

County Connection

INTER OFFICE MEMO

To: Board of Directors

Date: September 12, 2018

From: Lisa Rettig
Director of Human Resources

Subject: Increasing Cafeteria
Amounts for Non Represented
Employees

Approved by:

SUMMARY OF ISSUES: County Connection contracts 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 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 2019 the two most popular health plans are Kaiser and Anthem Traditional. Kaiser had a 1% decrease and Anthem Traditional had a 23% increase. This was highly unusual and not anticipated. The total actual cost to implement the cafeteria increases for all 3 employee groups is \$161,000. The budgeted amount for this increase was \$50,000.

Attached are the 2019 monthly medical premiums for each employee group, ATU, Teamsters and Administration. The Administrative employee group is shown with the requested increase in the Cafeteria Plan.

FINANCIAL IMPLICATIONS:

For the purposes of this memo the financial implications are for the cost to increase the contributions to the Administrative Employee Cafeteria Plan only. The cost using the above mentioned formula is \$30,000. The amount budgeted for this increase was \$8,100.

RECOMMEDATIONS:

Staff and the A&F Committee recommends adoption of Resolution 2019-03 which increases the monthly Administrative employee Cafeteria Plan as follows:

| | |
|----------------------|-----------|
| Employee only: | \$ 515.29 |
| Employee +1: | \$ 837.96 |
| Employee +2 or more: | \$1115.03 |

ACTION REQUESTED:

Approval of Resolution 2019-03

RESOLUTION NO. 2019-03

**BOARD OF DIRECTORS
CENTRAL CONTRA COSTA TRANSIT AUTHORITY
STATE OF CALIFORNIA**

* * *

**AUTHORIZES FY2019 ANNUAL ADJUSTMENT
TO ADMINISTRATIVE STAFF CAFETERIA AMOUNTS**

WHEREAS, the County of Contra Costa and the Cities of Clayton, Concord, the Town of Danville, Lafayette, Martinez, the Town of Moraga, Orinda, Pleasant Hill, San Ramon and Walnut Creek (hereinafter "Member Jurisdictions") have formed the Central Contra Costa Transit Authority ("CCCTA"), a joint exercise of powers agency created under California Government Code Section 6500 *et seq.*, for the joint exercise of certain powers to provide coordinated and integrated public transportation services within the area of its Member Jurisdictions;

WHEREAS, on December 21, 2006, CCCTA adopted a cafeteria plan for its the non-represented administrative staff and management ("Administrative Employees Cafeteria Plan");

WHEREAS, Staff has recommended an adjustment to the non-represented administrative staff and management cafeteria amounts based on a formula that averages the increases in the two (2) most popular health plans by coverage level and splitting that amount and adding it to the Administrative Employees Cafeteria Plan; and

WHEREAS, the Administration & Finance Committee recommends that the Board of Directors adopt the recommendations of the Staff to adjust the Administrative Employees Cafeteria Plan in accordance with the formula set forth above.

NOW, THEREFORE, BE IT RESOLVED that the CCCTA Board of Directors approves the increases in the Administrative Employees Cafeteria Plan as follows:

| | |
|----------------------|-----------|
| Employee only: | \$515.29 |
| Employee +1: | \$837.96 |
| Employee +2 or more: | \$1115.03 |

Regularly passed and adopted this 20th day of September, 2018 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

Rob Schroder, Chair, Board of Directors

ATTEST:

