



Benefits Administration Committee Agenda

REGULAR MEETING

TUESDAY, FEBRUARY 13, 2024

TIME: 9:15 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:

www.LACERS.org

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

If you are compensated to monitor, attend, or speak at this meeting, City law may require you to register as a lobbyist and report your activity. See Los Angeles Municipal Code §§ 48.01 *et seq.* More information is available at ethics.lacity.org/lobbying. For assistance, please contact the Ethics Commission at (213) 978-1960 or ethics.commission@lacity.org.

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Sign Language Interpreters, Communication Access Real-Time Transcription, Assistive Listening Devices, Telecommunication Relay Services (TRS), or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. Due to difficulties in securing Sign Language Interpreters, five or more business days' notice is strongly recommended. For additional information, please contact: Board of Administration Office at (213) **855-9348** and/or email at lacers.board@lacers.org.

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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 SEPTEMBER 26, 2023 AND POSSIBLE COMMITTEE ACTION](#)
- III. [HEALTH, WELLNESS, AND BUYBACK 2023 UPDATE AND 2024 WORKPLAN PRESENTATION](#)
- 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



Board of Administration Agenda

SPECIAL MEETING

TUESDAY, FEBRUARY 13, 2024

TIME: 9:15 A.M.

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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 Public Pensions General Counsel Division

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

September 26, 2023

9:31 a.m.

PRESENT:	Chair:	Michael R. Wilkinson
	Committee Members:	Thuy Huynh 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 9:31 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 AUGUST 8, 2023 AND POSSIBLE COMMITTEE ACTION – Committee Member Sohn moved approval, adopted by the following vote: Ayes, Committee Members Huynh, Sohn, and Chair Wilkinson -3; Nays, None.

III

PROPOSED CHANGE TO DISABILITY RETIREMENT PRESENTATION AND POSSIBLE COMMITTEE ACTION – Carol Rembert, Benefits Analyst, presented and discussed this item with the Committee. Committee Member Sohn moved approval, adopted by the following vote: Ayes, Committee Members Chao, Sohn, and Chair Wilkinson -3; Nays, None.

IV

OTHER BUSINESS –There was no other business.

V

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VI

ADJOURNMENT – There being no further business before the Committee, Chair Wilkinson adjourned the Meeting at 9:35 a.m.

Michael R. Wilkinson
Chair

Neil M. Guglielmo
Manager-Secretary



Health, Wellness, and Buyback (HWABD) 2023 Update and 2024 Work Plan

LACERS' Strategic Plan Goals that HWABD Focuses On



Benefits Delivery

To improve the value and minimize costs of Members' health and wellness benefits.



Health & Wellness

To deliver accurate and timely Member benefits.



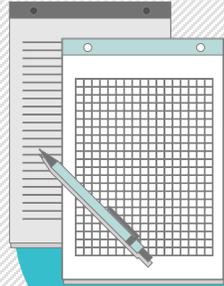
Customer Service

To provide outstanding customer service.

2023 Health Section Accomplishments

Medical Plan Request for Proposal (RFP)

- Outreach resulted in **8 respondents**
- Marketing and renewal negotiated **savings of \$2,874,313**



Addition of Anthem Medicare Supplement Plan for 2024

- Heard and responded to Members who desired the return of the Anthem Life & Health Medicare Plan

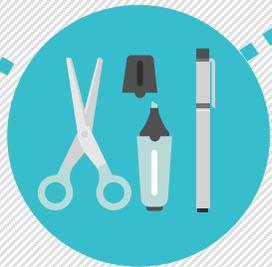


2024 Open Enrollment

- Return of in-person Open Enrollment meetings
- In-person attendees: **85%** (446 attended, 524 RSVP-d)
- Virtual attendees: **70%** (292 attended, 415 RSVP-d)

2023 LACERS Pension Symposium

- Presentations from LACERS-contracted medical carriers and Health & Welfare Consultant



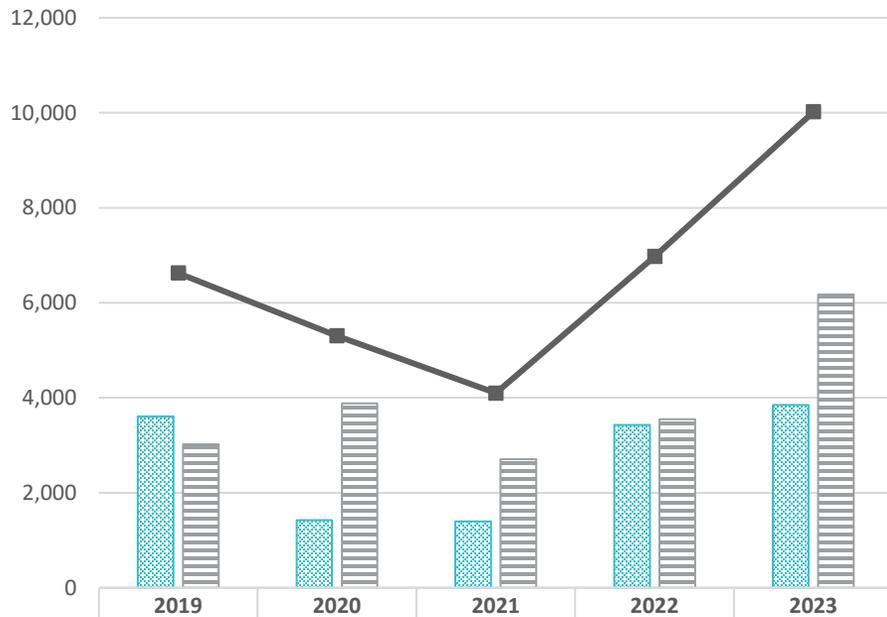
IRMAA discussions

- Transmitted IRMAA study, presentations, and reports to City Council
- Ongoing education and outreach on the topic of IRMAA



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

FY23 Buyback Section Accomplishments & FY24 Plan

FY23 Accomplishments

- Maintained average processing wait time of **5 months** since Feb. 2021
- Maintained low aging (backlog) cases with 5 aging cases at the end of fiscal year

See Appendix for details

FY24 Plan

- Continue to maintain an average processing wait time of 5 months.
- Eliminate aging cases in the queue or keep the number at a low count (5 cases or less).



