



CalPERS EMPLOYER NEWS

Summer 2019

Palm Springs, California

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20th Annual Educational Forum in October

Learn. Connect. Grow.

The 20th Annual Educational Forum takes place October 28-30 at the Oakland Marriott City Center in the San Francisco Bay Area. One of the top takeaways employers say they value is the chance to make lasting connections—whether that applies to the CalPERS team you work with day after day, colleagues who share your concerns, or CalPERS leaders who'll be on hand to answer your questions.

The forum is a unique opportunity for public agencies, school districts, and state departments to work together toward long-term retirement and health security for the members we serve.

Participants will learn about and discuss operational efficiencies and legislative and regulatory policies,

as well as hear about long-term strategies that protect CalPERS investments. You'll be able to:

- Attend customized educational sessions and exhibits
- Earn Continuing Education Credit
- Engage with CalPERS leaders
- Participate in interactive discussions affecting policy
- Meet with CalPERS specialists for one-on-one consultations
- Share best practices with other agencies and schools

Many attendees keep coming back because laws and regulations are constantly changing. The forum is the best place to get in-person updates and to hear what fellow agencies, schools, and programs are doing to best manage CalPERS benefit programs for their employees. There's always something new to learn.

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Connect With Us

CalPERS offers many ways to stay informed and engaged with us.

facebook.com/mycalpers
twitter.com/calpers
youtube.com/calpers
linkedin.com/company/calpers
instagram.com/calpers



Going Green

CalPERS promotes environmental responsibility by providing digital publications, thus reducing the environmental impacts of printing, processing, and delivery.

We encourage you to “Go Green” by accessing employer forms and publications at www.calpers.ca.gov.

You can also find CalPERS Circular Letters, actuarial reports, and legislation information in the same section.

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CalPERS Health Open Enrollment 2019

How to prepare yourself and your employees for Open Enrollment.

Open Enrollment begins Monday, September 9, and ends Friday, October 4.

During this time your employees can enroll, change health plans, add eligible dependents, or delete dependents for the plan year 2020. Please remind them about this important opportunity to review their options before choosing the health plan that’s right for them and their families.

Helpful Resources for Employers

By August 12, employers can access online Open Enrollment resources.

Employer information includes:

- Guidance on scheduling onsite Open Enrollment health fairs
- A chart summarizing 2020 health plan changes
- 2020 health benefit highlights
- Employer roles and responsibilities for the Open Enrollment process

Information for Your Employees

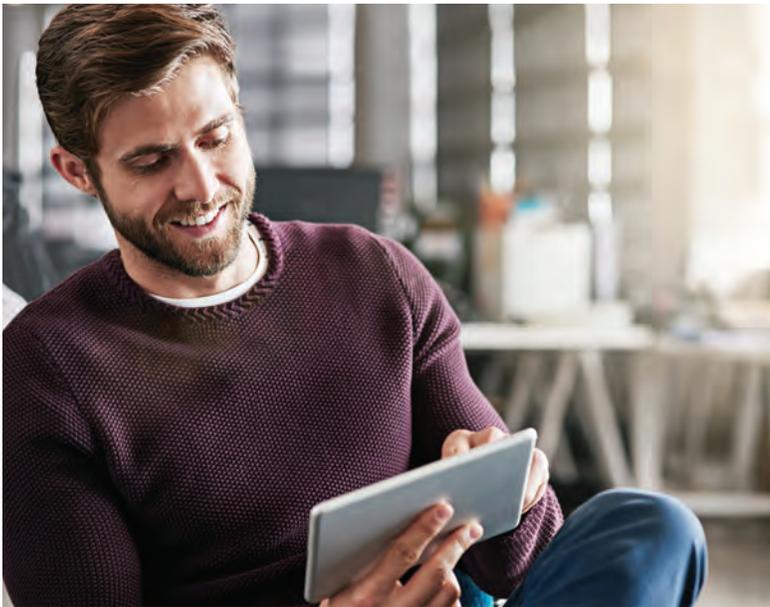
Beginning August 26, your employees can access Open Enrollment information and resources in my|CalPERS at my.calpers.ca.gov, including:

- Custom health plan search tools based on their eligibility ZIP code
- 2019 vs. 2020 monthly premium rate comparison
- 2020 health benefit changes
- Health Benefit Summary
- Open Enrollment Newsletter
- List of their covered dependents

my|CalPERS is the starting point for managing CalPERS health benefits, so make sure your employees log in to stay in the know. ▲



For more information visit our website at www.calpers.ca.gov/openrollmentemployers.



