

Stanislaus County
Employee Health Insurance Tentative Agreement Summary
October 10, 2014

This notice is to provide all County employees with an update on a tentative agreement recently signed with all County labor organizations regarding changes in the employee health insurance program for the period of January 1, 2015 through December 31, 2017. The following is a summary of the significant changes agreed to in the bargaining process. Additional details regarding all program benefits will be communicated during the upcoming open enrollment process.

Medical Insurance Plans

- Participation in medical plans will be based on the employee's residence at the time of open enrollment.
- All employees who live in the Stanislaus County Partners-in-Health (SCPH) local service area will be enrolled in SCPH.
- All employees who live outside of the SCPH local service area will be enrolled in Anthem Blue Cross.
- Local service areas are identified by zip code. A map and a complete list of zip codes in the SCPH local service area are attached to this notice. It will be important for all employees to ensure they have the correct home address on file with the County for purposes of benefit administration.

Impacts to Employees Currently Enrolled in Kaiser and Anthem Blue Cross

- Kaiser will no longer be offered under the County's medical insurance program.
- Employees currently enrolled in Kaiser will be eligible to enroll in Kaiser (or any other qualified plan) outside of the County's medical insurance program and receive a direct premium reimbursement from the County to support their new medical plan selection. This same premium reimbursement opportunity will be available for any employees currently enrolled in Anthem Blue Cross who are residing in the SCPH local service area and therefore no longer eligible to enroll in Anthem under the County's program.
- More information regarding this premium reimbursement program is provided on the attached.

Health Insurance Costs

- There are no changes in the premium cost share agreement. The County will continue to pay 95% of the premiums for High Deductible Health Plans (HDHP) and 80% of the premiums for Exclusive Provider Organization (EPO) plan options. The County will also continue to pay 80% of the premiums for dental and vision programs. Waive credits for employees choosing to waive insurance benefits will remain unchanged.
- There are no changes in the contributions the County makes to Health Savings Accounts. The County will continue to fund HSA accounts with, \$1,200 annually for Employee Only and \$2,000 for Employee +1 and Family, by depositing half in January and the other half semi-monthly, July through December.

- Health insurance premiums will be blended for SCPH and Anthem, resulting in the County charging the same rates for both SCPH and Anthem plans. This will result in significant savings for employees currently enrolled in Anthem or Kaiser plans, while maintaining a very minimal increase for employees currently enrolled in SCPH.
- A copy of the draft health insurance rates are attached to this notice. Please keep in mind these are draft rates that are subject to final actuarial evaluation prior to open enrollment. The County has committed as part of the tentative agreement that employee costs in the 2015 plan year will not exceed those costs included on the attached summary. The rate summary includes a comparison of rates changes for employees currently enrolled in Kaiser, Anthem and SCPH.

