



**Health Benefit Services Division**  
P.O. Box 942714  
Sacramento, CA 94229-2714  
Telecommunications Device for the Deaf - (916) 326-3240  
Toll Free: (888) CalPERS (225-7377)  
FAX (916) 658-1277

November 20, 2003

Dale E. Strobridge  
San Luis Obispo Police Officers' Association  
P.O. Box 1251  
Luis Obispo, CA 93406

Dear Mr. Strobridge,

This is in response to your email of November 20, 2003 requesting clarification on the issues stated as to their compliance with the Public Employees' Medical and Hospital Care Act (PEMHCA).

The first issue is in regard to an assessment to employees who are electing not to participate in their PEMHCA Employer Group Health Coverage offered by the City of San Luis Obispo. There is no PEMHCA requirement placed on employees who do not elect to participate in PEMHCA coverage.

The benefit offered in lieu of health benefits under the cafeteria plan would be in accordance with how it is established and administered by the City. This would be a negotiated item between the City and its labor organizations and is outside of the requirements of the PEMHCA.

The secondary issue regarding retiree health insurance paid for by the City on behalf of select officials and management personnel has been brought to the attention of our Public Agency Contracts Unit. An analyst will be in contact the City for clarification.

If I can be of further assistance to you, please contact me at (916) 658-1497.

Sincerely,

A handwritten signature in cursive script that reads "Donna Beaumont".

Donna Beaumont  
Health Benefits Program Analyst  
Health Benefit Services Division