



Contra Costa County

To: Board of Supervisors
From: David Twa, County Administrator
Date: November 17, 2015

Subject: Confirmation of Contract Renewals with the Non PERS Health Plans by Tier

RECOMMENDATION(S):

CONFIRM executed contract renewals with the Non PERS Health Plans for both two and three tier rate structures for the period January 1, 2016 through December 31, 2016; and ACKNOWLEDGE negotiated tier structures by bargaining group for the 2016 plan year.

FISCAL IMPACT:

This report is for informational purposes only and has no specific financial impact. The fiscal impact of subsidy changes for each Memoranda of Understanding was included in each associated Board action. For a report of contract renewal including fiscal impact, please refer to Board Order of August 25, 2015. If all employees and retirees were in either the two- or three-tier rate structure, it is assumed that total costs would be the same.

BACKGROUND:

Insurance coverage is an important benefit and a valuable recruitment and retention tool. To ensure that high quality insurance is available for Contra Costa County's eligible employees, the County contracts for group health, dental and life insurance as well as computer vision care coverage on an annual basis with a number of carriers/providers. The County has negotiated insurance and coverage contracts for calendar year January 1 through December

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **11/17/2015** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Mary N. Piepho, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: November 17, 2015

David Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Lisa Driscoll, County
Finance Director (925) 335-1023

By: June McHuen, Deputy

31, 2016. In order to ensure uninterrupted coverage for eligible enrolled members (eligible active employees, retired employees and survivors of retired employees) the authorization from the Board of Supervisors to renew insurance coverage was adopted by the Board of Supervisors on August 25, 2015.

BACKGROUND: (CONT'D)

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New for the 2016 Plan year, the Board of Supervisors also authorized a new High Deductible Health Plan (HDHP). This new group health insurance plan begins calendar year January 1, 2016 and was offered to eligible county employees during open enrollment in 2015 for plan year 2016. Offering this coverage helps the County have available a low cost health insurance plan that provides minimum essential health benefits as specified in the Affordable Care Act and meets the coverage requirements in the law.

The County is able, for 2016, to offer employees, retirees and survivors a number of health insurance plans at rates that will increase below or slightly above the amount that Buck Consultants has identified as the national rate increase averages. Carriers have documented their proposed rate increases or decreases based on actual experience in providing coverage to enrollees/members during 2015. All health insurance contracts continue to offer essential health benefits and coverage compliant with the requirements of the Affordable Care Act (ACA).

Attached is a one-page report that lists both the two- and three-tier rate structures by plan for active employees for the 2016 Plan year. Eligibility for enrollment was determined by negotiated contract (Memorandum of Understanding). All retirees are in the two-tier rate structure for the 2016 Plan year. The following is a summary of tier by bargaining unit/group:

Bargaining Unit/Group	Two-Tiers	Three-Tiers
AFSCME, Local 512		X
AFSCME, Local 2700		X
California Nurses' Association	X	
CCC Defenders' Association/Attorneys Unit		X
CCC Defenders' Association/Investigators' Unit	X	
CCC Deputy District Attorneys' Association		X
IFPTE/ALF-CIO, Local 21		X
Local 1	X	
Physicians & Dentists Organization of CC	X	
Probation Peace Officers' Association		X
SEIU, Local 1021		X

Unrepresented, Classified and Exempt		X
Western Council of Engineers		X

It should be noted that all employees covered by CalPERS PEMHCA plans have been in three-tier rate structures for many years.

ATTACHMENTS

2016 Premium Rates by Tier Structure