

LACERA

Spotlight on Retirement

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LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION • NEWS FOR RETIRED MEMBERS

Important Reminders for Retirees

As we begin the year 2004, there are certain retirement matters you may need to consider. Following are important reminders for all retirees.

Tax Forms

1099R forms are mailed to retirees once a year by January 31 for tax reporting purposes. The 1099R form reflects the retirement money you received for the year. This form replaces the W-2 forms you received each year as an active employee.

Tax Withholding Forms

You may elect to have federal and/or state taxes withheld from your retirement income at whatever rate you choose. If you do not make this election, federal and state income taxes will automatically be withheld from your retirement allowance as if you were a married person claiming three withholding exemptions. You may change your withholding elections any time of the year, as often as you wish. Please remember, it is your responsibility to meet your tax obligations. You may be subject to penalties from the IRS or State Franchise Tax Board if your withholdings and estimated tax payments are not sufficient. Note that retirees living out-of-state

do not pay California taxes on their LACERA retirement allowance.

If you need to change your tax withholdings, please contact LACERA at (800) 786-6464 to request a Federal W-4P/State DE-4P form. LACERA must receive your signed tax withholding forms by the 10th of the month to ensure that the changes are processed that same month.

Medicare Enrollment Deadlines

LACERA strongly encourages you to apply for Medicare benefits if you are eligible for Medicare coverage at age 65. If you don't enroll when you first become eligible, (three months before your 65th birthday to three months after), you may apply only during the Medicare general enrollment period, which is January 1-March 31 each year. If you enroll during the general enrollment period in the year 2004, coverage will become effective July 1, 2004.

Why Is March 31 Important?

If you are over 65 and miss the March 31 Medicare enrollment deadline, you must wait until next year to enroll, and coverage would not become effective until July 1,

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In the Line of Fire

The devastating forest fires that recently burned in many parts of Southern California are now known as the worst natural disaster in this state's history. In all, over 774,000 acres burned, 2,800 homes were lost, and 20 people lost their lives. Our hearts go out to all those who lost their homes or a loved one, and we commend the emergency and Safety personnel who worked around the clock to protect and assist fire victims. 

Los Angeles County Employees Retirement Association

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Chief Executive Officer
MARSHA D. RICHTER
Assistant Executive Officer
GREGG RADEMACHER
Assistant Executive Officer
ROBERT HILL

From the Executive Office

Marsha D. Richter, Chief Executive Officer



Message from the CEO

Occasionally, I like to step back and take a look at the numbers that represent LACERA's membership and the services we provide to you. And as we near the end of 2003, it seems like the perfect time to reflect. Below are some interesting statistics we've compiled about the state of the membership, and I would like to share some of these facts with you now, as an end-of-the-year salute.

Membership Numbers

Safety members

- Plan A—1,095
- Plan B—10,571

General members

- Plan A—5,215
- Plan B—460
- Plan C—349
- Plan D—38,989
- Plan E—30,945

New General Members

This year, nearly 2,000 new County employees have become LACERA General members. Of these new members, 68% elected to become members of contributory Plan D, and 32% elected non-contributory Plan E; this figure includes those who did not make an election and were automatically placed in Plan E.

LACERA Service—In Person, By Phone, and Online

LACERA aims to help members better understand their retirement benefits with a variety of informational and educational

programs. During the fiscal year ending June 30, 2003, LACERA staff:

- Conducted over 900 workshops;
- Served over 12,000 members at our Public Service Counter, plus 20 in-home or in-hospital sessions for terminally ill members;
- Answered over 165,000 telephone inquiries from members;
- Responded to over 1,200 email inquiries; and
- Received over 160,000 unique visitors to LACERA's web site, with 1.25 million total hits.

In the coming year, we will improve our web site by offering members secure electronic access to their personal data. In the future, this site will allow you to transact business with us online. You will be able to submit electronic forms such as applications, beneficiary designations, and address changes without mailing a form or dropping by the office. This doesn't mean that we will be replacing traditional methods for contacting us—we'll always be here to serve you in person. We just want to give you as many options as possible for accessing your LACERA benefits. 

