



**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 6, 2016
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.acer.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.

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Call to Order: 10:30 a.m.

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

1. Adoption of 2017 Monthly Medical Allowance for Group Plans

Discussion and possible motion to adopt the Monthly Medical Allowance (MMA) paid to eligible retirees in group plans for Plan Year 2017. 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 recommend to the Board of Retirement (Board) a motion to adopt a 2017 Group Plan Monthly Medical Allowance (MMA) equal to the 2016 MMA for eligible retirees in the group plans, thereby maintaining the current MMA maximum of \$540.44 for Plan Year 2017. 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, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.

2. Adoption of 2017 Monthly Medical Allowance 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 2017 Plan Year. The MMA is a suggested dollar limit used for specific medical cost reimbursement through Health Reimbursement Accounts. The MMA is set as a monthly amount which varies by years of service credit.

- Kathy Foster

Recommendation

Staff recommends that the Retirees Committee recommend to the Board of Retirement (Board) a motion to adopt a 2017 Individual Plan Monthly Medical Allowance (MMA) equal to the 2016 MMA for eligible qualified early (non-Medicare) retirees enrolled in individual plans through the Health Exchange, thereby maintaining the current MMA maximum of \$540.44 for Plan Year 2017. 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, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.

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3. Adoption of 2017 Monthly Medical Allowance 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 2017 Plan Year. The MMA is a suggested dollar limit used for specific medical cost reimbursement through Health Reimbursement Accounts. The MMA is set as a monthly amount which varies by years of service credit.

- Kathy Foster

Recommendation

Staff recommends that the Retirees Committee recommend to the Board of Retirement (Board) a motion to adopt a 2017 Individual Plan Monthly Medical Allowance (MMA) equal to the 2016 MMA for eligible retirees enrolled in individual plans through the Medicare Exchange, thereby maintaining the current MMA maximum of \$414 for Plan Year 2017. 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, ACERA treats an equal amount of Supplemental Retiree Benefit Reserve assets as employer contributions for pensions.

4. Supplemental Retiree Benefit Reserve Policy Update

Staff will provide recommended changes to the Supplemental Retiree Benefit Reserve Policy to reflect the changes to the Retired Member (Lump Sum) Death Benefit payment when reciprocity applies.

- Kathy Foster

Recommendation

Staff recommends that the Retirees Committee recommend to the Board of Retirement that it adopts the revisions to the Supplemental Retiree Benefit Reserve Policy to reflect the change to the Retired Member (Lump Sum) Death Benefit section of the Policy, requiring ACERA to pay a minimum of \$750 as a death benefit when a reciprocal agency was the last employer, regardless of the amount the reciprocal agency pays the member, and the other language changes.

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

1. Report on Dental and Vision Plan Experience and Dental Coverage Options

Staff will report on claims experience and plan utilization for ACERA retirees enrolled in ACERA-sponsored Dental and Vision Plans. Information on dental coverage options will also be provided.

- Kathy Foster

- Keenan & Associates

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2. Miscellaneous Updates

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

- Ismael Piña

Trustee/Public Input

Future Discussion Items

- Adoption of Dental Plan Contributions for 2017
- Adoption of Vision Plan Contributions for 2017

Establishment of Next Meeting Date

August 3, 2016 at 10:30 a.m.