

**SAN DIEGO COUNTY EMPLOYEES RETIREMENT ASSOCIATION**  
**POLICY ON THE ROLE OF THE BENEFITS COMMITTEE**

**I. PURPOSE**

The Board has established Benefits Committee (the “Committee”) to assist it in fulfilling the Board’s responsibilities regarding:

- A. Providing retirees and beneficiaries with access to a health benefits program if and as determined by the Board of Retirement.
- B. Strategy development.
- C. Annual program evaluation.
- D. Annual renewal process.
- E. Compliance with legal and regulatory requirements.

The Committee’s responsibilities are limited to discussion in the identified areas and general direction to staff and oversight in these areas. Staff of SDCERA is responsible for the organization’s day to day administration of the program, including implementation of board decisions, member services and communications, open enrollment, health care vendor management, management of and coordination with the health benefits consultant, administrative policies, internal controls and procedures.

**II. STRUCTURE**

**A. Membership and Meetings**

- 1. The Committee shall consist of four (4) members of the Board.
- 2. As a standing committee of the Board, all appointments of Committee Members, including the Committee Chair, will be in accordance with the effective Board Operations Policy.
- 3. The time and location, agendas, materials, quorum and voting, attendance, rules of order, and recording of minutes of all committee meetings shall be conducted in accordance with the effective Board Operations Policy.

**B. Power and Authority**

- 1. All motions or formal business transacted by the Committee is subject to Board approval at a regularly scheduled board meeting, except in cases where the Board has granted the Committee specific authorities or powers to act on its own. The Committee Chair is responsible for presenting Committee recommendations to the Board for formal action.
- 2. The Committee has the authority to retain and compensate independent counsel, consultants and other experts and advisors (accounting, financial, or otherwise) and also may use the services of the organization’s General Counsel or other advisors to the organization as necessary. SDCERA will provide appropriate funding, as determined by the Committee, for

payment of compensation to the Health Benefits Consultant for the purpose of providing retiree health benefits consulting, for payment of compensation to any experts or advisors retained by the Committee and for payment of ordinary administrative expenses of the Committee. The Committee will promptly report to the Board with respect to the cost of any experts and advisors retained by the Committee to assist in its work.

### **III. DUTIES AND RESPONSIBILITIES**

#### **A. Interaction with the Health Benefits Consultant**

1. *Appointment and Oversight.* The Committee is directly responsible and has sole authority for the appointment, compensation, retention and oversight of the work of the Health Benefits Consultant. The Health Benefits Consultant reports directly to the staff Director of Member Services.
2. *Meetings with Staff and the Health Benefits Consultant.* The Committee will:
  - a) Meet with Staff and the Health Benefits Consultant in connection with each annual renewal to discuss strategy development and the scope of the work to be followed.
  - b) Review and discuss with Staff and the Health Benefits Consultant:
    - (1) Information related to identifying, analyzing and forecasting trends in the health care market place, strategy development, trends in delivery systems, legislative developments, Medicare and cost control.
    - (2) Analyses for evaluating the effectiveness of the health benefits program.
    - (3) Annual premium contract negotiations with health care vendors.
  - c) Review and discuss the ongoing program administration and application of all relevant laws, statutes, and regulations.
3. *Recommendations.* The Committee will, based on the review and discussions in paragraph 9 above, determine recommendations to the Board for the Health Benefits Program.

#### **B. Other Duties and Responsibilities**

1. The Committee, through its Chair, will report regularly to, and review with, the Board any issues that arise with respect to the health benefits program, the organization's compliance with legal or regulatory requirements, the performance organization's Health Benefits Consultant, or any other matter the Committee determines is necessary or advisable to report to the Board.

### **IV. COMMUNICATIONS FROM MEMBERS, STAFF AND OTHERS**

- #### **A. Members, Staff and other interested persons who wish to communicate with the Committee may do so via public communication during meetings of the Committee. Written communications on specific matters within the committee's responsibility will be provided to all committee members for review and discussion. Staff may also submit concerns regarding questionable**

matters by calling the organization's ethics helpline on a confidential and anonymous basis.

**COMMITTEE SELF-EVALUATION AND REVIEW**

The Board will review this policy at least every three (3) years to ensure that it remains relevant and appropriate. The Committee will evaluate its own performance on an annual basis, including its compliance with this policy. It will also review this policy and provide the Board with any recommendations for changes in policies or other procedures governing the Committee annually.

**HISTORY**

April 5, 2012	Adopted, effective immediately
July 17, 2014	Revised, effective immediately