STAFF REPORT

Shasta County
Regional Transportation
Planning Agency

MEETING DATE:	**5/22/12**
SUBJECT:	**Approve Employee Dental, Vision, Disability and Life Insurance with Guardian Life Insurance Company**
AGENDA ITEM:	**12-10**
STAFF CONTACT:	**Dan Little**

SUMMARY:

The board-approved transition of the RTPA to an independent agency will require new enrollment in various employee insurance plans. The board directed staff to seek benefits consistent with levels currently provided by the county.

STAFF RECOMMENDATION:

It is recommended that the board authorize the executive director to enroll the agency in the following Guardian employee insurance plans: dental, vision, long term disability (LTD), and term life with premiums as shown in attachments.

DISCUSSION:

Staff has obtained quotes from four insurance providers for employee dental, vision, LTD, and life plans. Employer and employee shares of premiums are specified in the new agency personnel policies and are consistent with current county coverage.

The two providers with the lowest premiums were selected to conduct a more detailed assessment. A comparison is attached. The Guardian plan through a local broker was slightly lower after factoring $1,700 in annual membership fees from the other provider. Guardian is also recommended because the broker has local offices, and was more responsive to staff inquiries.

All of the quotes were higher than current county premiums. This was expected due to the small size of the new agency and associated higher risk factor ratings. Depending on the type of employee enrollment the agency share of monthly premiums per employee will rise by $10 for dental and $5 for vision. The county is also self-insured for certain programs. A comparison of the existing county program, the Guardian program, and the second highest rated program is attached.

Premiums are usually adjusted annually and would typically be approved as part of the annual Overall Work Program budget.

ALTERNATIVES:

The agency may select the next highest value insurance provider.

OTHER AGENCY INVOLVEMENT:

The independent RTPA board subcommittee, consisting of Chair Moty, Vice Chair Watkins, and past Chair Dickerson are scheduled to review this item May 21.

FINANCING:

Employer/employee cost sharing would remain consistent with current county policy as shown in Attachment A. Costs depend on level of enrollment. Adequate funds are budgeted in the 2012/13 Overall Work Program.

Daniel S. Little, AICP, Executive Director

Attachments: Guardian Program Premiums and Employer Shares
Comparison of Coverage Programs

Shasta Regional Transportation Agency
2012 Guardian Ancillary Benefit Premium Breakdown

Provider	Premium Amount	Monthly SRTA Portion	Monthly Employee Portion	Per Pay Period Employee Portion
Guardian Dental				
Employee Only	$49.00	$30.87	$18.13	$9.07
Employee/Spouse	$94.00	$52.64	$41.36	$20.68
Employee/Child(ren)	$110.00	$61.60	$48.40	$24.20
Full Family	$152.00	$69.92	$82.08	$41.04
Guardian Vision				
Employee Only	$11.02	$11.02	$0.00	$0.00
Employee/Spouse	$20.02	$11.02	$9.00	$4.50
Employee/Child(ren)	$20.02	$11.02	$9.00	$4.50
Full Family	$29.01	$11.02	$17.99	$9.00

SRTA

BENEFIT/LIABILITY QUOTE COMPARISON

May 22, 2012

Effective Date: July 1, 2012

SRTA

Dental Rate and Benefit Comparison
Effective Date: July 1, 2012

	Delta Dental Shasta County		Kempster - Guardian Plan 1		SDRMA - Delta Dental Plan 1 *	
COST COMPARISON	In-Net	Out-of-Net	In-Net	Out-of-Net	PPO	Non-PPO
Deductible:						
Individual	$0	$50	$50	$50	$50	$50
Family	$0	Per Person	$150	$150	$150	$150
Waived for Preventive	Yes	Yes	Yes	Yes	Yes	Yes
Coinsurance:						
Preventive	100%	100%	100%	100%	100%	100%
Basic	80%	80%	100%	80%	80%	80%
Major	50%	50%	60%	50%	60%	60%
Orthodontia	Not covered		Not covered			
Major Services Waiting Period	None		None			
Calendar Year Max (ind'l)	$1,500		$1,500 Maximum Rollover		$1,500	$1,250
Ortho Max (ind'l)	N/A		N/A		50% up to $500	
UCR Percentile	N/A	Max Plan	Neg. Fee Schedule	90th		
Open Enrollment					No	
COST COMPARISON						
PREMIUMS						
Administration Fee			$10.00			
Employee	**$43.59**		**$49.00**		**$50.02**	
Employee & Spouse	**$80.12**		**$94.00**		**$84.89**	
Employee & Child	**$80.12**		**$110.00**		**$84.89**	
Employee & Children	**$123.33**		**$110.00**		**$132.07**	
Employee & Family	**$123.33**		**$152.00**		**$132.07**	

