) method, reimbursement shall be requested only for the actual amount of the cost of the meal. The traveler shall document the purpose of the meal, where it was purchased and with whom he or she dined. Under the per diem method, if the traveler partakes of a meal provided by another, then that meal should be excluded from reimbursement.

The following information shall be included for each meal for which reimbursement is claimed using the actual cost (receipt) method:

- (1) The business purpose for the meal; and
- (2) The name and all other travelers present during the meal (if claiming for more than one traveler).

The intent is that the traveler not be reimbursed under either reimbursement method for any meal paid for by another (including LACERA). Therefore, LACERA will not reimburse the traveler for any meal which has been paid for by LACERA, whether or not the traveler consumed the meal, except where the traveler could not consume the meal (1) because of the traveler's special dietary concerns, or (2) because it was reasonably necessary for the traveler to conduct LACERA business (e.g. meet with an investment advisor) while the meal was being served. Likewise, LACERA will not reimburse the traveler for any meal paid for by any third party.

When no overnight stay is required, non-sponsored meals are reimbursed under the Per-Diem Method, using the M&IE Rate for the location where the meal is purchased. The portion of the per diem the traveler receives depends upon when the travel occurs. For example, if the travel occurs during normal breakfast and lunch times, the traveler receives the per diem for breakfast and lunch; if the travel occurs during normal lunch and dinner times, the traveler receives the per diem for lunch and dinner, etc.

**OTHER  
BUSINESS  
EXPENSES:**

Other business expenses reasonably incurred in connection with LACERA business, such as telephone, fax, internet access, and similar business expenses, shall be reimbursed upon submittal of receipts.

**AIRPORT  
PARKING:**

Parking will be reimbursed at current rates (receipt required).

**PORTERAGE  
AND OTHER  
PERSONAL  
SERVICES:**

Maximum reimbursement for portage and other personal services is \$10.00 per day of travel (that is, days involving transportation from home to a travel location, from one travel location to another, and from the final destination to home); however, reimbursement

for portage may not be claimed if reimbursement for meals is claimed on the IRS per diem basis. Porterage and other personal services shall be based on the actual amount expended and documented on the claim form.

**MILEAGE:**

Use of a personal vehicle will be reimbursed on a per mile basis at the rate approved by the Internal Revenue Service as of the date of travel.

## EXHIBIT A

### PROCEDURE FOR SELECTION OF ATTENDEES AT INTERNATIONAL CONFERENCES AND SEMINARS WHERE ATTENDANCE IS LIMITED

The following procedures apply to authorize attendance at conferences and seminars where attendance is limited.

1. **International Conference Attendance Priority List**

The Board of Retirement secretary shall create and maintain an International Conference Priority List (Priority List) comprised of members from both Boards.

The Priority List will be created as follows:

1. Each Board member will be assigned an Initial Priority Date.
2. The Initial Priority Date will be the latter of
  - a. Oath of Office date, or
  - b. the date the Board member last attended an International Conference.
3. In the event the Oath of Office date is not available, this date will be replaced with the date of the Board member's first seated meeting as noted in the Board minutes.
4. In the event the Board member has served concurrent elected or appointed terms, the Oath of Office date will be earliest date in the current concurrent term of service. Concurrent service is a break in Board service that is less than 18 months.
5. The Board secretary will sort the Board members by Initial Priority Date. The Board member with the oldest date will have the highest priority and the Board member with the newest date will have the lowest priority.
6. In the event more than one Board member has the same Initial Priority Date, the priority will be determined for such members by last name alphabetically.

The Priority List will be updated as follows:

1. Upon being sworn into office, new Board members joining their respective Boards will be placed at the bottom of the list,
2. Existing Board members who attend an International Conference will be placed at the bottom of the list,
3. Board members who leave Board service for a period beyond 18 months will have their names placed at the bottom of the list upon return to Board service.

2. **Selection of Board Members Authorized to Attend**

**(This section not adopted by the Board of Investments)**

When the number of Board members interested in attending a conference or seminar exceeds the number of attendees permitted by the sponsor, the secretary to the Board shall record in the minutes all members indicating an interest in attending (“Interested Members”). Interested Members shall be authorized to attend in accordance with their priority on the applicable Priority List. Upon being authorized to attend, the position held by the member shall be placed at the bottom of the Priority List.

In the event a member authorized to attend in accordance with the above paragraph later decides not to attend, such member’s position on the Priority List shall be restored to its former position, and the next interested Member on the Priority List shall be authorized to attend.

In selecting members to attend international conferences and seminars, a member shall not be considered as an Interested Member if such member is disqualified from attending pursuant to the limitations imposed by Section 705.14 of the Education and Travel Policy Manual.



**EXHIBIT B**

**REPORT OF ATTENDANCE  
AT CONFERENCE OR SEMINAR**

Name of Individual Attending: \_\_\_\_\_

Name/Title of Conference/Seminar: \_\_\_\_\_

Sponsor of Conference/Seminar: \_\_\_\_\_

Dates of Attendance: \_\_\_\_\_

Brief Summary of Information and Knowledge Gained:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Evaluation of the Conference/Seminar:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Recommendation Concerning Future Attendance:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Return to:  
Bonnie Nolley (Board of Retirement) or  
Alicia Loza (Board of Investments)  
300 North Lake Avenue, Suite 820  
Pasadena, CA 91101-4199

Copies to:  
Members of B/R & B/I  
Chief Executive Officer  
Assistant Executive Officer  
Chief Investment Officer

## EXHIBIT C

### Pre-Approved Educational Conferences, Seminars and Meetings

Conference/Meeting	Board of Retirement	Board of Investments
America's Health Insurance Plans (AHIP) conferences, seminars, and meetings	✓	✓
America's Health Insurance Plans (AHIP): Annual Institute; Annual Medicare Conference; Annual National Policy Forum	✓	✓
California Association of Public Employee Retirement Systems (CALAPRS) Principles of Pension Management Course at Stanford Law School	✓	✓
CALAPRS meetings, conferences, seminars and periodic roundtables	✓	✓
California Retired County Employees Association (CRCEA) semi-annual conferences	✓	✓
Council of Institutional Investors (CII) conferences and meetings	✓	✓
Federal legislative hearings on pension and retirement health care issues	✓	✓
Government Finance Officers Association (GFOA) conferences, seminars and meetings	✓	✓
Harvard Law School Labor and Work Life Conference and Capital Matters Conference	✓	✓
International Foundation of Employee Benefit Plans (IFEBP) Annual Employee Benefits Conference	✓	✓
International Foundation of Employee Benefit Plans (IFEBP) Annual Benefits Conference for Public Employees	✓	✓

## EXHIBIT C

### Pre-Approved Educational Conferences, Seminars and Meetings

Conference/Meeting	Board of Retirement	Board of Investments
International Foundation of Employee Benefit Plans (IFEBP) Annual Health Care Cost Management Conference	✓	✓
International Foundation of Employee Benefit Plans (IFEBP) Annual Investments Institute	✓	✓
International Foundation of Employee Benefit Plans (IFEBP) Annual Washington Legislative Update Conference	✓	✓
Information Management Network (IMN) Beneficial Owners' International Securities Lending Summit Annual Conference	✓	✓
Institutional Limited Partners Association (ILPA) conferences and meetings	✓	✓
International Corporate Governance Network (ICGN) conferences and meeting	✓	✓
Milken Institute domestic conferences and meetings	✓	✓
National Conference on Public Employees Retirement Systems (NCPERS) meetings, conferences and workshops	✓	✓
National Institute on Retirement Security (NIRS) conferences, seminars, and meetings	✓	✓
Pacific Pension Institute (PPI) semi-annual meetings in North America, the annual Asian Roundtable meeting, and executive seminars	✓	✓

## EXHIBIT C

### Pre-Approved Educational Conferences, Seminars and Meetings

Conference/Meeting	Board of Retirement	Board of Investments
Pension Real Estate Association (PREA) annual spring and fall conferences and institute	✓	✓
State Association of County Retirement Systems (SACRS) meetings, educational conferences, seminars and symposiums	✓	✓
University of Pennsylvania Wharton School's Pension Fund and Investment Management and the Portfolio Concepts and Management courses.	✓	✓
World Healthcare Congress conferences, seminars and meetings	✓	✓
World Pension Forum conferences	✓	✓



## **Education and Travel Policy**

**Approved: Board of Investments, March 6, 2017  
Board of Retirement, March 3, 2017**

# EDUCATION AND TRAVEL POLICY

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## Statement of Purpose

The Board of Retirement, the Board of Investments, and designated staff have a fiduciary duty:

- To obtain education on matters of public pension administration and investments,
- To monitor the administration and investments of the Trust,
- To monitor the work of those to whom the Board has delegated authority to administer and manage Trust assets, and
- To advocate positions that protect and further the interests of the Trust.

It is the desire and intention of the Board of Retirement and the Board of Investments to ensure that the Boards and staff may perform their fiduciary duties, by implementing an education and travel policy by which:

- Board Members and staff receive current benefit, financial and policy information pertinent to the administration of public pension plans, the administration and management of the retiree health care program, and the investment of public pension funds,
- Board Members and staff may travel to advocate positions that protect and further the interests of the Trust, and
- Board Members may complete their required 24 hours of “board member education” every two years as mandated by Government Code §31522.8.

The Boards desire to avoid even the appearance of impropriety in connection with education and travel. The Boards acknowledge that acceptance of gifts of travel, such as transportation, meals, and lodging by a public agency, though permitted under certain circumstances by applicable law, can create the appearance that LACERA encourages “pay to play” and may, unwittingly, create opportunities for undue influence on Board Members and staff. LACERA’s education and travel policy therefore does not permit LACERA as an entity to accept gifts of travel.

The Boards further acknowledge that international travel, though expensive, is increasingly necessary in light of today’s global economy and LACERA’s ongoing prudent investment of a substantial portion of its assets outside the United States.

# EDUCATION AND TRAVEL POLICY

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This policy is to be implemented in compliance with the relevant provisions of the California Government Code and federal law, and in harmony with existing philosophy, objectives, policies and guidelines previously approved by the Boards of Retirement and Investments.

This policy shall be reviewed by the Travel Committee of the Board of Retirement and Board of Investments annually or as needed and may be amended by both Boards at any time.

## **705.00 – EDUCATIONAL CONTENT REQUIREMENT**

Except as provided in Section 705.01.A.1, conferences and seminars must contain an average of five hours of substantive content per day, excluding travel days.

## **705.01 – EDUCATION AUTHORIZATION**

### **A. Board Members**

1. Local educational conferences and seminars not requiring common carrier travel and lodging and where the registration fee is \$500 or less are approved for attendance. Such conferences and seminars must contain substantive content but are not subject to the five-hour per day content requirement of Section 705.00.
2. Educational conferences, seminars and meetings listed on Attachment C are preapproved for attendance and expense reimbursement provided all other policy requirements are met.
3. Educational conferences, seminars, and meetings not listed on Attachment C and not covered by Section 705.01.A.1 require prior approval by the Board. Memoranda submitted to the Board seeking approval to attend conferences, seminars and meetings shall include the registration fee and hotel rate.
4. Attending a conference, seminar and meeting held outside of the United States requires prior Board approval whether or not such conference, seminar or meeting is listed on Attachment C.
5. The Board may ratify attendance at otherwise unapproved conferences, seminars and meetings for good cause explained in a written communication to the Board.

# EDUCATION AND TRAVEL POLICY

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6. Requests for conference attendance and travel arrangements must be made in writing and directed to the appropriate Board staff secretary.

B. Staff Members The Chief Executive Officer, or designee, shall approve staff education and travel.

## **705.02 - AUTHORIZED EXPENSES**

Authorized educational and related travel expenses for Board Members and staff shall be determined by the Boards as set forth in Attachment A. LACERA Board Members and staff shall be reimbursed for reasonable and necessary expenses incurred, and documented, in connection with LACERA business.

## **705.03 - COSTS OF ADMINISTRATION**

Education and travel expenses for Board Members and staff shall be administrative costs and may not be paid through third party contracts. It is LACERA's policy that LACERA, as an agency, will not accept gifts of travel.

## **705.04 - CLAIMS FOR REIMBURSEMENT**

An education and travel expense reimbursement shall be claimed by completing an expense voucher form available on the LACERA intranet website and submitting it to the appropriate authorizing person. Board Members may submit their expense reimbursements to their respective Board staff secretaries and staff to their Division Manager. All expense reimbursement requests shall be accompanied by receipts and/or other reasonable documentation. The deadline for submitting an education and travel reimbursement claim is 90 days after completing the education, or 30 days after the fiscal year-end, whichever comes first. Extensions to this deadline may be granted upon showing good cause.

## **705.05 – BOARD PRIORITY WHERE ATTENDANCE IS LIMITED**

Should an education provider limit Board Member attendance, it is the Boards' intent to provide attendance priority to the specified Board as designated in Attachment C. The basis for this designation is for the Board of Retirement Members to have attendance priority for benefit, healthcare, plan administration, and general policy conferences and for the Board of Investments Members to have priority for investment and actuarial conferences. In this context, the term "conference" is meant to include conference, meeting, roundtable, symposium, or any other term used to describe an educational opportunity. Should a conference not listed in Attachment C be approved by both



# EDUCATION AND TRAVEL POLICY

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Boards, such conference will be prioritized by the CEO in the manner used to set Board Priority in Attachment C.

## **705.06 - SELECTION OF ATTENDEES WHERE ATTENDANCE IS LIMITED**

In the event attendance at a conference or seminar where the number of LACERA representatives that may attend is limited, a Board staff secretary shall canvass the Board with conference priority, per Attachment C or so designated, to identify those Board Members interested in attending. In the event more Board Members from the Priority Board desire to attend than the conference provider will accommodate or this policy allows, such attendance will be determined by the appropriate priority listing as described in Attachment B. After fulfilling attendance needs for the Board with attendance priority, remaining attendance opportunity will shift to the other Board.

## **705.07 – CONFERENCE ATTENDANCE LIMITATIONS**

### **A. Number of Conferences Subject to Reimbursement per Fiscal Year**

1. Every Board Member is authorized to attend up to 8 approved conferences per fiscal year, and up to 12 if the Board Member is serving simultaneously on both Boards.
2. It is the policy's intent for Board members to have the ability to maximize attending local educational conferences. As such, conferences that do not require common carrier travel and lodging is under \$1,500, are not subject to the 8 (or 12, as applicable) conference attendance limit.

### **B. Failing to Attend or Canceling a Conference Timely**

Travel expenses incurred by a Board Member for the first 8 (or 12, as applicable) approved conferences the Board Member attends per fiscal year are subject to reimbursement by LACERA in accordance with this Education and Travel Policy. If a Board Member is enrolled for a conference but fails to attend or timely cancel and LACERA incurs an expense as a result (e.g., conference registration, travel and lodging cancelation fees), that conference counts toward the limit until the Board Member reimburses LACERA for all expenses incurred, unless the failure to cancel is excused under Section 705.12(c).

