

AGENDA

A REGULAR MEETING OF THE BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA

9:00 A.M., THURSDAY, APRIL 12, 2018

*The Board may take action on any item on the agenda,
and agenda items may be taken out of order.*

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. OTHER COMMUNICATIONS
 - A. For Information
 - 1. February 2018 All Stars
 - 2. Interim Chief Executive Officer's Report
(Memo dated April 2, 2018)
- IV. PUBLIC COMMENT
- V. CONSENT ITEMS
 - A. Recommendation as submitted by Robert R. Hill, Interim Chief Executive Officer: That the Board approve attendance of Board members at the National Association of Corporate Directors – Technology Symposium on July 12-13, 2018 in Palo Alto, California and approve reimbursement of all travel costs incurred in accordance with LACERA's Educational and Travel Policy.
(Placed on the agenda at the request of Mr. Kehoe)
(Memo dated March 15, 2018)

V. CONSENT ITEMS (Continued)

- B. Recommendation as submitted by Robert R. Hill, Interim Chief Executive Officer: That the Board approve attendance of Board members at the ISMG Security Summit on August 14-15, 2018 in New York City, New York and approve reimbursement of all travel costs incurred in accordance with LACERA's Educational and Travel Policy. (Placed on the agenda at the request of Mr. Bernstein)
(Memo dated April 5, 2018)
- C. Recommendation as submitted by Michael S. Schneider, Chair, Audit Committee: That the Board approve the revised Audit Committee Charter. (Memo dated April 3, 2018)
- D. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits & Legislative Committee: That the Board adopt a "Watch" position on Senate Bill 1270, which relates to the appointment of assistant administrators and chief investment officers.
(Memo dated March 15, 2018)
(Supplemental Agenda Information memo dated April 2, 2018)
- E. Recommendation as submitted by Marvin Adams, Chair, Operations Oversight Committee: That the Board:
- 1) Determine that the Board wishes to exempt LACERA from possible business associate status under HIPAA; and
 - 2) Approve and authorize staff to execute the HIPAA Privacy and Security Rule Requirements for Disclosure of PHI to LACERA Retiree Healthcare Program amendment to the Retiree Healthcare plan documents in order to take advantage of one of HIPAA's Plan Sponsor Exceptions.
(Memo dated April 2, 2018)
- F. Recommendation as submitted by Marvin Adams, Chair, Operations Oversight Committee: That the Board approve the Secured Workplace Policy. (Memo dated March 30, 2018)

VI. NON-CONSENT ITEMS

- A. Recommendation as submitted by Cassandra Smith, Director, Retirement Healthcare Division: That the Board approve fiscal year 2018-2019 rate renewal proposal and mandatory contractual changes, listed by carrier, and the administrative fee.

(Memo dated March 29, 2018)

- B. Recommendation as submitted by Fern M. Billingsy, Senior Staff Counsel: That the Board:

- 1) Adopt the resolution, No. 2018-BR001, specifying that canine handlers pay earned on and after September 2014, by Sheriff's Department, Metrolink Bureau and earned on and after March 1, 2015 by Sheriff's Department, Transit Services Bureau qualifies as compensation earnable;
- 2) Instruct staff to implement this change by coordinating with the County Auditor-Controller to remit member and employer contributions; and
- 3) Instruct staff to collect arrears contributions for canine handlers pay in accordance with the Board's policy regarding implementation of new pensionable pay items.

(Memo dated March 28, 2018)

- C. Recommendation as submitted by Fern M. Billingsy, Senior Staff Counsel: That the Board:

- 1) Adopt resolutions No. 2018-BR002 and No. 2018-BR003, specifying pay items as "compensation earnable" and "pensionable compensation;" and
- 2) Instruct staff to coordinate with the County of Los Angeles to establish necessary reporting mechanism and procedures to permit LACERA to include the qualifying items in the calculation of final compensation.

(Memo dated March 28, 2018)

VI. NON-CONSENT ITEMS (Continued)

D. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits & Legislative Committee: That the Board:

- 1) Approve a visit with Congress by Board members and staff as designated by the Chair of the Board of Retirement during the week of May 21, 2018 in Washington D.C.;
- 2) Approve “LACERA Overview and Priorities”; and
- 3) Approve reimbursement of all travel costs incurred in accordance with LACERA’s Education and Travel Policy.

(Memo dated April 2, 2018)

E. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer: That the Board authorize the attendance at both the International Foundation of Employee Benefit Plans Washington Legislative Update and the visit with Congress by Board members and staff as designated by the Chair of the Board of Retirement during the week of May 21, 2018 in Washington, D.C. as an exception to the conference attendance limitations under Section 705.07 of LACERA’s Education and Travel Policy pursuant to Section 705.18.

(Supplemental Agenda Information memo dated April 3, 2018)

F. Recommendation as submitted by Robert R. Hill, Interim Chief Executive Officer: That the Board provide the SACRS voting delegate direction on voting for the SACRS slate of officers.

VII. REPORTS

A. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the March 2018 Fiduciary Counsel Contact and Billing Report. (Memo dated April 3, 2018) (Privileged and Confidential) (Attorney-Client Communication/Attorney Work Product)

VIII. REPORT ON STAFF ACTION ITEMS

IX. GOOD OF THE ORDER
(For information purposes only)

X. EXECUTIVE SESSION

- A. Conference with Legal Counsel - Existing Litigation
(Pursuant to Paragraph (1) of Subdivision (d) of California
Government Code Section 54956.9)
 - 1. Sandra J. Claggett v. County of Los Angeles, et al. etc.
LASC Case No. BC681877
For Information Only

- B. Conference with Legal Counsel - Anticipated Litigation
Significant Exposure to Litigation (Pursuant to Paragraph (2) of
Subdivision (d) of California Government Code Section 54956.9)
 - 1. John McBride

XI. ADJOURNMENT

Documents subject to public disclosure that relate to an agenda item for an open session of the Board of Retirement that are distributed to members of the Board of Retirement less than 72 hours prior to the meeting will be available for public inspection at the time they are distributed to a majority of the Board of Retirement Members at LACERA's offices at 300 N. Lake Avenue, Suite 820, Pasadena, CA 91101, during normal business hours of 9:00 a.m. to 5:00 p.m. Monday through Friday.

Persons requiring an alternative format of this agenda pursuant to Section 202 of the Americans with Disabilities Act of 1990 may request one by calling Cynthia Guider at (626) 564-6000, from 8:30 a.m. to 5:00 p.m. Monday through Friday, but no later than 48 hours prior to the time the meeting is to commence. Assistive Listening Devices are available upon request. American Sign Language (ASL) Interpreters are available with at least three (3) business days notice before the meeting date.



April 2, 2018

TO: Each Member
Board of Retirement
Board of Investments

FROM: Robert R. Hill 
Interim Chief Executive Officer

SUBJECT: **CHIEF EXECUTIVE OFFICER'S REPORT**

I am pleased to present the Chief Executive Officer's Report that highlights a few of the operational activities that have taken place during the past month, key business metrics to monitor how well we are meeting our performance objectives, and an educational calendar.

March Madness

We refer to the period beginning in December through the end of March as "March Madness" because retirements tend to spike during this period as members desire to retire in time to be eligible for any April 1 cost-of-living adjustment (COLA) that may be approved. As we have in years past, we are continuing our commitment to share the annual March Madness statistics in the Chief Executive Officer's report. There are two key statistics we track during this time of year.

How well are we keeping up with our member's requests to retire? The chart below shows the total number of pending retirement elections. All incoming retirement requests are triaged by staff to facilitate processing those retirements with immediate retirement dates and those which will require special handling (i.e. legal splits and those with uncompleted service credit purchases).

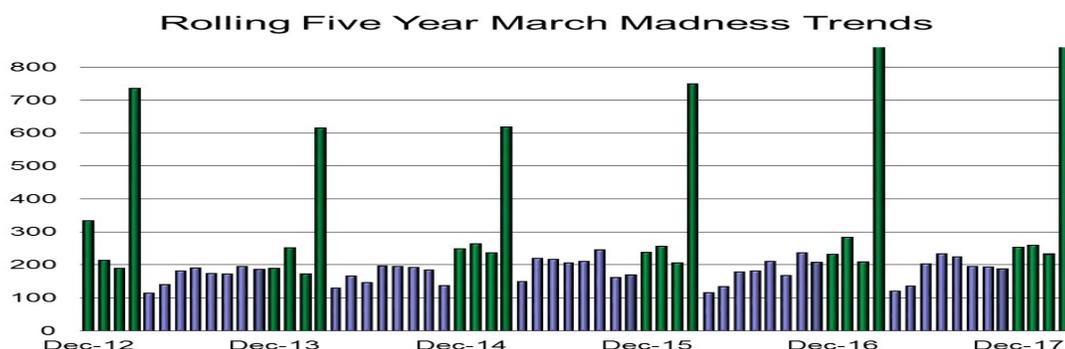
Retirement Month	Retirement Elections
December 2017	0
January 2018	0
February 2018	1
March 2018	76
Pending Disability Cases	82
Total Pending	159

The 77 retirement elections not completed for December - March are pending for the following reasons: pending member action (usually waiting for a signed election) (1), additional research or information required (5), pending processing (71).

The Pending Disability Cases represents the number of approved disability cases being processed by the Benefits Division. Once a disability has been granted by the Board, the Benefits Division staff work with the member and their employer to select a disability effective date, determine the member's option election, and bring them on payroll. These disability cases are pending for the following reasons: pending reciprocal verification (1), currently in process (24), pending a decision on the effective date (25), and waiting for an action by the member (32). These cases are not assigned to a specific month in the "March Madness" period because the final effective date has not been determined. As with service retirements some cases have mitigating factors such as legal splits and uncompleted purchases which can also extend processing. We expect to successfully meet the retirement agenda deadlines for a majority of our March Madness retirees.

The second key statistic is the volume of retirements during the year, and especially during March Madness. This gives us an indication on the severity of the stress being placed on our capacity to meet our various member service requests and demands placed upon our staff.

The green bars in the following chart reflect those members who have been approved to retire (i.e., their retirement elections have been approved and completed). The red bars reflect those cases that have not been processed as of the date of this report. As of March 22, 2018, we have processed 1605 out of 1682 retirements for the March Madness period so far. Comparing the total processed and pending per month we are running slightly higher than the five-year average (last five completed years) for December (252 vs. avg. of 248), and for January (258 vs. avg. of 253), and above average for February (233 vs. avg. of 202). March (939 vs. avg. of 716) well above average. Putting this into perspective during last year's March Madness 1,588 members retired, which was higher than the rolling five-year average of 1,418 (the five year averages may change from month to month as disability cases are processed due to retroactive retirement dates).



Striving for Excellence in Service



Outreach Attendance
3,080

24,780 Year-to-Date



Outreach Events
22

285 Year-to-Date



Outreach Satisfaction
94.8%

0.2% Change Since Last Mo.



Member Service Center
100.0%

0.0% Change Since Last Mo.

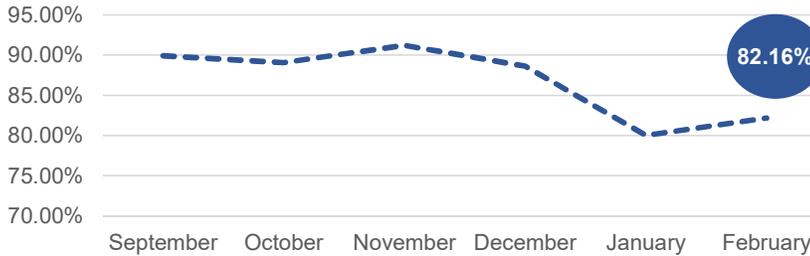


Member Services Calls
14,038

13,675 3 Mo. Avg.

Key Performance Indicator (Overall Performance)

Member Services



Key Performance Indicator (Components)



Top Calls

1. Workshop Info/Appointments Inquiry
2. My LACERA: Portal Login Issues
3. Death: Benefit Explanations

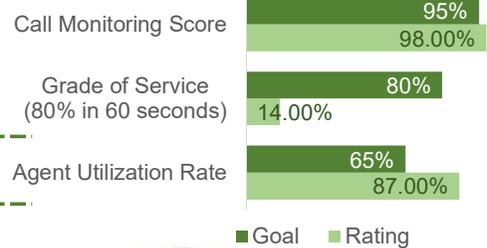


476 Emails
9:07 hours
Avg. Response Time (ART)



Top Calls

1. Part B Premium Reimbursement
2. Medical Benefits - General Inquiries
3. Medical-New Enroll./Change/Cancel



785 Emails
1 day
Avg. Response Time (ART)

Applications

588

On Hand

- 46 Received
- 361 Year-to-Date
- 0 Re-opened
- 1 Year-to-Date
- 44 To Board - Initial
- 318 Year-to-Date
- 4 Closed
- 47 Year-to-Date
- 586 In Process
- 586 Year-to-Date

Appeals

120

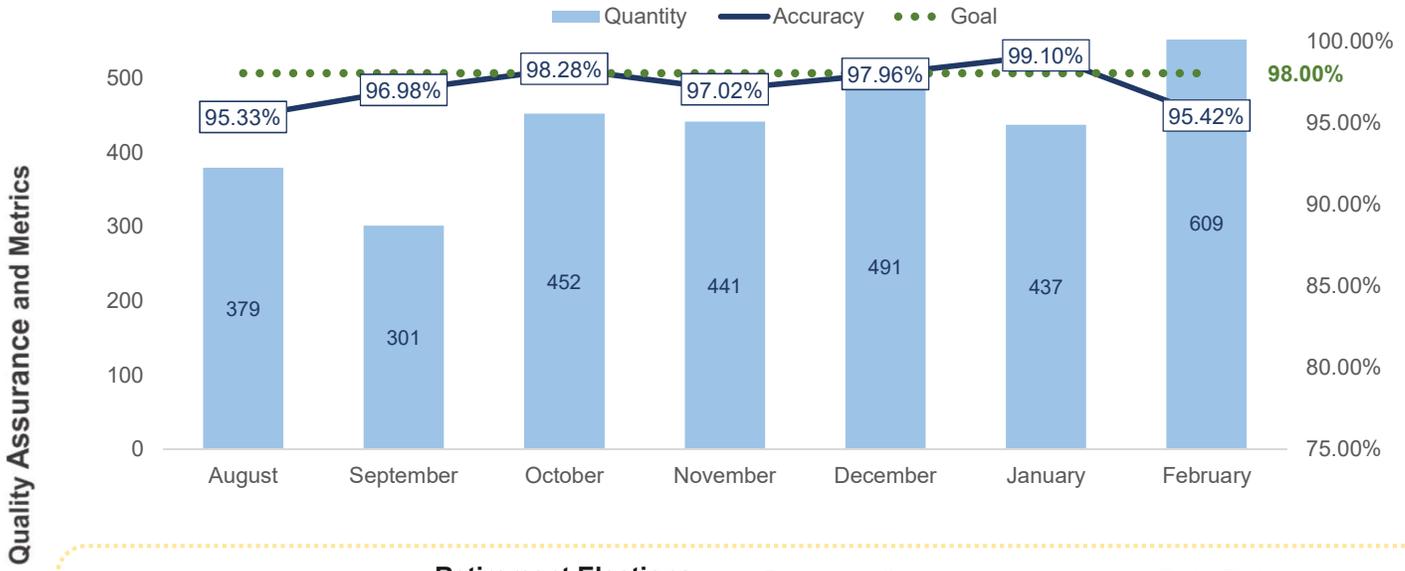
On Hand

- 1 Received
- 22 Year-to-Date
- 3 Admin Closed/Rule 32
- 18 Year-to-Date
- 1 Referee Recommended
- 9 Year-to-Date
- 1 Revised/Reconsidered for Granting
- 4 Year-to-Date
- 116 In Process
- 116 Year-to-Date

Disability

Striving for Excellence in Quality

Audits of Retirement Elections, Payment Contracts, and Data Entry



February 2018
95.42%



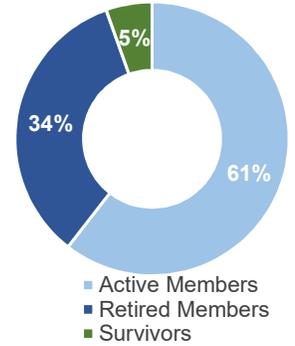
Retirement Elections
458 Samples
90.40% Accuracy

Payment Contracts
61 Samples
98.00% Accuracy

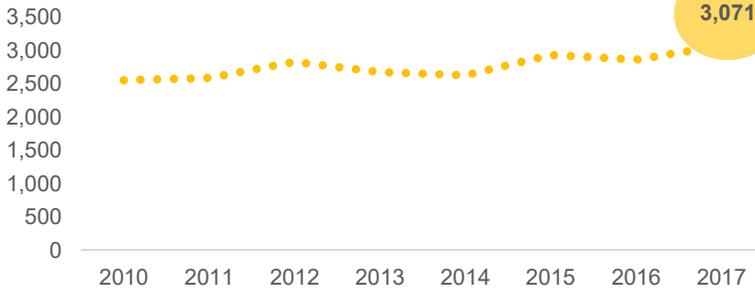
Data Entry
90 Samples
97.87% Accuracy

Member Snapshot

		Members as of 04/02/18				
		Plan	Active	Retired	Survivors	Total
General	Plan A		157	17,867	4,563	22,587
	Plan B		53	686	67	806
	Plan C		61	422	63	546
	Plan D		44,234	13,647	1,263	59,144
	Plan E		18,878	12,163	1,056	32,097
	Plan G		22,222	9	1	22,232
	Total General			85,605	44,794	7,013
Safety	Plan A		6	5,522	1,581	7,109
	Plan B		10,524	5,089	266	15,879
	Plan C		2,373	5	0	2,378
	Total Safety			12,903	10,616	1,847
TOTAL MEMBERS			98,508	55,410	8,860	162,778



Retirements Per Year



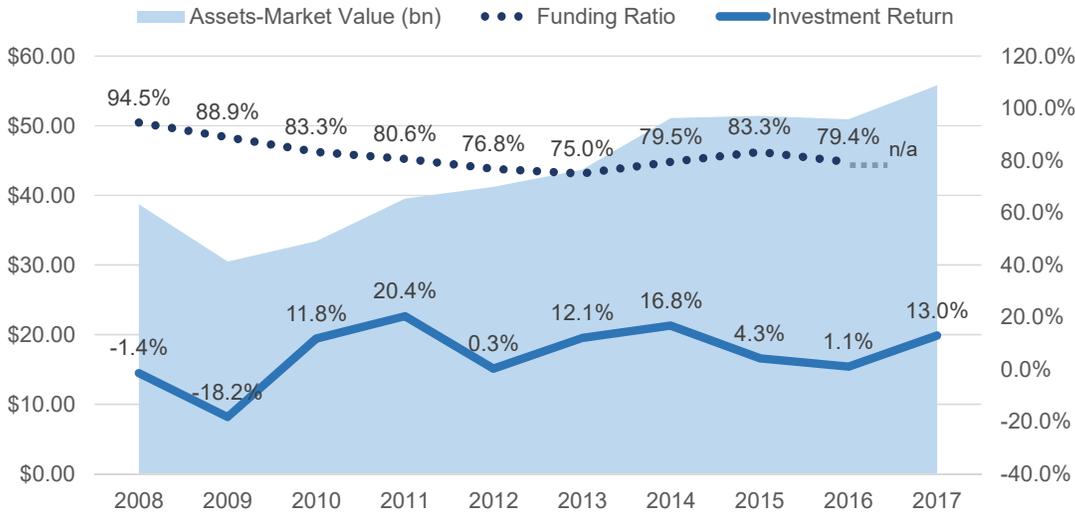
Healthcare Program (YTD)

	Employer	Member
Medical	\$315.48m	\$26.71m
Dental	\$28.27m	\$2.91m
Part B	\$37.92m	xxxx
Total	\$381.68m	\$29.63m

Healthcare Enrollments (Monthly)

Medical	49,180
Dental	50,322
Part B	32,923
LTC	693
Total	133,118

Key Financial Metrics



Funding Metrics (as of 6/30/17)

Employer NC	9.97%*
UAAL	9.73%*
Assumed Rate	7.25%*
Star Reserve	\$614m*
Total Assets	\$52.7b*

Contributions (as of 6/30/17)

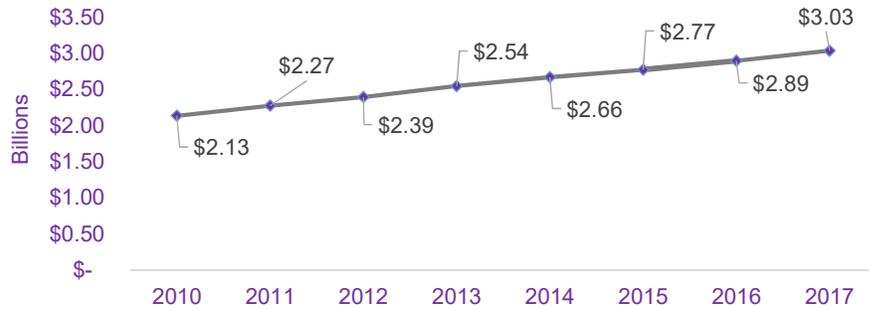
	Employer	Member
Annual Add	\$1331.4m	\$526.6m
% of Payroll	19.7%*	6.65%*

*Effective July 1, 2017, as of 06/30/16 actuarial valuation

Retired Members Payroll

Monthly Payroll	\$267.83m
Payroll YTD	\$2.1b
New Retired Payees Added	360
Seamless %	99.72%
New Seamless Payees Added	2,314
Seamless YTD	99.70%
By Check %	4.00%
By Direct Deposit %	96.00%

Retiree Payroll by Year

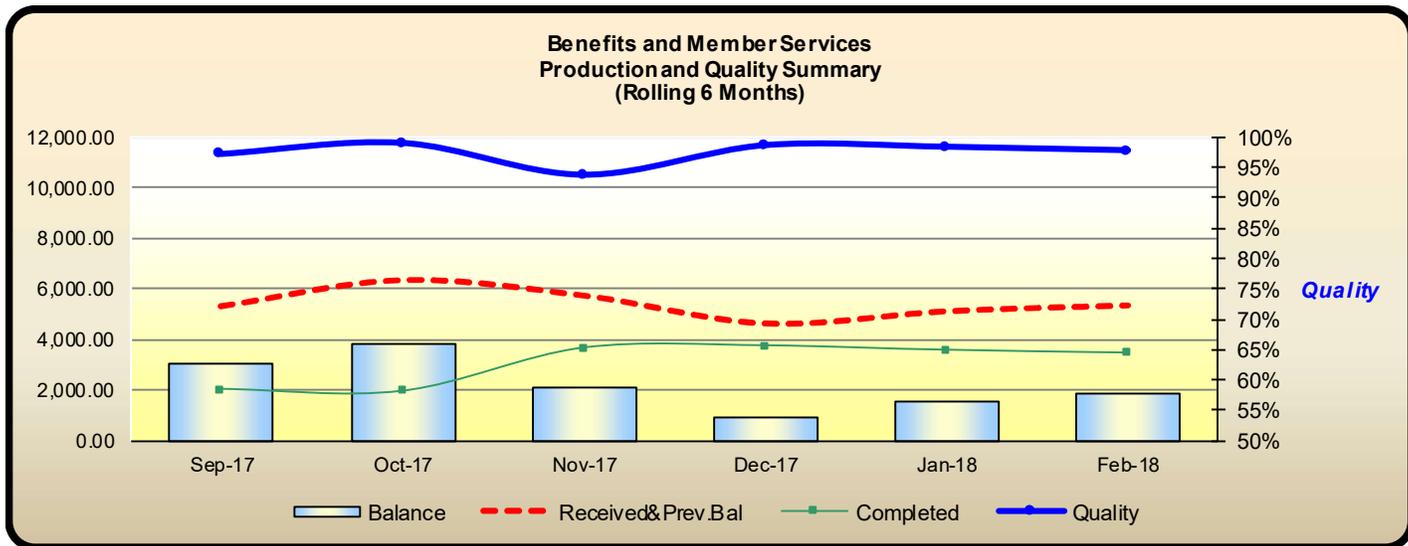
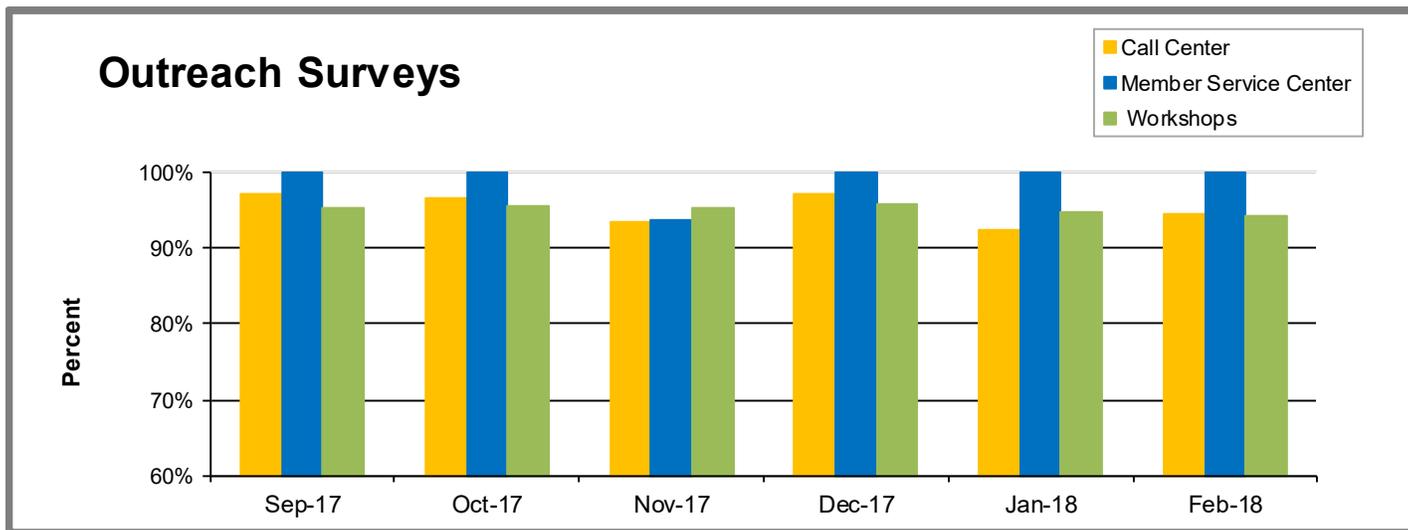


MORE COMING SOON!

LACERA's KEY BUSINESS METRICS

OUTREACH EVENTS AND ATTENDANCE

Type	# of WORKSHOPS		# of MEMBERS	
	Monthly	YTD	Monthly	YTD
Benefit Information	4	107	218	5,896
Mid Career	1	8	82	316
New Member	9	98	172	2,070
Pre-Retirement	6	61	171	1,643
General Information	1	4	25	367
Retiree Events	1	7	79	705
Member Service Center	Daily	Daily	2,333	13,783
TOTALS	22	285	3,080	24,780



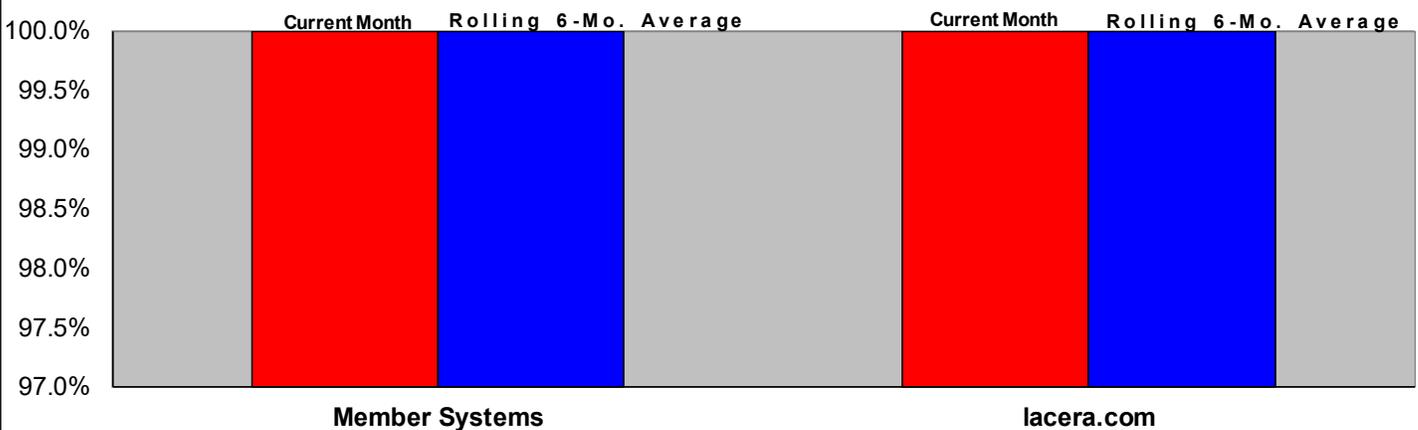
Member Services Contact Center			RHC Call Center	Top Calls
Overall Key Performance Indicator (KPI)	82.16%			
Category	Goal	Rating		Member Services
Call Center Monitoring Score	95%	94.97%	98%	1) Workshop Info/Appointments: Inquiry
Grade of Service (80% in 60 seconds)	80%	19%	14%	2) My LACERA: Portal Login Issue
Call Center Survey Score	90%	94.44%	xxxxx	3) Death: Benefit Explanation
Agent Utilization Rate	65%	82%	87%	
Number of Calls	14,038		5,831	Retiree Health Care
Number of Calls Answered	10,710		4,442	1) Part B Premium Reimbursement
Number of Calls Abandoned	3,328		1,357	2) Medical Benefits - General Inquiries
Calls-Average Speed of Answer (hh:mm:ss)	00:08:09		00:10:04	3) Medical-New Enroll./Change/Cancel
Number of Emails	476		785	
Emails-Average Response Time (hh:mm:ss)	09:07:12		(Days) 1	Adjusted for weekends

LACERA's KEY BUSINESS METRICS

Fiscal Years	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Assets-Market Value	\$38.7	\$30.5	\$33.4	\$39.5	\$41.2	\$43.7	\$51.1	\$51.4	\$50.9	\$55.8
Funding Ratio	94.5%	88.9%	83.3%	80.6%	76.8%	75.0%	79.5%	83.3%	79.4%	n/a
Investment Return	-1.4%	-18.2%	11.8%	20.4%	0.3%	12.1%	16.8%	4.3%	1.1%	13.0%

DISABILITY INVESTIGATIONS						
APPLICATIONS	TOTAL	YTD		APPEALS	TOTAL	YTD
On Hand	588	xxxxxxx		On Hand	120	xxxxxxx
Received	46	361		Received	1	22
Re-opened	0	1		Administratively Closed/Rule 32	3	18
To Board – Initial	44	318		Referee Recommendation	1	9
Closed	4	47		Revised/Reconsidered for Granting	1	4
In Process	586	586		In Process	116	116

SYSTEMS AVAILABILITY - FEBRUARY 2018



Active Members as of 4/2/18		Retired Members/Survivors as of 4/2/18			Retired Members	
		Retirees	Survivors	Total		
General-Plan A	157	17,867	4,563	22,430	Monthly Payroll	267.83 Million
General-Plan B	53	686	67	753	Payroll YTD	2.1 Billion
General-Plan C	61	422	63	485	No. Monthly Added	360
General-Plan D	44,234	13,647	1,263	14,910	Seamless %	99.72%
General-Plan E	18,878	12,163	1,056	13,219	No. YTD Added	2,314
General-Plan G	22,222	9	1	10	Seamless YTD %	99.70%
Total General	85,605	44,794	7,013	51,807	Direct Deposit %	96.00%
Safety-Plan A	6	5,522	1,581	7,103		
Safety-Plan B	10,524	5,089	266	5,355		
Safety-Plan C	2,373	5	0	5		
Total Safety	12,903	10,616	1,847	12,463		
TOTAL ACTIVE	98,508	TOTAL RETIRED	55,410	8,860	64,270	

Health Care Program (YTD Totals)		
	Employer Amount	Member Amount
Medical	315,485,566	26,715,921
Dental	28,272,252	2,915,347
Med Part B	37,929,096	xxxxxxxxxx
Total Amount	\$381,686,914	\$29,631,268

Health Care Program Enrollments (Monthly)	
Medical	49,180
Dental	50,322
Med Part B	32,923
Long Term Care (LTC)	693

Funding Metrics as of 6/30/17	
Employer Normal Cost	9.97%*
UAAL	9.73%*
Assumed Rate	7.25%*
Star Reserve	\$614 million
Total Assets	\$52.7 billion

Member Contributions as of 6/30/17	
Annual Additions	\$526.6 million
% of Payroll	6.65%*

Employer Contributions as of 6/30/17	
Annual Addition	\$1,331.4 million
% of Payroll	19.70%*

*Effective July 1, 2017, as of 6/30/16 actuarial valuation.

Date	Conference
May, 2018	
6-9	Government Finance Officers Association (GFOA) Annual Conference St. Louis, MO
13-16	NCPERS (National Conference on Public Employee Retirement Systems) Annual Conference New York, NY
15-17	UCLA Anderson Executive Education – Corporate Governance Program Los Angeles, CA
15-18	SACRS Anaheim, CA
21-22	IFEBP (International Foundation of Employment Benefit Plans) Legislative Update Washington D.C.
21-23	IACP Technology Conference Providence, RI
21-25	Investment Strategies & Portfolio Management (<i>prev. Pension Fund & Investment Mgmt.</i>) Wharton School, University of Pennsylvania
June, 2018	
4-6	National Association of Securities Professionals (NASP) 29 th Annual Pension & Financial Services Conference Houston, TX
8	CALAPRS (California Association of Public Retirement Systems) Round Table – Trustees Hilton Oakland Airport
8	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Hilton Oakland Airport
11-13	2018 MoneyConf – “The Future of Money” Dublin, Ireland
11-13	Trustee Leadership Forum for Retirement Security at the Harvard Kennedy School Cambridge, MA
13	National Association of Corporate Directors (NACD) – Future Trends Event Austin, TX
20-22	AHIP (America’s Health Insurance Plans) Institute San Diego, CA
25-27	IFEBP Public Employee Benefits Institute Las Vegas, NV



March 15, 2018

TO: Each Member
Board of Investments
Board of Retirement

FROM: Robert R. Hill 
Interim Chief Executive Officer

FOR: Board of Investments Meeting of April 11, 2018
Board of Retirement Meeting of April 12, 2018

SUBJECT: National Association of Corporate Directors – Technology Symposium
July 12-13, 2018 in Palo Alto, California

The National Association of Corporate Directors (NACD) - Technology Symposium will take place on July 12-13, 2018 at the Four Seasons Hotel in Palo Alto, California. The NACD Technology Symposium will empower directors with advanced insights on how the latest technology trends from Silicon Valley are shaping the future of your organization from data analytics to cybersecurity to privacy practices.

The main conference highlights include the following:

- Cognitive Computing & Predictive Analytics
- Corporate Venturing and Innovation in Silicon Valley
- The New Face of Risk Management
- Board Leadership in the Digital Era

The conference meets LACERA's policy of an average of five (5) hours of substantive educational content per day. The standard hotel rate at the Four Seasons Hotel is \$565.00 per night plus applicable taxes and the registration fee to attend is \$3,495.00.

If the registration fee is insufficient to pay the cost of the meals provided by the conference sponsor, LACERA must reimburse the sponsor for the actual cost of the meals, less any registration fee paid. Otherwise, the attendee will be deemed to have received a gift equal to the value of the meals, less any registration fee paid, under California's Political Reform Act.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

Approve attendance of Board members at the National Association of Corporate Directors - Technology Symposium on July 12-13, 2018 in Palo Alto, California and approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy.

RH/lg
Attachment

NACD Technology Symposium Agenda

JULY 12–13, 2018 | THE FOUR SEASONS | PALO ALTO, CA

DAY 1. THURSDAY, JULY 12

7:30 a.m. – 8:30 a.m.

Registration and Breakfast

8:30 a.m. – 8:45 a.m.

Program Welcome and Overview



Erin Essenmacher

Director, Ghandi Brigade; Chief Programming Officer, NACD

8:45 a.m. – 9:30 a.m.

Keynote

Technology guru and CES whisperer explores critical future trends on the horizon and how these new ideas will impact your businesses and boardroom.



Shelly Palmer

CEO, The Palmer Group LLC

9:30 a.m. – 9:45 a.m.

Networking Break

9:45 a.m. – 10:05 a.m.

Short Take: IoT and Innovation at Scale



Sandra Lopez

Vice President, General Manager, Intel

10:05 a.m. – 10:25 a.m.

Short Take: Blockchain



Glenn Gow

Marketing Partner, Clear Ventures; Director, acutelQ; Cryptocurrencies Advisor

10:25 a.m. – 10:40 a.m.

Short Take: AI, A Director's Lens

10:40 a.m. – 11:00 a.m.

Short Take: Cognitive Computing & Predictive Analytics

11:00 a.m. – 11:15 a.m.

Networking Break

11:15 a.m. – 12:00 p.m.

In Conversation with Mike Daniels



Mike Daniels

Director, BlackBerry, Mercury Systems, CACI International, Northern Virginia Technology Council, Virginia Chamber of Commerce; Chair, Invincea, Logistics Management Institute

12:00 a.m. – 1:15 p.m.

Networking Lunch

1:15 p.m.

Buses Depart for Plug and Play

1:30 p.m. – 1:40 p.m.

Arrival & Check-in at Plug and Play

Please be seated in the EXPO hall.

1:40 p.m. – 1:45 p.m.

Welcome and Introductions

1:45 p.m. – 2:30 p.m.

Corporate Venturing and Innovation in Silicon Valley Presentation

2:30 p.m. – 2:55 p.m.

Silicon Valley Ecosystem presented by Plug and Play

2:55 p.m. – 3:10 p.m.

Networking Break

3:10 p.m. – 3:45 p.m.

Tour of Plug and Play

3:45 p.m. – 4:45 p.m.

Start-up Presentations

5:00 p.m.

Buses Depart for Four Seasons

6:30 p.m. – 8:30 p.m.

Peer Exchange and Networking Dinner

Day 2. FRIDAY, JULY 13

7:00 a.m. – 8:00 a.m.

Breakfast

8:15 a.m.

Buses Depart for Silicon Valley Stop #2

8:30 a.m. – 11:30 a.m.

Tour and Presentation – Stop #2

Location to be announced.

11:30 a.m.

Buses Depart for Four Seasons

11:45 a.m. – 1:15 p.m.

Networking Lunch and Keynote



Jia Jiang

Founder, Wuju Learning Inc.; TED Speaker

1:15 p.m. – 2:45 p.m.

The New Face of Risk Management

The impact of digital technology on value creation and company valuations across industries is vast, with estimates of the global digital economy accounting for 22% of the world's economy in 2015, forecast to grow to 25% in 2020. While digital first emerged as a marketing tactic and progressed into the operational efficiency domain, it is now a major strategic imperative evolving at a staggering pace. This session, broken into three sections, will look at digital revolution and its implications on three fronts – strategy and business model disruption, legal and regulatory implications, and the new landscape of reputation risk.



Nora Denzel

Director, Ericsson Inc., Advanced Micro Devices Inc., Talend, NACD Northern California Chapter



Christa Steele

Owner, Boardroom Consulting LLC

2:45 p.m. – 3:00 p.m.

Networking Break

2:45 p.m. – 4:00 p.m.

Board Leadership in the Digital Era

Drawing on findings from both findings of the 2018 Edelman Trust Barometer and Investor Survey we'll discuss changing stakeholder expectations, fueled in large part by the fallout of digital transformation. How does this impact the way boards think about transparency, culture and stewardship?



Erin Essenmacher

Director, Ghandi Brigade; Chief Programming Officer, NACD



JT Kostman

CEO, Applied AI; Director, Reimagine Holdings, Jocata



Shelly Palmer

CEO, The Palmer Institute LLC

4:00 p.m. – 4:30 p.m.

Insights into Action: Tying it All Together

Successfully navigating the disruptive forces impacting businesses today is every leader's biggest challenge. In this session, thought leaders and directors share leading practices that boards can utilize to better prepare their organizations for the opportunities and risks appearing on the horizon.

4:30 p.m.

Program Adjourns

RESERVE YOUR SEAT TODAY

NACDOnline.org/Education

Attendance at the entire course is mandatory for NACD Fellowship® credit. Please make your travel plans accordingly.





April 5, 2018

TO: Each Member
Board of Retirement

FROM: Robert R. Hill 
Interim Chief Executive Officer

FOR: Board of Retirement Meeting of April 12, 2018

SUBJECT: ISMG Security Summit on August 14-15, 2018 in New York City, New York

The Information Security Media Group (ISMG) will be holding a Security Summit on August 14-15, 2018 at the New York Marriott Marquis in New York City, New York. The Summit will be focusing on global security topics such as fraud and breach prevention and on many key industry verticals such as finance, government, retail, energy and healthcare.

The main conference highlights include the following:

- The Impact of Trump's Presidency on Cybersecurity
- Business-Driven Security: Bridging the Gap Between Security and "The Business"
- Current Trends on Eurasian Cybercrime
- Security Threats vs. Unmitigated Risks

The conference meets LACERA's policy of an average of five (5) hours of substantive educational content per day. The hotel rate at the New York Marriott Marquis is \$275 per night plus applicable taxes and the registration fee is \$895.

If the registration fee is insufficient to pay the cost of the meals provided by the conference sponsor, LACERA must reimburse the sponsor for the actual cost of the meals, less any registration fee paid. Otherwise, the attendee will be deemed to have received a gift equal to the value of the meals, less any registration fee paid, under California's Political Reform Act.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

Approve attendance of Board members at the ISMG Security Summit on August 14-15, 2018 in New York City, New York and approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy.

RH/bn
Attachment

Tuesday, August 14, 2018

8:00 am - 8:45 am

Registration, Breakfast & Exhibit Browsing

8:45 am - 9:00 am

Opening Remarks

9:00 am - 10:00 am

Keynote: The Impact of Trump's Presidency on Cybersecurity

How deeply does Donald Trump understand cybersecurity? As the Trump Administration begins, expect a ramp-up in cyber espionage as well as more "test attacks" by nation-states, say some cybersecurity experts. But is that fair? During the early days of Trump's presidency, how are we seeing Trump's cybersecurity policies and strategies shaping up, and what are the implications for the nation's long-term cybersecurity resiliency? This session will explore how the new administration's cybersecurity policies and stance are expected to impact not only your operations but also your business.

10:05 am - 10:35 am FRAUD TRACK

Fighting the Next Generation of Targeted BEC Attacks

Business email compromise (BEC) attacks that impersonate executives and business partners to trick employees comprise the biggest cyberthreat organizations face today. This is not news. But what may come as a surprise is that the vast majority of BEC attacks are preventable. According to Gartner, Secure Email Gateways are struggling to address social engineering attacks with no payload. But things are changing. New technology can now surpass people and process initiatives to proactively protect email channels, while also removing the guesswork for users.

This session will review why email spoofing works, current BEC trends and attack methods, and advances in technology that are being used to identify and block BEC attacks before they hit the inbox.

10:05 am - 10:35 am DATA BREACH TRACK

DDoS and the Era of Cyber Extortion

Cyber-extortion has reached new proportions, with a wide variety of methods, such as distributed-denial-of-service attacks and ransomware variants being used to extort individuals and organizations. Recently uncovered ransomware-DDoS hybrid attacks, like Cerber, showcased how attackers have added DDoS capabilities to ransomware. Cybersecurity experts predict these attacks will only increase. And as events, such as the takedown of Brian Krebs' website, prove, DDoS attacks continue grow, posing big concerns for all businesses and organizations. The biggest question now is: Who's next?

This session presents real cases of cyber-extortion waged against corporate and high net-worth individuals, including hacking techniques for full network compromise and deployment of ransomware kits. Attendees will walk away from this session with knowledge about the tools and strategies needed to elevate cyber-resilience.

10:35 am - 10:55 am

Exhibiting & Networking Break

10:55 am - 11:40 am

Account Takeover: The Bane of E-Commerce

E-commerce sites face an ongoing fraud battle: Their login forms are constantly hit by bots using stolen credentials to try to take over accounts. And as security at the physical point-of-sale strengthens, namely because of EMV, attackers will turn their focus to e-commerce, waging more account takeover schemes like those we saw plaguing online banking years ago. In this session, we will review how and why phishing attacks, used to steal online credentials, are plaguing e-commerce and spurring account takeover.

11:40 am - 12:25 pm

Speed Networking with Presenters and Peers

One of the most valuable ways to learn is through interaction with your peers. Our “Speed Networking” session will provide an opportunity to meet practitioners who have similar challenges in the areas of fraud and breach prevention, and discuss solutions to potential obstacles. Mingle, share and learn in this unique, rapid-fire and interactive environment.

12:25 pm - 1:15 pm

Lunch

1:15 pm - 1:45 pm FRAUD TRACK

The Route to Trusted Identity

Synthetic ID fraud is a fast-growing, multi-billion dollar issue. Often misclassified as a credit loss, synthetic ID fraud is now affecting an expanding list of entities. Also, unless extremely large, this “victimless” crime often does not get the full attention of law enforcement. From the LexisNexis data labs, learn about the latest proof-of-life research results, how the fraudsters are perpetuating these crimes and a layered risk management approach to help identify fraud applications. Hint: KBA does not work.

1:15 pm - 1:45 pm DATA BREACH TRACK

Business-Driven Security: Bridging the Gap between Security and 'The Business'

Organizations of all sizes today face serious and consequential risk-management challenges. Technology is often presented as the ultimate solution to this problem, but in many cases, organizations are experiencing not just a technical challenge, but a “language” challenge, especially when it comes to risk-management communication between various levels of the organization. Ultimately, our goal is to provide trusted, transparent and aggregated risk data in order to drive more informed, confident and effective business decisions. Join RSA, a Dell Technologies business, to discuss these challenges and, more importantly, potential solutions to consider.

1:50 pm - 2:20 pm

Current Trends on Eurasian Cybercrime

In this session, our government expert will discuss the current rise in the U.S. of data breaches, ransomware, business email compromises, phishing and computer network intrusions. The majority of these cybercrime incidents target U.S. merchants and the financial sector are perpetrated by educated malware writers and highly skilled hackers from Eastern Europe. Right now, many of these miscreants are actually living amongst us in major metropolitan areas in the United States. He will offer a unique and real-world perspective on financial cybercrime by illustrating specific case examples, local past arrests and highlighting some of their latest tactics/techniques. Additionally, he will be providing a “live demo” exposing some of these malicious criminal websites that are trafficking in enormous amounts of stolen data from both U.S. and international people and entities.

2:20 pm - 2:35 pm

Exhibiting & Networking Break

2:35 pm - 3:05 pm FRAUD TRACK

Faster Payment, Faster Fraud

Following NACHA’s new rule for same-day ACH transactions, businesses and consumers are now able to benefit from same-day transaction processing, providing quicker access to payroll, account transactions and more. While beneficial for businesses and consumers, same-day ACH has necessitated that financial institutions review thousands of additional transactions per day, leading to a significant increase in staff and operational costs along with an increased potential for fraudulent activity because of the sheer volume and rapidness of review. This session analyzes the United Kingdom’s transition to faster payments, which saw banking fraud volumes triple, and discusses what U.S. banks can learn from the U.K.’s example. It also reviews the types of fraud that have emerged from the move to instant transfer of funds as well as what strategies have been successful in stopping cybercriminals.

2:35 pm - 3:05 pm DATA BREACH TRACK

Security Threats vs. Unmitigated Risks

Enterprises have invested extensively to address the evolving threat landscape, but security effectiveness remains a guessing game. The problem is, enterprise security teams cannot be sure of the effectiveness of their security controls once they are in place. At the same time, they are under pressure to quantify their cyber risks. In this session, we will explore how to address security effectiveness, quantify risk and deliver peace of mind to key stakeholders.

3:10 pm - 4:00 pm

We’ve Been Breached: Now What? How to Effectively Work with Law Enforcement and Regulators

Too many organizations continue to address breach response from a reactive mode – having a crude disaster-recovery plan in place in case something “does” happen, rather than accepting that something “will” happen and proactively preparing for it. In this session, a panel of legal, technical and law-enforcement experts will discuss what well prepared organizations are doing right, when it comes to

proactive interaction with law enforcement, information sharing and breach investigation and response.

4:05 pm - 4:45 pm

Moving from Indicators of Compromise to Indicators of Attackers: But Will Attacker Attribution Really Help Us?

How does attacker attribution help a CISO and an enterprise? The answer: More than most might think. Most organizations don't care who the attacker is. They just want to stave off attacks. But could they do more?

By using indicators of compromise, for instance, organizations can strengthen their defenses. IOCs are basically just signatures of cyber-weapons used during attacks. They are not indicators of who the attackers are. But by creating 'indicators of attacker compromise' (IOAC), the attack attributes of one cyber-gang linked to multiple types of attacks quickly become very useful. If one attack group is linked to banking Trojans and cyberespionage against employee email accounts, for instance, then identifying the methods used can benefit organizations that are targeted by that same group in the future. So instead of just relying on multiple, somewhat-redundant IOCs across attack target types, organizations also can benefit from a single IOAC, which should be predictive of future unseen attacks. In this discussion about attribution and the role IOCs and IOACs play, moderator Garter Vice President and Distinguished Analyst Avivah Litan will question our panel of experts about the future of attribution, and why it is becoming more critical for organizations across numerous sectors.

4:45 pm - 5:00 pm

Closing Remarks / Look Ahead to Day 2

5:00 pm - 6:00 pm

Cocktails & Networking

Wednesday, August 14, 2018

8:00 am - 8:45 am

Registration, Breakfast, & Networking

8:45 am - 9:00 am

Opening Remarks

9:00 am - 10:00 am

Keynote: The Emerging Threat Landscape: How To Keep Ahead in Cyberspace

As information-security threats intensify, organizations risk becoming disoriented – focused more on grappling with complex technology, an explosion of data, increased regulation and a debilitating skills shortage. This is a huge danger, since prompt action is required to interpret an increasingly complex threat horizon, which could place organizations and their goals at risk. By preparing for the unknown, organizations will have the flexibility to withstand unexpected, high-impact security attacks and events. This session will review the top global security threats for 2017 and how organizations can prepare for them.

10:00 am - 11:00 am

Insider Threat Detection: How to Develop a Successful Program

What are the biggest threats to your organization's data? Recent media attention to high-profile cyberattacks would lead an organization to think external threats are its only concern. Unfortunately, this misconception allows another significant threat to your organization's critical assets to stay completely under the radar – the threat of malicious and non-malicious insiders. With so much of an organization's valuable information digitized today, it may be possible that an insider can steal your information or expose it unintentionally without you knowing it.

In this session, we will explore:

- Some of the startling results of meticulous analysis of hundreds of real-life insider attacks;
- Some potential technical and behavioral insider threat risk indicators;
- Which new technologies enable the detection of anomalous behavior patterns often before an insider incident occurs; and
- The five steps companies need to take in order to develop an effective Insider Threat Detection Program.

11:00 am - 11:20 am

Exhibiting & Networking Break

11:20 am - 11:50 am FRAUD TRACK

EMV and the Evolution of Payments Fraud

The rollout of EMV technology has changed the face of fraud for merchants and retailers. In this session, we'll discuss an overview of the EMV rollout from the merchant perspective, as well as review merchant adoption and the specific deployment challenges, especially for the petrol industry. Join us as we discuss:

- An assessment of the liability shift and its impact on U.S. commerce;
- Concerns about lack of transparency regarding the chargeback process;
- Recent changes announced by Visa and MasterCard related to routing and liability shift dates for ATMs and self-service gas pumps;
- Emerging and evolving fraud patterns in the wake of EMV

11:20 am - 11:50 am DATA BREACH TRACK

Moving to Hybrid Cloud? It's Time to Re-Think Security to Prevent Data Breach

Are you moving your applications to the Cloud or have a Cloud First Strategy? Most recent data breaches have focused on user accounts and privileged access to sensitive resources, both in the data center and in the cloud. While you are migrating to cloud platforms, now is the time to re-think security. In this session, we will explore proven best practices for protecting identities and privileged access across data centers and cloud-based services.

11:55 am - 12:25 pm

Blockchain Tech: We Could Learn a Cybersecurity Thing or Two from Bitcoin

Although developed as a core technology underlying the infamous bitcoin, the blockchain ledger mechanism is proving to have a multitude of potential use cases, from IoT micropayments to capital market trading, retail banking and even voting. The bitcoin blockchain is, in effect, a distributed ledger, shared with hundreds of thousands of automated machine auditors all running the bitcoin open source code; they verify the authenticity of every transaction, drastically reducing, if not completely eliminating, fraudulent entries.

Many current transaction mechanisms are vulnerable to fraud, and in this session, we'll walk through the potential impact of broader blockchain deployment, and review cybersecurity lessons blockchain technology provides for other deployments.

12:25 pm - 1:15 pm

Lunch

1:15 pm - 1:55 pm

Ransomware: Trends, Challenges and Initiatives to Mitigate Ongoing Risks

This session will review ransomware, exploring why it continues, how to battle it and what the future portends. Using real-world examples, this session will walk through some recent ransomware campaigns and discuss new developments in ransomware attacks. How should organizations shore

up their defenses and mitigate their risks? And what role, if any, should banking institutions play in ensuring their customers are protected?

2:00 pm - 3:00 pm

Mobile Wallets and Emerging Fraud

By 2019, nearly 90 million mobile wallet users will be providing a valuable stream of interchange revenue and transaction data for wallet providers. Offering a mobile wallet is a competitive move that financial institutions and issuers simply cannot ignore. But attackers have interest in mobile wallets as well, and the mobile wallet is a key target for fraudsters attracted by the allure of credit cards and weaker fraud mitigation. A clear path through the mobile wallet landscape has not been revealed for avoiding major fraud pitfalls. New approaches and technologies hold promise for a path forward — and none too soon — but what about risk mitigation in the meantime. This session will explore some early challenges of managing mobile wallet fraud risk and how mobile wallet fraud will affect adoption, as well as factors that will influence the rate of mobile wallet fraud in the future and available technology and analytical approaches that hold the most promise for preventing mobile wallet fraud.

3:00 pm - 3:40 pm

Deception Technology: When It Works, It Works. But What about When It Goes Wrong?

Deception is the most successful strategy in military history. Just as armies used deceit to conquer continents, cyber-deception is being used by more and more organizations to exploit a hacker's greatest weakness — being a human, after all, behind a keyboard. Deception techniques such as honeypots are not a new. But new techniques and capabilities are delivering new approaches to how cyberthreats are dealt with, proactively. During this session, we will deconstruct recent attacks from a hacker's perspective and show how you can use deception technology to detect stealthy attacks, illuminate network blind spots and minimize breach detection time — highlighting the benefits of deception defenses. But what about when these techniques don't work as planned? Can deception technology actually create more problems long-term? We will explore the positives and negatives of deception technology.

3:40 pm - 3:45 pm

Closing Remarks



April 3, 2018

TO: Each Member
Board of Investments
Board of Retirement

FROM: Audit Committee
Michael S. Schneider, Chair
Vivian H. Gray, Vice Chair
Herman B. Santos, Secretary
David Green
Shawn R. Kehoe
Joseph Kelly

FOR: Board of Investments Meeting on April 11, 2018
Board of Retirement Meeting on April 12, 2018

SUBJECT: **Updates to Audit Committee Charter**

RECOMMENDATION:

It is recommended your Board approve the proposed updates to the Audit Committee Charter.

BACKGROUND

The Institute of Internal Auditors (IIA) recommends that Audit Committees formally define their purpose, authority, and responsibilities in a charter. In addition, the IIA recommends periodic reviews of the charter to ensure it is aligned with industry best practices and organizational changes. LACERA's Audit Committee Charter (Charter) was established in 2004, and has been updated several times, most recently in November 2017.

The IIA has not updated its model audit committee charter subsequent to the November 2017 Charter. However, staff is proposing additional wording to the Charter's "*Audit Committee Composition and Consultant*" section. Specifically, the revisions address the election of a new member when a Board Member resigns from the Audit Committee (Committee) prior to the completion of their term. The Committee approved this update during its last meeting on March 21, 2018. Refer to Attachment A, of the Charter, with the proposed revisions.

