



**CITY OF PACIFIC GROVE**  
300 Forest Avenue, Pacific Grove, California 93950

**AGENDA REPORT**

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Beth Kastrup, Human Resources Analyst  
**MEETING DATE:** December 17, 2014  
**SUBJECT:** Employee Health Care Benefits  
**CEQA:** Does not constitute a "Project" under California Environmental Quality Act (CEQA) Guidelines

**RECOMMENDATION**

Receive a report on employee health care benefits.

**DISCUSSION**

This report is presented at the request of the City Council. As outlined in the negotiated Memorandum of Understanding (MOU) for the Management Employee Association (MEA), General Employee Association (GEA) and Police Officer Association (POA), the City of Pacific Grove makes available health, dental and vision programs for purchase along with City sponsored disability and life insurance programs. In addition the City provides an Employee Assistant Program (EAP) and optional voluntary insurance programs. The MOU's also outline the premium cost offsetting benefits including the Flexible Spending Plan and Cafeteria Plan.

**Health Care**

The health care programs the City makes available to full-time and 30-hr employees includes a choice of medical plans through CalPERS, dental benefits provided through Delta Dental and vision benefits provided through VSP. The attached Benefits Brochure provides an overview of the coverage and a complete benefits summary along with the evidence of coverage is available on the City's website. A list health care premium rates for employees and dependents can be found on the attached document, 2015 Health Care Premiums.

As outlined in the MEA, GEA and POA MOU's there are health care premium cost offsetting benefits. For all three units if an employee purchases one or more of the available health care programs they are eligible for the Flexible Spending Benefit of \$100 per month. Members in the MEA and GEA also receive a Cafeteria Plan contribution of \$368.75 and \$350 per month respectively. Further, in compliance with Government Code Section 22892 (PEMHCA) the City pays \$122 monthly on the employees' behalf to CalPERS for medical insurance.

The following example is provided to illustrate the benefits per bargaining unit assuming that the employee chooses PERS- Select Coverage Plan Employee Only (EE).

|                                  | MEA             | GEA             | POA              |
|----------------------------------|-----------------|-----------------|------------------|
| PERS-Select (EE) monthly premium | \$ 646.35       | \$ 646.35       | \$ 646.35        |
| Less Flex Plan (monthly)         | -\$ 100.00      | -\$ 100.00      | -\$ 100.00       |
| Less Cafeteria Plan (monthly)    | -\$ 368.75      | -\$ 350.00      | -0-              |
| Less PEMCHA (monthly)            | -\$ 122.00      | -\$ 122.00      | -\$ 122.00       |
| <b>Total Cost (monthly)</b>      | <b>\$ 55.60</b> | <b>\$ 74.35</b> | <b>\$ 424.35</b> |

**City Sponsored Disability and Life Insurance Programs**

The City provides to all full-time and 30-hr employees a Short and Long Term Disability program as well as Life and AD&D program. All eligible employees are enrolled in these programs. Additional information including terms is available in the attached benefits brochure.

**City Sponsored Employee Assistance Program (EAP)**

The City provides to all full-time and 30-hr employees, as well as any member of their household, an Employee Assistance Program. The program provides confidential assistance for a wide range of personal topics.

**Optional Voluntary Insurance**

A variety of optional, voluntary insurance programs are offered through AFLAC.

**FISCAL IMPACT**

This report is provided as information only.

**ATTACHMENTS**

1. Benefits Brochure
2. 2015 Health Care Premiums

RESPECTFULLY SUBMITTED:

REVIEWED BY:

*Beth Kastrup*




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Beth Kastrup  
Human Resources Analyst

Steven Silveria  
City Manager Pro Tem



## Short Term Term Disability

Short Term Disability (STD) benefits help to provide you with weekly income if you become temporarily disabled.

- Benefits pay 66 2/3% of your weekly earnings up to \$1,385.
- Benefits commence on the 30<sup>th</sup> day of disability.
- The maximum duration of disability is 9 weeks.

There is no cost to you for this coverage.  
Benefits received will be considered taxable income.



## Long Term Disability

Long Term Disability (LTD) benefits help to provide you with monthly income if you become disabled and are unable to work.

