

Benefits Administration Committee Agenda

REGULAR MEETING

TUESDAY, FEBRUARY 27, 2024

TIME: 9:30 A.M.

MEETING LOCATION:

LACERS Boardroom
977 N. Broadway
Los Angeles, California 90012

Important Message to the Public

An opportunity for the public to address the Committee in person from the Boardroom and provide comment on items of interest that are within the subject matter jurisdiction of the Committee or on any agenda item will be provided at the beginning of the meeting and before consideration of items on the agenda.

Members of the public who do not wish to attend the meeting in person may listen to the live meeting via one-way audio on Council Phone by calling (213) 621-CITY (Metro), (818) 904-9450 (Valley), (310) 471-CITY (Westside) or (310) 547-CITY (San Pedro Area).

Disclaimer to Participants

Please be advised that all LACERS Committee meetings are recorded.

LACERS Website Address/link:

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In compliance with Government Code Section 54957.5, non-exempt writings that are distributed to a majority or all of the Board in advance of the meeting may be viewed by clicking on LACERS website at www.LACERS.org, at LACERS' offices, or at the scheduled meeting. In addition, if you would like a copy of a non-exempt record related to an item on the agenda, please call (213) 855-9348 or email at lacers.board@lacers.org.

Chair: Michael R. Wilkinson

Committee Members: Thuy Huynh
Sung Won Sohn

Manager-Secretary: Neil M. Guglielmo

Executive Assistant: Ani Ghoukassian

Legal Counselor: City Attorney's Office
Public Pensions General
Counsel Division

Notice to Paid Representatives

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Request for Services

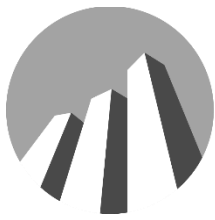
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- I. PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA

- II. [APPROVAL OF MINUTES FOR THE MEETING OF FEBRUARY 13, 2024 AND POSSIBLE COMMITTEE ACTION](#)
- III. [2024 LACERS WELL UPDATE, WORKPLAN, BUDGET, WELLNESS FUNDS POLICY AND POSSIBLE COMMITTEE ACTION](#)
- IV. OTHER BUSINESS
- V. NEXT MEETING: The next Benefits Administration Committee meeting is not scheduled at this time and will be announced upon scheduling. Please continue to view the LACERS website for updated information on public access to Board/Committee meetings.
- VI. ADJOURNMENT



LACERS

LA CITY EMPLOYEES'
RETIREMENT SYSTEM



Board of Administration Agenda

SPECIAL MEETING

TUESDAY, FEBRUARY 27, 2024

TIME: 9:30 A.M.

MEETING LOCATION:

LACERS Boardroom
977 N. Broadway
Los Angeles, California 90012

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President: Annie Chao
Vice President: Sung Won Sohn

Commissioners: Thuy Huynh
Elizabeth Lee
Gaylord "Rusty" Roten
Janna Sidley
Michael R. Wilkinson

Manager-Secretary: Neil M. Guglielmo

Executive Assistant: Ani Ghoukassian

Legal Counsel: City Attorney's Office
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- II. APPROVAL OF MINUTES FOR THE MEETING OF FEBRUARY 13, 2024 AND POSSIBLE COMMITTEE ACTION
- III. 2024 LACERS *WELL* UPDATE, WORKPLAN, BUDGET, WELLNESS FUNDS POLICY AND POSSIBLE COMMITTEE ACTION
- IV. OTHER BUSINESS
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- VI. ADJOURNMENT

MINUTES OF THE SPECIAL MEETING
BOARD OF ADMINISTRATION
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

February 13, 2024

9:17 a.m.

PRESENT:	Chair:	Michael R. Wilkinson
	Committee Members:	Thuy Huynh (arrived at 9:18 a.m.) Sung Won Sohn
	Commissioner:	Gaylord "Rusty" Roten
	Executive Assistant:	Ani Ghoukassian
	Legal Counselor:	Miguel Bahamon
	Manager-Secretary:	Neil M. Guglielmo

The Items in the Minutes are numbered to correspond with the Agenda.

Commissioner Roten joined the Benefits Administration Committee meeting at 9:22 a.m., and this was a Special Meeting of the Board of Administration. Any votes were taken by Benefits Administration Committee members only.

