

# Spotlight on retirement

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION ■ JUNE 2006 VOL. 17 NO 2

## Health Fair Set for September - Save the Date

**T**he 15th annual LACERA Retiree Health Fair is scheduled for September 29, 2006, at the Manhattan Beach Marriott Hotel in Manhattan Beach. This year's theme, "Be Your Own Health Hero," emphasizes the responsibility everyone has to take the best possible care of themselves and follow a healthy lifestyle. Although LACERA administers your medical plans, much of your health rests in your own hands.

Mark your calendar to attend the 2006 Health Fair; take advantage of the educational seminars, mingle with fellow LACERA health heroes, and gain new strategies for maintaining healthy-living superpowers. Watch the mail in August for your invitation.



## Changes in Tax Reporting: Service-Connected Disabilities

**L**ACERA has improved its tax reporting capabilities in response to IRS requirements. The updated reporting system will be reflected on your monthly check stub or automatic deposit receipt (ADR) beginning June 30.

The updated procedure affects tax reporting on Service-Connected Disability (SCD) retirements. Historically, LACERA has been reporting SCD retirement income as "Taxable Amount Not Determined." Under the updated system, LACERA will calculate the "Taxable Amounts" on these benefits, and will identify them accordingly. These "Taxable Amounts" will also appear on Form 1099R that LACERA is required to send you and file with the IRS each year.

### Special Tax Exclusions May Apply

The Internal Revenue Code grants special tax exclusions for certain SCD retirement benefits.

Section 104(a)(1) of the IRS Code provides that an amount equal to 50 percent of your final compensation may be excludable from your gross income for federal tax

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## Los Angeles County Employees Retirement Association

### Members of the Board of Retirement

#### LES ROBBINS

Chair  
Appointed by the Board of Supervisors

#### SIMON S. RUSSIN

Vice Chair  
Elected by General Members

#### WILLIAM DE LA GARZA

Secretary  
Elected by Retired Members

#### MARK J. SALADINO

County Treasurer & Tax Collector  
Ex-Officio Member

#### YVES CHERY

Elected by General Members

#### SI FRUMKIN

Appointed by the Board of Supervisors

#### ARMANDO MACIAS

Alternate Member  
Elected by Safety Members

#### EDWARD "ED" C. MORRIS

Alternate Member  
Elected by Retired Members

#### WILLIAM R. PRYOR

Elected by Safety Members

#### RICHARD WIRTH

Appointed by the Board of Supervisors

### Members of the Board of Investments

#### ESTEVAN VALENZUELA

Chair  
Appointed by Board of Supervisors

#### HERMAN SANTOS

Vice Chair  
Elected by General Members

#### SIMON RUSSIN

Secretary  
Elected by General Members

#### MARK J. SALADINO

County Treasurer & Tax Collector  
Ex-Officio Member

#### DIANE A. SANDOVAL

Elected by Retired Members

#### WILLIAM R. PRYOR

Elected by Safety Members

#### MICHAEL SCHNEIDER

Appointed by the Board of Supervisors

#### ROBERT L. SPARE

Appointed by the Board of Supervisors

#### LEONARD UNGER

Appointed by the Board of Supervisors

Chief Executive Officer

**MARSHA D. RICHTER**

Assistant Executive Officer

**GREGG RADEMACHER**

Assistant Executive Officer

**Robert Hill**

## About the EXECUTIVE DESK

Marsha D. Richter—CEO, LACERA



*Editor's note: This column is usually titled "From the Executive Desk," and is written by Marsha Richter, our CEO. Since Marsha's October retirement is looming large, the Spotlight is taking this opportunity to review the impact she has made during her 17-year tenure at LACERA. Therefore, we've titled this issue's column "About the Executive Desk."*

**M**arsha Richter's legacy is sure to cast a long shadow at LACERA. Today LACERA is more financially sound, operationally advanced, inspired to innovate, and customer service-oriented than it was prior to her arrival.

Armed with expertise, a deep passion for her job, and a clear vision for the future, she began by earning the trust and respect of LACERA's boards, management and staff. The working relationships and strategic partnerships she forged provided her with a solid base from which she could operate with maximum effectiveness.

With Marsha at the helm, LACERA added new tiers of professionals to its in-house operations. Attorneys, auditors, and other professionals were brought onboard to create Legal, Disability Litigation, Internal Audit, Quality Assurance, and Communications divisions. With the addition of these divisions, LACERA became a more independent, self-contained, and efficient entity.

