



**Alameda County Employees' Retirement Association  
BOARD OF RETIREMENT**

**RETIREES COMMITTEE/BOARD MEETING  
NOTICE and 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 4, 2019  
10:30 a.m.**

<b>LOCATION</b>	<b>COMMITTEE MEMBERS</b>	
<b>ACERA C.G. "BUD" QUIST BOARD ROOM 475 14<sup>TH</sup> STREET, 10<sup>TH</sup> FLOOR OAKLAND, CALIFORNIA 94612-1900 MAIN LINE: 510.628.3000 FAX: 510.268.9574</b>	<b>LIZ KOPPENHAVER, CHAIR</b>	<b>ELECTED RETIRED</b>
	<b>DALE AMARAL, VICE CHAIR</b>	<b>ELECTED SAFETY</b>
	<b>KEITH CARSON</b>	<b>APPOINTED</b>
	<b>JAIME GODFREY</b>	<b>APPOINTED</b>
	<b>ELIZABETH ROGERS</b>	<b>ELECTED GENERAL</b>

Should a quorum of the Board attend this meeting, this meeting shall be deemed a joint meeting of the Board and Committee.

The order of agenda items is subject to change without notice. Board and Committee agendas and minutes 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.

# ***RETIRES COMMITTEE/BOARD MEETING***

NOTICE and AGENDA, Page 2 of 3 – December 4, 2019

Call to Order: 10:30 a.m.

**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 2020**

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

- Jessica Huffman
- Segal Consulting

**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 2020, and approve the reimbursement based on the lowest standard monthly Medicare Part B premium at the rate of \$144.60. 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 2020 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 2020.

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

**1. Report on Overpayments of Monthly Medical Allowance Amounts Paid through Health Reimbursement Arrangements (HRA) by Via Benefits**

Staff will report on analysis, process and status of overpayments made to retirees by Via Benefits, as well as status of collection efforts by ACERA Staff.

- Kathy Foster

# **RETIREES COMMITTEE/BOARD MEETING**

NOTICE and AGENDA, Page 3 of 3 – December 4, 2019

**2. Annual Report on Retired Member (Lump Sum) Death Benefits Paid in 2019**

Staff will provide a report on the \$1,000 Retired Member (lump sum) Death Benefits paid in 2019. This benefit is funded by the Supplemental Retiree Benefit Reserve and is a vested benefit, as long as there are funds available.

- Jessica Huffman

**3. Dental and Vision Plans Request for Proposals Project for 2021 Plan Coverage**

Staff and Segal Consulting will provide a report on a project plan and timeline for the dental and vision plans request for proposals for the 2021 plan coverage.

- Kathy Foster

- Segal Consulting

**4. Semi-Annual Report on ACERA's Wellness Program**

Staff will provide the semi-annual report on ACERA's Wellness Program.

- Kathy Foster

- Ismael Piña

- Mike Fara

**5. Retiree Health and Wellness Fair Results and Open Enrollment Activity**

Staff will provide results of the Retiree Health and Wellness Fair and Open Enrollment activity for Plan Year 2020.

- Ismael Piña

**6. Miscellaneous Updates**

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

- Ismael Piña

**Trustee Remarks**

**Future Discussion Items**

- Annual Supplemental COLA Adjustment

**Establishment of Next Meeting Date**

February 5, 2020, at 10:30 a.m.

**Adjournment**



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: December 4, 2019

TO: Members of the Retirees Committee

FROM: Jessica Huffman, Retirement Benefits Manager 

SUBJECT: **Medicare Part B Reimbursement Plan Benefits for 2020**

The Centers for Medicare & Medicaid Services (CMS) announced the 2020 Medicare Part B premiums on November 8, 2019. Based on the Supplemental Retiree Benefit Reserve (SRBR) Policy, ACERA reimburses eligible retirees the lowest standard premium amount. Currently, ACERA is paying \$135.50 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 \$144.60 for 2020, which is an increase of about 6.7%.