I

PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – Chair Wilkinson asked if any persons wished to speak on matters within the Committee's jurisdiction, and there were no public comment cards submitted.

II

APPROVAL OF MINUTES FOR THE MEETING OF SEPTEMBER 26, 2023 AND POSSIBLE COMMITTEE ACTION – Committee Member Huynh moved approval, adopted by the following vote: Ayes, Committee Members Huynh, Sohn, and Chair Wilkinson -3; Nays, None.

III

HEALTH, WELLNESS, AND BUYBACK 2023 UPDATE AND 2024 WORKPLAN PRESENTATION – Karen Freire, Chief Benefits Analyst and Maricel Martin, Senior Benefits Analyst, presented and discussed this item with the Committee for 15 minutes.

IV

OTHER BUSINESS –There was no other business.

V

NEXT MEETING: The next Benefits Administration Committee meeting is not scheduled at this time, and will be announced upon scheduling. Please continue to view the LACERS website for updated information on public access to Board/Committee meetings.

VI

ADJOURNMENT – There being no further business before the Committee, Chair Wilkinson adjourned the Meeting at 9:33 a.m.

Michael R. Wilkinson
Chair

Neil M. Guglielmo
Manager-Secretary



REPORT TO BENEFITS ADMINISTRATION COMMITTEE MEETING: FEBRUARY 27, 2024

From: Neil M. Guglielmo, General Manager

ITEM: III

Neil M. Guglielmo

SUBJECT: 2024 LACERS WELL UPDATE, WORKPLAN, BUDGET, WELLNESS FUNDS POLICY, AND POSSIBLE COMMITTEE ACTION

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Committee forward a recommendation to the Board to approve the following:

1. Proposed 2024 Wellness Budget;
2. Proposed Wellness Funds Policy; and
3. Delegate authority to the General Manager or designee to make adjustments to the 2024 Wellness Budget including transfers between Wellness budget accounts.

Executive Summary

The mission of the LACERS Wellness Program, LACERS *Well*, is to enhance the quality of life and retirement for LACERS Members by providing resources and activities that promote optimal health and wellness. Since implementation in 2012, this innovative retiree wellness initiative strived to engage LACERS Retired Members in managing lifestyle-related health risks through informational seminars, workshops, and activities. Today's LACERS *Well* promotes five pillars of the program: purpose, health, financial wellness, social engagement, and community, and is augmented with a network of LACERS *Well* Champions, including Retired Members who voluntarily lead various types of activities for other LACERS Members in their communities or assist at various LACERS *Well* events. Ultimately, the goal of the program is to help retired Members better manage their health, so they are able to have a more fulfilling retirement, while minimizing long-term healthcare costs.

Discussion

Funding for the LACERS *Well* program is provided by LACERS health insurance carriers. The program seeks to enhance the overall health, well-being, and quality of life for LACERS Members through the participation in our wellness program.

In 2023, LACERS *Well* achieved the following:

- Facilitated eight (8) in-person workshops/events
- 3,846 Members participated in LACERS *Well*/Champion activities

- 6,174 Member interaction touchpoints took place via email inquiry, phone calls, mailers, social media, and carrier surveys
- Arranged and assisted in three Open Enrollment in-person events with the Health Unit
- 21 Champion volunteers facilitated activities
- Established six (6) non-profit and senior agency partnerships
- Hosted the 2023 Carrier Summit on October 30, 2023

In 2024, LACERS *Well* desires to achieve the following:

- Increase program participation to 4,500
- Increase webinars/classes to 100
- Facilitate 12 in-person workshops/events
- Recruit 30 new Champion volunteers to the program
- Establish seven (7) new non-profit or senior agency partnerships

Proposed Strategic Plan Initiatives

LACERS *Well* is exploring other opportunities that extend outreach and augments the current offerings, and increases the value of LACERS *Well* to our Members. Further, in order for LACERS' benefits staff to be supported in administering retirement and health benefits, the Wellness Program is exploring training opportunities offered by various non-profits that specialize in senior plan offerings. Thus, the Wellness Program is proposing two initiatives, as part of LACERS Strategic Plan. The objective of the proposed strategic plan initiatives is to focus on building collaborations with the health plan carriers, non-profit organizations, and other agencies to expand wellness services and activities for the prevention and management of Member's chronic conditions, educating Members on ways to maintain their health, and informing them about their health plan programs and benefits. More information will be provided in the future, as the Strategic Plan process is under way.

