



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Department Name: Human Resources  
Department No.: 064  
For Agenda Of: September 14, 2021

Placement: Administrative  
Estimated Tme: N/A  
Continued Item: N/A  
If Yes, date from:  
Vote Required: 4/5

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TO: Board of Supervisors  
FROM: Department Maria Elena De Guevara, Human Resources Director, 568-  
Director(s): 2816  
Contact Katie Torres, Benefits and Wellness Division Chief: Human  
Info: Resources, 568-2818

**SUBJECT: 2022 Employee Benefit Insurance Program Renewal**

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

a) In the matter of setting health plan rates for 2022, the Board of Supervisors approves the following renewals:

i. PRISM Health Blue Shield Health Plans

The renewal of the Public Risk Innovation, Solutions, and Management (PRISM) Blue Shield Tandem Narrow Network, Blue Shield Exclusive Provider Organization (EPO) High, Blue Shield EPO Low, Preferred Provider Organization (PPO), and High Deductible Health Plan (HDHP) plans for a twelve-month period, at the existing benefit levels with a 2.4% decrease in premiums, effective January 1, 2022, for all active employees and retirees as shown in Attachments A1 through A4.

ii. Kaiser Permanente HMO Health Plans

The renewal of the active employees' and early retirees' Kaiser Permanente High and Low Health Maintenance Organization (HMO) for a twelve-month period at the existing benefit levels, with an increase of 2.6% in premiums, effective January 1, 2022, and for all Medicare-eligible retirees, with 4.0% decrease in premiums for the Senior Advantage Plans, at the existing benefit levels, as shown in Attachment B.

iii. United Healthcare Medicare Risk HMO Health Plans

The renewal of the United Healthcare Medicare Risk HMO Health Plans for County of Santa Barbara retirees, at existing benefit levels, and a 2.0% decrease of premium, for a twelve-month period, effective January 1, 2022, as shown in Attachment C.

iv. County Self-Funded Delta Dental PPO Plan

The annual Actuarial Underwriting Report for the County Self-Funded Dental Plan is shown in Attachment D, and continues the existing program benefits with no change in premium for both actives and retirees for a twelve-month period, effective January 1, 2022, as shown in Attachment E.

v. DeltaCare USA - Dental HMO Plan

The renewal of the existing DeltaCare USA Dental Health Maintenance Organization (DHMO) plan, and continues the existing benefit levels for active employees and retirees, with one more year of a two-year rate guarantee, through calendar year 2022, as shown in Attachment F.

vi. Vision Service Provider – Choice Vision Plan

The renewal of the existing Vision Service Provider Plan, and continues the existing benefit levels for active employees and retirees, with a zero premium rate increase with one more year of a four-year rate guarantee, through calendar year 2022, as shown in Attachment G.

vii. CareCounsel - Healthcare Assistance Program

The renewal of the CareCounsel Healthcare Assistance Program with a zero rate increase for all covered active employees and retirees, for a twelve-month period effective January 1, 2022, as shown in Attachment H.

viii. Empathia Life Matters – Employee Assistance Program

The renewal of the Life Matters Employee Assistance Program with a zero rate increase for all covered active employees and retirees, for a twelve-month period effective January 1, 2022, as shown in Attachment I.

b) In the matter of expanding benefit programs for 2022, the Board of Supervisors approves the following Health Oversight Committee (HOC) recommendations:

- i. Approve the expansion of the Amino Member Tool for all County health plans for the second year of a three-year contract, with an initial effective date of January 1, 2021, as shown in Attachment J
- ii. Approve the implementation of the Amino Member Incentive program for all plan members for a one year pilot program, effective January 1, 2022 as shown in Attachment K

