

INSURANCE, BENEFITS & LEGISLATIVE COMMITTEE AGENDA 4-14-11

MEMBERSHIP

Les Robbins, Chair
Simon S. Russin, Vice Chair
Marvin Adams
William de la Garza
Shawn R. Kehoe, Alternate

I. APPOINTMENT OF VOTING MEMBER(S) IN THE EVENT ONE OR MORE REGULAR COMMITTEE MEMBERS ARE ABSENT

II. APPROVAL OF THE MINUTES OF THE SPECIAL MEETING OF MARCH 2, 2011

III. ACTION ITEMS

- A. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 329, relating to a lower retirement tier for new law enforcement members of Sacramento County. (Memorandum dated March 23, 2011)
- B. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 340, which prohibits "pension spiking" and "double dipping". (Memorandum dated April 1, 2011)
- C. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt an "Oppose Unless Amended" position on Assembly Bill 375, removing from the bill the rebuttable presumption for neck and back impairments for hospital employees. (Memorandum dated March 16, 2011)
- D. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 392, which requires online posting of agendas and staff reports. (Memorandum dated March 15, 2011)
- E. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 738, which would prohibit pensions for elected officials. (Memorandum dated March 23, 2011)
- F. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement continue its "Watch" position on Senate Bill 46, relating to compensations disclosure. (Memorandum dated March 24, 2011)
- G. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Senate Bill 373, which extends the authorization to Contra Costa County to establish different retirement benefits. (Memorandum dated March 16, 2011)
- H. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Senate Bill 522, which eliminates additional retirement credit purchases. (Memorandum dated March 24, 2011)
- I. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Senate Bill 523, which would prohibit pensions for elected officials. (Memorandum dated April 5, 2011)
- J. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Senate Bill 524, which prohibits retroactive public pension benefit enhancements. (Memorandum dated March 30, 2011)
- K. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Senate Bill 526, which addresses pension spiking. (Memorandum dated March 29, 2011)
- L. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Senate Bill 527, which limits collective bargaining on retirement pension benefits. (Memorandum dated March 29, 2011)

- M.** Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Support" position on Senate Bill 637, which would grant subpoena power to the Board of Investments. (Memorandum dated March 15, 2011)

IV. FOR INFORMATION

- A.** Senate Bill 681 – Alternate Retirement Plans or Benefit Levels for San Bernardino County
Cynthia Lau, Legislative Affairs Officer
- B.** Retiree Healthcare Program Goals 2011-2012
- C.** Staff Activities Report for March, 2011
- D.** CIGNA & Anthem Blue Cross Claims Experience
- E.** Federal Legislation
- Weekly Highlights – March 28, 2011
 - Weekly Highlights – March 21, 2011
 - Weekly Highlights – March 14, 2011
 - Weekly Highlights – March 7, 2011

V. MISCELLANEOUS

VI. PUBLIC COMMENT

VII. GOOD OF THE ORDER

(For discussion purposes only)

VIII. ADJOURNMENT

The Board of Retirement has adopted a policy permitting any member of the Board to attend a standing committee meeting open to the public. In the event five or more members of the Board of Retirement (including members appointed to the Committee) are in attendance, the meeting shall constitute a joint meeting of the Committee and the Board of Retirement. Members of the Board of Retirement who are not members of the Committee may attend and participate in a meeting of a Board Committee but may not vote on any matter discussed at the meeting. The only action the Committee may take at the meeting is approval of a recommendation to take further action at a subsequent meeting of the Board.

Documents distributed to members of the Committee less than 72 hours prior to the meeting will be available for public inspection at LACERA at the time they are distributed to a majority of the Committee, provided the documents are subject to public disclosure and relate to an open session of the Committee. Such documents may be viewed Monday through Friday during normal 9:00 a.m. to 5:00 p.m. business hours. LACERA is located at 300 N. Lake Avenue, Suite 820, Pasadena, California.

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](mailto:Cynthia.Guider@lacera.com) 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.

INSURANCE, BENEFITS & LEGISLATIVE COMMITTEE MINUTES 3-2-11

PRESENT

Les Robbins, Chair
Simon S. Russin, Vice Chair
Marvin Adams
William de la Garza
Shawn R. Kehoe, Alternate

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Alan Bernstein
Yves Chery

STAFF, ADVISORS, PARTICIPANTS

Cassandra Smith
Leilani Ignacio
Cynthia Lau
Robb Van Der Volgen

Mercer Human Resource Consulting

Clay Levister
Laurie Silva

The meeting was called to order by Chairman Robbins at 12:45 p.m.

I. APPOINTMENT OF VOTING MEMBER(S) IN THE EVENT ONE OR MORE REGULAR COMMITTEE MEMBERS ARE ABSENT

All regular members of the Committee were present.

II. APPROVAL OF THE MINUTES OF THE SPECIAL MEETING OF MARCH 2, 2011

A motion was made by Mr. Adams, seconded by Mr. Robbins, to approve the minutes of the special meeting of March 2, 2011. The motion passed unanimously.

