

California Public Employees' Retirement System

Board of Administration Pension and Health Benefits Committee Meeting Minutes

April 21, 2020

The Pension and Health Benefits Committee (PHBC) met in Open Session via teleconference on April 21, 2020.

The meeting was called to order at 8:00 a.m. with the following members present:

Rob Feckner, Chair
Ramon Rubalcava, Vice Chair
Margaret Brown
Henry Jones
David Miller
Eraina Ortega
Theresa Taylor
Shawnda Westly
Karen Greene-Ross for Betty Yee

Other Board Members Present:

Frank Ruffino for Fiona Ma
Lisa Middleton
Stacie Olivares
Jason Perez

Agenda Item 2 – Election of the Pension and Health Benefits Committee Chair and Vice Chair

On **MOTION** by Theresa Taylor and **SECONDED**, the Committee nominated Rob Feckner as Chair of the PHBC. A roll call vote was taken.

Name	Yes	No	Abstain
Rob Feckner, Chair			
Ramon Rubalcava, Vice Chair	X		
Margaret Brown	X		
Henry Jones	X		
David Miller	X		
Eraina Ortega	X		
Theresa Taylor	X		
Shawnda Westly	X		
Karen Greene-Ross for Betty Yee	X		

The final vote was 8 yes, 0 no. The motion **CARRIED**.

On **MOTION** by David Miller and **SECONDED**, the Committee nominated Ramon Rubalcava as the Vice Chair of the PHBC. A roll call vote was taken.

Name	Yes	No	Abstain
Rob Feckner, Chair			
Ramon Rubalcava, Vice Chair	X		
Margaret Brown	X		
Henry Jones	X		
David Miller	X		
Eraina Ortega	X		
Theresa Taylor	X		
Shawnda Westly	X		
Karen Greene-Ross for Betty Yee	X		

The final vote was 8 yes, 0 no. The motion **CARRIED**.

At this time, the Open Session recessed and convened Closed Session. Open Session reconvened at 1:00 p.m.

Agenda Item 3 – Approval of the April 21, 2020, Pension and Health Benefits Committee Timed Agenda

On **MOTION** by Margaret Brown and **SECONDED**, the Committee recommended to approve the April 21, 2020, PHBC Timed Agenda. A roll call vote was taken.

Name	Yes	No	Abstain
Rob Feckner, Chair			
Ramon Rubalcava, Vice Chair	X		
Margaret Brown	X		
Henry Jones	X		
David Miller	X		
Eraina Ortega	X		
Theresa Taylor	X		
Shawnda Westly	X		
Karen Greene-Ross for Betty Yee	X		

The final vote was 8 yes, 0 no. The motion **CARRIED**.

Agenda Item 4 – Executive Report(s)

Don Moulds, Chief Health Director, Health Policy and Benefits Branch, provided an overview of the current environment in relation to COVID-19 and the potential impact on our health plan rate setting process; the scheduled open enrollment period for 2020; updates to CalPERS two pharmaceutical initiatives; and, discussions related to the Long-Term Care Program.

Ramon Rubalcava took a point of personal privilege to recognize staff for their work in ensuring a smooth transition for the City of Riverside to join the CalPERS Health Program.

Anthony Suine, Deputy Executive Officer, Customer Services and Support, presented information regarding the schedule of the CalPERS Benefit Education Events and CalPERS customer service efforts in response to COVID-19.

Agenda Item 5 – Action Consent Items

On **MOTION** by Teresa Taylor and **SECONDED**, the Committee voted to accept the following Action Consent Items:

- 5a. Approval of the December 17, 2019, PHBC Meeting Minutes

A roll call vote was taken.

Name	Yes	No	Abstain
Rob Feckner, Chair			
Ramon Rubalcava, Vice Chair	X		
Margaret Brown	X		
Henry Jones	X		
David Miller	X		
Eraina Ortega	X		
Theresa Taylor	X		
Shawnda Westly	X		
Karen Greene-Ross for Betty Yee	X		

The final vote was 8 yes, 0 no. The motion **CARRIED**.

The Committee deferred Agenda Item 5b, Review of the Pension and Health Benefits Committee Delegation, to a future PHBC meeting.

Agenda Item 6 – Information Consent Items

The Committee accepted the following Information Consent Items:

- 6a. Annual Calendar Review
- 6b. Draft Agenda for the June 16, 2020, PHBC Meeting
- 6c. Health Open Enrollment Results
- 6d. PERS Select Value Based Insurance Design Update

Agenda Item 7a – Preferred Provider Organization Health Plan Assessment

As an information item, Marta Green, Chief, Health Plan Research & Administration Division, provided an update on the Preferred Provider Organization (PPO) Health Plan Assessment Project. The purpose of this project is to understand the cause of the current premium disparities between the PPO Basic Plans and help inform proposed changes to achieve the long-term sustainability and stability of the PPO Program.

Agenda Item 7b – Retired Members Cost of Living Report

Mr. Suine provided an overview of the retiree Cost-of-Living Adjustment (COLA) effective May 2020. The United States (US) inflation rate as measured by the percentage change in the CPI-U for the 12 months ending in December 2019 was 1.81 percent. This measure will be used in calculating the 2020 COLAs for CalPERS retirees. The COLA amounts are provided in the April agenda item.

Agenda Item 7c – Summary of Committee Direction

Mr. Moulds provided a summary of the Committee direction from the April 21, 2020, meeting. The Committee directed staff as follows:

- Continue to have CalPERS Health Plans waive copays and member cost sharing in regard to COVID-19.

Agenda Item 7d – Public Comment

The Committee received Public Comment from Tim Behrens, California State Retirees (CSR) and Larry Woodson, CSR, regarding agenda item 5b. In addition, the Committee received comment from Paul Cseh regarding OptumRx and Delta Dental's out-of-network charges.

The meeting was adjourned at 1:41 p.m.

The next meeting of the PHBC is scheduled for June 16, 2020, in Sacramento, California.

Prepared by: Jennifer Jimenez
Committee Secretary

Don Moulds
Chief Health Director
Health Policy and Benefits Branch