

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY



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* EX OFFICIO BOARD MEMBERS

PRESIDENT/CEO
THELLA F. BOWENS

SPECIAL EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE MEETING

and

SPECIAL BOARD MEETING *

AGENDA

Friday, September 27, 2013
1:00 P.M.

San Diego International Airport
Commuter Terminal -- Third Floor
Board Room
3225 N. Harbor Drive
San Diego, CA 92101

This Agenda contains a brief general description of each item to be considered. If comments are made to the Board 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 Corporate Services and are available for public inspection.

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.***

***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.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

Committee Members: Boland, Cox, Desmond (Chair), Hubbs, Smisek

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 Committee. 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 Board.

NEW BUSINESS

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the June 19, 2013 special meeting.

2. RENEWAL OF THE EMPLOYEE BENEFIT PROGRAM FOR 2014:

RECOMMENDATION: Staff recommends that the Executive Personnel and Compensation Committee forward this item to the Board for approval.
Presented by: Jeff Lindeman, Senior Director, Organizational Performance & Development.

CLOSED SESSION

3. CONFERENCE WITH LABOR NEGOTIATOR:

Labor negotiations pursuant to Cal. Gov. Code §54957.6
Authority Designated Negotiators: Thella F. Bowens, President/CEO and Jeff Lindeman, Senior Director, Organizational Training & Development
Employee Organization: Teamsters 911

REPORT ON CLOSED SESSION

NON-AGENDA PUBLIC COMMENT

COMMITTEE MEMBER COMMENTS

ADJOURNMENT

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 complete 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 complete 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 limited to eighteen (18) minutes and 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. A second Public Comment period is reserved for general public comment later in the meeting for those who could not be heard during the first Public Comment period.
- 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. Public comment on specific items is limited to twenty (20) minutes – ten (10) minutes for those in favor and ten (10) minutes for those in opposition of an item. Each individual speaker will be allowed three (3) minutes, and applicants and groups will be allowed five (5) minutes.
- 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.
- 6) 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) 400-2400 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.

For those planning to attend the Board meeting, parking is available in the public parking lot located directly in front of the Commuter Terminal. Bring your ticket to the third floor receptionist for validation.

You may also reach the Commuter Terminal 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.

DRAFT

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL EXECUTIVE PERSONNEL AND
COMPENSATION COMMITTEE MEETING
MINUTES
WEDNESDAY JUNE 19, 2013
TUSKEGEE CONFERENCE ROOM**

CALL TO ORDER:

Chair Desmond called the special meeting of the Executive Personnel and Compensation Committee, and the special meeting of the Board to order at 9:02 a.m. on Wednesday, June 19, 2013, in the Tuskegee Conference Room of the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE:**ROLL CALL:**

PRESENT: Committee Members: Boland, Cox, Desmond, Hubbs, Smisek

Board Members: Gleason

ABSENT: Committee Members: None

ALSO PRESENT: Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Lorraine Bennett, Assistant Authority Clerk II; Linda Gehlken, Assistant Authority Clerk I

Board Member Cox arrived at the meeting at 10:25 a.m.

NON-AGENDA PUBLIC COMMENT: None.

NEW BUSINESS**1. APPROVAL OF MINUTES:**

Board Member Hubbs stated that he would be abstaining from approval of the January 16, 2013 minutes because he was not a member of the Committee at that time.

RECOMMENDATION: Approve the minutes of the January 16, 2013 regular meeting and the February 14th, 2013, and March 7th, 2013 special meetings.

ACTION: Moved by Board Member Smisek and seconded by Board Member Desmond to approve staff's recommendation. Motion carried noting Board Member Hubbs ABSTENTION and Board Member Cox as ABSENT.

CLOSED SESSION: The Committee recessed into Closed Session at 9:05 a.m. to discuss Items 2, 3, 4 and 5.

- 2. CONFERENCE WITH LABOR NEGOTIATOR:**
Labor negotiations pursuant to Cal. Gov. Code §54957.6
Authority Designated Negotiators: Thella F. Bowens, President/CEO and Jeffrey Woodson, Vice President, Administration
Employee Organization: Teamsters 911
- 3. PUBLIC EMPLOYMENT – EMPLOYMENT TERMS, EVALUATION AND CONDITIONS:**
Cal. Gov. Code § 54954.5(c) and §54957 (b).
Title: President/Chief Executive Officer
Subjects:
(1) Review and possible action on current and future contract terms.
(2) Public employee performance evaluation
- 4. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
Cal. Gov. Code §54957
Title: General Counsel
- 5. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
Cal. Gov. Code §54957
Title: Chief Auditor

REPORT ON CLOSED SESSION: The Committee reconvened into Open Session at 12:09 p.m. There was no reportable action.

