

Benefits Committee Meeting Notes 10.24.16

In Attendance: Ana Simental, Anthony Ruiz, Angelika Miklos, Chiara Galloway, Jonathan Johnson, Leean Dessaussois, Mary Ann Delleney, Mike Shepherd, Rhonda Crawford, Rob Thomas, Steve Hanson, Terri Ezaki, and Julie Magowan

➤ **Introductions –**

- We have two new committee members this year: Angelika Miklos, representing FCEA, and Jonathan Johnson, representing FCLA.

➤ **Overview – Role of the Committee and Review of Current Benefit Designs**

- The role of the committee is to discuss options and alternatives to benefit designs and renewal rates. Members of the committee then go to their respective employee bargaining groups to let them know the options and get feedback. The committee then makes recommendations for benefit design and renewals. EPIC is the District's consultant/broker. They act as an advocate for negotiating renewals and getting the best price for the best design. They also offer a help desk for employees and retirees who have questions or problems regarding their benefits.
- 2016-17 Renewal Recap
 - Renewals for 2017-18 will be requested for late December/early January
 - Kaiser
 - Benefit design was renewed at status quo with a ~5% increase in rates for actives, ~11% increase for early retirees, and slight decrease for retirees over 65.
 - Specialty drug benefit – Kaiser at this time, does not charge more for specialty drugs, which can be very expensive. Members currently pay the same rate for specialty drugs as they do for brand name drugs. Kaiser feels that more people who take specialty drugs will choose to go with them because the prices are lower than other providers, specifically Sutter Health Plus (SHP). Because of this, they build in 1% to their overall rates to compensate for the difference in the benefit design.
 - 2 plans are currently offered – the High Option and the High Deductible Health Plan
 - Sutter Health Plus (SHP)
 - Renewed at status quo with no benefit design changes with a ~3% increase in rates for actives and early retirees.
 - There is only one plan offered. It is the only plan that SHP offers that covers 100% of hospitalization. There is no plan option available for retirees over 65.
 - Western Health Advantage (WHA)
 - Renewed at status quo with no benefit design changes with a ~5% increase for actives and early retirees and ~7% increase for retirees over 65.
 - 3 plans are currently offered – High Option, Low Option, and High Deductible Health Plan

- Health Net – Seniority Plus
 - For retirees over 65
 - Renewed with no benefit changes at 2% increase
- The Hartford – Medicare Supplement
 - For retirees over 65
 - Renews in January (as opposed to other plans that renew July 1st). Renewal on 1/1/2016 was ~5% increase; Renewal on 1/1/2017 will be slightly less than 3%.
- 2 Dental Plans
 - Delta Care DHMO – This is an inexpensive plan with a narrow network of providers. We are in a rate guarantee until 7/1/2017.
 - Delta Dental PPO (through SIA) – Renewed this year with a 5% decrease. Renewals for this plan always come in later than the others.
- Vision – Superior Vision
 - We received a rate pass with a 3 year rate guarantee to prevent us from marketing with VSP. The rates are good until 7/1/2019.

➤ **Enrollment Statistics**

- Chiara Galloway and Leann Dessaussois (EPIC) discussed the enrollment statistics and benefit summaries in the various plans since July 1, 2016.

➤ **2017 Renewal Discussion and Upcoming Changes and Alternatives to WHA 1800 High Deductible Plan**

- Beginning January 1, 2017, the acupuncture and chiropractic coverage under the WHA High Deductible Plan will be subject to the deductible. It currently is not. The District will make an effort to reach out to the members under that plan and let them know of the change before it happens. WHA will communicate to members, but after January 1st.
- Due to convergence of the Affordable Care Act (Federal legislation) and AB1305 (State legislation), changes will be made to the High Deductible Health Plans offered by Kaiser and Western Health. These changes will show up on the renewals for 2017.
- Cash-In-Lieu/Opt Out – The District currently offers a “conditional” type of opt-out payment for employees who want to opt out of our coverage because they are covered by another health plan (i.e. a spouse’s health plan). IRS Notice 2015-87 now requires the employee to provide an **annual** attestation which states that they are not receiving coverage through the individual market. If they provide this attestation, they will qualify for cash-in-lieu. The annual attestation will need to be added to the Open Enrollment timeline. It will go into effect July 1, 2017.

➤ **Help Desk Update**

- EPIC offers a Benefits Help Line to answer employee questions regarding various health plans, coverage, and payment amounts.