

2018-2019 Benefit Renewals

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Annual Employee Benefit Renewals



Renewal Information

The self-funded medical and pharmacy plans are managed by the TUSD Employee Benefits Trust Board per the Employee Benefit Trust Agreement. Renewal recommendations for the medical plans are submitted for Governing Board approval by the Employee Benefits Trust Board.

Other employee benefit plans are renewing per their contracts as noted in the 2018-2019 renewal documents.

Summary of Changes - Medical

PPO Plan Changes

- Reduce Urgent Care In-Network Copay from \$85 to \$50
- Increase Employee contributions by 4.5% for all tiers
- Increase PCP In-Network Visit Copay from \$25 to \$30
- Increase Specialist In-Network Copay from \$40 to \$45
- Increase Emergency Room Copay from \$250 to \$500
- Increase In-Network Calendar Year Deductible from \$500/\$1000 to \$750/\$1500
- Increase Out-of-Network Calendar Year Deductible from \$1000/\$2000 to \$1500/\$4500
- Increase In-network Out-of-Pocket Maximums from \$2500/\$5000 to \$3000/\$6000
- Increase Out-of-network Out-of-Pocket Maximums from \$4500/\$9000 to \$9000/\$18,000

HDHP HSA Contribution Changes

- Reduce the annual TUSD contribution to the HDHP HSA account from \$1500 per year to \$1000 per year

Medical Plan Rates



Employees will see an increase to PPO plan rates for the 2018-2019 renewal.

Rates shown are monthly

Choice Plus PPO	17/18 Plan Year Rate	17/18 Employee Monthly Cost	18/19 Renewal Rate	18/19 Employee Monthly Cost	Increase/Difference
Employee	\$523.37	\$50.03	\$542.40	\$53.53	\$3.50
Employee & Spouse	\$1,099.07	\$592.85	\$1,139.03	\$634.35	\$41.50
Employee & Child	\$994.40	\$522.72	\$1,030.55	\$559.31	\$36.59
Family	\$1,570.11	\$1,013.65	\$1,627.19	\$1,084.61	\$70.96

Medical Plan Rates



HDHP rates were lowered significantly last year and those rates will remain static for the 2018-2019 plan year.

Rates shown are monthly

Choice Plus HDHP	17/18 Plan Year Rate	17/18 Employee Monthly Cost	18/19 Renewal Rate	18/19 Employee Monthly Cost	Difference
Employee	\$461.97	\$0.00	\$499.60	No Change	\$0
Employee & Spouse	\$970.13	\$249.37	\$1,049.15	No Change	\$0
Employee & Child	\$877.74	\$177.77	\$949.24	No Change	\$0
Family	\$1,385.90	\$443.40	\$1,498.79	No Change	\$0

Dental

Per the current contract, rates for Delta Dental were guaranteed through August 31, 2020 and there will be **no premium increase** with our 2018-2019 renewal.

Delta Dental Low Plan	17/18 Plan Year Monthly Rate	18/19 Renewal Monthly Rate
Employee	\$22.62	\$22.62
Employee & Spouse	\$54.34	\$54.34
Employee & Child	\$49.30	\$49.30
Family	\$78.18	\$78.18
Delta Dental High Plan	17/18 Plan Year Monthly Rate	18/19 Renewal Monthly Rate
Employee	\$42.08	\$42.08
Employee & Spouse	\$101.08	\$101.08
Employee & Child	\$91.70	\$91.70
Family	\$145.42	\$145.42



Employer Dental Services (EDS)

Per the current contract, rates for EDS Prepaid Dental Plan were guaranteed through August 31, 2018. As the guarantee period will pass by the renewal timeframe the **slight increase** is reflected in the data below.

EDS Prepaid Dental	17/18 Plan Year Rate	18/19 Renewal Rate	Increase/Difference
Employee	\$8.50	\$8.76	\$0.26
Employee & Spouse	\$16.58	\$17.08	\$0.50
Employee & Child	\$22.10	\$22.76	\$0.66
Family	\$24.65	\$25.39	\$0.74



VISION

Employee vision coverage is provided by Avesis. TUSD has multiple year contracts with this vendor based on the award of an RFP through our TUSD Purchasing Department in 2015. There will be **no premium increase** with our 2018-2019 renewal.