Open Enrollment Is Mobile

Encourage your employees to access our mobile tool September 9 - October 4 for customized Open Enrollment resources. Whether by phone or tablet, mobile.my.calpers.ca.gov helps your employees discover their options.

Dental and Vision Plans

The Open Enrollment period for State of California and California State University-sponsored dental and vision plans is September 9 - October 4, 2019.

State of California Employees and Retirees

The California Department of Human Resources (CalHR) administers the dental and vision programs for State of California active employees and retirees. For additional information about state employee dental and vision benefits, please direct your employees to the CalHR website at www.calhr.ca.gov.

To enroll or make changes to State of California dental and vision plans, your employees should use the following methods:

State of California	Dental	Vision*
Active Employees	Contact their human resources department	Contact VSP at stateofcaemployee.vspforme.com or call (800) 877-7195
Retirees	Contact us at 888 CalPERS (or 888-225-7377)	Contact VSP at stateofcaretiree.vspforme.com or call (800) 877-7195

* VSP Open Enrollment materials will be mailed directly to your employees prior to Open Enrollment.

CSU Employees and Retirees

The California State University (CSU) Office of the Chancellor administers the dental and vision programs for CSU active employees and retirees. For additional information about CSU employee dental and vision benefits, active employees should contact their campus benefits office. CSU retirees should visit csuretirees.calstate.edu for specific plan information. ▲

To enroll or make changes to their CSU-sponsored dental and vision plans, your employees should use the following methods:

CSU	Dental	Vision
Active Employees	Contact their campus benefits office or human resources department	Contact VSP at csuactives.vspforme.com or call (800) 877-7195
Retirees	Contact us at 888 CalPERS (or 888-225-7377)	Contact VSP at csuretirees.vspforme.com or call (800) 400-4569



Employees Award High Ratings to Health Plans

Selecting the CalPERS health benefits program for your employees is a choice you can be proud of making.

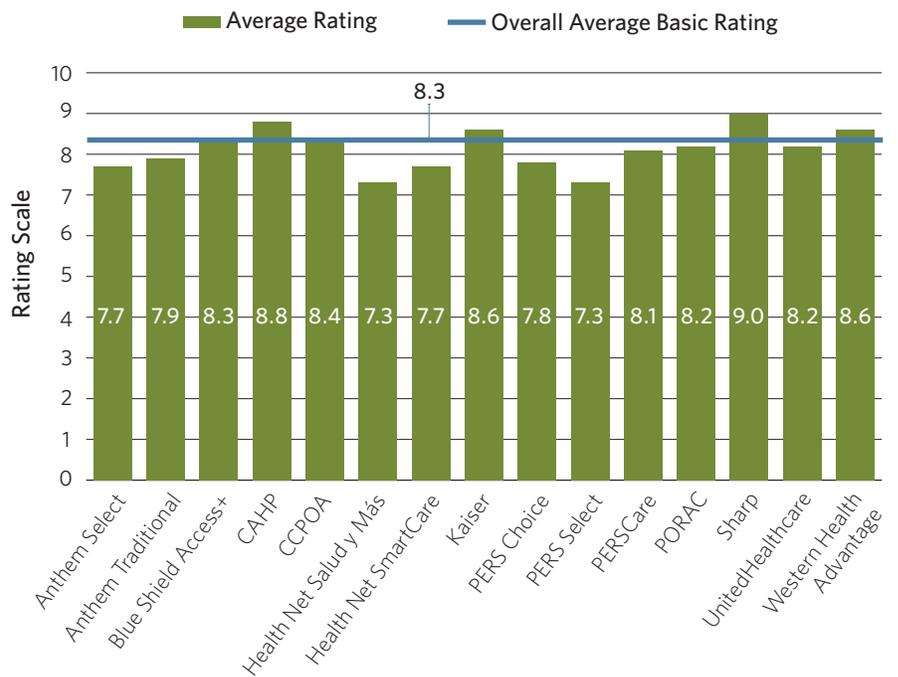
Each year we survey our members to assess their experience and satisfaction with their health plans.

