



CalPERS Health Program

Strategic Outreach And
Communications Plan





Executive Summary



In July 2018, CalPERS contracted with Runyon Saltzman, Inc. (RSE) to work on strategic outreach and communications planning for the CalPERS Health Benefits Program. The HAMD Health Marketing Outreach Strategies and Communications Plan project scope included:

- Conducting a thorough market analysis
- Identifying specific outreach and communications goals and objectives
- Developing appropriate strategies and tactics to meet those goals
- Determining which key indicators would best measure progress and
- Recommending a staffing plan.

The following report includes a Market Analysis, Strategic Outreach and Communications Plan (including a sample KPI Report, an Implementation Plan and Message Map) and Staffing Analysis. The review, analysis and planning outlined here is the result of many hours of collaborative discussion. One significant discovery coming out of the market analysis phase was a need to clarify and identify the full public agency market and how that data, along with CalPERS internal data, could be leveraged for outreach and engagement purposes. This finding is at the heart of the following plan and has sparked meetings with CalPERS team members from HAMD, IT and Health Policy to develop creative knowledge-capture and customer relations solutions. Another is the concept of identifying the engagement journey or “funnel” the potential new agency experiences, and the role each CalPERS team member has in this experience. Finally, the team also recognizes the need to increase awareness of the Health Benefits Program and create strong brand connections to the program under the overall CalPERS umbrella.

Key initiatives, and the data that supports them, are outlined in detail in the following pages. Specific marketing, communication and outreach recommendations include:

- **Brand Development:** Further development of the CalPERS Health Benefits Program brand messaging and identity, this includes visual identity, distinction from pension offerings and how the program is communicated through logo, web presence and collateral materials.
- **Technology:** Build short- and long-term plans for capturing internal knowledge and data with customer relationship management (CRM) tools. Leverage digital technologies for external communications, such as mobile apps, social media, webinars and video.
- **Outreach:** Grow brand awareness through thought leadership, speaking engagements and media relationships. Increase targeted outreach efforts by more actively managing prospective employers through the pipeline/funnel experience.

This project brought together competent, caring and capable CalPERS employees from HAMD, PAOF and STRL and created a CalPERS Health team. Through the process of meeting together on a regular basis and discussing strategies and tactics for increasing the number of total covered lives (TCLs) in the CalPERS Health Benefits Program, a cross-functional CalPERS team emerged with shared goals and objectives around outreach and engagement of prospective and current public sector health program employers and members. The strength of this plan and its implementation lies in the leadership, engagement and collective efforts of the CalPERS Health team.



CalPERS Health Program

Market Analysis
(Deliverable 2)





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Market Scope and Size



Per the Public Employees' Medical & Hospital Care Act (PEMHCA) mandate, CalPERS Health coverage is an available option for California state agencies and for public agencies (PA) within the state. This report focuses primarily on identifying and understanding the public agency market in California. To determine the overall market potential, data from various sources was reviewed from the State Controller's Office (SCO) data websites that promote government transparency. Specifically, data was collected from the Controller's Government Compensation in California site, which "provides information on employee pay and benefits for approximately 2 million positions at more than 5,000 public employers."ⁱ While this data set is imperfect — it's based on 2017 agency reporting to the SCO — it does provide a high-level overview of the market. Likely it's a conservative undercount as some segments are known to be larger (ex: the number of special districts varies by source). K-12 school district information was gathered from two resources found on the California Department of Education (CDE) data and statistics website: Public Schools and Districts Data Files and Data Quest.ⁱⁱ

Once compiled, the full market includes 5,240 state and public



agencies with more than two million employees. Detailed market data can be found in the appendix documents. Following discussion and analysis of this information, the market was further broken down as shown below. (Note: *University of California system was excluded since they provide their own health coverage.*) The numbers shown here reflect totals of segments where detailed information was available, including agency name and number of active employees, and varies from some summary information sources.

Based on a CalPERS data file detailing PA accounts in 2016,

	Count	Employees
State Agencies	234	247,984
CSU	24	123,183
CCC	60	161,863
Counties	58	375,115
Superior Courts	58	20,320
K-12 School Districts	1,170	658,135
Cities	482	326,573
Special Districts	3,075	162,764
Total	5,240	2,081,211



CalPERS Health had resolutions in place with 1,137 agencies and covered 126,061 active employees. This reflects 23% market share by agency count (excluding state agencies). Active employee penetration rate is difficult to determine, since eligibility figures are not readily available. However, best estimates were lower than expected and a review of active employee subscriber rates will be included in targeted outreach recommendations.

In addition to gathering and analyzing market data, during the fall of 2018 RSE met with the Milliman team working on the CalPERS Health regions project and the CalPERS Business Intelligence team, conducted more than 10 interviews with CalPERS team members and met with a senior consultant from Gallagher who worked in the public sector. Qualitative information from these meetings contributed to the findings in this market analysis.

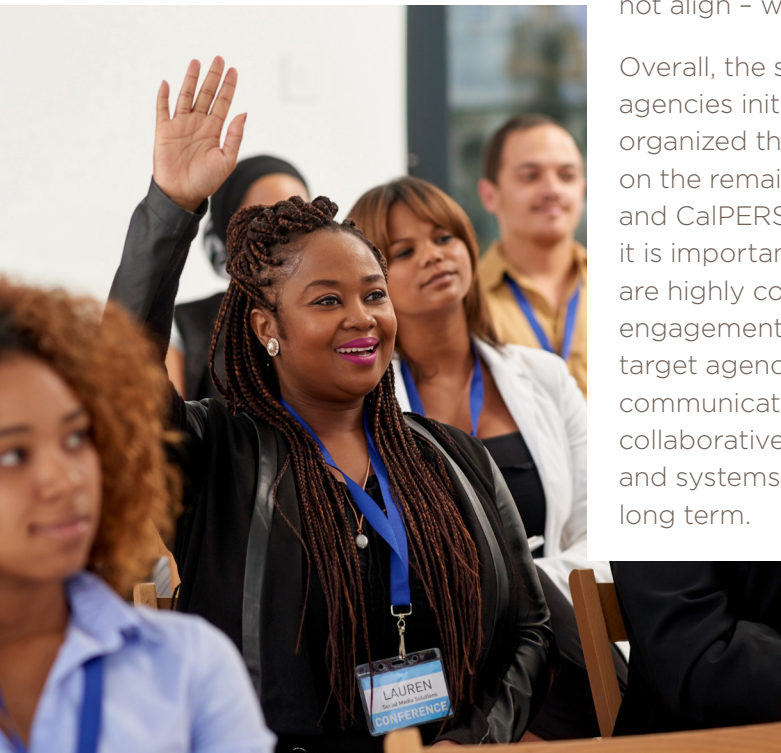
Segments and Audience



Audience insight and segmentation typically form the foundation of a strategic marketing and communications plan. By grouping potential “customers” and tailoring the marketing mix accordingly, investments in outreach and engagement can be more efficient and effective. The public agency market can be segmented in multiple ways. Initial segmentation work resulted in looking at four variables when framing the opportunity: agency type, size, geography and alignment with PEMHCA requirements.

CalPERS Alignment: An important factor in prioritizing audiences is the extent to which the agency decision-makers are in alignment with CalPERS and PEMHCA values. This includes perspectives on covering retirees, benefit design and long-term quality of care. While these values can vary by agency, there are characteristics of agencies that align – or do not align – with CalPERS.

Overall, the segmentation recommendation is to group agencies initially by type, since the competitive market is organized this way, then prioritize key target agencies based on the remaining segmentation criteria of size, geography and CalPERS alignment. While segmentation is very valuable, it is important to recognize that healthcare benefit decisions are highly complex and require high-touch outreach and engagement efforts. Therefore, the identification of specific target agencies will be critical in ongoing marketing and communications efforts. Further work is being done collaboratively with the CalPERS Health team to create tools and systems for accomplishing this in both the near and long term.



Type: The public agency health insurance market has generally been organized by agency type, with competition growing organically from self-insured groups of agencies from the same industry (ex: education, water, and city management). Self-insured school pools and industry associations have been focused on serving their own markets. However, recently there have been efforts by some competitors to expand their marketing to bring on different types of agencies outside their core segment. On the broker side, there is a clear strategy to go after the K-12 school business. This is not surprising, given that it makes up the majority of the market in terms of potential total covered lives (TCLs).

When reviewing the market by type, K-12 School Districts is far and away the largest segment – both by agency count and by active employee count. The County segment follows K-12 in terms of the number of active employees, however, there are fewer agencies, indicating that this segment has high value/high risk potential targets. The City segment comes in third in the number of active employees, although spread across many more organizations. While Special Districts as a group have the largest number of agencies, the employee count is low, showing a segment made up of many smaller employers. Higher Education may be of interest for identifying agencies with larger numbers of employees, similar to the County group.

Size and Geography: Sorting public agencies by size or geography shows that these two variables are linked. This makes sense given that the more highly populated areas of

the state have larger public agencies. Competition is fierce for these larger agencies, with brokers leveraging their ability to customize offerings. The data show CalPERS Health is being chosen most often by small-to-mid-size agencies, likely because they could not achieve the same value (quality coverage for the same cost) on their own. However, the pools and trusts have been stepping up outreach and gaining traction, offering what may seem like more customization or options for agencies. A strong example of this is the League of California Cities Health Exchange, who are overtly positioning their offering as an alternative to CalPERS Health.

The team is currently reviewing CalPERS Health regions and is presenting possible scenarios to the CalPERS Board in November of 2018. The marketing and communications plan will align and support the regional strategy as appropriate.

Choose the employee benefits you want to offer.

With the League of California Cities Health Benefits Marketplace, cities can take full control over their employee benefits. With coverage from the top carriers in the state, and a wide range of ancillary options, cities can pick just the right mix of options that make the most sense for their organizations.

Since 1999, Connecture's seasoned team has helped hundreds of organizations nationwide reimagine the way they deliver customized employee benefits, and has helped more than 20 million Americans choose their health insurance.