2024 Health, Wellness, and Buyback Workplan

Category	Operation Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Reports*	HWABD and Wellness Program Update & Budget Reports												
	2023 Financial and Management Dashboards to BAC												
	2023 Year-End Accounting												
Medical Renewal, & Dental and Vision RFPs	Dental and Vision RFP												
	Medical Plans Premium Renewal Discussions/Negotiations												
	Evaluations for RFP and renewal submissions												
	Target period for LACERS Board consideration of contract award												
	Premium rates to BAC and Board*												
	Subsidy & Reimbursement amounts to BAC and Board*												
Open Enrollment	Health Benefits Guide Revamp	(8 mo.)											
	Open Enrollment Planning												
	Open Enrollment Period (Oct 15-Nov 15) and Processing (Dec)												
Other	Budget Planning												
	IRMAA discussions	TBD											
	Strategic Planning	TBD											
	BenefitBridge / solution(s) exploration	TBD											

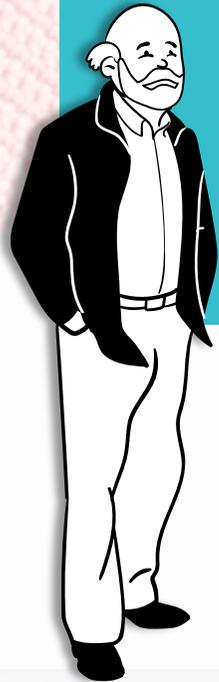
* Renewal Rates, and Subsidy & Reimbursement Amounts reports are listed in the Medical Renewal, & Dental and Vision RFPs category rather than Reports.

Dental Plans and Vision Plan RFP Tentative Timelines

Both Dental Plans and Vision Plan Request for Proposal (RFP) have identical proposed timelines:

Date	Event
March 1, 2024	Release of RFP
March 6, 2024	“Exhibit A – Intent to Bid” form due from Bidders
March 7, 2024	Virtual Bidders Conference
April 12, 2024	Deadline for proposal submissions
April-June 2024	Evaluation of proposal submissions
June/July 2024	Target period for LACERS Board consideration of contract award, and Preliminary renewal rates to BAC and Board
January 1, 2025	Tentative contract start date

HWABD Statistical Information*



*The statistical information provided are based on unaudited numbers from various sources, such as the Pension Administration System and monthly division tracking. The numbers could change based on additional data received after this reporting period.

Health Subscriber Information, as of June 2023

Enrollees:

16,829 Subscribers (Retirees/Survivors)
23,421 Covered Lives (Subscribers + Dependents)

Age Range of Subscribers:

Service/Disability Retiree: 44.3 to 105.48
Survivor/Continuance: 41.9 to 104.28

Average Age of Subscribers

72 years 10 months
(vs. 72 years 7 months in June 2022)

Subscribers with Medicare (A&B or B only):

77.4%
(vs. 76.0% in June 2022)

Monthly Average Contacts with Health Section:

2,077
(vs. 2,055 in 2022)

Monthly Average Call Transfers to Health Section:

45%
(vs. 42.8% in 2022)

Covered Lives (Retiree/Survivor + Dependents)

Continued rising trend

Compared to 10 years ago (2013): increase of 33.8%

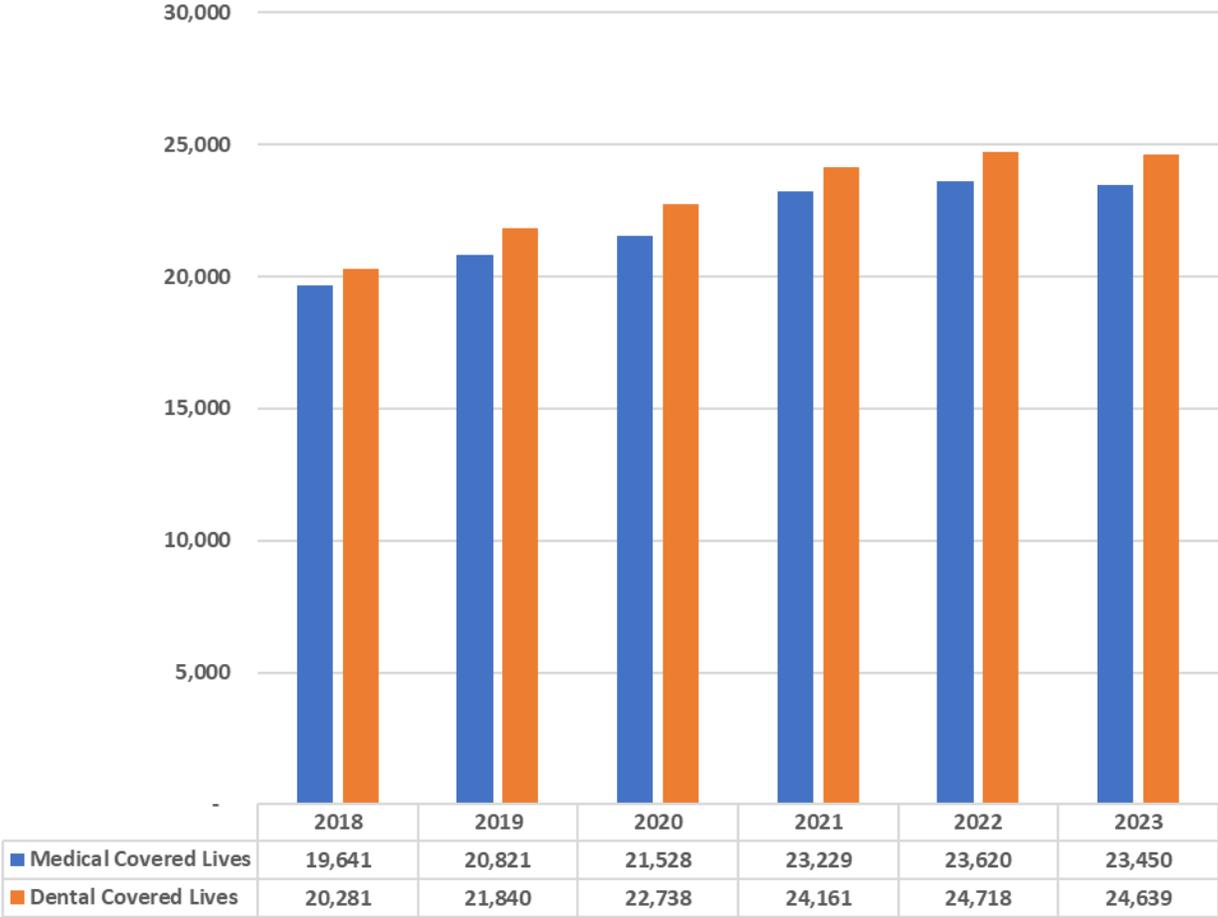
Compared to 5 years ago (2018): increase of 20.4%

