

**California Public Employees' Retirement System**

**Board of Administration  
Pension and Health Benefits Committee  
Meeting Minutes**

**March 16, 2021**

The Pension & Health Benefits Committee (PHBC) met in Open Session via teleconference on March 16, 2021.

The meeting was called to order at 9:00 a.m. with the following members present:

Rob Feckner, Chair  
Ramon Rubalcava, Vice Chair  
Margaret Brown  
Henry Jones  
David Miller  
Eraina Ortega  
Theresa Taylor  
Karen Greene-Ross for Betty Yee

Other Board Members Present:  
Frank Ruffino for Fiona Ma  
Lisa Middleton  
Stacie Olivares  
Jason Perez

**Agenda Item 2 – Election of the PHBC Chair and Vice Chair**

On **MOTION** by Theresa Taylor and **SECONDED**, the Committee nominated Rob Feckner as Chair of the PHBC. A roll call vote was taken.

Name	Yes	No	Abstain
Rob Feckner, Chair			
Ramon Rubalcava, Vice Chair	X		
Margaret Brown	X		
Henry Jones	X		
David Miller	X		
Eraina Ortega	X		
Theresa Taylor	X		
Shawnda Westly			
Karen Greene-Ross for Betty Yee	X		

The final vote was 7 yes, 0 no. The motion **CARRIED**.

On **MOTION** by Henry Jones and **SECONDED**, the Committee nominated Ramon Rubalcava as the Vice Chair of the PHBC. A roll call vote was taken.

Name	Yes	No	Abstain
Rob Feckner, Chair			
Ramon Rubalcava, Vice Chair	X		
Margaret Brown	X		
Henry Jones	X		
David Miller	X		
Eraina Ortega	X		
Theresa Taylor	X		
Shawnda Westly			
Karen Greene-Ross for Betty Yee	X		

The final vote was 7 yes, 0 no. The motion **CARRIED**.

### **Agenda Item 3 – Approval of the March 16, 2021, PHBC Timed Agenda**

On **MOTION** by Margaret Brown and **SECONDED**, the Committee recommended to approve the March 16, 2021, PHBC Timed Agenda. A roll call vote was taken.

Name	Yes	No	Abstain
Rob Feckner, Chair			
Ramon Rubalcava, Vice Chair	X		
Margaret Brown	X		
Henry Jones	X		
David Miller	X		
Eraina Ortega	X		
Theresa Taylor	X		
Shawnda Westly			
Karen Greene-Ross for Betty Yee	X		

The final vote was 7 yes, 0 no. The motion **CARRIED**.

### **Agenda Item 4 – Executive Report(s)**

Anthony Suine, Deputy Executive Officer, Customer Services and Support (CSS), highlighted the following items: over 95 percent of CalPERS team is working remotely; regional offices have completed over 45,000 virtual member counseling appointments in 2020; a reduction of 45 percent in wait times at the Customer Contact Center by shifting workload to free agents on high volume days; the last year had a one percent total increase in retirements; CalPERS has now incorporated service credit purchases in the self-service portal representing 20 percent of requests; preparation for the CalPERS Benefit Education Event with expanded offerings; the myCalPERS system has begun accepting contribution reporting data enabling California National Guard members who choose to enroll in CalPERS membership to have an automated process for payroll, service credit, and can purchase past service credit; and shared a story of a member's issue receiving benefits having recently been placed in a live-in care facility during the pandemic.

Don Moulds, Chief Health Director, Health Policy & Benefits Branch (HPBB), discussed long-term care rate increase timing, a recent trend in the news and in some publicly traded long-term care insurance carriers earning reports that could affect the needed rate increases, a status on the Risk Mitigation Strategy, the team's continued efforts on behavioral health, and this year's open enrollment dates of September 20 to October 15.

Dr. Julia Logan, Chief Medical Officer, Clinical Policy and Programs Section (CPPS), gave an update on COVID-19, including a drop in COVID cases, an increase in vaccines given and eligibility, appointment scheduling, Blue Shield’s plan to focus on equity by sending 40 percent of vaccine doses to disproportionately impacted areas, guidelines for fully vaccinated individuals, potential new treatments, and engagement with stakeholders and health plans.

