



## **REQUEST FOR PROPOSAL**

---

### **ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

475 14<sup>TH</sup> Street, Suite 1000  
Oakland, CA 94612  
510.628.3000 Phone  
[www.acera.org](http://www.acera.org)

### **Benefits Consultant**

September 29, 2023

# **ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

## **BENEFITS CONSULTANT**

### **REQUEST FOR PROPOSAL**

#### **I. INTRODUCTION**

The Alameda County Employees' Retirement Association (ACERA) is the retirement pension plan for public employees in Alameda County, California who work for some of the county's public employers. ACERA was established in 1948 by the Alameda County Board of Supervisors to provide retirement, disability, and death benefits to Alameda County and member district employees.

The ACERA retirement plan provides lifetime benefits to members of the retirement system who meet the minimum age and length-of-service requirements or are eligible for disability retirement. The plan is a significant and fundamental part of the comprehensive benefits package that participating employers offer to eligible employees.

ACERA was established by the Alameda County Board of Supervisors under Ordinance No. 446, dated October 21, 1947. ACERA is a separate public entity governed by the provisions of the County Employees Retirement Law of 1937, Title 3, Division 4, Chapter 3, commencing with Section 31450 of the California Government Code and case law applicable to public employee pension plans. On January 1, 1948, ACERA became operative to provide retirement, disability, and death benefits to the General and Safety members employed by Alameda County.

Over the years, ACERA has expanded its member services to include employees of the Alameda County-based Superior Court of California and five special districts in the County, as well as to administer retiree health care, dental care, vision care, and supplemental cost-of-living benefits.

ACERA's plan is a defined benefit pension plan, qualified under Section 401(a) of the Internal Revenue Code. Funding of a defined benefit pension plan is based on a cost sharing principle through employee and employer contributions rates, which are determined annually upon recommendation by the plan's actuary. Therefore, retirement benefits are determined by a formula and not on an individual's account balance.

ACERA's mission is to provide ACERA members and employers with flexible, cost-effective, participant-oriented benefits through prudent investment management and superior member services.

ACERA sponsors and administers group and individual medical, dental and vision plans to retirees, beneficiaries and dependents. Alameda County negotiates the current contracts for two group plans for non-Medicare eligible retirees; Kaiser Permanente and UnitedHealthcare, allowing the retirees to be blended with the active employees. In addition, ACERA provides group coverage Kaiser Senior Advantage to Medicare eligible retirees. This is part of the contract with the County. Individual plans for retirees are

available through the Health Exchange for non-Medicare eligible retirees living outside the group plan service areas and Medicare Exchange individual plan coverage is available to all Medicare eligible retirees. ACERA contracts with Willis Towers Watson for exchange coverage. Group coverage for vision and dental plans is available to retirees through Delta Dental and Vision Service Plan. ACERA holds the contracts with these vendors.

Subsidies for medical, dental and vision coverage are provided to eligible retirees through ACERA's Supplemental Retiree Benefit Reserve. This reserve is made up of funds required by statute to be set aside from investment earnings to provide supplemental benefits to retirees. This fund was established in 1985 upon adoption of Article 5.5 of the Government Code by the Board of Supervisors of Alameda County. Subsidies are provided to retirees with ten or more years of service or who are receiving service connected disability benefits. In addition to medical, dental and vision plan subsidies, the fund provides Medicare Part B reimbursement, Supplemental COLA benefits and a lump sum retiree death benefit.

The Board of Retirement (Board) delegates the administration of all plan benefits to staff. Staff uses a benefits consulting firm to assist with review, analysis and negotiations of these plans. Reports regarding utilization, cost, and experience are presented to the Board on a regular basis.

ACERA is seeking proposals from qualified benefit consulting firms to provide knowledge and expertise in handling retiree medical, dental and vision benefits.

## **II. CURRENT PROGRAM**

Currently, there is a combined enrollment of 9,402 retired members/beneficiaries in the two dental plans and 9,368 retired members/beneficiaries enrolled in the two vision plans. The current plans available are:

### Dental Plans

- Delta Dental Preferred Provider Option (PPO)
- DeltaCare USA

### Vision Plan

- Vision Service Plan
- Vision Service Plan – Premium Plan

As of July 12, 2023, there are a total of 4,974 retired members/beneficiaries enrolled in the group medical plans. The current group plans available to retirees and their eligible dependents are Kaiser Permanente and UnitedHealthcare. The Medicare plans offered have a bundled Medicare Part D plan.

There are a total of 1,856 Medicare eligible and 105 early (non-Medicare) members/beneficiaries enrolled in individual medical plans through the exchanges. The current contract for individual medical plans through the Medicare Exchange and Health Exchange is with Willis Towers Watson.

ACERA has a Medicare Part B Reimbursement program for retired members who have 10 or more years of service and are enrolled in Medicare Part B. The reimbursement level for 2023 is \$164.90 per member per month. There are approximately 6,025 retirees currently receiving this benefit.

The below chart shows the subsidies for retirees enrolled in the group medical plans and early (non-Medicare) retirees living outside of our HMO service area who are enrolled in individual medical plans through the Health Exchange.

Number of Years of Service	Percentage of Premium Subsidized	Monthly Medical Allowance (MMA)
1 – 9 years	0%	\$0.00
10 – 14 years	50%	\$308.06
15 – 19 years	75%	\$462.09
20+ years	100%	\$616.12

The below chart shows the subsidies for Medicare eligible retirees enrolled in individual medical plans through the Medicare Exchange.

Number of Years of Service	Percentage of Premium Subsidized	Monthly Medical Allowance (MMA)
1 – 9 years	0%	\$0.00
10 – 14 years	50%	\$236.00
15 – 19 years	75%	\$353.99
20+ years	100%	\$471.99

**III. SERVICES PROVIDED**

The services to be provided by the Benefits Consultant include, but are not limited to, the following:

Monthly:

1. Attend monthly ACERA Retirees Committee meetings and debrief meetings afterward.
2. Attend conference call to discuss deliverables/Committee meeting planning.
3. Provide accurate, monthly deliverables from Retirees Committee Work Plan on specified dates to ACERA.
4. As notices become available, provide information and assess impact of any legislative updates concerning health care plan policies and procedures, including Medicare plans.

5. Track benefit plans design ideas for future discussion with carriers and renewal letters.

Quarterly:

1. Participate in ACERA's quarterly meetings with Kaiser Permanente to review quarterly utilization, and discuss the wellness program and other topics as necessary.

Semi-Annually:

1. Create a PowerPoint presentation on Health Care Reform; including but not limited to: Medicare, Affordable Care Act, Covered California, Multi-State Exchanges, California Legislation, and Federal Legislation; and present it at the Retirees Committee meetings.
2. Review and analyze Delta Dental and Vision Service Plan member utilization and claims experience.
3. Work with ACERA and the County of Alameda to gain access to medical carriers' claim information to review and calculate the reimbursement to employers for the adverse experience (Implicit Subsidy) cost of retirees. Provide a written report concerning the Implicit Subsidy for past plan year amount for medical plans and the estimated Implicit Subsidy amount for current year.

Annually:

1. Create a PowerPoint document to present at the annual retiree association health care planning meeting. Subject matter for presentation to be determined a month in advance of the meeting, normally held in the month of March.
2. Prepare a letter for ACERA's consideration in drafting the annual medical plans renewal letter to the County of Alameda. Add specific plan impact questions on regulation changes such as CMS Mandates or Affordable Care Act as well as adding specific pricing requests, new carrier Disease Management/Wellness initiatives, and plan design changes adding benefit/cost savings to retiree plans. Letters should include discussion points over the plan year, which may have been addressed at Retirees Committee meetings as well as monthly Benefits Consultant/ACERA meetings.
3. Provide written annual reports with observations and recommendations related to Delta Dental and Vision Service Plan member utilization and claims experience. Draft separate Request for Information (renewal) letters for both Delta Dental and for Vision Services Plan each year by April 1<sup>st</sup>. Letters should include discussion points over the plan year, which may have been addressed at Retirees Committee meetings as well as monthly Benefits Consultant/ACERA meetings.
4. Work with ACERA and the County of Alameda to enhance ACERA's current wellness program.
5. Review and negotiate provider renewal rates/contracts, plan design, funding arrangements (*i.e.*, fully insured or self-funded) and performance guarantees with

Delta Dental and Vision Service Plan carriers. Provide written reports explaining the analysis and recommendations.

6. Attend the annual medical plan renewal meeting between the County of Alameda and ACERA.
7. Provide a written report on the annual health care trend information including pre-65 and post-65 medical, dental (both plans), and vision plans to assist ACERA in funding recommendations.
8. Provide in a written report, the Social Security Administration Cost of Living Adjustment amount and the impact this may or may not have on the Medicare Part B monthly premiums. The written report should state what the standard Medicare Part B monthly premium is for the current year and the new premiums for the next year.
9. Provide the CMS Part D Annual Notice of Creditable Coverage two weeks after its release by CMS; the required date the notice must be received by all of ACERA's members; and a written report on the Part D Standard Benefit changes for the next year, which includes a side by side comparison of the current benefits and the new ones. The report should also include the drug manufacturer's percentage coverage of cost for brand-name drugs, as well as the Part D Income Related Monthly Adjustment amounts.
10. Make determination of ACERA's compliance with Medicare Part D coverage.

#### **IV. MINIMUM QUALIFICATIONS**

The proposer must meet the minimum qualifications to be given further consideration. The proposer must provide detailed documentation and information of how each minimum qualification is met by completing the *Minimum Qualifications Certification, Attachment A*, signed by an authorized member of the proposing firm.

#### **V. PROPOSAL REQUIREMENTS**

Submitted proposals must delineate the proposer's qualifications and expertise in the format outlined in the RFP. A proposal under this RFP will not be considered complete unless it contains all of the items described herein. A proposal that is not submitted in complete form to ACERA by **4:00 p.m. Pacific Time on November 6, 2023** will be rejected. However, during the preliminary review stage only, ACERA, in the exercise of its exclusive discretion, may permit the proposer to correct any error or omission.

