



MINUTES OF SEPTEMBER 19, 2024 RETIREES COMMITTEE MEETING

To: Members of the Retirees Committee

From: Elizabeth Rogers, Chair

Subject: Summary of the September 19, 2024 Retirees Committee Meeting

Committee Chair Elizabeth Rogers called the September 19, 2024 Committee meeting to order at 1:01 p.m.

ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE

Committee members present were Elizabeth Rogers, Ross Clippinger and Kellie Simon. Also present were Ophelia Basgal, Jaime Godfrey and alternate members Cynthia Baron and Kevin Bryant.

Staff present were Carlos Barrios, Assistant Chief Executive Officer; Sandra Dueñas-Cuevas, Benefits Manager; Erica Haywood, Fiscal Services Officer; Jessica Huffman, Benefits Manager; Harsh Jadhav, Chief of Internal Audit; Vijay Jagar, Chief Technology Officer; Lisa Johnson, Assistant Chief Executive Officer; David Nelsen, Chief Executive Officer; Jeff Rieger, Chief Counsel; and Betty Tse, Chief Investment Officer.

PUBLIC INPUT

None.

ACTION ITEMS

1. Approval to Increase Current Hearing Aid Benefit Allowance for Kaiser Permanente Medicare Plan Enrollees for Plan Year 2025

Staff reported that last year, the cost that was presented to increase the \$1,000 hearing aid benefit to a \$2,000 hearing aid benefit through Kaiser Permanente's (Kaiser) group medical plans was \$18.65 per member. Due to the cost that was quoted, Staff looked into providing the increased benefit through Via Benefits as an option. Staff recently found out that the cost that was quoted last year was overstated. The quote was an annual cost per member, but it was reported as a monthly cost per member.

Based on Kaiser's medical renewal group plan rates for Plan Year 2025, the cost to increase the hearing aid benefit through Kaiser is less than it would be to have Via Benefits administer the reimbursements for the hearing aid benefits through a Health Reimbursement Arrangement. Therefore, Staff is recommending to increase the hearing aid benefits for Medicare and early (non-Medicare eligible) retirees through Kaiser.

Trustee Basgal stated that it would be important to notify retirees that they do not have to be a Kaiser member to get hearing aids through Kaiser.

There was discussion regarding the importance of being able to hear, and the negative impacts that hearing loss has on a person's mental health, social interactions, and overall health.

Alicia Baptista, President of the Retired Employees of Alameda County, Inc. (REAC) and Pete Albert, President of Alameda County Retired Employees (ACRE) retiree associations, voiced their support for increasing the hearing aid benefits as it is a needed benefit for those who have difficulty hearing.

It was moved by Ophelia Basgal and seconded by Kellie Simon that the Committee recommend to the Board of Retirement a motion to increase the current \$1,000 hearing aid benefit allowance for Medicare retirees enrolled in the Kaiser Permanente Senior Advantage plan to a \$2,000 hearing aid benefit allowance per ear, every 36 months for Plan Year 2025.

The motion carried 6 yes (Basgal, Bryant, Clippinger, Godfrey, Rogers, and Simon), 0 no, 0 abstentions.

2. Approval to Increase Current Hearing Aid Benefit Allowance for Kaiser Permanente Early (Non-Medicare Eligible) Plan Enrollees for Plan Year 2025

It was moved by Ophelia Basgal and seconded by Kellie Simon that the Committee recommend to the Board of Retirement a motion to increase the current \$1,000 hearing aid benefit allowance for early (non-Medicare eligible) retirees enrolled in the Kaiser Permanente HMO plan to a \$2,000 hearing aid benefit allowance per ear, every 36 months for Plan Year 2025.

The motion carried 6 yes (Basgal, Bryant, Clippinger, Godfrey, Rogers, and Simon), 0 no, 0 abstentions.

INFORMATION ITEMS

1. ACERA-Sponsored Medical Plans and Premiums for Plan Year 2025

Staff and the County of Alameda (County) provided information on the renewal of the County's medical plan contracts for the 2025 Plan Year. The County presented detailed information regarding renewal rates and plan coverage for the Plan Year February 1, 2025 through January 31, 2026. The Kaiser Permanente early retiree rate will increase by 5.65%, and the Kaiser Permanente Senior Advantage (KPSA) plan premium will increase by 5.50%. The UnitedHealthcare (UHC) Signature Value and the UHC Signature Value Advantage plans premiums will increase by 8.90%.

The current Silver&Fit program in the KPSA plan will be replaced with the new OnePass program for the 2025 Plan Year. The OnePass program will be standard in the plan, and the \$1.33 per member/per month cost is incorporated in the premium rate. In response to Trustee Basgal, utilization information for the OnePass program will be provided.

2. Discussion Regarding Kaiser Permanente Senior Advantage Plan Optional Riders for Plan year 2025

Staff provided information on the Over-the-Counter, Meals and Transportation Benefits as optional riders available for the Kaiser Permanente Senior Advantage plan for Plan Year 2025. In response to Trustees Basgal and Rogers, Staff and REAC will survey retirees regarding their interests in these benefits to discuss at the annual health care planning meeting. In response to Trustee Basgal's comment, Staff will include information in the survey that paratransit is available at no cost to the member. Trustee Basgal also pointed out that the error made regarding the available Over-the-Counter benefits was due to Kaiser printing the information in its Evidence of Coverage document.

TRUSTEE REMARKS

In response to Trustee Clippinger's inquiry regarding an update on his request for an actuarial study of increases to the MMA and the impact on the Supplemental Retiree Benefit Reserve (SRBR), Trustee Rogers and Assistant Chief Executive Officer Carlos Barrios stated that they have discussed his request with Segal. Staff has requested Segal to take into account additional information in its study for a more complete analysis, and expects to receive a revised proposal to perform the study shortly.

FUTURE DISCUSSION ITEMS

- Presentation and Acceptance of SRBR Funding Report/Valuation

ESTABLISHMENT OF NEXT MEETING DATE

Trustee Rogers stated that there is a possibility of changing the date of the next meeting to the same day as the Board of Retirement meeting, and will advise once a decision is made.

MEETING ADJOURNED

The meeting adjourned at 1:57 p.m.