

## Executive Personnel and Compensation Committee and Special Board Meeting Agenda

**Thursday, September 15, 2022**  
**9:00 A.M.**

San Diego International Airport  
SDCRAA Administration Building  
Third Floor – Board Room  
3225 N. Harbor Drive  
San Diego, California 92101

This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. If comments are made to the Committee without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this meeting pursuant to State law. ***Please note that agenda items may be taken out of order.***

Staff Reports and documentation relating to each item of business on the Agenda are on file in Board Services and are available for public inspection.

**\*NOTE:** This Committee Meeting also is noticed as a Special Meeting of the Board to (1) foster communication among Board members in compliance with the Brown Act; and (2) preserve the advisory function of the Committee.

Board members who are not members of this Committee may attend and participate in Committee discussions. Since sometimes more than a quorum of the Board may be in attendance, to comply with the Brown Act, this Committee meeting also is noticed as a Special Meeting of the Board.

To preserve the proper function of the Committee, only members officially assigned to this Committee are entitled to vote on any item before the Committee. This Committee only has the power to review items and make recommendations to the Board. Accordingly, this Committee cannot, and will not, take any final action that is binding on the Board or the Authority, even if a quorum of the Board is present.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE AUTHORITY CLERK. PLEASE REVIEW THE POLICY FOR PUBLIC PARTICIPATION IN BOARD AND BOARD COMMITTEE MEETINGS (***PUBLIC COMMENT***) ***LOCATED AT THE END OF THE AGENDA.***

### Board Members

Gil Cabrera (Chair)  
Mary Casillas Salas (Vice Chair)  
Catherine Blakespear  
Paul McNamara  
Paul Robinson  
Johanna Schiavoni  
James Sly  
Nora E. Vargas  
Marni von Wilpert

### Ex-Officio Board Members

Col. Thomas Bedell  
Gustavo Dallarda  
Gayle Miller

### President/CEO

Kimberly J. Becker

# Executive Personnel and Compensation Committee Meeting Agenda

Thursday, September 15, 2022

## CALL TO ORDER:

## PLEDGE OF ALLEGIANCE:

## ROLL CALL:

Committee Members: Cabrera, McNamara, Robinson (Chair), Vargas

## NON-AGENDA PUBLIC COMMENT:

Non-Agenda Public Comment is reserved for members of the public wishing to address the Committee on matters for which another opportunity to speak **is not provided on the Agenda**, and which is within the jurisdiction of the Board. Please submit a completed speaker slip to the Authority Clerk. ***Each individual speaker is limited to three (3) minutes. Applicants, groups and jurisdictions referring items to the Board for action are limited to five (5) minutes.***

**Note:** Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Committee.

## NEW BUSINESS:

### 1. **APPROVAL OF MINUTES:**

RECOMMENDATION: Approve the minutes of the April 25, 2022 regular meeting.

### 2. **RENEWAL OF THE HEALTH & WELFARE BENEFITS PROGRAM FOR 2023:**

RECOMMENDATION: Forward this item to the Board with a recommendation for approval.

Presented by: Monty Bell, Director, Talent, Culture & Capability

## CLOSED SESSION:

### 3. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

CAL.GOV.Code §54957

Title: Chief Auditor

## REPORT ON CLOSED SESSION:

## COMMITTEE MEMBER COMMENTS:

## ADJOURNMENT:

# Executive Personnel and Compensation Committee Meeting Agenda

Thursday, September 15, 2022

## Policy for Public Participation in Board, Airport Land Use Commission (ALUC), and Committee Meetings (Public Comment)

- 1) Persons wishing to address the Board, ALUC, and Committees shall submit a "Request to Speak" form prior to the initiation of the portion of the agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to submit a form shall not preclude testimony, if permission to address the Board is granted by the Chair.
- 2) The Public Comment Section at the beginning of the agenda is reserved for persons wishing to address the Board, ALUC, and Committees on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board.
- 3) Persons wishing to speak on specific items listed on the agenda will be afforded an opportunity to speak during the presentation of individual items. Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board, ALUC and Committees.
- 4) If many persons have indicated a desire to address the Board, ALUC and Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
- 5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the meeting.

