



Board of Administration Agenda Item 8k

March 15, 2017

Item Name: Proposed Decision – In the Matter of the Appeal Regarding the Denial to Change Health Plans of PATRICIA A. PRANGER, Respondent.

Program: Member Account Management Division

Item Type: Action

Parties' Positions

Staff argues that the Board of Administration should adopt the Proposed Decision.

Respondent Patricia A. Pranger (Respondent Pranger) argues that the Board of Administration should decline to adopt the Proposed Decision.

Strategic Plan

This item is not a specific product of either the Strategic or Annual Plans. The determination of administrative appeals is a power reserved to the Board of Administration.

Procedural Summary

Respondent Pranger was enrolled in a health plan offered through CalPERS. The plan would not be available after December 31, 2015. Program sent Respondent Pranger two letters (August and September 2015), providing information and options regarding changing her health plan coverage. Respondent Pranger elected a health plan change and communicated a request to change health plan coverage to CalPERS Staff (Staff). Staff acted on Respondent Pranger's request and changed the health plan coverage. Respondent Pranger then asked to "revert back" to her previous health plan coverage. Staff denied Respondent Pranger's request. Respondent appealed the matter and the matter was heard by the Office of Administrative Hearings on December 22, 2016. Due to the failure of Respondent Pranger to appear, the hearing proceeded as a default pursuant to Government Code section 11520. A Proposed Decision was issued January 18, 2017, denying the appeal.

Alternatives

A. For use if the Board decides to adopt the Proposed Decision as its own Decision:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System hereby adopts as its own Decision the Proposed Decision dated January 18, 2017, concerning the appeal of Patricia A. Pranger; RESOLVED FURTHER that this Board Decision shall be effective 30 days following mailing of the Decision.

- B. For use if the Board decides not to adopt the Proposed Decision, and to decide the case upon the record:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, after consideration of the Proposed Decision dated January 18, 2017, concerning the appeal of Patricia A. Pranger, hereby rejects the Proposed Decision and determines to decide the matter itself, based upon the record produced before the Administrative Law Judge and such additional evidence and arguments that are presented by the parties and accepted by the Board; RESOLVED FURTHER that the Board's Decision shall be made after notice is given to all parties.

- C. For use if the Board decides to remand the matter back to the Office of Administrative Hearings for the taking of further evidence:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, after consideration of the Proposed Decision dated January 18, 2017, concerning the appeal of Patricia A. Pranger, hereby rejects the Proposed Decision and refers the matter back to the Administrative Law Judge for the taking of additional evidence as specified by the Board at its meeting.

- D. Precedential Nature of Decision (two alternatives; either may be used):

1. For use if the Board wants further argument on the issue of whether to designate its Decision as precedential:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System requests the parties in the matter concerning the appeal of Patricia A. Pranger, as well as interested parties, to submit written argument regarding whether the Board's Decision in this matter should be designated as precedential, and that the Board will consider the issue whether to designate its Decision as precedential at a time to be determined.

2. For use if the Board decides to designate its Decision as precedential, without further argument from the parties.

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, hereby designates as precedential its Decision concerning the appeal of Patricia A. Pranger.

Budget and Fiscal Impacts: Not applicable

Attachments

Attachment A: Proposed Decision
Attachment B: Staff's Argument
Attachment C: Respondent(s) Argument(s)

DONNA RAMEL LUM
Deputy Executive Officer
Customer Services and Support

