



Agenda Item No. (9)

To: Finance-Auditing Committee/Committee of the Whole  
Meeting of August 25, 2022

From: Stephanie LaRue, Human Resources Manager  
Kellee J. Hopper, Deputy General Manager, Administration and Development  
Joseph M. Wire, Auditor-Controller  
Denis J. Mulligan, General Manager

Subject: **APPROVE ACTIONS RELATIVE TO THE RENEWAL OF VISION,  
DENTAL, LIFE INSURANCE AND EMPLOYEE ASSISTANCE PLANS**

### **Recommendation**

The Finance-Auditing Committee recommends the Board of Directors approve premium rates for Golden Gate Bridge, Highway and Transportation District's (District) Vision, Dental, Life Insurance and Employee Assistance plans for the six-month period of July 1 through December 31, 2022, at an overall estimated renewal cost of \$1,515,000. Requisite funding is included in the FY 22/23 Operating Budget.

This matter will be presented to the Board of Directors at its August 26, 2022, meeting for appropriate action.

### **Background**

Prior to the transition from the District's fully insured and self-insured medical and prescription drug plans to the CalPERS medical program, every year the Board of Directors (Board) would consider and approve the District's Health and Benefit Plans. Beginning in 2021, the Board authorized the transition of all medical and prescription drug plans to the CalPERS medical system, which now provides the District's medical and prescription plans for employees, retirees, officers and participating Board members.

The only health benefit offerings currently not provided by CalPERS are the District's vision, dental, life insurance and employee assistance programs. Those plans are still directly contracted between the provider and the District. District staff works with a broker in order to negotiate the most advantageous programs for the District. With the CalPERS medical offerings based on a calendar year, the self-contracted programs are also being transitioned to a calendar year renewal schedule that necessitates six-month transitional agreements for 2022.

Following is a summary of each plan's estimated costs for July 1 through December 31, 2022, based on current enrollment, which are subject to changes in employee enrollment and benefit elections (see Attachment 1 for breakdown of cost estimates by working unit).

1. **Vision Service Plan of California.** On a self-funded basis renews at a cost of \$145,000 for the six-month period. The Vision plan is self-funded through Vision Service Provider (VSP). For the year beginning July 1, 2022, the administrative fees is \$1.76 per employee per month for the Amalgamated Transit Union (ATU) and \$1.51 per employee per month for the Coalition and non-represented employees. These fees were negotiated with the 2021 renewal and are currently under guarantee through December 31, 2024.
2. **Delta Dental Plan of California.** On a self-funded basis, at a six-month cost of \$1,311,000. The Dental PPO program is self-funded through Delta Dental and has been since January 1992. The administrative fees are currently \$8.44 per employee per month for the year as of July 1, 2022. Delta Dental originally proposed a fee increase, but District staff was able to negotiate down to no change.
3. **Group Life, Accidental Death & Dismemberment and Dependent Life Plan.** On an insured basis at a cost of \$44,000. The Basic Life, Basic Accidental Death & Dismemberment and Voluntary Life coverage is being provided through Unum. The six-month premium will be \$44,000.
4. **OptumHealth Behavioral Solutions (EAP).** The Employee Assistance Program (EAP) is currently provided through OptumHealth Behavioral Solutions. The program includes eight counseling sessions, legal consultation, financial consultation, management referrals and training hours. The six-month premium is \$15,000 and includes counseling hours and the recently implemented critical event and crisis counseling. The current \$3.78 per employee per month administrative fee has been in effect since January 1, 2022 with a three-year rate guarantee that was negotiated along with the previous rates extension.

Approximately six months prior to the new medical year, CalPERS notifies the District of its new premium rates. Those rates are included in the District's annual budget package for Board approval as a routine expenditure for the District. Similarly, the programs outlined above are also budgeted each year and included as recurring, routine expenditures for the District.

