



# Spotlight on retirement

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION • JUNE 2014 • VOL. 25, NO. 2



## LACERA ACCOMPLISHMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

LACERA is a premier retirement system serving one of the largest retirement populations in the United States. We believe it is in the best interest of our members for our management, staff, and board members to stay up-to-date on information affecting retirement-related issues. In keeping with this philosophy, we attend, participate, and support various county and statewide retirement and professional associations. Members of the LACERA team are regularly invited to speak to such groups on a wide range of topics, including investments, benefits, legal issues, and communications. Additionally, members of our team often volunteer to serve on the boards and committees of retirement and other professional organizations.

This new section honors the recent accomplishments of Team LACERA.

### LACERA Board Chair Elected SACRS President

**Congratulations to Mr. Chery on his election to the Presidency of the State Association of County Retirement Systems (SACRS).**

Our Board of Retirement Chair, Yves Chery, was elected President of SACRS at its May meeting.

cont'd on pg.4

### Board of Retirement Appoints Alternate Retired Member

**LACERA congratulates Mr. Muir on his appointment to the Board of Retirement.**

To fill the uncompleted term of Alternate Retired Member, LACERA's Board of Retirement appointed David L. Muir. The term for this position, which

cont'd on pg.4

**We Produce,  
Protect,  
and Provide  
the Promised  
Benefits**

#### IN THIS ISSUE:

- 2 From the Executive Desk
- 4 Inside My LACERA
- 5 Before You Email Us...
- 5 Terms To Know
- 6 Staying Healthy Together
- 8 Daughters and Sons to Work
- 8 Crossword Puzzle
- 9 3 Things
- 9 Election for Board Seats Set
- 9 Annual Retiree Healthcare Packet Mailing
- 10 FAQs: Retiree Healthcare
- 11 Only U.S. Banks Qualify for Direct Deposit
- 12 Payday Calendar
- 12 Upcoming Holidays

**Board of Retirement:**

**YVES CHERY**

Chair  
Elected by General Members

**ALAN J. BERNSTEIN**

Vice Chair  
Appointed by Board of Supervisors

**WILLIAM DE LA GARZA**

Secretary  
Elected by Retired Members

**MARK J. SALADINO**

County Treasurer & Tax Collector  
Ex-officio Member

**JOSEPH KELLY**

Chief Deputy Treasurer & Tax Collector  
Alternate Ex-officio Member

**MARVIN ADAMS**

Appointed by Board of Supervisors

**VIVIAN H. GRAY**

Elected by General Members

**SHAWN R. KEHOE**

Elected by Safety Members

**DAVID L. MUIR**

Alternate Retired Member  
Appointed by Board of Retirement

**RONALD A. OKUM**

Appointed by Board of Supervisors

**WILLIAM R. PRYOR**

Alternate Member  
Elected by Safety Members

**LES ROBBINS**

Appointed by Board of Supervisors

**Board of Investments:**

**JOHN M. BARGER**

Chair  
Appointed by Board of Supervisors

**DAVID GREEN**

Vice Chair  
Elected by General Members

**SHAWN R. KEHOE**

Secretary  
Elected by Safety Members

**MARK J. SALADINO**

County Treasurer & Tax Collector  
Ex-officio Member

**JOSEPH KELLY**

Chief Deputy Treasurer & Tax Collector  
Alternate Ex-officio Member

**DIANE A. SANDOVAL**

Elected by Retired Members

**HERMAN B. SANTOS**

Elected by General Members

**MICHAEL S. SCHNEIDER**

Appointed by Board of Supervisors

**LEONARD UNGER**

Appointed by Board of Supervisors

**ESTEVAN R. VALENZUELA**

Appointed by Board of Supervisors

Chief Executive Officer

**GREGG RADEMACHER**

Assistant Executive Officer

**ROBERT HILL**

Assistant Executive Officer

**JJ Popowich**

From the  
**Executive Desk**

Gregg Rademacher – CEO, LACERA



# IRS Issues Favorable Tax Determination Letter to LACERA

I'm pleased to tell you about the favorable tax determination letter LACERA received from the Internal Revenue Service (IRS) a few months ago. The letter means, based on plan provisions and documents we submitted, the IRS has determined our retirement plan (Plan) qualifies for federal tax-exempt status.

The IRS qualifies certain types of retirement plans, such as LACERA's, as tax-qualified. To achieve and sustain a tax-qualified designation, LACERA must satisfy the requirements of the IRS Code.