### **C. Exceeding the Number of Conferences Subject to Reimbursement per Fiscal Year**

LACERA will not reimburse a Board Member for expenses associated with

## EDUCATION AND TRAVEL POLICY

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conference attendance by a Board Member during the remainder of the fiscal year once the sum of approved conferences a Board Member attends plus those for which LACERA has incurred unreimbursed, unexcused cancelation expenses reaches 8 (or 12). The Board Member shall be responsible for all such expenses, including without limitation the registration fee, lodging, transportation and meal expenses. A Board member may place on the agenda of the member's respective Board a request to approve exceeding the conference limit specified in this Section.

### D. Seminars and Conferences Outside the United States

In addition to the limitations described in 705.06, the following limitations shall apply to attending conferences and seminars outside the United States (International Conferences). For purposes of Section 705.07.D.1 and 2, conferences and seminars in Canada and Mexico shall not be considered International Conferences:

1. An individual Board member shall not be authorized to attend more than two International Conferences in any fiscal year if the member serves on one Board, or more than three International Conferences in any fiscal year if the member serves on two Boards,
2. Not more than three Board members shall be authorized to attend the same International Conference,
3. Prior to attending an International Benefit Conference, a Board Member is required to attend an American Health Insurance Plans (AHIP) National Policy Forum or World Health Care Congress, and
4. Prior to attending an International Investment Conference a Board Member is required to successfully complete the State Association of County Retirement Systems (SACRS) Public Pension Investment Management Program or the University of Pennsylvania Wharton School of Business Portfolio Concepts and Management course.

### **705.08 - CASH ADVANCES**

Cash advances will not be allowed unless specifically approved for Board Members by the appropriate Board and staff by the CEO.

### **705.09 - EXPENSES FOR TRAVELING COMPANIONS**

Education and travel expenses for family members and/or traveling companions are not

# EDUCATION AND TRAVEL POLICY

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reimbursable by LACERA.

## **705.10 – ADDITIONAL TRAVEL DAYS TO MINIMIZE OVERALL TRAVEL COST**

Travel the day prior to and/or the day after a conference will be reimbursed if reasonably necessary because of time constraints. More than one additional day prior to and/or after international travel will be reimbursed as reasonably necessary based on the location of the conference. In addition, lodging and per diem for extra days prior to or after a conference will be reimbursed if such extension results in lower overall trip costs. For staff, cost comparisons for trip extensions shall include the costs of salary for any work days lost by the extension. Written justification for travel expenses incurred prior to or after a conference shall be submitted with the claim for reimbursement.

## **705.11 - GROUND TRANSPORTATION**

Individuals will be expected to use group shuttle service to and from metropolitan destinations unless such use is precluded by time constraints or it is safer, more efficient, or more economical to hire a taxi or rent a car, pay for parking, fuel, etc. Reimbursement of an alternative mode of transportation will be limited to the cost of the group shuttle service unless otherwise justified. When renting a vehicle, purchase of optional insurance is not necessary as LACERA's insurance will cover the same risks.

## **705.12 – CANCELING EDUCATION AND TRAVEL ARRANGEMENTS**

### **A. Responsibility for Timely Cancelation**

Individuals are responsible for timely canceling education and travel arrangements made on his/her behalf which will not be used so that no costs will be incurred by LACERA.

### **B. Responsibility for Untimely Cancelation Costs**

Individuals are responsible for all costs LACERA incurs as a result of the individual's failure to cancel education and travel arrangements before cancelation charges accrue, unless the failure to cancel was due to facts or circumstances beyond the traveler's control. The traveler must reimburse LACERA within 30 days after notification of the amount due. If reimbursement is not made within such 30-day period, and payment is still due, the amount shall be deducted from any payment due the traveler from LACERA.

# EDUCATION AND TRAVEL POLICY

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## C. Responsibility for Untimely Cancellation Costs with Good Cause

If the individual believes the failure to cancel was due to facts or circumstances beyond their control, they must submit a written excuse to the Board Chair, or to the CEO if the individual is staff, within 30 days after receiving notification of the cancellation expenses due. For Board Members, the Board Chair will approve or disapprove the excuse in writing to the individual, with a copy to the Board's staff secretary. If the individual is a Board Chair, then the written excuse must be submitted to that Board's Vice Chair who will then approve or disapprove the excuse. If the individual is a Vice Chair simultaneously serving as the acting Chair, then the Vice Chair's written excuse must be submitted to that Board's Secretary who will then approve or disapprove the excuse. Should a Board Member disagree with the Board Officer's determination, the Board Member may request the Board's staff secretary to agendize the matter for the Board's consideration.

## **705.13 – INTERNATIONAL TRAVEL INSURANCE**

LACERA will purchase travel insurance covering Board Members and staff while traveling internationally on LACERA business. The insurance will include accident, medical, security assistance and evacuation, travel assistance, trip cancellation, interruption or delay, and baggage loss or delay coverage.

## **705.14 - TRAVEL REPORTS**

The Chief Executive Officer shall submit a monthly Travel Report to both Boards listing the current fiscal year's completed, anticipated, and canceled education attendance for Board Members. Such report will include staff's educational travel.

A quarterly Travel Report listing Board Member education and travel expenses paid/reimbursed by LACERA shall be provided to both Boards. Such report shall identify the purpose, location, and cost. Such report will include staff's education and administrative travel.

## **705.15 - REPORT FOLLOWING ATTENDANCE AT CONFERENCE AND SEMINARS**

Board Members who attend a conference, seminar or meeting, are encouraged to report at a Board meeting the information and knowledge gained, an evaluation of the conference, seminar or meeting, and recommendation concerning future participation.

# EDUCATION AND TRAVEL POLICY

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## **705.16 - TRAVEL BY NEWLY APPOINTED AND ELECTED BOARD MEMBERS**

A person duly appointed or elected to the Board of Retirement or Board of Investments shall, for purposes of this policy, be deemed to have assumed the office of Board Member as of the date the person's appointment is approved or election is certified by the Board of Supervisors. It is the intent of this Section that incoming Board Members attend seminars and conferences as part of their orientation and preparation to assume the duties of a LACERA Board Member.

For purposes of Section 705.07, seminars and conferences related to the topics listed in Government Code §31522.8 that are attended during the six months prior to the date an individual's term of office commences shall be counted towards the number of seminars and conferences that may be attended during the first fiscal year of the individual's term in office.

A copy of this policy, related policy procedures, and list of all pre-approved, approved, or likely to be approved conferences scheduled to occur during the first six months of the newly elected or appointed member's term are to be provided to each new Board Member at the beginning of his/her term.

## **705.17 - BROWN ACT COMPLIANCE**

No more than four members of either Board are authorized to meet together to discuss LACERA business unless there is appropriate public notice of the meeting pursuant to the Ralph M. Brown Act. All meetings subject to the Brown Act must be held within the County of Los Angeles, unless otherwise permitted by the Brown Act. A person holding membership on both the Board of Retirement and Board of Investments counts as one of the members in attendance for each of the Boards. Attendance at conferences, seminars, meetings and social activities by more than four members of a Board is not a violation of this provision.

## **705.18 – WAIVER OF POLICY PROVISIONS**

For good cause presented in writing, and in the exercise of its sound discretion, the Board of Retirement or the Board of Investments may waive compliance with specific requirements of this Policy when in the best interest of LACERA.

