



# Pension & Health Benefits Committee

## Agenda Item 4c

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**March 19, 2024**

**Item Name:** Health Open Enrollment Results

**Program:** Health Benefits

**Item Type:** Information Consent

### **Executive Summary**

This agenda item reports California Public Employees' Retirement System (CalPERS) member migration between health plans during the 2023 Health Benefits Program Open Enrollment period. In total, 87,556 or 5.6% of CalPERS' members changed health plans during Open Enrollment.

### **Background**

CalPERS Open Enrollment occurs during fall of each calendar year, offering health plan subscribers the opportunity to make prospective enrollment changes. All 2023 Open Enrollment changes became effective January 1, 2024. The overall transfer rate for 2023 was 5.6%, up from 4.5% in 2022 (a 24% increase). Most migration stemmed from members in Basic plans, with a transfer rate of 6.8%, while members in a Medicare plan had a transfer rate of 1.5%. Additionally, public agency members had a transfer rate of 6.0%, and state members had a transfer rate of 5.4%. The higher 2023 Open Enrollment transfer rate is likely due to service area expansions of UnitedHealthcare's SignatureValue Alliance and Harmony plans, the exit of Health Net SmartCare from the CalPERS Health Program, significant premium increases for Kaiser Permanente and CalPERS PPO plans, and increased communication efforts encouraging members to shop and compare health plans.

### **Analysis**

The following charts display the migration for state and public agency members by Basic and Medicare programs (Figure 1), and the top three plans that experienced the highest net gain (Figure 2) and net loss (Figure 3) during the 2023 Open Enrollment period. Complete details of member migration between plans are displayed in Attachment 1 – 2023 Open Enrollment Health Plan Transfers.

**Figure 1: Count of members who changed health plans.**

	Basic	Medicare	Total
State	44,366 (6.5%)	3,885 (1.8%)	48,251 (5.4%)
Public Agency	38,024 (7.2%)	1,281 (1.0%)	39,305 (6.0%)
Total	82,390 (6.8%)	5,166 (1.5%)	87,556 (5.6%)

**Figure 2: Plans that experienced the largest net gain.**

	Plan Name	Net Gain	Where members transferred from			
1	Blue Shield Access+	+20,770 21.6% increase	Kaiser Permanente (33.9%)	Anthem Blue Cross Select (21.1%)	PERS Gold (14.6%)	All Other Plans (30.4%)
2	Blue Shield Trio	+10,361 31.6% increase	PERS Gold (34.2%)	Kaiser Permanente (29.5%)	Anthem Blue Cross Select (13.3%)	All Other Plans (23.0%)
3	UnitedHealthcare SignatureValue Alliance	+4,552 6.4% increase	Kaiser Permanente (49.3%)	PERS Gold (13.6%)	PERS Platinum (8.4%)	All Other Plans (28.7%)

**Figure 3: Plans that experienced the largest net loss.**

	Plan Name	Net Loss	Where members transferred to			
1	Kaiser Permanente	-21,970 4% decrease	Blue Shield Access+ (31.6%)	Blue Shield Trio (14.3%)	UnitedHealthcare SignatureValue Alliance (13.6%)	All Other Plans (40.5%)
2	PERS Platinum	-8,957 7.2% decrease	PERS Gold (54.3%)	Blue Shield Access+ (13.3%)	Blue Shield Trio (7.6%)	All Other Plans (24.8%)
3	Anthem Blue Cross Select	-6,117 15.9% decrease	Blue Shield Access+ (56.4%)	Blue Shield Trio (18.6%)	PERS Gold (6.8%)	All Other Plans (18.2%)

**Budget and Fiscal Impacts**

There is no budget or fiscal impact from the 2023 Open Enrollment reporting.

**Benefits and Risks**

There are no risks to CalPERS as a result of the changes members made.

**Attachments**

Attachment 1 – 2023 Open Enrollment Health Plan Transfers

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