## Advantages of Tax-qualified Status

A tax-qualified designation entitles our Plan to receive preferential tax treatment. Being tax-qualified allows our members to make retirement contributions on a pre-tax basis and to defer taxability of their retirement benefits until they receive them. Being tax-qualified also allows the retirement trust (LACERA) to be tax-exempt, which allows our retirement fund to accumulate investment earnings on a tax-free basis.

## Importance of Determination Letter

Basically, the IRS letter serves as official confirmation that LACERA is administering our Plan in compliance

with IRS Code requirements. The favorable determination letter also makes an IRS audit unlikely.

“The favorable IRS tax determination letter represents an endorsement of our practices.”

In human terms, the favorable determination represents an endorsement of our practices and recognition of the diligence, expertise, and dedication of LACERA management and staff.

The receipt of the IRS letter represents the culmination of an intense multi-year project dating back to 2008. Spearheaded by former LACERA Chief Counsel Dave Muir, the project required the assistance of every LACERA division. I am grateful to the scores of LACERA personnel who worked so capably and persistently on this long and critically important project.

To maintain our Plan's tax-qualified status, LACERA works vigorously to ensure we operate in compliance with the applicable provisions of the County Employees Retirement Law of 1937

## From the Executive Office cont'd from pg. 2

(CERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the IRS Code.

### Effect of Retroactive Salary Increases on Monthly Allowances

The salary increases agreed to in the various 2013-2014 Memoranda of Understanding (MOU) have been implemented by the County. In addition to progressive salary increases, each MOU also includes retroactive salary increases. Due to timing variances in the negotiations between the County and respective employee groups, the MOUs were signed at different times. As a result, the retroactive increases were processed by the County at different times; some were processed in October 2013, some in February 2014. Members who retired after receiving retroactive increases have yet to see the impact of those increases in their allowances.

Once we receive the necessary payroll records from the County, we will make any appropriate allowance adjustments and issue retroactive checks, as warranted. It's important to understand LACERA also has a legal obligation to collect all applicable back retirement contributions. When all the retiree accounts have been updated, we will mail letters to affected retirees detailing the adjustment to their monthly allowance, the amount of any back contributions owed, and the

procedure for collecting them.

### Investigation of Experience

Each year, LACERA's outside actuary firm prepares a report called a valuation that examines the retirement fund's (Fund) liabilities and assets to determine its funded status and compute the amount of contributions needed to ensure the promised benefits are properly funded.

Employer and employee contribution rates are based on economic and demographic assumptions. These assumptions are used to predict how certain conditions will affect the funding status of the Plan over the next three years. Economic assumptions cover price inflation, general wage growth, and rate of investment return. Non-economic assumptions cover the mortality, service, and compensation of members and beneficiaries. The accuracy of these assumptions is critical to ensure the Fund remains properly positioned to pay the promised benefits.

Every three years, LACERA directs its actuary to review the actuarial methods and the economic and demographic assumptions used in the annual valuation. This review, known as an Investigation of Experience, compares the actual experience of the Plan against the expectations set by the actuarial assumptions. Based on this review, the actuary determines whether any changes in the assumptions are needed.

### Retirees and Survivors Are Living Longer

Our most recent Investigation of Experience was concluded in December 2013. I thought I'd share a few interesting facts the report revealed:

- Retirees and survivors are living longer.
- More than half our retirees are female.
- More than 80 percent of survivors are female.

In 1992, the average life expectancy for retirees was 75 years; by 2013, life expectancy for that group rose to 81 years. Survivors are living even longer. The average life expectancy for survivors rose from 81 years in 1992 to 87 years by 2013.

Obviously, this is great news. Plus, as retirees and survivors, you enjoy an added advantage that actuaries can't gauge — the peace of mind that comes from knowing your LACERA retirement allowances and continuing benefits are lifetime benefits. You can never outlive them. So, to borrow a phrase from Mr. Spock, *"Live long and prosper!"*



*"Someone's sitting in the shade today because someone planted a tree a long time ago."*

— Warren Buffett



## LACERA ACCOMPLISHMENTS cont'd

### LACERA Board Chair Elected SACRS President cont'd from pg. 2



Prior to the election, he served SACRS as Vice President and Chair of the group's Program and Legislative Committee. Mr.

Chery is a Los Angeles County Deputy Probation Officer II who has

served consecutive terms on the Board of Retirement since his initial election in 2005.

