



August 30, 2021

**TO:** Each Trustee,  
Board of Retirement

**SUBJECT:** IBL Committee Meeting on September 1, 2021 – Agenda Item III.C.

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Following you will find supplemental information regarding the above-mentioned meeting:

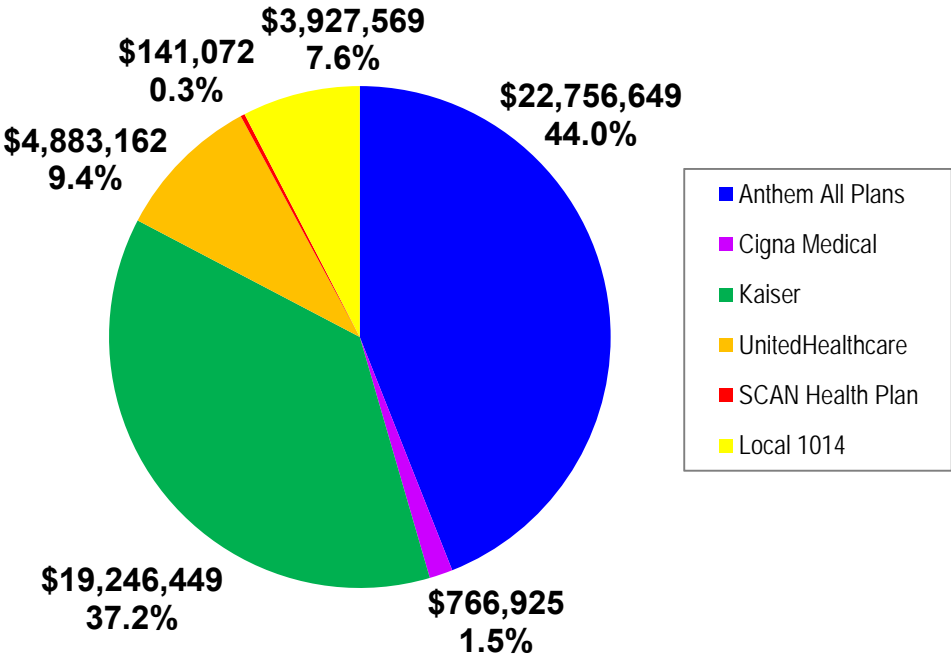
1. LACERA Claims Experience – Stephen Murphy, Segal Consulting  
(Presentation)

**Los Angeles County Employees Retirement Association**  
**Premium & Enrollment**  
*Coverage Month Ending July 2021*

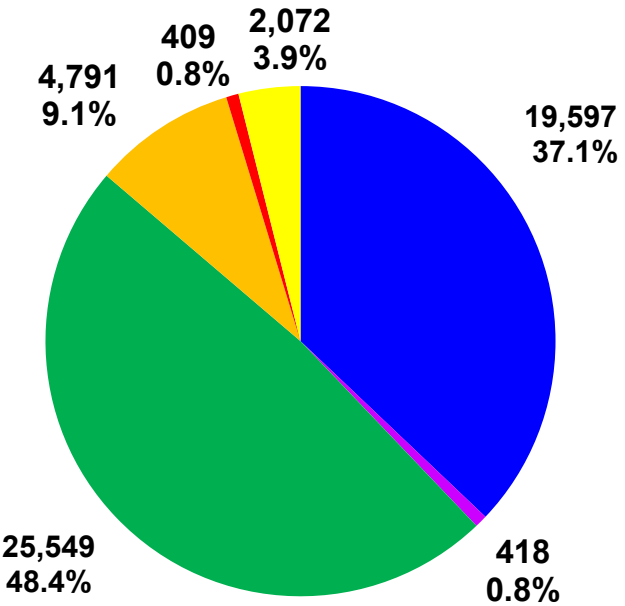
Carrier / Plan	Monthly Premium	Percent of Total	Retirees	Percent of Total
Anthem All Plans	\$22,756,649	44.0%	19,597	37.1%
Cigna Medical	\$766,925	1.5%	418	0.8%
Kaiser	\$19,246,449	37.2%	25,549	48.4%
UnitedHealthcare	\$4,883,162	9.4%	4,791	9.1%
SCAN Health Plan	\$141,072	0.3%	409	0.8%
Local 1014	\$3,927,569	7.6%	2,072	3.9%
<b>Combined Medical</b>	<b>\$51,721,827</b>	<b>100.0%</b>	<b>52,836</b>	<b>100.0%</b>

