

Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR's Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR's website does not indicate CalHR support for the proposal.

A. GENERAL INFORMATION

1. Date

9/1/17

2. Department

California Public Employees' Retirement System (CalPERS)

3. Organizational Placement (Division/Branch/Office Name)

Customer Services Section/Member Account Management Division

4. CEA Position Title

Chief, Member Account Management Division (MAMD)

5. Summary of proposed position description and how it relates to the program's mission or purpose. (2-3 sentences)

The California Public Employees Retirement System (CalPERS) is requesting to revise an existing CEA, Level B as the Chief over the Member Account Management Division (MAMD). This change is the result of a restructure of the Customer Services and Support (CSS) Branch and the Health Policy and Benefits Branch. CalPERS will be using an existing CEA Level B from the Investment Office that is no longer being used for this request.

The Chief has full management responsibility for the operation of the MAMD. The Chief provides executive leadership and guidance, and is responsible for the overall policy, planning, development, and organization of CalPERS Service Credit Purchase and Elections (SCPE) Program. In addition to administering and amending statute and regulations governing SCPE, the Chief develops, deploys, monitors, and evaluates all policies impacting active member and retiree member account management and services. The Chief, MAMD also leads an administrative and data management team responsible for providing business initiative planning and project management services, customer service performance management data reporting and analytics, customer satisfaction survey governance, compliance and risk management, budget forecasting and planning, legislative review and implementation and human resources liaison services to all of CSS.

6. Reports to: (Class Title/Level)

Deputy Executive Officer, CEA Level C

7. Relationship with Department Director (Select one)

- Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.
- Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain): The CEA works in coordination with the DEO, who is a member of the CalPERS Executive Management Team.

8. Organizational Level (Select one)

- 1st
- 2nd
- 3rd
- 4th
- 5th (mega departments only - 17,001+ allocated positions)

B. SUMMARY OF REQUEST

9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

Advises the DEO and Executive Team on the most complex and sensitive policy matters related to MAMD programs; independently makes policy decisions on the development, interpretation and implementation of the most sensitive, critical and complex issues with broad and significant impact on CalPERS programs and services. Evaluates policy impacts and insures policy decisions are integrated into other CalPERS programs, processes and operations. Reviews existing policies, laws, rules, and regulations and recommends changes as appropriate.

Provides high level policy direction and oversight to all MAMD programs and operations. Through subordinate managers, plans, organizes and directs the work of a multidisciplinary professional and administrative staff responsible for administering the SCPE Program and Branch Administrative Services Section (BASS), ensuring they operate in a cost-effective manner and within budget resources, and adhere to internal control standards and in compliance with applicable laws, rules and regulations.

Provides strategic policy direction in planning and implementing new programs and services that respond to changing demographics and needs of members and employers and initiatives that improve customer service and the efficiency and effectiveness of program operations.

Represents CalPERS on the most complex and sensitive issues before State agencies, school superintendent offices, local public agencies, external consultants, and statewide organizations, as well as the Legislature and the general public, in matters relating to the functions of member retirement. Makes presentations and conducts the most sensitive, high-level meetings and/or negotiations with employer and employee representatives, as well as special interest groups on issues with significant policy impact to CalPERS and its members.

At the direction of the DEO and/or Executive Team, serves on or chairs special subcommittees on strategic enterprise policy issues; at the direction of the DEO and/or Executive Team, leads high level teams charged with meeting Board directed deliverables on projects designed to enhance service to members and employers; collaborates with senior management and Executive Team in the strategic and business planning processes.

In conjunction with Legal team the CEA will be responsible for resolving appeals by members regarding a CalPERS or Administrative Law Judge's decision on service credit or other issues which directly impact pension benefits, including testifying as a Subject Matter Expert (SME) on CalPERS behalf. Precedential decision or litigation settlement agreements could result in policy change that impacts other members, an agency's contract provisions, or benefit costs, etc.

