



Alameda County Employees' Retirement Association  
BOARD OF RETIREMENT

**RETIRES COMMITTEE/BOARD MEETING  
NOTICE and AGENDA**

**THIS MEETING WILL BE CONDUCTED VIA TELECONFERENCE [SEE EXECUTIVE ORDER N-29-20 ATTACHED AT THE END OF THIS AGENDA.]**

**ACERA MISSION:**

To provide ACERA members and employers with flexible, cost-effective, participant-oriented benefits through prudent investment management and superior member services.

**Wednesday, December 2, 2020  
10:30 a.m.**

<b>ZOOM INSTRUCTIONS</b>	<b>COMMITTEE MEMBERS</b>	
The public can view the Teleconference and comment via audio during the meeting. To join this Teleconference, please click on the link below. <a href="https://zoom.us/join">https://zoom.us/join</a> Meeting ID: 829 2323 4360 Password: 752499 For help joining a Zoom meeting, see: <a href="https://support.zoom.us/hc/en-us/articles/201362193">https://support.zoom.us/hc/en-us/articles/201362193</a>	<b>LIZ KOPPENHAVER, CHAIR</b>	<b>ELECTED RETIRED</b>
	<b>JAIME GODFREY, VICE CHAIR</b>	<b>APPOINTED</b>
	<b>DALE AMARAL</b>	<b>ELECTED SAFETY</b>
	<b>KEITH CARSON</b>	<b>APPOINTED</b>
	<b>GEORGE WOOD</b>	<b>ELECTED GENERAL</b>

This is a meeting of the Retirees Committee if a quorum of the Retirees Committee attends, and it is a meeting of the Board if a quorum of the Board attends. This is a joint meeting of the Retirees Committee and the Board if a quorum of each attends.

The order of agenda items is subject to change without notice. Board and Committee agendas and minutes, and all documents distributed to the Board or a Committee in connection with a public meeting (unless exempt from disclosure), are available online at [www.acera.org](http://www.acera.org).

*Note regarding public comments:* Public comments are limited to four (4) minutes per person in total.

*Note regarding accommodations:* The Board of Retirement will provide reasonable accommodations for persons with special needs of accessibility who plan to attend Board meetings. Please contact ACERA at (510) 628-3000 to arrange for accommodation.

# ***RETIREES COMMITTEE/BOARD MEETING***

NOTICE and AGENDA, Page 2 of 3 – Wednesday, December 2, 2020

**Call to Order:** 10:30 a.m.

**Roll Call:**

**Public Input (Time Limit: 4 minutes per speaker)**

## **Action Items: Matters for Discussion and Possible Motion by the Committee**

### **1. Adoption of Medicare Part B Reimbursement Plan Benefit for 2021**

Motion to continue to provide Medicare Part B Reimbursement Plan (MBRP) benefits to current eligible retirees at the lowest standard monthly premium rate.

- Kathy Foster
- Segal Group

#### Recommendation

Staff recommends that the Retirees Committee recommend to the Board of Retirement to continue to provide the Medicare Part B Reimbursement Plan (MBRP) benefit to eligible retirees in 2021, and approve the reimbursement based on the lowest standard monthly Medicare Part B premium at the rate of \$148.50. The MBRP benefit is a non-vested benefit funded by contributions from ACERA Employers to the 401(h) account. After contributions are made, in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.

### **2. Adoption of Updates to Appendix A of 401(h) Account Resolutions**

Motion to adopt revisions to 401(h) Account Resolution 07-29, Appendix A, amended to reflect Plan Year 2021 benefit amounts.

- Kathy Foster

#### Recommendation

Staff recommends that the Retirees Committee recommend to the Board of Retirement (Board) to adopt the revised and updated Appendix A to Resolution No. 07-29, which reflects the changes approved by the Board to the Monthly Medical Allowance amounts for Group and Individual Plans as well as the Retiree Health Benefit contribution amounts for Plan Year 2021.

