

Financial Services
Mrs. Judith M. Marte, Chief Financial Officer

SUBJECT: APPROVAL OF PREMIUM EQUIVALENT RATES FOR DISTRICT SELF INSURED HEALTHCARE PROGRAM FOR CALENDAR YEAR 2015

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY

At the Board meeting of October 7, 2014, the Board approved the 2015 monthly premium equivalent rates for benefit eligible full and part time employees, eligible COBRA participants, non-Medicare eligible retirees and their eligible dependents, subject to existing plan design and contribution strategies. The increase over 2014 premium equivalent rates inclusive of medical trend, as well as fees and required plan design changes under the Federal Affordable Care Act is 4%. As was indicated in the October 7, 2014 Agenda Item E-67, these projected rates were subject to changes which could occur as a result of collective bargaining, and as such, did not reflect actual rates which will be required of employees for calendar year 2015.

This item establishes appropriate premium equivalent rates, based upon approved changes to the District's healthcare program effective January 1, 2015, through December 31, 2015. These rates will apply to associations (Managerial Exempt Personnel, Confidential Exempt Personnel) and any bargaining unit that accepts the 2015 benefits program through collective bargaining and ratification.

Negotiations with United Teachers of Dade (UTD) have proven successful and subsequently, UTD ratified their tentative agreement on November 18, 2014. Negotiations with Dade County School Administrators' Association (DCSAA) have also proven successful resulting in a tentative agreement pending ratification. Negotiations are ongoing with the remaining unions.

Premium equivalent rates for calendar year 2015 represent an average 4% increase for OAP 20 and LocalPlus, as well as an average of a 5.6% increase for OAP10. The District has agreed to absorb up to 4% of premium increases.

The following monthly premium equivalent rates will be effective January 1, 2015, through December 31, 2015.

E-66

| EMPLOYEE SALARY BANDS | OAP 10 | | | OAP 20 | | | LOCAL PLUS | | |
|--|-----------------|------------|---------------|-----------------|------------|---------------|-----------------|------------|---------------|
| | MONTHLY PREMIUM | BOARD PAYS | EMPLOYEE PAYS | MONTHLY PREMIUM | BOARD PAYS | EMPLOYEE PAYS | MONTHLY PREMIUM | BOARD PAYS | EMPLOYEE PAYS |
| Salary Band 1(Under \$25K) | | | | | | | | | |
| Employee Only | \$692 | \$574 | \$118 | \$656 | \$646 | \$10 | \$655 | \$655 | \$0 |
| EE + SP | \$1,669 | \$1,326 | \$343 | \$1,585 | \$1,410 | \$175 | \$1,583 | \$1,422 | \$161 |
| EE + CH* | \$1,379 | \$1,100 | \$279 | \$1,310 | \$1,184 | \$126 | \$1,308 | \$1,193 | \$115 |
| EE + Family | \$2,648 | \$2,089 | \$559 | \$2,514 | \$2,180 | \$334 | \$2,510 | \$2,204 | \$306 |
| Salary Band 2 (Over \$25K to \$40K) | | | | | | | | | |
| Employee Only | \$692 | \$539 | \$153 | \$656 | \$636 | \$20 | \$655 | \$655 | \$0 |
| EE + SP | \$1,669 | \$1,203 | \$466 | \$1,585 | \$1,313 | \$272 | \$1,583 | \$1,344 | \$239 |
| EE + CH* | \$1,379 | \$1,003 | \$376 | \$1,310 | \$1,105 | \$205 | \$1,308 | \$1,128 | \$180 |
| EE + Family | \$2,648 | \$1,890 | \$758 | \$2,514 | \$2,021 | \$493 | \$2,510 | \$2,077 | \$433 |
| Salary Band 3 (Over \$40K to \$55K) | | | | | | | | | |
| Employee Only | \$692 | \$518 | \$174 | \$656 | \$626 | \$30 | \$655 | \$655 | \$0 |
| EE + SP | \$1,669 | \$992 | \$677 | \$1,585 | \$1,142 | \$443 | \$1,583 | \$1,208 | \$375 |
| EE + CH* | \$1,379 | \$827 | \$552 | \$1,310 | \$964 | \$346 | \$1,308 | \$1,015 | \$293 |
| EE + Family | \$2,648 | \$1,601 | \$1,047 | \$2,514 | \$1,790 | \$724 | \$2,510 | \$1,898 | \$612 |
| Salary Band 4 (Over \$55K to \$85K) | | | | | | | | | |
| Employee Only | \$692 | \$497 | \$195 | \$656 | \$616 | \$40 | \$655 | \$655 | \$0 |
| EE + SP | \$1,669 | \$880 | \$789 | \$1,585 | \$1,053 | \$532 | \$1,583 | \$1,150 | \$433 |
| EE + CH* | \$1,379 | \$732 | \$647 | \$1,310 | \$892 | \$418 | \$1,308 | \$967 | \$341 |
| EE + Family | \$2,648 | \$1,428 | \$1,220 | \$2,514 | \$1,651 | \$863 | \$2,510 | \$1,807 | \$703 |
| Salary Band 5 (Over \$85K) | | | | | | | | | |
| Employee Only | \$692 | \$475 | \$217 | \$656 | \$586 | \$70 | \$655 | \$655 | \$0 |
| EE + SP | \$1,669 | \$760 | \$909 | \$1,585 | \$959 | \$626 | \$1,583 | \$1,091 | \$492 |
| EE + CH* | \$1,379 | \$636 | \$743 | \$1,310 | \$815 | \$495 | \$1,308 | \$919 | \$389 |
| EE + Family | \$2,648 | \$1,243 | \$1,405 | \$2,514 | \$1,506 | \$1,008 | \$2,510 | \$1,718 | \$792 |
| Adult Dependent** | | \$588.00 | | | \$537.00 | | | \$541.00 | |

* Rate includes adult children up to age 26 in compliance with 2010 Health Reform Act.

