



Overview of the Current District Benefits Office Functions and Priorities
May 20, 2015

Peralta Community College District is accepting bids for a Benefits Insurance Broker and Consultant. Our former consultant retired in December 2014 after over seven years of service to Peralta.

1. Demographics Distribution of Employee Population - Excluding Dependents

	Active	Retired	Total
CoreSource	263	404	667
Kaiser	472	283	755
Total	735	687	1422

	Retiree Distribution
Over 65	611
Under 65	101
Total	712

2. Renewal Schedule-Most of our renewals are aligned to our fiscal year ending June 30. We changed to fiscal year renewals three years ago. Our partners are noted below

BUSINESS PARTNER	RENEWAL DATE
Kaiser	7/1/16
Coresource COBRA Rates	7/1/16
Anthem BC PPO Access Fee	7/1/16
Kaiser Washington/Oregon	1/1/16
Kaiser Georgia	7/1/16
Caremark	7/1/16
Spectera/UHC	7/1/16
Coresource Administrative	7/1/16
Managed Health Care EAP MHN	7/1/16
ING Individual Risk	7/1/16
United HealthCare Dental	7/1/16
ASIC Admin.	10/1/16
ASCIG Claims	7/1/16
Delta Dental AB 528	11/1/16
Life/AD&D	7/1/16
LTD	7/1/16
Benefit Dynamics Admin. Fees	7/1/16
VSP (new) effective 7 1 15	7/1/16

3. Premium/Claims Costs/Enrollment and Contribution Strategy Noted Below

Employee Benefits Insurance Broker and Consultancy Request for Purchase (RFP) 14-15/09 re-bid - Overview of Current District Benefits Office Functions and Priorities

	Vendor	2014-2015 ANNUAL PREMIUM	+/- change %	2015-2016 ANNUAL PREMIUM (Preliminary /Estimated)	ENROLLMENT / CENSUS (ee or retiree only excludes dependents)	CONTRIBUTION STRATEGY
MEDICAL						
Kaiser North Blended Rate		\$ 10,429,470	4.81%	\$ 10,931,128	755	District Fully Funds premium for active and retired
Kaiser-Washington ⁽¹⁾		\$ 29,027	0.00%	\$ 29,027	<5	The District fully funds premium
Kaiser-ATL ⁽¹⁾		\$ 17,861	0.00%	\$ 17,861	<5	The District fully funds premium
CoreSource Claims		\$ 6,286,628	0.00%	\$ 6,286,628	667	The District funds to the PPO Lite COBRA - equivalent level or the Kaiser HMO rate, which ever is greater. We offer a three tier benefit structure and our contributions for active employees are noted on page 13 and 14 of the May 1, 2015 Peralta Benefits Everyone, included with the RFP 14-15/09 documents and is also The COBRA equivalent rate bundles the vision and prescription drug. Visit the following weblink for the base rates in effect for each population: http://web.peralta.edu/benefits/files/2015/05/Peralta-Renewal-Matrix-2014-2015-rev-5-28-2014.pdf ; they process an average of 4000 claims a month.
Caremark Prescription	Caremark Prescription	\$ 7,814,429	0.00%	\$ 7,814,429		
United Health Care Vision		\$ 5,000	0.00%	\$ 5,000	421	
CoreSource Administrative		\$ 357,111	0.00%	\$ 357,111		Bundled and reflected in the COBRA-equivalent rate
VOYA Reinsurance (formerly known as ING/Reliastar)		\$ 1,810,000	0.00%	\$ 1,810,000	732	Bundled and reflected in the COBRA-equivalent rate
Wellpoint EAP		\$ 17,467	0.00%	\$ 17,467	716	District fully funds premium for active employees only
				\$ -		
DENTAL						
United Health Care		\$ 21,557	10.00%	\$ 23,713	59	District fully funds premium for active employees only
Delta Dental through ACSIG		\$ 875,163	3.08%	\$ 902,118	764	For most employees, the District's contribution is tied to the United Health Care Rate - refer to Page 5 of the May 1, 2015 Peralta Benefits Everyone Newsletter included with the RFP 14-15/09 and is also noted below.
ACSIG Administrative		\$ 57,000	0.00%	\$ 57,000		Reflected in COBRA-Equivalent Rates; partially funded
Delta Dental AB 528 7226-02		\$ -	0.00%	\$ -	<10	District does not fund; this is a benefit exclusive CALSTRS retirees
LIFE/LTD						
ING Life ⁽²⁾		\$ 178,859	0.00%	\$ 178,859	868	The District fully funds premium for active employees and for retired employees to age 66
ING LTD		\$ 96,229	0.00%	\$ 96,229	759	The District fully funds premium for active employees only
MISCELLANEOUS						
Pension Dynamics COBRA		\$ 8,290	0.00%	\$ 8,290	<100	District absorbs the cost to support this administrative function
Pension Dynamics Flex Plan 125 & 132		\$ 3,105	0.00%	\$ 3,105	<100	District absorbs the cost to support this administrative function
Pension Dynamics Medicare A& B Premium Reimbursement Adm		\$ 15,229	0.00%	\$ 15,229		District absorbs the cost to support this administrative function
Medicare Reimbursement to retirees		\$ 1,500,000		\$ 1,500,000	600	
		Total \$ 29,522,425		\$ 30,053,193		