## **Information Items: These items are not presented for Committee action but consist of status updates and cyclical reports**

### **1. Annual Retired Member (Lump Sum) Death Benefit Report**

Staff will provide a report on the \$1,000 Retired Member (lump sum) Death Benefits paid in 2020. This benefit is funded by the Supplemental Retiree Benefit Reserve and is a vested benefit, as long as there are funds available.

- Jessica Huffman

# ***RETIREES COMMITTEE/BOARD MEETING***

**NOTICE and AGENDA, Page 3 of 3 – Wednesday, December 2, 2020**

**2. Virtual Retiree Health and Wellness Fair Results and Open Enrollment Activity**

Staff will provide results of the Virtual Retiree Health and Wellness Fair and Open Enrollment activity for Plan Year 2021.

- Ismael Piña

**3. Miscellaneous Updates**

Staff will update the Committee on any recent benefit issues affecting ACERA retirees.

- Ismael Piña

**Trustee Remarks**

**Future Discussion Items**

- Annual Supplemental Cost of Living Adjustment (COLA)

**Establishment of Next Meeting Date**

February 3, 2021, at 10:30 a.m.

**Adjournment**

**EXECUTIVE DEPARTMENT  
STATE OF CALIFORNIA**

**EXECUTIVE ORDER N-29-20**

**WHEREAS** on March 4, 2020, I proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

**WHEREAS** despite sustained efforts, the virus continues to spread and is impacting nearly all sectors of California; and

**WHEREAS** the threat of COVID-19 has resulted in serious and ongoing economic harms, in particular to some of the most vulnerable Californians; and

**WHEREAS** time bound eligibility redeterminations are required for Medi-Cal, CalFresh, CalWORKs, Cash Assistance Program for Immigrants, California Food Assistance Program, and In Home Supportive Services beneficiaries to continue their benefits, in accordance with processes established by the Department of Social Services, the Department of Health Care Services, and the Federal Government; and

**WHEREAS** social distancing recommendations or Orders as well as a statewide imperative for critical employees to focus on health needs may prevent Medi-Cal, CalFresh, CalWORKs, Cash Assistance Program for Immigrants, California Food Assistance Program, and In Home Supportive Services beneficiaries from obtaining in-person eligibility redeterminations; and

**WHEREAS** under the provisions of Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this order would prevent, hinder, or delay appropriate actions to prevent and mitigate the effects of the COVID-19 pandemic.

**NOW, THEREFORE, I, GAVIN NEWSOM**, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes of the State of California, and in particular, Government Code sections 8567 and 8571, do hereby issue the following order to become effective immediately:

**IT IS HEREBY ORDERED THAT:**

1. As to individuals currently eligible for benefits under Medi-Cal, CalFresh, CalWORKs, the Cash Assistance Program for Immigrants, the California Food Assistance Program, or In Home Supportive Services benefits, and to the extent necessary to allow such individuals to maintain eligibility for such benefits, any state law, including but not limited to California Code of Regulations, Title 22, section 50189(a) and Welfare and Institutions Code sections 18940 and 11265, that would require redetermination of such benefits is suspended for a period of 90 days from the date of this Order. This Order shall be construed to be consistent with applicable federal laws, including but not limited to Code of Federal Regulations, Title 42, section 435.912, subdivision (e), as interpreted by the Centers for Medicare and Medicaid Services (in guidance issued on January 30, 2018) to permit the extension of

otherwise-applicable Medicaid time limits in emergency situations.

2. Through June 17, 2020, any month or partial month in which California Work Opportunity and Responsibility to Kids (CalWORKs) aid or services are received pursuant to Welfare and Institutions Code Section 11200 et seq. shall not be counted for purposes of the 48-month time limit set forth in Welfare and Institutions Code Section 11454. Any waiver of this time limit shall not be applied if it will exceed the federal time limits set forth in Code of Federal Regulations, Title 45, section 264.1.
3. Paragraph 11 of Executive Order N-25-20 (March 12, 2020) is withdrawn and superseded by the following text:

Notwithstanding any other provision of state or local law (including, but not limited to, the Bagley-Keene Act or the Brown Act), and subject to the notice and accessibility requirements set forth below, a local legislative body or state body is authorized to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to observe and to address the local legislative body or state body. All requirements in both the Bagley-Keene Act and the Brown Act expressly or impliedly requiring the physical presence of members, the clerk or other personnel of the body, or of the public as a condition of participation in or quorum for a public meeting are hereby waived.