##### **Cover Letter**

A cover letter, which will be considered an integral part of the proposal, must be signed by the individual(s) who is/are authorized to bind the proposer contractually. This cover letter must indicate the signer is so authorized and must indicate the title or position the

signer holds in the proposer's firm. An unsigned cover letter shall cause the proposal to be rejected. The letter must contain the following:

1. The proposer's name of firm, address, telephone number and email address.
2. The proposer's type of business entity (e.g., sole proprietorship, partnership, corporation, etc.).
3. The proposer's Federal Employer Identification Number and Corporate Identification Number, if applicable.
4. The name, title or position, telephone number and email address of the individual signing the cover letter.
5. A statement indicating the signer is authorized to bind the proposer contractually.
6. The name, title or position, telephone number and email address of the primary contact and/or account administrator, if different from the individual signing the cover letter.
7. A statement to the effect that the proposal is a firm and irrevocable offer good for one year from the final filing date for proposals.
8. A statement expressing the proposer's willingness to perform the services as described in this RFP.
9. A statement expressing the proposer's availability of staff and other required resources for performing all services and providing all deliverables as described in this RFP.

#### **Minimum Qualifications Certification (Attachment A)**

Proposers must complete and return the *Minimum Qualifications Certification, Attachment A*, certifying that the proposer satisfies all minimum qualifications and requirements. The Certification must be signed by the same individual who signed the cover letter.

#### **Proposal Questionnaire (Attachment B)**

Proposers must complete and return the *Proposal Questionnaire, Attachment B*. The information requested must be provided in the prescribed format; all questions must be repeated in their entirety before the answers are given. Responses that deviate materially from the prescribed format may result in the rejection of the proposal.

#### **Fee Proposal (Attachment C)**

Proposers must submit their fee for the contract services in the format prescribed in the *Fee Proposal, Attachment C*, which must be signed by the individual authorized to bind the proposer contractually.

## VI. SUBMISSION OF PROPOSALS

### A. Required Copies and Format

Submit six (6) copies of your proposal as follows:

1. A cover letter and all other attachments, exhibits, and documents.
2. One (1) copy of the proposal **unbound**, (i.e., no binder covers, comb bindings, etc.) containing original signatures and marked as **“Master Copy”**.
3. Five (5) remaining copies must be **bound** and organized in a manner to facilitate ease of review by evaluators.
4. An electronic copy of the competed proposals in PDF read-only format.

### B. Packaging and Marking Proposal

All six (6) copies of the proposal must be submitted in a sealed package and clearly marked with **“RESPONSE TO REQUEST FOR PROPOSAL—BENEFITS CONSULTANT”**.

### C. Final Filing Date and Time

The proposal package must be received no later than **4:00 p.m. Pacific Time on November 6, 2023**, by ACERA at the following address:

Carlos Barrios, Assistant Chief Executive Officer  
Alameda County Employees’ Retirement Association  
475 14<sup>th</sup> Street, Suite 1000  
Oakland, CA 94612

Email the PDF copy to: [cbarrios@acera.org](mailto:cbarrios@acera.org) and [ehardy@acera.org](mailto:ehardy@acera.org)

**PROPOSALS RECEIVED AFTER THE FINAL FILING DATE AND TIME WILL BE REJECTED. LATE PROPOSALS WILL NOT BE ACCEPTED FOR ANY REASON.**

### D. Clarification of Contents

Proposers may be requested to clarify contents of their proposal package. Other than information requested by ACERA, no proposer will be allowed to alter the proposal or add new information after the final filing date.

### E. Right to Reject Proposals and Reservation of Rights

It is the policy of ACERA to solicit proposals with a bona fide intention to award a contract. However, ACERA reserves the right to reject any or all proposals, to



waive defects, to alter or modify the requirements of this RFP, and to award no contract.

## VII. STANDARDS FOR EVALUATING PROPOSALS

### A. Preliminary Review

1. Each proposal package will be dated and time-stamped when received. **PROPOSALS RECEIVED AFTER THE FINAL FILING DATE AND TIME WILL BE REJECTED.**
2. The proposal will be reviewed to determine satisfaction of the minimum qualifications and proposal requirements described in Sections IV, V and VI (see *Pre-Evaluation Review Sheet, Exhibit 1*). ACERA may reject any or all proposals that fail to meet these qualifications and requirements.
3. ACERA may, in its exclusive discretion, permit any proposer to correct an error or omission in the proposal. Alternatively, ACERA may waive such deviation or defect.

### B. Proposal Evaluation

Proposals that pass the preliminary review will be evaluated and scored as follows:

#### 1. Proposal Questionnaire Evaluation

The responses to the *Proposal Questionnaire* and related information will be evaluated by a team of reviewers. This Evaluation Committee will review, evaluate, and score the proposers' responses to the *Proposal Questionnaire, Attachment B*, and any other relevant information submitted in the written proposal based on the categories specified in the *Proposal Evaluation Sheet (Exhibit 2)*.

The Evaluation Committee members' scores will be combined to determine a total score for each proposal, with a maximum of 340 points. A proposal must receive a minimum score of 140 points on the *Proposal Questionnaire* evaluation to be given further consideration.

#### 2. Fee Proposal Evaluation

Points for fees will be computed for all proposals that obtain a minimum score of 140 points on the *Proposal Questionnaire* evaluation. The proposal with the lowest total *Fee Proposal* for the proposed contract will receive the maximum score of 40 points (*Proposal Evaluation Sheet, Exhibit 2*). All other fee proposals will be rated proportionately as follows:

$$\frac{\text{Lowest Fee}}{\text{Proposer's Fee}} \times 40 = \text{Proposer's Fee Proposal Score}$$

#### 3. Selection of Finalists

Each proposer's *Proposal Questionnaire* score will be combined with the *Fee Proposal* score. The proposals will be ranked from highest scoring to lowest scoring, with a maximum of 340 points. The top three highest scoring proposal(s), as determined by ACERA, will be considered finalists.

**C. Finalists Interviews and Selection**

Each of the three finalist proposer eligible for further consideration will be required to appear for an oral interview before the Evaluation Committee during the week of November 27, at ACERA's office in Oakland, California. The interview shall include participation by all key professionals under the contract. The interview will provide an opportunity for additional consideration of the proposer's organization, staff background and experience, range and quality of services and capabilities, and other specific areas of the proposal where clarification is necessary.

ACERA will award points to the finalist proposers after completion of the interview process under Section C. Finalist Interview on the *Proposal Evaluation Sheet, Exhibit 2*. A numeric score will be assigned to each finalist to reflect this action with the maximum score of 100 points for the finalist interview.

A ranking of the finalist proposers will be provided to the Board with a recommendation from staff. The Board by motion and vote of the majority will award the Benefits Consultant contract to the proposer.

**D. Award of Contract**

Contract award will be made to the proposer based on the final score, committee interview and recommendation by staff, subject to final negotiations and satisfaction of all requirements.

## VIII. GENERAL CONDITIONS

### A. **Errors and Omissions**

If a proposer discovers any ambiguity, conflict, discrepancy, omission or other error in this RFP, the proposer should immediately notify ACERA of such error in writing and request clarification or modification of the document. This notification must be submitted pursuant to the procedures described in Section VIII, B., titled "Questions Regarding the RFP".

Modifications will be made by addenda issued pursuant to Section VIII, C., titled "Addenda". Such clarifications will be given by written notice to all parties who have expressed an interest in submitting a proposal in response to this RFP, without divulging the source of the request. If a proposer fails to notify ACERA of a known error prior to the final filing date for submission of proposals, or an error that reasonably should have been known, the proposer will assume the risk of proposing. If awarded the contract, the proposer will not be entitled to additional compensation or time by reason of the error or its later correction.

### B. **Questions Regarding the RFP**

Proposers requiring clarification of the intent and content of this RFP, or the competitive proposal process, may request clarification only by submitting written questions via e-mail to:

Carlos Barrios, Assistant Chief Executive Officer  
ACERA  
475 14<sup>th</sup> Street, Suite 1000  
Oakland, CA 94612  
E-mail: [cbarrios@acera.org](mailto:cbarrios@acera.org)  
E-mail: [ehardy@acera.org](mailto:ehardy@acera.org)

**To ensure a response, questions must be received by Friday, October 13 2023.** Questions received by this date will be answered in writing without identifying the source of the query and will be posted to ACERA's website by October 17, 2023.

### C. **Addenda**

ACERA may modify any part of the RFP, prior to the date proposals are due, by issuance of an addendum to all recipients of the RFP. Any addenda will be posted to ACERA's website.

### D. **Proposer's Costs**

All costs for developing proposals, attending interviews, and complying with all the requirements of this RFP are entirely the responsibility of the proposer and shall not be chargeable to ACERA.

## **E. Proprietary Information and Public Records Act Requests**

### **Ownership of Proposal:**

All rights to information developed, disclosed, or provided in a proposal and its attendant submissions are the property of ACERA, unless the proposer makes specific reference to data that is considered proprietary. To the extent that a proposer claims any copyright, patent, or other intellectual property right in any portion of its RFP, submission of an RFP constitutes the proposer's express (a) grant and assignment of a perpetual, transferable (in whole or in part), non-exclusive royalty-free license to ACERA for all such portions, and (b) agreement that ACERA may use any such intellectual property without charge for any lawful purpose in connection with other ACERA projects, including without limitation the creation of derivative works and issuance of sublicenses.