We ask them to rate their health plan satisfaction, where zero means extremely dissatisfied and 10 means extremely satisfied.

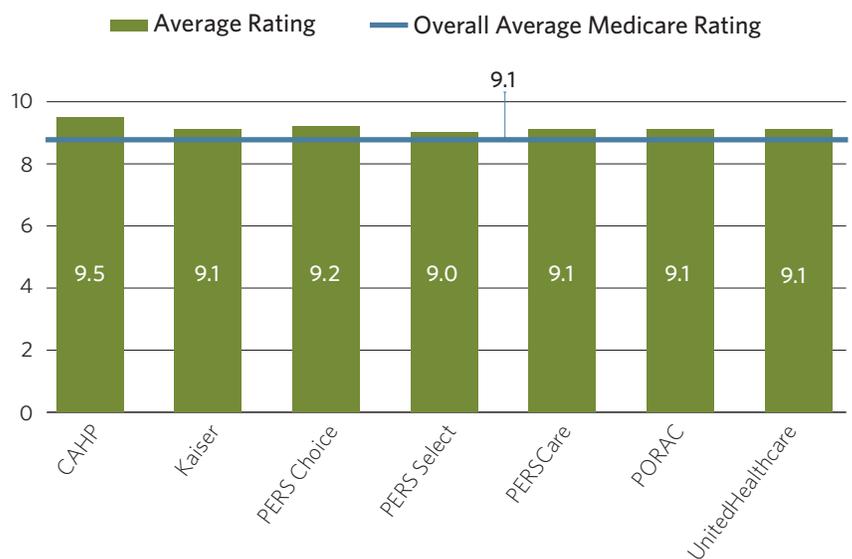
For 2018, basic health plan members rated their plans an average of 8.3 out of 10 for satisfaction. Medicare members gave their plans an average of 9.1 out of 10 rating.

We use this information and other survey insights to help health plans improve their member ratings. Next year's survey will begin in January. ▲

2018 CalPERS Basic Plan Satisfaction Results



2018 CalPERS Medicare Plan Satisfaction Results



Innovation in Health Benefit Design

Employers choose the CalPERS Health Program as a trusted third-party administrator because we deliver quality health care and ensure a sustainable health care system for the long term.

Value-Based Insurance Design

Innovation is one of the ways we drive change for the better and contain costs. While HMOs are popular and cost-effective, they are not available to CalPERS members in more than 20 counties. So in 2019, we introduced a value-based insurance design (VBID) for our PERS Select PPO plan, which reduces costs by including some of the features that make HMOs affordable. Plus, it's available in all 58 counties. Your employees in the plan can reduce their annual deductible by completing healthy activities, such as getting a flu shot or completing a non-smoking certification.

Going Forward

We continue to monitor the effectiveness of the plan to encourage healthy activities by tracking the percentage of members who choose the incentives, for example. We've been pleased with the response from both employers and members. After members learned about the changes, PERS Select plan membership jumped from 55,675 to 72,351, and one month into its implementation about 253,000 deductible credits had been applied to members' accounts.



In June, our board approved health care rates for 2020, and the success of this plan was clear. The premiums for this plan are the same for 2020 as they are in 2019. This is partially the result of improved health risk, but also the introduction of the VBID program itself.