# EDUCATION AND TRAVEL POLICY

## Reimbursement Schedule

### Attachment A

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When determining reimbursement limits for lodging and meals, LACERA considers how much control it has over those travel costs. Conference/seminar sponsors select the city and hotel for their conferences and LACERA has little or no input in the decision. Similarly, conference sponsors often provide meals, and LACERA again has little or no input as to the place or menu. Where LACERA's input regarding lodging and meals is limited – and thus its ability to control the cost of such items is limited – it is appropriate to reimburse the actual travel costs incurred subject to the requirements set forth below in this Attachment A with respect to individual expense categories, unless to do so would jeopardize LACERA's tax-exempt status.

The same rationale applies to meetings of limited partners, members, shareholders, advisory committees, etc. of entities to which LACERA has invested trust funds (“investor meetings”). LACERA has little or no input as to the location of investor meetings, or with respect to the meals provided during such meetings. Therefore investor meetings should be treated as “conferences/seminars” and not administrative travel for purposes of determining appropriate lodging and meal reimbursements.

A policy that reimburses actual lodging and meal costs where LACERA has little or no control over those costs provides benefits to LACERA. First, its Boards and staff will be better able to travel to educational conferences and investor meetings in fulfillment of their fiduciary duties if they do not have to bear the cost of such travel personally. Second, LACERA benefits from having its personnel enjoy the convenient educational access, increased networking opportunities, and safety afforded when staying at the designated conference or investor meeting hotel.

Travelers are encouraged to schedule travel in a way that minimizes LACERA's travel expenses. For example, a traveler may have a conference to attend and a due diligence visit to make in the same geographic area at or about the same time. The traveler should either (i) make two trips (i.e., return home after the first event) or (ii) make one trip (i.e., remain in the region in the interim between the events, and receive transportation, lodging and meal reimbursement during the interim as otherwise permitted by the Travel Policy), depending upon which results in lower overall cost to LACERA.

Amounts which can be reimbursed for transportation, lodging, meals and other items are indicated as follows:

# EDUCATION AND TRAVEL POLICY

## Reimbursement Schedule

### Attachment A

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#### TRANSPORTATION:

##### A. Airline Travel

1. Board Members and staff will travel in coach/economy class except that they may travel in business class or its equivalent for:
  - a. Flights having a scheduled non-stop flight time or total connecting travel time from original departing airport to the final destination airport of five hours or more and
  - b. Red-eye flights. "Red-eye flights" are defined as flights in which a majority of the flight time occurs between 10:00 PM and 6:00 AM.
  - c. Flights arriving or departing at an international location.
2. LACERA will reimburse the additional cost of coach/economy class seats advertised as having additional leg room regardless of flight time.
3. Recognizing air carriers have begun charging for incidental items historically included in the ticket price (for example, checking luggage, providing pillows, blankets, and non-alcoholic beverages during flights, etc.), LACERA also will reimburse carrier charges for such incidental items.
4. Substantiation of airline travel shall include a copy of the ticket or E-mail confirmation showing the cost of the air travel.
5. Board Members and staff traveling by air to conduct LACERA business may use only regularly-scheduled airline services operating by an air carrier certified by the Federal Aviation Administration or comparable foreign authority. Board Members and staff are prohibited from traveling on LACERA business via private aircraft, including but not limited to aircraft owned, leased, or rented by the individual Board Member or staff. Persons traveling on LACERA business via private aircraft will be deemed to be acting outside the scope of their responsibilities and employment. They will not be covered by LACERA's liability insurance.

# EDUCATION AND TRAVEL POLICY

## Reimbursement Schedule

### Attachment A

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#### B. Other Common Carrier Travel

1. Travel permitted under this Travel Policy should be accomplished in the most cost-effective and efficient manner practicable, considering the costs of the mode of transportation, travel time, accommodations, and per diem.
2. Generally air travel is the most cost-effective and efficient means for long distance travel, with “long distance travel” defined as a travel to a site more than 600 miles from LACERA’s headquarters.
3. Where a traveler has special travel needs or concerns such that travel by air for long distance travel is not practicable, then the traveler may use an alternate common carrier (e.g., train or bus) and incur such reasonable expenses associated with that mode of travel (e.g., sleeper car, additional days of per diem).
4. Substantiation of other common carrier travel shall include a copy of the ticket or E-mail confirmation showing the cost of the travel.

#### **LODGING:**

##### A. Room Cost

Reimbursement is limited to a standard class single room rate, including mandatory taxes and hotel fees. Actual expenses for lodging will be reimbursed upon submittal of receipts.

##### B. Government Rates

Board Members and staff traveling on LACERA business should always request government rates when making reservations and/or checking in. LACERA recognizes that the governmental rate offered for local governmental entities like LACERA may be higher than the federal government rate, or may not be available at all, especially in connection with international travel or conference attendance.

##### C. Attendance at Conferences and Investor Meetings

LACERA acknowledges that the cost of a standard room at a conference hotel may exceed the standard lodging reimbursement rate. Nevertheless, Board Members



# EDUCATION AND TRAVEL POLICY

## Reimbursement Schedule

### Attachment A

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and staff attending conferences are expected to stay at the designated conference meeting hotel to promote convenient educational access, networking, and safety. Reimbursement for lodging at a conference meeting is limited to the standard room rate charged by the conference meeting hotel. When lodging at the conference hotel is unavailable, reimbursement is limited to the best available rate for a standard room at a nearby hotel of comparable quality. The traveler will be responsible for any excess cost. This applies for staff attendance at investor meetings.

#### D. Travel Not Connected With Conferences or Investor Meetings

The maximum lodging amounts are intended to cover the cost of lodging at adequate, suitable and moderately-priced facilities located near the destination city's airport or the specific area in the destination city where LACERA's business will be conducted. Reimbursement for lodging connected with all non-conference travel is limited to:

1. Domestic: Not more than three times the regular per diem rate for the location as established from time to time by the Internal Revenue Service, found at [www.gsa.gov](http://www.gsa.gov) (click on "per diem rates").
2. International: Not more than three times the rate for the location as established from time to time by the United States Department of State, found at: [www.state.gov/m/a/als/prdm](http://www.state.gov/m/a/als/prdm).

#### **MEALS:**

It is the Policy's intent for the traveler to be reimbursed for meals not pre-paid for by LACERA. As such, LACERA will not reimburse the traveler for a meal which has been pre-paid for by LACERA (e.g., when conference registration includes meals), whether or not the traveler consumed the meal, except where the traveler could not consume the pre-paid meal because:

1. The traveler has special dietary or medical concerns, or
2. It was reasonably necessary for the traveler to conduct LACERA business (e.g., meet with an investment advisor) while the pre-paid meal was being served.

# EDUCATION AND TRAVEL POLICY

## Reimbursement Schedule

### Attachment A

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If reimbursement is requested under with the Per Diem Method or the Actual Receipt Method for a meal pre-paid by LACERA, written justification as to which of the above two exceptions applies will be provided with the reimbursement request.

Likewise, LACERA will not reimburse the traveler for a meal paid for by a third party.

#### Meal Reimbursement

Reimbursement for meals shall, at the traveler's option, be based either on "The Per Diem Method" or "The Actual Receipt Method." The traveler may use both the Per Diem Method and the Actual Receipt Method of reimbursement on a single trip, so long as only one method is used per calendar day.