ADJOURNMENT: The meeting was adjourned at 12:10 p.m.

APPROVED BY A MOTION OF THE EXECUTIVE PERSONNEL AND
COMPENSATION COMMITTEE OF THE SAN DIEGO COUNTY REGIONAL
AIRPORT AUTHORITY THIS 27TH DAY OF SEPTEMBER, 2013.

JEFFREY WOODSON
VICE PRESIDENT, ADMINISTRATION

APPROVED AS TO FORM:

LORRAINE BENNETT
ASSISTANT AUTHORITY CLERK II



SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY
**Executive Personnel and
Compensation Committee**

Item No.
2

Meeting Date: **SEPTEMBER 27, 2013**

Subject:

Renewal of the Employee Benefits Program for 2014

Recommendation:

Staff recommends that the Executive Personnel and Compensation Committee forward this item to the Board for approval.

Background/Justification:

The San Diego County Regional Airport Authority ("Authority") provides a comprehensive employee benefit program that is directly aligned with two organizational strategies (financial and employee) and supports the organization in executing the remaining three (operations, customer and community). The philosophy utilized in designing and sustaining the program has been to provide quality care at a sustainable price while **maintaining the organization's ability to attract and retain the best and brightest employees.** Over the past ten years, this approach has enabled the organization to **attract and retain top talent which, in turn, has enhanced the organization's capability to execute the Authority's strategies.**

Over a six month period, the 14 employee members of a cross-functional task force **were educated by the Authority's consultants, Willis Insurance Services of San Diego, on various employee benefit plans, plan options, contribution strategies as well as market trend data.** After becoming educated, the **task force received the Authority's renewal quotes from existing carriers as well as bids from Aetna, Cigna HealthCare, Blue Shield of California, and United Health Care.** As a result of careful evaluation and consideration of market comparisons, existing plan options, past organizational experience, as well as employee interests and concerns, the task force selected options for recommendation to **the Authority's President/CEO and Executive Team within budgetary parameters.** These recommendations culminate in a net Airport Authority cost decrease of -10% from budgeted rates for CY 2014 as compared to CY 2014 proposed net cost.

The costs associated with the plan recommendations are as follows:

Authority Cost

	CY 2014 Current State	2014 Proposed	Projected Difference	Percent Difference
Medical	\$4,533,622	\$4,069,445	\$464,177	-10%
Dental	\$324,540	\$327,934	(\$3,394)	1%
Life/Disability	\$308,364	\$271,095	\$37,269	-12%
TOTAL	\$5,166,526	\$4,668,474	\$498,052	-10%

Note: Both current and proposed costs include early retirees and budgeted positions

In support of the Authority's efforts supporting employee wellness to maintain/improve workplace productivity and decrease healthcare costs, the provisions of the proposed benefit plans are intended to maintain competitive benefits coverage and cost effectiveness for the Authority and its employees.

To further mitigate future premium increases on health insurance, staff is recommending that the Airport Authority continue to offer employee wellness programs including the annual Biometric screenings/incentives, flu shots, Anthem Healthy Rewards and the Health Advocate to employees, eligible covered dependents and retirees at a cost of approximately \$156,683. The Healthy Rewards program provides incentives to **employees and their adult dependents covered by the Authority's health plan, similar to the existing internal wellness program.** The Health Advocate program, centered on a team of Personal Health Advocates, typically registered nurses supported by medical directors and benefits specialists, helps members navigate the healthcare system and resolve clinical, insurance and administrative issues. In addition, solutions include Wellness Advocate, a program that features a personal wellness coach supported by online wellness tools.

