

SDCERA

Strength. Service. Commitment.

News

2014

October • November • December

Shop and Compare: Health exchanges may provide retired members more affordable medical coverage

Today, SDCERA members have more choices than ever when it comes to meeting their health care needs in retirement. SDCERA has put together resources to help you compare SDCERA plans with those available from the health exchanges and select the one that best meets your needs.

Ask smart questions

When weighing your health care options, ask these core questions to determine which medical plan might be the best choice for you:

- Is this plan available in my area?
- Do the doctors I want accept this plan?
- Does this plan cover the types of services I use?

Use SDCERA's tools

The health care in retirement information available at www.sdcera.org includes online presentations, key tips and a worksheet to help you compare health plans. Here, you will also find information on where to get one-on-one customized help.

Do your research: contact the exchanges

Contact the exchanges for either online or one-on-one telephone support to better understand the plans offered through the exchanges:

- Medicare eligible: www.retiree.aon.com; call 800.350.1470. Aon Retiree Health Exchange, sponsored by SDCERA's Health Care consultant, is one of several Medicare exchanges available.
- Non Medicare eligible: www.coveredca.org; call 800.300.1506. Residents outside of California visit www.healthcare.gov.

Need help finding the tools to help you compare plans?

SDCERA has many resources available to assist you in comparing plans. For more information, visit www.sdcera.org or contact the Call Center at 619.515.6800.

Re-evaluating a disability retirement

A check-up might show you can return to work

Accidents and injuries can happen even in the safest environments. If you become permanently incapacitated and unable to perform your usual job duties, your SDCERA membership can provide the safety net of disability retirement.

If you are granted a disability retirement benefit, you may be able to return to work with the County in one of two ways. First, if you are under age 55 when your disability benefit begins, SDCERA may later request you participate in a re-examination. If the re-examination shows that you are able to resume your regular duties (with or without accommodation), the next step is to determine whether your former position is available. If the re-examination shows you can resume your regular duties but your position is not available, your ongoing retirement benefits will be taxable.

If your position is not available or if you remain unable to perform the duties of your previous job, it's still possible to return to work, but in a new position. Using this second way of returning to work, if the salary of the new position is less than you previously earned, the supplemental disability benefit makes up the difference in pay.

The disability retirement benefit helps protect members and their families from loss of income in case of a permanent disability. If you know someone under age 55 who is receiving a disability retirement benefit and you believe they have regained their ability to work, contact SDCERA at 888.4.SDCERA or 619.515.6800. SDCERA can provide them options that may allow them to return to employment with the County or other participating employer.

Read the *Disability Retirement* fact sheet and booklet, available at www.sdccera.org, for more information.

Annual Member Statements assist with planning for retirement



Each September, SDCERA sends active and deferred members personalized *Annual Member Statements*, which have useful information for retirement planning.

Your statement contains key information that can be used with SDCERA's Retirement Benefit Calculator. What if you work longer? What if you get a promotion? You can enter different scenarios into the calculator to see how life changes may affect your benefit.

If you haven't received your *Annual Member Statement* yet, you may need to update your mailing address. Active members, contact your payroll representative or update your information on the Employee Self Service Site. Deferred members, use the *Change of Address* form available on SDCERA's website at www.sdccera.org to update your mailing information. To request a copy of your *Annual Member Statement*, contact the Call Center at 619.515.6800.

Answers to frequently asked questions



For more answers, please contact the Call Center at 619.515.6800 and speak with an SDCERA representative.

ACTIVE

What health care options are available to me if I terminate employment?

There are several health care options available to you when you terminate or retire.

COBRA/Cal-COBRA

When you terminate employment or retire, you have the option of continuing your current County health plan for 18-months through COBRA, and an additional 18-months for your medical plan through CalCOBRA. COBRA is administered by the County Employee Benefits office, and CalCOBRA is administered by the plan provider (such as Kaiser). You will be sent information on COBRA and CalCOBRA when you become eligible.

Health Insurance Marketplace or Covered California

The Health Insurance Marketplace offers health coverage to U.S. citizens or nationals living in the U.S. California residents can enroll through Covered California at www.coveredca.com. Members living outside of California can find more information by visiting www.healthcare.gov.

SDCERA-sponsored plans

All retired members and their dependents are eligible to enroll in an SDCERA-sponsored health plan. You can enroll within 30 days of retirement, during Open Enrollment (see Page 4), or if you have an eligible event in the future, such as becoming eligible for Medicare, or the conclusion of COBRA/CalCOBRA.

Termination

Retirement

X

X

X

X

X

DEFERRED

Can I make a service credit purchase as a deferred member?

