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NEWS

FOR IMMEDIATE RELEASE

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LACERS RECEIVES \$2.1 MILLION IN MEDICAL CLAIM COSTS REIMBURSEMENT

LOS ANGELES (January 18, 2012) —The Los Angeles City Employees' Retirement System (LACERS) received \$2.1 million from the Federal Early Retiree Reinsurance Program (ERRP) for reimbursement of claim costs associated with early retiree medical plans. Through the Patient Protection and Affordable Care Act, administered by the Department of Health and Human Services, the ERRP was created to assist plan sponsors like LACERS in maintaining coverage for early retirees by reimbursing them a portion of eligible retiree medical claims. Money received by LACERS will be used to offset its retiree medical plan cost increases.

This is the second time that LACERS has received ERRP funds. In 2010, LACERS was one of the first agencies to apply for and receive funds from the ERRP. The last award was for \$3.8 million.

Now, with the new award, eligible Retired Members enrolled in LACERS medical plans will continue to have temporary reductions in monthly medical plan premium deductions extended through at least December 2012. Funds from the first award were scheduled to expire by the end of March 2012.

LACERS administers the City of Los Angeles' pension plan to 43,000 members and beneficiaries. LACERS portfolio is approximately \$10.3 billion.

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