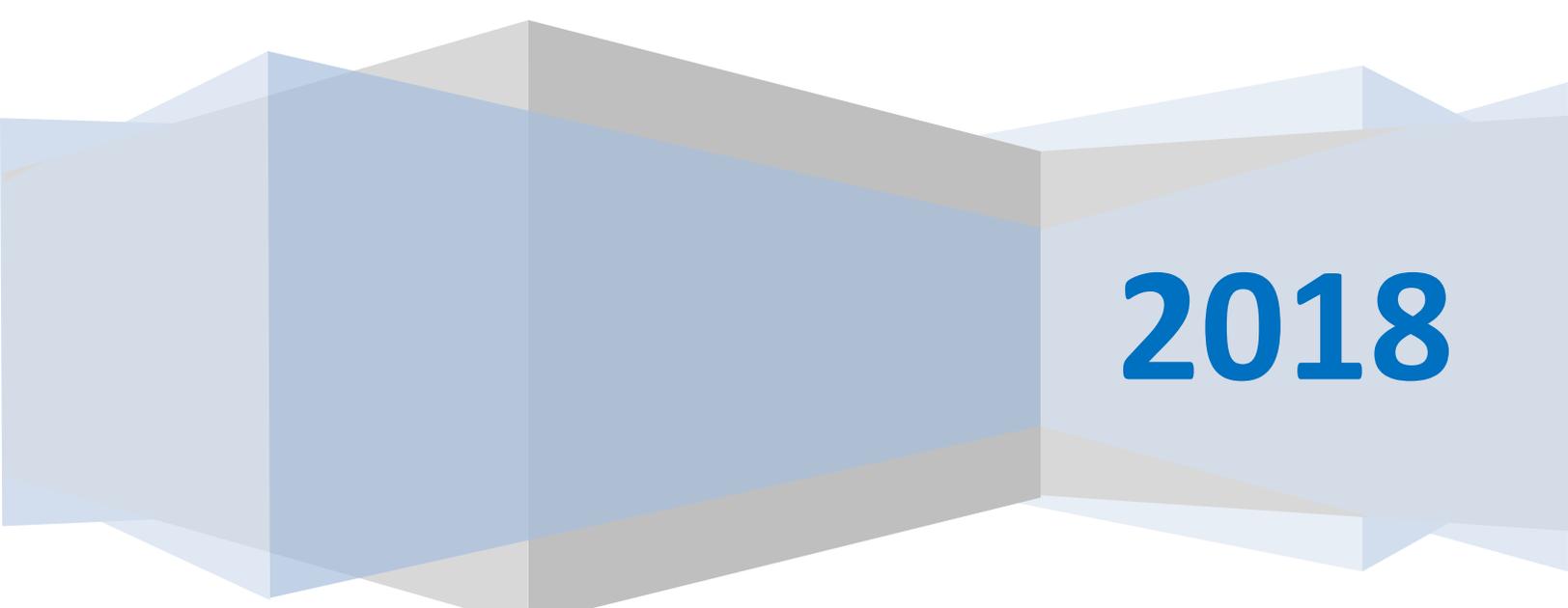
CONCLUSION

Staff recommends that your Board approve the updated Audit Committee Charter.

Attachment:
A: Proposed 2018 AC Charter

Audit Committee Charter

March 2018



2018



AUDIT COMMITTEE CHARTER

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AUDIT COMMITTEE CHARTER

I. PURPOSE

In November 2003, the Los Angeles County Employees Retirement Association's Board of Retirement and Board of Investments established the LACERA Audit Committee.

The purpose of this "Audit Committee Charter" is to govern the Audit Committee that assists the Boards of Retirement and Investments (Boards) in fulfilling their fiduciary oversight responsibilities for the financial reporting process, the system of internal controls, the audit processes, and the organization's method for monitoring compliance with laws and regulations. The Audit Committee Charter is a living document and may be amended for procedural and administrative matters upon majority vote of the Audit Committee.

II. AUTHORITY

The Audit Committee has the authority to conduct or authorize investigations into any matters within its scope of responsibility.

It shall have the following authorities:

- A. Meet with LACERA's officers, Internal Auditors, External Auditors, or consultants as necessary.
- B. Seek any information it requires from employees, all of whom are directed to cooperate with the Committee's requests, or consultants, as necessary.
- C. Resolve any disagreements or coordinate between Management, Internal Audit, and/or External Audit.
- D. Oversee the work of Internal and External Audit, and any other consultants hired to assist the Audit Committee in fulfilling its fiduciary duties.
- E. Make recommendations to the Boards regarding:
 1. The appointment, compensation, and work of the External Auditor employed to audit LACERA's financial statements.
 2. The appointment, compensation, and work of accountants or other consultants to perform audits, reviews, or investigations related to financial or operational matters (when the cost is expected to exceed the Chief Executive Officer's discretionary allowance for such contracts).
 3. Such other matters as the Committee encounters in its work.



III. AUDIT COMMITTEE COMPOSITION AND CONSULTANT

The Audit Committee will consist of the chair and vice-chair of the Boards of Retirement and Investments, plus one additional Board member elected annually by each Board, for a total of four to six members¹. Board chairs and vice-chairs that leave Board service will be replaced automatically on the Audit Committee, when the Board replaces its missing officer while other Committee membership remains intact. If any elected Audit Committee member leaves Board service, **or resigns from the Audit Committee prior to the completion of their term**, the Board of the departing member, will elect a new Audit Committee member at the next regularly scheduled Board meeting. If Audit Committee voting results in a tie, the Committee will forward the recommendation to the appropriate Board for consideration and final decision.

The Committee shall have the authority to approve the hiring of the audit consultant as an advisor. The audit consultant will be designated as the audit technical and financial expert, to advise the Committee on audit and financial matters. The audit consultant's contract will be for three years with the option for the Audit Committee to choose to extend the contract for an additional two-year period.

At the first Committee meeting of each calendar year, the Committee shall elect a Chairman, Vice Chair and Secretary, each to serve for a term of one year or until his or her successor is duly elected and qualified, whichever is less. In the event of a vacancy in the office of chair, the vice chair shall immediately assume the office of chair for the remainder of the term. In the event of a vacancy in the office of vice chair or secretary, the Committee shall elect one of its members to fill such vacancy for the remainder of the term, at its next regular meeting.

IV. AUDIT COMMITTEE MEETINGS

The Audit Committee will conduct regular meetings at least three times per year, with authority to convene additional meetings, as circumstances require. All Committee members are expected to attend each meeting.

Regular meeting notices and agendas will be posted at least 72 hours in advance of the regular meetings, and will be made available to the public in accordance with the Ralph M. Brown Act (Government Code Sections 54950, et seq.). Public documents referred to in the agenda will be made available for review at the office of the staff secretary to the Committee. The Committee will invite members of management, Internal Auditors, External Auditors, and/or others to attend meetings and provide pertinent information, as necessary.

¹ The number of Committee members is dependent upon the designated Chair and Vice Chair appointments to the Boards of Retirement and Investments. If both Boards were to elect the same individuals to the positions of Chair and/or Vice Chair, the Audit Committee would be comprised of four or five Board Members.



Special meetings of the Committee may be called in the manner provided by Government Code Section 54956(a). The Committee will have such other powers as provided in the Brown Act.

Robert's Rules of Order, except as otherwise provided herein, shall guide the Committee in its proceedings; however, the chair of the Committee shall have the same rights to vote and participate in discussions as any other member of the Committee without relinquishing the chair. The order of business shall be as determined by formal action of the Committee. Four members of a six-member Audit Committee or three members of a four or five-member Audit Committee, excluding the audit consultant, constitute a quorum.

The secretary of the Committee shall cause to be recorded in the minutes the time and place of each meeting of the Committee, the names of the members present, all official acts of the Committee, the votes given by members except when the action is unanimous, and when requested by a member, that member's dissent or approval with his or her reasons, and shall cause the minutes to be written forthwith and presented for approval at the next regular meeting.

V. RESPONSIBILITIES

The Audit Committee will carry out the following responsibilities to fulfill their fiduciary oversight responsibilities:

A. Internal Audit

1. Approve the Internal Audit Charter.
2. Ensure the independence of Internal Audit.
3. Approve the Annual Audit Plan and all major changes to the Plan. Review and monitor Internal Audit's activity relative to its Plan.
4. Review, with the Chief Audit Executive (CAE), Internal Audit's resource plan, activities, and organizational structure.
5. Monitor Internal Audit's recommendations to ensure Management has adequately addressed the risk(s) identified, either through implementing a new policy, procedure, or process, or accepting the associated risk.
6. Review and discuss engagement reports to take the following action(s):
 - a. accept and file report and/or,
 - b. instruct staff to forward report to Boards or Committees and/or,
 - c. provide further instruction to staff.

**B. Chief Audit Executive**

Since the CAE reports to the Chief Executive Officer (CEO) for administrative purposes, but to the Audit Committee for functional purposes, the Audit Committee will be responsible for the following:

1. Make recommendations to both Boards regarding the appointment, discipline, dismissal, and/or removal of the CAE, which will be addressed by the Boards in a joint meeting. Both Boards will make the final decisions as to the appointment, discipline, dismissal, and/or removal of the CAE. The CEO has authority to administer minor discipline, which is limited to counseling memos and written warnings, with notice of such discipline to be provided to the Committee and the Boards at their next meetings. Consideration by the Boards and the Committee concerning the appointment, discipline, dismissal, and/or removal of the CAE will be made in executive session under Government Code Section 54957(b).
2. Perform the CAE's annual assessment with qualitative input from the CAE and CEO. The Committee's discussion regarding the CAE's annual performance evaluation will be made in executive session under Government Code Section 54957(b).
3. Administer the CAE's annual salary adjustment using the Boards' established compensation structure.

C. External Audit

1. Make recommendations to the Board of Retirement regarding the appointment, compensation, and the work of the External Auditor.
2. Oversee the work of the External Auditor, including review of the External Auditor's proposed audit scope and approach, as well as coordination with Internal Audit and Management.
3. Review the findings and recommendations of the External Auditor, Management's responses, and actions taken to implement the audit recommendations.
4. Approve all non-compliance work.

D. Monitoring the Financial Reporting Process

1. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, recent professional and regulatory pronouncements, and understand their impact on the financial statements.
2. Review with Management and the External Auditors the results of the audit, including any difficulties encountered.
3. Review the annual financial statements, consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles.



4. Review with Management and the External Auditors all matters required to be communicated to the Committee under *Generally Accepted Auditing Standards*.

E. Monitoring Management's System of Internal Controls

1. Consider the effectiveness of LACERA's internal control system, including information technology security and control.
2. Understand the scope of Internal and External Auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with Management's responses.

F. Monitoring Management's System of Compliance

1. Annually, review the effectiveness of Management's system of compliance with laws, regulations, policies, and procedures that are business critical.
2. As needed, review the findings of any examinations by regulatory agencies, and any auditor observations.
3. Annually, review Management's process for communicating LACERA's Code of Ethics to company personnel, and for monitoring compliance therewith.
4. Annually, review reported activity to ensure issues of fraud, noncompliance, and/or inappropriate activities are being addressed.

G. Conflicts and Ethics

Audit Committee members must comply with the BOR, BOI, and LACERA's Code of Ethics. Specific to the Audit Committee:

1. Avoid actual or potential conflict of interest or ethics issues. Members will notify the Audit Committee Chair and Vice Chair, the CEO, and Legal Counsel of such issues concerning themselves and other Audit Committee members related to the business of the Audit Committee.
2. Review reports received relating to conflict of interest and ethics issues, and if appropriate, make a recommendation to the Boards.

H. Other Responsibilities

1. Report to the Boards as needed about the Audit Committee's activities, issues, and related recommendations.
2. Provide an open avenue of communication between Internal Audit, the External Auditors, Management, and the Boards.
3. Perform other activities related to this Charter as requested by the Boards
4. Review and assess the adequacy of the Committee's Charter annually, requesting the Boards' approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.



5. Communicates public disclosures related to the purpose, authority, function, and responsibility of the Audit Committee.

VI. APPROVAL

This Audit Committee Charter (“AC Charter”) was reviewed by the Audit Committee on **March 21, 2018**, and approved by the Board of Investments and Board of Retirement on **April 11, 2018** and **April 12, 2018**, respectively. This AC Charter is thereby effective **April 12, 2018** and is hereby signed by the following persons who have authority and responsibilities under this Charter.

David Green
Chair, Board of Investments

Date

Vivian H. Gray
Chair, Board of Retirement

Date

April 2, 2018

SUPPLEMENTAL AGENDA INFORMATION

TO: Each Member
Board of Retirement

FROM: Barry W. Lew 
Legislative Affairs Officer

FOR: April 12, 2018 Board of Retirement Meeting

SUBJECT: **Senate Bill 1270—Assistant Administrators and Chief Investment Officers**

Author: Vidak [R]
Sponsor: Tulare County Employees' Retirement Association
Introduced: February 16, 2018
Status: To SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT. (03/01/2018)

IBLC Recommendation: Watch
Staff Recommendation: Watch

This supplemental memo provides a clarification regarding the applicability of Senate Bill 1270 to the County of Los Angeles and LACERA.

SB 1270 would provide that the board of supervisors of any other counties not currently included within Government Code Section 31522.3 may adopt a resolution to make Section 31522.3 applicable to that county. Section 31522.3 applies to the appointment of the positions of assistant administrators and chief investment officers.

SB 1270 would apply to LACERA in that the County of Los Angeles theoretically may elect to make Section 31522.3 applicable because SB 1270 does not exclude the County of Los Angeles from being able to do so.

However, as a practical matter, it is unlikely that Section 31522.3 would be adopted to apply to LACERA since Section 31522.4 (which applies only to LACERA) already covers the appointment of the positions of assistant administrators and chief investment officers (as well as other positions) and does not provide any additional authority than what LACERA currently has under Section 31522.4.

Staff recommends that your Board adopt a "Watch" position on SB 1270.

Reviewed and Approved:



Steven P. Rice, Chief Counsel

cc: Robert Hill
James Brekk
John Popowich
Bernie Buenaflor
Steven P. Rice
Joe Ackler, Ackler & Associates

March 15, 2018

TO: Each Member
Board of Retirement

FROM: Insurance, Benefits and Legislative Committee
Les Robbins, Chair
Shawn R. Kehoe, Vice Chair
Herman B. Santos
Gina Zapanta-Murphy
Thomas Walsh, Alternate

FOR: April 12, 2018 Board of Retirement Meeting

SUBJECT: **Senate Bill 1270—Assistant Administrators and Chief Investment Officers**

Author: Vidak [R]

Sponsor: Tulare County Employees' Retirement Association

Introduced: February 16, 2018

Status: To SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT. (03/01/2018)

IBLC Recommendation: Watch

Staff Recommendation: Watch

RECOMMENDATION

That the Board of Retirement adopt a "Watch" position on Senate Bill 1270, which relates to the appointment of assistant administrators and chief investment officers.

LEGISLATIVE POLICY STANDARD

A "Watch" position indicates that the legislative proposal does not affect LACERA and its stakeholders but would be enacted under a law that covers LACERA or other retirement systems operating under the County Employees Retirement Law of 1937 (CERL). SB 1270 would amend sections of CERL but would not apply to LACERA since LACERA has its own provision in CERL that provides for the appointment of assistant administrators, chief investment officers, and other positions.

SUMMARY

SB 1270 would provide authority to the board of retirement or both the board of retirement and board of investments to appoint assistant administrators and chief investment officers who would not be subject to county charter, civil service, or merit system rules. The provision is applicable if the board of supervisors adopts a resolution by majority vote.

ANALYSIS

Background

SB 1270 was originally a proposal by the Tulare County Employees' Retirement Association (TCERA) to the State Association of County Retirement Systems (SACRS) for sponsorship in the 2018 legislative session. TCERA's proposal would have made the authority to appoint assistant administrators and chief investment officers not subject to county charter, civil service, or merit system rules applicable to all counties with retirement systems operating under CERL without the option of local adoption. The proposal was to be considered at the Business Meeting at the SACRS Fall Conference on November 17, 2017. The Board of Retirement directed its voting delegate to vote against sponsorship of the proposal by SACRS. However, TCERA withdrew its proposal for consideration at the SACRS Business Meeting, and the SACRS membership did not vote on the proposal. SB 1270 is currently sponsored by TCERA and may be considered for sponsorship by SACRS at its Spring Conference in May 2018.

Existing Law

Government Code Section 31522.3 currently provides authority to the board of retirement (or to both the board of retirement and board of investments) to appoint assistant administrators and chief investment officers. These positions are not subject to county charter, civil service, or merit system rules; however, the persons appointed to the positions are considered county employees. The appointed assistant administrators and chief investment officers serve at the pleasure of, and may be dismissed at the will of, the board or boards. These requirements do not apply to any assistant administrators or chief investment officers who were included in the county civil service or subject to merit system rules prior to December 31, 1996. Section 31522.3 currently applies to the Counties of San Diego, Sacramento, Kern, San Joaquin, and Marin.

This Bill

SB 1270 would provide that the board of supervisors of any other counties not currently included within Section 31522.3 may adopt a resolution to make Section 31522.3 applicable to that county. SB 1270 is not applicable to LACERA since LACERA currently has its own provision in CERL that provides for the appointment of assistant administrators, chief investment officers, and other positions.

Section 31522.4 applies only to LACERA and authorizes the Board of Retirement or both the Board of Retirement and Board of Investments to appoint assistant administrators, persons next in line of authority to assistant administrators, chief legal officers, chief deputy legal officers, chief investment officers, and investment officers next in line of authority to chief investment officers. The positions are not subject to county charter, civil service, or merit system rules. The persons appointed to these positions are county employees, and their positions are included in the county salary ordinance. The persons appointed serve at the pleasure of, and may be dismissed at the will of, the board or boards. However, Section 31522.4 does not apply to persons in

these positions who were included in the county civil service or subject to merit system rules on December 31, 2001, unless they consented to the application of Section 31522.4.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD adopt a “Watch” position on Senate Bill 1270, which relates to the appointment of assistant administrators and chief investment officers.

Attachments

Attachment 1—Board Positions Adopted on Related Legislation
Attachment 2—Support And Opposition
SB 1270 (Vidak) as introduced on February 16, 2018

cc: Robert Hill
James Brekk
John Popowich
Bernie Buenaflor
Steven P. Rice
Joe Ackler, Ackler & Associates

BOARD POSITIONS ADOPTED ON RELATED LEGISLATION

AB 1853 (2016, vetoed) would have authorized the retirement board of any retirement system operating under the County Employees Retirement Law of 1937 to become a district. It would have provided for various administrative requirements and authority related to the implementation of district status by a retirement system. It would have authorized existing retirement systems that are districts to be able to change to any other existing administrative structure. The Board of Retirement adopted an “Oppose” position.

AB 1291 (Chapter 223, Statutes of 2015) included the Ventura County Employees’ Retirement System (VCERA) within the definition of “district” and authorized the VCERA board of retirement to appoint specified personnel as employees of the retirement system. LACERA’s Board of Retirement adopted a “Watch” position.

SB 673 (Chapter 244, Statutes of 2014) included the Contra Costa County Employees’ Retirement System (CCCERA) within the definition of “district” and authorized the CCCERA board of retirement to appoint personnel as employees of the retirement system. LACERA’s Board of Retirement adopted a “Watch” position.

AB 1034 (2009, died in committee) included the Marin County Employees’ Retirement Association (MCERA) within the definition of “district” upon adoption of a resolution by the MCERA board of retirement and authorized the board to appoint specified personnel as employees of the retirement system. LACERA’s Board of Retirement adopted a “Watch” position.

AB 1406 (Chapter 393, Statutes of 2009) expanded the list of positions that the San Bernardino County Employees’ Retirement Association (SBCERA) board of retirement may appoint as employees of the retirement system. LACERA’s Board of Retirement adopted a “Watch” position.

SB 777 (Chapter 369, Statutes of 2006) included the San Bernardino County Employees’ Retirement Association (SBCERA) within the definition of “district” upon adoption of a resolution by the SBCERA board of retirement and authorized the board to appoint specified personnel as employees of the retirement system. LACERA’s Board of Retirement adopted a “Support” position since the bill contained clean-up provisions related to LACERA’s noncontributory Plan E.

AB 1992 (Chapter 74, Statutes of 2002) included the Orange County Employees Retirement System (OCERS) within the definition of “district” and authorized the OCERS board of retirement to appoint specified personnel as employees of the retirement system. LACERA’s Board of Retirement adopted a “Watch” position.

SB 1270

Attachment 1—Board Positions Adopted on Related Legislation

Board of Retirement

March 15, 2018

Page 2

SB 1132 (Chapter 120, Statutes of 2001) authorized the Board of Retirement or both the Board of Retirement and Board of Investments to appoint assistant administrators, persons next in line of authority to assistant administrators, chief legal officers, chief deputy legal officers, chief investment officers, and investment officers next in line of authority to chief investment officers. These positions would not be subject to county charter, civil service, or merit system rules. The appointed persons would be county employees and would serve at the pleasure of, and may be dismissed at the will of, the appointing board or boards. SB 1132 was applicable only to, and sponsored by, LACERA.

SB 1270
Attachment 2—Support And Opposition
Board of Retirement
March 15, 2018
Page 1

SUPPORT

None

OPPOSITION

None

(Note: The bill has been referred to the Senate Committee on Public Employment and Retirement, but the Committee has not yet released a bill analysis listing officially registered support or opposition by interested parties.)

Introduced by Senator Vidak

February 16, 2018

An act to amend Section 31522.3 of the Government Code, relating to county employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 1270, as introduced, Vidak. County employees' retirement: system personnel.

The County Employees Retirement Law of 1937 (CERL) authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to their employees. CERL authorizes the retirement boards of 5 specified counties to appoint assistant administrators and chief investment officers who, following appointment, are outside county charter, civil service, and merit system rules, except as specified. CERL provides that these administrators and officers are employees of the county, as specified, while serving at the pleasure of the appointing boards, and that they may be dismissed without cause.

This bill would apply these provisions to any county if the board of supervisors for that county, by resolution adopted by majority vote, makes those provisions applicable in the county.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 31522.3 of the Government Code is
2 amended to read:

1 31522.3. (a) In a county in which the board of retirement or
2 both the board of retirement and the board of investment have
3 appointed personnel pursuant to Section 31522.1, the respective
4 board or boards may elect to appoint assistant administrators and
5 chief investment officers as provided for in this section. The
6 positions of the assistant administrators and chief investment
7 officers designated by the retirement board shall not be subject to
8 county charter, civil service, or merit system rules. The persons
9 so appointed shall be county employees and shall be included in
10 the salary ordinance or salary resolution adopted by the board of
11 supervisors for the compensation of county officers and employees.
12 The assistant administrators and chief investment officers so
13 appointed shall be directed by, shall serve at the pleasure of, and
14 may be dismissed at the will of, the appointing board or boards.
15 Specific charges, a statement of reasons, or good cause shall not
16 be required as a basis for dismissal of the assistant administrators
17 and chief investment officers by the appointing board or boards.

18 (b) This section shall not apply to any person who was an
19 assistant administrator or a chief investment officer and was
20 included in the county civil service or was subject to merit system
21 rules on December 31, 1996.

22 (c) This section shall only apply to a county of the third class,
23 a county of the eighth class, a county of the 14th class, a county
24 of the 15th class, or a county of the 18th class, as provided by
25 Sections 28020, 28024, 28029, 28035, 28036, and 28039.

26 (d) *Notwithstanding subdivision (c), this section shall also apply*
27 *to any county if the board of supervisors, by resolution adopted*
28 *by majority vote, makes this section applicable in the county.*



April 2, 2018

To: Each Member
Board of Retirement

From: Operations Oversight Committee
Marvin Adams, Chair
Thomas Walsh, Vice Chair
Alan Bernstein
William Pryor
Vivian H. Gray, Alternate

For: April 12, 2018 Board of Retirement Meeting

Subject: **HIPAA Privacy and Security Rule Amendment to Retiree Healthcare Plan Documents**

RECOMMENDATION

That the Board of Retirement (Board):

1. Determine that the Board wishes to exempt LACERA from possible business associate status under HIPAA; and
2. Approve and authorize staff to execute the HIPAA Privacy and Security Rule Requirements for Disclosure of PHI to LACERA Retiree Healthcare Program amendment to the Retiree Healthcare plan documents in order to take advantage of one of HIPAA's Plan Sponsor Exceptions.

LEGAL AUTHORITY

As part of their plenary authority and fiduciary responsibility for administration of the system under Article XVI, Section 17 of the California Constitution, the Board has discretion to adopt such amendments to the plan documents as it deems prudent. Additionally, LACERA administers the Retiree Healthcare Program (Plan) on behalf of the County pursuant to the 1982 Agreement, the 1994 Agreement, the 2014 Agreement, and all subsequent modifications to each agreement (collectively, the Agreements); the Board has authority under the Agreements to take such actions, including amendment of the plan documents, as are reasonably necessary in furtherance of the administration of the Plan. The proposed amendment to the Retiree Healthcare plan documents is reasonably within the scope of the Boards' discretion and authority under the Constitution and the Agreements as a means of establishing a formal structure to ensure organizational compliance with HIPAA Privacy Rules.

In LACERA's Board of Retirement Standing Committee Charters approved April 13, 2017 (Charters), under Section I of the Operations Oversight Committee (OOC) Charter, the

OOC “advises the BOR in: the development, implementation, and review of LACERA’s retirement and administrative operating policies and procedures.” This amendment is therefore a proper subject for discussion and recommendation by the OOC to the Board of Retirement. Under the Charters, the IBLC has authority over certain retiree healthcare issues. However, in that the proposed amendment affects LACERA staff outside of the Retiree Healthcare Division (RHC) who support the Plan, it is appropriate that the proposed amendment be considered by the OOC as an administrative matter. The proposed amendment was recommended by the 2016 Alston & Bird (Alston) Privacy Audit (Audit); staff has brought other Audit recommendations to the OOC, thereby facilitating a consistency of perspective and action in addressing the Audit’s recommendations.

DISCUSSION

A. Background

The Alston Audit found that, under current business practices, LACERA could possibly be deemed a business associate of the Plan under the Health Insurance Portability and Accountability Act (HIPAA), and therefore potentially subject to compliance with HIPAA’s requirements.

The Audit recommended that LACERA should make an affirmative determination as to whether it chooses to (a) accept business associate status under HIPAA, or (b) take steps to exempt itself from such status by amending the plan documents so they comply with one of HIPAA’s Plan Sponsor Exceptions. Alston’s conclusions on this subject were publicly reported in the firm’s presentations to the Boards on October 12 and 13, 2016.

HIPAA, through its Privacy Rule and Security Rule, regulates the use and dissemination of Protected Health Information (PHI) held by covered entities and their business associates. The Retiree Healthcare Program falls within the definition of a group health plan under HIPAA and is therefore a covered entity. PHI includes any health information relating to a person’s treatment or diagnosis, as well as individually identifiable health information that is created or received by a covered entity or business associate. The Privacy Rule establishes national standards for the use and disclosure of PHI by covered entities and their business associates. The Security Rule establishes a national set of security standards for protecting PHI that is held or transferred in electronic form.

A business associate is a person or entity, other than a member of the workforce of a covered entity, who performs functions or activities on behalf of, or provides certain services to, a covered entity that involve access by the business associate to PHI. After reviewing the current plan documents, Alston concluded that LACERA acts as plan sponsor/administrator of the Program on behalf of the County as plan sponsor pursuant to the 1982 Agreement, as amended, with the County, and that therefore LACERA could possibly be considered a business associate of the Program, unless an exception to the definition of a business associate was to apply.

HIPAA sets forth two possible Plan Sponsor Exceptions to the definition of a business associate:

1. The plan sponsor receives only limited PHI in the form of summary health information, obtained for purposes relating to obtaining or modifying health insurance coverage, and/or enrollment and disenrollment information; or
2. The plan sponsor receives additional PHI to perform plan administration functions, but (a) plan documents created by the plan sponsor contain provisions that restrict its uses and disclosures of PHI and require it to protect the privacy, confidentiality, and security of the information, and (b) it certifies that the plan documents contain such provisions and that it agrees to comply with such requirements.

The first exception does not apply to LACERA due to the volume of PHI received by LACERA. The second exception does not currently apply to LACERA because of the current plan documents, but Alston concluded the second exception could apply if the plan documents are formally revised to include specific provisions as required by HIPAA limiting the use of PHI and protecting such information and stating that LACERA agrees to comply with such requirements. Alston recommended a two-step approach as reflected in the Recommendation above: first, a specific determination that the Board wishes to exempt LACERA from possible business associate status; and second, if so, adoption of a legally-compliant Plan amendment

B. Recommendation

LACERA management, including staff from RHC and the Legal Division and the interim Compliance Committee, have determined the most prudent course of action is to amend the plan documents and invoke the second exemption to possible business associate status. Business associates are subject to a number of administrative requirements that could not only prove burdensome to LACERA, but the failure to comply with any of the requirements could result in civil monetary penalties. By availing itself of the exception to the business associate rule, LACERA alleviates the administrative burden and protects itself from any potential liability for failure to comply.

Invoking the exception, however, will limit the access to PHI to only the essential LACERA staff required for Plan administration purposes as described in the amendment and a separation or “firewall” must be maintained between RHC and designated LACERA staff, on the one hand, and other LACERA staff, on the other hand. While this limitation does somewhat restrict LACERA’s general ability to make administrative changes, this burden is relatively minimal given the administrative burden of choosing to accept business associate status.

The proposed plan document amendment complies with HIPAA and will allow LACERA to fall under the second exception. The practical effect of the amendment will be to limit the use and disclosure of PHI only to certain designated individuals: employees of RHC

and key employees of other divisions in the course of supporting the functions of the RHC. Other than those designated individuals, no other LACERA employees shall have access to PHI.

The proposed amendment was presented to the OOC for review and comment, and recommendation for adoption by the Board of Retirement at the March 15, 2018 meeting of the committee. The amendment is based on a template provided by Alston. [Attachment A].

C. Summary of the Key Terms of the Amendment

Section III clarifies that the Plan may disclose to LACERA, and LACERA may receive, PHI, including Electronic PHI, only for plan administration functions.

Section IV sets forth certain specific conditions for disclosure of PHI from the Plan to LACERA for plan administration purposes. Although there are several conditions, one of the key components is that LACERA must implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the Electronic PHI that it creates, receives, maintains, or transmits on behalf of the Plan.

Section V establishes a separation between the Program and LACERA by designating certain key employees that may have access to PHI. Such designated employees include all of RHC, as well as those key staff in other departments, including but not limited to, Executive, Legal, Internal Audit, and Financial and Accounting Services Division in the course of supporting the functions of the Retiree Healthcare Division. No other LACERA employees shall have access to PHI.

As provided in Section II, enrollment and disenrollment information is not subject to the requirements of Sections III and IV because when LACERA performs such functions, it is on behalf of participants, not the Plan. Summary Health Information may also be disclosed to LACERA in obtaining premium bids from health plans and in modifying, amending or terminating the Plan, without regard for Sections III and IV.

The last section is the official certification, as required by HIPAA, to certify that LACERA will comply with all terms in the plan document amendment. This is required under HIPAA in order for LACERA to invoke the business associate exemption.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

1. Determine that the Board wishes to exempt LACERA from possible business associate status under HIPAA; and
2. Approve and authorize staff to execute the HIPAA Privacy and Security Rule Requirements for Disclosure of PHI to LACERA Retiree Healthcare Program amendment to the Retiree Healthcare plan documents in order to take advantage of one of HIPAA's Plan Sponsor Exceptions.

Attachment.

c: Robert Hill
James Brekk
Bernie Buenaflor
JJ Popowich
Cassandra Smith
Leilani Ignacio
Steven P. Rice
Richard Bendall
Quoc Nguyen

**HIPAA Privacy and Security Rule Requirements for
Disclosure of PHI to LACERA
Retiree Healthcare Program**

WHEREAS, the Los Angeles County Employees Retirement Association ("LACERA") administers the Retiree Healthcare Program for the County of Los Angeles and other participating agencies (the "Plan"). The Retiree Healthcare Program is a group health plan under HIPAA Rules;

WHEREAS, certain designated members of LACERA's workforce have access to the individually identifiable health information of Plan participants for administration functions of the Plan. When this health information is provided from the Plan (or from a Health Insurance Issuer in connection with coverage provided under the Plan) to LACERA, as administrator acting on behalf of the plan sponsor¹, it is Protected Health Information ("PHI") and, if it is transmitted by or maintained in electronic media, it is Electronic PHI;

WHEREAS, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended from time to time, and its implementing regulations (collectively, the "HIPAA Rules"), restrict LACERA's ability to use and disclose PHI and Electronic PHI and require that the plan documents include such restrictions in order for certain PHI to be disclosed to LACERA;

WHEREAS, LACERA wishes to set forth certain rules regarding the use and disclosure of PHI, including Electronic PHI, by LACERA as required by the HIPAA Rules at 45 C.F.R. §§ 164.504(f)(1) and 164.314(b). These rules, and the terms of this document, state LACERA's historical practices with respect to PHI, including Electronic PHI, and confirm such practices for the future; and

WHEREAS, LACERA shall have access to PHI and Electronic PHI from the Plan (or from a Health Insurance Issuer in connection with coverage provided under the Plan) only as permitted under this document or as otherwise required or permitted by HIPAA and the HIPAA Rules.

NOW, THEREFORE, LACERA, through its Board of Retirement, states and provides as follows:

I. DEFINITIONS

As used in this document, the following capitalized terms shall have the respective meaning given below:

¹ Under HIPAA Rules and for purposes of this document, LACERA is considered the plan sponsor. Reference to plan sponsor status for this document does not change or affect the County's role as plan sponsor for all other business purposes.

Electronic Protected Health Information ("Electronic PHI"). Electronic PHI means PHI that is transmitted by, or maintained in, electronic media.

Health Insurance Issuer. Health insurance issuer (as defined in section 2791(2) of the PHS Act, 42 U.S.C. 300gg-91(b)(2) and used in this document) means an insurance company, insurance service, or insurance organization (including an HMO) that is licensed to engage in the business of insurance in a State and is subject to State law that regulates insurance. Such term does not include a group health plan.

Individual. Individual means the person who is the subject of the health information created, received, maintained, or transmitted by or on behalf of the Plan (or by a Health Insurance Issuer in connection with coverage provided under the Plan).

Plan Administration Functions. Plan Administration Functions means administration functions performed by LACERA on behalf of the Plan, generally comprised of activities relating to "payment," as that term is defined in the HIPAA Rules, such as quality assurance, auditing, monitoring, and Plan management (including financial and administrative oversight and HIPAA compliance). Plan Administration Functions subject to this document do not include enrollment functions performed by LACERA in connection with the Plan, or functions performed by LACERA in connection with any other benefit provided by LACERA (such as the pension plan, disability, or life insurance) or any employment-related actions or decisions.

Protected Health Information ("PHI"). Protected Health Information ("PHI") means information that is created or received by the Plan (or by a Health Insurance Issuer in connection with coverage provided under the Plan) and relates to the past, present, or future physical or mental health or condition of an Individual; the provision of health care to an Individual; or the past, present or future payment for the provision of health care to an Individual; and that identifies the Individual or for which there is a reasonable basis to believe that the information can be used to identify the Individual. PHI includes information of persons who are living or who have been deceased for less than 50 years. PHI does not include health information about an employee that is held in LACERA's employment records in its role as an employer, or LACERA's member records in its role as retirement plan administrator.

Summary Health Information. Summary Health Information means information (1) that summarizes the claims history, claims expenses, or type of claims experienced by Individuals for whom LACERA has provided health benefits under the Plan, and (2) from which the information described at 45 C.F.R. § 164.514(b)(2)(i) has been deleted, except that the geographic information described in 45 C.F.R. § 164.514(b)(2)(i)(B) need only be aggregated to the level of a five-digit zip code.

II. ENROLLMENT/DISENROLLMENT INFORMATION; SUMMARY HEALTH INFORMATION

A. Enrollment/Disenrollment Information

Enrollment and disenrollment information created by or disclosed to LACERA is not considered PHI and is not subject to Sections III and IV of this document because, when LACERA performs enrollment functions, it does so on behalf of participants and beneficiaries rather than on behalf of the Plan.

In accordance with 45 C.F.R. § 164.504(f)(l)(iii), the Plan (or a Health Insurance Issuer with respect to the Plan) may disclose to LACERA information on whether an Individual is participating in the Plan, or is enrolled in or has disenrolled from health insurance offered by the Plan, and Sections III and IV of this document do not apply to such disclosures.

B. Permitted Uses and Disclosure of Summary Health Information

The Plan (or a Health Insurance Issuer in connection with the Plan) may disclose Summary Health Information to LACERA, and LACERA may receive such information, provided that LACERA requests the Summary Health Information for the purpose of:

- (1) obtaining premium bids from health plans for providing health insurance coverage under the Plan; or
- (2) modifying, amending, or terminating the Plan, in accordance with 45 C.F.R. § 164.504(f)(l)(ii).

Sections III and IV do not apply to such disclosures of Summary Health Information.

Neither the Plan (nor any Health Insurance Issuer with respect to the Plan) will disclose genetic information (as defined at 45 C.F.R. § 160.103) to LACERA for underwriting purposes as defined at 45 C.F.R. § 164.502(a)(5)(i).

III. PERMITTED AND REQUIRED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION FOR PLAN ADMINISTRATION PURPOSES

Unless otherwise permitted by law, and subject to the conditions of disclosure described in Section IV, the Plan (or a business associate or Health Insurance Issuer on behalf of the Plan) may disclose PHI, including Electronic PHI, to LACERA, and LACERA may receive such information, provided that LACERA shall use or disclose PHI only for Plan Administration Functions.

Notwithstanding any provision of this Plan or the plan documents to the contrary, in no event shall LACERA use or disclose PHI, including Electronic PHI, in a manner that is

inconsistent with 45 C.F.R. § 164.504(f), including disclosure that is inconsistent with Section IV of this document.

IV. CONDITIONS OF DISCLOSURE TO LACERA FOR PLAN ADMINISTRATION FUNCTIONS AND PURPOSES

LACERA agrees that, with respect to PHI (other than PHI disclosed pursuant to a signed authorization that complies with the requirements of 45 C.F.R. § 164.508, with respect to HIPAA-compliant authorizations), including Electronic PHI, disclosed to it by the Plan (or a business associate or Health Insurance Issuer on behalf of the Plan), LACERA shall:

1. Not use or further disclose the PHI other than as permitted or required by the Plan (including through this document) or as required by law.
2. Ensure that any agent, including any subcontractor, to whom it provides PHI received from the Plan (or from the Health Insurance Issuers providing coverage under the Plan) agrees to the same restrictions and conditions that apply to LACERA with respect to such PHI.
3. Not use or disclose the PHI for employment-related actions and decisions, or in connection with any other benefit or employee benefit plan, of LACERA.
4. Report to the Plan any use or disclosure of the PHI of which it becomes aware that is inconsistent with the uses or disclosures provided for in this document.
5. Provide Individuals with access to PHI in accordance with 45 C.F.R. § 164.524, or make available all PHI necessary for the Plan to comply with the Individual's right to access PHI in accordance with 45 C.F.R. § 164.524, including the right to access electronic copies of PHI, if applicable.
6. Make available PHI required for the Plan to comply with an Individual's right to amend PHI, and incorporate any amendments to PHI, in accordance with 45 C.F.R. § 164.526.
7. Make available the information and PHI required for the Plan to comply with an Individual's right to request an accounting of disclosures in accordance with 45 C.F.R. § 164.528.
8. Make its internal practices, books, and records relating to the use and disclosure of PHI received from the Plan (or from a Health Insurance Issuer in connection with the Plan) available to the Secretary of Health and Human Services for purposes of determining compliance by the Plan with HIPAA's privacy requirements.

9. If feasible, return or destroy all PHI received from the Plan (or from a Health Insurance Issuer in connection with the Plan) that LACERA maintains in any form and retain no copies of such PHI when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures of such PHI to those purposes that make the return or destruction of such information infeasible.
10. Ensure that the adequate separation between the Plan and LACERA (*i.e.*, the "firewall"), required by 45 C.F.R. § 164.504(f)(2)(iii) and described in Section V of this document, is satisfied.

LACERA further agrees that if it creates, receives, maintains, or transmits any Electronic PHI on behalf of the Plan (other than Electronic PHI disclosed pursuant to a signed authorization that complies with the requirements of 45 C.F.R. § 164.508, with respect to HIPAA-compliant authorizations), it will:

1. Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the Electronic PHI that it creates, receives, maintains, or transmits on behalf of the Plan.
2. Ensure that the adequate separation between the Plan and LACERA (*i.e.*, the firewall), described in Section V of this document, is supported by reasonable and appropriate security measures.
3. Ensure that any agent, including any subcontractor, to whom it provides Electronic PHI agrees to implement reasonable and appropriate security measures to protect such Electronic PHI.
4. Report to the Plan any security incident of which it becomes aware, as follows:
 - a. LACERA will report to the Plan as soon as feasible any successful unauthorized access, use, disclosure, modification, or destruction of Electronic PHI or interference with systems operations in an information system containing Electronic PHI.
 - b. By this document, LACERA provides notice that, on a routine basis, it experiences trivial incidents such as scans, "pings," and other unsuccessful attempts to penetrate computer networks, information systems, or servers maintained by LACERA.

V. ADEQUATE SEPARATION BETWEEN PLAN AND LACERA

In order to provide for the required adequate separation between Plan and LACERA, as a whole and with respect to its other operations, LACERA agrees that:

1. In accordance with the HIPAA Rules, only certain employees of LACERA and other persons who perform Plan Administration Functions ("Designated

Employees") on behalf of, and under the control of, LACERA may be given access to PHI, including Electronic PHI. Such Designated Employees are:

- a. Employees of LACERA' s Retiree Healthcare Division.
 - b. Employees of other divisions, including the Executive Office, the Legal Division, the Financial & Accounting Services Division, and the Internal Audit Division, in the course of supporting the functions of the Retiree Healthcare Division.
2. Only such Designated Employees shall have access to PHI to perform the Plan Administration Functions. They shall have access to, use, and/or disclose, PHI only to the extent necessary to perform such Plan Administration Functions that LACERA performs for the Plan.
 3. No other LACERA employees shall have access to PHI.
 4. LACERA shall establish or provide a mechanism for resolving any issues of noncompliance by Designated Employees or others with the provisions of this document. In the event that LACERA determines that a Designated Employee or other person has violated a provision of this document, such Designated Employee or other person shall be subject to disciplinary action by LACERA for noncompliance pursuant to LACERA's employee disciplinary, sanctions, and/or termination policies and procedures, or otherwise, as reasonable and appropriate under the circumstances.
 5. LACERA shall ensure that the requirement for adequate separation are supported by reasonable and appropriate information security measures to the extent that the Designated Employees create, receive, maintain, or transmit Electronic PHI on behalf of the Plan.

[Intentionally left blank]

VI. CERTIFICATION BY LACERA

The Plan (or a Health Insurance Issuer with respect to the Plan) shall disclose PHI to LACERA only upon receipt of a certification by LACERA that, by adoption of this document, the Plan's plan documents have been amended to incorporate certain requirements set forth in 45 C.F.R. § 164.504(f)(2)(ii) and identified in Section IV and that LACERA agrees to comply with such requirements.

This document shall take effect as of _____, and was adopted by LACERA's Board of Retirement on _____.

LACERA

Authorized Signature

Name

Title

Date



March 30, 2018

TO: Each Member
Board of Retirement

FROM: Operations Oversight Committee
Marvin Adams, Chair
Thomas Walsh, Vice Chair
Alan Bernstein
William Pryor
Vivian H. Gray, Alternate

FOR: April 12, 2018 Board of Retirement Meeting

SUBJECT: **Secured Workplace Policy**

RECOMMENDATION:

That the Board of Retirement approve the Secured Workplace Policy.

EXECUTIVE SUMMARY:

LACERA has a long history of taking proactive steps to protect private and sensitive information pertaining to LACERA members and their survivors. For example, access to our offices is controlled by key card and access to specific areas within LACERA is assigned only as needed.

The Alston & Bird (Alston) privacy audit acknowledged that LACERA's policies and procedures demonstrate a culture of security and privacy. However, like all good audits the Alston privacy audit identified several areas where LACERA could take further steps to protect the security of member and sensitive information. Alston made eight (8) specific recommendations that can be combined under the general heading of a Secured Workplace, with many of the recommendations suggesting LACERA implement a "clean desk" policy.

This Secured Workplace policy satisfies these audit recommendations made by the Alston & Bird (Alston) privacy audit.

AUTHORITY:

As part of their plenary authority and fiduciary responsibility for administration of the system under Article XVI, Section 17 of the California Constitution, the Boards have discretion to adopt such policies as they deem prudent. The proposed LACERA Secured Workplace Policy is reasonably within the scope of the Boards' discretion and authority under the Constitution as a means of establishing LACERA-wide standards for the important administrative and governance function of protecting member data as well as, other sensitive operational data.

In LACERA's Board of Retirement Standing Committee Charters approved April 13, 2017, under Section I- Operations Oversight Committee (OOC) Charter, the OOC "advises the BOR in: the development, implementation, and review of LACERA's retirement and administrative operating policies and procedures." The Secure Workplace Policy is therefore a proper subject for discussion and recommendation by the OOC to the Board of Retirement.

This Policy fulfills LACERA's fiduciary responsibility to all of its members. In addition, LACERA wishes to be in complete compliance with various Federal and State laws, including, but not limited to, the Health Insurance Portability and Accountability Act (HIPAA), County Employees Retirement Law of 1937 (CERL), and Federal and State Privacy and Data Breach laws.

DISCUSSION:

The Alston audit identified eight (8) recommendations that call for further restriction of access to member and sensitive data. The audit acknowledged LACERA has a privacy focused culture and that we had taken many steps to ensure the protection of sensitive data including aforementioned restricted access to office suites. However, the audit indicated that additional steps were necessary and recommended the creation of a "clean desk" policy.

The audit found that while LACERA has taken steps to secure access to our office suites, once access is gained an individual may have access to private or sensitive information that may be processed within the suites. During the normal work hours, it is unlikely that someone would be able to gain access to data, but after work hours someone gaining access to these suites may be able to access private or sensitive data.

Overview of Policy

The proposed Secured Workplace policy provides a minimum set of requirements to secure member and sensitive data in the workplace. It reinforces the current training provided to staff that makes them responsible for ensuring data is secure while in their possession within the workplace. The policy provides expectations that staff should be regularly managing data that may be printed on communal printers or left in fax machines. It also sets expectations for the appropriate storage of data in a secure location when not in use.

Securing information relies on staff adhering to policies. This Policy also defines who is responsible for training and oversight of the enforcement of the policy. It clearly defines expected actions in the event of non-compliance.

The Policy was also designed with the understanding the implementation of a Secured Workplace policy may take some time and in some cases may require the implementation of new technology or renovations to work areas to provide additional secure storage. The Policy allows for the Privacy Officer, the Privacy Officer's designee, or in the event there is no Privacy Officer, the CEO's designee, to work with division management to develop a specific action plan to bring any area not in compliance into compliance.

Each Division Manager is responsible for compliance within their division with the Privacy Officer providing overall oversight. The policy provides guidance to the division management to ensure that any enforcement actions are in line with the values of the organization and the performance management system by supporting a process of coaching and training as well as the appropriate disciplinary process.

The attached policy reflects the final policy as approved by the Operations Oversight Committee.

CONCLUSION:

The Secured Workplace policy will help LACERA administer a secure workplace. Once approved by the Board we anticipate the Secured Workplace Policy will be the foundation for detailed procedures developed throughout LACERA to reliably protect members' private information while addressing a variety of workplace conditions and operating requirements.

Each Member, Board of Retirement
Re: Secured Workplace Policy
March 30, 2018
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IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

Approve the Secured Workplace Policy.

JJ:mc

Attachment(s)

c: Robert Hill	Steven P. Rice	Roberta Van Nortrick
James Brekk	Richard Bendall	Louis Gittens
John Popowich	Derwin Brown	Michael Cordial
Bernie Buenaflor	Cynthia Martinez	Jill Rawal
Jonathan Gabel	Roxana Castillo	Darla Vidger



SECURED WORKPLACE POLICY

Responsible Manager: LACERA's Privacy Officer

Original Effective Date: April 1, 2018

Last Updated: March 7, 2018

Mandatory Review: April 1, 2020 (Biennially)

Approval Level: Board of Retirement (BOR)

1 PURPOSE

The purpose of the Secured Workplace Policy ("Policy") is to establish LACERA's minimum requirements and parameters for securing sensitive and confidential information under its physical control.

The goals of this policy are to:

- Mitigate potential security breaches; and
- Create employee awareness about the importance of securing sensitive and confidential information such as Protected Health Information (PHI) and Personal Identifiable Information (PII).

2 LEGAL AUTHORITY

This Policy is created as part of LACERA's fiduciary responsibility to all of its members. Also, LACERA is obligated to secure all sensitive and confidential personal information and medical information of members and staff under various Federal and State laws, including but not limited to:

- The Health Insurance Portability and Accountability Act (HIPAA), as a plan sponsor,
- County Employees Retirement Law of 1937 (CERL)
- Federal and State Privacy and Data Breach laws

3 SCOPE

The term "secured workplace" refers to any physical location where sensitive and/or confidential information is handled or stored by LACERA's employees, temporary agency staff, board members, and contractors (authorized individuals). These physical locations include, but are not limited to, cubicles, offices, work areas, shelves and storage areas, and other LACERA office locations.

SECURED WORKPLACE POLICY

March 7, 2018

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4 POLICY STATEMENT

4.1 Protection of Sensitive and/or Confidential Information

At all times, sensitive and confidential information is to be protected from misuse, loss, unauthorized access, unintended modification, disclosure, and/or removal.

When in use, such materials are to remain in the exclusive possession and control of authorized individuals and used only for the originally intended and authorized use. Reasonable security measures must be followed, such as keeping these materials in a secured location and protected from unauthorized examination or access. Sensitive documents should not be left unattended on printers, fax machines, or copiers or any other areas where they might be accessible to other parties.

When not in use, confidential and sensitive documents should be stored in a secured storage space. This includes a locked drawer, cabinet, or specific room such as an office, storage room, or records room.

Only authorized and accountable individuals should control the access to secured work and storage spaces.

Any known or suspected violation of this policy should be reported to management immediately, and appropriate steps should be taken to correct or mitigate any negative impact.

4.2 Enforcement and Consequences of Noncompliance

4.2.1 The Privacy Officer (PO), the PO's designee, or the interim PO as appointed by the Chief Executive Officer, is responsible for:

- a. Enforcing the provisions of the Secured Workplace Policy and ensuring that all divisions comply with it;
- b. Notifying management of any new local or national-level regulations that apply to the Policy;
- c. Periodic monitoring and auditing of the Policy;
- d. Providing management and staff with any guidance on the Policy, including defining reasonable security measures; and
- e. Investigating possible violations of the Policy and advising on any corrective actions when necessary.

4.2.2 Each Division Manager is responsible (subject to the Privacy Officer's concurrence) for:

SECURED WORKPLACE POLICY

March 7, 2018

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- a. Developing division procedures that ensure the Secured Workplace Policy is properly managed and adhered to within the division;
- b. Ensuring that employees are properly trained on divisional procedures;
- c. Providing staff with the tools they need to keep their workspaces secure. For example, ensuring that all desks have lockable drawers, or provide lockable storage areas so employees can lock up printed documents that may contain confidential data;
- d. Enforcing compliance with the Secured Workplace Policy, including imposing appropriate consequences for policy non-compliance. Examples of enforcement measures include, but are not limited to, periodic inspections..

4.2.3 If a division is not in full compliance with LACERA's Secured Workplace Policy, the Division Manager will prepare a Secured Workplace Compliance Plan, subject to the approval of LACERA's Privacy Officer. This plan lays out remediation steps and an estimated date of completion. Steps listed should include immediate mitigation measures that are to be implemented until permanent security measures are established.

4.2.4 Each employee's manager is responsible for ensuring the employee is in compliance with the Policy. Any employee found not to be in compliance with the Policy or an approved Secured Workplace Compliance Plan will be counseled and/or provided refresher training regarding the policy as deemed necessary by the manager. Continued noncompliance will be subject to disciplinary action, in accordance with the Progressive Discipline guidelines, up to and including termination of employment, depending on the severity of the incident.

The following serve as examples of possible violations:

- a. Keys and lock combinations are accessible by unauthorized parties;
- b. Sensitive documents are left unattended in plain sight;
- c. LACERA-issued equipment such as key cards, ID badges, or any digital devices are not secured; and

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- d. Sensitive documents are left unattended on equipment, such as printers, fax machines, or copiers.

4.3 Definitions

- 4.3.1 Authorized and Accountable Individuals:** LACERA employees, temporary agency staff who have been approved to access specific data types, board members, and contractors (with the exception of maintenance and cleaning contractors, whether employed by LACERA or the Office of the Building)
- 4.3.2 HIPAA:** Health Insurance Portability and Accountability Act, a 1996 Federal law that restricts access to individuals' private medical information
- 4.3.3 Secured Work Space:** Work space that can be locked to prohibit entry
- 4.3.4 Unsecured Work Space:** An open work space that cannot be locked to prohibit entry
- 4.3.5 Secured Storage Space:** Storage that can be locked to prohibit entry
- 4.3.6 Unsecured Storage Space:** Storage space that cannot be locked to prohibit entry
- 4.3.7 Security:** Protecting information from unauthorized disclosure or intelligible interception
- 4.3.8 Reasonable Security Measures:** Security tools and practices established by a Division Manager or above, and approved by LACERA's Privacy Officer, based on a careful consideration of costs, risks, and benefits
- 4.3.9 Sensitive and Confidential Information:** Includes but not limited to all LACERA-related data, storage media in any format, medical files such as those protected under the HIPAA Privacy Rule or medical records maintained by Disability Retirement Services and Disability Litigation, Social Security numbers, information not attainable through the Public Records Act, etc. The following are the primary categories of Sensitive and Confidential Information:
 - a. **PHI:** Protected Health Information as defined by HIPAA or other similar laws
 - b. **PII:** Personal Identifiable Information, including member records
 - c. **Security Information:** Information required to access other sensitive or confidential information, or LACERA's assets

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- d. **Proprietary Information:** Information that is considered a valuable asset to LACERA that requires protection from unauthorized access to preserve its value
- e. **Privileged Information:** Information that LACERA is entitled by law to protect from disclosure, such as attorney–client communications and legal work products

4.3.10 Secured Workplace Compliance Plan. This plan is prepared by Division Management when a division is found to be noncompliant with LACERA’s Secured Workplace Policy. This plan is subject to the approval of LACERA’s Privacy Officer. This plan lays out remediation steps and an estimated date of completion. Steps listed should include immediate mitigation measures that are to be implemented until permanent security measures are established.

5 HISTORY

5.1 Approvals

As the scope of this Policy applies to all LACERA staff and has an organization-wide effect, the following approval is required.

5.1.1 Recommended by OOC:

5.1.2 Approval by BOR:

5.2 Current Status

5.2.1 Original Effective Date: April 1, 2018

5.2.2 Last Updated: March 7, 2018

5.2.3 Mandatory Review: April 1, 2020 (Biennially)

5.3 Versions

5.3.1 There are no prior versions to date.



March 29, 2018

TO: Each Member
Board of Retirement

FROM: Cassandra Smith, Director *CS*
Retirement Healthcare Division

FOR: Board of Retirement Meeting of April 12, 2018

SUBJECT: **2018-2019 PLAN YEAR HEALTH INSURANCE RATE RENEWALS AND
BENEFIT CHANGES FOR LACERA'S RETIREE HEALTHCARE
BENEFITS PROGRAM**

RECOMMENDATION

Recommend the Board of Retirement approve fiscal year 2018-2019 rate renewal proposal and mandatory contractual changes, listed by carrier, and the administrative fee.

EXECUTIVE SUMMARY

This year's contract negotiation with LACERA's health insurance carriers concluded with an overall renewal increase of 5.7%, or approximately \$33.0 million annually. This reflects a 3.3% reduction from the preliminary renewal proposal of 9.0% or in premium savings of approximately \$12.8 million annually.

The medical premiums are increasing overall by approximately 6.2%. There is a rate pass for the dental/vision plans for the 2018-2019 plan year. The total projected overall annual program cost for the 2018-2019 plan year will be approximately \$613 million.

In 2014, the Affordable Care Act (ACA) imposed a tax that would exceed \$156 billion over the next 10 years (2017-2026). This Health Insurer Tax (HIT) is essentially a sales tax on health insurance coverage that would be passed on to consumers through higher premiums. In December 2015, the Congressional Budget Office, provided a one-year suspension of the tax in 2017. During our annual renewal process in January 2018, it was announced that the suspension had been extended.

As a result of the extension, our carriers adjusted the Health Insurer Tax on a prorated basis for this renewal thereby providing an additional premium savings of approximately \$6.3 million annually. This afforded our total premium savings for 2018-2019 to approximately \$19 million.

The healthcare landscape focus is currently on value based healthcare. Value-based healthcare is a healthcare delivery model in which providers, including hospitals are paid based on patient health outcomes. Therefore, we are monitoring very closely the value based initiatives. Segal and staff will continue discussions and meeting with our carriers to see what it is they are doing as it correlates with the value based initiatives based on quality and cost.

RATE RENEWAL AND BENEFIT CHANGE PROPOSALS

Anthem Blue Cross Plan I, II and III

- Accept the overall renewal increase of 6.9% with the following separate increases on the plans:
 - Accept the increase of 7.0% on Plans I and II
 - Accept the 6.9% increase on Plan III
 - Accept the mandatory contractual changes as referenced in the Appendix
- Advise Anthem Blue Cross to remit the estimated \$2.5M surplus to LACERA prior to adjusting for changes in the Claims Stabilization Reserves to reflect the 2018-2019 rate concessions.