- Benefits pay 66 2/3% of your monthly earnings to a maximum of \$6,000 per month. You must be disabled at least 90 days.
- The maximum duration of disability is Social Security Normal Retirement Age.

There is no cost to you for this coverage.  
Benefits received will be considered taxable income.

**The Hartford**  
**(800) 523-2233**  
[www.thehartford.com](http://www.thehartford.com)  
**GROUP #: 691820G**

## Medical Benefits

The City of Pacific Grove offers Medical plan benefits through CalPERS. Several plan options are available for employee only, employee plus one dependent and employee plus two or more dependents.

Plan choices include:

- PERS- Select, PERS- Choice, PERS- Care/CalPERS Anthem Blue Cross
- PORAC
- Kaiser Permanente
- Anthem Blue Cross HMO Traditional

A CalPERS Medical Benefits Summary is located at the City's website at [www.ci.pg.ca.us](http://www.ci.pg.ca.us)

2015 Health Plan Premium rates can be found on the City's website at [www.ci.pg.ca.us](http://www.ci.pg.ca.us). Employees can choose to enroll in medical benefits at the time of their hire, annually during open enrollment or if there is a qualifying event.

## California Law Enforcement Association

## Long Term Disability

Long Term Disability (LTD) benefits help to provide you with monthly income if you become disabled and are unable to work.

- Sworn Pacific Grove Police Officers only.
- Benefits pay 70-80% of your monthly earnings to a maximum of \$9,500 per month. You must be disabled at least 60 days.
- The maximum duration of disability is Lifetime.

There is a premium contribution required for this benefit.  
Benefits received will be considered non-taxable income.

**CLEA**  
**(800) 832-7333**  
[www.clea.org](http://www.clea.org)  
**GROUP #: Pacific Grove Police**



| VISION BENEFITS                                  | In-Network                   | Out-of-Network               |
|--|------------------------------|------------------------------|
| <b>BENEFIT FREQUENCY</b>                         |                              |                              |
| Examination                                      |                              | 12 Months                    |
| Lenses   |                              | 12 Months (After \$20 Copay) |
| Frames   |                              | 24 Months (After \$20 Copay) |
| <b>EXAM</b>                                      |                              |                              |
| Every 12 Months                                  | 100%                         | \$50 Allowance               |
| <b>FRAMES</b>                                    |                              |                              |
| Frame Allowance                                  | Covered up to Plan Allowance | \$70 Allowance               |
| <b>LENSES</b>                                    |                              |                              |
| Single Vision                                    | 100%                         | \$50 Allowance               |
| Lined Bifocal Vision                             | 100%                         | \$75 Allowance               |
| Lined Trifocal Vision                            | 100%                         | \$100 Allowance              |
| <b>CONTACTS (IN LIEU OF LENSES &amp; FRAMES)</b> |                              |                              |
| Medically Necessary                              | 100%                         | \$210 Allowance              |
| Elective   | \$130 Allowance              | \$105 Allowance              |

**Find a VSP Doctor:**  
**(800) 877-7195**  
[www.vsp.com](http://www.vsp.com)  
**GROUP #: 0027120**



## Dental PPO

| PPO BENEFITS                        | PPO     | Non-PPO        |
|-------------------------------------|---------|----------------|
| DEDUCTIBLE                          | \$25    | \$25           |
| ANNUAL MAXIMUM                      | \$1,000 | \$1,000        |
| <b>LEVEL 1 - PREVENTIVE</b>         |         |                |
| Cleaning, exams, etc.               | 80%     | 80%            |
| X-rays, Cleanings, Fillings         |         |                |
| <b>LEVEL 2 - BASIC</b>              |         |                |
| Extractions, fillings, oral surgery | 80%     | 80%            |
| Endodontics & Periodontics          |         |                |
| <b>LEVEL 3 - MAJOR</b>              |         |                |
| Dentures, Crowns, Bridges, etc.     | 50%     | 50%            |
| <b>ORTHODONTIA</b>                  |         |                |
|                                     |         | Not Applicable |

**Delta Dental**  
**(800) 765-6003**  
[www.deltadentalins.com](http://www.deltadentalins.com)  
**GROUP #: 3015-0005**



## Employee Assistance Program

Provided by MHN, the Employee Assistance Program is available to all employees as well as any member of your household. The program provides confidential assistance for a wide range of personal topics including:

- Marriage, family and relationship issues.
- Problems in the workplace
- Stress, anxiety and sadness.
- Concern about the use of alcohol or drugs.

