



Meeting Summary

March 20, 2013

The Pension & Health Benefits Committee met on March 19, 2013.

The Committee deferred the following items to the April Pension & Health Benefits Committee Meeting:

- 2013 Federal Health Policy Agenda
- Supplemental Income Plans Update and Strategic Review
- Self-Funded Health Plans Quarterly Report (3rd)

The PEPPRA Implementation Update item will be provided to the Committee via memorandum; however, another update regarding PEPPRA will be presented at the April meeting.

The Committee is recommending a number of action items to the Board today.

I move the Board approve the Committee's recommendation regarding:

- AGENDA ITEM 5
Approve staff's proposed changes to the Pension and Health Benefits Committee Delegation for Board approval at the April Board meeting.
(Attachment 1)

I move the Board approve the Committee's recommendation regarding:

- AGENDA ITEM 7
Approve as a first reading staff's recommendation to adopt amendments to the following existing actuarial policies as shown in the attachments:
 - Board Resolution No. ACT-96-05E (Rev.) regarding amortization and smoothing policies (Attachment 2)
 - Board Resolution No. 05-02-AESD (Rev.) regarding smoothing employer contribution rates (Attachment 3)
 - Board Resolution No. 95-05C (Rev.) regarding actuarial asset valuation method effective with the June 30, 2013, actuarial valuation (Attachment 4)

Rescind the following actuarial policy:

- Board Resolution No. 05-01-AESD (Rev.) regarding employer rate stabilization policy (Attachment 5)

I move the Board approve the Committee's recommendation regarding:

- **AGENDA ITEM 8**
Approve the Committee's recommendation to award the Intent to Award for the Preferred Provider Organization (PPO) Request for Proposal (RFP) No. 2012-6376 to Anthem Blue Cross as the successful bidder; and, in the event that negotiations are unsuccessful with the selected bidder, CalPERS may enter into negotiations with Blue Shield of California.

The Committee received reports on the following topics:

- The Committee received a presentation from CVS Caremark representatives regarding program activities and proposals for future consideration.

At this time I would like to share some highlights of what to expect at the April Pension & Health Benefits Committee meeting:

- The Committee will receive outcomes from the evaluation of the Health Maintenance Organization RFP respondents and provide recommendations to the Board related to the awarding of new contracts.
- The Committee will review valuations for the Judges' Retirement System, Judges' II Retirement System, and the Legislator's Retirement System; as well as, the second reading of the amortization periods and smoothing methods for Retirement Trust Funds.
- The Committee will also review proposed regulations for PEPRA implementation and the 2013 Federal Health Policy Agenda.
- Staff will provide information on Health Benefits pilot initiatives, the Supplemental Income Plans and the self-funded health plans quarterly report.

The next meeting of the Pension & Health Benefits Committee is scheduled for April 16, 2013, in Sacramento, California.