

# California Public Employees' Retirement System

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

May 14, 2019

The Pension and Health Benefits Committee (PHBC) met in Open Session on Tuesday, May 14, 2019, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 11:15 a.m. with the following members present:

Rob Feckner, Chair  
Ramon Rubalcava, Vice Chair  
Margaret Brown  
Henry Jones  
David Miller  
Ralph Cobb for Eraina Ortega  
Mona Pasquil Rogers  
Theresa Taylor  
Karen Greene-Ross for Betty Yee

Other Board Members Present:

Jason Perez  
Lisa Middleton

### **Agenda Item 2 – Approval of the May 14, 2019, Pension and Health Benefits Committee Timed Agenda**

On **MOTION** by Theresa Taylor, **SECONDED** and **CARRIED**, the Committee recommended to approve the May 14, 2019, PHBC Timed Agenda.

A moment of personal privilege was noted by Jason Perez for National Peace Officer Memorial Day on May 15, 2019, and National Peace Officer Memorial Week.

### **Agenda Item 3 – Executive Report(s)**

Donna Lum, Deputy Executive Officer, Customer Service and Support, provided an update on moving the Customer Services and Outreach Division back to the CalPERS Headquarters campus and the upcoming CalPERS Benefit Education Events.

Liana Bailey-Crimmins, Chief Health Director, Health Policy and Benefits Branch, provided information on the launch of the new CalPERS Health Plan Events and Resources Webpage and highlights of the PHBC agenda.

### **Agenda Item 4 – Consent Items**

The Committee accepted the following Action Consent Items:

4a. Approval of the April 16, 2019, PHBC Meeting Minutes

## **Agenda Item 5 – Consent Items**

The Committee accepted the following Information Consent Items:

- 5a. Annual Calendar Review
- 5b. Draft Agenda for the June 18, 2019, PHBC Meeting

## **Agenda Item 6a – Use of Preferred Provider Organization (PPO) Plan Reserves to Reduce PERSCare Premiums**

Kathy Donneson, Chief, Health Plan Administration Division, presented information on potential uses of CalPERS' PPO plan reserves totaling \$84 million.

On **MOTION** by Margaret Brown, **SECONDED** and **CARRIED**, the Committee recommended to approve using \$44M of the available monies above what is required for an actuarial reserve, to mitigate the 2020 PERSCare Preferred Provider Organization Basic plan premium rate increase.

The following people spoke on this item:

- Tim Behrens, California State Retirees
- Larry Woodson, California State Retirees
- Harvey Robinson, Retired Public Employees Association

## **Agenda Item 7a – Preliminary 2020 Health Rates**

As an information item, Kim Malm, Interim Chief, Health Policy Research Division, presented information on the preliminary health premiums for 2020 which will continue to be analyzed for accuracy and affordability to prepare for the final rate approval in June.

The following people spoke on this item:

- Larry Woodson, California State Retirees
- Crystal McCray, Service Employees International Union, Local 1000

## **Agenda Item 7b – Summary of Committee Direction**

There was no Committee direction.

## **Agenda Item 7c – Public Comment**

There was no public comment.

The meeting was adjourned at 12:06 p.m.

The next meeting of the PHBC is scheduled for June 18, 2019, in Sacramento, California.

Prepared by: Susanna Bishop  
Committee Secretary

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