



Pension & Health Benefits Committee

Meeting Summary

September 16, 2020

This is intended as a guide for the Committee Chair. Other than the motions, this need not be read verbatim. The Chair may add context/comment as appropriate.

The Pension & Health Benefits Committee (PHBC) met on September 15, 2020.

THE COMMITTEE RECOMMENDS AND I MOVE, the Board approve the following:

- AGENDA ITEM 6a
The transition of California Public Employees' Retirement System (CalPERS) existing traditional spread and rebate-driven pharmacy benefit manager contract with OptumRx to a market-leading acquisition-based contract with a one-year contract extension, and an option for a second-year extension at CalPERS' discretion.

The Committee received reports on the following topics:

- The Committee approved proposed changes to the PHBC delegation.
- The Committee received information regarding Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) risk mitigation strategies, and the Long-Term Care program's competitive strategy.
- The Committee received public comment regarding the conversion of the PBM contract with OptumRx to an acquisition-based contract, Long-Term Care competitive strategy, risk mitigation strategies, and looking beyond the US for leverage on drug pricing.

The Chair directed staff to:

- Share a list of chronic conditions used in performance measures with the board.
- Discuss chronic conditions among CalPERS members by type at a future PHBC meeting.
- Share plan enrollment figures and trends with stakeholders when explaining the new rating mythology.
- Provide pharmacy information targeted at fire victims on the CalPERS website.

At this time, I would like to share some highlights of what to expect at the November PHBC meeting:

- The Committee will receive a behavioral health update, and approve benefit design and service are changes, Long-Term Care benefit design changes, and HMO & PPO risk mitigation strategies.

The next meeting of the PHBC is scheduled for November 17, 2020, in Sacramento, California.