Working closely with the boards, Marsha led LACERA into the Electronic Age, beginning with the herculean Reengineering Project that converted decades of paper records into electronic documents and installed a state-of-the-art computerized operating system at the hub of operations. Web sites, email, and interactive web features followed.

From day one, she has been focused on protecting members' rights, and providing the highest possible levels of service. Everything she has orchestrated at LACERA has been with that goal in mind. Recognizing that employees hold the key to making the vision a reality, she created a corporate culture that celebrates employees, fosters teamwork and professionalism, encourages innovation, and leverages employees' strengths for the greatest benefit of the membership.

The upshot of Marsha's vision and its implementation is an award-winning organization that is recognized for establishing best practices in the industry, and serves as a model for other retirement associations. During her stewardship, the fund has quadrupled in value, and LACERA has never been late for a payroll. This impressive growth and operating efficiency is a testament to the astute investment strategies and business practices employed during her administration.

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# 2006 Legislative Updates

**A**lthough the intensity of the discussion in Sacramento surrounding retirement law has been toned down in recent months, legislation that would affect LACERA is still under consideration in the California legislature.

Significant changes have been made to bills such as AB 2366, which would allow reinstatement to active membership after mandatory retirement. Other bills, such as AB 2795, appear to have stalled. That bill would lengthen the allowed interval between service to remain eligible for reciprocity. The following represents a snapshot of legislation most likely to affect LACERA members.

## **AB 1568 - BOARD MEMBERSHIP -**

This bill would preclude a member or employee of the board from selling or providing any investment product that would be considered an asset of the fund to any of the twenty counties that operate under the County Employee's Retirement Law. It would also add provisions to require all Board of Retirement and Board of Investment members to receive at least two hours of general ethics training. The training would have to be provided every two years.

**Author:** Torrico

**Introduced:** February 22, 2006

**Last Amended:** May 2, 2006

**Sponsor:** Author

**Status:** In Committee on Public Employees and Retirement

**LACERA Position:** Support - Board of Investments  
Watch - Board of Retirement

**AB 2240 - ADDITIONAL RETIREMENT CREDIT** - Currently the County Employees Retirement Law (CERL)

authorizes the Los Angeles and Santa Barbara county boards of supervisors to adopt provisions that allow the counties' noncontributory plan members to purchase certain types of previous and other service. Under the current provision, the boards of supervisors cannot limit which types of eligible service the member may purchase. If the board wishes to adopt provisions covering one type of service, it must include all other previous service included in the governing provisions.

This bill would add a separate section to the CERL that would authorize Los Angeles and Santa Barbara county boards of supervisors to adopt provisions covering the purchase of Additional Retirement Credit (ARC) only. To receive ARC, the member must pay the full actuarial value of the additional retirement benefit received through the ARC purchase. This bill has not made any progress through the legislature.

**Author:** Committee on Public Employees, Retirement and Social Security

**Introduced:** February 22, 2006

**Sponsor:** SACRS

**Status:** Senate Committee on Public Employees and Retirement

**LACERA Position:** Support - Board of Retirement

**AB 2309 - DROP** - The County Employees Retirement Law (CERL) authorizes a county board of supervisors to adopt an ordinance or resolution implementing a Deferred Retirement Option Program (DROP) for specified safety members within the retirement system.

The specified safety classifications covered by the DROP provisions are the probation, law enforcement, and firefighting series as

defined by the CERL. Previously this bill would have permitted the Los Angeles County Board of Supervisors (BOS) to authorize a DROP program for a subset of those classifications. The bill has since been amended and now simply requests the Los Angeles County Board of Retirement to conduct a study of the potential benefits and detriments of various DROP programs. It is likely the bill will be further amended so that the Board of Supervisors will be asked to perform this study. (Note: In Los Angeles County, only law enforcement and firefighting classifications are eligible to be covered by a DROP upon authorization of the BOS.)