Yes. There are four types of service credit that active and deferred members may be eligible to purchase in order to increase their total service credit:

- 1) Redeposit of withdrawn contributions,
- 2) Service prior to membership,
- 3) Sick leave or family medical leave without pay, and
- 4) Prior public agency time.

All service credit purchases must be completed prior to retirement.

Read the *Purchasing Service Credit* fact sheet available at www.sdcera.org for more information.

SDCERA health plan Open Enrollment for retired members: November 1 to 24

Open Enrollment for SDCERA-sponsored medical and dental plans takes place November 1 through 24. Forms must be submitted to SDCERA no later than 5 p.m. on Monday, November 24. The selections you make take effect January 1, 2015.

SDCERA mails Open Enrollment packets at the end of October to all members currently enrolled in an SDCERA-sponsored plan and to those who requested a packet. (Contact SDCERA at 619.515.6800 to request a packet.) SDCERA offers Medicare and non-Medicare medical plans, as well as dental plans, for retired members and their dependents. Each enrollment packet contains forms that allow participants to make changes to medical and dental coverage, to add eligible dependents, or to enroll in an SDCERA-sponsored plan for the first time.

If you wish to keep your current SDCERA-sponsored plan(s), there is no need to respond. Your plans will automatically renew in 2015. If you receive a Health Insurance Reimbursement (HIR), you must complete and submit the provided HIR form in order to continue in the program through 2015.

For more information, please refer to the 2015 *Health Insurance Plans* booklet in your Open Enrollment packet or online at www.sdcer.org.

This newsletter provides disclosure of certain terms and conditions of SDCERA membership and benefits available to members. It is designed to give you this information as simply and as accurately as possible as of the date of publication. SDCERA is governed by the County Employees Retirement Law of 1937 (Government Code Section 31450 et seq.) and by the California Public Employees' Pension Reform Act of 2013 (Government Code Section 7122 et seq.) as they have been adopted and implemented by the San Diego County Board of Supervisors and the SDCERA Board of Retirement. If there is any inconsistency between this newsletter and the governing law, the law will govern. Decisions relating to the plan will be made after reference to the statutes and any resolutions, regulations and policies governing administration of SDCERA as they exist at the same time of the decisions.

SDCERA Health and Wellness Fair

for retired members

At the fair, you can:

Get help

- Complete your medical and dental plan enrollment forms
- Reapply for your Health Insurance Reimbursement (eligible Tier I and Tier II members)
- Talk to health insurance providers

Get healthy

- Participate in a health screening in the Kaiser Mobile Health Vehicle
- Speak with vendors who offer healthy living activities and services

Get happy

- Visit with your former coworkers
- Cross health plan enrollment off your to-do list!

Monday
November 17
11 a.m.-2 p.m.

**Scottish Rite Center
(Golden Eagle Room)
1895 Camino Del Rio South**

In Mission Valley,
west of Qualcomm Way between Interstate 805
and State Route 163.

2015 SDCERA-sponsored health plans and premiums

For many retired members, choosing a health plan means looking closely at two important factors: coverage and cost. SDCERA strives to provide a variety of quality health plan choices.

Each year, SDCERA negotiates with plan providers to offer health plans that give members the best value for their coverage. In 2015, SDCERA offers the same plans that were available in 2014.

Plan premiums change from year to year based on the covered members' health and usage of the plan.

The premiums shown below are per person, per month and include the \$4.50 per month administrative fee.

Medical plans for members not eligible for Medicare	
Health Net HMO	\$1,183.51
Kaiser Permanente HMO ¹	\$ 775.84
UnitedHealthcare Choice Plus PPO ²	\$2,966.86
UnitedHealthcare Signature Value HMO	\$1,407.88

Medical plans for members eligible for Medicare	
Health Net Medicare HMO	\$468.22
Health Net Seniority Plus (Advantage)	\$265.46
Kaiser Permanente Senior Advantage ³	\$273.29
UnitedHealthcare Group Medicare Advantage ⁴	\$238.47
UnitedHealthcare Senior Supplement ²	\$400.34

Dental plans	
CIGNA Dental Care DHMO ⁵	\$21.23
Delta Dental PPO ²	\$48.73

Note: If you are (or your dependent is) covered by Medicare Part A or Part B only, different rates may apply for Medicare plans.

- 1 A higher rate will apply if you enroll (or are currently enrolled) in this plan when you are eligible for Medicare.
- 2 This plan is available nationwide.
- 3 A higher rate and the benefits of the traditional Kaiser Permanente HMO will apply if you enroll in this plan and do not assign your Medicare benefits to Kaiser Permanente, or if you lose Medicare Part B coverage.
- 4 This plan is available to residents in California, Arizona and Nevada.
- 5 This plan is available in the following states: California, Arizona, Colorado, Florida, Maryland, Missouri, North Carolina, New Jersey, Texas and Virginia.