One Platform – Your Entire Workforce

The Health Benefits Marketplace makes it easy for you to offer your employees – no matter what their family's needs are or how many hours they work – access to personalized benefits to best suite their needs. All in one platform.

Nine out of ten consumers want access to decision support tools to help them understand their costs and determine their optimal level of coverage.

– ConnectedHealth Survey of Insured Adults, 2015

VARIOUS EMPLOYEE POPULATIONS

- Full Time Employees
- Part Time Employees
- Pre and Post-65 Retirees
- Individuals or COBRA
- 1099 Contractors

COMPREHENSIVE COVERAGE OPTIONS

- Individual Benefits
- Group Benefits
- Self-insured Plans
- Fully Insured Plans
- Subsidy Eligible Public Plans
- Off-Exchange Plans
- Ancillary Voluntary Benefits
- Medical Benefits

DIFFERENT BENEFIT STRATEGIES

- Defined Benefits
- Defined Contribution
- Employee Wellness Program Support
- Incentives Program Support



Audience

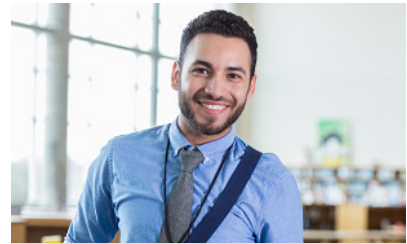
Within the segments outlined above, there are two primary audiences with different motivations and expectations: Employer Decision-Makers (Employers) and Subscriber Decision-Makers (Subscribers). Currently, the focus is on increasing the number of TCLs through new public agencies and new groups, thus the priority target audience is employers. However, employers can also act as a gatekeeper audience to subscribers and that relationship should be cultivated as a key channel for increasing and retaining subscribers and ultimately TCLs.

The individuals that make up the employer audience are diverse and vary based on agency type. There can also be a good number of influencers that play critical roles in how decisions are made. The following list identifies the types of people involved in the process.



DECISION-MAKERS

- Governing Body (Board/Commission Member)
- HR/Finance Officer
- City Manager
- Superintendent
- Risk Manager
- Purchasing Manager
- General Manager
- Employees (When given dollar amount from employer)



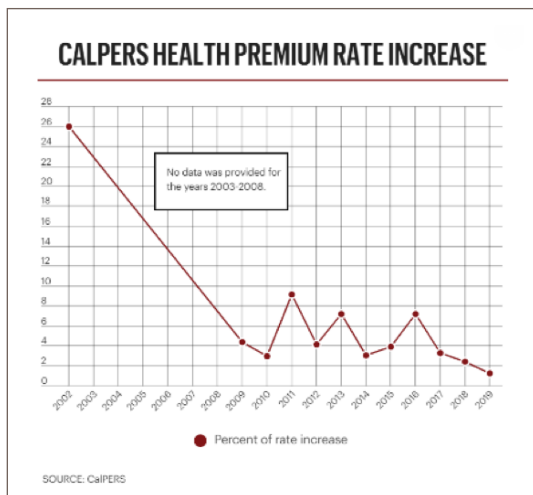
INFLUENCERS

- Employee Groups (Locals, units, retiree groups)
- Benefits Committee Member (rep & non-rep)
- Broker/Consultant
- Insurance Providers

Trends and Drivers



Overall health care costs continue to increase across the nation and, to a lesser degree, in California. Covered California's premiums rose by 8.7% in 2019. This is a smaller increase than in previous years, but still reflects rising costs. By comparison, CalPERS Health Program has shown market strength in keeping premium increases to a 21-year low for 2019 plans at 1.16%.^{iv}

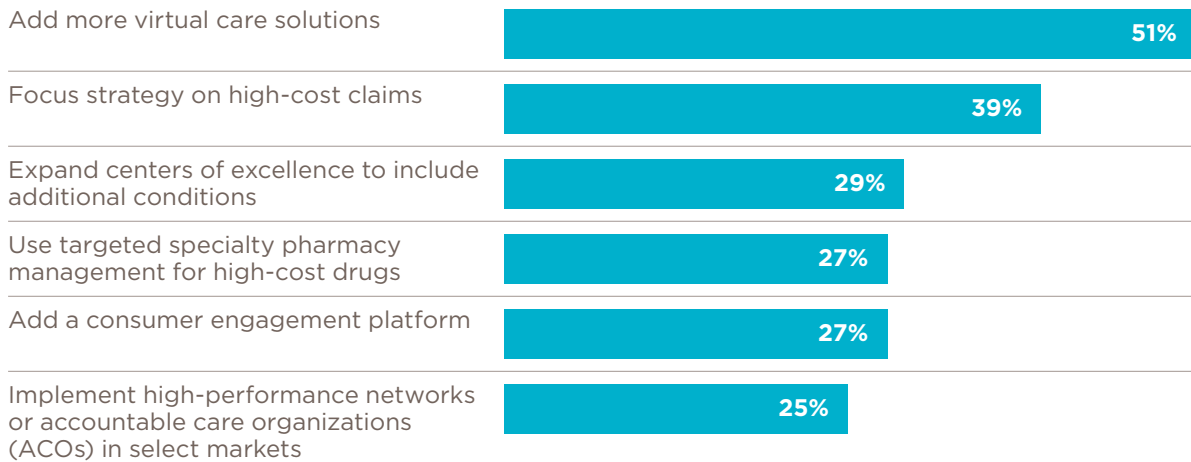


Employers across the US are looking for ways to deal with health care costs. Large US companies are exploring options for controlling costs, as many view the landscape as unaffordable and unsustainable. In a survey by nonprofit National Business Group on Health cited by SHRM, large companies are using multiple tactics to help drive down costs (see chart on page 9). Benefit design can drive costs, as well as health outcomes. There has been a trend in the private sector toward high deductible plans, which are not favored by employee groups and can be costlier for the system in the long term. However, the same recent survey showed, surprisingly, that fewer large employers will be solely offering

consumer-directed health plans (CDHPs, usually a combination of high-deductible plan and health savings account). This may indicate a shift in popularity of this type of coverage, and that cost-sharing with employees has reached an apex. Another benefit design option is the narrow network, which can provide reduced costs that don't necessarily equate to reduction in quality care. However, these plans do reduce consumer choice. Other national trends in private sector healthcare planning include direct contracting, increased telehealth options, strategies for managing specialty drugs, spousal surcharges, focus on high-cost claimants, behavioral health benefits, and restricting opioids.^v

TOP INITIATIVES FOR 2019

Large companies are taking these steps to control health care costs next year.



Source: National Business Group on Health, 2019 Large Employers' Health Care Strategy and Plan Design Survey.

Market consolidation is a driver for cost increases in California. Consolidation varies regionally and this is reflected in the state's geographic cost differences, where Northern California is more expensive than Southern California. According to a study from UC Berkeley, "in Northern California - which is considerably more concentrated than Southern California across all measures of health care market concentration that we analyzed - inpatient prices were 70% higher, outpatient prices were 17-55% higher (depending on the specialty of physician performing the procedure), and ACA premiums were 35% higher than they were in Southern California."^{vi} This geographic variation was originally addressed by CalPERS Health in 2004 with the designation of CalPERS regions, and is currently under review again by the CalPERS Health Team.

Competition in California's healthcare insurance space is fierce, evidenced by substantial health insurance advertising spends in key markets. Data from Kantar Media for 2017 shows spending by market across mediums (TV, radio, digital and out-of-home) at \$43 million in Los Angeles, \$16 million in San Francisco, \$7 million in San Diego, \$6 million in Sacramento and \$2 million in Fresno.

Competition



As mentioned, competition is stiff in the public agency healthcare insurance space in California. There are more than two dozen pools and trusts in California, the largest of which are self-insured K-12 school groups such as Self-Insured Schools of California (SISC) and California's Valued Trust (CVT). City and special district groups have also been formed to address sector-specific needs, this includes The League of California Cities Health Benefits Marketplace and Association of California Water Agencies Joint Powers Insurance Authority. Finally, there are several brokerage firms with public sector practices. These firms act both as brokers for public agencies and as consultants to the pools/trusts. Public agencies can also contract directly with a provider, but this is not often happening at this time. The following are competitive profiles with data gathered through primary and secondary sources.



Competitive Profiles

Keenan

“With over \$1.15 billion of in-force schools and public agency medical premium with several of the leading health insurance carriers in California, Keenan represents the single largest block of public agency benefits in the state.” Founded in 1972, it is the largest privately-held insurance brokerage/consulting firm in California. Under the Employee Benefits umbrella, they offer comprehensive services: [Health Care Reform Consulting](#), [Medical, Dental, Vision](#), [Benefits Consulting](#), [TPA Services](#), [Pharmacy Benefits Management](#), [Retiree Medical](#), [PACE](#), [Wellness Program](#) and [Individual & Family Plans](#).

MEMBERSHIP

- Public Agencies: 900 (for all services, not clear if that includes school districts)

STAFFING

- Headquartered in Torrance, Keenan has a staff of more than 650 insurance specialists and 8 branch offices.

TECHNOLOGY

- Public Agency Coalition Enterprise (PACE) pooled purchasing program - “Presents a viable alternative to CalPERS”
- BenefitBridge includes automated enrollment and easy access to benefits

MARKETING

- Multiple branded products, active social media, blog, newsletters, content marketing and event outreach



“The best thing about BenefitBridge is that it has made it easier to transmit the information for your employees to each of the individual carriers. You’re able to enter all of the information one time and it can transmit to as many carriers as you need to.”
— Felicia Robinson, Benefits Technician, Redlands Unified School District



Resources
“Keenan & Associates has proven to be a valuable partner to the City of Palm Springs in strategically managing our insurance portfolio by saving our agency hundreds of thousands of dollars in premiums while simultaneously reducing our retentions and improving our coverage. Their professional, knowledgeable, collaborative and extremely responsive staff have definitely helped us “fill the void” of not having a fully staffed Risk Management Department.”
— Craig L. Gladders, Procurement & Contracting Manager, City of Palm Springs

“Our high quality, cost-effective programs exceed our customers’ expectations. We are the experts you can rely on when it comes to employee benefits, risk management, claims services, and technology.”