### **Fiscal Impact**

The estimate for six months for the District self-contracted plans for vision, dental, life insurance and employee assistance as outlined above is approximately \$1,515,000. This does not include the cost of the CalPERS employee and retiree medical benefits. Requisite funds in this amount are included in the approved FY 22/23 District Operating Budget to fund the renewal of the District's health and benefit plans.

Attachment: Budget Projections By Unit

**ATU ACTIVES**

**ATU ACTIVES**

	1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected				1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected		
	Est. # of EEs	Annualized Cost per Capita	Est. # of EEs	Annualized Cost per Capita	% Change from Q1-Q2 2022		Est. # of EEs	6-Month Cost	Est. # of EEs	6-Month Cost	% Change from Q1-Q2 2022
Bus						Bus					
Dental	187	\$1,968	187	\$1,968	0%	Dental	187	\$184,000	187	\$184,000	0%
Vision	189	\$201	189	\$201	0%	Vision	189	\$19,000	189	\$19,000	0%
Life/AD&D	192	\$31	192	\$31	0%	Life/AD&D	192	\$3,000	192	\$3,000	0%
EAP	192	\$42	192	\$42	0%	EAP	192	\$4,000	192	\$4,000	0%
<b>Total Healthcare Cost</b>		<b>\$2,188</b>		<b>\$2,188</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$210,000</b>		<b>\$210,000</b>	<b>0%</b>

**COALITION ACTIVES**

**COALITION ACTIVES**

	1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected				1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected		
	Est. # of EEs	Annualized Cost per Capita	Est. # of EEs	Annualized Cost per Capita	% Change from Q1-Q2 2022		Est. # of EEs	Annual Cost	Est. # of EEs	Annual Cost	% Change from Q1-Q2 2022
Coalition						Coalition					
Dental	347	\$2,115	347	\$2,115	0%	Dental	347	\$367,000	347	\$367,000	0%
Vision	317	\$233	317	\$233	0%	Vision	317	\$37,000	317	\$37,000	0%
Life/AD&D	370	\$43	370	\$43	0%	Life/AD&D	370	\$8,000	370	\$8,000	0%
EAP	370	\$43	370	\$43	0%	EAP	370	\$8,000	370	\$8,000	0%
<b>Total Healthcare Cost</b>		<b>\$2,270</b>		<b>\$2,270</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$420,000</b>		<b>\$420,000</b>	<b>0%</b>

**NON-REPRESENTED ACTIVES**

**NON-REPRESENTED ACTIVES**

	1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected				1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected		
	Est. # of EEs	Annualized Cost per Capita	Est. # of EEs	Annualized Cost per Capita	% Change from Q1-Q2 2022		Est. # of EEs	Annual Cost	Est. # of EEs	Annual Cost	% Change from Q1-Q2 2022
Non-Represented						Non-Represented					
Dental	122	\$2,066	122	\$2,066	0%	Dental	122	\$126,000	122	\$126,000	0%
Vision	137	\$234	137	\$234	0%	Vision	137	\$16,000	137	\$16,000	0%
Life/AD&D	130	\$46	130	\$46	0%	Life/AD&D	130	\$3,000	130	\$3,000	0%
EAP	130	\$46	130	\$46	0%	EAP	130	\$3,000	130	\$3,000	0%
<b>Total Healthcare Cost</b>		<b>\$2,161</b>		<b>\$2,161</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$148,000</b>		<b>\$148,000</b>	<b>0%</b>

**COALITION AND NON-REPRESENTED ACTIVES**

**COALITION AND NON-REPRESENTED ACTIVES**

	1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected				1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected		
	Est. # of EEs	Annualized Cost per Capita	Est. # of EEs	Annualized Cost per Capita	% Change from Q1-Q2 2022		Est. # of EEs	Annual Cost	Est. # of EEs	Annual Cost	% Change from Q1-Q2 2022
Coalition and Non-Represented Combined						Coalition and Non-Represented Combined					
Dental	469	\$2,102	469	\$2,102	0%	Dental	469	\$493,000	469	\$493,000	0%
Vision	454	\$233	454	\$233	0%	Vision	454	\$53,000	454	\$53,000	0%
Life/AD&D	500	\$44	500	\$44	0%	Life/AD&D	500	\$11,000	500	\$11,000	0%
EAP	500	\$44	500	\$44	0%	EAP	500	\$11,000	500	\$11,000	0%
<b>Total Healthcare Cost</b>		<b>\$2,272</b>		<b>\$2,272</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$568,000</b>		<b>\$568,000</b>	<b>0%</b>

