


California Public Employees' Retirement System

**Board of Administration
Pension and Health Benefits Committee
Meeting Minutes**

November 14, 2017



The Pension and Health Benefits Committee (PHBC) met in Open Session on Tuesday, November 14, 2017, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 9:00 a.m. with the following members present:

Priya Mathur, Chair
Michael Bilbrey, Vice Chair
Matthew Saha for John Chiang
Richard Gillihan
Rob Feckner
Dana Hollinger
Henry Jones
Theresa Taylor
Alan LoFaso for Betty Yee

Other Board Members Present:

JJ Jelincic
Bill Slaton

Agenda Item 2 – Executive Report(s)

Donna Lum, Deputy Executive Officer (DEO), Customer Services and Support, announced the appointment of Don Martinez as Chief of the Member Account Services Division. Ms. Lum also updated the Committee on Open Enrollment team performance; outreach to members affected by the Sonoma County fires; and, the approval and posting of the pensionable compensation regulations.

Liana Bailey-Crimmins, Chief Health Director, Health Policy and Benefits Branch, provided information regarding the 2017 California Public Employees' Retirement System (CalPERS) Education Forum, the Affordable Care Act; and, CalPERS Away from Home Care Program.

Agenda Item 3 – Consent Items

The Committee accepted the following Action Consent Items:

3a. Approval of the September 19, 2017, Pension and Health Benefits Committee Meeting Minutes.

Agenda Item 4 – Consent Items

The Committee accepted the following Information Consent Items:

4a. Annual Calendar Review

- 4b. Draft Agenda for the December 19, 2017, Pension and Health Benefits Committee Meeting
- 4c. Federal Health Care Policy Representative Update
- 4d. Federal Retirement Policy Representative Update
- 4e. CalPERS Health Benefits Program Annual Report for Plan Year 2016
- 4f. Health Plan Trend Report

Agenda Item 5 – State Legislative Proposal: Technical Amendments to the Public Employees’ Retirement Law (PERL)

Brad Pacheco, DEO, Communications and Stakeholder Relations and Mary Anne Ashley, Chief, Legislative Affairs Division, presented proposed technical changes to the PERL. CalPERS benefit programs and administrative processes are subject to numerous statutory requirements, several of which have been identified by team members as outdated, subject to confusion among stakeholders, or which otherwise represent an opportunity to realize efficiencies through their modifications or clarifications.

Theresa Taylor moved staff’s recommendation to sponsor legislation to make technical changes to sections of the Government Code affecting the benefit programs administered by CalPERS. The motion was seconded and carried.

Agenda Item 6 – Review of Pension and Health Benefits Committee Risk Profiles

As an information item, Forrest Grimes, Chief Risk Officer, presented the Enterprise Risk Profiles related to the PHBC, as identified on the Enterprise Risk Dashboard. Mr. Grimes discussed the key changes in the risk profiles and scoring results when compared year over year for all risks overseen by the PHBC.

Agenda Item 7 – Curbing the Opioid Epidemic in California

As an information item, Dr. Richard Sun, CalPERS Team Member and Kelly Pfeifer, MD, California Health Care Foundation, presented information on the opioid epidemic in California and what Smart Care California is working on in relation. The Department of Health Care Services, Covered California and CalPERS founded Smart Care in 2015, a public-private workgroup whose goal is to promote safe, affordable care.

Agenda Item 8 – OptumRx Customer Service

As an information item, Ms. Bailey-Crimmins and John Prince, Chief Executive Officer, OptumRX, discussed activities that have taken place in response to recent inquiries from CalPERS members regarding customer service. Mr. Prince also presented strategies OptumRx is implementing to alleviate possible future issues.

The following people spoke on this item:

- Tim Behrens, California State Retirees
- Larry Woodson, California State Retirees
- Donna Snodgrass, Retired Public Employees Association
- Gary Collier, California State Retirees

Agenda Item 9 – Summary of Committee Direction

Ms. Bailey-Crimmins provided a summary of the Committee direction from the November 14, 2017, meeting. The Committee directed staff as follows:

- Explore measures and strategies to reduce opioid overuse and manage opioid addiction.
- Bring back an OptumRx medication continuation metric.

Agenda Item 10 – Public Comment

The Committee received public comment from Richard Averett, Local Government Services Authority, and Kristin Cofer-Larsen, regarding CalPERS retirement benefits.

The meeting was adjourned at 11:13 a.m.

The next meeting of the PHBC is scheduled for December 19, 2017, in Sacramento, California.

Prepared by: Jennifer Jimenez
Committee Secretary

Liana Bailey-Crimmins
Chief Health Director
Health Policy and Benefits Branch