Legislative Updates

October 12, 2003 was the last day for Governor Davis to sign or veto pending legislation. All bills not signed or vetoed by the Governor will become law without his signature. Most signed bills become law effective January 1, 2004 unless passed as an Urgency measure. An Urgency bill becomes effective immediately after it is signed. However, some bills that passed the legislature as an Urgency bill do not take effect in Los Angeles County unless adopted by resolution by the Board of Supervisors. Below is the final status on bills LACERA followed this session.

For up-to-date information on these bills or other legislative issues, log on to our web site at www.lacera.com, or visit www.leginfo.ca.gov

AB 55 County Employees Retirement: Additional Retirement Credit (Correa)

This bill, introduced by SACRS, allows the Board of Supervisors to authorize members to purchase up to 5 years of additional retirement credit (ARC) by paying the full actuarial cost of the future retirement benefit and not placing any additional financial burden on the retirement system. The additional service is not to be counted to meet the minimum qualifications for retirement, for cancellation of retirement contributions at 30 years of service, additional ad-hoc cost-of-living benefits based on service credit, or health care.

This bill had an Urgency Clause, which means that it became law immediately. **However, it is not effective in Los Angeles County until adopted by resolution by the Board of Supervisors.**

Sponsor: SACRS

Status: Signed by Governor on 9/3/03, Chapter 261

AB 80 Firefighters: Public Service Purchase (Bogh)

This bill would have allowed all 1937 Act county peace officers and specified county firefighters to purchase service credit for law enforcement or firefighting service performed for another public agency. It would have broadened the current

purchasable service to include law enforcement or firefighting service with any city, state, county, or governmental "public agency" within the United States. To receive the above service, the member would deposit an amount equal to the contributions they would have made for that service, plus interest.

The bill provided that the Board of Supervisors might vote to pay part of the employee contributions. However, employers' contributions are not included in the cost for the additional service, which would create an unfunded liability.

Sponsor: California Professional Firefighters

Status: Vetoed. The Governor's veto message said the bill would result in unfunded liability for some of California's largest counties, including Los Angeles, and because there were no safeguards to prevent a "double dip," i.e. collecting a pension for the service both here in California and from the out-of-state agency.

AB 85 County Employees Retirement: Continuous Service Definition (Wiggins)

This bill clarifies that service for which a member receives credit, either prior to or during employment,

which is temporary, seasonal, intermittent, or part-time, shall be credited as continuous service.

Sponsor: California Professional Firefighters

Status: Signed by Governor 10/11/03, Chapter 830

AB 285 California Employees' Retirement: Reciprocity (Negrete-McLeod)

This bill would have eliminated all reference to restrictions on the period of time between a member's public employment subject to a reciprocal retirement system, and would have made those reciprocal benefits available regardless of the length of time between employment.

Sponsor: SEIU

Status: Did not make it out of the Assembly PER & S Committee

AB 374 County Employees' Retirement: Budget Appropriation Allocation (Chan)

This bill provides that, until January 1, 2007, if the net asset value of the system has declined, the limit on the expense of administration of the system may be based on the value of the assets of the retirement system as of a prior valuation date, in a prior fiscal year, as specified. Under current law, administrative expense cannot exceed eighteen hundredths of one

Pay Day!

As an active County employee, you could always count on receiving your County paycheck twice a month—on the 15th and 30th of every month (except for February). You may have even planned your life and the paying of bills around the dependable deposit of funds into your account on those same two days every month.

Those retiring this March 31 will probably arrange to have their retirement checks deposited into their bank account by direct deposit. But as many new retirees soon find out, sometimes to their chagrin, pension checks are only paid once a month! And if the last day of the month falls on the 31, that dependable 30th-of-the-month paycheck will arrive a day later than expected. It is our goal to send your pension check on the last business day of each month. And keep in mind that if the last day of the month falls on a Saturday or Sunday, you should receive the check on the preceding business day barring any delays.

