CalPERS Nets 18.4 Percent Return in 2013-14 Fiscal Year

“These are solid numbers fueled in part by the significant rebound of the financial markets. Our focus remains to achieve the best risk-adjusted returns we can for our members.”

— Ted Eliopoulos, CalPERS Chief Investment Officer

CalPERS ended the fiscal year with a healthy 18.4 percent investment return and more than $300 billion in assets.

The positive returns were led by strong performances by our global public equity and real estate investments. Domestic investments and international stocks returned 24.8 percent, outperforming our custom public equity benchmark by 0.5 percent. Investments in income-generating real assets like office, industrial, and retail assets returned 13.4 percent, outperforming our benchmark by 1.6 percentage points.

24.8%  Public Equity
20.0%  Private Equity
8.3%   Fixed Income
13.4%  Real Assets
0.6%   Liquidity
8.3%   Inflation Assets
7.1%   Absolute Return Strategies
Going Green –
You Can Help

CalPERS promotes environmental responsibility by providing digital publications, thus reducing the environmental impacts of printing, processing, and delivery.

We encourage you to “Go Green” by accessing employer forms and publications at www.calpers.ca.gov.

Publications available include CalPERS Circular Letters, actuarial reports, and legislation information.

New and Improved Phone System
Enhances Your Service

CalPERS is now offering you an improved customer service experience through our new telephone Interactive Voice Response (IVR) system. IVR enables you to easily navigate the service categories provided and quickly connect with the assistance you need.

After you call and hear the “Welcome to the California Public Employees’ Retirement System” greeting, you will be asked to identify which of the following four categories you belong to:

1. Retired Members
2. All Other Members
3. Business Partners
4. Not a CalPERS Member or Calling on Behalf of a CalPERS Member

Instead of having to say what category you belong to or say why you are calling, you simply have to “press or say” the number that corresponds to the appropriate category (for example, Business Partner – press or say 3). All other recorded menu prompts will use similar “press or say” instructions, thus reducing the frustration associated with trying to explain to a recorded voice why you are calling.

In addition, recorded messages and voice prompts are concise and easy to understand. Throughout the call you will have consistent navigation options to:

- Get back to the main menu
  Press or say 9

- Go back a level
  Press or say “star” *

- Repeat the prompt
  Press or say “pound” #

We designed the new IVR system with skills-based technology, so you will be connected to the appropriately trained Customer Contact Center agent as quickly as possible.

You can call the CalPERS Customer Contact Center at 888 CalPERS (or 888-225-7377) Monday through Friday, 8:00 a.m. to 5:00 p.m.
Dependent Eligibility Verification Update

In the next phase of our Dependent Eligibility Verification (DEV) project, we have started the verification process for dependents of public agency and school retirees plus active school members.

CalPERS and its contracted vendor, HMS Employer Solutions (HMS), began the verification phase of the DEV project in July 2013. This project requires all CalPERS health plan subscribers with one or more dependents to provide supporting documentation to verify their dependents are eligible for the health benefits they have been receiving. Eligible dependents include:

- Current spouse/registered domestic partner
- Natural, adopted, step or registered domestic partner’s children up to age 26
- Disabled children of any age if they were enrolled prior to age 26
- Children up to age 26 for whom the subscriber has assumed a parent-child relationship and is considered the primary care parent

HMS will send verification letters to retirees about the types of supporting documentation to submit (such as a tax return, recurring household bill, marriage or birth certificate), how and where to submit it, and when.

If your employees or retirees have any questions about the DEV project, they should contact HMS directly at (877) 467-0184 with the contact information contained in their letters. They should not contact CalPERS with questions about this project, as this is an independent verification.

HMS has performed more than 800 verification programs similar to this project, and verified more than 3.5 million dependents for some of the largest employers in the country. All documents your retirees provide to HMS during the DEV project are securely stored and protected through physical, electronic and procedural safeguards. The HMS system is highly secure and HIPAA-compliant to ensure their data is safe. At the end of the project, HMS will securely remove and destroy all documents.

Retirees can visit our website at www.calpers.ca.gov for more information and answers to Frequently Asked Questions about the Dependent Eligibility Verification project.
CalPERS Benefits Education Event is coming to the North Coast… so save the date!

If your employees would like to learn more about their benefits and the programs we offer for every phase of their careers, they can attend our CalPERS Benefits Education Event in Eureka, November 7-8, 2014. Whether they are early to mid-career CalPERS members or nearing retirement, they’ll find the information they need to know about retirement and health benefits, supplemental savings plans, college savings, long-term care, and more.

For more detailed information, visit the CalPERS website at www.calpers.ca.gov.
Retired Annuitant Rules to Remember

Some of your employees may be interested in returning to public service as a way to contribute their expertise while supplementing their pension at the same time. The contributions of retired annuitants to employer agencies are extremely important.

For agencies that hire retired annuitants, it is important to consider the laws that govern post-retirement employment. Post-retirement employment is outlined in the Public Employees’ Pension Reform Act of 2013 and in the Public Employees Retirement Law. CalPERS considers this type of employment to be “retired annuitant” employment.

For more information about working after retirement, please refer to our publication, A Guide to CalPERS Employment After Retirement, which you can find in the Forms & Publications Center on our website at www.calpers.ca.gov.

If you are considering hiring a retired annuitant, here are some key points to remember:

- Retirees who have the skills necessary to perform the needed work can be hired into retired annuitant positions to perform work for a limited duration. Limited duration means the appointment is not for an indefinite period of time and that it is not an appointment to a part-time or full-time regular staff position.
- Retired annuitants can perform limited-duration work for a maximum of 960 hours per fiscal year.
- Retirees may be subject to a 180-day waiting period before beginning post-retirement work; certain exclusions to the 180-day waiting period may apply.
- The compensation paid to retirees cannot be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties.
- Retirees cannot receive any benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate.

Stay Informed Through CalPERS Employer Bulletins

If you want the latest CalPERS employer news and information, sign up for the CalPERS Employer Bulletin now. Our employer bulletins instantly provide you with regular updates via email, conveniently accessible at your desktop.

After subscribing to our bulletins, we will electronically send you notices with the latest news and changes that impact you and other employer agencies. Also, we will immediately notify you when there is a new CalPERS Circular Letter, legislative change, or other important news that may affect your agency.

Another benefit of subscribing to the CalPERS Employer Bulletin is that you have the ability to easily share useful information you receive with others within your organization.

It’s easy to sign up to receive employer bulletins. Just select the Sign Up for CalPERS Employer Bulletin link under the Employers section of our website at www.calpers.ca.gov.
CalPERS Simplifies Long-Term Care Application

Online tool streamlines application and account monitoring process

It just got easier for your employees and their families to apply for CalPERS Long-Term Care coverage with the launch of a new online application. Using the streamlined process, they can create an online account to access the application and monitor their account to see if they have been accepted for coverage.

Along with the launch of the online application, a new video that helps clarify common misunderstandings about long-term care is now available. “Myth versus Fact” tackles common misunderstandings about long-term care and provides clarification. It can be viewed on the CalPERS Long-Term Care website at www.calperslongtermcare.com.

Other enhancements to the CalPERS Long-Term Care website include regional cost-of-care information and a cost-of-care calculator. Regional cost-of-care information compares the actual expenses for skilled nursing facilities, assisted living facilities, and home health providers for more than 135 defined regions across the U.S. The cost-of-care calculator is an online tool designed to help evaluate how much money individuals would need to save each month to pay for future long-term care services.

You’ll also find a dedicated employer section that provides information to help you better understand CalPERS Long-Term Care that can easily be shared with your employees.

Other resources found on the CalPERS Long-Term Care website include videos of personal testimonials; the latest news and updates about CalPERS Long-Term Care; and participant tools, such as designee and authorization forms, billing method change forms, and claim forms.

All current California public employees, retirees, their spouses, parents, parents-in-law, adult children, and adult siblings between the ages of 18 and 79 are eligible to apply for coverage. Applicants must meet underwriting requirements for acceptance into the program. Public employees do not need to be a member of CalPERS or a CalPERS Long-Term Care participant for their relatives to be eligible.

More information about CalPERS Long-Term Care can be found at www.calperslongtermcare.com.
2015 CalPERS Health Benefit Summary Changes

Correction to co-pay amount may affect your new employees

Although our Health Benefits Open Enrollment period has come to an end, your newly hired employees should know that there is an error in the 2015 Health Benefit Summary booklet. Refer to page 17 of the CalPERS Health Plan Benefit Comparison – Basic Plans section. For the PPO Basic Plans, the amounts reflected in the maximum calendar year co-pay for an individual ($4,600) and family ($9,200) are incorrect. The accurate amounts are the same as 2014, which are $3,000 for an individual and $6,000 for a family for PERS Select and PERS Choice, and $2,000 for an individual and $4,000 for a family for PERSCare.

<table>
<thead>
<tr>
<th>BENEFITS</th>
<th>CAHP (Association Plan)</th>
<th>PERS Select</th>
<th>PERS Choice</th>
<th>PERSCare</th>
<th>PORAC (Association Plan)</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>PPO Non-PPO PPO Non-PPO</td>
<td>PPO Non-PPO</td>
<td>PPO Non-PPO</td>
<td>PPO Non-PPO</td>
<td>PPO Non-PPO</td>
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<tr>
<td>Calendar Year Deductible</td>
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<tr>
<td>Individual</td>
<td>N/A</td>
<td>$500 (not transferable between plans)</td>
<td>$500 (not transferable between plans)</td>
<td>$500 (not transferable between plans)</td>
<td>$300</td>
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<tr>
<td>Family</td>
<td>N/A</td>
<td>$1,000 (not transferable between plans)</td>
<td>$1,000 (not transferable between plans)</td>
<td>$1,000 (not transferable between plans)</td>
<td>$900</td>
</tr>
<tr>
<td>Maximum Calendar Year Co-pay (excluding pharmacy)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual</td>
<td>$2,000 N/A</td>
<td>$3,000 N/A</td>
<td>$3,000 N/A</td>
<td>$2,000 N/A</td>
<td>$3,300 $3,300</td>
</tr>
<tr>
<td>Family</td>
<td>$4,000 N/A</td>
<td>$6,000 N/A</td>
<td>$6,000 N/A</td>
<td>$4,000 N/A</td>
<td>$6,600 $6,600</td>
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<tr>
<td>Hospital (including Mental Health and Substance Abuse)</td>
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<tr>
<td>Deductible (per admission)</td>
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<td>N/A</td>
<td>N/A</td>
<td>$250</td>
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<td>Inpatient</td>
<td>10% Varies</td>
<td>20–30% (hospital tiers)</td>
<td>40%</td>
<td>20%</td>
<td>40%</td>
</tr>
<tr>
<td>Outpatient Facility/ Surgery Services</td>
<td>$50 (exceptions may apply)</td>
<td>20–30% (hospital tiers)</td>
<td>40%</td>
<td>20%</td>
<td>40%</td>
</tr>
</tbody>
</table>

For more details about the benefits provided by a specific plan, refer to that plan’s Evidence of Coverage (EOC) booklet.
Do You Have Questions?
CalPERS Employer FAQs Has Answers.

Do you need information about CalPERS programs and services? Are you searching for CalPERS-related facts and figures, and aren’t sure where to look? Do you have questions to ask us, but have no idea how to get answers?

If you have questions, visit the Frequently Asked Questions (FAQs – For Employers) section of our website. Our employer FAQs provide useful information covering a wide range of CalPERS-related subjects:

- General CalPERS Information
- 2014 Actuarial Assumptions
- Health and Medicare
- Retirement and Disability
- myCalPERS
- CalPERS Education and Training

Access the FAQs by visiting the CalPERS website at www.calpers.ca.gov and selecting the FAQs – For Employers link in the Employer Information section.

CalPERS Employer Response Team Is Here for You

The CalPERS Employer Response Team (ERT) provides employers with a single point of contact to quickly resolve time-sensitive and complex issues. The ERT includes several program experts who work behind the scenes with CalPERS business areas. The ERT complements the CalPERS Employer Contact Center whose staff address approximately 85 percent of all employer inquiries on the first call.

To ensure a quick response you can reach the ERT through a dedicated telephone line and email address. The majority of employer inquiries represent several topic areas that are strongly interconnected – enrollment, contracts, and payroll.

When should you contact the Employer Response Team?

- For critical, time-sensitive requests, such as when documents are needed for labor negotiations or Board meetings.
- For issues that may be sensitive due to media coverage, subject matter, or your agency’s position.
- If you have contacted us several times for the same issue and we have not been able to resolve it in a timely manner, or you have received conflicting information.

Contact the ERT by telephone at (800) 253-4594 or via email at Kellye.Smith.Employer.Response.Team@calpers.ca.gov.
Employer Education: New Class Offerings

We’re offering new classes to educate you and your staff about existing and new myCalPERS system features and business rules.

CalPERS is offering more than 20 new computer-based trainings to help you use the myCalPERS system. Do you need to learn how to navigate your retirement contract? There is a seven-course series on contracts that will help you do that. Once you learn how to navigate, you can move on to learning how to add a position or perhaps initiate an employer resolution to provide two years of additional service credit, which is commonly referred to as a Golden Handshake. We even have a course for those who need to learn how to request a valuation and how to amend their contract. Log in now and see what’s new.

