

A large, stylized lightbulb graphic on the left side of the slide. The bulb is light green and contains a blue checkmark. The base of the bulb is composed of several horizontal green bars.

Executive Committee

Employee Benefits Update and Proposal

August 8, 2019

Current Employee Benefits - Medical

- **Options**
 - Aetna PPO
 - Aetna HMO
 - Kaiser
- **Coverage and Contribution**
 - PCE pays cost of Employee-only coverage up to \$1,000 per month
 - No PCE contribution for dependent coverage (spouse, domestic partner or family)
- **Cost of Employee-Only Coverage (as of January 1, 2020)**
 - Aetna PPO - \$975.12 per month
 - Aetna HMO - \$924.12 per month
 - Kaiser - \$848.64 per month
- **Cost of Dependent Coverage (as of January 1, 2020) – Employee pays 100% of cost**
 - Aetna PPO
 - +1 - \$974.10 per month
 - +2 or more - \$1,560.60 per month
 - Aetna HMO
 - +1 - \$924.88 per month
 - +2 or more - \$1,479.00 per month
 - Kaiser
 - +1 - \$828.24 per month
 - +2 or more - \$1,324.98 per month
- **Participation (18 of 21 employees)**
 - Employee-Only → 17
 - Employee +1 → 1
 - Employee +2 → 0

Current Employee Benefits - Dental

- **Delta Dental**
- **Coverage and Contribution**
 - PCE pays full cost of Employee-only coverage
 - PCE pays up to \$300/year (\$25/month) per enrolled dependent
- **Cost of Employee-Only Coverage (as of January 1, 2020)**
 - \$39.47 per month
- **Cost of Dependent Coverage (as of January 1, 2020)**
 - +1
 - PCE pays \$25.00 per month
 - Employee pays \$6.83 per month (21%)
 - +2
 - PCE pays \$50.00 per month
 - Employee pays \$25.89 per month (34%)
- **Participation (20 of 21 employees)**
 - Employee-Only → 17
 - Employee +1 → 2
 - Employee +2 → 1

Current Employee Benefits - Vision

- **Vision Service Plan (VSP)**
- **Coverage and Contribution**
 - PCE pays full cost of Employee and Dependents coverage
- **Cost of Employee-Only Coverage (as of January 1, 2020)**
 - \$7.96 per month
- **Cost of Dependent Coverage (as of January 1, 2020)**
 - +1
 - PCE pays \$7.34 per month
 - Employee pays \$0.00 per month (0%)
 - +2
 - PCE pays \$16.42 per month
 - Employee pays \$0.00 per month (0%)
- **Participation (20 of 21 employees)**
 - Employee-Only → 17
 - Employee +1 → 2
 - Employee +2 → 1

Dependent Coverage - Examples

- **San Mateo County**

- Employee-Only – County pays 75-85% (depending on plan selected)
- +1 – County pays 75-85% (depending on plan selected)
- +2 – County pays 75-85% (depending on plan selected)

- **SVCE**

- Employee-Only – SVCE pays up to \$1,000 per employee (same as PCE)
- Dependents – SVCE contributes \$700 per month per employee to FSA/HRA

- **MBCP**

- EE/Dependents – MBCP pays up to \$1,200 per employee for Med/Dent/Vision (more than PCE)
 - Estimate that this would equate to:
 - PCE paying \$1,000 toward medical
 - PCE paying \$177 toward dependent medical (11-61% depending on coverage selected)
- Note: Employees can opt out of Medical insurance coverage and receive \$600 cash in-lieu of benefits

Proposed Change – Add Dependent Medical Contribution

- **Introduce 50% PCE contribution for dependent medical insurance**
 - Current contribution is not “family-friendly”
 - Difficult to recruit candidates who have families (without spousal coverage)
- **Coverage and Contribution**
 - PCE continues to pay cost of Employee-only coverage up to \$1,000 per month (expect this number to be reached starting 2021)
- **Proposed Cost of Dependent Coverage (as of January 1, 2020)**
 - Aetna PPO
 - +1 - \$487.05 per month (50%)
 - +2 or more - \$780.30 per month (50%)
 - Aetna HMO
 - +1 - \$462.44 per month (50%)
 - +2 or more - \$739.50 per month (50%)
 - Kaiser
 - +1 - \$414.12 per month (50%)
 - +2 or more - \$662.49 per month (50%)
- **Annual Financial Impact (conservative estimates)**
 - Employee +1 → 4 enrollees – \$24,000
 - Employee +2 → 2 enrollees – \$18,000
 - Possibly less than these estimates

Proposed Addition – Long-Term Disability

- **Introduce Long-Term Disability Coverage for Employees**
 - Provide steady income in the event of an employee's extended disability (injury or illness)
- **Coverage**
 - Pays equivalent of 60% of salary
 - Maximum benefit is \$5,000 per month (equivalent to maximum base salary of \$100,000 per year)
 - Benefits begin after 90 days (CA state SDI starts after 7 days)
 - Other terms and conditions must be satisfied
- **Annual Financial Impact (estimated)**
 - All employees – approx. \$14,000/year