

California Public Employees' Retirement System

Board of Administration Pension and Health Benefits Committee Draft Meeting Minutes

September 21, 2022

The Pension & Health Benefits Committee (PHBC) met in Open Session on Wednesday, September 21, 2022, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 9:45 a.m. with the following members present:

Rob Feckner, Chair
Ramon Rubalcava, Vice Chair
Lisa Middleton
David Miller
Eraina Ortega
Jose Luis Pacheco
Theresa Taylor
Mullissa Willette
Lynn Paquin for Betty Yee

Other Board Members Present:
Gail Willis, PhD

Agenda Item 2 – Executive Report(s)

Anthony Suine, Deputy Executive Officer, Customer Services and Support (CSS) provided an update on a successful first in-person CBEE since February 2020 with the highest satisfaction rating ever, a story about helping an inactive member decide when the best time would be to retire, the decrease in retirements from the prior year, the effect of open enrollment on the Call Center, and helping members affected by natural disasters.

Don Moulds, Chief Health Director, Health Policy & Benefits Branch (HPBB), gave an update on current open enrollment, preparation for an education session on ACO REACH in January, an intent to award a bidding vendor for long-term care, managed care solicitation, a telehealth study from the team that will be published in Health Affairs in December, and a new health demographic profile incentive for health equity.

Agenda Item 3 – Action Consent Items

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

- 3a. Approval of the June 14, 2022, PHBC Meeting Minutes
- 3b. Approval of the September 21, 2022, PHBC Meeting Timed Agenda

Agenda Item 4 – Information Consent Items

The Committee accepted the following Information Consent Items:

- 4a. Annual Calendar Review

4b. Draft Agenda for the November 15, 2022, PHBC Meeting

Agenda Item 5a – Proposed Revisions to the Public Employees’ Medical and Hospital Care Act (PEMHCA) Regulations: Definition of Parent-Child Relationships

Ms. Yesenia Croft, Assistant Division Chief, Health Account Management Division (HAMD), presented the proposed changes to California Code of Regulations (CCR) Section 599.500, subdivision (o) initially published for public review on June 3, 2022. CalPERS amended the proposed regulation text in response to the public comments received, providing further clarity to the proposed regulations.

On **MOTION** by Jose Luis Pacheco and **SECONDED** and **CARRIED**, the Committee voted to approve the revised proposed amendments to Section 599.500, subdivision (o) of the PEMHCA Regulations to clarify a dependent’s eligibility in a Parent-Child Relationships (PCR), with an additional 15-day public comment period, followed by submission of the final rulemaking package to the Office of Administrative Law (OAL) upon conclusion of the comment period if no public comments are received.

Agenda Item 6a – Preferred Provider Organization Strategic Alignment

Mr. Moulds, Chief Health Director, HPBB, Rob Jarzombek, Division Chief, Health Plan Research & Administration Division (HPRA), and Julia Logan, Chief Clinical Director, Clinical Policy and Programs Division (CPPD), presented an update on the Preferred Provider Organization (PPO) Strategic Alignment Project ensuring the PPO program is aligned with CalPERS FY 2022-27 Strategic Plan goal of exceptional healthcare. This agenda item provided the project overview, initial data analysis, and potential interventions for consideration, as well as market research and structural aspects of the PPOs.

The following person spoke on this item:

Larry Woodson, California State Retirees

Agenda Item 6b – Summary of Committee Direction

Mr. Suine provided a summary of the Committee direction from the September 21, 2022, meeting. The Committee directed staff as follows:

- Review foreign country direct deposit for retirees and what options and communications are available.

Agenda Item 6c – Public Comment

The Committee received Public Comment from Larry Woodson, California State Retirees, regarding the ACO Reach report; Tim Behrens, California State Retirees, on an appreciation for help with Long-Term Care, and out of state healthcare options for retirees; William Stewart, also on out of state healthcare options for retirees ineligible for Medicare; Paia Levine, regarding mid-year changes to preferred provider medical groups and what it's like from the member's perspective; and Neal Johnson about a follow-up to Medicare price discussion from last fall, and an incident with the CalPERS Call Center.

The meeting was adjourned at 11:14 a.m.

The next meeting of the PHBC is scheduled for November 15, 2022, in Sacramento, California.

Prepared by: Jenna Hayes
Committee Secretary

Don Moulds
Chief Health Director
Health Policy & Benefits Branch