

PPO Benefit Design Updates

Pension and Health Benefits Committee

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Agenda

- Castlight Evaluation & Recommendation
- PPO Copay Updates
- PPO Copay Benefit Design Savings
- Decisions
- Next Steps



Castlight Evaluation and Recommendation



Evaluation

Pilot started in 2014

Low participation and no significant difference in overall rate



Recommendation & Savings

Discontinue program in 2019

Savings to be \$0.62 per member per month, or approximately \$1.8 million per year.

PPO Copay Changes



Specialist Care



PPO Copay Updates

**PERS Choice
and PERSCare**

**Specialist and
Urgent Care
Copay**

From \$20 to \$35



**Estimated
Premium
Savings
(per month)**



**Estimated
Savings
Annually
(Employee/
Employer)**

2018 Unadjusted Rates Reflecting Copays

		2018 Single-Party Premium (Unadjusted)		
	State/Public Agency Region	2018 Current	2018 with Changes (est.)	Estimated Premium Saving (Per Month)
PERS Choice				
	State	\$721.64	\$715.87	(\$5.77)
	Bay Area	\$797.48	\$791.10	(\$6.38)
	Sacramento	\$732.82	\$726.96	(\$5.86)
	Los Angeles Area	\$618.23	\$613.28	(\$4.95)
	Other S. California	\$696.52	\$690.95	(\$5.57)
	Other N. California	\$811.12	\$804.63	(\$6.49)
PERSCare				
	State	\$1,035.21	\$1,027.24	(\$7.97)
	Bay Area	\$1,176.93	\$1,167.87	(\$9.06)
	Sacramento	\$1,063.78	\$1,055.59	(\$8.19)
	Los Angeles Area	\$898.56	\$891.64	(\$6.92)
	Other S. California	\$978.27	\$970.74	(\$7.53)
	Other N. California	\$1,156.22	\$1,147.32	(\$8.90)

PPO Copay Benefit Design Savings



Employee Savings

State: ~\$4.7M annually

Public Agencies: ~\$3.6M annually



Employer Savings

State: ~\$1M annually

Public Agencies: ~\$1.6M annually

Decisions



Recommendation to
Discontinue Castlight



PPO Copay Updates
(Specialist & Urgent Care)

Next Steps

Decommission Castlight

**Incorporate Board Decision into 2019
Rate Development Process**

Finalize Premiums and Benefits

Board Approval in June

