

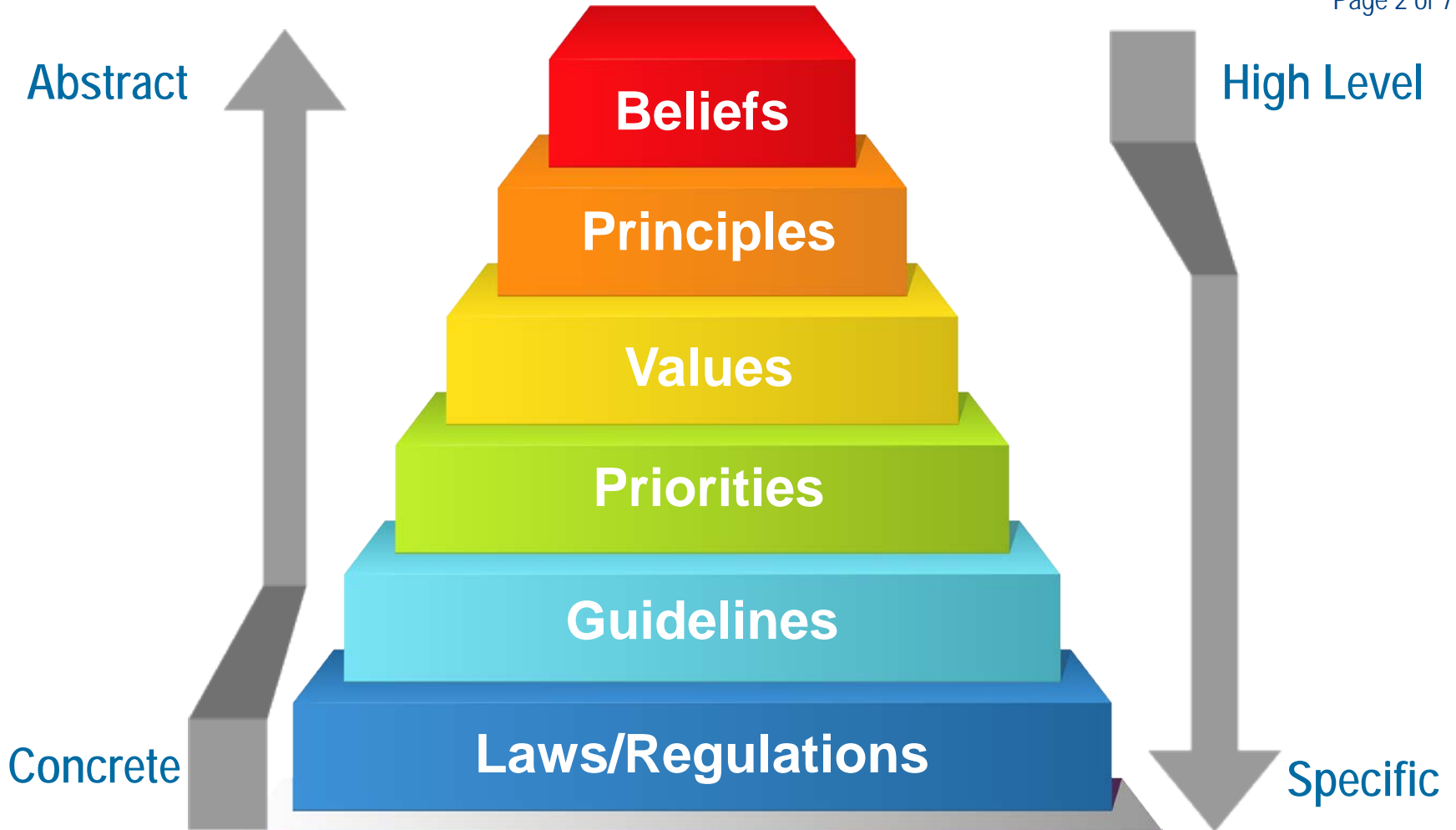
Health Beliefs-Planning

Pension & Health Benefits Committee

Liana Bailey-Crimmins

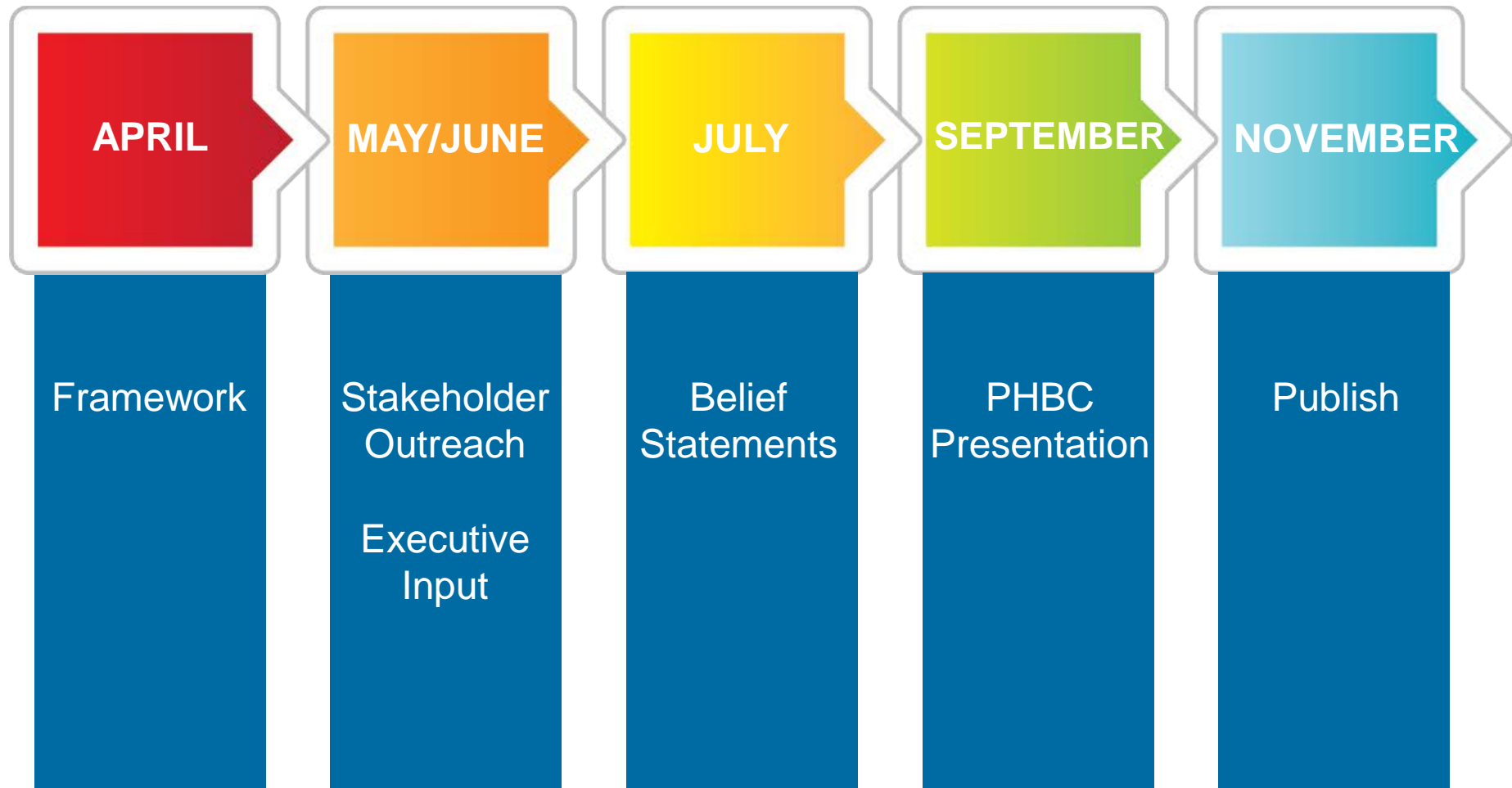
Benefit Programs Policy & Planning

April 18, 2017

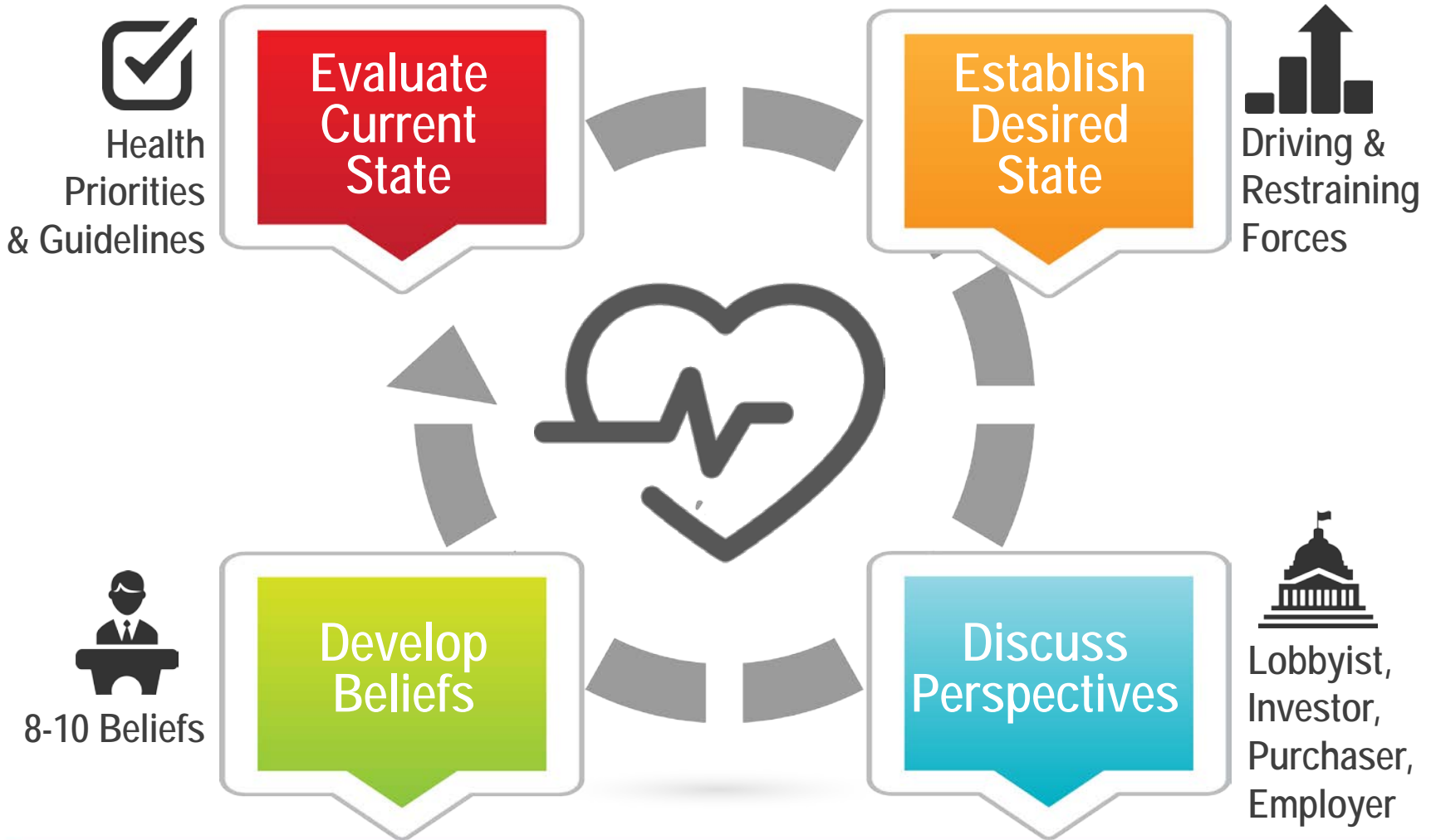


Beliefs are statements and a set of doctrine that we hold true

Timeline



Milestones



Belief Considerations

