

To: Board of Director

Date: September 11, 2019

From: Lisa Rettig, Director of Human Resources

Reviewed by: *WC.*

SUBJECT: Increasing Cafeteria Amounts for Non Represented Employees

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. Overall CalPERS health plans increased an average of 4.65% in 2020. The budget assumed a 6% increase in premiums.

Attached are the 2020 monthly medical premiums for Administrative employee group 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 \$17,600. The amount budgeted for this increase was \$59,000.

Recommendations: Staff and the A&F Committee recommends approval of the increase in the monthly Administrative employee Cafeteria Plan for 2020:

	<u>2019</u>	<u>2020</u>
Employee only:	\$ 515.29	\$ 533.79
Employee +1:	\$ 837.96	\$ 874.94
Employee +2 or more:	\$1115.03	\$1163.10

Action Requested: Adoption of Resolution 2020-06 increasing the cafeteria amounts for Non Represented Employees for 2020.

**2020 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*	\$768.49	\$303.56	\$464.93	\$533.78	\$0.00
Kaiser+1	\$1,536.98	\$607.12	\$929.86	\$874.94	\$54.92
Kaiser+2	\$1,998.07	\$789.26	\$1,208.81	\$1,163.10	\$45.71
PERS Choice*	\$861.18	\$289.98	\$571.20	\$533.78	\$37.42
PERS Choice+1	\$1,722.36	\$579.96	\$1,142.40	\$874.94	\$267.46
PERS Choice+2	\$2,239.07	\$753.95	\$1,485.12	\$1,163.10	\$322.02
PERSCARE*	\$1,133.14	\$494.86	\$638.28	\$533.78	\$104.50
PERSCARE+1	\$2,266.28	\$989.71	\$1,276.57	\$874.94	\$401.63
PERSCARE+2	\$2,946.16	\$1,286.63	\$1,659.53	\$1,163.10	\$496.43
PERS Select*	\$520.29	\$270.71	\$249.58	\$533.78	\$0.00
PERS Select+1	\$1,040.58	\$541.42	\$499.16	\$874.94	\$0.00
PERS Select+2	\$1,352.75	\$703.85	\$648.90	\$1,163.10	\$0.00
Anthem HMO Select*	\$868.98	\$270.71	\$598.27	\$533.78	\$64.49
Anthem HMO Select+1	\$1,737.96	\$541.42	\$1,196.54	\$874.94	\$321.60
Anthem HMO Select+2	\$2,259.35	\$703.85	\$1,555.50	\$1,163.10	\$392.40
Anthem HMO Traditional*	\$1,184.84	\$494.86	\$689.98	\$533.78	\$156.20
Anthem HMO Traditional+1	\$2,369.68	\$989.71	\$1,379.97	\$874.94	\$505.03
Anthem HMO Traditional+2	\$3,080.58	\$1,286.63	\$1,793.95	\$1,163.10	\$630.85
Healthnet	\$1,000.52	\$450.78	\$549.74	\$533.78	\$15.96
Healthnet +1	\$2,001.04	\$901.55	\$1,099.49	\$874.94	\$224.55
Healthnet +2	\$2,601.35	\$1,172.12	\$1,429.23	\$1,163.10	\$266.13
Western Health Adv	\$731.96	\$383.51	\$348.45	\$533.78	\$0.00
Western Health Adv+1	\$1,463.92	\$767.01	\$696.91	\$874.94	\$0.00
Western Health Adv+2	\$1,903.10	\$997.12	\$905.98	\$1,163.10	\$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

RESOLUTION NO. 2020-06

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

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**AUTHORIZES FY2020 ANNUAL ADJUSTMENT
TO ADMINISTRATIVE EMPLOYEES CAFETERIA PLAN 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 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 such that the total including the increases, shall be as follows, effective January 1, 2020:

Employee only:	\$533.79
Employee +1:	\$874.94
Employee +2 or more:	\$1163.10

Regularly passed and adopted this 19th day of September, 2019 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

Sue Noack, Chair, Board of Directors

ATTEST:

Lathina Hill, Clerk to the Board