Attached is a letter from Paul Sadro with Segal Consulting (Segal), ACERA's Benefits Consultant, which provides additional information regarding the 2020 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 2018), 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 2019 is 5,560. If ACERA increases the MBRP benefit to \$144.60 for all retirees currently receiving this benefit, the estimated annual cost for 2020 is \$9,647,712. The estimated annual cost based on the same number of retirees and the 2019 benefit amount of \$135.50 is \$9,040,560. The difference in the estimated annual cost is \$607,152. These amounts will change for 2020 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 2020, and approve the reimbursement based on the lowest standard monthly Medicare Part B premium at the rate of \$144.60. 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



330 North Brand Boulevard Suite 1100 Glendale, CA 91203-2308  
T 818.956.6777 [www.segalco.com](http://www.segalco.com)

November 26, 2019

Ms. Kathy Foster  
Assistant Chief Executive Officer  
ACERA  
475 14th 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 \$458 each month in 2020 versus up to \$437 in 2019.

**Medicare Part A Deductibles and Coinsurance**

<b>Part A Deductible and Coinsurance Amounts for Calendar Years 2019 and 2020</b>		
<b>Type of Cost Sharing</b>		
<b>Year</b>	<b>2019</b>	<b>2020</b>
Inpatient hospital deductible	\$1,364	\$1,408
Daily coinsurance for 61st - 90th Day	\$341	\$352
Daily coinsurance for lifetime reserve days	\$682	\$704
Skilled Nursing Facility coinsurance (Days 21-100)	\$170.50	\$176.00

**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 8, 2019 and will take effect January 1, 2020.

CMS announced that the annual deductible for all Part B beneficiaries will be \$198.00 in 2020, an increase of \$13.00 from the annual deductible of \$185.00 in 2019. 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 \$9.10 from \$135.50 in 2019 to \$144.60 in 2020, about a 6.7% increase. The COLA increase is 1.6% for 2020, averaging \$24 per month nationally, as reported by the Social Security National Press Office. The average monthly COLA increase is over two times the standard Part B premium increase for 2020.

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 2020 Part B total premiums for high income beneficiaries are shown in the following table.

2018 File Individual Tax Return	2018 File Joint Tax Return	2018 File Married & Separate Tax Return	2020 Monthly Premium
\$87,000 or less	\$174,000 or less	\$87,000 or less	\$144.60
Above \$87,000 to \$109,000	Above \$174,000 to \$218,000	N/A	\$202.40
Above \$109,000 to \$136,000	Above \$218,000 to \$272,000	N/A	\$289.20
Above \$136,000 to \$163,000	Above \$272,000 to \$326,000	N/A	\$376.00
Above \$163,000 and less than \$500,000	Above \$326,000 and less than \$750,000	Above \$87,000 and less than \$413,000	\$462.70
\$500,000 or above	\$750,000 and above	\$413,000 or above	\$491.60

### 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 2020. Most retirees have the 40 quarters required for fully subsidized Part A. If continued in 2020, 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.

Ms. Kathy Foster  
Assistant Chief Executive Officer  
ACERA  
November 26, 2019  
Page 3

<b>2018 File Individual Tax Return</b>	<b>Retirees Over Age 65</b>	<b>% of Retirees</b>	<b>2020 Monthly Premium</b>	<b>Cost to Retiree *</b>
\$87,000 or less	5,057	83%	\$144.60	\$0.00
Above \$87,000 to \$109,000	432	7%	\$202.40	\$57.80
Above \$109,000 to \$136,000	307	5%	\$289.20	\$144.60
Above \$136,000 to \$163,000	133	2%	\$376.00	\$231.40
Above \$163,000 and less than \$500,000	146	3%	\$462.70	\$318.10
\$500,000 or above	0	0%	\$491.60	\$347.00

\*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 \$144.60 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 2020 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 \$785.44 of which \$578.65 is covered by the MMA, resulting in an out of pocket cost of \$206.79 per month.

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

Sincerely,



Paul Sadro, ASA, MAAA

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 4, 2019

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 2019, 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 2020. The Board approved increasing 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 2019 maximum amount of \$558.00 to \$578.65. The Board also approved increasing the MMA for Individual Plans through the Medicare Exchange from its 2019 maximum amount of \$427.46 to \$443.28. The pro-rated MMA distributions were also increased accordingly. The Board approved setting the cost of the Delta Dental Care DPO plan at \$42.04 (a decrease in the premium), and the cost of the Delta Dental DMO plan at \$22.18 (the same amount as 2019). The Board approved a \$4.24 premium (the same amount as 2019) for the Vision Service Plan. Lastly, we anticipate the Board will approve the Medicare Part B Reimbursement Plan (MBRP) benefit of \$144.60 (the lowest standard monthly Medicare Part B premium rate) for 2020 (an increase in the premium rate) at the December 19, 2019 Board meeting.