B. SUMMARY OF REQUEST (continued)

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- Program is directly related to department's primary mission and is critical to achieving the department's goals.
- Program is indirectly related to department's primary mission.
- Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: CalPERS mission is to advance the financial and health security for all who participate in the System. In support of its mission, CalPERS has established a strategic plan which serves as the blueprint for defining CalPERS long term direction. This position is a member of the CalPERS Senior Management team and plays a pivotal role in the implementation of the CalPERS Strategic and Business Plan which directly impacts CalPERS ability to accomplish its primary mission, to advance the financial and health security for all who participate in the System.

As part of our Strategic Goal to “Cultivate a high-performing, risk-intelligent and innovative organization”, this position provides leadership, decision making, and resources to deliver superior end-to-end customer service while ensuring the sustainability of the system.

This position plays a key role in enhancing the customer experience by improving customer access, effectiveness, and quality of our services through process improvements, people, and the optimization of technology.

The Chief has oversight of programs mentioned above which includes assuring the accuracy of member account information which includes retirement and service credit data. Inaccurate data may lead to the miscalculation of benefits.

This position is responsible for policy decisions and the administration of service credit costing. The complex nature of the rules associated with purchasing 53 types of service credit and the policy decisions surrounding that administration will be controlled by the MAMD Chief.

B. SUMMARY OF REQUEST (continued)

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

In May 2017, CalPERS consolidated all functions associated with the CalPERS Health Program under the Chief Health Director, Health Policy and Benefits Branch (HPBB). The objectives of this consolidation effort were to:

- Provide enhanced customer service through a single branch administering all parts of the health program; and
- Achieve efficiencies in business process, resource allocation, and communications

As part of the health consolidation, approximately 80 Health-funded positions within MAMD, including the Division Chief position, were transferred to HPBB. This left MAMD with over 100 staff and no CEA position to lead them or the policy that stayed with the program.

C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

The position has full management responsibility for the administration of the MAMD, within the CSS Branch for CalPERS, the statewide, multi-billion fund responsible for providing health and retirement benefits to all state and contracting public agency employees and beneficiaries. The Chief, MAMD position will be responsible for the formulation, modification, and implementation of new and existing policies and procedures related to active member account management, including tier conversions, service credit costing, and purchasing to ensure effective operations and increased productivity. The position provides strategy and policy direction on a broad spectrum of member and employer issues central to CalPERS critical mission and as such has a significant impact on all CalPERS programs. The position, through directing BASS, develops policies around CalPERS Strategic and Business Plan Initiatives touching CSS; develops strategies to enhance customer service, reduce cost of service delivery and/or reduce the complexity of customer-facing business processes; governs actionable feedback received from members and employers on monthly customer satisfaction surveys to ensure stakeholder inputs drives enhancements in benefit payment timeliness, refunds processing, service credit purchasing, beneficiary election, and employer payroll reporting, among other business processes; analyzes and delivers CSS Enterprise Performance Reporting data to the Board of Administration; ensures all CSS performance metrics and Key Performance Indicators are being achieved; administers the CSS Embedded Compliance Program in support of the Enterprise Compliance Program, and manages and forecasts the CSS budget. Examples include:

Service Credit Purchase Installment Payment Policy: The Chief develops, implements, and modifies policies regarding installment payments for CalPERS members purchasing service credit to enhance their future retirement benefits, including length of the repayment period, the number of allowable installment payments. Installment payment policy has statewide impact on CalPERS members as it plays a large part in individual members' determining if their desired service credit purchase is affordable or provides an adequate return on investment. Service credit installment payment policy is closely watched by employers, employee organizations, labor unions, retiree associations and the State Legislature.

