

# **APPROVED**

MINUTES OF THE REGULAR MEETING OF THE INSURANCE, BENEFITS &

LEGISLATIVE COMMITTEE AND BOARD OF RETIREMENT\*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

8:02 A.M. – 8:55 A.M., WEDNESDAY, FEBRUARY 7, 2024

This meeting was conducted by the Insurance, Benefits & Legislative Committee both in person and by teleconference under California Government Code Section 54953(b), (e), (f)

## **COMMITTEE TRUSTEES**

PRESENT: Les Robbins, Chair (In-Person)

Shawn R. Kehoe, Trustee (In-Person)

Ronald Okum, Trustee  
(Teleconference under CA Govt. Code Section 54953(e))

David Ryu, Trustee  
(Teleconference under CA Govt. Code Section 54953(b))

ABSENT: Vivian H. Gray, Vice Chair

## **OTHER BOARD OF RETIREMENT TRUSTEES**

Keith Knox, Trustee (In-Person)

Wayne Moore, Trustee (In-Person)

Antonio Sanchez, Trustee (In-Person) *(arrived at 8:41 a.m.)*

## STAFF, ADVISORS AND PARTICIPANTS

Cassandra Smith, Director, Retiree Healthcare

Santos H. Kreimann, Chief Executive Officer

Luis Lugo, Deputy Chief Executive Officer

JJ Popowich, Assistant Executive Officer

Laura Guglielmo, Assistant Executive Officer

Steven P. Rice, Chief Counsel

Barry W. Lew, Legislative Affairs Officer

Segal Consulting

Stephen Murphy, Sr. Vice President

Debbie Donaldson, Sr. Vice President

Michael Szeto, Sr. Actuarial Associate

Kaiser Permanente

Karen Urban, Vice President, Labor and Trust Funds

Shaughn Knoell, Vice President, Underwriting

Justin Cao, Director, Strategic Accounts

Ramiro Salas, Director, Group Medicare

Bob Gonzalez, Underwriting Manager, Strategic Accounts

Marcelo Fortunato, Senior Consultant Underwriter

### I. CALL TO ORDER

This meeting was called to order by Chair Robbins at 8:02 a.m. In the absence of Trustee Gray, the Chair announced that Trustee Ryu, as the alternate, would be a voting member of the Committee.

Trustee Robbins made a motion, Trustee Kehoe seconded, to find the Governor's February 4, 2024 Proclamation of Emergency covering Los Angeles County was a matter not known at the time of agenda posting, and which requires the Committee's immediate attention under California Government Code Section 54954.2(b)(2). The motion passed by the following roll call vote:

Yes: Kehoe, Okum, Ryu, Robbins

No: None

Absent: Gray

Trustee Robbins made a motion, Trustee Kehoe seconded, to confirm the emergency and that the meeting will be proceeding allowing teleconference attendance under Section 54953(e). The motion passed by the following roll call vote:

Yes: Kehoe, Okum, Ryu, Robbins

No: None

Absent: Gray

A quorum has now been established, along with the ability of all trustees attending via teleconference to participate in the meeting.

II. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449, California Government Code Section 54953(f)

A. Just Cause

B. Action on Emergency Circumstance Requests

C. Statement of Persons Present at AB 2449 Teleconference Locations

There were no requests received.

III. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of January 3, 2024

Trustee Kehoe made a motion, Trustee Robbins seconded, to approve the minutes of the regular meeting of January 3, 2024. The motion passed by the following roll call vote:

Yes: Kehoe, Okum, Ryu, Robbins

No: None

Absent: Gray

#### IV. PUBLIC COMMENT

There were no requests from the public to speak

#### V. NON-CONSENT ITEMS

A. **Two-Year Extension Request for Retiree Healthcare Benefits Consulting Services Contract for the Period July 1, 2024 through June 30, 2026**

Recommendation as submitted by Cassandra Smith, Director, Retiree Healthcare: That the Committee recommend to the Board of Retirement that an extension of the Retiree Healthcare Benefits Consulting contract be approved with Segal Consulting for the period of July 1, 2024 through June 30, 2026. (Memo dated January 10, 2024)

Trustee Okum made a motion, Trustee Robbins seconded, to approve staff recommendation. The motion passed by the following roll call vote:

Yes: Kehoe, Okum, Ryu, Robbins

No: None

Absent: Gray

B. **2024-2025 Plan Year Health Insurance Rate Renewals and Benefit Changes for LACERA's Retiree Healthcare Benefits Program**

Recommendation as submitted by Cassandra Smith, Director, Retiree Healthcare Division:

1. Approve the fiscal year 2024-2025 rate renewal proposal and mandatory contractual changes, listed by carrier;
2. Maintain LACERA's administrative fee at \$8 per member, per plan, per month; and
3. Allow a one-time temporary waiver of the 6-month waiting period for members currently enrolled in the Anthem Blue Cross Prudent Buyer medical plan.

(Memo dated January 30, 2024)

V. NON-CONSENT ITEMS (Continued)

Trustee Kehoe made a motion, Trustee Robbins seconded, to approve staff recommendation. The motion passed by the following roll call vote:

Yes: Kehoe, Okum, Ryu, Robbins

No: None

Absent: Gray

VI. REPORTS

A. **Engagement Report for January 2024**

Barry W. Lew, Legislative Affairs Officer  
(For Information Only)

The engagement report was discussed. This item was received and filed.

B. **Staff Activities Report for January 2024**

Cassandra Smith, Director, Retiree Healthcare  
(For Information Only)

The staff activities report was discussed. This item was received and filed.

C. **LACERA Claims Experience**

Michael Szeto, Segal Consulting  
(For Information Only)

The LACERA Claims Experience reports through December were discussed. This item was received and filed.

D. **Federal Legislation**

Stephen Murphy, Segal Consulting  
(For Discussion Purposes)

Segal Consulting gave an update on federal legislation.

VII. ITEMS FOR STAFF REVIEW

(This item summarizes requests and suggestions by individual trustees during the meeting for consideration by staff. These requests and suggestions do not constitute approval or formal action by the Board, which can only be made separately by motion on an agenda item at a future meeting.)

Trustee Kehoe requested staff revisit with the County LACERA's Retiree Healthcare \$8 administrative fee at the 2025-26 rate renewal period.

VIII. ITEMS FOR FUTURE AGENDAS

(This item provides an opportunity for trustees to identify items to be included on a future agenda as permitted under the Board's Regulations.)

There was nothing to report.

IX. GOOD OF THE ORDER

(For Information Purposes Only)

There was nothing to report.

X. ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 8:55 a.m.

**\*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.**