2024 Wellness Workplan

For calendar year 2024, LACERS *Well*'s workplan includes continuing the in-person and virtual offerings of the previous year and adding additional new programming. LACERS *Well* will continue to provide technology classes, exercise classes, brain health classes, and various Champion programs throughout the year. Some of the new programs offered in 2024 include: summer dance classes; lunch and learn meetings with the health plan carriers; and fitness center events. The focus of LACERS *Well* for this year is to gradually enhance programming and Member participation.

Wellness Budget Proposal

From 2012 to 2024, the Wellness Initiative was funded by contributions from the carriers for Open Enrollment and Wellness activities, at the discretion of LACERS. In 2024, the health plan carriers provided a total amount of \$388,500 for the program, bringing the total account balance to \$1,117,814.37 as of December 31, 2023.

A budget of \$388,500 is proposed, based on carrier committed amounts, to fund the activities of the 2024 Wellness workplan. The proposed budget is a 39% increase over last year's budget. The actual

expenditures for 2023 were \$240,310.66. The Board's review and approval of the proposed Wellness budget provides transparency and improved control over the use of the Wellness funds.

Wellness Funds Policy

The proposed policy establishes the purpose of the Wellness Funds and provides guidance on the reporting and usage of funds for expenses related to wellness. Annually, a proposed budget to support the annual workplan will be submitted to the Board for consideration.

Strategic Plan Impact Statement

The LACERS *Well* program supports the LACERS Strategic Plan Goal of improving value and minimizing costs of our Health and Wellness Program by educating Members about and encouraging use of resources available through the health insurance carriers and communities.

Prepared By: Kristal Baldwin, Benefits Analyst, Health, Wellness and Buyback Division

NMG/DWN/KF/kb

- Attachments:
1. 2024 LACERS *Well* Update, Workplan, Budget & Policy Presentation
 2. Proposed 2024 Wellness Budget
 3. Proposed Wellness Funds Policy
 4. Proposed Board Resolution



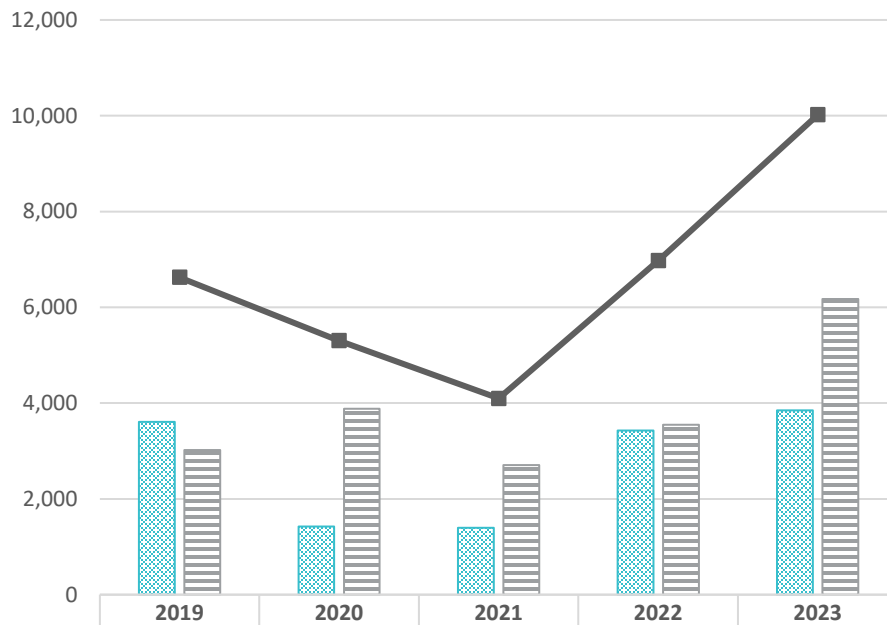
LACERS WELL

2024 LACERS Well Update, Workplan, Budget, Policy



2023 Wellness Program Accomplishments & 2024 Plans

Wellness Participation and Touchpoints



	2019	2020	2021	2022	2023
Wellness Program Member Participation	3,605	1,422	1,394	3,427	3,846
Wellness Interaction "Touchpoints"	3,021	3,880	2,703	3,545	6,174
Totals	6,626	5,302	4,097	6,972	10,020