In particular, any otherwise-applicable requirements that

- (i) state and local bodies notice each teleconference location from which a member will be participating in a public meeting;
- (ii) each teleconference location be accessible to the public;
- (iii) members of the public may address the body at each teleconference conference location;
- (iv) state and local bodies post agendas at all teleconference locations;
- (v) at least one member of the state body be physically present at the location specified in the notice of the meeting; and
- (vi) during teleconference meetings, a least a quorum of the members of the local body participate from locations within the boundaries of the territory over which the local body exercises jurisdiction

are hereby suspended.

A local legislative body or state body that holds a meeting via teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically, consistent with the notice and accessibility requirements set forth below, shall have satisfied any requirement that the body allow

members of the public to attend the meeting and offer public comment. Such a body need not make available any physical location from which members of the public may observe the meeting and offer public comment.

Accessibility Requirements: If a local legislative body or state body holds a meeting via teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically, the body shall also:

- (i) Implement a procedure for receiving and swiftly resolving requests for reasonable modification or accommodation from individuals with disabilities, consistent with the Americans with Disabilities Act and resolving any doubt whatsoever in favor of accessibility; and
- (ii) Advertise that procedure each time notice is given of the means by which members of the public may observe the meeting and offer public comment, pursuant to subparagraph (ii) of the Notice Requirements below.

Notice Requirements: Except to the extent this Order expressly provides otherwise, each local legislative body and state body shall:

- (i) Give advance notice of the time of, and post the agenda for, each public meeting according to the timeframes otherwise prescribed by the Bagley-Keene Act or the Brown Act, and using the means otherwise prescribed by the Bagley-Keene Act or the Brown Act, as applicable; and
- (ii) In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, also give notice of the means by which members of the public may observe the meeting and offer public comment. As to any instance in which there is a change in such means of public observation and comment, or any instance prior to the issuance of this Order in which the time of the meeting has been noticed or the agenda for the meeting has been posted without also including notice of such means, a body may satisfy this requirement by advertising such means using "the most rapid means of communication available at the time" within the meaning of Government Code, section 54954, subdivision (e); this shall include, but need not be limited to, posting such means on the body's Internet website.

All of the foregoing provisions concerning the conduct of public meetings shall apply only during the period in which state or local public health officials have imposed or recommended social distancing measures.

All state and local bodies are urged to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to the provisions of the Bagley-Keene Act and the Brown Act, and other applicable local laws regulating the conduct of public meetings, in order to maximize transparency and provide the public access to their meetings.

**IT IS FURTHER ORDERED** that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

**IN WITNESS WHEREOF** I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 17th day of March 2020.



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GAVIN NEWSOM  
Governor of California

**ATTEST:**

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ALEX PADILLA  
Secretary of State



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: December 2, 2020

TO: Members of the Retirees Committee

FROM: Kathy Foster, Assistant Chief Executive Officer 

SUBJECT: **Medicare Part B Reimbursement Plan Benefits for 2021**

The Centers for Medicare & Medicaid Services (CMS) announced the 2021 Medicare Part B premiums on November 6, 2020. Based on the Supplemental Retiree Benefit Reserve (SRBR) Policy, ACERA reimburses eligible retirees the lowest standard premium amount. Currently, ACERA is paying \$144.60 to eligible retirees as this was the lowest standard premium for all eligible recipients. The standard monthly premium for Medicare Part B enrollees will be \$148.50 for 2021, which is an increase of about 2.7%.

