



## Board Report

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**File #:** RES 21-135, **Version:** 1

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Adopt a Resolution to:

- a. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 to retitle and modify Sections A.21 Health, Dental, and Optical Insurance and A.21.1 Provision of Health, Dental and Optical Insurance to change the term “optical” to “vision” and add Limited Term employees;
- b. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 to retitle and modify Section 21.4 Health Insurance Plans: Flexible Benefits Plan & Alternative Benefit Option as the County no longer offers an Alternative Benefit Option and to reflect future changes to the County’s required contribution as directed by the California Public Employees’ Retirement System (CalPERS);
- c. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 to retitle and modify Section A.21.4.1 Flexible Benefits Plan - Units D, E, L, O, X, XL and Y to reflect the County’s maximum contributions for medical insurance;
- d. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 to delete Section A.21.4.2 Alternative Benefit Options - Units O, X, XL, and Y as the County no longer offers an Alternative Benefit Option and replace it with the County Maximum Contribution for Represented Employees provision;
- e. Direct the Human Resources Department to incorporate the changes in the Personnel Policies and Practices Resolution No.98-394.
- f. Direct the Human Resources Department and Auditor-Controller’s Office to implement the changes in the Advantage HRM/Payroll system.

### RECOMMENDATION:

It is recommended that the Board of Supervisors take the following actions:

Adopt a resolution to:

- a. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 to retitle and modify Sections A.21 Health, Dental, and Optical Insurance and A.21.1 Provision of Health, Dental and Optical Insurance to change the term “optical” to “vision” and add Limited Term employees;
- b. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 to retitle and modify Section 21.4 Health Insurance Plans: Flexible Benefits Plan & Alternative Benefit Option as the County no longer offers an Alternative Benefit Option and to reflect future changes to the County’s required contribution as directed by the California Public Employees’ Retirement System (CalPERS);
- c. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 to retitle and modify Section A.21.4.1 Flexible Benefits Plan - Units D, E, L, O, X, XL and Y to reflect the County’s maximum contributions for medical insurance and to eliminate the elective contribution payout provision for unused County contributions;
- d. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 to delete Section A.21.4.2 Alternative Benefit Options - Units O, X, XL, and Y as the County no longer offers an Alternative Benefit Option and replace it with the County Maximum Contribution for Represented Employees provision;
- e. Direct the Human Resources Department to incorporate the changes in the Personnel Policies and Practices Resolution No.98-394.

- f. Direct the Human Resources Department and Auditor-Controller's Office to implement the changes in the Advantage HRM/Payroll system.

SUMMARY/DISCUSSION:

On November 17, 2020, the California Public Employees' Retirement System (CalPERS) Pension and Health Benefits Committee approved a recommendation, and CalPERS subsequently adopted additional changes to the offered health insurance plans. Historically, CalPERS has provided three PPO plans for members to choose from, PERS Care, PERS Choice, and PERS Select. Effective January 1, 2022, CalPERS will provide two PPO plans, PERS Platinum and PERS Gold. CalPERS published statewide preliminary premium rates in June 2021 and approved final rates on July 13, 2021.

In response to CalPERS actions, on July 13, 2021, the Human Resources Department presented to the Board of Supervisors five (5) different health insurance employer contribution options addressing the upcoming CalPERS health plan changes. The County of Monterey Board of Supervisors directed the Human Resources Department to proceed with option four (4) effective January 1, 2022. Option four (4) consist of the following provisions:

- Set County contribution amounts for all plans in accordance with the 2021 flex credits as follows:
  - \$1,160 employee only
  - \$1,782 employee + one
  - \$2,190 employee + family
- Maintain existing cashback provision

Currently, the PPPR contains a provision which indicates the County contribution towards health insurance benefits is based upon the CalPERS Choice health plan. With the elimination of CalPERS Choice, the Human Resources Department collaborated with the County Administrative Office to propose new PPPR language (see Attachment A and B). Please find below a summary of the recommended changes:

- Update the County's maximum contribution amount towards the Cafeteria Flexible Benefits Plan for represented and unrepresented units (see Attachment C).

In addition, the Human Resources Department has updated the PPPR to change the term "optical" to "vision", and eliminate Section A.21.4.2 Alternate Benefit Option language per Board Order No. 82.2 (Attachment D) approved on June 23, 2015.

The County is committed to continue to provide affordable and quality healthcare to employees in a sustainable and equitable manner. For these reasons, it is recommended that the Board of Supervisors approve the amendment to the Personnel Policies and Practices Resolution.

OTHER AGENCY INVOLVEMENT:

The Human Resources Department has consulted with the County Administrative Office and the Offices of the County Counsel and the Auditor-Controller in the development of the recommended PPPR language.

FINANCING:

The costs associated with these actions should have minimal impact on the current FY budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The recommended action addresses the Board of Supervisors' Administration Strategic Initiative and demonstrates the County's commitment to meeting the Board's initiatives by attracting, recruiting, and retaining a diverse, talented work force that supports the mission of Monterey County.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared By: Wendell Sells, Management Analyst III, 796-6066

Approved By: Irma Ramirez-Bough, Director of Human Resources, 755-5043

Attachments:

- A - PPPR Redline
- B - PPPR Clean
- C - 2022 Health Plan Contributions for Unrepresented Units O, X, XL, & Y
- D - Board Order Terminating the Alternative Benefit Option (ABO)
- E - Resolution