



Pension and Health Benefits Committee Agenda Item 5

April 17, 2018

Item Name: Health Beliefs – Second Reading

Program: Health Benefits

Item Type: Action

Recommendation

Adopt the revised Health Beliefs in Attachment 1, which contain suggested Committee member changes provided at the March 2018 Pension and Health Benefits Committee (PHBC) meeting.

Executive Summary

This agenda item includes revised Health Belief statements (second reading) for review and comment by the PHBC.

Strategic Plan

This agenda item supports Goal A: “Improve long-term pension and health benefit sustainability by ensuring high quality, accessible and affordable health benefits.”

Background

The set of Health Belief statements included in this agenda item resulted from over a year’s worth of outreach and development.

At the February 2017 PHBC meeting, the Committee directed the Health Policy Research Division (HPRD) to begin developing a set of Health Belief statements to help guide the management of the California Public Employees’ Retirement System (CalPERS) health benefits program. The HPRD team spent the rest of 2017 conducting stakeholder outreach, seeking executive input, and presenting draft belief statements to the Board of Administration (Board) for reaction and feedback.

At the January 2018 Board Offsite, health team members from HPRD hosted a workshop seeking additional input on the refined Health Belief statements. This workshop continued the collaborative discussion and development process the HPRD team has been having with stakeholders, the Board, and our Executive Team. At last month’s March 2018 PHBC meeting, the Committee members suggested numerous improvements and revisions to the draft set of beliefs that culminated from this process.

Analysis

The basic framework for the CalPERS’ Health Belief statements remain unchanged from the first reading. The Health Belief statements should:

- Provide a basis for strategic management of the health benefits program to achieve long-term objectives;

- Serve as a tool for benefit design decision-making;
- Provide a framework to assess new health benefits strategies and to help avoid making changes on an ad-hoc basis; and,
- Provide guidance for engaging on legislative, regulatory, and policy issues.

The seven basic principles, or themes, from the first reading are still included for the second reading. Although there were suggestions made to revisit the Policy Leadership and Advocacy belief, and that perhaps this belief statement didn't fit easily into the overall belief structure, there were no specific suggestions to guide a potential revision.

Therefore, the belief statements in Attachments 1 and 2 reflect two options based on discussions at the March 2018 PHBC meeting. Attachment 1 shows how the Policy Leadership and Advocacy belief statement could be moved into the introductory statement in order to provide a foundational principle for the beliefs that follow. Alternatively, Attachment 2 shows the Policy Leadership and Advocacy belief statement remaining in the set of seven beliefs.

Budget and Fiscal Impacts

Not Applicable.

Benefits and Risks

Not Applicable.

Attachments

Attachment 1 – Option1: Health Belief Statements

Attachment 2 – Option 2: Health Belief Statements

Attachment 3 – Health Beliefs Presentation

Karen Páleš

Assistant Division Chief

Health Policy Research Division

Liana Bailey-Crimmins

Chief Health Director

Health Policy and Benefits Branch