Attached is a letter from Paul Sadro with the Segal Group (Segal), ACERA's Benefits Consultant, which provides additional information regarding the 2021 Medicare Parts A and B premiums and deductibles. In addition, the table on page 3 of Segal's letter regarding the number of retirees at the CMS income levels is provided to give Trustees a sense of the impact of setting the MBRP amount at the lowest standard premium. Note that the income is only based on ACERA benefit amounts (for 2019), but provides figures reflecting out-of-pocket numbers the higher income groups may incur for their Medicare Part B premiums.

The number of current retirees receiving Medicare Part B Reimbursement Plan (MBRP) benefit as of November 2020 is 5,649. If ACERA increases the MBRP benefit to \$148.50 for all retirees currently receiving this benefit, the estimated annual cost for 2021 is \$10,066,518. The estimated annual cost based on the same number of retirees and the 2020 benefit amount of \$144.60 is \$9,802,145. The difference in the estimated annual cost is \$264,373. These amounts will change for 2021 based on the number of eligible retirees receiving this benefit each payroll.

Recommendation

Staff recommends that the Retirees Committee recommend to Board of Retirement to continue to provide the Medicare Part B Reimbursement Plan (MBRP) benefit to eligible retirees in 2021, and approve the reimbursement based on the lowest standard monthly Medicare Part B premium at the rate of \$148.50. The MBRP benefit is a non-vested benefit funded by contributions from ACERA Employers to the 401(h) account. After contributions are made, in accordance with the County Employees Retirement Law, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.

Attachment





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November 12, 2020

Kathy Foster  
Assistant Chief Executive Officer  
ACERA  
475 14<sup>th</sup> Street, Suite 1000  
Oakland, CA 94612

## Re: Medicare Part A and B Premiums and Deductibles

Dear Kathy:

### Medicare Part A Premiums

Medicare Part A covers inpatient hospital, skilled nursing facility, and some home health care services. About 99% of Medicare beneficiaries do not pay a Part A premium since they have at least 40 quarters of Medicare-covered employment. If retirees need to purchase Part A, they will pay up to \$471 each month in 2021 versus up to \$458 in 2020.

### Medicare Part A Deductibles

**Part A Deductible and Coinsurance Amounts for Calendar Years  
2020 and 2021 Type of Cost Sharing**

Year	2020	2021
Inpatient hospital deductible	\$1,408	\$1,484
Daily coinsurance for 61 <sup>st</sup> – 90 <sup>th</sup> Day	\$352	\$371
Daily coinsurance for lifetime reserve days	\$704	\$742
Skilled Nursing Facility coinsurance (Days 21-100)	\$176.00	\$185.50

### Medicare Part B Premiums

Retirees pay a premium each month for Medicare Part B medical insurance, which covers physicians' services, outpatient hospital services, certain home health services, durable medical equipment, and certain other items not covered by Part A. The final rates for Medicare Part B were announced by CMS on November 6, 2020 and will take effect January 1, 2021.

CMS announced that the annual deductible for all Part B beneficiaries will be \$203.00 in 2021, an increase of \$5.00 from the annual deductible of \$198.00 in 2020. Premiums for Medicare Advantage and Medicare Prescription Drug plans are already finalized and unaffected by this announcement.

In years where the Social Security Cost of Living Adjustment (COLA) is less than the dollar increase in Medicare Part B Premium there is a statutory "hold harmless" provision meant to protect retirees by preventing the full increase of Part B premiums. Medicare Part B standard premiums are increasing by \$3.90 from \$144.60 in 2020 to \$148.50 in 2021, about a 2.7% increase. The COLA increase is 1.3% for 2021, averaging \$20 per month nationally, as reported by the Social Security National Press Office. The average monthly COLA increase is over five times the standard Part B premium increase for 2021.

Since 2007, beneficiaries with higher incomes have paid higher Part B monthly premiums. These income-related monthly adjustment amounts (IRMAA) affect about 7% of people nationally with Medicare. The 2021 Part B total premiums for high income beneficiaries are shown in the following table.