Lathina Hill, Clerk to the Board

**2019 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> |
|--------------------------|--------------|--------------|-----------------|-----------------------|---------------------|
| Kaiser* | \$768.25 | \$303.56 | \$464.69 | \$515.29 | \$0.00 |
| Kaiser+1 | \$1,536.50 | \$607.12 | \$929.38 | \$837.96 | \$91.42 |
| Kaiser+2 | \$1,997.45 | \$789.26 | \$1,208.19 | \$1,115.03 | \$93.16 |
| PERS Choice* | \$866.27 | \$289.98 | \$576.29 | \$515.29 | \$61.00 |
| PERS Choice+1 | \$1,732.54 | \$579.96 | \$1,152.58 | \$837.96 | \$314.62 |
| PERS Choice+2 | \$2,252.30 | \$753.95 | \$1,498.35 | \$1,115.03 | \$383.32 |
| PERSCARE* | \$1,131.68 | \$494.86 | \$636.82 | \$515.29 | \$121.53 |
| PERSCARE+1 | \$2,263.36 | \$989.71 | \$1,273.65 | \$837.96 | \$435.69 |
| PERSCARE+2 | \$2,942.37 | \$1,286.63 | \$1,655.74 | \$1,115.03 | \$540.71 |
| PERS Select* | \$543.19 | \$270.71 | \$272.48 | \$515.29 | \$0.00 |
| PERS Select+1 | \$1,086.38 | \$541.42 | \$544.96 | \$837.96 | \$0.00 |
| PERS Select+2 | \$1,412.29 | \$703.85 | \$708.44 | \$1,115.03 | \$0.00 |
| Anthem HMO Select* | \$831.44 | \$270.71 | \$560.73 | \$515.29 | \$45.44 |
| Anthem HMO Select+1 | \$1,662.88 | \$541.42 | \$1,121.46 | \$837.96 | \$283.50 |
| Anthem HMO Select+2 | \$2,161.74 | \$703.85 | \$1,457.89 | \$1,115.03 | \$342.86 |
| Anthem HMO Traditional* | \$1,111.13 | \$494.86 | \$616.27 | \$515.29 | \$100.98 |
| Anthem HMO Traditional+1 | \$2,222.26 | \$989.71 | \$1,232.55 | \$837.96 | \$394.59 |
| Anthem HMO Traditional+2 | \$2,888.94 | \$1,286.63 | \$1,602.31 | \$1,115.03 | \$487.28 |
| Healthnet | \$901.55 | \$450.78 | \$450.77 | \$515.29 | \$0.00 |
| Healthnet +1 | \$1,803.10 | \$901.55 | \$901.55 | \$837.96 | \$63.59 |
| Healthnet +2 | \$2,344.03 | \$1,172.12 | \$1,171.91 | \$1,115.03 | \$56.88 |
| Western Health Adv | \$767.01 | \$383.51 | \$383.50 | \$515.29 | \$0.00 |
| Western Health Adv+1 | \$1,534.02 | \$767.01 | \$767.01 | \$837.96 | \$0.00 |
| Western Health Adv+2 | \$1,994.23 | \$997.12 | \$997.11 | \$1,115.03 | \$0.00 |

Employees who do not elect medical coverage and complete a Certification Form receive \$200.00 per month in Cafeteria Plan Contributions. This amount 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

2019 Medical Premiums
Per month \$
Employee Group #2
ATU Local 1605

| | <u>Total</u> | <u>CCCTA</u> | <u>Employee</u> | <u>Cafeteria Plan</u> | <u>Net Employee Cost</u> |
|--------------------------|--------------|--------------|-----------------|-----------------------|--------------------------|
| Kaiser* | \$768.25 | \$235.34 | \$532.91 | \$588.28 | \$0.00 |
| Kaiser+1 | \$1,536.50 | \$470.67 | \$1,065.83 | \$983.97 | \$81.86 |
| Kaiser+2 | \$1,997.45 | \$611.87 | \$1,385.58 | \$1,304.84 | \$80.74 |
| PERS Choice* | \$866.27 | \$241.24 | \$625.03 | \$588.28 | \$36.75 |
| PERS Choice+1 | \$1,732.54 | \$482.48 | \$1,250.06 | \$983.97 | \$266.09 |
| PERS Chocie+2 | \$2,252.30 | \$627.23 | \$1,625.07 | \$1,304.84 | \$320.23 |
| PERSCARE* | \$1,131.68 | \$374.92 | \$756.76 | \$588.28 | \$168.48 |
| PERSCARE+1 | \$2,263.36 | \$749.83 | \$1,513.53 | \$983.97 | \$529.56 |
| PERSCARE+2 | \$2,942.37 | \$974.78 | \$1,967.59 | \$1,304.84 | \$662.75 |
| PERS Select* | \$543.19 | \$233.59 | \$309.60 | \$588.28 | \$0.00 |
| PERS Select+1 | \$1,086.38 | \$467.18 | \$619.20 | \$983.97 | \$0.00 |
| PERS Select+2 | \$1,412.29 | \$607.34 | \$804.95 | \$1,304.84 | \$0.00 |
| Anthem HMO Select* | \$831.44 | \$233.59 | \$597.85 | \$588.28 | \$9.57 |
| Anthem HMO Select+1 | \$1,662.88 | \$467.18 | \$1,195.70 | \$983.97 | \$211.73 |
| Anthem HMO Select+2 | \$2,161.74 | \$607.34 | \$1,554.40 | \$1,304.84 | \$249.56 |
| Anthem HMO Traditional* | \$1,111.13 | \$374.92 | \$736.21 | \$588.28 | \$147.93 |
| Anthem HMO Traditional+1 | \$2,222.26 | \$749.83 | \$1,472.43 | \$983.97 | \$488.46 |
| Anthem HMO Traditional+2 | \$2,888.94 | \$974.78 | \$1,914.16 | \$1,304.84 | \$609.32 |
| Healthnet | \$901.55 | \$450.78 | \$450.78 | \$588.28 | \$0.00 |
| Healthnet +1 | \$1,803.10 | \$901.55 | \$901.55 | \$983.97 | \$0.00 |
| Healthnet +2 | \$2,344.03 | \$1,172.02 | \$1,172.02 | \$1,304.84 | \$0.00 |
| Western Health Adv | \$767.01 | \$383.51 | \$383.51 | \$588.28 | \$0.00 |
| Western Health Adv +1 | \$1,534.02 | \$767.01 | \$767.01 | \$983.97 | \$0.00 |
| Western Health Adv +2 | \$1,994.23 | \$997.12 | \$997.12 | \$1,304.84 | \$0.00 |