#### A. The Per Diem Method

1. Under the Per Diem Method the traveler agrees to accept a flat rate for meal expense for actual meals eaten and is not required to submit receipts.
2. The per diem allowance will be computed using the Meals & Incidental Expenses rate (the "M&IE Rate") published by the Internal Revenue Service and in effect on the date of travel for the locality of travel.
3. The per diem allowance shall be claimed in accordance with the Meals & Incidental Expenses Breakdown (M&IE Breakdown) per the IRS, based on the M&IE Rate. The portion of the per diem the traveler receives depends upon when the travel occurs. For example, if the travel occurs during normal breakfast and lunch times, the traveler receives the per diem for breakfast and lunch; if the travel occurs during normal lunch and dinner times, the traveler receives the per diem for lunch and dinner, etc.

#### B. The Actual Receipt Method

1. Under the Actual Receipt Method, reimbursement shall be requested only for the actual cost paid for a meal.
2. Actual cost reimbursed will not to exceed \$100 per day.
3. Receipts shall include the following information:

# EDUCATION AND TRAVEL POLICY

## Reimbursement Schedule

### Attachment A

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- a. Meal cost amount, and
  - b. Date and location.
4. Credit card receipts are sufficient provided they include the required information.
  5. Annotating the meal receipt with the business purpose for the meal will assist staff with processing reimbursements, and if the receipt is for more than the individual, the names of persons whose meals are covered by the receipt.
  6. If a host provides a meal, and actual expenses are not incurred, then that meal should be excluded from reimbursement

#### **PORTERAGE:**

1. Maximum reimbursement for Porterage is \$10 per day of travel (that is, days involving transportation from home to a travel location, from one travel location to another, and from the final destination to home).
2. Porterage shall be based on the actual amount expended and documented on the claim form.
3. Porterage may not be claimed if reimbursement for meals is claimed using the Per Diem Method, as the Per Diem Method's IRS tables already factor in porterage reimbursement.

**PARKING:** Parking, including airport parking, will be reimbursed at actual rate (receipt required).

**MILEAGE:** Use of a personal vehicle will be reimbursed on a per mile basis at the rate approved by the Internal Revenue Service as of the date of travel.

#### **OTHER**

#### **BUSINESS**

**EXPENSES:** Other business expenses reasonably incurred in connection with LACERA business, such as business and personal telephone, fax,

# EDUCATION AND TRAVEL POLICY

## **Reimbursement Schedule**

### Attachment A

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internet access, gym access (including the standard gym fee charged by the traveler's hotel or, if hotel gym access is not available, the reasonable cost of daily access to a local gym or health facility), dry cleaning, and similar business expenses, shall be reimbursed upon submittal of receipts. The cost of membership in TSA Pre, Global Entry, NEXUS, SENTRI, or other expedited security and border processing programs shall be reimbursed upon submittal of receipts. Technology needs, for both international and domestic travel, may be discussed with the Systems Division in advance to develop appropriate solutions for the traveler's needs and to manage cost.

**EDUCATION AND TRAVEL POLICY**  
**Board Member Priority**  
**Attachment B**

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**PROCEDURE FOR SELECTION OF ATTENDEES  
AT CONFERENCES, SEMINARS AND MEETINGS WHERE  
ATTENDANCE IS LIMITED**

The following procedures apply to authorize attendance at conferences, seminars, and meetings where attendance is limited.

**A. Board Member Education Priority Listings**

1. Each Board shall keep separate Board Member Education Priority Listings.

2. Each Board shall keep two listings:

a. Domestic Education Priority List

Conferences, seminars and meetings held in the United States shall be considered domestic events for purposes of this policy.

b. International Education Priority List

Conferences, seminars and meetings held outside of the United States shall be considered international events for purposes of this policy.

3. Board Member Education Priority Listings will be maintained by the Board staff secretary.

**B. Creating Education Priority Listings**

1. Each Board member will be assigned an Initial Priority Date.

2. The Initial Priority Date will be the later of:

a. Board of Supervisor's Appointment date (includes Treasurer Tax Collector), or

b. Board of Supervisor's Election Certification date, or

c. Date the Board Member last attended a Domestic/International Conference, as appropriate for list being created.

# EDUCATION AND TRAVEL POLICY

## Board Member Priority

### Attachment B

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3. In the event the Board Member is serving concurrent elected or appointed terms, the Appointment/Election date will be earliest date in the current concurrent term of service. Board service will be bridged if the break in Board service is less than 18 months. Bridging Board service provides equity between the regularly appointed members and regularly elected members.
4. The Board staff secretary will sort the Board Members by Initial Priority Date. The Board Member with the oldest date will have the highest priority and the Board Member with the newest date will have the lowest priority.
5. In the event more than one Board Member has the same Initial Priority Date, the priority will be determined for such members by last name alphabetically.

#### C. Updating an Education Priority List

1. Board Members who attend a Domestic/International Conference will be placed at the bottom of the respective list.
2. Board Members who have a break in Board service for a period more than 18 months will have their names placed at the bottom of the respective lists upon return to Board service.
3. Using the Initial Priority Date method, new Board Members joining their respective Boards will be placed at the bottom of the respective lists.

#### D. Selection of Board Members Authorized to Attend

When the number of Board Members interested in attending a conference, seminar or meeting exceeds the number of attendees permitted by the sponsor, the Board staff secretary will document members indicating an interest in attending ("Interested Members"). Interested Members shall be authorized to attend in accordance with their priority on the applicable Education Priority List. Upon being authorized to attend, the Board Member shall be placed at the bottom of the Education Priority List.

In the event a Board Member authorized to attend in accordance with the above paragraph later decides not to attend, such Board Member's position on the

EDUCATION AND TRAVEL POLICY  
**Board Member Priority**  
Attachment B

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Education Priority List shall be restored to its former position, and the next Interested Member on the Education Priority List shall be authorized to attend.

In selecting Board Members to attend conferences and seminars, a Board Member shall not be considered as an Interested Member if such Board Member is disqualified from attending pursuant to the limitations imposed by Section 705.07.

**EDUCATION AND TRAVEL POLICY**  
**Pre-Approved Conferences and Board Priority**  
**Attachment C**

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**Board Priority Listing**  
**for Pre-Approved Conferences, Seminars and Meetings**

Conference/Seminar/Meeting	Priority	
	Board of Retirement	Board of Investments
America's Health Insurance Plans (AHIP) conferences, seminars, and meetings	✓	
America's Health Insurance Plans (AHIP): Annual Institute; Annual Medicare Conference; Annual National Policy Forum	✓	
California Association of Public Employee Retirement Systems (CALAPRS) Principles of Pension Management Course at Stanford Law School	✓	
CALAPRS meetings, conferences, seminars and periodic roundtables	✓	
California Retired County Employees Association (CRCEA) semi-annual conferences	✓	
Council of Institutional Investors (CII) conferences and meetings		✓
Federal and state legislative hearings on pension and retirement health care issues	✓	
Goldman Sachs conferences and educational meetings		✓
Government Finance Officers Association (GFOA) conferences, seminars and meetings	✓	
Harvard Kennedy School, Trustee Leadership Forum for Retirement Security, Initiative for Responsible Investment		✓



**EDUCATION AND TRAVEL POLICY**  
**Pre-Approved Conferences and Board Priority**  
**Attachment C**

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**Board Priority Listing**  
**for Pre-Approved Conferences, Seminars and Meetings**