The following people spoke on this item:

- Tim Behrens, California State Retirees
- Larry Woodson, California State Retirees

At this time, Shawnda Westly joined the meeting.

**Agenda Item 5 – Action Consent Items**

On **MOTION** by Theresa Taylor and **SECONDED**, the Committee voted to accept the following Action Consent Items:

- 5a. Approval of the November 17, 2020, PHBC Meeting Minutes
- 5b. Review of the Pension & Health Benefits Committee Delegation

A roll call vote was taken.

Name	Yes	No	Abstain
Rob Feckner, Chair			
Ramon Rubalcava, Vice Chair	X		
Margaret Brown	X		
Henry Jones	X		
David Miller	X		
Eraina Ortega	X		
Theresa Taylor	X		
Shawnda Westly	X		
Karen Greene-Ross for Betty Yee	X		

The final vote was 8 yes, 0 no. The motion **CARRIED**.

On **MOTION** by Theresa Taylor and **SECONDED**, the Committee voted to accept the following Action Consent Item:

- 5c. Minimum Standards for Health Benefit Plans – Amendment of Regulations

A roll call vote was taken.

Name	Yes	No	Abstain
Rob Feckner, Chair			
Ramon Rubalcava, Vice Chair	X		
Margaret Brown		X	
Henry Jones	X		
David Miller	X		
Eraina Ortega	X		

Theresa Taylor	X		
Shawnda Westly	X		
Karen Greene-Ross for Betty Yee	X		

The final vote was 7 yes, 1 no. The motion **CARRIED**.

**Agenda Item 6 – Information Consent Items**

The Committee accepted the following Information Consent Items:

- 6a. Annual Calendar Review
- 6b. Draft Agenda for the next PHBC Meeting
- 6c. Health Open Enrollment Results

**Agenda Item 7a – Competition Study & 2022 New Plans, Area Expansion and Benefit Changes**

Mr. Moulds, Chief Health Director, HPBB, and Leemore Dafny, PhD., Harvard Business School, Kennedy School of Government, Bates White, presented the CalPERS Insurer Competition Model. The model confirmed that three plan expansion proposals: Blue Shield Access Plus into eight Bay Area counties; Blue Shield Trio into the counties of Monterey, Santa Cruz, Stanislas, and Orange Counties; and United Healthcare Signature Value Harmony Basic into five Southern California counties approved by the Board in November 2020 are all likely to increase competition among CalPERS insurers.

On **MOTION** by Karen Greene-Ross for Betty Yee and **SECONDED**, the Committee voted to approve the expansion of the Western Health Advantage Health Maintenance Organization (HMO) into Humboldt County.

Name	Yes	No	Abstain
Rob Feckner, Chair			
Ramon Rubalcava, Vice Chair	X		
Margaret Brown	X		
Henry Jones	X		
David Miller	X		
Eraina Ortega	X		
Theresa Taylor	X		
Shawnda Westly	X		
Karen Greene-Ross for Betty Yee	X		

The final vote was 8 yes, 0 no. The motion **CARRIED**.

The following people spoke on this item:

- Lisa Bocast, SEIU
- Laura Slavec, SEIU

**Agenda Item 8a – Update on Retiree Cost-of-Living Adjustment**

As an information item, Ms. Kimberly Pulido, Chief, Retirement Benefit Services Division, presented the annual rate of inflation as measured by the percentage change in the Consumer Price Index (CPI-U) as 1.23% through the 12 months ending December 2020. The applicable inflation rate is greater than 1% and an adjustment will be paid to all eligible retirees.

## **Agenda Item 8b – Summary of Committee Direction**

Mr. Moulds provided a summary of the Committee direction from the March 16, 2021, meeting. The Committee directed staff as follows:

- Present a Behavioral Health briefing at a future PHBC meeting.
- Keep the Committee informed of any changes seen in future liabilities in the Long-Term Care Program.

The meeting was adjourned at 11:18 a.m.

The next meeting of the PHBC is scheduled for May 17, 2021, in Sacramento, California.

Prepared by: Jenna Hayes  
Committee Secretary

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Don Moulds  
Chief Health Director  
Health Policy & Benefits Branch