

California Public Employees' Retirement System

Board of Administration Pension and Health Benefits Committee Draft Meeting Minutes

June 17, 2025

The Pension & Health Benefits Committee (PHBC) met in Open Session on Tuesday, June 17, 2025, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 8:30 a.m. with the following members present:

Ramón Rubalcava, Chair
Kevin Palkki, Vice Chair
Malia Cohen
David Miller
Eraina Ortega
Jose Luis Pacheco
Theresa Taylor
Yvonne Walker
Mullissa Willette

Other Board Members Present:

Michael Detoy
Deborah Gallegos for Malia Cohen
Nicole Griffith for Eraina Ortega
Frank Ruffino for Fiona Ma
Dr. Gail Willis (Remote)

Agenda Item 2 – Executive Report(s)

Kim Malm, Deputy Executive Officer, Customer Services and Support (CSS) provided an update on the Benefit Verification Project, the death verification vendor, a new class offering in Spanish, and an update on CBEEs.

Don Moulds, Chief Health Director, Health Policy & Benefits Branch (HPBB), provided an update on two potential provider terminations, and what the health team is doing to provide support.

Agenda Item 3 – Action Consent Items

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

- 3a. Approval of the March 18, 2025, PHBC Meeting Minutes
- 3b. Approval of the June 17, 2025, 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 September 16, 2025, PHBC Meeting

Agenda Item 5a – Request for Proposal (RFP) No. 2024-9340 Long-Term Care Third-Party Administrator (TPA) Services Intent to Award Contract

Jared Shinabery, Chief Health Data Strategy Officer, Health Policy & Data Division (HPDD) gave an update and contract award recommendation regarding RFP No. 2024-9340.

On **MOTION** by Kevin Palkki and **SECONDED** and **CARRIED**, the Committee voted to Approve the recommendation to issue an intent to award a five-year contract to Illumifin to serve as California Public Employees' Retirement System (CalPERS) TPA for its long-term care insurance program with an effective date of July 1, 2026, through June 30, 2031.

Agenda Item 6a – Preliminary 2026 Health Maintenance Organization and Preferred Provider Organization Plan Premiums

Rob Jarzombek, Chief, Health Plan Research & Administration (HPRA), provided an update on the CalPERS health plans' 2026 Rate Development Process (RDP) and the proposed preliminary Basic Health Maintenance (HMO) and Preferred Provider Organization (PPO) plan premiums with the Board of Administration (Board) approved service area expansions.

Agenda Item 6b – Pharmacy Benefit Manager Contract Negotiations

Julia Logan, Chief Clinical Director, Clinical Policy and Programs Division (CPPD) provided the PHBC with an update on the status of the CalPERS contracting efforts to provide outpatient pharmacy benefits for the PPO Basic and Medicare Supplement plan members and many of the HMO Basic and Medicare Advantage plan members starting January 1, 2026.

Agenda Item 6c – Summary of Committee Direction

Mr. Moulds provided a summary of the Committee direction from the June 17, 2025, meeting. The Committee directed staff as follows:

- Create talking points, for the Board members, outlining the rate development process and CalPERS cost-saving efforts.

Agenda Item 6d – Public Comment

The Committee received Public Comment regarding PPO and Optum drug coverage in the Lake Tahoe area, UC coverage, and a credit monitoring extension.

The meeting was adjourned at 2:36 p.m.

The next meeting of the PHBC is scheduled for September 16, 2025, in Sacramento, California.

Prepared by: Jenna Hayes
Committee Secretary

Don Moulds
Chief Health Director
Health Policy & Benefits Branch