Insurance | Risk Management | Consulting

With operations in 33 countries, Gallagher teams specialize in a range of disciplines including analytics, finance, compliance, governance, wellness, risk management, and retirement. Each practice brings industry-focused knowledge and expertise to healthcare, **public sector**, hospitality and restaurant, private equity and other organizations. Public Sector Practice is the largest area of expertise.

Gallagher provides tailored and comprehensive benefit packages, including medical, dental and risk (property/liability) insurances. They also offer Wellness programs and Integrated Technology Platforms.

Multiple CA Acquisitions in 2018

- March - McGregor & Associates, health benefits administrator serving public and private sector clients throughout the state, operates out of San Diego
- May - Thomas Costello Insurance Agency, a retail property-casualty broker and employee benefits consultant/broker, operated across Southern California
- August - Wheatman Insurance Services LLC, based in Southern California

Key learnings from interview with Gallagher consultant:

- From their perspective, CalPERS pool is riskier so it’s a “numbers issue”, especially for younger/healthier orgs
- School pools and trusts will come to brokers/consultants – SISC does this, CVT doesn’t

Put Us to Work for You

Delivering Smarter Solutions

In the public sector market, Gallagher is considered the knowledge broker. When you work with us you’re working with public sector risk management specialists whose expertise range from state and local government to public and charter schools to transit and emergency responders.

- First dollar and deductible programs
- Pools, captives and risk retention groups
- Protected self-insurance
- Unique risk financing solutions like corridor deductibles, quota sharing, min/max loss funds
- Related risk management services ranging from actuarial services to property appraisals
- Enterprise risk management in the public sector

Our approach to public sector risk management is driven by our understanding of your unique challenges. We help you strike the perfect balance between assuming manageable risk and transferring catastrophic risk—including the implementation of effective loss-control programs.

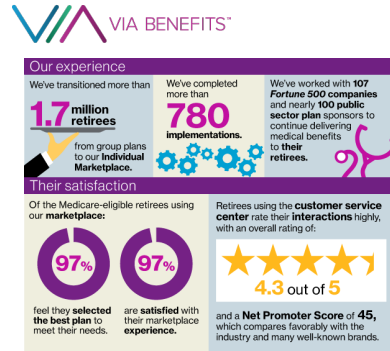
“Public entities have unique risk challenges. Gallagher knows how to overcome them.”

WillisTowers Watson 

Willis Towers Watson is a leading global advisory, broking and solutions company with over 40,000 employees serving more than 140 countries.

“Health care and other group benefits are under intense scrutiny as employers face a challenge in keeping employees healthy and productive, a constant rise in health care costs, the advent of private and public exchanges in the U.S., a shift in employee demographics and a rethinking of how benefits fit in the broader total rewards context.”





- Provides comprehensive benefit packages medical, dental and risk (life, accident and disability) programs
- Decoupled active employee and retiree health benefit solutions
- Wellness Programs, HSA, HRA, Retiree Healthcare, financial planning offerings
- Private Exchange and integrated technology platform offerings
- CA State County Association Partnership with Extend Health/OneExchange/Via Benefits
- League of California Cities Health Benefits Marketplace



“We use our deep research and benchmarking tools to provide the strategic context to gauge overall program efficiency, cost effectiveness and value, as well as competitive positioning.”



The League of California Cities Health Benefits Marketplace™ (HBM) gives cities the ability to redesign their approach to medical insurance for active employees and retirees, allowing participants to align coverage with their individual needs. **The HBM provides cities the flexibility lacking in other group coverage medical plan designs to decouple and unbundle active employee and retiree costs, which is key to reducing OPEB liabilities.**

 <p>Benefit Solutions for Active Employees</p> <p>Offer your employees an engaging and personalized benefits shopping experience to help them choose and enroll in benefits to protect their health and financial security.</p> <p>LEARN MORE</p>	 <p>Benefit Solutions for Retirees</p> <p>Retirees can choose best the options for them from leading health insurance carriers, enjoying wide choice among individual health plans and the value and transparency of a dynamic marketplace.</p> <p>LEARN MORE</p>	 <p>Wellness Programs for Employees</p> <p>Offer your employees an online wellness solution that encourages positive habit formation in all areas of well-being: mental health, nutrition, fitness, and financial health.</p> <p>LEARN MORE</p>	 <p>ACA Compliance and Reporting</p> <p>Give your organization a partner that understands the complexities so you don't need to be an ACA expert. Access tracking, auditing, and reporting to give you confidence in your ACA compliance.</p> <p>LEARN MORE</p>
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“FLEXIBLE BENEFIT SOLUTIONS FOR YOUR EMPLOYEES AND RETIREES”



"A Partnership of Public Water Agencies"



JPIA proudly offers medical benefit opportunities for Public Agency Members. JPIA's benefit plans are offered individually, and with many contribution options, giving the employer the opportunity to create a benefit package to best suit the needs and financial requirements of the employer and the employee. Exceptional customer service and a dedication to cost savings have brought the Employee Benefits Program to the JPIA. In addition to the Liability, Property, and Workers' Compensation Coverage Programs, JPIA members can now choose health, dental, vision, life, EAP, and short and long term disability coverage through the Employee Benefits Program.

Anthem Blue Cross of California has provided medical benefits to JPIA members since 1955. Kaiser Permanente has provided medical benefits to JPIA members since 1997.

MEMBERSHIP

- Employers: 220
- Members: 7,000 employees enrolled in JPIA-sponsored medical plans.

STAFFING

- Employee Benefits Team: 7

TECHNOLOGY

- bSwift website for enrollment

MARKETING

- Webinars, Twitter, wellness materials and grant program



Alliant ranks among the 15 largest insurance brokerage firms in the United States. The firm provides comprehensive benefits packages including Health, Dental, Vision, along with Workers Comp, Property/Liability insurances, Wellness and complementary healthcare programs, COBRA administration, Health Reimbursement Management, and HSAs. They provide electronic enrollment and administration and have a benefits call center.

- K-12 Public Schools Insurance Program (nationally and specifically in California). Alliant has served educational entities since 1977 and dedicates significant expertise and resources to the educational marketplace. With a team of professionals—including school specialists who stay abreast of educational codes and state requirements across the nation—Alliant Insurance currently provides coverage for numerous K–12 schools with an average daily attendance in the millions.
- Alliant also serves as a program manager, broker, or consultant to several large school pools and has created a number of group purchase programs, joint powers authorities (JPAs), and captives that offer specialized coverage for educational public entity clients at cost-effective group rates.

- Airports
- Charter schools
- Cities and townships
- Convention centers
- Counties
- Higher education (public, private, and community colleges)
- Hospitals
- Joint powers authorities, risk-sharing pools and purchasing groups
- K–12 public schools
- Museums
- Native American tribal governments
- Not-for-profit organizations
- Ports
- Public-private partnerships
- Special districts
- Stadiums and arenas
- States
- Transportation authorities
- Utilities

"Our benefits consultants will design a program that not only protects the health and well-being of your employees—the lifeblood of your organization—but that meets your budget goals."



SISC is a Joint Powers Authority administered by the Kern County Superintendent of Schools Office. Four divisions: Workers' Compensation, Property & Liability, Health Benefits and Finance. "SISC III has grown into the largest public school pool in the United States."

MEMBERSHIP

- Educational Agencies: 442
- Counties: 43
- Members: 385,591

STAFFING

- Health Benefits Team: 23
- Eligibility Technicians: 4
- Account Management Team: 7

TECHNOLOGY

- HealthX is a secure resource center for member districts to access information pertaining to monthly billing, rates, benefits documents, etc.

MARKETING

- Flyer, Tips for Quality Care links, Health Smarts monthly raffle



Health Benefits

We are public school employees. Just like you.

Self-insured Schools of California (SISC) was established in 1979. We operate as a public school Joint Powers Authority (JPA) administered by the Kern County Superintendent of Schools. Our staff members are certified and classified public school employees covered under the same benefit programs as our membership. This gives us a unique and personal perspective into how best to serve our members. Unlike some pools, SISC is subject to the Brown Act. We are a transparent operation. All of our board meetings are open to the public and our financial statements are a matter of public record. Representatives from district unions attend our board meetings on a regular basis. SISC is run in the best interests of our membership. We do not receive sales commissions. Our focus is on the value we provide to our members—not profits, politics or a profit margin.

SCHOOLS HELPING SCHOOLS
Joining together with other schools provides SISC members with the most stable long-term insurance solutions available. Our 35 year commitment to providing access to quality health care at affordable rates has helped our program grow into the largest public school pool in the United States.

"Our SISC account manager is very personable and a great listener. She has always been there for me."

— Susan, Member, California School Employees Association (CSEA)

"Our Philosophy – 'Schools Helping Schools'

Our Goal is to provide the best coverage and service to our members while keeping costs affordable and stable."



Established in 1984 and headquartered in Fresno, CVT is a jointly managed trust. It was originally created through the combined efforts of district superintendents and labor representatives of both the California Teachers Association (CTA) and the California School Employees Association (CSEA).

MEMBERSHIP

- Educational Agencies: 230 K-14 school districts, CCCs and COEs
- Members: 162,000

HEALTH BENEFITS STAFFING

- Full-time staff of approximately 37 employees
- Marketing and Communications Manager and Director of Business Development and Account Management

TECHNOLOGY

- CVT handles all enrollment, eligibility and billing functions for its members, and is promoting use of MyCVT to members.
- MDLIVE telehealth

MARKETING

- Quarterly segmented newsletters, Facebook and YouTube, regional meetings, drawings/partner sweepstakes

"It is our goal and commitment to assist public school districts in managing skyrocketing healthcare costs while providing premier benefit products to participants and their families."