4. The District contribution formula for **medical** is based on the following factors:
- Base rates (refer to page(s) 13 & 14 of the May 1, 2015 Peralta Benefits Everyone and <http://web.peralta.edu/benefits/files/2015/05/Peralta-Renewal-Matrix-2014-2015-rev-5-28-2014.pdf>)
 - premium basis (Kaiser HMO) plan or
 - cobra-equivalent basis rate (self-funded plan)
 - District Affiliation
 - **Active vs Retired** status
 - Represented groups: Local 39, Peralta Federation of Teachers, Local 1021
 - Non-represented groups: Management, Confidentials
 - Hire Date
 - Retirement Date
 - Pre 2004 vs Post 2012
- Medicare Coordination
 - Plan selection and coverage level of the enrollee

Contribution maximum for active employees-medical

Our formula establishes the District maximum contribution at the greater of the HMO rate or the **PPO Lite** employees; the active employee who elects the **PPO Traditional** plan pays the difference in cost between the **PPO Lite** and the **PPO Traditional** rate.

In retirement, for those in the **PPO Lite** plan, the monthly premium does not follow the employee into retirement.

Contribution maximums for retirees-medical

Pre 2012: District contributes 100% of the monthly premium or cobra-equivalent cost for the employee and eligible dependents.

Post 2012: District contributes the monthly premium or cobra-equivalent cost for the employee and eligible dependents for the following plans:

- Kaiser HMO: Fully funded by District
- PPO Lite: District maximum contribution remains at 100% of the **PPO Lite** rate subject to Medicare coordination of the retiree and eligible dependents after retirement.
- PPO Traditional: District contributes the 100% PPO Lite equivalent rate

Excerpt from Collective Bargaining Agreement
(Reflective of district intent to fund retiree benefits prospectively

Refer to the <http://web.peralta.edu/benefits/files/2015/05/Peralta-Renewal-Matrix-2014-2015-rev-5-28-2014.pdf> accordingly).

All employees retired on or after July 1, 2012

The District self-funded medical plan is currently administered by CoreSource. Retirees will not be subject to the monthly premium contributions of active unit members for the PPO Lite plan. Retirees who elect the PPO Traditional health benefit plan will pay the premium difference between the PPO Lite plan and the PPO Traditional health plan for retiree, based on Medicare eligibility.

Contribution maximums for dental

The District contribution formula for **dental** is tied to the prevailing rates on the premium-based United Health Care Dental plan. Our 2015-2016 maximum annual contribution is \$808, the family rate. We do not sponsor an independent plan for retirees other than what is included with the Kaiser Senior Advantage Plan as a bundled benefit.

Employee Benefits Insurance Broker and Consultancy Request for Purchase (RFP) 14-15/09 re-bid - Overview of Current District Benefits Office Functions and Priorities

5. Rates for the 2015-2016 fiscal year can be found on pages 14 & 15 of the <http://web.peralta.edu/benefits/files/2011/04/Peralta-OPEN-ENROLLMENT-Newsletter-5-6-2015.pdf>

6. **Self-Funding Plan Description**

You will find our self-funded plan highlights on pages 2 and 3 of the May, 1, 2015 *Peralta Benefits Everyone* included with RFP 14-15/09 (rebid).

- CoreSource is our third-party claims adjudicator.
- VOYA (formerly known as ING/Reliastar) is our re-insurance carrier.
 - We are leasing the following networks and services bundled with our self-funded plan:
 - Anthem (medical).
 - CVS Health (formerly known as CVS Caremark) for prescriptions.
 - United Healthcare (formerly known as Spectera) for vision benefits. Under our self-funded plan, vision benefits are only available to current active employees, post 2004 retirees and their eligible dependents.

7. **Commission**-Our former consultant was compensated by both commissions and fees. Below is the annual compensation for the last fiscal year of services, July 1, 2013-June 30, 2014.

