



Pension & Health Benefits Committee

Meeting Summary

June 12, 2024

This is intended as a guide for the Committee Chair. Other than the motions, this need not be read verbatim. The Chair may add context/comment as appropriate.

The Pension & Health Benefits Committee (PHBC) met on June 11, 2024.

THE COMMITTEE RECOMMENDS AND I MOVE, the Board approve the following:

- **AGENDA ITEM 5a**
Approve recommendation of an Intent to Award five-year contracts to Blue Shield of California, as the third-party administrator, and Included Health, as the population health management vendor, for CalPERS PPO plans with an effective date of January 1, 2025. Awards are subject to final negotiations and satisfaction of all requirements, including, but not limited to, implementation activities occurring in 2024.

The Committee received reports on the following topics:

- The Committee received the Preliminary 2025 Health Maintenance Organization and Preferred Provider Organization Plan Premiums and Prospective Long Term Care Rates.
- The Committee received public comment regarding stakeholder discussion appreciation, AB236 Bill, ACO Reach, LTC increase, and single risk pool.

The Chair directed staff to:

- Provide regular Board updates on the PPO implementation and disruption mitigation efforts starting immediately.
- Bring the Board a discussion with outside experts of the implication the Inflation Reduction Act and CMS regulatory decisions are having on CalPERS' Medicare drug costs. Include in that discussion a focus on how CalPERS can best position itself and its drug benefit with respect to those changes.

At this time, I would like to share some highlights of what to expect at the September PHBC meeting:

- Final HMO and PPO health plan rates will be approved at the July Board of Administration Offsite.
- The Committee will be presented with another Health Plan Spotlight.

The next meeting of the PHBC is scheduled for September 17, 2024, in Sacramento, California.