**After a public hearing or the public comment portion of the meeting has been closed, no person shall address the Board, ALUC, and Committees without first obtaining permission to do so.**

## Additional Meeting Information

**NOTE:** This information is available in alternative formats upon request. To request an Agenda in an alternative format, or to request a sign language or oral interpreter, or an Assistive Listening Device (ALD) for the meeting, please telephone the Authority Clerk's Office at (619) 400-2550 at least three (3) working days prior to the meeting to ensure availability.

For your convenience, the agenda is also available to you on our website at [www.san.org](http://www.san.org).

**For those planning to attend the Board meeting, parking is available in the public parking lot located directly to the East of the Administration Building across Winship Lane. Bring your ticket to the third-floor receptionist for validation.**

You may also reach the SDCRAA Building by using public transit via the San Diego MTS System, Route 992. For route and fare information, please call the San Diego MTS at (619) 233-3004 or 511.



**CLOSED SESSION:** The Board recessed into Closed Session at 9:36 a.m. to hear Item 2.

**2. CONFERENCE WITH LABOR NEGOTIATORS:**

RECOMMENDATION: Cal. Gov. Code §54957.6

Agency designated representatives: Monty Bell, Scott Brickner, Angela Shafer-Payne, Greg Halsey, Rod Betts, Jeff Rasor, Lola Barnes

Employee organization: California Teamsters Local 911

**REPORT ON CLOSED SESSION:** The Board adjourned out of Closed Session at 10:50 a.m. There was no reportable action.

**COMMITTEE MEMBER COMMENTS:** None.

**ADJOURNMENT:** The meeting adjourned at 10:50 a.m.

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MONTY BELL  
DIRECTOR,  
TALENT, CULTURE AND CAPABILITY

ATTEST:

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TONY RUSSELL  
DIRECTOR,  
BOARD SERVICES / AUTHORITY CLERK



**SAN DIEGO**  
INTERNATIONAL AIRPORT

LET'S **GO.**

# Health & Welfare Renewal Benefits Program for 2023

# Agenda

- Highlights
- Current Program
- Financials & Market Study Results
- Recommendations

# Highlights

## Medical

- Anthem medical renewal +24.86%; negotiated rate +15.85%; plan option +9.79%
- Anthem renewal includes \$35K for Wellness & \$10K for customized communications
- MediExcel medical renewal +0% / Rate Pass
- UHC Medicare Advantage renewal +2.5%

## All other plans

- Anthem dental renewal +24.76%; negotiated +9.28%
- Life and EAP no increase; Short-Term Disability renewal -22.22%

## Other New Offerings

- Voluntary Worksite Benefits (Accident, Critical Illness and Hospital)
- Financial Wellness support to employees & retirees
- Enhance Benefits Enrollment Communications and Personalize Support for employees & retirees



# Current Program

# Current Program Overview | Plans & Programs

Shared Cost	100% Employer Paid	100% Employee Paid (Optional)
<p>Medical</p> <ul style="list-style-type: none"> <li>– Active &amp; Pre-Medicare Retirees</li> <li>– Medicare Retirees</li> </ul>	<p>Basic Life/AD&amp;D</p> <p>Short-Term Disability</p> <p>Employee Assistance Program (Active &amp; Pre/Post Medicare Retirees)</p> <p>Core Advocacy (Active &amp; Pre-Medicare Retirees)</p> <p>Wellness (Active)</p>	<p>Vision (Active &amp; Pre/Post Medicare Retirees)</p> <p>Life/ AD&amp;D (Active)</p> <p>Long-Term Disability (Active)</p> <p>Long-Term Care (Active)</p>
<p>Dental</p> <ul style="list-style-type: none"> <li>– Active &amp; Pre/Post Medicare Retirees</li> </ul> <p>Tax Savings Program (Active)</p> <ul style="list-style-type: none"> <li>– Commuter Transportation</li> </ul>	<p>Funded Health Reimbursement Account (2<sup>nd</sup> Generation Retirees)</p>	<p>Tax Savings Program (Active)</p> <ul style="list-style-type: none"> <li>– Healthcare Flexible Spending Account</li> <li>– Dependent Care Flexible Spending Account</li> </ul>

