

# Health Benefits Program Proposals for the 2026 Plan Year

## Pension & Health Benefits Committee

Rob Jarzombek, Chief, Health Plan Research and Administration Division  
Julia Logan, MD, MPH, Chief Clinical Director  
March 18, 2025

# Agenda

- Out-of-State (OOS) Basic PPO Option
- Value-Based Insurance Design (VBID) Program
- Next Steps

# Proposals Align with Strategic Goal



# OOS Basic PPO Option

- Background
  - 11% of Basic PPO members live OOS
  - These members largely only have PERS Platinum available
- Goal
  - Explore lower-cost health plan option for Basic members residing outside California without impacting in-state PPO premiums

# OOS Basic PPO Options

## Option 1

- Expand PERS Gold to OOS members
- Maintain current benefit design
- In-state PPO premiums would increase 2-3%

## Option 2

- Create new OOS PERS Gold plan
- Significantly increase member deductible, maximum copays, and coinsurance
- Minimal to no impact to in-state PPO premiums

## Option 3 (recommended)

- Do not add OOS PERS Gold Plan for 2026
- No impact to in-state premiums

# Current VBID Design for PERS Gold Members

## Reduced Inpatient Deductible

- Preventive Screening
- Flu Shot
- Non-Smoking Certification
- Second Opinion
- Care Management participation



## Reduced Copayment

- \$10 copay applies to matched primary care office visits and behavioral health visits



## Inpatient Maternity Waiver

- Waived hospital coinsurance for maternity care if member engages in Maternity Program



# Goals and Considerations for 2026



Align VBID incentives to support the Quality Alignment Measure Set

---

Retain high-impact elements of current VBID

- Engagement in care management
- Use of preventive care services

---

Maintain relative neutrality in total cost of care and premium

---

# 2026 VBID Proposal for PERS Gold Members

- Retain PCP \$10 copay incentive
- Enhance Maternity Program with participation requirements
- 5 credits total, from the choices below, needed to participate.

## Engagement

- Participation in Included Health's Care/Case Management
- Expert Medical Opinion obtained for any elective surgery
- Diabetes Prevention Program participation

## Mental Health/Well-being

- Depression screening
- Anxiety screening

## Prevention

- Cancer screening (breast, cervical, colorectal, lung)
- Metabolic health (hypertension, diabetes or lipid monitoring or screening)
- Flu vaccine and other adult immunizations

\*Combined maximum of 5 credits of \$100 each for a total credit of \$500 applied to the inpatient deductible



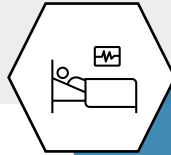
# Potential Future Iterations for Plan Year 2027



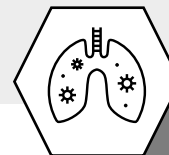
Potentially introduce VBID for Platinum members



Continued alignment with QAMS



Expand focus on high quality, chronic disease management: hypertension, diabetes, depression



Consider additional high-prevalence/high-cost conditions: cardiac, respiratory



Improve access by lowering cost-sharing for primary care and specialty services

# Next Steps

