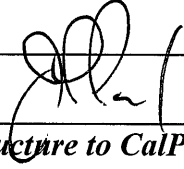


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Alameda Corridor Transportation Authority

June 13, 2019

To:	Governing Board
From:	James P. Preusch, Chief Financial Officer 
Subject:	<i>Resolution Conforming ACTA Health Plan Structure to CalPERS Revised Regional Structure (APPROVAL)</i>

Recommendation:

It is recommended that the Governing Board adopt the proposed Resolution in order to bring ACTA's designated employer health plan contribution into compliance with the new CalPERS regional alignment.

Discussion:

Effective January 1, 2020, CalPERS public agency health pricing regions will change from five to three regions. The new boundaries were adopted by CalPERS following extensive analysis of the cost of health care throughout California, and employer and stakeholder engagement. As part of the realignment, an actuarial analysis of the relative cost of health care by county and three-digit prefix ZIP code was conducted by CalPERS. The CalPERS Board of Administration voted in December 2018 to adopt the new three-region model.

CalPERS determined that the move to three regions will more closely align premiums to the cost of health care in each region. In the new three-region model, Region 1 will consist of 43 Northern California counties, Region 2 will consist of 12 counties in the southern part of the state, and Region 3 will be comprised of Los Angeles, Riverside, and San Bernardino counties.

CalPERS has identified ACTA as a contracting agency that designates at least one regional health plan in the calculation of its employer health contribution. Accordingly, ACTA's Governing Board is required to revise its contribution Resolution. ACTA's prior Resolution designated ACTA's employer health plan contribution at the Kaiser Los Angeles Basic, Medicare or Combination rates. The new CalPERS Regions will no longer include the Los Angeles Region, invalidating the Governing Board's prior Resolution. CalPERS has provided the attached Resolution for Board adoption in order to bring ACTA's designated employer health plan contribution into compliance with the new CalPERS regional alignment. ACTA is required to submit its revised Resolution on or before November 30, 2019.



Budget Impact:

None

Co-General Counsel Review:

ACTA's Co-General Counsel has reviewed this Board Report and there are no legal issues at this time.

Transmittal:

Transmittal 1 – Resolution No. 19-1