Mr. Chery was instrumental in equipping Outreach Specialists with LACERA's Retirement Calculator at County worksite counseling seminars and he fought for the passage of Assembly Bill 1902, which benefits

disabled LACERA members. To read about Mr. Chery's other accomplishments, visit the Meet the Board section on [lacera.com](http://lacera.com).

As an organization of retirement systems' board members, administrators, treasurers, and staff, SACRS meets twice a year to keep its members up-to-date on issues affecting retirement.

### Board of Retirement Appoints Alternate Retired Member cont'd from pg. 2



expires on December 31, 2014, became vacant with the December 2013 passing of Ed Morris. Mr. Muir will complete the

remainder of this term.

In accordance with the law, candidates for the position were nominated by qualified retiree organizations. An organization is considered a qualified retiree organization if: 1) a majority of its members are LACERA retirees and

2) the organization has requested and received the Board of Retirement's recognition. Mr. Muir's appointment was made by the Board at its April 15, 2014 meeting. Prior to making the appointment, the Board interviewed a number of candidates.

Mr. Muir's is a familiar face to many of us; he joins the Board after having retired, in 2009, from a distinguished career with LACERA as our first chief counsel. Mr. Muir served for more than 28 years with LACERA and the Los Angeles County Counsel's Office.

In his tenure with LACERA, he provided comprehensive legal services, with an emphasis on fiduciary responsibility, retiree benefits, healthcare, retirement-related legislation, and securities litigation. Mr. Muir also brings private-sector experience to his Board of Retirement position, having practiced for several years in a private law firm.

To read more about David L. Muir and the other members of the Boards of Retirement and Investments, visit the Meet the Board section on [lacera.com](http://lacera.com).



## Inside My LACERA: Adjust Your Tax Withholding Elections

The 2013 tax season may have given you a refund or found you writing a check to the IRS. If you've decided to make an adjustment or two to your federal and/or California tax withholding elections, My LACERA is the place to do it! **Sign on to My LACERA to adjust and submit your tax elections online, anytime.**

Requests to adjust tax elections received by the 15th of the month will be applied to that month's allowance; requests received after the 15th will be applied to the following month's allowance.

Copies of Form W-4P and Form DE-4P are available on the Brochures &

Forms page of [lacera.com](http://lacera.com) or by calling 800-786-6464.

*Check with a professional advisor to determine which withholding category is best for your personal situation; LACERA does not provide tax advice.*

# Before You Email Us...

Keep this in mind: For your own security, certain types of personal information should not be included in an email. Here are some things to remember when you're thinking of communicating with us by email.

## If you're sending us an email:

- Remember to include your full name in the email.
- For security reasons, we cannot open attachments; do not attach PDFs, Word documents, photos, etc.
- Do not include your Social Security Number, dollar amounts, or other sensitive information.

## Call or visit LACERA for personalized, one-on-one service if you:

- Have sensitive information to share with us.
- Need our help with an urgent matter.
- Have a complex question that may require a longer answer or explanation.
- Need to make changes to your account (e.g., address, direct deposit, tax withholding).
- Are concerned about privacy in discussing a personal matter.
- Have a retirement-related procedure that can be provided for you in person or over the phone.



## Connect with us:

- Phone: 800-786-6464
- Email: Retirement Information – [welcome@lacera.com](mailto:welcome@lacera.com)
- Retiree Healthcare information – [healthcare@lacera.com](mailto:healthcare@lacera.com)
- Office Address: 300 N. Lake Ave., Pasadena, CA 91101-4199

**We are committed to protecting your privacy and the security of your personal information.** To ensure your security, our website undergoes regular security audits by professional third-party security firms.

# Terms To Know

Do you ever wonder about the meaning of the terms listed under “Allowances” on your **monthly pay stub**? The terms represent income and allowances reflected in your retirement check. Some of the most common terms include:

- **Annuity Non-taxable** - This portion of your allowance is **not taxable**. It represents after-tax contributions; in other words, you have already paid taxes on this amount. After-tax contributions may be contributions you made before August 1, 1983 or after-tax payments you made to purchase service credit.
- **Annuity Taxable** - This portion of your allowance is **taxable**. It represents before-tax contributions; in other words, you have not paid taxes on this amount yet. Before-tax contributions may include contributions you made since August 1, 1983 or before-tax payments you made for a plan transfer or to purchase service credit.
- **Pension Reserve** - This portion of your allowance is taxable. It is derived from contributions made by the County or outside district.
- **Cost-of-Living Adjustment** - Represents the accumulated cost-of-living adjustment (COLA) that may be granted by the Board of Retirement each April 1. Once granted, the dollar amount is permanent and cumulative. Members of Plans A, B, C, or D are eligible to receive the April 1 COLA. Plan E members who earned service credit on and after June 4, 2002 are also eligible to receive the COLA.
- **Supplemental Targeted Adjustment for Retirees (STAR COLA)** - Represents the cost-of-living benefit granted by the Board of Retirement on January 1 to those members who have lost more than 20 percent of the value of their retirement allowance to inflation.



**Find the Print Materials You're Looking for on [lacera.com](http://lacera.com), Brochures & Forms Page.**

# STAYING HEALTHY TOGETHER

Vol. 8, Issue #2 • June 2014

This material is presented for informational purposes. For medical advice regarding your personal situation, consult with a health professional. LACERA does not offer medical or other health advice.



## An Ounce of Prevention . . .

The last few *Spotlight* articles focused on eating right and exercising, but there's another key to staying healthy: regular preventive screenings.

Preventive care is important to managing your health, because many of the top risk factors leading to illness are preventable.

Key screenings and tests can help your doctor find medical problems early — before they cause problems and become more complicated to treat.

### Top Recommended Screenings for People over Age 50

Below are the top recommended preventive screenings for people over age 50. To see a complete list of screenings by age and gender, access the U.S. Preventive Services Task Force guidelines, which are online at [uspreventiveservicestaskforce.org](http://uspreventiveservicestaskforce.org).

Keep in mind, these are only guidelines. Your doctor can personalize the timing of the screening tests you need.

**Blood pressure check** — Cardiovascular disease is a condition often without symptoms. Even if you don't think you have a problem, it's important to get your blood pressure checked regularly.

- If your blood pressure is lower than 120/80, have it checked at least once every two years.
- If it's between 120/80 and 139/89, have your blood pressure checked annually.

**Cholesterol screening** — Heart disease, often the result of high blood cholesterol, is very common health problem in the U.S., and risk increases with age. A simple blood test will show your levels and risk for heart disease.



**Bone mineral density scan** — This screening, recommended for all women at age 65, checks your risk for osteoporosis. If you are at a higher risk, your doctor may recommend this test earlier. Men 70 and older may also benefit from this screening.

## Workshop News

If we missed you at the LACERA Spring Workshop in April, you'll have another opportunity to pick up some useful information about healthy aging, and soon! Keep a lookout for the next *Spotlight*, where we'll announce the fall workshop. See you there!

### What Screenings Do You Need?

The screenings you need depend on your overall health, gender, age, and other factors like family history. Together, you and your doctor can agree on strategies to reduce or eliminate your risk factors. Even if you have a chronic condition — such as diabetes, high blood pressure, or high cholesterol — your doctor can make recommendations that may reduce symptoms and improve your quality of life.

While you may not be able to control every medical condition, getting appropriate preventive care and eliminating preventable risk factors — for example, avoiding tobacco and maintaining a healthy weight — can reduce your chance of developing a serious illness.



### Colon cancer screening

— Unless you're at an above-average risk, 50 is the age at which your doctor may recommend you start getting screened.

There are several tests, such as a colonoscopy, that can help detect colon cancer early. How often you get screened depends on which tests you and your doctor decide you should have and the results of those tests.

**AAA screening** — Experts recommend a one-time abdominal aortic aneurysm (AAA) screening for men ages 65 to 75 who have smoked at any point in their lives. This ultrasound screens for an enlarged blood vessel in the abdominal area, which can be corrected with surgery.

**Diabetes screening** — A significant number of Americans age 65 and older have diabetes, which, when not controlled, can cause complications. Ask your doctor how often you need diabetes screenings.

**Mammogram** — As a screening test, experts agree that a mammogram is the best way to find breast cancer early. There's some debate about how often to have one:

- The U.S. Preventive Services Task Force recommends that all women between ages 50 and 74 have a mammogram every two years.
- The American Cancer Society recommends an annual mammogram for women after age 40.

Talk with your doctor to determine the best screening schedule for you.