<b>Cigna Dental &amp; Vision (PPO and HMO)</b>	<b>\$4,207,140</b>	<b>54,263</b>
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**Monthly Premium**

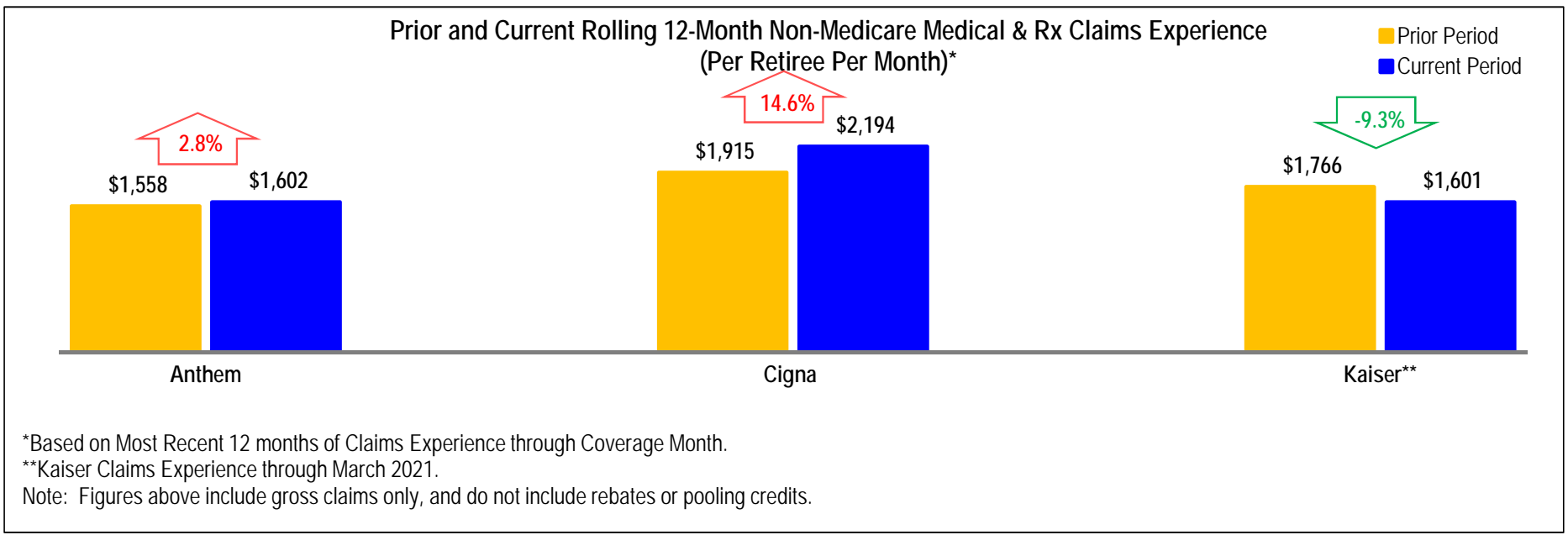
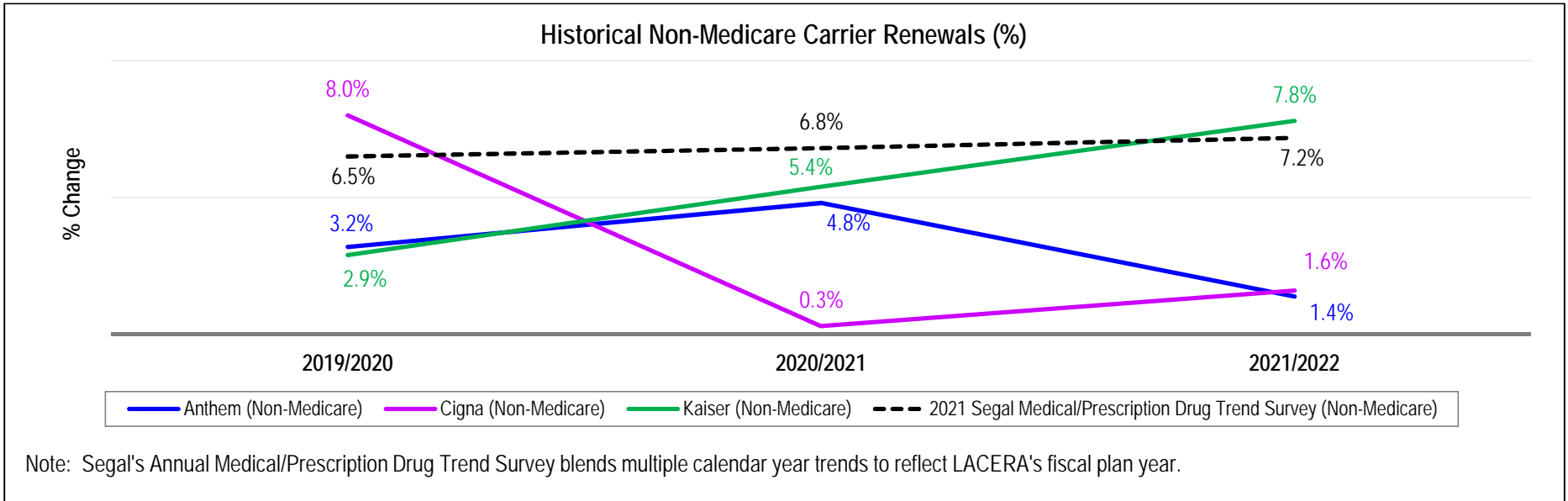