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Staff recommends that the following Authority benefit programs be provided for 2014:

- Remain with current carrier: Anthem Blue Cross
- 5% employee cost share in 2014; move to 10% cost share in future year
 - Additional cost if employee does not participate in wellness (5% additional individual premium rate)
- Offer 4 plans:
 - HMO Full Network and HMO "Narrow Network"
 - Classic PPO and Health Savings Arrangement/High Deductible Plan
- Continue Special Footwear and Hearing Aid Rider for 2014
- Continue to offer following plans with no cost change(s) for 2014:
 - Dental, Vision, Basic Life/AD&D, Short Term Disability, Employee Assistance Plan, Health Advocate
- Continue to offer Biometric Screenings and Health Assessments for 2014 with \$250 per employee FSA/457 Deferred Compensation deposit incentives in order to utilize data to address organizational employee wellness and health opportunities
- Continuation of Employee Assistance Program (Anthem Blue Cross) and Health Advocate resources for all employees
- Maintain Third Party Administration of Flexible Spending Account (FSA), VEBA and COBRA administration with Genesis Benefits

The Authority will continue to offer the following additional voluntary benefits products where 100% of the premium costs are paid by employees:

- Long-Term Disability
- Voluntary Term Life and AD&D Insurance
- Accident/Cancer/Hospital Protection/Specified Health Insurance
- Pre-paid Legal coverage
- Long Term Care Insurance

Fiscal Impact:OPERATING EXPENSE IMPACT

Adequate funding for 2014 Employee Benefits Renewal is included in the adopted FY 2014 and conceptually approved FY 2015 Operating Expense Budgets.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

- | | | | | |
|---|--|---|--|--|
| <input type="checkbox"/> Community Strategy | <input type="checkbox"/> Customer Strategy | <input checked="" type="checkbox"/> Employee Strategy | <input checked="" type="checkbox"/> Financial Strategy | <input type="checkbox"/> Operations Strategy |
|---|--|---|--|--|

Environmental Review:

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

Equal Opportunity Program:

Not applicable.

Prepared by:

JEFF LINDEMAN
SENIOR DIRECTOR, ORGANIZATIONAL PERFORMANCE & DEVELOPMENT

San Diego County Regional Airport Authority Renewal of the Employee Benefits Program for 2014



Presented By: Jeff Lindeman,
Senior Director, Organizational
Performance & Development



Renewal Process To Date



- Employee Benefits Task Force evaluated options and made recommendations to Executive Team based on Task Force Charter.
 - Identify a way forward with offering employees benefits that provide quality care at a sustainable price while being fiscally responsible. The program should also be able to support the Authority in attracting and retaining the best and brightest employees.
- Executive Team considered options from budgetary and policy perspective.
- Presentation today incorporates employee and management recommendations for renewal of employee benefits program.



Executive Summary^{1,2}



January 1, 2014 - December 31, 2014

	Current	Initial Renewal	%	Negotiated Renewal	%
Medical (incl. Rx)	\$4,587,681	\$5,243,363	14.3%	\$4,805,872	4.8%
Anthem HMO	\$2,725,731	\$3,176,720	16.5%	\$2,861,784	5.0%
Anthem PPO	\$1,820,856	\$2,025,549	11.2%	\$1,902,994	4.5%
Anthem EAP	\$9,339	\$9,339	0.0%	\$9,339	0.0%
Anthem Healthy Rewards (Wellness)	\$31,754	\$31,754	0.0%	\$31,754	0.0%
Dental	\$371,054	\$387,009	4.3%	\$371,054	0.0%
Delta DMO	\$22,584	\$23,487	4.0%	\$22,584	0.0%
Delta PPO	\$348,469	\$363,523	4.3%	\$348,469	0.0%
Ancillary Lines	\$320,967	\$320,967	0.0%	\$320,967	0.0%
GRAND TOTAL	\$5,279,701	\$5,951,339		\$5,497,892	
\$ Difference From Current	N/A	\$671,637		\$218,191	
% Difference From Current	N/A	12.7%		4.1%	
Savings based on Initial vs Final renewal:				(\$453,446)	

¹Voluntary lines (Voluntary Life/AD&D , AFLAC, Long Term Care) excluded.

²Rate pass received on Life/Disability, Vision, FSA/COBRA, and Health Advocate.



