



Coastside Fire Protection District

STAFF REPORT

TO: Honorable Board of Directors

FROM: Jonathan Cox, Deputy Fire Chief

DATE: September 28, 2022

SUBJECT: Review and Approve Fixing Employer Health Contribution for Retired 001 Represented Safety Members, Retired 002 Non Represented Safety Members, and 003 Non Represented Miscellaneous

Staff Recommendation

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2022-56, Fixing the Employer Contribution Under the Public Employees' Medical and Hospital Care Act at an Equal Amount for Employees and Annuitants with Respect to a Recognized Employee Organization (Group 001 Represented Safety Members)
2. Adopt Resolution No. 2022-57, Fixing the Employer Contribution Under the Public Employees' Medical and Hospital Care Act at an Equal Amount for Employees and Annuitants with Respect to a Recognized Employee Organization (Group 002 Non-Represented Safety Members)
3. Adopt Resolution No. 2022-58, Fixing the Employer Contribution Under the Public Employee's Medical and Hospital Care Act at an Equal Amount for Employees and Annuitants with Respect to a Recognized Employee Organization (Group 003 Non-Represented Miscellaneous Members)

Background

CalPERS has advised that health care premiums for retirees increased 6.61% effective January 1, 2023.

The 2023 CalPERS HMO Basic Premium Rates – Bay Area Region are as follows:

2023 Kaiser Monthly Rates – Single (\$913.74), 2-Party (\$1,827.48), Family (\$2,375.72)

The Board is asked to approve the Resolutions to fix the increased employer contribution for retirees in the District's 001 Represented Safety Members, 002 Non Represented Safety Members, and 003 Non Represented Miscellaneous Members, effective January 1, 2023.

Attachments:

CalPERS 2023 Monthly Premium for Contracting Agencies, Bay Area Region

Resolution 2022-56

Resolution 2022-57

Resolution 2022-58

Regional 2023 HMO Health Premiums (PSPM)
July Board of Administration Offsite Final Proposed Premiums

Basic Plans	2022 ¹			2023 ²			Percent Change
	Single	2-Party	Family	Single	2-Party	Family	
Basic Premiums - Region 1							
Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tuolumne, Yolo and Yuba							
Anthem Blue Cross Select HMO	\$1,015.81	\$2,031.62	\$2,641.11	\$1,128.83	\$2,257.66	\$2,934.96	11.13%
Anthem Blue Cross Traditional HMO	1,304.00	2,608.00	3,390.40	1,210.71	2,421.42	3,147.85	(7.15%)
Blue Shield Access+ HMO	1,116.01	2,232.02	2,901.63	1,035.21	2,070.42	2,691.55	(7.24%)
Blue Shield Trio HMO	898.54	1,797.08	2,336.20	888.94	1,777.88	2,311.24	(1.07%)
Health Net SmartCare	1,153.00	2,306.00	2,997.80	1,174.50	2,349.00	3,053.70	1.86%
Kaiser Permanente	857.06	1,714.12	2,228.36	913.74	1,827.48	2,375.72	6.61%
UnitedHealthcare SignatureValue Alliance	1,020.28	2,040.56	2,652.73	1,044.07	2,088.14	2,714.58	2.33%
Western Health Advantage HMO	741.26	1,482.52	1,927.28	760.17	1,520.34	1,976.44	2.55%
Basic Premiums - Region 2							
Fresno, Imperial, Inyo, Kern, Kings, Madera, Orange, San Diego, San Luis Obispo, Santa Barbara, Tulare and Ventura							
Anthem Blue Cross Select HMO	\$712.43	\$1,424.86	\$1,852.32	\$765.37	\$1,530.74	\$1,989.96	7.43%
Anthem Blue Cross Traditional HMO	1,007.13	2,014.26	2,618.54	935.12	1,870.24	2,431.31	(7.15%)
Blue Shield Access+ HMO	900.22	1,800.44	2,340.57	842.61	1,685.22	2,190.79	(6.40%)
Blue Shield Trio HMO	742.70	1,485.40	1,931.02	760.71	1,521.42	1,977.85	2.42%
Health Net Salud y Más	548.26	1,096.52	1,425.48	698.91	1,397.82	1,817.17	27.48%
Health Net SmartCare	845.69	1,691.38	2,198.79	834.65	1,669.30	2,170.09	(1.31%)
Kaiser Permanente	706.02	1,412.04	1,835.65	756.21	1,512.42	1,966.15	7.11%
Sharp Performance Plus	699.21	1,398.42	1,817.95	764.96	1,529.92	1,988.90	9.40%
UnitedHealthcare SignatureValue Alliance	775.09	1,550.18	2,015.23	793.63	1,587.26	2,063.44	2.39%
UnitedHealthcare SignatureValue Harmony	782.74	1,565.48	2,035.12	781.58	1,563.16	2,032.11	(0.15%)
Basic Premiums - Region 3							
Los Angeles, Riverside and San Bernardino							
Anthem Blue Cross Select HMO	\$676.48	\$1,352.96	\$1,758.85	\$737.91	\$1,475.82	\$1,918.57	9.08%
Anthem Blue Cross Traditional HMO	935.57	1,871.14	2,432.48	942.73	1,885.46	2,451.10	0.77%
Blue Shield Access+ HMO	779.87	1,559.74	2,027.66	738.29	1,476.58	1,919.55	(5.33%)
Blue Shield Trio HMO	668.13	1,336.26	1,737.14	661.49	1,322.98	1,719.87	(0.99%)
Health Net Salud y Más	463.87	927.74	1,206.06	606.34	1,212.68	1,576.48	30.71%
Health Net SmartCare	764.96	1,529.92	1,988.90	755.29	1,510.58	1,963.75	(1.26%)
Kaiser Permanente	719.78	1,439.56	1,871.43	754.64	1,509.28	1,962.06	4.84%
UnitedHealthcare SignatureValue Alliance	771.85	1,543.70	2,006.81	790.46	1,580.92	2,055.20	2.41%
UnitedHealthcare SignatureValue Harmony	714.28	1,428.56	1,857.13	713.55	1,427.10	1,855.23	(0.10%)
Basic Premiums - Out of State							
Kaiser Permanente Out of State	\$1,138.95	\$2,277.90	\$2,961.27	\$1,155.43	\$2,310.86	\$3,004.12	1.45%

