Pension & Health Benefits Committee

Agenda Item 4c

November 17, 2026

Item Name: CalPERS Health Benefits Program Annual Report for Plan Year 2025

Program: Health Benefits

Item Type: Information Consent

Executive Summary

This agenda item presents the CalPERS Health Benefits Program Annual Report for the 2025 health plan year. Pursuant to California Government Code Section 22866, the report informs the California Legislature and Director of Finance with required information of the CalPERS Health Benefits Program.

Strategic Plan

This agenda item supports the CalPERS 2022-2027 Strategic Goals of Member Experience and Stakeholder Engagement, as it relates to enhancing services, communication, and education tools for our members and partners.

Background

CalPERS Health Benefits Program annual reporting requirements were enhanced in the 2015 state budget act. Now in its 11th edition, the report provides essential data and historical trends tailored for our stakeholders.

Analysis

This report provides a comprehensive review of the CalPERS Health Benefits Program, in compliance with the statutory deadline of November 1, 2025. It reflects collaboration across program areas to compile information on the health plan portfolio, program administration, and financial activity.

The report addresses state and federal benefit requirements, health plan benefit design changes, and health plan actuarial values. It also includes information on member health characteristics, including chronic conditions data, and results from the annual health plan member survey. New this year, the report includes the Health Maintenance Organizations (HMOs) Quality Alignment Measure Set (QAMS) results.

In addition, the report presents key health plan data trends, such as historic enrollment data, premium trends, and medical trends by service category.

Finally, the report summarizes financial information for the CalPERS Health Benefits Program, including historical expenditures, member out-of-pocket costs, actuarial reserve levels, program staffing and operating costs, and the investment performance of the Public Employees' Contingency Reserve Fund and the Public Employees' Health Care Fund.

Budget and Fiscal Impacts

Not Applicable.

Benefits and Risks

Not Applicable.

Attachments

Attachment 1 – CalPERS Health Benefits Program Annual Report

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