Accordingly, in order for Resolution No. 07-29 to remain current for the upcoming 2020 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 2020. 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 2020.



Revision of Resolution No. 07-29, Appendix A  
December 4, 2019  
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 2020.

Attachment

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
 RESOLUTION # 07-29  
 401(h) ACCOUNT  
 APPENDIX A - AMOUNT OF BENEFITS FROM 401(h) ACCOUNT  
 FOR PLAN YEAR 2020

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, 2020 for Group Plans and January 1, 2020 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, 2020 is \$144.60 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, 2020 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, \$42.04; 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, 2020 and for all later years (unless and until amended by the Board), the monthly VSP premium paid by ACERA is \$4.24.

## 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 4, 2019

TO: Members of the Retirees Committee

FROM: Kathy Foster, Assistant Chief Executive Officer 

SUBJECT: **Health Reimbursement Arrangement Overpayment Summary Report**

Staff will present the attached report including work performed to audit Via Benefits' Health Reimbursement Arrangement (HRA) overpayments from 2013 to 2018, as well as the status of collection efforts. Following the notices sent to the final audited group of retirees, collection efforts were halted in consideration of feedback from some retirees and Trustees. Considerations for proceeding with collections for this group and this type of overpayment will be presented, which may result in either guidance to proceed based on ACERA's current Error Correction Policy or result in potential policy changes.

Attachment

# HRA Overpayment Summary Report

Retirees Committee Meeting

December 4, 2019

Presented by

Kathy Foster, Assistant CEO



# BACKGROUND/TIMELINE

<b>2013</b>	Began Medicare coverage through Via Benefits
<b>2016</b>	Began Early Retiree (non-Medicare) coverage for those living outside group plans service area
<b>2013-2015</b>	Focused on working with Via Benefits to enroll members in proper plans, ensure accurate eligibility for HRA benefits and assist retirees through reimbursement process
<b>2016-2017</b>	Developed audit process to address overpayments. Focused first on death cases, since Via Benefits would have better opportunity to recover overpayments from active (alive) retirees
<b>2018</b>	Began recovery efforts. First letters to recover overpayments due to death sent in 2018
<b>2019</b>	Via Benefits transitioned HRA platform from PayFlex (sub-contractor) to Acclaris (in-house). Continued recovery efforts on death overpayments, and started recovery efforts on active retirees

# SUMMARY – Overpayment due to Death

## Overpayments Due to Death 2013-2018

Total: 68	
Total continuances: 18	\$7,118.26
Collected: 15	\$5,633.24
Discharged: 3	\$1,485.02
Total non-continuances: 50	\$23,741.90
Collected: 4	\$1,948.40
Discharged: 46	\$21,793.50

\*All accounts/files were reviewed to determine ability to collect or discharge

## SUMMARY – Overpayments Active Retirees

### Transition to Acclaris:

- In 2019, when Via Benefits transitioned to Acclaris from PayFlex, they re-processed all HRA reimbursement claims
- Any differences in overpayment amounts between Acclaris and PayFlex were reported
- Since PayFlex had been the system of record from which claim reimbursements were made for the period 2013 to 2018, for consistency we maintained use of the PayFlex amounts for that period of time
- Beginning in 2019, we are using the amounts determined from the Acclaris system



## SUMMARY – Overpayments Active Retirees (continued)

### Transition to Acclaris (continued):

- Initially Staff sent 70 letters to active retirees notifying them of their overpayment amounts as a result of a recent audit
- Subsequently, it was discovered we incorrectly included overpayment amounts from both Acclaris and PayFlex
- For retirees only appearing on the Acclaris report, Staff subsequently sent letters to 44 members letting them know that they did not have an overpayment; therefore, do not owe money to ACERA

## SUMMARY – Overpayments Active Retirees (continued)

### Transition to Acclaris (continued):

- However, 23\* retirees appearing on the PayFlex report do still have outstanding overpayment amounts
- The total overpayment amounts from the 23 members is \$8,366.38
  - Excluding one overpayment of \$1,500, the average of the other overpayments is \$300
- Although PayFlex is no longer the system of record, Via Benefits can still access history of reimbursements and issues causing overpayments so that concerns can be addressed