**Retirees**



Note: Premiums include LACERA's Administrative Fee of \$8.00 per member, per plan, per month.

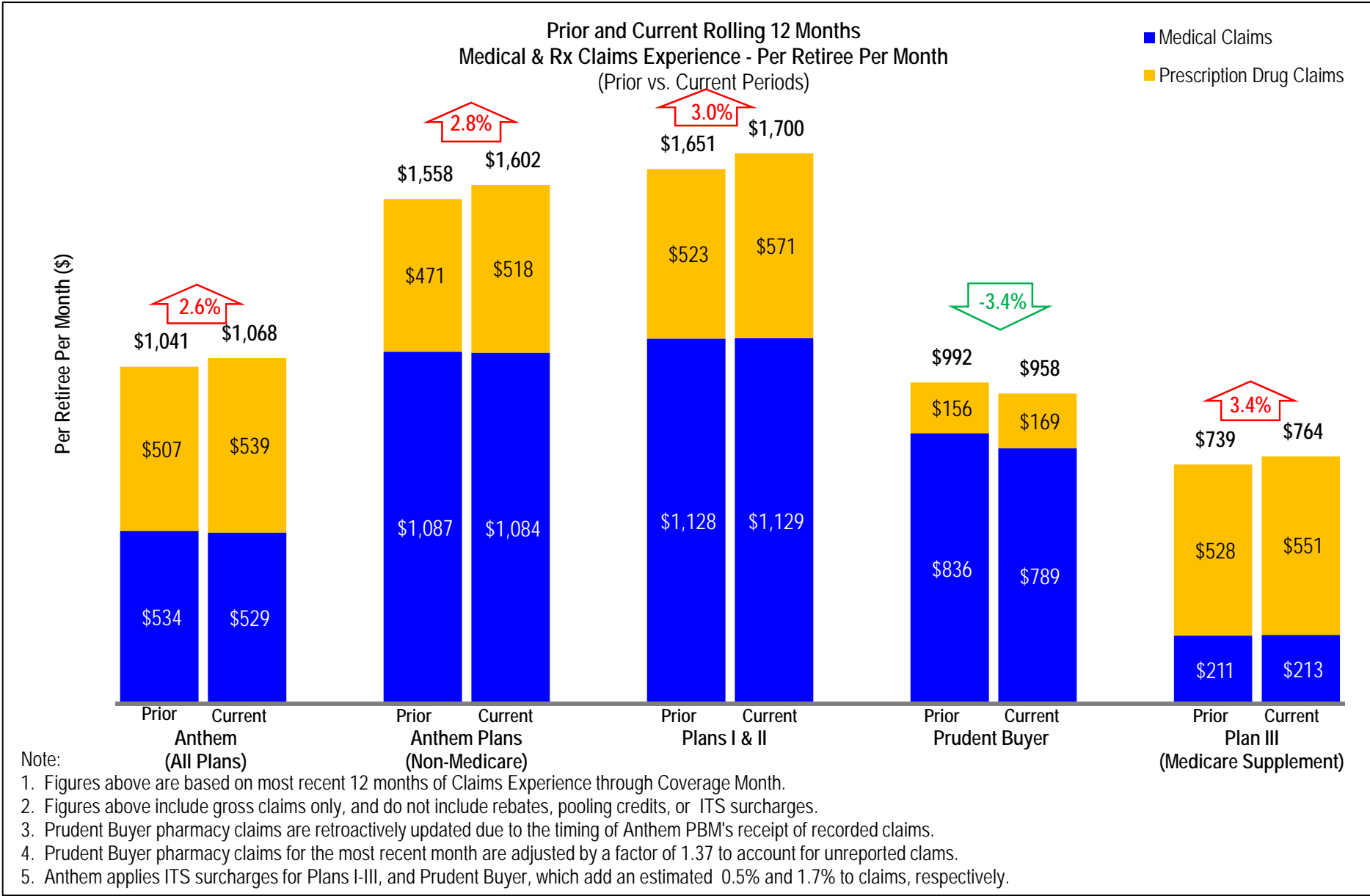
**Los Angeles County Employees Retirement Association**  
**Claims Experience by Carrier**  
*Coverage Month Ending July 2021*