**TOTAL DISTRICT ACTIVES**

**TOTAL DISTRICT ACTIVES**

	1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected				1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected		
	Est. # of EEs	Annualized Cost per Capita	Est. # of EEs	Annualized Cost per Capita	% Change from Q1-Q2 2022		Est. # of EEs	Annual Cost	Est. # of EEs	Annual Cost	% Change from Q1-Q2 2022
Bus, Coalition and Non-Represented Combined						Bus, Coalition and Non-Represented Combined					
Dental	656	\$2,064	656	\$2,064	0%	Dental	656	\$677,000	656	\$677,000	0%
Vision	643	\$224	643	\$224	0%	Vision	643	\$72,000	643	\$72,000	0%
Life/AD&D	692	\$40	692	\$40	0%	Life/AD&D	692	\$14,000	692	\$14,000	0%
EAP	692	\$43	692	\$43	0%	EAP	692	\$15,000	692	\$15,000	0%
<b>Total Healthcare Cost</b>		<b>\$2,249</b>		<b>\$2,249</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$778,000</b>		<b>\$778,000</b>	<b>0%</b>

**ATU EARLY RETIREES**

**ATU EARLY RETIREES**

	1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected				1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected		
	Est. # of EEs	Annualized Cost per Capita	Est. # of EEs	Annualized Cost per Capita	% Change from Q1-Q2 2022		Est. # of EEs	Annual Cost	Est. # of EEs	Annual Cost	% Change from Q1-Q2 2022
Bus						Bus					
Dental	384	\$1,432	384	\$1,432	0%	Dental	384	\$275,000	384	\$275,000	0%
Vision	366	\$153	366	\$153	0%	Vision	366	\$28,000	366	\$28,000	0%
Life/AD&D	184	\$130	184	\$130	0%	Life/AD&D	184	\$12,000	184	\$12,000	0%
EAP	0	\$0	0	\$0	N/A	EAP	0	\$0	0	\$0	N/A
<b>Total Healthcare Cost</b>		<b>\$1,641</b>		<b>\$1,641</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$315,000</b>		<b>\$315,000</b>	<b>0%</b>

**COALITION EARLY RETIREES**

**COALITION EARLY RETIREES**

	1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected				1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected		
	Est. # of EEs	Annualized Cost per Capita	Est. # of EEs	Annualized Cost per Capita	% Change from Q1-Q2 2022		Est. # of EEs	Annual Cost	Est. # of EEs	Annual Cost	% Change from Q1-Q2 2022
Coalition						Coalition					
Dental	334	\$1,395	334	\$1,395	0%	Dental	334	\$233,000	334	\$233,000	0%
Vision	340	\$171	340	\$171	0%	Vision	340	\$29,000	340	\$29,000	0%
Life/AD&D	204	\$127	204	\$127	0%	Life/AD&D	204	\$13,000	204	\$13,000	0%
EAP	0	\$0	0	\$0	N/A	EAP	0	\$0	0	\$0	N/A
<b>Total Healthcare Cost</b>		<b>\$1,618</b>		<b>\$1,618</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$275,000</b>		<b>\$275,000</b>	<b>0%</b>