\*After further analysis, it was determined one overpayment amount was under the collection threshold, and two were waived based on resolution of coverage effective dates

# GOING FORWARD

- Starting this year, at our direction, Via Benefits will begin to offset any overpayments with the next plan year's HRA allocation amounts
- This should result in less outstanding overpayments ACERA will need to collect
- In addition, ACERA and Via Benefits have worked together to improve communications when deaths occur, so the overpayments due to death will decrease

# Considerations for 23 Overpayments in Question

- Proceed with collection attempt
  - Retiree will be offered payment plans to ease financial impact
- Since reimbursement periods are only one year and three months per plan year, consider change in policy to limit collection effort to be made through end of the following plan year in which overpayment was made
  - On-going, this is what Via Benefits will do with overpayment cases other than deaths
  - With the group in question, all overpayments from 2013 through 2017 would be waived
- Set a dollar threshold for recovery amounts, considering cost for ACERA to defend an appeal may be more costly than the amount of overpayment



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: December 4, 2019

TO: Members of the Retirees Committee

FROM: Jessica Huffman, Retirement Benefits Manager 

SUBJECT: **Retired Member Lump Sum Death Benefit Paid in 2019**

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, 2018 through November 30, 2019, a total of 283 death benefits have been paid. Out of this total, there were three 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 \$198,266.50. The reciprocal agencies paid a total of \$2,500.00 for two of the three retirees with reciprocity. No death benefit was paid by the reciprocal agency for one of the 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, 2018 through November 30, 2019**

<b>MONTH</b>	<b>TOTAL DEATH BENEFITS PAID</b>	<b>TOTAL DEATH BENEFITS PAID WITH RECIPROACITY</b>	<b>ACERA PAID DEATH BENEFIT</b>	<b>RECIPROCAL AGENCY PAID DEATH BENEFIT</b>
December - 2018	21	0	<b>\$12,500.00</b>	<b>\$0.00</b>
January - 2019	29	1	<b>\$18,750.00</b>	<b>\$2,000.00</b>
February - 2019	26	0	<b>\$19,333.00</b>	<b>\$0.00</b>
March - 2019	21	1	<b>\$18,333.00</b>	<b>\$0.00</b>
April -2019	24	0	<b>\$17,250.00</b>	<b>\$0.00</b>
May -2019	27	0	<b>\$20,499.00</b>	<b>\$0.00</b>
June -2019	18	0	<b>\$14,500.00</b>	<b>\$0.00</b>
July-2019	19	0	<b>\$16,666.00</b>	<b>\$0.00</b>
August - 2019	18	0	<b>\$10,500.00</b>	<b>\$0.00</b>
September - 2019	26	1	<b>\$15,583.00</b>	<b>\$500.00</b>
October - 2019	26	0	<b>\$15,686.50</b>	<b>\$0.00</b>
November - 2019	28	0	<b>\$18,666.00</b>	<b>\$0.00</b>
<b>GRAND TOTAL</b>	<b>283</b>	<b>3</b>	<b>\$198,266.50</b>	<b>\$2,500.00</b>



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: December 4, 2019

TO: Members of the Retirees Committee

FROM: Kathy Foster, Assistant Chief Executive Officer 

SUBJECT: **Dental and Vision Plans Coverage Request for Proposal/Project Timeline**

Staff plans to release a Request for Proposal (RFP) to potential dental and vision plan vendors to obtain cost and coverage options. In addition, we will request vendors to provide bids on both self-funded and fully insured funding arrangements.

Staff intends to expand the scope of the current agreement with ACERA's Benefits Consultant, Segal Consulting, to assist in this project. Attached is a timeline with high level milestones that will provide the Committee with an idea of what will occur over the next several months. In addition, below is a list of 13 dental and 11 vision plans vendors who will be invited to submit proposals in response to the RFP. The RFP will also be posted on ACERA's website.

