

**California Public Employees' Retirement System  
Health Policy and Benefits Branch  
June 2026**

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**Preliminary 2027 Health Maintenance Organization and  
Preferred Provider Organization Plan Premiums,  
Addition/Removal of Health Plans, Service Area Expansion,  
Benefit Design Change, and Product Changes**

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# California Public Employees' Retirement System

## Health Policy and Benefits Branch

### June 2026

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#### 1. Overview

Pursuant to Government Code 22865, the California Public Employees' Retirement System (CalPERS) is providing preliminary 2027 health premiums to the Joint Legislative Budget Committee, the chairpersons of the committees and subcommittees in each house of the Legislature that consider the CalPERS budget and activities, the State Controller, the Trustees of the California State University, the Department of Human Resources, the Director of Finance, and the Legislative Analyst.

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#### 2. Preliminary 2027 Health Premiums

The CalPERS Health Benefits Program is governed by the Public Employees' Medical & Hospital Care Act, which requires the health premiums reasonably reflect the cost of the benefits provided. Each year, CalPERS negotiates (as part of the [annual development process](#)) with the health plans to establish a premium that covers the projected cost of providing services to our members. The health plans negotiate directly with hospitals and provider networks throughout the year for how much a hospital or provider charges for services. CalPERS does not negotiate with hospital groups or provider networks. The preliminary 2027 health premiums reflect the addition/removal of health plans, service area expansion, benefit design, and product change proposals for the 2027 plan year.

The 2027 Basic and Medicare plan preliminary premiums are in the tables below.

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**2.1 Basic Plans: Single-Party Premiums Per Subscriber Per Month**

CalPERS uses a risk mitigation strategy to risk adjust premiums for the Basic Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) plans.

<b>Basic Plans</b>		<b>2026 Published Premium</b>	<b>2027 Preliminary Premiums</b>
<b>HMO</b>	Anthem Blue Cross Select	\$1,090.98	\$1,215.09
	Anthem Blue Cross Traditional	\$1,372.93	\$1,475.65
	Blue Shield Access+ and EPO	\$1,088.52	\$1,208.97
	Blue Shield Trio	\$936.58	\$971.24
	Health Net Salud y Más	\$789.13	\$855.93
	Kaiser Permanente	\$1,097.94	\$1,125.15
	Kaiser Permanente Out-of-State	\$1,398.96	\$1,502.12
	Kaiser Permanente Nevada	N/A	\$1,347.87
	Sharp Performance Plus	\$916.20	\$975.21
	Sutter Health	N/A	\$1,130.67
Western Health Advantage	\$969.58	\$1,030.80	
<b>PPO</b>	PERS Gold	\$1,043.37	\$1,119.94
	PERS Platinum	\$1,512.13	\$1,623.10

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**2.2 Medicare Plans: Single-Party Premiums Per Subscriber Per Month**

Medicare plans are not included in the CalPERS risk mitigation strategy. Projected medical costs for Medicare plans are driven by the federal government and largely contingent on federal budget adjustments and costs outside of CalPERS’ control.

<b>Medicare Plans</b>		<b>2026 Published Premiums</b>	<b>2027 Preliminary Premiums</b>	
<b>Medicare Advantage</b>	Anthem Medicare Preferred	\$571.70	\$619.25	
	Blue Shield Medicare	\$539.43	\$619.36	
	Kaiser Permanente Senior Advantage	\$356.83	\$333.93	
	Kaiser Permanente Senior Advantage Out-of-State	\$350.16	\$324.40	
	Kaiser Permanente Senior Advantage Summit	\$426.31	\$391.74	
	Kaiser Permanente Senior Advantage Summit Out-of-State	\$419.67	\$382.24	
	Sharp Direct Advantage	\$291.38	\$320.22	
	UnitedHealthcare Group Medicare Advantage	\$481.29	\$534.00	
	<b>Medicare Supplement</b>	PERS Gold Supplement	\$597.57	\$597.57
		PERS Platinum Supplement	\$665.50	\$665.50

**3. CalPERS Board of Administration Recommended and Approved Changes**

Below are the details of the changes for the 2027 plan year.

**Recommended for Approval: Remove UnitedHealthcare Basic Plans**

UnitedHealthcare (UHC) submitted extremely high 2027 Basic premiums that are not supported by data. Despite extensive negotiations with their leadership team, UHC was unwilling to reduce them to reasonable levels. We recommend removing the UHC SignatureValue Alliance and SignatureValue Harmony plans from the CalPERS portfolio effective January 1, 2027.

**Recommended for Approval: New Contract with Sutter Health Plan**

Following the recommended removal of UHC’s SignatureValue Alliance plan, CalPERS recommends contracting with Sutter Health Plan to assure continued access for members to the Sutter Health System effective January 1, 2027.

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**Recommended for Approval: Product Change for UHC Group Medicare Advantage (MA) Plan**

In the UHC Group MA plan, the medical and pharmacy benefits are combined within the plan. To significantly improve the 2027 premiums, CalPERS recommends separating the UHC medical and pharmacy benefits from the UHC Group MA plan, which will result in higher reimbursements from CMS. This same product change was approved by the Board for the Blue Shield MA plan for 2027.

**Recommended for Approval: Add Fertility Benefits for PPO Plans Effective July 1, 2027**

SB 729 requires CalPERS Basic HMO plans to provide coverage for the diagnosis and treatment of infertility, effective July 1, 2027. While SB 729 does not apply to PPO plans, CalPERS recommends adding this benefit to the PPO plans on July 1, 2027, to provide consistency across our plans. This allows our members remain in a PPO plan without switching to an HMO plan to utilize this benefit.

**Approved: Blue Shield EPO Expansion**

Blue Shield EPO expansion 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, and Yuba.

**Approved: Kaiser Permanente Expansion**

Kaiser Basic and Medicare expansions into northwestern Nevada. Expansion counties are Carson City, Douglas, Lyon, Storey, and Washoe. The Kaiser Permanente Nevada plan will have its own premium for 2027, which is different from Kaiser Permanente in-state and out-of-state premiums.

**Approved: Product Change for Blue Shield Medicare Advantage (MA) Plan**

Currently, Blue Shield combines their MA medical and pharmacy benefits into one plan. Beginning in 2027, Blue Shield will separate the medical and pharmacy prescription drug plans to receive a higher reimbursement amount from Centers for Medicare & Medicaid Services (CMS) which will reduce premiums.