



June 6, 2018

To: Members of the Retirees Committee

From: Liz Koppenhaver, Chair, Retired Trustee

Subject: Summary of the June 6, 2018 Retirees Committee Meeting

Committee Chair Liz Koppenhaver called the June 6, 2018 meeting to order at 10:35 a.m. Committee members present were Liz Koppenhaver, George Wood, Keith Carson and Dale Amaral. Also present were Elizabeth Rogers and Henry Levy, and alternate member Nancy Reilly. Staff present were David Nelsen, Chief Executive Officer; Kathy Foster, Assistant Chief Executive Officer; Margo Allen, Fiscal Services Officer; Kathy Mount, Chief Counsel; Harsh Jadhav, Chief of Internal Audit; and Sandra Dueñas-Cuevas, Benefits Manager.

ACTION ITEMS

There were no action items for discussion.

INFORMATION ITEMS

1. Presentation and Report on Health Care Inflation/Trends

Staff reported on health care inflation factors for 2018 and 2019 based on the information provided by Segal Consulting, ACERA's Actuary, and Keenan & Associates (Keenan), ACERA's Benefits Consultant. The trend assumptions provided have been reset to start at 7.00% for non-Medicare plans and 6.50% for Medicare Advantage plans. The trend used for dental, vision and Medicare Part B is 4.50%. These trends will be used in accordance with ACERA's GASB 43 substantive plan definition. Keenan also provided an eight-year ACERA rate history for the period 2011 through 2018 for Kaiser Permanente and UnitedHealthcare.

2. Discussion of Monthly Medical Allowance (MMA) for 2019

Staff presented Group and Individual plan enrollment Monthly Medical Allowance (MMA) cost comparisons for the 2018 and 2019 Plan Years. This item will be brought back to the Retirees Committee for further discussion and possible approval of the 2019 MMA at the July 2018 meeting.

3. Via Benefits/OneExchange 2017 Year End Review

Via Benefits/OneExchange provided information on the 2018 current state of the marketplace related to Medicare, pre-65 retirees, and the Affordable Care Act. In addition, Via Benefits/OneExchange provided call statistics for its entire line of business, a statistical overview of ACERA's Medicare and pre-65 enrollments, average premiums, call metrics,

carrier selections, Health Reimbursement Arrangement (HRA) account activity; claims information; service levels and customer satisfaction survey results.

4. Plans for Open Enrollment and Retiree Health and Wellness Fair

Staff provided a timeline and information on the planning for ACERA's annual Open Enrollment and Retiree Health and Wellness Fair.

5. Miscellaneous Updates

Staff reported that Via Benefits/OneExchange uploaded a new database configuration, which contained an error causing additional funds to be allocated to some participants' HRA accounts. There were 109 ACERA participants impacted by this issue; however, Via Benefits/OneExchange's data team was able to correct the problem immediately, so no ineligible reimbursements were made causing any overpayments.

TRUSTEE REMARKS

None.

PUBLIC INPUT

None.

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for July 11, 2018 at 1:30 p.m.

MEETING ADJOURNED

The meeting adjourned at 11:52 a.m.