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**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

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

**November 17, 2015**

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The Pension & Health Benefits Committee met in Open Session on Tuesday, November 17, 2015, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 1:30 p.m. with the following members present:

Priya Mathur, Chair  
Michael Bilbrey, Vice Chair  
Grant Boyken for John Chiang  
Rob Feckner  
Richard Gillihan  
JJ Jelincic  
Henry Jones  
Theresa Taylor  
Alan LoFaso for Betty Yee

Other Board Members Present:

Dana Hollinger  
Bill Slaton

**AGENDA ITEM 2 – EXECUTIVE REPORT(S)**

Doug McKeever, Deputy Executive Officer (DEO), Benefit Programs Policy and Planning, provided a brief update on the following items: California Public Employees' Retirement System (CalPERS) support of the National Coalition on Healthcare's letter to the Food and Drug Administration regarding biosimilars; the impact of the Excise Tax on CalPERS Wellness Strategy; and, a statewide workgroup focusing on overuse in different areas of healthcare.

**AGENDA ITEM 3 – CONSENT ITEMS**

The Committee accepted the following Action Consent Item:

3a. Approval of the October 20, 2015, Pension & 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 December 15, 2015, Pension & Health Benefits Committee meeting

#### **AGENDA ITEM 5 – HEALTH AND WELLNESS STRATEGY REPORT**

Jan Falzarano, Acting Chief, Health Policy Research Division, presented information on deferring the development of a statewide wellness platform due to uncertainty regarding the Excise Tax on High Cost Employer-Sponsored health Coverage and the risks associated with adding new benefits.

JJ Jelincic moved staff's recommendation to defer further development of a statewide wellness platform due to risks associated with exceeding excise tax thresholds, and instead, endorse the continuation of the California Public employees' Retirement System Population Health Management Initiative. The motion was seconded, and carried.

#### **AGENDA ITEM 6 – FEDERAL HEALTH CARE POLICY REPRESENTATIVES UPDATE**

As an information item, Chris Jennings, Jennings Policy Strategies, provided an update to the Committee, via telephone, regarding the recent developments on issues of interest to CalPERS in relation to federal health care policy.

#### **AGENDA ITEM 7 – FEDERAL RETIREMENT POLICY REPRESENTATIVES UPDATE**

As an information item, Tom Lussier, The Lussier Group, Inc., and Tony Roda, Williams and Jensen, provided an update to the Committee, via telephone, regarding recent developments on issues of interest to CalPERS in relation to federal retirement policy.

#### **AGENDA ITEM 8 – CUSTOMER SERVICES AND SUPPORT PERFORMANCE UPDATE**

As an information item, Donna Lum, Deputy Executive Officer, Customer Services and Support, and Anthony Suine, Chief, Benefit Services Division, presented an update on the implementation of Strategic Measures 10 and 11, which were developed to assess the timeliness of benefit payments and to evaluate customer satisfaction with CalPERS processes and services.

#### **AGENDA ITEM 9 – IMPLEMENTATION OF THE INTERIM RELIEF FOR CHARTER SCHOOLS ISSUED BY THE INTERNAL REVENUE SERVICE AND TREASURY DEPARTMENT**

As an information item, Ms. Lum and Renee Ostrander, Chief, Employer Account Management Division, provided an update on the implementation of CalPERS new School Applicant Questionnaire and certification process for each charter school requesting to participate in the CalPERS plan, to help determine its eligibility in accordance with the criteria contained in the Charter School Notice issued by the Internal Revenue Service and the Treasury Department.

**AGENDA ITEM 10 – SUMMARY OF COMMITTEE DIRECTION**

Mr. McKeever provided a summary of the Committee direction from the November 17, 2015, meeting. The Committee directed staff as follows:

- Agenda Item 7 – Weigh-in on the Department of Labor’s proposed rule on state-run pension plans for private sector workers as it relates to Secure Choice plans.

**AGENDA ITEM 11 – PUBLIC COMMENT**

The Committee received public comment from Chris Little regarding high-deductible plan options and regional pricing criteria.

The meeting was adjourned at 2:56 p.m.

The next meeting of the Pension & Health Benefits Committee is scheduled for December 15, 2015, in Sacramento, California.

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DOUG P. McKEEVER  
Deputy Executive Officer  
Benefit Programs Policy and Planning