The transition from receiving a twice-monthly paycheck to a once-a-month pension check can sometimes throw new retirees for a loop. But by planning out expenses the first year of retirement, you'll soon get used to budgeting differently to accommodate the new pay schedule. //



LACERA/Transamerica Long Term Care Insurance 2004 Seminar Schedule

Long-term care is the type of care that requires ongoing assistance with activities of daily living, such as bathing, dressing, walking, or eating. Though hospital and doctor bills are normally covered by your regular health insurance, ongoing custodial care is not. A comprehensive long-term care insurance plan will pay for skilled or unskilled workers to assist you in your own home, or the daily cost of care in “residential care facilities” or nursing homes.

Transamerica Long Term Care Insurance for LACERA members has unique features that are not available

in other plans on the market. There are a number of ways that LACERA members can find out about this specially designed program. One-hour seminars are held at the LACERA office in Pasadena on the second Wednesday of each month, and regional seminars are held in neighborhood libraries and community centers. If you'd like to meet in a more personalized setting, a one-on-one meeting can be set up with a long-term-care specialist, or if you've got a quick question, you can simply call the toll-free number: (800) 207-9883.

Wednesday Seminar Schedule

January 14—10:30 a.m.
February 11—10:30 a.m.
March 10—10:30 a.m.
April 14—10:30 a.m.
May 12—10:30 a.m.
June 9—10:30 a.m.
July 14—10:30 a.m.
Aug 11—10:30 a.m.
September 8—10:30 a.m.
October 13—10:30 a.m.
November 10—10:30 a.m.
December 8—10:30 a.m.

Location:

LACERA Building
Gateway Plaza
300 N. Lake Avenue, Pasadena, CA 91101
First Floor, Workshop Room

To make a reservation to attend a free seminar, please call (800) 207-9883. //

Updates cont'd from pg. 3

percent of the current asset valuation. In addition to allowing the budget allocation to be based on a prior asset value, this bill also caps the expense at twenty-three hundredths of one percent of the current asset value where that amount is less than eighteen hundredths of the asset value in a prior fiscal year.

Sponsor: SACRS

Status: Signed by Governor 7/22/03, Chapter 95

AB 457 County Employees' Retirement: "Golden Handshake" (Soto)

This bill would have authorized a county Board of Supervisors to adopt resolutions to provide that members of the county's retirement system are eligible to receive up to 2 additional years of service credit or up to 2 additional years of age, or both, if the members retire within a designated period prior to January 1, 2005, and certain other conditions were met.

Sponsor: SEIU

Status: Vetoed. The Governor's veto message said that while the bill contains many safeguards for cost savings, there is still potential that public employers would be paying to encourage retirements that would have occurred without the incentive.

AB 933 Law Enforcement Officers: Tuition Payment/Survivor Benefits (Reyes)

Extends the definition of "child" to include a stepchild for special death benefits in the case of a law enforcement officer killed in the line of duty.

Revises Secs. 31781.1 and 31787 of the 1937 Act to provide survivor benefits to the stepchild of any member who would have been entitled to retire but dies prior to retirement.

Sponsor: Fresno Deputy Sheriffs Association

Status: Signed by Governor 10/11/03, Chapter 840

AB 1585 California Employees' Retirement (Assembly PER & S Committee)

This bill:

- 1) Authorizes the system to obtain a loan against the assets in case of an emergency for purposes of paying retirement benefits;
- 2) Changes the time to file financial statements;
- 3) Establishes a replacement benefit plan for payment of benefits that may exceed IRC Section 415 annual distribution limits;
- 4) Allows the Board of Retirement of all 37 Act Counties to contract with county counsel or private attorneys or employ staff attorneys for legal services. (LACERA has in-house attorneys as authorized by the 37 Act since 1990.)

Sponsor: Assembly PER & S Committee

Status: Signed by Governor 9/24/03, Chapter 520

AB 1587 County Employees' Retirement: Reciprocity (Assembly PER & S Committee)

This bill:

- 1) Prohibits the adoption of any

- retirement benefits for some, but not all, general members or for any subgroup, as specified;
- 2) Revises the provisions regarding the selection of an alternate member and the 8th member of the retirement board.

