



Contra  
Costa  
County

To: Board of Supervisors  
From: Ann Elliott, Human Resources Director  
Date: September 7, 2021

Subject: 2022 Renewals for NonPERS Health Plans

**RECOMMENDATION(S):**

AUTHORIZE the County Administrator, or Designee, to execute contract renewals with the NonPERS Medical, Dental, Vision, Computer Vision Care Program and Life Insurance Plan carriers for the period of January 1, 2022 - December 31, 2022.

**FISCAL IMPACT:**

The premiums for existing Kaiser plans, DeltaCare HMO, Delta Dental PPO and the VOYA Life Insurance plans will not increase for the 2022 plan year. There will also be a decrease to the Computer Vision Care plan rates of -48.70% and the Voluntary Vision plan by -10.00%. The CCHP plan premiums will increase by 5.36%, the Health Net HMO Plan by 6.64% and Health Net PPO plan by 9.00%.

Premiums for active, retired and survivor enrollees are funded by a combination of charges to County Departments, Special Districts, and employee/retiree/survivor contributions. The fiscal impact is based on projections of 2022 using 2021 census data with no adjustment for future migration between plans. The 2022 projected total premium cost for active employees is approximately \$102.5 million; 2021 is expected to reach \$99.8 million by year end. The currently negotiated cost to the County is \$89.9 million of that total (\$85.7 million

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **09/07/2021** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I Supervisor  
Candace Andersen, District II Supervisor  
Diane Burgis, 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: September 7, 2021

Monica Nino, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Salma Sadiq  
925-655-2176

cc:

in 2021).

## 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 medical, dental, 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, 2021.

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

Beginning January 1, 2022, the County subsidy, for the majority of employees eligible for NonPERS medical plans, will be 80% of the second lowest priced non-deductible HMO plan for all tiers (Employee, Employee +1 and Employee +2 or more). Based on the 2022 proposed rates, Health Net Smart Care HMO B will be used for subsidy calculations.

<u>Coverage Type</u>	<u>Health Net</u>	<u>%</u>	<u>County Subsidy</u>
	<u>SmartCare HMO B Premium</u>		
Employee Only	\$992.83	80%	\$794.27
Employee +1	\$1,985.66	80%	\$1,588.53
Employee +2/More	\$2,978.49	80%	\$2,382.80

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 in Attachment 1. The chart reflects the different premium structures - either Two Tier or Three Tier - based on what has been negotiated with various bargaining groups. Rate sheets, by bargaining group for actives and retirees, for the 2022 plan year reflecting County subsidies and employee/retiree costs will be available in October, prior to the Open Enrollment period. These rate sheets will be posted on the Employee Benefits website and a sample draft is provided in Attachment 2.

We are pleased to announce that in collaboration with the County's consultant and the Joint Labor Management Benefits Committee (JLMBC), the County is able to provide competitive rates for our benefits plans. The Kaiser plans, DeltaCare HMO, Delta Dental PPO and the Supplemental & Basic Life Insurance plans will not increase in 2022. The premiums for the VSP Computer Vision Care (CVC) Plan and the Voluntary Vision Plan will decrease. With the renewals and increase in County subsidy for 2022, approximately 87% of our employees enrolled in NonPERS medical plans will see the same rate or a

reduction in their monthly medical plan contributions and 100% of employees enrolled in the Dental and Vision plans will have the same or reduced costs.

The County is proud of the collaboration and results achieved by our consultants and the Joint Labor Management Benefits Committee (JLMBC)

CONSEQUENCE OF NEGATIVE ACTION:

In order to prevent the disruption of services for group benefits that are offered to eligible active employees, retirees, survivors and dependents, it is necessary to execute contract renewals prior to open enrollment which is planned for October 18, 2021 – November 5, 2021 for the 2022 plan year

ATTACHMENTS

Attachment 1

Attachment 2