**Author:** Negrete-McLeod

**Introduced:** February 22, 2006

**Last Amended:** April 25, 2006

**Sponsor:** SACRS

**Status:** Senate Committee on Public Employment and Retirement

**LACERA Position:** Oppose - Board of Retirement

## **AB 2366 - REINSTATEMENT AFTER RETIREMENT**

- Previously this bill sought to liberalize the limitations regarding reemployment of safety members who were subject to mandatory retirement. The bill has since been amended. The current version would permit a retired safety member in Los Angeles County who was required to retire because of age to be reemployed by the County and reinstated to active membership. Reemployment would occur upon the Board of Retirement's determination that the member is not incapacitated due to age. The member would be

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## To Continue to Receive Benefits, Survivors Age 18-22 Must Show Proof of School Enrollment

**M**inor children who are beneficiaries of LACERA members are eligible to receive LACERA survivor benefits until their 18th birthday. However, benefit eligibility is extended to their 22nd birthday if they continue as a full-time student in an accredited high school or college, *and* provide LACERA with proof of enrollment each semester.

School Verification Forms can be obtained by calling LACERA at 1-800-786-6464. The school must complete the form and attach its school seal. Some schools provide their own verification forms that a student can pick up and return to LACERA.

In either case, in order to continue to receive survivor benefits, it is the responsibility of the student to provide LACERA with verification of enrollment.

**LACERA**  
Los Angeles County  
Employees Retirement  
Association

About the Executive Desk, cont'd from pg. 2

Marsha Richer, consummate team builder and team player, woman of vision, passion and expertise... you will be missed. You are leaving some big pumps to fill.

## Marsha's Achievements

- Member Home Loan Program
- STAR Program
- Vesting of STAR COLA
- Computerized Operations
- Retiree Health Fairs
- www.lacera.com
- Outreach Workshops
- Disaster Recovery
- Annual Member Benefit Statements
- Legislative Officer
- Member Surveys
- Risk Manager
- Fund Quadrupled in Value
- Member Newsletters
- Mission Statement
- Succession Planning

The Boards, Management, Staff, and Members appreciate your efforts.

Thank you!

### "Feel Good" Facts

## GREEN TEA BENEFITS YOUR BODY, INCLUDING YOUR BRAIN

Could the fountain of youth be green?

**C**ompounds known as catechins that appear predominantly in green tea are known to be powerful antioxidants, and have been associated with decreased risk of cardiovascular disease and several types of cancers. Green tea has also been found to possess a variety of anti-inflammatory effects, which researchers hope will prove helpful in treating arthritis and other inflammatory conditions.

Recent findings also suggest green tea may reduce the risk of Alzheimer's Disease. Japanese researchers report a higher consumption of green tea was associated with a lower prevalence of cognitive impairment in humans. In their study of more than 1,000 subjects over age 70, those who drank at least two cups of green tea daily were approximately 50 percent less likely to develop cognitive impairment, compared to those who drank fewer than three cups per week.

Sources: *Nutrition Advisor*; a publication of Yale-New Haven Hospital, BBCNews.com, *The American Journal of Clinical Nutrition*.

# THE LACERA MEMBER HOME LOAN PROGRAM



## *A Special Program for Our Members*

Getting a home loan or refinancing is always a big deal, but with LACERA's Member Home Loan Program (MHLP), it can be a good deal, too!

The MHLP program is for **LACERA members, retirees and beneficiaries** and offers fixed and adjustable loans at competitive rates with attractive terms:\*

- ▶ Discounted origination fee of three-quarters of one point (.75%) of the total loan amount
- ▶ Low \$350 application fee includes credit report and appraisal report
- ▶ Modest \$175 processing fee\*\*
- ▶ No charge interest rate lock-in option secures lowest rate in effect on any of these dates:
  - Application date
  - Approval date
  - Date documents are drawn
- ▶ Easy application process



All MHLP loans are originated, funded, and serviced by GMAC.

Apply by phone, fax, or in person at GMAC. For additional information, call GMAC's LACERA-only hotline at **1-800-2-LACERA**.

Check out the MHLP online - loan descriptions, terms, FAQs, the home loan calculator, and the daily interest rates.

\*Certain eligibility restrictions apply. Contact a GMAC representative at 1-800-2-LACERA to discuss your individual qualifications.

\*\*Other third party fees may apply.

# LACERA HEALTH CARE ANNUAL PACKET

**T**he 2006-2007 LACERA-administered Health Care Annual Packets, which present important information about your LACERA-administered health plans, were mailed at the end of May.

