



Pension & Health Benefits Committee

Agenda Item 5c

November 19, 2024

Item Name: CalPERS Health Benefits Program Annual Report for Plan Year 2023

Program: Health Benefits

Item Type: Information Consent

Executive Summary

This agenda item presents California Public Employees' Retirement System (CalPERS) Health Benefits Program Annual Report for the 2023 health plan year. In accordance with California Government Code Section 22866, the report fulfills an annual requirement to deliver requested information about the CalPERS Health Benefits Program to the California Legislature and Director of Finance.

Strategic Plan

This agenda item supports the CalPERS 2022-2027 Strategic Goals of Member Experience and Stakeholder Engagement, as it relates to enhancing services, communication, and education tools for our members and partners.

Background

In 2015, the state budget act approved by the Governor enhanced reporting requirements for the CalPERS Health Benefits Program. The report, in its ninth edition, includes relevant expenditure data and other historical trends to meet the needs of our stakeholders.

Analysis

The report provides a comprehensive review of the CalPERS Health Benefits Program for the 2023 plan year and was transmitted to the legislature and director of finance by the November 1, 2024, statutory deadline. The health team collaborates with several program areas across the organization to collect and present information relevant to our health plan portfolio, program administration, and financials.

The report contains, but is not limited to, information on the Health Benefits Program including state and federal benefit requirements, health benefit design changes, basic health plan actuarial metal tiers, member health characteristics as reflected by chronic conditions data, and member health plan survey results.

Health plan data in the report includes historic enrollment and expenditure data for CalPERS health plans, medical trends by aggregate service category, and a summary of Basic and Medicare members' average annual out-of-pocket costs

Additionally, the report provides financial information on the CalPERS Health Benefits Program including actuarial reserve levels, program staff and operating costs, and historic investment performance of the Public Employees' Contingency Reserve Fund and the Public Employees' Health Care Fund.

Budget and Fiscal Impacts

Not Applicable.

Benefits and Risks

Not Applicable.

Attachments

Attachment 1 – CalPERS Health Benefits Program Annual Report

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