2023 Accomplishments

- Return of in-person LACERS Well activities and events
- 3,846 Member Participation + 6,174 Interaction Touchpoints
- Arranged and assisted in the three 2024 Open Enrollment in-person meetings with Health Advocacy
- Planned and hosted the 2023 Carrier Summit on Oct. 30, 2023



2024 Plans

- Expand in-person LACERS Well event portfolio
- Health Management Initiative
- Non-Profit Organization Outreach Initiative

LACERS Well In-Person & Virtual Events

2024 Wellness Theme: Move, Learn, and Grow Together

In-Person

- LACERS Workshops
- 5k Hike-Walk-Run
- Community Health Fairs
- Fitness Center Events
- Lunch & Learn Meetings
- Summer Dance Series

Virtual/Online

- Technology Class
- Brain Health Class
- Fitness Class
- new*
- Aging Well Class
- Kaiser Wellbeing Webinars
- Mental Wellness Webinars
- Anthem Benefit Webinars

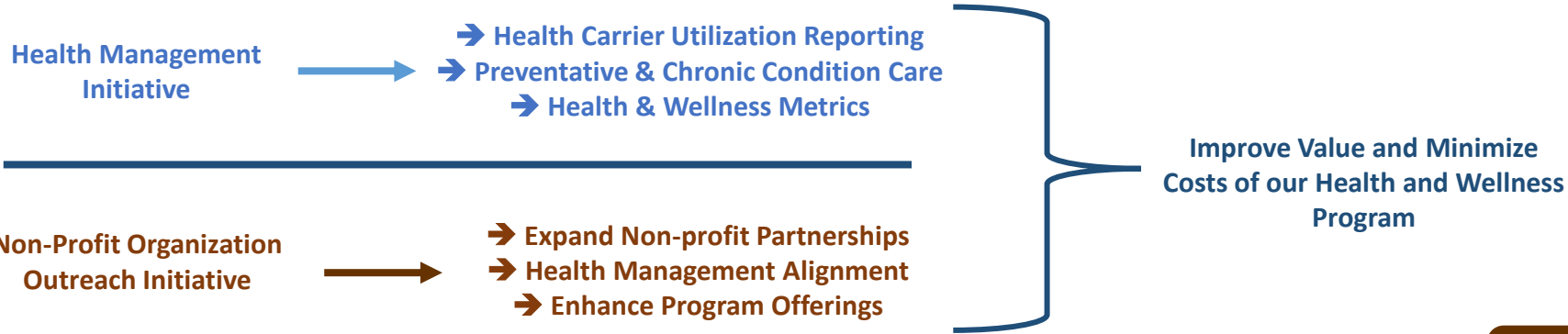
Purposeful Living Campaign

The LACERS Well wellness program’s mission is to enhance the quality of life and retirement for Members by providing resources and activities that promote optimal health and wellness. The wellness program continues to promote Purposeful Living based on five essential elements of overall well-being: Purpose, Health, Financial Wellness, Social Engagement, and Community.