Formerly called Monterey County Schools Insurance Group, Municipalities, Colleges, Schools Insurance Group (MCSIG) is a Joint Powers Authority (JPA) that “offers a variety of plans to fit members’ health care needs, a comprehensive wellness program to help members meet their health and fitness goals, and an easy-to-reach, in-house member service staff whose first priority is you — all while offering better rates and coverage than our competitors.”

MEMBERSHIP

- Agencies: 73 school districts and other public entities

STAFFING

- Full-time staff of 12

TECHNOLOGY

- Free **Castlight Health** computer/cellphone app that makes researching care options, tracking expenses and understanding benefits easy
- Access to **BridgeHealth**, to help members control surgical costs
- 24/7 access to U.S. board-certified doctors and Best Doctors service via the **Teladoc** portal

MARKETING

- Customized “Livin’ Well” newsletter, wellness incentives, webinar and Facebook

Current Members	
<p>Municipalities, Colleges, Schools Insurance Group (MCSIG) provides a variety of health care plans to public entities throughout Monterey County and beyond. As a result of our proven low premiums and emphasis on wellness, we have continued to increase our membership year after year. For more information about membership or to become a member, contact us at 831-758-0161.</p>	
<p>ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT BAYSHORE SCHOOL DISTRICT BELMONT-REDDOOD SHORES SCHOOL DISTRICT BIG BEAR FIRE AUTHORITY BIG SUR CHARTER SCHOOL BIG SUR UNIFIED SCHOOL DISTRICT BRADLEY UNION SCHOOL DISTRICT CABRILLO UNIFIED SCHOOL DISTRICT CARMEL AREA VETERINARIAN CARMEL UNIFIED SCHOOL DISTRICT CASTRO VALLEY UNIFIED SCHOOL DISTRICT CITY OF MENLO CITY OF CLAREMONT CITY OF GORDON CITY OF DESSERT HOT SPRINGS CITY OF COS PALOS CITY OF FOLLER CITY OF GUSTINE CITY OF HURON CITY OF LEWISVILLE CITY OF LINDBAY CITY OF LIVINGSTON CITY OF MIDLAND CITY OF NEWMAN CITY OF RIO DELTA CITY OF BEASIDE CITY OF BONORA COUNTY OF BUTTER CREEK CITY OF UPLAND COUNTY OF VENTURA CUESTA COLLEGE EL DORADO COUNTY OFFICE OF EDUCATION EL DORADO SUPERIOR COURT FIVE KEYS CHARTER SCHOOL FOREBETHILL PUBLIC UTILITY DISTRICT GONZALES UNIFIED SCHOOL DISTRICT GRAVES SCHOOL DISTRICT HARTNELL COMMUNITY COLLEGE HOUSING AUTHORITY OF SLO HUMBOLDT BAY FIRE DISTRICT JEFFERSON ELEMENTARY SCHOOL DISTRICT</p>	<p>JEFFERSON UNION HIGH SCHOOL DISTRICT KING CITY UNION SCHOOL DISTRICT LA-HONDA-REBECAH UNIFIED SCHOOL DISTRICT LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT LAGUNITA SCHOOL DISTRICT LEARNING FOR LIFE CHARTER SCHOOL MILLENNIUM CHARTER HIGH SCHOOL MIRBEN UNION SCHOOL DISTRICT MONTEREY BAY CHARTER SCHOOL MONTEREY COUNTY OFFICE OF EDUCATION MONTEREY EDUCATIONAL RISK MANAGEMENT AUTHORITY MONTEREY PENINSULA UNIFIED SCHOOL DISTRICT OAK GROVE SCHOOL DISTRICT OHLONE COLLEGE PACIFIC GROVE UNIFIED SCHOOL DISTRICT PIONEER COMMUNITY ENERGY AUTHORITY PORTOLA VALLEY SCHOOL DISTRICT REGIONAL GOVERNMENT SERVICES SALINAS CITY ELEMENTARY SCHOOL DISTRICT SALINAS UNION HIGH SCHOOL DISTRICT SAN ANTONIO UNION SCHOOL DISTRICT SAN LUCAS UNION SCHOOL DISTRICT SANTA RITA UNION SCHOOL DISTRICT SOLEAD COMMUNITY HEALTH CARE DISTRICT SOUTH MONTEREY COUNTY JUVENILE UNION-HSD SPRECKELS UNION SCHOOL DISTRICT SUPERIOR COURT OF CA, EL DORADO COUNTY SUPERIOR COURT OF CA, MENDOCINO COUNTY SUPERIOR COURT OF CA, BUTTER COUNTY TOWN OF DANVILLE TRUCOS CONNER RECREATION AND PARK DISTRICT TULARE COUNTY CORRECTIONS ASSOCIATION WASHINGTON UNION SCHOOL DISTRICT</p>

“Health Care That Puts Members First.”



CALIFORNIA SCHOOLS
VEBA

The California Schools Voluntary Employees Benefits Association (VEBA) was started in 1993 through the combined efforts of school superintendents and representatives of both the California Teachers Association (CTA) and the California School Employees Association (CSEA). VEBA provides health care benefits for education, municipal and public agency employees and is based in San Diego.

MEMBERSHIP

- Agencies: More than 65 employers
- Members: 135,000 TCLs
- Some member agencies called out in board minutes, for ex: Spencer Valley School District, San Bernardino City Unified School District

TECHNOLOGY

- VEBA Benefits mobile app
- ARES portal for administrators

MARKETING

- Wellness library videos, VEBA resource center now open

<p>Stability</p> <p>Stable year-over-year renewals through focusing on improving quality</p>	<p>Power</p> <p>Better rates and benefits negotiated on your behalf</p>	<p>Innovation</p> <p>Improved quality of care through unique programs designed to improve employee health while keeping employer costs down</p>	<p>Choice</p> <p>Nationwide access with a variety of network options to best fit the needs of your group</p>
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“Collaboratively providing health care benefits and related services that are effective, affordable and of the highest quality and value.”

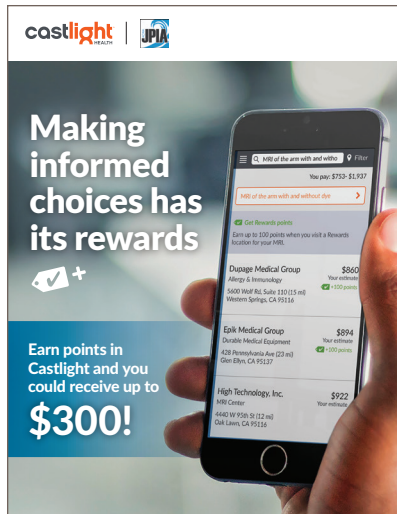


Competitive Analysis

Findings from the competitive review show opportunities and challenges for CalPERS Health. A comparison chart is included as Appendix A.

- **All identified competitors offer bundled products (i.e.: medical, dental and vision), which is likely perceived as a benefit to employers.** A significant hurdle in serving public agencies is the lack of dental and vision coverage, or any “bundled” offerings. While state employees have options administered through CalHR, CSU Chancellor’s Office, and the California Association of Highway Patrol, public agencies are ineligible. Public agency employers who do choose CalPERS Health have to expend resources to contract separately for dental and vision plans. There is also the perception that “bundles” provide savings and competitors can use this as leverage in messaging to prospective agencies.
- **Most CalPERS Health competitors have rebranded wellness/EAP programs and initiatives as their own and use them as a selling points.** In line with public opinion, public agencies are concerned over rising healthcare costs. Employers are looking for leverage to reduce costs and support a productive workforce. Preventative health, wellness, and mental health resources are valued and well-received. Competitive examples run the gamut from full-blown programs with third party preferred vendors and proprietary wellness programs to template newsletters and a roundup of provider resources included in plan offerings. CalPERS Health has an opportunity to look at existing offerings and reframe how wellness is being highlighted.

Health Action	Points
Online health assessment www.mcslg.com	1 required
Health Screening results from a MCSIG health screening or lab results from your doctor	1 required
Annual flu vaccination (injection or spray)	1
Blood Pressure (<130/80)*	1
Cholesterol Panel (<4.5)*	1
Glucose (<100 fasting or <140 non-fasting)*	1
Healthy Weight (>29 BMI or attend an approved healthy weight program)	1
Tobacco-Free	1
Routine Physical Exam by M.D. or D.O. See WellSteps active link for form.	1
Exercise Challenges (10 to weeks x 100 minutes)	1
Community Health Event (Big Sur Marathon, 3K Mud Run, Zumbathon, etc.)	1-3
Eat Right for Life or 10,000 Steps Program	1
Quitwear at WellSteps (2 for 1 year)	1-2
Health Education classes	1-2
MCSIG special 499mg event	1
Personal Wellness Plan. See WellSteps active link for form.	1
Wellness Ambassador and/or Wellness Employee of the Quarter	1-2
ID card protection - Anthem Blue Cross "My Care" registration https://anthem.attibeamid.com	1
Healthcare Cost Transparency - Costlight registration and 1 search per year. www.mcslg.com	1-2
Bi-weekly Health Challenge (2 for 1 point)	1
Personal Exercise Log. See WellSteps active link for form.	1
Anthem Blue Cross care for chronic conditions (asthma, diabetes, etc.) 800-621-2232	1
TOTAL:	28



- **Technology is a significant source of competitive advantage**, with most competitors using enrollment and benefit management software services to reduce workload for employers. This is a particular pain point with larger employers and for those with capacity constraints, something for the team to consider when identifying key targets.

Another area where technology plays a role is the use of telehealth. Some competitors contract with third-party vendors to provide virtual services, and others call out options from carriers. Apart from contracting differences on the back end, communications to employers focus on the benefit of convenience, time and of course cost savings.

CalPERS Health has been making progress in this arena, with the launch of the Open Enrollment app this year and the ability to perform data transfers in the onboarding process.