Medical Carrier Responses

January 1, 2014 - December 31, 2014

Carrier	Difference from 2013	Status
Medical		
Aetna	-1.3%	Quoted
Anthem Blue Cross	4.8%	Renewal Presented
Blue Shield of California	2.0%	
	7.1%	Quoted
CIGNA HealthCare	(2.1% with HRA)	Quoted
United HealthCare	3.2%	Quoted

Note: 2013 an employee satisfaction survey indicated that employees are satisfied with current carrier







Executive Summary



Executive Summary^{1,2} January 1, 2014 - December 31, 2014



	Current 2013 Total Premium	Proposed Total Premium ⁴	Proposed Authority Cost	Proposed Employee Cost
Medical ³	\$4,587,681	\$5,024,030	\$4,069,445	\$954,584
Dental	\$371,054	\$371,054	\$307,244	\$63,810
Life/Disability	\$205,416	\$205,416	\$205,416	\$0
TOTAL	\$5,164,150	\$5,284,716	\$4,329,306	\$955,411



¹Voluntary lines (Voluntary Life/AD&D , AFLAC, Long Term Care, etc.) excluded.

²Rate pass received on Life/Disability, Vision, FSA/COBRA, and Health Advocate.

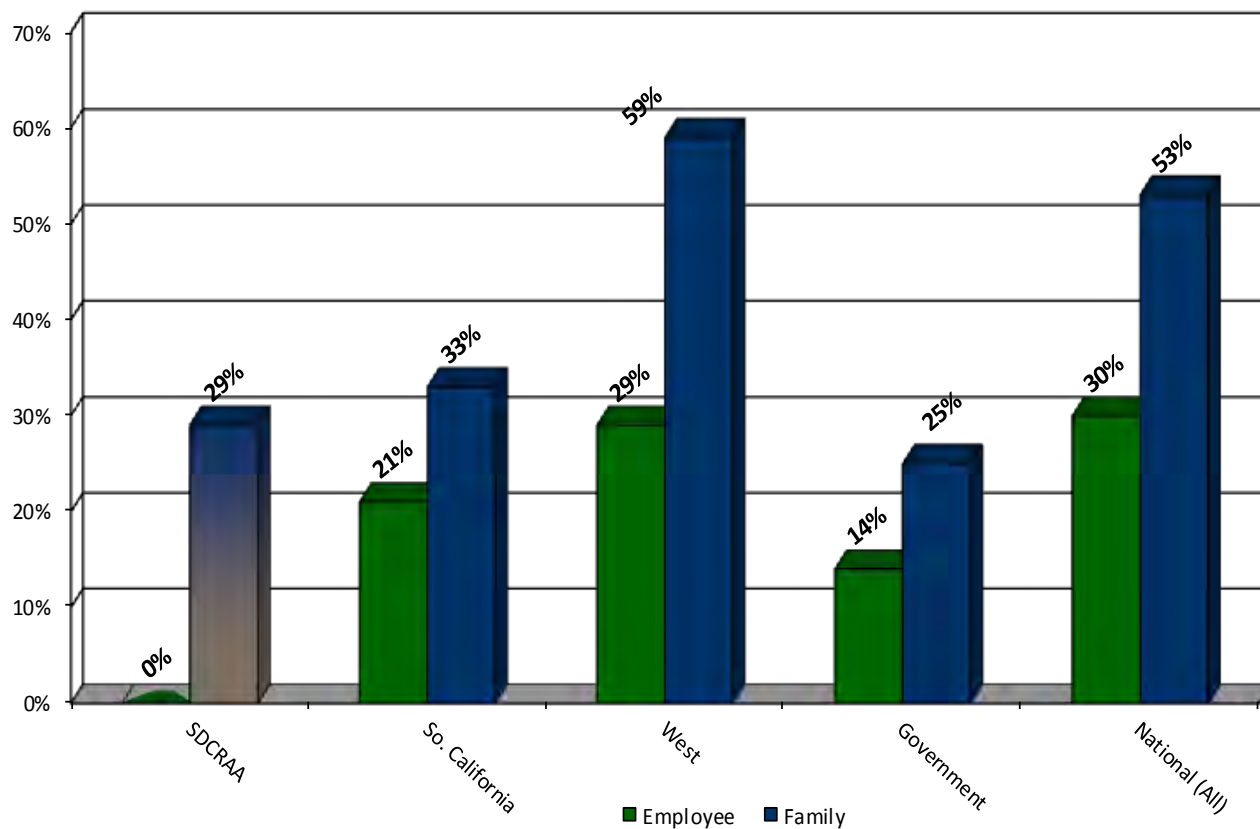
³ Includes EAP, AHR & Rx.

