



STAFF REPORT

Meeting Type: Board of Directors
Title: Change the Employer's Contribution Rate for Health Insurance to comply with the requirements of Government Code Section 22892(a) and 22892(b)
From: Vikkie Garay, Human Resources Manager
Through: Ben Horenstein, General Manager
Meeting Date: November 27, 2023

TYPE OF ACTION: X Action Information Review and Refer

RECOMMENDATION: Adopt resolutions to update the District's contribution rate paid for health insurance premiums based on increases to the CalPERS healthcare rates

SUMMARY: Health insurance costs change annually based on the premiums of insurance providers that are provided to CalPERS, the District's source of health insurance. The attached resolutions, required by CalPERS, will update the employer's contribution by the District to the cost of health coverage based on the increase in costs for coverage.

DISCUSSION: CalPERS requires that an employer contracting for health coverage under the Public Employees' Medical and Hospital Care Act (PEMHCA) shall fix the employer's contribution by resolution (Government Code Section 22892(a) (b)).

Under the recently approved MOU with SEIU Local 1021 and the Board resolution covering unrepresented employees, the District sets the employer's contribution at the cost of the health plan that falls in the middle of plans offered by PERS (which for 2023 is Blue Shield Access+ HMO).

All affected parties were notified by CalPERS of the new health insurance rates in September 2023 for the coming year, 2024.

The attached resolutions will update the contribution rate to be paid by the District consistent with the MOU and resolution for unrepresented employees for calendar year 2024.

The aforementioned resolutions will be submitted to CalPERS to revise our annual contributions effective January 1, 2024, for current employees and annuitants. Due to recent changes in the retiree healthcare coverage provided for employees hired on or after January 1, 2024, staff will bring one or more resolutions in the coming year to facilitate the implementation of these changes.

FISCAL IMPACT: The budget for health insurance is included in each department’s operating budget. The new health insurance premium rates are effective January 1, 2024.

ATTACHMENT(S)

1. Proposed Resolution for CalPERS Health 2024 – Employees or Annuitants
2. Proposed Resolution for CalPERS Health 2024 – Board of Directors

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Human Resources		
	Vikkie Garay Human Resources Manager	Ben Horenstein General Manager