**Los Angeles County Employees Retirement Association**

**Anthem Claims Experience By Plan**

*Coverage Month Ending July 2021*



# Los Angeles County Employees Retirement Association

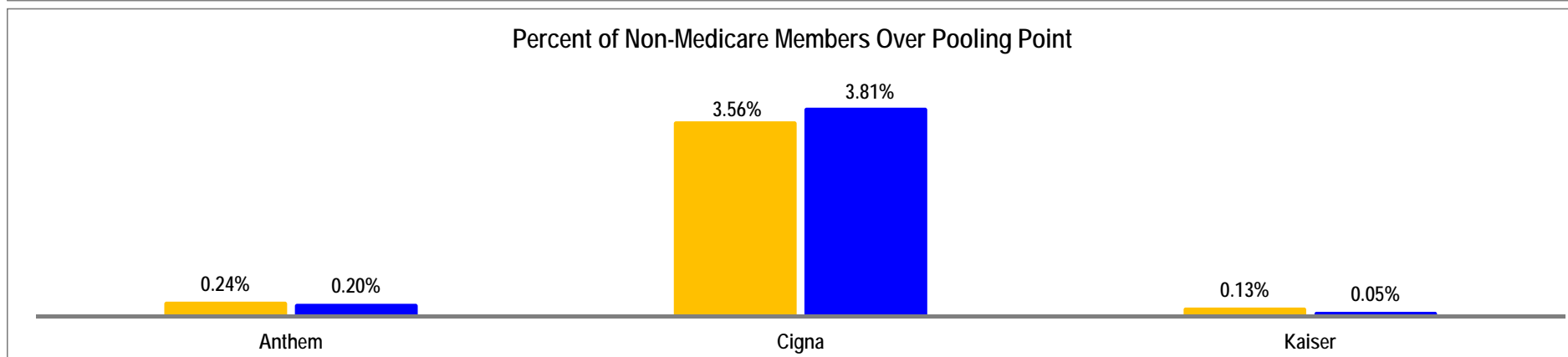
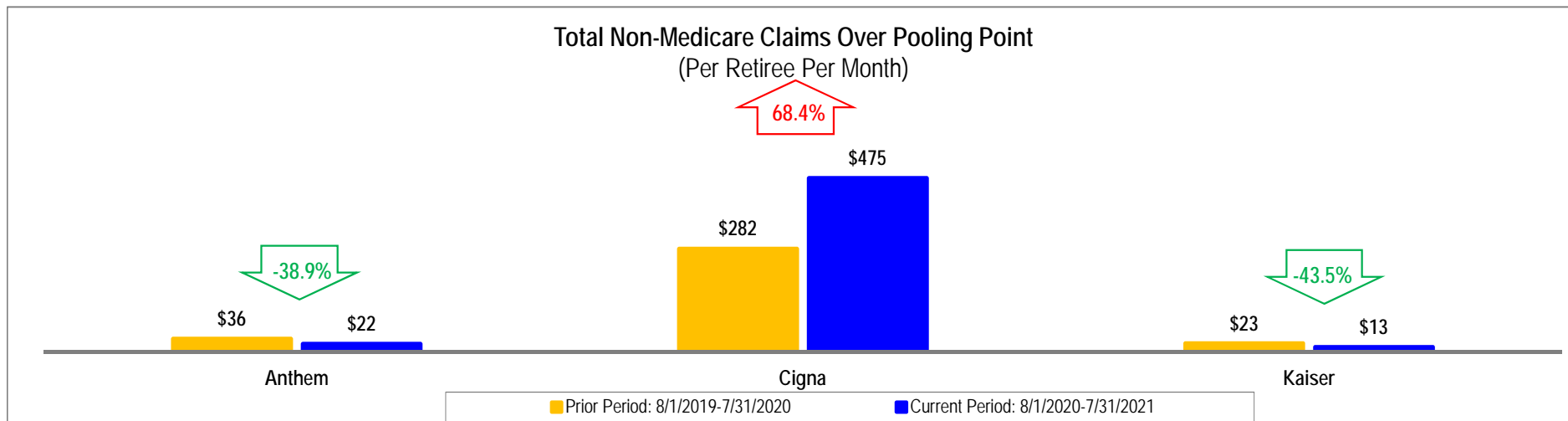
## Kaiser Utilization