⁴ Enrollments based on census data provided to Willis not budgeted enrollment numbers.



HMO Employee Contributions

Employee Costs (By % of Premiums)

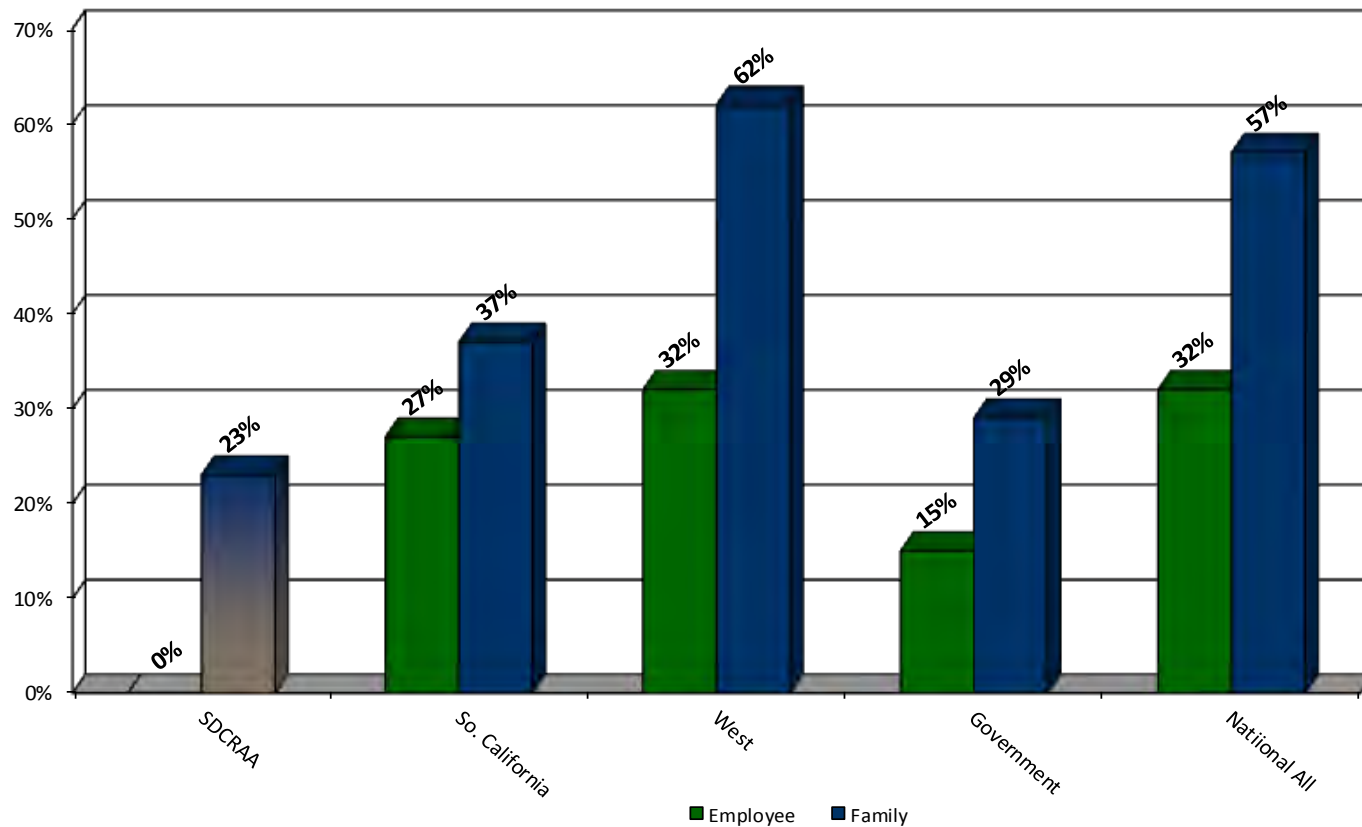


Benchmark data from Mercer National Survey of Employer-Sponsored Health Plans 2012



PPO Employee Contributions

Employee Costs (By % of Premium)



Benchmark data from Mercer National Survey of Employer-Sponsored Health Plans 2012



Employee Contribution Strategies Studied



1. 3 Tier to 4 Tier Contribution Structure:

3 Tier

- Employee (EE) only
- EE + One dependent (spouse or child)
- EE + Family (spouse and/or child(ren))

4 Tier

- Employee (EE) Only
- EE +Spouse
- EE + Child(ren)
- EE + Family (spouse and child(ren))

2. PPO Buy-up:

- PPO buy up from HMO plan

3. Cafeteria Plan:

- Most common type based on a flat dollar employer contribution

4. True 55%:

- Contribution for dependents 55% of total premium

5. Wellness Premium Differential:

Employee contributions tied to participation of annual biometric screenings & health assessment. Additional cost if employee does not participate in wellness (proposed equivalent cost = 5% individual premium rate).



