



Agenda Item 6

March 19, 2013

ITEM NAME: 2013 Federal Health Policy Agenda

PROGRAM: Health Benefits

ITEM TYPE: Action

RECOMMENDATION

Staff recommends the Pension and Health Benefits Committee (PHBC) approve the California Public Employees' Retirement System (CalPERS) proposed 2013 Federal Health Care Policy Initiatives, as identified in Attachment 1.

EXECUTIVE SUMMARY

The CalPERS Board of Administration (Board) sets the policy direction for the CalPERS Health Benefits Program. This includes advocating for and taking positions on federal health care issues that impact the more than 1.3 million members and 1,200 employers that participate in the program.

STRATEGIC PLAN

This agenda item supports Strategic Plan Goal A: Improve long-term pension and health benefit sustainability.

BACKGROUND

Historically, CalPERS has taken positions on health benefit policy initiatives at both the State and federal levels. In coordination with Jennings & Associates and Lussier, Gregor, Vienna & Associates, CalPERS identifies and selects areas of engagement, discusses them with the PHBC, and seeks the Board's support and approval.

The Board last adopted federal health policy priorities pursuant to CalPERS previous Strategic Plan back in 2009. With the Board's recent adoption of the Health Benefits Purchasing Review initiatives, along with the health care market changes brought about by the Affordable Care Act (ACA), it is appropriate to revisit the federal health care agenda at this time.

ANALYSIS

In collaboration with Jennings & Associates, and Lussier, Gregor, Vienna & Associates, CalPERS staff drafted the proposed 2013 Federal Health Care Policy Initiatives for the Board's consideration (Attachment 1). These initiatives focus on areas that are at the core of the changes taking place in health care today – changes

that impact the CalPERS Health Benefits Program at the State level. These are:

- Transparency
- Prescription drugs
- Waste, fraud and abuse
- Quality in health care
- Medicare
- Long-term care

If the PHBC approves staff's recommendation, staff will replace the 2009-10 Health Policy Priorities currently posted on CalPERS On-Line with the updated 2013 Federal Health Care Policy Initiatives.

BENEFITS/RISKS

The benefit of adopting the 2013 Federal Health Care Policy Initiatives is that it reinforces the Board's commitment to continually taking proactive positions to educate and/or influence the policy discussions or legislative proposals having a direct impact on the CalPERS Health Benefits Program.

There are no known risks associated with this recommendation.

ATTACHMENTS

Attachment 1 – CalPERS Federal Health Care Policy Initiatives – March 2013

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