Your Annual Packet contains the following materials:

- **Benefits Update** – what's new for 2006-2007

- **Benefits Guide** – overview of the health plans available to you and important administrative details about your LACERA-administered benefits
- **Rate Booklet** – 2006-2007 monthly contribution rates for all LACERA-administered plans
- **Notice of Creditable Coverage** – official statement indicating your LACERA-administered medical

plan provides you with prescription drug coverage that is, on average, as good as or better than that offered by the Medicare Part D model plan

If you haven't received your 2006-2007 LACERA-administered Health Care Annual Packet, contact LACERA's Insurance Services Section at 1-800-786-6464.

## WE'RE LIVING LONGER... AND BETTER

**S**ince people are living longer, and hopefully living better, we thought it would be interesting to delve into the demographics of LACERA retirees and survivors:

- 50 people over the age of 100 are currently receiving LACERA benefits — only three are men.
- LACERA currently has 1,700 payroll recipients between the ages of 90 and 100.
- LACERA folks get around; people receiving LACERA benefits reside in every state of the union, the District of Columbia, and 158 other countries.
- At last count LACERA payroll recipients numbered 49,859.

**LACERA retirees and survivors are doing quite well, thank you!**

## PUBLIC SERVICE ANNOUNCEMENT

### BECOME AN ADVOCATE FOR AN ABUSED CHILD

**C**ourt Appointed Special Advocates of Los Angeles (CASA) is currently recruiting volunteers to be trained to investigate the circumstances of children who have been removed from their homes due to abuse or neglect and placed in protective custody. CASA volunteers advocate for the best interest of foster children both in court and in the community. Volunteers must be at least 21 years old, be able to make a one-year commitment to the program, undergo a background check, and successfully complete a 36-hour CASA training program. An average of five hours per week is spent on case activities. Bilingual (Spanish/English) and African American volunteers are especially needed. Volunteers are required to attend an orientation session before beginning the training.

For additional information, call (323) 526-6666 or visit [www.casala.org](http://www.casala.org). CASA of Los Angeles also has a satellite office in the Antelope Valley.

## 2006 Legislative Updates cont'd from pg. 3

reinstated to active status effective the first day of the month following the date of reemployment. This bill would permit that safety member to earn an additional retirement benefit for the period of service after reinstatement pursuant to the formula applicable to that member prior to his or her reinstatement. This bill will only be operative upon a resolution adopted by the Board of Supervisors.

**Author:** Runner  
**Introduced:** February 23, 2006  
**Sponsor:** Los Angeles County Sheriff's  
**Status:** Passed Assembly. To Senate.  
**Last Amended:** May 10, 2006  
**LACERA Position:** Oppose - Board of Retirement (This position was taken prior to the most recent amendment.)

**AB 2765 - SAFETY MEMBERSHIP/ PROBATION OFFICERS** - This bill would classify probation officers in Los Angeles County as safety members effective January 1, 2007. The requirement of a Board of Supervisors' resolution to classify probation officers as safety members would be deleted. This bill would require the County to include all probation officers as safety members, but would authorize those members to elect not to become safety members. This bill would provide that prior service as a probation officer shall be deemed safety service, at the employer's cost, as specified. The bill would provide that probation officers who are safety members shall be subject to retirement benefits applicable to existing safety members in Los Angeles County. This bill has not made any progress through the legislature, but if it does resurface, it is anticipated to have completely revised language.

**Author:** Negrete-McLeod  
**Introduced:** February 24, 2006  
**Status:** In Assembly Committee on Public Employees, Retirement and Social Security

**LACERA Position:** Watch - Board of Retirement

**AB 2795 - RECIPROCITY** - Current California retirement law allows reciprocal benefits to a member who terminates employment with a covered retirement system and within six months begins employment with a second covered retirement system.

This bill would amend the Public Employees Retirement Law (PERL) and the County Employees Retirement Law (CERL) to extend reciprocal benefits if the lapsed period between service is less than 18 months. The extended time period applies to any member of the system on and after January 1, 2007. The bill has been amended from its original version so that any potential rate reduction as a result of this law would be prospective only. Despite these changes, the bill's fate remains uncertain as it has been placed in the Assembly Appropriations Committee's suspense file.

**Author:** Negrete-McLeod  
**Introduced:** February 24, 2006  
**Last Amended:** April 24, 2006  
**Sponsor:** San Bernardino Sheriff's  
**Status:** Assembly Appropriations Committee, Suspense file

**LACERA Position:** Oppose unless amended - Board of Retirement (This position was taken prior to the most recent amendment and therefore could change.)