Service Credit Purchase Costing Policy: The Chief develops, implements, and modifies policies regarding providing timely cost packages to members seeking to purchase service credit. The Chief is responsible to ensure calculations for 53 types of purchases are done in accordance with actuarial valuations, reflect appropriate interest charges, are accurate, and are produced in accordance with established service level agreements. CalPERS members seeking to purchase service credit, convert from Tier 2 to Tier 1 service, or ensure their employers pay arrears for periods of time they were improperly not considered members depend upon the Chief, MAMD's successful deployment and continual improvement of service credit costing policy.

CalPERS Strategic and Business Plan Initiatives: The Chief is responsible for developing and implementing policies and strategies to ensure successful and timely completion of the CalPERS Business Plan Initiatives led by CSS. In fiscal year 2017-18, this includes developing policies and strategies to enhance customer service, reduce cost of service delivery and/or reduce the complexity of customer-facing business processes; and governing actionable feedback received from members and employers on monthly customer satisfaction surveys to ensure stakeholder inputs drives enhancements in benefit payment timeliness, refunds processing, service credit purchasing, beneficiary election, and employer payroll reporting, among other business processes.

Statewide Impact:

CalPERS collects, manages, and invests contributions from public employees and employers in order to provide a secure retirement for over 1.8 million California public employees, retirees, and their families. CalPERS membership is divided approximately in thirds among current and retired employees of the state, schools, and participating public agencies.

CalPERS is a defined benefit retirement plan. It provides benefits based on a member's years of service, age, and highest average compensation. In addition, benefits are provided for disability and death, with payments in some cases going to survivors or beneficiaries of eligible members. Approximately half of our members pay into Social Security. The position has a direct impact on contracting agencies, members and their families, through the policies established governing CalPERS benefits and services. In a broader context, the efficient administration and protection of CalPERS programs impacts all taxpayers.

C. ROLE IN POLICY INFLUENCE (continued)

13. What is the CEA position's scope and nature of decision-making authority?

The position has full management responsibility for the administration of the MAMD, within the Customer Services and Support Branch for CalPERS, the statewide, multi-billion fund responsible for providing health and retirement benefits to all state and contracting public agency employees and beneficiaries. The Chief, MAMD position will be responsible for the formulation, modification, and implementation of new and existing policies and procedures related to active member account management, including tier conversions, service credit costing and purchasing. The position provides strategy and policy direction on a broad spectrum of member and employer issues central to CalPERS critical mission and as such has a significant impact on all CalPERS programs.

The Chief, MAMD will make the day-to-day policy decisions for all programs within this division. One example of the policy decision the Chief will be responsible for implementing changes to SCPE, such as facilitating the sunset of the Alternate Retirement Program in conjunction with CalHR and SCO, or modifying policy in response to recent legislative changes in the Military Service Credit option. Additionally, when modifications occur the Chief, MAMD will need to make several programmatic policy decisions to ensure compliance and conformity with the change.

The Chief, MAMD is a member of the CalPERS Senior Management team which is responsible for providing program and policy direction, carrying out the Strategic Plan and formulating and implementing department-wide policies related to all CalPERS programs. This position is also responsible for working with external employer and employee groups in the establishment of departmental policies, and for maintaining a high level of communication with employers regarding policy and program implementation.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

Both.

While many of the policies within the Service Credit Purchase and Elections program have already been developed, CalPERS' Strategic and Business Plan goals of reducing the cost of service delivery, reducing the complexity of customer-facing business processes, and enhancing customer service compel the Chief, MAMD to proactively evaluate existing policies and business processes and modify them (via legislative change, the regulatory process and/or CalPERS policy revision/creation) to meet those goals.

For example, at the direction of Executive Leadership, the Chief, MAMD is developing a legislative proposal aimed at decreasing risks to the fund by modifying service credit installment payment requirements for retirees. A two-year effort to leverage and enhance myCalPERS system functionality to achieve production efficiencies within the service credit area is presently underway. Additionally, nearly all the work in BASS is driven by new legislation, directives from the Board of Administration, and/or CalPERS strategic plan initiatives and requires ongoing development and implementation of new policies.