

**MEMORANDUM
PERSONNEL DEPARTMENT
COUNTY OF PLACER**

TO: Board of Supervisors
FROM: Nancy Nittler, Personnel Director
BY: Ann Craig, Personnel Services Manager *AC*
DATE: October 20, 2009
SUBJECT: Adoption of the 2010 CalPERS Health Insurance Contribution Rates for Employees and Retirees

REQUESTED ACTION AND RECOMMENDATION:

Approve the attached annual resolutions for the California Public Employees Retirement System, Health Benefits Division, which adopts the 2010 employer health insurance contribution levels effective January 1, 2010 for all Placer County employees and retirees.

BACKGROUND:

The Public Employees Retirement System annually requires the adoption of the attached resolutions to update their records with regards to the County contribution for health insurance premiums.

The employer contribution formula was previously adopted by your Board with the approval of the Memorandum of Understanding (MOU) with the Placer Public Employees Organization (PPEO) along with the Management, Confidential and Elected Officials Salary and Benefits Ordinances. The MOU and ordinances outline the cost sharing health insurance premium formula for active employees and retirees as 90% for the employer contribution and 10% for the employee/retiree contribution. In addition, employer contributions for the PERSCare plan are frozen at the 2007 levels. Effective January 1, 2010, the County maximum monthly contribution will be \$469.62 for an employee only; \$939.26 for an employee plus one dependent; and \$1221.04 for an employee plus two or more dependents. The monthly employee and retiree contribution will be up to \$52.20 for an employee only; \$104.36 for an employee plus one dependent; and \$135.66 for an employee plus two or more dependents. Per the previous employee agreements, those who retired prior to January 1, 2007 will continue under the previous cost sharing formula through June 30, 2010 and will be reimbursed by the County accordingly. Due to the premium rate reductions for the 2010 benefit year, the costs listed above represent an estimated decrease of approximately 3.5% annually.

The Placer County Deputy Sheriffs' Association (PCDSA) represented employees will contribute 20% of the premium cost and the County will contribute the remaining 80% at each coverage level based upon the recent Board action of September 8, 2009. The employer contribution for the PERSCare plan is frozen at the same levels listed above. The County monthly contribution effective January 2010 will be a maximum \$417.44 for an employee only; \$834.90 for an employee plus one dependent; and \$1085.36 for an employee plus two or more dependents. Employees and retirees will contribute monthly up to \$104.36 for an employee only; \$208.72 for an employee plus one dependent; and \$271.34 for an employee plus two or more dependents.

The attached resolutions cover the 2010 employer contribution for both retiree health vesting schedules as previously negotiated with PPEO and PCDSA and approved by your Board.

FISCAL IMPACT:

The County contribution for active employees was previously budgeted and approved at the department level. The retiree health insurance contribution was approved and budgeted in the Personnel Employee Benefits budget and will be charged across County budgets accordingly.

**Before the Board Of Supervisors
County of Placer, State of California**

In the matter of: Adopting the PERS Employer Health
Insurance Contribution for All Employees
Hired on or Before December 31, 2004,
Effective January 1, 2010

Resol.No: _____

Ord.No.: _____

First Reading: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held October 20, 2009 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:
Clerk of said Board

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- WHEREAS (1) Government Code Section 22892(a) provides that a local agency contracting under the Public Employees' Medical and Hospital Care Act shall fix the amount of the employer's contribution at an amount not less than the amount required under Section 22892(b) of the Act, and
- WHEREAS (2) Placer County is a local contracting agency under the Act; now, therefore be it
- RESOLVED That the employer's contribution for each employee and annuitant hired prior to January 1, 2005, shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan to a maximum of:

<u>Code</u>	<u>Bargaining Unit</u>	<u>Contribution Per Month</u>
01	Management & Confidential	a) 90% for the employee only b) 90% for the employee plus one c) 90% for the employee plus two or more d) \$457.70 for the employee only in PERSCare e) \$915.38 for the employee plus one in PERSCare f) \$1190.00 for the employee plus two or more in PERSCare
02	P.P.E.O.	a) 90% for the employee only b) 90% for the employee plus one c) 90% for the employee plus two or more d) \$457.70 for the employee only in PERSCare e) \$915.38 for the employee plus one in PERSCare f) \$1190.00 for the employee plus two or more in PERSCare
03	Deputy Sheriff Association	a) 80% for the employee only b) 80% for the employee plus one c) 80% for the employee plus two or more d) \$457.70 for the employee only in PERSCare e) \$915.38 for the employee plus one in PERSCare f) \$1190.00 for the employee plus two or more in PERSCare

Adopted at a regular meeting of the Placer County Board of Supervisors at Auburn, California this 20th day of October 2009.

Before the Board Of Supervisors County of Placer, State of California

In the matter of: Adopting the PERS Employer Health
Insurance Vesting Requirements Effective
January 1, 2010 for Management and
Confidential Employees

Resol.No: _____

Ord.No.: _____

First Reading: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held October 20, 2009 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:
Clerk of said Board

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- WHEREAS (1) Government Code 22893 provides that a local agency contracting under the Public Employees' Medical and Hospital Care Act may amend its resolution to provide a post retirement vesting requirement to employees who retire for service, and
- WHEREAS (2) Placer County is a local agency contracting under the Act for participation by members of the Management and Confidential group, and
- WHEREAS (3) Placer County certifies, the Management and Confidential employees are not represented by a bargaining unit and there is no applicable memorandum of understanding, and

WHEREAS (4) The credited service for purposes of determining the percentage of employer contributions shall mean service as defined in Section 20079, except that not less than five years of that service shall be performed entirely with the Placer County; and

WHEREAS (5) The contribution for active employees cannot be less than what is defined in Section 22892; now, therefore be it

RESOLVED (1) That the employer's contribution for each **retired** employee first hired on or after January 1, 2005 shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan or plans up to a maximum as listed below plus Administrative fees and Contingency Reserve Fund, but not more than 100 percent of the premium applicable to him or her, nor less than the 100 percent of the weighted average of the health benefits plan premiums for employees or annuitants enrolled for self alone plus 90 percent of the weighted average of the additional premiums required for enrollment of family members in the four health benefits plans that have the largest number of enrollments; and be it further

<u>Code</u>	<u>Bargaining Unit</u>	<u>Contribution Per Month</u>
04	Management & Confidential	a) 90% for the employee only b) 90% for the employee plus one c) 90% for the employee plus two or more d) \$457.70 for the employee only in PERSCare e) \$915.38 for the employee plus one in PERSCare f) \$1190.00 for the employee plus two or more in PERSCare

RESOLVED, (2) That the percentage of employer contribution payable for post retirement health benefits for each retired employee shall be based on the employee's completed years of credited service based upon Government Code Section 22893; plus administrative fees and Contingency Reserve Fund assessments.

Adopted at a regular meeting of the Placer County Board of Supervisors at Auburn, California this 20th day of October 2009.

Before the Board Of Supervisors
County of Placer, State of California

In the matter of: Adopting the PERS Employer Health
Insurance Vesting Requirements Effective
January 1, 2010 for the Placer Public
Employees Organization Employees

Resol.No: _____

Ord.No.: _____

First Reading: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held October 20, 2009 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:
Clerk of said Board

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- WHEREAS (1) Government Code 22893 provides that a local agency contracting under the Public Employees' Medical and Hospital Care Act may amend its resolution to provide a post retirement vesting requirement to employees who retire for service, and
- WHEREAS (2) Placer County is a local agency contracting under the Act for participation by members of the Placer Public Employees Organization, and
- WHEREAS (3) Placer County certifies, Placer Public Employees Organization employees are represented by a bargaining unit and subject to a memorandum of understanding, and