Sponsor: Assembly PER & S Committee

Status: Signed by Governor 10/11/03, Chapter 852

SB 270 California Employees' Retirement (Soto)

This bill requires the Board of Retirement to provide organizations that are recognized by the Board as representing the retired employees of the county or district with notice and an opportunity to comment on any proposed changes to the system's retirement benefits or the use of excess funds.

Sponsor: CRCEA

Status: Signed by Governor 8/3/03, Chapter 191

SB 274 County Employees' Retirement: DROP (Soto)

This bill establishes a Deferred Retirement Option Plan (DROP) for safety members. It provides that a DROP may not be offered until an actuarial analysis has been completed and has determined that the proposed program is cost neutral. A forward, backward, or actuarial equivalent DROP program is subject to a collective bargaining agreement. Under the bill, firefighters are limited to a backward drop only.

Sponsor: Professional Peace Officers Association

Status: Signed by Governor 10/12/03, Chapter 897

STAR COLA Approved for 2004

On November 20, 2003, the Board of Retirement voted to fund the 2004 STAR COLA Program at an 80% benefit level at a projected cost of \$435,000 over the lives of the eligible members (as determined by LACERA's actuary, Milliman USA). STAR COLA means Supplemental Targeted Adjustment for Retirees Cost-of-Living Adjustment. This benefit is paid in addition to the monthly allowance.

A small number of retirees received the STAR COLA benefit last year, which was vested at 80%. Those contributory plan members will continue to receive that amount for life. It has become part of their base pay.

This year again, a small number of retirees became eligible

to receive a STAR COLA benefit, because the purchasing power of their original retirement allowance fell below 80% due to inflation.

Those who are eligible retired from Plans B, C, and D between April 1, 1977 and March 31, 1986, and their STAR COLA increase varies from 1.1 to 1.7 percent of their base pay. That amount will be vested and become a part of their basic retirement allowance for life. (Plan E members are eligible for the April 1 COLA, but not for STAR COLA benefits.)

The Consumer Price Index (CPI) percentage change from January through December is compared to the maximum allowable cost-of-living percentage increase payable by LACERA on April 1 (3% for plan A and 2% for

plans B, C, D, and E). In years where the change in CPI is greater than the maximum cost-of-living increase, the difference between these two percentages is accumulated annually for each retiree and is called the Cost-of-Living Adjustment (COLA) Percentage Accumulation. The accumulation of differences each year reflects how much purchasing power has been lost from a retiree's original retirement benefit. By law, the Board of Retirement may provide STAR increases after the accumulation exceeds 20%.

Note that no Plan A member currently has an Accumulation Account over 20%. As a result, no Plan A members are eligible for a STAR COLA increase in 2004. 


For Medicare-Eligible Members

The following is a listing of the Medicare premium, deductible, and coinsurance rates that will be in effect in 2004.

Medicare Premiums for 2004:

Part A: (Hospital Insurance) Premium

- Many people do not pay a monthly Part A premium because they or a spouse has 40 or more quarters of Medicare-covered employment.
- The Part A premium is \$189.00 for people having 30-39 quarters of Medicare-covered employment.
- The Part A premium is \$343.00 per month for people who are not otherwise eligible for premium-free hospital insurance and have less than 30 quarters of Medicare-covered employment.

Part B: (Medical Insurance)

Premium
\$66.60 per month.

Medicare Deductible and Coinsurance Amounts for 2004:

Part A: (Pays for inpatient hospital, skilled nursing facility, and some home health care.) For each benefit period Medicare pays all covered costs except the Medicare Part A deductible (2004 = \$876) during the first 60 days and coinsurance amounts for hospital stays that last beyond 60 days and no more than 150 days. For each benefit period you pay:

- A total of \$876 for a hospital stay of 1-60 days
- \$219 per day for days 61-90 of a hospital stay
- \$438 per day for days 91-150

of a hospital stay (Lifetime Reserve Days)

- All costs for each day beyond 150 days

Skilled Nursing Facility Coinsurance

- \$109.50 per day for days 21 through 100 each benefit period.