Compared to 3 years ago (2020): increase of 8.6%

Compared to last year (2022): decrease of -0.5%

* Timing of when reports are run and the period duration will vary results.

Average Monthly Medical and Dental Covered Lives

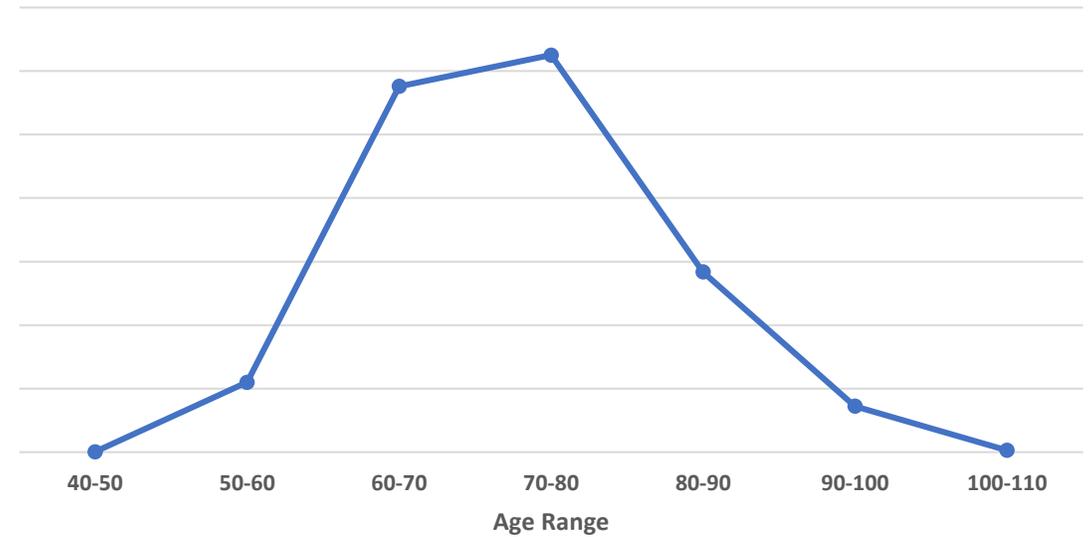


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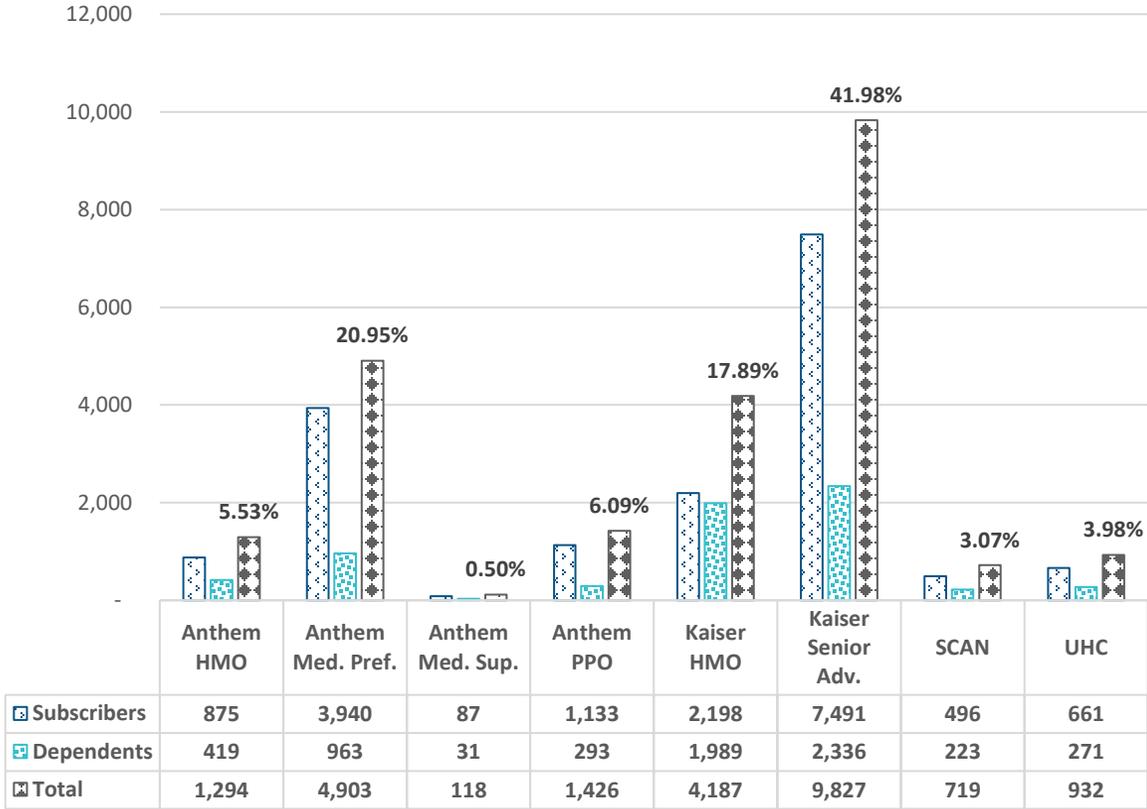
Age Range	Count	Percentage	2022	Difference
40-50	8	0.05%	0.05%	No change
50-60	1,102	6.59%	7.55%	-0.96%
60-70	5,760	34.47%	35.00%	-0.53%
70-80	6,252	37.41%	36.39%	1.02%
80-90	2,836	16.97%	16.39%	0.58%
90-100	724	4.33%	4.43%	-0.10%
100-110	29	0.17%	0.19%	-0.02%
Grand Total	16,711	100.00%		



