


CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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

February 18, 2015



The Pension & Health Benefits Committee met in Open Session on Wednesday, February 18, 2015, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 8:01 a.m. with the following members present:

Michael Bilbrey
Grant Boyken for John Chiang
Rob Feckner
Richard Gillihan
Henry Jones
Priya Mathur
Theresa Taylor
Betty Yee

Absent:
JJ Jelincic

Other Board Members Present:
Dana Hollinger
Ron Lind
Bill Slaton

**AGENDA ITEM 2 – ELECTION OF PENSION & HEALTH BENEFITS COMMITTEE
CHAIR AND VICE CHAIR**

Priya Mathur was elected Chair, and Michael Bilbrey was elected Vice Chair, of the Pension & Health Benefits Committee.

AGENDA ITEM 3 – EXECUTIVE REPORT(S)

Ann Boynton, Deputy Executive Officer, Benefit Programs Policy and Planning, presented a brief update on a new Long-Term Care Program Pilot called Transition Care Program, which was implemented in February.

AGENDA ITEM 4 – CONSENT ITEMS

The Committee accepted the following Action Consent Item:

4a. Approval of the December 16, 2014, Pension & Health Benefits Committee Meeting Minutes

Betty Yee ABSTAINED.

AGENDA ITEM 5 – CONSENT ITEMS

The Committee accepted the following Information Consent Items:

5a. Annual Calendar Review

5b. Draft Agenda for March 17, 2015, Pension & Health Benefits Committee Meeting

Agenda Items 5c and 5d were removed from the Consent Items.

AGENDA ITEM 6 – LEGISLATIVE AND POLICY ENGAGEMENT GUIDELINES FOR RETIREMENT AND HEALTH

Danny Brown, Chief, Legislative Affairs Division, presented information on proposed General, Retirement, and Health Legislative and Policy Engagement Guidelines. The guidelines will provide staff with a framework to engage on legislative, regulatory, and policy proposals that are consistent with the Board of Administration's beliefs, principles, and policies.

Action on this item was deferred to the March 2015, Pension & Health Benefits Committee Meeting.

AGENDA ITEM 7 – ADOPTION OF REGULATIONS: PARENT-CHILD RELATIONSHIP

Doug McKeever, Chief, Health Policy Research Division, presented the final proposed regulations that clarify health enrollment eligibility standards for a Parent-Child Relationship (PCR) by requiring health plan subscribers to submit specific documents, in addition to the Parent-Child Affidavit, that will clearly substantiate the parental role within that PCR.

At this time, JJ Jelincic joined the Pension & Health Benefits Committee meeting.

Henry Jones moved staff's recommendation to adopt the proposed regulations that clarify health enrollment eligibility standards for a PCR (Attachment 1). The motion was seconded and carried.

AGENDA ITEM 8 – RETIREMENT OPTIONS SIMPLIFICATION

As an information item, Donna Lum, Deputy Executive Officer, Customer Services and Support, and Anthony Suine, Interim Chief, Customer Account Services Division, presented information regarding simplifying the number of retirement benefit payment options California Public Employees' Retirement System (CalPERS) currently offers its members.

AGENDA ITEM 9 – CUSTOMER SERVICES AND SUPPORT PERFORMANCE

As an information item, Anthony Suine, Interim Chief, Customer Account Services Division, provided an update on the Customer Services and Support Performance Dashboard for the second quarter of Fiscal Year 2014-15, and a status on the projects designed to enhance the customer experience.

AGENDA ITEM 10 – HEALTH OPEN ENROLLMENT RESULTS

As an information item, Doug McKeever, Chief, Health Policy Research Division and David Cowling, Chief, Center for Innovation, presented the results of the 2014 Health Open Enrollment Period. In total 88,521 of the CalPERS Total Covered Lives changed plans; representing an increase of 27 percent of transferring TCLs from the prior year. David Cowling also presented results of a recently developed model that show plan changes are strongly correlated to overall plan satisfaction and family tier changes.

AGENDA ITEM 5c – UPDATE ON RETIREE COST-OF-LIVING ADJUSTMENTS

As an information item, Anthony Suine, Interim Chief, Customer Account Services Division, provided a brief update on the cost-of-living adjustment for CalPERS retirees.

At this time, Richard Costigan joined the Pension & Health Benefits Committee meeting.

AGENDA ITEM 5d – PUBLIC AGENCY RECRUITMENT AND RETENTION FOR THE HEALTH BENEFIT PROGRAM

As an information item, Anthony Suine, Chief, Benefit Services Division, provided a brief status of recruitment and retention efforts of public agencies and schools in the health program.

The following people spoke on this item:

Dolores Duran-Flores, California School Employees Association
Randy Cheek, Service Employees International Union, Local 1000

AGENDA ITEM 11 – PUBLIC COMMENT

There was no public comment.

The meeting was adjourned at 9:46 a.m.

The next meeting of the Pension and Health Benefits Committee is scheduled for March 17, 2015, in Sacramento, California.

Attachment

ANN BOYNTON
Deputy Executive Officer
Benefit Programs Policy and Planning