Conference/Seminar/Meeting	Priority	
	Board of Retirement	Board of Investments
Harvard Law School Labor and Work Life Conference and Capital Matters Conference		✓
International Foundation of Employee Benefit Plans (IFEBP) Annual Employee Benefits Conference	✓	
International Foundation of Employee Benefit Plans (IFEBP) Annual Benefits Conference for Public Employees	✓	
International Foundation of Employee Benefit Plans (IFEBP) Annual Health Care Cost Management Conference	✓	
International Foundation of Employee Benefit Plans (IFEBP) Annual Investments Institute		✓
International Foundation of Employee Benefit Plans (IFEBP) Annual Washington Legislative Update Conference	✓	
Information Management Network (IMN) Beneficial Owners' International Securities Lending Summit Annual Conference		✓
Institutional Limited Partners Association (ILPA) conferences and meetings		✓
International Corporate Governance Network (ICGN) domestic conferences and meeting		✓
Milken Institute domestic conferences and meetings		✓

**EDUCATION AND TRAVEL POLICY**  
**Pre-Approved Conferences and Board Priority**  
**Attachment C**

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**Board Priority Listing**  
**for Pre-Approved Conferences, Seminars and Meetings**

Conference/Seminar/Meeting	Priority	
	Board of Retirement	Board of Investments
National Association of Securities Professionals Annual Pension and Financial Services Conference		✓
National Conference on Public Employees Retirement Systems (NCPERS) meetings, conferences and workshops	✓	
National Institute on Retirement Security (NIRS) conferences, seminars, and meetings	✓	
Pacific Pension Institute (PPI) domestic conferences, seminars, and meetings		✓
Pension Real Estate Association (PREA) annual spring and fall conferences and institute		✓
Public Retirement Journal conferences and seminars	✓	
State Association of County Retirement Systems (SACRS) meetings, educational conferences, seminars and symposiums	✓	
United Nations Principals of Responsible Investing (UNPRI) events		✓
University of Pennsylvania Wharton School's Pension Fund and Investment Management and the Portfolio Concepts and Management courses.		✓
World Healthcare Congress conferences, seminars and meetings	✓	

EDUCATION AND TRAVEL POLICY  
**Pre-Approved Conferences and Board Priority**  
Attachment C

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**Board Priority Listing**  
**for Pre-Approved Conferences, Seminars and Meetings**

Conference/Seminar/Meeting	Priority	
	Board of Retirement	Board of Investments
World Pension Forum domestic conferences		✓

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**SACRS Committee Meeting Calendar 2018-2019***As of 12/5/18 Subject to change per committee*


SACRS BOD and Legislative Committee meetings are held at SACRS headquarters unless noted

<b>Day &amp; Time</b>	<b>Date</b>	<b>Committee</b>	<b>Location</b>
Thursday – 11 am – Noon	December 13, 2018	Affiliate	Conference Call
Monday – Noon – 4 pm	December 17, 2018	Program	SACRS Headquarters
Tuesday – 9:30 am – 4 pm	December 18, 2018	BOD	SACRS Headquarters
Wednesday – 10 am – 11 am	December 19, 2018	Audit	SACRS Headquarters
Wednesday- 2:30 pm – 3:30 pm	December 19, 2018	Nominating	Conference Call
Monday Noon – 4 pm	January 14, 2019	Program	SACRS Headquarters
Tuesday 9:30 am – 4 pm	January 15, 2019	BOD	SACRS Headquarters
Friday - 9:00 am – Noon	January 18, 2019	Legislative	SCERS Office
TBA	January TBA	Education	Conference Call
TBA	January TBA	Affiliate	Conference Call
TBA	January TBA	Nominating	Conference Call
Monday Noon – 4 pm	February 11, 2019	Program	SACRS Headquarters
Tuesday 9:30 am – 4 pm	February 12, 2019	BOD	SACRS Headquarters
Friday- 9:00 am – Noon	February 15, 2019	Legislative	SCERS Office
TBA	February TBA	Nominating	Conference Call
TBA	February TBA	Audit	Conference Call
TBA	February TBA	Education	Conference Call
Friday – 9:00 am – Noon	March 15, 2019	Legislative	SCERS Office
Monday, Noon – 4 pm	March 18, 2019	Program	SACRS Headquarters
Tuesday - 9:30 am – 4 pm	March 19, 2019	BOD	SACRS Headquarters
TBA	March TBA	Nominating	Conference Call
TBA	March TBA	Audit	Conference Call
TBA	March TBA	Bylaws	Conference Call
Friday- 9:00 am – Noon	April 19, 2019	Legislative	SCERS Office
TBA	April TBA	Nominating	Conference Call
Tuesday – Friday	May 7-10, 2019	SACRS Spring Conf <b>All Committees</b>	Resort at Squaw Creek
Monday – Noon – 4 pm	June 17, 2019	Program	SACRS Headquarters
Tuesday - 9:30 am – 4 pm	June 18, 2019	BOD	SACRS Headquarters
Friday – 9:00 am – Noon	June 21, 2019	Legislative	SCERS Office
Monday – Noon – 4 pm	July 15, 2019	Program	SACRS Headquarters
Tuesday - 9:30 am – 4 pm	July 16, 2019	BOD	SACRS Headquarters
Friday – 9:00 am – Noon	July 19, 2019	Legislative	SCERS Office
Friday – 9:00 am – Noon	September 20, 2019	Legislative	SCERS Office
Monday – Noon – 4 pm	September 16, 2019	Program	SACRS Headquarters
Tuesday - 9:30 am – 4 pm	September 17, 2019	BOD	SACRS Headquarters
Friday – 11 am - Noon	September TBA	Affiliate	Conference Call
Friday - 9:00 am - Noon	October 18, 2019	Legislative	SCERS Office
Tuesday – Friday	November 12-15, 2019	SACRS Fall Conf <b>All Committees</b>	Monterey Hyatt

March 4, 2019

TO: Each Member  
Board of Retirement  
Board of Investments

FROM: Lou Lazatin   
Chief Executive Officer

Steven P. Rice   
Chief Counsel

FOR: March 13, 2019 Board of Investments Meeting  
March 14, 2019 Board of Retirement Meeting

SUBJECT: Additional Information Regarding Potential Use of E-Voting Procedure for Board Elections

At the January 9 and 10, 2019 Board meetings, the Board of Investments and Board of Retirement provided input to staff regarding the County of Los Angeles's plan to utilize e-voting in the 2019 Board elections, which will be for the safety member seats on both Boards, and in future elections for other seats. On January 17, 2019, the Chief Executive Officer (CEO) sent a letter to the County presenting the LACERA Boards' comments and concerns. A copy of the CEO's letter is attached.

On February 12, 2019, the County responded with a letter providing additional information. A copy of the County's letter is also attached. Highlights of the County's response include: (1) the County intends to offer at least one alternative to e-voting in this year's elections; (2) the County shares the Boards' concerns regarding retired voters and ensuring accessibility to the voting process by providing a voting alternative; (3) the County's vendor selection process has included a focus on measures to address security, confidentiality, and privacy; and (4) the County provides additional information regarding operational details of e-voting.

The County is in the final stages of vendor selection and election planning. However, if the Boards have additional comments, there is still time to share them.

.Attachments

c: Lou Lazatin  
JJ Popowich  
Jonathan Grabel



January 17, 2019

Ms. Kathy Markarian  
Deputy Executive Officer  
County of Los Angeles  
Board of Supervisors  
500 West Temple Street, Room 383  
Los Angeles, California 90012

Re: **E-Voting Solution for LACERA Board Elections**

Dear Ms. Markarian:

Thank you for sharing the County's plan to consider electronic voting for this year's Board of Retirement and Board of Investments safety member elections. LACERA staff discussed the e-voting concept with both Boards. While the Boards are supportive of the use of this technology, the trustees have some thoughts and concerns that I will share with you in this letter.