### Coverage Month Ending July 2021

- Kaiser insures approximately 25,000 LACERA retirees with the majority enrolled in Medicare Advantage plans.
- Kaiser's Periodic Utilization Report (PUR) monitors utilization patterns of LACERA's non-Medicare population in Southern California.

Category	Current Period 4/1/2020 - 3/31/2021	Prior Period 4/1/2019 - 3/31/2020	Change
<b>Average Contract Size</b>	<b>2.39</b>	<b>2.38</b>	<b>0.42%</b>
<b>Average Members</b>	<b>8,862</b>	<b>8,819</b>	<b>0.49%</b>
Inpatient Claims Per Member Per Month	\$161.13	\$160.29	0.52%
Outpatient Claims Per Member Per Month	\$283.77	\$361.75	-21.56%
Pharmacy Per Member Per Month	\$111.23	\$102.87	8.13%
Other Per Member Per Month	\$113.76	\$116.76	-2.57%
<b>Total Claims Per Member Per Month</b>	<b>\$669.89</b>	<b>\$741.67</b>	<b>-9.68%</b>
<b>Total Paid Claims</b>	<b>\$71,242,911</b>	<b>\$78,488,825</b>	<b>-9.23%</b>
Large Claims over \$475,000 Pooling Point			
Number of Claims over Pooling Point	2	5	
Amount over Pooling Point	\$572,472	\$1,014,884	-43.59%
% of Total Paid Claims	<b>0.80%</b>	<b>1.29%</b>	
Inpatient Days / 1000	327.3	324.1	0.99%
Inpatient Admits / 1000	49.4	51.4	-3.89%
Outpatient Visits / 1000	11,461.3	13,223.5	-13.33%
Pharmacy Scripts Per Member Per Year	10.1	10.4	-2.88%

**Los Angeles County Employees Retirement Association**  
 High Cost Claimants (Anthem, Cigna, & Kaiser)  
 Coverage Month Ending July 2021



**Stop-Loss & Pooling Points Overview:**

Plan sponsors mitigate the financial risk associated with individual large claimants through reinsurance. Claims exceeding the specified individual pooling threshold are deducted from the carrier's renewal calculation. The pooling credit is offset by the carrier's pooling expense, which is applied to all policyholders.

Anthem and Cigna's figures are based on most recent 12 months of Claims Experience through Coverage Month. Kaiser's figures are based on claims experience period between April through March.