*SDRMA premiums shown here are member rates. Non-member rates would be

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Vision Rate and Benefit Comparison
Effective Date: July 1, 2012

	VISION SERVICE PLAN *Shasta County*		GUARDIAN - VSP *Kempster*		VSP - Option 3 - B *SDRMA* *	
BENEFIT COMPARISON	Network	Non-Network	Network	Non-Network	Network	Non-Network
Copay						
Exam	$15		$20		$15	
Materials	$0		$20		$15	
Frequency of Service:						
Vision Exam	Every 12 months		Every 12 months		Every 12 months	
Lenses	Every 12 months		Every 12 months		Every 12 months	
Frames	Every 24 months		Every 24 months		Every 24 months	
Vision Exam	Covered in full	Up to $45	Covered in full	Up to $46	Covered in full	Up to $45
Lenses (Pair)						
- Single Vision	Covered in full	Up to $45	Covered in full	Up to $47	Covered in full	Up to $45
- Bifocal	Covered in full	Up to $65	Covered in full	Up to $66	Covered in full	Up to $65
- Trifocal	Covered in full	Up to $85	Covered in full	Up to $85	Covered in full	Up to $85
Frames	Up to $130	Up to $47	Up to $120	Up to $47	Up to $120	Up to $47
Contact Lenses *(in lieu of other eyewear benefits)*						
Medically Necessary	Unknown	Up to $105	Covered in full	Up to $210	Covered in full	Up to $105
Elective	Up to $130	Up to $105	Up to $120	Up to $120	Up to $105	Up to $105
COST COMPARISON						
PREMIUMS						
Employee Only	**$5.34**		**$11.02**		**$7.88**	
Employee + Spouse	**$10.08**		**$20.02**		**$15.23**	
Employee + Child	**$10.08**		**$20.02**		**$15.23**	
Employee + Children	**$10.08**		**$20.02**		**$24.19**	
Employee + Family	**$10.08**		**$29.02**		**$24.19**	

*SDRMA premiums shown here are member rates. Non-member rates would be slightly higher.

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LTD Rate and Benefit Comparison
Effective Date: July 1, 2012

	Shasta County	Kempster - GUARDIAN	SDRMA - ING *
BENEFIT COMPARISON			
Number of Employees	6	6	6
Elimination Period	120 days	90 days	90 days
Percentage of Benefit	66.67%	60.00%	60.00%
Maximum Monthly Benefit	$2,500	$6,000	$5,000
Minimum Benefit		$100	
Benefit Duration		SSNRA	SSNRA
Definition of Disability		24 month own occupation	Earnings & Occupation
Social Security Integration		Direct & Family	
Survivor Income Benefit		3 months	
Mental & Nervous Limitation		24 months combined	24 months combined
Substance Abuse Limitation		24 months combined	24 months combined
Pre-Existing Definition		6/24	1/4
EAP		3 face-to-face unlimited telephonic	N/A
COST COMPARISON			
Approximate Monthly Covered Payroll	$28,817	$28,817	$28,817
Rate / $100 of Covered Payroll	$0.292	Age Banded	Age Banded
TOTAL MONTHLY PREMIUM	***$84.15***	***$123.96***	***$120.28***
Monthly Administrative Fee/EAP Cost	$0.00		$17.88
TOTAL ANNUAL PREMIUM	***$1,009.75***	***$1,487.52***	***$1,657.92***

*SDRMA premiums shown here are member rates. Non-member rates would be slightly higher.

SRTA

Life & AD&D Rate and Benefit Comparison
Effective Date: July 1, 2012

	Shasta County	Kempster - GUARDIAN, Plan	SDRMA - ING *
BENEFIT COMPARISON			
Number of Eligible Employees	6	6	6
Benefit Per Employee	1X Annual Salary	1X Annual Salary	1X Annual Salary
Maximum Benefit	$80,000	$100,000	$100,000
Guaranteed Issue Amount	$80,000	$50,000	$100,000
Waiver of Premium		Included	Included
COST COMPARISON			
Volume	$337,788	$345,810	$345,810
Life Rate / $1,000	$0.107	Age	Age
AD&D Rate / $1,000	$0.012	Banded	Banded
TOTAL MONTHLY PREMIUM	***$40.20***	***$105.03***	***$122.35***
Monthly Administrative Fee	$0.00	$0.00	$0.00
TOTAL ANNUAL PREMIUM	***$482.36***	***$1,260.36***	***$1,468.20***

*SDRMA premiums shown here are member rates. Non-member rates would be slightly higher.