



**Human Resources and
Development
COUNTY OF TULARE
AGENDA ITEM**

BOARD OF SUPERVISORS

KUYLER CROCKER
District One
PETE VANDER POEL
District Two
AMY SHUKLIAN
District Three
J. STEVEN WORTHLEY
District Four
MIKE ENNIS
District Five

AGENDA DATE: September 11, 2018

Public Hearing Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Published Notice Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Advertised Published Notice	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Meet & Confer Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Personnel Resolution attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>

CONTACT PERSON: Rhonda Sjostrom PHONE: (559) 636-4900

SUBJECT: Health Insurance Plan Renewal and Rates for 2019 Plan Year

REQUEST(S):

That the Board of Supervisors:

Approve the recommendations of the Human Resources & Development Department to:

1. Renew the Anthem Blue Cross PPO plan offerings provided by the San Joaquin Valley Insurance Authority (SJVIA) with a 2.35% rate increase;
2. Renew the Kaiser Permanente plan rates with an increase of .38% for the Traditional HMO plan, -.46% for the Deductible HMO plan, and 3.14% for the Senior Advantage Plan.
3. Approve participation in the Delta Dental PPO Plan with no increase for the second year, and no increase for the DeltaCare HMO plan;
4. Approve participation in the Vision Service Plan through the SJVIA with no increase in the vision plan rates; and
5. Approve renewal from Anthem Blue Cross for Employee Assistance Plan services with no rate increase for one year.

SUMMARY:

Human Resources & Development (HRD) staff and the County's Health Plan Advisory Group (HPAG) have met (on July 23 and August 23) to review the health insurance renewal proposals for the 2019 plan year (January 1 through December 31). The proposed renewals were reviewed by the County's benefit consultant team, Alliant Insurance Services, Inc. and adopted by the SJVIA at the August 24, 2018 meeting.

Medical and Prescription Benefits

SUBJECT: Health Insurance Plan Renewal and Rates for 2019 Plan Year
DATE: September 11, 2018

In 2018 the County offered four self-funded Anthem Blue Cross PPO plans through its participation in the SJVIA. The PPO plans, premium costs, and deductibles continue to provide employees with options to meet lifestyle and health needs. Tulare County has benefitted from the SJVIA by sharing fixed costs. It is expected that calendar year 2019 participation in the SJVIA will allow the County to control plan costs and provide competitive plan offerings. The Anthem Blue Cross PPO rates will increase by 2.35%.

The County also offers three Kaiser Permanente HMO Plans provided by the SJVIA. There are approximately 200 employees and retirees enrolled who are in the geographical zones which Kaiser serves. In 2018, the SJVIA Board elected to hold Kaiser rates from 2017 rather than pass on the rate decreases requested by Kaiser. The net impact of that board action on the 2019 renewal is an increase of .38% for the Traditional HMO plan and -.46% for the Deductible HMO plan over the current rates. The rates also include a 3% surcharge for reserve stabilization. The Senior Advantage rates increased by 3.14% and does not include reserve stabilization.

It is recommended that the County of Tulare not opt in to the EPO plan for 2019 offered by SJVIA.

HRD and Alliant therefore recommend renewal of the PPO and Kaiser plans.

Dental and Vision Plans

The County currently offers two dental plans, Delta Dental PPO and DeltaCare USA HMO, and a vision plan with Vision Service Plan (VSP) through its participation with the SJVIA. Both of these contracts are under a two-year pricing guarantee. There is no increase in the current rates for the Delta Dental PPO plan, and DeltaCare USA (HMO) plan.

There will be no increase in the current rates for the Vision plan under a two year pricing guarantee.

The attached Exhibit identifies the 2019 plan year rates for the respective plans. Approval of the recommendations listed on page one will result in the adoption of these rates. For comparative purposes, the 2018 plan year rates have been identified. HRD Benefits Staff will begin the 2019 Open Enrollment period on September 27 at our Health & Wellness Fair. Enrollment will run through October 26, 2017.

Employee Assistance Plan

Anthem Blue Cross offered a renewal of the Employee Assistance Plan (EAP) services at the current rate of \$1.67 per employee per month for one year, effective January 1, 2018. The County has an ongoing, evergreen agreement with Anthem for EAP services, there is no new agreement to sign and the agreement continues unless we terminate within 30 days of the renewal date. HRD and Alliant recommend accepting the renewal at the current rate for an additional year.

