

MEETING  
STATE OF CALIFORNIA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION  
PENSION & HEALTH BENEFITS COMMITTEE  
OPEN SESSION

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
FECKNER AUDITORIUM  
LINCOLN PLAZA NORTH  
400 P STREET  
SACRAMENTO, CALIFORNIA

TUESDAY, MARCH 17, 2026

11:38 A.M.

JAMES F. PETERS, CSR  
CERTIFIED SHORTHAND REPORTER  
LICENSE NUMBER 10063

APPEARANCES

COMMITTEE MEMBERS:

Ramon Rubalcava, Chair

Kevin Palkki, Vice Chair

Monica Erickson, represented by Nicole Griffith

Troy Johnson

Fiona Ma, represented by Patrick Henning

David Miller

Theresa Taylor

Yvonne Walker

Mullissa Willette

BOARD MEMBERS:

Michael Detoy

Lisa Middleton

Malia Cohen, represented by Deborah Gallegos

STAFF:

Marcie Frost, Chief Executive Officer

Kim Malm, Deputy Executive Officer

Donald Moulds, PhD, Chief Health Director

Robert Carlin, Senior Attorney

Rob Jarzombek, Chief, Health Plan Research &  
Administration

Julia Logan, MD, Chief Clinical Director

APPEARANCES CONTINUED

STAFF:

Jared Shinabery, Chief Health Data Strategy Officer

Renee Salazar, Deputy Chief Counsel

ALSO PRESENT:

Katelyn Rojvongpaisal, California Department of Fish and  
Wildlife

Larry Woodson, California State Retirees

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PROCEEDINGS

1  
2 CHAIR RUBALCAVA: Good morning, everybody, and  
3 welcome to the Pension and Health Benefits Committee. The  
4 first -- the first we'll call to order and then have roll  
5 call.

6 BOARD CLERK LEMUS: Ramon Rubalcava.

7 CHAIR RUBALCAVA: Present.

8 BOARD CLERK LEMUS: Kevin Palkki.

9 VICE CHAIR PALKKI: Good morning.

10 BOARD CLERK LEMUS: Nicole Griffith for Monica  
11 Erickson.

12 ACTING COMMITTEE MEMBER GRIFFITH: Good morning.

13 BOARD CLERK LEMUS: Troy Johnson.

14 BOARD MEMBER JOHNSON: Here.

15 BOARD CLERK LEMUS: Patrick Henning for Fiona Ma.

16 ACTING COMMITTEE MEMBER HENNING: Present.

17 BOARD CLERK LEMUS: David Miller.

18 COMMITTEE MEMBER MILLER: Here.

19 BOARD CLERK LEMUS: Theresa Taylor.

20 COMMITTEE MEMBER TAYLOR: Here.

21 BOARD CLERK LEMUS: Yvonne Walker.

22 COMMITTEE MEMBER WALKER: Here.

23 BOARD CLERK LEMUS: Mullissa Willette.

24 COMMITTEE MEMBER WILLETTE: Here.

25 CHAIR RUBALCAVA: Thank you.

1           The second item is the election of the Pension  
2 and Health Benefits Committee Chair and Vice Chair. And  
3 so I'll -- for this, I'll hand the gavel over Kev -- Vice  
4 Chair Kevin Palkki.

5           VICE CHAIR PALKKI: So at this time, I'll open up  
6 the floor for nominations for the seat of Chair.

7           Thank you.

8           COMMITTEE MEMBER MILLER: I would like to  
9 nominate Ramon Rubalcava for the Chair of the Committee.

10          VICE CHAIR PALKKI: I have a nomination for Ramon  
11 Rubalcava for chair of Pension and Health Benefits  
12 Committee.

13          Are there any other nominations?

14          Any other nominations?

15          Any other nominations?

16          Seeing none, all those in favor say aye?

17          (Ayes.)

18          CHAIR RUBALCAVA: Any opposed?

19          Any abstentions?

20          Congratulations, Mr. Chair.

21          CHAIR RUBALCAVA: Thank you.

22          (Applause).

23          CHAIR RUBALCAVA: Thank you, everybody.

24          Now I will take the nomination for Vice Chair of  
25 the Pension and Health Benefits Committee. Do I have a

1 nomination?

2 President Theresa Taylor.

3 COMMITTEE MEMBER TAYLOR: Thank you, Mr.  
4 Rubalcava.

5 I would like to nominate Kevin Palkki -- Mr.  
6 Kevin Palkki for the Pension and Health Benefits Committee  
7 Vice Chair.

8 CHAIR RUBALCAVA: Thank you. A nomination has  
9 been made. Are there any other nominations?

10 Are there any other nominations?

11 Are there any other nominations?

12 I have a motion to approve Kevin Palkki as Vice  
13 Chair.

14 All those in favor?

15 (Ayes.)

16 CHAIR RUBALCAVA: Any abstentions?

17 Any no votes?

18 So the motion passes. Congratulations, Mr. Kevin  
19 Palkki.

20 Our next order of business to the -- according to  
21 the agenda is to go into closed session. We'll now recess  
22 into closed session for items 1 through 3 from the closed  
23 session agenda. We will reconvene in open session after  
24 the closed session. We'll be about an hour and a half.  
25 So I'll see you then. So we'll see everybody around

1 12:15. 12:15? No.

2 We should have lunch afterwards, right?

3 COMMITTEE MEMBER TAYLOR: After closed, yes.

4 CHAIR RUBALCAVA: Yeah. Folks, we should change  
5 the calendar. We're going to have lunch. I think it's  
6 best to have lunch right after closed session. So will  
7 adjourn -- we will adjourn after lunch. So come back at  
8 1:30. Is that enough time for lunch?

9 COMMITTEE MEMBER TAYLOR: To be determined.

10 CHAIR RUBALCAVA: To be determined. But we'll  
11 have lunch after closed session.

12 Thank you.

13 (Off record: 11:42 a.m.)

14 (Thereupon the meeting recessed  
15 into closed session.)

16 (Thereupon the meeting reconvened  
17 open session.)

18 (On record: 2:02 p.m.)

19 CHAIR RUBALCAVA: Good afternoon. We're back in  
20 open session and we'll continue with the remainder of the  
21 open session agenda.

22 Ms. Kim Malm and Don Moulds, please.

23 DEPUTY EXECUTIVE OFFICER MALM: Good afternoon.

24 Kim Malm --

25 CHAIR RUBALCAVA: Executive report.

1 DEPUTY EXECUTIVE OFFICER MALM: -- CalPERS team.

2 A little later in this agenda, I'll be presenting  
3 the cost of living adjustment for this year, or COLA, but  
4 I thought before that, I would give you some updates for  
5 our CSS, our Customer Support Services -- Customer  
6 Services and Support Branch. Let me begin with announcing  
7 that start of our 2026 benefit verification cycle, more  
8 commonly referred to by other pension systems as the alive  
9 and well program.