# Current Program Overview | Census Summary

## Demographics\*

Age / Gender	San Diego County Regional Airport Authority	West	50-499	Government
Average Age	50	42.4	44.5	44.5
% Male	61.0%	57.2%	57.6%	60.8%
% Female	39.0%	42.8%	42.4%	39.2%

\*Includes Actives & Pre-Medicare Retirees

Note: Average age and ratio of male/female employees are key data points in determining medical and prescription drug claims risk as part of a carrier's rate determination for health plans

**# of Employees**      458 – active & budgeted

- 334 enrolled/ 44 waived / 80 budgeted

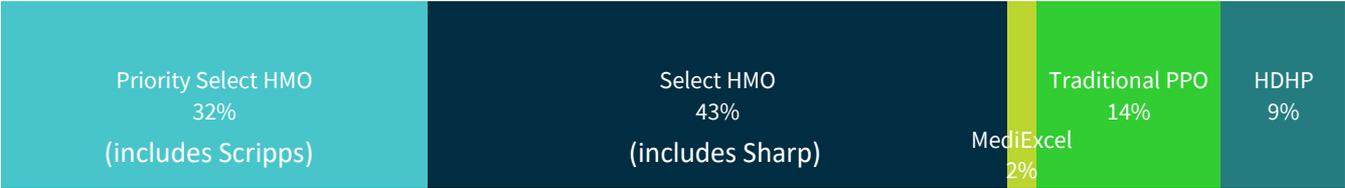
**# of Retirees**      106 – Pre & Post Medicare Retirees:

- 29 - Pre-Medicare Retirees 25 enrolled/ 4 waived / 0 budgeted
- 77 - Post-Medicare Retirees 63 enrolled / 14 waived