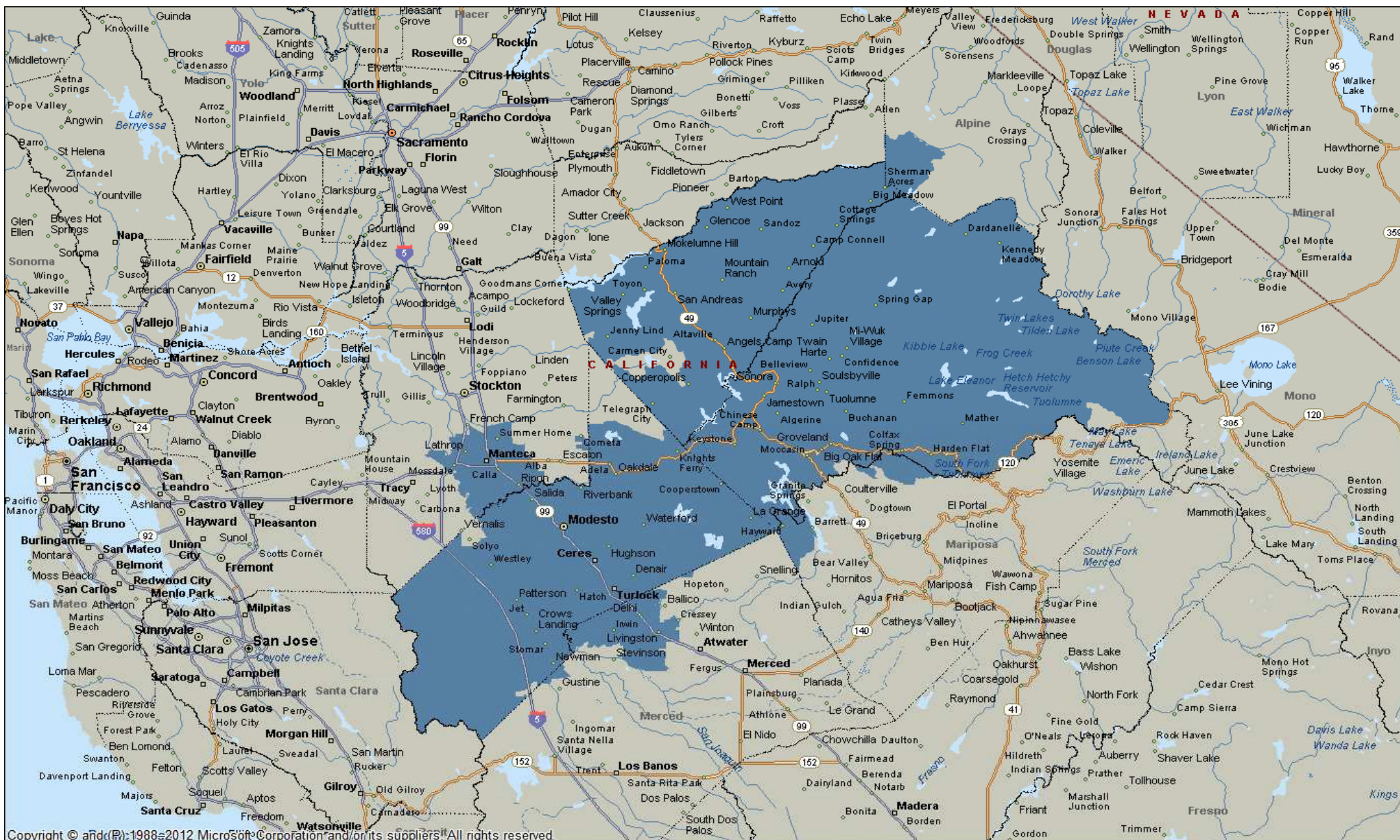
Plan Design Changes and Upgraded Dental Plan Option

- The medical insurance plan design will be modified for certain co-pays to neutralize the current differences in co-pays between EPO and HDHP plan options. Employees will also have a new hearing aide benefit added to the plan design. Details regarding these plan changes are attached to this notice.
- Vision benefits will be enhanced to include, among other things, greater allowances for frames and contact lenses for a \$10 exam and materials co-pay.
- Employees who want to upgrade their dental benefits to include a higher annual plan maximum per member, orthodontia for dependents up to age 18 (\$2,000 lifetime maximum benefit per child), and access to the Delta Premier network at a lower cost will be able to enroll in the *Buy-up* plan at a higher employee contribution.
- Employees will be able to elect, at their own cost, coverage for Critical Illness and Accident coverage during the 2014 open enrollment period. In addition, employee will have the choice of enrolling in Long Term Care, at their own cost, during a special open enrollment period in early 2015.

What Happens Next?

- Each labor organization will be responsible to ratify the tentative agreement in accordance with their individual by-laws no later than October 23, 2014.
- Open enrollment will begin on October 28, 2014 subject to final approval of the Board of Supervisors.
- If you have questions regarding any specifics related to County health plans, plan design or coverage, please wait to address those issues during the open enrollment process when all details are made available.
- If you have any questions regarding the changes agreed to in health care negotiations, please feel free to contact your designated labor representative or attend any available group meetings for more information.
- Unrepresented management and confidential employees are encouraged to contact their department HR representative and/or Employee Benefits with questions regarding health insurance benefits.

Stanislaus County Partners in Health Service Area



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County	City	Zip Codes
Stanislaus	All	All
Calaveras	All	All
Tuolumne	All	All
San Joaquin	Lathrop, Manteca, Ripon	95330, 95336, 95337, 95366
Merced	Delhi, Hilmar, Livingston	95315, 95324, 95334

*Service Area in Blue

Stanislaus County Partners in Health Service Area
Complete Zip Code List

95221	95247	95310	95329	95354	95370
95222	95248	95313	95330	95355	95372
95223	95249	95314	95334	95356	95373
95224	95250	95315	95335	95357	95375
95225	95251	95316	95336	95358	95379
95226	95252	95319	95337	95360	95380
95228	95254	95321	95346	95361	95381
95229	95255	95323	95347	95363	95382
95232	95257	95324	95350	95364	95383
95233	95305	95326	95351	95366	95386
95245	95307	95327	95352	95367	95387
95246	95309	95328	95353	95368	95390
					95397