Engage in Preventive Care

We know that when you and your employees team up to actively engage in preventive health care, everyone wins. ▲



Preventive health care activities can be found on our Calendar of Free Health Plan Events at www.calpers.ca.gov/healthplanevents.



Just in Time for Health Enrollment

A simplified my|CalPERS user experience:

- Streamlined navigation
- Informative messages
- Confirmation of successful transactions
- Simplified health benefits screens

Check out the revised my|CalPERS Health Enrollment Student Guide at www.calpers.ca.gov/studentguides and sign up for online classes via the my|CalPERS Education tab for details on this update.

Correction - 2020 Health Regions

In the spring issue of *Employer News*, the graphic accompanying the 2020 health regions story on page 2 was incorrectly color coded. You can see the corrected graphic in the online PDF at www.calpers.ca.gov/employernews.



Remote Areas Get Employer Classes

When you have a small workforce, your employees often wear multiple hats and any absences can affect your workflow. Time off for trainings can pose a hardship under these conditions, and even larger employers can find it difficult to spare employees whose duties are critical.

Our employer education program looked at the subject and found employers who wanted to update their employees' proficiency in retirement and health business rules but could not send them to the regional office where the trainings were offered. We determined that there was enough demand for trainings in several sparsely populated areas, and our education unit went to them.

As a result, some of our smaller employers were able to take advantage of vital educational classes. Employees

in rural Modoc, Imperial, and Inyo counties updated their business skills during the past fiscal year.

Similarly, California's Department of Corrections & Rehabilitation (CDCR) found the absences required for employee trainings to be challenging, although the classes were needed. Our employer educators coordinated with CDCR to host centralized trainings at three strategic locations, making it possible for their employees from six different CDCR facilities to attend trainings.

As a result, some of our smaller employers were able to take advantage of vital educational classes.

We want to see you succeed. When your employees have the latest tools available to conduct your CalPERS-related business responsibilities, the result is improved efficiency and accuracy in your reporting.



If you have any employer training questions, please email the employer educators: calpers_employer_communications@calpers.ca.gov.

New Online Training Classes Are Available

Our computer-based training options have been designed to help you conduct business with us easily and efficiently on your schedule. Save time and money with our newly added or updated online training classes:

Projected Contributions

It's your responsibility to properly maintain all CalPERS appointments and make changes in a timely manner. Learn the business rules regarding projected contributions and how to reconcile employee appointments.

Retirement Appointment Reconciliation

Through reconciliation projects, CalPERS found many retirement appointments weren't being updated. Our Retirement Appointment Reconciliation class includes several new modules:

- Reconcile by Appointments
- Reconcile by Earned Period Reports
- Reconcile by Rate Plan Receivables

Out-of-Class Reporting

If you are a public agency or school employer, a recent state law says out-of-class appointments that serve in a limited-term appointment can't exceed a total of 960 hours each fiscal year. Find out more about the law, when and how to report, and the penalties for noncompliance.

Health

View the newly consolidated health modules, each updated to reflect streamlined health transactions in my|CalPERS. Recent enhancements reflected in the online modules include fewer processing pages, return links on each page so you can easily navigate to previous pages, and a transaction confirmation box which includes a link to print your transaction details.

The importance of training can't be overstated: It ultimately saves time and avoids costly penalties. ▲



Access computer-based training through the **Education** tab in my|CalPERS at any time. Just navigate to the **Classes** tab and select **Online** to view available classes.

What Drives Your Agency's Diversity & Inclusion?

You want high levels of employee engagement and retention, low levels of turnover, and a high-performing workforce. Research shows that employees who work in environments where they feel accepted as their true and authentic selves contribute to those objectives. So why aren't more organizations onboard with Diversity & Inclusion (D&I) in their workplace?

There are three general drivers that lead any organization to implement D&I initiatives:

1 Legislation When legislation alone drives an organization's D&I efforts, it's more likely to have the unintended consequence of being viewed as a barrier to normal organizational functioning—a necessary burden to maintain compliance.

