

Approval of Preferred Provider Organization Fertility Benefit Design Change

Julia Logan, MD, Chief Clinical Director

Rob Jarzombek, Chief, Health Plan Research and Administration

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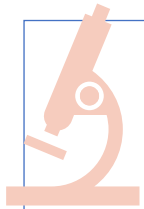
Agenda

- SB 729 background and requirements
- Research findings
- Recommendation

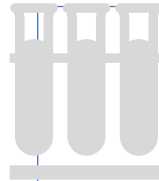
SB 729 Background

- Requires CalPERS HMO Basic plans to cover infertility diagnosis and treatment, effective July 1, 2027
- Does not apply to CalPERS PPO plans
- Includes coverage for In Vitro Fertilization (IVF)
- The Department of Managed Health Care released updated guidance (All Plan Letter 25-021) on February 23, 2026
- [DMHC's APL](#) is the framework for benefit design

Family Building Benefit



Infertlity related testing



3 attempts to retrieve sperm/eggs and unlimited embryo transfers



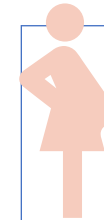
Counseling



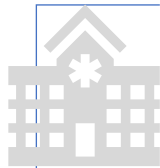
In vitro fertilization (IVF)



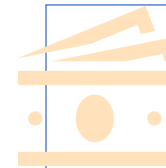
Medications



Fertility services for surrogacy



5 years of cryopreservation and storage



Same cost sharing, deductibles & out-of-pocket maximums as other benefits

Research Findings Favor Vendor

Quality

- Extensive experience
- Streamlined reporting
- Program monitoring

Access

- Dedicated patient navigator

Affordability

- Competitive costs
- Performance guarantees

Equity

- Statewide networks
- Dedicated pharmacy programs

Vendor Research Favors Progyny

High-quality
equitable care

Comprehensive
suite of family
building benefits

Superior access
to high-quality
clinicians
statewide

Ability to address
underserved
markets and influx
of new patients

Most competitive
costs and
performance
guarantees

2027 Premium Impact

	PMPM	% Premium Impact
HMO	\$2.91	0.30%
PPO	\$2.91	0.30%

Implementation Plan for HMOs

Kaiser

Administers benefit for Kaiser members

- Integrated model of care, including Rx
- Access to Kaiser infertility clinics

All other HMOs

Progyny administers benefit, including Rx

- Health plans will contract with Progyny
- Terms include CalPERS price and performance guarantees in a non-binding MOU

Recommend Approval of Family Building Benefit for Basic PPO Members

Ensures parity
and equity
across HMOs
and PPOs

Eliminates
potential
outward
migration from
PPOs

Secures more
favorable
vendor pricing

Next Steps

