

Business Operations  
Ofelia San Pedro, Deputy Superintendent

**SUBJECT: EMPLOYEE BENEFITS PROGRAM FOR  
CALENDAR YEAR 2008**

**COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL  
RELATIONS**

**LINK TO DISTRICT  
STRATEGIC PLAN: IMPROVE FINANCIAL SERVICES**

Agenda Item Replacement E-66 from the Board meeting of December 19, 2007, awarded the district's 2008 health insurance contract to UnitedHealthcare of Florida, Inc., pursuant to the provisions of Request For Proposal (RFP) # 065-GG10. This award for healthcare coverage for employees, retirees, and their eligible dependents was awarded for a three-year term, effective January 1, 2008, with the ability to extend for two additional one-year periods subject to successful renewal negotiations. The cancellation provision gives the district the ability to cancel its contract at any time with a 90-day advance written notice.

On December 19, 2007, the district was at an impasse with all five of its employee unions. Therefore, Agenda Item Replacement E-66 specifically stated that Board action was limited to authorization to enter into a contract with UnitedHealthcare of Florida, Inc., and establishment of premium rates for a 12-month period beginning January 1, 2008. The item further stated that a subsequent agenda item, with recommendations for a contribution strategy, including Board and employee contributions, would be brought back to the Board once negotiations were finalized.

On Monday, April 22, 2008, tentative agreements were reached with all five employee unions for health insurance re-openers for calendar year 2008. This was made possible as a result of the directions from the Board to assume responsibility for the 13.1% premium increase in healthcare expenses for the full calendar year, as well as retaining all current benefit offerings and plan designs.

**E-68**

As such, there will be no changes in current benefit plan offerings by the Board through UnitedHealthcare's Point of Service (POS); HMO 63; HMO 62; and NHP HMO through December 31, 2008. Healthcare costs for employee-only coverage will be fully funded by the Board with dependent costs to remain at levels which have been in place since January 1, 2007. Employees will retain the ability to enroll in one healthcare selection for themselves and another healthcare selection for their eligible dependent(s). All flexible benefits currently in place will remain in effect with no changes in terms or conditions.

The Board awarded its Short Term and Long Term Disability contract to Hartford Insurance Company through Agenda Item E-66 at the Board meeting of November 20, 2007, following issuance of Request For Proposal (RFP) # 095-GG10. In the financial analysis, which lead to the Board recommendation in Agenda Item E-66, the rates for employee-funded Long Term Disability were incorrect. The monthly rate for Level 1 was listed as \$21.14 and should have been \$24.14, and the Level 4 rate of \$1.16 per \$100/monthly pay should have been \$1.06 per \$100/monthly pay. The correct rates are being collected, therefore no changes to current deductions are necessary.

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida:

1. confirm the Employee Benefits Program for calendar year 2008 remains unchanged from current benefits for all benefits-eligible employees through December 31, 2008, including coverage offerings, rates, terms and conditions; and
2. confirm monthly Long Term Disability rates with Hartford Insurance Company at \$24.14 for Level 1 and \$1.06 per \$100 of monthly pay for Level 4, effective January 1, 2008 for a three-year term.