**NON-REPRESENTED EARLY RETIREES**

**NON-REPRESENTED EARLY RETIREES**

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	Est. # of EEs	Annualized Cost per Capita	Est. # of EEs	Annualized Cost per Capita	% Change from Q1-Q2 2022		Est. # of EEs	Annual Cost	Est. # of EEs	Annual Cost	% Change from Q1-Q2 2022
Non-Represented						Non-Represented					
Dental	185	\$1,362	185	\$1,362	0%	Dental	185	\$126,000	185	\$126,000	0%
Vision	182	\$176	182	\$176	0%	Vision	182	\$16,000	182	\$16,000	0%
Life/AD&D	72	\$139	72	\$139	0%	Life/AD&D	72	\$5,000	72	\$5,000	0%
EAP	0	\$0	0	\$0	N/A	EAP	0	\$0	0	\$0	N/A
<b>Total Healthcare Cost</b>		<b>\$1,589</b>		<b>\$1,589</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$147,000</b>		<b>\$147,000</b>	<b>0%</b>

**COALITION AND NON-REPRESENTED EARLY RETIREES**

**COALITION AND NON-REPRESENTED EARLY RETIREES**

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Coalition and Non-Represented Combined						Coalition and Non-Represented Combined					
Dental	519	\$1,383	519	\$1,383	0%	Dental	519	\$359,000	519	\$359,000	0%
Vision	522	\$172	522	\$172	0%	Vision	522	\$45,000	522	\$45,000	0%
Life/AD&D	276	\$130	276	\$130	0%	Life/AD&D	276	\$18,000	276	\$18,000	0%
EAP	0	\$0	0	\$0	N/A	EAP	0	\$0	0	\$0	N/A
<b>Total Healthcare Cost</b>		<b>\$1,617</b>		<b>\$1,617</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$422,000</b>		<b>\$422,000</b>	<b>0%</b>

**TOTAL DISTRICT EARLY RETIREES**

**TOTAL DISTRICT EARLY RETIREES**

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Bus, Coalition and Non-Represented Combined						Bus, Coalition and Non-Represented Combined					
Dental	903	\$1,404	903	\$1,404	0%	Dental	903	\$634,000	903	\$634,000	0%
Vision	888	\$164	888	\$164	0%	Vision	888	\$73,000	888	\$73,000	0%
Life/AD&D	460	\$130	460	\$130	0%	Life/AD&D	460	\$30,000	460	\$30,000	0%
EAP	0	\$0	0	\$0	N/A	EAP	0	\$0	0	\$0	N/A
<b>Total Healthcare Cost</b>		<b>\$1,632</b>		<b>\$1,632</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$737,000</b>		<b>\$737,000</b>	<b>0%</b>

**ATU ACTIVES and EARLY RETIREES**

**ATU ACTIVES and EARLY RETIREES**

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Bus						Bus					
Dental	571	\$1,608	571	\$1,608	0%	Dental	571	\$459,000	571	\$459,000	0%
Vision	555	\$169	555	\$169	0%	Vision	555	\$47,000	555	\$47,000	0%
Life/AD&D	376	\$79.79	376	\$79.79	0%	Life/AD&D	376	\$15,000	376	\$15,000	0%
EAP	192	\$41.67	192	\$41.67	0%	EAP	192	\$4,000	192	\$4,000	0%
<b>Total Healthcare Cost</b>		<b>\$1,839</b>		<b>\$1,839</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$525,000</b>		<b>\$525,000</b>	<b>0%</b>

**COALITION ACTIVES and EARLY RETIREES**

**COALITION ACTIVES and EARLY RETIREES**

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	Est. # of EEs	Annualized Cost per Capita	Est. # of EEs	Annualized Cost per Capita	% Change from Q1-Q2 2022		Est. # of EEs	Annual Cost	Est. # of EEs	Annual Cost	% Change from Q1-Q2 2022
Coalition						Coalition					
Dental	681	\$1,762	681	\$1,762	0%	Dental	681	\$600,000	681	\$600,000	0%
Vision	657	\$201	657	\$201	0%	Vision	657	\$66,000	657	\$66,000	0%
Life/AD&D	574	\$73.17	574	\$73.17	0%	Life/AD&D	574	\$21,000	574	\$21,000	0%
EAP	370	\$43.24	370	\$43.24	0%	EAP	370	\$8,000	370	\$8,000	0%
<b>Total Healthcare Cost</b>		<b>\$2,041</b>		<b>\$2,041</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$695,000</b>		<b>\$695,000</b>	<b>0%</b>

