



BENEFITS COMMITTEE MINUTES

May 6, 2020

A. Call to Order

Linda Beam called the Zoom meeting to order at 3:03 p.m.

B. Roll Call

Members Present: Barbara Baer, Ruth Barnaba, Mary Jayne Conway, Carmelino Cruz, Mike Dimmick, Judy Dolan, Tricia Frady, Anel Gonzalez, Teresa Laughlin, Ping Lee, Becky McCluskey, Marti Snyder, Steve Spear, Christine Winterle

Ex-Officio Members Present: Wendy Corbin, Veronica Sadowski

Members Absent: Diane Cummins, Jenny Fererro, Aaron Holmes, VP/F&AS Designee

Ex-Officio Members Absent: None

Guest: PACRA Alternate; Judy Cater, Michael Muheisen and Brent Crane/BrightPath Consulting Services, Inc.

C. Edit of Minutes

Review of April 1, 2020 minutes, no edits were suggested.

D. Discussion Items

Linda Beam welcomed the group. Linda Beam read the attached Benefits Sub-Committee recommendations. Bright Path Consulting Services presented the attached plan changes documents and answered questions from the Benefits Committee members. Linda Beam advised the committee that these recommendations would now be handed over to the negotiating teams. The Benefits Committee was advised that the District selected UnifyHR as the vendor to conduct the active employee and retiree dependent verification audit. This vendor was selected because they had the most comprehensive approach and robust customer support resources. The cost of the project is estimated to be \$30,000 but the actual figure is not yet known. The Benefits Office will immediately begin working with UnifyHR to exchange data and create a strategic plan for the project. There were no retiree updates to provide at this meeting.

F. Adjournment

The meeting was adjourned at 3:48 p.m.

Next Meeting: September 2, 2020

Benefits Subcommittee Recommendations

The Benefits Subcommittee met, evaluated, and has made the following District Plan Redesign recommendations, as it relates to active employees medical and dental plans:

Health Benefits

1. Continue the current Anthem PPO Plan unchanged.
2. Replace Anthem High Deductible Health Plan with a new Anthem PPO Plan (\$20 Office Visit, 20% Coinsurance, \$300 Single/\$600 Family Deductible, and Prescription Plan of \$9 Generic/\$35 Name Brand)
3. Replace Anthem HMO with Anthem HMO with a \$20 Office Visit, \$40 Specialist Office Visit, \$250 Emergency Room Fee, and a Prescription Plan of \$9 Generic/\$35 Name Brand)
4. No changes to existing Kaiser Plans (HMO and HDHP)

Dental Benefits

1. Provide DeltaCare HMO as the District's contribution toward dental benefits
2. Continue to offer Delta Dental PPO and Incentive PPO as employee "buy up" options.

Attached is a summary of the recommendation with total District enrollment. The following caveats were applied:

- The 67 Anthem HDHP enrollees were moved to Anthem HMO for 2020/2021 analysis;
- Current Plan year 2019/2020, Employer contributions are based on paying 100% of any plan employee elects;
- For plan year 2020/2021, Employer contributions are based on the new Anthem HMO plan. All other plans are a buy up. If the monthly cost of the plan is lessor than the Anthem HMO then the actual cost is used for calculations;
- HDHP incentive is based on \$3,000/\$6,000 in current calculations and \$1,500/\$3,000 for 2020/2021;
- The district will no longer incentives the Anthem HMO FSA for the new plan year; 2020/2021;
- There is zero enrollment in the new Anthem PPO plan offered to replace the Anthem HDHP at this time; and
- Enrollment is based on March 2020 data for actives (and 2019/2020 open enrollment for retirees).

The above recommendations are being presented to the Benefits Committee for consideration/approval. Upon approval, this recommendation will forward to the respective union representatives for negotiations.

The Benefits Committee is not scheduled to meet until Thursday, May 7th. I'd like to ask the Committee to provide a "virtual" acceptance of the recommendation so that we may expedite the conversations with the affected constituent groups.