Part B: (Covers Medicare eligible physician services, outpatient hospital services, certain home health services, durable medical equipment.) \$100.00 per year. (Note: You pay 20% of the Medicare-approved amount for services after you meet the \$100.00 deductible.)

Additional information about the Medicare premiums, deductibles, and coinsurance rates for 2004 is available at www.medicare.gov, or call (800) MEDICARE (633-4227). 

STAR COLA Percentages for 2004

Retirement Date	Plan A		Plan B, C, D	
	April 2003 COLA Accumulation	2004 STAR % Increase	April 2003 COLA Accumulation	2004 STAR % Increase
Before 4/1/77	19.7	*	-	-
4/1/77 - 3/31/78	19.7	*	21.7	1.7
4/1/78 - 3/31/79	19.7	*	21.7	1.7
4/1/79 - 3/31/80	19.7	*	21.7	1.7
4/1/80 - 3/31/81	19.7	*	21.7	1.7
4/1/81 - 3/31/82	10.3	*	21.7	1.7
4/1/82 - 3/31/83	6.2	*	21.7	1.7
4/1/83 - 3/31/84	6.1	*	21.7	1.7
4/1/84 - 3/31/85	4.8	*	21.7	1.7
4/1/85 - 3/31/86	3.3	*	21.1	1.1
4/1/86 - 3/31/87	2.5	*	18.3	*
4/1/87 - 3/31/88	2.4	*	18.2	*
4/1/88 - 3/31/89	0.7	*	15.0	*
4/1/89 - 3/31/90	0.7	*	12.2	*
4/1/90 - 3/31/91	0.7	*	9.0	*
4/1/91 - 3/31/92	0.7	*	4.4	*
4/1/92 - 3/31/93	0.7	*	3.8	*
4/1/93 - 3/31/94	0.7	*	3.8	*
4/1/94 - 3/31/95	0.7	*	3.8	*
4/1/95 - 3/31/96	0.7	*	3.8	*
4/1/96 - 3/31/97	0.7	*	3.8	*
4/1/97 - 3/31/98	0.7	*	3.8	*
4/1/98 - 3/31/99	0.7	*	3.8	*
4/1/99 - 3/31/00	0.7	*	3.8	*
4/1/00 - 3/31/01	0.7	*	3.5	*
4/1/01 - 3/31/02	0.7	*	1.8	*
4/1/02 - 3/31/03	0.7	*	1.7	*
4/1/03 - Present	0.7	*	0.0	*

Your COLA Accumulation must exceed 20% to be eligible for the STAR COLA benefit.

*Not eligible for STAR increase in 2004.

Welcome Board Members

As we begin the New Year, we would like to extend warm welcomes to a new and a returning Board member. Herman B. Santos will begin his inaugural term on the Board of Investments, elected by general members and replacing Brian C. Brooks. Simon Russin, reelected by general members, will remain on the Board of Retirement for another term. Below are brief introductions to both Board members. Welcome, gentlemen, and farewell Mr. Brooks!

Herman B. Santos Board of Investments



Beginning his inaugural term in January 2004, Mr. Santos brings a wealth of experience to his new position on the Board of Investments. He is currently an attorney with the Los Angeles County Public Defenders Office and serves as a Deputy Public Defender III. In this capacity, Mr. Santos represents defendants who have been charged with serious and/ or violent crimes.

Mr. Santos has worked for SEIU since 1974, both in Los Angeles and New York chapters, in a variety of capacities including union steward, organizer, business agent/field representative, union negotiator, and civil service advocate/attorney. He was elected to the Local 660 Board of Directors for the current term, and

is currently the Chairperson for SEIU, Local 660 President's Committee. Mr. Santos is also an active member of Local 660 Committee on Political Education, and was recently appointed to the SCAU State Public Pension Round Table.

Mr. Santos received a Bachelor's Degree in Business Administration from Bernard Baruch College, City University of New York, a Bachelor's Degree in Science of Law at Glendale University College of Law in Glendale, California, and a Juris Doctorate Degree from Glendale University, College of Law. Upon his election to the Board of Investments, Mr. Santos began an extensive Trustee training program with the AFL-CIO Center for Working Capital; courses include Fiduciary Law and Investment Strategies, among others. He also attended the SACRS New Trustee Orientation.

