PECG INFORMER

#8, August 2014

Professional Engineers in California Government

2015 HEALTH PLAN OPTIONS AND PREMIUMS

Each year, CalPERS negotiates coverage and premiums with current and potential health plan providers. Typically, benefits and major plan features remain unchanged from year to year while premiums usually increase, although not significantly over the last few years.

After several years of limiting choices to Kaiser, Blue Shield, and the PERS-sponsored plans (PERSCare, PERS Choice, and PERS Select), last year they added Anthem, Health Net, Sharp, and United Health Care to the available options. (Some of these plans offer limited geographic service areas.)

While CalPERS negotiates coverage and premiums with the carriers, PECG and CalHR negotiate the state's contribution to the premiums for Unit 9 employees. The state's contribution is based on a weighted average premium of the four plans with the highest enrollment. For Unit 9 the state pays 85% of that amount for the employee and 80% for dependent coverage, the highest state contribution for any of the bargaining units.

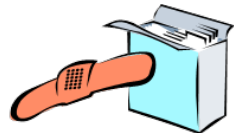
As you can see from the analysis on page 2 and 3 of this *Informer*, **the state's contribution in 2015 will increase to $557** for employee-only coverage, **$1,083** for two-party coverage, and **$1,401** for families. If the premium for a specific plan is higher than that amount, the employee pays the difference.

The new rates will take effect in January. The premiums for the HMOs will increase about 4%, with the Kaiser premium dropping and the Blue Shield premium increasing, which is the reverse of what happened last January. The three PERS-sponsored plans will see an average premium increase of 0.5%.

CalHR contracts with the dental and vision care plan providers, negotiating the state's contribution with PECG. The Unit 9 MOU specifies that **the state pays at least 75%** of the **dental** plan premium and **100%** of the **vision** plan premium.

Supervisors and managers are covered by **CoBen** which provides a flat amount for the state's contribution to the premiums of the health, dental, and vision plans. The current state contribution for single/two-party/family is $590/$1,140/$1,474. On January 1, 2015 the contribution will increase to **$603/$1,156/$1,503**. That amount may vary slightly because negotiations on the dental and vision plan premiums have not been finalized.

CalPERS will send out an **open enrollment** packet to all employees later this month. For those who wish to change their coverage or provider, there will be an open enrollment period from **September 15 to October 10**.



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2015 Health Plan Monthly Premiums for Unit 9 Employees

State Employer Contribution for 2015

Employee Only
$557
2014: $544

Two-Party
$1,083
2014: $1,056

Family
$1,401
2014: $1,360

KAISER CA			
Premium	Single	Two-Party	Family
2015	**633**	**1,266**	**1,646**
2014	662	1,323	1,720
Out-of-Pocket Cost			
2015	**76**	**183**	**245**
2014	118	267	360

PERSCare			
Premium	Single	Two-Party	Family
2015	**719**	**1,438**	**1,869**
2014	699	1,397	1,817
Out-of-Pocket Cost			
2015	**162**	**355**	**468**
2014	155	341	457

KAISER OUT OF STATE			
Premium	Single	Two-Party	Family
2015	**923**	**1,846**	**2,399**
2014	917	1,834	2,385
Out-of-Pocket Cost			
2015	**366**	**763**	**998**
2014	373	778	1,025

HEALTH NET			
Premium	Single	Two-Party	Family
2015	**671**	**1,343**	**1,746**
2014	632	1,265	1,644
Out-of-Pocket Cost			
2015	**114**	**260**	**345**
2014	88	209	284

BLUE SHIELD ACCESS+			
Premium	Single	Two-Party	Family
2015	**718**	**1,436**	**1,867**
2014	655	1,310	1,703
Out-of-Pocket Cost			
2015	**161**	**353**	**466**
2014	111	254	343

PERSChoice			
Premium	Single	Two-Party	Family
2015	**640**	**1,281**	**1,665**
2014	644	1,287	1,673
Out-of-Pocket Cost			
2015	**83**	**198**	**264**
2014	100	231	313

ANTHEM HMO TRADITIONAL			
Premium	Single	Two-Party	Family
2015	**727**	**1,455**	**1,891**
2014	670	1,341	1,743
Out-of-Pocket Cost			
2015	**170**	**372**	**490**
2014	126	285	383

SHARP			
Premium	Single	Two-Party	Family
2015	**586**	**1,173**	**1,525**
2014	562	1,124	1,462
Out-of-Pocket Cost			
2015	**29**	**90**	**124**
2014	18	68	102

BLUE SHIELD NETVALUE			
Premium	Single	Two-Party	Family
2015	**670**	**1,341**	**1,743**
2014	576	1,152	1,497
Out-of-Pocket Cost			
2015	**113**	**258**	**342**
2014	32	96	137

PERS Select			
Premium	Single	Two-Party	Family
2015	**618**	**1,236**	**1,607**
2014	595	1,190	1,547
Out-of-Pocket Cost			
2015	**61**	**153**	**206**
2014	51	134	187

ANTHEM HMO SELECT			
Premium	Single	Two-Party	Family
2015	**639**	**1,279**	**1,663**
2014	623	1,245	1,619
Out-of-Pocket Cost			
2015	**82**	**196**	**262**
2014	79	189	259

UNITED HEALTHCARE			
Premium	Single	Two-Party	Family
2015	**642**	**1,285**	**1,670**
2014	652	1,304	1,695
Out-of-Pocket Cost			
2015	**85**	**202**	**269**
2014	108	248	335

FEDS FINALLY FUND TRANSPORTATION – TEMPORARILY

Ever since President Eisenhower authorized the Interstate system in the 1950s, the federal Gas Tax has provided significant revenue which is passed on to the states for building and repairing highways and bridges. However, the 18.4 cent per gallon federal Gas Tax hasn't been increased since 1993 and has lost 40% of its purchasing power. While Congress has provided additional funds the past two years to keep the Highway Trust Fund solvent, it was about to go broke this month in the absence of an additional infusion of cash.

Efforts to authorize a new multi-year transportation funding program failed so, in literally the last few hours before going into recess, Congress agreed to a bill to provide an additional $10.8 billion to maintain the current level of funding to the states until May 2015.

While signing the bill, the President accused Congress of "kicking the can down the road for a few months, careening from crisis to crisis when it comes to something as basic as our infrastructure." He had proposed a four-year, $302 billion transportation bill to substantially increase current funding levels, which Congress rejected.

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