Avesis Vision	Avesis Vision	17/18 Plan Year Monthly Rate	18/19 Renewal Monthly Rate
Employee	Employee	\$6.41	\$6.41
Employee & Spouse	Employee & Spouse	\$11.25	\$11.25
Employee & Child	Employee & Child	\$13.00	\$13.00
Family	Family	\$16.75	\$16.75

Dependent Care Flexible Spending Account(FSA)



TUSD will continue with the FLEX dependent/childcare reimbursement through Valley Schools for the 18-19 plan year.

The Dependent Care Administration **Fee will slightly decrease** for the 18-19 plan year from \$3.69 per member per month to \$3.50 per member per month. This employee paid fee includes access to the Basic FSA Mobile App. Debit cards are also included at no additional cost.

Dependent Care	17/18 Plan Year Fee	18/19 Renewal Fee	Decrease/Difference
	\$3.69	\$3.50	\$0.19

No Changes to the Following Plans:

- ❖ Employee Basic & Supplemental Life
- ❖ Voluntary Short Term Disability
- ❖ Critical Illness
- ❖ Employee Assistance Program



New for 18-19

Hyatt Group Legal Services

For the 18-19 plan year, TUSD is excited to offer employees a group legal plan through Hyatt Legal Services.

Employees who elect this coverage will pay \$18.50 per month for fully covered legal advice and representation in a wide range of legal matters such as adoptions, estate planning, living wills, elder law, etc.



Consulting

Valley Schools Employee Benefits Trust Consulting

Consulting services are provided to TUSD by Valley Schools. The District is a member of Valley Schools Benefits Trust by way of an Intergovernmental Agreement that was Governing Board Approved in May of 2013 in accordance with AAC R7-2-1191, Cooperative Purchasing Authorized.

For the 18-19 fiscal year, TUSD will continue to utilize the consulting services offered by Valley Schools through the Valley Schools Cooperative Purchasing Agreement for an annual fee of \$65,000 to include services as outlined in the Cooperative Purchasing Agreement.

18-19 Plan Year & HB 2370

Background:

- The current TUSD benefit plan year runs from September 1 to August 31.
- 12-months of employee benefit deductions are taken over 20 checks beginning in September of each year.
- TUSD staff has discussed the possibility of changing the benefit plan year to align with our TUSD Fiscal Year, Employee Contracts, and Employee Bargaining Unit Agreements for the past few years but has never pursued the change.
- This year, House Bill 2370 passed the legislature, requiring that wages be delivered to employees no later than seven (7) days after the close of a pay period. To accommodate this change, the TUSD payroll department has shifted pay periods for the 18-19 school year, reducing the number of employee deduction checks from 20 to 19.

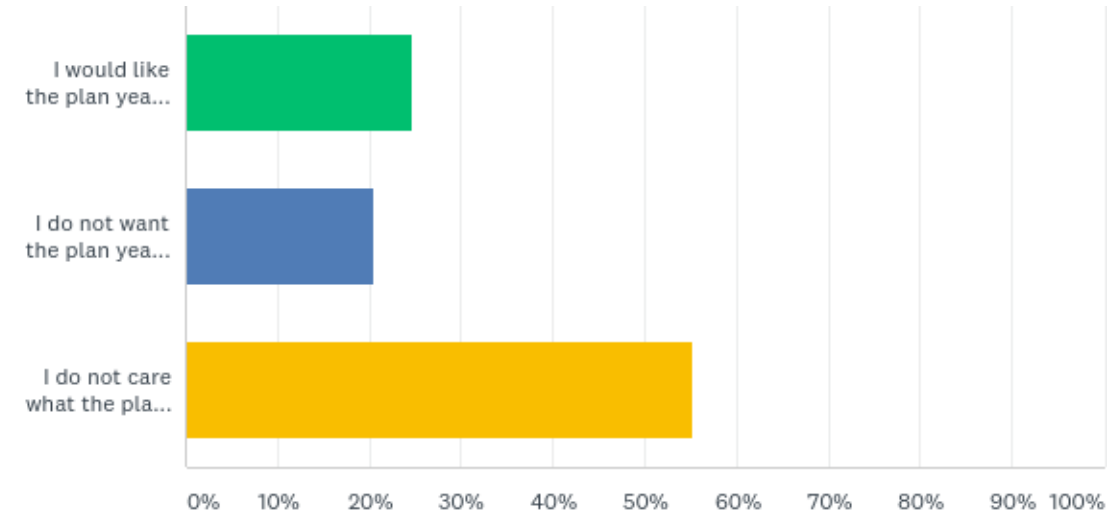
Plan Year Change Proposal

Proposed Change:

- For the 18-19 benefit plan year, coverage would run from September 1 to June 30.
 - Employees would have 10 months worth of premiums (September – June) to pay for in 19 checks beginning in September.
- Beginning in the 19-20 benefit plan year, coverage would run from July 1 to June 30.
 - Employees would have 12 months worth of premiums (July – June) to pay for in 21 deductions because they could begin in August rather than September.