MEDICAL PREMIUM REIMBURSEMENT PROGRAM GUIDELINES

1. To be eligible for this benefit, the employee must:
 - a. Have been enrolled in a County Kaiser plan, or an Anthem Blue Cross plan living in the SCPH local service area, as of October 28, 2014;
 - b. Waive their County plan options during the County's Open Enrollment process by completing the Medical Premium Reimbursement Request Form;
 - c. Be enrolled in a non-County medical plan that meets Patient Protection and Affordable Care Act (ACA) minimum requirements.
2. The County's premium reimbursement rate will not exceed 80% of the eligible employee's out-of-pocket medical insurance premium cost for the new medical plan, or 75% of the County's monthly medical premium contribution for County EPO plans based on coverage level, whichever amount is lower. In order to receive payment, the employee must:
 - a. Submit a copy of their enrollment information for the non-County medical plan at the time that they submit their County Medical Premium Reimbursement Request Form, which includes at a minimum the type of plan that they selected and the out-of-pocket expenses that the employee will pay for the non-County medical plan.
 - b. Submit proof of continuous enrollment in the non-County medical plan on a quarterly basis, along with receipts of premium payments made by the employee for the non-County medical plan.
 - i. If the employee fails to submit proof of continuous enrollment in the non-County medical plan or receipts of premium payments made by the employee for the non-County medical plan on a quarterly basis, all future medical premium reimbursement payments will be suspended by the County. Employees will have 30 days to submit documentation before suspension takes place. Once documents have been received, necessary retroactive adjustments will be processed.
 - ii. If the amount that the employee submits as proof of payment for the non-County medical plan is different than the amount that the employee received as reimbursement during the prior quarter, the County will make the necessary adjustments to the employee's next medical premium reimbursement payment to reconcile the difference.
3. Other Medical Premium Reimbursement Program guidelines:
 - a. In no event, shall the premium reimbursement impact the compensation eligible for employee pensions or employer-paid deferred compensation.
 - b. Employees must notify County Employee Benefits staff via email at countybenefits@stancounty.com, as soon as reasonably possible if there are any changes to their non-County medical plan that affects participation in the County's Medical Premium Reimbursement Program.
 - c. Employees receiving a premium reimbursement are not eligible to receive a medical waive credit.
 - d. Employees who enroll in a non-County qualified medical insurance program are not eligible to receive any County provided HSA contributions.
 - e. Eligible employees may only opt into the Medical Premium Reimbursement Program during Open Enrollment in 2014. Employees may only return to the County medical insurance program during annual open enrollment periods, or anytime the employee experiences a qualifying event in accordance with County benefits policies. If an employee who is receiving a premium reimbursement elects to return to the County's medical insurance program, they will no longer be eligible to receive the premium reimbursement should they choose to opt out of the County's medical insurance program in the future, but will be eligible for the standard medical waive credit.