**NON-REPRESENTED ACTIVES and EARLY RETIREES**

**NON-REPRESENTED ACTIVES and EARLY RETIREES**

	1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected				1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected		
	Est. # of EEs	Annualized Cost per Capita	Est. # of EEs	Annualized Cost per Capita	% Change from Q1-Q2 2022		Est. # of EEs	Annual Cost	Est. # of EEs	Annual Cost	% Change from Q1-Q2 2022
Non-Represented						Non-Represented					
Dental	307	\$1,642	307	\$1,642	0%	Dental	307	\$252,000	307	\$252,000	0%
Vision	319	\$201	319	\$201	0%	Vision	319	\$32,000	319	\$32,000	0%
Life/AD&D	202	\$79.21	202	\$79.21	0%	Life/AD&D	202	\$8,000	202	\$8,000	0%
EAP	130	\$46.15	130	\$46.15	0%	EAP	130	\$3,000	130	\$3,000	0%
<b>Total Healthcare Cost</b>		<b>\$1,850</b>		<b>\$1,850</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$295,000</b>		<b>\$295,000</b>	<b>0%</b>

**COALITION AND NON-REPRESENTED ACTIVES and EARLY RETIREES**

**COALITION AND NON-REPRESENTED ACTIVES and EARLY RETIREES**

	1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected				1/1/22-6/30/22 Updated as of 7/2022		7/1/22-12/31/22 Projected		
	Est. # of EEs	Annualized Cost per Capita	Est. # of EEs	Annualized Cost per Capita	% Change from Q1-Q2 2022		Est. # of EEs	Annual Cost	Est. # of EEs	Annual Cost	% Change from Q1-Q2 2022
Coalition and Non-Represented Combined						Coalition and Non-Represented Combined					
Dental	988	\$1,725	988	\$1,725	0%	Dental	988	\$1,704,000	988	\$1,704,000	0%
Vision	976	\$201	976	\$201	0%	Vision	976	\$196,000	976	\$196,000	0%
Life/AD&D	776	\$75	776	\$75	0%	Life/AD&D	776	\$58,000	776	\$58,000	0%
EAP	500	\$44	500	\$44	0%	EAP	500	\$22,000	500	\$22,000	0%
<b>Total Healthcare Cost</b>		<b>\$4,008</b>		<b>\$4,008</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$1,980,000</b>		<b>\$1,980,000</b>	<b>0%</b>

**TOTAL DISTRICT ACTIVES and EARLY RETIREES**

**TOTAL DISTRICT ACTIVES and EARLY RETIREES**

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	Est. # of EEs	Annualized Cost per Capita	Est. # of EEs	Annualized Cost per Capita	% Change from Q1-Q2 2022		Est. # of EEs	Annual Cost	Est. # of EEs	Annual Cost	% Change from Q1-Q2 2022
Bus, Coalition and Non-Represented Combined						Bus, Coalition and Non-Represented Combined					
Dental	1,559	\$1,682	1,559	\$1,682	0%	Dental	1,559	\$1,311,000	1,559	\$1,311,000	0%
Vision	1,531	\$189	1,531	\$189	0%	Vision	1,531	\$145,000	1,531	\$145,000	0%
Life/AD&D	1,152	\$76	1,152	\$76	0%	Life/AD&D	1,152	\$44,000	1,152	\$44,000	0%
EAP	692	\$43	692	\$43	0%	EAP	692	\$15,000	692	\$15,000	0%
<b>Total Healthcare Cost</b>		<b>\$1,944</b>		<b>\$1,944</b>	<b>0%</b>	<b>Total Healthcare Cost</b>		<b>\$1,515,000</b>		<b>\$1,515,000</b>	<b>0%</b>