**AB 2863 - RETIREMENT EFFECTIVE DATE** - Under existing law, a member of a county retirement system may retire after filing a written application with the board of retirement. Existing law requires the member to select an effective date of his or her retirement and this date may not be more than 60 days after the date the application is filed with the board. This bill would additionally provide that the effective date of a member's retirement may not be earlier than the date the application is filed with the board. This is a spot bill meaning that the bill number may ultimately be used as a vehicle for other legislation. In this case, the subject will possibly relate to OPEB (Other Post-Employment Benefits) health care legislation.

**Author:** Karnette  
**Introduced:** February 24, 2006  
**Sponsor:** SACRS  
**Status:** Senate Committee on Public Employment and Retirement

**LACERA Position:** Watch - Board of Retirement

**ACA 23 - REVISED BENEFIT FORMULA** - This constitutional amendment would establish the California Public Employee Retirement Plan. The plan would consist of two components, a mandatory defined benefit plan and a voluntary defined contribution plan. Any person hired by a public agency as a new employee on and after July 1, 2007 shall become a member of the new plan.

The **defined benefit plan** would set normal retirement age at 55 for safety and 65, or the social security age, for all others. An employee may retire before the normal retirement age at an actuarially reduced rate. The normal

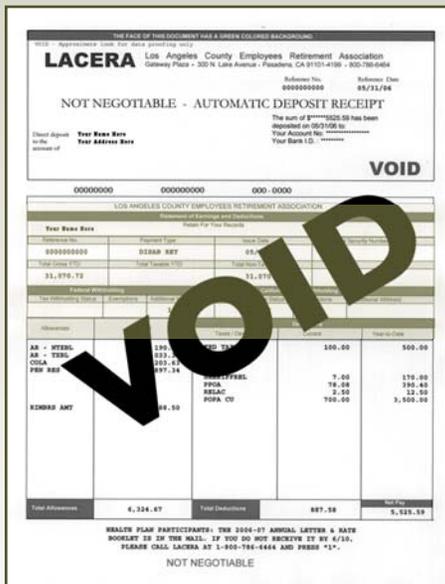
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# DID YOU KNOW?

All LACERA retirement plans are Defined Benefit Plans.

Defined Benefit (DB) Plans	Defined Contribution (DC) Plans
LACERA provides a lifetime benefit	401(k) and 457 Plans are savings accounts
<ul style="list-style-type: none"> <li>You will receive your monthly retirement allowance for the rest of your life</li> </ul>	<ul style="list-style-type: none"> <li>Your benefit payments (withdrawals) stop when your money runs out</li> </ul>

## Tax Reporting, cont'd from pg. 1



purposes. The amount of any cost-of-living (COLA) adjustment attributable to that amount may also be excludable. Any remaining amount (allowance and/or COLA) will be taxable. Upon your death, this tax exclusion would apply to your surviving spouse or minor child if he or she is eligible to receive a continuing allowance from LACERA.

This information is based on a 1976 IRS Private Letter Ruling for Ventura County. An excerpt of the ruling can be viewed online at [www.lacera.com](http://www.lacera.com).

### “Heart Presumption” SCD

“Heart Presumption” SCD Retirement allowances may not be eligible for the special tax exclusion. If you received an SCD Retirement for “Heart Presumption,” refer to the letter you received from the Board of Retirement, which cites Government Code Section 31720.5.

*This tax reporting information was mailed to LACERA members in March.*

**LACERA does not provide tax or legal advice; consult with a professional tax advisor regarding your individual situation.**

Graphics below reflect changes in LACERA’s tax reporting system as they appear on your retirement allowance:

## Before

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION				
Statement of Earnings and Deductions				
Your Name Here				
Retain For Your Records				
Reference No.	Payment Type	Issue Date	Social	
0000000000	DISAB RET	05/31/06		
Total Gross YTD		Total Taxable YTD	Total Non-Taxable YTD	
25,000.00			25,000.00	
Federal Withholding			California State Withholding	
Tax Withholding Status	Exemptions	Additional Withheld	Tax Withholding Status	Exemptions
		100.00	EXEMPT	

Note: The percentage of the SCD that is excludable for taxes has not changed; only the way it is reported on your monthly check and yearly 1099R has changed.