Fiscal Year	Kaiser	Life/Add/LTD	Consultancy Fee	Total
13-14	\$ 220,001	\$ 13,318	\$ 120,000	\$ 353,319

Other Commonly Asked Questions

1. Does PCCD currently participate in any wellness programs or initiatives? If so, please describe. In the past five years we have held an annual event sponsored by *Sutter Health* “We Plus You” programs and formerly co-sponsored with our consultant. During Fiscal Year 2013-2014, we initiated the annual Fit, Fun, Fab Weight Loss challenge and biometric services in conjunction with *Sutter Health* “We Plus You”.

- On a monthly basis, we send emails citing healthy-helpful tips and referencing web based resources and encouraging the entire community to use free and available resources in our efforts to promote a culture of wellness.
- On an annual basis, we provide on-site biometric screenings Sutter “We Plus You Programs” and funded by our consultant.
- Our challenges and our health-related e-mail messages are for the entire community, regardless of benefit-eligibility.
- More information can be found on our website: Our <http://web.peralta.edu/benefits/health-wellness/>



2. How does PCCD handle enrollment? Online or paper?

We are transitioning toward more electronic processing between PCCD and our carriers, as well as PCCD and our active employees and retired employees. We are currently using online enrollment for new hires and active employees with a qualifying event. We are also processing flexible benefit plan re-enrollments online. Retiree enrollment changes continue to be paper-based.

3. Does PCCD have an established Benefits communication strategy?

Yes

If so, what does the strategy entail?

Our strategy entails:

- Monthly hardcopy newsletter mailings to our retiree and active employees
- Frequent e-mail announcements and reminders on time-sensitive issues and promotion of special events.

4. Will the Broker/Consultant be responsible for drafting open enrollment materials and other participant communications?

- Yes, in conjunction with the District Benefits Office and other constituent partners

Will the printing and mailing of these materials be required under this contract?

- Yes

5. How many meetings would the selected Broker/Consultant need to attend during a twelve-month period, and are the meetings with staff the Board, or with employee groups?

25 Meetings. This includes attendance in the following meetings with the following groups:

- Board of Trustees
- Benefits Fringe Committee
- Union
- Executive Management

We expect frequent meetings during the transition and weekly case management teleconference meetings with District Benefits Office personnel and selected firms, on an on-going basis.

6. What are the planned major activities for 2015-2016?

- Implementing Affordable Care Act Pay or Play employer requirements.
- Complying with Internal Revenue Service tax reporting requirement requirements.
- Negotiation of benefit plans for three unions:
 - Peralta Federation of Teachers
 - Stationary Engineers
 - SEIU 1021
- Supporting five open enrollments:
 1. Part time hourly faculty open enrollment (spring)
 2. Part time hourly faculty open enrollment (fall)
 3. Annual open enrollment for all other benefit-eligible employees
 4. Medicare drive
 5. Flexible Benefits Plan
- Audits-Self-insurance Claims Audit-recovery of claims overpayment.
- Improving the health and wellness campaign to include metrics and objectives leading to a healthier community of insureds.

- Payroll reconciliation-Audit to ensure that payroll and benefit deduction tables are tax compliant.
- Completion of our Self-insurance claims audit to recover claims which were overpaid to providers .

7. What are the top 3 Health and Benefit issues facing PCCD?

1. Continuing and ongoing execution of Affordable Care Act provisions, “Pay or Play” component: recordkeeping, reporting and employee notification requirements.
2. Benefit plan design and review for the development of short-term and long term objectives (identify and address high-cost chronic condition costs).
3. Engaging constituent groups in the short and long term District objectives to develop fiscally sustainable plans.

8. Does PCCD have a plan/system in place to address variable hourly/adjunct employee tracking?

Yes. We have completed an initial impact analysis with American Fidelity and are working with American Fidelity for compliance and recordkeeping guidance.

9. What is the average volume of inquiries for customer service per month?

Issues requiring research or extensive assistance beyond a telephone call:

Six Year History:

Start Date	End Date	Total Items
7/1/2007	6/30/2008	137
7/1/2008	6/30/2009	151
7/1/2009	6/30/2010	158
7/1/2010	6/30/2011	266
7/1/2011	6/30/2012	347
7/1/2012	6/30/2013	345
7/1/2013	6/30/2014	231

Since January 2015, the District Benefits Office has fielded approximately 70 complex, non-routine issues requiring an hour or more of research involving one or more business partners.

10. Do you have statistics for active versus retiree inquiries?

While we do not have telephone statistics for active vs. retiree inquires, we do have history on webhits history. We would also expect regular reporting of telephone and webhit maetrics.

11. Is the current consultant providing in-house billing/reconciliation or utilizing a third party?

NO