

# Approval of Health Benefits Program Proposals for the 2027 Plan Year

## Pension & Health Benefits Committee

Rob Jarzombek, Chief, Health Plan Research and Administration Division

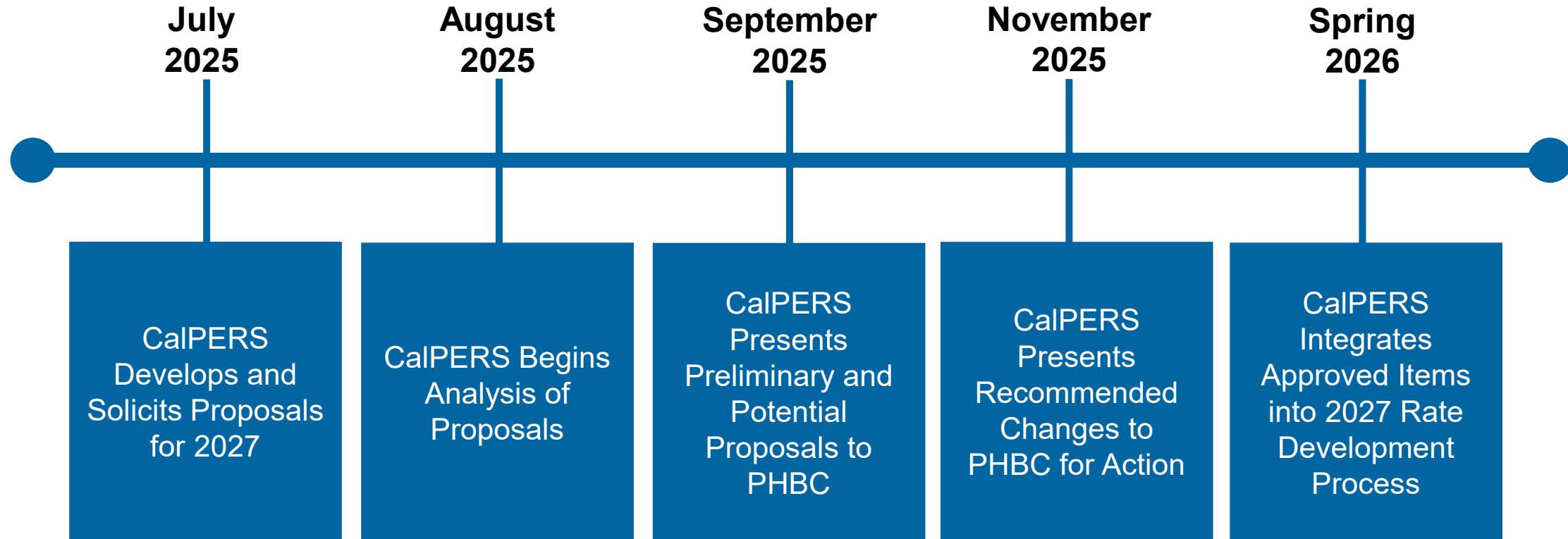
Julia Logan, MD, MPH, Chief Clinical Director

November 18, 2025

# Agenda

- Timeline
- Recommended Changes
- Update on SB 729
- Next Steps

# Proposals Process Timeline



# Proposals Align with Strategic Goal



# Blue Shield Medicare Advantage (PPO)

## Product Change

### Summary

- Currently, Blue Shield combines their Medicare Advantage (MA) medical and pharmacy benefits into one plan
- Separate Blue Shield's medical and pharmacy prescription drug plan to potentially receive a higher reimbursement amount from CMS that could reduce premiums

### ➤ Recommend Approval

# Blue Shield EPO

## Service Area Expansion

### Summary

Expand Blue Shield's EPO to all remaining California ZIP codes that lack an HMO or EPO option. Expansion counties are:

- Alpine
- Amador
- El Dorado
- Nevada
- Placer
- San Bernardino
- Sutter
- Yuba



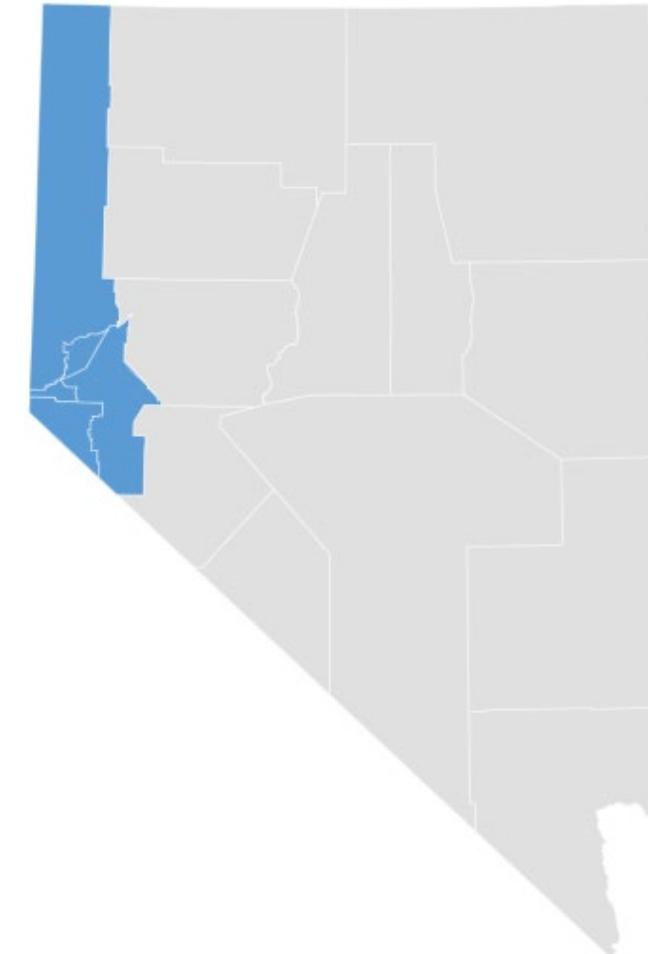
### ➤ Recommend Approval

# Kaiser Nevada (Basic and MA) Service Area Expansion

## Summary

Expand Kaiser Permanente into northwestern Nevada, pending regulatory approvals. The exact service area is still being determined. The anticipated counties are:

- Carson City
- Douglas
- Lyon
- Storey
- Washoe



## ➤ Recommend Approval

# SB 729 Update - Coverage for Infertility Diagnosis and Treatment

## Summary

- SB 729 requires CalPERS Basic HMO plans to provide coverage for the diagnosis and treatment of infertility, effective July 1, 2027
- CalPERS is evaluating pricing and implementation information from our HMO plans and fertility vendors
- SB 729 does not apply to PPO plans; however, we are evaluating our options for the PPO plans

# Proposals Recommended for Approval

Item	Product Change	Service Area Expansion
1. Blue Shield Medicare Advantage Pharmacy Benefits	✓	
2. Blue Shield EPO Expansion		✓
3. Kaiser HMO Expansion		✓

## Next Steps