### **Public Records Act:**

i. Materials contained in proposals are subject to the Public Records Act (Cal. Gov. Code Sections 7920.000 et. seq.). After negotiations are complete, but before the Board finally approves the award of the contract, the materials contained in proposals may be viewed and copied by any member of the public, including news agencies and competitors.

ii. If a proposing firm believes a portion of a proposal is exempt from disclosure under the Public Records Act, such portion must be marked "TRADE SECRETS", "CONFIDENTIAL" or "PROPRIETARY," as applicable, and must be clearly distinguished from the rest of the proposal. Proposals marked in their entirety as confidential or other designation indicating exemption from public disclosure will not be considered confidential or exempt from disclosure under the Public Records Act, and ACERA will not deny public disclosure of any portion of such proposals. By submitting a proposal with material marked "TRADE SECRETS", "CONFIDENTIAL" or "PROPRIETARY," the proposing firm represents that it has a good faith belief that the designated material is exempt from disclosure under the Public Records Act, but such designations will not be conclusive. The proposing firm may be required to justify in writing why such material should not, upon request, be disclosed by ACERA and any determination regarding that justification will be made based on applicable law. By submitting a proposal to ACERA, the proposing firm agrees to reimburse ACERA for, and to indemnify, defend and hold harmless ACERA, its officers, fiduciaries, employees and agents from and against: (a) any and all claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs and expenses including, without limitation, attorneys' fees, expenses and court costs of any nature whatsoever (collectively, "Claims") arising from or relating to ACERA's non-disclosure; and (b) any and all Claims arising from or relating to ACERA's public disclosure of any portions of a proposal that ACERA reasonably determines is required by law.

**F. Exceptions to ACERA's Standard Benefits Consultant Services Agreement**

Submission of a proposal will confirm that the proposer fully understands the provisions of the *Sample Benefits Consultant Services Agreement* included in this RFP as Attachment D.

To the extent that the proposer takes exception to any part of the *Sample Benefit Consultant Services Agreement*, all such objections shall be stated in the proposal, specifically identifying the objectionable section(s), and including any of the proposer's proposed amendments.

**G. Conflicts of Interest**

By submitting a proposal, the proposer represents that it is familiar with Section 1090 and Section 87100 *et seq.* of the Government Code of the State of California, and that it does not know of any facts that constitute a violation of said sections in connection with its proposal. Proposer represents that its proposal has completely disclosed to ACERA all facts bearing upon any possible interests, direct or indirect, which proposer believes any member of ACERA, or other officer, agent or employee of ACERA or any department presently has, or will have, in a potential agreement, or in the performance thereof, or in any portion of the profits there under. Willful failure to make such disclosure, if any, shall constitute grounds for rejection of the proposal or termination of any agreement by ACERA for cause. Proposer agrees that if it enters into a contract with ACERA, it will comply with all applicable conflict of interest codes and policies adopted by ACERA and its reporting requirements.

# **EXHIBIT 1**

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
BENEFITS CONSULTANT

**PRE-EVALUATION REVIEW SHEET**  
(Completed by ACERA)

Name of Proposer: \_\_\_\_\_

**A. Minimum Qualifications**

- |  |   |   |
|--|---|---|
| 1. Completed and signed <i>Minimum Qualifications Certification</i> ( <u>Attachment A</u> )? | Y | N |
| 2. Proposer satisfies all minimum qualifications?  | Y | N |

If not, explain: \_\_\_\_\_

**B. Proposal Requirements**

The proposal package includes the following:

- |   |   |   |
|---|---|---|
| 1. Required number of six (6) copies and PDF copy of proposal submitted?                            | Y | N |
| 2. Cover letter signed by the individual(s) authorized to bind the proposer contractually provided? | Y | N |
| 3. Cover letter contains all the required information?  | Y | N |

If not, explain: \_\_\_\_\_

- |  |   |   |
|--|---|---|
| 4. Completed <i>Proposal Questionnaire</i> ( <u>Attachment B</u> ), including:   |   |   |
| a. Sample materials (e.g., sample reports and presentation)?   | Y | N |
| b. Sample service agreement?   | Y | N |
| c. Required references (3 current public sector clients and 2 terminated)?   | Y | N |
| d. Number of current clients providing benefits consulting services to?  | Y | N |
| 5. Completed <i>Fee Proposal</i> ( <u>Attachment C</u> ) signed by the individual authorized to bind the proposer contractually? | Y | N |

**Proposer meets all minimum qualifications and proposal requirements?**      Y      N

\_\_\_\_\_  
Reviewer's Signature

\_\_\_\_\_  
Date

# **EXHIBIT 2**



**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**BENEFITS CONSULTANT**

**PROPOSAL EVALUATION SHEET**

(Completed by ACERA)

Name of Proposer: \_\_\_\_\_

		Earned Points	Maximum Points
<b>A. <u>Proposal Questionnaire Response</u></b>			
1. Organizational Background			25
2. Benefits Consultant Experience			40
3. Expertise in Retiree Benefit Plans			40
4. Client Services and Administration			35
5. Sample Materials			20
6. Reporting			20
7. References and Client List			20
<b>Subtotal:</b>			<b>200*</b>
*Must receive a minimum score of 140 to be given further consideration.			
<b>B. <u>Fee Proposal</u></b>			<b>40</b>
<b>Subtotal:</b>			<b>240*</b>
*The highest scoring proposers after the fee proposal evaluation will be considered finalist proposers as determine by ACERA.			
<b>C. <u>Finalist Interview</u></b>			<b>100</b>
<b>D. <u>Total Possible Points</u></b>			<b>340</b>

# **ATTACHMENT A**

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**BENEFITS CONSULTANT**

**MINIMUM QUALIFICATIONS CERTIFICATION**

(Completed by proposer)

Name of Proposer: \_\_\_\_\_

All proposers are required to complete and sign this Attachment, and provide written evidence to substantiate how each qualification is met. If the relevant information is contained in the proposer's response to the *Proposal Questionnaire* (Attachment B), please cite the specific reference applicable to the following certifications.

I certify the following:

1. The proposer must be a viable business operation in existence in the United States for at least one year as of December 31, 2021.
2. The proposer must have experience in performing analysis of dental, vision and medical plan utilization, rate setting, and gathering relevant trend information for retirees under the age of 65, Medicare eligible and disabled.
3. The proposer must have experience working with public sector employer plans. Retiree experience is a must.
4. The proposer must have experience in meeting strict timelines and deadlines.
5. The proposer must have experience in performing analysis of benefit funding.
6. The proposer must have experience with analyzing and or developing educational materials for distribution to the user group.
7. The proposer must submit sample reports/presentation explaining the results of the analysis, including recommendations of plan design changes and or plan termination, to client and/or client stakeholders.

The business entity offered to satisfy these requirements must be identical to the proposer.

(Signature Page to Follow)

---

Authorized Signature 1

---

Title

---

Printed Name

---

Date

---

Authorized Signature 2

---

Title

---

Printed Name

---

Date

# **ATTACHMENT B**

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**BENEFITS CONSULTANT**

**PROPOSAL QUESTIONNAIRE**

(Completed by proposer)

**Name of Proposer:** \_\_\_\_\_

**Address:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**RFP Contact:** \_\_\_\_\_

**Contact Title:** \_\_\_\_\_

**Telephone:** \_\_\_\_\_ **Email:** \_\_\_\_\_

\_\_\_\_\_  
Authorized Signature 1

\_\_\_\_\_  
Title

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Signature 2

\_\_\_\_\_  
Title

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

**A. ORGANIZATIONAL BACKGROUND**

1. Please provide a brief history on your organization (*name*, year founded, ownership, organizational structure, lines of business, whether yours is a “for profit” or “not for profit” enterprise, business license and date first issued, etc.).
2. Please list the headquarters and regional office locations, if any, of your organization (if different than above) and identify the number and type of staff at each location.
3. How many years has your organization been providing benefits consulting services?
4. Within the past three years, have there been any significant developments in your organization (changes in ownership, personnel reorganization, etc.)? If so, please describe.
5. Do you anticipate any significant changes in your firm in the near-term? If so, please explain.

**B. EXPERIENCE AND EXPERTISE**

1. Please describe your experience in the following areas:
  - a. Performing analysis of dental, medical and vision utilization, rate setting, and trends.
  - b. Working with the public sector, including retiree plans.
  - c. Performing analysis of benefit funding, including establishing funds from which benefits are paid.
  - d. Establishing implicit subsidy amounts.
  - e. Validating prescription drug plans for actuarially equivalency to Medicare Part D prescription drug plans.
  - f. Creating RFPs for dental, vision medical, HRA/HSA.
  - g. Providing examples of experience and successes working with Disease Management and Wellness initiatives, as offered by the medical plans and elsewhere.
  - h. Creating and obtaining Performance Guarantees and achievable measurement standards for health care contracts.
  - i. Analyzing, developing, and presenting educational materials for distribution to the user group.
2. How many public, corporate, and non-profit clients are you providing benefits consulting services to?
3. Which benefit (dental, vision, medical, Medicare Parts A, B, C, & D, HRA/HSA) plans have you worked with for other clients?
4. What is the total number of Benefits Consultants you have employed?

5. What qualifications and experience do you require of your consultants?
6. What has your staff turnover rate been in the past twelve months?
7. Please provide the following information for each staff member that would be assigned to the account for the Alameda County Employees' Retirement Association contract:
  - Name and Title
  - Years of relevant public sector, retiree, Medicare experience with your firm, prior to joining your firm, and total years
  - Qualifications, particular emphasis or expertise, education, etc.
  - Average number of clients per Consultant

**C. CLIENT SERVICES AND ADMINISTRATION**

1. Program Features
  - a. Please describe your Benefits Consultant program and the scope of services you propose for this assignment.
  - b. Please provide three (3) cases of Benefits Consulting examples illustrating your services.
  - c. How do your consultants gain access to account-specific benefit information?
  - d. What is your policy and procedures for compliance with HIPAA privacy rules?

**D. REPORTING**

1. What kind of data do you capture?
2. Please describe your reporting capabilities concerning utilization statistics.
3. Please describe your capabilities in reporting performance statistics.
4. Please provide samples of client reports and presentation.