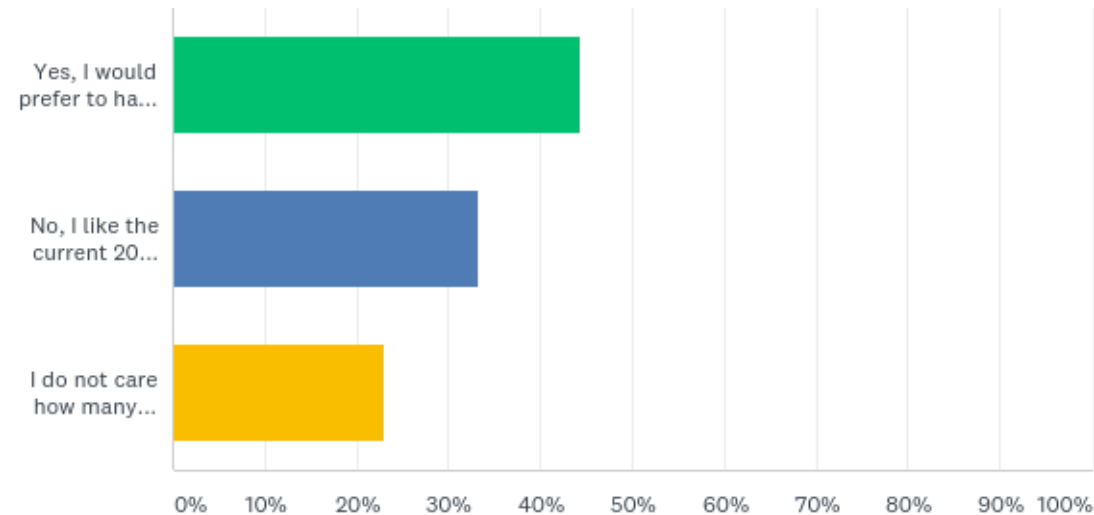
Employee's were surveyed regarding the change and results (1308 responses) show that the majority support the realignment of the benefit plan year.

Q1: How do you feel about changing the plan year from the current coverage period (September 1 to August 31) to a new period that aligns with our fiscal and contract year (July 1 to June 30).



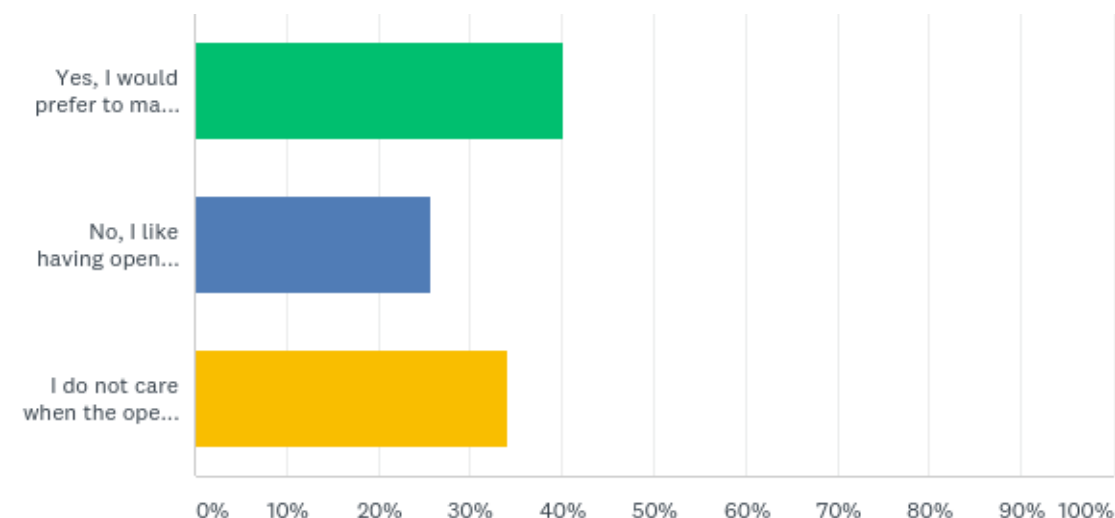
ANSWER CHOICES	RESPONSES	
I would like the plan year to begin and end with our fiscal and contract year.	24.77%	323
I do not want the plan year to change.	20.40%	266
I do not care what the plan year is as long as we have coverage all year.	55.21%	720
Total Respondents: 1,304		