**After:**  
50%

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION				
Statement of Earnings and Deductions				
Your Name Here				
Retain For Your Records				
Reference No.	Payment Type	Issue Date	Social	
0000000000		05/31/06		
Total Gross YTD		Total Taxable YTD	Total Non-Taxable YTD	
25,000.00		25,000.00		
Federal Withholding			California State Withholding	
Tax Withholding Status	Exemptions	Additional Withheld	Tax Withholding Status	Exemptions
		100.00	EXEMPT	

**After:**  
Over 50%

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION				
Statement of Earnings and Deductions				
Your Name Here				
Retain For Your Records				
Reference No.	Payment Type	Issue Date	Social	
0000000000		05/31/06		
Total Gross YTD		Total Taxable YTD	Total Non-Taxable YTD	
40,000.00		15,000.00	25,000.00	
Federal Withholding			California State Withholding	
Tax Withholding Status	Exemptions	Additional Withheld	Tax Withholding Status	Exemptions
		100.00	EXEMPT	

## 2006 Legislative Updates cont'd from pg. 3

retirement formula would be limited to 1 percent of final compensation for each year of service for general members covered by Social Security, 1.75 percent for general members not covered, and 2 percent for safety members. The highest final compensation would be calculated over a consecutive three-year period and would be determined by base salary only. Death and disability benefits are included in the plan and normal contributions would be paid equally by the employer and the employee. In addition to the above defined benefit plan, the member may elect to participate in a **defined contribution plan**. The employer will match the employee's contributions up to 4 percent of the employee's salary. The

distribution from the defined contribution plan would be based upon the total amount of contributions made by the employer and the employee, plus any earnings on the investments. This bill has not made any progress through the legislature and is expected to be shelved indefinitely.

**Author:** Richman  
**Introduced:** September 8, 2005  
**Last Amended:** January 30, 2006  
**Status:** Assembly Committee on Public Employees, Retirement and Social Security  
**LACERA Position:** Actively Oppose – Board of Retirement

### SB 1263 - TAX LAW/LONG-TERM CARE

– This bill would provide that in the tax year beginning January 1, 2007, taxpayers will be allowed to take a state tax deduction for long-term care insurance premiums. The allowable deduction for 2007 is 25 percent and increases 15 percent each year until the allowable deduction is 100 percent of the premium for tax year beginning 2012. This bill has not made progress through the legislature.

**Author:** Alquist  
**Introduced:** February 9, 2006  
**Status:** In Committee on Revenue and Taxation  
**LACERA Position:** None taken

## ATTENTION:

**Changes to Benefit Options under SB 973 Must Be Completed before January 1, 2007**

**S**B 973, which became effective January 1, 2006, allows a survivor's allowance to be paid to the domestic partners of some members who retired before January 1, 2006. The law also allows some retired members to change the benefit option they selected at retirement.

You may be eligible to change your retirement election *if*:

- You have a domestic partner
- And you retired before January 1, 2006
- You do it before January 1, 2007

**Changes to your retirement election under SB 973 must be completed before January 1, 2007.** For additional information, call LACERA at 1-800-786-6464.

# DIRECT DEPOSIT

Enroll by phone, call LACERA at

**1-800-786-6464**

If you prefer to enroll by mail, download the Direct Deposit authorization form from the Brochures & Forms page at [www.lacera.com](http://www.lacera.com).

Complete and send to LACERA, P.O. Box 7060, Pasadena, CA 91109-7060



**DIRECT DEPOSIT**

**Safe,  
Secure,  
and  
Convenient...**

# NEW CO-PAYMENT SCHEDULE FOR CIGNA DENTAL HMO

**A** new co-payment schedule for the CIGNA Dental HMO Plan takes effect July 1, 2006. The schedule, known as B1R04, applies to a number of covered services.

To obtain a copy of B1R04 after July 1, 2006:

- \* Call CIGNA at 1-800-244-6224
- \* Visit [www.mycigna.com](http://www.mycigna.com)
- \* Visit the Brochures & Forms page at [www.lacera.com](http://www.lacera.com)

## FAQs-

**Q: How do I enroll my new spouse or domestic partner on my medical insurance?**

**A:** To add your new spouse or domestic partner you must fill out a Medical Plan New Enrollment Form (Form NC) and send it to LACERA within 30 days from your date of marriage or domestic partnership registration. You must also provide an original certified marriage license or Certificate of Registered Domestic Partnership, which will be copied and returned to you. If LACERA receives the required items by the 15th of the month, coverage begins on the first day of the month following the date of the qualifying event. For example, if you get married on June 10, and LACERA receives your required information by June 15, coverage for your spouse will begin July 1. If any dependent is added later than 30 days from the date that he/she becomes an eligible family member, late enrollment rules apply.