Mr. Santos was instrumental in organizing a delegation of 20 Deputy District Attorneys and Deputy Public Defenders to take time off from work to lobby in Sacramento for the 2002 State Budget and for the passage of AB 2023 (Safety Retirement for District Attorneys and Public Defenders). After the legislature passed AB 2023, Mr. Santos organized a letter writing campaign to the Governor's office asking the Governor to sign the bill into law, which he did. [AB 2023 requires a Board of Supervisors resolution to become effective in L.A. County.]

Mr. Santos has over 20 years of experience as an advocate for County employees, and we welcome him to the Board of Investments.

Simon S. Russin Board of Retirement



Mr. Russin has served continuously on the Board of Retirement since 1982 (22 years), and has served 16 years on the Board of Investments. Mr. Russin has never missed a meeting of the Board of Retirement in 22 years and is an advocate for employees who receive a disability retirement. Currently serving as Chairman on the Board of Retirement, Mr. Russin has in the past served as both Chairman and Vice-Chairman on the Board of Retirement, Secretary on both the Boards of Investments and Retirement, Chairman of the Operations Oversight Committee for the Board of Retirement, and Chairman of the Insurance, Benefits, and Legislative Committee.

His current county position is Chief Environmental Health Specialist for Los Angeles County. In addition, Mr. Russin has been a member of SEIU Local 66 for 33 years, and has served on their Board of Directors for 15 years. He is an associate member of the Retired Employees of Los Angeles County (RELAC), and is a member of the Chicano Employees Association.

Mr. Russin has been a valuable member of the Board of Retirement for almost 22 years, and we are glad to welcome him back for another three-year term. 

Lower Bad Cholesterol

Excerpted from Food & Fitness Advisor

If you suffer from high cholesterol, you may want to add tea to your diet. According to a small study conducted by the U.S. Department of Agriculture (USDA), drinking five cups of black tea a day can drive down “bad” low-density lipoprotein (LDL) cholesterol by 11 percent in just three weeks. The study involved 15 men and women with mildly elevated cholesterol, half of whom received five cups of black tea per day for three weeks, while the others

were given tea-flavored colored water. The two groups then switched drinks after three weeks. To make sure diet didn’t play a role, the scientists supplied participants with all their daily meals. To rule out the effects of caffeine, caffeine was added to the tea-flavored placebo during a third period; the tea produced a 7.5 percent drop in LDL, compared with the noncaffeinated placebo drink. There was no effect on “good” high-density lipoprotein (HDL) cholesterol. The

USDA scientists are conducting further tests to see if tea somehow slows the body’s ability to absorb LDL. “Inclusion of tea in a diet moderately low in fat reduces total and LDL cholesterol by significant amounts and may, therefore, reduce the risk of coronary heart disease,” the researchers wrote in the October 2003 issue of the *Journal of Nutrition*.

One lump, or two? 

Ventura Decision Update

As last reported on www.lacera.com, the Court of Appeal, after hearing oral arguments on May 21, 2003, issued its opinion that the Ventura Decision should be retroactive. The County appealed this decision, however the Supreme Court

refused to hear the Court of Appeal decision, and the retroactive application decision is now final.

We are aware that members affected by this decision are anxious to see it put into effect. To that end, LACERA staff is currently working

on developing a procedure to implement the court’s decision in a manner that will be fair and allow for the payment of adjusted allowances at the earliest possible date. As always, we will keep you posted as we progress. 

MEDICARE NEWS FLASH!

With the recent passage in Congress of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, many of you are anxious to know what impact this will have on your current level of

benefits. We are currently reviewing the legislation to determine the impact (if any) on LACERA’s Health Care Benefits Program. Upon preliminary review, we feel that LACERA’s prescription drug benefits are superior

to the new Medicare program, and we will do everything we can to maintain our program at its current level. Visit www.lacera.com often for updates on this and other benefit issues in the news. 