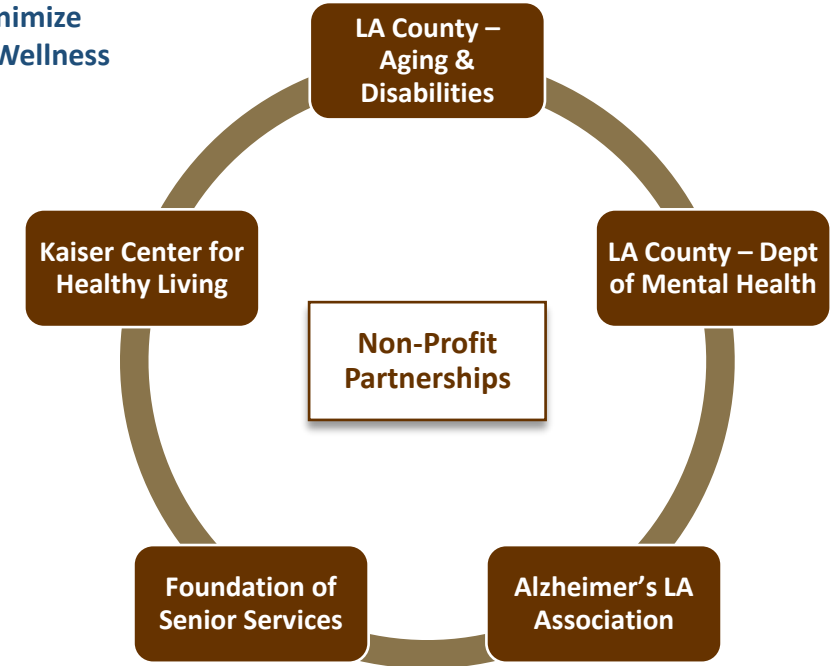


Proposed Strategic Plan Initiatives Fiscal Year 2024

Focus on preventing and managing diabetes, hypertension, and depression



Anthem Blue Cross	Kaiser Permanente	UnitedHealthcare	SCAN Health Plan
<ul style="list-style-type: none"> • Silver Sneakers Fitness Program • Educational Marketing Plan & Webinars 	<ul style="list-style-type: none"> • Healthy Balance, a CDC certified Diabetes Prevention Program • Wellbeing Webinars on Healthy Eating and Managing Weight 	<ul style="list-style-type: none"> • Let's Move Program 	<ul style="list-style-type: none"> • In-house Medical Directors/Physicians for Webinars



Wellness Strategic Plan Initiative Support

Objective

Collaborate with health plan carriers, non-profit organizations, and other agencies to expand wellness services and activities for preventing and managing Member's chronic conditions, educating Members on ways to maintain their health, and informing them about their health plan programs and benefits.

Benefits

- Align resources to scale programming
- Support Member education, assistance and participation
- Integrate health management in wellness programming

Next Steps

- Identify health carrier & non-profit resources & reporting
- Define metrics for reporting and enhance existing dashboard

Team Leader

- Stephanie Smith, LACERS

HWABD Management Support

- Karen Freire, LACERS
- James Kawashima, LACERS

Executive Sponsor

Dale Wong-Nguyen

Support

- LACERS Wellness Team
- Keenan and Associates
- Health Plan Carriers
- Non-Profit Organizations



Wellness Program Results & Goals



2023 Results

- 3846 Program Participants
- 86 Webinars/Classes
- 8 In-Person Workshops/Events
- 21 Champion Volunteers
- 6 Non-profit or Senior Agency Partnerships

2024 Goals

- 4500 Program Participants
- 100 Webinars/Classes
- 12 In-Person Workshops/Events
- 30 Champion Volunteers
- 7 Non-profit or Senior Agency Partnerships

Note: The Wellness Program seeks to help minimize health care costs, in addition to addressing challenges with aging through the health care management and non-profit strategic initiatives in collaboration with local agency support from LACDMH, LACAD, ALZLA, etc.



2024 Wellness Workplan

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Aging Well Discussion group – 1 st Wednesdays	Yellow											
Mom’s Computer Technology Classes – 2 nd Wednesdays	Light Blue											
Fitness Made Simple Exercise Class – 3 rd Wednesdays	Yellow											
Anthem Benefit Webinars – 4 th Wednesdays	Light Blue											
Champion Program In-Person & Virtual Activities	Yellow											
Brain Health Classes – 4 th Wednesdays	Light Blue											
Kaiser Well-Being Webinars	Yellow											
SilverSneakers Fitness Center Events (Anthem Members)				Light Blue								
Silver&Fit/Active&Fit Fitness Center Events (Kaiser Members)				Yellow								
ACDMHC – Financial Scams, Preserving Memory, Holiday Blues					Light Blue						Light Blue	
Golden Future 50+ Senior Expo						Yellow						
Coping with Grief & Loss Webinar					Light Blue							Light Blue
Fitness 5k Hike/Walk/Run						Yellow						
Summer Dance Classes							Light Blue					
Mom’s Computer Technology Workshop							Yellow					
SCAN-Kaiser Lunch and Learn Meetings								Light Blue				
Financial & Estate Planning Workshop									Yellow			
Carrier Summit-Champion Meeting										Light Blue		
Open Enrollment Virtual Meetings										Yellow		
Open Enrollment In-Person Meetings											Light Blue	
Wellness Retiree Newsletter			Yellow			Yellow			Yellow			Yellow

Wellness Budget Proposal

Annually, health plan carriers make contributions to fund the LACERS Well program at the beginning of the calendar year. In 2024, health carriers have committed the amounts below for the program.

