



Pension and Health Benefits Committee

Agenda Item 6c

March 17, 2020

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 2019 Open Enrollment period. In total, 74,420 (4.98 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 0.72 percent, members enrolled in a Preferred Provider Organization (PPO) plan increased by 1.88 percent, and members enrolled in Association health plans decreased by 0.21 percent.

Strategic Plan

This item supports the California Public Employees' Retirement System (CalPERS) 2017-2022 Strategic Goal: "Transform health care purchasing and delivery to achieve affordability." This information item summarizes the impact of member plan choices during the 2019 Open Enrollment period.

Background

Yearly, CalPERS reports the results of Open Enrollment. This year's results showed decreased transfer rates compared to 2018. In 2018, the transfer rate was 6.41 percent. That rate decreased to 4.98 percent in 2019.

Analysis

CalPERS measured the impact of the 2019 Open Enrollment period by comparing the number of members changing plans effective January 1, 2020, to the December 1, 2019, 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
Pers Select 10,079 TCLs	PERS Choice (32%)	BSC Access+ (20%)	Anthem HMO Select (11%)	All Other Plans (37%)
Anthem HMO Select 7,829 TCLs	BSC Access+ (54%)	Health Net SmartCare (25%)	Kaiser (5%)	All Other Plans (16%)
United Healthcare 5,254 TCLs	BSC Access+ (49%)	Health Net SmartCare (16%)	Kaiser (12%)	All Other Plans (23%)

* BSC Trio was omitted from the net gain chart due to it being a new plan in 2020

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+ -26,170 TCLs	Anthem HMO Select (25%)	BSC Trio (19%)	United Healthcare (17%)	All Other Plans (39%)
Health Net SmartCare -6,963 TCLs	Anthem HMO Select (38%)	United Healthcare (19%)	Kaiser (16%)	All Other Plans (27%)
PERSCare -1,416 TCLs	PERS Choice (62%)	PERS Select (15%)	Kaiser (9%)	All Other Plans (14%)

Budget and Fiscal Impacts

There is no budget or fiscal impact to the State of California as a result of the 2019 Open Enrollment.

Benefits and Risks

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

Attachments

Attachment 1 – 2019 *Open Enrollment All Total Covered Lives Transfers*, provides the count of member transfers in and out of health plans during the 2019 Open Enrollment.

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