

Office of Human Resources
Howard S. Tames, Chief Personnel Officer

SUBJECT: FRINGE BENEFITS PROGRAM FOR CALENDAR YEAR 2005

COMMITTEE: LEGISLATIVE RELATIONS, PUBLIC RELATIONS AND PERSONNEL SERVICES

Effective January 1, 2003, the Board entered into an initial three year contract with UnitedHealthcare of Florida to provide health insurance for benefit-eligible Board employees, retirees and their eligible dependents, utilizing an open access Point of Service (POS) product. In the second year of that contract, UnitedHealthcare of Florida introduced a health maintenance organization (HMO) product to be offered in conjunction with the already offered POS, and the Board for the first time also offered benefit-eligible employees the opportunity to "opt-out" of Board-provided benefits, after certifying that they are covered under another group healthcare program. Due to delays in collective bargaining, implementation of the fringe benefits program for calendar year 2004 was delayed until February 1, 2004, to allow for open enrollment to occur.

During the course of the last year, staff, at the Board's direction, spent much time conducting due diligence in the exploration of converting the Board's present fully insured healthcare program to a self-insured program. As part of this due diligence, the Board issued Request For Proposal (RFP)# 093-DD10, Administrative Services Only (ASO) and Stop Loss Insurance Coverage for Group Health Insurance Program.

Staff is currently finalizing negotiations with UnitedHealthcare of Florida with respect to renewal terms for the fringe benefits program for calendar year 2005, as well as finalizing collective bargaining negotiations with bargaining agents.

A completed agenda item, including recommendations for product offerings, financing methodology, terms, conditions, contract length, guarantees, and pricing for employee, retiree and eligible dependents will be provided to the Board prior to the Board meeting.

HST:sc