



STAFF REPORT

DATE: December 13, 2021
TO: Sacramento Regional Transit Board of Directors
FROM: Shelly Valenton, VP, Integrated Services and Strategic Initiatives
SUBJ: APPROVING THE RENEWAL OF ALL SACRT HEALTH AND WELFARE BENEFITS FOR 2022

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

The effect of the Board approving the renewal of all of the Health and Welfare insurance coverages is that employees will continue to receive the health and welfare benefits described below in accordance with SacRT's collective bargaining agreements and employment contracts.

FISCAL IMPACT

No fiscal impact. There will be no increase to 2022 rates.

DISCUSSION

Each year, SacRT must determine whether to continue its current insurance benefit policies with its current benefit providers. The following is a summary of the results of the 2022 renewal process. Attachment 1 contains an Executive Summary prepared by SacRT's benefit broker, Keenan and Associates, providing details on all the renewal information. The rates are renewed on a calendar year basis as opposed to how funds are budgeted on a fiscal year basis.

Dental

The Delta Dental PPO and Delta HMO plans both renewed with a rate pass and another two-year rate guarantee. Current rates and benefits for all employees enrolled remain the same through the 2023 plan year. The next plan renewal will be January 1, 2024.

Vision

Current rates and benefits for all employees enrolled in the VSP Basic or Enhanced Plans will remain the same for the 2022 plan year. This is the second year of a two-year rate guarantee. The next plan renewal will be January 1, 2023.

Life Insurance/Accidental Death & Dismemberment (AD&D)/Long Term Disability (LTD) Insurance

The Hartford Life Insurance Company rates for Basic Life, Voluntary Life, and Long-Term Disability plans will remain the same for the 2022 plan year. This is the second year of a three-year rate guarantee. The next plan renewal will be January 1, 2024.

Flexible Spending Account (FSA) and COBRA Administration

Current rates will remain the same for the 2022 plan year. The contract with Navia Benefit Solutions is an evergreen contract meaning that it continues in force indefinitely but may be terminated with a 30-day notice of cancellation.

Employee Assistance Program

In July 2021, SacRT entered into a contract with Optum, as the new Employee Assistance Program provider for employees, with a rate guarantee for three years. The next renewal will be July 1, 2024.



Sacramento Regional Transit District
2022 Health & Welfare Renewal
Executive Summary

On behalf of Sacramento Regional Transit District, Keenan & Associates is pleased to present the 2022 renewal overview for the ancillary benefit plans.

Renewal and Marketing Objectives

Keenan’s primary goal has been and will continue to be negotiating on behalf of Sacramento Regional Transit District in order to provide ancillary benefit programs that bring value to the employees while being affordable and include multi-year rate guarantees in order to provide stability to the rates.

Dental and Vision Care Trends

Keenan & Associates is forecasting the following dental and vision trend increases for the second year in a row:

<u>Dental</u>	<u>Vision</u>
PPO – 5.0%	3.0%
Prepaid – 4.0%	

Delta Dental

The Delta Dental PPO and DHMO plans both renewed with a rate pass and another 2-year rate guarantee. All current rates will remain the same until the next renewal effective January 1, 2024.

VSP

The current vision rates are going into the second year of a two-year rate guarantee that started January 1, 2021. All rates and benefits will remain the same until the next renewal effective January 1, 2023.

The Hartford

The Hartford offered a rate pass in 2021 along with a three-year rate guarantee. The rates for the District’s Basic Life, Voluntary Life and Long-Term Disability plans will remain the same until the next renewal effective January 1, 2024.

Flexible Spending Account

Navia Benefits administration will remain at \$4.40 per participant per month for the 2022 plan year.

Optum EAP

As a result of marketing that was done in 2020, Optum was chosen to replace MHN as the Employee Assistance Program for the District’s employees effective July 1, 2021. The total rate of \$1.66 per employee per month includes five (5) sessions per problem per year, along with Worklife services and Critical Incident hours. The rate is guaranteed for 3 years and will renew July 1, 2024.

Summary

We appreciate the long-term partnership we've had with Sacramento Regional Transit District and look forward to working with the District during the 2022 plan year. We will continue to work with the current lines of coverage while keeping the District informed of new regulations and changes that affect the employee benefits offered to District employees.

Sincerely,



Stacey Comerchero
Assistant Vice President
Employee Benefits

RESOLUTION NO. 21-12-0128

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

December 13, 2021

APPROVING THE RENEWAL OF ALL SACRT HEALTH AND WELFARE BENEFITS FOR 2022

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Board hereby approves the 2022 Health and Welfare Renewals for dental coverage with Delta Dental, vision coverage with Vision Services Plan, life insurance and long-term disability insurance with The Hartford Life Insurance Company, flexible spending account management with Navia Benefit Solutions, and employee assistance program services with Optum; and

THAT, the Board hereby authorizes the General Manager/CEO to fill out, execute, and submit any and all forms, applications, documents, and agreements necessary to effectuate the renewal of all insurance coverages herein approved.

STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary