

4th Qtr 2011 Financial Report

CalPERS SELF-FUNDED HEALTH PLANS

Incurred Loss Ratio¹ - Attachment 1				
	CY 2008	CY 2009	CY 2010	CY 2011
Care Basic	103%	131%	113%	121%
Choice Basic	95%	126%	109%	113%
Select Basic	98%	88%	77%	73%
Care Supplemental	98%	120%	110%	114%
Choice Supplemental	100%	123%	109%	116%
Select Supplemental	103%	147%	133%	124%
All Plans	97%	125%	108%	112%

Gain/Loss by Plan (\$000) - Attachment 2				
	CY 2008	CY 2009	CY 2010	CY 2011
Care Basic	(\$39,107)	(\$18,170)	(\$16,486)	(\$25,847)
Choice Basic	(\$222,354)	(\$92,635)	(\$90,019)	(\$142,473)
Select Basic	\$3,392	\$10,863	\$12,050	\$21,230
Care Supplemental	(\$40,699)	(\$23,488)	(\$25,430)	(\$33,325)
Choice Supplemental	(\$29,391)	(\$16,862)	(\$15,756)	(\$31,402)
Select Supplemental	\$0	(\$414)	(\$402)	(\$392)
All Plans	(\$328,407)	(\$140,705)	(\$136,042)	(\$212,209)

¹Incurred loss ratios illustrate each plan's operating margin. A 100% ratio is equal to break-even.
Values above 100% indicate a premium loss.

Trends Per Member Per Month (On Rolling 12 Month Basis) - Attachments 4a & 4b				
MEDICAL				
	CY 2008	CY 2009	CY 2010	CY 2011
Care Basic	7.4%	11.8%	16.2%	6.3%
Choice Basic	8.5%	12.6%	5.7%	10.8%
Select Basic	N/A	-23.3%	7.7%	-3.7%
Care Supplemental	4.8%	4.7%	4.6%	3.3%
Choice Supplemental	1.9%	4.9%	5.3%	5.6%
Select Supplemental	N/A	42.1%	25.1%	-1.5%
PHARMACY				
	CY 2008	CY 2009	CY 2010	CY 2011
Care Basic	5.7%	7.1%	13.3%	5.3%
Choice Basic	4.7%	7.7%	8.3%	3.1%
Select Basic	N/A	-2.8%	9.2%	1.2%
Care Supplemental	5.4%	8.4%	7.8%	3.7%
Choice Supplemental	5.2%	8.2%	6.7%	4.9%
Select Supplemental	N/A	23.9%	5.3%	-7.7%

Notes:

1. Prior periods are updated for each report as actual claims runoff is realized.
2. Pharmacy trends exclude rebates.
3. Rolling 12 month trends illustrate the movement that has occurred during the preceeding 12 months.

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**CalPERS SELF-FUNDED HEALTH PLANS
CLAIMS COST PER-MEMBER PER-MONTH - ATTACHMENT 3**

Medical Claims per Member per Month						
	Care Basic	Choice Basic	Select Basic	Care Supp	Choice Supp	Select Supp
3rd Quarter 2010	\$626.69	\$347.35	\$211.82	\$152.45	\$120.66	\$141.68
4th Quarter 2010	\$677.88	\$351.63	\$189.55	\$144.59	\$112.49	\$173.06
1st Quarter 2011	\$585.01	\$326.00	\$157.04	\$195.18	\$156.39	\$155.64
2nd Quarter 2011	\$651.42	\$356.47	\$189.92	\$159.72	\$125.65	\$160.70
3rd Quarter 2011	\$685.87	\$354.46	\$193.03	\$152.10	\$119.35	\$136.19
4th Quarter 2011	\$765.93	\$413.78	\$226.74	\$156.15	\$122.36	\$167.82
Pharmacy Claims per Member per Month						
	Care Basic	Choice Basic	Select Basic	Care Supp	Choice Supp	Select Supp
3rd Quarter 2010	\$177.09	\$94.30	\$50.18	\$263.16	\$239.71	\$287.87
4th Quarter 2010	\$180.67	\$96.38	\$50.96	\$260.79	\$238.97	\$315.27
1st Quarter 2011	\$184.72	\$96.24	\$49.32	\$264.63	\$243.43	\$277.82
2nd Quarter 2011	\$181.15	\$96.82	\$50.77	\$269.66	\$247.82	\$277.44
3rd Quarter 2011	\$186.44	\$98.27	\$52.95	\$272.22	\$252.54	\$257.49
4th Quarter 2011	\$189.96	\$100.58	\$52.78	\$276.51	\$253.84	\$238.78
Total Claims per Member per Month						
	Care Basic	Choice Basic	Select Basic	Care Supp	Choice Supp	Select Supp
3rd Quarter 2010	\$803.78	\$441.65	\$262.00	\$415.61	\$360.37	\$429.55
4th Quarter 2010	\$858.55	\$448.02	\$240.51	\$405.38	\$351.46	\$488.33
1st Quarter 2011	\$769.73	\$422.25	\$206.36	\$459.81	\$399.82	\$433.45
2nd Quarter 2011	\$832.58	\$453.29	\$240.69	\$429.37	\$373.47	\$438.14
3rd Quarter 2011	\$872.31	\$452.72	\$245.98	\$424.32	\$371.89	\$393.68
4th Quarter 2011	\$955.89	\$514.36	\$279.52	\$432.66	\$376.20	\$406.60

Notes:

1. Prior quarters are updated for each report as actual claims runoff is realized.
2. Pharmacy costs exclude rebates.

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CaIPERS SELF-FUNDED HEALTH PLANS

Assets and Reserves By Plan (\$000) - Attachment 5			
	PERSCare		
	Basic	Supp	Total
Actuarial Assets 12/31/2010	\$58,748	\$72,950	\$131,698
Asset Change	(\$194)	(\$3,164)	(\$3,357)
Actuarial Assets 12/31/2011	\$58,554	\$69,786	\$128,341
Actuarial Reserve 12/31/2010	\$40,908	\$53,901	\$94,809
Actuarial Reserve 12/31/2011	\$43,571	\$54,492	\$98,062
Assets Less Reserves 12/31/2011	\$14,984	\$15,294	\$30,278
	PERS Choice		
	Basic	Supp	Total
Actuarial Assets 12/31/2010	\$353,709	\$41,813	\$395,522
Asset Change	\$12,040	(\$8,042)	\$3,997
Actuarial Assets 12/31/2011	\$365,749	\$33,770	\$399,519
Actuarial Reserve 12/31/2010	\$262,320	\$38,147	\$300,467
Actuarial Reserve 12/31/2011	\$311,011	\$44,668	\$355,679
Assets Less Reserves 12/31/2011	\$54,738	(\$10,898)	\$43,840
	PERS Select		
	Basic	Supp	Total
Actuarial Assets 12/31/2010	\$25,435	\$146	\$25,581
Asset Change	\$28,970	(\$228)	\$28,742
Actuarial Assets 12/31/2011	\$54,405	(\$82)	\$54,322
Actuarial Reserve 12/31/2010	\$10,097	\$397	\$10,494
Actuarial Reserve 12/31/2011	\$16,422	\$493	\$16,914
Assets Less Reserves 12/31/2011	\$37,983	(\$575)	\$37,408
	Total Program		
	Basic	Supp	Total
Actuarial Assets 12/31/2010	\$437,892	\$114,908	\$552,800
Asset Change	\$40,816	(\$11,434)	\$29,381
Actuarial Assets 12/31/2011	\$478,708	\$103,474	\$582,182
Actuarial Reserve 12/31/2010	\$313,325	\$92,445	\$405,770
Actuarial Reserve 12/31/2011	\$371,003	\$99,653	\$470,656
Assets Less Reserves 12/31/2011	\$107,704	\$3,821	\$111,526

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CalPERS SELF-FUNDED HEALTH PLANS

Ratio of Assets to the Actuarial Reserve (\$000) - Attachment 6

PERSCare			
	Basic	Supp	Total
Assets 12/31/2011	\$58,554	\$69,786	\$128,341
Actuarial Reserve 12/31/2011	\$43,571	\$54,492	\$98,062
Assets Above Actuarial Reserve	\$14,984	\$15,294	\$30,278
Ratio of Assets to the Actuarial Reserve	134%	128%	131%

PERS Choice			
	Basic	Supp	Total
Assets 12/31/2011	\$365,749	\$33,770	\$399,519
Actuarial Reserve 12/31/2011	\$311,011	\$44,668	\$355,679
Assets Above Actuarial Reserve	\$54,738	(\$10,898)	\$43,840
Ratio of Assets to the Actuarial Reserve	118%	76%	112%

PERS Select			
	Basic	Supp	Total
Assets 12/31/2011	\$54,405	(\$82)	\$54,322
Actuarial Reserve 12/31/2011	\$16,422	\$493	\$16,914
Assets Above Actuarial Reserve	\$37,983	(\$575)	\$37,408
Ratio of Assets to the Actuarial Reserve	331%	-17%	321%

Total Self-Funded Program			
	Basic	Supp	Total
Assets 12/31/2011	\$478,708	\$103,474	\$582,182
Actuarial Reserve 12/31/2011	\$371,003	\$99,653	\$470,656
Assets Above Actuarial Reserve	\$107,704	\$3,821	\$111,526
Ratio of Assets to the Actuarial Reserve	129%	104%	124%

Notes:

1. The Actuarial Reserve equals the Incurred But Not Reported (IBNR) reserve (without a contingency load) plus the Risk Based Capital Reserve (RBC) set at a 300% level.
2. Ratios above 100% indicate assets in excess of reserves.

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CalPERS SELF-FUNDED HEALTH PLANS

Enrollment Comparison for 2010 and 2011 - Attachment 7

Membership for 2010:

Members	Care Basic	Care Supp	Choice Basic	Choice Supp	Select Basic	Select Supp	Total
Jan-10	17,061	50,702	218,693	40,010	9,785	265	336,516
Feb-10	16,873	50,641	218,203	40,470	9,952	266	336,405
Mar-10	16,707	50,531	217,797	40,750	10,108	266	336,159
Apr-10	16,566	50,395	217,306	41,038	10,187	272	335,764
May-10	16,402	50,196	215,704	41,246	10,229	281	334,058
Jun-10	16,316	50,098	215,772	41,588	10,304	284	334,362
Jul-10	16,256	50,008	216,302	42,098	10,695	294	335,653
Aug-10	16,099	49,963	215,744	42,543	10,833	299	335,481
Sep-10	15,971	49,863	215,513	42,909	10,934	302	335,492
Oct-10	15,919	49,909	215,394	43,806	11,274	330	336,632
Nov-10	15,824	49,839	214,919	44,113	11,440	334	336,469
Dec-10	15,696	49,700	214,053	44,387	11,568	339	335,743

Membership for 2011:

Members	Care Basic	Care Supp	Choice Basic	Choice Supp	Select Basic	Select Supp	Total
Jan-11	14,797	50,229	219,825	45,034	17,304	358	347,547
Feb-11	14,670	50,068	219,613	45,443	17,527	364	347,685
Mar-11	14,612	49,948	219,533	45,772	17,686	365	347,916
Apr-11	14,540	49,802	219,430	46,033	17,842	367	348,014
May-11	14,450	49,730	219,172	46,367	17,904	370	347,993
Jun-11	14,371	49,611	219,461	46,708	18,055	375	348,581
Jul-11	14,254	49,583	219,484	47,118	18,204	377	349,020
Aug-11	14,135	49,474	218,917	47,557	18,388	379	348,850
Sep-11	14,040	49,472	218,407	48,042	18,689	385	349,035
Oct-11	13,986	49,390	218,594	48,297	18,972	390	349,629
Nov-11	13,913	49,269	218,389	48,577	19,234	393	349,775
Dec-11	13,824	49,201	217,765	48,905	19,424	397	349,516