Q2: We currently take employee deductions out of 20 pays per year with deductions beginning in September. If we change the plan year to run July to June, we can take deductions earlier and possibly increase the number of deductions, thereby reducing the deduction amounts. If given the option to have more deductions each year, would that be helpful to you?



ANSWER CHOICES	RESPONSES	
Yes, I would prefer to have more deductions so the cost per period is lower.	44.28%	577
No, I like the current 20 deduction schedule.	33.31%	434
I do not care how many deductions are taken each year.	22.95%	299
Total Respondents: 1,303		

Q3: Changing the benefit plan year would allow us to hold annual benefits enrollment in the spring (Mid- April through Mid- May) eliminating the current summer enrollment dates (Mid-July through Mid-August). Would you prefer to have a spring enrollment opposed to the current summer enrollment?



ANSWER CHOICES	RESPONSES	
Yes, I would prefer to make my benefit elections in the spring.	40.23%	525
No, I like having open enrollment in July/August.	25.67%	335
I do not care when the open enrollment period is.	34.10%	445
TOTAL		1,305

Comparison #1

We captured several employee benefit scenarios to illustrate the benefit to TUSD employees of making a plan year change in the 2018-2019 benefit year.

For example:

- In the scenario below, an employee with Employee + Spouse coverage, a dental plan, and supplemental life coverage would pay \$419 per paycheck this year for 12-months worth of premiums but only \$349 per paycheck for 10-months worth of premiums.

12 months coverage	<i>Employee + Spouse</i>	<i>Employee Per Pay Period Amount</i>
	Medical PPO	\$374.43
	Dental - Delta Low	\$34.32
	Supplemental Life	\$10.52
	Total:	\$419.27
10 months coverage	<i>Employee + Spouse</i>	<i>Employee Per Pay Period Amount</i>
	Medical PPO	\$312.03
	Dental - Delta Low	\$28.60
	Supplemental Life	\$8.77
	Total:	\$349.39

Comparison #2

In this scenario, an employee with Employee + Family level coverage, a health savings account contribution, a dental plan, and short term disability would pay \$463 per paycheck this year for 12-months worth of premiums but only \$386 per paycheck for 10-months worth of premiums.

12 months coverage	<i>Employee + Family</i>	<i>Employee Per Pay Period Amount</i>
	Medical HDHP	\$280.04
	Health Savings Account	\$78.95
	Dental – Delta Dental High	\$91.84
	Short Term Disability	\$12.63
	Total:	\$463.47
10 months coverage	<i>Employee + Family</i>	<i>Employee Per Pay Period Amount</i>
	Medical HDHP	\$233.37
	Health Savings Account	\$65.79
	Dental – Delta Dental High	\$76.54
	Short Term Disability	\$10.53
	Total:	\$386.22

Comparison #3

In this scenario, we look at an employee who gets married and has a life event change to add their spouse effective 4/1. For an April effective date, there are three remaining pay periods to collect 5 months worth of premiums at a cost of \$1106 per paycheck. Changing the year to end on June 30 drops that number down to 3 months worth of premiums at \$663 per paycheck.

In addition to life events, this situation proves problematic for employees hired in the spring, elects benefits late in the year with few deduction checks remaining and have to pay premiums through August.

5 months coverage	Employee + Spouse	Employee Per Pay Period Amount
	Medical PPO	\$988.08
	Dental – Delta Dental Low	\$90.57
	Supplemental Life	\$27.77
	Total:	\$1106.42
3 months coverage	Employee + Family	Employee Per Pay Period Amount
	Medical PPO	\$592.85
	Dental – Delta Dental Low	\$54.34
	Supplemental Life	\$16.66
	Total:	\$663.85

Questions

THANK YOU