



**Contra
Costa
County**

To: Board of Supervisors
From: Dianne Dinsmore, Human Resources Director
Date: August 14, 2018

Subject: 2019 Renewals for NonPERS Health Plans

RECOMMENDATION(S):

AUTHORIZE the County Administrator or designee to execute contract renewals with the NonPERS Health/Medical Plans, Dental Plan, Vision Insurance, Life Insurance Plan carriers and the Computer Vision Care Program for the period January 1, 2019 - December 31, 2019.

FISCAL IMPACT:

Premiums for active, retired and survivor enrollees are funded by a combination of charges to County Departments and Special Districts, and employee/retiree/survivor contributions. The fiscal impact is based on projections of 2019 using 2018 census data with no adjustment for future migration between plans. The 2019 projected total premium cost for active employees is approximately \$116.2 million, this figure was \$103.9 million in 2018. The currently negotiated cost to the County is \$88.7 million of that total (\$80.6 million in 2018). The 2019 increased premium cost is \$11.0 million (\$6.6 million in 2018), of which \$6.8 million is the increased County subsidy (\$3.6 million in 2018).

There were no increases to the Delta Care HMO plan, or the VSP Voluntary Vision, Computer Vision Care plans and Voya Basic Life/AD & D and Supplemental Insurance

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **08/14/2018** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: Candace Andersen, District II
Supervisor
Diane Burgis, District III
Supervisor
Karen Mitchoff, District IV
Supervisor
Federal D. Glover, District V
Supervisor

ABSENT: John Gioia, District I
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: August 14, 2018

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

By: June McHuen, Deputy

Contact: Ann Elliott
925-335-1747

plans. The Delta Dental PPO plan premium equivalency will increase by 2.0%.

BACKGROUND:

Insurance coverage is an important benefit and a valuable recruitment and retention tool. To ensure that high quality insurance is available for eligible Contra Costa County employees and retirees, the County contracts for group health, dental and life insurance, voluntary vision insurance, as well as computer vision care coverage, on an annual basis with a number of carriers/providers. The County's existing insurance and coverage contracts are for the calendar year and expire December 31, 2018. In order to ensure uninterrupted coverage for enrolled members (eligible active employees, retired employees and survivors of retired employees) staff requests authorization from the Board of Supervisors to renew existing insurance coverage at the rates provided on the attached chart. This information indicates the different premium structures - either a Two Tier or Three Tier - based on what has been negotiated with various bargaining groups.

To assist the County in negotiating the best possible health care terms for our active and retired employees, the County contracts with Segal Consultants, who has expertise in public sector employee benefit plan design and rate structure. All health/medical insurance contracts continue to offer essential health/medical benefits and coverage compliant with the requirements of the Affordable Care Act (ACA).

Proposed rates for the 2019 plan year for the medical, dental, life insurance, voluntary vision or computer vision care coverage offered to eligible employees, retirees or survivors of employees are attached and are effective January 1, 2019. In summary for 2019, there is no increase to supplemental life insurance or the dental HMO plan premiums, VSP Voluntary Vision and CVC plan. Additionally, the VSP Voluntary Vision plan will now offer enhanced coverage for glasses and contacts. The plan will increase the amount paid for glasses from \$150 to \$175 and the allowance for contacts will increase from \$130 to \$175.

CONSEQUENCE OF NEGATIVE ACTION:

In order to prevent the disruption of services for group benefits that are offered to eligible employees and their dependents, it is necessary to execute contract renewals prior to open enrollment which is planned for October 2018 for the 2019 plan year.

CLERK'S ADDENDUM

Speakers: Sue Guest, IFPTE Local 21, WCE, PDOCC, Local 1021, PDA Local 512; Stephen Ginocchio, AFSCME, Local 1; Stacie Hinton, AFSCME Local 2700, WCE, PDOCC, PDA, SEIU 1021, AFSCME 512; America Patterson, AFSCME 512, WCE, IFPTE 21, PDOCC 1021, PDA; Sandra Wall, AFSCME 2700, Local 512, IFPTE 21, WCE, PDOCC, SEIU 21, PDA.

ATTACHMENTS

2019 NonPERS Renewal Rates