Reminders for Retirees cont’d from pg. 1

2004. In addition, Medicare assesses a penalty of 10% of the cost of Part B coverage for each year that you are over age 65. If you are eligible for Medicare now, which means that you are age 65 or within three months of your 65th birthday, you should enroll

now. Be aware that your Part B coverage effective date may be delayed for up to three months after you apply.

To apply for Medicare Part A and/or Part B, please contact your local Social Security office. Once you

become enrolled in Medicare, your Medicare coverage is always primary and your LACERA medical plan coverage is secondary for payment of both hospital and medical expenses. 

Do you have questions regarding your retirement benefits?

Telephone LACERA at

(626) 564-6132

(800) 786-6464

FAX: **(626) 564-6155**

Your Social Security number is the key to finding your records.

We thank you for your patience and understanding when you call.

welcome@lacera.com

Now you can e-mail LACERA to ask about general retirement information. Just use the LACERA e-mail address shown above. If you have specific questions about your benefits or need to resolve any issues affecting your personal retirement account, please contact LACERA at **(800) 786-6464** and ask to speak to a Retirement Benefits Specialist.

The Best Medical Plan for You

When you retired, you were asked to select a LACERA-sponsored medical plan for yourself and, if you wished, your dependent spouse and/or dependent children. Each year at the beginning of June, LACERA reminds you that you have the option of changing your medical plan selection. If you change, your new coverage will generally become effective after a six-month waiting period.

Selecting a medical plan that meets your needs is one of the most important decisions you can make.

And, it's not a one-time-only decision. You should continue to review your medical care needs and evaluate how well your plan is continuing to meet those needs.

At LACERA, we're committed to offering you not only a selection of medical plans to choose from, but also the tools and information to help you think through your decisions.

Know Your Needs

Although many people focus solely on monthly premiums or insurance co-payments when selecting a medical plan, it's critical that you also consider your medical needs—and those of your spouse or dependent children.

Questions to Ask

You should ask yourself key questions before making your selection. Here are a few to help you get started:

- How much medical care do I usually need?
- Do I have a regular family doctor or specialist? Is he or she in my plan's network?
- How much did I spend on medical bills last year?
- How much of those expenses does my current plan pay?

• Do I need more or less medical protection this year?

• Was I satisfied with the type of coverage I had before?

• With LACERA's comprehensive coverage, should

I even consider waiving LACERA-sponsored coverage and enroll in my spouse's non-LACERA plan?

- If I cover my spouse and/or dependent children, what plan best meets each person's medical needs?

Asking these questions on a regular basis will help you focus on your medical needs, how well your current plan meets them, and whether it makes sense to change plans. For more details about the plans offered through LACERA, review the materials in your "Exploring Your Health Care Benefits Through LACERA" folder, or online at www.lacera.com. 



Your Sense of Smell and Taste

Excerpted from the Health After 50

Many adults find that as they get older, their sense of smell and taste becomes less acute. In fact, about half of adults over age 65 have some degree of chronic olfactory impairment. Because the sense of smell contributes more to the perception of flavor than any other sense—including taste—an olfactory deficit can seriously limit the enjoyment of food. Severe olfactory impairment can even lead to malnutrition and depression.

Nearly all temporary olfactory problems, and about one quarter of permanent ones, are caused by chronic inflammation of the mucous membranes lining the nose (rhinitis)

or sinuses (sinusitis). An allergy or infection is usually the underlying cause. In adults, the most frequent causes of permanent olfactory impairment are viral infection, head trauma, neurological disorders (such as Parkinson's disease or Alzheimer's disease), or stroke. Smell can also be impaired by drugs (especially the anti-cancer medication methotrexate), exposure to environmental pollutants, and brain tumor. In about 10% of patients, depression is a cause rather than a symptom of olfactory impairment.

