The Triple Focus of Health Care

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## Our Goal: High-Quality, Affordable Health Care

Improve health care quality, access, and affordability



# COVID-19 impacts to health care delivery system



#### Health Care Affordability

#### **Increasing Competition**



### Pharmaceutical Strategies



- Acquisition-based pharmacy benefit manager (PBM) contract
- Biosimilars First
- Next frontier for specialty drugs

#### Improved Rate Development Process

#### More transparent and new timeline

O November	🔾 June	
Board approval of plan, service area, and benefit design changes	Preliminary r	ates presented
Reconc Negotia	baseline rates ile with plan proposals te with plans	Final rates approved
🔵 Janua	ry – May	O July

#### **Expanding Plan Choice**

2022 plan, service area, and benefit changes 2022 PERS Platinum and Gold PPO plans 2023 PPO benefit design planning in 2021

## **Risk Mitigation via Portfolio Rating**

#### Price Plans on Value, Not Risk





Reduce premium volatility & large increases Remove adverse selection member migration patterns Price plans based on value of network, and benefit design



Stabilize Basic Plan portfolio & implement cost saving programs

### Health Care Quality & Access



#### COVID-19 Impacts – What We Know Now











Ensuring continued delivery of high quality care 0.57% overall impact on 2021 premiums Mainstream adoption of telehealth Delayed and deferred care

Health Disparities became forefront

#### **COVID-19 Vaccine Update**



## Largest vaccination program in history



Science behind the vaccine

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#### Distribution

- Statewide rollout
- County protocols
- Timelines vary
- How it's working on the ground

#### **Behavioral Health**

### **Ensuring High-Quality Care**



Aligning health plan requirements with other purchasers



Clinical quality improvement measures



Health data quality

#### **Health equity**

## Health Equity

Everyone should have a fair opportunity to attain their full health potential and that no one should be disadvantaged from achieving this potential. (WHO)



CalPERS Stakeholder Forum 2021

#### Federal and State Policy & Legislation

Federal	Transition
Legislative Issues	Priorities
State Legislative	Governor's
Issues	Budget Issues

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#### **Questions & Discussion**

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Public Comment

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