Medical Plan Recommendations Summary



- Remain with current carrier: Anthem Blue Cross
- 5% employee cost share in 2014; move to 10% cost share in future year
 - Additional cost if employee does not participate in wellness (5% additional individual premium rate)
- Offer 4 plans:
 - HMO Full Network and HMO “Narrow Network”
 - Classic PPO and Health Savings Arrangement/High Deductible Plan
- Continue Special Footwear and Hearing Aid Rider for 2014
- Continue to offer following plans with no cost change(s) for 2014:
 - Dental, Vision, Basic Life/AD&D, Short Term Disability, Employee Assistance Plan, Health Advocate
- Continue to offer Biometric Screenings and Health Assessments for 2014
 - Expect to include enrolled Spouse and Domestic Partner incentives in 2015



Medical Plan Design Comparison

Plan Features	Anthem HMO (full/narrow network)	Anthem PPO	Anthem HDHP + H.S.A.
Medical		<i>In-Network/Out-of-Network</i>	<i>In-Network/Out-of-Network</i>
Deductible	None	\$250/\$750	\$1,500/\$3,000
Contribution to H.S.A.	N/A	N/A	\$750/\$1,500
Out-of-Pocket Max (in-network)	\$1,500 Individual/ \$3,000 Family	\$2,000 Individual/ \$6,000 Family	\$3,000 Individual/ \$6,000 Family
Office Visit	\$20 copay	\$20 copay/40%	10%/30%
Preventive Care	\$0	\$0	\$0
X-Ray & Lab	\$0	20%/40%	10%/30%
Emergency Room	\$100 copay	\$150 copay + 20%	10%
Inpatient Hospitalization	\$200/admit	20%/40%	10%/30%
Prescriptions			
Deductible	None	\$250/\$500	Must meet Medical Deductible
Tier 1	\$10 copay	\$10 copay	\$10 copay
Tier 2	\$25 copay	\$25 copay	\$30 copay
Tier 3	\$50 copay	\$50 copay	\$50 copay



Executive Summary



Authority Cost

	CY 2014 Current State	2014 Proposed	Projected Difference	Percent Difference
Medical	\$4,533,622	\$4,069,445	\$464,177	-10%
Dental	\$324,540	\$327,934	(\$3,394)	1%
Life/Disability	\$308,364	\$271,095	\$37,269	-12%
TOTAL	\$5,166,526	\$4,668,474	\$498,052	-10%

Note: Both current and proposed costs include early retirees and budgeted positions

