



MINUTES OF DECEMBER 19, 2024 RETIREES COMMITTEE MEETING

To: Members of the Retirees Committee

From: Elizabeth Rogers, Chair

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

Committee Chair Elizabeth Rogers called the December 19, 2024 Committee meeting to order at 1:02 p.m.

ACERA TRUSTEES, SENIOR MANAGERS AND PRESENTING STAFF IN ATTENDANCE

Committee members present were Elizabeth Rogers and Kellie Simon. Also present were Ophelia Basgal (Board Chair serving as Committee member), George Wood, and alternate member Cynthia Baron. Committee member Henry Levy, Tarrell Gamble and Steven Wilkinson joined the meeting after roll call.

Staff present were Carlos Barrios, Assistant Chief Executive Officer; Mike Fara, Communications Manager; 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. Adoption of Medicare Part B Reimbursement Plan Benefit for 2025

Staff and Segal, ACERA's Benefits Consultant, provided information on ACERA's Medicare Part B Reimbursement Plan (MBRP) benefit, including retirees' out-of-pocket costs, and the percentage of retirees affected at each of the designated income levels, based on the retirees' ACERA retirement allowances only. Staff recommended to continue the benefit for 2025 based on the reimbursement at the lowest standard premium rate of \$185.00.

It was moved by Ophelia Basgal and seconded by Kellie Simon that the Committee recommend to the Board of Retirement to continue to provide the Medicare Part B Reimbursement Plan (MBRP) benefit to eligible retirees in 2025, and approve the reimbursement based on the lowest standard monthly Medicare Part B premium at the rate of \$185.00. 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.

The motion carried 5 yes (*Basgal, Rogers, Simon, Wilkinson, Wood*), 0 no, 0 abstention.

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

Staff stated that in order for Resolution No. 07-29 to remain current for the upcoming 2025 Plan Year, Appendix A was amended to reflect the Board of Retirement's (Board) decisions regarding the Monthly Medical Allowance amounts for Group and Individual plans; and medical, dental, and vision premium amounts as adopted by the Board.

It was moved by George Wood and seconded by Ophelia Basgal that the 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 2025.

The motion carried 5 yes (*Basgal, Rogers, Simon, Wilkinson, Wood*), 0 no, 0 abstention.

3. Amend Supplemental Retiree Benefit Reserve Policy to Align with Individual Medical Plans Practices

Staff provided a redline copy of the Supplemental Retiree Benefit Reserve (SRBR) Policy, which was revised to align the language with the eligible reimbursements of medical costs through the Health Reimbursement Arrangement (HRA) that were established at the inception of the Individual Medical Plans.

It was moved by Ophelia Basgal and seconded by George Wood that the Committee recommend to the Board of Retirement that it adopt the Supplemental Retiree Benefit Reserve Policy with Staff's recommended revisions, which are shown in the redline included in the agenda backup.

The motion carried 5 yes (*Basgal, Rogers, Simon, Wilkinson, Wood*), 0 no, 0 abstention.

INFORMATION ITEMS

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

Staff provided information on the number and amount of the Retired Member (lump sum) Death Benefit payments made to eligible beneficiaries of retirees for the twelve-month period December 1, 2023 through November 30, 2024, including the payments made by reciprocal agencies. In addition, Staff provided a five-year comparison of the total death benefits paid. This \$1,000 benefit is funded by the Supplemental Retiree Benefit Reserve and is considered a vested benefit, as long as there are funds available.

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

Staff provided a report on the results of the hybrid Retiree Health and Wellness Fair, which was held through Zoom and in person at the Hilton Garden Inn in Emeryville, CA on October 24, 2024. There were live presentations from ACERA, Kaiser, and Delta Dental, as well as a Qigong presentation from Wudang West. These presentations were recorded and posted on ACERA's website. Two hundred members attended the hybrid event virtually, and 193 attended in person, for a total of 393 attendees. Staff also reviewed the health fair survey results.

In response to Trustee Levy's question, Staff stated whether to hold next year's health fair as a hybrid event will be discussed when planning for next year's health fair. Trustee Simon congratulated Staff on the success of the event.

TRUSTEE REMARKS

Trustee Rogers expressed her appreciation to everyone who handles retiree matters, and particularly to Mike Fara who does a lot of work with retirees.

FUTURE DISCUSSION ITEMS

- Annual Supplemental Cost of Living Adjustment (COLA)
- Proposal to Study the Impact of Higher MMA Payments for Members Enrolled in the Group Plans

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for February 5, 2025, at 9:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 1:24 p.m.