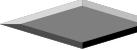


CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

**BOARD OF ADMINISTRATION
PENSION & HEALTH BENEFITS COMMITTEE
MEETING MINUTES**

March 18, 2014



The Pension and Health Benefits Committee met on Tuesday, March 18, 2014, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 11:20 a.m. with the following members present:

Priya Mathur, Chair
George Diehr, Vice Chair
Michael Bilbrey
Ruth Holton-Hodson for John Chiang
Rob Feckner
Ralph Cobb for Richard Gillihan
JJ Jelincic
Henry Jones
Grant Boyken for Bill Lockyer

AGENDA ITEM 2 – EXECUTIVE REPORT(S)

Ann Boynton, Deputy Executive Officer, Benefit Programs Policy and Planning, provided an update on the following items: ongoing issues around the sustainable growth rate related to Medicare; health plan rate discussions; upcoming changes to member health appeals regulations; release of a white paper at the end of March and an accompanying website that focuses on CalPERS economic impact in California; and, the progress on Draft Pension Beliefs.

AGENDA ITEM 3 – CONSENT ITEMS

The Committee accepted the following Action Consent Items:

3a. Approval of the February 19, 2014, Pension and Health Benefits Committee Meeting Minutes

AGENDA ITEM 4 – CONSENT ITEMS

The Committee accepted the following Information Consent Items:

- 4a. Annual Calendar Review
- 4b. Draft Agenda for April 15, 2014, Pension and Health Benefits Committee Meeting
- 4c. California Employees' Retiree Benefit Trust Update

AGENDA ITEM 5 – REVIEW PENSION AND HEALTH BENEFITS COMMITTEE DELEGATION

Ann Boynton, Deputy Executive Officer, Benefit Programs Policy and Planning, presented the proposed changes to the current Pension and Health Benefits Committee Delegation Resolution. Staff recommended adding item (C) 5 and removing item (D) 1 with the understanding item (D) 1 would be moved to the Finance and Administration Committees' delegation.

On **MOTION** by Henry Jones, **SECONDED** and **CARRIED**, the Committee recommended the Board approve staff's proposed changes to the Pension and Health Benefits Committee Delegation at the April Board meeting. (Attachment 1)

AGENDA ITEM 6 – HEALTH PLAN REGIONS FOR CONTRACTING AGENCIES EFFECTIVE 2015

Ann Boynton, Deputy Executive Officer, Benefit Programs Policy and Planning; and, Doug McKeever, Chief, Health Plan Research Division; presented staff's analysis of current county regions for contracting agencies and relative healthcare costs to determine if changes to the regions for contracting agency premiums should be changed.

On **MOTION** by Dr. George Diehr, **SECONDED** and **CARRIED**, the Committee recommended the Board approve moving any discussion and action to the April meeting. The committee directed staff to bring back any data in order to get a better understanding of what the impacts would be.

The following people spoke on this item:

- Sheila McShane, City of Woodland
- Stacey Peterson, City of Rancho Cordova
- Jim Gillette, Yolo County Housing
- Philip Wright, City of West Sacramento
- Marc Fox, Solano County
- Terry Bassett, Yolo County Transportation District
- Terry Brennand, Service Employees International Union
- George Linn, RPEA

Agenda items 8 and 7 were switched and item 8 was discussed first.

AGENDA ITEM 8 – PALLIATIVE CARE AND END-OF-LIFE ISSUES

As an information item, Judy Citko, Executive Director of the Coalitions for Compassionate Care of California, provided an overview of the aspects of the health care system which revolves around advance care planning, often referred to as end-of-life planning.

12:27 p.m. a break for lunch was taken.

1:16 p.m. open session resumed.

AGENDA ITEM 7 – PEPRA IMPLEMENTATION UPDATE ON REPORTABLE COMPENSATION

As an information item, Donna Lum, Deputy Executive Officer, Customer Services and Support and Danny Brown, Chief, Office of Governmental Affairs, provided an update on the status of the initiation of the regulatory package defining reportable compensation.

AGENDA ITEM 9 – LONG-TERM CARE PROGRAM AND SEMI-ANNUAL UPDATE

As an information item, Kathy Donneson, Chief, Health Plan Administration Division, provided an update on the program statistics for the period July 1 – December 31, 2013; the completion status of Contract Service Enhancements under the Stabilization and Open Application Period Project; and, the latest statistics available for the Open Application (LRC4).

AGENDA ITEM 10 – MEMBER SATISFACTION WITH HEALTH PLANS

As an information item, Doug McKeever, Chief, Health Policy Research Division, provided results of the 2013 Health Plan Member Survey.

AGENDA ITEM 11 – HEALTH CARE COST TRENDS

As an information item, Doug McKeever, Chief, Health Policy Research Division, and, James DeBenedetti, Health Policy Research Division, provided information on the health care cost trend reports which provide cost and utilization information from changes in premiums, benefits, as well as, plan and provider contracting that have occurred.

AGENDA ITEM 12 – PUBLIC COMMENT

There was no public comment.

At this time the meeting was recessed in order to move over to Room 1140 where the Draft Pension Beliefs discussion took place.

The meeting was adjourned at 1:41 p.m.

The next meeting of the Pension and Health Benefits Committee is scheduled for April 15, 2014, in Sacramento, California.

ANN BOYNTON
Deputy Executive Officer
Benefit Programs Policy and Planning