Anthem Blue Cross Prudent Buyer Plan

- Accept the 7.0% renewal increase
- Accept the mandatory contractual changes as referenced in the Appendix
- Advise Anthem Blue Cross to remit the \$1.4M surplus to LACERA

Cigna Medical

- Accept the 5.8% overall renewal increase with the following separate increases:
 - Accept the 6.0% increase for the Cigna Network Model Plan
 - Accept the rate pass for the Cigna HealthSpring Preferred with Rx
 - Accept the mandatory contractual changes referenced in the Appendix

Cigna Dental and Vision

- Accept the rate pass with the following separate plans:
 - Accept the rate pass to the indemnity and vision plan
 - Accept the rate pass to the pre-paid and vision plan
 - No mandatory contractual changes for the 2018-2019 plan year

Kaiser California

- Accept the 7.1% overall renewal increase with the following separate increases:
 - Accept the Basic/Pre-65 increase of 7.0%
 - Accept the Senior Advantage increase of 6.9%
 - Accept the mandatory contractual changes referenced in the Appendix

Kaiser - Out of State

- Accept the 5.4% overall renewal increase in Out of State plans with the following separate changes for Medicare and non-Medicare plans listed:
 - Accept the Kaiser Colorado overall rate decrease of 2.0%
 - Accept the Kaiser Georgia overall rate increase of 2.0%
 - Accept the Kaiser Hawaii overall rate increase of 1.2%
 - Accept the Kaiser Oregon overall rate increase of 12.6%
 - Accept the mandatory contractual changes referenced in the Appendix

SCAN

- Accept the 3.7% overall increase
 - Accept the mandatory contractual changes as referenced in the Appendix

United HealthCare (UHC)

- Accept the 7.1% overall increase with the following separate increases:
 - Accept the 8.1% increase on the Pre-65 HMO Plan
 - Accept the 5.2% increase on the Medicare Advantage Plan
 - Accept the mandatory contractual changes as referenced in the Appendix

Administrative Fee

Approve the continuation of the flat monthly fee of \$8.00 per member, per plan, per month to cover LACERA's administrative services (including consulting, vendor fees, and the cost of administering LACERA's healthcare benefits program).

CONCLUSION

Our overall increase of 5.7% for our healthcare benefits program is an incredible outcome. The negotiated savings from initial preliminary proposal was \$12.8 million with an additional \$6.3 million from the 2019 Health Insurer Tax reduction bringing the overall total premium savings to \$19.1 million.

We remain diligent with our carriers, vendors, and Federal Government to stay ahead of the many things happening in Washington, D.C and on a national basis as a whole within the healthcare landscape. The 2018-2019 plan year will continue to be challenging. Therefore, staff and Segal, will continue to be actively involved in the health care arena, especially on those issues of concern to our population.

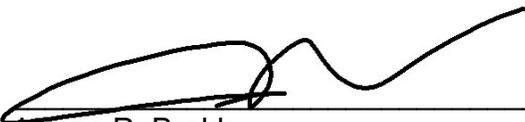
Detailed information regarding the renewal proposal can be found in the enclosed 2018-2019 Renewal Evaluation Report prepared by Segal Consulting.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

Recommend the Board of Retirement approve fiscal year 2018-2019 rate renewal proposal and mandatory contractual changes, listed by carrier, and the administrative fee.

CS:cs
Attachment

REVIEWED AND APPROVED



James P. Brekk
Interim Deputy Chief Executive Officer



**Los Angeles County Employees
Retirement Association**

***2018-2019 Renewal Evaluation Report
Presented on April 12, 2018***

Renewal Analysis - Effective 7/1/2018
Los Angeles County Employees Retirement Association

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The projections of annual premium in this report are estimates of future costs and are based on information available to The Segal Company at the time the projections were made. The Segal Company has not audited the information provided. Projections are not a guarantee of future results. Actual experience may differ due to, but not limited to, such variables as changes in the regulatory environment, local market pressure, health trend rates and claims volatility. The accuracy and reliability of health projections decrease as the projection period increases.

2018-2019 Renewal Overview

The content of this report summarizes the final 2018-2019 renewal results for the LACERA-administered Retiree Healthcare Benefits Program (RHCBP).

- The overall negotiated renewal increase is 5.7%.
 - This reflects a 3.3% decrease from the preliminary renewal increase of 9.0%.
 - Negotiations resulted in premium savings of approximately \$12.8 million annually.
 - Suspension of the 2019 Health Insurer Tax resulted in premium savings of approximately \$6.3 million annually.

Medical Plans

- The overall negotiated medical renewal increase is 6.2%.

Dental/Vision Plans

- The dental/vision plans received a rate pass for the 2018-2019 policy period.

	Current Premiums	Preliminary Premiums	Negotiated Premiums	Change in Premium (%)
Total Medical	\$ 533,419,000	\$ 584,598,000	\$ 566,406,000	6.2%
Total Dental/Vision	46,950,000	47,888,000	46,950,000	0.0%
Total Medical/Dental/Vision	\$ 580,369,000	\$ 632,486,000	\$ 613,356,000	5.7%
Negotiated Savings				\$ (12,848,000)
2019 Health Insurer Tax Reduction				(6,282,000)
Total Premium Savings				\$ (19,130,000)

Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

KEY FINDINGS

Anthem Blue Cross Plans

- Anthem initially proposed an overall rate increase of 11.9%. Initial rate increases were 12.1% for Plans I and II, 12.3% for Plan III, and 8.8% for Prudent Buyer.
 - Anthem Plans I, II, and III experienced higher than expected prescription drug claims. This was in part due to the change in the administration of the coinsurance for non-maintenance retail drugs at the point of sale, effective January 2017.
- After negotiations with Segal and Staff, Anthem reduced the overall rate increase to 6.9%. Rate increases were reduced to 7.0% for Plans I and II, 6.9% for Plan III, and 7.0% for Prudent Buyer. Concessions represents an estimated savings of \$11.2 million annually.
- Anthem agreed to remove the 2019 Health Insurer Tax (HIT) on all plans, reducing the overall rate increase to 5.2%. Rate increases were reduced to 4.8% for Plans I and II, 5.6% to Plan III, and 4.8% to Prudent Buyer. Suspension of the 2019 HIT represents an estimated savings of \$4.0 million annually.

Anthem BC Plans	Current Premiums	Preliminary Premiums	Negotiated Premiums	Increase from Current (%)
Anthem BC Plan I & II	\$111,648,000	\$125,208,000	\$117,025,000	4.8%
Anthem BC Plan III	95,652,000	107,386,000	101,056,000	5.6%
Anthem BC Prudent Buyer	17,161,000	18,675,000	17,986,000	4.8%
Total	\$224,461,000	\$251,269,000	\$236,067,000	5.2%

Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

KEY FINDINGS

Cigna - Medical Plans

- Cigna initially proposed an overall increase of 8.9%. Initial rate increases were 9.1% for the Network Model (HMO), and a rate pass for the Cigna Healthsprings Preferred Rx, MAPD.
- After negotiations with Segal and Staff, Cigna agreed to reduce the overall rate increase to 7.3%. The rate increase for Network Model (HMO) plan was reduced to 7.5%. Concessions represents an estimated savings of \$0.2 million annually.
- Cigna agreed to remove the 2019 Health Insurer Tax (HIT) on the Network Model (HMO) plan, reducing the overall rate increase to 5.8%. The rate increase for the Network Model (HMO) plan was reduced to 6.0%. The Medicare Healthsprings plan does not include the 2019 HIT. Suspension of the 2019 HIT represents an estimated savings of \$0.2 million annually.

Cigna Plans	Current Premiums	Preliminary Premiums	Negotiated Premiums	Increase from Current (%)
Total Medical	\$ 11,992,000	\$ 13,059,000	\$ 12,688,000	5.8%

Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

KEY FINDINGS

Cigna - Dental/Vision Plans

- Cigna initially proposed an overall rate increase of 2.0%. Initial rate increases were 2.0% for the Indemnity Dental/Vision plan, and 1.6% for the Dental/Vision HMO plan.
- After negotiations with Segal and Staff, Cigna agreed to reduce the overall rate increase to 0.3%. The rate increase for the Cigna Indemnity Dental/Vision plan was reduced to 0.2%, while the Cigna Dental/Vision HMO plan remained at 1.6%. Concessions represents an estimated savings of \$0.8 million annually.
- Cigna agreed to remove the 2019 Health Insurer Tax (HIT) for all dental plans, resulting in a rate pass. Suspension of the 2019 HIT represents an estimated savings of \$0.1 million annually.

Cigna Plans	Current Premiums	Preliminary Premiums	Negotiated Premiums	Increase from Current (%)
Total Dental/Vision	\$ 46,950,000	\$ 47,888,000	\$ 46,950,000	0.0%

Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

KEY FINDINGS

Kaiser - California

- Kaiser initially proposed an overall rate increase of 7.3%. Initial rate increases were 7.4% for Non-Medicare rates, and 6.9% for Senior Advantage rates.
 - Kaiser Non-Medicare utilization was better than expected based on prior renewal assumptions. The proposed rate increase was largely due to Kaiser's forecasted increases in projected claims.
- After negotiations with Segal and Staff, Kaiser agreed to remove the 2019 Health Insurer Tax (HIT), reducing the overall rate increase to 7.1%. The increase to Non-Medicare rates was reduced to 7.0%, while Senior Advantage rates remained the same at 6.9%. The Senior Advantage rates does not include the 2019 HIT. Suspension of the 2019 HIT represents an estimated savings of \$0.4 million annually.

	Current Premiums	Preliminary Premiums	Negotiated Premiums	Increase from Current (%)
Kaiser California	\$ 191,475,000	\$ 205,512,000	\$ 205,117,000	7.1%

Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

KEY FINDINGS

Kaiser - Out of State (OOS)

- The overall increase for Kaiser's Out of State plans for the 2018-2019 policy period is 5.4%.
 - Kaiser-Colorado remained firm on the proposed decreases of -3.5% to Non-Medicare rates and -0.9% to Senior Advantage rates.
 - Kaiser-Georgia remained firm on the proposed rate pass for Non-Medicare Retirees and increase of 3.7% to Senior Advantage rates.
 - Kaiser-Hawaii remained firm on the proposed rate pass for Non-Medicare Retirees and 1.5% increase to the Senior Advantage rates.
 - Kaiser-Oregon initially proposed increases of 8.9% to Non-Medicare rates and 20.4% to Senior Advantage rates.
 - Senior Advantage rates were proposed to increase by more than 20% due to the omission of an outpatient pharmacy benefit in the 2017-2018 rates, which is being corrected in the 2018-2019 rates. After negotiations with Segal and Staff, Kaiser offered to lower the Senior Advantage increase to 14.7%.
 - All Kaiser OOS plans will address the 2019 Health Insurer Tax (HIT) suspension during the 2019-2020 policy period.

	Current Premiums	Preliminary Premiums	Negotiated Premiums	Increase from Current (%)
Kaiser OOS	\$ 3,338,000	\$ 3,565,000	\$ 3,518,000	5.4%

Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

KEY FINDINGS

Senior Care Action Network (SCAN) Plan

- SCAN initially proposed an overall rate increase of 4.4%.
- After negotiations with Segal and Staff, SCAN reduced the overall rate increase to 3.7%. Concessions represents an estimated savings of \$12,000 annually.
- SCAN is exempt from paying the 2019 Health Insurer Tax. The proposed rate action is the lowest renewal increase among all California medical plans.

	Current Premiums	Preliminary Premiums	Negotiated Premiums	Increase from Current (%)
SCAN	\$ 1,814,000	\$ 1,893,000	\$ 1,881,000	3.7%

Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

KEY FINDINGS

UnitedHealthcare (UHC)

- UHC initially proposed an overall rate increase 12.1%. Initial rate increases were 11.2% for Non-Medicare rates and 13.6% for Medicare Advantage rates.
 - The major contributor to UHC's initial double-digit rate increase to Non-Medicare and Medicare rates was due to higher than average book of business trend assumptions used in cost projections.
- After negotiations with Segal and Staff, UHC reduced the overall rate increase to 10.8%. Rate increases were reduced to 10.2% for UHC (Pre-65) rates and 11.7% for UHC (MA) rates. Concessions represent an estimated savings of \$0.6 million annually.
- UHC agreed to remove the 2019 Health Insurer Tax (HIT) on all plans, reducing the overall rate increase to 7.1%. Rate increases were reduced to 8.1% for Non-Medicare rates and 5.2% for Medicare Advantage rates. Suspension of the 2019 HIT represents an estimated savings of \$1.6 million annually.

	Current Premiums	Preliminary Premiums	Negotiated Premiums	Change in Premium (%)
UHC	\$ 43,215,000	\$ 48,439,000	\$ 46,274,000	7.1%

Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

RECOMMENDATIONS

Anthem Plans Overall

- Accept the 5.2% overall rate increase, based on the individual plan increases noted below:
 - 4.8% overall rate increase to Anthem Plans I and II.
 - 5.6% rate increase to Anthem Plan III.
 - 4.8% rate increase to Anthem Prudent Buyer Plan.
- Instruct Anthem to release year-end 2016-2017 surpluses for all plans. The amount is estimated at \$3.9 million, prior to adjusting for changes in the Claims Stabilization Reserves to reflect the 2018-2019 rate concessions.
- Accept the mandatory contractual changes included in the appendix.

Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

RECOMMENDATIONS

Cigna Medical

- Accept the 5.8% overall increase to Cigna medical plans, based on the individual plan increases noted below:
 - 6.0% increase to the Network Model Medical Plan.
 - Rate pass to the HealthSpring Preferred with Rx Plan.
- Accept the mandatory contractual changes included in the appendix.

Cigna Dental/Vision

- Accept the rate pass on Cigna Dental/Vision plans, based on the individual plan increases noted below:
 - Rate pass to the Cigna Indemnity Dental/Vision Plan.
 - Rate pass to the Cigna Dental/Vision HMO Plan.
- No mandatory contractual changes apply for the 2018-2019 policy period.

Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

RECOMMENDATIONS

Kaiser California

- Accept the 7.1% overall increase, based on the plan increases listed below:
 - 7.0% rate increase to the Basic/Pre-65 Plan.
 - 6.9% rate increase to the Kaiser Senior Advantage Plan.
- Accept the mandatory contractual changes included in the appendix.

Kaiser Out of State (OOS)

- Accept the 5.4% overall increase for Medicare and Non-Medicare combined OOS plans, based on the plan increases listed below:
 - 2.0% overall rate decrease to Kaiser-Colorado Plans.
 - 2.0% overall rate increase to Kaiser-Georgia Plans.
 - 1.2% overall rate increase to Kaiser-Hawaii Plans.
 - 12.6% overall rate increase to Kaiser-Oregon Plans.
- Accept the mandatory contractual changes included in the appendix.

Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

RECOMMENDATIONS

Senior Care Action Network (SCAN)

- Accept the 3.7% overall increase.
- Accept the mandatory contractual changes included in the appendix.

UnitedHealthcare

- Accept the 7.1% overall increase, based on the plan increases listed below:
 - 8.1% increase for the Non-Medicare HMO Plan.
 - 5.2% increase for the Medicare Advantage Plan.
- Accept the mandatory contractual changes included in the appendix.

LACERA Administrative Fee

- Segal recommends LACERA maintain its Administrative Fee at \$8.00 per member, per plan, per month for the 2018-2019 policy period.
 - The fee is for administering the Retiree Healthcare Program, based on budget.

Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

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Los Angeles County Employees Retirement Association

PREMIUM PROJECTIONS FOR JULY 1, 2018 THROUGH JUNE 30, 2019

	Retiree Count	Current Premiums	Preliminary		Negotiated	
			Premiums	Change (%)	Premiums	Change (%)
Medical Plans						
Anthem BC Plan I & II	5,970	\$111,648,000	\$125,208,000	12.1%	\$117,025,000	4.8%
Anthem BC Plan III	11,518	95,652,000	107,386,000	12.3%	101,056,000	5.6%
Anthem BC Prudent Buyer	1,172	17,161,000	18,675,000	8.8%	17,986,000	4.8%
Cigna	585	11,992,000	13,059,000	8.9%	12,688,000	5.8%
Kaiser California	23,344	191,475,000	205,512,000	7.3%	205,117,000	7.1%
Kaiser Out of State (OOS)	383	3,338,000	3,565,000	6.8%	3,518,000	5.4%
SCAN Health Plan	406	1,814,000	1,893,000	4.4%	1,881,000	3.7%
United Healthcare	4,018	43,215,000	48,439,000	12.1%	46,274,000	7.1%
Medicare Part B	32,900	57,124,000	60,861,000	6.5%	60,861,000	6.5%
Total Medical	47,396	\$533,419,000	\$584,598,000	9.6%	\$566,406,000	6.2%
Dental / Vision Plans						
Indemnity Dental / Vision	44,776	\$42,562,000	\$43,428,000	2.0%	\$42,562,000	0.0%
Prepaid Dental / Vision	5,533	4,388,000	4,460,000	1.6%	4,388,000	0.0%
Total Dental/Vision	50,309	\$46,950,000	\$47,888,000	2.0%	\$46,950,000	0.0%
Total Medical/Dental/Vision		\$580,369,000	\$632,486,000	9.0%	\$613,356,000	5.7%
Negotiated Savings					(\$12,848,000)	-2.2%
2019 Health Insurer Tax Reduction					(6,282,000)	-1.1%
Total Premium Savings					\$ (19,130,000)	-3.3%

Note: Premiums and Rate Changes include LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

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GROUP INSURANCE RATES EFFECTIVE JULY 1, 2018 THROUGH JUNE 30, 2019

	Count	Current 2017-2018 Rates	Admin Fee	Total Rate	Preliminary 2018-2019 Rates	Admin Fee	Total Rate	% Change	Final 2018-2019 Rates	Admin Fee	Total Rate	% Change
Anthem BC Plan I&II												
211 Retiree Only	853	\$1,086.88	\$8.00	\$1,094.88	\$1,221.76	\$8.00	\$1,229.76	12.3%	\$1,139.49	\$8.00	\$1,147.49	4.8%
221 Retiree Only	2,119	1,086.88	8.00	1,094.88	1,221.76	8.00	1,229.76	12.3%	1,139.49	8.00	1,147.49	4.8%
212 Retiree & Spouse	300	1,964.43	8.00	1,972.43	2,202.13	8.00	2,210.13	12.1%	2,059.52	8.00	2,067.52	4.8%
222 Retiree & Spouse	1,866	1,964.43	8.00	1,972.43	2,202.13	8.00	2,210.13	12.1%	2,059.52	8.00	2,067.52	4.8%
213 Retiree & Family	56	2,318.31	8.00	2,326.31	2,598.83	8.00	2,606.83	12.1%	2,430.53	8.00	2,438.53	4.8%
223 Retiree & Family	605	2,318.31	8.00	2,326.31	2,598.83	8.00	2,606.83	12.1%	2,430.53	8.00	2,438.53	4.8%
214 Retiree & Children	19	1,440.02	8.00	1,448.02	1,614.26	8.00	1,622.26	12.0%	1,509.73	8.00	1,517.73	4.8%
224 Retiree & Children	145	1,440.02	8.00	1,448.02	1,614.26	8.00	1,622.26	12.0%	1,509.73	8.00	1,517.73	4.8%
215 Survivor	4	356.04	8.00	364.04	399.12	8.00	407.12	11.8%	373.27	8.00	381.27	4.7%
225 Survivor	3	363.23	8.00	371.23	407.18	8.00	415.18	11.8%	380.82	8.00	388.82	4.7%
Total	5,970	\$111,074,913		\$111,648,033	\$124,635,211		\$125,208,331	12.1%	\$116,451,554		\$117,024,674	4.8%
Anthem BC Plan III												
240 One Medicare	6,488	\$435.35	\$8.00	\$443.35	\$489.38	\$8.00	\$497.38	12.2%	\$460.23	\$8.00	\$468.23	5.6%
241 Retiree & Spouse- 1 Medicare	155	1,405.18	8.00	1,413.18	1,579.56	8.00	1,587.56	12.3%	1,485.50	8.00	1,493.50	5.7%
242 Retiree & Spouse- 1 Medicare	858	1,405.18	8.00	1,413.18	1,579.56	8.00	1,587.56	12.3%	1,485.50	8.00	1,493.50	5.7%
243 Retiree & Spouse- 2 Medicare	3,751	872.49	8.00	880.49	980.77	8.00	988.77	12.3%	922.36	8.00	930.36	5.7%
244 Retiree & Children- 1 Medicare	21	784.32	8.00	792.32	881.65	8.00	889.65	12.3%	829.15	8.00	837.15	5.7%
245 Retiree & Children- 1 Medicare	53	784.32	8.00	792.32	881.65	8.00	889.65	12.3%	829.15	8.00	837.15	5.7%
246 Retiree & Family- 1 Medicare	18	1,754.05	8.00	1,762.05	1,971.73	8.00	1,979.73	12.4%	1,854.31	8.00	1,862.31	5.7%
247 Retiree & Family- 1 Medicare	101	1,754.05	8.00	1,762.05	1,971.73	8.00	1,979.73	12.4%	1,854.31	8.00	1,862.31	5.7%
248 Retiree & Family- 2 Medicare	11	1,221.28	8.00	1,229.28	1,372.84	8.00	1,380.84	12.3%	1,291.09	8.00	1,299.09	5.7%
249 Retiree & Family- 2 Medicare	47	1,221.28	8.00	1,229.28	1,372.84	8.00	1,380.84	12.3%	1,291.09	8.00	1,299.09	5.7%
250 Retiree & Family- 3 Medicare	15	1,369.42	8.00	1,377.42	1,539.37	8.00	1,547.37	12.3%	1,447.70	8.00	1,455.70	5.7%
Total	11,518	\$94,546,264		\$95,651,992	\$106,279,839		\$107,385,567	12.3%	\$99,950,098		\$101,055,826	5.6%
Anthem BC Prudent Buyer												
201 Retiree Only	677	\$858.85	\$8.00	\$866.85	\$935.12	\$8.00	\$943.12	8.8%	\$900.42	\$8.00	\$908.42	4.8%
202 Retiree & Spouse	367	1,696.22	8.00	1,704.22	1,846.84	8.00	1,854.84	8.8%	1,778.33	8.00	1,786.33	4.8%
203 Retiree & Family	94	1,915.13	8.00	1,923.13	2,085.19	8.00	2,093.19	8.8%	2,007.84	8.00	2,015.84	4.8%
204 Retiree & Children	33	1,105.74	8.00	1,113.74	1,203.93	8.00	1,211.93	8.8%	1,159.26	8.00	1,167.26	4.8%
205 Survivor	1	229.47	8.00	237.47	249.85	8.00	257.85	8.6%	240.58	8.00	248.58	4.7%
Total	1,172	\$17,048,344		\$17,160,856	\$18,562,247		\$18,674,759	8.8%	\$17,873,575		\$17,986,087	4.8%
Cigna												
301 Network- Retiree Only	340	\$1,411.91	\$8.00	\$1,419.91	\$1,541.54	\$8.00	\$1,549.54	9.1%	\$1,496.58	\$8.00	\$1,504.58	6.0%
302 Network- Retiree & Spouse	147	2,554.34	8.00	2,562.34	2,788.84	8.00	2,796.84	9.2%	2,707.52	8.00	2,715.52	6.0%
303 Network- Retiree & Family	17	3,017.54	8.00	3,025.54	3,294.46	8.00	3,302.46	9.2%	3,198.43	8.00	3,206.43	6.0%
304 Network- Retiree & Children	24	1,875.69	8.00	1,883.69	2,047.81	8.00	2,055.81	9.1%	1,988.12	8.00	1,996.12	6.0%
305 Network- Survivor	-	464.39	8.00	472.39	475.66	8.00	483.66	2.4%	468.31	8.00	476.31	0.8%
321 Risk- Retiree Only	30	376.49	8.00	384.49	376.49	8.00	384.49	0.0%	376.49	8.00	384.49	0.0%
322 Risk- Retiree & Spouse	10	1,518.24	8.00	1,526.24	1,623.11	8.00	1,631.11	6.9%	1,587.43	8.00	1,595.43	4.5%
324 Risk- Retiree & Spouse (Both Risk)	13	752.98	8.00	760.98	759.98	8.00	767.98	0.9%	752.98	8.00	760.98	0.0%
325 Risk- Retiree & Children	-	839.11	8.00	847.11	881.60	8.00	889.60	5.0%	868.71	8.00	876.71	3.5%
327 Risk- Retiree & Family (1 Medicare)	2	1,980.05	8.00	1,988.05	2,127.34	8.00	2,135.34	7.4%	2,079.02	8.00	2,087.02	5.0%
329 Risk- Retiree & Family (2 Medicare)	2	1,289.77	8.00	1,297.77	1,327.29	8.00	1,335.29	2.9%	1,315.31	8.00	1,323.31	2.0%
Total	585	\$11,935,891		\$11,992,051	\$13,002,614		\$13,058,774	8.9%	\$12,632,127		\$12,688,287	5.8%

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GROUP INSURANCE RATES EFFECTIVE JULY 1, 2018 THROUGH JUNE 30, 2019

	Count	Current 2017-2018 Rates	Admin Fee	Total Rate	Preliminary 2018-2019 Rates	Admin Fee	Total Rate	% Change	Final 2018-2019 Rates	Admin Fee	Total Rate	% Change
Kaiser California												
401 Retiree Basic (Under 65)	1,538	\$929.63	\$8.00	\$937.63	\$998.64	\$8.00	\$1,006.64	7.4%	\$994.90	\$8.00	\$1,002.90	7.0%
403 Retiree Risk (Senior Advantage)	10,280	248.62	8.00	256.62	266.22	8.00	274.22	6.9%	266.22	8.00	274.22	6.9%
404 Retiree Excess	534	1,027.65	8.00	1,035.65	1,117.53	8.00	1,125.53	8.7%	1,117.53	8.00	1,125.53	8.7%
405 Retiree Excess - Part B	949	972.76	8.00	980.76	1,046.99	8.00	1,054.99	7.6%	1,043.35	8.00	1,051.35	7.2%
406 Excess - Medicare Not Provided (MNP)	48	1,737.10	8.00	1,745.10	1,858.70	8.00	1,866.70	7.0%	1,858.70	8.00	1,866.70	7.0%
411 Family Basic	1,773	1,859.26	8.00	1,867.26	1,997.28	8.00	2,005.28	7.4%	1,989.80	8.00	1,997.80	7.0%
413 One Advantage, One Basic	1,657	1,178.25	8.00	1,186.25	1,264.86	8.00	1,272.86	7.3%	1,261.12	8.00	1,269.12	7.0%
414 One Excess, One Basic	134	1,957.28	8.00	1,965.28	2,116.17	8.00	2,124.17	8.1%	2,112.43	8.00	2,120.43	7.9%
418 Two+ Advantage	5,181	497.24	8.00	505.24	532.44	8.00	540.44	7.0%	532.44	8.00	540.44	7.0%
419 One Excess, One Advantage	269	1,276.27	8.00	1,284.27	1,383.75	8.00	1,391.75	8.4%	1,383.75	8.00	1,391.75	8.4%
420 Two+ Excess	133	2,055.30	8.00	2,063.30	2,235.06	8.00	2,243.06	8.7%	2,235.06	8.00	2,243.06	8.7%
422 One Excess - Part B, One Basic	224	1,902.39	8.00	1,910.39	2,045.63	8.00	2,053.63	7.5%	2,038.25	8.00	2,046.25	7.1%
423 One Excess (MNP), One Basic	19	2,666.73	8.00	2,674.73	2,857.34	8.00	2,865.34	7.1%	2,853.60	8.00	2,861.60	7.0%
426 One Advantage, One Excess - Part B	215	1,221.38	8.00	1,229.38	1,313.21	8.00	1,321.21	7.5%	1,309.57	8.00	1,317.57	7.2%
427 One Advantage, One Excess (MNP)	166	1,985.72	8.00	1,993.72	2,124.92	8.00	2,132.92	7.0%	2,124.92	8.00	2,132.92	7.0%
428 One Excess, One Excess - Part B	56	2,000.41	8.00	2,008.41	2,164.52	8.00	2,172.52	8.2%	2,160.88	8.00	2,168.88	8.0%
429 One Excess, One Excess (MNP)	12	2,764.75	8.00	2,772.75	2,976.23	8.00	2,984.23	7.6%	2,976.23	8.00	2,984.23	7.6%
430 Two Excess - Part B	131	1,945.52	8.00	1,953.52	2,093.98	8.00	2,101.98	7.6%	2,086.70	8.00	2,094.70	7.2%
431 One Excess - Part B, One Excess (MNP)	11	2,709.86	8.00	2,717.86	2,905.69	8.00	2,913.69	7.2%	2,902.05	8.00	2,910.05	7.1%
432 Two Excess - Both (MNP)	5	3,474.20	8.00	3,482.20	3,717.40	8.00	3,725.40	7.0%	3,717.40	8.00	3,725.40	7.0%
421 Survivor	9	929.63	8.00	937.63	998.64	8.00	1,006.64	7.4%	994.90	8.00	1,002.90	7.0%
Total	23,344	\$189,233,929		\$191,474,953	\$203,271,201		\$205,512,225	7.3%	\$202,876,342		\$205,117,366	7.1%
Kaiser- Colorado												
450 Retiree Basic	6	\$996.87	\$8.00	\$1,004.87	\$961.67	\$8.00	\$969.67	-3.5%	\$961.67	\$8.00	\$969.67	-3.5%
451 Retiree Risk (Senior Advantage)	33	358.62	8.00	366.62	355.27	8.00	363.27	-0.9%	355.27	8.00	363.27	-0.9%
453 Retiree Basic (Two Party)	1	2,213.15	8.00	2,221.15	2,135.00	8.00	2,143.00	-3.5%	2,135.00	8.00	2,143.00	-3.5%
454 Retiree Basic Family	-	2,990.70	8.00	2,998.70	2,885.11	8.00	2,893.11	-3.5%	2,885.11	8.00	2,893.11	-3.5%
455 One Risk, One Basic	1	1,355.49	8.00	1,363.49	1,302.30	8.00	1,310.30	-3.9%	1,302.30	8.00	1,310.30	-3.9%
457 Two Retiree Risk	10	717.24	8.00	725.24	710.54	8.00	718.54	-0.9%	710.54	8.00	718.54	-0.9%
458 One Risk, Two or More Dependents	1	2,294.38	8.00	2,302.38	2,194.25	8.00	2,202.25	-4.3%	2,194.25	8.00	2,202.25	-4.3%
459 Two Risk, Two or More Dependents	-	1,714.11	8.00	1,722.11	1,657.57	8.00	1,665.57	-3.3%	1,657.57	8.00	1,665.57	-3.3%
Total	52	\$370,213		\$375,205	\$362,771		\$367,763	-2.0%	\$362,771		\$367,763	-1.98%

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GROUP INSURANCE RATES EFFECTIVE JULY 1, 2018 THROUGH JUNE 30, 2019

	Count	Current 2017-2018 Rates	Admin Fee	Total Rate	Preliminary 2018-2019 Rates	Admin Fee	Total Rate	% Change	Final 2018-2019 Rates	Admin Fee	Total Rate	% Change
Kaiser- Georgia												
440	-	\$1,156.41	\$8.00	\$1,164.41	\$1,156.41	\$8.00	\$1,164.41	0.0%	\$1,156.41	\$8.00	\$1,164.41	0.0%
441	3	1,156.41	8.00	1,164.41	1,156.41	8.00	1,164.41	0.0%	1,156.41	8.00	1,164.41	0.0%
442	4	1,156.41	8.00	1,164.41	1,156.41	8.00	1,164.41	0.0%	1,156.41	8.00	1,164.41	0.0%
443	-	400.26	8.00	408.26	415.47	8.00	423.47	3.7%	415.47	8.00	423.47	3.7%
444	-	1,556.67	8.00	1,564.67	1,571.88	8.00	1,579.88	1.0%	1,571.88	8.00	1,579.88	1.0%
445	2	1,556.67	8.00	1,564.67	1,571.88	8.00	1,579.88	1.0%	1,571.88	8.00	1,579.88	1.0%
446	-	1,556.67	8.00	1,564.67	1,571.88	8.00	1,579.88	1.0%	1,571.88	8.00	1,579.88	1.0%
461	13	1,156.41	8.00	1,164.41	1,156.41	8.00	1,164.41	0.0%	1,156.41	8.00	1,164.41	0.0%
462	54	400.26	8.00	408.26	415.47	8.00	423.47	3.7%	415.47	8.00	423.47	3.7%
463	3	2,312.83	8.00	2,320.83	2,312.82	8.00	2,320.82	0.0%	2,312.82	8.00	2,320.82	0.0%
464	-	3,469.24	8.00	3,477.24	3,469.24	8.00	3,477.24	0.0%	3,469.24	8.00	3,477.24	0.0%
465	10	1,556.67	8.00	1,564.67	1,571.88	8.00	1,579.88	1.0%	1,571.88	8.00	1,579.88	1.0%
466	30	800.52	8.00	808.52	830.94	8.00	838.94	3.8%	830.94	8.00	838.94	3.8%
467	1	2,713.09	8.00	2,721.09	2,728.29	8.00	2,736.29	0.6%	2,728.29	8.00	2,736.29	0.6%
468	-	1,956.93	8.00	1,964.93	1,987.35	8.00	1,995.35	1.5%	1,987.35	8.00	1,995.35	1.5%
469	-	1,200.78	8.00	1,208.78	1,246.41	8.00	1,254.41	3.8%	1,246.41	8.00	1,254.41	3.8%
470	-	2,713.09	8.00	2,721.09	2,728.29	8.00	2,736.29	0.6%	2,728.29	8.00	2,736.29	0.6%
Total	120	\$1,165,074		\$1,176,594	\$1,188,253		\$1,199,773	2.0%	\$1,188,253		\$1,199,773	2.0%
Kaiser- Hawaii												
471	6	\$995.20	\$8.00	\$1,003.20	\$995.20	\$8.00	\$1,003.20	0.0%	\$995.20	\$8.00	\$1,003.20	0.0%
472	33	421.51	8.00	429.51	428.04	8.00	436.04	1.5%	428.04	8.00	436.04	1.5%
473	1	1,539.10	8.00	1,547.10	1,638.39	8.00	1,646.39	6.4%	1,638.39	8.00	1,646.39	6.4%
474	3	1,990.40	8.00	1,998.40	1,990.40	8.00	1,998.40	0.0%	1,990.40	8.00	1,998.40	0.0%
475	-	2,985.60	8.00	2,993.60	2,985.60	8.00	2,993.60	0.0%	2,985.60	8.00	2,993.60	0.0%
476	4	1,416.71	8.00	1,424.71	1,423.24	8.00	1,431.24	0.5%	1,423.24	8.00	1,431.24	0.5%
477	-	2,110.94	8.00	2,118.94	2,633.59	8.00	2,641.59	24.7%	2,633.59	8.00	2,641.59	24.7%
478	13	842.02	8.00	850.02	856.08	8.00	864.08	1.7%	856.08	8.00	864.08	1.7%
479	-	1,960.61	8.00	1,968.61	2,066.43	8.00	2,074.43	5.4%	2,066.43	8.00	2,074.43	5.4%
Total	60	\$528,053		\$533,813	\$534,337		\$540,097	1.2%	\$534,337		\$540,097	1.2%

Renewal Analysis - Effective 7/1/2018
Los Angeles County Employees Retirement Association

GROUP INSURANCE RATES EFFECTIVE JULY 1, 2018 THROUGH JUNE 30, 2019

	Count	Current 2017-2018 Rates	Admin Fee	Total Rate	Preliminary 2018-2019 Rates	Admin Fee	Total Rate	% Change	Final 2018-2019 Rates	Admin Fee	Total Rate	% Change
Kaiser- Oregon												
481 Retiree Basic (Under 65)	8	\$1,079.63	\$8.00	\$1,087.63	\$1,176.06	\$8.00	\$1,184.06	8.9%	\$1,176.06	\$8.00	\$1,184.06	8.9%
482 Retiree Risk (Senior Advantage)	81	369.25	8.00	377.25	446.10	8.00	454.10	20.4%	424.64	8.00	432.64	14.7%
483 Retiree Over 65 unassigned Medicare A&B	-	1,167.67	8.00	1,175.67	1,262.00	8.00	1,270.00	8.0%	1,262.00	8.00	1,270.00	8.0%
484 Retiree Basic (Two Party)	2	2,159.27	8.00	2,167.27	2,352.11	8.00	2,360.11	8.9%	2,352.11	8.00	2,360.11	8.9%
485 Retiree Basic Family (Under 65)	1	3,238.90	8.00	3,246.90	3,528.17	8.00	3,536.17	8.9%	3,528.17	8.00	3,536.17	8.9%
486 One Retiree Risk, One Basic	10	1,448.88	8.00	1,456.88	1,622.16	8.00	1,630.16	11.9%	1,600.70	8.00	1,608.70	10.4%
488 Two Retiree Risk	43	738.50	8.00	746.50	892.20	8.00	900.20	20.6%	849.28	8.00	857.28	14.8%
489 Retiree/Part A Only	-	1,002.66	8.00	1,010.66	1,062.36	8.00	1,070.36	5.9%	1,062.36	8.00	1,070.36	5.9%
490 Retiree ø Part B Only	-	1,167.67	8.00	1,175.67	1,262.00	8.00	1,270.00	8.0%	1,262.00	8.00	1,270.00	8.0%
491 One Risk, One Medicare Part A Only	2	1,371.91	8.00	1,379.91	1,508.46	8.00	1,516.46	9.9%	1,487.00	8.00	1,495.00	8.3%
492 One Risk, One Over 65 No Medicare	1	1,536.92	8.00	1,544.92	1,708.10	8.00	1,716.10	11.1%	1,686.64	8.00	1,694.64	9.7%
493 One Risk, Two Basic	-	2,528.52	8.00	2,536.52	2,798.21	8.00	2,806.21	10.6%	2,776.75	8.00	2,784.75	9.8%
494 Two Risk, One Basic	1	1,818.13	8.00	1,826.13	2,068.26	8.00	2,076.26	13.7%	2,025.34	8.00	2,033.34	11.3%
495 Two Over 65 No Medicare	2	2,335.34	8.00	2,343.34	2,524.00	8.00	2,532.00	8.1%	2,524.00	8.00	2,532.00	8.1%
496 Two Medicare Part A Only	-	2,005.32	8.00	2,013.32	2,124.72	8.00	2,132.72	5.9%	2,124.72	8.00	2,132.72	5.9%
497 One Basic, One Medicare Part A Only	-	2,082.29	8.00	2,090.29	2,238.42	8.00	2,246.42	7.5%	2,238.42	8.00	2,246.42	7.5%
498 One Basic, One Over 65 no Medicare A&B	-	2,247.30	8.00	2,255.30	2,438.06	8.00	2,446.06	8.5%	2,438.06	8.00	2,446.06	8.5%
Total	151	\$1,237,411		\$1,251,907	\$1,442,429		\$1,456,925	16.4%	\$1,395,561		\$1,410,057	12.6%
SCAN Health Plan												
611 Retiree Only	302	\$290.00	\$8.00	\$298.00	\$303.00	\$8.00	\$311.00	4.4%	\$301.00	\$8.00	\$309.00	3.7%
613 Retiree & 1 Dependent(2 Medicare)	104	580.00	8.00	588.00	606.00	8.00	614.00	4.4%	602.00	8.00	610.00	3.7%
Total	406	\$1,774,800		\$1,813,776	\$1,854,360		\$1,893,336	4.4%	\$1,842,120		\$1,881,096	3.7%
UnitedHealthcare												
701 Retiree Only	1,593	\$331.07	\$8.00	\$339.07	\$377.14	\$8.00	\$385.14	13.6%	\$348.76	\$8.00	\$356.76	5.2%
702 Retiree & 1 Dependent (1 Medicare)	327	1,395.67	8.00	1,403.67	1,561.38	8.00	1,569.38	11.8%	1,500.13	8.00	1,508.13	7.4%
703 Retiree & 1 Dependent (2 Medicare)	910	662.14	8.00	670.14	754.28	8.00	762.28	13.7%	697.52	8.00	705.52	5.3%
704 Retiree & 2 + Deps. (1 Medicare)	70	1,579.08	8.00	1,587.08	1,765.39	8.00	1,773.39	11.7%	1,698.49	8.00	1,706.49	7.5%
705 Retiree & 2 + Deps. (2 Medicare)	29	845.55	8.00	853.55	958.29	8.00	966.29	13.2%	895.88	8.00	903.88	5.9%
706 Survivor (Child only)	1	299.71	8.00	307.71	333.39	8.00	341.39	10.9%	324.14	8.00	332.14	7.9%
707 UnitedHealthcare Single	427	1,064.60	8.00	1,072.60	1,184.24	8.00	1,192.24	11.2%	1,151.37	8.00	1,159.37	8.1%
708 UnitedHealthcare Two-Party	374	1,949.45	8.00	1,957.45	2,168.53	8.00	2,176.53	11.2%	2,108.35	8.00	2,116.35	8.1%
709 UnitedHealthcare Family	287	2,312.60	8.00	2,320.60	2,572.49	8.00	2,580.49	11.2%	2,501.10	8.00	2,509.10	8.1%
Total	4,018	\$42,828,924		\$43,214,652	\$48,053,478		\$48,439,206	12.1%	\$45,888,395		\$46,274,123	7.1%

Renewal Analysis - Effective 7/1/2018
Los Angeles County Employees Retirement Association

GROUP INSURANCE RATES EFFECTIVE JULY 1, 2018 THROUGH JUNE 30, 2019

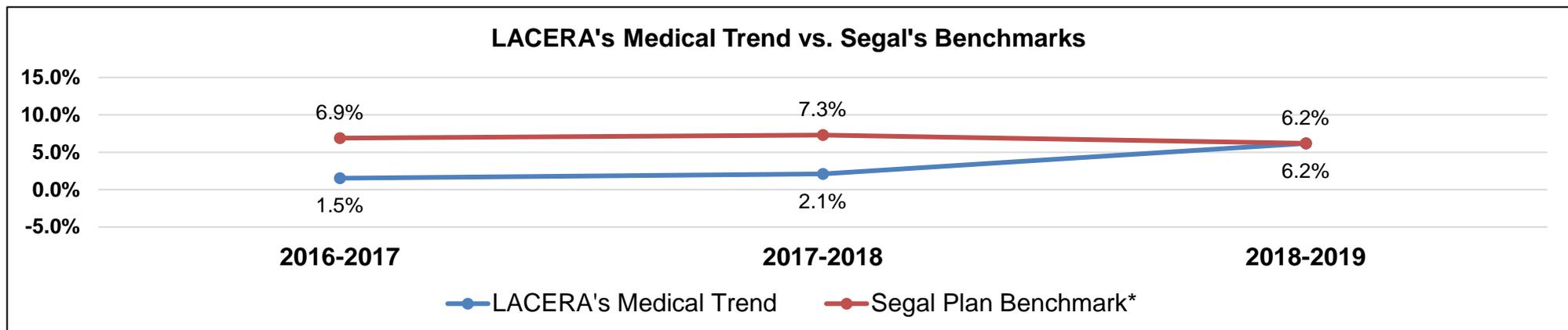
	Count	Current 2017-2018 Rates	Admin Fee	Total Rate	Preliminary 2018-2019 Rates	Admin Fee	Total Rate	% Change	Final 2018-2019 Rates	Admin Fee	Total Rate	% Change
Medicare Part B	32,900	\$144.69	\$0.00	\$144.69	\$154.16	\$0.00	\$154.16	6.5%	\$154.16	\$0.00	\$154.16	6.5%
Total	32,900	\$57,123,612		\$57,123,612	\$60,861,068		\$60,861,068	6.5%	\$60,861,068		\$60,861,068	6.5%
Cigna Dental (Indemnity) / Vision												
501 Retiree Only	23,302	\$44.16	\$8.00	\$52.16	\$45.16	\$8.00	\$53.16	1.9%	\$44.16	\$8.00	\$52.16	0.0%
502 Retiree & Dependents	21,459	100.60	8.00	108.60	102.88	8.00	110.88	2.1%	100.60	8.00	108.60	0.0%
503 Survivor / Minor	15	56.15	8.00	64.15	57.42	8.00	65.42	2.0%	56.15	8.00	64.15	0.0%
Total	44,776	\$38,263,608		\$42,562,104	\$39,129,996		\$43,428,492	2.0%	\$38,263,608		\$42,562,104	0.0%
Cigna Dental (Prepaid) / Vision												
901 Retiree only	3,251	\$38.19	\$8.00	\$46.19	\$38.90	\$8.00	\$46.90	1.5%	\$38.19	\$8.00	\$46.19	0.0%
902 Retiree & Dependents	2,278	86.52	8.00	94.52	88.14	8.00	96.14	1.7%	86.52	8.00	94.52	0.0%
903 Survivor/ Minor	4	38.78	8.00	46.78	39.52	8.00	47.52	1.6%	38.78	8.00	46.78	0.0%
Total	5,533	\$3,856,840		\$4,388,008	\$3,928,859		\$4,460,027	1.6%	\$3,856,840		\$4,388,008	0.0%

Renewal Analysis - Effective 7/1/2018
Los Angeles County Employees Retirement Association

HISTORICAL AGGREGATE PREMIUMS - MEDICAL ⁽¹⁾

Policy Period	2015-2016		2016-2017		2017-2018		2018-2019	
	Aggregate Premium	Aggregate Premium	Change (%)	Aggregate Premium	Change (%)	Aggregate Premium	Change (%)	
Anthem	\$217,665,000	\$217,604,000	0.0%	\$224,461,000	3.2%	\$236,067,000	5.2%	
Cigna	12,790,000	12,402,000	-3.0%	11,992,000	-3.3%	12,688,000	5.8%	
Kaiser	176,202,000	184,501,000	4.7%	194,812,000	5.6%	208,635,000	7.1%	
SCAN	1,828,000	1,817,000	-0.6%	1,814,000	-0.2%	1,881,000	3.7%	
UnitedHealthcare	33,809,000	38,557,000	14.0%	43,215,000	12.1%	46,274,000	7.1%	
Medicare Part B	49,568,000	55,047,000	11.1%	57,124,000	3.8%	60,861,000	6.5%	
Total Premium	\$491,862,000	\$509,928,000	3.7%	\$533,418,000	4.6%	\$566,406,000	6.2%	
Total Retirees Insured	45,302	46,257	2.1%	47,396	2.5%	47,396	0.0%	
Premiums per Retiree per Month	\$904.78	\$918.65	1.5%	\$937.87	2.1%	\$995.88	6.2%	

⁽¹⁾ The 2015-2016 and 2016-2017 premiums are projected based on enrollment from LACERA's January 2016 and January 2017 Staff Activity reports, respectively. The 2017-2018 and 2018-2019 premiums are projected based on enrollment from LACERA's January 2018 Staff Activity report.



*Benchmarks are based on Segal's Annual Trend Surveys, weighted by LACERA's enrollment distribution in Non-Medicare (33%) and Medicare (67%) Plans.

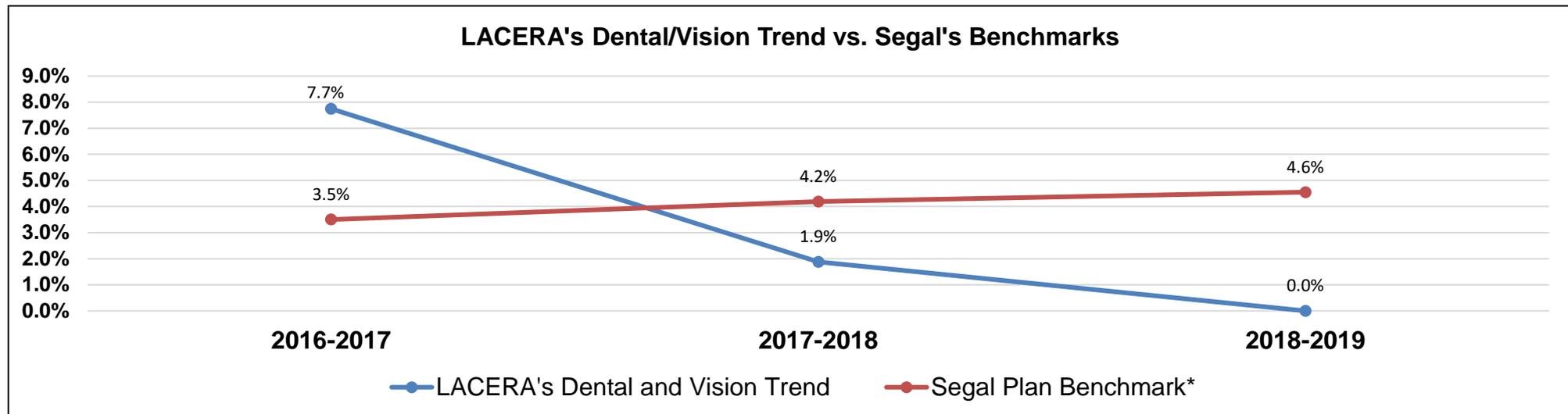
Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

Renewal Analysis - Effective 7/1/2018
Los Angeles County Employees Retirement Association

HISTORICAL AGGREGATE PREMIUMS - DENTAL AND VISION ⁽¹⁾

Policy Period	2015-2016		2016-2017		2017-2018		2018-2019	
	Aggregate Premium	Aggregate Premium	Change (%)	Aggregate Premium	Change (%)	Aggregate Premium	Change (%)	
Cigna Indemnity Dental / Vision	\$36,810,000	\$40,639,000	10.4%	\$42,562,000	4.7%	\$42,562,000	0.0%	
Cigna Prepaid Dental / Vision	3,948,000	4,303,000	9.0%	4,388,000	2.0%	4,388,000	0.0%	
Total Premium	\$40,758,000	\$44,942,000	10.3%	\$46,950,000	4.5%	\$46,950,000	0.0%	
Total Retirees Insured	47,939	49,061	2.3%	50,309	2.5%	50,309	0.0%	
Premiums per Retiree per Month	\$70.85	\$76.34	7.7%	\$77.77	1.9%	\$77.77	0.0%	

⁽¹⁾ The 2015-2016 and 2016-2017 premiums are projected based on enrollment from LACERA's January 2016 and January 2017 Staff Activity reports, respectively. The 2017-2018 and 2018-2019 premiums are projected based on enrollment from LACERA's January 2018 Staff Activity report.



*Benchmarks are based on Segal's Annual Trend Surveys, weight by LACERA's enrollment distribution in Indemnity (90%) and Prepaid (10%) Dental Plans.

Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

RETIREE HEALTHCARE CONTRIBUTIONS

Subsidy and Benchmark

County subsidies are provided for medical and dental/vision insurance premiums based on years of service credit and the plan chosen.

- Fewer than 10 years of service credit - not eligible for the subsidy
- 10 or more years of service credit - Initial 40% subsidy, increasing by 4% for each additional year of service up to a maximum of 100% for 25 years of service credit

The subsidy percentage is applied to the monthly premium of the selected healthcare plan or the monthly premium of the benchmark plan, whichever is less. The retiree is responsible for any premium difference over the benchmark rates.

Plan(s) Exceeding Benchmark Monthly Premium

Coverage Tier	Benchmark Anthem BC Plan I & II	Cigna Network Model (HMO)	Amount over the Benchmark (Member Portion)
Retiree Only	\$1,147.49	\$1,504.58	\$357.09
Retiree & Spouse	2,067.52	2,715.52	648.00
Retiree & Family	2,438.53	3,206.43	767.90
Retiree & Children	1,517.73	1,996.12	478.39

Note: Premiums and Rate Changes **include** LACERA's Administrative Fees of \$8.00 per member, per plan, per month.

RETIREE HEALTHCARE CONTRIBUTIONS

LACERA Retiree Healthcare Benefits Program - Tier 1

Tier 1 applies to all eligible County employees hired before June 30, 2014. Tier 1 premium subsidies are based on the selected coverage tier (retiree only, retiree and eligible dependents).

The following **benchmark plans** are used to determine premium subsidy:

- **Anthem Blue Cross I & II** is used to determine maximum premium subsidy applied to **all** Non-Medicare and Medicare Medical plans.
- **Cigna Indemnity Dental/Vision** is used to determine maximum premium subsidy applied to **all** Dental Plans.

LACERA Retiree Healthcare Benefits Program - Tier 2

Tier 2 applies to all eligible County employees hired after June 30, 2014. Tier 2 premium subsidies are based on **retiree-only coverage**, regardless of the selected coverage tier.

The following provisions also apply for Tier 2 premium subsidies:

- Medicare-eligible retirees and eligible dependents must enroll in Medicare Parts A and B and in a corresponding Medicare health plan.
- Retirees and eligible dependents must be enrolled in the same medical plan.

The following **benchmark plans** are used to determine premium subsidy:

- **Anthem Blue Cross I & II** is used to determine maximum premium subsidy applied when Retiree is not Medicare-eligible.
- **Anthem Blue Cross III** is used to determine maximum premium subsidy applied when Retiree is Medicare-eligible.
- **Cigna Indemnity Dental/Vision** is used to determine maximum premium subsidy for most Dental plans.

MEDICARE HISTORY

LACERA and Medicare

The LACERA-administered Retiree Healthcare Benefits Program is directly and indirectly impacted by Medicare. In the early 1990s, Medicare Plus Choice HMO plans were introduced to the market. Under these plans, retirees would sign over their Medicare Benefits, and the HMO would provide all benefits. In many cases, the benefits provided by Medicare HMOs were better than those provided by traditional Medicare - often at the same price.

In 1992, with Board of Supervisors approval, LACERA implemented the Medicare Part B Reimbursement program, which included the Medicare HMOs as an option to its members through Anthem Blue Cross Plan III, Cigna HealthSpring Preferred with Rx (Arizona only), Kaiser Senior Advantage, SCAN, and UnitedHealthcare Group Medicare Advantage HMO. In addition, LACERA added a Pre-65 HMO product through UnitedHealthcare (UHC). Continuance of the Medicare Part B Reimbursement program, which is limited to the Medicare Part B base rate, is subject to annual Board of Supervisors' approval.

In 1997, the Balanced Budget Act was passed, which put pressure on Medicare HMOs. Several of the plans reduced their service areas; the largest impact on LACERA was Cigna's exit from the Medicare HMO Market in California.

In 2003, the Medicare Modernization Act was passed, which introduced Medicare Part D (prescription drug) benefits. The Medicare Modernization Act also established means testing on Part B premiums (higher premiums for higher income individuals).

In 2010, Health Care Reform set forth means testing for the Part D premiums. In addition, there continues to be political pressure for reduction in Medicare's physician reimbursements, as well as on Medicare HMOs (now known as Medicare Advantage Prescription Drug or MAPD plans).

HEALTHCARE REFORM

Recent Developments

As retiree only plans, LACERA's plans are mostly exempt from health care reform requirements with the exception of the few listed below:

- The Affordable Care Act's health insurance premium tax has been suspended for 2019.
- The Affordable Care Act's 40% excise tax on high-cost plans, known as the Cadillac tax, has been suspended for two additional years until January 1, 2022.