Draft 2015 Monthly Health Insurance Rates

October 2, 2014

Employees Currently Enrolled in Kaiser

2014 Insurance Costs for Kaiser Members							Draft 2015 Insurance Costs for All Employees*					Increase/(Decrease)		
	Tier	Total Premium	County Premium	County HSA	Total County	Employee Premium	Total Premium	County Premium	County HSA	Total County	Employee Premium	County	Employee	Total
EPO	Employee Only	\$963.26	\$576.08		\$576.08	\$387.18	\$723.99	\$579.19		\$579.19	\$144.80	\$3.11	(\$242.38)	(\$239.27)
	Employee +1	\$1,926.54	\$1,152.16		\$1,152.16	\$774.38	\$1,447.97	\$1,158.38		\$1,158.38	\$289.59	\$6.22	(\$484.79)	(\$478.57)
	Family	\$2,600.82	\$1,555.41		\$1,555.41	\$1,045.41	\$1,954.76	\$1,563.81		\$1,563.81	\$390.95	\$8.40	(\$654.46)	(\$646.06)
HDHP	Employee Only	\$813.00	\$572.13	\$100.00	\$672.13	\$240.87	\$605.49	\$575.21	\$100.00	\$675.21	\$30.27	\$3.09	(\$210.60)	(\$207.51)
	Employee +1	\$1,625.94	\$1,144.24	\$166.67	\$1,310.90	\$481.70	\$1,210.97	\$1,150.42	\$166.67	\$1,317.08	\$60.55	\$6.18	(\$421.15)	(\$414.97)
	Family	\$2,195.06	\$1,544.74	\$166.67	\$1,711.40	\$650.32	\$1,634.83	\$1,553.09	\$166.67	\$1,719.75	\$81.74	\$8.35	(\$568.58)	(\$560.23)
Dental	Employee Only	\$34.42	\$27.54		\$27.54	\$6.88	\$34.42	\$27.54		\$27.54	\$6.88	\$0.00	\$0.00	\$0.00
	Employee +1	\$68.84	\$55.07		\$55.07	\$13.77	\$68.84	\$55.07		\$55.07	\$13.77	\$0.00	\$0.00	\$0.00
	Family	\$117.94	\$94.35		\$94.35	\$23.59	\$117.94	\$94.35		\$94.35	\$23.59	\$0.00	\$0.00	\$0.00
Vision	Employee Only	\$3.94	\$3.15		\$3.15	\$0.79	\$8.29	\$6.63		\$6.63	\$1.66	\$3.48	\$0.87	\$4.35
	Employee +1	\$7.60	\$6.08		\$6.08	\$1.52	\$16.06	\$12.85		\$12.85	\$3.21	\$6.77	\$1.69	\$8.46
	Family	\$10.78	\$8.62		\$8.62	\$2.16	\$22.66	\$18.13		\$18.13	\$4.53	\$9.50	\$2.38	\$11.88
Total EPO	Employee Only	\$1,001.62	\$606.77		\$606.77	\$394.85	\$766.70	\$613.36		\$613.36	\$153.34	\$6.59	(\$241.51)	(\$234.92)
	Employee +1	\$2,002.98	\$1,213.31		\$1,213.31	\$789.67	\$1,532.87	\$1,226.30		\$1,226.30	\$306.57	\$12.98	(\$483.09)	(\$470.11)
	Family	\$2,729.54	\$1,658.38		\$1,658.38	\$1,071.16	\$2,095.36	\$1,676.29		\$1,676.29	\$419.07	\$17.91	(\$652.08)	(\$634.18)
Total HDHP	Employee Only	\$851.36	\$602.82	\$100.00	\$702.82	\$248.54	\$648.20	\$609.38	\$100.00	\$709.38	\$38.82	\$6.57	(\$209.73)	(\$203.16)
	Employee +1	\$1,702.38	\$1,205.39	\$166.67	\$1,372.06	\$496.99	\$1,295.87	\$1,218.34	\$166.67	\$1,385.00	\$77.53	\$12.95	(\$419.46)	(\$406.51)
	Family	\$2,323.78	\$1,647.71	\$166.67	\$1,814.38	\$676.07	\$1,775.43	\$1,665.57	\$166.67	\$1,832.23	\$109.86	\$17.85	(\$566.20)	(\$548.35)

