

Approval of Health Benefits Program Proposals for the 2027 Plan Year

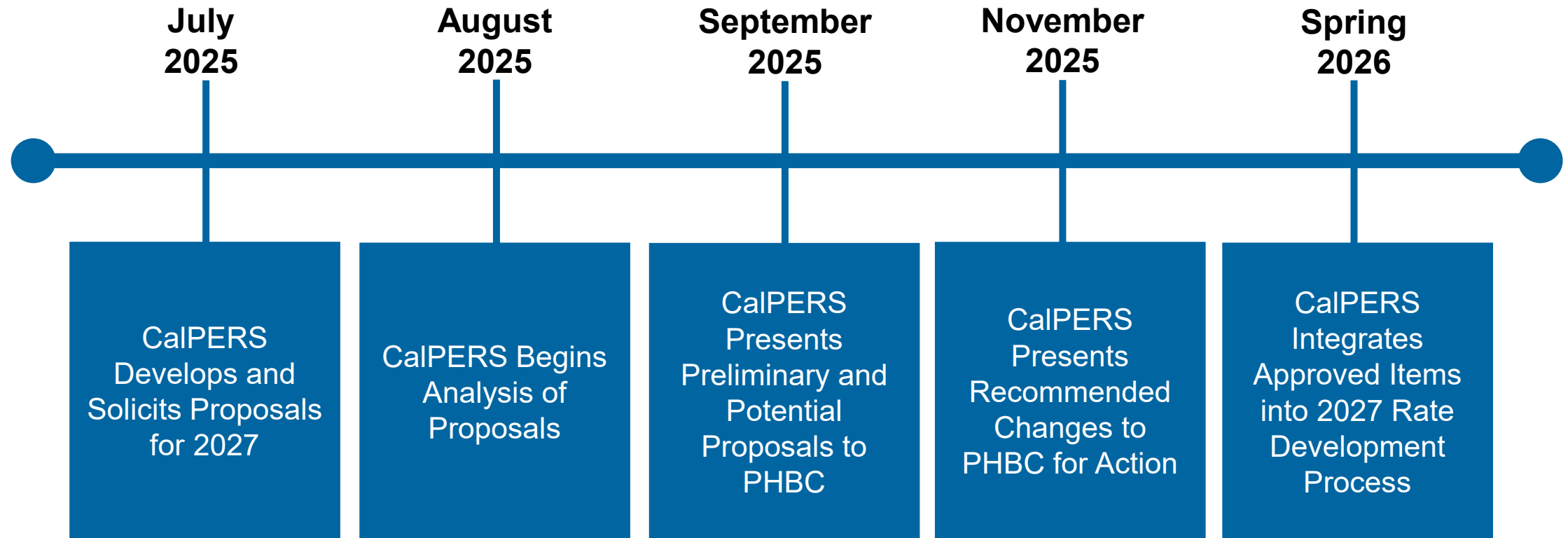
Pension & Health Benefits Committee

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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



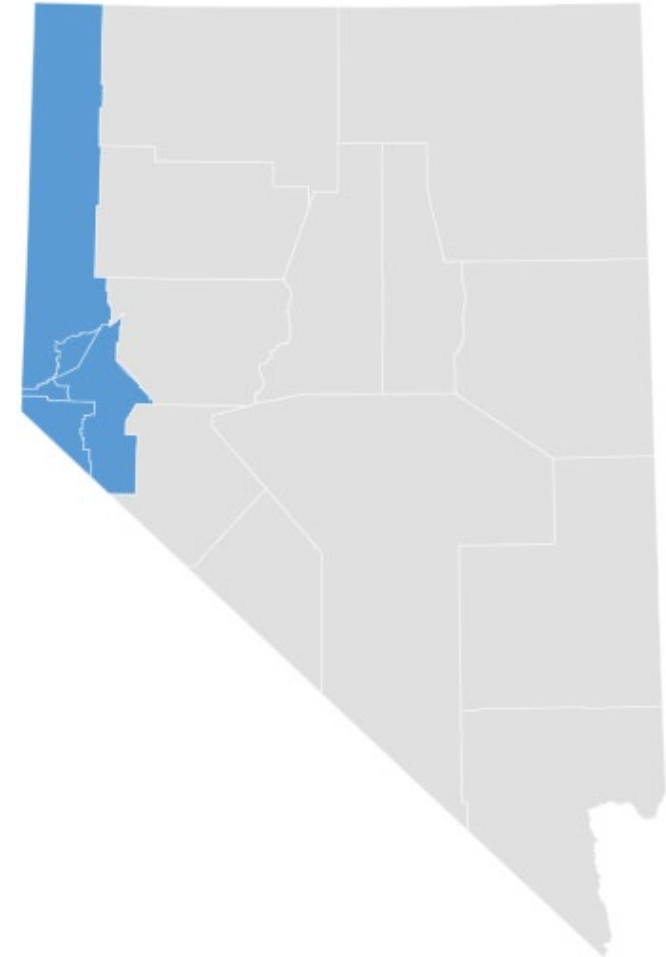
> Recommend Approval

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