- **Pools are staffed by people from the sector, allowing them to claim better understanding of the audience and pain points.** This is true especially for the school groups but can also hold value for the water and city association groups. Messaging such as “We are school districts” can hold significant weight within industries that feel unique or face specific challenges.
- CalPERS Health’s competitors have the flexibility to offer more customized plans and most do not require the agency to cover retirees. This is an inherent challenge for CalPERS as it must adhere to PEMCHA, however this underscores the importance of prioritizing target agencies with values that align.
- The competition does not publish rates, and while CalPERS Health is being transparent by publishing rates, this provides competitors with information they can use to undercut. However, competitors are comparing rates only, not benefit design.
- Most larger insurers and pools have strategies for larger agencies and schools, since this is where there is the most opportunity in terms of potential TCLs. These are also areas where CalPERS has lower market share. Further discussion with the CalPERS team will shape strategy for identifying key targets in these areas.

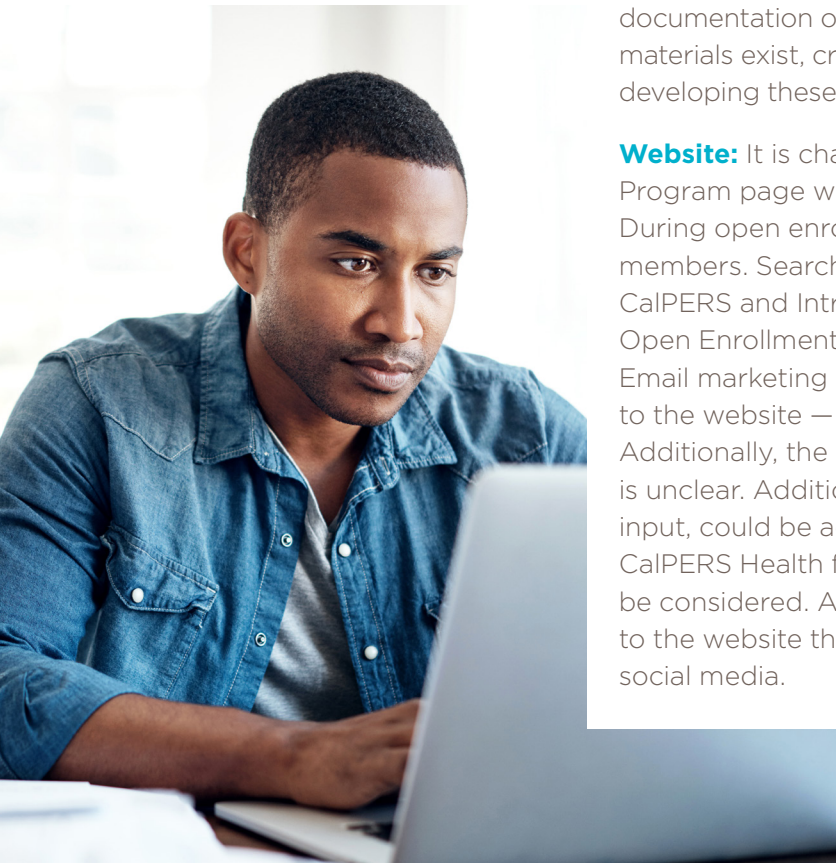
Current Materials and Channel Review



Determining health care coverage is a complex, in-depth decision that warrants high-touch outreach and engagement. The marketing and communications channels currently being used by the CalPERS Health team are appropriate, with some review of ROI needed for individual tactics. Any proposed marketing and communications activities will be assessed with recognition of how they would affect capacity.

Print: Current materials are of high quality, industry-appropriate and straightforward. There seems to be some shifting in the look and feel (i.e.: introducing yellow color), as well as positioning. Overall, print materials do not typically play a large role in complex decision-making, instead acting more as documentation of benefits/value. A number of co-branded print materials exist, created by providers or carriers. The process for developing these co-branded pieces should be further reviewed.

Website: It is challenging to find a distinct CalPERS Health Program page within the current CalPERS site structure. During open enrollment, there is a clear drive to engage members. Search engines and referral traffic (from my CalPERS and Intranet) are the primary traffic sources for the Open Enrollment page and account for 74% of total traffic. Email marketing and social media are not big drivers of traffic to the website — accounting for just .10% of total traffic. Additionally, the call-to-action for employers on the website is unclear. Additional content, perhaps guided by employer input, could be added to the site and online differentiation of CalPERS Health from Retirement or other products should be considered. Another consideration is to direct more traffic to the website through other communication channels, such as social media.



Social Media: Social media platforms such as Twitter and Facebook present a strong opportunity for the Health Program, particularly for increasing subscribership. The CalPERS team should consider small paid social media buys to get messages in front of specific audiences. Organic and paid content should link more often to the CalPERS website to drive traffic. Current social media analytics show Twitter and Facebook see the vast majority of impressions/engagements. Instagram and LinkedIn have small followings and likewise fewer engagements.

There is some interesting segmentation happening in the platform audiences. The CalPERS Facebook page is 60% female and the majority are ages 35 to 64 (70%). However, in terms of fans who engage with content, that audience is 70% female and the majority are ages 45 and older. Overall, the majority of Facebook fans and engaged fans are located in the Sacramento region, so increasing geographic reach could be explored. On Twitter, 70% of followers are male and ages 25 to 54 (80%).

Events/In-Person: The current in-person information sessions have some potential for optimization. Integrating technology could enhance engagement, some examples of this include conducting webinars and creating onboarding/training videos. The relationship between retirement and health programs could be leveraged here, particularly at events (CBEEs, Educational Forum, etc.) but also in ongoing stakeholder relations.

Overall, current CalPERS Health outreach and education materials are appropriate for the program. Recommendations in the forthcoming marketing plan will outline message/brand strategies and a few key additions such as webinars and/or videos.



ⁱ <https://publicpay.ca.gov>

ⁱⁱ <https://www.cde.ca.gov/ds/>

ⁱⁱⁱ <http://www.latimes.com/business/la-fi-covered-california-rates-20180719-story.html#>

^{iv} https://www.bizjournals.com/sacramento/news/2018/10/17/calpers-holds-health-premium-increases-to-21-year.html?ana=e_mc_prem&s=newsletter&ed=2018-10-17&u=wEGE3pjeWoqev6Q4/LCIZJoWYR5&t=1539793834&j=84466581

^v <https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/employers-adjust-health-benefits-for-2019.aspx>

^{vi} *Consolidation in California's Health Care Market 2010-2016: Impact on Prices and ACA Premiums*, Nicholas C. Petris Center on Health Care Markets and Consumer Welfare, School of Public Health, University of California, Berkeley, March 26, 2018





CalPERS Health Program

Strategic Outreach And Communications Plan

(Deliverable 3)





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Background And Process

In July 2018, CalPERS contracted with Runyon Saltzman, Inc. (RSE) to work on strategic outreach and communications planning for the CalPERS Health Benefits Program. The HAMD Health Marketing Outreach Strategies and Communications Plan project scope included:

- Conducting a thorough market analysis
- Identifying specific outreach and communications goals and objectives
- Developing appropriate strategies and tactics to meet those goals
- Determining which key indicators would best measure progress and
- Recommending a staffing plan.



The RSE and CalPERS teams met on July 6 for a kick-off meeting, where critical information about the Health Program and the project was communicated from HAMD and PAOF perspectives. This meeting set the tone for a highly collaborative process, with CalPERS team members continuously engaged and contributing to the project. Bi-weekly meetings were initially set, and those transitioned into weekly meetings with longer breakout sessions to go deeper into discussion on topics such as target audience, positioning and message mapping.

During the market analysis phase, the RSE team (David McEwen of CPS Consulting and DVBE Connect) conducted executive interviews with internal team members from various departments to gather insights into current processes. Current CalPERS Health Program materials were reviewed, an outreach workshop was attended and digital communications - website traffic and social media analytics - were gathered and analyzed. Also as part of the market analysis, RSE staff held an informational interview with a broker who works with public sector clients and met with the Milliman team working on the Regions project. An extensive competitive review was conducted and quite a bit of competitive data can be found in the full Market Analysis report presented to the CalPERS team at the completion of that phase of the project.

One significant discovery coming out of the market analysis phase was a need to clarify and identify the full public agency market and how that data, along with CalPERS internal data could be leveraged for outreach and engagement purposes. This finding is at the heart of the following plan and has sparked meetings with CalPERS team members from HAMD, IT and Health Policy to develop creative knowledge-capture and customer relations solutions.



Guiding Principles



As early as the kick-off meeting, it was clear there were strong guiding principles that would shape the project and plan. The RSE team identified the following principles that would guide all recommendations for outreach and communications:

1. Leverage strengths and build team capacity.

The CalPERS Health Program has produced excellent results to date, and the purpose of this outreach and communications effort is to continue bringing more people into a successful program. While it is important to understand vulnerabilities, particularly in terms of the competitive landscape, we believe resources devoted to supporting the Health Program strengths will be more effective in reaching goals. Thoughtfully building capacity is critical to growth and this is a key principle that runs throughout the plan.



2. Create a realistic plan that can be executed successfully.

For a plan to succeed, it needs to be properly executed. The recommendations in this plan are ambitious and it was essential that the CalPERS team feel comfortable with the implementation. The team was actively involved in the planning process, and their engagement allowed for real-time input. Perhaps most importantly, RSE and the CalPERS team engaged in an exhaustive review and discussion of the implementation plan to prioritize and adjust timing to meet capacity.

3. Build brand voice and positioning within the health sector.

Currently, the CalPERS brand is firmly rooted in the pension market. In order to increase brand awareness for the Health Program, the plan addresses the need to be a thought leader on health. This is a “top of the funnel” issue that is addressed in the plan through multiple strategies. Brand voice is the consistent expression of an organization’s values and expertise. It sets the tone for all communications, positioning the organization as a reputable source of information for the identified area of expertise. As content is developed and disseminated, consistent messaging and tone will build awareness and support. The plan aims to align internal and influencer audiences around the brand and arm them with consistent core messages to bring to various constituents.

