

Adjusting Employer's Compensation for PERS Medical Insurance

Finance & Administration Committee
August 16, 2021

Employer's Contribution – PERS Medical Plan

Beginning January 2022, CalPERS has combined two of the PPO plans

Agency was notified (end of July) of the plan changes

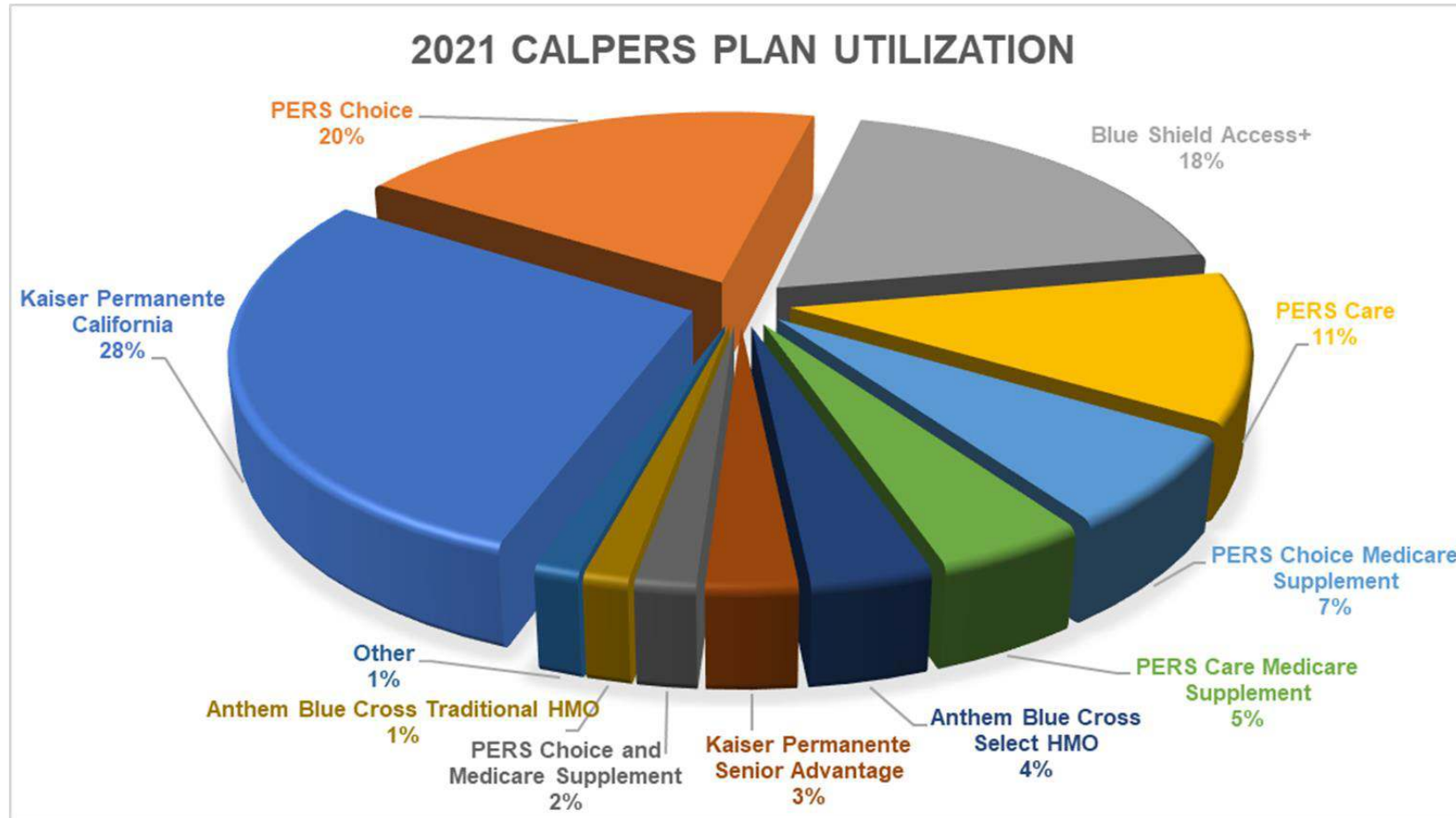
- PERS Care & PERS Choice have been combined – PERS Platinum
- PERS Select renamed – PERS Gold