**Q: I'll be 65 in a few months. How will this affect my medical insurance?**

**A:** If you're eligible to receive Medicare Part A and B when you turn 65, you may elect a Medicare HMO Plan or a Medicare Supplement Plan. These plans are designed to coordinate payment of insurance claims with Medicare and are less expensive than the standard HMO or fee-for-service plans. LACERA currently offers three Medicare HMO plans: Kaiser Senior Advantage, SCAN Health Plan, Secure Horizons, and one Medicare Supplement Plan - Blue Cross III.

### Quote:

*"Time flies. It's up to you to be the navigator."*

~ Robert Orben

# "JUST CLICK" FOR LACERA- ADMINISTERED HEALTH CARE FORMS AND BROCHURES

**L**ACERA-administered health care forms and brochures are just a click away on the Brochures & Forms page at [www.lacera.com](http://www.lacera.com).

To access the material, follow these simple steps:

- Visit [www.lacera.com](http://www.lacera.com).
- On the home page, find the **Quick Links** directory in the upper right corner, and click the **Brochures & Forms** tab. The **Brochures & Forms** page may also be accessed from the top of every LACERA web page.
- On the Brochures & Forms page, click on the **Retiree Health Care** link.
- To view or download, click on the title of the brochure or form you select.

No computer access? Call LACERA at 1-800-786-6464.

LACERA  
2006-2007  
**BENEFITS UPDATE**  
The Latest Information About Your 2006-2007 Benefits

This *Benefits Update* provides information about:

- premium rates that will become effective July 1, 2006, and
- important changes to LACERA's Health Care Benefits Program for the 2006-2007 plan year.

If you have any questions about the information in this *Update*, please contact LACERA's Insurance Services Section at (800) 786-6464 or (626) 564-6132.

**IMPORTANT MEDICARE PART D NOTICE:**  
Included in this packet is your Medicare Part D Notice of Creditable Coverage (NOCC).

- *What it is:* An official statement that your LACERA-administered medical plan provides you with prescription drug coverage that is, on average, as good as or better than that offered by the Medicare Part D standard plan.

## ARE YOUR RELATIVES JOB HUNTING? OPPORTUNITIES AT LACERA ARE POSTED ONLINE

**T**ell your job-seeking relatives about the Career Opportunities section at [lacera.com](http://lacera.com); it's a great resource for job hunting! With just a few clicks of their mouse, they can view all open positions, a description of each job's duties, desired qualifications, salary range, etc. They can also fill out an online application, and save it online for updates and future submissions.

### Career Opportunities Page

Current job openings at LACERA can be viewed by clicking on the Career

Opportunities link that appears on the home page of [www.lacera.com](http://www.lacera.com). From there, a click on the link under Careers will access the page listing all open positions. Click on the name of any open position to see a complete description of the job, the essential job functions it requires, and details of the qualifications associated with the position, salary range, etc.

### A Great Place to Work

LACERA offers opportunities in a broad range of fields, from clerks and administrative assistants to attorneys and

accountants, and other positions too numerous to name.

Headquartered in a comfortable, modern facility in Pasadena, LACERA provides a stimulating team atmosphere and a great working environment. Our "corporate culture" encourages professionalism, respect, open communications, fairness, integrity and teamwork.

Share this knowledge with the job hunters you know, and tell them to visit the Career Opportunities section of [lacera.com](http://lacera.com).



### Standing By To Assist With Your LACERA-administered Health Care Benefits...

Meet the friendly, knowledgeable people who answer your questions and help you with your LACERA-administered health care benefits.

To speak with a member of your LACERA-administered Health Care Benefits team, call LACERA's Insurance Services Section at 1-800-786-6464 and press 1.

# June 2006 Spotlight Highlights

- Health Care
- Member Home Loan Program
- Legislative Updates
- PSA: Advocate Wanted
- Other Interesting Topics



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## Editor's Note:

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## Note:

When contacting LACERA your Social Security number is the key to finding your records.