

# California Public Employees' Retirement System

## Board of Administration Pension and Health Benefits Committee Draft Meeting Minutes

March 19, 2024

The Pension & Health Benefits Committee (PHBC) met in Open Session on Tuesday, March 19, 2024, in the Lincoln Plaza North Building, 400 Q Street, Sacramento, California.

The meeting was called to order at 11:24 a.m. with the following members present:

Ramón Rubalcava, Chair  
Kevin Palkki, Vice Chair  
Deborah Gallegos for Malia Cohen  
David Miller  
Eraina Ortega  
Jose Luis Pacheco  
Theresa Taylor  
Mullissa Willette

Other Board Members Present:  
Frank Ruffino for Fiona Ma

### Agenda Item 2 – Executive Report(s)

Kim Malm, Deputy Executive Officer, Customer Services and Support (CSS) provided an update on upcoming CBEEs, the approaching benefit verification cycle, as well as an update on the retiree warrant project.

Don Moulds, Chief Health Director, Health Policy & Benefits Branch (HPBB), provided the 2024 open enrollment dates, shared a recent award CalPERS received on the Biosimilars First Program, an update on the first Health Policy Roundtable held in early March, and announced the launch of the Long-Term Care Aging in Place Program.

### Agenda Item 3 – Action Consent Items

On **MOTION** by Kevin Palkki and **SECONDED** and **CARRIED**, the Committee voted to accept the following Action Consent Items:

- 3a. Approval of the February 20, 2024, PHBC Meeting Minutes
- 3b. Approval of the March 19, 2024, PHBC Meeting Timed Agenda
- 3c. Review of the Pension and Health Benefits Committee Delegation

### Agenda Item 4 – Information Consent Items

The Committee accepted the following Information Consent Items:

- 4a. Annual Calendar Review
- 4b. Draft Agenda for the May 2024, PHBC Meeting
- 4c. Health Open Enrollment Results

## **Agenda Item 5a – Proposed Amendment to Regulation: Definition and Reporting of Full-Time Employment**

Kelli Aoki, Division Chief, Policy Research and Data Analytics (PRDA) presented a proposed amended regulation necessary to clarify how a classified member's full-time payrate shall be reported to CalPERS in accordance with Government Code (GC) section 20636.1. The proposed amended regulation would explicitly define how to determine a classified member's hourly, daily, and monthly full-time equivalent (FTE) payrates and provide clarity and uniformity for CalPERS, its classified members, and school employers in reporting a classified member's full-time payrate to CalPERS.

On **MOTION** by Jose Luis Pacheco and **SECONDED** and **CARRIED**, the Committee voted to approve staff's recommendation to amend Section 574 of Chapter 2 of Division 1 of Title 2 of the California Code of Regulations to clarify how a classified member's full-time payrate shall be reported to CalPERS, followed by submission of the final rulemaking package to the Office of Administrative Law (OAL) upon conclusion of the 45-day public comment period if no public comments are received.

## **Agenda Item 6a – Retiree Cost-of-Living Adjustment 2024**

Kimberlee Pulido, Division Chief, Retirement Benefit Services Division (RBSD), provided the annual rate of inflation as measured by the percentage change in the CPI-U was 4.12%. The impact of the 4.12% inflation for the Cost-of-Living-Adjustment (COLA) is reflected in provided charts by COLA provision and year of retirement.

## **Agenda Item 6b – Health Plan Spotlight: Western Health Advantage and Sharp Health Plan**

Mr. Moulds provided the PHBC with a spotlight of two of our health plans, Western Health Advantage and Sharp Health Plan, with presentations by, and discussions with, Garry Maisel, president and chief executive officer of Western Health Advantage, and Melissa Hayden Cook, president and chief executive officer of Sharp Health Plan. The presentations provided an overview of each plan and its key strategies, along with a discussion of how they align with our strategic goals.

## **Agenda Item 6c – Summary of Committee Direction**

There was no Committee Direction.

## **Agenda Item 6d – Public Comment**

The Committee received Public Comment from Brano Goluzza regarding prescription fulfillment, and Margherita Brown on Long-Term Care.

The meeting was adjourned at 12:18 p.m.

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

Prepared by: Jenna Hayes  
Committee Secretary

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Don Moulds  
Chief Health Director  
Health Policy & Benefits Branch