### Stay Healthy at Any Age

Don't slow yourself down! Each of us gets one body – to live in and, sometimes, to live with. But getting older doesn't necessarily mean that you have to slow down. There's a lot you can do for yourself to keep going, in the body you have, as you age:

- Don't smoke
- Eat a healthy diet
- Exercise regularly
- Maintain a healthy weight
- Get the vaccines appropriate for you (e.g., flu shot, pneumonia vaccine, shingles vaccine)

Investing a few minutes now – scheduling an appointment with your doctor or going for a short walk – can pay off big, affording a longer life and the health and mobility to make the most of it.

Sources: [cdc.gov](http://cdc.gov), [marshfieldclinic.org](http://marshfieldclinic.org), [webmd.com](http://webmd.com), [womenshealth.gov](http://womenshealth.gov)



### Springing into Spring with the April Staying Healthy Together Workshops

On April 23 and 24, a record number of retirees and their dependents attended the LACERA Retiree Spring Workshops to learn more about healthy aging through proper nutrition and exercise. Based on participant feedback, the free event was both fun and informative. As one retiree told us, "While people may have different reasons for showing up to the workshops, the event never disappoints and is always enjoyable and worth attending."

Besides serving as a forum for attendees to talk with healthcare carriers and LACERA staff and to ask questions, the workshops gave participants an opportunity to reconnect with old friends – and meet new ones.

The workshops kicked off at the South Coast Botanic Garden Foundation in Palos Verdes with an exercise-focused "Wellness Walking" presentation, sponsored by Anthem Blue Cross. The following day – at the Diamond Bar Center in Diamond Bar – attendees learned about nutrition through the "Healthy Eating for People with Diabetes" presentation, sponsored by SCAN Health Plan. Both days featured "Ask the Dentist" presentations, sponsored by Cigna. One participant said that she was "impressed with the overall quality of the workshops," and another mentioned that "the topics were excellent and the overall event was informative and well planned out."



The presentations were fun, in addition to being highly informative. One segment involved host Hank Osmundson's Fun Fact game, during which he awarded gift cards to the audience for holding titles such as "Longest Marriage" and "Longest Distance Traveled to Attend."

Other activities included raffles for Healthy Snack gift baskets and juicing demos with opportunities for four lucky attendees

cont'd on pg.11



# LACERA TAKES ITS DAUGHTERS AND SONS TO WORK

On April 24, a sizeable group of LACERA employees' children, ages 8 to 12, joined us at LACERA for the annual Take Your Daughters and Sons to Work Day. A non-profit educational program now over two decades in the making, Take Our Daughters and Sons to Work is an opportunity for girls and boys to explore the possibilities that come from developing a balanced work and family life and to share how they envision their futures.

The 35 kids celebrated the day with enriching, hands-on activities coordinated around the theme, "Plant a Seed, Grow a Future." LACERA's CEO, Gregg Rademacher, gave a brief introduction before the kids toured a number of LACERA divisions throughout the day and met with special guests.

In our Communications Division, the kids illustrated a booklet, which was copied and printed for them to

take home. They played educational games with Claims Processing and the Financial and Accounting Services Divisions, toured Procurement, and talked with Matthew Guereña, a recent graduate of Wilson High School and, as our own Mike Herrera's nephew, an alumnus of LACERA's Take Your Daughters and Sons to Work Day. In addition to being a college student, Mr. Guereña is now the head basketball coach for his alma mater's JV team.

The biggest hits with the kids were the pizza lunch and, later in the afternoon, ice cream and hip-hop dance lessons. LACERA management and staff had a meaningfully fun day with the kids, and we hope to see many of them again next year.

We wish the kids the best for the remainder of the academic year and in all of their future endeavors.

