



CalPERS Health Benefits Program: *Your High-Value Health Care Solution*

Health Program Background

- Governed by the Public Employees' Medical and Hospital Care Act (PEMHCA)
- Over 45 years providing health benefits
- Largest health purchaser in California and second largest in the nation with 1.3 million members
- Covers all of California
- Has national and international capabilities

Health Program Features

- **Risk Pool** CalPERS has the largest community rated risk pool in California (over 1.3 million participants)
- **Participation** CalPERS does not require 100% participation
- **HBO for Retirees** CalPERS serves as the Health Benefits Officer for retirees
- **Live/Work Rule** Active members can use either their work or home zip code to qualify for health plans
- **Retiree Benefits** Health benefits for annuitants of contracting agencies
- **Wellness Programs** Cutting-edge wellness and disease management programs
- **COBRA** CalPERS' individual health plan carriers bill COBRA enrollees directly once enrolled. Employers are responsible for COBRA notification.

Who is Eligible to Enroll

- 1) **Active Employees**
 - **Tenure** Appointment of 6 months and one day or work full-time
 - **Time Base** Work at least half-time
- 2) **Annuitants (retirees)**
 - **Separation** Must retire within 120 days of separation date
 - **Warrant Check** Must receive a monthly retirement warrant (check)
 - **Contract with CalPERS** Employer must be contracted with CalPERS for health benefits
- 3) **Dependents** Note: Social Security Numbers required for enrollment of all dependents.

Spouse – Can be added within 60 days after the date of marriage or during any open enrollment period. Copy of a marriage certificate required.

Domestic Partners – Can be added within 60 days after the date of domestic partner registration or during any open enrollment period. Persons of the same sex who are at least 18 years of age, or persons of the opposite sex one of whom must be over the age of 62. Domestic Partners must be registered with the Secretary of State. A copy of a Declaration of Domestic Partnership is required. Information can be found at the Secretary of State website at www.sos.ca.gov

Natural, Step, or Adopted Children - Children up to the age of 26 (regardless of marital status) are eligible. They are not required to be living at home or be a registered student. Copies of birth certificate or adoption papers are required. Children of domestic partners are also eligible

Dependents in a Parent-Child Relationship – A child up to the age of 26 (other than an adopted, step- or recognized natural child) is eligible if the employee or annuitant has assumed a parental role and is considered the primary care "parent". An "Affidavit of Parent-Child Relationship" form (HBD-40) must be completed and certified at the time of enrollment for each child.

Certified Disabled Dependent – A child over the age of 26 who has never been married and is incapable of self-support due to a mental or physical disability that existed prior to the age of 26

Survivor – The survivor(s) of an eligible annuitant, who qualifies for a monthly warrant through CalPERS or Non-PERS retirement.

Enrollment Restrictions

Dual Enrollment/Coverage – Not permitted. An individual cannot be enrolled in a CalPERS plan as both a member and a dependent or as a dependent on two enrollments.

Split Enrollment – Not permitted. Children and/or dependents cannot be split between parents that are both enrolled into the CalPERS health plan. All children must be enrolled under one parent.

Retirees Eligible for Premium Free Medicare Part A – Any retiree eligible for premium free Medicare Part A must enroll in Medicare Part B in order to maintain CalPERS eligibility. If a member is not enrolled in Medicare Part B, he or she can enroll during the Medicare General Enrollment Period (January 1 through March 31). If a retiree does not enroll in Medicare Part B, he or she will not be eligible to enroll in a CalPERS health plan. All CalPERS health plans include pharmacy benefits as good or better than Medicare Part D; members must disenroll from Medicare Part D prior to enrolling in a CalPERS health plan.

Opportunities to Change Your Health Plans

- Health enrollment can be changed: during the CalPERS open enrollment period, upon a change of residence, upon retirement, or upon becoming Medicare eligible.

Retirement

- Must separate employment and retire within 120 days
- Do not have to be enrolled prior to separation from employment
- Member share of the premium will be deducted from CalPERS or STRS retirement check
- Deductions start the first of the second month following your separation from employment

Survivor Benefits

- Must receive monthly allowance in place of employee
- Health coverage will continue without lapse when allowance is resumed
- Will receive employer contribution in place of retiree
- If survivor remarries, coverage will continue for self, but may not add new spouse or other dependents not related to employee/retiree to health coverage
- Eligible survivor does have enrollment rights within 60 days of death, during open enrollment period, or wait 90 days
- If survivor (of active employee) is given choice of lump sum or monthly allowance, if lump sum is chosen, then COBRA benefits up to 36 months at self-pay is available