Health Carrier	2024 Wellness Funding Commitment (Calendar Year)
Anthem	\$200,000
Kaiser	\$150,000
SCAN	\$20,000
UHC	\$8,500
Delta Dental	\$10,000
Total	\$388,500

Note: LACERS Health Carrier Account (HCA) balance as of 12/31/23 is \$1,117,814.37.

The proposed 2024 budget is as follows:

Account/Expense	Budget
Fitness Events: Fitness Summit, Fitness Center Events, Summer Dance Classes, Fitness 5k Hike/Walk/Run	\$12,000
Workshops: Technology, Estate & Financial Planning	\$7,000
Community Events (Golden Future 50+ Expo)	\$1,000
Informational Meetings: Meet the Doctor – Lunch & Learn Meetings	\$5,000
Champion Meetings/Activities	\$5,000
Carrier Summit/Champion Appreciation Lunch	\$4,000
Wellness Staff Activities (Guiding Principles)	\$4,000
Passport to Health Initiatives (Gift Cards via Keenan)	\$3,000
Mom’s Computer – Elijah Dittersdorf	\$10,000
Personal Wellness Corporation (PWC) – Sean Foy	\$14,000
Foundation for Senior Services (FFSS)	\$5,000
Open Enrollment Meetings	\$70,000
Mailings (Newsletters)	\$10,000
HWABD Trainings and Conferences	\$5,000
Promotional Items	\$10,000
Salaries and Overtime	\$165,000
Mileage	\$225
Contingency (15%)	\$58,275
Total	\$388,500

Wellness Funds Policy (Attachment 3)



LACERS WELL

QUESTIONS?



PROPOSED 2024 LACERS WELL BUDGET

Account/Expense	Budget
1000: Fitness Events (Fitness Center, Dance, 5K)	\$12,000
2000: Workshops (Technology, Estate & Financial Planning), Community Events (Golden Future 50+ Expo), Informational Meetings (Meet the Doctor – Lunch & Learn Meetings)	\$7,000
3000: Community Events (Golden Future 50+ Expo),	\$1,000
4000: Informational Meetings (Meet the Doctor – Lunch & Learn Meetings) and Carrier Summit Meetings	\$9,000
5000: Champion Meetings/Wellness Staff Activities	\$9,000
6000: Passport to Health Initiatives (Gift Cards via Keenan)	\$3,000
7000: Mom’s Computer – Elijah Dittersdorf	\$10,000
8000: Personal Wellness Corporation (PWC) – Sean Foy	\$14,000
9000: Foundation for Senior Services (FFSS)	\$5,000
10000: Open Enrollment Meetings	\$70,000
11000: Mailings (Newsletters)	\$10,000
12000: Promotional Items	\$10,000
13000: Training	\$5,000
14000: Salaries, Overtime, Mileage, Contingency (15%)	\$223,500
Total	\$388,500

2023 LACERS WELL BUDGET AND EXPENSES

Account/Expense	Budget	Actual Expenses
1000: Extravaganza/Summit	\$5,750	\$5,728.15
2000: Workshops (AMP, Tech, Estate Planning, etc.)	\$21,700	\$20,168.88
3000: Picnic/Fitness 5K Hike/Walk/Run	\$1,800	\$1,769.36
4000: Champions Meetings/Events/Gala	\$1,500	\$0.00
5000: Carrier Summit/Staff Appreciation	\$3,500	\$0.00
6000: Passport to Health (Gift Card via Keenan)	\$2,650	\$2,429.50
7000: Mom's Computer – Elijah Dittersdorf	\$20,000	\$9,600.00
8000: PWC – Sean Foy	\$20,000	\$15,000.00
9000: Foundation for Senior Services (FFSS)	\$1,800	\$840.00
10000: Open Enrollment	\$52,000	\$39,090.92
11000: Mailing	\$0	\$0.00
12000: Promotional Items	\$8,300	\$5,683.85
13000: Purchasing Card Expenses	\$0	\$0.00
14000: Salaries	\$140,000	\$140,000
Total	\$279,000	\$240,310.66

SECTION 4.0 BENEFITS ADMINISTRATION

4.1 WELLNESS FUNDS POLICY

(Resolution: #___; Adopted: February 27, 2024)

Introduction

Wellness programs are playing an increasingly key role in retiree health management. LACERS' primary fiduciary duty is to act in the best interest of the Members, and secondarily to defray the cost of administering the system. Improving the health of retired Los Angeles City employees benefits the retirees with a better quality of life, and healthier Members require less costly health services, thereby helping to contain the costs of administering the retiree health plan.