2019 File Individual Tax Return	2019 File Joint Tax Return	2019 File Married & Separate Tax Return	2021 Monthly Premium
\$88,000 or less	\$176,000 or less	\$88,000 or less	\$148.50
Above \$88,000 to \$111,000	Above \$176,000 to \$222,000	N/A	\$207.90
Above \$111,000 to \$138,000	Above \$222,000 to \$276,000	N/A	\$297.00
Above \$138,000 to \$165,000	Above \$276,000 to \$330,000	N/A	\$386.10
Above \$165,000 and less than \$500,000	Above \$330,000 and less than \$750,000	Above \$88,000 and less than \$412,000	\$475.20
\$500,000 or above	\$750,000 and above	\$412,000 and above	\$504.90

### Impact on ACERA Retirees

ACERA retirees enrolled in Kaiser Senior Advantage have their entire insurance premium covered by the Monthly Medical Allowance (MMA) if they have 20 years of service. The majority of these retirees will not pay out of pocket for Medicare premiums in 2021. Most retirees have the 40 quarters required for fully subsidized Part A. If continued in 2021, ACERA's Medicare Part B Reimbursement Plan reimburses Part B premiums up to the standard amount, which covers the entire Part B premium for most retirees. A smaller proportion of retirees are required to pay the IRMAA.

The table below summarizes out of pocket costs to retirees based on income, using ACERA retirement income as Individual Taxable Income.

<b>2019 File Individual Tax Return</b>	<b>Retirees Over Age 65</b>	<b>% of Retirees</b>	<b>2021 Monthly Premium</b>	<b>Cost to Retiree*</b>
\$88,000 or less	6,453	82%	\$148.50	\$0.00
Above \$88,000 to \$111,000	629	8%	\$207.90	\$59.40
Above \$111,000 to \$138,000	418	5%	\$297.00	\$148.50
Above \$138,000 to \$165,000	178	2%	\$386.10	\$237.60
Above \$165,000 and less than \$500,000	210	3%	\$475.20	\$326.70
\$500,000 or above	0	0%	\$504.90	\$356.40

\*The cost to the retiree is the IRMAA, which is the difference between the Part B premium and ACERA's reimbursement of the standard premium amount of \$148.50 per month.

Under the Medicare Part B Reimbursement Plan, the majority of ACERA's Medicare retirees will be able to avoid paying out of pocket to cover premiums in 2021 by enrolling in Kaiser Senior Advantage if they have 20 years of service.

By comparison, ACERA's Non-Medicare retirees enrolling in Kaiser will have a single retiree premium of \$810.72 of which \$578.65 is covered by the MMA, resulting in an out of pocket cost of \$232.07 per month.

Please feel free to call or email us with any questions or concerns you may have.

Sincerely,



Paul Sadro  
Senior Actuary

cc: Ismael Piña, ACERA  
Eva Hardy, ACERA  
Jessica Huffman, ACERA  
Stephen Murphy, Segal  
Jessica Kuhlman, Segal



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: December 2, 2020

TO: Members of the Retirees Committee

FROM: Kathy Foster, Assistant Chief Executive Officer 

SUBJECT: **Revision of Resolution No. 07-29, Appendix A**

In February 2007, the ACERA Board of Retirement (Board) passed Resolution No. 07-29 - 401(h) (Resolution). That Resolution set forth the legal requirements and procedural operations of the 401(h) accounts managed by ACERA. The Resolution consists of a detailed recitation of the requirements under the Internal Revenue Code that ACERA and its Participating Employers must satisfy to properly operate the 401(h) accounts.