CalPERS 2012 Health Premiums - Regional Contracting Agencies Only

Basic	2011			2012			Percent Change (+/-)
	Single	2-Party	Family	Single	2-Party	Family	
Basic Premium Rates - Bay Area							
Alameda, Amador, Contra Costa, Marin, Napa, Nevada, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, Sutter, Yolo, Yuba							
Blue Shield Access+	\$675.51	\$1,351.02	\$1,756.33	\$711.10	\$1,422.20	\$1,848.86	5.27%
Blue Shield NetValue	581.24	1,162.48	1,511.22	611.59	1,223.18	1,590.13	5.22%
Kaiser CA	568.99	1,137.98	1,479.37	610.44	1,220.88	1,587.14	7.28%
PERS Choice	563.40	1,126.80	1,464.84	574.15	1,148.30	1,492.79	1.91%
PERS Select	492.68	985.36	1,280.97	487.39	974.78	1,267.21	-1.07%
PERSCare	893.95	1,787.90	2,324.27	1,029.23	2,058.46	2,676.00	15.13%
Basic Premium Rates - Sacramento							
El Dorado, Placer, Sacramento							
Blue Shield Access+	\$609.14	\$1,218.28	\$1,583.76	\$636.92	\$1,273.84	\$1,655.99	4.56%
Blue Shield NetValue	541.43	1,082.86	1,407.72	553.09	1,106.18	1,438.03	2.15%
Kaiser CA	524.51	1,049.02	1,363.73	562.69	1,125.38	1,462.99	7.28%
PERS Choice	524.04	1,048.08	1,362.50	534.10	1,068.20	1,388.66	1.92%
PERS Select	458.27	916.54	1,191.50	453.39	906.78	1,178.81	-1.06%
PERSCare	831.50	1,663.00	2,161.90	957.44	1,914.88	2,489.34	15.15%
Basic Premium Rates - Los Angeles Area							
Los Angeles, San Bernardino, Ventura							
Blue Shield Access+	\$496.93	\$993.86	\$1,292.02	\$510.72	\$1,021.44	\$1,327.87	2.78%
Blue Shield NetValue	427.58	855.16	1,111.71	439.25	878.50	1,142.05	2.73%
Kaiser CA	434.00	868.00	1,128.40	465.63	931.26	1,210.64	7.29%
PERS Choice	496.15	992.30	1,289.99	505.63	1,011.26	1,314.64	1.91%
PERS Select	433.87	867.74	1,128.06	429.22	858.44	1,115.97	-1.07%
PERSCare	787.24	1,574.48	2,046.82	906.39	1,812.78	2,356.61	15.14%
Basic Premium Rates - Other Southern California							
Fresno, Imperial, Inyo, Kern, Kings, Madera, Riverside, Orange, San Diego, San Luis Obispo, Santa Barbara, Tulare							
Blue Shield Access+	\$567.87	\$1,135.74	\$1,476.46	\$583.60	\$1,167.20	\$1,517.36	2.77%
Blue Shield NetValue	488.62	977.24	1,270.41	501.93	1,003.86	1,305.02	2.72%
Kaiser CA	477.95	955.90	1,242.67	512.76	1,025.52	1,333.18	7.28%
PERS Choice	516.28	1,032.56	1,342.33	526.19	1,052.38	1,368.09	1.92%
PERS Select	451.48	902.96	1,173.85	446.68	893.36	1,161.37	-1.06%
PERSCare	819.18	1,638.36	2,129.87	943.26	1,886.52	2,452.48	15.15%
Basic Premium Rates - Other Northern California							
Alpine, Butte, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Plumas, San Benito, Shasta, Sierra, Siskiyou, Stanislaus, Tehama, Trinity, Tuolumne							
Blue Shield Access+	\$685.67	\$1,371.34	\$1,782.74	\$704.69	\$1,409.38	\$1,832.19	2.77%
Kaiser CA	574.32	1,148.64	1,493.23	616.14	1,232.28	1,601.96	7.28%
PERS Choice	548.78	1,097.56	1,426.83	559.25	1,118.50	1,454.05	1.91%
PERS Select	479.90	959.80	1,247.74	474.74	949.48	1,234.32	-1.08%
PERSCare	870.76	1,741.52	2,263.98	1,002.53	2,005.06	2,606.58	15.13%
Basic Premium Rates - Out of State							
Kaiser/Out of State	\$785.28	\$1,570.56	\$2,041.73	\$816.47	\$1,632.94	\$2,122.82	3.97%
PERS Choice	636.97	1,273.94	1,656.12	649.16	1,298.32	1,687.82	1.91%
PERSCare	1,010.68	2,021.36	2,627.77	1,163.70	2,327.40	3,025.62	15.14%
Medicare							
	2011			2012			Percent Change (+/-)
	Single	2-Party	Family	Single	2-Party	Family	
Medicare Premium Rates - All Regions							
Blue Shield Access+	\$337.88	\$675.76	\$1,013.64	\$337.99	\$675.98	\$1,013.97	0.03%
Blue Shield NetValue	337.88	675.76	1,013.64	337.99	675.98	1,013.97	0.03%
Kaiser CA	282.30	564.60	846.90	277.81	555.62	833.43	-1.59%
Kaiser/Out of State	354.81	709.62	1,064.43	366.87	733.74	1,100.61	3.40%
PERS Choice	375.88	751.76	1,127.64	383.44	766.88	1,150.32	2.01%
PERS Select	375.88	751.76	1,127.64	383.44	766.88	1,150.32	2.01%
PERSCare	433.66	867.32	1,300.98	432.43	864.86	1,297.29	-0.28%

