
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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

September 16, 2014

The Pension and Health Benefits Committee met in Open Session on Tuesday, September 16, 2014, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 9:03 a.m. with the following members present:

Priya Mathur, Chair
George Diehr
Michael Bilbrey
Barbara Liebert for John Chiang
Rob Feckner
Richard Gillihan
JJ Jelincic
Henry Jones
Grant Boyken for Bill Lockyer

Other Board Members Present:

Richard Costigan
Dana Hollinger
Ron Lind
Bill Slaton

AGENDA ITEM 2 – EXECUTIVE REPORT(S)

Ann Boynton, Deputy Executive Officer, Benefit Programs Policy and Planning, provided an update on the following items: the Dependent Eligibility Verification Project; the health benefit open enrollment period; implementation of patient safety utilization management programs with CVS Caremark; and, CVS' new Minute Clinics.

AGENDA ITEM 3 – CONSENT ITEMS

The Committee accepted the following Action Consent Item:

3a. Approval of the August 19, 2014, Pension and Health Benefits Committee Meeting Minutes (As corrected)

AGENDA ITEM 4 – CONSENT ITEMS

The Committee accepted the following Information Consent Items:

- 4a. Annual Calendar Review
- 4b. Draft Agenda for October 14, 2014, Pension and Health Benefits Committee Meeting
- 4c. California Employers' Retiree Benefit Trust Update

AGENDA ITEM 5 – PROPOSED REGULATIONS – PARENT-CHILD RELATIONSHIP

Doug McKeever, Chief, Health Policy Research Division and Jan Falzarano, Assistant Chief, Health Policy Research Division, presented draft regulations to clarify health enrollment eligibility standards for a Parent-Child Relationship (Attachment 1).

JJ Jelincic moved staff's recommendation to approve the initiation of the regulatory process to clarify health enrollment eligibility standards for a parent-child relationship. The motion was seconded and carried.

AGENDA ITEM 6 – UPDATE ON PROPOSTION 46 – DRUG AND ALCOHOL TESTING OF DOCTORS AND MEDICAL NEGLIGENCE LAWSUITS

As an information item, Danny Brown, Chief, Office of Governmental Affairs, provided additional information on Proposition 46 – The Troy and Alana Pack Patient Safety Act of 2014, including budget and fiscal impacts to CalPERS.

AGENDA ITEM 7 – SUPPLEMENTAL INCOME PLANS PROGRAM UPDATE

As an information item, Jennifer Watson, Customer Account Services Division and Christine Reese, Investment Office, presented an update on the Supplemental Income Plans, which is comprised of four defined compensation plans: the CalPERS 457 Plan; the Supplemental Contributions Plan, the State Peace Officers and Firefighters Defined Contribution Plan; and, the Placer 401(k) Plan.

AGENDA ITEM 8 – LONG-TERM CARE PROGRAM SEMI-ANNUAL UPDATE

As an information item, Kathy Donneson, Chief, Health Plan Administration Division, and Tyrone Espinoza, Health Plan Administration Division, provided Long-Term Care Program statistics for the period January 1 – June 30, 2014; the status on the Stabilization and Open Application Period Project; and, the latest statistics for the LTC4 Open Application.

AGENDA ITEM 9 – CONSIDERATIONS IN FORMULARY MANAGEMENT PROGRAMS

As an information item, Marilyn Stebbins, PhD., University of California San Francisco, presented information regarding the history of formularies, what is a formulary, different types of formularies that exist, formulary development process and industry practices.

AGENDA ITEM 10 – PUBLIC COMMENT

The Committee received public comment from George Linn, President, Retired Public Employees Association, regarding Blue Shield of California's financial decisions.

The meeting was adjourned at 10:23 a.m.

The next meeting of the Pension and Health Benefits Committee is scheduled for October 14, 2014, in Sacramento, California.

Attachment

ANN BOYNTON
Deputy Executive Officer
Benefit Programs Policy and Planning