ACTIVE/RETIREE	Current Plans & Costs (2019/2020)								Benefit Subcommittee Recommendations (2020/2021) Replace Anthem HMO with Anthem HMO 20/40/250 Rx \$9/35 Replace Anthem HDHP with PPO \$20 OV, 20% coinsurance, \$300/600 deductible Rx \$9/35 Continue to offer the current Anthem PPO. No change to Kaiser plans							
	Plan Type	Coverage Type	Number Enrolled	Monthly Premium	Monthly Expense	Annual Expense	Annual Incentive Cost	Employer Total Annual Cost	Plan Type	Coverage Type	Number Enrolled	Monthly Premium	Monthly Expense	Annual Expense	Annual Incentive Cost	Employer Total Annual Cost
Active	Kaiser HMO	Single	96	\$ 681.00	\$ 65,376	\$ 784,512	NA	\$ 784,512	Kaiser HMO	Single	96	\$ 708.00	\$ 67,968	\$ 815,616	NA	\$ 815,616
Active		Employee + 1	101	\$ 1,335.00	\$ 134,835	\$ 1,618,020	NA	\$ 1,618,020		Employee + 1	101	\$ 1,387.00	\$ 140,087	\$ 1,681,044	NA	\$ 1,681,044
Active		Family	154	\$ 1,874.00	\$ 288,596	\$ 3,463,152	NA	\$ 3,463,152		Family	154	\$ 1,947.00	\$ 299,838	\$ 3,598,056	NA	\$ 3,598,056
Active	Kaiser HDHP	Single	13	\$ 463.00	\$ 6,019	\$ 72,228	\$ 39,000	\$ 111,228	Kaiser HDHP	Single	13	\$ 481.00	\$ 6,253	\$ 75,036	\$ 19,500	\$ 94,536
Active		Employee + 1	14	\$ 908.00	\$ 12,712	\$ 152,544	\$ 84,000	\$ 236,544		Employee + 1	14	\$ 943.00	\$ 13,202	\$ 158,424	\$ 42,000	\$ 200,424
Active	Anthem PPO	Family	19	\$ 1,273.00	\$ 24,187	\$ 290,244	\$ 114,000	\$ 404,244	Anthem PPO - Current	Family	19	\$ 1,323.00	\$ 25,137	\$ 301,644	\$ 57,000	\$ 358,644
Active		Single	72	\$ 960.00	\$ 69,120	\$ 829,440	NA	\$ 829,440		Single	72	\$ 967.00	\$ 69,624	\$ 835,488	NA	\$ 649,728
Active		Employee + 1	93	\$ 1,877.00	\$ 174,561	\$ 2,094,732	NA	\$ 2,094,732		Employee + 1	93	\$ 1,890.00	\$ 175,770	\$ 2,109,240	NA	\$ 1,638,288
Active	Anthem HDHP	Family	132	\$ 2,636.00	\$ 347,952	\$ 4,175,424	NA	\$ 4,175,424	Anthem PPO - New	Family	132	\$ 2,655.00	\$ 350,460	\$ 4,205,520	NA	\$ 3,264,624
Active		Single	10	\$ 616.00	\$ 6,160	\$ 73,920	\$ 30,000	\$ 103,920		Single	0	\$ 780.00	\$ -	\$ -	NA	\$ -
Active		Employee + 1	19	\$ 1,233.00	\$ 23,427	\$ 281,124	\$ 114,000	\$ 395,124		Employee + 1	0	\$ 1,524.00	\$ -	\$ -	NA	\$ -
Active	Anthem HMO	Family	38	\$ 1,756.00	\$ 66,728	\$ 800,736	\$ 228,000	\$ 1,028,736	Anthem HMO - New	Family	0	\$ 2,141.00	\$ -	\$ -	NA	\$ -
Active		Single	7	\$ 823.00	\$ 5,761	\$ 69,132	\$ 2,100	\$ 71,232		Single	17	\$ 752.00	\$ 12,784	\$ 153,408	NA	\$ 153,408
Active		Employee + 1	5	\$ 1,604.00	\$ 8,020	\$ 96,240	\$ 2,500	\$ 98,740		Employee + 1	24	\$ 1,468.00	\$ 35,232	\$ 422,784	NA	\$ 422,784
Active		Family	5	\$ 2,247.00	\$ 11,235	\$ 134,820	\$ 3,500	\$ 138,320		Family	43	\$ 2,061.00	\$ 88,623	\$ 1,063,476	NA	\$ 1,063,476

