



Pension and Health Benefits Committee Agenda Item 8

June 14, 2016

Item Name: State Annuitant Contribution Formula

Program: Health Benefits

Item Type: Information

Executive Summary

The State Annuitant Contribution amounts, based on proposed 2017 premium rates, are provided in the attachment.

Strategic Plan

This item supports Strategic Goal Plan A "Improve long-term pension and health benefit sustainability."

Background

Government Code Section 22871 sets forth that the employer contribution for health benefits for state employees and annuitants shall be based on the principle of a weighted average of the premiums of the four largest health benefit plans.

Analysis

The contribution rates established for each premium tier (one-party, two-party, and family) were based on Kaiser Permanente, Blue Shield Access+, and UnitedHealthcare Health Maintenance Organizations, and PERS Choice Preferred Provider Organization.

Budget and Fiscal Impacts

Not applicable.

Benefits and Risks

Not applicable.

Attachments

Attachment 1 – 2017 100/90 State Annuitant Contribution

Kathy Donneson, Chief

Health Plan Administration Division

Doug P. McKeever

Deputy Executive Officer

Benefit Programs Policy and Planning