In summary, the trustees believe that e-voting may be an appropriate technology for this year's safety elections because safety members as a group are familiar with technology and should have little difficulty using it; the trustees agree that an e-voting process may increase voter participation for this group. The trustees are also supportive of the sustainability and cost reduction goals of e-voting. However, as to general and retired members, the trustees are greatly concerned that certain of the general membership and many retirees either will not have access to a computer or will not be comfortable with technology, and therefore might be unable to vote or discouraged from voting. If e-voting is used in future general and retired member elections, the trustees believe it is important that alternative voting procedures, such as paper ballots or telephonic voting also be offered, as CalPERS does to complement its e-voting option. The trustees also suggest that there be a focus on computer education if e-voting is rolled out to general and retired members, which will have the collateral benefit of increasing the familiarity of these members with technology more broadly.

Specific comments and questions from LACERA's Boards and staff include:

1. Alternative voting procedures. Trustees are interested in whether alternative voting procedures will be offered in addition to e-voting, this year or in the future. This is not a major concern for the upcoming safety elections, although since this is a transitional year, it may be appropriate to offer alternatives even in 2019 to test the e-voting process, gauge member preferences for the various alternatives, and assess the process in an environment that does not place complete reliance upon e-voting.



2. Retirees and general members. The Boards believe that many retirees and general members may face difficulties, and could even be unable to vote, if the only available method is electronic. With regard to retirees, age and disability were mentioned as factors, as well as lack of access to a computer or lack of familiarity with computer technology. One trustee noted that the Retired Employees of Los Angeles County (RELAC) recently sent almost 1,000 holiday cards to retirees 90 years of age or older. Another trustee noted the possibility that up to half of retired members may be unable to effectively access or utilize e-voting. Similarly, some general members are likely to lack computer access and experience. The trustees observed that computer education, if offered in connection with elections, could help mitigate, if not completely eliminate, these concerns over time.
3. Security, Confidentiality, and Privacy. The trustees would like to learn more about the security processes that will be employed to ensure the integrity of the election against hacking and other improper use, including the log in process so that only eligible voters can access the system during the voting, steps to ensure only one vote can be cast per eligible voter, and protection of member information and election results and data. The trustees also wish to protect the confidentiality and privacy of individual member information and the vote cast by each member.
4. Operational details. The trustees are interested in exactly how e-voting will work and be implemented, such as:
  - a. Who is the vendor? What is their experience and track record? What was the vendor selection process, *e.g.*, was an RFP run? What were the minimum qualifications? When the vendor agreement is available, LACERA is interested in receiving a copy.
  - b. How will the election be announced and instructions provided? Will it only be by email or will mail notice also be provided even if the votes are to be cast electronically? Will reminder notices be provided?
  - c. How will votes be cast? What is the user interface? What steps will be taken to prevent more than one vote being cast by a member? Can a member's vote be changed by the member during the election?
  - d. Will members be able to vote at any time from their personal computers and mobile devices or only from within the County IT environment during the workday? If personal devices are permitted, trustees mentioned the importance of permitting voting from members' smartphones.
  - e. What support will be offered to assist members with questions during the election? Will there be a helpdesk?

Ms. Kathy Markarian

January 17, 2019

Page 3

- f. How will votes be counted? How will the outcome be certified? What other data on the election will be collected?
- g. How will the e-voting process and its benefits, as well as the entire election process, be affected if more than one voting option is available?
- h. What will be the County's role in the election compared to prior years? How will the Board of Supervisors' election resolutions be different?

We appreciate the County's collaboration in seeking the input of LACERA and its Boards. We look forward to receiving additional information so that we can share it with our Boards. We would be happy to meet with you again if that is a beneficial means of further discussing the elections and e-voting.

Best regards,



Lou Lazatin

Chief Executive Officer

c: Don Garcia, Division Chief, County of Los Angeles, Executive Office  
Steven P. Rice, Chief Counsel, LACERA





CELIA ZAVALA  
EXECUTIVE OFFICER

# COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 383  
LOS ANGELES, CALIFORNIA 90012  
(213) 974-1411 • FAX (213) 620-0636

## MEMBERS OF THE BOARD

HILDA L. SOLIS  
MARK RIDLEY-THOMAS  
SHEILA KUEHL  
JANICE HAHN  
KATHRYN BARGER

February 12, 2019

Lou Lazatin  
Chief Executive Officer, LACERA  
300 N. Lake Avenue  
Pasadena, CA 91101

**SUBJECT: E-VOTING SOLUTION FOR LACERA BOARD ELECTIONS**

Dear Ms. Lazatin:

Thank you for discussing our proposed electronic voting solution with the LACERA Boards and for providing their comments and questions. We are happy to hear that they are supportive of the idea and appreciate the opportunity to address any concerns. We believe that our responses below will alleviate the concerns.

Following are the comments/questions from your January 17, 2019, letter along with our responses.

**1. Alternative voting procedures.** Trustees are interested in whether alternative voting procedures will be offered in addition to e-voting, this year or in the future. This is not a major concern for the upcoming safety elections, although since this is a transitional year, it may be appropriate to offer alternatives even in 2019 to test the e-voting process, gauge member preferences for the various alternatives, and assess the process in an environment that does not place complete reliance upon e-voting.

Executive Office Response:

Aside from the e-voting method, we intend on offering at least one alternative voting option, such as, telephone voting and/or a paper ballot. While we believe that cost reduction and sustainability are important factors, we agree that complete reliance should not be placed upon e-voting during this transition. We are still exploring the costs associated with the alternative options and will apprise LACERA of the final decision.

**2. Retirees and general members.** The Boards believe that many retirees and general members may face difficulties, and could even be unable to vote, if the only available method is electronic. With regard to retirees, age and disability were mentioned as factors, as well as lack of access to a computer or lack of familiarity with computer technology. One trustee noted that the Retired

**Employees of Los Angeles County (RELAC) recently sent almost 1,000 holiday cards to retirees 90 years of age or older. Another trustee noted the possibility that up to half of retired members may be unable to effectively access or utilize e-voting. Similarly, some general members are likely to lack computer access and experience. The trustees observed that computer education, if offered in connection with elections, could help mitigate, if not completely eliminate, these concerns over time.**

Executive Office Response:

We share the same concerns with regards to the retired members and their possible inaccessibility to vote electronically, and agree that an alternative method to e-voting should also be offered. As mentioned above, we are still exploring the various alternative voting options but agree that e-voting should be supplemented with an alternative voting method for those who are unable/unwilling to vote electronically.

