
May 17, 2017

This is intended as a guide for the Committee Chair. Other than the motions, this need not be read verbatim. The Chair may add context/comment as appropriate.

The Pension and Health Benefits Committee (PHBC) met on May 16, 2017.

The Committee received reports on the following topics:

- Customer Services and Support Performance Update – This information item presented the state of the customer experience and reported on our successes in several of the initiatives being undertaken to enhance customer service. The update also discussed the exceptions that fell below the strategic measure threshold (survivor benefit payments, the IRC replacement benefit plan and service credit purchasing) and the reasons why these exceptions occurred. Donna Lum, DEO, Customer Services and Support attended the CEM Annual Benchmark Conference last week. CalPERS has been selected to participate on a new steering committee and Ms Lum will be the delegate representing CalPERS. The public comment period for the draft regulations on Pensionable Compensation ends on June 5, 2017 with the final regulations package due in August.

Liana-Bailey Crimmins, Chief Health Director reported out on updates for OptumRx, ACA, and Health Care Beliefs. OptumRX continues to make progress improving the member experience. On April 17, 2017, the CalPERS team visited the Costa Mesa Center. OptumRx has expanded the number of sites members can visit and they have put a prior authorization team in place. The AHCA is now at the Senate level. Regarding the Health Care Beliefs, a visit was made to Butte County and they are providing feedback. Within the next 30 days, roundtable discussions with stakeholders will be done along with surveys. This will be presented to the Committee for voting at the July offsite.

- Preliminary 2018 Health Rates and Contracts - This information item presented information concerning the 2018 preliminary unadjusted and risk adjusted health benefit plans rates.
- Medical and Pharmacy Benefit Strategies – This information item presented information concerning potential medical benefit and pharmacy benefit strategies for the self-funded PPO including adding twelve procedures to the Value Based Purchasing Design, adding a site of care management program for medical pharmacy, adding an educational program designed to reduce the unnecessary use of emergency rooms; continuing the CastLight tool, expanding the Welvie tool and adding the SilverSneakers program. The Pharmacy Benefit Strategies for 2019-2022 were also discussed.
- The Committee received Public Comment from:
Al Darby, RPEA, Donna Snodgrass, RPEA, Neal H. Johnson, SEIU 1000, and Tim Behrens, CSR regarding the agenda items

- **The Chair directed staff :**

To provide context and assist with decision making, the committee directed staff to include the number of impacted members on future benefit design agenda items.

At this time I would like to share some highlights of what to expect at the June PHBC meeting:

- The Committee will review the following items: Approval of the 2018 Health Benefits Rates
- The Committee will review Medical and Pharmacy Benefits
- The Committee will review Medicare Coverage Areas
- The Committee will review the Long-Term Care Contract
- The Committee will hear information on the Transition Care Program Pilot, Spousal Subsidy, and the State Annuitant Contribution Formula

The next meeting of the PHBC is scheduled for June 20, 2017, in Sacramento, California.