10 We're sending out approximately 13,000 letters,  
11 beginning on March 23rd. We send out the -- we'll send  
12 out reminder letters in April and May to those that have  
13 not responded, reminding them to send back in the verified  
14 form. We'll not stop payment on benefits until the August  
15 2026 pay period to give our retirees ample time to  
16 respond. The population that receives these letters is  
17 based upon specific risk criteria, whether they live out  
18 of state, their benefit amount, if they've seen their  
19 health care provider in the last year, or if they've  
20 talked to CalPERS in the last year.

21 The reason we do this annual benefit verification  
22 process is due to the number of unreported deaths we get  
23 each year during this project. Last year, we sent out  
24 10,000 letters and identified 446 unreported deaths across  
25 32 states, which led to a total of \$4.2 million in

1 overpayments. And we recorded 3.4 -- or we recovered 3.4  
2 million, or 76 percent so far. In addition to our death  
3 verification -- or our death verification vendor, Socure,  
4 has confirmed 747 deaths over the last two and a half  
5 years, resulting in \$7.2 million in overpayments. Of  
6 that, we've collected 5.9 million, or nearly 82 percent.

7 For our overpayments project overall, our team  
8 has recovered a total of \$210 million in the last two and  
9 a half years. It's -- this is because our collection  
10 efforts are now timely and efficient thanks to the CalPERS  
11 team members, many of them, the use of the Franchise Tax  
12 Board intercepts and assistance from an interstate  
13 collections firm to assist with collections.

14 Next, I'd like to highlight the progress we're  
15 making with the AI assistance in Customer Services Branch.  
16 This implementation will be a human enabled, not human  
17 replaced approach, ensuring the use of AI will be used to  
18 enhance efficiencies. It is our team member's expertise  
19 and judgment that will continue to validate and ensure the  
20 highest level of customer service is being provided.

21 In our Employer Division, they've implemented an  
22 internal developed tool called Computron - I've spoken  
23 about it before - to assist with employer compensation  
24 compliance reviews. Our Call Center will be implementing  
25 auto summarization for all calls. They recently developed

1 an auto-summary prompt for these calls and started the  
2 pilot of this prompt on March 3rd. So far, the feedback  
3 from agents and supervisors has been positive. The pilot  
4 concludes at the end of March. The notes will be reviewed  
5 by the agents prior to being put into the member's  
6 account.

7 Our regional offices are implementing  
8 summarization of the member's participant notes to help  
9 them prepare for counseling sessions. The account  
10 maintenance division is also implementing summarization of  
11 members participant notes for service credit purchase  
12 questions. The disability division will be using AI to  
13 help summarize medical documents for disability  
14 retirements. And last, but not least, the Retirement  
15 Benefits Division will be using AI to summarize court  
16 documents for community property cases.

17 I can't reinforce more that this is to make their  
18 jobs easier and to ensure that we can meet our service  
19 levels. As you know, in order to answer calls -- we got  
20 5,000 calls almost yesterday and we're staffed for 3,000,  
21 so this is just going to help us meet our service levels.

22 Building on that, CSS also continues to make  
23 service improvements in a number of areas. For local  
24 safety disability determinations, we're building an online  
25 tool for employers to allow them to register their

1 terminations directly into myCalPERS, which will save time  
2 and simplify the process. We're also developing enhanced  
3 training for working after retirement and tailored  
4 training videos for schools, public agencies, and State  
5 employers. We're also improving our survivor benefits  
6 self-service pages. We know this information is confusing  
7 and complicated. We're trying to make the content clearer  
8 and more user-friendly to help survivors understand their  
9 benefits, manage their account and keep information  
10 current.

11           Next, I'd like to give you an update on our  
12 CalPERS Benefit Education Events. We just hosted a  
13 virtual CBEE on March 4th and 5th with over 1,600 people  
14 in attendance and a 98.4 percent satisfaction rating for  
15 this event. Our next in-person event will take April 10th  
16 and 11th in Anaheim. We have three remaining CBEEs this  
17 year, 2026, June 5th and 6th in Redding, July 10th and  
18 11th in Santa Clara, and a virtual one on August 12th and  
19 13th. At the Santa Clara event in July, we'll be piloting  
20 two Spanish language classes. One will be a modified  
21 version of our retirement planning basics course and the  
22 other health into retirement. We'll cover topics such as  
23 eligibility, vesting, Medicare, health plans, and the  
24 resources available for selecting coverage

25           In closing, I'd like to take a moment of personal

1 privilege.

2 CHAIR RUBALCAVA: Please do.

3 DEPUTY EXECUTIVE OFFICER MALM: I'm pleased to  
4 announce that Geetha Swaminathan will be joining the  
5 Customer Services and Support Branch as our new chief of  
6 the Retirement Benefit Services Division. Kimberlee  
7 Pulido previously was in this position and left in  
8 February. Geetha come to us from the CalPERS IT Branch,  
9 where she was the Assistant Division Chief of the  
10 myCalPERS Services Support Section. She was responsible  
11 for all CSS myCalPERS systems, including retirement  
12 benefits, disability and survivor benefits, contributions,  
13 and enrollments in addition to the health contracts and  
14 financial domains.

15 Geetha is well known and a well-respected leader  
16 that interacts almost daily with our CSS leaders, not only  
17 on myCalPERS, but also as one of our main contracts with  
18 our Socure Identify Verification and Death Verification  
19 projects. She brings a wealth of knowledge to an area of  
20 CSS that is heavily dependent upon technology. Geetha was  
21 an Apex award recipient last year submitted by two of the  
22 CSS divisions, RBSD and M -- DBSD for her work and support  
23 on advancing our service offerings to our members. She  
24 officially joins us on April 1st and I would -- please  
25 join me in welcoming Geetha to the team.

1 (Applause).

2 DEPUTY EXECUTIVE OFFICER MALM: Very excited to  
3 have her. That concludes my comments and I'm happy to  
4 take any questions, Mr. Chair.

5 CHAIR RUBALCAVA: Thank you. We do have  
6 questions, so we'll start with Trustee Yvonne Walker.

7 COMMITTEE MEMBER WALKER: Hi. So I think it's  
8 great all the different innovations are we -- that we're  
9 going to do. Are -- how are we going to talk to our  
10 members about the AI thing coming out and when they can  
11 expect it, because it doesn't -- in my opinion, it doesn't  
12 sit well when you just, you know, put it out there. I  
13 think there has to be some lead time so people can get  
14 accustomed and -- of what to expect or --

15 DEPUTY EXECUTIVE OFFICER MALM: I think that  
16 utilizing some of our communication tools, such as  
17 PERSpective is one of the ways. I also speak about --  
18 spoke about this typically at like our stakeholder  
19 meetings. I purposely made an effort today to be able to  
20 get on record and talk about these projects. Again, the  
21 projects that we are implementing in customer service is  
22 just to help the team members to do their work. I still  
23 have eyes on every single document.

24 COMMITTEE MEMBER WALKER: Oh, no, that's fine.

25 DEPUTY EXECUTIVE OFFICER MALM: Yeah.

1 COMMITTEE MEMBER WALKER: That's fine. But  
2 still, I mean, when you get -- it's just if it's -- give  
3 me a minute to get my thought together.