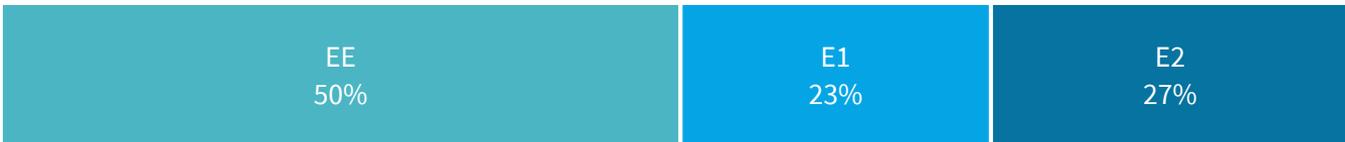
# Current Program Overview | Enrollment

## Medical Enrollment Summary\*

### Enrollment by Plan



### Enrollment by Tier



\*Includes Actives & Pre-Medicare Retirees

# Current Program Overview | Employee Cost Share

Plan Cost – Average Monthly Employee Cost Share by Plan Type\*



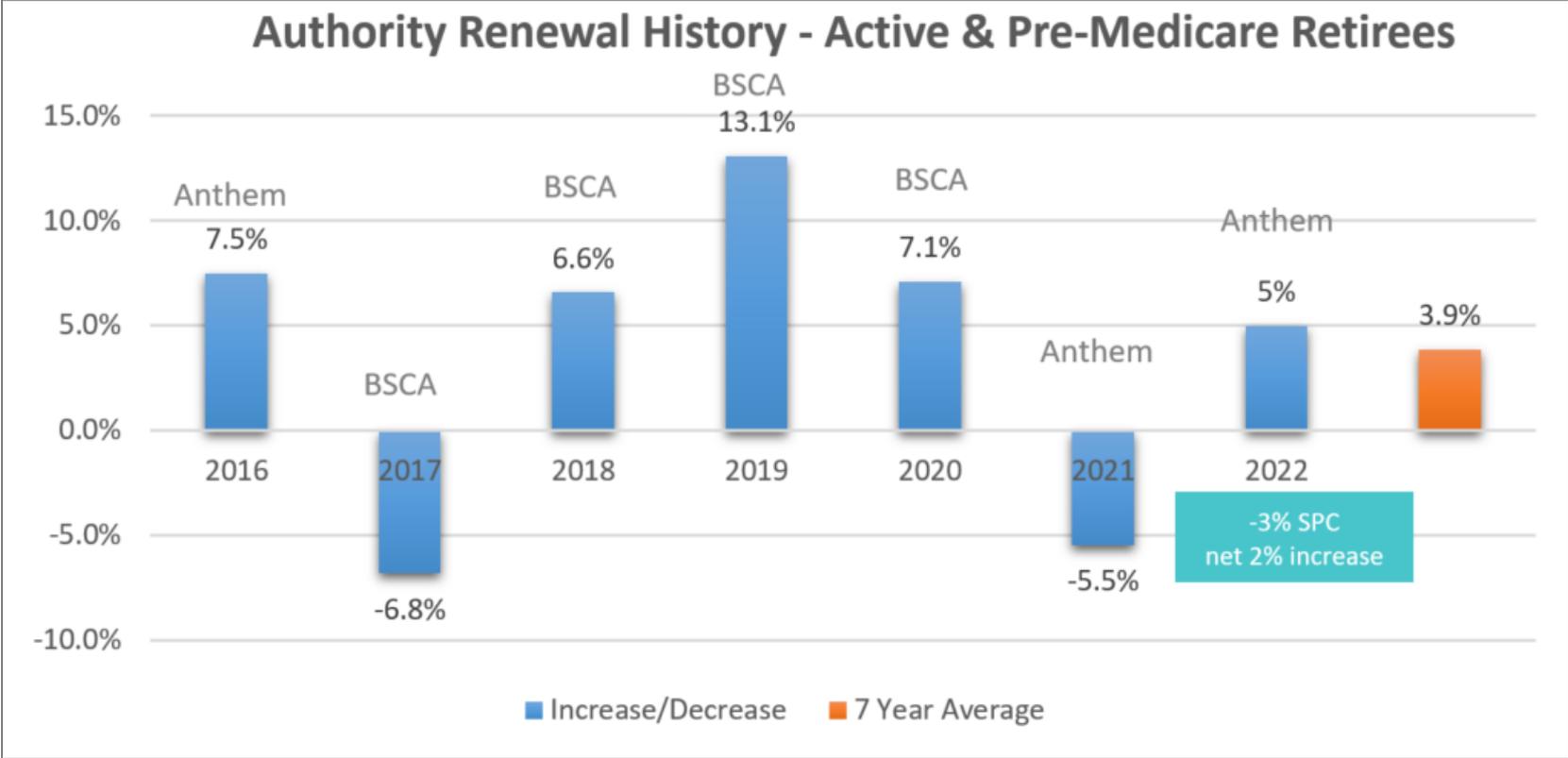
Compares the monthly cost our employees pay towards the total medical premium to benchmarks

Alliant Book of Business = A-WEST: West, A-U500: <500, A-Gov: Government/Public Sector  
Mercer 2021 National Survey = M-WEST: West, M-50-499: 50-499, M-Gov: Government



# Medical Overview

# Medical Renewal History



\*Does not include UHC Medicare Retirees

# Medical Market Study Results

MEDICAL MARKETING LIST – Active & Pre-Medicare Retirees	
Anthem	Negotiated rate +15.85%; plan option <b>+9.79%</b>
Aetna	<b>+7.36% (major plan changes and network disruptions)</b>
Blue Shield	<b>+22.06%</b>
Cigna	<b>+17.59%</b>
Health Net	Declined
Kaiser	<b>+27.8%</b>
PRISM - Anthem	<b>+10.24%</b>
Self-Funded	<b>+7.81%</b> ILLUSTRATIVE
Sharp	Declined
United Healthcare (UHC)	<b>+15.29%</b>

# Medical Plan Options | HMOs and PPO

## Anthem HMO Plan Option

### Medical Benefits

### Access Level

Individual | Family (CY) Out-of-Pocket Max

Inpatient Hospitalization

Outpatient Surgery: Office | Center | Hospital

Emergency Room Visits

### Renewal Plan

#### Anthem HMOs

In-Network

\$1,500 | \$3,000 EM

No charge

No charge

\$100 copay WIA

### Negotiated Plan Option

#### Anthem HMOs

In-Network - 250 Plan Option

**\$2,000 | \$4,000**

**\$250** per admit

**\$125** copay

**\$125** copay WIA

Total Premium % Change:

+15.85%

+10.6%

Annual \$ Change:

\$535,000

\$358,500

## Anthem PPO Plan Option

### Medical Benefits

### Access Level

Individual | Family (CY) Deductible

Individual | Family (CY) Out-of-Pocket Max

### Renewal Plan

#### Anthem PPO

In-Network

\$250 | \$750

\$3,000 | \$6,000

### Negotiated Plan Option

#### Anthem PPO 500

In-Network - 500 Plan Option

**\$500 | \$1,500**

**\$4,000 | \$8,000**

Total Premium % Change:

+15.85%

+7.12%

Annual \$ Change:

\$176,700

\$77,900

# Medical Contributions | Anthem

		Current		Anthem Negotiated Renewal			Anthem Option HMOs \$250/admit, PPO \$500		
<b>HMO</b>		<b>2022 Anthem Priority Select (PS) HMO</b>		<b>2023 Anthem PS HMO</b>			<b>2023 Anthem PS HMO Option - \$250/admit</b>		
		<b>ER Monthly</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>\$Diff PPP</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>\$Diff PPP</b>
	Subscriber Only (90%)	\$498.04	\$55.34	\$576.98	\$64.11	\$4.39	\$551.05	\$61.23	\$2.94
	Subscriber + 1 Dependent (100%, 55%)	\$888.18	\$273.92	\$1,028.96	\$317.34	\$21.71	\$982.71	\$303.08	\$14.58
	Subscriber + 2 or More Dependents (100%, 55%)	\$1,162.10	\$498.05	\$1,346.29	\$576.99	\$39.47	\$1,285.78	\$551.05	\$26.50
<b>HMO</b>		<b>2022 Anthem Select HMO</b>		<b>2023 Anthem Select HMO</b>			<b>2023 Anthem Select HMO Option - \$250/admit</b>		
		<b>ER Monthly</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>\$Diff PPP</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>\$Diff PPP</b>
	Subscriber Only (90%)	\$620.42	\$68.93	\$718.76	\$79.86	\$5.46	\$686.31	\$76.26	\$3.66
	Subscriber + 1 Dependent (100%, 55%)	\$1,106.40	\$341.22	\$1,281.77	\$395.30	\$27.04	\$1,223.91	\$377.46	\$18.12
	Subscriber + 2 or More Dependents (100%, 55%)	\$1,447.63	\$620.41	\$1,677.08	\$718.74	\$49.16	\$1,601.38	\$686.30	\$32.94
<b>PPO</b>		<b>2022 Anthem PPO</b>		<b>2023 Anthem PPO</b>			<b>2023 Anthem PPO Option - \$500 Ded</b>		
		<b>ER Monthly</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>\$Diff PPP</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>\$Diff PPP</b>
	Subscriber Only (90%)	\$1,124.09	\$124.90	\$1,302.26	\$144.70	\$9.90	\$1,206.00	\$134.00	\$4.55
	Subscriber + 1 Dependent (100%, 55%)	\$2,004.62	\$618.25	\$2,322.36	\$716.23	\$48.99	\$2,150.69	\$663.30	\$22.52
	Subscriber + 2 or More Dependents (100%, 55%)	\$2,622.88	\$1,124.10	\$3,038.61	\$1,302.26	\$89.08	\$2,814.01	\$1,206.00	\$40.95
<b>HDHP</b>		<b>2022 Anthem HDHP</b>		<b>2023 Anthem HDHP</b>			<b>2023 Anthem HDHP Renew As Is / Negotiated Renewal</b>		
		<b>ER Monthly</b>	<b>EE Monthly</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>\$Diff PPP</b>	<b>ER Monthly</b>	<b>EE Monthly</b>	<b>\$Diff PPP</b>
	Subscriber Only (90%)	\$864.94	\$96.10	\$1,002.03	\$111.34	\$7.62	\$1,002.03	\$111.34	\$7.62
	Subscriber + 1 Dependent (100%, 55%)	\$1,542.46	\$475.71	\$1,786.94	\$551.11	\$37.70	\$1,786.94	\$551.11	\$37.70
	Subscriber + 2 or More Dependents (100%, 55%)	\$2,018.18	\$864.93	\$2,338.07	\$1,002.02	\$68.55	\$2,338.07	\$1,002.02	\$68.55