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Anthem Blue Cross I

Years of Service	Retiree Only 211	Retiree & Spouse 212	Retiree, Spouse, & Children 213	Retiree & Children 214
Less than 10*	\$1,147.49	\$2,067.52	\$2,438.53	\$1,517.73
10-11*	\$688.49	\$1,240.51	\$1,463.12	\$910.64
11-12*	\$642.59	\$1,157.81	\$1,365.58	\$849.93
12-13*	\$596.69	\$1,075.11	\$1,268.04	\$789.22
13-14	\$550.80	\$992.41	\$1,170.49	\$728.51
14-15	\$504.90	\$909.71	\$1,072.95	\$667.80
15-16	\$459.00	\$827.01	\$975.41	\$607.09
16-17	\$413.10	\$744.31	\$877.87	\$546.38
17-18	\$367.20	\$661.61	\$780.33	\$485.67
18-19	\$321.30	\$578.91	\$682.79	\$424.96
19-20	\$275.40	\$496.20	\$585.25	\$364.26
20-21	\$229.50	\$413.50	\$487.71	\$303.55
21-22	\$183.60	\$330.80	\$390.16	\$242.84
22-23	\$137.70	\$248.10	\$292.62	\$182.13
23-24	\$91.80	\$165.40	\$195.08	\$121.42
24-25	\$45.90	\$82.70	\$97.54	\$60.71
25 or more	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$573.75	\$1,033.76	\$1,219.27	\$758.87
COBRA	\$1,170.44	\$2,108.87	\$2,487.30	\$1,548.08

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Anthem Blue Cross II

Years of Service	Retiree Only 221	Retiree & Spouse 222	Retiree, Spouse, & Children 223	Retiree & Children 224
Less than 10*	\$1,147.49	\$2,067.52	\$2,438.53	\$1,517.73
10-11*	\$688.49	\$1,240.51	\$1,463.12	\$910.64
11-12*	\$642.59	\$1,157.81	\$1,365.58	\$849.93
12-13*	\$596.69	\$1,075.11	\$1,268.04	\$789.22
13-14	\$550.80	\$992.41	\$1,170.49	\$728.51
14-15	\$504.90	\$909.71	\$1,072.95	\$667.80
15-16	\$459.00	\$827.01	\$975.41	\$607.09
16-17	\$413.10	\$744.31	\$877.87	\$546.38
17-18	\$367.20	\$661.61	\$780.33	\$485.67
18-19	\$321.30	\$578.91	\$682.79	\$424.96
19-20	\$275.40	\$496.20	\$585.25	\$364.26
20-21	\$229.50	\$413.50	\$487.71	\$303.55
21-22	\$183.60	\$330.80	\$390.16	\$242.84
22-23	\$137.70	\$248.10	\$292.62	\$182.13
23-24	\$91.80	\$165.40	\$195.08	\$121.42
24-25	\$45.90	\$82.70	\$97.54	\$60.71
25 or more	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$573.75	\$1,033.76	\$1,219.27	\$758.87
COBRA	\$1,170.44	\$2,108.87	\$2,487.30	\$1,548.08

**Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Anthem Blue Cross III (Medicare Supplement Plan)**

Years of Service	Retiree Only w/ Medicare 240	Retiree & Spouse - 1 w/ Medicare 241 ⁽¹⁾	Retiree & Spouse - 1 w/ Medicare 242 ⁽²⁾	Retiree & Spouse - Both w/ Medicare 243
Less than 10*	\$468.23	\$1,493.50	\$1,493.50	\$930.36
10-11*	\$280.94	\$896.10	\$896.10	\$558.22
11-12*	\$262.21	\$836.36	\$836.36	\$521.00
12-13*	\$243.48	\$776.62	\$776.62	\$483.79
13-14	\$224.75	\$716.88	\$716.88	\$446.57
14-15	\$206.02	\$657.14	\$657.14	\$409.36
15-16	\$187.29	\$597.40	\$597.40	\$372.14
16-17	\$168.56	\$537.66	\$537.66	\$334.93
17-18	\$149.83	\$477.92	\$477.92	\$297.72
18-19	\$131.10	\$418.18	\$418.18	\$260.50
19-20	\$112.38	\$358.44	\$358.44	\$223.29
20-21	\$93.65	\$298.70	\$298.70	\$186.07
21-22	\$74.92	\$238.96	\$238.96	\$148.86
22-23	\$56.19	\$179.22	\$179.22	\$111.64
23-24	\$37.46	\$119.48	\$119.48	\$74.43
24-25	\$18.73	\$59.74	\$59.74	\$37.21
25 or more	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$234.12	\$746.75	\$746.75	\$465.18
COBRA	\$477.59	\$1,523.37	\$1,523.37	\$948.97

⁽¹⁾ Non-Medicare has Anthem Blue Cross I

⁽²⁾ Non-Medicare has Anthem Blue Cross II

**Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Anthem Blue Cross III (Medicare Supplement Plan)**

Years of Service	Retiree & Children 244 ⁽³⁾	Retiree & Children 245 ⁽⁴⁾	Retiree, Spouse, & Children - 1 w/ Medicare 246 ⁽⁵⁾	Retiree, Spouse, & Children - 1 w/ Medicare 247 ⁽⁶⁾	Retiree, Spouse, & Children - 2 w/ Medicare 248 ⁽⁷⁾	Retiree, Spouse, & Children - 2 w/ Medicare 249 ⁽⁸⁾	Retiree, Spouse, & Children - each w/ Medicare 250 ⁽⁹⁾
Less than 10*	\$837.15	\$837.15	\$1,862.31	\$1,862.31	\$1,299.09	\$1,299.09	\$1,455.70
10-11*	\$502.29	\$502.29	\$1,117.39	\$1,117.39	\$779.45	\$779.45	\$873.42
11-12*	\$468.80	\$468.80	\$1,042.89	\$1,042.89	\$727.49	\$727.49	\$815.19
12-13*	\$435.32	\$435.32	\$968.40	\$968.40	\$675.53	\$675.53	\$756.96
13-14	\$401.83	\$401.83	\$893.91	\$893.91	\$623.56	\$623.56	\$698.74
14-15	\$368.35	\$368.35	\$819.42	\$819.42	\$571.60	\$571.60	\$640.51
15-16	\$334.86	\$334.86	\$744.92	\$744.92	\$519.64	\$519.64	\$582.28
16-17	\$301.37	\$301.37	\$670.43	\$670.43	\$467.67	\$467.67	\$524.05
17-18	\$267.89	\$267.89	\$595.94	\$595.94	\$415.71	\$415.71	\$465.82
18-19	\$234.40	\$234.40	\$521.45	\$521.45	\$363.75	\$363.75	\$407.60
19-20	\$200.92	\$200.92	\$446.95	\$446.95	\$311.78	\$311.78	\$349.37
20-21	\$167.43	\$167.43	\$372.46	\$372.46	\$259.82	\$259.82	\$291.14
21-22	\$133.94	\$133.94	\$297.97	\$297.97	\$207.85	\$207.85	\$232.91
22-23	\$100.46	\$100.46	\$223.48	\$223.48	\$155.89	\$155.89	\$174.68
23-24	\$66.97	\$66.97	\$148.98	\$148.98	\$103.93	\$103.93	\$116.46
24-25	\$33.49	\$33.49	\$74.49	\$74.49	\$51.96	\$51.96	\$58.23
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>							
	\$418.58	\$418.58	\$931.16	\$931.16	\$649.55	\$649.55	\$727.85
COBRA	\$853.89	\$853.89	\$1,899.56	\$1,899.56	\$1,325.07	\$1,325.07	\$1,484.81

⁽³⁾ Retiree has Medicare; Children have Anthem Blue Cross I

⁽⁴⁾ Retiree has Medicare; Children have Anthem Blue Cross II

⁽⁵⁾ Non-Medicare has Anthem Blue Cross I

⁽⁶⁾ Non-Medicare has Anthem Blue Cross II

⁽⁷⁾ Children have Anthem Blue Cross I

⁽⁸⁾ Children have Anthem Blue Cross II

⁽⁹⁾ Please note only two parties will qualify for Medicare Part B Premium Reimbursement Program, approved annually by Los Angeles County Board of Supervisors.

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Anthem Blue Cross Prudent Buyer Plan

Years of Service	Retiree Only 201	Retiree & Spouse 202	Retiree, Spouse, & Children 203	Retiree & Children 204
Less than 10*	\$908.42	\$1,786.33	\$2,015.84	\$1,167.26
10-11*	\$545.05	\$1,071.80	\$1,209.50	\$700.36
11-12*	\$508.72	\$1,000.34	\$1,128.87	\$653.67
12-13*	\$472.38	\$928.89	\$1,048.24	\$606.98
13-14	\$436.04	\$857.44	\$967.60	\$560.28
14-15	\$399.70	\$785.99	\$886.97	\$513.59
15-16	\$363.37	\$714.53	\$806.34	\$466.90
16-17	\$327.03	\$643.08	\$725.70	\$420.21
17-18	\$290.69	\$571.63	\$645.07	\$373.52
18-19	\$254.36	\$500.17	\$564.44	\$326.83
19-20	\$218.02	\$428.72	\$483.80	\$280.14
20-21	\$181.68	\$357.27	\$403.17	\$233.45
21-22	\$145.35	\$285.81	\$322.53	\$186.76
22-23	\$109.01	\$214.36	\$241.90	\$140.07
23-24	\$72.67	\$142.91	\$161.27	\$93.38
24-25	\$36.34	\$71.45	\$80.63	\$46.69
25 or more	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$454.21	\$893.17	\$1,007.92	\$583.63
COBRA	\$926.59	\$1,822.06	\$2,056.16	\$1,190.61

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Cigna Network Model Plan

Years of Service	Retiree Only 301	Retiree & Spouse 302	Retiree, Spouse, & Children 303	Retiree & Children 304
Less than 10*	\$1,504.58	\$2,715.52	\$3,206.43	\$1,996.12
10-11*	\$1,045.58	\$1,888.51	\$2,231.02	\$1,389.03
11-12*	\$999.68	\$1,805.81	\$2,133.48	\$1,328.32
12-13*	\$953.78	\$1,723.11	\$2,035.94	\$1,267.61
13-14	\$907.89	\$1,640.41	\$1,938.39	\$1,206.90
14-15	\$861.99	\$1,557.71	\$1,840.85	\$1,146.19
15-16	\$816.09	\$1,475.01	\$1,743.31	\$1,085.48
16-17	\$770.19	\$1,392.31	\$1,645.77	\$1,024.77
17-18	\$724.29	\$1,309.61	\$1,548.23	\$964.06
18-19	\$678.39	\$1,226.91	\$1,450.69	\$903.35
19-20	\$632.49	\$1,144.20	\$1,353.15	\$842.65
20-21	\$586.59	\$1,061.50	\$1,255.61	\$781.94
21-22	\$540.69	\$978.80	\$1,158.06	\$721.23
22-23	\$494.79	\$896.10	\$1,060.52	\$660.52
23-24	\$448.89	\$813.40	\$962.98	\$599.81
24-25	\$402.99	\$730.70	\$865.44	\$539.10
25 or more	\$357.09	\$648.00	\$767.90	\$478.39
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$930.84	\$1,681.76	\$1,987.17	\$1,237.26
COBRA	\$1,534.67	\$2,769.83	\$3,270.56	\$2,036.04

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Cigna-HealthSpring Preferred w/ Rx
(available in Maricopa County and Apache Junction, Pinal County, Arizona only)

Years of Service	Retiree Only with Medicare 321	Retiree & Spouse/Domestic Partner - 1 w/ Medicare 322	Retiree & Spouse/Domestic Partner - Both w/ Medicare 324	Retiree & Children 325	Retiree, Spouse/Domestic Partner & Children - 1 w/ Medicare 327	Retiree, Spouse/Domestic Partner & Children - 2 w/ Medicare 329
Less than 10*	\$384.49	\$1,595.43	\$760.98	\$876.71	\$2,087.02	\$1,323.31
10-11*	\$230.69	\$957.26	\$456.59	\$526.03	\$1,252.21	\$793.99
11-12*	\$215.31	\$893.44	\$426.15	\$490.96	\$1,168.73	\$741.05
12-13*	\$199.93	\$829.62	\$395.71	\$455.89	\$1,085.25	\$688.12
13-14	\$184.56	\$765.81	\$365.27	\$420.82	\$1,001.77	\$635.19
14-15	\$169.18	\$701.99	\$334.83	\$385.75	\$918.29	\$582.26
15-16	\$153.80	\$638.17	\$304.39	\$350.68	\$834.81	\$529.32
16-17	\$138.42	\$574.35	\$273.95	\$315.62	\$751.33	\$476.39
17-18	\$123.04	\$510.54	\$243.51	\$280.55	\$667.85	\$423.46
18-19	\$107.66	\$446.72	\$213.07	\$245.48	\$584.37	\$370.53
19-20	\$92.28	\$382.90	\$182.64	\$210.41	\$500.88	\$317.59
20-21	\$76.90	\$319.09	\$152.20	\$175.34	\$417.40	\$264.66
21-22	\$61.52	\$255.27	\$121.76	\$140.27	\$333.92	\$211.73
22-23	\$46.14	\$191.45	\$91.32	\$105.21	\$250.44	\$158.80
23-24	\$30.76	\$127.63	\$60.88	\$70.14	\$166.96	\$105.86
24-25	\$15.38	\$63.82	\$30.44	\$35.07	\$83.48	\$52.93
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>						
	\$192.25	\$797.72	\$380.49	\$438.36	\$1,043.51	\$661.66
COBRA	\$392.18	\$1,627.34	\$776.20	\$894.24	\$2,128.76	\$1,349.78

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente / Kaiser Senior Advantage (California Residents)

Years of Service	Retiree Only 401	Retiree Only 403	Retiree Only 404	Retiree Only 405	Retiree Only 406
Less than 10*	\$1,002.90	\$274.22	\$1,125.53	\$1,051.35	\$1,866.70
10-11*	\$601.74	\$164.53	\$675.32	\$630.81	\$1,407.70
11-12*	\$561.62	\$153.56	\$630.30	\$588.76	\$1,361.80
12-13*	\$521.51	\$142.59	\$585.28	\$546.70	\$1,315.90
13-14	\$481.39	\$131.63	\$540.25	\$504.65	\$1,270.01
14-15	\$441.28	\$120.66	\$495.23	\$462.59	\$1,224.11
15-16	\$401.16	\$109.69	\$450.21	\$420.54	\$1,178.21
16-17	\$361.04	\$98.72	\$405.19	\$378.49	\$1,132.31
17-18	\$320.93	\$87.75	\$360.17	\$336.43	\$1,086.41
18-19	\$280.81	\$76.78	\$315.15	\$294.38	\$1,040.51
19-20	\$240.70	\$65.81	\$270.13	\$252.32	\$994.61
20-21	\$200.58	\$54.84	\$225.11	\$210.27	\$948.71
21-22	\$160.46	\$43.88	\$180.08	\$168.22	\$902.81
22-23	\$120.35	\$32.91	\$135.06	\$126.16	\$856.91
23-24	\$80.23	\$21.94	\$90.04	\$84.11	\$811.01
24-25	\$40.12	\$10.97	\$45.02	\$42.05	\$765.11
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$719.21
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$501.45	\$137.11	\$562.77	\$525.68	\$1,292.96
COBRA	\$1,022.96	\$279.70	\$1,148.04	\$1,072.38	\$1,904.03

Deduct Codes:

- 401 - "Basic"
- 403 - "Senior Advantage"
- 404 - "Excess I"
- 405 - "Excess II"
- 406 - "Excess III"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente / Kaiser Senior Advantage (California Residents)

Years of Service	Retiree & Family 411	Retiree & Family 413	Retiree & Family 414
Less than 10*	\$1,997.80	\$1,269.12	\$2,120.43
10-11*	\$1,198.68	\$761.47	\$1,272.26
11-12*	\$1,118.77	\$710.71	\$1,187.44
12-13*	\$1,038.86	\$659.94	\$1,102.62
13-14	\$958.94	\$609.18	\$1,017.81
14-15	\$879.03	\$558.41	\$932.99
15-16	\$799.12	\$507.65	\$848.17
16-17	\$719.21	\$456.88	\$763.35
17-18	\$639.30	\$406.12	\$678.54
18-19	\$559.38	\$355.35	\$593.72
19-20	\$479.47	\$304.59	\$508.90
20-21	\$399.56	\$253.82	\$424.09
21-22	\$319.65	\$203.06	\$339.27
22-23	\$239.74	\$152.29	\$254.45
23-24	\$159.82	\$101.53	\$169.63
24-25	\$79.91	\$50.76	\$84.82
25 or more	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$998.90	\$634.56	\$1,060.22
COBRA	\$2,037.76	\$1,294.50	\$2,162.84

Deduct Codes:

411 - All family members are "Basic"

413 - One family member is "Senior Advantage"; others are "Basic"

414 - One family member is "Excess I"; others are "Basic"

Definitions:

"Basic" - includes participants who are under age 65.

"Senior Advantage" - includes participants who are age 65 or over and who have assigned both Medicare Parts A & B to Kaiser.

"Excess I" - participants who have Medicare Part A only.

"Excess II" - participants in the Excess Plan who either have Medicare Part B only or are not eligible for Medicare.

"Excess III" - participants in the Excess Plan who have either Medicare Part A & B and have not assigned their Medicare benefits to Kaiser or have not provided their Medicare status to LACERA.

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente / Kaiser Senior Advantage (California Residents)

Years of Service	Retiree & Family 418	Retiree & Family 419	Retiree & Family 420	Retiree & Family 422
Less than 10*	\$540.44	\$1,391.75	\$2,243.06	\$2,046.25
10-11*	\$324.26	\$835.05	\$1,345.84	\$1,227.75
11-12*	\$302.65	\$779.38	\$1,256.11	\$1,145.90
12-13*	\$281.03	\$723.71	\$1,166.39	\$1,064.05
13-14	\$259.41	\$668.04	\$1,076.67	\$982.20
14-15	\$237.79	\$612.37	\$986.95	\$900.35
15-16	\$216.18	\$556.70	\$897.22	\$818.50
16-17	\$194.56	\$501.03	\$807.50	\$736.65
17-18	\$172.94	\$445.36	\$717.78	\$654.80
18-19	\$151.32	\$389.69	\$628.06	\$572.95
19-20	\$129.71	\$334.02	\$538.33	\$491.10
20-21	\$108.09	\$278.35	\$448.61	\$409.25
21-22	\$86.47	\$222.68	\$358.89	\$327.40
22-23	\$64.85	\$167.01	\$269.17	\$245.55
23-24	\$43.24	\$111.34	\$179.44	\$163.70
24-25	\$21.62	\$55.67	\$89.72	\$81.85
25 or more	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$270.22	\$695.88	\$1,121.53	\$1,023.13
COBRA	\$551.25	\$1,419.59	\$2,287.92	\$2,087.18

Deduct Codes:

- 418 - Two or more family members are "Senior Advantage"
- 419 - One family member is "Excess I"; others are "Senior Advantage"
- 420 - Two or more family members are "Excess I"
- 422 - One family member is "Excess II"; others are "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente / Kaiser Senior Advantage (California Residents)

Years of Service	Retiree & Family 423	Retiree & Family 426	Retiree & Family 427	Retiree & Family 428
Less than 10*	\$2,861.60	\$1,317.57	\$2,132.92	\$2,168.88
10-11*	\$1,886.19	\$790.54	\$1,279.75	\$1,301.33
11-12*	\$1,788.65	\$737.84	\$1,194.44	\$1,214.57
12-13*	\$1,691.11	\$685.14	\$1,109.12	\$1,127.82
13-14	\$1,593.56	\$632.43	\$1,023.80	\$1,041.06
14-15	\$1,496.02	\$579.73	\$938.48	\$954.31
15-16	\$1,398.48	\$527.03	\$853.17	\$867.55
16-17	\$1,300.94	\$474.33	\$767.85	\$780.80
17-18	\$1,203.40	\$421.62	\$682.53	\$694.04
18-19	\$1,105.86	\$368.92	\$597.22	\$607.29
19-20	\$1,008.32	\$316.22	\$511.90	\$520.53
20-21	\$910.78	\$263.51	\$426.58	\$433.78
21-22	\$813.23	\$210.81	\$341.27	\$347.02
22-23	\$715.69	\$158.11	\$255.95	\$260.27
23-24	\$618.15	\$105.41	\$170.63	\$173.51
24-25	\$520.61	\$52.70	\$85.32	\$86.76
25 or more	\$423.07	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$1,642.34	\$658.79	\$1,066.46	\$1,084.44
COBRA	\$2,918.83	\$1,343.92	\$2,175.58	\$2,212.26

Deduct Codes:

- 423 - One family member is "Excess III"; others are "Basic"
- 426 - One family member is "Senior Advantage"; others are "Excess II"
- 427 - One family member is "Senior Advantage"; others are "Excess III"
- 428 - One family member is "Excess I"; others are "Excess II"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente / Kaiser Senior Advantage (California Residents)

Years of Service	Retiree & Family 429	Retiree & Family 430	Retiree & Family 431	Retiree & Family 432
Less than 10*	\$2,984.23	\$2,094.70	\$2,910.05	\$3,725.40
10-11*	\$2,008.82	\$1,256.82	\$1,934.64	\$2,749.99
11-12*	\$1,911.28	\$1,173.03	\$1,837.10	\$2,652.45
12-13*	\$1,813.74	\$1,089.24	\$1,739.56	\$2,554.91
13-14	\$1,716.19	\$1,005.46	\$1,642.01	\$2,457.36
14-15	\$1,618.65	\$921.67	\$1,544.47	\$2,359.82
15-16	\$1,521.11	\$837.88	\$1,446.93	\$2,262.28
16-17	\$1,423.57	\$754.09	\$1,349.39	\$2,164.74
17-18	\$1,326.03	\$670.30	\$1,251.85	\$2,067.20
18-19	\$1,228.49	\$586.52	\$1,154.31	\$1,969.66
19-20	\$1,130.95	\$502.73	\$1,056.77	\$1,872.12
20-21	\$1,033.41	\$418.94	\$959.23	\$1,774.58
21-22	\$935.86	\$335.15	\$861.68	\$1,677.03
22-23	\$838.32	\$251.36	\$764.14	\$1,579.49
23-24	\$740.78	\$167.58	\$666.60	\$1,481.95
24-25	\$643.24	\$83.79	\$569.06	\$1,384.41
25 or more	\$545.70	\$0.00	\$471.52	\$1,286.87
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$1,764.97	\$1,047.35	\$1,690.79	\$2,506.14
COBRA	\$3,043.91	\$2,136.59	\$2,968.25	\$3,799.91

Deduct Codes:

429 - One family member is "Excess I"; others are "Excess III"

430 - Two or more family members are "Excess II"

431 - One family member is "Excess II"; others are "Excess III"

432 - Two or more family members are "Excess III"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente Colorado

Years of Service	Retiree Only 450	Retiree Only 451	*Retiree & Family 453	Retiree & Family 454	*Retiree & Family 455
Less than 10*	\$969.67	\$363.27	\$2,143.00	\$2,893.11	\$1,310.30
10-11*	\$581.80	\$217.96	\$1,315.99	\$1,917.70	\$786.18
11-12*	\$543.02	\$203.43	\$1,233.29	\$1,820.16	\$733.77
12-13*	\$504.23	\$188.90	\$1,150.59	\$1,722.62	\$681.36
13-14	\$465.44	\$174.37	\$1,067.89	\$1,625.07	\$628.94
14-15	\$426.65	\$159.84	\$985.19	\$1,527.53	\$576.53
15-16	\$387.87	\$145.31	\$902.49	\$1,429.99	\$524.12
16-17	\$349.08	\$130.78	\$819.79	\$1,332.45	\$471.71
17-18	\$310.29	\$116.25	\$737.09	\$1,234.91	\$419.30
18-19	\$271.51	\$101.72	\$654.39	\$1,137.37	\$366.88
19-20	\$232.72	\$87.18	\$571.68	\$1,039.83	\$314.47
20-21	\$193.93	\$72.65	\$488.98	\$942.29	\$262.06
21-22	\$155.15	\$58.12	\$406.28	\$844.74	\$209.65
22-23	\$116.36	\$43.59	\$323.58	\$747.20	\$157.24
23-24	\$77.57	\$29.06	\$240.88	\$649.66	\$104.82
24-25	\$38.79	\$14.53	\$158.18	\$552.12	\$52.41
25 or more	\$0.00	\$0.00	\$75.48	\$454.58	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$484.84	\$181.64	\$1,109.24	\$1,673.85	\$655.15
COBRA	\$989.06	\$370.54	\$2,185.86	\$2,950.97	\$1,336.51

Deduct Codes:

450 - "Basic" under age 65

451 - "Senior Advantage"

453 - Two family members are "Basic"

454 - Three or more family members are "Basic"

455 - One family member is "Senior Advantage"; one is "Basic"

*Deduct codes 453 & 455 represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente Colorado

Years of Service	*Retiree & Family 457	Retiree & Family 458	Retiree & Family 459
Less than 10*	\$718.54	\$2,202.25	\$1,665.57
10-11*	\$431.12	\$1,321.35	\$999.34
11-12*	\$402.38	\$1,233.26	\$932.72
12-13*	\$373.64	\$1,145.17	\$866.10
13-14	\$344.90	\$1,057.08	\$799.47
14-15	\$316.16	\$968.99	\$732.85
15-16	\$287.42	\$880.90	\$666.23
16-17	\$258.67	\$792.81	\$599.61
17-18	\$229.93	\$704.72	\$532.98
18-19	\$201.19	\$616.63	\$466.36
19-20	\$172.45	\$528.54	\$399.74
20-21	\$143.71	\$440.45	\$333.11
21-22	\$114.97	\$352.36	\$266.49
22-23	\$86.22	\$264.27	\$199.87
23-24	\$57.48	\$176.18	\$133.25
24-25	\$28.74	\$88.09	\$66.62
25 or more	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$359.27	\$1,101.13	\$832.79
COBRA	\$732.91	\$2,246.30	\$1,698.88

Deduct Codes:

457 - Two family members are "Senior Advantage"

458 - One family member is "Senior Advantage"; two or more are "Basic"

459 - Two family members are "Senior Advantage"; one or more are "Basic"

*Deduct code 457 represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente Georgia

Years of Service	Retiree Only 440	Retiree Only 441	Retiree Only 442	Retiree Only 443	*Retiree & Family 444	*Retiree & Family 445	*Retiree & Family 446
Less than 10*	\$1,164.41	\$1,164.41	\$1,164.41	\$423.47	\$1,579.88	\$1,579.88	\$1,579.88
10-11*	\$705.41	\$705.41	\$705.41	\$254.08	\$947.93	\$947.93	\$947.93
11-12*	\$659.51	\$659.51	\$659.51	\$237.14	\$884.73	\$884.73	\$884.73
12-13*	\$613.61	\$613.61	\$613.61	\$220.20	\$821.54	\$821.54	\$821.54
13-14	\$567.72	\$567.72	\$567.72	\$203.27	\$758.34	\$758.34	\$758.34
14-15	\$521.82	\$521.82	\$521.82	\$186.33	\$695.15	\$695.15	\$695.15
15-16	\$475.92	\$475.92	\$475.92	\$169.39	\$631.95	\$631.95	\$631.95
16-17	\$430.02	\$430.02	\$430.02	\$152.45	\$568.76	\$568.76	\$568.76
17-18	\$384.12	\$384.12	\$384.12	\$135.51	\$505.56	\$505.56	\$505.56
18-19	\$338.22	\$338.22	\$338.22	\$118.57	\$442.37	\$442.37	\$442.37
19-20	\$292.32	\$292.32	\$292.32	\$101.63	\$379.17	\$379.17	\$379.17
20-21	\$246.42	\$246.42	\$246.42	\$84.69	\$315.98	\$315.98	\$315.98
21-22	\$200.52	\$200.52	\$200.52	\$67.76	\$252.78	\$252.78	\$252.78
22-23	\$154.62	\$154.62	\$154.62	\$50.82	\$189.59	\$189.59	\$189.59
23-24	\$108.72	\$108.72	\$108.72	\$33.88	\$126.39	\$126.39	\$126.39
24-25	\$62.82	\$62.82	\$62.82	\$16.94	\$63.20	\$63.20	\$63.20
25 or more	\$16.92	\$16.92	\$16.92	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>							
	\$590.67	\$590.67	\$590.67	\$211.74	\$789.94	\$789.94	\$789.94
COBRA	\$1,187.70	\$1,187.70	\$1,187.70	\$431.94	\$1,611.48	\$1,611.48	\$1,611.48

Deduct Codes:

440 - "Basic" over age 65 with Medicare Part B only

441 - "Basic" over age 65 with Medicare Part A only

442 - "Basic" over age 65 without Medicare Parts A or B

443 - "Basic" over age 65 - Medicare-eligible who is classified as having renal failure

444 - One family member in "Senior Advantage"; one is "Basic" over age 65 with Medicare Part B only

445 - One family member in "Senior Advantage"; one is "Basic" over age 65 with Medicare Part A only

446 - One family member in "Senior Advantage"; one is "Basic" over age 65 without Medicare Parts A & B

*Deduct codes 444, 445, & 446 represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente Georgia

Years of Service	Retiree Only 461	Retiree Only 462	*Retiree & Family 463	Retiree & Family 464	*Retiree & Family 465
Less than 10*	\$1,164.41	\$423.47	\$2,320.82	\$3,477.24	\$1,579.88
10-11*	\$705.41	\$254.08	\$1,493.81	\$2,501.83	\$947.93
11-12*	\$659.51	\$237.14	\$1,411.11	\$2,404.29	\$884.73
12-13*	\$613.61	\$220.20	\$1,328.41	\$2,306.75	\$821.54
13-14	\$567.72	\$203.27	\$1,245.71	\$2,209.20	\$758.34
14-15	\$521.82	\$186.33	\$1,163.01	\$2,111.66	\$695.15
15-16	\$475.92	\$169.39	\$1,080.31	\$2,014.12	\$631.95
16-17	\$430.02	\$152.45	\$997.61	\$1,916.58	\$568.76
17-18	\$384.12	\$135.51	\$914.91	\$1,819.04	\$505.56
18-19	\$338.22	\$118.57	\$832.21	\$1,721.50	\$442.37
19-20	\$292.32	\$101.63	\$749.50	\$1,623.96	\$379.17
20-21	\$246.42	\$84.69	\$666.80	\$1,526.42	\$315.98
21-22	\$200.52	\$67.76	\$584.10	\$1,428.87	\$252.78
22-23	\$154.62	\$50.82	\$501.40	\$1,331.33	\$189.59
23-24	\$108.72	\$33.88	\$418.70	\$1,233.79	\$126.39
24-25	\$62.82	\$16.94	\$336.00	\$1,136.25	\$63.20
25 or more	\$16.92	\$0.00	\$253.30	\$1,038.71	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$590.67	\$211.74	\$1,287.06	\$2,257.98	\$789.94
COBRA	\$1,187.70	\$431.94	\$2,367.24	\$3,546.78	\$1,611.48

Deduct Codes:

461 - "Basic" under age 65

462 - "Senior Advantage"

463 - Two family members are "Basic"

464 - Three or more family members are "Basic"

465 - One family member is "Senior Advantage"; one is "Basic"

*Deduct codes 463 & 465 represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente Georgia

Years of Service	*Retiree & Family 466	Retiree & Family 467	Retiree & Family 468	Retiree & Family 469	Retiree & Family 470
Less than 10*	\$838.94	\$2,736.29	\$1,995.35	\$1,254.41	\$2,736.29
10-11*	\$503.36	\$1,760.88	\$1,197.21	\$752.65	\$1,760.88
11-12*	\$469.81	\$1,663.34	\$1,117.40	\$702.47	\$1,663.34
12-13*	\$436.25	\$1,565.80	\$1,037.58	\$652.29	\$1,565.80
13-14	\$402.69	\$1,468.25	\$957.77	\$602.12	\$1,468.25
14-15	\$369.13	\$1,370.71	\$877.95	\$551.94	\$1,370.71
15-16	\$335.58	\$1,273.17	\$798.14	\$501.76	\$1,273.17
16-17	\$302.02	\$1,175.63	\$718.33	\$451.59	\$1,175.63
17-18	\$268.46	\$1,078.09	\$638.51	\$401.41	\$1,078.09
18-19	\$234.90	\$980.55	\$558.70	\$351.23	\$980.55
19-20	\$201.35	\$883.01	\$478.88	\$301.06	\$883.01
20-21	\$167.79	\$785.47	\$399.07	\$250.88	\$785.47
21-22	\$134.23	\$687.92	\$319.26	\$200.71	\$687.92
22-23	\$100.67	\$590.38	\$239.44	\$150.53	\$590.38
23-24	\$67.12	\$492.84	\$159.63	\$100.35	\$492.84
24-25	\$33.56	\$395.30	\$79.81	\$50.18	\$395.30
25 or more	\$0.00	\$297.76	\$0.00	\$0.00	\$297.76
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$419.47	\$1,517.03	\$997.68	\$627.21	\$1,517.03
COBRA	\$855.72	\$2,791.02	\$2,035.26	\$1,279.50	\$2,791.02

Deduct Codes:

466 - Two family members are "Senior Advantage"

467 - One family member is "Senior Advantage"; two are "Basic"

468 - Two family members are "Senior Advantage"; one is "Basic"

469 - Three or more family members are "Senior Advantage"; one is "Basic"

470 - Three or more family members are "Basic"; one is "Senior Advantage"

*Deduct code 466 represents 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente Hawaii

Years of Service	Retiree Only 471	Retiree Only 472	Retiree Only 473	*Retiree & Family 474	Retiree & Family 475
Less than 10*	\$1,003.20	\$436.04	\$1,646.39	\$1,998.40	\$2,993.60
10-11*	\$601.92	\$261.62	\$1,187.39	\$1,199.04	\$2,018.19
11-12*	\$561.79	\$244.18	\$1,141.49	\$1,119.10	\$1,920.65
12-13*	\$521.66	\$226.74	\$1,095.59	\$1,039.17	\$1,823.11
13-14	\$481.54	\$209.30	\$1,049.70	\$959.23	\$1,725.56
14-15	\$441.41	\$191.86	\$1,003.80	\$879.30	\$1,628.02
15-16	\$401.28	\$174.42	\$957.90	\$799.36	\$1,530.48
16-17	\$361.15	\$156.97	\$912.00	\$719.42	\$1,432.94
17-18	\$321.02	\$139.53	\$866.10	\$639.49	\$1,335.40
18-19	\$280.90	\$122.09	\$820.20	\$559.55	\$1,237.86
19-20	\$240.77	\$104.65	\$774.30	\$479.62	\$1,140.32
20-21	\$200.64	\$87.21	\$728.40	\$399.68	\$1,042.78
21-22	\$160.51	\$69.77	\$682.50	\$319.74	\$945.23
22-23	\$120.38	\$52.32	\$636.60	\$239.81	\$847.69
23-24	\$80.26	\$34.88	\$590.70	\$159.87	\$750.15
24-25	\$40.13	\$17.44	\$544.80	\$79.94	\$652.61
25 or more	\$0.00	\$0.00	\$498.90	\$0.00	\$555.07
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$501.60	\$218.02	\$1,072.65	\$999.20	\$1,774.34
COBRA	\$1,023.26	\$444.76	\$1,679.32	\$2,038.37	\$3,053.47

Deduct Codes:

471 - "Basic" under age 65

472 - "Senior Advantage"

473 - Over age 65 without Medicare Parts A or B

474 - Two family members are "Basic"

475 - Three or more family members are "Basic"

*Deduct code 474 represents 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente Hawaii

Years of Service	*Retiree & Family 476	*Retiree & Family 477	*Retiree & Family 478	*Retiree & Family 479
Less than 10*	\$1,431.24	\$2,641.59	\$864.08	\$2,074.43
10-11*	\$858.74	\$1,814.58	\$518.45	\$1,247.42
11-12*	\$801.49	\$1,731.88	\$483.88	\$1,164.72
12-13*	\$744.24	\$1,649.18	\$449.32	\$1,082.02
13-14	\$687.00	\$1,566.48	\$414.76	\$999.32
14-15	\$629.75	\$1,483.78	\$380.20	\$916.62
15-16	\$572.50	\$1,401.08	\$345.63	\$833.92
16-17	\$515.25	\$1,318.38	\$311.07	\$751.22
17-18	\$458.00	\$1,235.68	\$276.51	\$668.52
18-19	\$400.75	\$1,152.98	\$241.94	\$585.82
19-20	\$343.50	\$1,070.27	\$207.38	\$503.11
20-21	\$286.25	\$987.57	\$172.82	\$420.41
21-22	\$229.00	\$904.87	\$138.25	\$337.71
22-23	\$171.75	\$822.17	\$103.69	\$255.01
23-24	\$114.50	\$739.47	\$69.13	\$172.31
24-25	\$57.25	\$656.77	\$34.56	\$89.61
25 or more	\$0.00	\$574.07	\$0.00	\$6.91
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$715.62	\$1,607.83	\$432.04	\$1,040.67
COBRA	\$1,459.86	\$2,694.42	\$881.36	\$2,115.92

Deduct Codes:

476 - One family member is "Senior Advantage"; one is "Basic"

477 - One family member is "Basic" under age 65; one is over age 65 without Medicare Parts A or B

478 - Two family members are "Senior Advantage"

479 - One family member is "Senior Advantage"; one is over age 65 without Medicare Parts A or B

*Deduct codes 476, 477, 478, & 479 represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente Oregon

Years of Service	Retiree Only 481	Retiree Only 482	Retiree Only 483	*Retiree & Family 484	Retiree & Family 485
Less than 10*	\$1,184.06	\$432.64	\$1,270.00	\$2,360.11	\$3,536.17
10-11*	\$725.06	\$259.58	\$811.00	\$1,533.10	\$2,560.76
11-12*	\$679.16	\$242.28	\$765.10	\$1,450.40	\$2,463.22
12-13*	\$633.26	\$224.97	\$719.20	\$1,367.70	\$2,365.68
13-14	\$587.37	\$207.67	\$673.31	\$1,285.00	\$2,268.13
14-15	\$541.47	\$190.36	\$627.41	\$1,202.30	\$2,170.59
15-16	\$495.57	\$173.06	\$581.51	\$1,119.60	\$2,073.05
16-17	\$449.67	\$155.75	\$535.61	\$1,036.90	\$1,975.51
17-18	\$403.77	\$138.44	\$489.71	\$954.20	\$1,877.97
18-19	\$357.87	\$121.14	\$443.81	\$871.50	\$1,780.43
19-20	\$311.97	\$103.83	\$397.91	\$788.79	\$1,682.89
20-21	\$266.07	\$86.53	\$352.01	\$706.09	\$1,585.35
21-22	\$220.17	\$69.22	\$306.11	\$623.39	\$1,487.80
22-23	\$174.27	\$51.92	\$260.21	\$540.69	\$1,390.26
23-24	\$128.37	\$34.61	\$214.31	\$457.99	\$1,292.72
24-25	\$82.47	\$17.31	\$168.41	\$375.29	\$1,195.18
25 or more	\$36.57	\$0.00	\$122.51	\$292.59	\$1,097.64
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$610.32	\$216.32	\$696.26	\$1,326.35	\$2,316.91
COBRA	\$1,207.74	\$441.29	\$1,295.40	\$2,407.31	\$3,606.89

Deduct Codes:

- 481 - "Basic" under age 65
- 482 - "Senior Advantage"
- 483 - Over age 65 without Medicare Parts A or B
- 484 - Two family members are "Basic"
- 485 - Three or more family members are "Basic"
- *Deduct code 484 represents 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente Oregon

Years of Service	*Retiree & Family 486	*Retiree & Family 488	Retiree Only 489	Retiree Only 490
Less than 10*	\$1,608.70	\$857.28	\$1,070.36	\$1,270.00
10-11*	\$965.22	\$514.37	\$642.22	\$811.00
11-12*	\$900.87	\$480.08	\$599.40	\$765.10
12-13*	\$836.52	\$445.79	\$556.59	\$719.20
13-14	\$772.18	\$411.49	\$513.77	\$673.31
14-15	\$707.83	\$377.20	\$470.96	\$627.41
15-16	\$643.48	\$342.91	\$428.14	\$581.51
16-17	\$579.13	\$308.62	\$385.33	\$535.61
17-18	\$514.78	\$274.33	\$342.52	\$489.71
18-19	\$450.44	\$240.04	\$299.70	\$443.81
19-20	\$386.09	\$205.75	\$256.89	\$397.91
20-21	\$321.74	\$171.46	\$214.07	\$352.01
21-22	\$257.39	\$137.16	\$171.26	\$306.11
22-23	\$193.04	\$102.87	\$128.44	\$260.21
23-24	\$128.70	\$68.58	\$85.63	\$214.31
24-25	\$64.35	\$34.29	\$42.81	\$168.41
25 or more	\$0.00	\$0.00	\$0.00	\$122.51
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$804.35	\$428.64	\$535.18	\$696.26
COBRA	\$1,640.87	\$874.43	\$1,091.77	\$1,295.40

Deduct Codes:

486 - One family member is "Senior Advantage"; one is "Basic"

488 - Two family members are "Senior Advantage"

489 - Over age 65 with Medicare Part A only

490 - Over age 65 with Medicare Part B only

*Deduct codes 486 & 488 represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente Oregon

Years of Service	*Retiree & Family 491	*Retiree & Family 492	Retiree & Family 493	Retiree & Family 494	*Retiree & Family 495
Less than 10*	\$1,495.00	\$1,694.64	\$2,784.75	\$2,033.34	\$2,532.00
10-11*	\$897.00	\$1,016.78	\$1,809.34	\$1,220.00	\$1,704.99
11-12*	\$837.20	\$949.00	\$1,711.80	\$1,138.67	\$1,622.29
12-13*	\$777.40	\$881.21	\$1,614.26	\$1,057.34	\$1,539.59
13-14	\$717.60	\$813.43	\$1,516.71	\$976.00	\$1,456.89
14-15	\$657.80	\$745.64	\$1,419.17	\$894.67	\$1,374.19
15-16	\$598.00	\$677.86	\$1,321.63	\$813.34	\$1,291.49
16-17	\$538.20	\$610.07	\$1,224.09	\$732.00	\$1,208.79
17-18	\$478.40	\$542.28	\$1,126.55	\$650.67	\$1,126.09
18-19	\$418.60	\$474.50	\$1,029.01	\$569.34	\$1,043.39
19-20	\$358.80	\$406.71	\$931.47	\$488.00	\$960.68
20-21	\$299.00	\$338.93	\$833.93	\$406.67	\$877.98
21-22	\$239.20	\$271.14	\$736.38	\$325.33	\$795.28
22-23	\$179.40	\$203.36	\$638.84	\$244.00	\$712.58
23-24	\$119.60	\$135.57	\$541.30	\$162.67	\$629.88
24-25	\$59.80	\$67.79	\$443.76	\$81.33	\$547.18
25 or more	\$0.00	\$0.00	\$346.22	\$0.00	\$464.48
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$747.50	\$847.32	\$1,565.49	\$1,016.67	\$1,498.24
COBRA	\$1,524.90	\$1,728.53	\$2,840.45	\$2,074.01	\$2,582.64

Deduct Codes:

- 491 - One family member is "Senior Advantage"; one is over age 65 with Medicare Part A only
 - 492 - One family member is "Senior Advantage"; one is over age 65 without Medicare Parts A or B
 - 493 - One family member is "Senior Advantage"; two or more are "Basic"
 - 494 - Two family members are "Senior Advantage"; one is "Basic"
 - 495 - Two family members are over age 65 without Medicare Parts A or B
- *Deduct codes 491, 492, & 495 represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Kaiser Permanente Oregon

Years of Service	*Retiree & Family 496	*Retiree & Family 497	*Retiree & Family 498
Less than 10*	\$2,132.72	\$2,246.42	\$2,446.06
10-11*	\$1,305.71	\$1,419.41	\$1,619.05
11-12*	\$1,223.01	\$1,336.71	\$1,536.35
12-13*	\$1,140.31	\$1,254.01	\$1,453.65
13-14	\$1,057.61	\$1,171.31	\$1,370.95
14-15	\$974.91	\$1,088.61	\$1,288.25
15-16	\$892.21	\$1,005.91	\$1,205.55
16-17	\$809.51	\$923.21	\$1,122.85
17-18	\$726.81	\$840.51	\$1,040.15
18-19	\$644.11	\$757.81	\$957.45
19-20	\$561.40	\$675.10	\$874.74
20-21	\$478.70	\$592.40	\$792.04
21-22	\$396.00	\$509.70	\$709.34
22-23	\$313.30	\$427.00	\$626.64
23-24	\$230.60	\$344.30	\$543.94
24-25	\$147.90	\$261.60	\$461.24
25 or more	\$65.20	\$178.90	\$378.54
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$1,098.96	\$1,212.66	\$1,412.30
COBRA	\$2,175.37	\$2,291.35	\$2,494.98

Deduct Codes:

- 496 - Two family members are over age 65 with Medicare Part A only
 - 497 - One family member is "Basic"; one is over age 65 with Medicare Part A only
 - 498 - One family member is "Basic"; one is over age 65 without Medicare Parts A or B
- *Deduct codes 496, 497, & 498 represent 2-party contract

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - SCAN Health Plan

Years of Service	Retiree Only with SCAN 611	Retiree & 1 Dependent - Both with SCAN 613 ⁽¹⁾
Less than 10*	\$309.00	\$610.00
10-11*	\$185.40	\$366.00
11-12*	\$173.04	\$341.60
12-13*	\$160.68	\$317.20
13-14	\$148.32	\$292.80
14-15	\$135.96	\$268.40
15-16	\$123.60	\$244.00
16-17	\$111.24	\$219.60
17-18	\$98.88	\$195.20
18-19	\$86.52	\$170.80
19-20	\$74.16	\$146.40
20-21	\$61.80	\$122.00
21-22	\$49.44	\$97.60
22-23	\$37.08	\$73.20
23-24	\$24.72	\$48.80
24-25	\$12.36	\$24.40
25 or more	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>		
	\$154.50	\$305.00
COBRA	\$315.18	\$622.20

⁽¹⁾ Retiree & 1 Dependent = Retiree & Spouse/Domestic Partner or Retiree & 1 Child. Both Retiree & eligible dependent must be enrolled in Medicare Parts A & B.

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - United Healthcare Group Medicare Advantage HMO/UnitedHealthcare

Years of Service	Retiree Only with UnitedHealthcare Group Medicare Advantage HMO 701	Retiree & 1 Dependent - 1 with UnitedHealthcare Group Medicare Advantage HMO 702 ⁽¹⁾	Retiree & 1 Dependent - Both with UnitedHealthcare Group Medicare Advantage HMO 703 ⁽¹⁾	Retiree & 2 or More Dependents - 1 with UnitedHealthcare Group Medicare Advantage HMO 704 ⁽²⁾	Retiree & 2 or More Dependents - 2 with UnitedHealthcare Group Medicare Advantage HMO 705 ⁽²⁾
Less than 10*	\$356.76	\$1,508.13	\$705.52	\$1,706.49	\$903.88
10-11*	\$214.06	\$904.88	\$423.31	\$1,023.89	\$542.33
11-12*	\$199.79	\$844.55	\$395.09	\$955.63	\$506.17
12-13*	\$185.52	\$784.23	\$366.87	\$887.37	\$470.02
13-14	\$171.24	\$723.90	\$338.65	\$819.12	\$433.86
14-15	\$156.97	\$663.58	\$310.43	\$750.86	\$397.71
15-16	\$142.70	\$603.25	\$282.21	\$682.60	\$361.55
16-17	\$128.43	\$542.93	\$253.99	\$614.34	\$325.40
17-18	\$114.16	\$482.60	\$225.77	\$546.08	\$289.24
18-19	\$99.89	\$422.28	\$197.55	\$477.82	\$253.09
19-20	\$85.62	\$361.95	\$169.32	\$409.56	\$216.93
20-21	\$71.35	\$301.63	\$141.10	\$341.30	\$180.78
21-22	\$57.08	\$241.30	\$112.88	\$273.04	\$144.62
22-23	\$42.81	\$180.98	\$84.66	\$204.78	\$108.47
23-24	\$28.54	\$120.65	\$56.44	\$136.52	\$72.31
24-25	\$14.27	\$60.33	\$28.22	\$68.26	\$36.16
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$178.38	\$754.07	\$352.76	\$853.25	\$451.94
COBRA	\$363.90	\$1,538.29	\$719.63	\$1,740.62	\$921.96

⁽¹⁾ Retiree & 1 Dependent = Retiree & Spouse/Domestic Partner or Retiree & 1 Child

⁽²⁾ Retiree & 2 or More Dependents = Retiree, Spouse/Domestic Partner & 1 or More Children or Retiree & 2 or More Children

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - UnitedHealthcare

Years of Service	Retiree Only 707	Retiree & 1 Dependent 708	Retiree & 2 or More Dependents 709
Less than 10*	\$1,159.37	\$2,116.35	\$2,509.10
10-11*	\$700.37	\$1,289.34	\$1,533.69
11-12*	\$654.47	\$1,206.64	\$1,436.15
12-13*	\$608.57	\$1,123.94	\$1,338.61
13-14	\$562.68	\$1,041.24	\$1,241.06
14-15	\$516.78	\$958.54	\$1,143.52
15-16	\$470.88	\$875.84	\$1,045.98
16-17	\$424.98	\$793.14	\$948.44
17-18	\$379.08	\$710.44	\$850.90
18-19	\$333.18	\$627.74	\$753.36
19-20	\$287.28	\$545.03	\$655.82
20-21	\$241.38	\$462.33	\$558.28
21-22	\$195.48	\$379.63	\$460.73
22-23	\$149.58	\$296.93	\$363.19
23-24	\$103.68	\$214.23	\$265.65
24-25	\$57.78	\$131.53	\$168.11
25 or more	\$11.88	\$48.83	\$70.57
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$585.63	\$1,082.59	\$1,289.84
COBRA	\$1,182.56	\$2,158.68	\$2,559.28

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Cigna Indemnity Dental/Vision

Years of Service	Retiree Only 501	Retiree & Dependent(s) 502
Less than 10*	\$52.16	\$108.60
10-11*	\$31.30	\$65.16
11-12*	\$29.21	\$60.82
12-13*	\$27.12	\$56.47
13-14	\$25.04	\$52.13
14-15	\$22.95	\$47.78
15-16	\$20.86	\$43.44
16-17	\$18.78	\$39.10
17-18	\$16.69	\$34.75
18-19	\$14.60	\$30.41
19-20	\$12.52	\$26.06
20-21	\$10.43	\$21.72
21-22	\$8.35	\$17.38
22-23	\$6.26	\$13.03
23-24	\$4.17	\$8.69
24-25	\$2.09	\$4.34
25 or more	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>		
	\$26.08	\$54.30
COBRA	\$53.20	\$110.77

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Cigna Prepaid Dental/Vision

Years of Service	Retiree Only 901	Retiree & Dependent(s) 902
Less than 10*	\$46.19	\$94.52
10-11*	\$27.71	\$56.71
11-12*	\$25.87	\$52.93
12-13*	\$24.02	\$49.15
13-14	\$22.17	\$45.37
14-15	\$20.32	\$41.59
15-16	\$18.48	\$37.81
16-17	\$16.63	\$34.03
17-18	\$14.78	\$30.25
18-19	\$12.93	\$26.47
19-20	\$11.09	\$22.68
20-21	\$9.24	\$18.90
21-22	\$7.39	\$15.12
22-23	\$5.54	\$11.34
23-24	\$3.70	\$7.56
24-25	\$1.85	\$3.78
25 or more	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>		
	\$23.10	\$47.26
COBRA	\$47.11	\$96.41

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Non-Medicare Surviving Spouse

Years of Service	Blue Cross Plan I & II	Kaiser	Blue Cross Prudent Buyer	Cigna	UHC HMO	Cigna Indemnity Dental/Vision	Cigna Prepaid Dental/Vision
Less than 10*	\$1,147.49	\$1,002.90	\$908.42	\$1,504.58	\$1,159.37	\$52.16	\$46.19
10-11*	\$688.49	\$601.74	\$545.05	\$1,045.58	\$700.37	\$31.30	\$27.71
11-12*	\$642.59	\$561.62	\$508.72	\$999.68	\$654.47	\$29.21	\$25.87
12-13*	\$596.69	\$521.51	\$472.38	\$953.78	\$608.57	\$27.12	\$24.02
13-14	\$550.80	\$481.39	\$436.04	\$907.89	\$562.68	\$25.04	\$22.17
14-15	\$504.90	\$441.28	\$399.70	\$861.99	\$516.78	\$22.95	\$20.32
15-16	\$459.00	\$401.16	\$363.37	\$816.09	\$470.88	\$20.86	\$18.48
16-17	\$413.10	\$361.04	\$327.03	\$770.19	\$424.98	\$18.78	\$16.63
17-18	\$367.20	\$320.93	\$290.69	\$724.29	\$379.08	\$16.69	\$14.78
18-19	\$321.30	\$280.81	\$254.36	\$678.39	\$333.18	\$14.60	\$12.93
19-20	\$275.40	\$240.70	\$218.02	\$632.49	\$287.28	\$12.52	\$11.09
20-21	\$229.50	\$200.58	\$181.68	\$586.59	\$241.38	\$10.43	\$9.24
21-22	\$183.60	\$160.46	\$145.35	\$540.69	\$195.48	\$8.35	\$7.39
22-23	\$137.70	\$120.35	\$109.01	\$494.79	\$149.58	\$6.26	\$5.54
23-24	\$91.80	\$80.23	\$72.67	\$448.89	\$103.68	\$4.17	\$3.70
24-25	\$45.90	\$40.12	\$36.34	\$402.99	\$57.78	\$2.09	\$1.85
25 or more	\$0.00	\$0.00	\$0.00	\$357.09	\$11.88	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>							
	\$573.75	\$501.45	\$454.21	\$930.84	\$585.63	\$26.08	\$23.10
COBRA	\$1,170.44	\$1,022.96	\$926.59	\$1,534.67	\$1,182.56	\$53.20	\$47.11

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - Children Only Rates

Years of Service	Anthem Plan I & II 215 or 225	Kaiser One Child 421	Kaiser 2 or More 411	Prudent Buyer 205	Cigna 305	UHC HMO 706	Cigna Indemnity Dental/Vision 503	Cigna Prepaid Dental/Vision 903
Less than 10*	\$388.82	\$1,002.90	\$1,997.80	\$248.58	\$476.31	\$332.14	\$64.15	\$46.78
10-11*	\$233.29	\$601.74	\$1,198.68	\$149.15	\$285.79	\$199.28	\$38.49	\$28.07
11-12*	\$217.74	\$561.62	\$1,118.77	\$139.20	\$266.73	\$186.00	\$35.92	\$26.20
12-13*	\$202.18	\$521.51	\$1,038.86	\$129.26	\$247.68	\$172.71	\$33.36	\$24.33
13-14	\$186.63	\$481.39	\$958.94	\$119.32	\$228.63	\$159.43	\$30.79	\$22.45
14-15	\$171.08	\$441.28	\$879.03	\$109.38	\$209.58	\$146.14	\$28.23	\$20.58
15-16	\$155.53	\$401.16	\$799.12	\$99.43	\$190.52	\$132.86	\$25.66	\$18.71
16-17	\$139.97	\$361.04	\$719.21	\$89.49	\$171.47	\$119.57	\$23.09	\$16.84
17-18	\$124.42	\$320.93	\$639.30	\$79.55	\$152.42	\$106.28	\$20.53	\$14.97
18-19	\$108.87	\$280.81	\$559.38	\$69.60	\$133.37	\$93.00	\$17.96	\$13.10
19-20	\$93.32	\$240.70	\$479.47	\$59.66	\$114.31	\$79.71	\$15.40	\$11.23
20-21	\$77.76	\$200.58	\$399.56	\$49.72	\$95.26	\$66.43	\$12.83	\$9.36
21-22	\$62.21	\$160.46	\$319.65	\$39.77	\$76.21	\$53.14	\$10.26	\$7.48
22-23	\$46.66	\$120.35	\$239.74	\$29.83	\$57.16	\$39.86	\$7.70	\$5.61
23-24	\$31.11	\$80.23	\$159.82	\$19.89	\$38.10	\$26.57	\$5.13	\$3.74
24-25	\$15.55	\$40.12	\$79.91	\$9.94	\$19.05	\$13.29	\$2.57	\$1.87
25 or more	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>								
	\$194.41	\$501.45	\$998.90	\$124.29	\$238.16	\$166.07	\$32.08	\$23.39
COBRA	\$396.59	\$1,022.96	\$2,037.76	\$253.55	\$485.84	\$338.78	\$65.43	\$47.72

**Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - COBRA Rates**

Blue Cross and CIGNA COBRA Rates	Retiree Only	Retiree & Spouse	Retiree, Spouse & Children	Retiree & Children	Spouse Only	Under 26 Child or Children Only	Spouse & Children	Over 26 Child
Plan I & II	\$1,170.44	\$2,108.87	\$2,487.30	\$1,548.08	\$1,170.44	\$396.59	\$1,548.08	\$1,170.44
Blue Cross Prudent Buyer	\$926.59	\$1,822.06	\$2,056.16	\$1,190.61	\$926.59	\$253.55	\$1,190.61	\$926.59
Cigna	\$1,534.67	\$2,769.83	\$3,270.56	\$2,036.04	\$1,534.67	\$485.84	\$2,036.04	\$1,534.67
Cigna Indemnity Dental/Vision	\$53.20	\$110.77	\$110.77	\$110.77	\$53.20	\$65.43	\$110.77	\$53.20
Cigna Prepaid Dental/Vision	\$47.11	\$96.41	\$96.41	\$96.41	\$47.11	\$47.72	\$96.41	\$47.11

UHC Without Medicare COBRA Rates	Retiree Only 707	Retiree & 1 Dependent 708	Retiree & 2 or More Dependents 709	Spouse Only 707	Spouse & 1 Dependent 708	Spouse & 2 or More Dependents 709	Under 26 Child or Children Only 706	Over 26 Child 707
	\$1,182.56	\$2,158.68	\$2,559.28	\$1,182.56	\$2,158.68	\$2,559.28	\$338.78	\$1,182.56

Plan III* COBRA Rates	Retiree Only w/ Medicare 240	Spouse Only w/ Medicare 240	Retiree & Spouse - One w/ Medicare 241/242	Retiree & Spouse - Both w/ Medicare 243	Retiree w/ Medicare & Children 244/245	Spouse w/ Medicare & Children 244/245	Retiree, Spouse & Children - One w/ Medicare 246/247	Retiree, Spouse & Children - Two w/ Medicare 248/249
	\$477.59	\$477.59	\$1,523.37	\$948.97	\$853.89	\$853.89	\$1,899.56	\$1,325.07

*See Plan I & II where no family member has Medicare

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - COBRA Rates - Cigna Medicare Risk

Cigna Medicare Risk COBRA Rates	Retiree Only w/ Medicare 321	Retiree & Spouse - One w/ Medicare 322	Retiree & Spouse - Both w/ Medicare 324	Retiree & Children 325	Retiree, Spouse & Children - One w/ Medicare 327	Retiree, Spouse & Children - Two w/ Medicare 329
	\$392.18	\$1,627.34	\$776.20	\$894.24	\$2,128.76	\$1,349.78

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - COBRA Rates - UHC MAPD Risk

UHC MAPD Risk COBRA Rates	Retiree Only w/ Medicare 701	Retiree & 1 Dependent - One w/ Medicare 702	Retiree & 1 Dependent - Both w/ Medicare 703	Retiree & 2 Or More Dependents - One w/ Medicare 704	Retiree & 2 Or More Dependents - Two w/ Medicare 705	Under 26 Child or Children Only 706	Over 26 Child 707
	\$363.90	\$1,538.29	\$719.63	\$1,740.62	\$921.96	\$338.78	\$1,182.56

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - COBRA Rates - SCAN Health Plan

SCAN COBRA Rates	Retiree Only w/ Medicare Risk 611	Retiree & 1 Dependent - Both w/ Medicare Risk 613
	\$315.18	\$622.20

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 1 - COBRA Rates - Kaiser

Kaiser - COBRA Rates	
Single "Basic"	\$1,022.96
Single "Senior Advantage"	\$279.70
Single "Excess"	\$1,148.04
All family members are "Basic"	\$2,037.76
One family member is "Senior Advantage"; others are "Basic"	\$1,294.50
One family member is "Excess"; others are "Basic"	\$2,162.84
Two or more family members are "Senior Advantage"	\$551.25
One family member is "Excess"; another is "Senior Advantage"	\$1,419.59
Two family members are "Excess"	\$2,287.92
Child under 26	\$1,022.96
Children under 26	\$2,037.76

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Anthem Blue Cross I

Years of Service	Retiree Only 211	Retiree & Spouse 212	Retiree, Spouse, & Children 213	Retiree & Children 214
Less than 10*	\$1,147.49	\$2,067.52	\$2,438.53	\$1,517.73
10-11*	\$688.49	\$1,608.52	\$1,979.53	\$1,058.73
11-12*	\$642.59	\$1,562.62	\$1,933.63	\$1,012.83
12-13*	\$596.69	\$1,516.72	\$1,887.73	\$966.93
13-14	\$550.80	\$1,470.83	\$1,841.84	\$921.04
14-15	\$504.90	\$1,424.93	\$1,795.94	\$875.14
15-16	\$459.00	\$1,379.03	\$1,750.04	\$829.24
16-17	\$413.10	\$1,333.13	\$1,704.14	\$783.34
17-18	\$367.20	\$1,287.23	\$1,658.24	\$737.44
18-19	\$321.30	\$1,241.33	\$1,612.34	\$691.54
19-20	\$275.40	\$1,195.43	\$1,566.44	\$645.64
20-21	\$229.50	\$1,149.53	\$1,520.54	\$599.74
21-22	\$183.60	\$1,103.63	\$1,474.64	\$553.84
22-23	\$137.70	\$1,057.73	\$1,428.74	\$507.94
23-24	\$91.80	\$1,011.83	\$1,382.84	\$462.04
24-25	\$45.90	\$965.93	\$1,336.94	\$416.14
25 or more	\$0.00	\$920.03	\$1,291.04	\$370.24
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$573.75	\$1,493.78	\$1,864.79	\$943.99
COBRA	\$1,170.44	\$2,108.87	\$2,487.30	\$1,548.08

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Anthem Blue Cross II

Years of Service	Retiree Only 221	Retiree & Spouse 222	Retiree, Spouse, & Children 223	Retiree & Children 224
Less than 10*	\$1,147.49	\$2,067.52	\$2,438.53	\$1,517.73
10-11*	\$688.49	\$1,608.52	\$1,979.53	\$1,058.73
11-12*	\$642.59	\$1,562.62	\$1,933.63	\$1,012.83
12-13*	\$596.69	\$1,516.72	\$1,887.73	\$966.93
13-14	\$550.80	\$1,470.83	\$1,841.84	\$921.04
14-15	\$504.90	\$1,424.93	\$1,795.94	\$875.14
15-16	\$459.00	\$1,379.03	\$1,750.04	\$829.24
16-17	\$413.10	\$1,333.13	\$1,704.14	\$783.34
17-18	\$367.20	\$1,287.23	\$1,658.24	\$737.44
18-19	\$321.30	\$1,241.33	\$1,612.34	\$691.54
19-20	\$275.40	\$1,195.43	\$1,566.44	\$645.64
20-21	\$229.50	\$1,149.53	\$1,520.54	\$599.74
21-22	\$183.60	\$1,103.63	\$1,474.64	\$553.84
22-23	\$137.70	\$1,057.73	\$1,428.74	\$507.94
23-24	\$91.80	\$1,011.83	\$1,382.84	\$462.04
24-25	\$45.90	\$965.93	\$1,336.94	\$416.14
25 or more	\$0.00	\$920.03	\$1,291.04	\$370.24
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$573.75	\$1,493.78	\$1,864.79	\$943.99
COBRA	\$1,170.44	\$2,108.87	\$2,487.30	\$1,548.08

**Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Anthem Blue Cross III (Medicare Supplement Plan)**

Years of Service	Retiree Only 240	Retiree & Spouse - Retiree w/ Medicare (Plan III Benchmark) 241 ⁽¹⁾/242	Retiree & Spouse - Dependent w/ Medicare (Plan I, II Benchmark) 241/242 ⁽²⁾	Retiree & Spouse - Both w/ Medicare (Plan III Benchmark) 243
Less than 10*	\$468.23	\$1,493.50	\$1,493.50	\$930.36
10-11*	\$280.94	\$1,306.21	\$1,034.50	\$743.07
11-12*	\$262.21	\$1,287.48	\$988.60	\$724.34
12-13*	\$243.48	\$1,268.75	\$942.70	\$705.61
13-14	\$224.75	\$1,250.02	\$896.81	\$686.88
14-15	\$206.02	\$1,231.29	\$850.91	\$668.15
15-16	\$187.29	\$1,212.56	\$805.01	\$649.42
16-17	\$168.56	\$1,193.83	\$759.11	\$630.69
17-18	\$149.83	\$1,175.10	\$713.21	\$611.96
18-19	\$131.10	\$1,156.37	\$667.31	\$593.23
19-20	\$112.38	\$1,137.65	\$621.41	\$574.51
20-21	\$93.65	\$1,118.92	\$575.51	\$555.78
21-22	\$74.92	\$1,100.19	\$529.61	\$537.05
22-23	\$56.19	\$1,081.46	\$483.71	\$518.32
23-24	\$37.46	\$1,062.73	\$437.81	\$499.59
24-25	\$18.73	\$1,044.00	\$391.91	\$480.86
25 or more	\$0.00	\$1,025.27	\$346.01	\$462.13
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$234.12	\$1,259.39	\$919.76	\$696.25
COBRA	\$477.59	\$1,523.37	\$1,523.37	\$948.97

⁽¹⁾ Non-Medicare has Anthem Blue Cross I

⁽²⁾ Non-Medicare has Anthem Blue Cross II

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Anthem Blue Cross III (Medicare Supplement Plan)

Years of Service	Retiree with Medicare and Children 244 ⁽³⁾ /245 ⁽⁴⁾	Retiree & Children - Dependent w/ Medicare (Plan I & II Benchmark) 244 ⁽³⁾ /245 ⁽⁴⁾	Retiree, Spouse, & Children - Retiree w/ Medicare (Plan III Benchmark) 246 ⁽³⁾ /247 ⁽⁴⁾	Retiree, Spouse, & Children - 1 Dependent w/ Medicare (Plan I, II Benchmark) 246 ⁽³⁾ /247 ⁽⁴⁾	Retiree, Spouse, & Children - Retiree + 1 w/ Medicare (Plan III Benchmark) 248 ⁽³⁾ /249 ⁽⁴⁾	Retiree, Spouse, & Children - Dependent + 1 w/ Medicare (Plan I, II Benchmark) 248 ⁽³⁾ /249 ⁽⁴⁾	Retiree, Spouse, & Children - each w/ Medicare (Plan III Benchmark) 250 ⁽⁵⁾
Less than 10*	\$837.15	\$837.15	\$1,862.31	\$1,862.31	\$1,299.09	\$1,299.09	\$1,455.70
10-11*	\$649.86	\$502.29	\$1,675.02	\$1,403.31	\$1,111.80	\$840.09	\$1,268.41
11-12*	\$631.13	\$468.80	\$1,656.29	\$1,357.41	\$1,093.07	\$794.19	\$1,249.68
12-13*	\$612.40	\$435.32	\$1,637.56	\$1,311.51	\$1,074.34	\$748.29	\$1,230.95
13-14	\$593.67	\$401.83	\$1,618.83	\$1,265.62	\$1,055.61	\$702.40	\$1,212.22
14-15	\$574.94	\$368.35	\$1,600.10	\$1,219.72	\$1,036.88	\$656.50	\$1,193.49
15-16	\$556.21	\$334.86	\$1,581.37	\$1,173.82	\$1,018.15	\$610.60	\$1,174.76
16-17	\$537.48	\$301.37	\$1,562.64	\$1,127.92	\$999.42	\$564.70	\$1,156.03
17-18	\$518.75	\$267.89	\$1,543.91	\$1,082.02	\$980.69	\$518.80	\$1,137.30
18-19	\$500.02	\$234.40	\$1,525.18	\$1,036.12	\$961.96	\$472.90	\$1,118.57
19-20	\$481.30	\$200.92	\$1,506.46	\$990.22	\$943.24	\$427.00	\$1,099.85
20-21	\$462.57	\$167.43	\$1,487.73	\$944.32	\$924.51	\$381.10	\$1,081.12
21-22	\$443.84	\$133.94	\$1,469.00	\$898.42	\$905.78	\$335.20	\$1,062.39
22-23	\$425.11	\$100.46	\$1,450.27	\$852.52	\$887.05	\$289.30	\$1,043.66
23-24	\$406.38	\$66.97	\$1,431.54	\$806.62	\$868.32	\$243.40	\$1,024.93
24-25	\$387.65	\$33.49	\$1,412.81	\$760.72	\$849.59	\$197.50	\$1,006.20
25 or more	\$368.92	\$0.00	\$1,394.08	\$714.82	\$830.86	\$151.60	\$987.47
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>							
	\$603.04	\$418.58	\$1,628.20	\$1,288.57	\$1,064.98	\$725.35	\$1,221.59
COBRA	\$853.89	\$853.89	\$1,899.56	\$1,899.56	\$1,325.07	\$1,325.07	\$1,484.81

⁽³⁾ Non-Medicare has Anthem Blue Cross I

⁽⁴⁾ Non-Medicare has Anthem Blue Cross II

⁽⁵⁾ Please note only retirees or eligible survivors will qualify for Medicare Part B Premium Reimbursement Program, approved annually by Los Angeles Board of Supervisors

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Anthem Blue Cross Prudent Buyer Plan

Years of Service	Retiree Only 201	Retiree & Spouse 202	Retiree, Spouse, & Children 203	Retiree & Children 204
Less than 10*	\$908.42	\$1,786.33	\$2,015.84	\$1,167.26
10-11*	\$545.05	\$1,327.33	\$1,556.84	\$708.26
11-12*	\$508.72	\$1,281.43	\$1,510.94	\$662.36
12-13*	\$472.38	\$1,235.53	\$1,465.04	\$616.46
13-14	\$436.04	\$1,189.64	\$1,419.15	\$570.57
14-15	\$399.70	\$1,143.74	\$1,373.25	\$524.67
15-16	\$363.37	\$1,097.84	\$1,327.35	\$478.77
16-17	\$327.03	\$1,051.94	\$1,281.45	\$432.87
17-18	\$290.69	\$1,006.04	\$1,235.55	\$386.97
18-19	\$254.36	\$960.14	\$1,189.65	\$341.07
19-20	\$218.02	\$914.24	\$1,143.75	\$295.17
20-21	\$181.68	\$868.34	\$1,097.85	\$249.27
21-22	\$145.35	\$822.44	\$1,051.95	\$203.37
22-23	\$109.01	\$776.54	\$1,006.05	\$157.47
23-24	\$72.67	\$730.64	\$960.15	\$111.57
24-25	\$36.34	\$684.74	\$914.25	\$65.67
25 or more	\$0.00	\$638.84	\$868.35	\$19.77
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$454.21	\$1,212.59	\$1,442.10	\$593.52
COBRA	\$926.59	\$1,822.06	\$2,056.16	\$1,190.61

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Cigna Network Model Plan

Years of Service	Retiree Only 301	Retiree & Spouse 302	Retiree, Spouse, & Children 303	Retiree & Children 304
Less than 10*	\$1,504.58	\$2,715.52	\$3,206.43	\$1,996.12
10-11*	\$1,045.58	\$2,256.52	\$2,747.43	\$1,537.12
11-12*	\$999.68	\$2,210.62	\$2,701.53	\$1,491.22
12-13*	\$953.78	\$2,164.72	\$2,655.63	\$1,445.32
13-14	\$907.89	\$2,118.83	\$2,609.74	\$1,399.43
14-15	\$861.99	\$2,072.93	\$2,563.84	\$1,353.53
15-16	\$816.09	\$2,027.03	\$2,517.94	\$1,307.63
16-17	\$770.19	\$1,981.13	\$2,472.04	\$1,261.73
17-18	\$724.29	\$1,935.23	\$2,426.14	\$1,215.83
18-19	\$678.39	\$1,889.33	\$2,380.24	\$1,169.93
19-20	\$632.49	\$1,843.43	\$2,334.34	\$1,124.03
20-21	\$586.59	\$1,797.53	\$2,288.44	\$1,078.13
21-22	\$540.69	\$1,751.63	\$2,242.54	\$1,032.23
22-23	\$494.79	\$1,705.73	\$2,196.64	\$986.33
23-24	\$448.89	\$1,659.83	\$2,150.74	\$940.43
24-25	\$402.99	\$1,613.93	\$2,104.84	\$894.53
25 or more	\$357.09	\$1,568.03	\$2,058.94	\$848.63
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$930.84	\$2,141.78	\$2,632.69	\$1,422.38
COBRA	\$1,534.67	\$2,769.83	\$3,270.56	\$2,036.04

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Cigna-HealthSpring Preferred w/ Rx
(Available in Maricopa County and Apache Junction, Pinal County, Arizona only)

Years of Service	Retiree Only with Medicare 321	Retiree & Spouse/Domestic Partner - Retiree w/ Medicare (Plan III Benchmark) 322	Retiree & Spouse/Domestic Partner - Both w/ Medicare 324	Retiree & Children 325	Retiree, Spouse/Domestic Partner & Children - Retiree w/ Medicare (Plan III Benchmark) 327	Retiree, Spouse/Domestic Partner, & Children - Retiree + 1 w/ Medicare (Plan III Benchmark) 329
Less than 10*	\$384.49	\$1,595.43	\$760.98	\$876.71	\$2,087.02	\$1,323.31
10-11*	\$230.69	\$1,408.14	\$573.69	\$689.42	\$1,899.73	\$1,136.02
11-12*	\$215.31	\$1,389.41	\$554.96	\$670.69	\$1,881.00	\$1,117.29
12-13*	\$199.93	\$1,370.68	\$536.23	\$651.96	\$1,862.27	\$1,098.56
13-14	\$184.56	\$1,351.95	\$517.50	\$633.23	\$1,843.54	\$1,079.83
14-15	\$169.18	\$1,333.22	\$498.77	\$614.50	\$1,824.81	\$1,061.10
15-16	\$153.80	\$1,314.49	\$480.04	\$595.77	\$1,806.08	\$1,042.37
16-17	\$138.42	\$1,295.76	\$461.31	\$577.04	\$1,787.35	\$1,023.64
17-18	\$123.04	\$1,277.03	\$442.58	\$558.31	\$1,768.62	\$1,004.91
18-19	\$107.66	\$1,258.30	\$423.85	\$539.58	\$1,749.89	\$986.18
19-20	\$92.28	\$1,239.58	\$405.13	\$520.86	\$1,731.17	\$967.46
20-21	\$76.90	\$1,220.85	\$386.40	\$502.13	\$1,712.44	\$948.73
21-22	\$61.52	\$1,202.12	\$367.67	\$483.40	\$1,693.71	\$930.00
22-23	\$46.14	\$1,183.39	\$348.94	\$464.67	\$1,674.98	\$911.27
23-24	\$30.76	\$1,164.66	\$330.21	\$445.94	\$1,656.25	\$892.54
24-25	\$15.38	\$1,145.93	\$311.48	\$427.21	\$1,637.52	\$873.81
25 or more	\$0.00	\$1,127.20	\$292.75	\$408.48	\$1,618.79	\$855.08
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>						
	\$192.25	\$1,361.32	\$526.87	\$642.60	\$1,852.91	\$1,089.20
COBRA	\$392.18	\$1,627.34	\$776.20	\$894.24	\$2,128.76	\$1,349.78

**Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018**

Tier 2 - Kaiser Permanente / Kaiser Senior Advantage (California Residents)

Years of Service	Retiree Basic (Under 65) 401	Retiree with Medicare 403
Less than 10*	\$1,002.90	\$274.22
10-11*	\$601.74	\$164.53
11-12*	\$561.62	\$153.56
12-13*	\$521.51	\$142.59
13-14	\$481.39	\$131.63
14-15	\$441.28	\$120.66
15-16	\$401.16	\$109.69
16-17	\$361.04	\$98.72
17-18	\$320.93	\$87.75
18-19	\$280.81	\$76.78
19-20	\$240.70	\$65.81
20-21	\$200.58	\$54.84
21-22	\$160.46	\$43.88
22-23	\$120.35	\$32.91
23-24	\$80.23	\$21.94
24-25	\$40.12	\$10.97
25 or more	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>		
	\$501.45	\$137.11
COBRA	\$1,022.96	\$279.70

Deduct Codes:

401 - "Basic"

403 - "Senior Advantage"

**Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018**

Tier 2 - Kaiser Permanente / Kaiser Senior Advantage (California Residents)

Years of Service	Retiree with Family (Basic) 411	Retiree with Medicare 413	Dependent with Medicare 413	Two or more Family members with Medicare 418
Less than 10*	\$1,997.80	\$1,269.12	\$1,269.12	\$540.44
10-11*	\$1,538.80	\$1,081.83	\$810.12	\$353.15
11-12*	\$1,492.90	\$1,063.10	\$764.22	\$334.42
12-13*	\$1,447.00	\$1,044.37	\$718.32	\$315.69
13-14	\$1,401.11	\$1,025.64	\$672.43	\$296.96
14-15	\$1,355.21	\$1,006.91	\$626.53	\$278.23
15-16	\$1,309.31	\$988.18	\$580.63	\$259.50
16-17	\$1,263.41	\$969.45	\$534.73	\$240.77
17-18	\$1,217.51	\$950.72	\$488.83	\$222.04
18-19	\$1,171.61	\$931.99	\$442.93	\$203.31
19-20	\$1,125.71	\$913.27	\$397.03	\$184.59
20-21	\$1,079.81	\$894.54	\$351.13	\$165.86
21-22	\$1,033.91	\$875.81	\$305.23	\$147.13
22-23	\$988.01	\$857.08	\$259.33	\$128.40
23-24	\$942.11	\$838.35	\$213.43	\$109.67
24-25	\$896.21	\$819.62	\$167.53	\$90.94
25 or more	\$850.31	\$800.89	\$121.63	\$72.21
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$1,424.06	\$1,035.01	\$695.38	\$306.33
COBRA	\$2,037.76	\$1,294.50	\$1,294.50	\$551.25

Deduct Codes:

411 - All family members are "Basic"

413 - One family member is "Senior Advantage"; others are "Basic"

418 - Two or more family members are "Senior Advantage"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Kaiser Permanente Colorado

Years of Service	Retiree Only 450	Retiree Only 451	Retiree & Family 453	Retiree & Family 454	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 455	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 455
Less than 10*	\$969.67	\$363.27	\$2,143.00	\$2,893.11	\$1,310.30	\$1,310.30
10-11*	\$581.80	\$217.96	\$1,684.00	\$2,434.11	\$1,123.01	\$851.30
11-12*	\$543.02	\$203.43	\$1,638.10	\$2,388.21	\$1,104.28	\$805.40
12-13*	\$504.23	\$188.90	\$1,592.20	\$2,342.31	\$1,085.55	\$759.50
13-14	\$465.44	\$174.37	\$1,546.31	\$2,296.42	\$1,066.82	\$713.61
14-15	\$426.65	\$159.84	\$1,500.41	\$2,250.52	\$1,048.09	\$667.71
15-16	\$387.87	\$145.31	\$1,454.51	\$2,204.62	\$1,029.36	\$621.81
16-17	\$349.08	\$130.78	\$1,408.61	\$2,158.72	\$1,010.63	\$575.91
17-18	\$310.29	\$116.25	\$1,362.71	\$2,112.82	\$991.90	\$530.01
18-19	\$271.51	\$101.72	\$1,316.81	\$2,066.92	\$973.17	\$484.11
19-20	\$232.72	\$87.18	\$1,270.91	\$2,021.02	\$954.45	\$438.21
20-21	\$193.93	\$72.65	\$1,225.01	\$1,975.12	\$935.72	\$392.31
21-22	\$155.15	\$58.12	\$1,179.11	\$1,929.22	\$916.99	\$346.41
22-23	\$116.36	\$43.59	\$1,133.21	\$1,883.32	\$898.26	\$300.51
23-24	\$77.57	\$29.06	\$1,087.31	\$1,837.42	\$879.53	\$254.61
24-25	\$38.79	\$14.53	\$1,041.41	\$1,791.52	\$860.80	\$208.71
25 or more	\$0.00	\$0.00	\$995.51	\$1,745.62	\$842.07	\$162.81
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>						
	\$484.84	\$181.64	\$1,569.26	\$2,319.37	\$1,076.19	\$736.56
COBRA	\$989.06	\$370.54	\$2,185.86	\$2,950.97	\$1,336.51	\$1,336.51

Deduct Codes:

450 - "Basic" under age 65

451 - "Senior Advantage"

453 - Two family members are "Basic"

454 - Three or more family members are "Basic"

455 - One family member is "Senior Advantage"; one is "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Kaiser Permanente Colorado

Years of Service	Retiree & Family 457	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 458	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 458	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 459	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 459
Less than 10*	\$718.54	\$2,202.25	\$2,202.25	\$1,665.57	\$1,665.57
10-11*	\$531.25	\$2,014.96	\$1,743.25	\$1,478.28	\$1,206.57
11-12*	\$512.52	\$1,996.23	\$1,697.35	\$1,459.55	\$1,160.67
12-13*	\$493.79	\$1,977.50	\$1,651.45	\$1,440.82	\$1,114.77
13-14	\$475.06	\$1,958.77	\$1,605.56	\$1,422.09	\$1,068.88
14-15	\$456.33	\$1,940.04	\$1,559.66	\$1,403.36	\$1,022.98
15-16	\$437.60	\$1,921.31	\$1,513.76	\$1,384.63	\$977.08
16-17	\$418.87	\$1,902.58	\$1,467.86	\$1,365.90	\$931.18
17-18	\$400.14	\$1,883.85	\$1,421.96	\$1,347.17	\$885.28
18-19	\$381.41	\$1,865.12	\$1,376.06	\$1,328.44	\$839.38
19-20	\$362.69	\$1,846.40	\$1,330.16	\$1,309.72	\$793.48
20-21	\$343.96	\$1,827.67	\$1,284.26	\$1,290.99	\$747.58
21-22	\$325.23	\$1,808.94	\$1,238.36	\$1,272.26	\$701.68
22-23	\$306.50	\$1,790.21	\$1,192.46	\$1,253.53	\$655.78
23-24	\$287.77	\$1,771.48	\$1,146.56	\$1,234.80	\$609.88
24-25	\$269.04	\$1,752.75	\$1,100.66	\$1,216.07	\$563.98
25 or more	\$250.31	\$1,734.02	\$1,054.76	\$1,197.34	\$518.08
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$484.43	\$1,968.14	\$1,628.51	\$1,431.46	\$1,091.83
COBRA	\$732.91	\$2,246.30	\$2,246.30	\$1,698.88	\$1,698.88
Benchmark Rate	\$468.23	\$468.23	\$1,147.49	\$468.23	\$1,147.49

Deduct Codes:

457 - Two family members are "Senior Advantage"

458 - One family member is "Senior Advantage"; two or more are "Basic"

459 - Two family members are "Senior Advantage"; one or more is "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Kaiser Permanente Georgia

Years of Service	Retiree Only 443	Retiree Only 461	Retiree Only 462	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 463	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 463
Less than 10*	\$423.47	\$1,164.41	\$423.47	\$2,320.82	\$2,320.82
10-11*	\$254.08	\$705.41	\$254.08	\$2,133.53	\$1,861.82
11-12*	\$237.14	\$659.51	\$237.14	\$2,114.80	\$1,815.92
12-13*	\$220.20	\$613.61	\$220.20	\$2,096.07	\$1,770.02
13-14	\$203.27	\$567.72	\$203.27	\$2,077.34	\$1,724.13
14-15	\$186.33	\$521.82	\$186.33	\$2,058.61	\$1,678.23
15-16	\$169.39	\$475.92	\$169.39	\$2,039.88	\$1,632.33
16-17	\$152.45	\$430.02	\$152.45	\$2,021.15	\$1,586.43
17-18	\$135.51	\$384.12	\$135.51	\$2,002.42	\$1,540.53
18-19	\$118.57	\$338.22	\$118.57	\$1,983.69	\$1,494.63
19-20	\$101.63	\$292.32	\$101.63	\$1,964.97	\$1,448.73
20-21	\$84.69	\$246.42	\$84.69	\$1,946.24	\$1,402.83
21-22	\$67.76	\$200.52	\$67.76	\$1,927.51	\$1,356.93
22-23	\$50.82	\$154.62	\$50.82	\$1,908.78	\$1,311.03
23-24	\$33.88	\$108.72	\$33.88	\$1,890.05	\$1,265.13
24-25	\$16.94	\$62.82	\$16.94	\$1,871.32	\$1,219.23
25 or more	\$0.00	\$16.92	\$0.00	\$1,852.59	\$1,173.33
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$211.74	\$590.67	\$211.74	\$2,086.71	\$1,747.08
COBRA	\$431.94	\$1,187.70	\$431.94	\$2,367.24	\$2,367.24

Deduct Codes:

443 - "Basic" over age 65 - Medicare-eligible who is classified as having renal failure (ESRD)

461 - "Basic" under age 65

462 - "Senior Advantage"

463 - Two family members are "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Kaiser Permanente Georgia

Years of Service	Retiree & Family 464	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 465	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 465
Less than 10*	\$3,477.24	\$1,579.88	\$1,579.88
10-11*	\$3,018.24	\$1,392.59	\$1,120.88
11-12*	\$2,972.34	\$1,373.86	\$1,074.98
12-13*	\$2,926.44	\$1,355.13	\$1,029.08
13-14	\$2,880.55	\$1,336.40	\$983.19
14-15	\$2,834.65	\$1,317.67	\$937.29
15-16	\$2,788.75	\$1,298.94	\$891.39
16-17	\$2,742.85	\$1,280.21	\$845.49
17-18	\$2,696.95	\$1,261.48	\$799.59
18-19	\$2,651.05	\$1,242.75	\$753.69
19-20	\$2,605.15	\$1,224.03	\$707.79
20-21	\$2,559.25	\$1,205.30	\$661.89
21-22	\$2,513.35	\$1,186.57	\$615.99
22-23	\$2,467.45	\$1,167.84	\$570.09
23-24	\$2,421.55	\$1,149.11	\$524.19
24-25	\$2,375.65	\$1,130.38	\$478.29
25 or more	\$2,329.75	\$1,111.65	\$432.39
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$2,903.50	\$1,345.77	\$1,006.14
COBRA	\$3,546.78	\$1,611.48	\$1,611.48

Deduct Codes:

464 - Three or more family members are "Basic"

465 - One family member is "Senior Advantage"; one is "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Kaiser Permanente Georgia

Years of Service	Retiree & Family 466	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 467	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 467	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 468	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 468
Less than 10*	\$838.94	\$2,736.29	\$2,736.29	\$1,995.35	\$1,995.35
10-11*	\$651.65	\$2,549.00	\$2,277.29	\$1,808.06	\$1,536.35
11-12*	\$632.92	\$2,530.27	\$2,231.39	\$1,789.33	\$1,490.45
12-13*	\$614.19	\$2,511.54	\$2,185.49	\$1,770.60	\$1,444.55
13-14	\$595.46	\$2,492.81	\$2,139.60	\$1,751.87	\$1,398.66
14-15	\$576.73	\$2,474.08	\$2,093.70	\$1,733.14	\$1,352.76
15-16	\$558.00	\$2,455.35	\$2,047.80	\$1,714.41	\$1,306.86
16-17	\$539.27	\$2,436.62	\$2,001.90	\$1,695.68	\$1,260.96
17-18	\$520.54	\$2,417.89	\$1,956.00	\$1,676.95	\$1,215.06
18-19	\$501.81	\$2,399.16	\$1,910.10	\$1,658.22	\$1,169.16
19-20	\$483.09	\$2,380.44	\$1,864.20	\$1,639.50	\$1,123.26
20-21	\$464.36	\$2,361.71	\$1,818.30	\$1,620.77	\$1,077.36
21-22	\$445.63	\$2,342.98	\$1,772.40	\$1,602.04	\$1,031.46
22-23	\$426.90	\$2,324.25	\$1,726.50	\$1,583.31	\$985.56
23-24	\$408.17	\$2,305.52	\$1,680.60	\$1,564.58	\$939.66
24-25	\$389.44	\$2,286.79	\$1,634.70	\$1,545.85	\$893.76
25 or more	\$370.71	\$2,268.06	\$1,588.80	\$1,527.12	\$847.86
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$604.83	\$2,502.18	\$2,162.55	\$1,761.24	\$1,421.61
COBRA	\$855.72	\$2,791.02	\$2,791.02	\$2,035.26	\$2,035.26

Deduct Codes:

466 - Two family members are "Senior Advantage"

467 - One family member is "Senior Advantage"; two are "Basic"

468 - Two family members are "Senior Advantage"; one is "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Kaiser Permanente Georgia

Years of Service	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 469	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 469	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 470	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 470
Less than 10*	\$1,254.41	\$1,254.41	\$2,736.29	\$2,736.29
10-11*	\$1,067.12	\$795.41	\$2,549.00	\$2,277.29
11-12*	\$1,048.39	\$749.51	\$2,530.27	\$2,231.39
12-13*	\$1,029.66	\$703.61	\$2,511.54	\$2,185.49
13-14	\$1,010.93	\$657.72	\$2,492.81	\$2,139.60
14-15	\$992.20	\$611.82	\$2,474.08	\$2,093.70
15-16	\$973.47	\$565.92	\$2,455.35	\$2,047.80
16-17	\$954.74	\$520.02	\$2,436.62	\$2,001.90
17-18	\$936.01	\$474.12	\$2,417.89	\$1,956.00
18-19	\$917.28	\$428.22	\$2,399.16	\$1,910.10
19-20	\$898.56	\$382.32	\$2,380.44	\$1,864.20
20-21	\$879.83	\$336.42	\$2,361.71	\$1,818.30
21-22	\$861.10	\$290.52	\$2,342.98	\$1,772.40
22-23	\$842.37	\$244.62	\$2,324.25	\$1,726.50
23-24	\$823.64	\$198.72	\$2,305.52	\$1,680.60
24-25	\$804.91	\$152.82	\$2,286.79	\$1,634.70
25 or more	\$786.18	\$106.92	\$2,268.06	\$1,588.80
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$1,020.30	\$680.67	\$2,502.18	\$2,162.55
COBRA	\$1,279.50	\$1,279.50	\$2,791.02	\$2,791.02

Deduct Codes:

469 - Three or more family members are "Senior Advantage"; one is "Basic"

470 - Three or more family members are "Basic"; one is "Senior Advantage"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Kaiser Permanente Hawaii

Years of Service	Retiree Only 471	Retiree Only 472	Retiree & Dependent 474	Retiree & Family 475
Less than 10*	\$1,003.20	\$436.04	\$1,998.40	\$2,993.60
10-11*	\$601.92	\$261.62	\$1,539.40	\$2,534.60
11-12*	\$561.79	\$244.18	\$1,493.50	\$2,488.70
12-13*	\$521.66	\$226.74	\$1,447.60	\$2,442.80
13-14	\$481.54	\$209.30	\$1,401.71	\$2,396.91
14-15	\$441.41	\$191.86	\$1,355.81	\$2,351.01
15-16	\$401.28	\$174.42	\$1,309.91	\$2,305.11
16-17	\$361.15	\$156.97	\$1,264.01	\$2,259.21
17-18	\$321.02	\$139.53	\$1,218.11	\$2,213.31
18-19	\$280.90	\$122.09	\$1,172.21	\$2,167.41
19-20	\$240.77	\$104.65	\$1,126.31	\$2,121.51
20-21	\$200.64	\$87.21	\$1,080.41	\$2,075.61
21-22	\$160.51	\$69.77	\$1,034.51	\$2,029.71
22-23	\$120.38	\$52.32	\$988.61	\$1,983.81
23-24	\$80.26	\$34.88	\$942.71	\$1,937.91
24-25	\$40.13	\$17.44	\$896.81	\$1,892.01
25 or more	\$0.00	\$0.00	\$850.91	\$1,846.11
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$501.60	\$218.02	\$1,424.66	\$2,419.86
COBRA	\$1,023.26	\$444.76	\$2,038.37	\$3,053.47

Deduct Codes:

471 - "Basic" under age 65

472 - "Senior Advantage"

474 - Two family members are "Basic"

475 - Three or more family members are "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Kaiser Permanente Hawaii

Years of Service	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 476	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 476	Retiree & Family 478
Less than 10*	\$1,431.24	\$1,431.24	\$864.08
10-11*	\$1,243.95	\$972.24	\$676.79
11-12*	\$1,225.22	\$926.34	\$658.06
12-13*	\$1,206.49	\$880.44	\$639.33
13-14	\$1,187.76	\$834.55	\$620.60
14-15	\$1,169.03	\$788.65	\$601.87
15-16	\$1,150.30	\$742.75	\$583.14
16-17	\$1,131.57	\$696.85	\$564.41
17-18	\$1,112.84	\$650.95	\$545.68
18-19	\$1,094.11	\$605.05	\$526.95
19-20	\$1,075.39	\$559.15	\$508.23
20-21	\$1,056.66	\$513.25	\$489.50
21-22	\$1,037.93	\$467.35	\$470.77
22-23	\$1,019.20	\$421.45	\$452.04
23-24	\$1,000.47	\$375.55	\$433.31
24-25	\$981.74	\$329.65	\$414.58
25 or more	\$963.01	\$283.75	\$395.85
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$1,197.13	\$857.50	\$629.97
COBRA	\$1,459.86	\$1,459.86	\$881.36

Deduct Codes:

476 - One family member is "Senior Advantage"; one is "Basic"

478 - Two family members are "Senior Advantage"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Kaiser Permanente Oregon

Years of Service	Retiree Only 481	Retiree Only 482	Retiree & Family 484	Retiree & Family 485
Less than 10*	\$1,184.06	\$432.64	\$2,360.11	\$3,536.17
10-11*	\$725.06	\$259.58	\$1,901.11	\$3,077.17
11-12*	\$679.16	\$242.28	\$1,855.21	\$3,031.27
12-13*	\$633.26	\$224.97	\$1,809.31	\$2,985.37
13-14	\$587.37	\$207.67	\$1,763.42	\$2,939.48
14-15	\$541.47	\$190.36	\$1,717.52	\$2,893.58
15-16	\$495.57	\$173.06	\$1,671.62	\$2,847.68
16-17	\$449.67	\$155.75	\$1,625.72	\$2,801.78
17-18	\$403.77	\$138.44	\$1,579.82	\$2,755.88
18-19	\$357.87	\$121.14	\$1,533.92	\$2,709.98
19-20	\$311.97	\$103.83	\$1,488.02	\$2,664.08
20-21	\$266.07	\$86.53	\$1,442.12	\$2,618.18
21-22	\$220.17	\$69.22	\$1,396.22	\$2,572.28
22-23	\$174.27	\$51.92	\$1,350.32	\$2,526.38
23-24	\$128.37	\$34.61	\$1,304.42	\$2,480.48
24-25	\$82.47	\$17.31	\$1,258.52	\$2,434.58
25 or more	\$36.57	\$0.00	\$1,212.62	\$2,388.68
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$610.32	\$216.32	\$1,786.37	\$2,962.43
COBRA	\$1,207.74	\$441.29	\$2,407.31	\$3,606.89

Deduct Codes:

481 - "Basic" under age 65

482 - "Senior Advantage"

484 - Two family members are "Basic"

485 - Three or more family members are "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Kaiser Permanente Oregon

Years of Service	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 486	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 486	Retiree & Family 488
Less than 10*	\$1,608.70	\$1,608.70	\$857.28
10-11*	\$1,421.41	\$1,149.70	\$669.99
11-12*	\$1,402.68	\$1,103.80	\$651.26
12-13*	\$1,383.95	\$1,057.90	\$632.53
13-14	\$1,365.22	\$1,012.01	\$613.80
14-15	\$1,346.49	\$966.11	\$595.07
15-16	\$1,327.76	\$920.21	\$576.34
16-17	\$1,309.03	\$874.31	\$557.61
17-18	\$1,290.30	\$828.41	\$538.88
18-19	\$1,271.57	\$782.51	\$520.15
19-20	\$1,252.85	\$736.61	\$501.43
20-21	\$1,234.12	\$690.71	\$482.70
21-22	\$1,215.39	\$644.81	\$463.97
22-23	\$1,196.66	\$598.91	\$445.24
23-24	\$1,177.93	\$553.01	\$426.51
24-25	\$1,159.20	\$507.11	\$407.78
25 or more	\$1,140.47	\$461.21	\$389.05
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$1,374.59	\$1,034.96	\$623.17
COBRA	\$1,640.87	\$1,640.87	\$874.43

Deduct Codes:

486 - One family member is "Senior Advantage"; one is "Basic"

488 - Two family members are "Senior Advantage"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Kaiser Permanente Oregon

Years of Service	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 493	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 493	Retiree & Family - Retiree w/ Medicare (Plan III Benchmark) 494	Retiree & Family - Dependent w/ Medicare (Plan I, II Benchmark) 494
Less than 10*	\$2,784.75	\$2,784.75	\$2,033.34	\$2,033.34
10-11*	\$2,597.46	\$2,325.75	\$1,846.05	\$1,574.34
11-12*	\$2,578.73	\$2,279.85	\$1,827.32	\$1,528.44
12-13*	\$2,560.00	\$2,233.95	\$1,808.59	\$1,482.54
13-14	\$2,541.27	\$2,188.06	\$1,789.86	\$1,436.65
14-15	\$2,522.54	\$2,142.16	\$1,771.13	\$1,390.75
15-16	\$2,503.81	\$2,096.26	\$1,752.40	\$1,344.85
16-17	\$2,485.08	\$2,050.36	\$1,733.67	\$1,298.95
17-18	\$2,466.35	\$2,004.46	\$1,714.94	\$1,253.05
18-19	\$2,447.62	\$1,958.56	\$1,696.21	\$1,207.15
19-20	\$2,428.90	\$1,912.66	\$1,677.49	\$1,161.25
20-21	\$2,410.17	\$1,866.76	\$1,658.76	\$1,115.35
21-22	\$2,391.44	\$1,820.86	\$1,640.03	\$1,069.45
22-23	\$2,372.71	\$1,774.96	\$1,621.30	\$1,023.55
23-24	\$2,353.98	\$1,729.06	\$1,602.57	\$977.65
24-25	\$2,335.25	\$1,683.16	\$1,583.84	\$931.75
25 or more	\$2,316.52	\$1,637.26	\$1,565.11	\$885.85
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>				
	\$2,550.64	\$2,211.01	\$1,799.23	\$1,459.60
COBRA	\$2,840.45	\$2,840.45	\$2,074.01	\$2,074.01

Deduct Codes:

493 - One family member is "Senior Advantage"; two or more are "Basic"

494 - Two family members are "Senior Advantage"; one is "Basic"

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - SCAN Health Plan

Years of Service	Retiree Only with SCAN 611	Retiree & 1 Dependent - Both with SCAN 613 ⁽¹⁾
Less than 10*	\$309.00	\$610.00
10-11*	\$185.40	\$422.71
11-12*	\$173.04	\$403.98
12-13*	\$160.68	\$385.25
13-14	\$148.32	\$366.52
14-15	\$135.96	\$347.79
15-16	\$123.60	\$329.06
16-17	\$111.24	\$310.33
17-18	\$98.88	\$291.60
18-19	\$86.52	\$272.87
19-20	\$74.16	\$254.15
20-21	\$61.80	\$235.42
21-22	\$49.44	\$216.69
22-23	\$37.08	\$197.96
23-24	\$24.72	\$179.23
24-25	\$12.36	\$160.50
25 or more	\$0.00	\$141.77
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>		
	\$154.50	\$375.89
COBRA	\$315.18	\$622.20

⁽¹⁾ Retiree & 1 Dependent = Retiree & Spouse/Domestic Partner or Retiree & 1 Child. Both retiree & eligible dependent must be enrolled in Medicare Parts A & B.

**Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018**

Tier 2 - UnitedHealthcare Group Medicare Advantage HMO/UnitedHealthcare

Years of Service	Retiree Only with UnitedHealthcare Group Medicare Advantage HMO 701	Retiree & 1 Dependent - 1 with UnitedHealthcare Group Medicare Advantage HMO 702 ⁽¹⁾	Retiree & 1 Dependent - Both with UnitedHealthcare Group Medicare Advantage HMO 703 ⁽¹⁾	Retiree & 2 or More Dependents - Retiree w/ Medicare UnitedHealthCare Group Medicare Advantage HMO 704 ⁽²⁾	Retiree & 2 or More Dependents - Retiree + 1 w/ Medicare UnitedHealthCare Group Medicare Advantage HMO 705 ⁽²⁾
Less than 10*	\$356.76	\$1,508.13	\$705.52	\$1,706.49	\$903.88
10-11*	\$214.06	\$1,320.84	\$518.23	\$1,519.20	\$716.59
11-12*	\$199.79	\$1,302.11	\$499.50	\$1,500.47	\$697.86
12-13*	\$185.52	\$1,283.38	\$480.77	\$1,481.74	\$679.13
13-14	\$171.24	\$1,264.65	\$462.04	\$1,463.01	\$660.40
14-15	\$156.97	\$1,245.92	\$443.31	\$1,444.28	\$641.67
15-16	\$142.70	\$1,227.19	\$424.58	\$1,425.55	\$622.94
16-17	\$128.43	\$1,208.46	\$405.85	\$1,406.82	\$604.21
17-18	\$114.16	\$1,189.73	\$387.12	\$1,388.09	\$585.48
18-19	\$99.89	\$1,171.00	\$368.39	\$1,369.36	\$566.75
19-20	\$85.62	\$1,152.28	\$349.67	\$1,350.64	\$548.03
20-21	\$71.35	\$1,133.55	\$330.94	\$1,331.91	\$529.30
21-22	\$57.08	\$1,114.82	\$312.21	\$1,313.18	\$510.57
22-23	\$42.81	\$1,096.09	\$293.48	\$1,294.45	\$491.84
23-24	\$28.54	\$1,077.36	\$274.75	\$1,275.72	\$473.11
24-25	\$14.27	\$1,058.63	\$256.02	\$1,256.99	\$454.38
25 or more	\$0.00	\$1,039.90	\$237.29	\$1,238.26	\$435.65
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>					
	\$178.38	\$1,274.02	\$471.41	\$1,472.38	\$669.77
COBRA	\$363.90	\$1,538.29	\$719.63	\$1,740.62	\$921.96

⁽¹⁾ Retiree & 1 Dependent = Retiree & Spouse/Domestic Partner or Retiree & 1 Child

⁽²⁾ Retiree & 2 or More Dependents = Retiree, Spouse/Domestic Partner & 1 or More Children or Retiree & 2 or More Children

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - UnitedHealthcare

Years of Service	Retiree Only 707	Retiree & 1 Dependent 708	Retiree & 2 or More Dependents 709
Less than 10*	\$1,159.37	\$2,116.35	\$2,509.10
10-11*	\$700.37	\$1,657.35	\$2,050.10
11-12*	\$654.47	\$1,611.45	\$2,004.20
12-13*	\$608.57	\$1,565.55	\$1,958.30
13-14	\$562.68	\$1,519.66	\$1,912.41
14-15	\$516.78	\$1,473.76	\$1,866.51
15-16	\$470.88	\$1,427.86	\$1,820.61
16-17	\$424.98	\$1,381.96	\$1,774.71
17-18	\$379.08	\$1,336.06	\$1,728.81
18-19	\$333.18	\$1,290.16	\$1,682.91
19-20	\$287.28	\$1,244.26	\$1,637.01
20-21	\$241.38	\$1,198.36	\$1,591.11
21-22	\$195.48	\$1,152.46	\$1,545.21
22-23	\$149.58	\$1,106.56	\$1,499.31
23-24	\$103.68	\$1,060.66	\$1,453.41
24-25	\$57.78	\$1,014.76	\$1,407.51
25 or more	\$11.88	\$968.86	\$1,361.61
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>			
	\$585.63	\$1,542.61	\$1,935.36
COBRA	\$1,182.56	\$2,158.68	\$2,559.28

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Cigna Indemnity Dental/Vision

Years of Service	Retiree Only 501	Retiree & Dependent(s) 502
Less than 10*	\$52.16	\$108.60
10-11*	\$31.30	\$87.74
11-12*	\$29.21	\$85.65
12-13*	\$27.12	\$83.56
13-14	\$25.04	\$81.48
14-15	\$22.95	\$79.39
15-16	\$20.86	\$77.30
16-17	\$18.78	\$75.22
17-18	\$16.69	\$73.13
18-19	\$14.60	\$71.04
19-20	\$12.52	\$68.96
20-21	\$10.43	\$66.87
21-22	\$8.35	\$64.79
22-23	\$6.26	\$62.70
23-24	\$4.17	\$60.61
24-25	\$2.09	\$58.53
25 or more	\$0.00	\$56.44
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>		
	\$26.08	\$82.52
COBRA	\$53.20	\$110.77

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Cigna Prepaid Dental/Vision

Years of Service	Retiree Only 901	Retiree & Dependent(s) 902
Less than 10*	\$46.19	\$94.52
10-11*	\$27.71	\$73.66
11-12*	\$25.87	\$71.57
12-13*	\$24.02	\$69.48
13-14	\$22.17	\$67.40
14-15	\$20.32	\$65.31
15-16	\$18.48	\$63.22
16-17	\$16.63	\$61.14
17-18	\$14.78	\$59.05
18-19	\$12.93	\$56.96
19-20	\$11.09	\$54.88
20-21	\$9.24	\$52.79
21-22	\$7.39	\$50.71
22-23	\$5.54	\$48.62
23-24	\$3.70	\$46.53
24-25	\$1.85	\$44.45
25 or more	\$0.00	\$42.36
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>		
	\$23.10	\$68.44
COBRA	\$47.11	\$96.41

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - Children Only Rates

Years of Service	Anthem Plan I & II 215 or 225	Kaiser One Child 421	Kaiser 2 or More 411	Prudent Buyer 205	Cigna 305	UHC HMO 706	Cigna Indemnity Dental/Vision 503	Cigna Prepaid Dental/Vision 903
Less than 10*	\$388.82	\$1,002.90	\$1,997.80	\$248.58	\$476.31	\$332.14	\$64.15	\$46.78
10-11*	\$233.29	\$601.74	\$1,538.80	\$149.15	\$285.79	\$199.28	\$38.49	\$28.07
11-12*	\$217.74	\$561.62	\$1,492.90	\$139.20	\$266.73	\$186.00	\$35.92	\$26.20
12-13*	\$202.18	\$521.51	\$1,447.00	\$129.26	\$247.68	\$172.71	\$33.36	\$24.33
13-14	\$186.63	\$481.39	\$1,401.11	\$119.32	\$228.63	\$159.43	\$30.79	\$22.45
14-15	\$171.08	\$441.28	\$1,355.21	\$109.38	\$209.58	\$146.14	\$28.23	\$20.58
15-16	\$155.53	\$401.16	\$1,309.31	\$99.43	\$190.52	\$132.86	\$25.66	\$18.71
16-17	\$139.97	\$361.04	\$1,263.41	\$89.49	\$171.47	\$119.57	\$23.09	\$16.84
17-18	\$124.42	\$320.93	\$1,217.51	\$79.55	\$152.42	\$106.28	\$20.53	\$14.97
18-19	\$108.87	\$280.81	\$1,171.61	\$69.60	\$133.37	\$93.00	\$17.96	\$13.10
19-20	\$93.32	\$240.70	\$1,125.71	\$59.66	\$114.31	\$79.71	\$15.40	\$11.23
20-21	\$77.76	\$200.58	\$1,079.81	\$49.72	\$95.26	\$66.43	\$12.83	\$9.36
21-22	\$62.21	\$160.46	\$1,033.91	\$39.77	\$76.21	\$53.14	\$10.26	\$7.48
22-23	\$46.66	\$120.35	\$988.01	\$29.83	\$57.16	\$39.86	\$7.70	\$5.61
23-24	\$31.11	\$80.23	\$942.11	\$19.89	\$38.10	\$26.57	\$5.13	\$3.74
24-25	\$15.55	\$40.12	\$896.21	\$9.94	\$19.05	\$13.29	\$2.57	\$1.87
25 or more	\$0.00	\$0.00	\$850.31	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>*If you are on a service connected disability retirement with less than 13 years of service, you pay:</i>								
	\$194.41	\$501.45	\$1,424.06	\$124.29	\$238.16	\$166.07	\$32.08	\$23.39
COBRA	\$396.59	\$1,022.96	\$2,037.76	\$253.55	\$485.84	\$338.78	\$65.43	\$47.72

Los Angeles County Employees Retirement Association
Rates Effective July 1, 2018
Tier 2 - COBRA Rates - Kaiser

Kaiser - COBRA Rates	
Single "Basic"	\$1,022.96
Single Senior Advantage	\$279.70
Single "Excess"	\$1,148.04
All family members are "Basic"	\$2,037.76
One family member is "Senior Advantage"; others are "Basic"	\$1,294.50
One family member is "Excess"; others are "Basic"	\$2,162.84
Two or more family members are "Senior Advantage"	\$551.25
One family member is "Excess"; another is "Senior Advantage"	\$1,419.59
Two family members are "Excess"	\$2,287.92
Child under 26	\$1,022.96
Children under 26	\$2,037.76



California Contract Changes

Contract Changes checklists are a tool to be utilized in conjunction with the enclosed notice of contract language changes upon renewal. If not already included, the following is the list of changes that will be added to contract documents. Effective dates are shown and apply at renewal on or after that date. Please note: Some of the changes below will be or have been submitted to State regulatory agencies and will require approval prior to implementation.

Plan Impact	Provision	Description of Change	Type of Change	Date of Change	Effective
Plan I, Plan II OOS	Pre-Service Review - Transgender Surgery Services	For CDI regulated plans, the pre-service review requirement for transgender surgery services has been revised to indicate prior authorization for transgender services will be only be performed on inpatient admissions related to transgender surgery services.	CA CDI Regulatory requirement - EOC Change	1/1/2018	At Renewal
Plan I, Plan II OOS	Copayments and Coinsurance	For CDI regulated plans, additional detail has been added to the Medical Copayments section to clarify the difference between dollar copayments and percentage based coinsurance.	CA CDI Regulatory requirement - EOC Change	1/1/2018	At Renewal
PBP, Plan II CA	Exclusion: Crime or Nuclear Energy	For DMHC regulated plans, the exclusion for Crime or Nuclear Energy has been revised and is now called "Incarceration".	CA DMHC Regulatory requirement - EOC Change	1/1/2018	At Renewal
PBP, Plan II CA	Exclusion: Non-Licensed Providers	For DMHC regulated plans, the exclusion for Non-Licensed Providers has been revised to indicate it will not apply to the diagnosis and medically necessary treatment of severe mental illness or a person of any age and serious emotional disturbances of a child.	CA DMHC Regulatory requirement - EOC Change	1/1/2018	At Renewal
PBP, Plan II CA	Exclusion: Educational or Academic Services	For DMHC regulated plans, the exclusion for Educational or Academic Services has been revised to indicate it will not apply to the diagnosis and medically necessary treatment of severe mental illness or a person of any age and serious emotional disturbances of a child.	CA DMHC Regulatory requirement - EOC Change	1/1/2018	At Renewal
PBP, Plan II CA	Exclusion: Residential Accommodations	For DMHC regulated plans, the exclusion for Residential Accommodations has been revised to indicate it will not apply to the diagnosis and medically necessary treatment of severe mental illness or a person of any age and serious emotional disturbances of a child.	CA DMHC Regulatory requirement - EOC Change	1/1/2018	At Renewal

California Contract Changes

Contract Changes checklists are a tool to be utilized in conjunction with the enclosed notice of contract language changes upon renewal. If not already included, the following is the list of changes that will be added to contract documents. Effective dates are shown and apply at renewal on or after that date. Please note: Some of the changes below will be or have been submitted to State regulatory agencies and will require approval prior to implementation.

Plan Impact	Provision	Description of Change	Type of Change	Date of Change	Effective
PBP, Plan II CA	Exclusion: Food or Dietary Supplements	For DMHC regulated plans, the exclusion for Food or Dietary Supplements has been revised to indicate it will not apply to the diagnosis and medically necessary treatment of severe mental illness or a person of any age and serious emotional disturbances of a child.	CA DMHC Regulatory requirement - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	Diagnostic Services: Genetic Tests	Revised the diagnostic services benefit to indicate genetic tests, when medically necessary, are included with this benefit. Please note, this is a clarification only and does not represent a benefit modification.	Company change - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	Definitions: Intensive In-Home Behavioral Health Program	Added a definition for Intensive In-Home Behavioral Health Programs.	Company change - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	Designated Pharmacy Provider	Revised the designated pharmacy provider benefit text to remove the example of hemophilia as a condition which this program applies to.	Company change - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	Pre-Service Review: Prescription Drugs Obtained from or Administered by a Medical Provider	Added prescription drugs obtained from a medical provider to the list of services requiring pre-service review before receiving services.	Company change - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	Definitions: Specialists	Revised the definition for Specialists to clarify and better describe this type of provider.	Company change - EOC Change	1/1/2018	At Renewal

California Contract Changes

Contract Changes checklists are a tool to be utilized in conjunction with the enclosed notice of contract language changes upon renewal. If not already included, the following is the list of changes that will be added to contract documents. Effective dates are shown and apply at renewal on or after that date. Please note: Some of the changes below will be or have been submitted to State regulatory agencies and will require approval prior to implementation.

Plan Impact	Provision	Description of Change	Type of Change	Date of Change	Effective
PBP, Plan I, Plan II	Legal Actions	Added a provision to plan's to inform members of limitations on legal actions against the plan.	Company change - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	Pre-Service Review: Outpatient Spine Surgery Procedures	Added outpatient spine surgery procedures to the list of services requiring pre-service review before receiving services.	Company change - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	Pre-Service Review: Genetic Tests	Added genetic tests to the list of services requiring pre-service review before receiving services.	Company change - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	Utilization Review Program	Revised the Utilization Review program text to correct grammatical errors and to correct the wording used in the description of the program.	Company change - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	Exclusion: Routine Exams or Tests	Revised the Routine Exams or Tests exclusion to clarify the services not covered under the member's benefits. The exclusion is now called Routine Physicals and Immunizations.	Company change - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	Value Added Programs	Added a provision describing products and services available to member's under this program that are not covered services under the plan but are in addition to the plan benefits, such as health or fitness related programs to our members.	Company change - EOC Change	1/1/2018	At Renewal



California Contract Changes

Contract Changes checklists are a tool to be utilized in conjunction with the enclosed notice of contract language changes upon renewal. If not already included, the following is the list of changes that will be added to contract documents. Effective dates are shown and apply at renewal on or after that date. Please note: Some of the changes below will be or have been submitted to State regulatory agencies and will require approval prior to implementation.

Plan Impact	Provision	Description of Change	Type of Change	Date of Change	Effective
PBP, Plan I, Plan II	Exclusion: Orthopedic Supplies	Revised the Orthopedic Supplies exclusion to clarify the services not covered under the member's orthotic devices benefit. The exclusion is now called Foot Orthotics.	Company change - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	Maximum Allowed Amount: Member Cost Share	Added informative text under the Member Cost Share provision to clarify rebates and/or discounts with drug manufacturers will not impact the member's cost share.	Company change - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	Orthotic Devices	Revised the Prosthetic Devices benefit text for Orthotic devices to clarify the covered services included with this benefit.	Company change - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	Exclusion: Services of Relatives	This exclusion, now called Family Members, is being revised to be consistent with Anthem's other medical plans which all contain this exclusion as part of the plan. Services prescribed, ordered, referred by or given by a member of your immediate family, including your spouse, child, brother, sister, parent, in-law or self are not covered services.	Company change - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	Exclusion: In-vitro Fertilization	Added an exclusion for In-vitro Fertilization to be consistent with Anthem's medical policies for infertility or family planning treatment. This exclusion will not be included with plans that include an optional infertility coverage rider.	Company change - EOC Change	1/1/2018	At Renewal
PBP, Plan I, Plan II	In-Home Behavioral Health Services	Added a note to indicate intensive in-home behavioral health services will be covered under the member's Mental Health Conditions/Substance Abuse benefit when they are available in the member's area.	Company change - EOC Change	1/1/2018	At Renewal

MEDICARE SELECT PLAN BENEFITS

Arizona

As shown in the 2018 benefit summary, there are a few changes which will be made to the Medicare Select Plan. The benefits that are changing are highlighted in orange. All other benefits remain at their current levels.