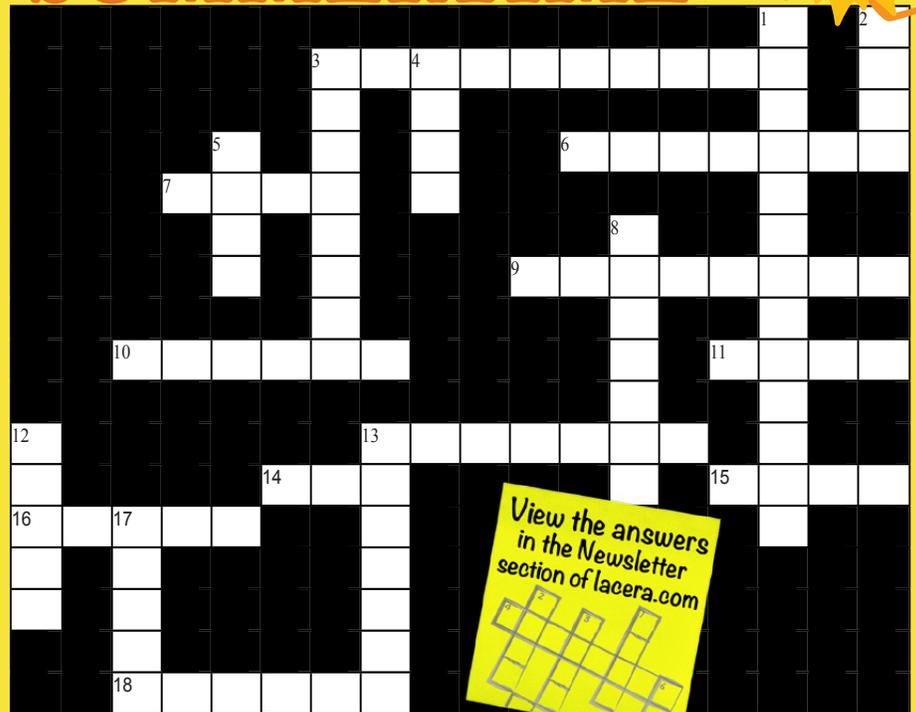
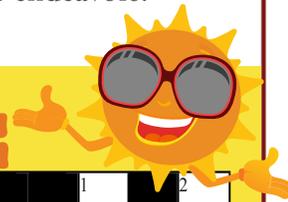
## Across

3. "... and the livin' is easy." (song lyric)
6. Focus of Spring Staying Healthy Together Workshop
7. 1975 Spielberg film about summer beachgoers on Amity Island
9. Families often take one in the summer
10. California's is the Golden Poppy
11. Some children attend one in the summer
13. What you get if you forget your sun screen
14. Short for Memoranda of Understanding
15. Popular holder for ice-cream
16. Sandy summer destination
18. Retirees are doing this longer

## Down

- |  |  |   |
|--|--|---|
| <ol style="list-style-type: none"> <li>1. IRS Tax _____ letter; LACERA received a favorable one</li> <li>2. On April 24th, LACERA staff brought their daughters and _____ to work</li> <li>3. Summer day with most daylight of the year; this year it's June 21</li> </ol> | <ol style="list-style-type: none"> <li>4. New Alternate Retired Member of Board of Retirement</li> <li>5. Pasadena avenue where LACERA is located</li> <li>8. Person who conducts Investigation of Experience</li> </ol> | <ol style="list-style-type: none"> <li>12. LACERA cannot make direct deposits on this type of prepaid card</li> <li>13. Can be done with a board or a computer</li> <li>17. Month your COLA takes effect</li> </ol> |
|--|--|---|

## SUMMERTIME



View the answers in the Newsletter section of [lacera.com](http://lacera.com)

# 3 THINGS: ICE CREAM

- ◆ In 1905, 11-year-old Frank Epperson left a mixture of powdered soda, water, and a stirring stick in a cup on his porch. It was a cold night, and Epperson awoke the next morning to find a frozen pop.
- ◆ In 1984, President Ronald Reagan designated July as National Ice Cream Month and the third Sunday of the month as National Ice Cream Day. This year, National Ice Cream Day is Sunday, July 20.
- ◆ The ice cream cone's invention is linked to the 1904 World's Fair in St. Louis. An ice cream



vendor reportedly didn't have enough dishes to keep up with the demand, so he teamed up with a waffle vendor who rolled his waffles into cones!

[www.popsicle.com](http://www.popsicle.com) • [www.idfa.org](http://www.idfa.org) • [www.icecream.com/funfacts](http://www.icecream.com/funfacts)

## Election for Board Seats Set for August

An election for the Eighth Members of the Board of Investments and the Board of Retirement, as well as the Alternate Retired Member of the Board of Retirement, will be held Tuesday, August 5, 2014. The open positions carry three-year terms commencing January 1, 2015 and expiring on December 31, 2017.

Members retired as of March 1, 2014 are eligible to vote in the August election.

The County Registrar-Recorder/County Clerk will begin mailing ballots to eligible members by Friday, June 20. If you are an eligible voter and do not receive a ballot by July 7, you may request a duplicate ballot from the Registrar-Recorder/County Clerk on or before on or before Monday, July 14. To be eligible for counting, completed ballots must be received by the County Registrar-Recorder/County Clerk by 5:00 p.m.

on Tuesday, August 5, 2014.