				Current							Renewal		
Retiree	Kaiser w/Medicare	Single	17	\$ 320	\$ 5,440	\$ 65,280	Kaiser w/Medicare	Single	17	\$ 311	\$ 5,287	\$ 63,444	
Retiree		Employee + 1	14	\$ 640	\$ 8,960	\$ 107,520		Employee + 1	14	\$ 622	\$ 8,708	\$ 104,496	
Retiree	Kaiser Under 65	Single	10	\$ 681	\$ 6,810	\$ 81,720	Kaiser Under 65	Single	10	\$ 708	\$ 7,080.00	\$ 84,960	
Retiree		Employee + 1	17	\$ 1,335	\$ 22,695	\$ 272,340		Employee + 1	17	\$ 1,387	\$ 23,579.00	\$ 282,948	
Retiree	Kaiser 1 w/Medicare	Family	5	\$ 1,874	\$ 9,370	\$ 112,440	Kaiser 1 w/Medicare	Family	5	\$ 1,947	\$ 9,735.00	\$ 116,820	
Retiree		Employee + 1	6	\$ 1,001	\$ 6,006	\$ 72,072		Employee + 1	6	\$ 1,019	\$ 6,114	\$ 73,368	
Retiree		Family	1	\$ 1,540	\$ 1,540	\$ 18,480		Family	1	\$ 1,579	\$ 1,579	\$ 18,948	
Retiree	Anthem PPO EGWP	Single	105	\$ 554	\$ 58,170	\$ 698,040	Anthem PPO EGWP - Current	Single	105	\$ 586	\$ 61,530	\$ 738,360	
Retiree		Employee + 1	104	\$ 1,108	\$ 115,232	\$ 1,382,784		Employee + 1	104	\$ 1,172	\$ 121,888	\$ 1,462,656	
Retiree	Anthem PPO Under 65	Single	13	\$ 960	\$ 12,480	\$ 149,760	Anthem PPO Under 65 - Current	Single	13	\$ 967	\$ 12,571.00	\$ 150,852	
Retiree		Employee + 1	50	\$ 1,877	\$ 93,850	\$ 1,126,200		Employee + 1	50	\$ 1,890	\$ 94,500.00	\$ 1,134,000	
Retiree	Anthem HDHP Under 65	Family	15	\$ 2,636	\$ 39,540	\$ 474,480	Anthem HMO - New	Family	15	\$ 2,655	\$ 39,825.00	\$ 477,900	
Retiree		Employee + 1	1	\$ 1,233	\$ 1,233	\$ 14,796		Employee + 1	1	\$ 1,468	\$ 1,468.00	\$ 17,616	

NOTES & Caveats:
Anthem HDHP enrollment was moved to Anthem HMO for 2020/2021 analysis
Current Plan year 2019/2020, Employer contributions are based on paying 100% of any plan employee elects
For plan year 2020/2021, Employer contributions are based on the new Anthem HMO plan. All other plans are a buy up. If the monthly cost of the plan is lessor than the Anthem HMO then the actual cost is used for calculations
Financial Analysis are based on 12 months from October 1, 2020 through September 30, 2021
HDHP incentive is based on \$3,000/\$6,000 in current and \$1,500/\$3,000 for 2020/2021
For 2020/2021, District will no longer incentives the Anthem HMO FSA
Financial Analysis does not include the cost for The Medicare Part D reimbursement program
All rates are based on SISC renewal
SISC allows a total of 6 total plans offered as a District
Retirees includes all groups
Actives enrollment based on March billing. Retiree enrollment based on OE

Palomar College



Dental Plans Financial Analysis

Actives Only - Delta PPO & Incentive PPO rates are based on 2019/2020 (Pending Renewal)

	Enrollment	Current		
		Current Monthly Dental Plans Premiums	Monthly District Cost	Monthly Employee Cost
Actives only		DeltaCare (DHMO)		
Composite (Actives)	36	\$ 28.33	\$ 28.33	\$ -
Actives only		Delta PPO		
Composite (Actives)	688	\$ 73.20	\$ 73.20 n/a	\$ -
Actives only		Delta Incentive PPO		
Composite (Actives)	68	\$ 99.90	\$ 99.90	\$ -

Subcommittee Recommendation		
Option		
District Employer Contributions are based on Delta Care and all other plans are a buy up		
Monthly Dental Plans Premiums	Monthly District Cost	Monthly Employee Cost
DeltaCare (DHMO)		
\$ 28.33	\$ 28.33	\$ -
Delta PPO		
\$ 73.20	\$ 28.33	\$ 44.87
Delta Incentive PPO		
\$ 99.90	\$ 28.33	\$ 71.57

The PPO/Incentive PPO plans rates are based on 2019/2020 and 2020/2021 for DeltaCare
Delta PPO/Incentive PPO plans renewal is pending. Will be released late April/early May

