



TriCo Regional Sewer Utility

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PERSONNEL & BENEFITS COMMITTEE MEETING

Wednesday, October 28, 2020 @ 7:30 A.M.

Hensel Government Center

10701 N. College Avenue

Carmel, IN 46280

AGENDA

1. Public Comment
2. Safety Update
3. Health Insurance Renewal
4. Cost of Living Adjustment Consideration
5. Office Unification Update
6. Other Business

Next Scheduled Meeting: Wednesday, September 23, 2020 @ 7:30 A.M.



MEMORANDUM

To: P&B Committee
From: Loren Prange
Date: 10/21/2020
Subject: Safety Update

No injuries reported this month and we are at 3894 days without a loss time accident.

No safety tailgates are being performed during social distancing. Safety training has continued thru Safety Plus Web online.

On August 24th TRICO completed training at the WRRF. Team members trained on several topics that included Hazardous Communication, Global Harmonizing system and Bloodborne Pathogens.

Preventive maintenance was completed on the belt press emergency stops. Each emergency stop switch was tested for function.

Two air monitors being used for confined space recently failed calibration and were taken out of service. Both units received new sensors and were put back into service. The utility requires the staff to calibrate each unit before being used. This practice helps find problems before they are used in the field.



MEMORANDUM

To: P&B Committee
From: Andrew Williams
Date: October 22, 2020
Subject: Health, Vision and Dental Insurance

The Utility received the Anthem Health Insurance renewal quote and found out that we are max rated with a 21.7% premium increase. The monthly premium will increase from \$33,366 to \$40,597. TriCo pays 80% and the employee 20%. This would be a \$69,417 increase in TriCo paid premiums for 2021.

The Utility has seen these wild renewal swings in the past from Anthem, yet they were always still the best option for TriCo. Over the past few years, the renewal rates have been an increase of 7.7% in 2015, a decrease of 0.25% in 2016, an increase of 3.5% in 2017, an increase of 32.4% in 2018, no change in premium for 2019, and an increase of 5.3% for 2020

Anthem did provide alternative coverage options shown on the attached sheet. As we have seen in the past, these alternatives all increase the deductible in order to offer lower rates. We are working with Huntington Insurance to shop the coverage and expect proposals to be received the week on November 9th.

TriCo has a grandmothered small group plan that has been extended for another year. The Anthem Lumenos HDHP provides the following coverage:

- 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. TriCo's contribution has historically been an initial contribution of \$1000 and match up to another \$1000.
- \$50,000 Life Insurance

On a positive note, the dental coverage with Mutual of Omaha received a rate pass.

Alternative Options

If you are looking to reduce your costs, here are some plans to consider and discuss with your agent. Other options are available, so please ask your agent if you would like to see additional plan options. You can make plan changes on the enclosed "Next Steps" renewal form contained toward the end of this document.

Current Medical Plan 1	Estimated Total Cost	Plan Options							
		Calendar Year Annual Deductible	Annual Out-of-Pocket Maximum	Office Visits	InPatient Hospital	ER/ Urgent Care Center	Pharmacy Drug	Preventive Care Immunizations & Screenings	FMHP Benefits*
Lumenos Health Savings Accounts Option 1, Blue 6	\$40,596.97	\$1,500/\$3,000	\$3,000/\$6,000	20% Coinsurance	20%	20% 20%	20%	No Cost Share	Yes
Plan Alternatives									
Lumenos Health Savings Accounts Option 2 with Rx Option 5, Blue 6	\$40,486.79	\$2,000/\$4,000	\$3,000/\$6,000	0% Coinsurance	0%	0% 0%	\$10/\$30/\$60/25% \$200 max	No Cost Share	Yes
Lumenos Health Savings Accounts Option 3 with Rx Option 5, Blue 6	\$36,256.28	\$2,500/\$5,000	\$3,500/\$7,000	0% Coinsurance	0%	0% 0%	\$10/\$30/\$60/25% \$200 max	No Cost Share	Yes
Lumenos Health Savings Accounts Option 4, Blue 6	\$34,795.51	\$2,000/\$4,000	\$5,000/\$10,000	20% Coinsurance	20%	20% 20%	20%	No Cost Share	Yes
Lumenos Health Savings Accounts Option 5 with Rx Option 5, Blue 6	\$34,286.55	\$3,000/\$6,000	\$4,000/\$8,000	0% Coinsurance	0%	0% 0%	\$10/\$30/\$60/25% \$200 max	No Cost Share	Yes
Lumenos Health Savings Accounts Option 6, Blue 6	\$30,966.77	\$3,000/\$6,000	\$5,950/\$11,900	20% Coinsurance	20%	20% 20%	20%	No Cost Share	Yes

Rates are proposed for an effective date of 01/01/2021. Rerate is required after this date. Final rates will be based on the actual effective date. Rates are based upon SIC #4953, located primarily in the 46280 zip code area. Final rates will be based upon the actual location, enrolled census, final benefits selected, and the underwriting rules in effect upon acceptance by Anthem Insurance Companies, Inc. and Anthem Life. This renewal is subject to underwriting approval by Anthem Insurance Companies, Inc. and Anthem Life; please do not cancel your coverage until the application has been approved in writing. This benefit description is intended to be a brief outline of coverage. The entire provisions of benefits and exclusions are contained in the group contract. In the event of a conflict between the Group Contract and this description, the terms of the Group Contract will prevail.
 NOTE: If the alternate Option request form is not received by the effective date listed on this proposal, a new proposal must be submitted.