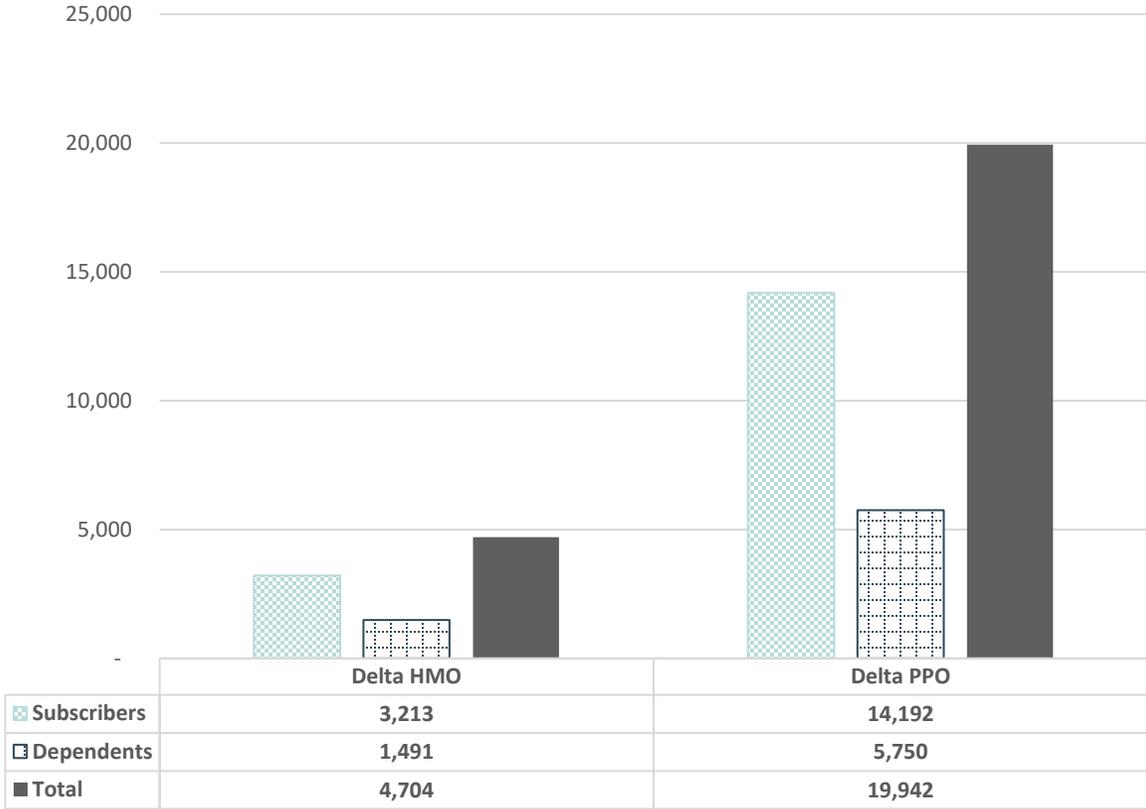
Subscribers consist of Retirees and Survivors.

Medical and Dental Enrollments

LACERS and Medical Plan Enrollments, Dec. 2023 Payroll



LACERS and Dental Plan Enrollments, Dec. 2023 Payroll



Health Advocacy Counseling Levels

Counseling Levels Not Meeting Target

The **2023** monthly average counseling cases was **153**. Of that monthly average, HAU Counselors completed an average 61. This is a **39%** of meeting counseling levels.

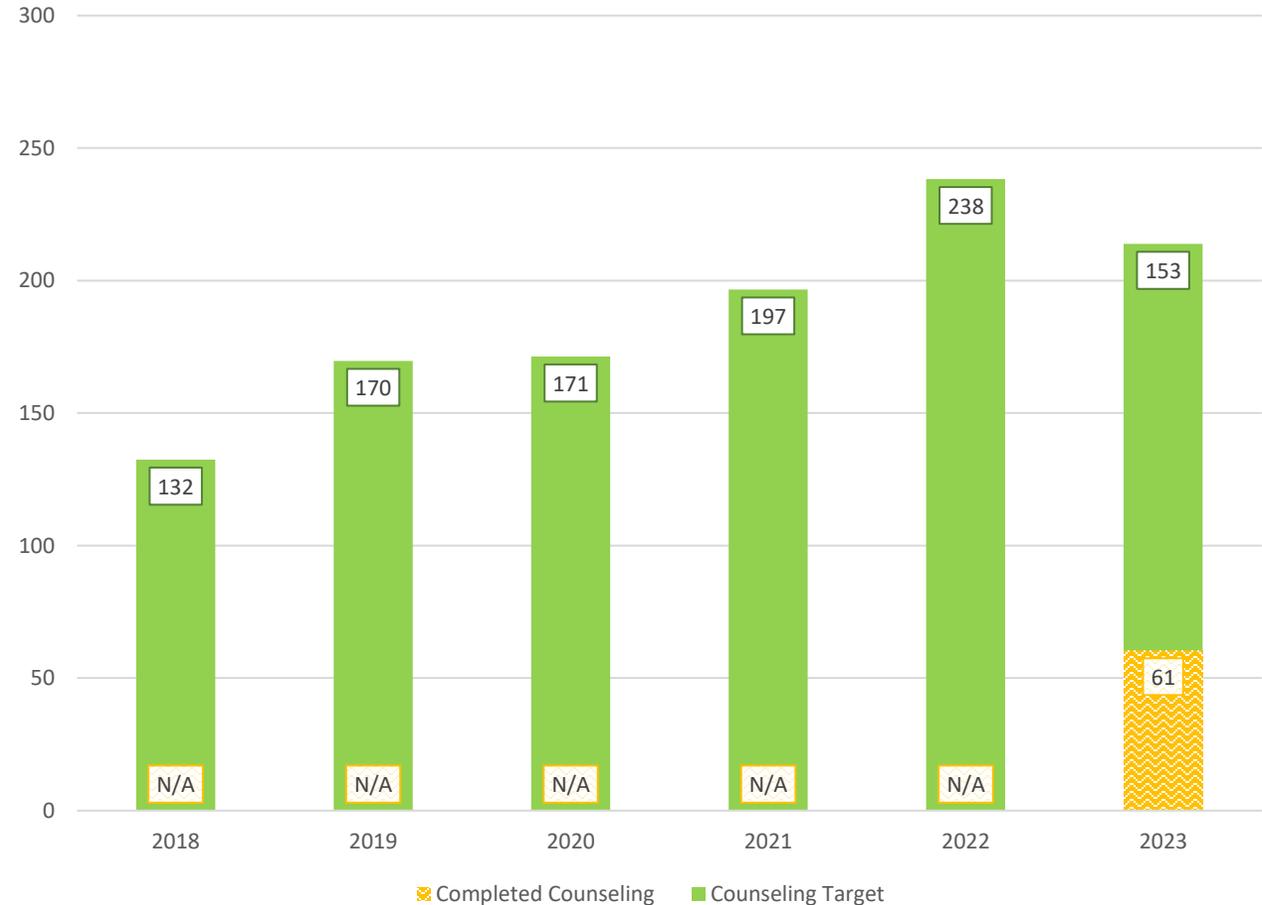
In Dec. 2023/Jan. 2024, HAU hired three full-time staff. The rate of completed counseling is **expected to improve** as the new staff successfully complete training and gain experience.