Attached to Resolution No. 07-29 is Appendix A, which sets forth the cost and eligibility requirements for the Retiree Health Benefits (RHBs) paid to ACERA retirees through the 401(h) accounts. Those benefits include:

1. Monthly Medical Allowance
2. Medicare Part B Premium Reimbursement
3. Dental Care Contribution
4. Vision Care Contribution

Throughout the course of calendar year 2020, as is done each year, the Retirees Committee (Committee) and the Board have evaluated and approved changes to the Monthly Medical Allowance (MMA) and the contribution amounts associated with the RHBs for Plan Year 2021. The Board approved not changing the MMA for Group Plans and Individual Plans through the Health Exchange for early (non-Medicare) retirees living outside the HMO service area from its 2020 maximum amount of \$578.65. The Board also approved not changing the MMA for Individual Plans through the Medicare Exchange from its 2020 maximum amount of \$443.28. The pro-rated MMA distributions also remain the same. The Board approved setting the cost of the Delta Dental Care DPO plan at \$44.15 (an increase in the premium), and the cost of the Delta Dental DMO plan at \$22.18 (the same amount as 2020). The Board approved a \$3.97 premium (a decrease in the premium) for the Vision Service Plan. Lastly, we anticipate the Board will approve the Medicare Part B Reimbursement Plan (MBRP) benefit of \$148.50 (the lowest standard monthly Medicare Part B premium rate) for 2021 (an increase in the premium rate) at the December 17, 2020 Board meeting.

Accordingly, in order for Resolution No. 07-29 to remain current for the upcoming 2021 Plan Year, Appendix A must be amended to reflect the decision regarding the MMA, Medicare Part B premium reimbursement, and dental and vision premium amounts as adopted by the Board for 2021. Staff has revised Appendix A and requests that the Board adopt the suggested changes. Attached to this memorandum for your review is a revised version of Resolution 07-29, Appendix A, that reflects the changes described above to the MMA and RHB premiums for Plan Year 2021.

Revision of Resolution No. 07-29, Appendix A  
December 2, 2020  
Page 2 of 2

Annually, Staff will request that the Committee and the Board approve modification of Appendix A so that the 401(h) Resolution accurately reflects the eligibility requirements and contributions for the upcoming Plan Year.

Recommendation

Staff recommends that the Retirees Committee recommend to the Board of Retirement (Board) to adopt the revised and updated Appendix A to Resolution No. 07-29, which reflects the changes approved by the Board to the Monthly Medical Allowance amounts for Group and Individual Plans as well as the Retiree Health Benefit contribution amounts for Plan Year 2021.

Attachment

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
 RESOLUTION # 07-29  
 401(h) ACCOUNT  
 APPENDIX A - AMOUNT OF BENEFITS FROM 401(h) ACCOUNT  
 FOR PLAN YEAR 2021

1. Monthly Medical Allowance

- Group Plans

The Monthly Medical Allowance ("MMA") is a subsidy amount covering all or a portion of the eligible retiree's health plan premiums when enrolled in an ACERA-sponsored health plan. Premium costs for an enrolled surviving spouse and dependents are not paid by ACERA and are deducted from the retiree's monthly retirement allowance. Premium costs that exceed the MMA are paid by the retiree and are deducted from the retiree's monthly retirement allowance. If premium costs for any retiree are less than the maximum MMA, no additional cash or other benefit shall be paid to the retiree.

- Individual Plans – Early (non-Medicare) Retirees Living Outside the HMO Service Area

The MMA is provided as a reimbursement for premiums, co-pays and deductibles for Individual Plans for retirees enrolled in a plan through the Health Exchange. The reimbursement amount will not exceed the total annual MMA amount.

- Individual Plans – Medicare Eligible Retirees

The MMA is provided as a reimbursement for premiums, co-pays and deductibles for Individual Plans for retirees enrolled in a Medicare plan through the Medicare Exchange. The reimbursement amount will not exceed the total annual MMA amount.