The plan shown in the existing resolution will no longer exist (PERS Care)

A new resolution will need to be adopted

Option recommended is similar to current employee contributions

2021 Plan Utilization



Current Resolution

Basic Plans ¹	Employer Premium		Participant Contribution	
	Participant	Family	Participant	Family
Region 2	Region 2			
Anthem Traditional	\$932.46	\$2,424.40	\$113.58	\$295.30
Blue Shield Access+	\$932.46	\$2,424.40	\$6.50	\$16.90
Region 3	Region 3			
Anthem Traditional	\$932.46	\$2,424.40	\$51.75	\$134.55
Blue Shield Access+	\$932.46	\$2,424.40	-	-
PERS Plans	Current Plan			
	Participant	Family	Participant	Family
Region 2	Region 2			
PERSCare	\$932.46	\$2,424.40	\$183.22	\$476.37
PERS Choice	\$932.46	\$2,424.40	-	-
Region 3	Region 3			
PERSCare	\$932.46	\$2,424.40	\$103.61	\$269.38
PERS Choice	\$932.46	\$2,424.40	-	-

Current Plan	
Employer Additional Contribution	
Participant Contribution	\$67,374
Total Number of Participant Impacted	28
Participant	\$6.50 - \$476.37

Option 1 – 90%
of PERS
Platinum (R3)

Basic Plans ¹	Employer Premium		Participant Contribution	
	Participant	Family	Participant	Family
90% of PERS (R3) Option 1				
Region 2	Region 2			
Anthem Traditional	\$777.03	\$2,020.28	\$230.10	\$598.26
Blue Shield Access+	\$777.03	\$2,020.28	\$123.19	\$320.29
Region 3	Region 3			
Anthem Traditional	\$777.03	\$2,020.28	\$158.54	\$412.20
Blue Shield Access+	\$777.03	\$2,020.28	\$2.84	\$7.38
90% of PERS (R3) Option 1				
PERS Plans	Participant	Family	Participant	Family
Region 2	Region 2			
PERSCare	\$777.03	\$2,020.28	\$105.15	\$273.39
PERS Choice	\$777.03	\$2,020.28	\$105.15	\$273.39
Region 3	Region 3			
PERSCare	\$777.03	\$2,020.28	\$86.34	\$224.48
PERS Choice	\$777.03	\$2,020.28	\$86.34	\$224.48

90% of PERS (R3) Option 1	
Employer Additional Contribution	(\$61,010)
Participant Contribution	\$185,700
Total Number of Participant Impacted	113
Participant	\$2.84 - \$598.26

Option 2 –
100% of PERS
Platinum (R3)

Basic Plans ¹	Employer Premium		Participant Contribution	
	Participant	Family	Participant	Family
100% of PERS (R3) Option 2				
Region 2	Region 2			
Anthem Traditional	\$863.37	\$2,244.76	\$143.76	\$373.78
Blue Shield Access+	\$863.37	\$2,244.76	\$36.85	\$95.81
Region 3	Region 3			
Anthem Traditional	\$863.37	\$2,244.76	\$72.20	\$187.72
Blue Shield Access+	\$863.37	\$2,244.76	-	-
100% of PERS (R3) Option 2				
PERS Plans	Participant	Family	Participant	Family
Region 2	Region 2			
PERSCare	\$863.37	\$2,244.76	\$18.81	\$48.91
PERS Choice	\$863.37	\$2,244.76	\$18.81	\$48.91
Region 3	Region 3			
PERSCare	\$863.37	\$2,244.76	-	-
PERS Choice	\$863.37	\$2,244.76	-	-

100% of PERS (R3) Option 2	
Employer Additional Contribution	\$98,273
Participant Contribution	\$26,416
Total Number of Participant Impacted	18
Participant	\$18.81 - \$373.78

Option 3 – 90%
of HMO
Traditional (R3)