The Health Section is exploring other strategies to address how to work towards 100% counseling without adding new positions as directed in the Mayor’s budget policy letter.

Note: Starting in 2023, HAU began tracking actual completed counseling. This data consists of Retirement, Group Counseling, Survivor, and Medicare Age-In Counseling. The data does not include counseling on/for Qualifying Events and Open Enrollment.

* Timing of when reports are run and the period duration will vary results.

Health Advocacy Monthly Average Counseling Levels



Health Advocacy Contacts Compared to Section

“New Normal” of Contact Levels

The 2023 monthly average contacts for Health Section was **2,077**. Of that monthly average, 945 was conducted by Health Advocacy Unit (HAU). This means an average of 31% of contacts were by HAU.

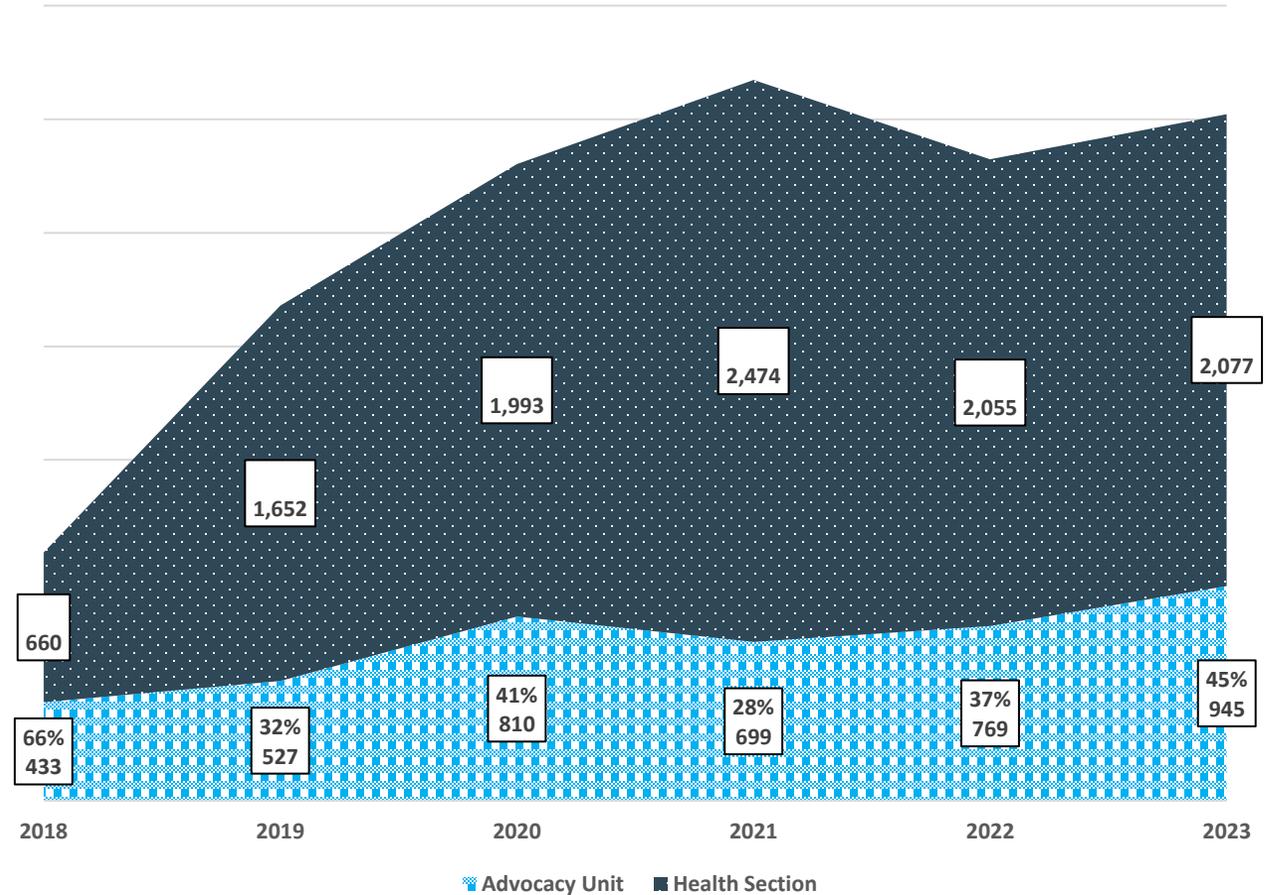
Compared to 5 years ago (2018): change of 21%

Compared to 3 years ago (2020): change of 4%

Compared to last year (2022): change of 8%

- Timing of when reports are run and the period duration will vary results.