**E. IMPLEMENTATION/PERFORMANCE GUARANTEES/INSURANCE**

1. Please include a timeline, indicating recommended tasks, timeframes and responsibilities.
2. Please describe your performance standards and guarantees, if any, you would offer ACERA if awarded the contract.
3. Please describe the professional and/or general liability insurance carried by your firm. Include the type of insurance, acts or liabilities covered, limits per occurrence, and total policy limits. If awarded a contract, you will be required to provide proof of coverage as described in your response to this questionnaire.



**F. REFERENCES AND CLIENT LIST**

1. List your three largest public sector pension fund and/or retiree clients where your firm manages retiree benefits who may be contacted as references. For each reference listed, include client name; address; name, title, and telephone number of contact person; number of members; and length of time as your client.
2. List two clients that have terminated services within the last two years and the reasons for the terminations. For each client listed, include client name; address; name, title, and telephone number of contact person; number of members; and length of time as your client.
3. Provide the number of clients that you are currently providing Benefits Consulting services to, and the average number of clients per consulting team.

# **ATTACHMENT C**

ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BENEFITS CONSULTANT

**FEE PROPOSAL**

(Completed by proposer)

Name of Proposer: \_\_\_\_\_

Proposers are required to submit their fees as prescribed below. Fees, as submitted, must include all costs associated with the consulting services, including reporting, communications, travel, etc. If awarded a contract as a result of this RFP, the successful proposer's fees as proposed shall be **guaranteed** for the term of the contract.

**A. PROPOSED ANNUAL FEE FOR ACERA ACCOUNT:**

\_\_\_\_\_

**B. PROPOSED ONE-TIME FEE FOR ADDITIONAL SERVICES:**

Related to the issuance of a Request for Proposal (RFP); e.g., for dental and vision plan providers

\_\_\_\_\_

\_\_\_\_\_  
Authorized Signature 1

\_\_\_\_\_  
Title

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Signature 2

\_\_\_\_\_  
Title

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

Federal I.D. Number: \_\_\_\_\_

# **ATTACHMENT D**

## **Sample Benefits Consultant Services Agreement**

The attached is ACERA's agreement with our current benefits consulting firm. ACERA expects the agreement with the new firm to be substantially similar to the current agreement.

Please note some of the Exhibits to Attachment D have been updated for the purpose of the RFP, and are not the Exhibits to the Segal agreement.



**CONSULTANT SERVICES AGREEMENT**

**BETWEEN**

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**AND**

**THE SEGAL COMPANY (WESTERN STATES), INC.**

---

**January 1, 2019**



This Benefits Consulting Services Agreement ("Agreement") is made by and between The Segal Company (Western States), Inc., on behalf of itself and its affiliates collectively doing business as Segal Consulting, ("Segal"), 330 N. Brand Blvd., Suite 110, Glendale, CA 91203 and the Alameda County Employees' Retirement Association (the "Client"), 475 14<sup>th</sup> Street, Suite 1000, Oakland, CA 94612, with an Effective Date of January 1, 2019. The Client and Segal will also be referred to herein individually as a "Party" and jointly as the "Parties."

**WHEREAS**, ACERA desires to retain Segal to provide the following service: Benefits Consulting Services and;

**WHEREAS**, Segal warrants that it is qualified and competent to render the aforesaid services;

**NOW, THEREFORE**, for and in consideration of the Agreement made, the Parties agreed to the following:

**1. Services:**

Segal will provide consulting services described in Proposal to Provide Retiree Healthcare Benefits Consulting Services dated March 6, 2017, and updated September 12, 2018, annexed hereto as Exhibit A to this Agreement (the "Consulting Services").

Segal may from time to time, at the Client's request and at a fee agreed upon by both Parties, provide additional services ("Additional Services"). Additional Services and the fees for such Additional Services will be set forth in writing in an Amendment to this Agreement. For avoidance of doubt Segal's requested or compelled involvement in actual or anticipated disputes, investigations, arbitrations, litigation or other dispute resolution proceedings involving the Client ("Legal Proceedings") is an Additional Service for which Segal will be paid at its standard hourly time charge rates. Examples of this type of Additional Service include (but are not limited to): (i) assisting the Client and/or its legal counsel in the analysis and development of the Client's legal position for Legal Proceedings; (ii) preparing for, or testifying at, depositions, court hearings, proceedings conducted by any regulatory agency with authority over the Client, and similar Legal Proceedings; and (iii) responding to requests for documents and information in connection with Legal Proceedings to which the Client is a party. In the event that the Segal is requested or compelled to participate in Legal Proceedings on behalf of the Client and Segal is not a party to such Legal Proceeding, the Client will pay all reasonable costs and fees that Segal incurs for such services, including reasonable and actual attorney's fees that Segal incurs in connection with Segal's requested or compelled participation in Legal Proceedings on behalf of the Client. Unless otherwise provided, any such Additional Services will be governed by the terms and conditions of this Agreement. For purposes of this Agreement, the Consulting Services and any Amendment for Additional Services are, collectively, the "Services." All references to this Agreement will include all attachments and any other Amendment regarding Additional Services.

All Services will be performed by competent personnel in accordance with applicable professional standards.

Segal will have no responsibility for (i) the administration and operation of the Client, (ii) rendering any legal, accounting or investment advice to the Client or (iii) preparing any legal, accounting or investment-related documents for the Client.

**2. Term and Termination:**

- (a) **Term.** The term of this Agreement will commence on January 1, 2019 and continue in effect until December 31, 2019 (the “Initial Term”).
- (b) **No-Fault Termination.** This Agreement may be terminated at will by either Party upon at least thirty (30) days’ written notice, and the effective date of such termination will be as set forth in the notice. In such circumstance, Segal will be promptly paid for all services rendered by it through the effective date of termination, and will complete all tasks required to be done before the effective date of termination.

**3. Fees and Expenses:**

- (a) **Fees.** Segal’s annual fee for the Consulting Services is \$123,000 (see Exhibit B, Payment Terms). Fees for Additional Services will be set forth in an Amendment describing the Additional Services and fee for those Additional Services.
- (b) **Expenses.** Except as otherwise agreed to by the Parties, all expenses shall be included in the annual fee.
- (c) **Invoices and Payment.** Segal will bill its fees monthly in arrears. Segal will bill for expenses incurred as soon as practicable. All invoices will be payable by the Client within thirty (30) days of receipt. All sums are payable in United States dollars. Upon termination of this Agreement, any fees paid in advance will be prorated and refunded from the date of termination through the end of the billing period. If this Agreement is terminated by Client, Segal shall be entitled to collect fees based upon its then current hourly rates for work actually performed prior to the date of termination. To the extent that there are amounts owed to Segal hereunder upon the date of termination of the Agreement, the Client agrees to pay such amounts immediately to Segal, without further notice or demand.
- (d) **Audit.** Subject to any applicable privileges or other legally binding obligations of confidentiality, the Client may, upon reasonable notice and during normal business hours, audit, or cause to be audited, Segal’s books and accounts with respect to fees and expenses under this Agreement at any time during the term of this Agreement and for three (3) years thereafter.

**4. Information Required and Relied Upon by Segal:**

- (a) **Data Request.** In order to provide the Services, Segal may require extensive data from the Client. To facilitate this, Segal will prepare a detailed data request outlining what is necessary to perform the Services. The Client agrees to provide Segal and instruct its staff, legal counsel and other service providers (the “Other Professionals”) to provide Segal, on a timely basis with any and all information included in Segal’s data request, along with any other information Segal reasonably requests (e.g. the financial data required and any other data or information needed to perform the Services). Data will be requested in a computer format compatible with Segal’s computer system.
- (b) **Segal’s Responsibilities Regarding Data Received.** Upon receipt of the data, Segal will examine it for missing information and internal consistency. Segal may charge the Client, at its normal hourly rates, if it is necessary to convert data not presented in the format requested and for the additional processing time required to reconcile data that contains errors, duplicate records or missing information. The Client agrees and acknowledges that Segal shall have the right to rely on the accuracy of the data and information provided by the Client and the Other Professionals and shall have no responsibility for independently verifying this data and information, except that, Segal shall have the duty to advise the Client if the data and information appears to be abnormal, unusual, or incorrect. The Client agrees that it will notify Segal (and require the Other Professionals to notify Segal) promptly upon gaining knowledge of any material change to any of the information provided to Segal.
- (c) **Business Associate Agreement.** If the data request requires that the Client provide Segal with *protected health information*, as such term is defined in the Health Insurance Portability and Accountability Act of 1996, as amended (“HIPAA”) and the regulations promulgated thereunder (the “HIPAA Rules”), the Parties shall enter into a *business associate agreement* that comports in all material respects with the HIPAA Rules. The *business associate agreement* shall be annexed hereto as Exhibit D. In the event of any inconsistency between this Agreement and the *business associate agreement*, the *business associate agreement* shall govern and control with regards to the use and disclosure of *protected health information*.

## 5. **Intellectual Property Rights and Ownership:**

- (a) **Ownership.** Except to the extent that they incorporate Segal’s proprietary know-how, software, techniques, methodologies and report formats (collectively, “Segal’s Proprietary Information”), all documents, data, and other tangible materials authored or prepared and delivered by Segal to the Client under the terms of this Agreement (collectively, the “Deliverables”), are the sole and exclusive property of the Client, once paid for by Client. To the extent that Segal’s Proprietary Information is incorporated into such Deliverables, the Client shall have a perpetual, nonexclusive, worldwide, royalty-free license to use, copy, and modify Segal’s Proprietary Information as part of the Deliverables, for use internally and for its intended purpose



- (b) **Infringement.** Segal warrants that the Deliverables will not infringe upon any patent, trademark, copyright, or trade secret owned by any third party. Notwithstanding anything to the contrary herein, Segal shall not have any liability whatsoever for any claim of infringement based on (i) use of any of the Deliverables (including Segal's Proprietary Information) by the Client in a manner contrary to their intended use if the infringement would have been avoided by use of the Deliverables (including Segal's Proprietary Information) in accordance with their intended use, (ii) modification of the Deliverables (including Segal's Proprietary Information) by any party other than Segal if the infringement would have been avoided without such modification, or (iii) the combination or use of the Deliverables (including Segal's Proprietary Information) with materials or intellectual property not furnished by Segal if such infringement would have been avoided by use of the Deliverables (including Segal's Proprietary Information) alone.

