



Pension and Health Benefits Committee

Agenda Item 6b

March 19, 2019

Item Name: Health Open Enrollment Results

Program: Health Benefits

Item Type: Information Consent

Executive Summary

This agenda item reports the migration of members between health plans, based on the results of the 2018 Open Enrollment period. In total, 94,153 (6.41 percent) of the California Public Employees' Retirement System (CalPERS) Total Covered Lives (TCLs) changed health plans. The number of members enrolled in a Health Maintenance Organization (HMO) health plan decreased by 0.34 percent, members enrolled in a Preferred Provider Organization (PPO) plan increased by 1.39 percent, and members enrolled in Association health plans decreased by 1.88 percent.

Background

Yearly, CalPERS reports the results of Open Enrollment. This year's results showed a trend of increased transfer rates compared to 2017. In 2017, the transfer rate was 4.93 percent. That rate increased to 6.41 percent in 2018.

Analysis

CalPERS measured the impact of the 2018 Open Enrollment period by comparing the number of members changing plans effective January 1, 2019, to the December 1, 2018, enrollment counts. This comparison highlights changes due to Open Enrollment.

The following charts display the top three plans that experienced the highest net gain in enrollment and the top three plans that experienced the biggest net loss. Please note that not all transfers are shown and only the top three movements are displayed.

Plans that experienced the largest net gain:

Plan Name and Net Gain	Largest Gain Source	Second Largest Gain Source	Third Largest Gain Source	All Other Sources
Anthem HMO Select 8,710 TCLs	BSC Access+ (53%)	HealthNet SmartCare (10%)	PERS Choice (9%)	All Other Plans (28%)
Kaiser 6,117 TCLs	BSC Access+ (31%)	UnitedHealthCare (17%)	PERS Choice (12%)	All Other Plans (40%)
PERS Select 13,023 TCLs	PERS Choice (44%)	BSC Access+ (10%)	PERSCare (10%)	All Other Plans (36%)

Plans that experienced the largest net loss:

Plan Name and Net Loss	Largest Recipient	Second Largest Recipient	Third Largest Recipient	All Other Recipients
BSC Access+ -28,033 TCLs	Health Net SmartCare (22%)	Anthem HMO Select (19%)	Anthem HMO Traditional (16%)	All Other Plans (43%)
PERSCare -8,142 TCLs	PERS Choice (65%)	PERS Select (17%)	Kaiser (5%)	All Other Plans (13%)
PORAC -1,489 TCLs	PERS Select (72%)	Kaiser (9%)	PERS Choice (9%)	All Other Plans (10.%)

Budget and Fiscal Impact

There is no budget or fiscal impact to the State of California as a result of the 2018 Open Enrollment.

Benefits and Risks

There are no risks to CalPERS as a result of the changes members made.

Attachments

Attachment 1 – 2018 *Open Enrollment All Total Covered Lives Transfers*, provides the count of member transfers in and out of health plans during the 2018 Open Enrollment.

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