**3. Security, Confidentiality, and Privacy. The trustees would like to learn more about the security processes that will be employed to ensure the integrity of the election against hacking and other improper use, including the log in process so that only eligible voters can access the system during the voting, steps to ensure only one vote can be cast per eligible voter, and protection of member information and election results and data. The trustees also wish to protect the confidentiality and privacy of individual member information and the vote cast by each member.**

Executive Office Response:

Security, confidentiality, and privacy are our top priorities for the upcoming LACERA elections. Our Request for Bid requirements were based on high security standards and approved by our Information Security Officer. The potential E-Voting vendors were asked to elaborate in their bid proposals on the security measures that would be in place to ensure:

- Accuracy of votes by using sophisticated security features embedded within voter credentials that guarantees one vote per eligible voter across all voting platforms
- Added layer of authentication credential for voters accessing the e-voting system, such as verification of the voters' date of birth
- Firewalls and encrypted systems to prevent fraud, digital manipulation of the election results, and security against automated systems accessing the web
- Complete anonymity of candidate selections made by voters by requiring digital separation of the user and the candidate selection stored electronically.
- Availability of a detailed audit trail of the voting process
- Security of hardware/software housed in the vendor's facility
- Data is maintained by redundant backups performed by vendor

All vendor proposals will be evaluated by our IT experts to ensure that the safeguards proposed by the vendors are sufficient. We will be happy to share the details with LACERA and its Board Members once a vendor has been identified.

#### **4. Operational details**

- a. **Who is the vendor? What is their experience and track record? What was the vendor selection process, e.g., was an RFP run? What were the minimum qualifications? When the vendor agreement is available, LACERA is interested in receiving a copy.**

Executive Office Response:

The vendor has not yet been selected. We solicited bids from five potential vendors and received three bids from Simply Voting, eBallot, and ScytI. The minimum qualifications aside from meeting the requirements described in our scope of work included: minimum of five years of experience hosting online elections, provide detailed verifiable references, and demonstrate having experience with handling large voter population including governmental agencies. Once a vendor is selected, we will be happy to provide LACERA and its Board Members a copy of the purchase order.

- b. **How will the election be announced and instructions provided? Will it only be by email or will mail notice also be provided even if the votes are to be cast electronically? Will reminder notices be provided?**

Executive Office Response:

Similar to past elections, we will send Department Heads and Election Coordinators information about the upcoming election. We will also send an email blast to applicable Departments regarding the nomination of candidates, and include language on Mylacounty.gov reminding Safety Members about voting. We would also be happy to work LACERA on any notification efforts such as providing members with information through LACERA's newsletter. In addition to our normal course of business, the added benefit of utilizing the new e-voting vendor is the ability to send customized emails to Safety Members notifying voters about the upcoming new electronic/alternative voting method as well as providing them with their voting credentials. Members without valid email addresses will be notified about the new system and voter credential via secured US mail. The new e-voting system will also allow us to send reminder emails to those Safety Members who have not yet voted during the election period.

- c. **How will votes be cast? What is the user interface? What steps will be taken to prevent more than one vote being cast by a member? Can a member's vote be changed by the member during the election?**

Executive Office Response:

Voters would be directed to a website requiring that they login using their credentials and verifying the added security measure (i.e. DOB). A digital ballot containing candidate statements will be presented similar to paper ballots, and the voter will be asked to make a selection for each seat. The voter will then be prompted to review their selection before submitting the ballot as final, or return to the ballot to make changes. Once the final ballot has been submitted, a confirmation number will be generated for the voter and the ballot would be cast as final. As indicated in question #3, our scope of work required that the credentials of each voter be sophisticated enough to ensure that only one vote per voter can be cast, regardless of the voting method.

- d. **Will members be able to vote at any time from their personal computers and mobile devices or only from within the County IT environment during the workday? If personal devices are permitted, trustees mentioned the importance of permitting voting from members' smartphones.**

Executive Office Response:

Our minimum requirement in our scope of work indicates that the vendor must offer a system that shall be compatible with all major internet browsers and on smart phones, tablets, and other common digital devices that have internet access.

- e. **What support will be offered to assist members with questions during the election? Will there be a helpdesk?**

Executive Office Response:

As always, the Executive Office will be available to assist with voter issues. The vendor will list contact information for the Executive Office on their website, so that voters can contact the Executive Office or their Departmental Election Coordinators with questions. We are also exploring the possibility of a help desk provided by the vendor, and will provide the details of this option once a vendor has been selected. However, as indicated by several of the vendors, most voter questions generally pertain to things that require a response by the customer (i.e. Executive Office), rather than the vendor.

- f. **How will votes be counted? How will the outcome be certified? What other data on the election will be collected?**

Executive Office Response:

Electronic and telephone votes will be tallied similar to paper ballots, except it will be done electronically and verified against several levels of security credentials, including audit trails and tracking of IP addresses. The vendor will certify the results after the election period and will provide us with additional data such as

the number of votes received by the various voting methods. We have also requested that the vendor provide us with ongoing data throughout the election period regarding bounced emails, returned mail, and any other discrepancies so that solutions may be provided before the election period is closed.

- g. **How will the e-voting process and its benefits, as well as the entire election process, be affected if more than one voting option is available?**

Executive Office Response:

We believe that the enhanced process and alternative voting options would increase voting participation and simplify the voting process.

- h. **What will be the County's role in the election compared to prior years? How will the Board of Supervisors' election resolutions be different?**

Executive Office Response:

The County's role will still require that we oversee and maintain the integrity of the process. The resolutions will be updated to reflect the election process selected. With the new e-voting system, the Registrar-Recorder/County Clerk (RR/CC) will not be involved in tallying and certifying election results since the vendor would be required to provide this service. However, the RR/CC will continue to review and validate candidate statements.

Thank you again for taking the time to provide us with this feedback. We are committed to working together to ensure that security remains a top priority and that the concerns of the LACERA Board Members are heard.

We will provide you with an update once a vendor has been selected. In the meantime, if you have any additional questions, I can be reached at (213) 974-2553.

Sincerely,



Kathy Markarian  
Deputy Executive Officer

KM:dg:ak

c: Steven Rice, General Counsel, LACERA  
Don Garcia, Division Chief, Executive Office

**FOR INFORMATION ONLY**

February 14, 2019

TO: Each Member  
Board of Retirement

FROM: Jonathan Grabel  
Chief Investment Officer

FOR: Board of Retirement Meeting of March 14, 2019  
(Held from February 14, 2019 BOR Meeting)

SUBJECT: *Trustees United*

The following is an update to the memo to each member of the Board of Investments and the Board of Retirement, dated January 16, 2019, and distributed for the January 17, 2019, Joint Meeting of the Board of Retirements and the Board of Investments, entitled “Statement of Principles and Press Release by Trustees United.”

As reported in the January 16, 2019 memo, on January 14, 2019, a group of pension fund trustees, acting in their individual capacity and affiliated with various California public funds, including several trustees serving on LACERA’s Board of Investments and Board of Retirement, announced in a press release and website launch the “Trustees United Principles” (the “Principles”) (see [www.trusteesunited.com](http://www.trusteesunited.com)). Per the publicly-available materials, the Principles seek to address human capital risks at portfolio companies, specifically those related to sexual harassment and workplace misconduct. The website states, “We, the undersigned, support these principles as individuals.”

LACERA’s policies and practices are generally aligned with the Principles, as exhibited in its *Corporate Governance Principles*, due diligence practices of external asset managers, and internal human resources guidelines. However, at their initial launch, the Principles’ public materials included reference to LACERA as a sponsoring organization and other language that may infer to a reader that LACERA had formally reviewed and endorsed the Principles in advance of the press release and website launch. After learning of the initiative, LACERA contacted the website administrator to request clarification in the initiative’s public materials that clarify the Principles as an effort organized by the signatory trustees. The website has been adjusted accordingly and now includes a more clear delineation between the trustees acting as individuals and the organizations to which they are affiliated.



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**Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.**

**For further information, contact:  
LACERA  
Attention: Public Records Act Requests  
300 N. Lake Ave., Suite 620  
Pasadena, CA 91101**



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