2 Moral Perspective Benevolent as intentions may be, the major pitfall of this driver is that it depends on a universal set of values and a common understanding of what "the right thing" to do is, without addressing the impact on an organization's performance.

3 Business Benefit Leaders and decision-makers who recognize the positive impact that D&I has on talent recruitment, retention, engagement, and innovation can align their support for D&I with their fiduciary duties and justify the impact it will have on the organization.

To lead with the business case for D&I at your agency:

- Align D&I initiatives with your organization's overall business strategy.

- Determine how you will measure the impact of D&I (e.g., employee engagement).
- Articulate how D&I initiatives will impact measurement (e.g., increased employee engagement from an inclusive environment in which employees feel valued and comfortable being themselves).

This is what drives D&I at CalPERS—the understanding that our differences, whatever they may be, contribute to our success as a team. ▲



Learn more about CalPERS' **Commitment to Diversity & Inclusion** at www.calpers.ca.gov/diversityreport.



You Don't Pay for This Valuable Benefit Program

You can offer a valuable benefit program without employer contracts or administration requirements. And what's more, the program can provide long-term care benefits to eligible employees and their relatives who qualify for the program.

The CalPERS Long-Term Care Program is easy to add to your repertoire of employee benefits, without adding to your administrative workload.

What Is Long-Term Care Coverage?

Long-term care coverage provides reimbursement for services that may be required due to accidents, illnesses, major operations, aging, and other physiological problems. Covered long-term care services include help with activities of daily living, including transferring, toileting, bathing, dressing, eating, and

continence. Long-term care may also provide coverage for those diagnosed with a cognitive impairment such as Alzheimer's or dementia. Services can be provided at home by a home health care agency or an independent provider, or in an assisted living or skilled nursing facility.

Protection for All Ages

The need for such services has steadily increased through the years. According to the federal government, nearly 70 percent of people over age 65 will require long-term care services at some point in their lives. But long-

term care concerns are not just for senior citizens. Anyone at any age can develop a condition or undergo an unexpected life event that requires long-term care services.

Coverage for Costly Care

The average cost for residence in a California nursing facility is around \$260 per day, or nearly \$100,000 per year. This is generally not covered by health insurance, disability insurance, Medicare, or Medicare supplemental insurance. Even part-time care at home can run several thousand dollars per month.



To learn more about the CalPERS Long-Term Care Program: www.calperslongtermcare.com (800) 845-8427

Add the New Roth Option to Your 457 Plan

A Roth option became available in March and since that time many agencies throughout the state have added it to their CalPERS Supplemental Income 457 Plans. It's a simple process. After adopting this option, your employees can make both traditional (pre-tax) and Roth (after-tax) contributions to the CalPERS 457 Plan.

How It Works

Taxes are withheld from Roth contributions before they are invested in the CalPERS 457 Plan account. The contributions are not tax-deductible. The advantage is that in the future, your employees can withdraw the money tax-free, if they keep the money in the Roth account for at least a five-year

taxable period, are age 59½ or older, and have a triggering event (severance from employment, or disability, or death).

The investments, services, tools and access to licensed experienced local representatives are the same for both types of accounts. Roth contributions are deducted from your employee's payroll, then processed and reported in my|CalPERS, just like traditional pre-tax contributions.

What's in It for Your Agency?

- Another valuable employee benefit to offer at no cost to your agency
- Encourages greater participation among younger employees just starting out

What's in It for Your Employees?

- Another way to save for retirement
- Ability to increase, decrease, or stop contributions at any time



For questions contact the CalPERS Supplemental Income Plan team: calpers_457_plan@calpers.ca.gov (800) 696-3907



To learn more or to start the process, go to www.calpers-sip.com/specialedition. Select the Roth Adoption Form link and return the completed form to us.

Continued from page 1

What Past Attendees Say

"Meet the CalPERS team that you work with ... developing relationships has been key in our success."

Carmony Breaux, Metropolitan Water District of Southern California

"Business official, HR, payroll ... it's critical to come ... to learn about changes in laws and processes that will help make the process better for you locally."

