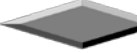



California Public Employees' Retirement System

**Board of Administration
Pension and Health Benefits Committee
Meeting Minutes**

February 17, 2016



The Pension and Health Benefits Committee met in Open Session on Wednesday, February 17, 2016, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 8:30 a.m. with the following members present:

Priya Mathur, Chair
Michael Bilbrey, Vice Chair
Grant Boyken for John Chiang
Rob Feckner
Richard Gillihan
Dana Hollinger
Henry Jones
Theresa Taylor
Betty Yee

Other Board Members Present:

JJ Jelincic
Ron Lind
Bill Slaton

Agenda Item 2 – Election of the Chair and Vice Chair of the Pension and Health Benefits Committee

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

Agenda Item 3 – Executive Report(s)

Doug McKeever, Deputy Executive Officer (DEO), Benefit Programs Policy and Planning, provided an update on Excise Tax, physician quality measures, and proposed regulations in regard to normal retirement age.

Agenda Item 4 – Consent Items

The Committee accepted the following Action Consent Item:

4a. Approval of the December 15, 2015, Pension and Health Benefits Committee Meeting Minutes.

Agenda Item 5 – Consent Items

The Committee accepted the following Information Consent Items:

- 5a. Annual Calendar Review
- 5b. Draft Agenda for the March 15, 2016, Pension and Health Benefits Committee Meeting
- 5c. Federal Health Care Policy Representatives Update
- 5d. Federal Retirement Policy Representatives Update

At this time Richard Costigan joined the meeting.

Agenda Item 6 – State Legislative Proposal: Retirement Options Simplification

Donna Lum, DEO, Customer Services and Support, Anthony Suine, Chief, Benefit Services Division and Mary Anne Ashley, Chief, Legislative Affairs Division, presented staff's recommendation on condensing the number of retirement payment options.

Grant Boyken moved staff's recommendation to sponsor legislation to condense the number of retirement payment options currently in statute and regulations from 13 to 5 for members of the California Public Employees' Retirement System (CalPERS), the Judges' Retirement System and the Judges Retirement System II, that retire for the first time on or after January 1, 2018. The motion was seconded and carried.

Richard Gillihan abstained.

The Committee received public comment from David Haxton, CalPERS member, on this item.

Agenda Item 7 – Customer Service and Support Performance Update

As an information item, Ms. Lum and Mr. Suine, presented the current state of customer service and provided information on a few of the initiatives staff are undertaking to improve the customer experience. Overall performance has been strong, and staff expects this trend to continue moving forward.

Tim Behrens, California State Retirees and George Linn, Retired Public Employees' Association, spoke on this item.

Agenda Item 8 – Public Agency Recruitment and Retention for the Health Benefits Program

As an information item, Ms. Lum provided a brief status of recruitment and retention efforts of public agencies and schools in the health program.

Agenda Item 9 – Health Open Enrollment Results

As an information item, Jan Falzarano, Interim Chief, Health Policy Research Division, provided a brief update on the movement of members into different health plans, based on the results of the 2015 open enrollment period.

Agenda Item 10 – Summary of Committee Direction

Mr. McKeever provided a summary of the Committee direction from the February 17, 2016, meeting. The Committee directed staff as follows:

- Agenda Item 9 - Research available data on public agencies eligible to participate in the Health Program and whether they cover retirees.
- Agenda Item 9 - Determine how many public agencies have left CalPERS and come back into the system.

Agenda Item 11 – Public Comment

There was no public comment.

The meeting was adjourned at 9:31 am

The next meeting of the Pension and Health Benefits Committee is scheduled for March 15, 2016, in Sacramento, California.

Doug P. McKeever
Deputy Executive Officer
Benefit Programs Policy and Planning