2018 CIGNA-HEALTHSPRING PREFERRED WITH RX (HMO) - MAPD

The HealthSpring Preferred with Rx (MAPD) renewal rates are included in the HMO Renewal Package.

Benefit Changes include the following:

- Outpatient – Non-Surgical Services
 - Colorectal Screenings = \$0 (was \$12)
- Diagnostic Radiological Services (MRI, CT, PET)
 - Mammography and Ultrasounds - \$0 (was not defined)
- Part B Drugs Including Chemotherapy
 - Chemotherapy drugs - \$0 (was not defined)
- Eye Exams (Diagnostic Medicare Covered)
 - Diabetic Retinal Exams - \$0 (was \$12)
- **Pharmacy**
 - Retail Copay (60 & 90 Day Supply)
 - Added Benefit
 - Mail Copay (60 Day Supply)
 - Added Benefit
 - Coverage Gap
 - Gap changed from \$3,700 to \$4,850 to \$3,750 to \$5,000
 - Catastrophic Phase
 - True Out of Pocket = \$5,000 (was \$4,950)
 - Generic Drugs = The greater of \$3.35 or 5% (was \$3.30)
 - Brand Drugs = The greater of \$8.35 or 5% (was \$8.25)
- **Supplemental Benefits**
 - Vision - Routine Eye Exams and Hardware: Added Clarification of number of Contact Lenses, Eye Glass Lenses and Frames that can be received each year.
 - Hearing - Exam, fitting & hearing aids: Added Clarification of the Hearing Aid Copay amount.

2018 RENEWAL PORTFOLIO | CALIFORNIA

Preliminary changes to 2018 benefits



This is an overview of recent California health care legislation and changes we're planning to make to:

- ▶ 2018 Kaiser Foundation Health Plan (KFHP), Inc., *Group Agreement* and *Evidence of Coverage* documents
- ▶ 2018 Kaiser Permanente Insurance Company (KPIC) *Group Policy* and *Certificate of Insurance* documents

Unless otherwise noted, these changes apply to all the plans we offer, and they'll become effective as contracts renew starting in January 2018.¹

These changes may be subject to regulatory approval. This summary doesn't include all changes that may be made for 2018, including changes to Medicare coverage. You'll find information on the final changes and clarifications in your:

- ▶ 2018 renewal notice or renewal contract for KFHP coverage
- ▶ 2018 *Summary of Benefit Changes* for KPIC coverage

Overview of select California legislative updates

The following summaries provide highlights of recently enacted California legislation and represent a small portion of the total bills signed into law. Additional 2017 updates can be found on account.kp.org.

Contraceptives: Annual supply (SB 999)

This law requires health plans to cover a 12-month supply of self-administered hormonal contraceptives provided all at once upon a member's request. The law includes an exception if the prescriber notes that less than 12 months of these contraceptives should be provided.

These changes went into effect January 1, 2017.

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Notice of timely access to care (SB 1135)

This law requires health plans to provide information about appointment wait times and the availability of interpreter services in specified documents. This information will be included in the *Evidence of Coverage*, in select member marketing materials, and on kp.org. The law also requires us to give similar information to providers. These changes went into effect March 1, 2017.

Acquisition of Group Health Cooperative

Kaiser Permanente has acquired the Group Health Cooperative in Washington state. With this acquisition, we now serve more than 11.3 million members in 8 states and the District of Columbia.

The move will bring our high-quality care and coverage to an additional 19 counties in Washington state, including:

- ▶ 25 primary care clinics in 17 cities
- ▶ 3 urgent care facilities
- ▶ 4 outpatient surgery centers

California members who travel to Washington can receive many services covered under their home region plan as a visiting member.²

Pharmacy changes for KPIC members

All nongrandfathered point-of-service plans will have the specialty drug per script max increased from \$150 to \$200.



**For more information,
please see your
renewal notice,
renewal contract, or
Summary of Benefit
Changes.**

This document includes forward-looking statements. All statements made that are not historical facts are subject to a number of risks and uncertainties, and actual results may differ materially.

¹Scheduled dates subject to change.

²Visiting member benefits are not available to members enrolled in an HSA-Qualified DHMO Plan, Medi-Cal, or a QUEST plan. Information may have changed since publication.

kp.org/choosebetter

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KAISER FOUNDATION HEALTH PLAN OF COLORADO**Summary of 2018 Benefit Changes*****Group****Senior Advantage**

(Effective upon Renewal on or after January 1, 2018)

CLARIFICATIONS

No clarifications at this time.

BASE PLAN CHANGES

- **Medicare Diabetes Prevention Program (MDPP)**

MDPP services will be covered for eligible Medicare beneficiaries under all Medicare health plans. MDPP is a structured health behavior change intervention that provides practical training in long-term dietary change, increased physical activity, and problem-solving strategies for overcoming challenges to sustaining weight loss and a healthy lifestyle.

- **Chiropractic Services**

Referral is no longer required for Medicare Covered Chiropractic Services. Chiropractic services are now provided by Centers for Complementary Medicine at Kaiser Permanente.

CHANGES DUE TO LEGISLATION

No changes at this time.

REMINDERS

In accord with the “**WOMEN’S HEALTH AND CANCER RIGHTS ACT OF 1998,**” and as determined in consultation with the attending physician and the patient, we provide the following coverage after a mastectomy:

- Reconstruction of the breast on which the mastectomy was performed.
- Surgery and reconstruction of the other breast to produce a symmetrical (balanced) appearance.
- Prostheses (artificial replacements).
- Services for physical complications resulting from the mastectomy.

* This Summary of 2018 Benefit Changes does not include changes that may occur throughout the remainder of the year including, but not limited to, mandated federal and state changes.

NOTE: To the extent this Summary of 2018 Benefit Changes conflicts with, modifies or supplements the information contained in your 2018 renewal packet, the information contained in your 2018 renewal packet shall supersede what is set forth above.

Changes to 2018 benefits



This is an overview of recent Georgia health care legislation and changes we're planning to make to:

- ▶ 2018 Kaiser Foundation Health Plan of Georgia, Inc. (Health Plan) and Kaiser Permanente Insurance Company (KPIC) *Group Agreement* and *Evidence of Coverage*

Unless otherwise noted, these changes apply to all HMO and POS plans, and will become effective as contracts renew starting in January 2018.

These changes may be subject to regulatory approval. This summary doesn't include all changes that may be made for 2018, including changes to Medicare coverage. Information on the final changes and clarifications can be found in either the:

- ▶ 2018 renewal notice or renewal contract
- ▶ 2018 *Evidence of Coverage* ("EOC")

Overview of relevant 2018 Georgia Legislative Updates

The following summary provides highlights of recently enacted Georgia legislature.

Hearing Aid Coverage for Children Act - Senate Bill (SB 206)

- ▶ Coverage for children through the age of 18
- ▶ One aid per hearing impaired ear
- ▶ \$3,000 benefit every 48 months per hearing impaired ear
- ▶ Replacement each hearing aid once every 48 months

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- ▶ If the cost of the hearing aid is greater than \$3,000, Members pay the extra amount. That amount does not count towards the annual deductible or cost sharing out-of-pocket maximum.
- ▶ Coverage includes Medically Necessary services and supplies
- ▶ Prior authorization is required
- ▶ Cost share may apply
- ▶ For Multi-choice and Added Choice plans: Coverage and limits apply across all tiers

For more information regarding this particular benefit, please see the Schedule of Benefits in your *Evidence of Coverage*.

Home Phototherapy

Home Phototherapy services are covered under the Durable Medical Equipment (DME) benefit. Selected devices will be available to Members to purchase. This will allow Members to use these devices in the convenience of their home.

- ▶ Prior authorization will be required
- ▶ The cost share may be collected at the time the Member receives the device
- ▶ Reference Schedule of Benefits for more information
- ▶ If the full cost share is not collected at the time the device is received, Members may be billed for devices after they are received

Under Emergency Room Services – Post Stabilization/Observation Care

We cover the post-stabilization care only if the services are covered under your plan AND we provide prior authorization for the covered services. We will require members or their representatives to notify us within 24-48 hours to get authorization from us.

The Multi Choice Plan Select Provider tier is underwritten by Kaiser Permanente Foundation Health Plan of Georgia, Inc. Participating Provider and Non-Participating Provider tiers are underwritten by Kaiser Permanente Insurance Company, a subsidiary of Kaiser Foundation Health Plan, Inc.

The Added Choice Plan In-Network Provider tier is underwritten by Kaiser Permanente Foundation Health Plan of Georgia, Inc. Out-of-Network Provider tier is underwritten by Kaiser Permanente Insurance Company, a subsidiary of Kaiser Foundation Health Plan, Inc.



For more information regarding these benefit changes, please see the Schedule of Benefits in your *Evidence of Coverage*.

2018 *Group Agreement* and *Evidence of Coverage* Summary of Changes and Clarifications for Oregon Large Employer Groups

This is a summary of changes and clarifications that we have made to your *Group Agreement*. The *Group Agreement* includes the *Evidence of Coverage (EOC)*, “Benefit Summary,” and any applicable endorsement documents. This summary does not include minor changes and clarifications we are making to improve the readability and accuracy of the *Group Agreement*. These changes and clarifications do not include changes that may occur throughout the remainder of the year as a result of federal or state mandates. Other Group-specific or product-specific plan design changes may apply, such as moving to standard benefits. Refer to the Plan Updates document for information about these types of changes.

To the extent that this summary of changes and clarifications conflicts with, modifies, or supplements the information contained in your *Group Agreement*, the information contained in the *Group Agreement* shall supersede what is set forth below. Unless another date is listed, the changes in this document are effective when your Group renews in 2018. The products named below are offered and underwritten by Kaiser Foundation Health Plan of the Northwest.

Changes and clarifications that apply to Traditional, Deductible, High Deductible, and Added Choice® medical plans

Changes to Senior Advantage plans are explained at the end of this summary.

Benefit changes

- We have added the definition of “Gender Affirming Treatment” to the “Definitions” section of the *EOC*. We have also added Gender Affirming Treatment to the list of covered Services in the “Benefits for Outpatient Services” and “Benefits for Inpatient Services” sections of the *EOC* in accordance with the Oregon Division of Financial Regulation (DFR) Bulletin to insurers.
- The “Mental Health Services” section of the *EOC* has been modified to add assertive community treatment to the description of covered outpatient mental health services. Services require a referral and are subject to utilization management.
- We have added coverage for wigs following chemotherapy or radiation therapy to the “Outpatient Durable Medical Equipment” section to align with the Oregon Essential Health Benefits (EHB) outlined in the Base Benchmark Plan.
- The “Virtual Care Services” section of the *EOC* has been modified to include coverage for scheduled telephone visits. Additionally, language has been added to reflect that all virtual care Services are subject to the deductible on High Deductible Health Plans as required for HSA-qualified plans.

Benefit clarifications

- Service Area references throughout the *EOC* have been modified. We have removed language indicating that covered Services must be provided in the Service Area. Service Area is a condition of eligibility. We provide covered Services using Participating Providers in Traditional, Deductible and High Deductible Health Plans. We provide covered Services using Select Providers, PPO Providers and in some instances Non-Participating Providers in Added Choice® plans.

- The “When You Can Enroll and When Coverage Begins” section has been modified. The “Special Enrollment” language is now more generalized in response to the federal Market Stabilization Rule. The section now states that qualifying events and special enrollment rights are administered under applicable state and federal law and some examples of qualifying events, loss of coverage, and coverage effective dates have been removed.
- The “Emergency, Post-Stabilization, and Urgent Care” section has been modified. Emergency Services and Post-Stabilization Care are subject to the same Copayments or Coinsurance as the same Service, were it not an Emergency or Post-Stabilization, references to Urgent Care within this description were removed as Urgent Care has a unique cost share, listed on the Benefits Summary.
- We have added cochlear implants to the internally implanted devices bullet in the “Benefits for Outpatient Services” and “Benefits for Inpatient Services” sections of the *EOC*.
- The orthognathic surgery bullet in the “Benefits for Outpatient Services” section has been modified to include supplies.
- The Hospice Services list of covered services has been modified for clarity and accuracy. Medications provided to Members in hospice are now listed.
- A “Medical Foods and Formulas” section has been added for clarity and accuracy. The description of covered medical foods and formulas have been moved to this section of the *EOC*.
- We have moved several items between the “Outpatient Durable Medical Equipment” section, the “External Prosthetic Devices and Orthotic Devices” section, and the “Outpatient Prescription Drugs and Supplies” section for accuracy.
- The Skilled Nursing Services section of the *EOC* has been modified to show that habilitative services are covered in this setting.
- The “Respiratory/Cardiac rehabilitative therapy visit” row in the Benefit Summary has been modified. The row has been split into two rows for clarity.
- The Benefit Riders section of the Benefit Summary has been removed. This information is provided in more detail in the benefit summary contained in each rider.
- The High Deductible Health Plan Benefit Summary documents have been modified to ensure “after deductible” language is included on all benefits that are not preventive as required for HSA-qualified plans.
- We have removed the “Injuries to teeth resulting from biting or chewing.” exclusion from the “Limited Dental Services Exclusions” section.

Administrative changes or clarifications

- All references to “Allied Plan” have been removed. This term refers to Group Health Cooperative which has been acquired by Kaiser Permanente.
- The *EOC* section “Receiving Care in Another Kaiser Foundation Health Plan Service Area” has been modified for clarity.
- We have modified the second bullet in the definition of “Charges” for clarity and consistency within the definition and consistency across products.
- The *Evidence of Coverage (EOC)* definition has been modified for clarity and consistency across products.

- We have aligned formatting and moved the paragraphs describing eligibility for establishing and contributing to an HSA to the “Introduction” section in the HDHP *EOCs* for consistency across products.
- We have modified the definition of “Medically Necessary” to a more industry-standard definition and to provide more information about the process we use to determine if a service is Medically Necessary.
- We have made minor edits to the “Attorney Fees and Expenses” section in the “Miscellaneous” section of the *EOC* in compliance with ORS 742.061 and for consistency across products.
- The “Language and Translation Assistance” section under the “Grievances, Claims, Appeals, and External Review” section was modified to reduce redundancy with the notice of language assistance “Help in your Language” now included in the “Miscellaneous” section of the *EOC*.
- The “Reductions” section of the *EOC* has been modified to reflect a change in payment responsibility of the lien amount in cases of third party liability.
- The “Nondiscrimination” section of the *EOC* has been modified to specify that we do not discriminate on the basis of actual or perceived gender in accordance with the Oregon (DFR) Bulletin to insurers.

Additional changes and clarifications that apply to Added Choice[®] medical plans only

Benefit changes

- The “Virtual Care Services” section has been modified to include coverage under Tier 3. Services are covered at the Tier 3 Deductible, Copayment, or Coinsurance that would apply if the Service had been provided in person.

Administrative changes or clarifications

- The “Definitions” section has been modified to correct the section reference for the “Out-of-Pocket Maximum” definition.
- The “Tier 1” section under the “Outpatient Durable Medical Equipment (DME)” section has been modified for clarity and consistency across product lines regarding decisions to repair, adjust, or replace the DME.
- The “Tier 1 and Tier 2 Out-of-Pocket Maximums” section has been modified to list all benefit riders that do not apply to the Out-of-Pocket maximum for clarity.

Changes and clarifications that apply to medical benefit riders

Benefit changes

TBD

Benefit clarifications

- The “Self-Referred Alternative Care” rider benefit summary has been modified. Acupuncture Services, Chiropractic Services, Massage Therapy and Naturopathic Medicine are each represented in a separate row for improved readability and ease of administration.
- The “Infertility Treatment Services” rider has been revised to clarify that services are subject to prior authorization and utilization management.

- The “Dental Accidental Injury” rider has been modified in the “Dental Accidental Injury Services” section by moving the coverage statement in the first bullet to the “Dental Accidental Injury Rider Limitations” section.
- The “Dental Accidental Injury Rider Exclusions” section in the “Dental Accidental Injury” rider has been updated for consistency regarding dental Services.

Administrative changes or clarifications

TBD

Changes and clarifications that apply to dental plans

Benefit changes

- The “Schedule of Covered Pediatric Dental Procedures” has been modified to comply with Oregon and Washington benchmark requirements for pediatric dental coverage.

Benefit clarifications

- The “Exclusions and Limitations” section has been modified for clarity and consistency across product lines.
- All references of “plastic” restorations have been updated to “composite” for accuracy.
- In the “Limitations” section, the timeframe for the repair or replacement of interim fixed and removable prosthetic devices due to normal wear and tear has been clarified as once every 12 months.

Administrative changes or clarifications

- We have modified the definition of “Usual and Customary Charge (UCC) in the “Definitions” section for alignment across all products.
- The “Language and Translation Assistance” section under “Grievances, Claims, and Appeals” was modified to reduce redundancy with the notice of language assistance "Help in your Language" now included in the “Miscellaneous” section of the *EOC*.
- The “Reductions” section of the *EOC* has been modified to reflect a change in payment responsibility of the lien amount in cases of third party liability.
- The “Premium” section in the “Premium, Eligibility, and Enrollment” section of the *EOC* has been modified to support requirements for voluntary dental plans.
- We have made minor edits to the “Attorney Fees and Expenses” section in the “Miscellaneous” section of the *EOC* in compliance with ORS 742.061 and for consistency across products.
- The “Nondiscrimination” section of the *EOC* has been modified to specify that we do not discriminate on the basis of actual or perceived gender in accordance with the Oregon (DFR) Bulletin to insurers.

Changes and clarifications that apply to all Senior Advantage plans

- We have added coverage for wigs limited to one synthetic wig per year following chemotherapy or radiation therapy to the “Outpatient Durable Medical Equipment” section.

LACERA
2018/2019 Renewal - Benefit Changes
SCAN Employer Group (HMO)

Benefits	Plan Year	
	2017/2018	2018/2019
Catastrophic Coverage		
Initial Coverage Limit	\$4,950	\$5,000
Generic Drugs	Greater of \$3.30 copay or 5%	Greater of \$3.35 copay or 5%
Brand Drugs	Greater of \$8.25 copay or 5%	Greater of \$8.35 copay or 5%

LACERA
2018/2019 Renewal - Benefit Changes
UHC - Medicare Retirees (MA-PD)

Benefits	Plan Year	
	2017/2018	2018/2019
Catastrophic Coverage		
Initial Coverage Limit	\$4,950	\$5,000
Generic Drugs	Greater of \$3.30 copay or 5%	Greater of \$3.35 copay or 5%
Brand Drugs	Greater of \$8.25 copay or 5%	Greater of \$8.35 copay or 5%



March 28, 2018

TO: Each Member
Board of Retirement

FROM: Fern M. Billings 
Senior Staff Counsel

DATE: Meeting of April 12, 2018

SUBJECT: **Canine Handlers, Sheriff's Department – Transit Services Bureau and Metrolink Bureau**

The Los Angeles County Sheriff's Department, Transit Services and Metrolink Bureaus, seek Board approval to treat as pensionable the additional compensation received by deputies who are canine handlers.

Some deputies assigned to these units are responsible for the care and maintenance of explosive detection dogs. Each week these deputies are given an additional three hours of compensation for the care and maintenance of these dogs, commonly called "K-9 pay." Otherwise, they work a normal 40-hour assignment.

Theodore King, Section Head, Benefits Division, verified that these duties are part of the normal work schedule of the canine handlers. His memos in support of these requests are attached as Exhibits A & B. Although the initial requests relates to specific employees, your Board's determination will apply to all future canine handlers within these units.

The Legal Office reviewed all relevant documents including the Transit Policing Explosive Detection Order, and determined that the additional compensation received for the care and maintenance of the dogs qualifies as compensation and should be included in the definition of compensation earnable*.

Therefore, we recommend that your Board:

1. Adopt the attached resolution specifying that canine handlers pay earned on and after September 2014, by employees in the Metrolink Bureau and earned on or after March 2015 by employees

* Please note the inclusion of pay does not affect members covered under California Government Code section 7522 et seq.

- in the Transit Services Bureau of the Sheriff's Department qualifies as compensation earnable;
2. Instruct staff to implement this change by coordinating with the County Auditor-Controller to remit member and employer contributions; and
 3. Instruct staff to collect arrears contributions for canine handlers pay in accordance with the Board's policy regarding implementation of new pensionable pay items.

ANALYSIS

A. Canine Handlers Pay Should Be Treated As Pensionable

In City of Sacramento v. PERS, (1991) 229 Cal. App. 3d 1470, the appellate court determined that firefighters' regular overtime ("premium overtime") under the applicable FLSA exemption qualified as compensation earnable.

Specifically, the appellate court upheld the PERS Board's ability to treat such overtime as compensation earnable under the PERL because the firefighters normally are required to work more than the FLSA maximum for normally required duties. The rule in determining if overtime actually is compensation earnable is whether the hours for which the pay is received are considered "normal" or part of normal duties (Id. at 1484). The court discussed and relied upon Rose v. City of Hayward, (1981) 126 Cal. App. 3d 926 (premium holiday pay is compensation earnable where law enforcement members regularly are required to work holidays, even though not all employees worked the same holiday).

LACERA confirmed that the additional work hours of these legacy employees are part of the normal duties of canine handlers assigned to this division. The hours assigned are not sporadic and arbitrary. The employees have 24 hour responsibility for the canines. Given these confirmations, it appears that these regularly worked hours do not constitute "overtime" that would be excluded from the definition of "compensation earnable" under Government Code Section 31461[†].

[†] It should be noted that these employees may also receive "true" overtime for additional hours worked. They do not dispute this type of pay is properly excluded from compensation earnable.

Each Member
Board of Retirement
March 28, 2018
Page Three

B. Effective Date for Treating Canine Handlers Pay as Pensionable

A claim against LACERA for the failure to treat compensation as pensionable is limited by a three (3) year statute of limitations (Code of Civil Procedure section 338(d)). As no affected individual has brought a claim against LACERA, we would recommend this income be treated as pensionable commencing three (3) years prior to the request. The initial request from the Metrolink Bureau was received in September of 2017. Therefore, staff recommends that this income for these employees be treated as pensionable commencing September 1, 2014. The request for employees of the Transit Service Bureau was received in March of 2018. We recommend this income be treated as pensionable commencing March 1, 2015.

C. Collection of Arrears Contributions

If your Board determines that this canine handlers pay qualifies for inclusion in the definition of compensation earnable, employee contributions on prior earnings may be required.

In Marin County Employees Retirement Association v. County of Marin Association of Firefighters, (1994) 30 Cal. App. 4th 1638, the Court of Appeal determined that once a Retirement Board has determined that an element of compensation is "compensation earnable", the Board must include that element in final compensation. Under the reasoning in Barrett v. Stanislaus County Employee Retirement Association, (1987) 189 Cal. App. 3d 1593 (cited with approval in Marin, supra), the Board had the ability to impose arrears contributions where it was required to classify certain active general members as safety members. The Court stated:

"A review of the entire statutory scheme reveals a retirement system based on contributions by both employer and employee. ... Thus, imposition of an arrears contributions obligation on plaintiffs would place them in the position they would have been had they been properly classified from the date of their employment." (Id. at 1609.)

The Court in Marin noted the applicable statute of limitations is the three (3) year period set forth in Code of Civil Procedure section 338(d) for a claim based on mistake and

Each Member
Board of Retirement
March 28, 2018
Page Four

that the statute does not begin to run until the discovery of the mistake. LACERA did not discover its mistake until September 2017, when the failure to treat the additional hours as pensionable was brought to our attention. Thus, LACERA is not barred by the statute of limitations from seeking arrears contributions.

Your Board's policy for collecting arrears contributions is currently in place. Staff will apply that policy to the collection of arrears contributions relating to canine handlers pay, and will make every effort to collect contributions from all affected members.

THEREFORE, IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt the attached resolution, No. 2018-BR001, specifying that canine handlers pay earned on and after September 1, 2014, by Sheriff's Department, Metrolink Bureau and earned on and after March 1, 2015 by Sheriff's Department, Transit Services Bureau qualifies as compensation earnable;
2. Instruct staff to implement this change by coordinating with the County Auditor-Controller to remit member and employer contributions; and
3. Instruct staff to collect arrears contributions for canine handlers pay in accordance with the Board's policy regarding implementation of new pensionable pay items.

Reviewed and Approved



Steven P. Rice
Chief Counsel

FMB/et
BOR/Canine Handlers TSB MB.docx

Attachments

BEFORE THE BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

RESOLUTION OF THE
BOARD OF RETIREMENT
SPECIFYING SHERIFF'S DEPARTMENT,
TRANSIT SERVICES AND METROLINK
BUREAUS "CANINE HANDLERS PAY"
SHALL QUALIFY AS "COMPENSATION"
AND "COMPENSATION EARNABLE"

RESOLUTION NO. 2018-BR001

WHEREAS, LACERA calculates retirement allowances based on a member's "final compensation."

WHEREAS, LACERA is required to include in the calculation of "final compensation" a member's base pay, and certain other items of remuneration, if such remuneration qualifies as "compensation" under Government Code Section 31460 and "compensation earnable" under Government Code Section 31461.

WHEREAS, the Board of Retirement previously adopted Resolutions specifying certain items of remuneration payable to employees of the County of Los Angeles which the Board determined qualify as "compensation" under Government Code Section 31460 and "compensation earnable" under Section 31461.

WHEREAS, remuneration accounted for by the Sheriff's Department Transit Services Bureau and Metrolink Bureau under the description "Canine Handlers Pay" is not included in the list of items determined to qualify as "compensation" and "compensation earnable."

WHEREAS, a request was filed on behalf of canine handlers of the County of Los Angeles Sheriff's Department, Transit Services Bureau and Metrolink Bureau alleging, inter alia, earnings described as "Canine Handlers Pay" qualify as "compensation" and "compensation earnable."

WHEREAS, the Board of Retirement has determined that Transit Services Bureau and Metrolink Bureau "Canine Handlers Pay" is regularly worked and does not constitute "overtime" that would be excluded from the definition of "compensation earnable" under Government Code Section 31461.

WHEREAS, the Board of Retirement has determined that remuneration accounted for as "Canine Handlers Pay" qualifies as "compensation" and "compensation earnable."

NOW THEREFORE, BE IT RESOLVED, AS FOLLOWS:

1. Earnings on and after September 1, 2014, designated as Metrolink Bureau Canine Handlers Pay and earnings on and after March 1, 2015 designated as Transit Services Bureau Canine Handlers Pay shall qualify as "compensation," as defined in Government Code Section 31460 and "compensation earnable," as defined in Section 31461, for purposes of calculating a member's retirement allowance.
2. Attachment No. 1 of this Resolution sets forth a listing of all items of remuneration qualifying as "compensation" and "compensation earnable" for purposes of calculating a member's retirement allowance.
3. Staff shall collect arrears contributions from members.

BOARD OF RETIREMENT,
LOS ANGELES COUNTY EMPLOYEES
RETIREMENT ASSOCIATION

Vivian H. Gray
Chair, Board of Retirement

Approved as to Form

ATTEST:

Steven P. Rice
Chief Counsel

Herman Santos
Vice Chair, Board of Retirement

ITEMS OF COUNTY REMUNERATION WHICH QUALIFY AS "COMPENSATION," AS DEFINED BY GOVERNMENT CODE SECTION 31460, AND/OR "COMPENSATION EARNABLE," AS DEFINED BY GOVERNMENT CODE SECTION 31461.

<u>EARNINGS</u> <u>CODE NO.</u>	<u>ITEMS</u>
099	PATROL STATION RETENTION BONUS
249	AGRICULTURE INSPECTORS AID ROVER BONUS
334	CUSTODY ASSISTANT ACADEMY DRILL INSTRUCTOR
346	HAZARDOUS MATERIALS II EMERGENCY OPERATIONS ASSIGNMENT
347	WELLNESS/FITNESS FOR LIFE BONUS – 1%
348	WELLNESS/FITNESS FOR LIFE BONUS – 2%
349	WELLNESS/FITNESS FOR LIFE BONUS
350	"PILOT PAY" – FIRE DEPARTMENT
358	TEMPORARY PROMOTION BONUS
359	LIFEGUARD PARAMEDIC, CATALINA
362	PARAMEDIC COORDINATOR/EMS CAPTAIN
369	ADVANCED EDUCATION DEGREE BONUS
381	DENTAL PROFESSIONALS BOARD CERTIFICATION BONUS
384	HIGH DESERT HEALTH ASSIGNMENT BONUS
388	SHERIFF DETENTION FACILITY ASSIGNMENT BONUS

389 MENTAL HEALTH PSYCHIATRIST BOARD
CERTIFICATION – MORE THAN ONE SPECIALTY

463 DRINKING WATER TREATMENT AND DISTRIBUTION

503 UNIFORM ALLOWANCE

504 NIGHT SHIFT DIFFERENTIAL

505 CORONER'S INQUEST REPORTER

506 VEHICLE USE ALLOWANCE

507 CO-GENERATION MAINTENANCE

508 HENNINGER FLATS WATCHMAN

509 FREEZER WORK

510 DEPARTMENT HEAD MERIT

511 BOARD OF SUPERVISORS PERFORMANCE LUMP SUM

512 FIRE SUPPRESSION TRANSPORTATION TRUCK DRIVER

514 BACKHOE OPERATOR

515 WEEKEND BONUS

516 EXPLOSIVES WORK

517 EVENING SHIFT DIFFERENTIAL

518 POWER EQUIPMENT REPAIR, SNOW CONDITIONS

519 ENGINEERING EMPLOYEES, HAZARD PAY

520 HOME CARE COMPENSATION

522 CUSTODIAN ACTING AS WATCHMAN

523 HYDROELECTRIC OPERATIONS

525 CONTRACTING AND PRODUCTIVITY IMPROVEMENT
INCENTIVE FOR MANAGERS

528 WEBCOM PRESS OPERATOR

529 POWER EQUIPMENT OPERATOR, FIRE SUPPRESSION

530 RN EXTRA WEEKENDS WORKED

531 STANDBY

532 ADDITIONAL RESPONSIBILITIES OR EXCEPTIONAL PERFORMANCE

533 POWER SWEEPER OPERATOR IN EMERGENCY CONDITIONS

534 POWER PLANT RELIEF ENGINEER

535 CLINIC PHYSICIAN, FIRST HOUR AND ONE-HALF

536 CONSULTING SPECIALIST, MD, & MENTAL HEALTH CONSULTANT, MD, FIRST AND FIFTH HOURS

538 RN ASSIGNED AS ACTING OR RELIEF CHARGE NURSE

539 RN WEEKEND DIFFERENTIAL

540 RELIEF NURSE HOLIDAY DIFFERENTIAL (HOURLY ITEM)

541 RELIEF NURSE WEEKEND DIFFERENTIAL (HOURLY ITEM)

544 APPRAISERS LAUNDRY AND DRY CLEANING ALLOWANCE

545 HEAVY DUTY TOW TRUCK DRIVER

546 SLURRY SEAL TRUCK DRIVER

547 LIFEGUARD PARAMEDIC – SHIFT

548 LIFEGUARD PARAMEDIC – HOURLY

- 550 INCENTIVE AWARDS FOR MEDICAL REIMBURSEMENTS, HEALTH SERVICES
- 551 GROUP INCENTIVE AWARD, TREASURER TAX COLLECTOR
- 552 STANDBY – EMERGENCY ROLLOUT PROGRAM
- 553 PIONEER EXCAVATION, TUNNEL OPERATIONS, FIRE SUPPRESSION, AND SNOW REMOVAL - CONSTRUCTION INSPECTION AND SURVEYING GROUPS
- 554 PIONEER EXCAVATION, TUNNEL OPERATIONS, FIRE SUPPRESSION, AND SNOW REMOVAL
- 555 SCAFFOLD OR SWING STAGE, 30 FEET ABOVE GRADE
- 556 HIGH SCALE AND RIGGING OPERATIONS, GENERAL
- 557 EVENING SHIFT, MED TECH
- 558 NIGHT SHIFT, MED TECH
- 565 PARAMEDIC RECERTIFICATION BONUS
- 567 DEPUTY SHERIFF RESERVE ANNUAL COMPENSATION
- 570 HOME CARE PROGRAM STANDBY
- 571 CSW LICENSURE SUPERVISION
- 572 MOU LUMP SUM BONUS
- 575 WASTEWATER PLANT RELIEF BONUS
- 576 "SOLO DAILY" PAY – COURT REPORTERS
- 577 INTERPRETER HALF DAY BONUS – SUP. CT.
- 581 SWIM PROFICIENCY BONUS

601 LIFEGUARD PARAMEDIC, RELIEF

602 SUPERVISING TRANSPORTATION DEPUTY
PERFORMING DISPATCHER DUTIES

603 AUTOMOTIVE SERVICE EXCELLENCE CERTIFICATES

604 RN MOBILE INTENSIVE CARE CERTIFICATION

605 CUSTODIAN FLOOR WAXING BONUS

606 FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR
DUTIES

607 SDPO ASSIGNED ACTING DIRECTOR IN A CAMP

608 BILINGUAL BONUS

609 RN ASSIGNED TO EMERGENCY ROOM

610 ANTELOPE VALLEY FIREFIGHTING CREW

611 TREE TRIMMER SUPERVISOR, POWER OPERATIONS

612 SHOOTING BONUS, EXPERT

613 SHOOTING BONUS, DISTINGUISHED EXPERT

614 SHOOTING BONUS, MARKSMAN

615 SHOOTING BONUS, SHARPSHOOTER

616 ANTELOPE VALLEY QUARTERS, ON FIRE CALL

617 CLINIC NURSE ASSIGNED TO PROBATION CAMP

618 TRANSPORTATION BUS DRIVER, SHERIFF

619 CERTIFIED ACCESS SPECIALISTS

620 SAN GABRIEL DAM OPERATOR

- 621 NURSE RETENTION INCENTIVE
- 622 ADVANCED APPRAISER CERTIFICATION
- 623 PROBATION TRANSCRIBER TYPIST PRODUCTION INCENTIVE
- 624 BILINGUAL ADDITIONAL BONUS, CHILDREN'S SOCIAL WORKERS
- 625 AGRICULTURE INSPECTORS ASSIGNED TO STANDARDIZATION
- 626 FIREFIGHTER PARAMEDIC NOT ASSIGNED TO A PARAMEDIC POST
- 627 DETENTION AND TRANSPORTATION EXTRA SUPERVISION BONUS
- 628 BILINGUAL BONUS FOR OTHER THAN MONTHLY EMPLOYEES
- 629 MORTUARY ATTENDANT AT LAC/USC MC
- 630 SAFETY POLICE EDUCATIONAL/LONGEVITY INCENTIVE
- 632 MENTAL HEALTH WORKERS ASSIGNED TO SHERIFF'S DETENTION FACILITIES
- 634 SUPERVISING DETENTION SERVICES OFFICER OF THE DAY
- 635 TRANSPORTATION DEPUTY BUS DRIVER, PROBATION
- 636 SHERIFF'S STATION COMMANDER EXPENSES
- 637 PROFESSIONAL DEVELOPMENT EXPENSES
- 638 PROBATION TELECOM EQUIPMENT BONUS

639 INTERN HOUSING ALLOWANCE LAC/USC MED. CENTER
640 CHILDREN'S SERVICES ERCP RETENTION
641 SHOOTING BONUS, EXPERT – RESERVE
642 SHOOTING BONUS, DISTINGUISHED EXPERT –
RESERVE
643 SHOOTING BONUS, MARKSMAN – RESERVE
644 SHOOTING BONUS, SHARPSHOOTER – RESERVE
645 WELDER CERTIFICATION BONUS
646 EMERGENCY ROLLOUT PROGRAM & SHIFT BONUS
647 BILINGUAL ADDITIONAL BONUS, PSYCHIATRIC SOCIAL
WORK
648 DEFIBRILLATION AIRWAY BONUS
649 MAMMOGRAPHY BONUS
650 PRESIDING JUDGE 4% BONUS
653 EQUINE HANDLERS PAY
653 K-9 HANDLERS PAY
694 PARK, TAXABLE
695 TRANSPORTATION ALLOW
696 TRAFFIC MITIGATION
700 "OVERNIGHT TRIP" PAY - SHERIFF'S STATEWIDE UNIT
730 PREMIUM OVERNIGHT TRIP
782 FLSA PREMIUM PAY FOR REGULARLY SCHEDULED
WORK ASSIGNMENT

903	NON-ELECTIVE LEAVE BUYBACK
910	SICK BUYBACK
911	VACATION BUYBACK
912	HOLIDAY BUYBACK
913	SICK PRE-71 BUYBACK
914	SICK BUYBACK –PROBATION 56 – HOUR
915	VACATION BUYBACK - 56 HOUR
930	SPECIAL PAID LEAVE BUYBACK
931	APPRAISERS LEAVE BUYBACK
932	INTERN/RESIDENT LEAVE BUYBACK
PP046	EMPLOYEE SUGGESTION
NONE	PARK, NONTAXABLE
NONE	PRIOR SALARY
NONE	56 HOUR TO 40 HOUR ASSIGNMENT BONUS
NONE	REGISTERED NURSE ASSIGNED TO CRITICAL CARE UNIT

EXHIBIT A

March 13, 2018

TO: Fern M. Billiny
Senior Staff Counsel
Legal Division

FROM: Theodore J. King, Section Head
Special Benefits Services
Benefits Division



SUBJECT: **K-9 Handlers in the Los Angeles County Sheriff's Department,
Transit Services Bureau**

The Los Angeles County Sheriff's Department, Transit Services Bureau submitted a formal request on behalf of Sergeants Daniel Drysol and Justin Walter, Deputies Su Vodrazka, Rich Faulk, Kylie Hayden, Scott Maus, Corby Brown, Amy Raniag, Debbie Tweedy, Sean Sullins, Mark Carillo, Erik Coker, and Walter Zipusch. This request is to determine if the compensation that these sheriffs receive for canine care should be deemed pensionable income. These sheriffs are canine handlers for the Transit Services Bureau and are all legacy members.

To assist with the determination of the formal request for these Sheriffs, I contacted Captain Gregory Nelson of The Los Angeles Sheriff's Department and he provided me with the canine policy for the Transit Services Bureau that outlined the responsibilities the handlers provide for the canine. In addition to this, I also received confirmation from Captain Jennifer L. Bateman of the Transit Services Bureau that these Sheriffs are canine handlers. The Sheriffs perform their mandatory duties full-time, 40 hours per week and are also responsible for the 24 hour care, maintenance, and housing of their canine. As a result of this, the Sheriffs are entitled to three hours of additional compensation per week to care for the canine. Currently, the additional three hours of pay is designated as "overtime". I have enclosed supporting documents for your review.

Therefore, I ask for assistance to treat three (3) hours per week as compensation earnable for the Sheriff's Department of Los Angeles County, Transit Services Bureau, canine handlers.

I will continue to assist other K-9 units, and stand ready to facilitate similar implementation(s) if and when other animal care units meet the high standard to classify "care and feed" hours earnable.

TK:bb
Div\ben\retstaff\K9Handlers\VariousMembers.doc

c: Vanessa Gonzales
Bernie Buenafior

Enclosures

Transit Service Bureau

K9 Explosive Detection Unit

<u>Call Sign</u>	<u>K9 Handler</u>	<u>K9</u>	<u>Shift</u>
	Drysol, Daniel	BAK	Days
	Walter, Justin	FOLTI	Pms
	Vodrazka, Su	PLUTO	Pms
	Faulk, Rich	CLYDE	Days
	Hayden, Kylie	BBROOKE	Days
	Maus, Scott	TTHORPE	Days
	Brown, Corby	MAX	Days
	Raniag, Amy	SSTACK	Days
	Tweedy, Debbie	HHATTON	Pms
	Sullins, Sean	BLEK	Days
	Carrillo, Mark	BENNIE	Pms
	Coker, Erik	BETA	Pms
	Zipusch, Walter	ARGO	Pms

Updated 11/ 2017

Theodore J. King

From: Nelson, Gregory P. (Capt.)
Sent: Monday, March 5, 2018 4:32 PM
To: Theodore J. King
Subject: RE: Request
Attachments: K9 unit TSB.DOCX

LACERA
300 Noth Lake Ave
Pasadena, CA 91101

Mr. King,

This is a request asking LACERA to determine the pensionability of additional compensation earned by canine handlers of the Transit Services Bureau. Please see that attached list of deputies for whom I am requesting the review.

Please contact me for any additional information that I may provide to assist in the review.

Sincerely,

Greg

*Gregory P. Nelson, Captain
Bureau of Labor Relations & Compliance,
and Sustainability Project Manager
Los Angeles County Sheriff's Department
211 W. Temple Street, Los Angeles 90012
w/213-229-1601
c/310-953-1732*



OFFICE OF THE SHERIFF



COUNTY OF LOS ANGELES

HALL OF JUSTICE

JIM McDONNELL, SHERIFF

Sent via U.S. Mail and Email

March 1, 2018

Theodore J. King, Section Head
Los Angeles County Employment Retirement Association
Benefits Division
300 North Lake Avenue, Suite 650
Pasadena, California 91101

Dear Mr. King:

CANINE HANDLER PAID OVERTIME

This letter is to inform you of the Sheriff's Department's Transit Services Bureau K9 Explosive Detection Unit canine handler duties.

The Transit Services Bureau has 13 canine handlers assigned to the K9 Explosive Detection Unit. There are two sergeants and 11 deputies assigned to the Bureau, as reflected in the attached roster. In addition to performing their full-time duties, they are also responsible for the 24-hour care, maintenance, and housing of their canine. Subsequently, each handler is entitled to three hours of paid overtime, per week, for the care, maintenance, and housing of their canine. This results in each handler submitting for three hours of paid overtime each week.

Should you have any questions or wish to meet to discuss the effects of the policy, please contact me or my staff at (323) 563-5082.

Sincerely,

JIM McDONNELL, SHERIFF

Jennifer L. Bateman, Captain
Transit Services Bureau

JLB:jlb:mc

Enclosures

211 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012

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— Since 1850 —

Transit Service Bureau
K9 Explosive Detection Unit

<u>Call Sign</u>	<u>K9 Handler</u>	<u>K9</u>	<u>Shift</u>
	Drysol, Daniel	BAK	Days
	Walter, Justin	FOLTI	Pms
	Vodrazka, Su	PLUTO	Pms
	Faulk, Rich	CLYDE	Days
	Hayden, Kylie	BBROOKE	Days
	Maus, Scott	TTHORPE	Days
	Brown, Corby	MAX	Days
	Raniag, Amy	SSTACK	Days
	Tweedy, Debbie	HHATTON	Pms
	Sullins, Sean	BLEK	Days
	Carrillo, Mark	BENNIE	Pms
	Coker, Erik	BETA	Pms
	Zipusch, Walter	ARGO	Pms

Updated 11/2017

**COUNTY OF LOS ANGELES
SHERIFF'S DEPARTMENT
TRANSIT POLICING DIVISION UNIT ORDER**

UNIT ORDER # 16-1	ISSUED DATE: March 11, 2016
SUBJECT: TRANSIT POLICING DIVISION CANINE UNIT	REVISION DATE:
UNIT COMMANDER CENTRAL OPERATION BUREAU: SERGIO A. MANCILLA, CAPTAIN	

PURPOSE:

The purpose of this order shall be to establish guidelines and procedures for Explosive Detection K9 Teams assigned to the Transit Policing Division.

SCOPE OF ORDER:

The Division shall maintain a highly skilled complement of deputy and detection canine teams. The primary task of the teams is to identify or eliminate items; backpacks, suitcases, bags, etc, as a potential explosive device. The secondary task is to provide a visible deterrent on the MetroRail and MetroLink systems.

ORDER:

General Duties

The unit shall conduct the following general duties on a routine basis:

- Participate in explosive detection item searches and protective sweeps throughout the Metro system.
- Participate in explosive detection K9 training.
- Participate in special events as directed.
- Participate in other activities as directed by the Canine Unit Supervisor.

Canine Unit Supervisor

The Transit Policing Division Chief shall designate a sergeant assigned as the Canine Unit Supervisor. The supervisor shall be responsible for the overall supervision of the Canine Unit, including:

- Supervision, training, and evaluation of deputies assigned as handlers.
- Oversight of the training program for new handlers and/or new canines.
- Record keeping and statistical reporting.

- Acquisition of equipment, supplies, and services for the Canine Unit.
- Preparation and monitoring of the Canine Unit budget.
- Proper accountability of all Transportation Security Administration (TSA) Canine Explosive Training Aids (CETA).
- Monitoring and evaluation of services provided by the Canine Unit.
- Coordinate with the TSA Field Canine Coordinator (FCC) and Regional Training Coordinator (RTC).
- Conduct annual inspections of the canine housing areas of each handler's residence.
- Other duties as necessary.

Canine Unit Handlers

Deputy Canine Handlers shall be responsible for the care, training, and work performance of the canines assigned to them. These duties and responsibilities include:

- Maintain a proper environment at the handler's home, department vehicle, and unit of assignment.
- Conduct searches of and for potential explosive threats throughout the Metro System as requested or self-initiated.
- Conduct monthly training to maintain proficiency in accordance with TSA guidelines.
- Complete an annual proficiency evaluation administered by TSA.
- Enter thorough training and utilization records in the TSA Database.
- Properly maintain and care for all TSA CETA.
- Provide for veterinary care as necessary to maintain the health of the canine.
- Document all expenses and provide receipts.
- Respond to after-hours calls as detailed in the on-call policy.
- Be assigned a flex schedule.
- Provide a diligent effort to be a visible deterrent on the Metro System.
- Other duties as required by the Unit Supervisor to include training events, classes, and special events.

Any emergencies involving the handler's canine shall require notification to the Canine Unit Supervisor as soon as practical.

Supervision of Transit Policing Division Canine Handlers

The Canine Unit Supervisor shall be responsible for the supervision of the canine handlers. Whenever the Canine Unit Supervisor is not available, the area sergeant shall assume the supervisory responsibilities.

Canine Areas of Assignment

The TPD Canine Unit is one team under Central Operations Bureau providing service on both the MetroLink and MetroRail systems. This area of responsibility encompasses

all of Los Angeles County and along the commuter rail lines of Orange, Riverside, San Bernardino, Ventura and San Diego counties. Although a Canine Team has a designated call sign and a primary area of responsibility, the team will often be tasked to respond beyond that area.

Unless responding to a call for service, or directed by the Canine Unit Supervisor, all Canine Teams will remain within Los Angeles County in their primary area of responsibility until the end of their shift. MetroRail Canine Teams may not travel farther than a MetroRail Station or a major Metro Bus Terminal (Orange Line, El Monte Bus, Artesia Transit Center, etc.) until fifteen minutes prior to the end of their shift. MetroLink Canine Teams may not travel farther than a MetroLink Station within Los Angeles County until fifteen minutes prior to the end of their shift.

Travel into the other counties is only allowed when:

- Responding to a call for service, back up or assistance.
- Participating in a MetroRail/MetroLink operation (Baggage/Fare Check).
- Conducting train rides.
- Participating in scheduled canine training.
- Directed by the Canine Unit Supervisor.

Canine Team Duties

Canine Handlers are expected to attend a briefing associated with their shift and deploy to their assigned post. Handlers assigned as 690K9 will report directly to Center Street at the beginning of the shift and deploy as directed. Handlers assigned to baggage checks, matrix positions or training will report directly to the operation at the assigned time. Travel time will be allowed when an operation is a considerable distance from Union Station.

All Canine Teams are expected to attend scheduled canine training even when assigned to a noon matrix position.

Procedures for After-hours Service

After-hours service requests shall only be considered when circumstances require a response by a canine team that cannot be handled during their normal operating hours. Requests shall be made directly to the Canine Unit Supervisor, who will assign a deputy to respond in accordance with the On-Call procedures.

Canine Handler Overtime

Each canine handler shall be compensated with three hours of overtime on a weekly basis for the care and maintenance of his assigned detection canine regardless of whether he worked the entire week or not. The overtime code will be 909/812 in order to allow for the reimbursement through TSA and the timekeeper to code the time as Sheriff's Auxiliary Service.

Handlers off IOD (Injured On Duty) or kenneling a canine at a vendor will not be compensated the three hours for care and maintenance of his assigned canine.

Canine Medical Care

Deputy Canine Handlers shall establish contact with a veterinarian experienced in handling police dogs. The handler shall coordinate appointments for bi-annual physicals, vaccinations, medications and other routine care. The TSA FCC shall be notified of all veterinarian visits.

Canines in need of emergency treatment shall be transported to the closest emergency medical clinic. The handler shall make immediate notification to the Canine Unit Supervisor and TSA FCC.

Expenditure Reporting

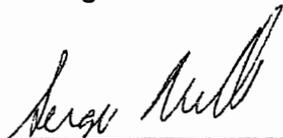
The Canine Unit Supervisor shall monitor the canine budget and expenses. If the Unit Supervisor has an assigned canine, the Unit Commander will monitor his expenses. All purchases and services shall be made utilizing the handler's county issued Cal Card credit card or purchase order agreement and shall have the prior approval of the Canine Unit Supervisor.

Unit Equipment

Specialized equipment shall be issued to each canine handler. The handler shall be responsible for properly maintaining all assigned equipment. All equipment, other than equipment intended for the handler's residence, shall be readily available to the handler while on duty or deploying his canine.

TSA CETA training aids containing actual explosive substances shall be placed within a secure explosive storage magazine, except when being actively monitored by the handler while utilizing the aids for training purposes. Training aids shall never be left unattended or loaned to other department personnel or other law enforcement agencies. Training aids will be exchanged on a yearly basis. Training aids shall be inspected monthly by the Canine Unit Supervisor, or a designee, and the TSA FCC.

Original Signed



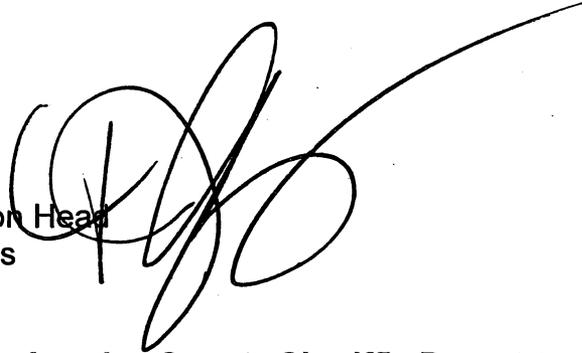
SERGIO A. MANCILLA
CAPTAIN

EXHIBIT B

March 13, 2018

TO: Fern M. Billigy
Senior Staff Counsel
Legal Division

FROM: Theodore J. King, Section Head
Special Benefits Services
Benefits Division



SUBJECT: **K-9 Handlers in the Los Angeles County Sheriff's Department,
Metrolink Bureau**

The Los Angeles County Sheriff's Department, Metrolink Bureau submitted a formal request on behalf of Deputies Craig Roberts, Mark Newlands and Richard Bavouset. This request is to determine if the compensation that these sheriffs receive for canine care should be deemed pensionable income. These sheriffs are canine handlers for the Metrolink Bureau and are all legacy members.

To assist with the determination of the formal request for these Sheriffs, I contacted Rebecca Bueno of ALADS and she provided me with the canine policy for the Metrolink Bureau that outlined the responsibilities the handlers provide for the canine. In addition to this, I also received confirmation from Captain Karl Schow of the Metrolink Bureau that these Sheriffs are canine handlers. The Sheriffs perform their mandatory duties full-time, 40 hours per week and are responsible for the 24-hour care, maintenance, and housing of their canine. As a result of this, the Sheriffs are entitled to three hours of additional compensation per week to care for the canine. Currently, the additional three hours of pay is designated as "overtime". I have enclosed supporting documents for your review.

Therefore, I ask for assistance to treat three (3) hours per week as compensation earnable for the Sheriff's Department of Los Angeles County, Metrolink Bureau, canine handlers.

I will continue to assist other K-9 units, and stand ready to facilitate similar implementation(s) if and when other animal care units meet the high standard to classify "care and feed" hours earnable.

TK:bb
Div\ben\retstaff\K9Handlers\VariousMembers.doc

c: Vanessa Gonzales
Bernie Buenaflor

Enclosures



OFFICE OF THE SHERIFF



COUNTY OF LOS ANGELES

HALL OF JUSTICE

JIM McDONNELL, SHERIFF

Sent via U.S. Mail and Email

March 6, 2018

Theodore J. King, Section Head
Los Angeles County Employment Retirement Association
Benefits Division
300 North Lake Avenue, Suite 650
Pasadena, California 91101

Dear Mr. King:

CANINE HANDLER PAID OVERTIME

This letter is to inform you of the Sheriff's Department's Metrolink Bureau K9 Explosive Detection Unit canine handler duties.

The Metrolink Bureau has three canine handlers assigned to the K9 Explosive Detection Unit as listed below.

<u>Call Sign</u>	<u>K9 Handler</u>	<u>K9</u>	<u>Shift</u>
	Roberts, Craig	Coco	PM's
	Newlands, Mark	Jjeffers	Days
	Bavouset, Richard	Mmartino	Days

In addition to performing their mandatory duties full-time, 40-hours per week, they are also responsible for the 24-hour care, maintenance, and housing of their canine. This includes medical care, monthly training, and work performance of their canines. Therefore each handler is entitled to 3-hours per week for the care, maintenance, and housing of their canine. This results in each handler submitting a 3-hour paid overtime position every week.

211 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012

A Tradition of Service
— Since 1850 —

Mr. Theodore J. King

-2-

March 6, 2018

Should you have any questions or wish to meet to discuss the effects of the policy, please contact me or my staff at (909) 451-2959.

Sincerely,

JIM McDONNELL, SHERIFF

A handwritten signature in black ink, appearing to read "Karl R. Schow". The signature is fluid and cursive, with the first name "Karl" being the most prominent.

Karl R. Schow, Captain
Metrolink Bureau



OFFICE OF THE SHERIFF

COUNTY OF LOS ANGELES

HALL OF JUSTICE

JIM McDONNELL, SHERIFF

Sent via U.S. Mail and Email



March 7, 2018

Theodore J. King, Section Head
Los Angeles County Employment Retirement Association
Benefits Division
300 North Lake Avenue, Suite 650
Pasadena, California 91101

Dear Mr. King:

CANINE HANDLER PAID OVERTIME

This is a request asking LACERA to determine the pensionability of additional compensation earned by canine handlers of the Metrolink Bureau. The review is for the following deputies:

Richard Bavouset,
Mark Newlands,
Craig Roberts,

Please contact me for any additional information that may be necessary to assist in the review.

Should you have any questions please feel free to contact me at
(213) 229-1601.

Sincerely,

JIM McDONNELL, SHERIFF

Gregory P. Nelson, Captain
Bureau of Labor Relations and Compliance

211 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012

A Tradition of Service
— Since 1850 —

September 7, 2017

Shawn R. Kehoe, Chairman
Board of Retirement
Los Angeles County Employees Retirement Association
300 North Lake Avenue
Pasadena, California 91101-4199

RE: CLAIM AND REQUEST ON BEHALF OF DEPUTY RICHARD J. BAVOuset TO INCLUDE METRO LINK K9-PAY AS PENSIONABLE INCOME [RICHARD J. BAVOuset, EMPLOYEE NUMBER

Dear Chairman Kehoe:

This will serve as a claim on behalf of Deputy Richard Bavouset, assigned to the Sheriff's Department's Metro Link Bureau as a canine handler, that LACERA treat the additional compensation covering time worked by Deputy Bavouset as a K-9 handler to care for his dog as pensionable income.

As a Metro Link K-9 Deputy with the Sheriff's Department, Deputy Bavouset is responsible for the care and maintenance of his assigned canine. As of April 6, 2007 Deputy Bavouset has been assigned to a position class or grade wherein he automatically receives an allowance equal to three (3) hours of compensation per week (12 hours per month) in addition to his regular compensation for the care and maintenance of his K-9. There are other K-9 deputies who are members of this grade or class of positions at any given time that are similarly situated.

As of October 16, 2006, the Metro Link K-9 handlers so assigned had included in their regular forty (40) hour work week three (3) hours of time to care for their K-9 dogs. However, since October 15, 2006, Deputy Bavouset (and others) have worked a forty (40) hour regular work week (instead of thirty-seven (37) hours), where he has been compensated three (3) additional hours of overtime each week for the maintenance of his K-9 dog.

Deputy Bavouset believes that the three (3) hours of compensation automatically received by him as a K-9 Deputy for extra time worked to care for his canine should be treated as pensionable by LACERA. The three (3) hours per week provided to Deputy Bavouset as a K-9 Deputy is overtime that is regularly scheduled and received by all members of the grade or class.