*FMHP is Federal Mental Health Parity.

Next Steps

Company Name:
Group #:

Trico Reg Sewer Utility
00244772-0000

Your Agent: Rankin, Daniel L.
Effective Date: 01-01-2021

Reminder: If you wish to accept this proposed renewal coverage, **no action is needed**. You will renew automatically. If making changes, make sure that you check the appropriate box. If you are looking to reduce your costs or make plan changes, please talk with your agent. Additional plan options are available.

Proposed Renewal Plans	
	Lumenos Health Savings Accounts Option 1, Blue 6
Indicate Option Choice	KEEP - No Action needed
Estimated Total Cost	\$40,596.97
Estimated Employee Cost	\$2,585.79
Estimated Employee and Spouse Cost	\$1,810.06
Estimated Employee and Child Cost	\$6,205.92
Estimated Family Cost	\$29,995.20
Additional Coverage	
Dental	n/a
Vision	n/a
Term Life and AD&D	n/a
Total w/Additional Coverage	\$40,596.97

Enhance your Coverage	
	Life & Disability
Indicate Option Choice	Add <input type="checkbox"/>
Estimated Total Cost	Ask your Anthem agent for Life and Disability plan options and pricing details.
Estimated Employee Cost	
Estimated Employee and Spouse Cost	
Estimated Employee and Child Cost	
Estimated Family Cost	

Please note that these are examples of available options and that other options may be available for your group. Please visit anthem.com/easyrenew to compare additional plan options.

Plan Alternatives for Lumenos Health Savings Accounts Option 1, Blue 6					
	Lumenos Health Savings Accounts Option 2 with Rx Option 5, Blue 6	Lumenos Health Savings Accounts Option 3 with Rx Option 5, Blue 6	Lumenos Health Savings Accounts Option 4, Blue 6	Lumenos Health Savings Accounts Option 5 with Rx Option 5, Blue 6	Lumenos Health Savings Accounts Option 6, Blue 6
Indicate Option Choice	Change <input type="checkbox"/>	Change <input type="checkbox"/>	Change <input type="checkbox"/>	Change <input type="checkbox"/>	Change <input type="checkbox"/>
Estimated Total Cost	\$40,486.79	\$36,256.28	\$34,795.51	\$34,286.55	\$30,966.77
Estimated Employee Cost	\$2,578.77	\$2,309.31	\$2,216.28	\$2,183.85	\$1,972.41
Estimated Employee and Spouse Cost	\$1,805.14	\$1,616.53	\$1,551.39	\$1,528.70	\$1,380.68
Estimated Employee and Child Cost	\$6,189.04	\$5,542.36	\$5,319.04	\$5,241.28	\$4,733.76
Estimated Family Cost	\$29,913.84	\$26,788.08	\$25,708.80	\$25,332.72	\$22,879.92
% of Health Savings	0.3%	12.0%	16.7%	18.4%	31.1%

Authorization for ANY Plan Change

Employer Statement of Understanding. Applies to HSA Compatible and any high deductible plans (with the exception of EPO plans).

I understand that all HSA-compatible or high-deductible PPO plans are intended to be used as stand-alone high-deductible health plans or alongside a Health Savings Account banking arrangement and are not intended to be used in conjunction with any partially self-funded Section 105 wraparound product, now or in the future.

Group Email Address: _____

Requested Effective Date: _____ Signature: _____

Today's Date: _____ Printed Name: _____

COMPLETE, SIGN, and Email to sg.client.maintenance@anthem.com.

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Per the Affordable Care Act (or health care reform law), Summary of Benefits and Coverage (SBCs) can be accessed through our Internet Posting Site at www.find-sbc.com.

The benefits and rates reflected in this quotation have been adjusted to comply with changes required by the Affordable Care Act beginning in 2014. If not yet approved by the Department of Insurance, these benefits and rates might need to be adjusted.

Reminder: as your monthly bill will adjust when this renewal goes into effect, please be sure to pay your monthly statement as billed to ensure your account remains in good status.





MEMORANDUM

To: P&B Committee
From: Andrew Williams
Date: October 22, 2020
Subject: STEP and COLA

In 2019, TriCo implemented a 10-step system for employee salary advancement. Employees advance a step a year if they received a “Competent” rating on their annual review. When the step system was approved, the Board indicated that the adjustment of the wages rates in the step table could be made annually at the Board’s discretion. The Board adjusted the step table by 3% for 2020 to reflect the financial performance of the Utility and the local “Cost of Living”. The Board attributed an increase of 1.5% to each of these factors. The Board stressed that this was to be an annual determination that would be made by the Board.

The 2020 Gross Wages line was \$1,495,000. This line includes full-time wages, overtime, on-call pay, and summer help. The table below shows the budget increase for full time wages with Cost of Living adjustments from 0-2.5%. TriCo has 24 full time employees with 19 employees falling between Step 1-9 and five employees being at Step 10. If there is not Cost of Living adjustment, these 5 employees would not receive a salary increase.

COLA	Budget Increase	Percentage
0.0%	\$ 28,847.69	1.91%
1.0%	\$ 44,236.67	2.93%
1.5%	\$ 51,160.19	3.39%
2.0%	\$ 59,625.65	3.95%
2.5%	\$ 67,320.14	4.46%

Since we are waiting on competitive quotes for the health insurance premiums, we can not yet show the specific impact on take home pay for employees.