

To: Board of Directors

Date: 09/10/2024

From: Kristina Martinez, Director of Human Resources

Reviewed by: *Ref*

SUBJECT: 2025 Administrative Employees Cafeteria Adjustment

Background:

County Connection contracts with California Public Employees Retirement System (CalPERS) under the Public Employees' Medical and Hospital Care Act (PEMHCA) for Administrative, Amalgamated Transit Union (ATU), and Teamsters employee health benefits. County Connection contributes a fixed employer amount to active and retiree health benefit premiums as required by PEMHCA. In addition, County Connection offers a cafeteria plan contribution towards health benefit premiums (or alternative taxable benefits) for active employees.

The current Memorandums of Understanding (MOUs) with the ATU and Teamsters increase the health benefit cafeteria plan contribution annually using a formula that averages the increase in the two most popular health plans by coverage level, splitting that amount in half, and adding it to the prior year cafeteria plan contribution. As a result of this formula, the average increase in premiums is shared equally between the employee and County Connection.

Summary of Issues:

In the interest of equity, the Board has historically utilized the same formula to calculate the increase to the cafeteria plan contribution for Administrative staff, as is required for represented employees. In 2024, the two most popular health plans for Administrative employees are Kaiser and Blue Shield Access. Therefore, these plans were included in the formula to arrive at the new cafeteria plan contribution. The formula results in the following increases:

Plan Type	Monthly Cafeteria Plan Contribution		
	2024	Increase	2025
Employee Only	\$668.74	\$69.08	\$737.82
Employee Plus 1 dependent	\$1,068.63	\$138.16	\$1,206.79
Family	\$1,513.95	\$179.60	\$1,693.55

Financial Implications:

The proposed cafeteria plan contribution for 2025 will result in an annual increase of \$64,325 in expenditures based on current enrollment statistics. There are sufficient funds in the budget to accommodate the proposed increase.

Recommendation:

The A&F Committee and staff recommend approval of new monthly Administrative Employee Cafeteria Plan rates for calendar year 2025 as follows:

Employee only:	\$737.82
Employee +1:	\$1,206.79
Family:	\$1,693.55

Action Requested:

The A&F Committee and staff request that the Board of Directors adopt Resolution No. 2025-08.

Attachments:

Attachment 1: 2025 Medical Premiums per month – Administrative Employees

Attachment 2: Resolution No. 2025-08

**2025 Medical Premiums
Per Month (\$)
Employee Group #1
Administrative Employees**

<u>Basic Plans</u>	<u>Total</u>	<u>CCCTA</u>	<u>Employee</u>	<u>Cafeteria Plan</u>	<u>Net Employee</u>
Kaiser Permanente*	\$ 1,112.90	\$ 303.56	\$ 809.34	\$ 737.82	\$ 71.52
Kaiser Permanente+1	\$ 2,225.80	\$ 607.12	\$ 1,618.68	\$ 1,206.79	\$ 411.89
Kaiser Permanente+2	\$ 2,893.54	\$ 789.26	\$ 2,104.28	\$ 1,693.55	\$ 410.73
PERS Platinum*	\$ 1,476.10	\$ 392.42	\$ 1,083.68	\$ 737.82	\$ 345.86
PERS Platinum+1	\$ 2,952.20	\$ 784.84	\$ 2,167.36	\$ 1,206.79	\$ 960.57
PERS Platinum+2	\$ 3,837.86	\$ 1,020.29	\$ 2,817.57	\$ 1,693.55	\$ 1,124.02
PERS Gold*	\$ 1,013.70	\$ 270.71	\$ 742.99	\$ 737.82	\$ 5.17
PERS Gold+1	\$ 2,027.40	\$ 541.42	\$ 1,485.98	\$ 1,206.79	\$ 279.19
PERS Gold+2	\$ 2,635.62	\$ 703.85	\$ 1,931.77	\$ 1,693.55	\$ 238.22
Anthem Blue Cross Select HMO*	\$ 1,256.65	\$ 270.71	\$ 985.94	\$ 737.82	\$ 248.12
Anthem Blue Cross Select HMO+1	\$ 2,513.30	\$ 541.42	\$ 1,971.88	\$ 1,206.79	\$ 765.09
Anthem Blue Cross Select HMO+2	\$ 3,267.29	\$ 703.85	\$ 2,563.44	\$ 1,693.55	\$ 869.89
Anthem Blue Cross Traditional HMO*	\$ 1,500.40	\$ 494.86	\$ 1,005.54	\$ 737.82	\$ 267.72
Anthem Blue Cross Traditional HMO+1	\$ 3,000.80	\$ 989.71	\$ 2,011.09	\$ 1,206.79	\$ 804.30
Anthem Blue Cross Traditional HMO+2	\$ 3,901.04	\$ 1,286.63	\$ 2,614.41	\$ 1,693.55	\$ 920.86
Western Health Advantage HMO*	\$ 914.27	\$ 383.51	\$ 530.76	\$ 737.82	\$ -
Western Health Advantage HMO+1	\$ 1,828.54	\$ 767.01	\$ 1,061.53	\$ 1,206.79	\$ -
Western Health Advantage HMO+2	\$ 2,377.10	\$ 997.12	\$ 1,379.98	\$ 1,693.55	\$ -
Blue Shield Access HMO and EPO*	\$ 1,170.17	\$ 392.42	\$ 777.75	\$ 737.82	\$ 39.93
Blue Shield Access HMO and EPO+1	\$ 2,340.34	\$ 786.84	\$ 1,553.50	\$ 1,206.79	\$ 346.71
Blue Shield Access HMO and EPO+2	\$ 3,042.44	\$ 1,020.29	\$ 2,022.15	\$ 1,693.55	\$ 328.60
Blue Shield Trio HMO	\$ 1,134.79	\$ 303.56	\$ 831.23	\$ 737.82	\$ 93.41
Blue Shield Trio HMO+1	\$ 2,269.58	\$ 607.12	\$ 1,662.46	\$ 1,206.79	\$ 455.67
Blue Shield Trio HMO+2	\$ 2,950.45	\$ 789.26	\$ 2,161.19	\$ 1,693.55	\$ 467.64
UnitedHealthcare SignatureValue Alliance*	\$ 1,184.58	\$ 392.42	\$ 792.16	\$ 737.82	\$ 54.34
UnitedHealthcare SignatureValue Alliance+1	\$ 2,369.16	\$ 784.84	\$ 1,584.32	\$ 1,206.79	\$ 377.53
UnitedHealthcare SignatureValue Alliance+2	\$ 3,079.91	\$ 1,020.29	\$ 2,059.62	\$ 1,693.55	\$ 366.07
UnitedHealthcare SignatureValue Harmony*	\$ 1,005.02	\$ 392.42	\$ 612.60	\$ 737.82	\$ -
UnitedHealthcare SignatureValue Harmony+1	\$ 2,010.04	\$ 784.84	\$ 1,225.20	\$ 1,206.79	\$ 18.41
UnitedHealthcare SignatureValue Harmony+2	\$ 2,613.05	\$ 1,020.29	\$ 1,592.76	\$ 1,693.55	\$ -

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 benefits, or can be cashed out at calendar year-end.

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

Key:

* Employee only

+1 Employee plus one dependent

+2 Employee plus two or more dependents (also known as family coverage)

RESOLUTION NO. 2025-08

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

* * *

**AUTHORIZING FY2025 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 (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 and certain unincorporated portions of Contra Costa County;

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 most popular health plans by coverage level, splits that amount in half, and adds it to the prior year's contribution to the Administrative Employees Cafeteria Plan; and

WHEREAS, staff recommends and the Administration and Finance Committee concurs that the Board of Directors adopt staff's recommendations to adjust the Administrative Employees Cafeteria Plan in accordance with the formula set forth above.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Central Contra Costa Transit Authority hereby approves the increases in the Administrative Employees Cafeteria Plan such that the total including the increases, shall be as follows, effective January 1, 2025:

Employee only: \$737.82
Employee +1 dependent: \$1,206.79
Employee +2 or more (Family): \$1,693.55; and

BE IT FURTHER RESOLVED that the General Manager, or designee, is authorized to take any other actions necessary to give effect to this resolution.

Regularly passed and adopted this 19th day of September, 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Don Tatzin, Chair, Board of Directors

ATTEST:

Lathina Hill, Clerk to the Board