In 2012, LACERS' adopted a Strategic Plan Initiative to compel health carriers to track and provide meaningful data on health plan utilization of our Members. This data informs how LACERS can design its health plan to maximize utilization and provide value to our Members. The data also reports on diseases such as diabetes, high blood pressure, depression, that are impacted by lifestyle habits. Seeing the unique position as retirees' lifelong partner, the LACERS Well program was launched, funded by health carrier contributions, aiming to improve retiree health and wellness and thereby reduce the frequency and severity of costly chronic health conditions.

I. Objectives of the Wellness Funds Policy

- A. Establish the purpose for use of the Wellness Funds.
- B. Acknowledge the LACERS Wellness Account is funded from the health carriers under contract, and is separate from the LACERS 115 Trust, the 401(h) account, and LACERS Retirement Trust fund.
- C. Create transparency in the use of the funds through the adoption of this policy and annual adoption of the Wellness workplan and budget.
- D. Delegate to the General Manager and deputies, the responsibility to establish financial controls over these funds, establish written procedures, assign additional duties, and establish monitoring.

II. Wellness Program Funding

- A. The LACERS Well program seeks funding for its initiatives through carrier provided funds negotiated in the RFP and annual premium renewal process. The program is also seeking other alternative funding and is open to development or exploration of other non-City funding sources, such as grants or private partnerships with non-profit agencies.
- B. LACERS' goal is to achieve and maintain a balanced budget in which future costs/expenses are fully paid using Wellness funds from carrier-sponsored funding, augmented by LACERS' allocated Wellness budget during the annual budget process.
- C. Current appropriations for all funds are limited to the sum of available cash balances estimated to be received in the current budget calendar year. Cash balances could include past years unused or reserve funds.
- D. Expenditures for mandated and priority programs are to be made against current funding sources and not fully dependent upon LACERS funds.

ARTICLE II. BOARD ADMINISTRATIVE POLICIES

SECTION 4.0 BENEFITS ADMINISTRATION

- E. To the extent possible, current program offerings will be funded by current funds provided by carriers.
- F. On an annual basis, the Wellness Unit will submit a budget using projected funds provided by carriers with 15% set aside reserve for unanticipated expenses.

III. Acceptable Funding Usage

- A. Wellness Funds shall be used to provide and promote healthy lifestyle activities for Members.
- B. Wellness Funds may be used on salaries for staff of the Wellness Program.
- C. Wellness Funds may be used to provide LACERS staff Wellness education and activities.
- D. Wellness Funds may be used to support meetings and activities with our Wellness partners, including Open Enrollment.

IV. Annual Reporting and Budget Adoption

- A. Annually, or as needed, a Wellness Program Workplan Report and proposed budget will be provided to the Board for adoption.

**2024 BUDGET AND POLICIES FOR LACERS WELLNESS PROGRAM AND
DELEGATION OF AUTHORITY TO THE GENERAL MANAGER**

PROPOSED RESOLUTION

WHEREAS, the Los Angeles City Employees' Retirement System (LACERS) developed the LACERS *Well* program to support and improve the health of Retired Members;

WHEREAS, the health plan carriers provide annual funding to the LACERS *Well* programs;

WHEREAS, LACERS *Well* has contracted with vendors to provide services and activities to help Retired Members better manage their health while minimizing long-term healthcare costs;

WHEREAS, the Calendar Year 2024 Wellness Program budget provides funds for expenditures related to wellness events;

WHEREAS, the LACERS Wellness Funds Policy provides guidance on the usage of wellness funds to support the overall objective of the program;

WHEREAS, Charter Section 343(b) and Administrative Code Section 5.36, provides authority to the head of the department, the LACERS Board of Administration, to transfer between budgetary items, within limits prescribed by the City Administrative Officer;

WHEREAS, the Board is authorized to delegate to the General Manager to move funds in order to meet priorities in the most efficient and timely manner;

NOW, THEREFORE, BE IT RESOLVED, that the Board:

1. Approve the 2024 LACERS *Well* Budget;
2. Approve the LACERS Wellness Funds Policy;
3. Delegate authority to the General Manager or designee to make adjustments to the 2024 Wellness Budget including transfers between Wellness budget accounts.

February 27, 2024