

# Human Resources Benefits Update

March 2, 2021



# Grounding the Work

- **Board End Statement: Outstanding Educators and Staff**
  - II-A: Quality educators and staff have been recruited, developed, supported, retained and celebrated
  - II-E: Educators and staff are valued and given multiple opportunities for their voices to be heard

# Grounding the Work



**Strategic Plan Theme 3: Positive and Supportive Culture**

**Strategic Plan Theme 6: Recruitment, Retention and Development of High Quality Employees**

# Employee Benefit Offerings

Medical, Dental, Vision

Short & Long-term disability

Flexible Spending Accounts

Health Savings Accounts

Life insurance

Free health assessments

Critical illness insurance

Retirement Plans (PERA & other options)

Employee Assistance Program

Flu shot clinics

Free counseling services

Free work out & meditation classes

Free wellness webinars (family, financial)

Multitude of employee discounts

Resource connections to child/adult care

COVID testing/ at home test kits

COVID vaccinations (on site and w/ providers)

Site based well-being and staff events

## Current Medical Benefit Philosophy

- Comparable benefit offering to all employees within the District
- Choice in medical providers (i.e., Kaiser & Cigna/Allegiance)
- Choice in plan types (2 HMO/PPO options and 2 HDHP options)
- District subsidy of both employee and dependent rates for medical
- Employee ownership – consumer driven benefit plans offered
- District subsidy of employee's Health Savings Accounts (\$100 monthly for full-time employees \$50 monthly for part-time employees)
- Insulate employee from cost increases
- Competitive as compared other School Districts (see slide 7)

*Celebration of benefit offerings to employees*

# Summary of Changes-Current Plan Year

## Kaiser:

- Renewed with minor plan design changes – 4.19% increase to HDHP and 4.49% increase to HMO premiums
- Average increase to employee contribution was 11.6%
- Increased access to medical care through online medical advice and virtual visits

## Allegiance/Cigna (Self-funded):

- Renewed with no plan design changes – 12.2% increase to budget
- Average increase to employee contribution was 31.5%
- Increased access to medical care through online medical advice and virtual visits

All other lines of coverage were renewed with no changes to employees' costs

***Employee medical premiums were increased for the first time since 2015***

# Medical Benchmarking Summary

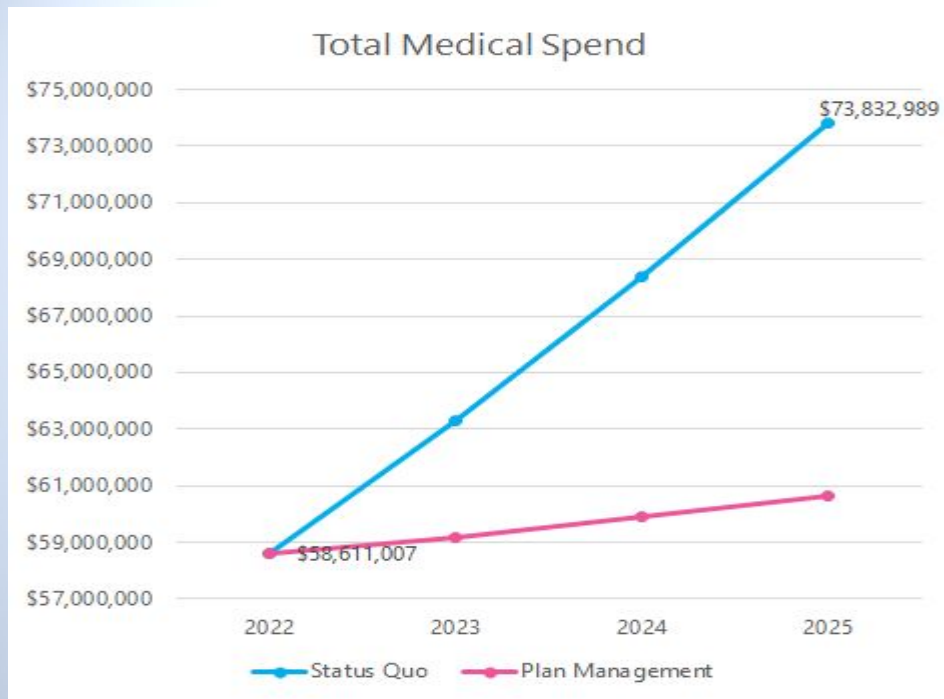
## Data:

- Primary/Secondary Educational Clients
- Arizona, Colorado & Wyoming
- 15 total employers 47 different total plans

## Observations:

- All 4 plan designs are at average or better than average
- HDHP employee contributions are well below average
- Districts HSA seed money is above average
- HMO & PPO employee contribution are below average for employee only and average for dependent tiers

# Total Medical Spend Forecast



- RFP in the market right now
- Evaluate opportunities for the District to obtain savings in the health plan **without sacrificing benefit levels for employees**



## Opportunities Being Explored for Benefit Year 2022-23

- Improved pharmacy benefit contracts
  - Improved pricing without changing benefits levels
- Alternative provider networks to achieve better discounts
  - Offering additional choice that would allow members to save and make plan choices based upon values (premium cost, deductible, pharmacy, co-pays, etc.)
- Unique partnerships with healthcare systems and local partnerships that would improve member experience and lower future health care costs

# Considerations

Change can be difficult, what criteria should you be using when evaluating specific strategies or tactics?

- DCSD offering as compared to the other school districts
- Trade-offs of each potential strategy
- Employee friction relative to change
- Impact to total compensation
- Administrative changes
- Communication/education plan if changes are made
- Employee's needs and wants
- Opportunity for ample feedback

## Next Steps

- Strategic plan initiatives and Board Benefits Resolution
- Monitor budget
  - Renewal rates for SY 2021-22
  - Future opportunities for plan design changes & innovation
- Open enrollment May 2021 for SY 2021-22
  - Finalization of premium costs
  - Limited differences for employees
  - Goal is to not increase premium costs for members
- Future Benefits Council
  - Representative of employee groups

# Next Steps

## District Wide Efforts

### Current Values and Overall Increased Employee Engagement

- Employee Council, Classified Mentors, Subs, Wellness Champions, Departments, Principal levels/regions, Office Manager meetings, Coaches & Athletic Directors
- HR Corner of Insights, Wellness News & Principal Notes
- Wellness work (monthly news, activities & resources)
- HR inbox for feedback
- Town Halls
- Feedback opportunities system wide for all employees
- Employee education regarding benefits
- Open enrollment webinars