

Excise Tax on High Cost Employer – Sponsored Health Coverage

Summary of Discussion

Doug McKeever, Deputy Executive Officer, of Benefit Programs Policy and Planning and Jan Falzarano, Interim Division Chief, of the Health Policy and Research Division, will lead this presentation.

At the August 2015 Pension and Health Benefit Committee meeting, CalPERS staff provided a high level impact analysis on the excise tax (also known as the Cadillac tax). The August agenda item included hypothetical scenarios to illustrate the potential dollar impact of the excise tax on CalPERS health plans for the years 2016, 2017 and 2018.

This session will expand on the hypothetical illustrations presented in August 2015, to include potential dollar impacts of the excise tax through 2023. Staff will also present hypothetical illustrations of the impact of including Flexible Spending Arrangement contributions, and the impact of including the maximum allowable Health Savings Account contributions.

Staff will address strategies to reduce premiums below the excise tax threshold including adjustments to CalPERS existing plans and the framework of Silver and Gold level plans for the CalPERS Health Program.

In addition, CalPERS federal representative, Yvette Fontenot, will lead a discussion on the climate in Washington D.C. relative to the excise tax.

The materials for this session include:

- External Presenter Biography
 - PowerPoint Presentation
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