4 DEPUTY EXECUTIVE OFFICER MALM: Of course.

5 COMMITTEE MEMBER WALKER: So when the person  
6 calls in to the Call Center, right --

7 DEPUTY EXECUTIVE OFFICER MALM: Um-hmm.

8 COMMITTEE MEMBER WALKER: -- they're not going to  
9 know that they're dealing with -- that AI is in the  
10 process, because that's back office or --

11 DEPUTY EXECUTIVE OFFICER MALM: Um-hmm.

12 COMMITTEE MEMBER WALKER: -- will they know, and  
13 then have some kind of dealing with them?

14 DEPUTY EXECUTIVE OFFICER MALM: So they're still  
15 talking to our Call Center agents, but right now our Call  
16 Center agents feverishly, you know, take mess -- or notes.

17 COMMITTEE MEMBER WALKER: Yeah. Yeah.

18 DEPUTY EXECUTIVE OFFICER MALM: And so, I haven't  
19 really -- we haven't discussed whether there's something  
20 on the front end that says we'll be taking notes, but --

21 COMMITTEE MEMBER WALKER: No, no, not that.

22 DEPUTY EXECUTIVE OFFICER MALM: -- the Call  
23 Center agent, when the call is done, will still be reading  
24 those participant notes and make sure it captured it  
25 correctly. And then they will copy and paste it into the

1 member's account right -- and it should save them around  
2 90 seconds per call. And it's an area that they don't --  
3 they -- it's not their favorite thing to do, so we're  
4 hoping that having this tool summarize these calls makes  
5 the -- their calls easier and that they can get to other  
6 calls instead of taking the notes. So, is your question  
7 are we going to notify the member that that --

8 COMMITTEE MEMBER WALKER: I think you were  
9 answering what I wasn't asking, but I was happy with what  
10 you were answering.

11 (Laughter).

12 DEPUTY EXECUTIVE OFFICER MALM: Okay. Okay.  
13 Great. Thank you.

14 COMMITTEE MEMBER WALKER: I mean, because you're  
15 seeing that everywhere. I see that at my doctor's office.  
16 She has her thing and it automatically records. And I  
17 don't care. I just thought if I had to -- like when I  
18 call into Social Security, right, I get the thing that is  
19 never helpful --

20 DEPUTY EXECUTIVE OFFICER MALM: Yeah.

21 COMMITTEE MEMBER WALKER: -- as opposed to a  
22 person. So I don't want us to have the thing that is  
23 never helpful --

24 DEPUTY EXECUTIVE OFFICER MALM: Yeah.

25 COMMITTEE MEMBER WALKER: -- as opposed to a

1 person.

2 DEPUTY EXECUTIVE OFFICER MALM: No. They will be  
3 talking to a person.

4 COMMITTEE MEMBER WALKER: Okay. So it's back.  
5 It's in the background.

6 DEPUTY EXECUTIVE OFFICER MALM: Yes. Yes, ma'am.

7 CHAIR RUBALCAVA: Thank you, Trustee Walker.  
8 Vice Chair Kevin Palkki, please.

9 VICE CHAIR PALKKI: Thank you, Mr. Chair.

10 Ms. Malm, I have nothing but positive things to  
11 say about you and your team. I actually attended a  
12 conference with the school paraeducators a couple weeks  
13 ago, and we were sharing the importance of the power of  
14 attorney form. Needless to say, one of the attendees got  
15 up and got on the microphone and shared how our team at  
16 CalPERS not only helped her navigate the importance of the  
17 CalPERS -- of the power of attorney form in her situation,  
18 but how it helped her and her two daughters.

19 And so, needless to say, there was not a dry eye  
20 in the room. And for that, I truly thank you and the  
21 teams that go out above and beyond to help our members  
22 during those times, so thank you.

23 DEPUTY EXECUTIVE OFFICER MALM: Thank you. The  
24 team just does an amazing job. Very proud. Thank you.

25 CHAIR RUBALCAVA: Thank you, Ms. Malm.

1 Mr. Don Moulds.

2 CHIEF HEALTH DIRECTOR MOULDS: Great. I wanted  
3 to start with congratulations to Mr. Rubalcava and Mr.  
4 Palkki on your election as Chair and Vice Chair of the  
5 Committee. Our team looks forward to working with you  
6 again this year. As we always do, you've been fantastic  
7 in the past and we're grateful for that.

8 I have a few updates before moving to the rest of  
9 our agenda.

10 First, I want to let you, our employers, and  
11 members know that this year's open enrollment will be held  
12 September 14th through October 9th 2026. These dates are  
13 consistent with prior years and I share them now to allow  
14 for early awareness and planning.

15 Second, I want to provide an update on the  
16 CalPERS public agency rating regions work. It's a topic  
17 we'll be returning to regularly this year. At January  
18 Board Education Day, the team gave a presentation about  
19 current public agency rating regions and the research  
20 we're doing to explore possible changes. We'll be  
21 Providing a recommendation to the Pension and Health  
22 Benefits Committee on this subject in November of this  
23 year.

24 As we said in January, periodically reviewing our  
25 rating regions is good basic program hygiene. Health care

1 market dynamics shift over time and in order to keep our  
2 premiums as competitive as possible, we need to check back  
3 in to make sure that our rating regions reflect regional  
4 health care cost differences across the state.

5           Between now and November, there are numerous  
6 activities taking place. Currently, our team is modeling  
7 claims and enrollment data to measure the cost of health  
8 care under various regional scenarios. We're also looking  
9 at other impacts on employers and members, such as  
10 administrative burden and any potential confusion changes  
11 may create.

12           In April, we'll send out a survey to our health  
13 contracting agency employers. If public agency employers  
14 are listening, please look out for this survey in your  
15 email next month and please participate.

16           In June, we're going to share preliminary results  
17 from that survey with the Board. And then at the July  
18 off-site, we'll present the full employer survey results,  
19 as well as our modeling analysis of the various regions'  
20 options. In August, we'll conduct a webinar for our  
21 contracting agencies. In September, we'll share final  
22 modeling analysis with the Board, along with the feedback  
23 we receive from employers and members. The goal there  
24 will be to get the Board's feedback on the various  
25 regional scenarios in order to shape our recommendations

1 for November.

2           Throughout this process, we will be engaging  
3 stakeholders at regularly scheduled employer and labor  
4 roundtables, scheduled stakeholder events, and at the  
5 employer leadership dialogues.

6           Finally, I want to share an effort we are  
7 extremely excited about. Since last summer, we've been  
8 working with Blue Shield of California and Shasta  
9 Community Health Center, a federally qualified health  
10 center based in Redding with locations across the county,  
11 including in Anderson

12           (Sneezing).