MHN provides employees and dependents with 6 face-to-face sessions as well as phone or web-video consultations.

For more information visit :

[www.members.mhn.com](http://www.members.mhn.com) (company code: pacificgrove) or call (800) 227-1060



## Flexible Spending Account

Stretch your health care and dependent care by using pre-tax dollars for qualified medical and dependent care costs by participating in the Flexible Spending Account Program.

- A **Health Care FSA** can reimburse for health care expenses that are not covered, or are only partially covered by your medical, dental and vision insurance plans. Annual Health Care FSA limit: \$2,500.
- The **Dependent Care FSA** can be used to pay for qualified child care and/ or caregivers for a disabled family member living in the household who is unable to car for themselves. Annual Household Dependent Care FSA limit: \$5,000.

For more information visit [www.wageworks.com](http://www.wageworks.com) or call (877) 924-3967



## Voluntary Benefits

The City of Pacific Grove also makes available voluntary benefits provided by AFLAC. Please refer to your AFLAC flyer for more information regarding this plan.

### Contact Information:

Kyle Falce, AFLAC District Sales Coordinator

Phone: 831.331.6802

E-mail: [kyle\\_falce@us.aflac.com](mailto:kyle_falce@us.aflac.com)



## Life and AD&D

City of Pacific Grove provides benefit eligible employees with Group Life and Accidental Death & Dismemberment (AD&D) insurance at no cost for you.

Your group life and AD&D coverage amount is:

**Group Life:** Basic Life Insurance of 1x annual earnings up to \$50,000.

**AD&D:** AD&D of 1x annual earnings up to 1x annual earnings up to \$50,000.

**Age Reduction-Coverage Amounts:** To 65% reduction at age 65; to 45% reduction at age 70; to 30% at age 75 and to 20% at age 80.

### Dearborn National

(800) 348-4512

[www.dearbornnational.com](http://www.dearbornnational.com)

GROUP #: 691820G

City of Pacific Grove benefits member support.

800.763.5051

[pacificgrovebenefits@barneyandbarney.com](mailto:pacificgrovebenefits@barneyandbarney.com)

# 2015

## BENEFITS AND RESOURCES



## HUMAN RESOURCES CONTACTS:

Phone: (831) 648-3171

Email: [humanresources@ci.pg.ca.us](mailto:humanresources@ci.pg.ca.us)

<http://www.ci.pg.ca.us>

300 Forest Avenue, 2<sup>nd</sup> Floor  
Pacific Grove, CA 93950

**City of Pacific Grove**

**MONTHLY HEALTH INSURANCE PREMIUM RATES**

Health and Dental Rates: Effective January 1, 2015 - December 31, 2015

Vision Rates: Effective November 1, 2014 - October 31, 2015

| <b>PERS-CARE</b>         |             |               |               |               |              |
|--------------------------|-------------|---------------|---------------|---------------|--------------|
| <b>COVERAGE PLAN</b>     | <b>CODE</b> | <b>HEALTH</b> | <b>DENTAL</b> | <b>VISION</b> | <b>TOTAL</b> |
| EMPLOYEE ONLY            | 3271        | \$ 725.54     | \$ 37.90      | \$ 14.09      | \$ 777.53    |
| EMPLOYEE & 1 DEP         | 3272        | \$ 1,451.08   | \$ 75.18      | \$ 30.30      | \$ 1,556.56  |
| EMPLOYEE & 2 OR MORE DEP | 3273        | \$ 1,886.40   | \$ 94.81      | \$ 30.30      | \$ 2,011.51  |

| <b>PERS-CHOICE</b>       |             |               |               |               |              |
|--------------------------|-------------|---------------|---------------|---------------|--------------|
| <b>COVERAGE PLAN</b>     | <b>CODE</b> | <b>HEALTH</b> | <b>DENTAL</b> | <b>VISION</b> | <b>TOTAL</b> |
| EMPLOYEE ONLY            | 3221        | \$ 656.08     | \$ 37.90      | \$ 14.09      | \$ 708.07    |
| EMPLOYEE & 1 DEP         | 3222        | \$ 1,312.16   | \$ 75.18      | \$ 30.30      | \$ 1,417.64  |
| EMPLOYEE & 2 OR MORE DEP | 3223        | \$ 1,705.81   | \$ 94.81      | \$ 30.30      | \$ 1,830.92  |