6. **Confidentiality:**

- (a) **Confidential Information.** The Parties may provide to one another information that is confidential in nature ("Confidential Information"). Confidential Information will include but not be limited to (i) with regard to the Client, all information and materials received from the Client under this Agreement, whether or not marked confidential or proprietary; and (ii) with respect to Segal, Segal's Proprietary Information and all other information clearly identified by Segal as confidential or that a reasonable person could understand to be confidential or proprietary in nature.

Confidential Information will not include information which: (i) is or becomes a part of the public domain through no fault of the receiving Party; (ii) was in the receiving Party's lawful possession prior to the disclosure; (iii) is disclosed by the disclosing Party without restriction on disclosure; (iv) is independently developed by the receiving Party without reliance on the disclosing Party's Confidential Information; (v) is required to enforce a Party's rights hereunder; or (vi) is required to be disclosed by a governmental authority or pursuant to a subpoena, provided that to the extent not prohibited by applicable law, the receiving Party gives the disclosing Party a reasonable opportunity to contest the disclosure and/or seek any available protections for the Confidential Information.

The Parties will hold each other's Confidential Information in confidence, will use at least the same standard of care with respect to the Confidential Information of the other Party that it uses in maintaining the confidentiality of its own Confidential Information, which shall be a reasonable standard of care, and will not disclose it to any third party for the duration of this Agreement and any time thereafter, except as contemplated herein, without the express permission of the other.

- (b) **Public Disclosure Laws.** Client is permitted to release copies of any Deliverables in response to a request under any applicable legal or regulatory disclosure obligation; provided that prior to such disclosure, Client notifies Segal and grants

Segal a reasonable opportunity to review such Deliverable and redact any Confidential Information contained therein, to the extent permitted by applicable law.

7. **Liability and Indemnification:**

- (a) **Force Majeure.** Neither Party will be in default or otherwise liable for any delay in or failure of its performance under this Agreement where such delay or failure arises by reason of any Act of God, act or failure to act by a governmental body, the elements, strikes or labor disputes, or other cause beyond the control of such Party.
- (b) **Indemnification.** To the fullest extent permitted by law, Segal shall indemnify, defend and hold harmless Client and its Board of Retirement, employees, agents, and officers from and against all actions, claims, losses, damages, liabilities and expenses (including court-awarded attorneys' fees) for injuries to persons or damage to property to the extent resulting from the wrongful acts or omissions, willful misconduct or negligence of Segal's officers, agents or employees in the provision of Services under this Agreement.
- (c) NOTHING IN THIS AGREEMENT WILL ACT TO RELIEVE SEGAL FROM ANY RESPONSIBILITY, LIABILITY OR DUTY THAT SEGAL MAY NOT DISCLAIM UNDER APPLICABLE FEDERAL OR STATE LAWS.
- (d) Segal will at all times during the term of the Agreement maintain in force, at a minimum, the insurance requirements designated in the attached Exhibit C. Client will be named as an additional insured on all policies. All of Segal's available insurance coverage and proceeds in excess of the specified limits shall be available to satisfy any and all claims of Client, including defense and indemnification terms of this Agreement. Segal's insurance policies, including excess and umbrella insurance policies shall include an endorsement and be primary and non-contributory and will not seek contribution from any other insurance (or self-insurance) available to Client. Segal's excess and umbrella insurance shall also apply on a primary and non-contributory basis for the benefit of Client before Client's own insurance policy or self-insurance shall be called upon to protect it as a named insured.

8. **Notices:**

Any notices or other communications hereunder or with respect to this Agreement will be in writing and will be given to the Parties by hand, by electronic mail, nationally recognized overnight courier service or by express, registered or certified mail, postage prepaid, return receipt requested, at the addresses set forth below:

If to the Client, to:

Alameda County Employees' Retirement Association

475 14th Street, Suite 1000  
Oakland, CA 94612  
Attention: Kathy Foster  
kfoster@acera.org

If to Segal, to:

Segal Consulting  
330 North Brand Blvd, Suite 1100  
Glendale, CA 91203  
Attention: Stephen Murphy  
smurphy@segalco.com

Copy to:

Segal Consulting  
333 West 34<sup>th</sup> Street  
New York, NY 10001  
Attention: General Counsel  
Contract\_Notice@segalco.com

Notices will be deemed to have been received upon the earlier of actual receipt thereof or, with respect to delivery (a) by electronic mail, upon confirmation of receipt, whether telephonically or by electronic transmission; (b) by overnight courier or overnight express mail, the next business day following delivery to such overnight courier or the U.S. Postal Service; and (c) by registered or certified mail, the fifth day following such delivery to the U.S. Postal Service. Any Party may change its notice address or email address number by written notice to the other.

**9. Governing Law:**

Except to the extent superseded by federal law, (a) any disputes between the Parties hereto are subject to mediation in accordance with the Judicial Arbitration and Mediation Service (“JAMS”) or other appropriate mediator as a condition precedent to the commencement of any legal proceeding hereunder; and (b) the validity, interpretation, enforceability, and performance of this Agreement will be governed by the laws of the State of California. Unless otherwise agreed by the Parties, any dispute, controversy or claim arising out of or to enforce the terms of this Agreement may be brought in the appropriate federal or state court in the State of California.

**10. Conflicts of Interest:**

Under the Political Reform Act of 1974 and Client policy, Segal is required to refrain from any prohibited conflict of interest with Client as defined under law and policy. The Segal employees designated under this Agreement as the responsible parties shall further file and submit to Client annual Form 700 statements of economic interest as provided under the Political Reform Act and Client’s Conflict of Interest Code. For purposes of this

Agreement, “responsible parties” means those Segal employees who exert influence upon financial decisions by Client staff and the Client Board of Retirement by making recommendations or reports. Attached as Exhibit E are Client’s Conflict of Interest Code, and Conflict of Interest Policy. Exhibit F is a list of employees designated by Segal as responsible parties.

11. **Independent Contractor:**

In performing under this Agreement, Segal shall at all times act in the capacity of an independent contractor. This Agreement is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture or association as between Segal and Client. Nothing in this Agreement shall cause Client to be responsible for any action, omission or inaction of Segal. For all purposes, including Workers’ Compensation Liability, Segal understands and agrees that employees of Segal are not employees of Client.

12. **Non-Discrimination:**

Segal agrees: (a) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, sexual orientation or disability of a qualified individual with a disability and (b) to post, and cause subcontractors to post, in conspicuous places available to employees and applicants for employment notices setting forth the substance of this clause.

13. **General:**

- (a) **Entire Agreement; Modification of Agreement.** This Agreement constitutes the entire contract between the Parties regarding the furnishing of the Services. Neither Party shall be bound by any conditions, definitions, warranties, understandings or representations with respect to such subject matter other than as expressly provided herein, , or as duly set forth on or after the effective date of this Agreement in an Amendment in writing and signed by a duly authorized representative of the Party to be bound thereby. No modification or amendment hereto will be valid unless it is in writing and signed by the Parties.
- (b) **Assignment of the Agreement.** A Party may only assign this Agreement with the other Party’s prior written consent. In addition, no assignment shall discharge a Party from its obligations or duties under Section 5 (Intellectual Property Rights and Ownership), Section 6 (Confidentiality) and Section 7 (Liability and Indemnification) of this Agreement. This Agreement will be binding upon both Parties hereto, and their respective successors and assigns.
- (c) **Survival of Terms.** The provisions of Section 5 (Intellectual Property Rights and Ownership), Section 6 (Confidentiality), Section 7 (Liability and Indemnification) and Section 9 (Governing Law) will survive the termination of this Agreement.
- (d) **Severability and Waiver.** If any provision of this Agreement is found to be illegal or otherwise unenforceable, that provision will be severed and the remainder of this

Agreement will remain in full force and effect. No consent to or waiver of any default hereunder shall be effective unless in writing and no such consent or waiver shall be construed as a consent to or waiver of any default in the future or of any other default hereunder.

- (e) **Outside Vendors.** The Client understands and agrees that Segal may, from time to time, consult with or receive services from legal counsel, consultants and other outside vendors in connection with providing the Services under this Agreement.
- (f) **Authority to Enter Agreement.**

The Client represents and warrants that: (i) it has all necessary power and authority to enter into this Agreement; (ii) the person signing has been duly authorized to execute this Agreement on its behalf; (iii) the execution and delivery of this Agreement and any action contemplated herein does not conflict with, or violate, any provision of law, rule or regulation, contract, deed of trust or other instrument to which it is a party or otherwise bound; (iv) this Agreement is a valid and binding contract enforceable against it; and (v) to its knowledge, it is in compliance with all applicable law and regulation related to its performance pursuant to the terms of this Agreement.

Segal represents and warrants that: (i) it has all necessary power and authority to enter into this Agreement; (ii) the person signing has been duly authorized to execute this Agreement on its behalf; (iii) the execution and delivery of this Agreement and any action contemplated herein does not conflict with, or violate, any provision of law, rule or regulation, contract, deed of trust or other instrument to which it is a party or otherwise bound; (iv) this Agreement is a valid and binding contract enforceable against it; and (v) to its knowledge, it is in compliance with all applicable law and regulation related to its performance pursuant to the terms of this Agreement.

- (g) **No Third Party Beneficiaries.** This Agreement is made and entered into solely for the benefit and protection of the Parties hereto, their successors and permitted assigns, and does not confer any rights or privileges upon any third parties.
- (h) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile or Portable Document Format (PDF) copies thereof shall be deemed to be originals.

\* \* \* \* \*

*(Execution Page Follows)*

**THE SEGAL COMPANY (WESTERN STATES), INC., D/B/A SEGAL CONSULTING**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Name: David H. Nelsen

Title: Chief Executive Officer

Attachments:

Exhibit A – Consulting Services

Exhibit B – Payment Terms

Exhibit C – Insurance Coverage

Exhibit D - Business Associate Agreement

Exhibit E – Client’s Conflict of Interest Code and Conflict of Interest Policy

Exhibit F – Segal’s Responsible Persons List



**EXHIBIT A TO CONSULTANT SERVICES AGREEMENT  
BETWEEN ACERA AND BENEFIT CONSULTANT  
FOR BENEFITS CONSULTING SERVICES**

**Statement of Services -- Consulting Services**

The Benefit Consultant agrees to provide the following Benefits Consulting Services:

**GENERAL BENEFITS CONSULTANT SERVICES**

**MONTHLY:**

- a) Attend monthly ACERA Retirees Committee meetings and debrief meetings afterward.
- b) Attend conference call to discuss deliverables/Committee meeting planning.
- c) Provide accurate, monthly deliverables from Retirees Committee Work Plan on specified dates to ACERA.
- d) As notices become available, provide information and assess impact of any legislative updates concerning health care plan policies and procedures, including Medicare plans.
- e) Track benefit plans design ideas for future discussion with carriers and renewal letters.

**QUARTERLY:**

- a) Participate in ACERA's quarterly meetings with Kaiser Permanente to review quarterly utilization, and discuss the wellness program and other topics as necessary.

**SEMI-ANNUALLY:**

- a) Create a PowerPoint presentation on Health Care Reform; including but not limited to: Medicare, Affordable Care Act, Covered California, Multi-State Exchanges, California Legislation, and Federal Legislation; and present it at the Retirees Committee meetings.
- b) Review and analyze Delta Dental and Vision Service Plan member utilization and claims experience.
- c) Work with ACERA and the County of Alameda to gain access to medical carriers' claim information to review and calculate the reimbursement to employers for the adverse experience (Implicit Subsidy) cost of retirees. Provide a written report concerning the Implicit Subsidy for past plan year amount for medical plans and the estimated Implicit Subsidy amount for current year.

**ANNUALLY:**

- a) Create a PowerPoint document to present at the annual retiree association health care planning meeting. Subject matter for presentation to be determined a month in advance of the meeting, normally held in the month of April.
- b) Prepare a letter for ACERA's consideration in drafting the annual medical plans renewal letter to the County of Alameda. Add specific plan impact questions on regulation changes such as CMS Mandates or Affordable Care Act as well as adding specific pricing requests, new carrier Disease Management/Wellness initiatives, and plan design changes adding benefit/cost savings to retiree plans. Letters should include discussion points over the plan year, which may have been addressed at Retirees Committee meetings as well as monthly Benefits Consultant/ACERA meetings.
- c) Provide written annual reports with observations and recommendations related to Delta Dental and Vision Service Plan member utilization and claims experience. Draft separate Request for Information (renewal) letters for both Delta Dental and for Vision Services Plan each year by April 1<sup>st</sup>. Letters should include discussion points over the plan year, which may have been addressed at Retirees Committee meetings as well as monthly Benefits Consultant/ACERA meetings.
- d) Work with ACERA and the County of Alameda to enhance ACERA's current wellness program.
- e) Review and negotiate provider renewal rates/contracts, plan design, funding arrangements (*i.e.*, fully insured or self-funded) and performance guarantees with Delta Dental and Vision Service Plan carriers. Provide written reports explaining the analysis and recommendations.
- f) Attend the annual medical plan renewal meeting between the County of Alameda and ACERA.
- g) Provide a written report on the annual health care trend information including pre-65 and post-65 medical, dental (both plans), and vision plans to assist ACERA in funding recommendations.
- h) Provide in a written report, the Social Security Administration Cost of Living Adjustment amount and the impact this may or may not have on the Medicare Part B monthly premiums. The written report should state what the standard Medicare Part B monthly premium is for the current year and the new premiums for the next year.
- i) Provide the CMS Part D Annual Notice of Creditable Coverage two weeks after its release by CMS; the required date the notice must be received by all of ACERA's members; and a written report on the Part D Standard Benefit changes for the next year, which includes a side by side comparison of the current benefits and the new ones. The report should also include the drug manufacturer's percentage coverage of cost for brand-name drugs, as well as the Part D Income Related Monthly Adjustment amounts.
- j) Make determination of ACERA's compliance with Medicare Part D coverage.



**Exhibit B**  
**Payment Terms**

Segal's annual fee for the Consulting Services is \$123,000. Segal will bill its fees monthly in arrears. Segal will bill for expenses incurred as soon as practicable. All invoices will be payable by the Client within thirty (30) days of receipt. All sums are payable in United States dollars.

**Exhibit B**  
**Payment Terms**

Segal's annual fee for the Consulting Services is \$125,460.00 Segal will bill its fees monthly in arrears. Segal will bill for expenses incurred as soon as practicable.

In addition, Segal's one-time fee for additional services related to the issuance of dental and vision Request for Proposals (RFPs) is \$20,000, as stated in Segal's September 12, 2018 letter, which is included as Exhibit A to the *Agreement*. Segal will bill this fee in two separate invoices, with 50% (\$10,000) to be billed as soon as practicable after the RFPs are released to potential service providers; and the remaining 50% (\$10,000) to be billed as soon as practicable at the end of the RFP project, after the selected service providers have been notified.

All invoices will be payable by the Client within thirty (30) days of receipt. All sums are payable in United States dollars.

**Exhibit B**  
**Payment Terms**

Segal's annual fee for the Consulting Services is \$127,200. Segal will bill its fees monthly in arrears. Segal will bill for expenses incurred as soon as practicable.

All invoices will be payable by the Client within thirty (30) days of receipt. All sums are payable in United States dollars.

**Exhibit B**  
**Payment Terms**

Segal's annual fee for the Consulting Services for the period January 1, 2022 through December 31, 2022 is \$127,200. Segal will bill its fees monthly in arrears. Segal will bill for expenses incurred as soon as practicable.

All invoices will be payable by the Client within thirty (30) days of receipt. All sums are payable in United States dollars.

**Exhibit B**  
**Payment Terms**

Segal's annual fee for the Consulting Services for the period January 1, 2023 through December 31, 2023 is \$129,000. Segal will bill its fees monthly in arrears. Segal will bill for expenses incurred as soon as practicable.

All invoices will be payable by the Client within thirty (30) days of receipt. All sums are payable in United States dollars.

**EXHIBIT C**  
**ALAMEDA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (ACERA) MINIMUM**  
**INSURANCE REQUIREMENTS**

Without limiting any other obligation or liability under this Agreement, the Consultant, at its sole cost and expense, shall secure and keep in force during the entire term of the Agreement or longer, as may be specified below, the following minimum insurance coverage, limits and endorsements:

TYPE OF INSURANCE COVERAGES		MINIMUM LIMITS
<b>A</b>	<b>Commercial General Liability</b> Premises Liability; Products and Completed Operations; Contractual Liability; Personal Injury and Advertising Liability, Abuse, Molestation, Sexual Actions, and Assault and Battery	\$1,000,000 per occurrence (CSL) Bodily Injury and Property Damage \$2,000,000 annual aggregate
<b>B</b>	<b>Commercial or Business Automobile Liability</b> All owned vehicles, hired or leased vehicles, non-owned, borrowed and permissive uses. Personal Automobile Liability is acceptable for individual Consultants with no transportation or hauling related activities	\$1,000,000 per occurrence (CSL) Any Auto Bodily Injury and Property Damage
<b>C</b>	<b>Workers' Compensation (WC) and Employers Liability (EL)</b> Required for all Consultants with employees	WC: Statutory Limits EL: \$1,000,000 per accident for bodily injury or disease
<b>D</b>	<b>Professional Liability/Errors and Omissions</b> Includes endorsements of contractual liability	\$1,000,000 per occurrence \$2,000,000 aggregate
<b>E</b>	<b>Directors and Officers Liability</b> Including Employment Practices Liability	\$1,000,000 per occurrence
<b>G</b>	<p><b>Endorsements and Conditions:</b></p> <ol style="list-style-type: none"> <li><b>ADDITIONAL INSURED:</b> All insurance required above with the exception of Personal Automobile Liability, Workers' Compensation, Employers Liability, and Professional Liability shall be endorsed to name as additional insured: Alameda County Employees' Retirement Association (ACERA), its Board of Retirement, the individual members thereof, and all ACERA officers, agents, employees, volunteers, and representatives. The Additional Insured endorsement shall be at least as broad as ISO Form Number CG 20 38 04 13. <b>For contract where services will be performed on the premises at 475 14th Street, Oakland, CA. 94612, the building management requires that it also be included as an additional insured. See attached CBRE Certificate of Insurance requirements for details.</b></li> <li><b>DURATION OF COVERAGE:</b> All required insurance shall be maintained during the entire term of the Agreement. In addition, Insurance policies and coverage(s) written on a claims-made basis shall be maintained during the entire term of the Agreement and until 3 years following the later of termination of the Agreement and acceptance of all work provided under the Agreement, with the retroactive date of said insurance (as may be applicable) concurrent with the commencement of activities pursuant to this Agreement.</li> <li><b>REDUCTION OR LIMIT OF OBLIGATION:</b> All insurance policies, including excess and umbrella insurance policies, shall include an endorsement and be primary and non-contributory and will not seek contribution from any other insurance (or self-insurance) available to ACERA. The primary and non-contributory endorsement shall be at least as broad as ISO Form 20 01 04 13. Pursuant to the provisions of this Agreement insurance effected or procured by the Consultant shall not reduce or limit Consultant's contractual obligation to indemnify and defend the Indemnified Parties.</li> <li><b>INSURER FINANCIAL RATING:</b> Insurance shall be maintained through an insurer with a A.M. Best Rating of no less than A:VII or equivalent, shall be admitted to the State of California unless otherwise waived by Risk Management, and with deductible amounts acceptable to ACERA. Acceptance of Consultant's insurance by ACERA shall not relieve or decrease the liability of Consultant hereunder. Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Consultant.</li> <li><b>SUBCONTRACTORS:</b> Consultant shall include all subcontractors as an insured (covered party) under its policies or shall verify that the subcontractors, under its own policies and endorsements, has complied with the insurance requirements in this Agreement, including this Exhibit. The additional Insured endorsement shall be at least as broad as ISO Form Number CG 20 38 04 13.</li> <li><b>JOINT VENTURES:</b> If Consultant is an association, partnership or other joint business venture, required insurance shall be provided by one of the following methods: <ul style="list-style-type: none"> <li>– Separate insurance policies issued for each individual entity, with each entity included as a "Named Insured" (covered party), or at minimum named as an "Additional Insured" on the other's policies. Coverage shall be at least as broad as in the ISO Forms named above.</li> <li>– Joint insurance program with the association, partnership or other joint business venture included as a "Named Insured".</li> </ul> </li> <li><b>CANCELLATION OF INSURANCE:</b> All insurance shall be required to provide thirty (30) days advance written notice to ACERA of cancellation.</li> <li><b>CERTIFICATE OF INSURANCE:</b> Before commencing operations under this Agreement, Consultant shall provide Certificate(s) of Insurance and applicable insurance endorsements, in form and satisfactory to ACERA, evidencing that all required insurance coverage is in effect. ACERA reserves the rights to require the Consultant to provide complete, certified copies of all required insurance policies. The required certificate(s) and endorsements must be sent as set forth in the Notices provision.</li> </ol>	

