

**CITY OF LOS ANGELES
DEPARTMENT OF FIRE AND POLICE PENSIONS
MEDICAL AND DENTAL BENEFITS**

Effective July 2019

Dear Retiring Firefighter,

Congratulations on your retirement! Attached is a pamphlet which you may find useful in answering some of the most common questions regarding medical and dental insurance coverage. Additionally, we have calculated your monthly subsidies and estimated your monthly out-of-pocket costs based on maximum years of service. We coordinate medical and dental insurance coverage with select associations in hopes that you will be able to find a plan suitable for your medical and/or dental insurance needs. You should contact the associations listed to determine if there are any eligibility requirements you will be required to meet prior to receiving coverage. Listed below are some of the plans offered.

HEALTH:

| MAXIMUM MEDICAL SUBSIDY: | | | \$1,529.04 | | | YEARS OF SERVICE: | | | 21 | |
|----------------------------|-----------------|------------|------------|-----------------|------------|-------------------|-----------------------|-----------|----------|--------------|
| PLAN | MONTHLY PREMIUM | | | MONTHLY SUBSIDY | | | MONTHLY OUT OF POCKET | | | CONTACT |
| | SINGLE | TWO PARTY | FAMILY | SINGLE | TWO PARTY | FAMILY | SINGLE | TWO PARTY | FAMILY | |
| FIRE MEDICAL PPO | \$1,023.94 | \$1,658.56 | \$2,100.16 | \$1,023.94 | \$1,529.04 | \$1,529.04 | \$0.00 | \$129.52 | \$571.12 | LAFRA |
| KAISER HMO | \$757.87 | \$1,487.89 | \$1,874.79 | \$757.87 | \$1,487.89 | \$1,529.04 | \$0.00 | \$0.00 | \$345.75 | LAFRA |
| CALIFORNIA CARE HMO | \$1,707.88 | \$1,730.21 | \$1,742.67 | \$1,529.04 | \$1,529.04 | \$1,529.04 | \$178.84 | \$201.17 | \$213.63 | UFLAC |
| HDHP PPO | \$1,158.89 | \$1,275.39 | \$1,325.39 | \$1,158.89 | \$1,275.39 | \$1,325.39 | \$0.00 | \$0.00 | \$0.00 | UFLAC |

DENTAL:

| MAXIMUM DENTAL SUBSIDY: | | | \$37.46 | | | YEARS OF SERVICE: | | | 21 | |
|-------------------------|-----------------|-----------|----------|-----------------|-----------|-------------------|-----------------------|-----------|----------|--------------|
| PLAN | MONTHLY PREMIUM | | | MONTHLY SUBSIDY | | | MONTHLY OUT OF POCKET | | | CONTACT |
| | SINGLE | TWO PARTY | FAMILY | SINGLE | TWO PARTY | FAMILY | SINGLE | TWO PARTY | FAMILY | |
| DIRECT | \$72.00 | \$104.00 | \$155.00 | \$37.46 | \$37.46 | \$37.46 | \$34.54 | \$66.54 | \$117.54 | UFLAC |
| METLIFE HMO | \$43.24 | \$82.27 | \$82.27 | \$43.26 | \$43.24 | \$43.24 | \$0.00 | \$39.03 | \$39.03 | UFLAC |
| METLIFE PPO | \$75.99 | \$121.09 | \$180.96 | \$37.46 | \$37.46 | \$37.46 | \$38.53 | \$83.63 | \$143.50 | UFLAC |

***Please note that subsidies are paid up to the monthly premium amount; any unapplied subsidies are forfeited.*

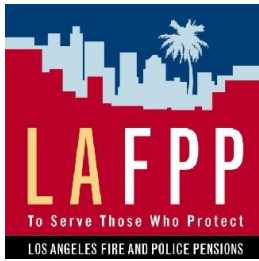
*Please contact the administering association for plan details or to enroll in a City-approved medical and dental plan.

Los Angeles Firemen's Relief Association (LAFRA)

7470 North Figueroa St.
Los Angeles, CA 90041
(800) 244-3439

United Firefighters of Los Angeles City (UFLAC):

1571 Beverly Blvd.
Los Angeles, CA 90026
(800) 252-8352 or (213) 895-4006



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MEDICARE

Upon turning 65, retirees must enroll in Medicare to the full extent of their entitlement in order to continue receiving a city subsidy. In addition, your covered dependents (e.g., spouse/domestic partner, dependent child) must enroll in Medicare to the full extent of their eligibility at age 65. Retirees with Medicare Part A and Part B coverage may qualify for a different subsidy amount and may be eligible for an additional dependent subsidy as well as a monthly reimbursement for the basic Medicare Part B premium.

OUT-OF-STATE RETIREES

For retirees who decide to live outside of California, we offer the Health Insurance Premium Reimbursement Program (HIPR)*, an additional option that enables them to have the flexibility to select a health insurance provider in their coverage area. With HIPR, premiums are paid by the member first, and each quarter the necessary supporting documents are submitted to obtain a reimbursement not to exceed their maximum monthly subsidy amount. If you would like to find out more information, please contact us at the number below.

*Please note, these payments do not qualify for the \$3,000.00 tax exclusion available through the Pension Protection Act (PPA) of 2006 (see below).

TAX EXCLUSION

Under the Pension Protection Act of 2006, Section 845, retired public safety officers with a taxable pension who meet eligibility requirements may have a tax exclusion from gross income for up to \$3,000 per year for health and dental insurance premiums deducted directly from their pension checks and paid directly to their health and/or dental plans by LAFPP. This exclusion from gross income will have a positive tax advantage. Members can locate the end-of-year deduction totals for their medical and/or dental premium payments on their December 31 payroll stub.

The IRS requires total distributions to be reported on Form 1040, line 16a; Form 1040A, line 12a; or Form 1040NR, line 17a. The taxable amount should be reported on Form 1040, line 16b; Form 1040A, line 12b; or Form 1040NR, line 17b. Additionally, retirees should write "PSO" (Public Safety Officer) next to the appropriate line where the taxable amount is reported.

Please confer with your tax professional as to specific eligibility and reporting requirements.

CONTACT US

If you have any questions concerning your health and/or dental subsidies, please visit our website at www.lafpp.com/LAFPP/retired or contact us at (213) 279-3115 or (844) 885-2377 EXT. 93115.

Thank you for your dedication to the City of Los Angeles.

Sincerely,
Medical and Dental Benefits Section