



## Pension and Health Benefits Committee

# Agenda Item 5b

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**November 14, 2018**

**Item Name:** CalPERS Health Benefits Program Annual Report for Plan Year 2017

**Program:** Health Benefits

**Item Type:** Information Consent

### **Executive Summary**

This agenda item presents the California Public Employees' Retirement System (CalPERS) Health Benefits Program Annual Report for health plan year 2017. The report fulfills an annual requirement to provide information about the CalPERS Health Benefits Program to the California Legislature and Director of Finance.

### **Strategic Plan**

This item is not a specific part of the Strategic Plan but is part of the regular and ongoing workload of the Health Policy and Benefits Branch.

### **Background**

In 2015, the state budget act approved by the Governor included enhanced reporting by CalPERS Health Benefits Program under California Government Code Section 22866, effective November 1, 2016 and annually thereafter. This report, the third CalPERS Health Benefits Program Annual Report, reflects ongoing improvements and changes to meet the needs and requests of our stakeholders.

### **Analysis**

CalPERS Health Benefits Program Annual Report is a comprehensive review of the CalPERS Health Benefits Program for plan year 2017. The health team met the statutory transmittal deadline of November 1, 2018, and additionally made the report available on the CalPERS website. The report aligns with CalPERS Health Belief of Quality Program Administration by meeting the needs of its many stakeholders with responsiveness, accuracy, and respectful service.

To present a comprehensive view of the value provided to our members and employers by the CalPERS Health Benefits Program, various mandatory and non-mandatory information is included in the report. The health team collaborates with various program areas across the

organization to gather relevant data and information for inclusion in the report on state and federal benefit requirements, health benefit designs offered to enrollees, medical trends by aggregate service category, member health characteristics, federal Medicare subsidies information, and member health plan survey data relative to satisfaction and quality.

Other information captured in the report includes geographic coverage areas, historic enrollment and expenditure data, year over year premium changes and quality measures. Additionally, the report provides financial information including actuarial reserve levels, historic investment performance of the Public Employees' Contingency Reserve Fund and the Public Employees' Health Care Fund, and administrative expenditures.

Based on feedback from health program leadership and our desire to continuously improve the report, the 2017 Health Benefits Program Annual Report includes key information about the program beyond the 2017 plan year. This report looks ahead to innovations such as the Value-Based Insurance Design that will be offered beginning in 2019 through the PERS Select Preferred Provider Organization health plan and strategic policy actions including the adoption of CalPERS Health Beliefs in 2018.

### **Budget and Fiscal Impacts**

Not Applicable.

### **Benefits and Risks**

Not Applicable.

### **Attachments**

Attachment 1 – CalPERS Health Benefits Program Annual Report

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