**Exhibit D**  
**Business Associate Agreement**

**THIS AGREEMENT (“Agreement”)** is entered into as of the date set forth below by and between The Segal Group, Inc., for itself and on behalf of its operating subsidiaries and affiliates, including Segal Consulting, (“Segal”) and Alameda County Employees’ Retirement Association (“Client”).

**WHEREAS** Client is a group health plan or a plan sponsor of one or more group health plans, which group health plan(s) is a Covered Entity as such term is defined in 45 CFR §160.103. For purposes of this Agreement, the term Client refers to the group health plan(s) that is the Covered Entity;

**WHEREAS** Segal provides consulting services to Client in accordance with the underlying services agreement (the “Services Agreement”), and is a Business Associate, as such term is defined in 45 CFR §160.103, of the Client when it conducts such services (the “Services”);

**WHEREAS**, to perform the Services, Segal needs to access, use, disclose and maintain Protected Health Information (“PHI”), as such term is defined below; and

**WHEREAS** access to, and use, disclosure and maintenance of, PHI, electronic transmission and storage of PHI, and security of PHI are regulated by the provisions of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), as amended by the Health Information Technology for Economic and Clinical Health Act (“HITECH”), Segal and Client desire to exchange and treat PHI in compliance with HIPAA and HITECH under the Privacy, Security and Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164 (the “HIPAA Rules”).

**NOW, THEREFORE**, in consideration of the premises and the mutual promises contained herein, Client and Segal hereby agree as follows:

**I. Definitions**

- A. **Business Associate.** “Business Associate” shall generally have the same meaning as the term “business associate” at 45 CFR 160.103, and in reference to the Party to this agreement, shall mean The Segal Group, Inc.
- B. **Covered Entity.** “Covered Entity” shall generally have the same meaning as the term “covered entity” at 45 CFR 160.103, and in reference to the Party to this agreement, shall mean Alameda County Employees’ Retirement Association.
- C. All terms used and not otherwise defined herein shall have the same meaning as in the HIPAA Rules.

**II. Permitted Uses and Disclosures by Segal**

- A. Segal shall not use or disclose PHI other than as permitted or required by this Agreement and agrees to use and disclose the minimum necessary PHI required.

- B. In particular:
- i. Segal may use or disclose PHI as necessary to provide the Services set forth in the Services Agreement.
  - ii. Segal may use or disclose PHI as Required by Law.
  - iii. Segal may not use or disclose PHI in a manner that would violate the Privacy Rule if done by Client, except for the specific uses and disclosures set forth herein at subsections iv, v and vi.
  - iv. Segal may use PHI for its proper management and administration or to carry out its legal responsibilities.
  - v. Segal may disclose PHI for its proper management and administration or to carry out its legal responsibilities, provided the disclosures are Required by Law, or Segal obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as Required by Law or for the purposes for which it was disclosed to the person, and the person notifies Segal of any instances of which it is aware in which the confidentiality of the information has been violated.
  - vi. Segal may use and disclose PHI for purposes of data aggregation services relating to the health care operations of Client.
  - vii. Segal may de-identify PHI in accordance with the requirements of 45 CFR §164.514(a)-(c), and may use or disclose the information that has been de-identified.

### **III. Obligations and Activities of Segal**

- A. Segal shall use appropriate safeguards to prevent the use or disclosure of PHI other than as provided for by the Agreement.
- B. Segal will report to Client any use or disclosure of PHI not provided for by the Agreement of which it becomes aware.
- C. Segal shall comply with the Security Rule with respect to electronic Protected Health Information (“ePHI”) and shall report to Client any Security Incident of which it becomes aware. For purposes of reporting under this Section, the definition of Security Incident shall be limited to the successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.
- D. Segal shall report to Client, as soon as practicable, but no later than 30 days after discovery, any Breach of Unsecured PHI as required at 45 CFR §164.410. Such notice shall include all available information required, including:



- i. The identity of each Individual whose Unsecured PHI has been or is reasonably believed by Segal to have been accessed, acquired, used or disclosed during the Breach;
  - ii. A brief description of what happened, including the date of the Breach and the date of discovery if known;
  - iii. A description of the type of Unsecured PHI involved in the Breach;
  - iv. The steps Individuals should take to protect themselves from potential harm resulting from the Breach;
  - v. A brief description of the steps Segal is taking to investigate, mitigate harm, and protect against further breaches; and
  - vi. Contact information for follow-up questions.
- E. If Segal uses subcontractors in the provision of the Services, Segal shall ensure that subcontractors who create, receive, maintain, or transmit PHI on its behalf agree to equivalent restrictions, conditions, and requirements as contained herein with respect to such information.
- F. Segal shall make available to Client PHI in a Designated Record Set as necessary to satisfy Client's obligations under 45 CFR §164.524.
- G. Segal shall make any amendment(s) to PHI in a Designated Record Set as directed or agreed to by the Client pursuant to 45 CFR §164.526, or take other reasonable measures as necessary to satisfy Client's obligations under 45 CFR §164.526.
- H. Segal shall maintain and make available to Client the information required to provide an accounting of disclosures, as necessary to satisfy Client's obligations under 45 CFR §164.528.
- I. Segal shall only carry out Client's obligations under the Privacy Rule as mutually agreed to by the Parties. In such instances, Segal shall comply with the Privacy Rule requirements that apply to Client in the performance of such obligations.
- J. Subject to any applicable legal privileges or confidentiality agreements, Segal shall, upon reasonable notice and during normal business hours, make its internal practices, books, and records available to the Secretary for purposes of determining compliance with the HIPAA Rules by Segal and/or Client.

#### **IV. Obligations and Activities of Client**

- A. Client shall notify Segal of any limitation(s) in its notice of privacy practices under 45 CFR §164.520, to the extent that such limitation may affect Segal's use or disclosure of PHI.

- B. Client shall notify Segal of any changes in, or revocation of, the permission by an Individual to use or disclose his or her PHI, to the extent that such changes may affect Segal's use or disclosure of PHI.
- C. Client shall notify Segal of any restriction on the use or disclosure of PHI that it has agreed to or is required to abide by under 45 CFR §164.522, to the extent that such restriction may affect Segal's use or disclosure of PHI.
- D. Client shall not request Segal to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Client, except to the extent that such use or disclosure is for the purposes set forth above in Section II.B. iv, v and vi.

**V. Term and Termination**

- A. The Term of this Agreement shall be effective as of the date set forth below and shall run concurrently with the Services Agreement, unless this Agreement is terminated earlier due to the violation of a material term as provided for in Section B below.
- B. Either Party may terminate this Agreement if the other violates a material term of the Agreement, provided that the non-breaching Party provides the breaching Party with no less than 30 days in which to cure such violation prior to termination becoming effective. However, if the non-breaching Party reasonably and in good faith determines that the violation is not curable, it may terminate this Agreement immediately upon written notice to the breaching Party.
- C. Upon termination of this Agreement, the Services Agreement also shall terminate to the extent that it requires Segal to access, use, disclose and/or maintain PHI in order to provide the Services.
- D. Upon termination of this Agreement for any reason, Segal, with respect to any PHI either received from Client, or created, maintained, or received by Segal on Client's behalf, shall:
  - i. Where feasible, return or destroy the PHI, which Segal still maintains in any form. Client understands that Segal's need to maintain portions of the PHI in records of actuarial determinations and for other archival purposes related to memorializing advice provided will render return or destruction infeasible.
  - ii. Continue to use appropriate safeguards and comply with the Security Rule with respect to ePHI to prevent use or disclosure of the PHI, other than as provided for in this Section, for as long as Segal retains the PHI; and
  - iii. Not use or disclose the PHI retained other than for the purposes for which such PHI was retained and subject to the same conditions set out in Section II.B.iv and v of this Agreement which applied prior to termination.

- E. The Parties' respective obligations under this Section V shall survive the termination of this Agreement.

## VI. Miscellaneous

- A. Regulatory References. A reference in this Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- B. Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for compliance with the requirements of the HIPAA Rules and any other applicable law. Any amendment shall be in a writing duly executed by both Parties.
- C. Interpretation. Any ambiguity in this Agreement shall be interpreted to permit compliance with the HIPAA Rules. In the event of any inconsistency or conflict between this Agreement, and the Services Agreement or any other written agreement between the Parties, the terms, provisions and conditions of this Agreement shall control and govern.
- D. Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any third party beneficiary rights in any person, including any participant or beneficiary of Client.
- E. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile or Portable Document Format (PDF) copies thereof shall be deemed to be originals.
- F. Informal Resolution. If any controversy, dispute, or claim arises between the Parties with respect to this Agreement, the Parties shall make good faith efforts to resolve such matters informally.
- G. Notices. All notices to be given pursuant to the terms of this Agreement shall be in writing and shall be sent certified mail, return receipt requested, postage prepaid or by courier service. If to Client, the notice shall be sent to the address set forth below Client's signature or such other address as Client notifies Segal of in writing. If to Segal, the notice shall be sent to the Privacy Official, c/o General Counsel, The Segal Group, 333 West 34th Street, New York, New York 10001.