Dental Vendors	Vision Vendors
Aetna	Aetna
Ameritas	Ameritas
Anthem	Anthem
Assurant	Blue Shield of CA
Cigna	Davis Vision
Delta Dental	Eye Med
Dental Health Services	Medical Eye Services (MES)
Guardian	MetLife
Liberty Dental	National Vision Administrators
MetLife	United Healthcare (Spectera)
United Concordia	VSP
United Healthcare	
Western Dental Services	

Attachment

# Alameda County Employees' Retirement Association (ACERA)

## Dental and Vision Request for Proposal (RFP) Project Timeline

<b>ACTION</b>	<b>TARGET DATE</b>
Identify potential vendors	November 18, 2019
Prepare and finalize RFP document	January 31, 2020
Release RFP to vendors	February 3, 2020
Vendors' Mutual Confidentiality Agreement submission deadline	February 10, 2020
Vendors' Intent to Bid Form submission deadline	February 14, 2020
Vendors' questions submission deadline	February 21, 2020
Responses to vendors' questions	February 28, 2020
Proposal submission deadline	March 6, 2020
Score proposals	March, 2020
Finalist interviews	April, 2020
Discuss proposals and responses	April - May, 2020
Present RFP results and provide recommendation to Committee	June 3, 2020
Notify vendors	June, 2020
Effective date	February 1, 2021





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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: December 4, 2019

TO: Members of the Retirees Committee

FROM: Kathy Foster, Assistant Chief Executive Officer *KFoster*  
Ismael Piña, Assistant Benefits Manager *IPiña*  
Mike Fara, Communications Manager *MF*

SUBJECT: **Semi-Annual Report on ACERA's Wellness Program**

Staff will review the attached presentation and discuss the following topics:

- 2019 Focus on Live Wellness Events
- Retiree Chronic Conditions
- Wellness Walks at Lake Merritt
- Wellness Open Houses
- Retiree Health and Wellness Fair
- Wellness Wall of Fame
- Wellness Achievements for 2019
- 2020 Wellness Plan

Attachment

# Wellness Program Semi-Annual Report

Retirees Committee Meeting  
December 4, 2019



# Wellness

# 2019 Focus: Live Wellness Events

- In 2019 we focused our resources on live wellness events
- We expanded on active events to entice retirees to get active and stay active one event at a time
  1. Spring Wellness Walk – April 26, 2019
  2. Wellness Open House – June 7, 2019
  3. Financial Wellness Open House – July 12, 2019
  4. Summer Wellness Walk – August 23, 2019
  5. Retiree Health and Wellness Fair – October 30, 2019

# Retiree Chronic Conditions

\*Taken from Kaiser 2018 Lifestyle Risk Report\*

The goal of ACERA's Wellness Events is to reduce chronic conditions percentages by offering opportunities to our members to engage in wellness activities, both physical and educational

- 73% of screened adults are either Overweight or Obese
- 38% are Pre-diabetic
- 22% are Diabetic
- 35% have Borderline to High Cholesterol Levels
- 17% have High Blood Pressure

# Spring Wellness Walk

On April 26, 2019, retirees enjoyed ACERA's 1<sup>st</sup> Wellness Walk Event for 2019 as they embarked on a 1 - 2 - 3 mile walk around Lake Merritt, led by a Kaiser doctor and supported by team members from Delta Dental - Kaiser - VSP - Qigong - Segal.



# Wellness Open House

On June 7, 2019, our Wellness Seekers attended ACERA's 1<sup>st</sup> Wellness Open House. Retirees enjoyed talking to vendor representatives in a more personable atmosphere, allowing them to ask questions and clarify coverage items in advance of Open Enrollment. Carriers were challenged to provide information on benefit plans retirees may not have been aware of, such as health coaching and discounts on gym memberships.

- ACERA WMS Team
- Delta Dental
- East Bay Regional  
Park District
- Kaiser
- Qigong
- UHC
- VSP



# Financial Wellness Open House

On July 12, 2019, ACERA's 2<sup>nd</sup> Open House was held focusing on financial wellness. Other local agencies also attended to share information on their services.

- 1<sup>st</sup> United Credit Union
- Deferred Compensation
- Elder Financial Abuse
- HICAP –Legal Assistance
- Mastick Senior Center
- Meals on Wheels
- 211 of Alameda
- ACERA WMS Team



# Summer Wellness Walk

We held our 2<sup>nd</sup> Wellness Walk Event on August 23, 2019. From starting with a warm-up with Qigong to showing the determination to finish, our Wellness Champions are on their way to living well.