2014 Anthem Renewal Analysis Summary

	Enroll ment	Renewal (2014)	Wellness Enrollment	Contribution (Wellness Completed)				No Wellness Enrollment	Contribution (No Wellness)			
				SDCRAA (2014)		Employee (2014)			SDCRAA (2014)		Employee (2014)	
Full-Network HMO				95% / 55%					90% / 55%			
Emp Only	22	\$747.51	19	\$710.13	95%	\$37.38	5%	4	\$672.76	90%	\$74.75	10%
Emp + Dependents	6	\$1,559.78	5	\$1,194.26	77%	\$365.52	23%	1	\$1,156.88	74%	\$402.90	26%
Emp + Family	7	<u>\$2,228.63</u>	<u>6</u>	<u>\$1,562.13</u>	<u>70%</u>	<u>\$666.50</u>	<u>30%</u>	<u>1</u>	<u>\$1,524.75</u>	<u>68%</u>	<u>\$703.88</u>	<u>32%</u>
Total Annual	36	\$514,078	30	\$346,950	67%	\$79,735	16%	6	\$68,317	13%	\$19,076	4%
Narrow Network HMO				95% / 55%					90% / 55%			
Emp Only	90	\$508.77	74	\$483.33	95%	\$25.44	5%	15	\$457.89	90%	\$50.88	10%
Emp + Dependents	57	\$1,058.43	47	\$811.08	77%	\$247.35	23%	10	\$785.64	74%	\$272.79	26%
Emp + Family	66	<u>\$1,512.41</u>	<u>55</u>	<u>\$1,060.77</u>	<u>70%</u>	<u>\$451.64</u>	<u>30%</u>	<u>11</u>	<u>\$1,035.33</u>	<u>68%</u>	<u>\$477.08</u>	<u>32%</u>
Total Annual	212	\$2,459,569	176	\$1,583,517	64%	\$457,926	19%	36	\$313,333	13%	\$104,794	4%
PPO				95% / 55%					90% / 55%			
Emp Only	64	\$918.59	53	\$872.66	95%	\$45.93	5%	11	\$826.73	90%	\$91.86	10%
Emp + Dependents	41	\$1,426.69	34	\$1,198.05	84%	\$228.65	16%	7	\$1,152.12	81%	\$274.57	19%
Emp + Family	21	<u>\$1,888.21</u>	<u>17</u>	<u>\$1,451.88</u>	<u>77%</u>	<u>\$436.33</u>	<u>23%</u>	<u>4</u>	<u>\$1,405.95</u>	<u>74%</u>	<u>\$482.26</u>	<u>26%</u>
Total Annual	125	\$1,866,778	104	\$1,338,004	72%	\$211,421	11%	21	\$262,328	14%	\$55,025	3%
HDHP with H.S.A.				95% / 55%					90% / 55%			
Emp Only	7	\$807.32	6	\$766.95	95%	\$40.37	5%	1	\$726.59	90%	\$80.73	10%
Emp + Dependents	5	\$1,280.84	4	\$1,067.76	83%	\$213.08	17%	1	\$1,027.39	80%	\$253.45	20%
Emp + Family	2	<u>\$1,654.19</u>	<u>2</u>	<u>\$1,273.10</u>	<u>77%</u>	<u>\$381.09</u>	<u>23%</u>	<u>0</u>	<u>\$1,232.73</u>	<u>75%</u>	<u>\$421.46</u>	<u>25%</u>
Total Annual	14	\$183,605	12	\$131,257	71%	\$21,135	12%	2	\$25,739	14%	\$5,473	3%
Medical Totals				Both Population Totals								
Total Annual	387	\$5,024,030	321	\$4,069,445	81%	\$954,584	19%	66	Included in totals on left			

Renewal Assumptions:

H.S.A. rates assume employer fund of \$750/\$1,500.

2014 enrollment assumes 83% complete wellness initiatives (health assessment & health screening). Based on 2012 completions.

HMO enrollment figures assume 20% EE only / 10% dependents stay with full-network & 80% EE only / 90% dependents move to Narrow Network HMO.

PPO enrollment figures assume 90% EE only / 90% dependents stay with PPO & 10% EE only / 10% dependents move to HDHP with H.S.A.

HMO & PPO renewal rates include hearing & special footwear rider.

Early retiree (under age 65) and 21 budgeted positions are included



Employee Communication Strategy



We will develop messages and use multiple delivery vehicles to meet the broad demographic diversity of Authority employees.

We expect to deliver target messaging through:

- HR Connect Portal
- Group meetings/workshops
- Email
- Authority Internet and Intranet
- Learning Management System (LMS)
- Benefit Bytes Text Messaging
- Health Advocate
- Benefits Brochures





Staff's Request and Discussion/Questions



Staff is requesting that the Executive Personnel Committee forward the renewal of Employee Benefit Plan(s) as described in the Staff Report and Presentation to the Board for approval.

- Remain with current Carrier – Anthem Blue Cross
- Offer 4 plans – HMO Full & Narrow Networks; Classic PPO & Health Savings Arrangement
- Employee cost share: 5% first year; 10% second year
- 5% penalty for nonparticipation in wellness
- Continue to offer: dental, vision, basic life/AD&D, STD, LTD, EAP, and Health Advocate with no change in cost
- Continue Special Footwear and Hearing Aid Rider for 2014
- Continue Biometric Screenings and Health Assessments for 2014
 - Expect to include enrolled Spouse and Domestic Partner incentives in 2015

Discussion/Questions