



Agenda Item 9

June 16, 2015

ITEM NAME: State Annuitant Contribution Formula

PROGRAM: Health Benefits

ITEM TYPE: Information

EXECUTIVE SUMMARY

The State Annuitant Contribution amounts, based on proposed 2016 premium rates, are provided in the attachment.

BACKGROUND

Government Code Section 22871 specifies the state employer contribution for State annuitants for health benefits shall be calculated based on a weighted average of the premiums of the four largest health benefit plans, measured by enrollments of state active and retired members in the Basic plans.

ANALYSIS

Staff calculate contribution rates for each premium tier (one-party, two-party, and family) based on the weighted average of those four health plans. For 2016, Kaiser Permanente, Blue Shield Access+ HMO, PERS Choice, and Blue Shield NetValue HMO are the four largest health plans.

BUDGET/FISCAL IMPACT

The 2016 health plan rates will increase the state's contribution over the 2015 plan year.

BENEFITS/RISKS

There are no risks associated with this information item.

ATTACHMENTS

Attachment 1 – 2016 100/90 State Annuitant Contribution

DOUG P. McKEEVER, Chief
Health Policy Research Division

ANN BOYNTON
Deputy Executive Officer
Benefit Programs Policy and Planning