Basic Plans ¹	Employer Premium		Participant Contribution	
	Participant	Family	Participant	Family
90% of HMO (R3) Option 3				
Region 2	Region 2			
Anthem Traditional	\$842.01	\$2,189.23	\$165.12	\$429.31
Blue Shield Access+	\$842.01	\$2,189.23	\$58.21	\$151.34
Region 3	Region 3			
Anthem Traditional	\$842.01	\$2,189.23	\$93.56	\$243.25
Blue Shield Access+	\$842.01	\$2,189.23	-	-
90% of HMO (R3) Option 3				
PERS Plans	Participant	Family	Participant	Family
Region 2	Region 2			
PERSCare	\$842.01	\$2,189.23	\$40.17	\$104.44
PERS Choice	\$842.01	\$2,189.23	\$40.17	\$104.44
Region 3	Region 3			
PERSCare	\$842.01	\$2,189.23	\$21.36	\$55.53
PERS Choice	\$842.01	\$2,189.23	\$21.36	\$55.53

90% of HMO (R3) Option 3	
Employer Additional Contribution	\$61,387
Participant Contribution	\$63,301
Total Number of Participant Impacted	76
Participant	\$21.36 - \$429.31

Option 4 – 90%
of HMO
Traditional (R2)

	Employer Premium		Participant Contribution	
Basic Plans¹	90% of HMO (R2) Option 4			
	Participant	Family	Participant	Family
Region 2	Region 2			
Anthem Traditional	\$906.42	\$2,356.69	\$100.71	\$261.85
Blue Shield Access+	\$906.42	\$2,356.69	-	-
Region 3	Region 3			
Anthem Traditional	\$906.42	\$2,356.69	\$29.15	\$75.79
Blue Shield Access+	\$906.42	\$2,356.69	-	-
PERS Plans	90% of HMO (R2) Option 4			
	Participant	Family	Participant	Family
Region 2	Region 2			
PERSCare	\$906.42	\$2,356.69	-	-
PERS Choice	\$906.42	\$2,356.69	-	-
Region 3	Region 3			
PERSCare	\$906.42	\$2,356.69	-	-
PERS Choice	\$906.42	\$2,356.69	-	-

90% of HMO (R2) Option 4	
Employer Additional Contribution	\$113,122
Participant Contribution	\$11,566
Total Number of Participant Impacted	7
Participant	\$29.15 - \$261.85

Option 5 – 90%
of PERS
Platinum (R2)

Basic Plans ¹	Employer Premium		Participant Contribution	
	Participant	Family	Participant	Family
90% of PERS (R2) Option 5				
Region 2	Region 2			
Anthem Traditional	\$793.96	\$2,064.30	\$213.17	\$554.24
Blue Shield Access+	\$793.96	\$2,064.30	\$106.26	\$276.27
Region 3	Region 3			
Anthem Traditional	\$793.96	\$2,064.30	\$141.61	\$368.18
Blue Shield Access+	\$793.96	\$2,064.30	-	-
90% of PERS (R2) Option 5				
PERS Plans	Participant	Family	Participant	Family
Region 2	Region 2			
PERSCare	\$793.96	\$2,064.30	\$88.22	\$229.37
PERS Choice	\$793.96	\$2,064.30	\$88.22	\$229.37
Region 3	Region 3			
PERSCare	\$793.96	\$2,064.30	\$69.41	\$180.46
PERS Choice	\$793.96	\$2,064.30	\$69.41	\$180.46

90% of PERS (R2) Option 5	
Employer Additional Contribution	(\$27,181)
Participant Contribution	\$151,869
Total Number of Participant Impacted	76
Participant	\$69.41 - \$554.24

Option 6 – CPI Indexed from 2011

Basic Plans ¹	Employer Premium		Participant Contribution	
	Participant	Family	Participant	Family
CIP Index from 2011 Plan Option 6				
Region 2	Region 2			
Anthem Traditional	\$857.31	\$2,228.99	\$ 149.82	\$ 389.55
Blue Shield Access+	\$857.31	\$2,228.99	\$ 42.91	\$ 111.58
Region 3	Region 3			
Anthem Traditional	\$857.31	\$2,228.99	\$ 78.26	\$ 203.49
Blue Shield Access+	\$857.31	\$2,228.99	-	-
CIP Index from 2011 Plan Option 6				
PERS Plans	Participant	Family	Participant	Family
Region 2	Region 2			
PERSCare	\$857.31	\$2,228.99	\$ 24.87	\$ 64.68
PERS Choice	\$857.31	\$2,228.99	\$24.87	\$64.68
Region 3	Region 3			
PERSCare	\$857.31	\$2,228.99	\$ 6.06	\$15.77
PERS Choice	\$857.31	\$2,228.99	\$ 6.06	\$15.77

