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NEWS

FOR IMMEDIATE RELEASE

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LACERS SELECTED FOR A 2011 CITY OF LOS ANGELES QUALITY AND PRODUCTIVITY AWARD

LOS ANGELES (October 14, 2011) — The Los Angeles City Employees' Retirement System (LACERS) was presented a Quality and Productivity Award by the City of Los Angeles Quality and Productivity Commission for successful participation in the Federal Early Retiree Reinsurance Program (ERRP) during the Los Angeles City Council meeting today.

The ERRP was created by the Patient Protection and Affordable Care Act to assist organizations like LACERS in maintaining coverage for early retirees by reimbursing a portion of eligible early retiree medical claims. Beginning in July 2011, eligible Retired Members enrolled in LACERS medical plans have seen temporary reductions in monthly medical plan premium deductions as a result of LACERS participation in the ERRP.

The Los Angeles City Retirement System's participation in this program along with their successful implementation of a working plan compliant with ERRP program guidelines has resulted in the receipt of \$3.8 million in reimbursements. LACERS will apply an estimated \$2.6 million towards lowering the City's retiree medical costs. The remainder of the \$3.8 million will be applied to offset premium costs for Retired Members.

LACERS also will be able to request additional ERRP reimbursements in the future. The receipt of the Quality and Productivity award is a testament to the responsiveness and professionalism of LACERS employees, who enabled LACERS to be among the first institutions in the nation to successfully apply for ERRP funding.

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LACERS administers the City's pension plan to more than 43,000 Active and Retired City employees and other beneficiaries. LACERS' portfolio is approximately \$10.1 billion.

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