*[Execution Page Follows]*

**INTENDING TO BE LEGALLY BOUND**, the Parties have duly executed this Agreement.

**THE SEGAL GROUP, INC.**

**ALAMEDA COUNTY EMPLOYEES'  
RETIREMENT ASSOCIATION**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: David H. Nelsen

Title: \_\_\_\_\_

Title: Chief Executive Office

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Address: 475 14<sup>th</sup> Street, Suite 1000

Oakland, CA. 94612

**Exhibit E**  
**Client's Conflict of Interest Code and Conflict of Interest Policy**



# ACERA Conflict of Interest Code

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference.

Individuals holding designated positions shall timely file their statements of economic interests (Form 700) with the ACERA Chief Counsel or his or her designee (475 14th Street, Suite 1000, Oakland, CA 94612) who shall serve as the Filing Officer for ACERA. Filings may be made through DocuSign. All statements will be retained by ACERA and are available for public inspection and reproduction.

## Designated Positions and Disclosure Categories

Category 1: These ACERA positions must disclose all financial interests called for in the Form 700:

Investment Operations Officer	Chief Counsel
Investment Officer	Associate Counsel
Assistant Chief Executive Officer	

Category 2: These ACERA positions must disclose the financial interests called for in the Form 700, but only to the extent it is reasonably foreseeable that an ACERA decision might impact such financial interests (for example, a financial interest in a business that currently provides, or may in the future, provide goods or services to ACERA).

Fiscal Services Officer	Chief of Internal Audit
Retirement Benefits Manager	Communications Manager
Chief Technology Officer	Human Resources Officer

New Positions and Consultants: Consultants and newly created positions that make or participate in the making of ACERA decisions that may foreseeably have a material effect on any financial interest must disclose all financial interests called for in the Form 700 (Category 1). The Chief Executive Officer may set disclosure requirements that are tailored to positions with a limited range of duties pursuant to 2 CCR § 18734. Any such limited disclosure requirements determined by the CEO shall be in writing and are public records.

**Conflict of Interest Code Appendix: Agency Positions that Manage Public Investments for Purposes of Section 87200 of the Government Code**

Trustee

Chief Executive Officer

Chief Investment Officer



# Conflict of Interest Policy

---

## I. Purpose

This Policy provides ACERA Trustees and Staff with guidelines for carrying out their fiduciary duties and mitigating the risk of an actual or perceived conflict of interest. For purposes of this Policy, a conflict of interest is defined as any matter that could reasonably be expected to interfere with the obligations of Trustees and Staff to prudently discharge their duties to the system solely in the interest of, and for the exclusive purpose of providing benefits to, ACERA members and their beneficiaries.

## II. Governing Law and Policy

- A. The Political Reform Act of 1974 (Gov't Code §§81000), regulations of the Fair Political Practices Commission ("FPPC") (2 Cal. Code of Regs. §§18104 et seq.), Gov't Code §§1090 et seq., and any amendments to these laws, are incorporated into this Policy by reference.
- B. The Board's Conflict of Interest Code, attached hereto as Exhibit A, is incorporated into this Policy by reference.
- C. Attached hereto as Exhibit B is an ACERA Legal Office memorandum that provides more detailed guidance about conflicts of interest in specific situations.

## III. Assumptions

- A. With respect to ACERA activities, the duty of an ACERA Trustee or Staff members to ACERA's members and beneficiaries shall take precedence over any other duty.
- B. A perceived conflict of interest can pose as great a risk to ACERA as an actual conflict of interest. Thus, perceived conflicts should be treated as actual conflicts of interest.
- C. Safeguarding the ACERA trust for members and beneficiaries is paramount. Conflicts of interest, bribes, gifts, or favors that elevate private gains over the duty of Trustees and Staff to members and beneficiaries are unacceptable.
- D. It is not possible to identify and address in a policy all the methods by which Trustees or Staff may take actions that benefit them or third parties rather than members and beneficiaries. A policy therefore should consist of general guidelines and principles that will provide Trustees and Staff with direction as situations arise.



- E. In situations where law or policy is unclear, the best interests of members and beneficiaries must be served. Trustees and Staff shall act in good faith and exercise sound judgment.
- F. When interacting with existing or potential service providers, Trustees and Staff must establish and maintain an independent relationship to ensure they remain objective when conducting ACERA's affairs.

#### IV. Policy Guidelines

- A. Trustees and Staff shall **not**:
  1. Accept or solicit any gift, favor, behested payment or service that may reasonably tend to influence or be perceived to influence the individual in the discharge of his or her official duties or that the individual knows, or should know, is being offered with the intent to influence the individual's official conduct.
  2. Fail to adhere to applicable law and FPPC regulations regarding gift disclosure requirements and gift value limits.
  3. Request behested payments on behalf of any non-profit or charitable organization from any person or entity that is doing business with ACERA.
  4. Accept other employment or engage in a business or professional activity that the individual might reasonably expect would require or induce him or her to disclose confidential information acquired by reason of his or her official position.
  5. Engage in or accept other employment or compensation that could reasonably be expected to adversely impact the individual's independence of judgment and duty of loyalty in the performance of his or her official duties.
  6. Make personal investments that could reasonably be expected to create a conflict between the individual's private interests and the interests of the members and beneficiaries.
  7. Solicit, accept, or agree to accept any benefit for having exercised the individual's official powers or for having performed his or her official duties in favor of another.
  8. Transact any business in the individual's official capacity with any entity or person in which he or she has an economic interest, unless authorized by law.
  9. Appear before the Board while acting as an advocate for himself or herself or any other person, group, or entity, without fully disclosing his or her relationship and recusing himself or herself from the Board deliberations and voting.

10. Represent any business entity before the Board or senior management in return for any form of compensation.
  11. Represent, directly or indirectly, any business entity or individuals in any proceeding against the interests of ACERA or in any litigation in which the Plan is a party.
  12. Use the individual's official position to secure a special privilege or exemption for oneself or others that could be perceived as or is an actual conflict of interest under the intent of this policy.
  13. Use the individual's official position to secure confidential ACERA information for any purpose other than the exercise of official duties.
  14. Disclose any confidential information gained by one's position concerning the property, operations, policies, or affairs of ACERA, or use confidential information for pecuniary gain.
- B. When the Board is in, or about to enter into, the process of selecting a vendor, the Board, Staff and individual Trustees shall not accept any social invitations, gifts, favors or services from vendors, nor solicit any behested payments where it is reasonably foreseeable that the vendor is, or may reasonably be expected to be a candidate in the selection process, even if such acceptance would be permitted at other times.
- C. When an actual or perceived conflict of interest exists, Trustees and Staff shall fully disclose said conflict and abstain from participating in Board deliberations concerning the matter and in any way, except to the extent their participation is legally required for the decision to be made as allowed by applicable law and regulations.
- D. To facilitate compliance with this policy, Trustees and Staff may pay for their own expenses when interacting with existing or potential service providers, and in turn may be reimbursed or compensated for those expenses by ACERA, if allowable under applicable reimbursement policies. Receipts shall be obtained when ordinarily given and claims shall be submitted to the Chief Executive Officer or his or her designee for reimbursement.
- E. The ACERA Legal Office will maintain and provide to the Board Trustees, contemporaneous with the Form 700 materials, an annual report, listing the individuals and entities with whom ACERA is contracting for services, to assist the Trustees and Staff with disclosure and/or recusal obligations relating to their own economic interests, including those of their immediate family members.

#### V. Conflict of Interest/Form 700 Statement of Economic Interests

- A. Trustees and Designated Employees shall complete and file conflict of interest/Statement of Economic Interests – Form 700 with the Legal Department as follows:
1. Initial Statements. Each person already in a position when it is designated by an amendment to the Conflict of Interest Code for ACERA shall file an initial statement within 30 days after the effective date of the amendment.
  2. Assuming Office Statements. All persons assuming designated positions after the effective date of the Conflict of Interest Code for ACERA shall file statements within 30 days after assuming the designated positions.
  3. Annual Statements. Due no later than April 1.
  4. Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

#### VI. Biennial Ethics Training

Under Government Code §53234 et seq., ACERA Trustees must receive at least two hours of training in general ethics principles and ethics laws relevant to public service every two years. Each Trustee shall attend ethics training at least once every two years and new Trustees shall attend no later than one year from the first day of service with ACERA, per Gov't Code §53235.1 The ACERA Legal Department will maintain records indicating the date ethics training was completed and the entity that provided the training.

#### VII. Policy Review

The Governance Committee shall review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

#### VIII. Policy History

The Board reviewed and affirmed this policy, with revisions, on November 17, 2022.<sup>1</sup>

The Board revised Section IV(A)(3) on July 20, 2023.

---

<sup>1</sup> The Board adopted this policy on November 18, 1999. Previous amendment dates all with revisions: August 15, 2002; August 16, 2007; June 17, 2010; September 19, 2013; June 18, 2015; November 17, 2016; December 20, 2018 and November 21, 2019.



**EXHIBIT F TO CONSULTANT SERVICES AGREEMENT  
BETWEEN ACERA AND CONSULTANT FIRM  
FOR BENEFITS CONSULTING SERVICES**

**RESPONSIBLE PERSONS LIST (CONSULTANT)**

- Name of Staff/Consultant, Title
- Name of Staff/Consultant, Title
- Name of Staff/Consultant, Title
- Name of Staff/Consultant, Title