

**March 15, 2017**

**Item Name:** Proposed Decision – In the Matter of the Appeal of the Allowable Amount for Reimbursement for Psychotherapy Services of BRADLEY D. HEINZ, Respondent.

**Program:**

**Item Type:** Action

**Parties' Positions**

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

Respondent Bradley D. Heinz (Respondent Heinz) 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 Heinz received medical services from Dr. Joe Walker, a Non-Preferred Provider. Respondent Heinz requested additional reimbursement on claims for nonemergency medical services provided by Dr. Walker. Anthem Blue Cross informed respondent Heinz that the request for additional reimbursement was denied because the services rendered were processed correctly in accordance with the applicable benefits rates for a Non-Preferred Provider. CalPERS staff upheld Anthem Blue Cross's denial of the request for additional reimbursement for services rendered by a Non-Preferred Provider.

Respondent Heinz appealed this determination and the matter was heard by the Office of Administrative Hearings on May 2, 2016 and November 28, 2016. A Proposed Decision was issued on February 3, 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 February 3, 2017, concerning the appeal of Bradley D. Heinz; 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 February 3, 2017, concerning the appeal of Bradley D. Heinz, 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 February 3, 2017, concerning the appeal of Bradley D. Heinz, 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 Bradley D. Heinz, 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 Bradley D. Heinz.

**Budget and Fiscal Impacts:** Not applicable

### **Attachments**

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

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