CALPERS Health Benefits Program

Contracting Agencies - Premium Rates 8-Year History

Bay Area

Health Premiums by Plan and Tier	Basic								Medicare							
	2005*	2006*	2007*	2008*	2009*	2010	2011	2012	2005*	2006*	2007*	2008*	2009*	2010	2011	2012
BSC - Access +																
Single	389.96	426.50	484.21	532.93	560.57	577.33	675.51	711.10	287.78	286.49	318.95	341.44	341.44	299.53	337.88	337.99
2 Party	779.92	851.00	968.42	1,065.86	1,121.14	1,154.66	1,351.02	1,422.20	575.56	572.98	637.80	682.88	682.88	599.06	675.76	675.98
Family	1,013.90	1,106.30	1,258.95	1,385.62	1,457.48	1,501.06	1,756.33	1,848.86	863.34	859.47	956.95	1,024.32	1,024.32	898.59	1,013.64	1,013.97
% change over prior year	23.71%	8.11%	13.80%	10.06%	5.19%	2.99%	17.01%	5.27%	-10.06%	-0.45%	11.33%	7.05%	0.00%	-12.27%	12.80%	0.03%
BSC - NetValue																
Single		478.22	485.50	500.35	581.24	611.59	1,162.48	1,223.18				304.66	304.66	299.53	337.88	337.99
2 Party		956.44	991.00	1,000.70	1,162.48	1,223.18	1,511.22	1,590.13				609.32	609.32	599.06	675.76	675.98
Family		1,243.37	1,288.30	1,300.91	1,511.22	1,590.13	1,817.74	1,922.20				913.98	913.98	898.59	1,013.64	1,013.97
% change over prior year		New	3.61%	0.98%	16.17%	5.22%	12.50%	5.44%				New	0.00%	-1.69%	12.80%	0.03%
Kaiser CA																
Single	354.69	388.38	431.17	470.67	508.30	532.56	568.99	610.44	243.22	218.59	289.68	273.36	280.16	298.36	282.30	277.81
2 Party	709.38	778.76	862.34	941.34	1,016.60	1,065.12	1,137.98	1,220.88	486.44	437.18	579.36	546.72	560.32	596.72	564.60	555.62
Family	922.19	1,012.39	1,121.04	1,223.74	1,321.58	1,384.66	1,473.37	1,587.14	729.66	655.77	869.04	820.08	840.48	896.08	846.00	833.43
% change over prior year	16.13%	9.78%	10.73%	9.16%	7.99%	4.77%	6.84%	7.28%	-11.19%	-10.13%	32.52%	-5.63%	2.49%	6.50%	-5.38%	-1.55%
PERS Choice																
Single	369.74	404.59	455.18	482.48	482.48	508.74	563.40	574.15	279.60	322.03	341.75	349.11	349.11	356.09	375.88	383.44
2 Party	739.48	809.18	910.36	964.96	964.96	1,017.48	1,126.80	1,148.30	559.20	644.06	683.50	698.22	698.22	712.18	751.76	766.88
Family	981.32	1,051.93	1,183.47	1,254.45	1,254.45	1,322.72	1,464.84	1,492.79	838.80	966.09	1,025.25	1,047.33	1,047.33	1,068.27	1,127.64	1,150.32
% change over prior year	5.82%	9.42%	12.50%	6.00%	0.00%	5.44%	10.74%	1.91%	-8.53%	15.18%	6.12%	2.15%	0.00%	2.00%	5.56%	2.01%
PERS Select																
Single		467.18	453.16	474.93	492.68	487.39						349.11	349.11	356.09	376.88	383.44
2 Party		934.36	906.32	949.86	985.36	974.78						698.22	698.22	712.18	751.76	766.88
Family		1,214.67	1,178.22	1,234.82	1,280.97	1,267.21						1,047.33	1,047.33	1,068.27	1,127.64	1,150.32
% change over prior year		New	-3.00%	4.80%	3.74%	-1.07%						New	0.00%	2.00%	5.56%	2.01%
PERSCare																
Single	619.93	680.43	789.50	749.83	749.83	868.17	899.95	1,029.23	289.32	347.20	371.68	404.60	404.60	410.60	433.66	432.43
2 Party	1,239.86	1,360.86	1,539.00	1,499.66	1,499.66	1,736.34	1,787.90	2,058.46	578.64	694.40	743.36	809.20	809.20	821.20	867.32	864.86
Family	1,611.82	1,769.12	2,000.70	1,949.56	1,949.56	2,257.24	2,324.27	2,676.00	867.96	1,041.60	1,115.04	1,213.80	1,213.80	1,231.80	1,300.98	1,297.29
% change over prior year	13.80%	8.76%	13.09%	-2.56%	0.00%	15.78%	2.97%	15.13%	-13.91%	20.01%	7.05%	8.89%	0.00%	1.48%	5.62%	-0.28%
PORAC																
Single	399.00	399.00	439.00	452.00	484.00	484.00	527.00	556.00	351.00	351.00	351.00	308.00	330.00	363.00	418.00	418.00
2 Party	748.00	748.00	822.00	847.00	906.00	906.00	987.00	1,041.00	701.00	701.00	701.00	614.00	657.00	723.00	833.00	833.00
Family	950.00	950.00	1,045.00	1,076.00	1,151.00	1,151.00	1,254.00	1,323.00	1,049.00	1,049.00	1,049.00	983.00	1,052.00	1,157.00	1,331.00	1,331.00
% change over prior year	1.80%	0.00%	9.97%	2.99%	6.98%	0.00%	8.94%	5.49%	0.00%	0.00%	0.00%	-12.35%	7.06%	10.03%	15.19%	0.00%