- iii. Approve the implementation of Alliant Medicare Solutions for all active employees and retirees who are Medicare eligible at no cost, effective January 1, 2022, as shown in Attachment L
  - iv. Approve the implementation of Wellvolution for all Blue Shield plan members for one year at no cost, effective January 1, 2022, as shown in Attachment M
  - v. Approve the implementation of Life Balance for all active employees for one year, effective January 1, 2022, as shown in Attachment N
- c) Further, authorize the Human Resources Director or designee to execute any necessary third-party administrative agreements and documents required to manage plans listed in recommendations (a) **through (b) above; and**
- d) In the matter of revenues from Public Risk Innovation, Solutions, and Management (PRISM), the Board of Supervisors approves as follows: (4/5 Vote Required)
- I. Approve and authorize the Human Resources Department Director to accept revenue from PRISM in the amount of \$18,115.00 for implementation of the Life Balance program which supports employee wellness; and
  - II. Approve Budget Revision Request No. BJE-0007930 to establish one time appropriations of \$18,115.00 in the Human Resources Department's Wellness Fund to accept revenue from PRISM;
- e) Determine that these activities are not a "Project" under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4) because the actions are the creation of a government funding mechanism or other government fiscal activity, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

**Summary Text:** The recommended actions will continue the County's employee benefits programs itemized above, and assist the County and its workforce in further managing and stabilizing costs related to employee benefits.

County medical insurance premiums for most plans will decrease by 2.4% with no change in benefit levels; the exception is an increase of 2.6% for Kaiser Permanente High and Low Health Maintenance Organization (HMO). Premium renewal increases for all County plans are below medical inflation (PPO trend) in California, which increased 7.0% this year. In addition, there were no increases in County dental or vision premiums for the same benefit levels as are provided in the current plans.

After the County was notified of the 2022 premium renewal rates, staff convened the Health Oversight Committee (HOC) Attachment O, a body that enables the County to meet with unions in a collective manner on common insurance benefits provided to the entire workforce. As a result of meeting and reviewing and discussing options, the HOC recommends that the 2022 plans, rates, and additional programs be implemented and approved with no changes in benefit levels, which includes the following new programs:

#### **Expand Amino Member Tool for all Plan Members**

Amino is a member tool that can be used via website access and/or a mobile app to help guide members to high quality, low-cost providers in their network. This tool is being provided to all

Health Plan members, to assist members in making smart decisions when accessing care. The tool will enable employees to book appointments, track deductibles, and out of pocket maximums and will integrate and prioritize the County's current health initiatives such as the onsite clinics and telemedicine.

### **Amino Incentive**

COSB added a great tool for employees on the HDHP plan effective 1/1/21 to help employees find more cost effective and high quality care in the local area. Amino identifies Smart Match providers which are those that have high quality ratings/metrics as well as lower overall costs. The recommended actions would expand the Amino program to employees enrolled in all plans, and as an incentive for employees to use the Amino tool and book an appointment for various services, the County would work with a TPA to provide a cash incentive, paid from PRISM plan employer premiums. The employees would get a cash incentive and the plan would benefit with lower claims costs.

### **AMS**

Alliant Medicare Solutions is a white-glove concierge approach to Medicare information, education and enrollment services with agents licensed in all 50 states. This service is available to County employees, retirees, dependents, friends and family who are Medicare eligible. AMS will answer all questions, conduct a needs analysis, and assist with Medicare plan enrollment with no product steering to specific plans or carriers. AMS is offered to COSB at no cost to the County now or in the future.

### **Wellvolution**

Wellvolution is a Blue Shield wellness platform that provides improved member access, convenience, experience and efficiency by using virtual/digital care point solutions to prevent, treat and reverse disease. Members choose the program best suited to help them reach their health goals. The program is clinically based and is a proven, simple addition to a condition management plan that lowers total healthcare costs over time for both members and employers. Blue Shield has offered this as a pilot program to the County for 2022 at no cost.

### **Life Balance**

LifeBalance is a modern approach to employee discount platforms. LifeBalance offers a customized, localized platform that is relevant to employees whether their needs are for working families or as a focus on mental well-being and stress management. It offers thousands of savings opportunities in over 70 business/savings categories. Examples include health clubs, airline tickets, ski lift tickets, massage, yoga, pet supplies, financial well-being, child care and technology, to name a few. It includes exciting engagement initiatives that facilitate utilization and satisfaction. LifeBalance has something for every employee and ensures all website offers are meaningful discounts. County Human Resources Department will pay for this program at \$.50 per employee per month as a one-year pilot for 2022. This program will be funded by restricted wellness funds from PRISM.

In closing, the additional programs above are part of the ongoing Human Resources' and the Health Oversight Committee's efforts to mitigate health insurance premium increases. The overall benefit to employees and the County is the improved health of employees, reduced employee out of pocket health care costs, and reduced health care claim expenses.