# Retiree Health and Wellness Fair

At our October 30, 2019, Health and Wellness Fair, 405 attendees met with vendors, gathered important information and enjoyed the festive activities. Presentations were provided on Brain Health, Healthy Cooking, and Financial Wellness.



# Event Attendance

The Health and Wellness Fair is by far the most popular event

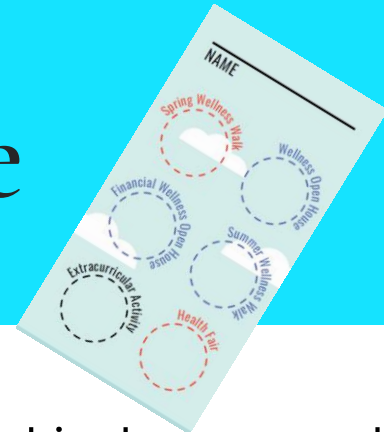
2019	Attendees
Spring Wellness Walk	42
Wellness Open House	41
Financial Wellness Open House	32
Summer Wellness Walk	37
Health and Wellness Fair	405

2018 For Comparison	Attendees
Summer Wellness Walk	43
Health and Wellness Fair	377



# Wellness Wall of Fame



This year, Wellness Passports were designed and created in-house, and were provided to attendees at the Wellness Events as a competition and motivator to attend events. Retirees collected stamps at each event to become recognized as Wellness Champions.

<b>2019 Wellness Wall of Fame Recipients</b>	
Attended All 5 Events	3 Members
Attended 4 Events	2 Members
Attended 3 Events	5 Members
Raffle Prize Winners	32 Members (not all photographed)

# Wellness Achievements for 2019

- We are awaiting Kaiser Chronic Condition Reports for 2019, in anticipation to see a gradual decrease in percentages
- We held two open house events for the first time
  - We experienced high attendance at our health and wellness fair with steady attendance numbers for other events
- We partnered with carriers on events
  - Their participation, donation of time and resources helped with success of events
  - Kaiser provided a doctor at wellness walks, and speakers at events as well as raffle prizes
- We established relationships with agencies in the community such as Bay Area Park and Recreation, and hope to partner with them in the future for hosting events
- We expanded our Wellness Website adding Wall of Fame for Wellness Champions and a section displaying events

# 2020 Wellness Plan

- We will explore the use of Social Media to inform and announce Wellness information and activities for retirees
  - This will provide a mechanism for them to easily register, enroll or send invites to their friends
- We will attempt to co-partner events with community agencies hosting events to save on internal resources
- Continue to utilize carriers and other resources to provide wellness presentations at ACERA
- We will further expand our Wellness Website with useful information
- A concrete plan will be provided at a Retirees Committee meeting in early 2020



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MEMORANDUM TO THE RETIREES COMMITTEE

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DATE: December 4, 2019

TO: Members of the Retirees Committee

FROM: Ismael Piña, Assistant Benefits Manager 

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

This year's Retiree Health and Wellness Fair was held on October 30, 2019 at the Albert H. De Witt Officer's Club in Alameda, California.

Attendees enjoyed the opportunity to meet with Kaiser, UnitedHealthcare, VSP, Delta Dental and Via Benefits regarding ACERA-sponsored benefits. Other vendors were also available providing information in areas ranging from financial programs to support programs, and opportunities for fun activities. Presentations were well attended, which included Qigong; Financial Wellness by 1<sup>st</sup> United Credit Union; Talking about Brain Health and Aging, presented by April Beltran; and a Food Demo by Chef Jenny.

In the Active Room, additional exercises by Qigong and another Healthy Food Demonstration by Kaiser were given for those who may have missed the earlier presentations in the seminar room.

This year, ACERA's members used our online pre-registration for the Health and Wellness Fair via ACERA's website. Final counts show we received 226 online RSVPs, of which 133 retirees checked in upon arriving at the event. In addition, there were 272 walk-up registrants the day of the Health and Wellness Fair.

Prior to the Committee meeting packet distribution, 51 forms have been received for Open Enrollment of which 26 had changes to vision coverage, 17 had changes to dental, and 8 changes for medical.

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 4, 2019

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.