For the health Plan Year beginning February 1, 2021 for Group Plans and January 1, 2021 for Individual Plans and for all later years (unless and until amended by the Board of Retirement), the maximum MMA for Group Plans and Individual Plans provided through the Health Exchange for early (non-Medicare) retirees living outside the HMO service area is \$578.65 per month. The maximum MMA for Individual Plans for Medicare eligible retirees provided through the Medicare Exchange is \$443.28 per month. The MMA amounts that are paid to retirees based on years of service are set out below:

YEARS OF SERVICE	AMOUNT OF MONTHLY MEDICAL ALLOWANCE BENEFIT		
	<i>Group Plans</i>	<i>Individual Plans – Out-of-Service Area Early Retirees</i>	<i>Individual Plans – Medicare Eligible Retirees</i>
20 or more years or retired on service connected disability	\$578.65	\$578.65	\$443.28
15 through 19	\$433.99	\$433.99	\$332.46
10 through 14	\$289.33	\$289.33	\$221.64
Under 10	\$0	\$0	\$0

As a result of the Affordable Care Act, in 2014 ACERA's plans are required to be "retiree only plans" in order to provide reimbursement through a Health Reimbursement Account (HRA). In order to comply with this federal law, retirees who return to work for an ACERA Participating Employer for any amount of time on or after January 1, 2014, will not be eligible for medical plan and prescription drug plan reimbursements through a HRA during the time period they are working. This is because retirees who return to work (including retired annuitants) are considered "active employees" as defined by the Affordable Care Act, and therefore cause ACERA's plans to not meet the "retiree only" plan qualifications for benefits.

## 2. Medicare Part B Premium

The Medicare Part B premium that will be reimbursed for the calendar year beginning on January 1, 2021 is \$148.50 per month. ACERA shall reimburse only the lowest standard monthly Medicare Part B premium and will not make any reimbursement of the income-related monthly adjustment amount of the Medicare Part B premium. No premium will be reimbursed to a retiree unless he or she provides proof to ACERA of enrollment in Medicare Part B. Premiums will only be reimbursed for retirees and not for spouse, dependents or survivors.

No Medicare Part D premiums will be reimbursed to retirees enrolled in Group Plans.

## 3. Dental Care

The dental care contribution is payment of the eligible retiree's Delta Dental premium when enrolled in the Delta Dental plan. Premium costs for an enrolled spouse and dependents are not paid by ACERA and are deducted from the retiree's monthly retirement allowance.

For the health Plan Year beginning February 1, 2021 and for all later years (unless and until amended by the Board), the monthly Delta Dental premiums paid by ACERA are as follows: for retirees enrolled in the Delta Dental DPO Plan, \$44.15; and for retirees enrolled in the Delta Dental DMO Plan, \$22.18.

## 4. Vision Care

The vision care contribution is payment of the eligible retiree's Vision Service Plan (VSP) premium when enrolled in the VSP plan. Premium costs for an enrolled spouse and dependents are not paid by ACERA and are deducted from the retiree's monthly retirement allowance.

For the health Plan Year beginning February 1, 2021 and for all later years (unless and until amended by the Board), the monthly VSP premium paid by ACERA is \$3.97.

## 5. Spouse, Dependents and Surviving Beneficiaries

ACERA shall not provide payment for any health or medical or other retiree health benefits to any spouse, dependent, or surviving beneficiary of a retired member. However, to the extent available from the applicable health plan or carrier, ACERA will allow the retired member to purchase for his or her spouse and dependents the same coverage as the member has through ACERA by paying the full premium cost of such coverage. A surviving beneficiary may purchase coverage available from the applicable health plan or carrier by paying the full premium cost of such coverage.



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: December 2, 2020

TO: Members of the Retirees Committee

FROM: Jessica Huffman, Retirement Benefits Manager 

SUBJECT: **Retired Member Lump Sum Death Benefits Paid in 2020**

In July 1992, the Board of Retirement adopted Government Code Section 31789.12 to provide a one-time Retired Member (lump sum) Death Benefit payment of \$1,000 to beneficiaries of retirees. For reciprocal members who did not render their last active service with an ACERA employer before retiring, ACERA will consider the death benefit payable by the reciprocal agency. If that agency pays less than \$1,000, ACERA will supplement that amount up to \$1,000. This is a vested benefit, per Government Code Section 31789.12, as long as there are funds available in the Supplemental Retiree Benefit Reserve (SRBR). This Code Section states:

*Notwithstanding Section 31789.1, the board may increase the sum payable pursuant to Section 31789.1 to one thousand dollars (\$1,000).*