** Rate is per eligible dependent 27-30 years of age in addition to other dependent rates as shown above in compliance with Florida Statute §627.602(c)(1).

RECOMMENDED:

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

Approve the monthly premium equivalent rates for benefit eligible full and part time employees, eligible COBRA participants, non-Medicare eligible retirees and their eligible dependents for associations (Managerial Exempt Personnel, Confidential Exempt Personnel) and unions in agreement with plan design and contribution changes for the self-funded medical program administered by Cigna Healthcare effective January 1, 2015, through December 31, 2015;

| EMPLOYEE SALARY BANDS | GAP 10 | | | OAP 20 | | | LOCAL PLUS | | |
|--|-----------------|------------|---------------|-----------------|------------|---------------|-----------------|------------|---------------|
| | MONTHLY PREMIUM | BOARD PAYS | EMPLOYEE PAYS | MONTHLY PREMIUM | BOARD PAYS | EMPLOYEE PAYS | MONTHLY PREMIUM | BOARD PAYS | EMPLOYEE PAYS |
| Salary Band 1 (Under \$25K) | | | | | | | | | |
| Employee Only | \$692 | \$574 | \$118 | \$656 | \$646 | \$10 | \$656 | \$655 | \$0 |
| EE + SP | \$1,669 | \$1,326 | \$343 | \$1,585 | \$1,410 | \$175 | \$1,583 | \$1,422 | \$161 |
| EE + CH* | \$1,379 | \$1,100 | \$279 | \$1,310 | \$1,184 | \$126 | \$1,308 | \$1,193 | \$115 |
| EE + Family | \$2,648 | \$2,089 | \$559 | \$2,514 | \$2,180 | \$334 | \$2,510 | \$2,204 | \$306 |
| Salary Band 2 (Over \$25K to \$40K) | | | | | | | | | |
| Employee Only | \$692 | \$539 | \$153 | \$656 | \$636 | \$20 | \$655 | \$655 | \$0 |
| EE + SP | \$1,669 | \$1,203 | \$466 | \$1,585 | \$1,313 | \$272 | \$1,583 | \$1,344 | \$239 |
| EE + CH* | \$1,379 | \$1,003 | \$376 | \$1,310 | \$1,105 | \$205 | \$1,308 | \$1,128 | \$180 |
| EE + Family | \$2,648 | \$1,890 | \$768 | \$2,514 | \$2,021 | \$493 | \$2,510 | \$2,077 | \$433 |
| Salary Band 3 (Over \$40K to \$55K) | | | | | | | | | |
| Employee Only | \$692 | \$518 | \$174 | \$656 | \$626 | \$30 | \$655 | \$655 | \$0 |
| EE + SP | \$1,669 | \$992 | \$677 | \$1,585 | \$1,142 | \$443 | \$1,583 | \$1,208 | \$375 |
| EE + CH* | \$1,379 | \$827 | \$552 | \$1,310 | \$964 | \$346 | \$1,308 | \$1,015 | \$293 |
| EE + Family | \$2,648 | \$1,601 | \$1,047 | \$2,514 | \$1,790 | \$724 | \$2,510 | \$1,898 | \$612 |
| Salary Band 4 (Over \$55K to \$85K) | | | | | | | | | |
| Employee Only | \$692 | \$497 | \$195 | \$656 | \$616 | \$40 | \$655 | \$655 | \$0 |
| EE + SP | \$1,669 | \$880 | \$789 | \$1,585 | \$1,053 | \$532 | \$1,583 | \$1,150 | \$433 |
| EE + CH* | \$1,379 | \$732 | \$647 | \$1,310 | \$892 | \$418 | \$1,308 | \$967 | \$341 |
| EE + Family | \$2,648 | \$1,428 | \$1,220 | \$2,514 | \$1,651 | \$863 | \$2,510 | \$1,807 | \$703 |
| Salary Band 5 (Over \$85K) | | | | | | | | | |
| Employee Only | \$692 | \$475 | \$217 | \$656 | \$586 | \$70 | \$655 | \$655 | \$0 |
| EE + SP | \$1,669 | \$760 | \$909 | \$1,585 | \$959 | \$626 | \$1,583 | \$1,091 | \$492 |
| EE + CH* | \$1,379 | \$636 | \$743 | \$1,310 | \$815 | \$495 | \$1,308 | \$919 | \$389 |
| EE + Family | \$2,648 | \$1,243 | \$1,405 | \$2,514 | \$1,506 | \$1,008 | \$2,510 | \$1,718 | \$792 |
| Adult Dependent** | | \$588.00 | | | \$537.00 | | | \$541.00 | |

- * Rate includes adult children up to age 26 in compliance with 2010 Health Reform Act.
- ** Rate is per eligible dependent 27-30 years of age in addition to other dependent rates as shown above in compliance with Florida Statute §627.602(c)(1).