Derick Lennox, Legislative Council, Capitol Advisors Group

Spotlight on Excellence Award

One of the Educational Forum highlights is the inspirational Spotlight on Excellence Award. It's a special honor given to an individual, agency, or program that embodies the spirit of what it means to be of service to the public. Nominated by colleagues, recipients are recognized for their outstanding service to the community and serve as a model that other agencies or employees can follow.

Know someone who deserves the honor? Nominations are being accepted through **August 16**. The process is easy and convenient to complete—visit the **Spotlight on Excellence** page of our website to learn more. ▲



Manuel Colunga

The 2018 Spotlight on Excellence Award went to Manuel Colunga, an

Outdoor Field Supervisor with the San Bernardino Valley Water Conservation District. Manuel oversees 44 miles of water canals and recharge basins that deliver clean water to area residents throughout San Bernardino County. His passion for groundwater management led him to partner with 12 neighboring agencies to raise awareness and further enhance water recharge efforts in surrounding communities. Under his watch, what was once a neglected dump was transformed into a community treasure. And if that wasn't enough service, Manuel has volunteered with his local YMCA for many years.



To learn more about the Educational Forum, explore educational sessions, or book a one-on-one consultation, register today at www.calpers.ca.gov/educationalforum.

Hiring a CalPERS Retiree

If you are one of the many CalPERS-covered employers considering whether to hire a CalPERS retiree, make sure that you are aware of the restrictions that govern their return to work. Not complying with the restrictions can impact you both: Consequences include mandatory reinstatement and termination of the retiree's retirement, and payment of contributions by you and the retiree for the unlawful period.

These are the requirements for any CalPERS retiree who is returning to work:

- **60-Day Bona Fide Separation** — Retirees cannot be employed for 60 days after their retirement date if younger than the "normal retirement age."

- **180-day wait period** — Retirees cannot work for a CalPERS employer for a period of 180 days after their retirement date. Certain exceptions may apply.
- **960-hour limit** — Retirees can only work a maximum of 960 hours per fiscal year for all CalPERS-covered employment combined.
- **Compensation** — Retirees can receive no more than the maximum monthly base salary paid to other employees performing comparable duties. Retirees cannot receive any additional benefit, incentive, or compensation.

A CalPERS retiree can perform two types of employment:

- **Extra Help Position** — Retirees hired for extra help are hired either during an emergency or because they have specialized skills needed to perform work that is temporary in nature. Retirees can only work in retired annuitant-designated positions.

- **Interim/Vacant Position** — Retirees hired for an interim/vacant position can return to a permanent appointment that requires specialized skills or is needed during an emergency to prevent stoppage of business. There must be an open recruitment in place before the retiree is hired and the retiree can only be appointed once to the vacant position.

You should also be aware that as of January 1, 2018, Government Code section 21220 of the Public Employees' Retirement Law was amended and requires you to report all retired annuitant appointments, earnings, and hours to us. Employers who fail to report will be assessed a fee.



For more information, see the "Employment of a Retiree" section in either the [Public Agency & Schools Reference Guide](#) or the [State Reference Guide](#).

How to Reinstate a CalPERS Retiree

Once you've determined that a CalPERS retiree will return to work, the next step is to reinstate them from retirement into active CalPERS membership.

Verify the Benefit

Reinstatement requirements differ according to the retirement type: service retirement, disability retirement, or industrial disability retirement. Verify which type of retirement benefit is involved.

Establish a Date

You don't need approval from us before the retiree begins active employment if they retired on "normal" service retirement, but we do need a firm date the retiree will **physically** return to employment.

It's an important detail. An incorrect reinstatement date could cause your retiree to receive an overpayment of benefits or prevent you from:

- Submitting a correct appointment date for the new employment
- Enrolling the retiree in active health coverage
- Reporting payroll information

Submit the Application

Submit a *Reinstatement from Service Retirement Application* form (PERS-BSD-145). Once we receive it, both you and the retiree will receive a letter acknowledging receipt of the application and confirming the reinstatement date. A retiree can return to employment prior to receiving the letter confirming reinstatement.