Monthly Average Contacts For HAU and Health Section



Health Enrollment Transactions

A Changing Environment

The 2023 monthly average of Subscribers was 17,097. Total enrollment transactions for 2023 was 7,486. This means an average of 44% of Subscribers had an enrollment transaction processed during the year.

Compared to 2022 where the monthly average of Subscribers was 17,067 and a total of 8,171 enrollment transactions, an average of 48% of Subscribers had an enrollment transaction processed.

Compared to 10 years ago (2013): increase of 124.7%

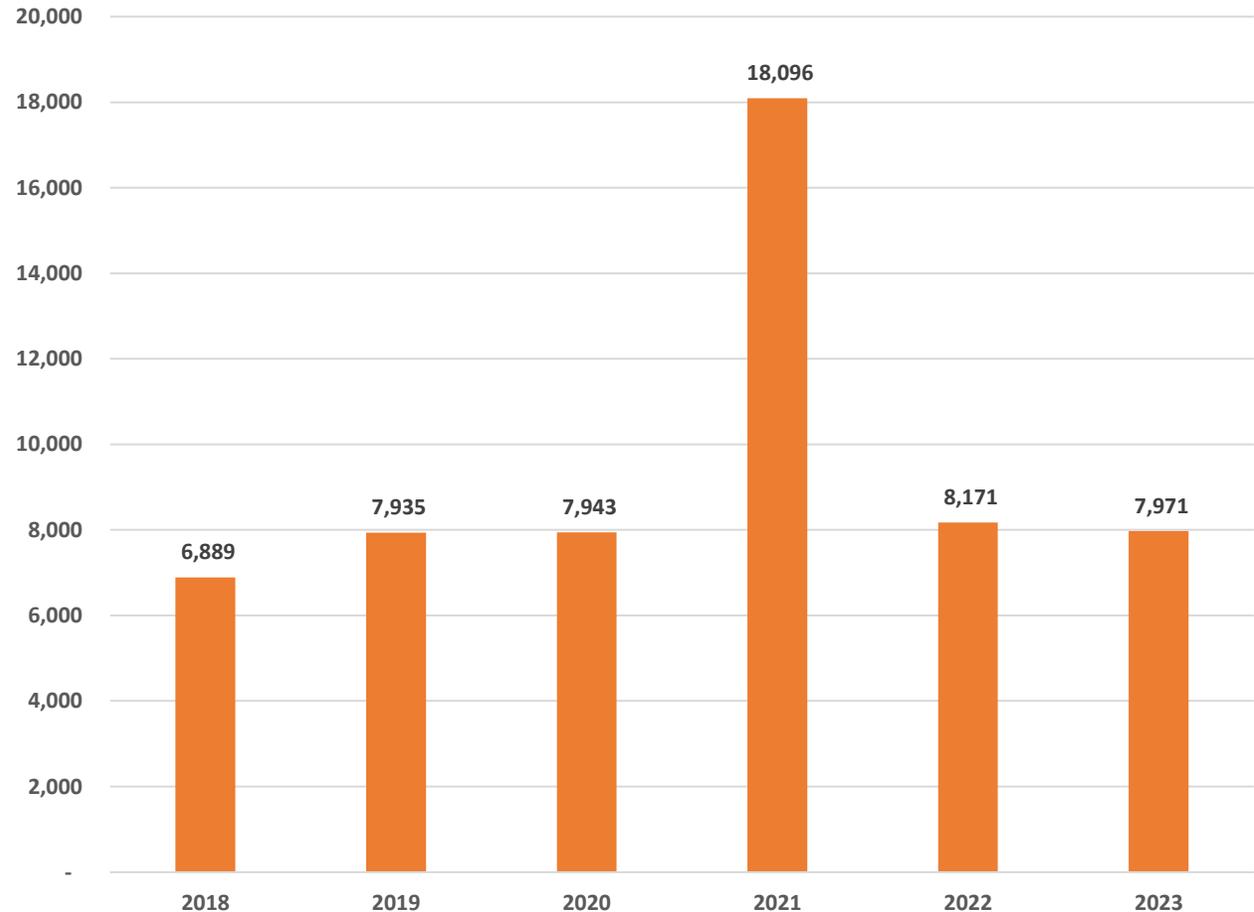
Compared to 5 years ago (2018): increase of 15.7%

Compared to 3 years ago (2020): increase of 0.4%

Compared to last year (2022): decrease of -2.4%

* Timing of when reports are run and the period duration will vary results.

Total Health Enrollment Transactions



Enrollment Representative's Tasks by Percentage

Still striving to the ideal balance

In 2023, for each enrollment form submitted, an Enrollment Representative had to contact the Member. The ideal time spent on tasks by Enrollment Representatives are **not** being met:

- 75% of time should be dedicated to processing enrollments (vs 56%)
- 25% dedicated to addressing inquiries and reviewing health plan reports from carriers (vs 44%)