Employee \$ Difference Per Pay Period

# Medical Contributions | MediExcel & UHC

## MediExcel – Active Employees Only

Cross Border HMO	Current		Renewal		
	2022 MediExcel		2023 MediExcel		
	ER Monthly	EE Monthly	ER Monthly	EE Monthly	EE Mo
Subscriber Only (90%)	\$193.66	\$21.52	\$193.66	\$21.52	\$0.00
Subscriber + 1 Dependent (100%, 55%)	\$380.87	\$135.56	\$380.87	\$135.56	\$0.00
Subscriber + 2 or More Dependent (100%, 55%)	\$463.71	\$203.34	\$463.71	\$203.34	\$0.00

Employee  
\$ Difference  
from current

## UHC Medicare Advantage – Post-Medicare Retirees

	Current		Renewal		
	2022 UHC Medicare Advantage		2023 UHC Medicare Advantage		
	ER Monthly	EE Monthly	ER Monthly	EE Monthly	EE Mo
Subscriber Only (90%)	\$396.98	\$44.11	\$406.91	\$45.21	\$1.10
Subscriber + 1 Dependent (100%, 55%)	\$683.69	\$198.49	\$700.79	\$203.45	\$4.96
Subscriber + Only (90%)	\$242.60	\$198.49	\$248.67	\$203.45	\$4.96

Enrollee  
\$ Difference  
from current

# Ancillary Overview



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# Ancillary Renewal Overview

Line of Coverage	Carrier	Renewal
Dental (PPO)	Anthem	Original: +23.92% / Negotiated: <b>+10%</b>
Vision (Voluntary)	VSP	<b>-10.5%</b> / Rate Guarantee to 2024
Basic Life and AD&D	Hartford	<b>0%</b> / <b>Rate Pass to 2025</b>
Life and AD&D (Voluntary)	Hartford	<b>0%</b> / <b>Rate Pass to 2025</b>
Short Term Disability	Hartford	<b>-22.22%</b> to 2025
Long Term Disability (Voluntary)	Hartford	<b>0%</b> / <b>Rate Pass to 2024</b>
Long Term Care (Voluntary)	Unum	Closed Block of Business, No Change for current enrollees Unum's New Enrollee Pricing 2022 Strategy (NEP 2022) – Pending State Approval
Employee Assistance Program	Anthem	<b>0%</b> / <b>Rate Pass to 2024</b>
Business Travel Accident (BTA)*	Cigna	<b>0%</b> / <b>Rate Guarantee to 2025</b>

\*Pending travel exposure data confirmation

# Dental Contributions

	Current		Negotiated Renewal		
PPO	2022 Anthem Dental		2023 Anthem Dental		
	ER Monthly	EE Monthly	ER Monthly	EE Monthly	\$Diff PPP
Subscriber Only (100%)	\$50.02	\$0.00	\$55.02	\$0.00	\$0.00
Subscriber + 1 Dependent (100%, 55%)	\$71.90	\$17.91	\$79.09	\$19.70	\$0.89
Subscriber + 2 or More Dependent (100%, 55%)	\$89.67	\$32.44	\$98.64	\$35.69	\$1.62
DHMO	ER Monthly	EE Monthly	ER Monthly	EE Monthly	EE PP \$D
Subscriber Only (100%)	\$14.93	\$0.00	\$14.93	\$0.00	\$0.00
Subscriber + 1 Dependent (100%, 55%)	\$23.15	\$6.72	\$23.15	\$6.72	\$0.00
Subscriber + 2 or More Dependent (100%, 55%)	\$33.82	\$15.46	\$33.82	\$15.46	\$0.00

