



Pension & Health Benefits Committee

Meeting Summary

November 18, 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 November 17, 2020.

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

- AGENDA ITEM 6a
Approve health plan changes for the 2022 plan year including new Medicare Advantage and Basic plans, service area expansions of existing plans, and new benefits for an existing Medicare Advantage plan.
- AGENDA ITEM 6b
Approve adoption of the portfolio rating approach for the Basic health plan portfolio using the Milliman Advanced Risk Adjusters (MARA) prospective risk scoring tool with a two-year phase in. This rating approach includes replacing the current PERS Basic Preferred Provider Organization (PPO) Plans with the proposed PERS Platinum and PERS Gold plans; benefit design changes will be considered next November as part of year two of a two-year phase in.
- AGENDA ITEM 6c
Approve recommendation to pursue proposed amendments to existing regulations regarding the minimum standards for CalPERS health benefit plans.
- AGENDA ITEM 6d
 - Approve adoption of a rate increase of 52% in Year 1 and 25% in Year 2 for all CalPERS Long-Term Care Program policy holders effective July 2021.
 - Authorize recommended benefit design modifications that could be made available to Long-Term Care Program policyholders in lieu of a rate increase. If offered, choosing one or more of those benefit design changes would be optional for policyholders.

The Chair directed staff to:

- Provide the Board with specific numbers and locations of members in the PPO plan.
- Provide the Board with an exact timeline for rate increase benefit mitigation options – was it in advance of the rate increase or at the same time.

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

- The Committee will approve the PHBC delegation, review Health Open Enrollment Results, and receive reports on the Long-Term Care Program, and Retired Members Cost of Living.

The next meeting of the PHBC is scheduled for March 17, 2021, in Sacramento, California.