*Upon adoption by any county providing benefits pursuant to this section, of Article 5.5 (commencing with Section 31610) of this chapter, the board of retirement shall, instead, pay those benefits from the Supplemental Retiree Benefits Reserve established pursuant to Section 31618.*

Over the twelve-month period December 1, 2019 through November 30, 2020, a total of 213 death benefits have been paid. Out of this total, there were two retirees with reciprocity who did not render their last active service with an ACERA employer before retiring. The total amount of retired member lump sum death benefits paid from the SRBR was \$187,311.26. The reciprocal agencies paid a total of \$7,000.00 for the two retirees with reciprocity. The attached table shows the breakdown of the total number of death benefits paid and the amounts paid by month.

Attachment



**Total Death Benefits Paid  
for Period December 1, 2019 through November 30, 2020**

<b>MONTH</b>	<b>TOTAL LUMP SUM BENEFITS PAID</b>	<b>TOTAL LUMP SUM BENEFITS PAID WITH RECIPROCITY</b>	<b>ACERA PAID DEATH BENEFIT</b>	<b>RECIPROCAL AGENCY PAID DEATH BENEFIT</b>
December - 2019	10	0	<b>\$8,250.00</b>	<b>\$0.00</b>
January - 2020	18	0	<b>\$20,584.00</b>	<b>\$0.00</b>
February - 2020	17	0	<b>\$15,958.33</b>	<b>\$0.00</b>
March - 2020	26	1	<b>\$20,500.00</b>	<b>\$5,000.00</b>
April - 2020	19	0	<b>\$14,583.33</b>	<b>\$0.00</b>
May - 2020	13	0	<b>\$11,400.00</b>	<b>\$0.00</b>
June - 2020	20	0	<b>\$15,082.10</b>	<b>\$0.00</b>
July - 2020	18	1	<b>\$12,500.00</b>	<b>\$2,000.00</b>
August - 2020	13	0	<b>\$10,833.33</b>	<b>\$0.00</b>
September - 2020	19	0	<b>\$13,600.00</b>	<b>\$0.00</b>
October - 2020	21	0	<b>\$19,500.00</b>	<b>\$0.00</b>
November - 2020	19	0	<b>\$24,520.17</b>	<b>\$0.00</b>
<b>GRAND TOTAL</b>	<b>213</b>	<b>2</b>	<b>\$187,311.26</b>	<b>\$7,000.00</b>



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: December 2, 2020

TO: Members of the Retirees Committee

FROM: Ismael Piña, Assistant Benefits Manager 

SUBJECT: **Virtual Retiree Health and Wellness Fair Results and Open Enrollment Activity**

This year due to COVID-19 the Retiree Health and Wellness Fair was held on October 30, 2020 as a Virtual Event allowing members to go online to attend.

Attendees enjoyed the opportunity to view live streaming presentations from Kaiser, VSP, Delta Dental and Qi-Gong, which were all well attended. Qi-Gong streamed instructions on the proper ways to stretch and exercise. Other presentations from Kaiser, UnitedHealthcare, VSP, Delta Dental and Via Benefits were available for viewing by clicking on the various links. Vendors also provided information in areas ranging from financial programs to support programs, and opportunities for safe social distancing. The webpage will continue to display the informational flyers and links to the various vendors' webpages and customer service representatives. For those who may have missed the presentations, these are now available for on demand view by visiting the ACERA website.

Final counts show we received 236 online visitors, and 428 clicks reflecting that people have visited the various items and links during the event. In addition, there were 90+ attending the live stream presentations.

A report on Open Enrollment forms received, and status of processing will be provided at the February Retirees Committee meeting.



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: December 2, 2020

TO: Members of the Retirees Committee

FROM: Ismael Piña, Assistant Benefits Manager

A handwritten signature in black ink, appearing to read "Ismael Piña", is positioned to the right of the "FROM:" line.

SUBJECT: **Miscellaneous Updates**

An oral report will be provided on any recent benefit issues at the Retirees Committee meeting.