*Employees enrolled in SCPH or Anthem in 2015 will pay the same insurance rates

Draft 2015 Monthly Health Insurance Rates

October 2, 2014

Employees Currently Enrolled in Anthem

2014 Insurance Costs for Anthem Members						Draft 2015 Insurance Costs for All Employees*					Increase/(Decrease)		
Tier	Total Premium	County Premium	County HSA	Total County	Employee Premium	Total Premium	County Premium	County HSA	Total County	Employee Premium	County	Employee	Total
Employee Only	\$912.38	\$576.08		\$576.08	\$336.30	\$723.99	\$579.19		\$579.19	\$144.80	\$3.11	(\$191.50)	(\$188.39)
Employee +1	\$1,824.76	\$1,152.16		\$1,152.16	\$672.60	\$1,447.97	\$1,158.38		\$1,158.38	\$289.59	\$6.22	(\$383.01)	(\$376.79)
Family	\$2,463.42	\$1,555.41		\$1,555.41	\$908.01	\$1,954.76	\$1,563.81		\$1,563.81	\$390.95	\$8.40	(\$517.06)	(\$508.66)
Employee Only	\$770.14	\$572.13	\$100.00	\$672.13	\$198.01	\$605.49	\$575.21	\$100.00	\$675.21	\$30.27	\$3.09	(\$167.74)	(\$164.65)
Employee +1	\$1,540.26	\$1,144.24	\$166.67	\$1,310.90	\$396.02	\$1,210.97	\$1,150.42	\$166.67	\$1,317.08	\$60.55	\$6.18	(\$335.47)	(\$329.29)
Family	\$2,079.38	\$1,544.74	\$166.67	\$1,711.40	\$534.64	\$1,634.83	\$1,553.09	\$166.67	\$1,719.75	\$81.74	\$8.35	(\$452.90)	(\$444.55)
Employee Only	\$34.42	\$27.54		\$27.54	\$6.88	\$34.42	\$27.54		\$27.54	\$6.88	\$0.00	\$0.00	\$0.00
Employee +1	\$68.84	\$55.07		\$55.07	\$13.77	\$68.84	\$55.07		\$55.07	\$13.77	\$0.00	\$0.00	\$0.00
Family	\$117.94	\$94.35		\$94.35	\$23.59	\$117.94	\$94.35		\$94.35	\$23.59	\$0.00	\$0.00	\$0.00
Employee Only	\$3.94	\$3.15		\$3.15	\$0.79	\$8.29	\$6.63		\$6.63	\$1.66	\$3.48	\$0.87	\$4.35
Employee +1	\$7.60	\$6.08		\$6.08	\$1.52	\$16.06	\$12.85		\$12.85	\$3.21	\$6.77	\$1.69	\$8.46
Family	\$10.78	\$8.62		\$8.62	\$2.16	\$22.66	\$18.13		\$18.13	\$4.53	\$9.50	\$2.38	\$11.88
Employee Only	\$950.74	\$606.77		\$606.77	\$343.97	\$766.70	\$613.36		\$613.36	\$153.34	\$6.59	(\$190.63)	(\$184.04)
Employee +1	\$1,901.20	\$1,213.31		\$1,213.31	\$687.89	\$1,532.87	\$1,226.30		\$1,226.30	\$306.57	\$12.98	(\$381.31)	(\$368.33)
Family	\$2,592.14	\$1,658.38		\$1,658.38	\$933.76	\$2,095.36	\$1,676.29		\$1,676.29	\$419.07	\$17.91	(\$514.68)	(\$496.78)
Employee Only	\$808.50	\$602.82	\$100.00	\$702.82	\$205.68	\$648.20	\$609.38	\$100.00	\$709.38	\$38.82	\$6.57	(\$166.87)	(\$160.30)
Employee +1	\$1,616.70	\$1,205.39	\$166.67	\$1,372.06	\$411.31	\$1,295.87	\$1,218.34	\$166.67	\$1,385.00	\$77.53	\$12.95	(\$333.78)	(\$320.83)
Family	\$2,208.10	\$1,647.71	\$166.67	\$1,814.38	\$560.39	\$1,775.43	\$1,665.57	\$166.67	\$1,832.23	\$109.86	\$17.85	(\$450.52)	(\$432.67)