*Note: From 2005 to 2009 the Region was "Bay Area/Sacramento". The counties were Alameda, Amador, Contra Costa, El Dorado, Marin, Napa, Nevada, Placer, Sacramento, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, Sutter, Yolo, Yuba;

"UNEQUAL" CONTRIBUTION

Under PEMHCA, insurance coverage must be offered to both active employees and retirees

Under PEMHCA, the starting point of the employer's minimum contribution to active employees and retirees can be either "equal" or "unequal"

All examples use PEMCHA minimum contribution requirements; CalPERS cannot advise on contribution selected by agency

Under PEMHCA, the minimum contribution for active employees is indexed to the medical cost component of the federal Consumer Price Index (CPI). During the past several years, the medical cost component of the CPI has grown approximately 5% per year

The example below assumes the medical cost component of the CPI increases at 5% annually after the year 2013. This example is NOT a prediction of future events, but merely an illustration of how the "unequal" contribution scenario might play out

Projected Retiree Monthly Contribution under "Unequal" Scenario

Calendar Year	Number of Years in PEMCHA	Annual Percentage Increase	Projected Monthly Employer Contribution per Active Employee	Projected Monthly Employer Contribution per Retiree
2010	0	N/A	\$105.00	\$ 1.00
2011	1	5%	\$108.00	\$5.40
2012	2	10%	\$112.00	\$11.20
2013	3	15%	\$117.60	\$17.64
2014	4	20%	\$123.48	\$24.70
2015	5	25%	\$129.65	\$32.41
2016	6	30%	\$136.14	\$40.84
2017	7	35%	\$142.94	\$50.03
2018	8	40%	\$150.09	\$60.04
2019	9	45%	\$157.60	\$70.92
2020	10	50%	\$165.48	\$82.74
2021	11	55%	\$173.75	\$95.56
2022	12	60%	\$182.44	\$109.46
2023	13	65%	\$191.56	\$124.51
2024	14	70%	\$201.14	\$140.80
2025	15	75%	\$211.19	\$158.39
2026	16	80%	\$221.75	\$177.40
2027	17	85%	\$232.84	\$197.91
2028	18	90%	\$244.48	\$220.03
2029	19	95%	\$256.71	\$243.87
2030	20	100%	\$269.54	\$269.54