| <b>PERS-SELECT</b>       |             |               |               |               |              |
|--------------------------|-------------|---------------|---------------|---------------|--------------|
| <b>COVERAGE PLAN</b>     | <b>CODE</b> | <b>HEALTH</b> | <b>DENTAL</b> | <b>VISION</b> | <b>TOTAL</b> |
| EMPLOYEE ONLY            | 531         | \$ 646.35     | \$ 37.90      | \$ 14.09      | \$ 698.34    |
| EMPLOYEE & 1 DEP         | 532         | \$ 1,292.70   | \$ 75.18      | \$ 30.30      | \$ 1,398.18  |
| EMPLOYEE & 2 OR MORE DEP | 533         | \$ 1,680.51   | \$ 94.81      | \$ 30.30      | \$ 1,805.62  |

| <b>PORAC</b>             |             |               |               |               |              |
|--------------------------|-------------|---------------|---------------|---------------|--------------|
| <b>COVERAGE PLAN</b>     | <b>CODE</b> | <b>HEALTH</b> | <b>DENTAL</b> | <b>VISION</b> | <b>TOTAL</b> |
| EMPLOYEE ONLY            | 2071        | \$ 675.00     | \$ 37.90      | \$ 14.09      | \$ 726.99    |
| EMPLOYEE & 1 DEP         | 2072        | \$ 1,292.00   | \$ 75.18      | \$ 30.30      | \$ 1,397.48  |
| EMPLOYEE & 2 OR MORE DEP | 2073        | \$ 1,642.00   | \$ 94.81      | \$ 30.30      | \$ 1,767.11  |

| <b>KAISER</b>            |             |               |               |               |              |
|--------------------------|-------------|---------------|---------------|---------------|--------------|
| <b>COVERAGE PLAN</b>     | <b>CODE</b> | <b>HEALTH</b> | <b>DENTAL</b> | <b>VISION</b> | <b>TOTAL</b> |
| EMPLOYEE ONLY            | 3071        | \$ 714.45     | \$ 37.90      | \$ 14.09      | \$ 766.44    |
| EMPLOYEE & 1 DEP         | 3072        | \$ 1,428.90   | \$ 75.18      | \$ 30.30      | \$ 1,534.38  |
| EMPLOYEE & 2 OR MORE DEP | 3073        | \$ 1,857.57   | \$ 94.81      | \$ 30.30      | \$ 1,982.68  |

| <b>ANTHEM TRADITIONAL HMO</b> |             |               |               |               |              |
|-------------------------------|-------------|---------------|---------------|---------------|--------------|
| <b>COVERAGE PLAN</b>          | <b>CODE</b> | <b>HEALTH</b> | <b>DENTAL</b> | <b>VISION</b> | <b>TOTAL</b> |
| EMPLOYEE ONLY                 | 4661        | \$ 838.48     | \$ 37.90      | \$ 14.09      | \$ 890.47    |
| EMPLOYEE & 1 DEP              | 4662        | \$ 1,676.96   | \$ 75.18      | \$ 30.30      | \$ 1,782.44  |
| EMPLOYEE & 2 OR MORE DEP      | 4663        | \$ 2,180.05   | \$ 94.81      | \$ 30.30      | \$ 2,305.16  |

Health Care Plans available for purchase from CalPERS

Dental Plan available for purchase from Dental Dental

Vision Plan available for purchase from VSP

**City benefit effective January 2015**

Flex Benefit - \$100.00 per month flex benefit per GEA, MEA, POA MOU's

Cafeteria Plan - \$350.00 per month cafeteria plan per GEA MOU

Cafeteria Plan - \$368.75 per month cafeteria plan per MEA MOU

PEMHCA - \$122.00 per month per California Government Code Section 22892 (PEMHCA) paid on employee behalf to CalPERS for health insurance