13           CHIEF HEALTH DIRECTOR MOULDS: Bless You -- and  
14 Shasta Lake City. Effective March 1st, our Blue Shield  
15 members will have access to primary care, urgent care, and  
16 behavioral health care services there. The agreement  
17 brings close to a hundred primary care providers online  
18 for our members. And initially, the health center expects  
19 to be able to accommodate between 500 and a thousand new  
20 patients. I've talked in the past about the challenges  
21 our Shasta community -- County members have had with  
22 access to primary care. This partnership is an important  
23 step in addressing it.

24           Federally qualified health centers are known for  
25 their delivery of outstanding primary care. And we have

1 been extremely impressed with Shasta community. Among  
2 other highlights are a primary care residency program they  
3 conduct jointly with UC San Francisco, and a beautiful  
4 facility right in downtown Redding.

5 I'd like to thank Brandon Thornock, Shasta's  
6 visionary CEO and the rest of his team for working with us  
7 and the folks at Shield to make this happen. We're eager  
8 to how this innovate arrangement enhances access to high  
9 quality primary care for our members. The insights we  
10 gain from the work with Shasta community will help us  
11 inform -- we'll help inform us about how we might improve  
12 access to care in other regions of the state that  
13 experience these same challenges. So we're really looking  
14 at this as a model hopefully for the rest of the state.

15 The remainder of our agenda includes the results  
16 of open enrollment last fall, an update on the pharmacy  
17 benefit manager transition from OptumRX to CVS Caremark,  
18 and a discussion of long-term care market research.

19 That include -- that concludes my comments and I  
20 am happy to answer any questions.

21 CHAIR RUBALCAVA: Thank you, Mr. Moulds. Very  
22 interest -- very exciting news. I don't see any  
23 questions, so we shall go forward with the next agenda  
24 item, which is action consent items.

25 VICE CHAIR PALKKI: Move approval.

1 CHAIR RUBALCAVA: Move to approve by Mr. Palkki.

2 COMMITTEE MEMBER TAYLOR: Second.

3 CHAIR RUBALCAVA: Second by President Taylor.

4 Do we need a roll call or just -- roll call.

5 Call for a roll Call

6 BOARD CLERK LEMUS: Kevin Palkki?

7 VICE CHAIR PALKKI: Aye.

8 BOARD CLERK LEMUS: Monica Erickson?

9 COMMITTEE MEMBER ERICKSON: Aye.

10 BOARD CLERK LEMUS: Troy Johnson?

11 COMMITTEE MEMBER JOHNSON: Aye.

12 BOARD CLERK LEMUS: Patrick Henning?

13 ACTING COMMITTEE MEMBER HENNING: Aye.

14 BOARD CLERK LEMUS: David Miller?

15 COMMITTEE MEMBER MILLER: Aye.

16 BOARD CLERK LEMUS: Theresa Taylor?

17 COMMITTEE MEMBER TAYLOR: Aye.

18 BOARD CLERK ANDERSON: Yvonne Walker?

19 COMMITTEE MEMBER WALKER: Aye.

20 BOARD CLERK LEMUS: Mullissa Willette?

21 COMMITTEE MEMBER WILLETTE: Yes.

22 CHAIR RUBALCAVA: Thank you. The ayes have it,  
23 so the item -- both consent items are approved. So now  
24 we'll move to information consent items. I haven't heard  
25 anything, so we move forward.





1 attractive to members.

2 In general, for the Basic plans, the lower  
3 premium and narrow network plans were the ones that  
4 experienced increases in membership. In addition to Trio  
5 and Harmony, those plans are Sharp, Western Health  
6 Advantage, and Health Net Salud y Más. For State  
7 employees, these premiums are mostly, of not completely  
8 covered by the employer contribution.

9 [SLIDE CHANGE]

10 HEALTH PLAN RESEARCH & ADMINISTRATION DIVISION

11 CHIEF JARZOMBK: Now, let's look at the basic plans that  
12 experience the highest net losses, PERS Platinum declined  
13 by 6.4 percent with a loss of 6,100 members. Blue Shield  
14 Access+ saw a three and a half percent drop in membership,  
15 and PERS Gold experienced just under a one percent loss in  
16 members. While there are still losses on the PPO plans,  
17 they were slightly better than we expected with fewer  
18 members leaving the PPO plans than we projected.

19 [SLIDE CHANGE]

20 HEALTH PLAN RESEARCH & ADMINISTRATION DIVISION

21 CHIEF JARZOMBK: Now, let's take a closer look at  
22 Monterey County. As you know, Blue Shield Access+  
23 replaced Trio in Monterey County starting this year. This  
24 was done to ensure the long-term sustainability in the  
25 CalPERS portfolio. Of the 6,300 Trio members that

1 required migration, 2,700 members, or about 44 percent,  
2 elected to make a plan change during open enrollment.

3           You can see the plans these members selected on  
4 this slide. The remaining 3,500 members, or about 56  
5 percent, were administratively transferred to Access+. In  
6 total, roughly 5,000 members representing about 80 percent  
7 of the former Trio members in Monterey County joined  
8 Access+ either by elective or administrative transfer --  
9 administrative transfer. This was close to our projection  
10 of the number of members -- of Trio members moving to  
11 Access+.

12           This concludes my presentation, and I'm happy to  
13 take any questions.

14           CHAIR RUBALCAVA: Thank you, Rob.

15           Any questions from the Committee?

16           I don't see any questions, so let's continue to  
17 Dr. Logan. I think next, Dr. Logan is next on the  
18 Pharmacy Benefit Manager.

19           CHIEF HEALTH DIRECTOR MOULDS: Actually, Rob is  
20 going to be.

21           CHAIR RUBALCAVA: Okay. Rob. Excuse me. Sorry.

22           CHIEF HEALTH DIRECTOR MOULDS: Dr. Logan will be  
23 joining him.

24           CHAIR RUBALCAVA: Okay.

25           (Slide presentation).

## 1 HEALTH PLAN RESEARCH &amp; ADMINISTRATION DIVISION

2 CHIEF JARZOMBK: All right. Good afternoon again, Mr.  
3 Chair and members of the Committee. This is Agenda Item  
4 6b, which provides you with an update on the transition to  
5 CVS Caremark as CalPERS new pharmacy benefits manager  
6 starting January 1st of this year.

7 [SLIDE CHANGE]

## 8 HEALTH PLAN RESEARCH &amp; ADMINISTRATION DIVISION

9 CHIEF JARZOMBK: Moving close to 600,000 members from the  
10 previous PBM that served our members for nearly a decade  
11 was a significant undertaking. To give you some  
12 perspective, this transition spanned across nine Basic  
13 plans and three Medicare plans. We sent out over one  
14 million communications in the form of both letters and  
15 emails to members, work to implement numerous complex data  
16 exchanges with several health plans, and set up CVS's Call  
17 Center to assist our members since before last year's open  
18 enrollment. The CVS Call Center answered over 60,000  
19 calls in the first two months since go-live, all while  
20 achieving their service level targets.