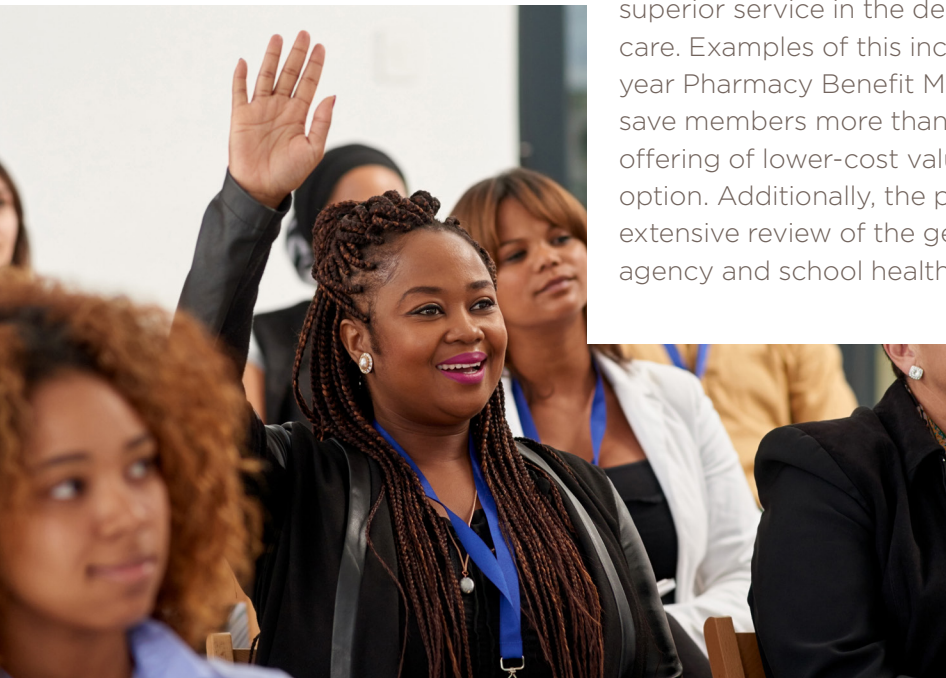


Situation Analysis



CalPERS has been the largest health care purchaser in California, and second-largest in the nation behind the federal government, for many years. The CalPERS Health Benefits Program covers 1.5 million lives across the state and contracts with nearly 1,200 public agencies and schools. The program is highly competitive in a volatile market, which is reflected in the 99 percent retention rate for contracting agencies. Consistent growth has been a hallmark of the program, which has gained more than 177,000 total covered lives (TCLs) over the past decade. Additionally, 2018 and 2019 marked the lowest overall health plan rate increases in over 20 years at 2.3 and 1.16 percent, respectively.

In addition to achieving market leadership and stable growth, the CalPERS Health Benefits Program has continued to pursue innovative solutions to meet the mission of providing superior service in the delivery of quality, affordable health care. Examples of this include the board awarding a five-year Pharmacy Benefit Manager contract that is expected to save members more than \$63 million in the first year, and the offering of lower-cost value-based insurance design (VBID) option. Additionally, the program has been conducting an extensive review of the geographic region structure for public agency and school health premium rates.



Health care is arguably the most competitive and complex market in the US, and perhaps the most important one. Multiple 2018 mid-term election polls now show health care as the top issue for Americans nationally.¹²³ Employers are struggling with health care decision-making due to increasing costs and complexity. Competition continues to be fierce, both from brokers who focus on the public sector and from pools and trusts. Most competitors are focused on providing the lowest-cost solution, and are not governed by legislation, as CalPERS is through the California Public Employees' Medical and Hospital Care Act (PEMHCA). It is in this charged environment that CalPERS is focused on sustainability for the program and quality and affordability for employers and members.



¹ <https://news.gallup.com/poll/244367/top-issues-voters-healthcare-economy-immigration.aspx>

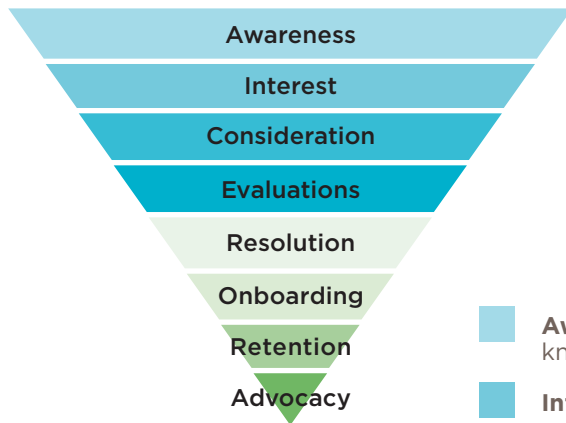
² <https://www.cnbc.com/2018/11/07/healthcare-topped-the-economy-as-the-biggest-issue-for-voters-now-heres-why.html>

³ <https://www.kff.org/health-reform/poll-finding/kff-election-tracking-poll-health-care-in-the-2018-midterms/>

Goals & Target Audiences



The primary desired outcome of this plan is to see an increase in TCLs from new agencies and groups. In order to meet that end goal, it is critical that the entire outreach and engagement journey or “funnel” is addressed in the plan. Without the broader brand awareness and thought leadership activities, the target audiences will not have the familiarity or intent to engage in the high-touch marketing activities that result in resolutions and onboarding.



- Awareness:** Have heard of CalPERS Health Benefits Program, know it exists.
- Interest:** Would like to know more about the program.
- Consideration:** Planning to purchase health insurance and include CalPERS in the list of potential contractors.
- Evaluations:** Comparing details like specific health plans and rates.
- Resolution:** Finalizing contract and putting it into place.
- Onboarding:** Receiving communication and training in order to subscribe the most TLCs.
- Retention:** Continued positive customer relationship with CalPERS.
- Advocacy:** Would recommend CalPERS Health Benefits Program to other agencies.

The goals below are not listed in order of priority. *Indicates primary audience.

GOAL 1 :

Establish brand association with health, innovation and leadership.

- Increase awareness of Health Benefits Program
- Audiences: Employers*, Health Care and Public Agency Influencers, Employees

GOAL 2 :

Bring on at least 12,000 additional covered lives from new groups or new public agencies annually.

- Targeted outreach to potential new groups, schools and public agencies
- Audiences: New or lapsed employers, new group decision-makers

GOAL 3 :

Increase connection to the Health Benefits Program within CalPERS.

- Create internal ambassadors to maximize potential opportunities
- Audiences: CalPERS employees



Strategies & Tactics



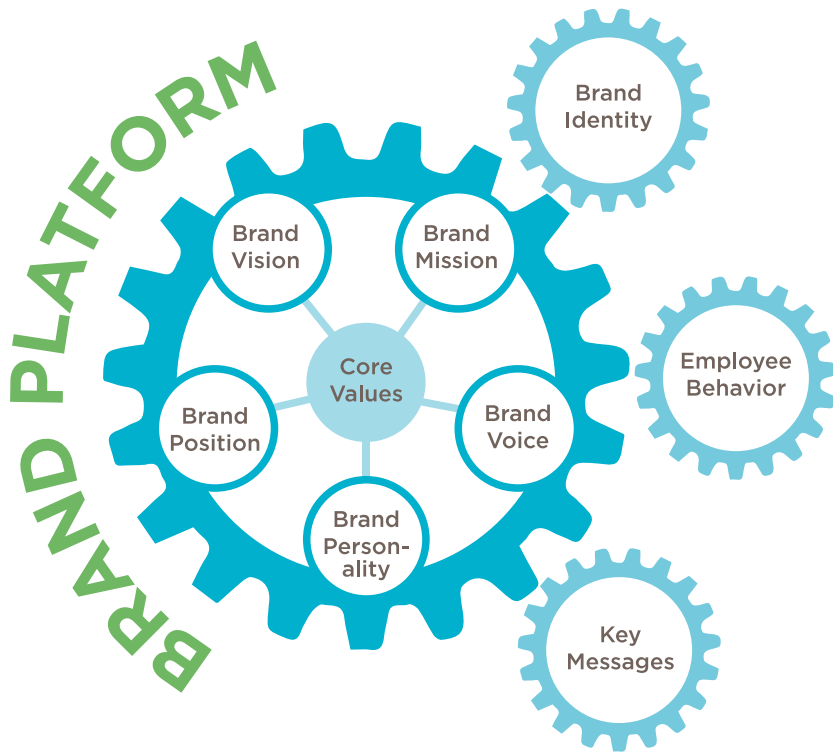
The recommendations listed below have been organized under the main goals with which they align; however there is significant overlap with tactics supporting multiple goals. This should be considered a strength of the plan, as resources can be leveraged to reach multiple audiences and achieve results against the three overarching goals.

GOAL 1 : Establish brand association with health, innovation and leadership.

Audiences: Employers*, Health Care and Public Agency Influencers, Employees

Brand Development

At the foundation of the Health Benefits Program outreach and communications is the CalPERS brand. Further development of how the Health Benefits Program lives within the CalPERS brand will allow for consistency of message, ease in communicating about the program and ultimately an increase in brand equity. Recommended brand development activities includes a deeper dive into the various components of how the CalPERS Health Benefits Program is communicated through a brand platform. Outlined here is just one way a brand platform and its various elements can be illustrated.



The recommendation for CalPERS is to work through relevant aspects of a brand platform specifically for the Health Benefits Program, with the goal of homing in on the brand identity and messages to be used in all internal and external communications. One specific recommendation is to shorten the program name to “CalPERS Health” for clarity and stronger brand recognition. A collaborative process for reviewing the existing and proposed key messages and any further message development should be undertaken. This exercise can also serve as a strong internal communications tool, as it provides the opportunity for the internal team to align around core messages they feel proud to communicate. For

example, using the message map as a guide, the CalPERS team could develop a fact sheet aimed at informing labor leadership about the benefits of contracting with CalPERS. The team would come together to discuss which core attributes and/or benefits are most compelling for the labor audience and use key phrases and wording to develop content for the piece.

Development of a Health Benefits Program style guide is recommended, which would include brand identity, personality/ tone and voice. The style guide could also address CalPERS-brand products, as well as partner/carrier communications and outreach.