Employee \$ Difference from current

# Vision Plan Option & Contributions

## VSP PPO Plan Options

Voluntary Vision Benefits	Access Level
Frames	
Contact Lenses (in lieu of glasses)	
Rate Guaranteee	

VSP PPO - Current/Renewal Plan	
In-Network	Out-of-Network
\$150 allowance	\$70 allowance
\$150 allowance	\$105 allowance

VSP PPO - Option	
In-Network	Out-Of-Network
<b>\$225 allowance</b>	\$70 allowance
<b>\$200 allowance</b>	\$105 allowance

2 Year

## Vision Plan Contributions

PPO	2022 VSP Vision	
	ER Monthly	EE Monthly
Subscriber Only (0%)	\$0	\$10.27
Subscriber + 1 Dependent (0%)	\$0	\$15.90
Subscriber + 2 or More Dependent (0%)	\$0	\$25.23

2023 VSP Vision Option		
ER Monthly	EE Monthly	\$Diff ppp
\$0	\$10.22	-\$0.02
\$0	\$15.87	-\$0.02
\$0	\$25.18	-\$0.03

Employee  
\$ Difference  
from current

# Employee Credits

		Credits		
		Active	Current	Renewal
Waiver Credits	Medical	47	\$ 83.34	\$ 83.34
Annual Total		47	\$ 47,004	\$ 47,004
Waiver Credits	Dental	33	\$ 4.84	\$ 4.84
Annual Total		33	\$ 1,917	\$ 1,917
Vision Credit (All Employees Active & Budgeted, Excluding Retirees) (intended to offset vision cost)	Subscriber Only	414	\$ 8.00	\$ 8.00
Annual Total		414	\$ 39,744	\$ 39,744
Total Annual (All Credits)			\$ 88,664	\$ 88,664

### Current Wellness Program Incentives

**Incentive**

- 200 in Reward Dollars (via Health Advocate Online Rewards Mall) for reaching 300 total points by completing activities (EE Only)



# Recommendations



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# Recommendations

- Renew with current medical carriers with plan changes
- Renew Dental with Anthem
- Renew Vision with improved benefits
- Renew all other carriers

# Recommendations

## Other New Offerings

- Voluntary Worksite Benefits (Accident, Critical Illness and Hospital)
- Financial Wellness support to employees & retirees
- Enhance Benefits Enrollment Communications and Personalized Support for employees & retirees

# Fiscal Impact

## Active and Budgeted

Description	Current	Recommended Renewal	% Change	Budgeted Costs CY 2023	\$ Difference Between Recommended and Budgeted	% Difference Between Recommended
Medical <sup>3</sup>	\$4,602,994	\$5,328,608	16%	\$5,482,520	(\$153,912)	-3%
HSA Funds-Active	\$79,570	\$79,570	0%	\$61,500	\$18,070	29%
Dental <sup>3</sup>	\$288,305	\$315,100	9%	\$303,361	\$11,739	4%
Vision <sup>1</sup>	\$39,744	\$26,592	-33%	\$44,064	(\$17,472)	-40%
Basic Life/AD&D	\$87,129	\$87,129	0%	\$85,163	\$1,966	2%
Short Term Disability	\$193,006	\$150,116	-22%	\$270,732	(\$120,616)	-45%
Other <sup>2</sup>	\$58,628	\$58,628	0%	\$60,708	(\$2,080)	-3%
<b>TOTAL</b>	<b>\$5,349,376</b>	<b>\$6,045,743</b>	<b>13%</b>	<b>\$6,308,047</b>	<b>(\$262,304)</b>	<b>-4%</b>

<sup>1</sup> Changes All EE Credit to only those enrolled in Vision

<sup>2</sup> Includes: Medical and Dental Waiver Credits and Employee Assistance Program (EAP)

<sup>3</sup> Budgeted headcounts (80) allocated across all 4 Anthem medical plans assuming enrollment distribution of active Anthem enrollment. Priority Select 33%, Select HMO 44%, PPO 14%, HDHP/HAS 9%. MediExcel not included in the enrollment redistribution assumption.



# Questions?

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Thank you.

● Ticketing  
U.S. Airways