21 So first and foremost, I would like to thank our  
22 members and employers for their patience and  
23 understanding, as we make this transition to CVS for Basic  
24 members and to SilverScripts for Medicare members.  
25 SilverScripts is the name of CVS's Medicare Part D plan



1 and scope, there are going to be bumps along the road.  
2 Here are the key items we're focusing on to help our  
3 members through this transition. The first area is  
4 addressing member disruption from formulary changes or  
5 changes in the drug list between Optum and CVS. We  
6 anticipated approximately 5 percent of Basic members and  
7 15 percent of Medicare members would be required to switch  
8 to a new medication because of formulary exclusions.  
9 Additional members would experience changes due to their  
10 medication being moved to a different tier.

11           Impacted members, as well as their prescribing  
12 physicians, received letters late last year letting them  
13 know the formulary changes, including any drugs excluded  
14 from CVS's formulary, drugs that are moving to a higher  
15 tier, or changes -- or changes in prior authorization,  
16 step therapy, or quantity limit requirements.

17           If a drug was excluded on the CVS formulary, the  
18 letter also indicated alternative medications that are on  
19 the formulary. We know that some of these letters cause  
20 confusion amongst members and could have been written more  
21 clearly. Learning from this, we have adjusted the  
22 language in future -- adjusted the language used in future  
23 letters.

24           Next, to help members through this transition, we  
25 have implemented transition fills for those impacted.

1 This means that members whose medication is no longer on  
2 the formulary or on a different tier can receive the same  
3 medication for up to 90 days at the tier they were  
4 accustomed to with Optum. This gives members time to talk  
5 with their clinician to see if another on-formulary --  
6 on-formulary medication is an option or if a medical  
7 exception is needed.

8 We're also working with CVS to update their  
9 website and formularies to reflect the wrap drugs that  
10 were previously omitted from the Medicare formulary posted  
11 online. The wrap drug list is supplemental list of drugs  
12 excluded from the Medicare formulary, but that are on the  
13 Basic formulary. So it works to close the gap and ensure  
14 parity between our Basic and Medicare formularies. The  
15 wrap list is now available online.

16 Finally, we are supporting our members with  
17 ongoing communication support. We continue to review and  
18 update our dedicated transition website with the latest  
19 information and FAQs. We also drafted and shared an  
20 article for stakeholder newsletters. The article answers  
21 common questions we've heard from members, such as  
22 managing prior authorizations and exceptions and  
23 understanding changes in copays among other things.

24 We also have a strong grievance and appeals team,  
25 and processes in place to address member issues as they

1 arise, as well as to ensure any systemic issues are dealt  
2 with promptly so other members are not negatively  
3 impacted.

4           In closing, I cannot underscore enough how large  
5 of a transition this has been. We again want to thank our  
6 members and employers for their patience and  
7 understanding, and for the feedback they have shared with  
8 us as we go through this implementation. We recognize  
9 that a handful of issues have emerged this year, but most  
10 of these are resolved or on the path to resolution.

11           I'd like to recognize the dedicated CalPERS and  
12 CVS teams who have worked tirelessly to resolve issues as  
13 they are identified to ensure our members continue to  
14 receive the medications that they need.

15           This concludes my prepared comments and Don,  
16 Julia and I are happy to answer any questions.

17           CHAIR RUBALCAVA: Thank you, Rob.

18           Does the Committee have any questions?

19           I have a question, Rob. You mentioned that we  
20 expected transition issues, because the formulary changed,  
21 but we had systems in place to address that. How many  
22 appeals were filed or -- because either -- I'm  
23 specifically looking at when there's a formulary change  
24 and what the -- their primary physician may have  
25 prescribed was in the formulary, but we want them to go to

1 another one that's perhaps just as effective, perhaps  
2 cheaper, but sometimes it doesn't work. How many of those  
3 did we have? Because we always want to be on the member  
4 side, sort of.

5 HEALTH PLAN RESEARCH & ADMINISTRATION DIVISION

6 CHIEF JARZOMBK: Yes. And so our estimates were of 5  
7 percent of disruption on the Basic side and 15 on the  
8 Medicare side. This is what we're working through right  
9 now with our grievance and appeals team and with the CVS  
10 grievance and appeals team to make sure we're handling all  
11 of those member inquiries and questions correctly. So  
12 there's different paths a member could go down the prior  
13 authorization path or medical exception path. And so this  
14 is where the members need to work with their clinician to  
15 figure out what is the right path for them, if they need  
16 to skip ahead to the exclusion -- medical exclusion path,  
17 because they've already tried some of the step therapies  
18 associated with the prior auth.

19 CHAIR RUBALCAVA: Okay. So I actually was  
20 looking at the medical exception, I guess, how many --  
21 when they've tried.

22 HEALTH PLAN RESEARCH & ADMINISTRATION DIVISION

23 CHIEF JARZOMBK: Yes.

24 CHAIR RUBALCAVA: Do we have a ballpark or...

25 HEALTH PLAN RESEARCH & ADMINISTRATION DIVISION

1 CHIEF JARZOMBK: I don't have a ballpark for that at the  
2 moment, but that's something we can research and get --  
3 bring back to you.

4 CHAIR RUBALCAVA: But basically, I gather from  
5 your answer, even though we don't have the numbers, that  
6 our systems that are in place have been working.

7 HEALTH PLAN RESEARCH & ADMINISTRATION DIVISION

8 CHIEF JARZOMBK: Yes. There are systems in place to  
9 support those members, should they need a medical  
10 exception and we're working with them so they can get that  
11 with their clinician.

12 CHAIR RUBALCAVA: Thank you.

13 CHIEF HEALTH DIRECTOR MOULDS: Yeah. We'll -- we  
14 are happy to get you those numbers -- the appeals numbers.  
15 And they're very real events and folks don't submit  
16 appeals or -- for -- you know, for reasons other than  
17 having a major impact on their lives. And so all of them  
18 are things that we take very seriously. The -- our  
19 grievance and appeals team has been just -- you know,  
20 they've had a lot of these within the numbers that we  
21 shared with you, but they're a lot. And they've been  
22 doing a fantastic job burning the candle at both ends to  
23 work through these to be responsive to our members and  
24 super appreciative of all of their work.

25 CHAIR RUBALCAVA: Thank you for those comments.

1 I know our staff are dedicated to our membership and I  
2 appreciate that. Thank you, Rob Jarzombek.

3 Now, we'll go to long-term care market research.

4 I apologize, Larry. We have public comment. I  
5 knew there was a reason you were in the audience.

6 (Laughter).

7 CHAIR RUBALCAVA: Sorry about that, Larry.

8 LARRY WOODSON: Thank you. Congratulations to  
9 both you and Chair -- Vice Chair Palkki.

10 Good morning. Larry Woodson, California State  
11 Retirees. Thank you for the opportunity to comment. I  
12 want to speak to what I would characterize as a  
13 significant communication errors by SilverScript Medicare  
14 and their more restrictive formula when compared to  
15 OptumRx. First, I want to thank Rob Jarzombek and his  
16 staff for their advocacy with Caremark and SilverScript  
17 regarding numerous issues that I personally experience as  
18 well as many of our members.