III. ACTION ITEMS

- A.** Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 329, relating to a lower retirement tier for new law enforcement members of Sacramento County. (Memorandum dated March 23, 2011) A motion was made by Mr. Adams, seconded by Mr. Russin, to approve the recommendation. The motion passed unanimously.
- B.** Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 340, which prohibits "pension spiking" and "double dipping". (Memorandum dated April 1, 2011)
A motion was made by Mr. Russin, seconded by Mr. Robbins, to approve the recommendation. The motion passed unanimously.
- C.** Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt an "Oppose Unless Amended" position on Assembly Bill 375, removing from the bill the rebuttable presumption for neck and back impairments for hospital employees. (Memorandum dated March 16, 2011)
A motion was made by Mr. Robbins, seconded by Mr. Russin, to recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 375. The motion passed unanimously.
- D.** Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 392, which requires online posting of agendas and staff reports. (Memorandum dated March 15, 2011)
A motion was made by Mr. Russin, seconded by Mr. Robbins, to recommend the Board of Retirement adopt a "Support" position on Assembly Bill 392. The motion passed

unanimously.

- E.** Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a “Watch” position on Assembly Bill 738, which would prohibit pensions for elected officials. (Memorandum dated March 23, 2011)

A motion was made by Mr. Kehoe, seconded by Mr. Robbins, to recommend the Board of Retirement adopt an “Oppose” position on Assembly Bill 738. The motion passed with Mr. Russin voting no.

- F.** Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement continue its “Watch” position on Senate Bill 46, relating to compensations disclosure. (Memorandum dated March 24, 2011)

A motion was made by Mr. de la Garza, seconded by Mr. Robbins, to approve the recommendation. The motion passed unanimously.

- G.** Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a “Watch” position on Senate Bill 373, which extends the authorization to Contra Costa County to establish different retirement benefits. (Memorandum dated March 16, 2011)

A motion was made by Mr. Russin, seconded by Mr. de la Garza, to approve the recommendation. The motion passed unanimously.

- H.** Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a “Watch” position on Senate Bill 522, which eliminates additional retirement credit purchases. (Memorandum dated March 24, 2011)

A motion was made by Mr. Russin, seconded by Mr. de la Garza, to approve the recommendation. The motion passed unanimously.

- I.** Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a “Watch” position on Senate Bill 523, which would prohibit pensions for elected officials. (Memorandum dated April 5, 2011)

A motion was made by Mr. Kehoe, seconded by Mr. Robbins, to recommend the Board of Retirement adopt an “Oppose” position on Senate Bill 523. The motion failed, with Messrs. Robbins and Russin voting yes, and Messrs. Adams and de la Garza voting no.

- J.** Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a “Watch” position on Senate Bill 524, which prohibits retroactive public pension benefit enhancements. (Memorandum dated March 30, 2011)

A motion was made by Mr. Russin, seconded by Mr. Kehoe, to approve the recommendation. The motion passed unanimously.

- K.** Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a “Watch” position on Senate Bill 526, which addresses pension spiking. (Memorandum dated March 29, 2011)

A motion was made by Mr. Russin, seconded by Mr. Kehoe, to approve the recommendation. The motion passed unanimously.

- L.** Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a “Watch” position on Senate Bill 527, which limits collective bargaining on retirement pension benefits. (Memorandum dated March 29, 2011)

A motion was made by Mr. Adams, seconded by Mr. Robbins, to recommend the Board of Retirement take an “Oppose” position on Senate Bill 527. The motion passed unanimously.

- M.** Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a “Support” position on Senate Bill 637, which would grant subpoena power to the Board of Investments. (Memorandum dated March 15, 2011)

A motion was made by Mr. Russin, seconded by Mr. Kehoe, to approve the

recommendation. The motion passed unanimously.

IV. FOR INFORMATION

A. Senate Bill 681 — Alternate Retirement Plans or Benefit Levels for San Bernardino County Cynthia Lau, Legislative Affairs Officer

Submitted for information only.

B. Retiree Healthcare Program Goals 2011-2012

Cassandra Smith discussed the upcoming Retiree Healthcare Program goals, as well as the major accomplishments for the past fiscal year.

Major accomplishments for 2010-2011:

- Completed the 2010–2011 premium negotiations and updates
- Implemented a multi-tiered Medicare Part B reimbursement structure
- Continued participation in the Centers for Medicare and Medicaid Services (CMS) Medicare Part D Retiree Drug Subsidy (RDS) Program
- Reviewed Retiree Healthcare staffing needs and technological desires
- Participated in the Health and Human Services (HHS) Early Retiree Reinsurance Program

Goals for fiscal year 2011-2012:

- Improve turnaround time and provide responsive and consistent quality customer service to members
- Develop a training plan for Retiree Healthcare staff, reinforcing plan design rules and communication skills
- Review written communications, ensuring they are up to date and meeting members' educational needs
- Complete the RFP for the Retiree Healthcare consultant
- Conduct due diligence visits to the health plan carriers

C. Staff Activities Report for March, 2011

The staff activities report was discussed.

D. CIGNA & Anthem Blue Cross Claims Experience

The CIGNA & Anthem Blue Cross Claims Experience reports through February 2011 were discussed.

E. Federal Legislation

- Weekly Highlights – April 4, 2011
- Weekly Highlights – March 28, 2011
- Weekly Highlights – March 21, 2011
- Weekly Highlights – March 14, 2011
- Weekly Highlights – March 7, 2011

Submitted for information only.

V. MISCELLANEOUS

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VIII. ADJOURNMENT