Retired members to receive 1099-R forms in January

Does SDCERA have your correct address?

SDCERA will mail IRS *Form 1099-R* to retired members at the end of January. This form reports the total amount of income paid and tax withheld during the preceding calendar year. Use this form to complete your federal and state tax returns.

Need to update your mailing address? If you're enrolling in an SDCERA-sponsored health plan, SDCERA will use your enrollment/disenrollment form to update your address. If you're not enrolling or making changes to your health plan, but your address has changed, please complete and submit a *Change of Address* form available on www.sdccera.org or contact the Call Center at 619.515.6800 to request one by mail.

New insurance cards mailed by carriers in January

Retired members and their dependents who enroll in an SDCERA-sponsored health plan for the first time this November should receive insurance identification cards from the plan carrier by mid-January. If you stayed in the same SDCERA-sponsored plan as last year, continue to use your existing card. A new card will not be issued.



Published for members of the San Diego County Employees Retirement Association

Member comments and suggestions should be directed to SDCERA's Communications Department.

EMAIL:
communications@sdccera.org

CALL:
619.515.6800
888.4.SDCERA

SEND WRITTEN INQUIRIES TO:
SDCERA
2275 Rio Bonito Way, Suite 200
San Diego, CA 92108-1685

VISIT:
www.sdccera.org 

FOLLOW US ON TWITTER:
www.twitter.com/sdccera

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(alternate retired)

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(alternate Safety)

Retirement Board Meetings

First and third Thursday of each month at the SDCERA Board Room, 2nd floor, 8:30 a.m.

Visit www.sdccera.org to view meeting calendars, agendas, minutes and streaming video of Board of Retirement meetings.

2014 Electronic Deposit Retirement Payment Dates

October 31; November 28; December 31

SDCERA makes every effort to meet the retirement payment schedule; however, please verify with your financial institution that each deposit has been made to your account.

Observed Holidays (office closed)

November 11, 28, 29; December 25



Investment report

SDCERA's fund climbs to a record high of \$10.1 billion

For the fiscal year ended June 30, 2014, the SDCERA fund posted a gross return of 13.86% outperforming both its custom benchmark return of 13.65% and its actuarial target of 7.75%. The fund's goal is to manage risk while meeting or exceeding its actuarial assumed rate of return.

The three months ended June 30 were marked by a reduction in global political risk, which led to asset market rallies against a backdrop of accommodative central bank monetary policy. Global equity markets posted large gains, emerging market stocks rebounded and the S&P 500 hit an all-time high. Growth-oriented strategies were the biggest beneficiaries of this market environment. Within the SDCERA portfolio growth-oriented investments were up 4.85%.

SDCERA's long-term investment returns reinforce the fund's successful focus on long-term security for future retirement benefits. As of June 30, 2014, the fund has generated a 10-year gross investment return of 7.85% and a 25-year return of 9.41%. SDCERA's investment strategy contributes to the consistent growth of assets over time.

Returns for quarter ended June 30, 2014 (gross of fees)				
SDCERA Returns	Quarter	1-Year	3-Year	5-Year
Growth oriented ¹	4.84%	20.90%	10.89%	14.45%
Growth oriented benchmark	4.54%	22.06%	11.59%	15.10%
Stable value ²	2.50%	3.40%	4.13%	6.96%
Stable value benchmark	1.99%	2.67%	2.73%	5.03%
Inflation sensitive ³	4.41%	12.91%	8.17%	9.76%
Inflation sensitive benchmark	4.27%	12.36%	7.45%	9.35%
Total fund	4.49%	13.86%	9.49%	12.67%
Total fund benchmark	4.29%	13.65%	8.55%	11.42%
Total assets under management: \$10,182,042,227.				

¹ Global, Emerging Market, Private Equities, and High Yield Bonds

² Emerging Market Debt (Local), Global Macro CTAs, Relative Value, and U.S. Treasuries

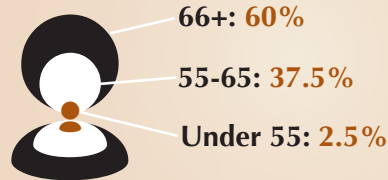
³ Real Estate, Natural Resources and Other Real Assets, and Treasury Inflation Protected Securities

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SDCERA's Health and Wellness Fair by the Numbers



Total attendance



Survey respondents' ages



SDCERA staff answered my Open Enrollment questions



At last year's SDCERA Health and Wellness Fair, hundreds of SDCERA members talked to health care providers and enjoyed healthy living exhibits. Overwhelmingly, participants said they were able to get their questions answered.

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