

#### Program #72020 - Central HR Employee Benefits

**Program Contact: Travis Graves** 

**Department: County Management** 

**Program Offer Type: Existing Operating Program** Program Offer Stage: As Adopted

**Related Programs:** 

**Program Characteristics:** 

### **Executive Summary**

The Employee Benefits Program provides comprehensive health coverage, basic and supplemental life insurance options. health, dependent care and transportation spending accounts, leave management and short/long term disability benefits for approximately 13,000 eligible individuals, including employees, spouses or domestic partners, dependent children and retirees. The program includes a Wellness component, which promotes and supports a healthier workforce, serving employees and families by providing a wide variety of activities, education and services to promote well-being.

#### **Program Summary**

Internal administration of the Benefit Programs supports the County's unique business, labor and financial requirements, while providing sound fiscal management of the offered plans to obtain the best benefit value for employees and the organization. The highly trained professional staff oversee administration of a complex array of benefit plans ensuring the County remains compliant with labor contracts, federal, state and local laws and mandates.

The Benefits Program consults and coordinates with all County employees and departments to ensure timely enrollment in benefit plans, complete accurate payroll deductions, produce user friendly benefit communication/educational materials, and act as an effective liaison between employees and benefit providers to facilitate problem resolution. The program works closely with County labor and management to structure benefit components that provide desirable benefit options within budgetary constraints.

Wellness programs can help reduce employee absenteeism and health plan costs, while enhancing employee retention, morale, and productivity. The Employee Wellness Program serves the specific health needs of our employees as documented by health plan claims and population health data, and employee input. The Wellness Program focuses on chronic disease prevention and management through programs and policies that support healthy eating and physical activity, weight control, stress management, resiliency and overall health and wellbeing. Health plan partnerships and resources supplement program efforts.

Performance Measures									
Measure Type	Primary Measure	FY16 Actual	FY17 Purchased	FY17 Estimate	FY18 Offer				
Output	Medical plan annual member count	12,100	14,500	12,600	12,500				
Outcome	Participation in County Wellness Programs FY 2017	2,400	2,400	2,960	3000				
Efficiency	County's monthly per employee benefit cost (increase)	5.0%	6.0%	6.0%	6.0%				

#### **Performance Measures Descriptions**

Output: Total number of members enrolled in health plan coverage during the plan year. This includes employees, retirees, COBRA participants and dependents from all.

Outcome: Reports number of individuals participating in County Wellness Campaigns, these began in 2013.

Efficiency: Actual dollar costs per FY 2014 \$1,179, FY 2015 \$1,759, FY 2016 \$1,759, FY 2017 \$1,864.54.

National average health benefit increase has been 6.0%, and is expected to increase in 2018 by 6.0%.

6/19/201

## **Legal / Contractual Obligation**

County labor contracts contain benefit mandates for active and retired members. Benefits are governed by a variety of federal/state/local laws and agencies, including Internal Revenue Service (IRS), Dept of Labor (DOL), Dept of Health and Human Services (HHS), COBRA, Working Families Tax Relief Act, Older Workers Benefit Protection Act, Genetic Information Nondiscrimination Act (GINA), HIPAA, Patient Protection and Affordable Care Act (PPACA), CHIP, as well as civil rights and EEO laws. Labor contracts require a transit pass be provided by employer. OAR Chapter 340, Div 242 requires employers to provide commute options to achieve and maintain a reduced auto trip rate. To meet this requirement, County assists DEQ with their bi-annual survey to determine current commute methods, then follows DEQ approved plan to meet target reductions.

# Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2017	2017	2018	2018
Personnel	\$0	\$2,814,935	\$0	\$3,096,558
Contractual Services	\$0	\$1,603,587	\$0	\$1,478,962
Materials & Supplies	\$0	\$96,035,405	\$0	\$97,532,236
Internal Services	\$0	\$336,937	\$0	\$409,057
Total GF/non-GF	\$0	\$100,790,864	\$0	\$102,516,813
Program Total:	\$100,790,864		\$102,516,813	
Program FTE	0.00	14.12	0.00	14.12

Program Revenues								
Other / Miscellaneous	\$0	\$100,724,664	\$0	\$102,480,213				
Service Charges	\$0	\$50,000	\$0	\$20,400				
Total Revenue	\$0	\$100,774,664	\$0	\$102,500,613				

# **Explanation of Revenues**

Sources of revenue are: departmental contributions for health plan coverage (\$79.453.642 actives/\$7,079,718 Retirees), Short and Long Term Disability (\$1,903,355) and Life Insurance (\$504,362); benefit administration charge, (\$3,501,405), employee payroll deductions (both pre- and post- tax) for benefit plan participation (\$5,111,706), premium payments from retirees and COBRA participants (\$4,174,760), and operational refunds/forfeitures/rebates/performance guarantee penalties from vendors (\$350,400).

## **Significant Program Changes**

Last Year this program was: FY 2017: 72020 Central HR Employee Benefits

- -Removal of revenue item \$550,000 from expired retiree reinsurance refund program (tax credits due to Federal and State subsidies) (CC-705500/GL-50310)
- -Removal of expenditure items \$110,880 and \$113,400 for terminated State and Federal reinsurance programs (CC-705218/GL-60280)