19 I think it's important for the Board to hear some  
20 specific examples, so I'm going to highlight some that I  
21 had myself. I first received a letter SilverScript, as  
22 Rob identified that was back in December, identifying  
23 three of my maintenance drugs that would not be covered.  
24 And all three had been covered by Optum at very low  
25 copays.

1           I received my first letter in December. And one  
2 of the drugs I had not been taking for months, so that was  
3 erroneous, it recommended talking to my doctor to see if  
4 another drug might work. And then January 26th, I  
5 received another letter saying the December letter may  
6 have had some incorrect information. And it listed the  
7 same three drugs, really made no corrections. It just  
8 added a list of alternatives.

9           Then I received a letter the very next day, which  
10 added another drug, which said I would not be covered, and  
11 I need that for asthma. And as they said, they'd cover it  
12 for the 90 days. And then I either had to find another  
13 alternative or request an exception. It's a generic drug,  
14 widely prescribed. And the alternative I tried. It  
15 already caused problems, so the letter also stated to  
16 check with CalPERS, since some of the drugs might be  
17 covered by them presumably on their wrap list. Well, that  
18 was a bogus recommendation, because the wrap list had  
19 already been integrated as of January 1, but hasn't -- it  
20 wasn't made available to us, until last week.

21           I called SilverScript customer care about these  
22 letters. I was told that one of the drugs would be  
23 covered after all at a reasonable copay of \$10, so I was  
24 pleased. Then I received a letter February 7th, which  
25 said the same drug I had been told was covered at 10 was

1 not covered, and I needed to accept an alternative or  
2 apply for preauthorization. Ultimately, likely to Mr.  
3 Jarzombek's intervention or his staff, I was assigned a  
4 Senior Caremark representative who was very good,  
5 explained that the exception and preauthorization were  
6 used interchangeably, so it was the same process. She  
7 clarified the process and I have applied for exceptions.  
8 I was informed that in two of the calls that I made,  
9 SilverScript reps had given me incorrect information and  
10 had been counseled.

11 In conclusion, CSR has received many other  
12 complaints of a similar nature. Bottom line is that the  
13 Caremark formulary is inferior to Optum's. Over 330 Optum  
14 covered drugs are not on SilverScript formulary.  
15 Apparently in awarding the contract, CalPERS chose to save  
16 money, but members are the ones paying the price.

17 Thank you.

18 CHAIR RUBALCAVA: Thank you for your comments,  
19 Mr. Woodson.

20 Okay. Now, we can proceed to the long-term care  
21 item.

22 (Slide presentation).

23 CHIEF HEALTH DATA STRATEGY OFFICER SHINABERY:

24 All right. Good morning. Jared Shinabery,  
25 CalPERS team member. I'm sorry. Good afternoon.

1 (Laughter).

2 CHIEF HEALTH DATA STRATEGY OFFICER SHINABERY:

3 I'd like to provide an update on our recent  
4 research into the long-term care marketplace and discuss  
5 the potential opportunity for CalPERS to provide our  
6 members with a fully insured long-term care insurance  
7 option.

8 As a reminder, CalPERS has operated a voluntary  
9 self-insured long-term care insurance program since 1995.  
10 However, in June 2020, the Board made a decision to  
11 temporarily stop accepting new applications. This was due  
12 to ongoing uncertainties in the long-term care marketplace  
13 and concerns about the sustainability and risk associated  
14 with continuing a self-insured program.

15 [SLIDE CHANGE]

16 CHIEF HEALTH DATA STRATEGY OFFICER SHINABERY:

17 So given these challenges, we began to explore  
18 alternative ways to provide value to our members who are  
19 interested in purchasing long-term care insurance. One  
20 avenue we considered was partnering with an external  
21 long-term care insurer. According to the California  
22 Department of Insurance, there are currently eight  
23 carriers offering stand-alone long-term care products in  
24 California. In January, CalPERS reached out to these  
25 carriers with a market research request.



1 return, the insurer provides a discount to members who  
2 choose to participate.

3           The insurer would assign agents who are  
4 specifically educated on CalPERS and our membership. And  
5 interested members would fill out an online form hosted by  
6 the insurer, which prompts these agents to reach out by  
7 phone or email to set up an appointment. Often these  
8 appointments are in person, which is helpful, given the  
9 complexity of long-term care insurance. The agent will  
10 discuss the product, review options and assist with the  
11 application process.

12           If the member just -- if the member decides not  
13 to proceed, that's fine. There's no obligation to buy.  
14 If they do wish to move forward, the agent will guide them  
15 through the process. It's important to note that these  
16 products require underwriting, so not everyone who applies  
17 would be approved for coverage.

18           CHAIR RUBALCAVA: Jared, just to -- sorry to  
19 interrupt. By underwriting, you mean previous --

20           CHIEF HEALTH DATA STRATEGY OFFICER SHINABERY:  
21           So underwriting --

22           CHAIR RUBALCAVA: -- medical conditions?

23           CHIEF HEALTH DATA STRATEGY OFFICER SHINABERY:

24           Yeah, exactly. So it's a process of basically  
25 viewing the applicant, their medical history and so on to

1 see if they -- if they wish to ensure that individual  
2 based on that information.

3 CHAIR RUBALCAVA: Thank you.

4 [SLIDE CHANGE]

5 CHIEF HEALTH DATA STRATEGY OFFICER SHINABERY:

6 So both insurers confirm that their products,  
7 rates, and promotional materials must be filed and  
8 approved with the California Department of Insurance or  
9 the Department of Insurance and the state where the member  
10 resides. The product pricing and discounts currently  
11 filed with the Department of Insurance would be available  
12 to CalPERS members. The insurers would -- could create  
13 promotional materials that are specific to CalPERS, but  
14 this would require approval from the Department of  
15 Insurance and take quite some time to do.

16 As you know, rate increases are not uncommon in  
17 the long-term care industry, and we are evaluating the  
18 rate history of the products under consideration. One of  
19 the insurers has a rate increase currently pending with  
20 the Department of Insurance in California. While the  
21 other has never had a rate increase on the products that  
22 they presented. However, we recognize that this does not  
23 guarantee that they won't have rate increases in the  
24 future.

25 [SLIDE CHANGE]

1 CHIEF HEALTH DATA STRATEGY OFFICER SHINABERY:

2 So why should CalPERS consider offering a fully  
3 insured product and how does this help our members?

4 First and foremost, financing long-term care  
5 continues to be a challenge for Americans nationwide.  
6 Having options to finance long-term care is important and  
7 beneficial for our members. At this time, we do not  
8 believe it is prudent for CalPERS to offer a self-insured  
9 product due to the uncertainties in the marketplace and  
10 the risk CalPERS would bear. Instead, we see value in  
11 providing our members with an option where an insurer  
12 takes on the financial risk.

13 CalPERS would not have any financial involvement  
14 with a fully insured offering and would have substantially  
15 less operational burden, as the product is not CalPERS  
16 offering and is subject to the authority and oversight of  
17 the Department of Insurance. This approach would provide  
18 our members with a discounted option, compared to what  
19 they could -- what they could purchase directly from the  
20 insurer.