Driving Forces

Fit

CalPERS "Fit" – How health activities interact or complement one another

Serve

CalPERS serves many customers in the health Market (retirees & active)

Performance

Triple Aim

Quality, Access,
Affordability

Future State

Example

Influence:

- Prevention
- Wellness
- Quality
- Value
- Innovation
- Disease Management
- Access
- Affordability

Restraining Forces

Trade Offs

Gains in one area sometimes can only be achieved at the expense of another area

Dynamic Market

High Cost Specialty Drugs
Hospital Consolidations

Changing Technologies

Avg 18-24 month lifecycle

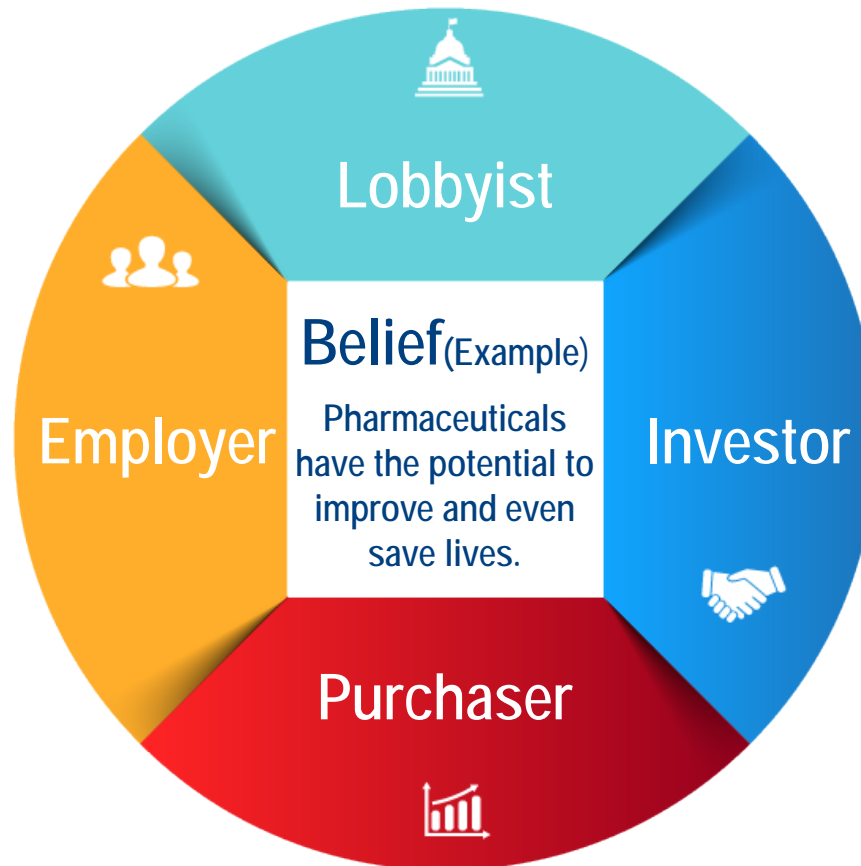
Federal/State Policy

Taxes

Perspectives | Example

Faster approval of new drugs is a regulatory priority.

We will only pay for new drugs that are more effective than their alternatives.



New drugs that save lives can be priced as high as the market will bear.

New drugs must be proven effective and priced in line with their impact on health.

Next Steps

Meet with
Stakeholders

- Active
- Retirees
- Employers

Hold
Beliefs
Workshop

Present at
August
PHBC