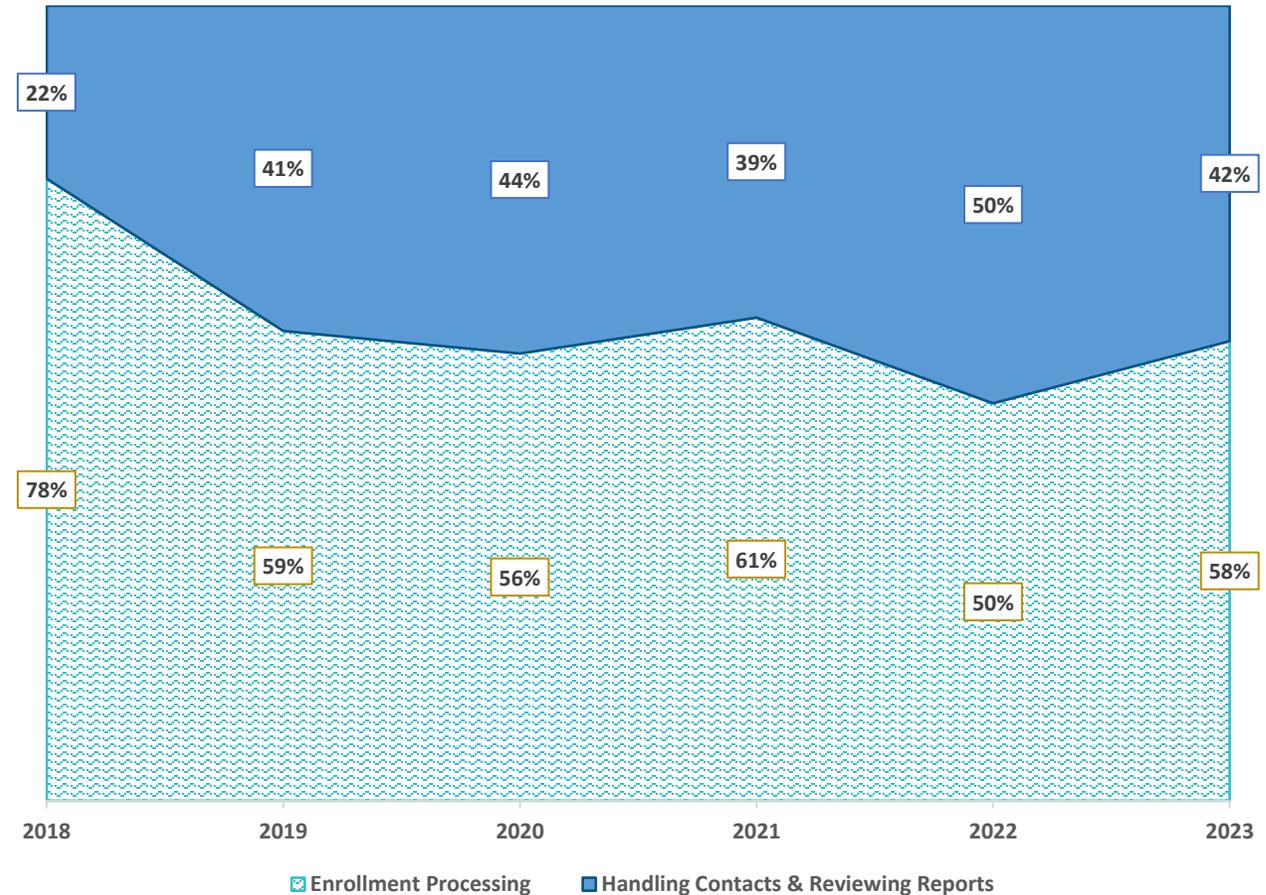
Compared to 5 years ago (2018)*: change of 20%

Compared to 3 years ago (2020): change of 2%

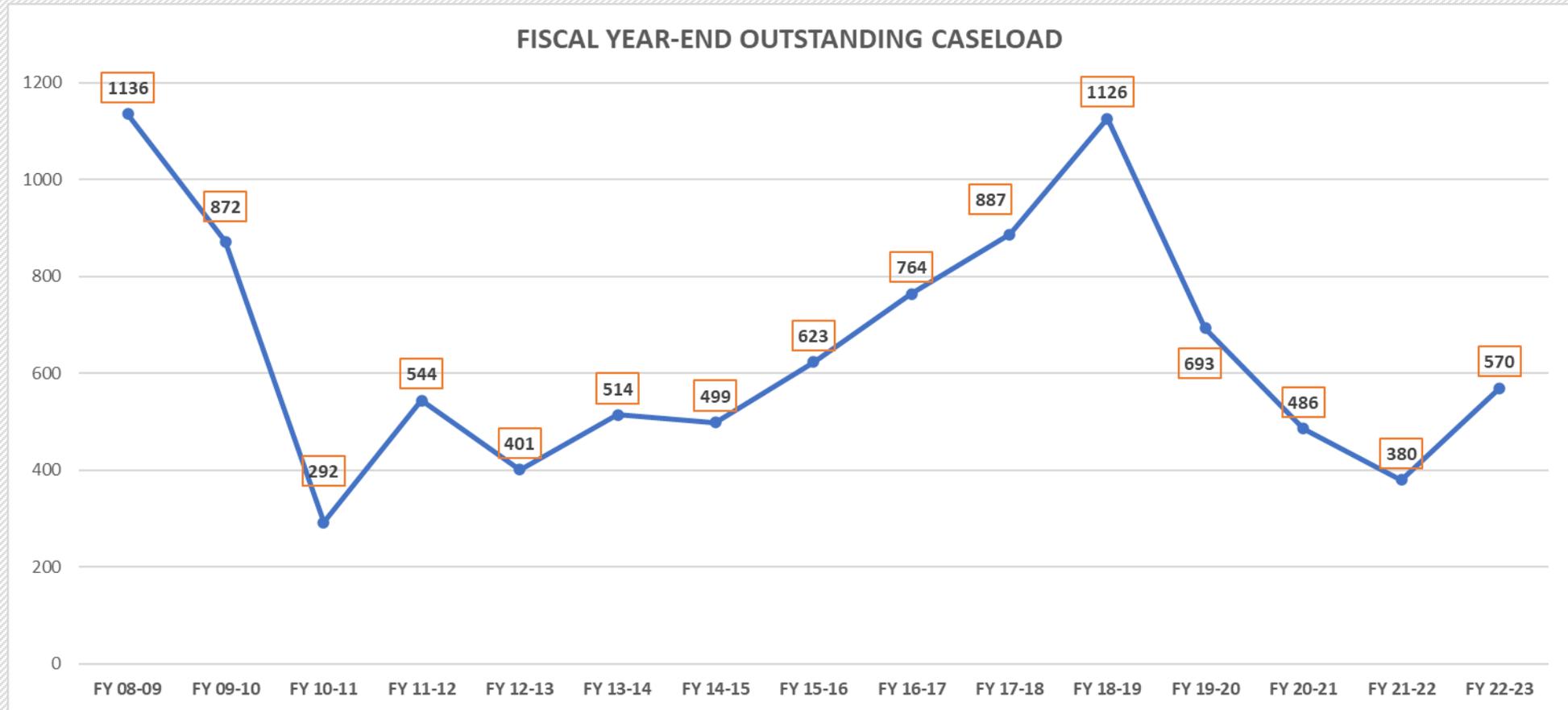
Compared to last year (2022): change of 8%