By this claim, Deputy Bavouset declares that as a Metro Link K-9 handler, he is verifying that, on his behalf, the Sheriff's Department automatically submits a request for three (3) additional hours of compensation a week for the care, maintenance and grooming of his dog. As such, Deputy Bavouset is directed by his supervisors to prepare a request for three (3) additional hours of compensation a week at the Metro Link Bureau, located at 2704 North Garey Avenue, Pomona, CA 91767, phone number (909)451-2858. The three (3) hours are submitted by Deputy Bavouset regardless of when in the week or the month the additional (3) hours of work per week is completed by him as a K-9 Deputy.

In effect, the K-9 pay for Deputy Bavouset is not simply pay for additional hours worked (as there is no designation of hours on a particular day), but it is additional compensation for the inconvenience and extra work entailed in the care and maintenance of Deputy Bavouset's canine assigned to him by the

Shawn Kehoe, Chairman
September 7, 2017
Page 2

Sheriff's Department. Although the Sheriff's Department may have itemized the K-9 Deputy pay that is received automatically as normal overtime credit, the compensation is in fact additional pay for hours regularly worked, and is therefore not overtime.

In addition, Deputies who are K-9 deputies in this class of positions may also receive "true" overtime for additional hours worked when on assignments outside their regularly scheduled working hours.

Deputy Bavouset's supervisor at the Sheriff's Department will confirm the work schedule of Deputy Bavouset as a Metro Link K-9 Deputy, and in particular, the point that Deputy Bavouset is a Deputy assigned to this class of positions as a K-9 Deputy that are required to undertake the care and maintenance of their canines and, in so doing, receive the three (3) hours of overtime per week (totaling 12 hours a month).

Deputy Bavouset, as a K-9 Deputy at the Metro Link Bureau, regularly worked this assignment, as that assignment is defined as working to care and maintain his canine. The time for which Deputy Bavouset is compensated to care for the canine is an identical amount each week and he is regarded as having spent the same number of additional hours over and above the normal duty work week to care for the animal.

In essence, the K-9 pay received by Deputy Bavouset is in return for work performed by Deputy Bavouset during the average number of days ordinarily worked by him as a Metro Link K-9 Deputy with the Sheriff's Department. These hours are hours worked within the normal scheduled or regular working hours of Deputy Bavouset as a K-9 Deputy and, under Government Code §31462.1, should be determined by LACERA to be "compensation earnable" for purposes of calculating Deputy Bavouset's pension.

The K-9 pay claim herein is akin to the determination made by LACERA in reference to Deputy Sheriffs in the "Statewide Unit" who received "overnight trip pay" equal to eight hours of additional compensation for performing extraditions. It is also entirely analogous to the pay of K-9 Deputies assigned to K-9 units at the Sheriff's Department's Special Enforcement Bureau, Narcotics Bureau, Arson Explosives Unit, Custody Investigative Services, Operations Safe Streets Bureau and also Mounted Enforcement Detail, all of which pay for the care and maintenance of canines and horses were determined by LACERA to be pensionable. Each employee in the Statewide Unit averaged the same number of work hours and, over the objections of Deputy Sheriffs' compensation earnable because it was work performed during the average number of days ordinarily worked by similarly situated persons. The County, to Deputy Bavouset's knowledge, did not make objection to the determination that other K-9 Deputies' and Equine Deputies' pay for the care and maintenance of their canines and horses were pensionable.

In such regard, Deputy Bavouset as a K-9 Deputy in this case (just as in the case of the other K-9 Deputy Sheriffs assigned at various units on the Department) constitutes a separate grade or class of positions. Hence, the hours worked by Deputy Bavouset as a K-9 Deputy (three (3) hours of additional compensation a week) should result in premium pay that is for hours worked within the normally scheduled or regular working hours provided for in the Government Code.

Shawn Kehoe, Chairman
September 7, 2017
Page 3

Based on the forgoing, this claim asserts that the Board of Retirement should determine that the K-9 pay received by Deputy Bavouset as a Metro Link Deputy in his position class qualifies for inclusion in the definition of compensation earnable.

It is requested that the Board adopt a resolution specifying that K-9 Deputy pay for Deputy Bavouset as a Metro Link K-9 Deputy with the Sheriff's Department qualify as compensation earnable and that LACERA implement this change both retroactively and on a prospective basis.

I declare that I have firsthand knowledge of the matters set forth herein as to receipt of K-9 pay for the care and maintenance of a Metro Link canine and I could and would testify competently to same, except where stated on information and belief, and as to those matters, that I believe them to be true.

Dated: 9-7-17



Richard J. Bavouset,

CC: Ronald Hernandez, President ALADS

September 7, 2017

Shawn R. Kehoe, Chairman
Board of Retirement
Los Angeles County Employees Retirement Association
300 North Lake Avenue
Pasadena, California 91101-4199

**RE: CLAIM AND REQUEST ON BEHALF OF DEPUTY MARK S. NEWLANDS TO INCLUDE METRO LINK K9-
PAY AS PENSIONABLE INCOME [MARK S. NEWLANDS, EMPLOYEE NUMBER**

Dear Chairman Kehoe:

This will serve as a claim on behalf of Deputy Mark S. Newlands, assigned to the Sheriff's Department's Metro Link Bureau as a canine handler, that LACERA treat the additional compensation covering time worked by Deputy Newlands as a K-9 handler to care for his dog as pensionable income.

As a Metro Link K-9 Deputy with the Sheriff's Department, Deputy Newlands is responsible for the care and maintenance of his assigned canine. As of July 17, 2006, Deputy Newlands has been assigned to a position class or grade wherein he automatically receives an allowance equal to three (3) hours of compensation per week (12 hours per month) in addition to his regular compensation for the care and maintenance of his K-9. There are other K-9 deputies who are members of this grade or class of positions at any given time that are similarly situated.

As of October 15, 2006 the Metro Link K-9 handlers so assigned had included in their regular forty (40) hour work week three (3) hours of time to care for their K-9 dogs. However, since October 15, 2006, Deputy Newlands (and others) have worked a forty (40) hour regular work week (instead of thirty-seven (37) hours), where he has been compensated three (3) additional hours of overtime each week for the maintenance of his K-9 dog.

Deputy Newlands believes that the three (3) hours of compensation automatically received by him as a K-9 Deputy for extra time worked to care for his canine should be treated as pensionable by LACERA. The three (3) hours per week provided to Deputy Newlands as a K-9 Deputy is overtime that is regularly scheduled and received by all members of the grade or class.

By this claim, Deputy Newlands declares that as a Metro Link K-9 handler, he is verifying that, on his behalf, the Sheriff's Department automatically submits a request for three (3) additional hours of compensation a week for the care, maintenance and grooming of his dog. As such, Deputy Newlands is directed by his supervisors to prepare a request for three (3) additional hours of compensation a week at the Metro Link Bureau, located at 2704 North Garey Avenue, Pomona, Ca 91767, phone number (909)451-2858. The three (3) hours are submitted by Deputy Newlands regardless of when in the week or the month the additional (3) hours of work per week is completed by him as a K-9 Deputy.

In effect, the K-9 pay for Deputy Newlands is not simply pay for additional hours worked (as there is no designation of hours on a particular day), but it is additional compensation for the inconvenience and extra work entailed in the care and maintenance of Deputy Newlands' canine assigned to him by the Sheriff's Department. Although the Sheriff's Department may have itemized the K-9 Deputy pay that is received automatically as normal overtime credit, the compensation is in fact additional pay for hours regularly worked, and is therefore not overtime.

In addition, Deputies who are K-9 deputies in this class of positions may also receive "true" overtime for additional hours worked when on assignments outside their regularly scheduled working hours.

Deputy Newlands' supervisor at the Sheriff's Department will confirm the work schedule of Deputy Newlands as a Metro Link K-9 Deputy, and in particular, the point that Deputy Newlands is a Deputy assigned to this class of positions as a K-9 Deputy that are required to undertake the care and maintenance of their canines and, in so doing, receive the three (3) hours of overtime per week (totaling 12 hours a month).

Deputy Newlands, as a K-9 Deputy at the Metro Link Bureau, regularly worked this assignment, as that assignment is defined as working to care and maintain his canine.

The time for which Deputy Newlands is compensated to care for the canine is an identical amount each week and he is regarded as having spent the same number of additional hours over and above the normal duty work week to care for the animal.

In essence, the K-9 pay received by Deputy Newlands is in return for work performed by Deputy Newlands during the average number of days ordinarily worked by him as a Metro Link K-9 Deputy with the Sheriff's Department. These hours are hours worked within the normal scheduled or regular working hours of Deputy Newlands as a K-9 Deputy and, under Government Code §31462.1, should be determined by LACERA to be "compensation earnable" for purposes of calculating Deputy Newlands' pension.

The K-9 pay claim herein is akin to the determination made by LACERA in reference to Deputy Sheriffs in the "Statewide Unit" who received "overnight trip pay" equal to eight hours of additional compensation for performing extraditions. It is also entirely analogous to the pay of K-9 Deputies assigned to K-9 units at the Sheriff's Department's Special Enforcement Bureau, Narcotics Bureau, Arson Explosives Unit, Custody Investigative Services, Operations Safe Streets Bureau and also Mounted Enforcement Detail, all of which pay for the care and maintenance of canines and horses were determined by LACERA to be pensionable. Each employee in the Statewide Unit averaged the same number of work hours and, over the objections of Deputy Sheriffs' compensation earnable because it was work performed during the average number of days ordinarily worked by similarly situated persons. The County, to Deputy Newlands' knowledge, did not make objection to the determination that other K-9 Deputies' and Equine Deputies' pay for the care and maintenance of their canines and horses were pensionable.

In such regard, Deputy Newlands as a K-9 Deputy in this case (just as in the case of the other K-9 Deputy Sheriffs assigned at various units on the Department) constitutes a separate grade or class of positions.

Hence, the hours worked by Deputy Newlands as a K-9 Deputy (three (3) hours of additional compensation a week) should result in premium pay that is for hours worked within the normally scheduled or regular working hours provided for in the Government Code.

Based on the forgoing, this claim asserts that the Board of Retirement should determine that the K-9 pay received by Deputy Newlands as a Metro Link Deputy in his position class qualifies for inclusion in the definition of compensation earnable.

It is requested that the Board adopt a resolution specifying that K-9 Deputy pay for Deputy Newlands as a Metro Link K-9 Deputy with the Sheriff's Department qualify as compensation earnable and that LACERA implement this change both retroactively and on a prospective basis.

I declare that I have firsthand knowledge of the matters set forth herein as to receipt of K-9 pay for the care and maintenance of a Metro Link canine and I could and would testify competently to same, except where stated on information and belief, and as to those matters, that I believe them to be true.

Dated: 09-07-17



Mark S. Newlands,

CC: Ronald Hernandez, President ALADS

September 7, 2017

Shawn R. Kehoe, Chairman
Board of Retirement
Los Angeles County Employees Retirement Association
300 North Lake Avenue
Pasadena, California 91101-4199

RE: CLAIM AND REQUEST ON BEHALF OF DEPUTY CRAIG S. ROBERTS TO INCLUDE METRO LINK K9-PAY AS PENSIONABLE INCOME [CRAIG S. ROBERTS, EMPLOYEE NUMBER

Dear Chairman Kehoe:

This will serve as a claim on behalf of Deputy Craig S. Roberts, assigned to the Sheriff's Department's Metro Link Bureau as a canine handler, that LACERA treat the additional compensation covering time worked by Deputy Roberts as a K-9 handler to care for his dog as pensionable income.

As a Metro Link K-9 Deputy with the Sheriff's Department, Deputy Roberts is responsible for the care and maintenance of his assigned canine. As of July 17, 2006 Deputy Roberts has been assigned to a position class or grade wherein he automatically receives an allowance equal to three (3) hours of compensation per week (12 hours per month) in addition to his regular compensation for the care and maintenance of his K-9. There are other K-9 deputies who are members of this grade or class of positions at any given time that are similarly situated.

As of October 15, 2006, the Metro Link K-9 handlers so assigned had included in their regular forty (40) hour work week three (3) hours of time to care for their K-9 dogs. However, since October 15, 2006, Deputy Roberts (and others) have worked a forty (40) hour regular work week (instead of thirty-seven (37) hours), where he has been compensated three (3) additional hours of overtime each week for the maintenance of his K-9 dog.

Deputy Roberts believes that the three (3) hours of compensation automatically received by him as a K-9 Deputy for extra time worked to care for his canine should be treated as pensionable by LACERA. The three (3) hours per week provided to Deputy Roberts as a K-9 Deputy is overtime that is regularly scheduled and received by all members of the grade or class.

By this claim, Deputy Roberts declares that as a Metro Link K-9 handler, he is verifying that, on his behalf, the Sheriff's Department automatically submits a request for three (3) additional hours of compensation a week for the care, maintenance and grooming of his dog. As such, Deputy Roberts is directed by his supervisors to prepare a request for three (3) additional hours of compensation a week at the Metro Link Bureau, located at 2704 North Garey Avenue, Pomona, California 91767, phone number (909)451-2858. The three (3) hours are submitted by Deputy Roberts regardless of when in the week or the month the additional (3) hours of work per week is completed by him as a K-9 Deputy.

Shawn R. Kehoe, Chairman

January 3, 2017

Page 2

In effect, the K-9 pay for Deputy Roberts is not simply pay for additional hours worked (as there is no designation of hours on a particular day), but it is additional compensation for the inconvenience and extra work entailed in the care and maintenance of Deputy Roberts' canine assigned to him by the Sheriff's Department. Although the Sheriff's Department may have itemized the K-9 Deputy pay that is received automatically as normal overtime credit, the compensation is in fact additional pay for hours regularly worked, and is therefore not overtime.

In addition, Deputies who are K-9 deputies in this class of positions may also receive "true" overtime for additional hours worked when on assignments outside their regularly scheduled working hours.

Deputy Roberts' supervisor at the Sheriff's Department will confirm the work schedule of Deputy Roberts as a Metro Link K-9 Deputy, and in particular, the point that Deputy Roberts is a Deputy assigned to this class of positions as a K-9 Deputy that are required to undertake the care and maintenance of their canines and, in so doing, receive the three (3) hours of overtime per week (totaling 12 hours a month).

Deputy Roberts, as a K-9 Deputy at the Metro Link Bureau, regularly worked this assignment, as that assignment is defined as working to care and maintain his canine.

The time for which Deputy Roberts is compensated to care for the canine is an identical amount each week and he is regarded as having spent the same number of additional hours over and above the normal duty work week to care for the animal.

In essence, the K-9 pay received by Deputy Roberts is in return for work performed by Deputy Roberts during the average number of days ordinarily worked by him as a Metro Link K-9 Deputy with the Sheriff's Department. These hours are hours worked within the normal scheduled or regular working hours of Deputy Roberts as a K-9 Deputy and, under Government Code §31462.1, should be determined by LACERA to be "compensation earnable" for purposes of calculating Deputy Roberts' pension.

The K-9 pay claim herein is akin to the determination made by LACERA in reference to Deputy Sheriffs in the "Statewide Unit" who received "overnight trip pay" equal to eight hours of additional compensation for performing extraditions. It is also entirely analogous to the pay of K-9 Deputies assigned to K-9 units at the Sheriff's Department's Special Enforcement Bureau, Narcotics Bureau, Arson Explosives Unit, Custody Investigative Services, Operations Safe Streets Bureau and also Mounted Enforcement Detail, all of which pay for the care and maintenance of canines and horses were determined by LACERA to be pensionable. Each employee in the Statewide Unit averaged the same number of work hours and, over the objections of Deputy Sheriffs' compensation earnable because it was work performed during the average number of days ordinarily worked by similarly situated persons. The County, to Deputy Roberts' knowledge, did not make objection to the determination that other K-9 Deputies' and Equine Deputies' pay for the care and maintenance of their canines and horses were pensionable.

In such regard, Deputy Roberts as a K-9 Deputy in this case (just as in the case of the other K-9 Deputy Sheriffs assigned at various units on the Department) constitutes a separate grade or class of positions. Hence, the hours worked by Deputy Roberts as a K-9 Deputy (three (3) hours of additional compensation a week) should result in premium pay that is for hours worked within the normally scheduled or regular working hours provided for in the Government Code.

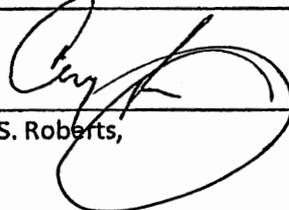
Shawn R. Kehoe, Chairman
January 3, 2017
Page 3

Based on the forgoing, this claim asserts that the Board of Retirement should determine that the K-9 pay received by Deputy Roberts as a Metro Link Deputy in his position class qualifies for inclusion in the definition of compensation earnable.

It is requested that the Board adopt a resolution specifying that K-9 Deputy pay for Deputy Roberts as a Metro Link K-9 Deputy with the Sheriff's Department qualify as compensation earnable and that LACERA implement this change both retroactively and on a prospective basis.

I declare that I have firsthand knowledge of the matters set forth herein as to receipt of K-9 pay for the care and maintenance of a Metro Link canine and I could and would testify competently to same, except where stated on information and belief, and as to those matters, that I believe them to be true.

Dated: 9/7/17



Craig S. Roberts,

CC: Ronald Hernandez, President ALADS

**COUNTY OF LOS ANGELES
SHERIFF'S DEPARTMENT
TRANSIT POLICING DIVISION UNIT ORDER**

UNIT ORDER # 16-1	ISSUED DATE: March 11, 2016
SUBJECT: TRANSIT POLICING DIVISION CANINE UNIT	REVISION DATE:
UNIT COMMANDER CENTRAL OPERATION BUREAU: SERGIO A. MANCILLA, CAPTAIN	

PURPOSE:

The purpose of this order shall be to establish guidelines and procedures for Explosive Detection K9 Teams assigned to the Transit Policing Division.

SCOPE OF ORDER:

The Division shall maintain a highly skilled complement of deputy and detection canine teams. The primary task of the teams is to identify or eliminate items; backpacks, suitcases, bags, etc, as a potential explosive device. The secondary task is to provide a visible deterrent on the MetroRail and MetroLink systems.

ORDER:

General Duties

The unit shall conduct the following general duties on a routine basis:

- Participate in explosive detection item searches and protective sweeps throughout the Metro system.
- Participate in explosive detection K9 training.
- Participate in special events as directed.
- Participate in other activities as directed by the Canine Unit Supervisor.

Canine Unit Supervisor

The Transit Policing Division Chief shall designate a sergeant assigned as the Canine Unit Supervisor. The supervisor shall be responsible for the overall supervision of the Canine Unit, including:

- Supervision, training, and evaluation of deputies assigned as handlers.
- Oversight of the training program for new handlers and/or new canines.
- Record keeping and statistical reporting.

Acquisition of equipment, supplies, and services for the Canine Unit.
Preparation and monitoring of the Canine Unit budget.
Proper accountability of all Transportation Security Administration (TSA) Canine Explosive Training Aids (CETA).
Monitoring and evaluation of services provided by the Canine Unit.
Coordinate with the TSA Field Canine Coordinator (FCC) and Regional Training Coordinator (RTC).
Conduct annual inspections of the canine housing areas of each handler's residence.
Other duties as necessary.

Canine Unit Handlers

Deputy Canine Handlers shall be responsible for the care, training, and work performance of the canines assigned to them. These duties and responsibilities include:

Maintain a proper environment at the handler's home, department vehicle, and unit of assignment.
Conduct searches of and for potential explosive threats throughout the Metro System as requested or self-initiated.
Conduct monthly training to maintain proficiency in accordance with TSA guidelines.
Complete an annual proficiency evaluation administered by TSA.
Enter thorough training and utilization records in the TSA Database.
Properly maintain and care for all TSA CETA.
Provide for veterinary care as necessary to maintain the health of the canine.
Document all expenses and provide receipts.
Respond to after-hours calls as detailed in the on-call policy.
Be assigned a flex schedule.
Provide a diligent effort to be a visible deterrent on the Metro System.
Other duties as required by the Unit Supervisor to include training events, classes, and special events.

Any emergencies involving the handler's canine shall require notification to the Canine Unit Supervisor as soon as practical.

Supervision of Transit Policing Division Canine Handlers

The Canine Unit Supervisor shall be responsible for the supervision of the canine handlers. Whenever the Canine Unit Supervisor is not available, the area sergeant shall assume the supervisory responsibilities.

Canine Areas of Assignment

The TPD Canine Unit is one team under Central Operations Bureau providing service on both the MetroLink and MetroRail systems. This area of responsibility encompasses

all of Los Angeles County and along the commuter rail lines of Orange, Riverside, San Bernardino, Ventura and San Diego counties. Although a Canine Team has a designated call sign and a primary area of responsibility, the team will often be tasked to respond beyond that area.

Unless responding to a call for service, or directed by the Canine Unit Supervisor, all Canine Teams will remain within Los Angeles County in their primary area of responsibility until the end of their shift. MetroRail Canine Teams may not travel farther than a MetroRail Station or a major Metro Bus Terminal (Orange Line, El Monte Bus, Artesia Transit Center, etc.) until fifteen minutes prior to the end of their shift. MetroLink Canine Teams may not travel farther than a MetroLink Station within Los Angeles County until fifteen minutes prior to the end of their shift.

Travel into the other counties is only allowed when:

- Responding to a call for service, back up or assistance.
- Participating in a MetroRail/MetroLink operation (Baggage/Fare Check).
- Conducting train rides.
- Participating in scheduled canine training.
- Directed by the Canine Unit Supervisor.

Canine Team Duties

Canine Handlers are expected to attend a briefing associated with their shift and deploy to their assigned post. Handlers assigned as 690K9 will report directly to Center Street at the beginning of the shift and deploy as directed. Handlers assigned to baggage checks, matrix positions or training will report directly to the operation at the assigned time. Travel time will be allowed when an operation is a considerable distance from Union Station.

All Canine Teams are expected to attend scheduled canine training even when assigned to a noon matrix position.

Procedures for After-hours Service

After-hours service requests shall only be considered when circumstances require a response by a canine team that cannot be handled during their normal operating hours. Requests shall be made directly to the Canine Unit Supervisor, who will assign a deputy to respond in accordance with the On-Call procedures.

Canine Handler Overtime

Each canine handler shall be compensated with three hours of overtime on a weekly basis for the care and maintenance of his assigned detection canine regardless of whether he worked the entire week or not. The overtime code will be 909/812 in order to allow for the reimbursement through TSA and the timekeeper to code the time as Sheriff's Auxiliary Service.

Handlers off IOD (Injured On Duty) or kenneling a canine at a vendor will not be compensated the three hours for care and maintenance of his assigned canine.

Canine Medical Care

Deputy Canine Handlers shall establish contact with a veterinarian experienced in handling police dogs. The handler shall coordinate appointments for bi-annual physicals, vaccinations, medications and other routine care. The TSA FCC shall be notified of all veterinarian visits.

Canines in need of emergency treatment shall be transported to the closest emergency medical clinic. The handler shall make immediate notification to the Canine Unit Supervisor and TSA FCC.

Expenditure Reporting

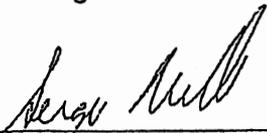
The Canine Unit Supervisor shall monitor the canine budget and expenses. If the Unit Supervisor has an assigned canine, the Unit Commander will monitor his expenses. All purchases and services shall be made utilizing the handler's county issued Cal Card credit card or purchase order agreement and shall have the prior approval of the Canine Unit Supervisor.

Unit Equipment

Specialized equipment shall be issued to each canine handler. The handler shall be responsible for properly maintaining all assigned equipment. All equipment, other than equipment intended for the handler's residence, shall be readily available to the handler while on duty or deploying his canine.

TSA CETA training aids containing actual explosive substances shall be placed within a secure explosive storage magazine, except when being actively monitored by the handler while utilizing the aids for training purposes. Training aids shall never be left unattended or loaned to other department personnel or other law enforcement agencies. Training aids will be exchanged on a yearly basis. Training aids shall be inspected monthly by the Canine Unit Supervisor, or a designee, and the TSA FCC.

Original Signed



SERGIO.A. MANCILLA
CAPTAIN



March 28, 2018

TO: Each Member
Board of Retirement

FROM: Fern M. Billiny 
Senior Staff Counsel

DATE: Meeting of April 12, 2018

SUBJECT: **COMPENSATION EARNABLE & PENSIONABLE COMPENSATION**

INTRODUCTION

Your Board is charged with determining which items of compensation qualify as pensionable earnings includable in the member's retirement allowance. The Chief Executive Office of the County of Los Angeles recently requested determination of the pensionability of several new pay items.

The Legal Office recommends exclusion of these items in the definitions of compensation earnable and pensionable compensation.*

COMPENSATION EARNABLE

In January of 1998, your Board determined that pursuant to the California Supreme Court's decision in Ventura County Deputy Sheriff's Association v. County of Ventura (1997) 16 Cal. 4th 483 ("Ventura"), certain items of remuneration must be included in the definition of "compensation earnable." Your Board then adopted Resolution 98-001 identifying those items. Since that time other Resolutions have been adopted when new items of compensation are determined to be included in or excluded from the definition of "compensation earnable." In making those determinations, your Board reviewed analysis of all items of compensation and adopted recommendations from the Legal Office regarding the definition of "compensation earnable."

* Compensation earnable applies to our legacy members subject to the County Employees Retirement Law ("CERL"), while pensionable compensation applies to our members subject to the California Public Employees' Pension Reform Act (PEPRA).

Section 31461 defines "compensation earnable." It states:

- "(a) "Compensation earnable" by a member means the average compensation as determined by the board, for the period under consideration upon the basis of the average number of days ordinarily worked by persons in the same grade or class of positions during the period, and at the same rate of pay. The computation for any absence shall be based on the compensation of the position held by the member at the beginning of the absence. Compensation, as defined in Section 31460, that has been deferred shall be deemed "compensation earnable" when earned, rather than when paid.
- (b) "Compensation earnable" does not include, in any case, the following:
 - (1) Any compensation determined by the board to have been paid to enhance a member's retirement benefit under that system. That compensation may include:
 - (A) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member, and which was converted to and received by the member in the form of a cash payment in the final average salary period.
 - (B) Any one-time or ad hoc payment made to a member, but not to all similarly situated members in the member's grade or class.
 - (C) Any payment that is made solely due to the termination of the member's employment, but is received by the member while employed, except those payments that do not exceed what is earned and payable in each 12-month period during the final average salary period regardless of when reported or paid.
 - (2) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, in an amount that exceeds that which may be earned and payable in each 12-month period during the final average salary period, regardless of when reported or paid.

- (3) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.
 - (4) Payments made at the termination of employment, except those payments that do not exceed what is earned and payable in each 12-month period during the final average salary period, regardless of when reported or paid.
- (c) The terms of subdivision (b) are intended to be consistent with and not in conflict with the holdings in *Salus v. San Diego County Employees Retirement Association* (2004) 117 Cal.App.4th 734 and *In re Retirement Cases* (2003) 110 Cal.App.4th 426."

PENSIONABLE COMPENSATION

On January 1, 2013, with the enactment of PEPRA, new members are subject to the definition of "pensionable compensation." Section 7522.34(a) states:

““Pensionable compensation” of a new member of any public retirement system means the normal monthly rate of pay or base pay of a member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules.” (Emphasis added).

This section provides that any compensation outside of base pay may not be included in final compensation when calculating a member’s retirement allowance. However, “base pay” is not defined in the statute. The section goes on to specifically delineate which items of compensation should be excluded.

Subdivision (c) states:

“(c) "Pensionable compensation" does not include the following:

- (1) Any compensation determined by the board to have been paid to increase a member's retirement benefit under that system.
- (2) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member and which was converted to and received by the member in the form of a cash payment.
- (3) Any one-time or ad hoc payments made to a member.
- (4) Severance or any other payment that is granted or awarded to a member in connection with or in anticipation of a separation from employment, but is received by the member while employed.
- (5) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, regardless of when reported or paid.
- (6) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.
- (7) Any employer-provided allowance, reimbursement, or payment, including, but not limited to, one made for housing, vehicle, or uniforms.
- (8) Compensation for overtime work, other than as defined in Section 207(k) of Title 29 of the United States Code.
- (9) Employer contributions to deferred compensation or defined contribution plans.
- (10) Any bonus paid in addition to the compensation described in subdivision (a).
- (11) Any other form of compensation a public retirement board determines is inconsistent with the requirements of subdivision (a).
- (12) Any other form of compensation a public retirement board determines should not be pensionable compensation.”

NEW ITEMS OF COMPENSATION

In December of 2017, your Board addressed new pay codes relating to the Horizon Plan necessary for Internal Revenue Service compliance. Two additional items are included in the current request. The other items relate to one-time payments for recruitment and retention of physicians. A summary of our analysis is attached for your convenience.

1. Corrective Payment

A new pay code for a one-time ad-hoc cash payment to make whole an employee where a portion of the corrective contribution cannot be made to the Savings Plan due to Internal Revenue Code contribution limits.

This payment should be excluded for legacy members as it is an ad-hoc payment made to some members but not to all similarly situated members.

This payment should also be excluded for PEPRA members since it is not found on a public pay schedule. In order for additional compensation to be included in the definition of pensionable compensation, certain criteria must be met. Section 7522.34 requires all compensation to be paid in cash pursuant to “publicly available pay schedules.” As this payment is a one-time payment, not listed on a pay schedule, it should be excluded.

Recommendation: Exclude under 31461
Exclude under 7522.34

2. Corrective Payment

A new pay code for a one time, ad-hoc cash payment to make an employee whole where elective and/or non-elective deferrals that should have been made to the Savings Plan were missed due to operational or administrative errors or failures, and a portion of the corrective contribution cannot be made to the Savings Plan due to Internal Revenue Code contribution limits. The part of the one-time, ad hoc corrective contribution that is in excess of those limits will be paid in cash.

This payment should be excluded for legacy members as it is an ad-hoc payment made to some members but not to all similarly situated members.

This payment should also be excluded for PEPRA members since it is not found on a public pay schedule. In order for additional compensation to be included in the definition of pensionable compensation, certain criteria must be met. Section 7522.34 requires all compensation to be paid in cash pursuant to “publicly available pay schedules.” As this is a one-time payment, not found on a public schedule, it must be excluded.

Recommendation: Exclude under 31461
Exclude under 7522.34

3. Physician Recruitment

A new pay code to establish several one-time recruitment incentives for Senior Physicians and Primary Care Physicians assigned to the Department of Health Services – Correctional Health Services.

These payments should be excluded for legacy members as they are ad-hoc payments made to some members but not to all similarly situated members.

These payments should also be excluded for PEPRA members as inconsistent with base pay. These one-time payments are not found on publicly available pay schedules.

Recommendation: Exclude under 31461
Exclude under 7522.34

4. Physician Loan Repayment

A new pay code to establish several one-time loan repayment programs for Senior Physicians and Primary Care Physicians assigned to the Department of Health Services – Correctional Health Services, who are still repaying student loans.

These payments should be excluded for legacy members as they are ad-hoc payments made to some members but not to all similarly situated members.

These payments should also be excluded for PEPRA members as inconsistent with base pay. These one-time payments are not found on publicly available pay schedules.

Recommendation: Exclude under 31461
Exclude under 7522.34

5. Psychiatrist Recruitment

A new pay code to establish several one-time recruitment incentives for Mental Health Psychiatrists and Supervising Mental Health Psychiatrists.

These payments should be excluded for legacy members as they are ad-hoc payments made to some members but not to all similarly situated members.

These payments should also be excluded for PEPRA members as inconsistent with base pay. These one-time payments are not found on publicly available pay schedules.

Recommendation: Exclude under 31461
Exclude under 7522.34

6. Psychiatrist Loan Repayment

A new pay code to establish several one-time recruitment incentives for Mental Health Psychiatrists and Supervising Mental Health Psychiatrists who are still repaying student loans.

These payments should be excluded for legacy members as they are ad-hoc payments made to some members but not to all similarly situated members.

These payments should also be excluded for PEPRA members as inconsistent with base pay. These one-time payments are not found on publicly available pay schedules.

Recommendation: Exclude under 31461
Exclude under 7522.34

CONCLUSION

Consistent with the foregoing, we submit the attached Resolutions of the Board of Retirement specifying pay items as "Compensation Earnable" under Government Code section 31461 and "Pensionable Compensation" under Government Code section 7522.34.

Each Member
Board of Retirement
March 28, 2018
Page Eight

IT IS THEREFORE RECOMMENDED your Board:

1. Adopt attached resolutions, No. 2018-BR002 and No. 2018-BR003, specifying pay items as "compensation earnable" and "pensionable compensation."
2. Instruct staff to coordinate with the County of Los Angeles to establish necessary reporting mechanism and procedures to permit LACERA to include the qualifying items in the calculation of final compensation.

Reviewed and Approved



Steven P. Rice
Chief Counsel

FMB/et
Attachments

Billingsy/BOR/Comp Earn Pen Comp April 2018

BEFORE THE BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

RESOLUTION OF THE BOARD OF
RETIREMENT SPECIFYING ITEMS
OF REMUNERATION AS
“COMPENSATION EARNABLE”

RESOLUTION NO. 2018-BR002

WHEREAS, LACERA calculates retirement allowances based on a member’s “final compensation;” and

WHEREAS, LACERA is required to include in the calculation of “final compensation” a member’s base pay, and certain other items of remuneration, if such remuneration qualifies as “compensation” under Government Code section 31460 and “compensation earnable” under Government Code section 31461; and

WHEREAS, on March 4, 1998, the Board of Retirement adopted Resolution No. 98-004 specifying certain items of remuneration payable to employees of the County of Los Angeles which the Board determined qualify as “compensation” under Government Code section 31460 and “compensation earnable” under section 31461; and

WHEREAS, the Court’s ruling in Ventura County Deputy Sheriff’s Association v. County of Ventura (1997) 16 Cal. 4th 483 became final on October 1, 1997, and requires LACERA to include in the calculation of retirement allowances various forms of remuneration not formerly included; and

WHEREAS, the Board of Retirement adopted various Resolutions specifying additional items of remuneration qualify as “compensation” and “compensation earnable” under Government Code sections 31460 and 31461, respectively;

NOW THEREFORE, BE IT RESOLVED, AS FOLLOWS:

1. The items of remuneration set forth in Attachment 1 do not qualify as “compensation earnable” as defined in Government Code section 31461, for purposes of calculating a member’s retirement allowance.

BOARD OF RETIREMENT,
LOS ANGELESCOUNTY EMPLOYEES
RETIREMENT ASSOCIATION

Vivian H. Gray
Chair, Board of Retirement

Approved as to Form:

ATTEST:

Steven P. Rice
Chief Counsel

Herman Santos
Vice Chair, Board of Retirement

ITEMS OF COUNTY REMUNERATION WHICH DO NOT QUALIFY AS
"COMPENSATION," AS DEFINED BY GOVERNMENT CODE SECTION 31460,
AND/OR "COMPENSATION EARNABLE," AS DEFINED BY GOVERNMENT CODE
SECTION 31461.

<u>EARNINGS</u> <u>CODE NO.</u>	<u>ITEMS</u>
036	ESP SEVERANCE
075	UNION HALL HIRING VACATION/HOLIDAY BENEFIT
076	FAMILY LEAVE
090	ENHANCED VOLUNTARY TIME OFF LESS THAN 60 DAYS
091	ENHANCED VOLUNTARY TIME OFF GREATER THAN 60 DAYS
094	VACATION IN LIEU OF PAY
095	ENHANCED VOLUNTARY TIME OFF-SUPERIOR COURT
128	MILEAGE EARNINGS
129	PARKING
130	SHORT TERM DISABILITY – 60%
131	SHORT-TERM DISABILITY – 40%
140	SHORT TERM DISABILITY – 60% RDO
141	SHORT TERM DISABILITY – 40% RDO
151	INDUSTRIAL ACCIDENT – 100%
152	INDUSTRIAL ACCIDENT – 100% RDO
153	INDUSTRIAL ACCIDENT – 70%

154 INDUSTRIAL ACCIDENT – 70% RDO

158 LIMITED DUTY INDUSTRIAL ACCIDENT – 100%

159 LIMITED DUTY INDUSTRIAL ACCIDENTS – 70%

388 PSYCHIATRY JAIL BONUS

500 RELOCATE NON TAXABLE

502 RELOCATION ALLOWANCE

521 IRS PENALTY REIMBURSEMENT

524 ON-CALL FOR COURT APPEARANCE

527 RELIEF DAM OPERATOR, ON CALL

543 CALL BACK EXTRA COMPENSATION

559 MISCELLANEOUS LUMP SUM INCLUDED IN REG. OT

560 RECRUITMENT INCENTIVE PROGRAM

561 HOURS PAID BUT NOT WORKED, CALL-BACK

562 MENTAL HEALTH ALERT & PSYCH MOB RESP TEAM
STANDBY

563 RELIEF DAM OPERATIONS STAND-BY

564 TUITION REIMBURSEMENT

566 QUALIFIED FOR HAZARDOUS MATERIALS OVERTIME
CALC.

568 ASSESSMENT APPEALS FULL DAY INCREMENT (HOURLY
ITEM)

569 PHYSICIANS LOAN REPAYMENT PROGRAM

574 STANDBY – INS WITNESS PROGRAM

650 PRESIDING JUDGE 4% BONUS

651 MEAL REIMBURSEMENT – RESIDENTS

652 MEAL REIMBURSEMENT – PLANT ENGINEERS

690 CELLULAR PHONE STIPEND – VOICEMAIL

691 CELLULAR PHONE STIPEND – DATA ONLY

692 CELLULAR PHONE STIPEND – VOICE AND DATA

699W FLEXIBLE WORK TIME EARNED

701 PAID OVERTIME

702 PAID OVERTIME – ACCRUE FLSA PREMIUM

703 FLSA COMP TIME EARNED-ACCRUE FLSA PREMIUM

705 COMPENSATORY TIME EARNED

707 FY93 COMPENSATORY TIME EARNED

708 FY93 FLSA COMP TIME EARNED – ACCRUE FLSA PREMIUM

709 FY93 FLSA COMP TIME EARNED OVRD – ACCRUE FLSA
PREMIUM

710 DISASTER RELATED PAID OVERTIME

711 DISASTER COMP TIME EARNED (ACCRUED)

712 CONTRACT RELATED PAID OVERTIME

713 ER PHYSICIAN OVERTIME – DAY RATE

714 ER PHYSICIAN OVERTIME – WKDY EVE/WKND HOL DAY

715 ER PHYSICIAN OVERTIME – WKDY NITE/WKND HOL EVE
NITE

716 GUARANTEED PREMIUM

717 PAID OVERTIME – GUARANTEED ACCRUED FLSA
PREMIUM

718 FLSA COMP TIME EARNED – GUARANTEED ACCRUED
FLSA PREM

719 FLSA COMP TIME EARNED – GUARANTEED PAID PREMIUM

720 SPECIAL EVENTS OVERTIME

731 PREMIUM OVERTIME – SYSTEM

733 PREMIUM OVERTIME – MANUAL

735 FY93 ACCRUED FLSA PREMIUM OVERTIME (SYSTEM)

736 FY93 ACCRUED FLSA PREMIUM OVERTIME (MANUAL)

746 CALL BACK ACTUAL

747 CALL BACK GUARANTEED

761 STRAIGHT TIME AND ONE-HALF

775 SECONDARY OVERTIME

776 ALTERNATE OVERTIME

777 SECONDARY ASSIGNMENT OVERTIME

778 OVERTIME – FIRE DEPT. 56 HOUR

779 SECONDARY OVERTIME – FIRE DEPT. 56 HOUR

780 WORKDOWN OVERTIME – FIRE DEPT.

781 OVERTIME – FIRE DEPT. 40 HOUR

782 PLATOON/40/HOUR/DISPATCHER SCHED PREMIUM –
SYSTEM

783 DISPATCHER BRIEFING TIME

784 40 HOUR CAMP-GUARANTEED PREMIUM

791 ORDERED OVERTIME

792 UNCOMPENSATED BRIEFING TIME

793 COMPENSATED BRIEFING TIME – SYSTEM

794 COMPENSATED BRIEFING TIME – MANUAL

795 FY93 ORDERED FLSA COMP TIME EARN – ACCR FLSA
PREM

796 ORDERED FLSA COMP TIME EARN-ACCR FLSA PREM

799 FLEX REG HOURS BETWEEN 181 AND 192 FOR 40HR FIRE
FIGHTERS

901 COMPENSATORY TIME BUYBACK

902 PROTECTED COMPENSATORY TIME BUYBACK

904 ELECTIVE-LEAVE BUYBACK

905 FLSA COMP TIME BUYBACK – PREMIUM

906 FLSA COMP TIME BUYBACK – STRAIGHT

907 FY93 COMPENSATORY TIME BUYBACK

908 FY93 FLSA COMP TIME BUYBACK – PREMIUM

909 FY93 FLSA COMP TIME BUYBACK – STRAIGHT

916 VACATION IN LIEU OF PAY – BUYBACK

917 DISASTER COMP TIME BUYBACK

918 FY93-56 HOUR COMP TIME BUYBACK – FIRE DEPT.

919 ACCRUED PREMIUM BUYBACK – SYSTEM

920 FY93 FLSA COMP TIME BUYBACK – PREMIUM (MANUAL)

951 ESP VACATION PAYOUT

952 FINAL PAY LEAVE PAYOUT (SICK, HOLIDAY, OT)

953 ESP LEAVE PAYOUT

954 VACATION PAYOUT

955 VACATION IN LIEU OF PAY – PAYOUT

957 56-HOUR LEAVE PAYOUT

958 56-HOUR TC VACATION

961 ESP DEFERRED VACATION PAYOUT

962 DEFERRED LEAVE PAYOUT

963 ESP DEFERRED LEAVE PAYOUT

964 DEFERRED VACATION PAYOUT

967 56-HOUR DEFERRED LEAVE PAYOUT

968 56-HOUR DEFERRED VACATION PAYOUT

970 FLSA PREMIUM COMPENSATORY TIME – PAYOUT

971 FY93 COMP TIME PAYOUT (EXCLUDING PREMIUMS)

PA099 ROUNDING ADJUSTMENT

PE803 EXCESS STRAIGHT – FLSA COMP TIME TAKEN

PE804 EXCESS PREMIUM – FLSA COMP TIME TAKEN

PE806 EXCESS STRAIGHT – FY93 FLSA COMP TIME TAKEN

PE807 EXCESS PREMIUM – FY93 FLSA COMP TIME TAKEN

PE813 CAPE – EXCESS STRAIGHT – FY93 FLSA COMP TIME TAKEN

PE814 CAPE - EXCESS PREMIUM – FY93 FLSA COMP TIME TAKEN

PFA36 FLEX EARNINGS ADVANCE

PK094 VACATION IN LIEU OF PAY

PK096 SUPERIOR COURT VACATION IN LIEU OF PAY

PK801 COMPENSATORY TIME TAKEN

PK802 PROTECTED COMPENSATORY TIME TAKEN

PK803 FLSA COMP TIME TAKEN – STRAIGHT

PK804 FLSA COMP TIME TAKEN – PREMIUM

PK805 FY93 COMPENSATORY TIME TAKEN

PK806 FY93 FLSA COMP TIME TAKEN – STRAIGHT

PK807 FY93 FLSA COMP TIME TAKEN – PREMIUM

PK808 DISASTER COMP TIME TAKEN

PK810 CALL BACK ACCRUE – STRAIGHT TAKEN

PK811 CALL BACK GUARANTEED CTO – BUY BACK

PK812 DFR 1 YR - NON-FLSA COMPENSATORY STRT TIME –
USAGE

PK813 CAPE-FY93 FLSA COMP TIME TAKEN – STRAIGHT

PK814 CAPE-FY93 FLSA COMP TIME TAKEN – PREMIUM

PK815 DFR 1 YR – FLSA COMPENSATORY STRT TIME – USAGE

PK816 DFR 2 YRS – FLSA COMPENSATORY STRT TIME – USAGE

PK818 DFR 1 YR – FLSA PREMIUM OVERTIME USAGE

PK819 DFR 2 YR – FLSA PREMIUM OVERTIME USAGE

PK821 DFR 1 YR – CALL BACK - STRAIGHT USAGE

PO002 ELECTIVE LEAVE TERM PAY OFFSET

PO699 FLEXIBLE WORK SCHEDULE

PO703 STRAIGHT PAY OFFSET-FLSA COMP TIME EARNED –
ACCRUE

PO705	STRAIGHT PAY OFFSET – COMPENSATORY TIME EARNED
PO711	STRAIGHT PAY OFFSET – DISASTER COMP TIME EARNED ACC
PO796	STRAIGHT PAY OFFSET-ORDERD FLSA COMP TM EARN – ACCR
PT002	ELECTIVE LEAVE
PT003	NON-ELECTIVE LEAVE
PT006	DONATED SICK 100% LEAVE – USAGE
PT008	SICK LEAVE EARNED AT MTA/ATTORNEY
PT011	SICK – 100%
PT012	HOLIDAY
PT021	VACATION
PT030	SPECIAL PAID LEAVE
PT031	APPRAISERS LEAVE
PT032	INTERN/RESIDENT LEAVE
PT046	JUDICIAL ASSISTANT SPECIAL PAID LEAVE
PT081	BANK HOLIDAY
PT082	BANK VACATION
PT094	VACATION IN LIEU OF PAY
PT096	SUPERIOR COURT VACATION IN LIEU OF PAY
PT099	REGULAR EARNINGS – MID PAY PERIOD TERMINATION
PT113	SICK PRE-71
PT699	FLEXIBLE WORK TIME EARNED

PT801 COMPENSATORY TIME TAKEN

PT802 PROTECTED COMPENSATORY TIME TAKEN

PT803 FLSA COMP TIME TAKEN – STRAIGHT

PT804 FLSA COMP TIME TAKEN – PREMIUM

PT805 FY93 COMPENSATORY TIME TAKEN

PT806 FY93 FLSA COMP TIME TAKEN – STRAIGHT

PT807 FY93 FLSA COMP TIME TAKEN – PREMIUM

PT808 DISASTER COMP TIME TAKEN

PT810 CALL BACK ACCRUE - STRAIGHT TAKEN

PT811 CALL BACK GUARANTEED CTO – TERMINATION

PT812 DFR 1 YR – NON-FLSA COMPENSATORY STRT TIME –
USAGE

PT813 CAPE – FY93 FLSA COMP TIME TAKEN – STRAIGHT

PT814 CAPE – FY93 FLSA COMP TIME TAKEN – PREMIUM

PT815 DFR 1 YR – FLSA COMPENSATORY STRT TIME – USAGE

PT816 DFR 2 YRS – FLSA COMPENSATORY STRT TIME – USAGE

PT817 YTD – FLSA PREMIUM OVERTIME USAGE

PT818 DFR 1 YR – FLSA PREMIUM OVERTIME USAGE

PT819 DFR 2 YR – FLSA PREMIUM OVERTIME USAGE

PT820 YTD – CALL BACK – STRAIGHT USAGE

PT821 DFR 1 YR – CALL BACK – STRAIGHT USAGE

PTNHT HOLD CURRENT ACCRL – NON-ELECTIVE LVE –
TERMINATION US

PTVAT	SUPERIOR COURT, RESERVE VACATION – TERMINATION USAG
PTVPT	SUPERIOR CT, PRIOR YR RSRV VACATION – TERMINATION US
NONE	MEGAFLEX INDUSTRIAL ACCIDENT
NONE	COUNTY CAR (IMPUTED INC)
NONE	IMPUTED INCOME (DOMESTIC PARTNER)
NONE	IMPUTED INC (LIFE INSURANCE)
NONE	SECTION 170 OVERTIME
NONE	EARNED SALARY ADVANCE
NONE	VACATION PAY ADVANCE
NONE	56 HOUR OVERTIME
NONE	ADJUSTMENT NON-TAX
NONE	RETRO PAY
NONE	EARNED INCOME CREDIT
NONE	UNDERPAYMENT ADVANCE
NONE	O/S SICK PAY
NONE	RETRO ADVANCE
NONE	T/A MILEAGE
NONE	ADVANCED DISABILITY RETIREMENT
NONE	STD REFUND
NONE	LTD REFUND
NONE	LTDH REFUND

NONE	SIB REFUND
NONE	56 VILOP PAY
NONE	VOLUNTARY DEFERRED PAY
NONE	RETRO FLEX BASE
NONE	NR DEFERRED PAY
NONE	F.MF DEFERRED PAY
NONE	DEF LUMP SUM
NONE	DEFERRED PAY
NONE	VOLUNTARY SEPARATION PLAN
NONE	STOP PAYMENT
NONE	FIRE SUPPRESSION CAMP ASSIGNMENT – PREMIUM
NONE	FIRE SUPPRESSION CAMP ASSIGNMENT – COMPENSATORY TIME EARNED
OP100	CORRECTIVE PAYMENT, REINSTATED EMPLOYEE – HORIZONS PLAN
OP101	CORRECTIVE PAYMENT, ADMINISTRATIVE ERROR – HORIZONS PLAN
OP102	CORRECTIVE PAYMENT, REINSTATED EMPLOYEE – SAVINGS PLAN
OP103	CORRECTIVE PAYMENT, ADMINISTRATIVE ERROR – SAVINGS PLAN

BEFORE THE BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

RESOLUTION OF THE BOARD OF
RETIREMENT SPECIFYING ITEMS OF
REMUNERATION AS "PENSIONABLE
COMPENSATION"

RESOLUTION NO. 2018-BR003

WHEREAS, Government Code section 7522.34 governs the determination of pensionable compensation for those members who became active members for the first time on or after January 1, 2013, who are subject to the California Public Employees' Pension Reform Act of 2013; and

WHEREAS, LACERA calculates retirement allowances based on a member's final compensation; and

WHEREAS, LACERA is required to include in the calculation of "final compensation," a member's base pay and certain other items of compensation, if such compensation qualifies as "pensionable compensation" under Government Code section 7522.34; and

WHEREAS, Government Code section 7522.34 defines "pensionable compensation" as:

" . . .the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules"; and

WHEREAS, the Board has analyzed each current pay item and determined whether or not those items should be included in "pensionable compensation"; and

WHEREAS, the Board may find it necessary from time to time to amend its determinations based on changes made by employers, the Legislature, or the Courts;

NOW THEREFORE, BE IT RESOLVED, AS FOLLOWS:

1. For purposes of calculating a member's retirement allowance, earnings on or after January 1, 2013, for members subject to Government Code section 7522.32, as set forth in Attachment No. 1 do not qualify as "pensionable compensation" as defined in section 7522.34.

BOARD OF RETIREMENT,
LOS ANGELES COUNTY EMPLOYEES
RETIREMENT ASSOCIATION

Vivian H. Gray
Chair, Board of Retirement

Approved as to Form

ATTEST:

Steven P. Rice
Chief Counsel

Herman Santos
Vice Chair, Board of Retirement

ITEMS OF REMUNERATION EARNED ON OR AFTER JANUARY 1, 2013, FOR MEMBERS SUBJECT TO GOVERNMENT CODE SECTION 7522.32, WHICH DO NOT QUALIFY AS "PENSIONABLE COMPENSATION" AS DEFINED IN SECTION 7522.34.

