

To: A&F Committee

Date: August 22, 2016

From: Lisa Rettig  
Senior Manager of Human Resources

Subject: Increasing Cafeteria  
Amounts for Non Represented  
Employees

Approved by: Rick Ramacier, General Manager

### **SUMMARY OF ISSUES:**

County Connection contract under the Public Employee's Medical and Hospital Care Act (PEMHCA) for Administrative employee benefits.

The current MOUs with the ATU and Teamsters increase the Cafeteria Plan annually using a formula that averages the Percentage increases in the two (2) most popular health plans by coverage level and splitting that amount and adding it to the Cafeteria Plan.

In recent history, the Board has provided the same increases to the Administrative employees cafeteria plan in the interest of equality.

For 2016 the two most popular health plans are Kaiser and Anthem HMO Select. Kaiser premiums went down 1.8% and Anthem HMO Select premiums increased 15.7%

Attached are the 2017 monthly medical for Administrative employees shown with the requested increase in the Cafeteria Plan.

### **FINANCIAL IMPLICATIONS:**

The cost to increase the contributions to the Administrative employee Cafeteria Plan using the above mentioned formula is \$32,000. The amount budgeted for 2017 is \$25,000.

### **ACTION REQUESTED:**

Staff requests that the A&F Committee recommends the Board of Directors adoption of Resolution 2017-003 which increases the Authority's monthly contribution to the Administrative employees' Cafeteria Plan as follows:

Employee only:	\$ 428.26
Employee +1:	\$ 663.91
Employee +2 or more:	\$ 888.76

**2017 Medical Premiums  
Per Month (\$)  
Employee Group #1  
Administrative Employees**

	<u>Total</u>	<u>CCCTA</u>	<u>Employee</u>	<u>Cafeteria Plan</u>	<u>Net Employee</u>
Blue Shield*	\$1,024.85	\$329.08	\$695.77	\$428.26	\$267.51
Blue Shield+1	\$2,049.70	\$658.16	\$1,391.54	\$663.91	\$727.63
Blue Shield +2	\$2,664.61	\$855.60	\$1,809.01	\$888.76	\$920.25
Kaiser*	\$733.39	\$303.56	\$429.83	\$428.26	\$1.57
Kaiser+1	\$1,466.78	\$607.12	\$859.66	\$663.91	\$195.75
Kaiser+2	\$1,906.81	\$789.26	\$1,117.55	\$888.76	\$228.79
PERS Choice*	\$830.30	\$289.98	\$540.32	\$428.26	\$112.06
PERS Choice+1	\$1,660.60	\$579.96	\$1,080.64	\$663.91	\$416.73
PERS Choice+2	\$2,158.78	\$753.95	\$1,404.83	\$888.76	\$516.07
PERSCARE*	\$932.39	\$494.86	\$437.53	\$428.26	\$9.27
PERSCARE+1	\$1,864.78	\$989.71	\$875.07	\$663.91	\$211.16
PERSCARE+2	\$2,424.21	\$1,286.63	\$1,137.58	\$888.76	\$248.82
PERS Select*	\$736.27	\$270.71	\$465.56	\$428.26	\$37.30
PERS Select+1	\$1,472.54	\$541.42	\$931.12	\$663.91	\$267.21
PERS Select+2	\$1,914.30	\$703.85	\$1,210.45	\$888.76	\$321.69
Anthem HMO Select*	\$783.46	\$270.71	\$512.75	\$428.26	\$84.49
Anthem HMO Select+1	\$1,566.92	\$541.42	\$1,025.50	\$663.91	\$361.59
Anthem HMO Select+2	\$2,037.00	\$703.85	\$1,333.15	\$888.76	\$444.39
Anthem HMO Traditional*	\$990.05	\$494.86	\$495.19	\$428.26	\$66.93
Anthem HMO Traditional+1	\$1,980.10	\$989.71	\$990.39	\$663.91	\$326.48
Anthem HMO Traditional+2	\$2,574.13	\$1,286.63	\$1,287.50	\$888.76	\$398.74
Unitedhealthcare*	\$1,062.26	\$303.56	\$758.70	\$428.26	\$330.44
Unitedhealthcare+1	\$2,124.52	\$607.12	\$1,517.40	\$663.91	\$853.49
Unitedhealthcare+2	\$2,761.88	\$789.26	\$1,972.62	\$888.76	\$1,083.86

Employees who do not elect medical coverage receive \$200.00 per month in Cafeteria money. This money can be used to purchase vacation, Vision Services Plan benefits or at the end of the calendar year it can be cashed out.

\* =Employee Only

+1=Employee plus One Dependent

+2=Employee plus Two or more Dependents (also known as Family Coverage)

The monthly Employee premium is deducted semi-monthly from paychecks in two equal amounts