For more information on the upcoming election, visit the LACERA Elections section of the Board of Supervisors' website at [bos.co.la.ca.us](http://bos.co.la.ca.us)



## Annual Retiree Healthcare Packet Mailing

At the end of May, we mailed our Annual Retiree Healthcare Packet for Plan Year 2014-2015 to those currently enrolled in a LACERA-administered health plan. The packet contains important information about the LACERA-administered Retiree Healthcare Benefits Program,

including 2014 monthly premium rates and benefits update. Please take a few minutes to read your packet and review your health plan coverage. **No action on your part is necessary unless you want to make changes to your current healthcare plans.**

If you are currently enrolled in a LACERA-administered health plan and have not received your packet, call Retiree Healthcare at 800-786-6464 (press 1) or 626-564-6132. You may also email us at [healthcare@lacera.com](mailto:healthcare@lacera.com)

to request a packet. To download the packet, visit the Retiree Healthcare Brochures & Forms page in the Healthcare section of [lacera.com](http://lacera.com).

**Note:** If you are enrolled in a LACERA-administered Kaiser Permanente plan outside of California, you will receive a separate packet. Plan changes and premium rates are determined by the Kaiser Permanente region in which you reside.

# RETIREE HEALTHCARE | FAQs |

## 1. Q: Do all LACERA plan members qualify for retiree healthcare benefits?

**A:** You are eligible to enroll in the LACERA-administered Healthcare Benefits Program if you are a member of LACERA and retire from the County of Los Angeles or outside district.\* Even if you did not have medical coverage under an employee healthcare program while you were an active County employee, you are eligible to participate in the program.

\*Includes Little Lake Cemetery District, Local Agency Formation Commission, South Coast Air Quality Management District, and Los Angeles County Office of Education.

## 2. Q: I'm going to retire soon and I would like information about the healthcare plans available to retired members.

**A:** You'll find a list of the current LACERA-administered retiree healthcare providers on the **Contact Healthcare Insurance Companies page in the Healthcare section of lacera.com**. For additional information about LACERA-administered healthcare plans, select Healthcare Plans from the navigation bar on the left side of any page in the Healthcare section of our website.

## 3. Q: When I retire, how much of my healthcare premium will be subsidized by the County?

**A:** The general rule is that if you have 10 years of retirement service credit, the County contributes 40 percent of your healthcare plan premium, or 40 percent of the benchmark plan rate (Anthem Blue Cross Plans I and II), whichever is less. For each year of retirement service credit beyond 10 years, the County contributes an additional 4 percent per year, up to a maximum of 100 percent for a member with 25 years of service credit.

The County contribution can never exceed the premium of the benchmark plan. If the premium for the plan and coverage option you have chosen exceeds the benchmark premium, you are required to pay the difference, even if you have 25 or more years of service. If you have 25 or more years of service and your plan premium is less than the benchmark rate, the County contributes 100 percent of your plan premium only, not the benchmark plan rate.

## 4. Q: I am getting ready to retire. How do I enroll in a LACERA-administered healthcare plan?

**A:** If you visit LACERA's Member Service Center to apply for retirement, a LACERA Retirement Benefits Specialist will meet with you and assist you in preparing your retirement paperwork. The specialist will provide you with enrollment forms for LACERA-administered retiree medical and dental/vision insurance.

Once you retire, you will receive a retiree healthcare packet in the mail containing important information regarding your retirement healthcare options. A postcard on which you can request enrollment forms and specific information about any LACERA-administered health plan is also included. It is important you complete and return the postcard to us.

The enrollment process involves two steps:

1. Read your *Exploring Your Healthcare Benefits through LACERA* booklet regarding all the various medical options. Fill out the card enclosed to request specific information and enrollment forms for the plans you have selected.
2. Within ten working days you will receive an envelope containing the information you requested. **Please note: you must select a healthcare plan within 60 days of your retirement date.**

## 5. Q: What happens if I enroll after 60 days of my retirement date?

**A:** LACERA coverage is coordinated to begin on the first day of the month after active County health coverage ends. For this to occur, your enrollment form must be received by LACERA within 60 days from the date of your retirement or within 60 days from the date your name appears on the Board of Retirement agenda. **If you enroll after the 60-day deadline, you must complete a waiting period**



## Staying Healthy Together cont'd from pg. 7



to win a NutriBullet Blender. Along with other giveaways, attendees received complimentary blood pressure screenings and free admission to the South Coast Botanic Garden Foundation.



