



## Clay Township Regional Waste District

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### PERSONNEL & BENEFITS COMMITTEE MEETING

Monday, January 25, 2016 @ 7:30 A.M.  
10701 N. College Ave, Suite A, Indianapolis, IN 46280

#### AGENDA

1. Safety Update
2. Insurance
  - a. Anthem's revised 2016 rate is 0.2% increase from 2015
  - b. Summary of Insurance Benefits
  - c. Proposed Incentive for employees who waive major medical coverage

Next Meeting: February 22, 2016 @ 7:30 A.M.



## MEMORANDUM

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**To: P&B Committee**  
**From: Loren Prange**  
**Date: January 4, 2016**  
**Subject: December Safety Update**

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The District had no reportable injuries in December and has gone 2,148 days without a loss time accident.

The District had no confined space entries this month.

There were 2 safety tailgate sessions. Topics covered:

12/01/15 Message to self: Distracted driving is dangerous

12/08/15 Dog Wise: Safety with customers' canines

Monthly inspection of building fire extinguishers were completed this month.

Inspection of District vehicles was completed this month which included checking first aid kits and fire extinguishers.



## Memorandum

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To: P&B Committee

From: Drew Williams, Utility Director

Date: January 19, 2016

Subject: Benefit Summary

The District offers its employees a comprehensive benefit package which is outlined below. The District's Premium Conversion Plan (or "Cafeteria Plan") provides eligible Employees with the opportunity to choose from among the Benefit Package Options available under the Plan. Currently the only options are whether the employee wants coverage or not and whether they want to pay the premiums on a pre-tax or after-tax basis. Such a plan is required under the provisions of Code Section 125 in order to the offer pre-tax payment of premiums.

The District currently offers Anthem Lumenos HDHP health insurance with a term that ends on September 30, 2016. Anthem has indicated that the plan is "Grandmothered" and they will be able to offer a renewal for October 1, 2016 through September 30, 2017. We will shop the coverage again this year, but assuming the renewal rate is reasonable the District will likely remain with the current plan.

Our past experience with quotes for plans that were Affordable Care Act compliant was that the coverage was less and the premiums much higher. Compounding such a transition to the ACA plans, the coverage premiums are based on Age Rating Bands. There is a single child age band for individuals age 0 to 20 years, one-year age bands for adults starting at 21 years and ending at age 63, and a single age band for individuals age 64 and older. The premiums would no longer be presented as employee, employee & spouse, employee & children, or family classes.

Our insurance agent has informed us that some companies have recreated their own premium classes so that they can maintain the employee, employee & spouse, employee & children, or family classes. The District could move to a true cafeteria plan where employees are given a set amount that could be spent on any of the insurance coverages offered. The attached sheet details the current costs of the insurance benefits.

Since the District currently spends between \$7,500 and \$17,600 per employee for insurance coverage, there have been discussions in the past about offering an incentive to employees to take other coverage. Cash incentives could be deposited into a Health Reimbursement Account similar to the way we currently place seed and matching funds into Health Savings Accounts (HSA) for each employee on our health plan. Employees that do not take the District's health insurance cannot benefit from the District's \$1000 contribution and \$1000 match to the employee's HSA. An incentive would likely result in an overall savings to the District.

## **Summary of Benefits**

### **Health Insurance: Anthem Lumenos HDHP (subject to annual renewal)**

- Non-Embedded Deductible: \$1,500 Individual/\$3,000 Family
- Preventive Care: paid at 100%
- Maximum out of Pocket: \$3,000 Individual / \$6,000 Family
- Health Savings Account: Pretax money set aside to be used for health expenses. For 2016 the District will contribute \$1000 and match up to another \$1000. Contributions are prorated for employees hired during the year.
- \$25,000 Life Insurance

### **Vision: Anthem Blue View Vision**

- \$20 copayment for 1 eye exam every 12 months using Anthem Blue View Vision Provider Network.
- Prescription Lenses (Pair) Copayment: \$20
- Frame Allowance: \$100 Retail Value
- Contact Allowance: \$100

### **Dental Insurance: Reliance Standard**

- Deductible: \$100 per individual per year, \$200 per Family
- Preventive 90%, Basic 50%, Major 50%
- Maximum out of Pocket: \$350 Individual / \$700 Family
- No Employee Premium Contribution: 100% paid by Employer

### **Holiday and Paid Time Off**

- Paid Time Off: 2 days a month accumulated from date of hire; 30 day waiting period; one additional day each subsequent year after 5 years with a max of 29 days per year.
- Holiday Pay: The District typically observes 13 paid holidays in a calendar year.

### **Disability Insurance: Reliance Standard**

- Short Term: 26 weeks, 66 2/3%, maximum weekly benefit \$750
- Long Term: 60%, maximum monthly benefit \$5,000

### **Retirement**

- Hoosier S.T.A.R.T. Program: The District contributes 10% of the employee's wages into the employee's 401a account each pay period. Employees can contribute to the 457 plan.

### **Other Benefits**

- Employee Assistance Program (EAP): Community Health - Available to staff & immediate family - paid by Employer
- Wellness Program: Health & Fitness Reimbursement - District pays 50% towards an approved health or fitness purchase, up to \$300 per year for employees that participate in the annual health screening.
- Tuition Reimbursement: Tuition expenses of approved courses reimbursed up to \$3,000 per year.

# Employee Benefits - 2016

1/19/2016

	<u>Employee</u>	<u>Employee &amp; Child</u>	<u>Employee &amp; Spouse</u>	<u>Family</u>
<b><u>Benefits for all employees:</u></b>				
Reliance Standard				
Dental	337	1,015	767	1,438
STD & LTD	421	421	421	421
Anthem				
Life	<u>78</u>	<u>78</u>	<u>78</u>	<u>78</u>
<b>District annual cost by class</b>	<b>\$836</b>	<b>\$1,514</b>	<b>\$1,266</b>	<b>\$1,937</b>

## **Added benefits for employees with health insurance:**

Anthem				
Health	\$5,860	\$10,548	\$12,306	\$16,995
Vision	<u>39</u>	<u>74</u>	<u>68</u>	<u>113</u>
	\$5,899	\$10,622	\$12,374	\$17,108
Employee contribution - 20%	(1,180)	(2,124)	(2,475)	(3,422)
Health Savings Acct	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
Additional cost by class	\$6,719	\$10,498	\$11,899	\$15,686
<b>District annual cost by class</b>	<b>\$7,555</b>	<b>\$12,012</b>	<b>\$13,165</b>	<b>\$17,623</b>