<u>EARNINGS</u> <u>CODE NO.</u>	<u>ITEMS</u>
200	76-INCH MOWER BONUS
201	ACTING DEPARTMENT HEAD
202	ACTING MEDICAL DIRECTOR
203	ADDITIONAL RESPONSIBILITIES
204	AMERICAN MEDICAL ASSOCIATION BOARD CERT 8.25%
205	AMERICAN MEDICAL ASSOCIATION BOARD CERT 5.50%
209	MANPOWER SHORTAGE RANGE
210	MEDICAL DIRECTOR'S BONUS - 2.75
211	MEDICAL DIRECTOR'S BONUS - 5.50%
212	MEDICAL DIRECTOR'S BONUS - 8.25%
214	OUT OF CLASS BONUS
215	POST BONUS _ ADVANCE/EXECUTIVE
217	POST BONUS - INTERMEDIATE
219	SUPERIOR SUBORDINATE PAY
220	WATCHMAN - CUSTODIAN
221	WELFARE RECIPIENT SUPERVISOR
222	OUT OF CLASS BONUS SCHEDULE/LEVEL/PERCENT

- 223 TEMPORARY CLERICAL & OFFICE SERVICES EMPLOYEES
- 224 PBP NON-BASE MERIT SALARY ADJUSTMENT
- 225 EXECUTIVE SECRETARY ADDED SALARY SCHEDULES
- 227 PBP TO SCHEDULE SALARY ADJUSTMENT
- 228 ADDITIONAL RESPONSIBILITIES – REPRESENTED
- 229 TEMPORARY SPECIAL MAP ACHIEVEMENT – FLAT
- 230 TEMPORARY SPECIAL MAP ACHIEVEMENT – PERCENT
- 231 TEMPORARY ASSIGNMENT MAP EMPLOYEE – FLAT
- 240 AGRICULTURAL INSPECTOR BONUS
- 243 CAREER DEVELOPMENT INTERN BONUS
- 248 REGIONAL PLANNING AICP CERTIFICATION BONUS
- 249 AGRICULTURE INSPECTORS AID ROVER BONUS
- 250 ACCOUNTING CERTIFICATE
- 252 6TH AND 7TH STEP FINANCIAL SPECIALIST
- 256 ANIMAL CONTROL MGR-BOARD LIAISON BONUS
- 257 HALF STEP-01
- 258 HALF STEP-02
- 263 AUDITOR-CONTROLLER MERIT - ONE SCHEDULE
- 264 AUDITOR-CONTROLLER MERIT - TWO SCHEDULES
- 265 AUDITOR-CONTROLLER MERIT - THREE SCHEDULES
- 266 AUDITOR-CONTROLLER MERIT - FOUR SCHEDULES
- 267 AUDITOR-CONTROLLER MERIT - FIVE SCHEDULES
- 268 AUDITOR-CONTROLLER MERIT - SIX SCHEDULES
- 270 BOARD OF SUPERVISOR SPECIAL ASSIGNMENT

271 ASSESSMENT APPEALS BOARD ASSIGNMENT
272 HEAD BOARD SPECIALIST ADDITIONAL STEPS
273 MAPP TIER II STEP 13
274 MAPP TIER II STEP 14
275 MAPP TIER II STEP 15
276 MAPP TIER II STEP 16
277 MAPP TIER II STEP 17
278 MAPP TIER II STEP 18
281 MAPP TO SCHEDULE FLAT AMOUNT
282 MAPP TO SCHEDULE PERCENTAGE
283 PERM PHYSICIAN TRANSITION RATE – PERCENT
285 COURT CLERK - GREATER SKILLS
291 INTERGOVERNMENTAL RELATIONS
293 LEGISLATIVE REPRESENTATIVE-CAO
295 MANAGEMENT TRAINEE
300 CURATOR BONUS
310 LEGISLATIVE ADVOCATE - COUNTY COUNSEL
320 ACCOUNTING CERTIFICATE - DA
321 DISTRICT ATTORNEY - OUT OF CLASS BONUS
322 RECLASSIFIED INVESTIGATOR
323 ANTELOPE VALLEY ASSIGN. 30 MILES FROM RESIDENCE
332 JOURNEY EMPLOYEES BONUS
334 CUSTODY ASSISTANT ACADEMY DRILL INSTRUCTOR
338 ELEVATOR ADJUSTOR

340 A OR B MOTOR VEHICLE LICENSE BONUS
347 WELLNESS/FITNESS FOR LIFE BONUS – 1%
348 WELLNESS/FITNESS FOR LIFE BONUS – 2%
349 WELLNESS/FITNESS FOR LIFE BONUS
356 FIRE SAFETY PERSONNEL BONUS
357 HELICOPTER INSPECTION LICENSE
358 TEMPORARY PROMOTION BONUS
361 TEMPORARY PROMOTION BONUS - NON SCHEDULE
367 MEDICAL STAFF CREDENTIALING ASSIGNMENT BONUS
368 RN ASSIGNED TO SHERIFFS DEPT
369 RN ADVANCED EDUCATIONAL DEGREE BONUS
370 CLINIC NURSE - STAND BY
371 CLINICAL INSTRUCTOR - GENERAL
372 CLINICAL INSTRUCTOR - LAC+USC MEDICAL CENTER
373 EMERG MEDICINE - BOARD CERTIFICATION
374 EMERG MEDICINE - BOARD CERT
375 EMERG MEDICINE - BOARD CERTIFICATION 8.25%
376 HIGH DESERT HOSPITAL - PHYSICIAN BONUS
377 JOURNEY EMPLOYEES BONUS
379 SUPERVISING NURSE - ICU
380 SUPVG RAD TECHN - DIAGNOSTIC ULTRASOUND
381 DENTAL PROFESSIONALS BOARD CERTIFICATION BONUS
383 VETERINARY MEDICINE- BOARD CERTIFICATION
384 HIGH DESERT HEALTH ASSIGNMENT BONUS

- 385 PSYCHIATRY SPECIALTY BONUS
- 386 PHYSICIAN SPECIALTY BONUS
- 387 PHARMACIST SPECIALTY ASSIGNMENTS
- 388 SHERIFF DETENTION FACILITY ASSIGNMENT BONUS
- 389 MENTAL HEALTH PSYCHIATRIST BOARD CERTIFICATION – MORE THAN ONE SPECIALTY
- 392 LIBRARIAN BONUS
- 395 PHYSICIAN SPECIALTY BONUS - 5.75%
- 396 PHYSICIAN ADDITIONAL COMPENSATION
- 397 PHYSICIAN FORENSIC PATHOLOGY BONUS
- 398 HOSPITAL ADMINISTRATOR - ADDITIONAL COMPENSATION
- 400 DEPUTY COURT ADMINISTRATOR - OPINION/ADVISOR
- 401 DEPUTY MARSHALL - LEVEL I BONUS
- 402 DEPUTY MARSHALL - LEVEL II BONUS
- 403 DEPUTY MARSHALL TRAINEE
- 404 ELECTRONIC RECORDING EQUIPMENT
- 405 MARSHALL SUPERVISING BONUS
- 406 DEPUTY MARSHAL SPECIAL TRAINING - 6TH STEP
- 407 SKILL & RESPONSIBILITY BONUS
- 408 DEPUTY CLERK III OUT OF CLASS BONUS
- 409 STENOGRAPHIC SKILLS
- 410 SUPERVISING DEPUTY CLERK
- 411 ADVISOR-COURT ADMINISTRATOR AND JUDGES
- 412 NIGHT SHIFT AND WEEKEND BONUS

413 DEPUTY CLERK IV - GREATER SKILLS
414 RECORDING EQUIPMENT-DEPUTY CLERK IV M.C.
430 ASST. DIRECTOR - PUBLIC SOCIAL SERVICES
432 DEPUTY DISTRICT DIRECTOR TRAINEE
441 CATALINA ISLAND LIVING - SHERIFF
450 SHERIFF OUT OF CLASS BONUS
453 SERGEANT-AT-ARMS BOARD OF SUPERVISOR
456 TRAINING OFFC/INVESTIGATOR/K-9 BONUS
458 ACTING CAPACITY BONUS
461 SHERIFF BUSINESS MACHINE TECHNICIAN
464 STATE OF CALIF STRUCTURAL ENGINEER LICENSE BONUS
465 REHABILITATION INSPECTOR-PUBLIC WORKS
468 LICENSED LAND SURVEYOR BONUS
469 LICENSED REGISTERED TRAFFIC ENGINEER BONUS
470 BUSINESS LICENSE LIAISON
475 CERTIFICATION BONUS - LACERA
480 SUPERIOR COURT CLERK BONUS
481 COURT REPORTERS REALTIME CERTIFICATION
482 JUDICIAL ASSISTANT BONUS
483 REALTIME WRITING BONUS
485 SUP CRT EXEC OFFICER ADDITIONAL COMPENSATION
493 SENIOR PROBATION DIRECTOR-CENTRAL JUVENILE HALL
494 SENIOR PROB DIR-LOS PADRINOS/SAN FERNANDO JUV
HALL

495 PROBATION DIRECTOR-ADMIN RESP./FOOTHILL JUV AREA
498 PROBATION DIRECTOR-CHALLENGER YOUTH CENTER
501 BOARD OF RETIREMENT CASE REVIEW
503 UNIFORM ALLOWANCE
504 NIGHT SHIFT DIFFERENTIAL
505 CORONER'S INQUEST REPORTER
506 ALLOWANCE IN LIEU OF VEHICLE USE
507 CO-GENERATION MAINTENANCE
508 HENNINGER FLATS WATCHMAN
509 FREEZER WORK
510 DEPARTMENT HEAD MERIT
511 BOARD OF SUPERVISORS PERFORMANCE LUMP SUM
512 FIRE SUPPRESSION TRANSPORTATION TRUCK DRIVER
513 MOU LUMP SUM BONUS
514 BACKHOE OPERATOR
515 WEEKEND BONUS
516 EXPLOSIVES WORK
517 EVENING SHIFT DIFFERENTIAL
518 POWER EQUIPMENT REPAIR, SNOW CONDITIONS
519 ENGINEERING EMPLOYEES, HAZARD PAY
520 HOME CARE COMPENSATION
522 CUSTODIAN ACTING AS WATCHMAN
523 HYDROELECTRIC OPERATIONS
525 CONTRACTING & PRODUCTIVITY IMPROVE INCNTV FOR
MNGR

528 WEBCOM PRESS OPERATOR

529 POWER EQUIPMENT OPERATOR, FIRE SUPPRESSION

531 STANDBY

532 ADDITIONAL RESPONSIBILITIES AND EXCEPTIONAL PERFORMANCE

533 POWER SWEEPER OPERATOR IN EMERGENCY CONDITIONS

534 POWER PLANT RELIEF ENGINEER

535 CLINIC PHYSICIAN FIRST HOUR

536 CONSULTING SPEC, MD & MNTL HEALTH CONSLT, 1st & 5th

538 RN ASSIGNED AS ACTING OR RELIEF CHARGE NURSE

539 RN WEEKEND DIFFERENTIAL

540 RELIEF NURSE HOLIDAY DIFFERENTIAL

541 RELIEF NURSE WEEKEND DIFFERENTIAL

544 APPRAISERS LAUNDRY AND DRY CLEANING ALLOWANCE

545 HEAVY DUTY TOW TRUCK DRIVER

546 SLURRY SEAL TRUCK_DRIVER

548 LIFEGUARD PARAMEDIC - RELIEF

550 INCENTIVE AWARDS FOR MEDI-CAL REIMBRMNTS/ HEALTH SR

551 GROUP INCENTIVE AWARD, TREASURER TAX COLLECTOR

552 STANDBY - EMERGENCY ROLL OUT PROGRAM

553 PIONEER EXCAVTN, TUNNEL OPERATNS, FIRE SUPP, SNOW

554 PIONEER EXCAVTN, TUNNEL OPERATNS, FIRE SUPP, SNOW

555 SCAFFOLD OR SWING STAGE, 30 FEET ABOVE GRADE
556 HIGH SCALE AND RIGGING OPERATIONS, GENERAL
557 EVENING SHIFT, MED TECH
558 NIGHT SHIFT, MED TECH
560 PHYSICIAN RECRUITMENT PROGRAM
565 PARAMEDIC RECERTIFICATION BONUS
565A PARAMEDIC RECERTIFICATION BONUS-ELIGIBILITY INDICATOR
567 DEPUTY SHERIFF RESERVE ANNUAL COMPENSATION
568 ASSESMENT APPEALS FULL DAY INCREMENT
569 PHYSICIAN LOAN PAYMENT PROGRAM
570 HOME CARE PROGRAM STANDBY
571 CHILDREN'S SOCIAL WORKERS LICENSURE SUPERVISION
572 MOU LUMP SUM BONUS
574 STANDBY - INS WITNESS PROGRAM
575 WASTEWATER PLANT RELIEF BONUS
576 SOLO DAILY EARNINGS
577 INTERPRETER HALF DAY BONUS - SUP CT
578 ER ATTENDING PHYSICIAN - DAY RATE
579 ER ATTENDING PHY/-WKDY EVE/WKND HOLIDAY
580 ER ATTENDING PHY/-WKDY NITE/WKND HOLIDAY EVE NITE
581 SWIM PROFICIENCY BONUS
582 INTERPRETER REGULAR MULTIPLE LANGUAGE SAME DAY
583 INTERPRETER-HOURLY/DAILY MULT LANG SAME DAY

- 584 PHYSICIAN STIPENDS
- 600 REGISTERED NURSE MOBILE INTENSIVE CARE
CERTIFICATION, SUB-ITEM D
- 602 SUPERVISING TRANSPORTATN DEPTY PERFORMING
DISPATCHER DUTIES
- 603 AUTOMOTIVE SERVICE EXCELLENCE CERTIFICATE
- 604 REGISTERED NURSE MOBILE INTENSIVE CARE
CERTIFICATION
- 605 CUSTODIAN FLOOR WAXING BONUS
- 606 FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR
DUTY
- 606A FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR
DUTY - ELIGIBILITY INDICATOR
- 607 SUPERVISING DEPUTY PROBATION OFFICER (SPDO)
ASSIGNED ACTING DIRECTOR IN A CAMP
- 608 BILINGUAL BONUS
- 609 REGISTERED NURSE ASSIGNED TO EMERGENCY ROOM
- 610 ANTELOPE VALLEY FIREFIGHTING CREW
- 611 TREE TRIMMER SUPERVISOR, POWER OPERATIONS
- 612 SHOOTING BONUS, EXPERT
- 613 SHOOTING BONUS, DISTINGUISHED EXPERT
- 614 SHOOTING BONUS, MARKSMAN
- 615 SHOOTING BONUS, SHARPSHOOTER
- 616 ANTELOPE VALLEY QUARTERS, ON FIRE CALL
- 617 CLINIC NURSE ASSIGNED TO PROBATION CAMP
- 618 TRANSPORTATION BUS DRIVER, SHERIFF
- 619 CERTIFIED ACCESS SPECIALIST

- 620 SAN GABRIEL DAM OPERATOR
- 621 NURSE RETENTION INCENTIVE
- 622 ADVANCED APPRAISER CERTIFICATION
- 624 BILINGUAL ADDITIONAL BONUS, CHILDREN'S SOCIAL WORK
- 625 AGRICULTURE INSPECTORS ASSIGNED TO STANDARDIZATION
- 627 DETENTION & TRANSPORTATION EXTRA SUPERVISION BONUS
- 628 BILINGUAL BONUS FOR OTHER THAN MONTHLY
- 628A BILINGUAL BONUS FOR OTHER THAN MONTHLY-ELIGIBILITY INDICATOR
- 629 MORTUARY ATTENDANT AT LAC+USCMC
- 631 BILINGUAL BONUS-SUB D
- 632 MENTAL HEALTH WORKERS ASSIGND SHERIFF DETENTN FACL
- 633 RN ASSIGNED TO EMERGENCY ROOM SUB D
- 634 SUPERVISING DETENTION SERVICES OFFICER OF THE DAY
- 635 TRANSPORTATION DEPUTY BUS DRIVER, PROBATION
- 636 INCIDENTAL EXPENSE ALLOWANCE
- 637 PROFESSIONAL DEVELOPMENT EXPENSES
- 638 PROBATION TELECOM EQUIPMENT BONUS
- 640 CHILDRENS SERVICES ERCP RETENTION
- 641 SHOOTING BONUS, EXPERT – RESERVE
- 642 SHOOTING BONUS, DISTINGUISHED EXPERT – RESERVE
- 643 SHOOTING BONUS, MARKSMAN – RESERVE

644 SHOOTING BONUS, SHARPSHOOTER – RESERVE
645 EMERGENCY ROOM BONUS/PAT FIN SVCS WKR/PAT RES
WKR
646 EMERGENCY ROLL OUT PROGRAM & SHIFT BONUS
647 BILINGUAL ADDITIONAL BONUS, PSYCH SOCIAL WORK
648 DEFIBRILLATION AIRWAY BONUS
649 MAMMOGRAPHY BONUS
690 CELLULAR PHONE STIPEND - VOICEMAIL
691 CELLULAR PHONE STIPEND - DATA ONLY
692 CELLULAR PHONE STIPEND - VOICE AND DATA
694 CIVIC CENTER COMMUTER ALLOWANCE
695 DEPARTMENT HEAD TRANSPORTATION ALLOWANCE
696 DEPARTMENT HEAD TRAFFIC MITIGATION ALLOWANCE
700 PENSIONABLE OVERTIME
730 PREMIUM OVERTIME - SYSTEM PENSIONABLE
PF004 MEGAFLEX PENSIONABLE CONTRIBUTION
PF007 FLEX PENSIONABLE CONTRIBUTION
PF010 CHOICES PENSIONABLE CONTRIBUTION
PF013 OPTIONS PENSIONABLE CONTRIBUTION
PK003 NON-ELECTIVE LEAVE
PK011 SICK - 100%
PK012 HOLIDAY
PK021 VACATION
PK030 SPECIAL PAID LEAVE

PK031	APPRAISERS LEAVE
PK032	INTERN/RESIDENT LEAVE
PK113	SICK PRE-71
PKP11	SICK LEAVE BUYBACK 100%
PKP21	VACATION BUYBACK
PP046	EMPLOYEE SUGGESTION
NONE	REGISTERED NURSE ASSIGNED TO CRITICAL CARE UNITS
NONE	FIRE SUPPRESSION CAMP ASSIGNMENT – PREMIUM
NONE	FIRE SUPPRESSION CAMP ASSIGNMENT – COMPENSATORY TIME EARNED
NONE	POST, SUPERVISORY BONUS
OP100	CORRECTIVE PAYMENT, REINSTATED EMPLOYEE – HORIZONS PLAN
OP101	CORRECTIVE PAYMENT, ADMINISTRATIVE ERROR – HORIZONS PLAN
OP102	CORRECTIVE PAYMENT, REINSTATED EMPLOYEE – SAVINGS PLAN
OP103	CORRECTIVE PAYMENT, ADMINISTRATIVE ERROR – SAVINGS PLAN

**Attachment: Newly Discovered or Newly Created Codes
reviewed under Section 31461 and 7522.34**

Event	Description	Earnings Code Description	31461 Reference	7522.34 Reference	Analysis
EXCLUDED under Section 31461 and under Section 7522.34					
OP102	Corrective payment to the Savings Plan for a reinstated employee	<p>A new pay code for a one-time ad-hoc cash payment to make an employee who is reinstated (due to overturned discharge, suspension or demotion) whole as part of a corrective contribution to the Savings Plan in instances where a portion of that corrective contribution cannot be made to the Savings Plan due to Internal Revenue Code contribution limits. The part of the one-time, ad hoc corrective contribution that is in excess of those limits will be paid in cash.</p> <p>Language to County Code (5.26.71) was approved on January 16, 2018, and the County's correction protocols have been finalized.</p>	(b)(1)(A), (b)(1)(B)	(c)(2), (c)(3), (c)(9), (c)(11)	<p>This is a "one time, ad-hoc cash payment... due to a settlement award (overturned discharge, suspension or demotion) ... a portion of the corrective contribution cannot be made to the Savings Plan due to Internal Revenue Code contribution limits...will be paid in cash."</p> <p>As such, it would meet the definition of subdivision (c)(2) based on being "Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member and which was converted to and received by the member in the form of a cash payment".</p> <p>As such, it would meet the definition of subdivision (c)(3) based on being "Any one-time or ad hoc payments made to a member".</p> <p>As such, it could meet the definition of subdivision (c)(9) based on being "Employer contributions to deferred compensation or defined contributions plans".</p> <p>As such, it would meet the definition of subdivision (C)(11) based on being "Any other form of compensation a public retirement board determines is inconsistent with the requirements of subdivision (a)". Thus, it is recommended that this event code be classified as EXCLUDED from pensionable income for eligible new members as of 1/1/13.</p>
OP103	Corrective payment to the Savings Plan due to administrative error	<p>A new pay code for a one time, ad-hoc cash payment to make an employee whole where elective and/or non-elective deferrals that should have been made to the Savings Plan were missed due to operational or administrative errors or failures and a portion of the corrective contribution cannot be made to the Savings Plan due to Internal Revenue Code contribution limits. The part of the one-time, ad hoc corrective contribution that is in excess of those limits will be paid in cash.</p> <p>Language to County Code was approved on January 16, 2018, and the County's correction protocols have been finalized.</p>	(b)(1)(A), (b)(1)(B)	(c)(2), (c)(3), (c)(9), (c)(11)	<p>This is a "one time, ad-hoc cash payment to make an employee whole where elective and/or non-elective deferrals that should have been made to the Savings Plan were missed due to operational or administrative errors or failures and a portion of the corrective contribution cannot be made to the Savings Plan due to Internal Revenue Code contribution limits...will be paid in cash."</p> <p>As such, it would meet the definition of subdivision (c)(2) based on being "Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member and which was converted to and received by the member in the form of a cash payment".</p> <p>As such, it would meet the definition of subdivision (c)(3) based on being "Any one-time or ad hoc payments made to a member".</p> <p>As such, it could meet the definition of subdivision (c)(9) based on being "Employer contributions to deferred compensation or defined contributions plans".</p> <p>As such, it would meet the definition of subdivision (c)(11) based on being "Any other form of compensation a public retirement board determines is inconsistent with the requirements of subdivision (a)". Thus, it is recommended that this event code be classified as EXCLUDED from pensionable income for eligible new members as of 1/1/13.</p>

**Attachment: Newly Discovered or Newly Created Codes
reviewed under Section 31461 and 7522.34**

Event	Description	Earnings Code Description	31461 Reference	7522.34 Reference	Analysis
EXCLUDED under Section 31461 and under Section 7522.34					
560	PHYSICIANS RECRUITMENT INCENTIVE PROGRAM	<p>A new pay code established to provide a recruitment incentive targeting Senior Physicians and primary care Physicians hired or appointed to these positions between January 1, 2018, and December 31, 2020, who do not have outstanding student loans and are assigned to the Department of Health Services -- Correctional Health Services.</p> <p>The amount of the recruitment incentives are as follows:</p> <ul style="list-style-type: none"> - A one-time payment up to \$10,000 following the completion of six months of continuous service in CHS. - A one-time payment up to \$20,000 following the completion of one year of continuous service in CHS. <p>The maximum lifetime reimbursement will be \$30,000 per physician.</p> <p>Qualifying physicians for this incentive would not be eligible to receive additional compensation for the Physician Loan Payment Reimbursement (Pay Code 564/NEW) Program, that is being created/established at the same time.</p>	(b)(1)(B)	(c)(3), (c)(10)	<p>The new pay code to establish a recruitment incentive targeting Senior Physicians and primary care Physicians who are assigned to the Department of Health Services -- Correctional Health Services on a permanent full-time basis, is a one-time payment of \$10,000 following the completion of six months of continuous service in CHS with a performance evaluation of "Competent" or better. If the eligible Physician becomes ineligible for any reason before the completion of the six months, no part of the incentive bonus will be paid. The second one-time payment is for \$20,000 made after the Physician completes one year of continuous service in CHS with the same requirements of a performance evaluation of "Competent" or better. If, for any reason, the eligible Physician becomes ineligible before the completion of the one year, no part of the incentive bonus will be paid.</p> <p>The maximum lifetime reimbursement will be \$30,000. This incentive will be treated as taxable wages subject to federal and state payroll tax reporting and withholding. This type of one-time payment would be inconsistent with 7522.34(c)(3)(c)(10) and 31464 (b)(1)(B) as one-time or ad hoc payments and a bonus paid in addition to normal monthly rate of pay or base pay. This one-time payment does not appear on a Public Pay Schedule and is not paid during Normal Working Hours. The recommendation is to EXCLUDE this one-time payment from pensionable compensation for PEPR and Legacy members.</p>
569	PHYSICIANS LOAN REPAYMENT PROGRAM	<p>A new pay code established to provide a recruitment incentive targeting Senior Physicians and primary care Physicians hired or appointed to these positions between January 1, 2018, and December 31, 2020, who are still repaying student loans and are assigned to the Department of Health Services -- Correctional Health Services.</p> <p>The amount of the recruitment incentives are as follows:</p> <ul style="list-style-type: none"> - Physicians will be reimbursed for student loan payments up to \$30,000 at the end of each year of continuous service. - Eligible physicians will be reimbursed for a maximum of 4 years. <p>The maximum lifetime reimbursement will be \$120,000 per physician.</p> <p>Qualifying physicians for this incentive would not be eligible to receive additional compensation for the Physician Recruitment Incentive (Pay Code 560/NEW) Program, that is being created/established at the same time.</p>	(b)(1)(B)	(c)(3), (c)(10)	<p>The new pay code to establish a Student Loan Repayment Program for Senior Physicians and primary care Physicians who are assigned to the Department of Health Services -- Correctional Health Services on a permanent full-time basis, is a reimbursement of up to \$30,000 paid at the end of each year of continuous service. The physician must have an overall performance evaluation of "Competent" or better, for that period. Eligible Physicians will be reimbursed for a maximum of 4 years. This incentive will be treated as taxable wages subject to federal and state payroll tax reporting and withholding. Only the student loan debt incurred related to the physician's medical education will be reimbursed. Satisfactory proof of the loan payment amounts must be submitted in order to qualify for reimbursement. If the eligible Physician becomes ineligible for any reason, no part of the incentive bonus will be paid.</p> <p>This type of reimbursement paid at the end of the year would be inconsistent with 7522.34(c)(3)(c)(10) and 31464 (b)(1)(B) as one-time or ad hoc payments, Employer-provided allowances or reimbursements, and a bonus paid in addition to normal monthly rate of pay or base pay. This reimbursement payment does not appear on a Public Pay Schedule and is not paid during Normal Working Hours. The recommendation is to EXCLUDE this one-time payment from pensionable compensation.</p>

**Attachment: Newly Discovered or Newly Created Codes
reviewed under Section 31461 and 7522.34**

Event	Description	Earnings Code Description	31461 Reference	7522.34 Reference	Analysis
EXCLUDED under Section 31461 and under Section 7522.34					
560	MENTAL HEALTH PSYCHIATRISTS/SUPERVISING MENTAL HEALTH PSYCHIATRISTS RECRUITMENT INCENTIVE PROGRAM	<p>A new pay code established to provide a recruitment incentive targeting Mental Health Psychiatrists or Supervising Mental Health Psychiatrists hired or appointed to these positions on or before January 1, 2018, who do not have outstanding student loans.</p> <p>The recruitment incentive criteria:</p> <ul style="list-style-type: none"> - A one-time payment of \$25,000 following the completion of one year of continuous service in CHS. - An additional one-time payment of \$25,000 upon completion of the second year of service. <p>The maximum lifetime payment will be \$50,000.</p> <p>Qualifying psychiatrists for this incentive would not be eligible to receive additional compensation for the Psychiatrist Loan Payment Reimbursement (Pay Code 564/NEW) Program, that is being created/established at the same time.</p>	(b)(1)(B)	(c)(3), (c)(10)	<p>The new pay code to establish a recruitment incentive for Mental Health Psychiatrists or Supervising Mental Health Psychiatrists, is a one-time payment of \$25,000 following the completion of one year of continuous service in CHS and another one-time payment of \$25,000 upon completion of the second year of service. The eligible Psychiatrists must possess the represented classification, be permanently employed on a full-time basis, no outstanding student loans, and have a performance evaluation with a "Competent" or better rating. If the eligible incumbent becomes ineligible for any reason before completing the agreed upon length of service, the recruitment incentive shall not be paid.</p> <p>The maximum life-time payment is \$50,000. Payments will be made within 30 days of issuance of a competent or better performance evaluation for the service period, but no later than March 15th of the calendar year following the calendar year in which the requirements were met. This incentive will be treated as taxable wages subject to federal and State payroll tax reporting and withholding obligations. This type of one-time payment would be inconsistent with 7522.34(c)(3)(10) and 31461 (b)(1)(B) which excludes one-time or ad hoc payments, and bonuses paid in addition to normal monthly rate of pay or base pay(Section 6.86.020D states, shall not constitute base pay). This one-time payment does not appear on a Public Pay Schedule and is not paid during Normal Working Hours. The recommendation is to EXCLUDE this one-time payment from pensionable compensation of PEPR and Legacy members.</p>
569	MENTAL HEALTH PSYCHIATRISTS/SUPERVISING MENTAL HEALTH PSYCHIATRISTS LOAN REPAYMENT PROGRAM	<p>A new pay code established to provide a recruitment incentive targeting Mental Health Psychiatrists and Supervising Mental Health Psychiatrists hired or appointed to these positions who are still repaying student loans regardless of their date of hire.</p> <p>The student loan repayment incentive criteria:</p> <ul style="list-style-type: none"> - Eligible psychiatrists will receive a one-time reimbursement up to \$50,000 at the end of each year of continuous service, for a maximum of five years of continuous employment with the Department of Mental Health. - Only the unpaid qualified student loan debt incurred relating to the post-baccalaureate education will be eligible. <p>The maximum lifetime reimbursement will be the lesser of \$250,000 or the total substantiated student loan amount.</p> <p>Qualifying psychiatrists for this incentive would not be eligible to receive additional compensation for the Psychiatrist Recruitment Incentive (Pay Code 560/NEW) Program, that is being created/established at the same time.</p> <p>This provision will only remain in effect subject to recruitment needs and the availability of requisite funding through the State Mental Health Services Act – Workforce Education and Training Plan.</p>	(b)(1)(B)	(c)(3), (c)(10)	<p>The new pay code to establish a loan repayment program for Mental Health Psychiatrists or Supervising Mental Health Psychiatrists, is a one-time payment of up to \$50,000 at the end of each year of continuous service, for a maximum of 5 years of continuous employment with the Department of Mental Health. Only student debt related to the post-baccalaureate education will be eligible for repayment. The eligible Psychiatrists must be represented, be permanently employed on a full-time basis, and have a performance evaluation with a "Competent" or better rating. If the eligible incumbent becomes ineligible for any reason before completing the agreed upon length of service, the recruitment incentive shall not be paid.</p> <p>The maximum life-time reimbursement amount will be lesser of \$250,000 or the total substantiated student loan amount. Satisfactory proof of the loan payment amounts must be submitted in order to qualify for additional annual student loan repayment incentives. The payment will be made within 30 days of issuance of a "Competent" or better performance evaluation for the service period, but no later than March 15th of the calendar year following the calendar year in which the requirements were met. This loan repayment will be treated as taxable wages subject to federal and State payroll tax reporting and withholding obligations. This type of one-time loan repayment would be inconsistent with 7522.34(c)(3)(10) and 31461 (b)(1)(B) which excludes one-time or ad hoc payments, and bonuses paid in addition to normal monthly rate of pay or base pay. This one-time loan repayment does not appear on a Public Pay Schedule and is not paid during Normal Working Hours. The recommendation is to EXCLUDE this one-time loan repayment from pensionable compensation of PEPR and Legacy members.</p>

April 2, 2018

TO: Each Member
Board of Retirement

FROM: Insurance, Benefits and Legislative Committee
Les Robbins, Chair
Shawn R. Kehoe, Vice Chair
Herman B. Santos
Gina Zapanta-Murphy
Thomas Walsh, Alternate

FOR: April 12, 2018 Board of Retirement Meeting

SUBJECT: **Federal Engagement: Visit with Congress**

RECOMMENDATION

That the Board of Retirement:

1. Approve a visit with Congress by Board members and staff as designated by the Chair of the Board of Retirement during the week of May 21, 2018 in Washington D.C.;
2. Approve the attached "LACERA Overview and Priorities"; and
3. Approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy.

LEGAL AUTHORITY

The Board of Retirement's Policy on Engagement for Public Policy Issues Relating to Plan Administration and Retirement and Health Care Benefits provides for engagement to promote LACERA's presence and visibility with the legislative, executive, and judicial branches of state and federal governments.

DISCUSSION

On December 14, 2017, the Board of Retirement conducted interviews with the three finalists on the Federal Legislative Advocacy Services RFP and selected Williams & Jensen as LACERA's Federal Legislative Advocacy Services Firm. Williams & Jensen has worked on legislation before all major Congressional committees. The firm also maintains working relationships with House and Senate committee chairs and ranking members and with Democratic and Republican leadership in both houses. Anthony J. Roda, Principal at William & Jensen, is LACERA's project lead.

The purpose of the visit is to increase LACERA's presence and visibility among members of Congress. It is to provide education and information about LACERA to

members of Congress and, in particular, the members of the Los Angeles County delegation, who will also be contacted in their local offices.

Mr. Roda proposes two days of meetings with Congressional members and staff on May 22-23, 2018 (although these exact days have not been scheduled and may be subject to change). Mr. Roda recommends limiting attendance at the visit to a maximum of 4 representatives from LACERA due to time and space constraints related to the schedule and office sizes of members of Congress. Thus, the four slots can include 1-2 Board members and 2-3 LACERA staff, depending on how the slots are allocated.

Mr. Roda also recommends providing a written overview of LACERA to Congressional members and staff for their reference. Attached is a copy of the proposed overview that provides a profile of LACERA's organization, members, investments, priorities, and positions. Note that this is for general informational purposes only. The purpose of this visit is to introduce LACERA to members of Congress and not to lobby on any particular issue (although the overview does indicate positions that LACERA has adopted in the past). If the Board of Retirement adopts a position to support or oppose any specific proposals in the future, then a more focused strategy on lobbying will be developed and directed to those specific proposals.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:

1. Approve a visit with Congress by Board members and staff as designated by the Chair of the Board of Retirement during the week of May 21, 2018 in Washington D.C.;
2. Approve the attached "LACERA Overview and Priorities"; and
3. Approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy.

Attachment

LACERA Overview and Priorities

cc: Robert Hill
James Brekk
John Popowich
Bernie Buenaflor
Steven P. Rice
Cassandra Smith
Anthony J. Roda, Williams & Jensen
Shane Doucet, Doucet Consulting Solutions

**Los Angeles County Employees Retirement Association
Overview and Priorities
March 2018**

- LACERA
 - Public pension fund established on January 1, 1938
 - Provide retirement allowances and other benefits to members employed by the County of Los Angeles to serve a population of 10 million people
- Membership (as of February 2018)
 - Active: 98,000
 - Retired: 64,000
 - Total: 162,000
- Pension Benefits (FY 2016-17)
 - Members retiring: 3,900
 - Average monthly benefit: \$4,100
 - Payroll: \$3.1 billion
- Retiree Healthcare Program (FY 2016-17)
 - Participants (members, survivors, dependents): 96,000
 - Medical and dental/vision premiums: \$535 million
- Investments (FY 2016-17)
 - Market value of fund: \$53 billion
 - Assumed rate of return: 7.25%
 - Actual rate of return: 12.7% (net of expenses)
 - Funded Ratio: 79.9%
 - Other Post-Employment Benefits Trust Fund: \$743 million
- LACERA Priorities
 - Support protection of vested benefits.
 - Support protection of LACERA's fiduciary authority.
 - Oppose endangering LACERA's tax-exempt status and deferred tax treatment of employer and employee contributions.
 - Oppose unreasonable costs, complexity, or uncertainty in plan administration.
- LACERA Positions
 - LACERA supports full repeal of the Windfall Elimination Provision and the Government Pension Offset.
 - LACERA opposes the Public Employee Pension Transparency Act.
 - LACERA opposes subjecting state and local governmental pension plans to unrelated business income tax (UBIT).

April 3, 2018

SUPPLEMENTAL AGENDA INFORMATION

TO: Each Member
Board of Retirement

FROM: Barry W. Lew 
Legislative Affairs Officer

FOR: April 12, 2018 Board of Retirement Meeting

SUBJECT: **Federal Engagement: Visit with Congress**

RECOMMENDATION

That the Board of Retirement authorize the attendance at both the International Foundation of Employee Benefit Plans Washington Legislative Update and the visit with Congress by Board members and staff as designated by the Chair of the Board of Retirement during the week of May 21, 2018 in Washington D.C. as an exception to the conference attendance limitations under Section 705.07 of LACERA's Education and Travel Policy pursuant to Section 705.18.

DISCUSSION

Certain Board members will be attending the Washington Legislative Update hosted by the International Foundation of Employee Benefit Plans (IFEBP) on May 21-22, 2018 in Washington D.C. The visit to Congress would ideally be available to those Board members who are already in Washington D.C. for that pre-approved conference to visit with Congress after the conference, although the Board Chair may also designate those Board members who are not attending the conference to make the visit as well. LACERA's federal legislative advocate, Anthony J. Roda, would be able to schedule visits following the IFEBP conference for May 23, 2018 only or for May 23-24, 2018, depending on the Board's preference and how many meetings he can schedule.

The IFEBP Annual Washington Legislative Update Conference is a pre-approved conference that would normally be subject to the conference attendance limitation of 8 approved conferences per fiscal year, as provided by Section 705.07 of the Education and Travel Policy. The visit with Congress is not a conference as defined under Section 705.05 and would not be subject to the limitation of 8 conferences under Section 705.07. The Education and Travel Policy does not address this specific situation of a pre-approved conference that is chronologically contiguous with an event that would not count as a conference. The travel to and from Washington D.C. would encompass both these events.

During the discussion regarding this agenda item at the meeting of the Insurance, Benefits and Legislative Committee on March 15, 2018, the Board Chair requested that this trip to Washington D.C for both the conference and the visit not be counted against the conference attendance limitation under Section 705.07 of the Education and Travel Policy.

Section 705.18 of the policy provides that, for good cause presented in writing and in the exercise of its sound discretion, the Board of Retirement may waive compliance with specific requirements of the policy when in the best interests of LACERA. Good cause may exist since the airfare for the trip to Washington D.C. encompassing both the conference and the visit would be incurred anyway for those making the visit to Congress, and it would be efficient for members to leverage their trip to Washington D.C. by attending both the conference and the visit.

IT IS THEREFORE RECOMMENDED THAT YOUR BOARD authorize the attendance at both the International Foundation of Employee Benefit Plans Washington Legislative Update and the visit with Congress by Board members and staff as designated by the Chair of the Board of Retirement during the week of May 21, 2018 in Washington D.C. as an exception to the conference attendance limitations under Section 705.07 of LACERA's Education and Travel Policy pursuant to Section 705.18.

Reviewed and Approved:



Steven P. Rice, Chief Counsel

cc: Robert Hill
James Brekk
John Popowich
Bernie Buenaflor
Steven P. Rice
Cassandra Smith
Anthony J. Roda, Williams & Jensen
Shane Doucet, Doucet Consulting Solutions



April 3, 2018

TO: Each Member
Board of Retirement

FROM: Robert R. Hill 
Interim Chief Executive Officer

FOR: April 12, 2018 Board of Retirement Meeting

SUBJECT: **SACRS OFFICER ELECTIONS**

The State Association of County Retirement Systems (SACRS) will be holding a business meeting during their semi-annual conference on May 18, 2018. SACRS will be asking LACERA's voting delegate to provide direction on the SACRS officer election.

SACRS Officer Election

The SACRS Nominating Committee recommends the following SACRS final officer slate for the 2018-2019 year:

Position	Nominee	County
President	Dan McAllister	San Diego CERA
Vice President	Vivian Gray	Los Angeles CERA
Treasurer	Harry E. Hagen	Santa Barbara CERS
Secretary	Kathryn Cavness	Mendocino CERA
Regular Member	Roger Hilton	Orange CERS
Regular Member	Chris Cooper	Marin CERA

IT IS THEREFORE RECOMMENDED the Board of Retirement provide the SACRS voting delegate direction on voting for the SACRS slate of officers.

RH:nm
SACRS Officer Slate 2018.doc

Attachment



March 26, 2018

To: SACRS Trustees & SACRS Administrators/CEO's
 From: Ray McCray, SACRS Immediate Past President, Nominating Committee Chair
 SACRS Nominating Committee
 Re: SACRS Board of Director Elections 2018-2019 Elections – Recommended Ballot

SACRS BOD 2018-2019 election process began January 2018. Per the SACRS Bylaws, please distribute the recommended ballot to your Board of Trustees. Elections will be held during the Annual Business meeting on Friday, May 18, 2018 at the Anaheim Marriott, Anaheim, CA.

SACRS Bylaws Election Schedule

DEADLINE	DESCRIPTION
March 1, 2018	Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations prior to the first Business Day after March 1 of each calendar year. Nominations shall not be accepted from the floor on the day of the election.
March 25, 2018	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 18, 2018	Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference (May 15-18, 2018)
May 18, 2018	Board of Directors take office for 1 year

Per SACRS Bylaws, Article VIII, Section 1. Board of Director and Section 2. Elections of Directors:

Section 1. Board of Directors. *The Board shall consist of the officers of SACRS as described in Article VI, Section 1, the immediately Past President, and two (2) regular members.*

- A. *Immediate Past President. The immediate Past President, while he or she is a regular member of SACRS, shall also be a member of the Board. In the event the immediate Past President is unable to serve on the Board, the most recent Past President who qualifies shall serve as a member of the Board.*
- B. *Two (2) Regular Members. Two (2) regular members shall also be members of the Board.*

Section 2. Elections of Directors. *Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations prior to the first Business Day after March 1 of each calendar year. Nominations shall not be accepted from the floor on the day of the election.*

The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25.



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2018-2019**

All interested candidates must complete this form and submit it along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2018.** Please submit to the Nominating Committee Chair at raym1@sbcglobal.net or to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 441-1850.

Name of Candidate	Dan McAllister
Candidate Contact Information (Phone Number, Email Address and Mailing Address MUST be included)	(619) 920-0608 (cell) (619) 531-5231 (office)
Name of Retirement System Candidate Currently Serves On	San Diego County Employees Retirement Association (SDCERA)
Current Position On Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	Trustee, San Diego County Treasurer Tax Collector
Applying for SACRS Board of Directors Position (You may only select one)	<input checked="" type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio	Please see attached.

Biography of Dan McAllister

San Diego County Treasurer-Tax Collector



Dan McAllister has served San Diego County residents since as the County's Treasurer-Tax Collector since 2002. He was re-elected to his fourth term in June 2014 by an overwhelming 99% majority of the vote. Dan oversees the collection of more than \$6 billion in property taxes each year, the management of more than \$10 billion in the County's Investment Pool, and the administration of the County's over \$1 billion defined contribution program. Since assuming office, he has worked extensively to improve customer service, enhance communications and outreach initiatives, and ensure the fiscal stability of the treasury. Under his direction, his office collected nearly 60% of property tax payments electronically for the first time, while maintaining a 99% collection rate for the past three years. He is also a strong advocate for diversity, a value reflected in his staff that comes from all walks of life

and backgrounds. His office now delivers service in 17 different languages.

As part of his duties, Dan serves as a member of the San Diego County Employees Retirement Association (SDCERA), which manages more than \$10 billion of investments; he also serves as President of CalTRUST, which manages a portfolio of \$2.8 billion. Additionally, he is a former chairman of the Board of Directors of the internationally recognized San Diego Convention Center Corporation. Prior to his election as San Diego County Treasurer-Tax Collector, Dan was a successful financial consultant and investment broker.

Dan contributes considerable time and resources to community service. He serves as Chair of the San Diego Unified School District's Special Audit and Finance Committee, and he is a participating member of the Boards of Directors of the Jackie Robinson YMCA; Habitat for Humanity, San Diego; and New Americans Museum, San Diego. McAllister's strong commitment and involvement in the community dates back to his service as a U.S. Peace Corps volunteer in the Western Pacific country of Micronesia.

A second-generation San Diegan, Dan has completed executive education programs in portfolio concepts and management at Stanford University and the University of Pennsylvania's Wharton School. He also holds a Bachelor's degree (BA) from California State University, Fresno, and a Master's degree in Business Administration (MBA) from United States International University.

February 26, 2018

Mr. Ray McRay
Chairman
Nominating Committee
State Association of County Retirement Systems

Dear Mr. McRay,

This is to officially submit my name for consideration by the Nominating Committee for the office of SACRS President.

When I first ran for the Presidency, I pledged to continue to help move our organization forward with strong, inclusive leadership. I also spoke of my experiences and accomplishments as San Diego County Treasurer-Tax Collector; and of serving as a Trustee on the San Diego County Employees Retirement Association (SDCERA) Board and two successful terms as Board Chair.

Over the past four years, it has been my distinct honor and pleasure to serve on the SACRS Board, first as Treasurer and now as President. I am extremely proud of the work our board has completed during these years in an effort to improve our levels of customer service to our members. This past year for example the Board performed a comprehensive review and update of the Board Policies and Procedures. We added two new seats to the Board in an effort to be more inclusive and give more members an opportunity to serve on the Board. Additionally, we made strong efforts to add new people to a number of our standing committees.

Indeed, it has been a productive year for the Board and we have made a difference for the SACRS membership. Ours has been a team effort and one that can point to positive developments.

SACRS is a special organization and one that must continue to provide educational forums for disseminating information to Trustees and system staffs from all '37 Act counties. Additionally, SACRS must take an active role in the legislative process as it impacts county retirement systems.

As SACRS President for the coming year, I will continue to work collaboratively with the SACRS Board and Trustees statewide to ensure that our educational programs and conferences continue to be of the highest quality and content.

With your support and nomination, I would be honored to serve again as President of SACRS. Thank you in advance for your careful and positive consideration of my candidacy for re-election.

Sincerely,



Dan McAllister
President



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2018-2019**

All interested candidates must complete this form and submit it along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2018.** Please submit to the Nominating Committee Chair at raym1@sbcglobal.net or to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 441-1850.

Name of Candidate	VIVIAN GRAY
Candidate Contact Information (Phone Number, Email Address and Mailing Address MUST be included)	Viviangray@aol.com, Vgray@lacera.com 300 N. Lake Ave., Ste. 820 Pasadena, CA 91101 Phone: (213) 440-0142
Name of Retirement System Candidate Currently Serves On	Los Angeles County Employees Retirement Association (LACERA)
Current Position On Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	Chair, Board of Retirement http://www.lacera.com/about_lacera/bor/gray.html
Applying for SACRS Board of Directors Position (You may only select one)	<input type="radio"/> President <input checked="" type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio	<ul style="list-style-type: none"> • Chair, LACERA Board of Retirement • Chair, SACRS Bylaws Committee • Elected general member trustee since 2012 <ul style="list-style-type: none"> 34 years of service to Los Angeles County 10 years in Law Enforcement 24 years as an attorney for Los Angeles County • 6 years in private law practice • Education/Pension Trustee Certificates <ul style="list-style-type: none"> - Bachelors of Arts: UCLA - JD: UWLA - New York Law School - Public Pension Trustee Fiduciary Program - Stanford Law School (CALAPRS) - Principles of Pension Management - Harvard Law School Program - Trustee Work Life - UC Berkeley (SACRS) - Modern Investment Theory & Practice for Retirement Systems - IFEBP - Trustee Masters Program - NCPERS - Public Pension Funding Forum - Wharton Business School - Portfolio Concepts and Management (Pending) - National Assoc. of Corporate Directors (NACD) Board Leadership Fellow (Pending)

VIVIAN GRAY

300 N. LAKE AVENUE, SUITE 820 ~PASADENA, CA 91101 ~ VGRAY@LACERA.COM

February 27, 2018

VIA EMAIL

SACRS Nominating Committee
Mr. Ray McCray, Chair

Dear Mr. McCray:

I would like to express my interest in becoming SACRS' Vice President for 2018/2019.

For the past three years, I have been honored to serve SACRS and its members as Chair of the Bylaws Committee and been member of the Program Committee. I have worked diligently with committee members and the SACRS Board of Directors, Administrative staff and membership to move the SACRS organization forward.

I have attended almost all of SACRS BOD meetings as the Bylaws Chair in order to advise or interpret the bylaws when needed. I believe in the BOD's team concept of management and its mission to include all members to take part in keeping SACRS relevant in the pension environment.

Through continuing its strong leadership, SACRS can become the premier entity in the direct education of trustees. I believe SACRS is a viable organization within the retirement system community. We have secured a presence not only in our CERL 37 Act Systems, but are gaining headway and recognition beyond CERL.

Your consideration of me for vice president would be an honor.

I have attached the SACRS Nomination Form containing my brief bio.

Sincerely,

Vivian Gray

Vivian Gray

cc: Sulema Peterson, SACRS



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2018-2019**

All interested candidates must complete this form and submit it along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2018.** Please submit to the Nominating Committee Chair at raym1@sbcglobal.net or to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 441-1850.

Name of Candidate	Harry E. Hagen
Candidate Contact Information (Phone Number, Email Address and Mailing Address MUST be included)	-805-568-2490 -hhagen@co.santa-barbara.ca.us - Harry E. Hagen, Treasurer - Taxcollector - PA - PG P.O. Box 579 Santa Barbara, CA 93102-0579
Name of Retirement System Candidate Currently Serves On	Santa Barbara, SBCERS
Current Position On Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	Chair, ex-officio member
Applying for SACRS Board of Directors Position (You may only select one)	<ul style="list-style-type: none"> <input type="radio"/> President <input type="radio"/> Vice President <input checked="" type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio	See Attachment

Harry E. Hagen
Bio for SACRS Nomination Submission Form

I am the current Santa Barbara County Treasurer-Tax Collector-Public Administrator. I was first elected in 2010 and am currently serving in my second four-year term.

I am responsible for overseeing and investing a \$1.5 billion investment pool for local schools, general County government, and special districts. I manage the collection of taxes and general collections, administer Public Administrator estates and Public Guardian conservatorships, and oversee Veterans' Services programs. My duties also include serving as Chair of the County Debt Advisory Committee, implementing and managing the County's municipal financing program, and administering the County's deferred compensation program.

I hold a Bachelor's degree in Business Economics from UCSB, am a 26-year California Certified Public Accountant, and have completed the Certificate in Public Treasury Management from USC. Additionally, I have earned the designations of Certified Public Finance Officer from the Government Finance Officers Association, Advanced Certified Public Funds Investment Manager from the Association of Public Treasurers, and Certified Fixed Income Practitioner from the Fixed Income Academy.

February 2, 2018

To Ray McCray , SACRS Nominating Committee Chair,

I would like to continue serving on the SACRS Board of Directors and am submitting my letter of intent to run for the position of Treasurer.

I believe I am well qualified for the position based upon my educational and work experience. I am a 22-year employee of Santa Barbara County and the current Chair of the Santa Barbara County Employees Retirement System. I have served as the ex-officio member of SBCERS for over 7 years. I was also an alternate member to the Board for eight years as the Assistant Treasurer-Tax Collector-Public Administrator.

Should you have any questions, please don't hesitate to call me directly.

Thank you for your consideration.



Harry E. Hagen, CPA, CPFO, CFIP, ACPFIM
Treasurer-Tax Collector-Public Administrator-Public Guardian
County of Santa Barbara
(805) 568-2490
hhagen@co.santa-barbara.ca.us



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2018-2019**

All interested candidates must complete this form and submit it along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2018.** Please submit to the Nominating Committee Chair at raym1@sbcglobal.net or to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 441-1850.

Name of Candidate	Kathryn Cavness
Candidate Contact Information (Phone Number, Email Address and Mailing Address MUST be included)	Home Phone: 707-459-2215; Email: k24u2figure@gmail.com Office Phone: 707-463-4194; Email: cavnessk@mendocinocounty.org Cell Phone: 707-354-8105 Home Address & Mailing: 6500 Ridgewood Road, Willits, CA 95490 Work Mailing Address: PO Box 1000, Ukiah, CA 95482
Name of Retirement System Candidate Currently Serves On	Mendocino County Employees Retirement System
Current Position On Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	Vice Chair, General Elected Member
Applying for SACRS Board of Directors Position (You may only select one)	Secretary
Brief Bio	Kathryn Cavness has been serving as Trustee and representative of the General Membership on the Mendocino County Employees Retirement Association Board since December 1, 2014. She has been a member of the MCERA Audit and Budget Committee since 2014 and was elected Vice Chair of the Board on December 14, 2016. Kathryn is currently serving her first year as Secretary on the State Association of County Retirement Systems (SACRS) Board of Directors. Her objectives as Secretary encompass representing the 1937 Act retirement systems and reaching out to trustees to attain greater participation in SACRS activities. Meaningful events designed for Trustees include the SACRS Spring and Fall Conferences, and the UC Berkeley Educational Program's Executive Education Courses. Other opportunities for Trustees include joining and participating in the SACRS' Educational, Legislative, Program, and Bylaws Committees. Kathryn Cavness is currently filling the position of Administrative Services Manager for the Mendocino County District Attorney's Office. Prior to this, Kathryn enjoyed an extensive career in budget and finance, and holds a MBA/Accounting.

Ray McCray, SACRS Nominating Committee Chair
SACRS Nominating Committee

February 10, 2018

Dear Ray and Nominating Committee Members,

Please accept my letter of intent to run as Secretary in the SACRS Board of Directors officers' election for the 2018-19. I am currently serving as SACRS Board of Directors Secretary throughout the 2017-18 fiscal year. I also serve as the Vice Chairwoman of the Mendocino County Employees Retirement Association.

My interest in seeking the position of Secretary for a second term is to continue working together with the highly effective SACRS Board in achieving common goals. My focus will be on adding value for Trustees by expanding growth and positive outcomes, increasing diversity, and providing educational opportunities through boosting attendance at the UC Berkeley Educational Program. I will continue working to increase Trustee participation in SACRS Conferences and expand membership in SACRS Committees.

As the Mendocino County Employee Retirement Association Vice Chairwoman and trustee of the smallest rural county system in northern California, I welcome the opportunity to represent the smaller systems as well as all SACRS members.

My education and professional experience provides qualifications ideally suited for taking on the responsibilities of Secretary of the SACRS Board of Directors:

- SACRS Board of Directors Secretary FY 2017/18
- Vice Chairwoman on the MCERA Board and Auditing Committee
 - Public Pension Investment Management Program/ Modern Investment Theory and Practice for Retirement Systems
 - UC Berkeley Hass School of Business
 - Advanced Principles of Pension Management for Trustees
 - UCLA Anderson School of Management
 - Principles of Pension Management for Trustees
 - Pepperdine University, Graziadio Business School
- County of Mendocino District Attorney's Office Administrative Services Manager with Emphasis on Finance & Budget
- Master's Degree in Business Administration with Emphasis on Finance & Accounting

Sincerely,



Kathryn Cavness,
SACRS BOD Secretary,
Mendocino CERA Vice Chairwoman



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2018-2019**

All interested candidates must complete this form and submit it along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2018.** Please submit to the Nominating Committee Chair at raym1@sbcglobal.net or to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 441-1850.

Name of Candidate	Christopher C. Cooper
Candidate Contact Information (Phone Number, Email Address and Mailing Address MUST be included)	(415) 827-0772 Chriscooperinmarin@yahoo.com 756 Del Ganado Road San Rafael, CA 94903
Name of Retirement System Candidate Currently Serves On	Marin County Employees' Retirement Association
Current Position On Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	Elected Safety Trustee
Applying for SACRS Board of Directors Position (You may only select one)	<ul style="list-style-type: none"> <input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input checked="" type="radio"/> Regular Member
Brief Bio	<p>I am a Fire Captain/Paramedic in the City of San Rafael and have served on the MCERA Board since 2012. I serve on the Investment Committee and Chair the Governance Committee.</p> <p>I am a Graduate of U.C. Berkeley (Political Economy of Industrial Societies, 1995) and served in the U.S. Army for eight years (active and reserve) as a Mandarin Chinese Linguist Interrogator. I live in San Rafael with my wife and two children (16 and 12).</p>

CHRISTOPHER C. COOPER

415-827-0772
chriscooperinmarin@yahoo.com

756 Del Ganado Rd.
San Rafael, CA
94903

February 27, 2018

SACRS Nominating Committee
1415 L Street, Suite 1000
Sacramento, CA 95814

Committee Members,

Please accept this Letter of Intent as well as the attached Nomination Submissions Form for the position of Regular Member of the SACRS Board of Directors Elections 2018-2019. I have attended SACRS Conferences since my first in Fall 2013 and have always enjoyed the strong education opportunities as well as meeting other California Trustees. I would like to step up to a leadership position in SACRS to help the organization continue to provide education and insight to those entrusted with managing CA pension funds.

I am a Fire Captain/Paramedic with the City of San Rafael and have served on the MCERA Board since 2012. I serve on the Investment Committee and Chair the Governance Committee. I am a graduate of U.C. Berkeley and an Army Veteran. I have worked in a large corporation as a buyer and have owned a small retail business. I live in San Rafael with my wife Lisa and two children Calvin and Lucy (16,12). Thanks for your consideration. I look forward to seeing you at the Spring Conference.

Sincerely yours,

Christopher C. Cooper



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2018-2019**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2018.** Please submit to the Nominating Committee Chair at raym1@sbcglobal.net or to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 441-1850.

Name of Candidate	Roger Hilton
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	(714) 325-9295, rhilton@ocers.org , roger@aocds.org 2223 East Wellington Ave. Suite 100 Santa Ana, CA 92701
Name of Retirement System Candidate Currently Serves On	Orange County Employees Retirement System (OCERS)
Current Position On Candidates Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	Elected Safety Member
Applying for SACRS Board of Directors Position (select only one)	<input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member



<p>Brief Bio</p>	<ul style="list-style-type: none"> ❑ OCERS: served as Chairman of the board, chair of the Investment Committee, and have chaired several committees, elected 2012 - Present. ❑ Association of Orange County Deputy Sheriffs (AOCDS) Board of Directors: Currently serving as Vice President and Political Action Chairman, 2011 - Present. ❑ Trustee on Medical and Benefits Trusts, 2011 - Present. ❑ Trustee on Fraternal Order of Police, Lodge 18, 2011- Present. ❑ Association of Deputy Marshals Board of Directors, 1992-2000 – Served as President 1996-2000, Treasurer 1993-1996. ❑ Public Pension Trustee certificates: <ul style="list-style-type: none"> -Modern Investment Theory & Practice – UC Berkeley; -Portfolio concepts and Management -Wharton School of Business; -Certificate in Public Plan Policy I and II; -Principles of Pension Management - Stanford University; -Advanced Principles of Pension Management - UCLA; -Labor and Worklife Program, Harvard Law School
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January 15, 2018

2223 East Wellington Ave. Suite 100
Santa Ana, CA 92701

Ray McCray, SACRS Nominating Committee Chair

Dear Mr. McCray:

Please accept this letter as my intent to run for the Board of Directors for the position of Regular Member. I would request that my name be included in the 2018-2019 SACRS Nomination Slate at the upcoming elections in May 2018.

I believe my years of experience leading employee labor organizations and the OCERS Board of Retirement have uniquely prepared me for this challenge. I have over 28 years of experience in law enforcement, 25 years serving in the leadership of employee labor organizations, and over 5 years on the OCERS Board of Retirement. My experience is further outlined on the Nomination Submission form attached to this letter.

Since elected to OCERS, I have made it a point to attend the SACRS conferences. Through these conferences, I have learned a great deal about pensions and have found many friends and mentors. I believe that SACRS is the most effective and important conference '37 Act trustees should attend, because of its relevant content and top-notch presenters. My primary goal is to keep SACRS as the premier public pension organization. I plan to utilize my extensive leadership experience by reaching out to and communicating with our members so they fully understand the many benefits of SACRS. My focus will be on continuing successful conferences and keeping SACRS a professional organization.

It would be an honor to serve on the SACRS Board of Directors and I appreciate the consideration.

Sincerely,



Roger Hilton

OCERS Board of Directors



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2018-2019**

All interested candidates must complete this form and submit it along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2018.** Please submit to the Nominating Committee Chair at raym1@sbcglobal.net or to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 441-1850.

Name of Candidate	Larry Walker
Candidate Contact Information (Phone Number, Email Address and Mailing Address MUST be included)	909-628-8000 larry@larrywalker.us PO BOX 968 Chino, CA 91708
Name of Retirement System Candidate Currently Serves On	San Bernardino County Employees' Retirement Assn.
Current Position On Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	Alternate Ex Officio Member
Applying for SACRS Board of Directors Position (You may only select one)	<input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input checked="" type="radio"/> Regular Member Regular Member
Brief Bio	2010-present SBCERA Board of Trustees 2010-11; 2013-14 Managing Trustee 2012; 2015-16 Chair, Investment Committee 2016-17 SACRS Treasurer 2015-present SACRS legislative Committee <hr/> 2010-16 <u>San Bernardino County:</u> 1998-2016 Treasurer, Tax Collector 1998-2010 Auditor-Controller 1986-1998 Recorder, County Clerk County Supervisor 1981-2001 United States Naval Reserve LCDR, JAGC, USNR Navy Reserve Medal Naval Unit Commendation Sharpshooter Ribbon

Larry Walker
POB 968
Chino, CA 91708
larry@larrywalker.us
909-628-8000

Mr. Ray McCray
Chair, Nominating Committee, SACRS
[delivered as e-mail attachment]:
raym1@sbcglobal.net

February 19, 2018

Subj: Candidacy for SACRS Board of Directors – Regular Member

Dear Mr. McCray: 

I am pleased to submit my name in nomination for the position of Regular Member of the SACRS Board of Directors. I support the decision the organization has made to expand the board's membership, and I believe I am highly qualified to fill one of the new positions.

I thoroughly enjoyed the year I served as Treasurer and member of the SACRS Board of Directors. We made substantial accomplishments in leading the management of our organization, including the improvement of our information systems and our web presence. We also established a very positive working relationship among board members, staff, and local systems. I am committed to doing whatever I can to assure that that effort continues.

Attached is my application, on the form provided by SACRS. I am also attaching my current resume', in case further detail is helpful. I have served as a member of San Bernardino County Employees' Retirement Association for eight years, including three years as Chair of our Investments Committee. I have also stepped up as Managing Trustee during vacancies in our CEO position which totaled one and one-half years.

I served as an elected official for thirty-eight years, including seventeen as a county department head. I have helped lead statewide associations such as SACA (County Auditors) and CRAC (County Recorders), and my previous service on the SACRS board was focused on service to our members and unity of action by our leaders. I am confident that I am prepared to make a substantial contribution to the success of SACRS in the coming year.

Thank you and the committee for your consideration.

Sincerely,



Larry Walker

Cc: Sulema Peterson Administrator, SACRS sulema@sacrs.org



Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.

**For further information, contact:
LACERA
Attention: Public Records Act Requests
300 N. Lake Ave., Suite 620
Pasadena, CA 91101**



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