The workshops were sponsored by: Anthem Blue Cross; Cigna; CVS Caremark; Kaiser Permanente; SCAN Health Plan; UnitedHealthcare; and Alere.

Visit the Staying Healthy Together section of [lacera.com](http://lacera.com) for additional information, and links to great health (exercise, nutrition, volunteerism, etc) and civic resources.

## Attendees' Thoughts on the Workshops...

*"I come to see all of LACERA's seminars, and I rank this one at the top."*

*"The presentation gave a clear explanation of diabetes prevention and proper food to eat. Very simple and easy to understand."*

*"The beauty of the South Coast Botanic Garden Foundation location and the excellent refreshments really heightened the event."*



**We hope you'll join us at our fall workshop!**

## Retiree HealthCare FAQs cont'd from pg. 10

from the date your enrollment form is received by LACERA to enroll. A six-month waiting period applies for late enrollment on LACERA-administered health plans; a one-year waiting period applies on dental/vision plans.

### 6. Q: Are there exceptions to the six-month waiting period?

**A:** Yes. Exceptions include:

- You move out of your HMO service area.
- You're currently enrolled in Anthem Blue Cross of California and you move out of the Prudent Buyer network area.
- You change from Anthem Blue Cross Plan I, Anthem Blue Cross Plan II, Anthem Blue Cross Prudent Buyer Plan, Kaiser Permanente, UnitedHealthcare, or CIGNA Network Model Plan to Kaiser Senior Advantage, UnitedHealthcare Medicare Advantage, SCAN, or Anthem Blue Cross III.
- You change from Anthem Blue Cross I to Anthem Blue Cross II.
- You change from any LACERA-administered medical plan to SCAN.

## Only U.S. Banks Qualify for Direct Deposit

Retirees, survivors, beneficiaries, and alternate payees who want the convenience of having their monthly LACERA allowances electronically deposited directly into their checking or savings accounts may enroll in Direct Deposit.



By establishing a Direct Deposit account, you gain the security of knowing your LACERA allowance will be electronically deposited into your bank account on the last business day of each month. You also eliminate the hassles involved with depositing a paper check each month. Direct Deposit account holders are mailed a monthly automatic deposit receipt (ADR) indicating the deposited amount.

**It's important to know LACERA can only implement direct deposits to checking and savings accounts in U.S. banks. We cannot make direct deposits to the following types of accounts and institutions:**

- International banks
- Prepaid debit accounts
- Credit card accounts

cont'd on pg. 12



**LACERA**  
 PO BOX 7060  
 PASADENA, CA 91109-7060

PRST STD  
 U.S. Postage  
**PAID**  
 Industry, CA  
 Permit #4278

**Only U.S. Banks Qualify for Direct Deposit**  
 cont'd from pg. 11

**To Enroll in Direct Deposit**

Individuals receiving monthly allowances from LACERA may enroll in Direct Deposit through a choice of methods:

- On their My LACERA accounts, *or*
- By calling 800-786-6464, *or*
- By downloading a Direct Deposit Authorization Form from the Brochures & Forms page on [lacera.com](http://lacera.com)

Individuals with existing LACERA Direct Deposit accounts may use the same methods to make changes to or to cancel their accounts.

See the Payday Calendar below. A copy of the calendar is also available in the Retired Member section of [lacera.com](http://lacera.com).



**Upcoming Holidays**

**LACERA will be closed on:**

- Friday, July 4 in observance of Independence Day
- Monday, September 1, in observance of Labor Day

**\$ 2014 PAYDAY CALENDAR**

Your monthly retirement allowance check is payable the last business day of the month.

June	July	August
M: June 27	M: July 30	M: August 29
DD: June 30	DD: July 31	DD: August 29

M = Mailing Date DD = Direct Deposit Date

**Editor's Note:** *Spotlight on Retirement* is created by the staff of LACERA. Signed articles represent the opinion of the writers and not necessarily the opinion of LACERA Management, Board of Retirement, or Board of Investments. Consult with professional advisors regarding legal, tax, and/or medical matters; LACERA does not offer legal, tax, or medical advice.

**Email:** [welcome@lacera.com](mailto:welcome@lacera.com)