¹2022 Premium reflects the first year of the two-year risk mitigation phase-in.

²2023 Premium reflects the second year (full impact of risk mitigation) of the two-year risk mitigation phase-in.

HMO Medicare Advantage Regional premiums are the same as the HMO Medicare Advantage Statewide premiums.

RESOLUTION NO. 2022-56
FIXING THE EMPLOYER CONTRIBUTION
UNDER THE PUBLIC EMPLOYEES’ MEDICAL AND HOSPITAL CARE ACT
AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS
WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION

WHEREAS, (1) Coastside Fire Protection District is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”) for participation by members of **001 Represented Safety Members**; and

WHEREAS, (2) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, (3) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; now, therefore be it

RESOLVED, (a) That the employer contribution for each employee or annuitant 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 up to a maximum of \$913.74 per month with respect to employee enrolled for self alone, \$1827.48 per month for employee enrolled for self and one family member, and \$2375.72 per month for employee enrolled for self and two or more family members, plus administrative fees and Contingency Reserve Fund assessments; and be it further

RESOLVED, (b) Coastside Fire Protection District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further

RESOLVED, (c) That the participation of the employees and annuitants of Coastside Fire Protection District shall be subject to determination of its status as an “agency or instrumentality of the state or political subdivision of a State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Coastside Fire Protection District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further

RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, Deputy Chief Jonathan Cox to file with the Board a verified copy of this resolution, and to perform on behalf of Coastside Fire Protection District all functions required of it under the Act; and be it further

RESOLVED, (e) That coverage under the Act be effective on January 1, 2023.

Adopted at a regular meeting of the Board of Directors at Fire Station 40, Half Moon Bay, this 28th day of September, 2022.

Signed: _____
Gary Burke, President

Attest: _____
Jonathan Cox, Deputy Chief

RESOLUTION NO. 2022-57
FIXING THE EMPLOYER CONTRIBUTION
UNDER THE PUBLIC EMPLOYEES’ MEDICAL AND HOSPITAL CARE ACT
AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS
WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION

WHEREAS, (1) Coastside Fire Protection District is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”) for participation by members **of 002 Non Represented Safety Members**; and

WHEREAS, (2) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, (3) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; now, therefore be it

RESOLVED, (a) That the employer contribution for each employee or annuitant 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 up to a maximum of \$913.74 per month with respect to employee enrolled for self alone, \$1827.48 per month for employee enrolled for self and one family member, and \$2375.72 per month for employee enrolled for self and two or more family members, plus administrative fees and Contingency Reserve Fund assessments; and be it further

RESOLVED, (b) Coastside Fire Protection District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further

RESOLVED, (c) That the participation of the employees and annuitants of Coastside Fire Protection District shall be subject to determination of its status as an “agency or instrumentality of the state or political subdivision of a State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Coastside Fire Protection District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further

RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, Deputy Chief Jonathan Cox to file with the Board a verified copy of this resolution, and to perform on behalf of Coastside Fire Protection District all functions required of it under the Act; and be it further

RESOLVED, (e) That coverage under the Act be effective on January 1, 2023.

Adopted at a regular meeting of the Board of Directors at Fire Station 40, Half Moon Bay, this 28th day of September, 2022.

Signed: _____
Gary Burke, President

Attest: _____
Jonathan Cox, Deputy Chief

RESOLUTION NO. 2022-58
FIXING THE EMPLOYER CONTRIBUTION
UNDER THE PUBLIC EMPLOYEES’ MEDICAL AND HOSPITAL CARE ACT
AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS
WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION

WHEREAS, (1) Coastside Fire Protection District is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”) for participation by members of **003 Non Represented Miscellaneous Members**; and

WHEREAS, (2) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, (3) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; now, therefore be it

RESOLVED, (a) That the employer contribution for each employee or annuitant 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 up to a maximum of \$913.74 per month with respect to employee enrolled for self alone, \$1827.48 per month for employee enrolled for self and one family member, and \$2375.72 per month for employee enrolled for self and two or more family members, plus administrative fees and Contingency Reserve Fund assessments; and be it further

RESOLVED, (b) Coastside Fire Protection District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further

RESOLVED, (c) That the participation of the employees and annuitants of Coastside Fire Protection District shall be subject to determination of its status as an “agency or instrumentality of the state or political subdivision of a State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Coastside Fire Protection District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further

RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, Deputy Chief Jonathan Cox to file with the Board a verified copy of this resolution, and to perform on behalf of Coastside Fire Protection District all functions required of it under the Act; and be it further

RESOLVED, (e) That coverage under the Act be effective on January 1, 2023.

Adopted at a regular meeting of the Board of Directors at Fire Station 40, Half Moon Bay, this 28th day of September, 2022.

Signed: _____
Gary Burke, President

Attest: _____
Jonathan Cox, Deputy Chief