*Employees enrolled in SCPH or Anthem in 2015 will pay the same insurance rates

Draft 2015 Monthly Health Insurance Rates

October 2, 2014

Employees Currently Enrolled in SCPH

2014 Insurance Costs for SCPH Members						Draft 2015 Insurance Costs for All Employees*					Increase/(Decrease)		
Tier	Total Premium	County Premium	County HSA	Total County	Employee Premium	Total Premium	County Premium	County HSA	Total County	Employee Premium	County	Employee	Total
Employee Only	\$720.10	\$576.08		\$576.08	\$144.02	\$723.99	\$579.19		\$579.19	\$144.80	\$3.11	\$0.78	\$3.89
Employee +1	\$1,440.20	\$1,152.16		\$1,152.16	\$288.04	\$1,447.97	\$1,158.38		\$1,158.38	\$289.59	\$6.22	\$1.55	\$7.77
Family	\$1,944.26	\$1,555.41		\$1,555.41	\$388.85	\$1,954.76	\$1,563.81		\$1,563.81	\$390.95	\$8.40	\$2.10	\$10.50
Employee Only	\$602.24	\$572.13	\$100.00	\$672.13	\$30.11	\$605.49	\$575.21	\$100.00	\$675.21	\$30.27	\$3.09	\$0.16	\$3.25
Employee +1	\$1,204.46	\$1,144.24	\$166.67	\$1,310.90	\$60.22	\$1,210.97	\$1,150.42	\$166.67	\$1,317.08	\$60.55	\$6.18	\$0.33	\$6.51
Family	\$1,626.04	\$1,544.74	\$166.67	\$1,711.40	\$81.30	\$1,634.83	\$1,553.09	\$166.67	\$1,719.75	\$81.74	\$8.35	\$0.44	\$8.79
Employee Only	\$34.42	\$27.54		\$27.54	\$6.88	\$34.42	\$27.54		\$27.54	\$6.88	\$0.00	\$0.00	\$0.00
Employee +1	\$68.84	\$55.07		\$55.07	\$13.77	\$68.84	\$55.07		\$55.07	\$13.77	\$0.00	\$0.00	\$0.00
Family	\$117.94	\$94.35		\$94.35	\$23.59	\$117.94	\$94.35		\$94.35	\$23.59	\$0.00	\$0.00	\$0.00
Employee Only	\$3.94	\$3.15		\$3.15	\$0.79	\$8.29	\$6.63		\$6.63	\$1.66	\$3.48	\$0.87	\$4.35
Employee +1	\$7.60	\$6.08		\$6.08	\$1.52	\$16.06	\$12.85		\$12.85	\$3.21	\$6.77	\$1.69	\$8.46
Family	\$10.78	\$8.62		\$8.62	\$2.16	\$22.66	\$18.13		\$18.13	\$4.53	\$9.50	\$2.38	\$11.88
Employee Only	\$758.46	\$606.77		\$606.77	\$151.69	\$766.70	\$613.36		\$613.36	\$153.34	\$6.59	\$1.65	\$8.24
Employee +1	\$1,516.64	\$1,213.31		\$1,213.31	\$303.33	\$1,532.87	\$1,226.30		\$1,226.30	\$306.57	\$12.98	\$3.25	\$16.23
Family	\$2,072.98	\$1,658.38		\$1,658.38	\$414.60	\$2,095.36	\$1,676.29		\$1,676.29	\$419.07	\$17.91	\$4.48	\$22.38
Employee Only	\$640.60	\$602.82	\$100.00	\$702.82	\$37.78	\$648.20	\$609.38	\$100.00	\$709.38	\$38.82	\$6.57	\$1.03	\$7.60
Employee +1	\$1,280.90	\$1,205.39	\$166.67	\$1,372.06	\$75.51	\$1,295.87	\$1,218.34	\$166.67	\$1,385.00	\$77.53	\$12.95	\$2.02	\$14.97
Family	\$1,754.76	\$1,647.71	\$166.67	\$1,814.38	\$107.05	\$1,775.43	\$1,665.57	\$166.67	\$1,832.23	\$109.86	\$17.85	\$2.82	\$20.67

*Employees enrolled in SCPH or Anthem in 2015 will pay the same insurance rates

EPO/HDHP Benefits with Blended Co-Pays

SERVICE	2015 Changes to Co-pays
House Calls	\$0 copay
Infusion Services	\$10 copay
Injections and Immunizations - Non-routine, includes travel immunizations. Injection only (materials and administration)	\$10 copay
Nutrition Visits	\$15 copay (after ded)
Vision Exam	\$10 copay (after ded)
Inpatient Hospital	\$150 copay (after ded)
Ambulance	\$50 copay (after ded)
Emergency Services	\$75 copay (after ded)
Outpatient Surgery	\$100 copay (after ded)
Abortion	
<i>Outpatient Surgery</i>	\$100 copay (after ded)
<i>Inpatient Hospital</i>	\$200 copay (after ded)
Bariatric Surgery	
<i>Outpatient Surgery</i>	\$125 copay (after ded)
<i>Inpatient Hospital</i>	\$200 copay (after ded)
Organ Transplants	
<i>Outpatient Surgery</i>	\$100 copay (after ded)
<i>Inpatient Hospital</i>	\$200 copay (after ded)
Inpatient Maternity	\$200 copay (after ded)
Diagnostic Lab & X-ray	\$10 copay (after ded)
High Tech/Advanced Radiology - CT, MRI, Nuclear Medicine and PET	\$25 copay (after ded)
Mental Health - Inpatient	\$200 copay (after ded)
Chemical Dependency - Transitional Residential Recovery Services	\$50 copay (after ded)
Skilled Nursing Facility	\$200 copay (after ded)
Medical Dental Care	
<i>Outpatient Surgery</i>	\$100 copay (after ded)
<i>Inpatient Hospital</i>	\$200 copay (after ded)
Durable Medical Equipment	\$20 co-payment
Sexual Dysfunction Device	40% (after ded)
Hearing Aids \$5000 max per calendar year	\$0 copay (after ded)
Outpatient Prescription Drugs	(after deductible)
<i>Non-Formulary</i>	\$25 - 30-day supply
	\$50 - 60-day supply
	\$75 - 100-day supply
Mail Order Prescription Drugs	(after deductible)
<i>Non-Formulary</i>	\$25 - 30-day supply
	\$50 - 100-day supply