Treating the underlying cause of olfactory impairment usually solves the problem, or at least produces a

marked improvement. Even when olfactory impairment persists, it is still possible to enjoy food. One way is to use flavor enhancers, including vinegar, lemon, menthol, cayenne, hot pepper and other spices and fruit-based sweeteners. Another way to boost enjoyment is to vary food textures and taste sensations, such as alternating sweet and sour, or crunchy and soft. Avoid cigarettes, caffeine, and food that is very hot or very cold, as all of these factors may interfere with taste and smell. Displaying food attractively may also improve your taste experience, as eye-appeal affects taste. And finally, brush teeth after meals rather than before, because toothpaste can mask food flavors. 

Go for the Gold

So you need to pay LACERA a visit and you just can't face the traffic. Why not go for the gold? The Pasadena Gold Line, that is. Spanning 13.7 miles, the new line links Union Station in downtown Los Angeles and Sierra Madre Villa in East Pasadena via Chinatown, Highland Park, South Pasadena, and Pasadena, with a stop right on the corner by LACERA on the 210 Freeway and Lake Avenue.

The Gold Line uses 26 state-of-the-art rail cars, with a capacity of 144 passengers per car. To get from East Pasadena to Downtown Los Angeles, and vice versa, it takes only about 36 minutes. Besides saving yourself the cost of gas and the freeway aggravation, you'll be able to relax, read a good book, or take a little nap en route.

Fares for the Metro Gold Line are the same as all MTA operated Metro

Bus and Metro Rail trains, just \$1.35 one-way (cash) or \$.90 using a pre-purchased discount token. Tickets can be purchased from self-service ticket vending machines located at Metro Rail stations, and discounts are available for seniors, students and the disabled.

So the next time you have to drop by LACERA, go for the Gold (Line) and relax all the way. 

Vision Claims?

Review these helpful hints to insure timely and correct payment of your vision claims:

- Always send a completed claim form with your receipts.
- Write your I.D. number on each receipt you submit.
- Make sure your receipt indicates either progressive or tri-focal lenses.
- Provide a breakdown of charges for each vision procedure. 

Editor's Note

Spotlight on Retirement is published by the staff of LACERA. Signed articles represent the opinion of the writers and not necessarily the opinion of the LACERA Management, Board of Retirement or Board of Investments.

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Alternative formats are available upon request.

WE NEED YOUR HELP!

If you're reading this article, we want your opinion. Over the years, the *Spotlight* newsletter has tried to change with the times, and with our readers. Our goal is to maintain a balance between information you need, such as legislative updates and other legal issues, and subjects meant to peak your interest—and tickle your funny bone. We always welcome letters to the editor, but it's been a while since we've done a survey. So in honor of the year's end, we would like to ask you some questions to keep us on our toes, and in your favor. As you answer the questions below, remember that your bi-monthly RELAC newsletter is a different publication than this quarterly *Spotlight*.

After you have answered our short questionnaire, please tear off this page and send it to us by the end of January, 2004. We will read every response we receive, and use your comments to make this your newsletter. **Please send the questionnaire to:**

LACERA
PO Box 7060
Pasadena, CA 91109-7060
Attn: Spotlight Newsletter Questionnaire

Please circle the answer that best matches your *Spotlight* experience.

1. The issues and information featured in *Spotlight* are:

A) Relevant to your life as a LACERA retiree.	Excellent	Good	Fair	Poor
B) Easy to understand and clearly stated.	Excellent	Good	Fair	Poor
C) Communicated in a timely manner.	Excellent	Good	Fair	Poor

2. The *Spotlight* archives are featured in an online format on www.lacera.com.

A) How many times have you visited the LACERA web site in the last year?	20+	6-20	1-5	0 times
B) How often do you view the newsletter archives?	All the Time	Sometimes	Rarely	Never

3. What is your favorite part of the newsletter? (You may check more than one.)

- Legislative Information
- Message from the CEO
- Human Interest Articles
- Legal Updates
- Medical Plan Information
- Retiree Benefit Information

4. How much of the <i>Spotlight</i> do you read?	100%	75%	50%	25%	None
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Please share any comments you have with us about the *Spotlight* newsletter.

Comments: _____

Thank you for your responses!

Please tear off this page and send it to the address above by the end of January, 2004.
Look for a follow-up article on this survey in the next issue of *Spotlight*.