21 It is worth noting that long-term care insurance  
22 can be expensive and not all members will perceive these  
23 products as affordable. Nevertheless, having access to a  
24 discounted product is a meaningful benefit.

25 [SLIDE CHANGE]

1 CHIEF HEALTH DATA STRATEGY OFFICER SHINABERY: As  
2 for next steps, we are continuing to discussions with the  
3 two insurers. We are focusing on their marketing and  
4 distribution capabilities, as well as product features,  
5 pricing and discounts. We will return to the Board with a  
6 formal recommendation later this year depending on how  
7 discussions go.

8 Thank you. I'm happy to answer any questions.

9 CHAIR RUBALCAVA: Thank you.

10 Does the committee have any questions?

11 Trustee Johnson. Troy.

12 COMMITTEE MEMBER JOHNSON: Thank you for the  
13 presentation. I just want to ensure that this is  
14 something that -- that this is something potentially we  
15 would be offering our members, but we would not be  
16 administering it, per se, right?

17 CHIEF HEALTH DATA STRATEGY OFFICER SHINABERY:

18 That is correct.

19 COMMITTEE MEMBER JOHNSON: Great. Thank you.

20 CHAIR RUBALCAVA: Thank you, Mr. -- Trustee  
21 Johnson.

22 One final question. On the -- on the rate, are  
23 they age rated or how do they determine it. Is it by  
24 morbidity, or health condition. How do they determine the  
25 rates or is there a rate chart or matrix?

1 CHIEF HEALTH DATA STRATEGY OFFICER SHINABERY:

2 Yes to all of the above. Yeah. There are rate  
3 charts and they distinguish by different age groups, as  
4 well as gender or sex.

5 CHAIR RUBALCAVA: All right. Thank you. We look  
6 forward to future reports, as the negotiations continue.  
7 Thank you. I don't see any more -- I have a question  
8 from -- two more questions. Okay. Thank you for your  
9 expressing.

10 Vice Chair Palkki, please.

11 VICE CHAIR PALKKI: Just a quick question. On  
12 the underwriting requirements, if somebody was not  
13 approved, it's just because the -- it's just too high of a  
14 risk or would they adjust the cost and the cost could  
15 theoretically be out of affordability?

16 CHIEF HEALTH DATA STRATEGY OFFICER SHINABERY:

17 It's typically -- it is an assessment that they  
18 are too high risk to take on.

19 VICE CHAIR PALKKI: Okay. Thank you.

20 CHAIR RUBALCAVA: Any more questions?

21 Okay. So this was just an information item, but  
22 you got a sense where the Committee is at.

23 Thank you.

24 Next, we have Summary of Committee Direction. I'  
25 sorry. Sorry. We have another one.

1 (Laughter).

2 CHAIR RUBALCAVA: The one all our retirees are  
3 waiting for, the annual cost of living. Sorry, Ms. Malm.

4 DEPUTY EXECUTIVE OFFICER MALM: I'm fine with  
5 missing it, but I think there's a number of people in the  
6 back that might want to hear --

7 CHAIR RUBALCAVA: Oh, yes.

8 DEPUTY EXECUTIVE OFFICER MALM: -- the COLA  
9 agenda item. Good afternoon. Kim Malm, CalPERS team  
10 member again.

11 (Slide presentation).

12 DEPUTY EXECUTIVE OFFICER MALM: This Item 6d is  
13 the annual information item on the retiree cost of living  
14 adjustments, or the COLA. As background, our retirement  
15 law provides for the payment of annual COLA each May to  
16 all eligible retirees based on the rate of inflation as  
17 measured by the Consumer Price Index All Urban Consumers,  
18 or the CPI-U, as stated in the CalPERS Public Retirement  
19 Law, or PERL, Section 21311.

20 For calendar year 2025, the rate of inflation  
21 over the prior year was 2.63 percent. And this figure is  
22 what was used to compute the annual COLA increases. For  
23 reference, the inflation rate has averaged 4.5 percent  
24 over the last five years, and 2.78 percent over the last  
25 40 years.

1           The COLA adjustment -- sorry move to slide 2.  
2 I'm going to try to remember to tell you that.

3                                 [SLIDE CHANGE]

4           DEPUTY EXECUTIVE OFFICER MALM:   The COLA  
5 adjustment is dependent upon three factors, the CPI-U, the  
6 employer contracted COLA provision, and the year of  
7 retirement. A member's COLA increase to their pay is  
8 limited to the lesser of the two factors, the rate of  
9 inflation or the COLA provision that their employer  
10 negotiated as part of their contract, both compounded  
11 since the year of retirement.

12           A retiree becomes eligible for COLA in the second  
13 calendar year of retirement. Therefore, members who  
14 retired in 2024, or prior, are eligible to receive a COLA  
15 this benefit -- or -- COLA benefit this year. Nearly 96  
16 percent of our retirees are contracted for a 2 percent  
17 COLA, but some do have a 3, 4, or 5 percent COLA  
18 provision. The COLA adjustments will appear on the May  
19 1st payment.

20           Please move to slide 3.

21                                 [SLIDE CHANGE]

22           DEPUTY EXECUTIVE OFFICER MALM:   There are  
23 instances where the COLAs do not adequately keep up with  
24 inflation over the long term. We generally experience  
25 this with our retirees that have been retired 35 plus



1 2 percent contracted COLA will receive between 2 percent  
2 and 2.63 percent this year, depending upon their year of  
3 retirement.

4 Let me explain further. In the years where  
5 inflation exceeds the contracted COLA provision, retirees  
6 may be capped due to the contracted COLA amount, and any  
7 excess is applied in future years. This is referred to as  
8 banking, which is in addition to the PPPA. An example  
9 that is using the banking is the 3 percent COLA  
10 contracting agencies chart on page 2 of your agenda item,  
11 if you wanted to look at that, and it's for years 1978  
12 through 1980, and years 2015 through 2022. Those members  
13 will receive the full 3 percent, even though the CPI-U was  
14 2.63 percent to gain ground with inflation and due to the  
15 banking. We get questions from retirees why they don't  
16 the get CPI-U, as stated the 2.63 percent.

17 To recap and provide clarity in a hard math  
18 world, these calculations are based on CPI-U and the  
19 contract their employers signed with CalPERS, whichever is  
20 lower. This year, the retirement can -- or the year the  
21 retirement can increase this amount, if there is a PPPA or  
22 banking added.

23 Please move to slide 5.

24 [SLIDE CHANGE]

25 DEPUTY EXECUTIVE OFFICER MALM: COLA increases

1 are always of interest to retirees, so we do our best to  
2 communicate through various channels, including an article  
3 in our spring newsletter, various social media platforms,  
4 and updates on our CalPERS website, including the charts  
5 in the agenda item and dedicated webpages for both COLA  
6 and the PPPA. Also, in response to member requests, we're  
7 pleased to announce a new feature this year, a COLA  
8 estimator in the member's online accounts. Starting  
9 Thursday, March 19th, members can log in to their  
10 myCalPERS account to view their estimated COLA amount for  
11 their May 1st payment. This new feature was developed to  
12 meet members' needs and make it easier for members to plan  
13 and stay informed.

