

FDAC 2016 Annual Membership Meeting

FDAC EBA Overview

April 7, 2016

1. Eligibility: Has expanded to include other public agencies if fire districts are attached to them such as cities, counties or community services districts
2. Medical
 - a. Kaiser: 2 plans to choose from
 - i. 2016 -10.0% rate decrease on average to membership
 - ii. Rates are more competitive than CalPERS
 - b. Blue Shield 7 plans to choose from (2 PPO, 2 EPO/HMO, 3 HDHP (1 HSA compatible, 2 HRA plans))
 - i. Blue Shield network replaced the Health Net PPO and HMO offering effective January 1, 2016.
 - ii. 2016 rates decreased 10.0% on average.
 - iii. FDAC EBA has gained underwriting control of this program. This means carrier excessive margins, profit requirements, and risk charges have been eliminated.
 - iv. Under this new arrangement the program is running well, and we hope for further rate stabilization and possible rate decreases.
 - c. Membership
 - i. One of our goals is to favorably compete against CalPERS.
 - ii. We are currently assisting fire districts and public agencies on CalPERS breakaway strategies.
 - iii. We are developing separate rates with greater discounts for southern CA and the LA area.
 - iv. We are targeting June 1, 2016, for having the new member rates available.
 - v. We currently have approximately 10 proposals outstanding covering 1,000 lives.
 - vi. We encourage all districts to give consideration to requesting quotes from the EBA for medical coverage.
3. Dental
 - a. Delta Dental – 6 plans to choose from
 - i. 2016 rates on an overall basis renewed at no increase. Some Districts received minor increases to adjust for uniform reserve levels.
 - ii. For 2017, we will be changing the financial model to self-funding and assuming the underwriting responsibility with the expectation of continuing at no or minimal rate adjustments.
 - b. MetLife DHMO – a dental HMO plan

- i. Low cost plan
- ii. Low participation
- iii. Many Districts offer this plan as part of establishing their contribution cap. Pay for the lowest costing plan medical, dental and vision plan.

4. Vision

- a. VSP – 8 plans to select from
 - i. Rate stability for 4 years. 2017 will be the second year of our two year rate guarantee.
 - ii. 2016 added a safety glasses rider.

5. Life AD/D – The Standard

- a. Favored pricing for groups looking add this benefit
- b. For those Districts without Life insurance, a \$10,000 benefit costs less than \$2.00 a month.

6. EAP – Aetna Resources for Living, underutilized benefit

- a. A telephonic and web-based service
- b. Provides crisis counseling and much more
- c. Covers employees and their families
- d. Cost is less than a \$1 per employee per month
- e. For 2017, looking to face to face visits with counselors