Key Messages

A message map with core communication points and supporting messages has been developed through a collaborative process with the CalPERS team and RSE. The message map should be disseminated internally and used as needed for various types of communications. To maximize effectiveness, the roll-out of the message map must be thoughtful and deliberate, keeping in mind which teams should be informed first and the level of training needed for each group. Using this tool, communications should become more consistent. Additionally, for internal audiences who are not as familiar, the message map can act as a “cheat sheet” for understanding the program.

Further messaging should be developed for use in tailored outreach and marketing efforts for specific target audiences, such as schools, special districts, labor leadership, etc. and on specific topics, such as wellness, VBID, etc. These tailored messages should be developed internally and whenever possible guided by feedback from target audience members.

Findings from the Market Analysis showed most competitors highlighted – and in many cases rebranded – carrier wellness programs. Wellness is a tool for keeping employees healthy and costs contained, so naturally it has become an important feature for employers. CalPERS should consider how to best highlight all the work being done in this area in order to educate employers and ensure they understand all the wellness benefits CalPERS is able to offer. Other areas for potential further message development include innovation and consistency of HMO benefits across plan offerings.

Wellness is a tool for keeping employees healthy and costs contained, so naturally it has become an important feature for employers. CalPERS should consider how to best highlight all the work being done in this area.

Outreach & Engagement Materials

Following the creation of new CalPERS Health Benefits Program brand guidelines and key messages, outreach materials will need to be updated and/or developed. The CalPERS team will work together to prioritize needs and, whenever possible, leverage materials across audiences by customizing imagery and key elements to be audience-specific.

Thought Leadership

CalPERS has a leadership position in health, but this is not common knowledge as it is in the pension market. In alignment with current public affairs activities and plans and in close collaboration with the stakeholder relations team (STRL), thought leadership tactics are recommended for increasing brand awareness in the health space.



Content Marketing

Now a mainstay of marketing strategies, content marketing is an “approach focused on creating and distributing valuable, relevant, and consistent content to attract and retain a clearly defined audience — and, ultimately, to drive profitable customer action.”⁴ This recommended marketing tactic has the advantage of a strong fit with CalPERS corporate culture, as it puts potential members’ informational needs ahead of corporate promotion. Primarily an online approach, publishing valuable and innovative health content will help establish CalPERS as a leading voice in health care.

Proposed content marketing activities include writing and curating content on key issues and developing success stories that highlight specific “wins” for CalPERS. Some success stories could take the form of narrative case studies showing how schools and public agencies have benefited from contracting with CalPERS. Others could focus on industry-wide issues, highlighting the work CalPERS has done to maintain a high bar on quality. For example, a story could present the data on pre-diabetes and the criteria CalPERS now requires for all plans.

Leveraging multiple media formats is a key tenet of content marketing, and imperative for online success. The CalPERS team should develop content that can be used across formats and platforms, including:

- “White paper” or “Industry Insights” pieces
- Op-ed
- Speaking engagements
- Image-driven social media posts
- Videos
- Webinars
- Presentations

These activities should align with STRL engagement, ongoing social media planning and The Digital Perspective.

⁴ <https://contentmarketinginstitute.com/what-is-content-marketing/>
<https://hbr.org/2018/04/4-ways-to-improve-your-content-marketing>

Speaking Engagements

A critical thought leadership activity is going on the conference speaker circuit. Having CalPERS spokespeople deliver presentations at key industry events builds brand awareness and can spark personal connections with potential public agency and school decision-makers. These spokespeople or “champions” could be internal leaders or external partners who are willing to talk about their positive experience with CalPERS. The speaking engagements will be coordinated with the event outreach team to maximize exposure and contact with potential new agencies, groups or schools.

Media Relations

CalPERS has a strong public affairs team with deep media relations experience. The recommendation is to position CalPERS as an expert resource on the issue of health insurance in California. The team will create an editorial calendar, develop pitches and write op-eds – proactively and strategically working to establish thought leadership on an issue that is currently getting quite a bit of media attention. The CalPERS team should also engage in a series of deskside briefings with key health writers in California to build relationships and serve as a source for future stories.



GOAL 2 :

Bring on at least 12,000 additional covered lives from new groups or new public agencies annually.

Audiences: New or lapsed employers, new group decision-makers

Targeted Outreach and Customer Relationship Management (CRM)

The driver for the success of this plan is the targeted outreach. It is the critical activity that will require focus and resources. The public sector employer decision to contract for health insurance is very involved and demands high-touch outreach and engagement. The purchase funnel is a lengthy process, oftentimes spanning years from initial contact through to passing a resolution. Currently, as noted in the Marketing Analysis, the CalPERS team has primarily had capacity to be reactive and oriented toward retention. Additionally, the team has not had full visibility into the market or a tool for pairing market data with internal institutional knowledge.

To begin building capacity, the CalPERS and RSE teams developed a working list of all the public agencies and schools in California, the number of active employees and their relationship with the Health Benefits Program. This provided the team with some initial data to use in prioritizing employers for focused outreach. Data analysis did not provide support for recommending a segmentation strategy based on agency type, such as cities, counties or schools. However, it did indicate that small to mid-size agencies and schools are more likely to contract with CalPERS, which makes sense since they are likely to see the biggest benefit in joining a large purchasing group.

Based on current data, the priority for the team is to identify key prospective employers/groups for focused outreach using the following criteria:

- In pipeline (reactive)
- “Return” business
- Resolution type “By Group”
- Alignment with PEMHCA

These criteria should be filtered against parameters for size (number of employees) and regional geography (knowing costs are higher in Northern California versus Southern California). CalPERS rates are competitive, but the real value to members is that the care options are all high quality. This is reflected in the message map the team created, and should also be considered when identifying potential new agencies, schools and groups to target with high-touch outreach.

CalPERS rates are competitive, but the real value to members is that the care options are all high quality.

Once a list of target prospective agencies/schools has been established, contact and relationships must be actively managed to move them through the funnel (or pipeline) towards resolution and onboarding. This process will be highly customized based on the prospective agency/school and could include phone calls, email and in-person meetings, invitations to regional events along with customized information and materials as needed. Examples of customizable materials include fact sheets, presentations and employer toolkits with turnkey content for employee engagement.

The importance of CRM in the health insurance market cannot be overemphasized. Brokers build portfolios by establishing and nurturing personal relationships, and competitive pools and trusts have teams dedicated to account management. **For long-term sustainabili**

ty, a user-friendly CRM tool to capture knowledge and maintain relationships is recommended. In the short term, the initial market data has been compiled and the CalPERS team has been working through creative solutions to leverage existing database templates to create a tool for expanding and managing the pipeline. For both the short-term and long-term CRM solutions, the data must be managed with standards for documentation and user training, as well as ongoing upkeep so the data remains current.

Partner Communications

Health plan partners are another channel for CalPERS Health Program communications. The CalPERS team currently engages in monthly meetings with health plan partners, so the recommendation is to begin engaging partners in discussions about current outreach efforts to CalPERS audiences. While this may not have an impact on gaining new agencies, it is an important onboarding and retention strategy.

During monthly meetings, staff should consider:

- Requesting visibility into all outreach efforts made on behalf of CalPERS
- Communicating new brand guidelines and reviewing the message map
- Engaging partners in discussion around increasing subscribership within currently contracted agencies
- Discussing opportunities for co-branded materials, advertising, outreach and public relations efforts

Finally, work with partners to understand how they are monitoring and measuring progress. If possible, develop a “reporting” or update schedule to stay informed.



Platform and Channel Development

The following are activities designed to drive interest in the CalPERS Health Benefits Program and engage prospective contracting agencies in beginning a dialogue about the considering the program.

Email Engagement (MyEmma)

MyEmma is an existing platform used by CalPERS to communicate with various audiences. It is an efficient outreach method, in that it provides the ability for emails to be customized and automated. While email is no longer the powerhouse it once was for consumer marketing, it is still an effective channel for business and can be used as a soft introduction before making phone calls. The following are recommended steps for email engagement:

- Inventory currently available lists in the MyEmma platform
- Create and/or validate lists as needed based on targeted outreach
- Develop customized and segmented “pitch” email content
- Send out pilot email campaign and monitor success
- Follow up on emails with targeted outreach efforts

Event Outreach

Events can be resource-intensive and time consuming. However, because they are high-touch, they can also show a positive return on the investment. There are two recommended strategies for leveraging event outreach, both working in collaboration with STRL: 1) maximize potential of current CalPERS events and 2) coordinate with speaking engagement opportunities. It is also important that the events are reaching targeted audiences. Opportunities to interact with prospective contracting agencies at annual events for organizations CalPERS currently has relationships with – League of California Cities, Association of California School Administrators (ACSA), California State Association of Counties (CSAC) and California School Employees Association (CSEA) – and other targeted organizations – for example California Teachers Assoc., Labor SEIU, School Boards Assoc., International City/County Managers Association (ICMA) – are recommended.

Social Media

Organic social media efforts will align closely with content marketing planning and online community management. A content calendar should be developed, taking into account the need for content to be pushed out by individual thought leaders and any external “champions”. Community management activities will build on the current practice of tagging and sharing content by other leaders in health care and timely news. The CalPERS social media audiences vary by platform, with the Facebook audience skewing female and showing increased engagement with age while on Twitter the audience is younger and majority male. These differences should be noted in content development, perhaps by using Twitter primarily for stakeholder communication and Facebook for more consumer-facing content.

LinkedIn is another social platform that should be explored in outreach potential public agency employers. Current CalPERS content on LinkedIn is focused primarily on HR topics and recruitment, however this channel presents an opportunity to expand thought leadership content on health to a professional audience. In order to expand the social audience, small-scale paid social media campaigns are recommended. These campaigns are cost-effective and can act as a pilot to test what content/message is engaging, which audiences are being reached and should drive traffic to the CalPERS website. On LinkedIn, advertising can be targeted using public agency lists and specific job titles. On Facebook or Twitter, the CalPERS team could consider a small paid campaign once the Health Benefits Program branding is complete to increase awareness of the program.