**2018 is not a full year's information; record-collecting began in late-2018.*

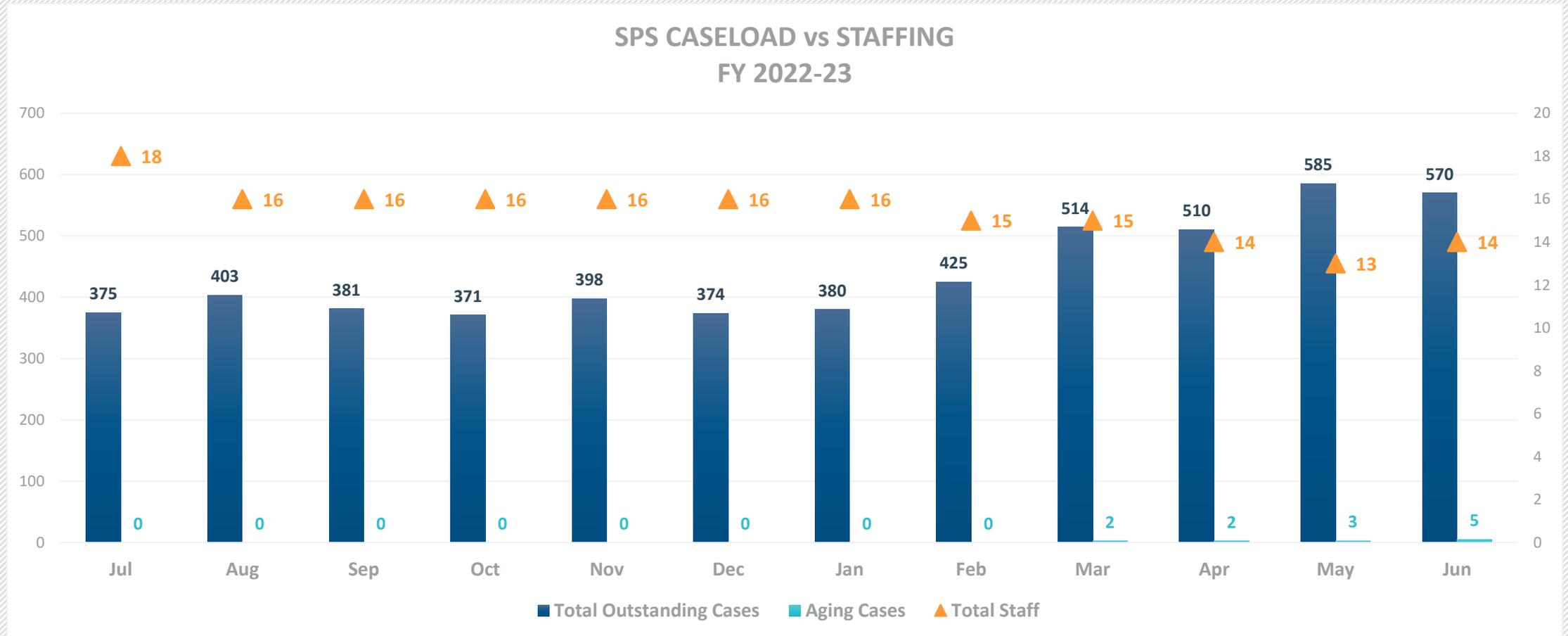
Enrollment Representative's Tasks by Percentage



Buyback: Outstanding Caseload

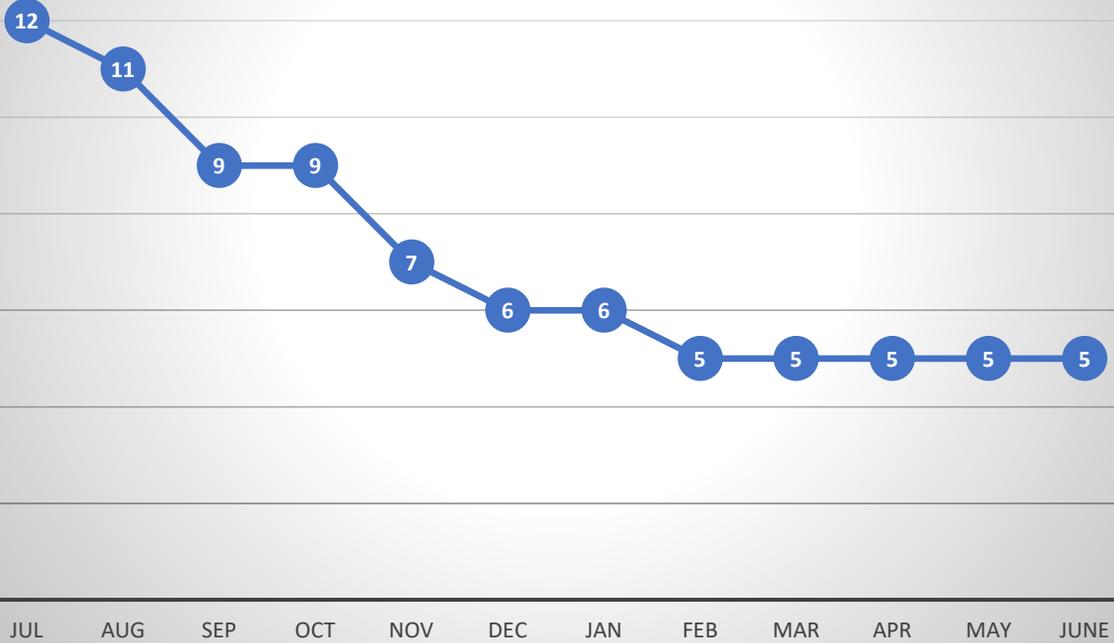


Buyback: Staffing and Caseload



Buyback: FY22 vs FY23 Average Processing Wait Time

FY21-22 AVERAGE PROCESSING WAIT TIME (in months)



FY22-23 AVERAGE PROCESSING WAIT TIME (in months)