SUBJECT: Health Insurance Plan Renewal and Rates for 2019 Plan Year
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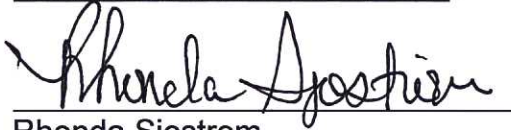
FISCAL IMPACT/FINANCING:

Funding of the health plan is included in the County's proposed Final Budget for Fiscal Year 2018-2019. In addition, employees contribute to the full premium and costs of the respective plans that exceeds the benefit amount provided by the County. Participating retirees pay the entire cost of the selected plan. Special Districts also pay the full cost of the plan. The County's cost of paying for employees' minimum benefit amount will increase by approximately \$620,116. The County will provide a minimum benefit amount for over 2,350 insured employees of **\$328.14** per pay period.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

The County's strategic plan includes the Organizational Performance Initiative to provide a qualified, productive and competitively compensated County workforce. Approval of the recommendation is consistent with this Initiative by ensuring that the health benefit package offered to employees is competitively priced.

ADMINISTRATIVE SIGN-OFF:



Rhonda Sjostrom
Human Resources Director

cc: Auditor-Controller
County Counsel
County Administrative Office (2)
San Joaquin Valley Insurance Authority
County of Fresno

Attachment(s): Exhibit of Current (2018) and Renewal Rates (2019)

BEFORE THE BOARD OF SUPERVISORS COUNTY OF TULARE, STATE OF CALIFORNIA

IN THE MATTER OF THE HEALTH)
INSURANCE PLAN RENEWAL AND) Resolution No. _____
RATES FOR 2019 PLAN YEAR) Agreement No. _____
)

UPON MOTION OF SUPERVISOR _____, SECONDED BY
SUPERVISOR _____, THE FOLLOWING WAS ADOPTED BY THE
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD September 11, 2018,
BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: MICHAEL C. SPATA
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: _____
Deputy Clerk

* * * * *

That the Board of Supervisors:

1. Renewed the Anthem Blue Cross PPO plan offerings provided by the San Joaquin Valley Insurance Authority (SJVIA) with a 2.35% rate increase;
2. Renewed the Kaiser Permanente plan rates with an increase of .38% for the Traditional HMO plan, -.46% for the Deductible HMO plan, and 3.14% for the Senior Advantage Plan.
3. Approved participation in the Delta Dental PPO Plan with no increase for the second year, and no increase for the DeltaCare HMO plan;
4. Approved participation in the Vision Service Plan through the SJVIA with no increase in the vision plan rates; and
5. Approved renewal from Anthem Blue Cross for Employee Assistance Plan services with no rate increase for one year.

San Joaquin Valley Insurance Authority County of Tulare

January 1, 2019 - December 31, 2019

2019 SJVIA RENEWAL RATES: Anthem PPO Plans: **2.35% Increase;**
 Kaiser HMO: **.38%** (from current member rates)
 Kaiser Deductible HMO: **-.46%** (from current member rates)
 Delta Dental PPO & DeltaCare Dental HMO: **No increase (0%)**
 VSP Vision: **No Increase (0%)**

2018 MONTHLY RATES

Health Plan	EE ONLY	EE + SP	EE + CH	EE + FAM
Anthem BC \$0 DED PPO	\$ 907.65	\$ 1,814.33	\$ 1,656.20	\$ 2,750.68
Anthem BC \$500 DED PPO	\$ 683.47	\$ 1,367.63	\$ 1,252.58	\$ 2,157.08
Anthem BC \$1000 DED PPO	\$ 600.38	\$ 1,199.91	\$ 1,100.99	\$ 1,829.16
Anthem BC \$2500 DED PPO	\$ 569.01	\$ 1,137.12	\$ 1,043.39	\$ 1,733.50
Kaiser Permanente HMO	\$ 805.20	\$ 1,586.43	\$ 1,437.98	\$ 2,367.67
Kaiser Permanente DHMO	\$ 625.56	\$ 1,227.16	\$ 1,112.86	\$ 1,828.77
Delta Dental PPO	\$ 35.43	\$ 61.42	\$ 69.60	\$ 103.32
DeltaCare HMO	\$ 26.38	\$ 45.27	\$ 45.58	\$ 65.70
VSP Vision	\$ 4.86	\$ 8.20	\$ 8.68	\$ 12.93

2019 MONTHLY RATES

Health Plan	EE ONLY	EE + SP	EE + CH	EE + FAM
Anthem BC \$0 DED PPO	\$ 928.98	\$ 1,856.97	\$ 1,695.13	\$ 2,815.33
Anthem BC \$500 DED PPO	\$ 699.54	\$ 1,399.77	\$ 1,282.02	\$ 2,207.78
Anthem BC \$1000 DED PPO	\$ 614.49	\$ 1,228.11	\$ 1,126.87	\$ 1,872.15
Anthem BC \$2500 DED PPO	\$ 582.39	\$ 1,163.85	\$ 1,067.91	\$ 1,774.24
Kaiser Permanente HMO	\$ 808.29	\$ 1,605.82	\$ 1,454.29	\$ 2,403.36
Kaiser Permanente DHMO	\$ 622.70	\$ 1,234.64	\$ 1,118.38	\$ 1,846.59
Delta Dental PPO	\$ 35.43	\$ 61.42	\$ 69.60	\$ 103.32
DeltaCare HMO	\$ 26.38	\$ 45.27	\$ 45.58	\$ 65.70
VSP Vision	\$ 4.86	\$ 8.20	\$ 8.68	\$ 12.93

2018 BIWEEKLY RATES (24 Pay Periods)

Health Plan	EE ONLY	EE + SP	EE + CH	EE + FAM
Anthem BC \$0 DED PPO	\$ 453.83	\$ 907.17	\$ 828.10	\$ 1,375.34
Anthem BC \$500 DED PPO	\$ 341.74	\$ 683.82	\$ 626.29	\$ 1,078.54
Anthem BC \$1000 DED PPO	\$ 300.19	\$ 599.96	\$ 550.50	\$ 914.58
Anthem BC \$2500 DED PPO	\$ 284.51	\$ 568.56	\$ 521.70	\$ 866.75
Kaiser Permanente HMO	\$ 402.60	\$ 793.22	\$ 718.99	\$ 1,183.84
Kaiser Permanente DHMO	\$ 312.78	\$ 613.58	\$ 556.43	\$ 914.39
Delta Dental PPO	\$ 17.72	\$ 30.71	\$ 34.80	\$ 51.66
DeltaCare HMO	\$ 13.19	\$ 22.63	\$ 22.79	\$ 32.85
VSP Vision	\$ 2.43	\$ 4.10	\$ 4.34	\$ 6.47

2019 BIWEEKLY RATES (24 Pay Periods)

Health Plan	EE ONLY	EE + SP	EE + CH	EE + FAM
Anthem BC \$0 DED PPO	\$ 464.49	\$ 928.49	\$ 847.57	\$ 1,407.67
Anthem BC \$500 DED PPO	\$ 349.77	\$ 699.89	\$ 641.01	\$ 1,103.89
Anthem BC \$1000 DED PPO	\$ 307.25	\$ 614.06	\$ 563.44	\$ 936.08
Anthem BC \$2500 DED PPO	\$ 291.20	\$ 581.93	\$ 533.96	\$ 887.12
Kaiser Permanente HMO	\$ 404.15	\$ 802.91	\$ 727.15	\$ 1,201.68
Kaiser Permanente DHMO	\$ 311.35	\$ 617.32	\$ 559.19	\$ 923.30
Delta Dental PPO	\$ 17.72	\$ 30.71	\$ 34.80	\$ 51.66
DeltaCare HMO	\$ 13.19	\$ 22.63	\$ 22.79	\$ 32.85
VSP Vision	\$ 2.43	\$ 4.10	\$ 4.34	\$ 6.47

2018 MONTHLY RATES

Kaiser Permanente Senior Advantage Plan	2018 MONTHLY RATES
Subscriber with Medicare	\$ 303.25
Subscriber with Medicare + Spouse Non-Medicare	\$ 1,084.48
Subscriber Non-Medicare + Spouse with Medicare	\$ 1,084.49
Subscriber with Medicare + Spouse with Medicare	\$ 582.54
Subscriber with Medicare + Child Non-Medicare	\$ 936.03
Subscriber with Medicare + Children Non-Medicare	\$ 936.03
Subscriber with Medicare + Spouse with Medicare + Child Non-Medicare	\$ 1,363.79
Subscriber with Medicare + Spouse Non-Medicare + Child Non-Medicare	\$ 1,865.73
Subscriber Non-Medicare + Spouse with Medicare + Child Non-Medicare	\$ 1,865.74
Subscriber with Medicare + Spouse with Medicare + Children Non-Medicare	\$ 1,363.79
Subscriber with Medicare + Spouse Non-Medicare + Children Non-Medicare	\$ 1,865.73
Subscriber Non-Medicare + Spouse with Medicare + Children Non-Medicare	\$ 1,865.74

2019 MONTHLY RATES

Subscriber with Medicare	\$ 318.20
Subscriber with Medicare + Spouse Non-Medicare	\$ 1,079.09
Subscriber Non-Medicare + Spouse with Medicare	\$ 1,079.10
Subscriber with Medicare + Spouse with Medicare	\$ 625.62
Subscriber with Medicare + Child Non-Medicare	\$ 934.51
Subscriber with Medicare + Children Non-Medicare	\$ 934.51
Subscriber with Medicare + Spouse with Medicare + Child Non-Medicare	\$ 1,386.55
Subscriber with Medicare + Spouse Non-Medicare + Child Non-Medicare	\$ 1,840.02
Subscriber Non-Medicare + Spouse with Medicare + Child Non-Medicare	\$ 1,840.03
Subscriber with Medicare + Spouse with Medicare + Children Non-Medicare	\$ 1,386.55
Subscriber with Medicare + Spouse Non-Medicare + Children Non-Medicare	\$ 1,840.02
Subscriber Non-Medicare + Spouse with Medicare + Children Non-Medicare	\$ 1,840.03