CIP Index from 2011 Plan Option 6	
Employer Additional Contribution	\$88,055
Participant Contribution	\$36,633
Total Number of Participant Impacted	69
Participant	\$6.06 - \$389.55

Option 7 –
100% Kaiser
(R3)

Basic Plans ¹	Employer Premium		Participant Contribution	
	Participant	Family	Participant	Family
Kaiser Option 7				
Region 2				
Anthem Traditional	\$719.78	\$1,871.43	\$ 287.35	\$ 747.11
Blue Shield Access+	\$719.78	\$1,871.43	\$ 180.44	\$ 469.14
Region 3				
Anthem Traditional	\$719.78	\$1,871.43	\$215.79	\$561.05
Blue Shield Access+	\$719.78	\$1,871.43	\$60.09	\$156.23
Kaiser Option 7				
PERS Plans				
Region 2				
PERSCare	\$719.78	\$1,871.43	\$ 162.40	\$ 422.24
PERS Choice	\$719.78	\$1,871.43	\$162.40	\$422.24
Region 3				
PERSCare	\$719.78	\$1,871.43	\$ 143.59	\$ 373.33
PERS Choice	\$719.78	\$1,871.43	\$143.59	\$373.33

Kaiser Option 7	
Employer Additional Contribution	(\$221,607)
Participant Contribution	\$346,295
Total Number of Participant Impacted	115
Participant	\$60.09 - \$747.11

Options – Financial Impact*

		Employer Max Family Premium	Employees Annual	Additional Agency Share from 2021-22
Current Plan		\$2,424.40	\$67,374.12	N/A
Option 1	90% PERS Platinum for Region 3	\$2,020.28	\$185,698.56	(\$61,010.16)
Option 2	100% PERS Platinum rate for Region 3	\$2,244.76	\$26,415.60	\$98,272.80
Option 3	90% of the highest Anthem Traditional for Region 3	\$2,189.23	\$63,300.96	\$61,387.44
Option 4	90% of the highest Anthem Traditional for Region 2	\$2,356.69	\$11,566.20	\$113,122.20
Option 5	90% PERS Platinum for Region 2	\$2,064.30	\$151,869.12	(\$27,180.72)
Option 6	CIP Index from 2011 Plan	\$2,228.99	\$36,633.24	\$88,055.16
Option 7	Kaiser Region 3	\$1,871.43	\$346,295.40	(\$221,607.00)

**Based on existing plan enrollment*

Benchmark Agency Comparison

Water Agency	Plan	Monthly
Irvine Ranch Water District	90% of the highest enrollment PPO Family Plan (PERS Choice, Region 2)	\$1,832.66
Las Virgenes Municipal Water District	Kaiser HMO Family Premium	\$1,871.43
LA DWP	Kaiser HMO Family Premium*	\$1,871.43
MWD of SoCal	Highest HMO Family Plan of Region 2 & 3	\$2,618.54
Eastern Municipal Water District	\$2,128 monthly (2022), increases each year based on percent change in enrolled plans	\$2,128.00
Cucamonga Valley Water District	85% of highest PPO Family Plan (ACWA/JPIA)	\$1,899.81
Calleguas Municipal Water District	\$2,461 (as reported in C&C Study)	\$2,461.00

Average \$2,097.55

Median \$1,899.81

**Utilizing CalPERS Kaiser Rate*

December 26, 2017 - Policy Memo

In developing the list of recommended policy statements, staff relied on the following statement that was discussed at the October 24 joint Board meeting:

"It is recognized that the existing organizations have similar but not identical employee benefits. In developing a single benefit package going forward, in general the more generous benefit to the employee shall be utilized. The management and Board may review or revisit benefits at a future time as needed but envision no significant changes for the first three years."