



**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, July 1, 2015
10:30 a.m.**

LOCATION	COMMITTEE MEMBERS	
ACERA C.G. "BUD" QUIST BOARD ROOM 475 14TH STREET, 10TH FLOOR OAKLAND, CALIFORNIA 94612-1900 MAIN LINE: 510.628.3000 FAX: 510.268.9574	LIZ KOPPENHAVER, CHAIR	ELECTED RETIRED
	TARRELL GAMBLE, VICE CHAIR	APPOINTED
	DALE AMARAL	ELECTED SAFETY
	ANNETTE CAIN-DARNES	APPOINTED
	GEORGE WOOD	ELECTED GENERAL

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.

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.

Note regarding Public Records: All writings that are distributed to a majority of members of the ACERA Board of Retirement in connection with a matter subject to discussion at an open meeting of the Board or one of its Committees are public records within the meaning of the California Public Records Act and are available for inspection upon request, unless the writings are privileged or otherwise exempt from disclosure under the provisions of the California Public Records Act. Please contact ACERA at (510) 628-3000 to request to inspect documents. Documents will be made available at ACERA, 475 14th Street, Oakland, California.

RETIREES COMMITTEE/BOARD MEETING

NOTICE and AGENDA, Page 2 of 4 - Wednesday, July 1, 2015

Call to Order: 10:30 a.m.

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

1. Adoption of 2016 Monthly Medical Allowance (MMA) for Group Plans

Discussion and possible motion to adopt the Monthly Medical Allowance (MMA) paid to eligible retirees in group plans for plan year 2016. The MMA is the suggested dollar amount to be contributed towards retiree medical care costs. The Group Plan MMA is stated as a monthly dollar amount which varies by years of service credit and can only be used to pay for ACERA-sponsored health plan premiums.

- Kathy Foster

Recommendation

Staff recommends that the Retirees Committee recommends to the Board of Retirement (Board) a motion to increase the 2016 Group Plan Monthly Medical Allowance (MMA) in accordance with the substantive plan definition adopted under GASB 43 equal to 50% of the rate of health care inflation assumptions provided by ACERA's actuary, which results in a MMA maximum of \$540.44 for plan year 2016. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employee Retirement Law (CERL), ACERA treats an equal amount of Supplemental Retiree Benefit Reserve (SRBR) assets as employer contributions for pensions.

2. Adoption of 2016 Monthly Medical Allowance (MMA) for Early Retiree Individual Plans

Discussion and possible motion to adopt a Monthly Medical Allowance (MMA), which will be provided to qualified early (non-Medicare eligible) retirees enrolled in Individual Plans through the Health Exchange for the 2016 plan year. The MMA is a suggested dollar limit used for specific medical cost reimbursement through Health Reimbursement Accounts (HRAs). The MMA is set as a monthly amount which varies by years of service credit.

- Kathy Foster

Recommendation

Staff recommends that the Retirees Committee recommends to the Board of Retirement (Board) a motion to adopt a 2016 Individual Plan Monthly Medical Allowance (MMA) to be provided to qualified early (non-Medicare) retirees enrolled in individual plans through the Health Exchange at a maximum of \$540.44 for plan year 2016. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employee Retirement Law (CERL), ACERA treats an equal amount of Supplemental Retiree Benefit Reserve (SRBR) assets as employer contributions for pensions.

RETIREES COMMITTEE/BOARD MEETING

NOTICE and AGENDA, Page 3 of 4 - Wednesday, July 1, 2015

3. Adoption of 2016 Monthly Medical Allowance (MMA) for Medicare Eligible Retiree Individual Plans

Discussion and possible motion to adopt a Monthly Medical Allowance (MMA), which will be provided to qualified Medicare eligible retirees enrolled in Individual Plans through the Medicare Exchange for the 2016 plan year. The MMA is a suggested dollar limit used for specific medical cost reimbursement through Health Reimbursement Accounts (HRAs). The MMA is set as a monthly amount which varies by years of service credit.

- Kathy Foster

Recommendation

Staff recommends that the Retirees Committee recommends to the Board of Retirement (Board) a motion to increase the 2016 Individual Plan Monthly Medical Allowance (MMA) in accordance with the substantive plan definition adopted under GASB 43 equal to 50% of the rate of health care inflation assumptions provided by ACERA's actuary, which results in a MMA maximum of \$414 for plan year 2016. The MMA contribution is a non-vested benefit subject to possible reduction or elimination if Board policies change or funds are unavailable. This benefit is funded by contributions from ACERA employers to the 401(h) account. After contributions are made, in accordance with the County Employee Retirement Law (CERL), ACERA treats an equal amount of Supplemental Retiree Benefit Reserve (SRBR) assets as employer contributions for pensions.

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

1. Health Care Reform Update – 2nd Quarter 2015

ACERA's Benefits Consultant will update the Committee on recent developments concerning national healthcare reform legislation.

- Kathy Foster

- Keenan & Associates

2. Information Regarding 2016 Dental Plan Options for Consideration

Information will be presented on several options for consideration for ACERA-sponsored dental plan contract provisions and premiums for plan year 2016.

- Kathy Foster

- Keenan & Associates

- Delta Dental

3. Information Regarding 2016 Vision Plan Option for Consideration

Staff and ACERA's Benefits Consultant will present information on the voluntary Buy-Up option for consideration for ACERA-sponsored vision plan contract provisions and premiums for plan year 2016.

- Kathy Foster

- Keenan & Associates

RETIREES COMMITTEE/BOARD MEETING

NOTICE and AGENDA, Page 4 of 4 - Wednesday, July 1, 2015

4. Miscellaneous Updates

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

- Kathy Foster

Trustee/Public Input

Future Discussion Items

- Adoption of Dental Plan Contracts/Premiums for 2016
- Adoption of Dental Plan Contributions for 2016
- Adoption of Vision Plan Contracts/Premiums for 2016
- Adoption of Vision Plan Contributions for 2016

Establishment of Next Meeting Date

August 5, 2015 at 10:30 a.m.