For more information, see the chapter "Reinstatement from Retirement" in your employer manual.

Upcoming Events of Interest

We offer a variety of classes, workshops, meetings, and events to help you with your CalPERS-related business responsibilities. Visit our website at www.calpers.ca.gov for details.

August

6-8	Retirement and Health Business Rules Training	San Diego Regional Office	7676 Hazard Center Dr., Ste. 350, San Diego
7	School Employer Advisory Committee Meeting	Sacramento Regional Office	Lincoln Plaza West, 400 Q St., Sacramento
7	School Employer Advisory Committee Meeting	CalSTRS	100 Waterfront Place, West Sacramento
7	Health Program Workshop	Sacramento Regional Office	Lincoln Plaza West, 400 Q St., Sacramento
9-10	CalPERS Benefits Education Event	Hilton Orange County/Costa Mesa	3050 Bristol St., Costa Mesa
14	Health Program Workshop	Orange Regional Office	500 No. State College Blvd., Ste. 750, Orange
15	Health Program Workshop	San Diego Regional Office	7676 Hazard Center Dr., Ste. 350, San Diego
19-21	CalPERS Board of Administration Meeting	CalPERS Headquarters Auditorium	Lincoln Plaza North, 400 P St., Sacramento
20-21	my CalPERS System Training	Glendale Regional Office	655 North Central Ave., Ste. 1400, Glendale
21	Health Program Workshop	San Jose	181 Metro Dr., San Jose
22	Health Program Workshop	Walnut Creek Regional Office	1340 Treat Blvd., Walnut Creek
27-29	Retirement and Health Business Rules Training	Redding City Hall	777 Cypress Ave., Redding
28	Health Program Workshop	Glendale Regional Office	655 North Central Ave., Ste. 1400, Glendale
28	Employer Leadership Dialogues	Orange Regional Office	500 No. State College Blvd., Ste. 750, Orange
29	Health Program Workshop	San Bernardino Regional Office	650 East Hospitality Lane, Ste. 330, San Bernardino

September

4	Health Program Workshop	Fresno Regional Office	10 River Park Place East, Ste. 230, Fresno
10-11	my CalPERS System Training	Sacramento Regional Office	Lincoln Plaza North, 400 P St., Sacramento
10-12	Retirement and Health Business Rules Training	Glendale Regional Office	655 North Central Ave., Ste. 1400, Glendale
16-18	CalPERS Board of Administration Meeting	CalPERS Headquarters Auditorium	Lincoln Plaza North, 400 P St., Sacramento
17	Health Program Workshop	Redding City Hall	777 Cypress Ave., Redding
17-18	my CalPERS System Training	Orange Regional Office	500 No. State College Blvd., Ste. 750, Orange
17-18	my CalPERS System Training	San Diego Regional Office	7676 Hazard Center Dr., Ste. 350, San Diego
17-19	Retirement and Health Business Rules Training	Fresno Regional Office	10 River Park Place East, Ste. 230, Fresno
24-25	my CalPERS System Training	Fresno Regional Office	10 River Park Place East, Ste. 230, Fresno
25	Employer Leadership Dialogues	San Bernardino Regional Office	650 East Hospitality Lane, Ste. 330, San Bernardino

October

1-2	my CalPERS System Training	San Diego Regional Office	7676 Hazard Center Dr., Ste. 350, San Diego
1-2	my CalPERS System Training	Walnut Creek Regional Office	1340 Treat Blvd., Walnut Creek
15-17	Retirement and Health Business Rules Training	Sacramento Regional Office	Lincoln Plaza West, 400 Q St., Sacramento
28-30	CalPERS Educational Forum 2019	Oakland Marriott City Center	1001 Broadway, Oakland



20th Annual CalPERS Educational Forum 2019

October 28-30
Oakland Marriott City Center
Oakland, California

Explore the educational sessions offered at
www.calpers.ca.gov/educationalforum.

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