

# **BENEFITS COMMITTEE**

## **AGENDA**

### **Board of Fire and Police Pension Commissioners**

George Aliano, Chair  
Carl Cade  
Sam Diannitto  
Pedram Salimpour

November 20, 2014  
8:30 a.m.

Los Angeles Times Building  
202 W. First Street, Suite 500  
Los Angeles, CA 90012

Commissioner Diannitto will participate telephonically from  
4612 El Reposo Drive, Los Angeles, CA 90065

An opportunity for the public to address the Board or Committee about any item on today's agenda for which there has been no previous opportunity for public comment will be provided before or during consideration of the item. Members of the public who wish to speak on any item on today's agenda are requested to complete a speaker card for each item they wish to address, and present the completed card(s) to the commission executive assistant. Speaker cards are available at the commission executive assistant's desk.

In compliance with Government Code Section 54957.5, non-exempt writings that are distributed to a majority or all of the Board or applicable Committee of the Board in advance of their meetings may be viewed at the office of the Los Angeles Fire and Police Pension System (LAFPP), located at 360 East 2<sup>nd</sup> Street, 4<sup>th</sup> Floor, Los Angeles, California 90012, or by clicking on LAFPP's website at [www.lafpp.com](http://www.lafpp.com), or at the scheduled meeting. Non-exempt writings that are distributed to the Board or Committee at a scheduled meeting may be viewed at that meeting. In addition, if you would like a copy of any record related to an item on the agenda, please contact the commission executive assistant, at (213) 978-4555 or by e-mail at [barbara.nobregas@lafpp.com](mailto:barbara.nobregas@lafpp.com).

Sign language interpreters, communication access real-time transcription, assistive listening devices, or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. Due to difficulties in securing sign language interpreters, five or more business days notice is strongly recommended. For additional information, please contact the Department of Fire and Police Pensions, (213) 978-4545 voice or (213) 978-4455 TDD.

1. ELECTION OF VICE CHAIR AND POSSIBLE COMMITTEE ACTION
2. [OPERATIONS AGREEMENT WITH LOS ANGELES POLICE PROTECTIVE LEAGUE AND POSSIBLE COMMITTEE ACTION](#)
3. GENERAL PUBLIC COMMENT ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION

# **SPECIAL MEETING**

## **AGENDA**

### **Board of Fire and Police Pension Commissioners**

**November 20, 2014**

**8:30 a.m.**

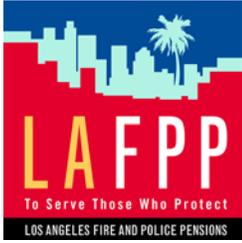
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# ***DEPARTMENT OF FIRE AND POLICE PENSIONS***

360 East Second Street, Suite 400  
Los Angeles, CA 90012  
(213) 978-4545

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## **REPORT TO THE BENEFITS COMMITTEE**

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**NOVEMBER 20, 2014**

**ITEM: 2**

**FROM: Raymond P. Ciranna, General Manager**

**SUBJECT: OPERATIONS AGREEMENT WITH LOS ANGELES POLICE PROTECTIVE LEAGUE AND POSSIBLE COMMITTEE ACTION**

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### **RECOMMENDATION**

That the Benefits Committee (Committee) recommend to the Board the approval of the Operations Agreement with the Los Angeles Police Protective League (LAPPL).

### **BACKGROUND**

When the health subsidy program began in the mid-1970s, the Board adopted a resolution that allowed the Los Angeles Firemen's Relief Association (LAFRA), Los Angeles Police Relief Association (LAPRA) and United Firefighters of Los Angeles City (UFLAC) to continue administering LAFPP-subsidized medical insurance plans. The Board adopted an updated resolution in 2011 that included dental plans administered by LAPPL. Over the years, administrative practices were developed for the exchange of information and funds, but a formal agreement to document these practices was not created.

A 2001 audit performed by the Controller's Office recommended that the City draft agreements with LAPRA and LAFRA detailing the working relationships between the two parties. The audit stated that, at minimum, performance expectations and mandatory periodic reporting of financial and management results should be included in the agreements.

In 2006, LAFPP entered into Memorandum of Understanding (MOU) agreements with LAPRA, LAFRA, LAPPL and UFLAC ("Associations"). The MOUs detailed the roles and responsibilities of each party regarding the administration of retiree medical and/or dental insurance plans and subsidies.

In August of 2011, LAFPP and LAPPL entered into a new Operations Agreement. (The agreement was renamed from "MOU" to "Operations Agreement" to better reflect the nature of the agreement between LAFPP and LAPPL.)

### **DISCUSSION**

Staff met with LAPPL in August and October of this year to update the new Operations Agreement (Attachment) that will run through July 31, 2017.

Notable updates to the Operations Agreement include:

- Addition of definitions for the terms used in the Agreement (Article 1.4);
- Addition of a termination provision (Article 2.2);
- Addition of Article 3.2.h whereby LAPPL will notify the Board of plan design changes at least two months prior to their taking effect;
- LAFPP's agreement to share divorce decrees with LAPPL for those members who are enrolled in LAPPL's two-party or family dental plans (Article 3.3.l);
- Creation of a quarterly process to clear outstanding subsidy and deduction credits and debits between LAFPP and LAPPL (Articles 3.3.m – 3.3.o);
- Updates recommended by Internal Audit Section (see Recommendations 3, 4, and 5, Subsidy Program Audit – Medical Plans Administered by the Los Angeles Firemen's Relief Association, IAS No 11-01A) regarding removal of provisions applicable only to other parties, removal of outdated references to the Controller's Office and sending of data, as well as removal of references to regulations that do not apply to LAFPP.

This agreement has been reviewed and approved by the City Attorney's Office.

#### **BUDGET**

No impact on the Fiscal Year 2014 – 2015 budget.

#### **POLICY**

No policy changes as recommended.

This report was prepared by:

Anthony R. Torres, Manager  
Medical & Dental Benefits Section

RPC:JS:RLW:ART

Attachment: Operations Agreement Regarding the Administration of Retiree Dental Plans and Dental Subsidies (Los Angeles Police Protective League)