Website

The current website does not clearly identify the Health Benefits Program as a distinct product offering and content is organized based on CalPERS internal structure, not how a consumer would look for information. It is important that this distinction is made, and that potential contracting agencies and schools can easily find information about the program. The CalPERS team, with input from the UX group, should develop and implement online content specifically for employers about the health offering, The team could consider:

- A vanity URL for employers
- Survey employers for feedback on site structure and content
- Optimizing the employer online experience
- Working with The Digital Perspective Team to create/post

health-specific content

Webinars and Video

Holding webinars is an effective content marketing tactic that positions CalPERS as a subject matter expert and helpful advisor to potential and existing members. Webinars provide an opportunity for direct engagement and feedback with audiences through polls or Q&A sessions. Registration is a tool for building email lists of prospective contacts who would like to receive additional information about the program. This is another point of integration with STRL, either for promotion of a health care webinar or to seed some health information into an existing retirement webinar.

Similar to webinars, video is a more engaging format that works well for communicating valuable information to specific audiences. It is also the most engaging social media content. The CalPERS team should determine which topics will be most effective in a video and consider all channels for dissemination: website, social media, email, speaking engagements, CalPERS events and in-person meetings. For example, a “CalPERS Health 101” video designed for HR officers could be a valuable tool to support this outreach effort.

Print Materials

Current print materials should be updated as needed with new brand identity and messaging specific to various segments, e.g., cities, counties, schools, special districts. Print continues to be a useful communications medium, especially when audiences are making complex and important decisions about health. Additional print pieces may be needed for outreach to specific segments, for example schools or fire districts, or audiences, such as labor leadership. The CalPERS team will work together to determine priorities for updating and/or creating print materials.

Video is a more engaging format that works well for communicating valuable information to specific audiences.



GOAL 3 :

Increase connection to the Health Benefits Program within CalPERS.

Audiences: CalPERS employees

Internal Communications

The CalPERS Health Benefits Program brand should be grounded in solid internal communications. The purpose of this effort is to align internal audiences around the health program and arm them with consistent core messages to bring to various constituents. Specifically, the stakeholder team and others in contact with various agencies should be conversational enough in the Health Program to at least generate a warm hand off if interest is found.

- Using the message map, develop a “cheat sheet” for internal audiences and distribute widely
- Explore cross-training opportunities, which could be as simple as attending meetings and talking to members of other CalPERS teams
- Establish a process for CalPERS employees who have questions about their coverage and create user-friendly materials for state Health Benefits Officers (HBOs) to insert in their manual.
- Consider internal distribution of success stories and notification of positive earned media and speaking engagements



Measuring Success



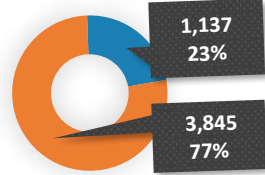
The CalPERS and RSE teams discussed at length the indicators that would best show the progress being made towards goals. Those metrics were identified and integrated into the Implementation Plan by task, so each component of the plan will be measured to evaluate progress. Additionally, once a CRM tool is in place, a dashboard report will be created for easy monitoring and reporting on these key performance indicators (KPIs).



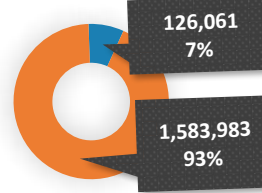


AT-A-GLANCE: PUBLIC AGENCY MARKET FOR HEALTH BENEFITS

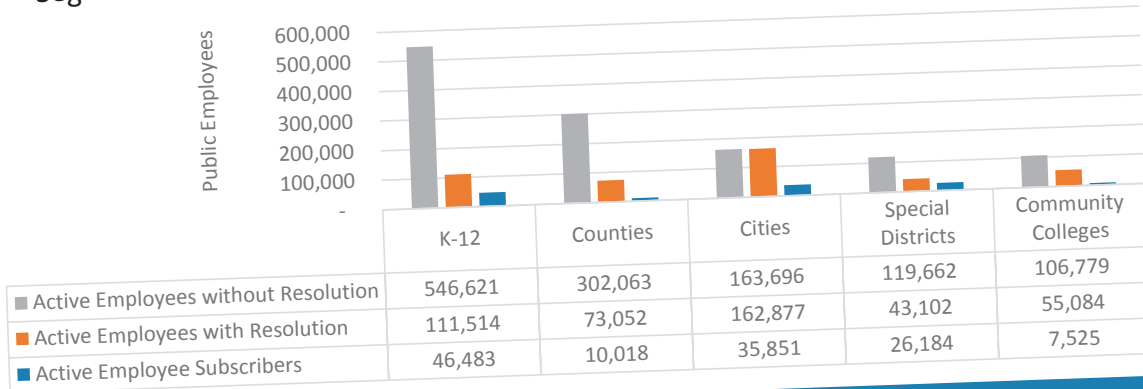
(Agency Count)



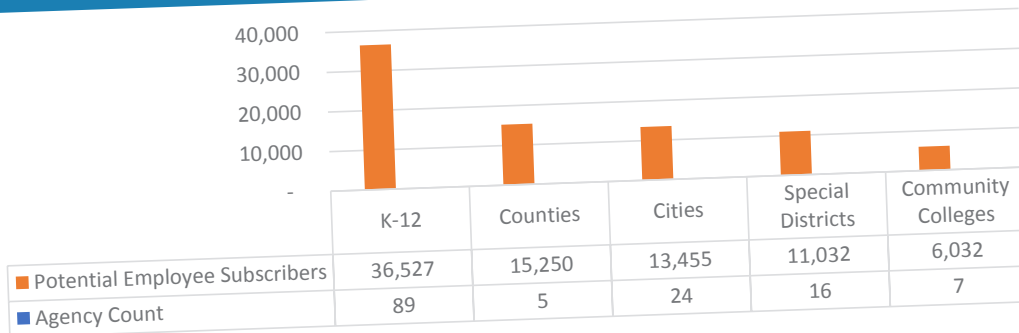
(Active Employee/Subscribers)



Segmented Market, By Active Employees



CURRENT PIPELINE INFO (Q1)



Most Interested Public Agencies

- Alameda-Contra Costa Transit (2,210 employees)
- Sacramento-Yolo Mosquito and Vector Control District (66 employees)
- Paso Robles Joint Unified (1,000 employees)
- County of Marin (2,994 employees)
- City of Lancaster (265 employees)

Largest Potential Public Agencies

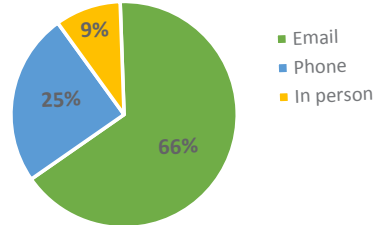
- City of San Jose (8,200 employees)
- Los Rios Community College (8,146 employees)
- Riverside Unified (6,467 employees)
- County of Marin (2,994 employees)
- Newport-Mesa Unified (3,808 employees)

Sample KPI Report



TARGETED OUTREACH

Total Agencies in Pipeline	141
Total Contacts Made (Jan/Feb)	85
Email	56
Phone	21
In person meetings	8



Event Outreach & Engagement

- 1 speaking engagement at CSAC annual meeting, attendance 150.
- Marketing team attended 4 external events and 3 CalPERS events (ERD, workshops).
- 52 fact sheets distributed.
- 3 pipeline contacts made (2 CSAC, 1 ERD).

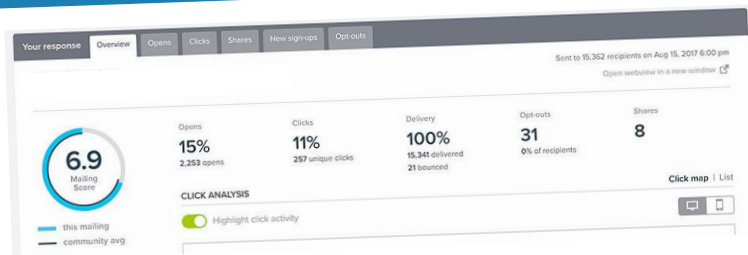
"I had no idea we qualified for CalPERS health plans."

- Napa County Resource Conservation District

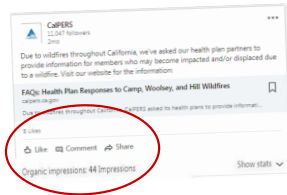
DIGITAL ANALYTICS

Email

- Subscribership
 - 24 new subscribers, +2%
- School Prospects Campaign
 - 15% open rate
 - 11% CTR
 - 341 delivered, 21 bounced
 - 8 shares
 - 31 opt-outs



Social Media



16,806 Followers (+70 from last month)
208 Total Engagements- Retweets/Likes/Mentions
9K Tweet Impressions (55% more than last month)

11,047 Followers (+13 from last month)
123 Visitors (+4 from last month)
172 Total Engagements- Likes/Views/Shares/Comments
6K Impressions (23% more than last month)

Website

- Overview stats for Employer Health site
 - Users: 1,617,095
 - Sessions: 3,783,292
 - Pageviews: 9,184,799
 - Avg. Session Duration: 00:02:55
 - Bounce Rate: 53.23%

Top content pages (HTML)

1. www.calpers.ca.gov/page/active-members/health-benefits/plans-and-rates
2. www.calpers.ca.gov/page/active-members/retirement-benefits/service-disability-retirement/retirement-estimate-calculator
3. www.calpers.ca.gov/page/active-members/retirement-benefits

Implementation Plan



The following Implementation Plan has been developed in collaboration with staff and provides the detailed work plan associated with the strategies and tactics outlined above, including timing, frequency, staffing and metrics. It is a 3-year plan, the timing designed to coincide with the CalPERS 2017-22 Strategic Plan. The Implementation Plan is a living document, however it should also be reviewed and updated on an annual basis for any overarching changes in strategy.





Appendix

