



April 4, 2018

To: Members of the Retirees Committee

From: Liz Koppenhaver, Chair, Retired Trustee

**Subject: Summary of the April 4, 2018 Retirees Committee Meeting**

Committee Chair Liz Koppenhaver called the April 4, 2018 meeting to order at 10:31 a.m. Committee members present were Liz Koppenhaver, George Wood, Annette Cain-Darnes, Keith Carson and Dale Amaral. Also present were Elizabeth Rogers, and alternate members Nancy Reilly and Darryl Walker. Staff present were David Nelsen, Chief Executive Officer; Kathy Foster, Assistant Chief Executive Officer; Margo Allen, Fiscal Services Officer; Kathy Mount, Chief Counsel; Sandra Dueñas-Cuevas, Benefits Manager; and Harsh Jadhav, Chief of Internal Audit.

### **ACTION ITEMS**

#### **1. Retiree Individual Medical Plan Marketplace Request for Proposal Results and Recommendation**

Staff provided an overview and results of the Retiree Individual Medical Plan Marketplace Request for Proposal process, including the analysis, rating criteria, candidate interviews, and scoring matrices. Trustee Cain-Darnes directed Staff to obtain Willis Towers Watson's December 31, 2017 annual financial statement in order to review how its income and expenses are recognized.

It was moved by Annette Cain-Darnes and seconded by George Wood that the Committee recommend to the Board of Retirement to award a contract for Retiree Individual Medical Plan Marketplace services to the selected firm with the highest rating as a result of the Request for Proposal process for Plan Year 2019.

The motion carried 6 yes (*Amaral, Cain-Darnes, Carson, Koppenhaver, Rogers, Wood*), 0 no, 0 abstentions.

### **INFORMATION ITEMS**

#### **1. Supplemental Retiree Benefit Reserve Financial Status**

Staff presented a 10-year history of the Supplemental Retiree Benefit Reserve (SRBR) activity through December 31, 2017. The total interest credited to the SRBR for 2017 was approximately \$66.7 million, using a total interest rate of 3.80% of regular earnings. Total deductions were approximately \$48.5 million. The December 31, 2017 ending balance was approximately \$893.8 million.

## **2. Report on Annual Health Care Planning Meeting with Retiree Groups**

Staff provided a report on the participants, topics, and follow-up items from the Annual Health Care Planning meeting, which was held on March 15, 2018.

## **3. Miscellaneous Updates**

Staff reported that Via Benefits/OneExchange sent reminder notices to members who still had balances in their Health Reimbursement Accounts for Plan Year 2017. In addition, Via Benefits/OneExchange introduced its new Gateway Portal, which is a secured way to submit members' issues or concerns, and allows for a more efficient way to assign, track, and provide status on reported items in a timely manner. The Portal also allows ACERA's team to view and follow-up on items that have been submitted.

## **RECOMMENDATIONS**

### **1. Retiree Individual Medical Plan Marketplace Request for Proposal Results and Recommendation**

The Committee recommends, and I move that the Board of Retirement award a contract for Retiree Individual Medical Plan Marketplace services to the selected firm with the highest rating as a result of the Request for Proposal process for Plan Year 2019.

## **TRUSTEE REMARKS**

None.

## **PUBLIC INPUT**

None.

## **ESTABLISHMENT OF NEXT MEETING DATE**

The next meeting is scheduled for May 2, 2018 at 10:30 a.m.

## **MEETING ADJOURNED**

The meeting adjourned at 11:07 a.m.