14           Currently, members are only able to view their  
15 COLA once it's implemented. This new feature would  
16 provide members a preview of their estimated COLA amount.

17           This concludes my presentation. I am happy to  
18 take any questions except for math and I'll turn those  
19 over to actuaries.

20           CHAIR RUBALCAVA: Thank you, Ms. Malm.

21           Do we have questions from the Committee?

22           Okay. No questions.

23           DEPUTY EXECUTIVE OFFICER MALM: Great. Thank  
24 you.

25           CHAIR RUBALCAVA: Thank you very much, Ms. Malm.

1 Well, I think we're ready for Summary of  
2 Committee Action.

3 CHIEF HEALTH DIRECTOR MOULDS: I was going to say  
4 I think I have one, but you tell me whether I've got it  
5 right, which was the appeals numbers on -- for  
6 pharmaceuticals.

7 CHAIR RUBALCAVA: Yes.

8 CHIEF HEALTH DIRECTOR MOULDS: I'll add that  
9 we've gotten a little bit of feedback since you asked the  
10 question. The appeals numbers are actually  
11 extraordinarily limited. We think that we've had just a  
12 few so far.

13 CHAIR RUBALCAVA: Oh, that's great.

14 CHIEF HEALTH DIRECTOR MOULDS: The grievances  
15 numbers, however, are the germane numbers. So with your  
16 permission, we'll confirm the number of both appeals and  
17 grievances as response to Committee direction.

18 CHAIR RUBALCAVA: Thank you. And can you also  
19 please have somebody meet with Larry Woodson just to make  
20 sure we satisfy that we --

21 CHIEF HEALTH DIRECTOR MOULDS: We are always  
22 happy to meet with Mr. Woodson.

23 CHAIR RUBALCAVA: Thank you.

24 CHIEF HEALTH DIRECTOR MOULDS: We've been talking  
25 to him about some of these challenges and are happy to --

1 CHAIR RUBALCAVA: Yes, because --

2 CHIEF HEALTH DIRECTOR MOULDS: -- make sure that  
3 we --

4 CHAIR RUBALCAVA: I just want to make sure that  
5 there's clarity on what drove the RFP and the selection  
6 process.

7 CHIEF HEALTH DIRECTOR MOULDS: Yep.

8 CHAIR RUBALCAVA: Thank you.

9 We still have public comment.

10 Katelyn, please. Just come up here, sit, and hit  
11 the microphone. Yes.

12 KATELYN ROJVONGPAISAL: Hello.

13 CHAIR RUBALCAVA: Yes, please.

14 KATELYN ROJVONGPAISAL: Yes.

15 CHAIR RUBALCAVA: You have three minutes, please.

16 KATELYN ROJVONGPAISAL: Thank you.

17 Hello. My name is Katelyn Rojvongpaisal. I'm  
18 from the Department of Fish and Wildlife and I am a  
19 beneficiary of Anthem Blue Cross Select HMO.

20 I would like to address a few items today  
21 regarding my experiences with my health care since  
22 starting my State service in July 2024. Since starting my  
23 State service, I have visited the ER three times, two of  
24 which are 5150s. My first 5150 was in December 2024 and I  
25 received inpatient treatment because my finding

1 behavioral -- a behavioral health provider was extremely  
2 challenging on my own.

3           During my stay, my social worker informed me, I'm  
4 having trouble finding a behavioral health clinic that  
5 accepts your insurance even with my resources. I believe  
6 my behavioral health issue was resolved in October 2025,  
7 but a recent policy change at the hospital has reset my  
8 search for a provider who can provide me appropriate care.  
9 My Disability is tied to my mental health.

10           My second 5150 ER visit did not end in inpatient  
11 care, but was completely preventable. I have had many  
12 difficulties with my DME provider Apria Healthcare and  
13 Anthem. The medical device was only provided to me when I  
14 contacted a CalPERS Board member and the DME provider  
15 rushed to address it, since they initially informed me and  
16 my provider that my insurance did not cover the device.

17           The device was sent to me without notification  
18 and consultation while I was on a four-week vacation.  
19 Apria Healthcare has a 30-day window to notify them that a  
20 mask does not fit. And I did receive the incorrect mask.  
21 I have made several attempts to rectify this issue.  
22 Neither April nor Anthem were helpful in assisting me in  
23 receiving proper equipment. And on January 13th of 2026,  
24 I admitted myself to the ER because I felt trapped and  
25 unsafe to myself.

1           On January 16th, I sent a follow-up email to the  
2 CalPERS health appeals team, who helped me receive my  
3 device initially, but never received a response from the  
4 team. On Friday, March 13th, 2026, I was informed Apria  
5 Healthcare was -- will be collecting the equipment from a  
6 failure to comply with their 90-day compliance policy  
7 later today.

8           Yesterday, March 16th, 2026, the same information  
9 was reiterated that I will be responsible for the bill, as  
10 Anthem has stopped making payments since January 2026, and  
11 I had the equipment in my possession. A 5150 patient  
12 caused approximately \$500 to \$2500 for an evaluation at  
13 the emergency room. The 72-hour hold in a facility is a  
14 minimum of \$3,000. Honestly, after yesterday's phone  
15 call, I debated returning to the ER for another 5150, but  
16 I decided it was disservice to myself and the many others  
17 who struggle with this DME provider, if I did not make a  
18 comment today.

19           I have a goal to stay out of an emergency room in  
20 2027, as I have been admitted to an ER at least once a  
21 year since 2017. I would like to ask this Board to help  
22 me to achieve my goal of not having an ER visit in 2027 by  
23 making -- by assisting me and making my health care  
24 accessible and without barriers.

25           Thank you.

1 CHAIR RUBALCAVA: Thank you for approaching the  
2 Board. I'm sure somebody from staff will be assisting  
3 you.

4 KATELYN ROJVONGPAISAL: Thank you.

5 CHAIR RUBALCAVA: With that, that concludes our  
6 meeting for today.

7 (Thereupon California Public Employees'  
8 Retirement System, Pension and Health Benefits  
9 Committee open session meeting adjourned  
10 at 2:57 p.m.)  
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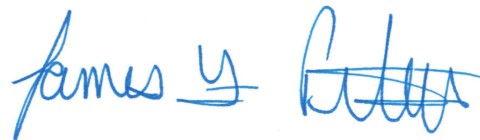
CERTIFICATE OF REPORTER

I, JAMES F. PETERS, a Certified Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing California Public Employees' Retirement System, Board of Administration, Pension and Health Benefits Committee open session meeting was reported in shorthand by me, James F. Peters, a Certified Shorthand Reporter of the State of California, and was thereafter transcribed, under my direction, by computer-assisted transcription;

I further certify that I am not of counsel or attorney for any of the parties to said meeting nor in any way interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 24th day of March, 2026.



JAMES F. PETERS, CSR  
Certified Shorthand Reporter  
License No. 10063