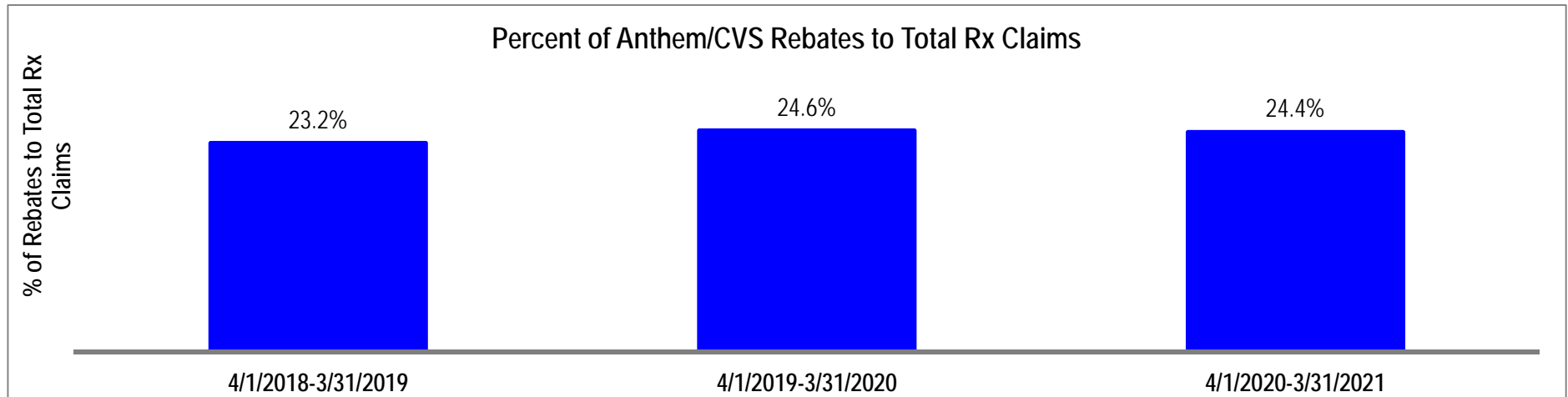
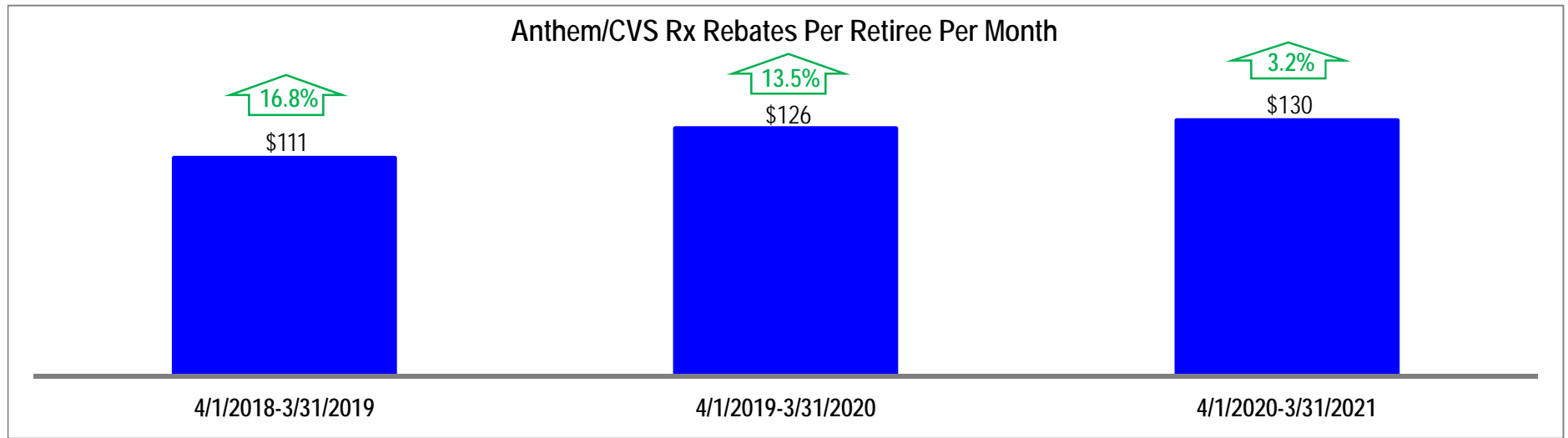
**Pooling Points by Carrier:**

1. Anthem's pooling points are \$350,000 for Plans I & II, and \$300,000 for Prudent Buyer.
2. Cigna's pooling point is \$100,000.
3. Kaiser's pooling point is \$475,000.

# Los Angeles County Employees Retirement Association

## Prescription Drug Rebates (Anthem)

Coverage Month Ending July 2021



**Rebates Overview:**

Pharmacy Benefit Managers negotiate volume-based rebates with drug manufacturers of brand medications. Manufacturer rebates are passed on to plan sponsors and are used to offset pharmaceutical claims expenses.

