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Special:

Circular Letter

**TO: CONTRACTING AGENCY HEALTH BENEFIT OFFICERS AND ASSISTANT
HEALTH BENEFIT OFFICERS**

**SUBJECT: PROCESS FOR CONTRACTING AGENCY TERMINATION FROM THE
PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL ACT**

On June 15, 2005 the CalPERS Board of Administration approved and announced the health plan premiums for the 2006 contract year. Attached are the premiums for each of the five regions for contracting agencies.

As allowed by the Public Employees' Medical and Hospital Act (PEMHCA) each year after passage of the premiums for the next calendar year, contracting agencies wishing to terminate their participation in PEMHCA may do so by filing a resolution passed by a majority vote of its governing body. The resolution electing to terminate must be filed with:

Office of Employer and Member Health Services
P.O. Box 942714
Sacramento, CA 94229-2714

The resolution must be filed no later than 60 days after the CalPERS Board of Administration approves and announces the health plan premiums for the 2006 contract year. The deadline for receipt of the resolution by CalPERS is August 15, 2005. The termination becomes effective at the end of the current contract year and is irrevocable after the filing of the resolution. Please be aware that regulation 599.515(e), approved by the Office of Administrative Law, extends the re-entry period for eligibility to join PEMHCA from two to five years from the termination date.

If you have any questions about the information contained in this letter, please call our Public Agency and Schools Unit at 916-795-1233.

ORIGINAL SIGNED BY:

Holly A. Fong, Chief
Office of Employer and Member Health Services

Attachment