

# **California Public Employees' Retirement System**

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

**June 18, 2019**

The Pension and Health Benefits Committee (PHBC) met in Open Session on Tuesday, June 18, 2019, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 1:35 p.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:

Frank Ruffino for Fiona Ma  
Jason Perez  
Lisa Middleton

### **Agenda Item 2 – Approval of the June 18, 2019, Pension and Health Benefits Committee Timed Agenda**

On **MOTION** by Theresa Taylor, **SECONDED** and **CARRIED**, the Committee recommended to approve the June 18, 2019, PHBC Timed Agenda.

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

Donna Lum, Deputy Executive Officer, Customer Service and Support, provided an update on the CalPERS Benefit Education Events that recently took place in San Ramon and Pasadena, and introduced two new Division Chiefs in the Customer Services and Support Branch.

Liana Bailey-Crimmins, Chief Health Director, Health Policy and Benefits Branch, provided information on open enrollment, improvements made to myCalPERS and highlights of the PHBC agenda.

### **Agenda Item 4 – Consent Items**

The Committee accepted the following Action Consent Items:

4a. Approval of the May 14, 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 November 19, 2019, PHBC Meeting
- 5c. 2020 Association Plan Rates (Attachment 1)
- 5d. PERS Select Value Based Insurance Design Update

## **Agenda Item 6a – Approval of the 2020 Health Maintenance Organization Rates**

Kim Malm, Interim Chief, Health Policy Research Division, presented the proposed 2020 Health Maintenance Organization (HMO) premium rates.

On **MOTION** by Margaret Brown, the Committee recommended to approve the proposed 2020 HMO premium rates for Anthem Blue Cross, Blue Shield of California, Health Net of California, Kaiser Permanente, Sharp Health Plan, UnitedHealthcare and Western Health Advantage; and the Medicare Advantage rates for Anthem Blue Cross, Kaiser Permanente and UnitedHealthcare as shown in Attachment 2. The **MOTION** was **SECONDED** and **CARRIED**.

The following people spoke on this item:

Sheila McShane, City of Woodland  
Stacey Peterson, City of Roseville

## **Agenda Item 6b – Approval of the 2020 Preferred Provider Organization Rates**

Ms. Malm presented the proposed 2020 Preferred Provider Organization (PPO) premium rates.

On **MOTION** by Margaret Brown, the Committee recommended to approve the proposed 2020 PPO premium rates for Anthem Exclusive Provider Organization, PERS Choice, PERS Select and PERSCare, as shown in Attachment 3. The **MOTION** was **SECONDED** and **CARRIED**.

The following people spoke on this item:

Sheila McShane, City of Woodland  
Stacey Peterson, City of Roseville

## **Agenda Item 7a – State Annuitant Contribution Formulas**

Ms. Malm provided the State Annuitant Contribution amounts, based on the proposed 2020 premium rates as shown in Attachment 4.

## **Agenda Item 7b – Outpatient Prescription Drug Reference Pricing Solicitation Update**

Kathy Donneson, Chief, Health Plan Administration Division, presented information regarding the Outpatient Prescription Drug Reference Pricing Program Solicitation. All interested parties made it through Phase I which outlines the minimum qualifications. Phases II through IV include evaluating proposals, disseminating the contract, accepting the contract and contract award.

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

Ms. Bailey-Crimmins provided a summary of the Committee direction from the June 18, 2019 meeting. The Committee directed staff as follows:

- Provide membership numbers on each of its health plans.
- Publicly share the progress CalPERS made between the May and June PHBC meetings.
- Ensure our plans have provided assurance to CalPERS and its members of continued access and competency of care for all reproductive services and gender-affirming care.

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

The Committee received public comment from Tim Behrens, California State Retirees, regarding the 2020 health plan premium rates, and from Larry Woodson, also from California State Retirees, regarding health care legislation Assembly Bill 1611.

The meeting was adjourned at 2:37 p.m.

The next meeting of the PHBC is scheduled for August 20, 2019, in Sacramento, California.

Prepared by: Susanna Bishop  
Committee Secretary

Attachments

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