WHEREAS, (4) The credited service for purposes of determining the percentage of employer contributions shall mean service as defined in Section 20079, except that not less than five years of that service shall be performed entirely with the Placer County; and

WHEREAS (5) The contribution for active employees cannot be less than what is defined in Section 22892; now, therefore be it

RESOLVED (1) That the employer's contribution for each **retired** employee first hired on or after January 1, 2005 shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan or plans up to a maximum as listed below plus Administrative fees and Contingency Reserve Fund, but not more than 100 percent of the premium applicable to him or her, nor less than the 100 percent of the weighted average of the health benefits plan premiums for employees or annuitants enrolled for self alone plus 90 percent of the weighted average of the additional premiums required for enrollment of family members in the four health benefits plans that have the largest number of enrollments; and be it further

<u>Code</u>	<u>Bargaining Unit</u>	<u>Contribution Per Month</u>
05	P.P.E.O.	a) 90% for the employee only b) 90% for the employee plus one c) 90% for the employee plus two or more d) \$457.70 for the employee only in PERSCare e) \$915.38 for the employee plus one in PERSCare f) \$1190.00 for the employee plus two or more in PERSCare

RESOLVED, (2) That the percentage of employer contribution payable for post retirement health benefits for each retired employee shall be based on the employee's completed years of credited service based upon Government Code Section 22893; plus administrative fees and Contingency Reserve Fund assessments.

Adopted at a regular meeting of the Placer County Board of Supervisors at Auburn, California this 20th day of October, 2009.

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**Before the Board Of Supervisors
County of Placer, State of California**

In the matter of: Adopting the PERS Employer Health
Insurance Vesting Requirements Effective
January 1, 2010 for Placer County
Deputy Sheriffs Association Employees

Resol.No: _____

Ord.No.: _____

First Reading: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held October 20, 2009 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:
Clerk of said Board

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- WHEREAS (1) Government Code 22893 provides that a local agency contracting under the Public Employees' Medical and Hospital Care Act may amend its resolution to provide a post retirement vesting requirement to employees who retire for service, and
- WHEREAS (2) Placer County is a local agency contracting under the Act for participation by members of the Placer County Deputy Sheriff Association, and
- WHEREAS (3) Placer County certifies, Placer County Deputy Sheriff Association employees are represented by a bargaining unit and subject to a memorandum of understanding, and

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- WHEREAS, (4) The credited service for purposes of determining the percentage of employer contributions shall mean service as defined in Section 20079, except that not less than five years of that service shall be performed entirely with the Placer County; and
- WHEREAS (5) The contribution for active employees cannot be less than what is defined in Section 22892; now, therefore be it
- RESOLVED (1) That the employer's contribution for each **retired** employee first hired on or after January, 1, 2005 shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan or plans up to a maximum as listed below plus Administrative fees and Contingency Reserve Fund, but not more than 100 percent of the premium applicable to him or her, nor less than the 100 percent of the weighted average of the health benefits plan premiums for employees or annuitants enrolled for self alone plus 90 percent of the weighted average of the additional premiums required for enrollment of family members in the four health benefits plans that have the largest number of enrollments; and be it further

<u>Code</u> <u>Bargaining Unit</u>	<u>Contribution Per Month</u>
06 Deputy Sheriff Association	<ul style="list-style-type: none"> a) 80% for the employee only b) 80% for the employee plus one c) 80% for the employee plus two or more d) \$457.70 for the employee only in PERSCare e) \$915.38 for the employee plus one in PERSCare f) \$1190.00 for the employee plus two or more in PERSCare

RESOLVED, (2) That the percentage of employer contribution payable for post retirement health benefits for each retired employee shall be based on the employee's completed years of credited service based upon Government Code Section 22893; plus administrative fees and Contingency Reserve Fund assessments.

Adopted at a regular meeting of the Placer County Board of Supervisors at Auburn, California this 20th day of October 2009.

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