Employees who do not elect medical coverage and complete a Certification Form receive \$150.00 per month in Cafeteria Plan contributions. This amount 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 bi-monthly from paychecks in two equal amounts

**2019 Medical Premiums
Per Month (\$)
Employee Group #3
Teamsters Local 856/Transit Supervisors**

| | <u>Total</u> | <u>CCCTA</u> | <u>Employee</u> | <u>Cafeteria Plan</u> | <u>Net Employee Cost</u> |
|--------------------------|--------------|--------------|-----------------|-----------------------|--------------------------|
| Kaiser* | \$768.25 | \$254.15 | \$514.10 | \$568.16 | \$0.00 |
| Kaiser+1 | \$1,536.50 | \$508.30 | \$1,028.20 | \$943.70 | \$84.50 |
| Kaiser+2 | \$1,997.45 | \$660.79 | \$1,336.66 | \$1,252.50 | \$84.16 |
| PERS Choice* | \$866.27 | \$241.24 | \$625.03 | \$568.16 | \$56.87 |
| PERS Choice+1 | \$1,732.54 | \$482.48 | \$1,250.06 | \$943.70 | \$306.36 |
| PERS Choice+2 | \$2,252.30 | \$627.23 | \$1,625.07 | \$1,252.50 | \$372.57 |
| PERSCARE* | \$1,131.68 | \$374.92 | \$756.76 | \$568.16 | \$188.60 |
| PERSCARE+1 | \$2,263.36 | \$749.83 | \$1,513.53 | \$943.70 | \$569.83 |
| PERSCARE+2 | \$2,942.37 | \$974.78 | \$1,967.59 | \$1,252.50 | \$715.09 |
| PERS Select* | \$543.19 | \$226.58 | \$316.61 | \$568.16 | \$0.00 |
| PERS Select+1 | \$1,086.38 | \$453.16 | \$633.22 | \$943.70 | \$0.00 |
| PERS Select+2 | \$1,412.29 | \$589.11 | \$823.18 | \$1,252.50 | \$0.00 |
| Anthem HMO Select* | \$831.44 | \$226.58 | \$604.86 | \$568.16 | \$36.70 |
| Anthem HMO Select+1 | \$1,662.88 | \$453.16 | \$1,209.72 | \$943.70 | \$266.02 |
| Anthem HMO Select+2 | \$2,161.74 | \$589.11 | \$1,572.63 | \$1,252.50 | \$320.13 |
| Anthem HMO Traditional* | \$1,111.13 | \$374.92 | \$736.21 | \$568.16 | \$168.05 |
| Anthem HMO Traditional+1 | \$2,222.26 | \$749.83 | \$1,472.43 | \$943.70 | \$528.73 |
| Anthem HMO Traditional+2 | \$2,888.94 | \$974.78 | \$1,914.16 | \$1,252.50 | \$661.66 |
| Healthnet | \$901.55 | \$450.78 | \$450.77 | \$568.16 | \$0.00 |
| Healthnet +1 | \$1,803.10 | \$901.55 | \$901.55 | \$943.70 | \$0.00 |
| Healthnet+2 | \$2,344.03 | \$1,172.02 | \$1,172.01 | \$1,252.50 | \$0.00 |
| Western Health Adv | \$767.01 | \$383.51 | \$383.51 | \$568.16 | \$0.00 |
| Western Health Adv +1 | \$1,534.02 | \$767.01 | \$767.01 | \$943.70 | \$0.00 |
| Western Health Adv +2 | \$1,994.23 | \$997.12 | \$997.11 | \$1,252.50 | \$0.00 |

Employees who do not elect medical coverage and complete a Certification From receive \$50.00 per month in Cafeteria Plan contributions. This amount 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

h