You can enroll in our many classes through the Education tab in myCalPERS. Log in as a Business Partner to register and take advantage of both instructor-led training classes and online classes. Videos of past Employer Webinars are also available on the CalPERS Network YouTube channel.

The CalPERS Education Center is always available to provide you with the training you need. To learn more, look for the CalPERS Education Center and View Videos & Web Events links in the Online Services section of the CalPERS website at www.calpers.ca.gov. If you have questions call the CalPERS Customer Contact Center at 888 CalPERS (or 888-225-7377).

Welcome New CalPERS Retirement and CERBT Fund Agencies

We welcome the following employers who began new contracts for the CalPERS Retirement Program and California Employers’ Retiree Benefit Trust (CERBT) Fund during the past quarter:

**CalPERS Retirement Program Contract Agencies:**
Alpine Springs Water District

**CERBT Contract Agencies:**
City of Westlake Village
Sonoma County Library
Sanitary District No. 1 of Marin County

The California Employers’ Retiree Benefit Trust Fund is an investment vehicle that can be used by California public employers, including state agencies, to prefund future retiree health and Other Post Employment Benefit (OPEB) costs.

Visit www.calpers.ca.gov for more information on the CalPERS Retirement Program and CERBT Fund.
# October – December 2014

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 26–29</td>
<td>CalPERS Educational Forum 2014</td>
<td>Riverside Convention Center, 3400 Market Street, Riverside</td>
</tr>
<tr>
<td>November 4–5</td>
<td>Business Rules Training</td>
<td>Fresno Regional Office, 10 River Park Place East, Suite 230, Fresno</td>
</tr>
<tr>
<td>4–7</td>
<td>myCalPERS Training</td>
<td>San Bernardino Regional Office, 650 East Hospitality Lane, Ste. 330, San Bernardino</td>
</tr>
<tr>
<td>7–8</td>
<td>CalPERS Benefits Education Event</td>
<td>Eureka, Red Lion Hotel, 1929 4th Street, Eureka</td>
</tr>
<tr>
<td>11</td>
<td>Veterans Day Holiday – State Offices Closed</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Health Benefits Constituent Work Group</td>
<td>CalPERS Headquarters, 400 Q Street, Lincoln Plaza North, Room 1140, Sacramento</td>
</tr>
<tr>
<td>17–19</td>
<td>CalPERS Board of Administration Meetings</td>
<td>CalPERS Headquarters Auditorium, 400 Q Street, Lincoln Plaza North, Sacramento</td>
</tr>
<tr>
<td>18–19</td>
<td>Business Rules Training</td>
<td>Glendale Regional Office, 655 North Central Avenue, Ste. 1400, Glendale</td>
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<td>18–21</td>
<td>myCalPERS Training</td>
<td>San Jose Regional Office, 181 Metro Drive, Ste. 520, San Jose</td>
</tr>
<tr>
<td>27–28</td>
<td>Thanksgiving Holiday – State Offices Closed</td>
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<tr>
<td>December</td>
<td>Event Description</td>
<td>Office Name</td>
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<tr>
<td>2–5</td>
<td>myCalPERS Training</td>
<td>San Diego Regional Office</td>
</tr>
<tr>
<td>9–10</td>
<td>Business Rules Training</td>
<td>Orange Regional Office</td>
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<tr>
<td>9–10</td>
<td>Business Rules Training</td>
<td>Walnut Creek Regional Office</td>
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<td>9–12</td>
<td>myCalPERS Training</td>
<td>Fresno Regional Office</td>
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<td>11</td>
<td>Health Benefits Constituent Work Group</td>
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<tr>
<td>15–17</td>
<td>CalPERS Board of Administration Meetings</td>
<td>CalPERS Headquarters Auditorium</td>
</tr>
<tr>
<td>25</td>
<td>Christmas Holiday – State Offices Closed</td>
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</tr>
</tbody>
</table>
myCalPERS

CalPERS is dedicated to helping you use myCalPERS by providing you with up-to-date information and resources, including:

• myCalPERS User Information & Tips
• myCalPERS News for Employers
• myCalPERS Training
• And more!

Visit www.calpers.ca.gov and go to myCalPERS for Employers.

CalPERS EMPLOYER NEWS
California Public Employees’ Retirement System
Office of Public Affairs
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