## **Open Enrollment for 2022 Benefits Plan Year**

If the Board approves the recommended actions, an open enrollment period for the 2022 Benefits Plan year will be held from October 11, 2021, through October 29, 2021.

The Santa Barbara County Employees' Retirement System will conduct its own plan enrollment with retirees.

### **Background:**

For the past eleven years the County has participated in the PRIMSHHealth pooled risk insurance program. Participating in the pooled risk program has yielded positive results and continues to help the County manage costs. This year, the California PPO trend showed a 7.0% increase from last year; the PRISMHealth overall pool had a 1.7% decrease, and the County's premium came in at a 2.1% decrease.

In the PRIMSHHealth program, each participating employer maintains autonomy for its own benefit decisions, plan design, retiree benefits and rules, and administrative choices. The benefit of the pool is that all administrative, reinsurance and excessive claims costs are shared, and the reserves of the pool are available to buy down rate increases for the pool, which in turn assists in lowering the increases for individual members. For the first two years of participation, employer groups' increases are equivalent to that of the pool, regardless of their performance. In subsequent years an employer's actual claims experience over the previous period is used to establish rates.

The County has taken proactive steps, under the Board of Supervisors' direction, to manage County health insurance cost increases. The County's most recent efforts includes the following:

- In 2021 expanded services to children ages five and up at the County's Employee Health & Wellness Centers (formerly known as "onsite healthcare clinics").
- Expansion of selected out-patient surgeries through Carrum Health domestic surgical travel model.
- Continuous implementation of the Prescription Clinical Management Program available to PRISM Health Risk Pool members only.
- Implemented Amino Navigation Tool for High Deductible health plan members to make better informed potentially more cost effective decisions regarding their medical care.
- RxnGo, a discount prescription drug program, expanded their program to include diabetic medication
- Added the new Tandem Narrow Network EPO plan, which has made a lower cost medical plan available to employees and their families.

### **Impacts:**

Budgeted: Yes

### **Fiscal Analysis:**

The County contributes to the cost of eligible employees' medical and dental coverage and group life and long-term disability insurance. In addition, the County offers employees other benefits including County's Employee Health & Wellness Centers, a benefits advocacy program, and an employee assistance program. When developing the FY 2021-22 budget, staff assumed a 3.0% increase in the cost of the onsite healthcare clinics effective July 1, 2021

and a 5% increase in medical plan premiums effective January 2022; staff assumed no change in the cost of all other plans and benefits. The actual in medical plan premiums effective January 2022 is a 2.1% decrease, which results in a net cost savings to the County. Staff will return to the Board with a separate item regarding the County's Employee Health & Wellness Centers.

The HOC recommended expanding the Amino Member Tool to all plan members with a cost of \$2.63 per month per employee enrolled in a County sponsored medical plan. This will result in an increased cost of approximately \$110,000 annually, which can be covered by cost reductions in FY2021-22 medical premiums.

**Attachments:**

Attachment A1:	Active Employees Blue Shield Health Plans Monthly Premium Rates
Attachment A2:	Early Retiree Blue Shield Health Plans Monthly Premium Rates
Attachment A3:	Post 65 Blue Shield Health Plans Monthly Premium (no EGWP)
Attachment A4:	Post 65 Blue Shield Health Plans Monthly Premium (with EGWP)
Attachment B:	Kaiser HMO Premium Rates for Active Employee, Early Retirees and Medicare Retirees Advantage Plan Rates
Attachment C:	United Healthcare Medicare Risk HMO Rate
Attachment D:	County Self-Funded Dental Actuarial Report
Attachment E:	County Self-Funded Delta Dental PPO Plan Rates for Active Employees and Retirees
Attachment F:	Delta Dental Dental Care USA DMO Plan Rates for Active Employee and Retirees
Attachment G:	Vision Service Plan and Rates for Active Employees and Retirees
Attachment H:	CareCounsel Healthcare Assistance Renewal
Attachment I:	Empathia
Attachment J:	Amino Member Tool
Attachment K:	Amino Incentive
Attachment L:	Alliant Medicare Solutions
Attachment M:	Wellvolution
Attachment N:	Life Balance
Attachment O:	Health Oversight Committee Member List

**Authored by:**

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