



Dispute Resolution Committee process for members unable to opt in to the voluntary 2 percent retiree health contribution

Last year, after the City Council passed a motion to freeze the retirement health care subsidy, the League and the City signed a letter of agreement to allow sworn members to make a voluntary 2-percent contribution to fund retiree health care. The Board of Directors also negotiated a process whereby members who were unable to sign up for the voluntary contribution due to being off payroll, or who suffer a hardship outside of the opt-in period, can apply to make the 2-percent contribution. The following process for the Dispute Resolution Committee (DRC) has been agreed to by the Department, the City and the Board of Directors.

A member who was unable to opt in to the 2-percent voluntary retiree health care contribution during the initial application period, or who suffers a hardship after the opt-in period, must submit a form to the DRC. The DRC application can be downloaded from the LAPPL website at LAPD.com or the Los Angeles Fire and Police Pension website at www.LAFPP.com, or can be picked up at the front desk of the LAPPL or LAFPP. If a member is going to download the application from a website and fax or mail the application in, the application must be notarized prior to faxing or mailing. If the member wants to drop off the application in person, they must go directly to the fourth floor of the Los Angeles Fire and Police Pension offices located at 360 E. Second Street and turn in the application. If you choose to hand deliver the application, you must bring your police identification. The application does not have to be notarized if delivered in person.

The member has *45 days* from the day they return to work to fill out the Voluntary Retiree Health Contribution DRC application and forward the application to LAFPP either by faxing, mailing or delivering it in person. LAFPP is responsible for administering the opt-in program. Once the LAFPP staff receives the application, they will document that they received the application, and then they have seven business days to forward the application to the DRC chair, which is the City Administrative Officer (CAO). The DRC chair has 14 business days to convene a hearing. The hearing committee is made up of three members: the CAO, a Department command staff officer and a member of the LAPPL Board of Directors. The decision is based on a majority vote. Once the hearing has been concluded, the DRC chair has three business days to notify the member of the decision in writing. Once the decision is made, it is final. There is no appeal process of the committee. It is very important that you include a detailed explanation on the application describing the reasons you were not able to opt in during open enrollment and attach any relevant documents.

If the application is approved, the application will be forwarded to the LAFPP staff who will discuss with the member the options of retroactive pay. The payment schedule for retroactive contributions will be in accordance with rules adopted by the Board of Fire and Police Pensions Commissioners. The current options available: payroll deductions in addition to your regular contributions or a lump sum payment. Another option is to take a loan from deferred comp and pay yourself back.

LAFPP is working with tax counsel and the deferred compensation plan to see if direct transfers will be allowed and will post information on their website as soon as a decision is made.

Per the City ordinance involving the voluntary retiree health contribution, the DRC does not have the authority to allow members to opt out of paying the 2-percent contributions. The Administrative Code states it is an irrevocable decision.

If a member is going through a divorce or has a unique situation and wants to opt in, they should fill out the application immediately and have the DRC review all the supporting documents to make a decision.

I can be reached at corinalee@lappl.org if you have any additional questions or concerns regarding the DRC process. Be safe.