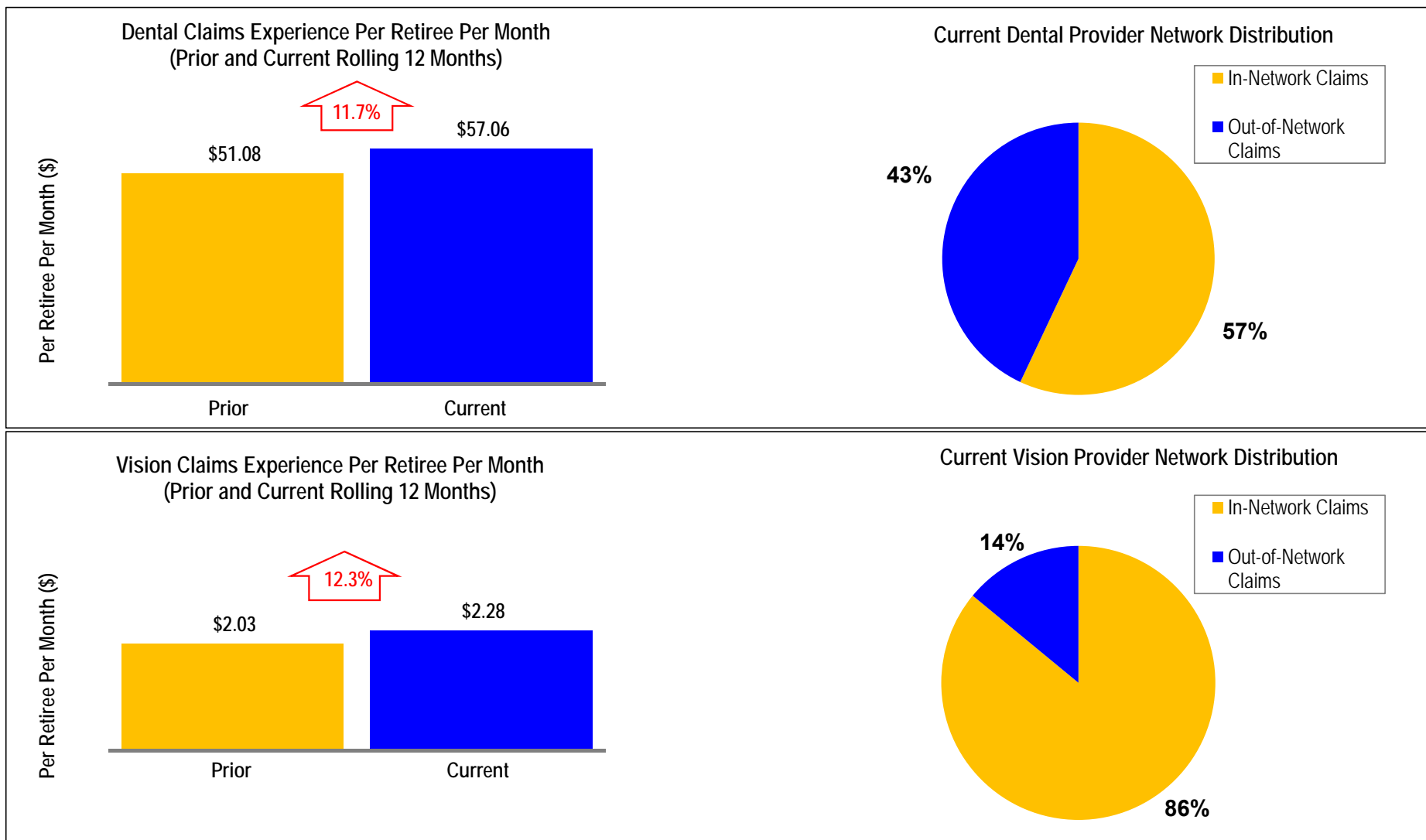
**Note:**

1. Prescription Claims and Rebates Data were provided by CVS.
2. Anthem Prudent Buyer prescription drugs are provided by Express Scripts Inc. and are not included in the charts above.

# Los Angeles County Employees Retirement Association

## Cigna Dental & Vision Claims Experience

Coverage Month Ending July 2021



Notes:

1. Figures above are based on most recent 12 months of Claims Experience through Coverage Month.
2. Dental Claims Experience reflects passive use of Cigna's PPO Dental Network.