

MOTION:

SECOND:

RE: AUTHORIZATION TO RENEW MEDICAL, DENTAL, AND VISION INSURANCE PLANS FOR POTOMAC AND RAPPAHANNOCK TRANSPORTATION COMMISSION AND VIRGINIA RAILWAY EXPRESS EMPLOYEES

ACTION:

WHEREAS, the Potomac and Rappahannock Transportation Commission offers medical insurance for Potomac and Rappahannock Transportation Commission (PRTC) and Virginia Railway Express (VRE) employees through Aetna and Kaiser Permanente, supplemental dental insurance through the Delta Dental Plan of Virginia, and supplemental vision insurance through Superior Vision, providing employees a choice of health care options and providers to accommodate all employees regardless of whether they live in Virginia, Maryland, or DC; and

WHEREAS, PRTC has received renewal rates from all four (4) providers with premium changes that are deemed reasonable and are within the amounts included in the proposed FY2021 budget; and

WHEREAS, management recommends awarding one (1)-year renewal contracts to Aetna and Kaiser Permanente for medical insurance, retaining the same dollar amounts as FY2020 for the employee share for the Aetna tiers, while continuing to offer Kaiser Permanente at no premium cost to employees; and

WHEREAS, management also recommends awarding one (1)-year renewal contracts to Delta Dental Plan of Virginia for dental insurance and Superior Vision for vision insurance, offering 100 percent employer paid premiums for PRTC and VRE employees.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby authorize the Executive Director to renew one (1)-year contracts with Aetna, Kaiser Permanente, Delta Dental Plan of Virginia, and Superior Vision for medical, dental, and vision insurance coverage effective July 1, 2020.

BE IT FURTHER RESOLVED that the Potomac and Rappahannock Transportation Commission also approves management's recommendation regarding employer/employee premium arrangements for the Aetna and Kaiser Permanente medical insurance plans, and 100 percent employer paid premiums for Delta Dental and Superior Vision insurance plans.

Votes:

Ayes:

Nays:

Abstentions:

Absent from Vote:

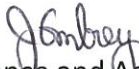
Alternate Present Not Voting:

Absent from Meeting:



May 28, 2020

TO: Chair Franklin and PRTC Commissioners

FROM: Joyce Embrey 
Director of Finance and Administration

THROUGH: Robert A. Schneider, PhD 
Executive Director

SUBJECT: Authorization to Renew Medical, Dental, and Vision Insurance Plans for Potomac and Rappahannock Transportation Commission and Virginia Railway Express Employees

Recommendation:

Authorize renewal of medical, dental, and vision insurance plans for Potomac and Rappahannock Transportation Commission (PRTC) and Virginia Railway Express (VRE) employees.

Background:

The Commission offers medical insurance for PRTC/VRE employees through Aetna and Kaiser Permanente, supplemental dental insurance through the Delta Dental Plan of Virginia, and supplemental vision insurance through Superior Vision, providing employees a choice of health care options and providers to accommodate all employees regardless of whether they live in Virginia, Maryland, or DC.

PRTC has received renewal rates from all four (4) providers with premium changes that are deemed reasonable and are within the amounts included in the proposed FY2021 budget. The premium changes are as follows:

- Aetna's renewal premiums average an increase of 11.18 to 16.96 percent, depending on plan and tier selected
- Kaiser Permanente's renewal premiums for all tiers increased by 4.76 percent
- Delta Dental's renewal premiums for all tiers increased by 2 percent
- Superior Vision's renewal premiums remained the same for all tiers, with rates guaranteed for four years

The FY2021 proposed budget assumed a 10 – 15 percent increase for the employer share of health insurance premiums. There were no plan design changes for the four (4) providers.

Management recommends awarding one (1)-year renewal contracts to Aetna and Kaiser Permanente for medical insurance. Management recommends the dollar amounts for the employee share for the Aetna tiers remain the same as FY2020, with PRTC covering the premium increase. Employees who choose the Kaiser Permanente option continue to bear no out-of-pocket cost for medical insurance premiums.

Management also recommends awarding one (1)-year renewal contracts to Delta Dental Plan of Virginia and Superior Vision, offering 100 percent employer paid premiums to all enrollees for the dental and vision plans.

Fiscal Impact:

The employer share for the medical, dental, and vision insurance premiums is within the dollar limits included in the proposed FY2021 budget. A summary of the estimated FY2021 medical, dental, and vision insurance costs is provided as an attachment.

Attachment: As stated

PRTC Estimated FY21 Medical, Dental, and Vision Insurance Costs

<u>Insurance Carrier/Plans</u>	<u>Employer Current Monthly Cost</u>	<u>Employer Renewal Monthly Cost</u>	<u>Employer Monthly Difference</u>	<u>Employer Current Annual Cost</u>	<u>Employer Renewal Annual Cost</u>	<u>Employer Annual Difference</u>	<u>% Increase/Decrease</u>
Medical							
Aetna (all 3 plans combined) ^	14,753.00	17,059.00	2,306.00	177,036.00	204,708.00	27,672.00	15.63%
Kaiser HMO ^	41,131.00	43,090.00	1,959.00	493,572.00	517,080.00	23,508.00	4.76%
Subtotal Medical	55,884.00	60,149.00	4,265.00	670,608.00	721,788.00	51,180.00	7.63%
Dental							
Delta Dental ^	3,282.00	3,348.00	66.00	39,384.00	40,176.00	792.00	2.01%
Vision							
Superior ^	359.00	359.00	-	4,308.00	4,308.00	-	0.00%
Total Estimated Cost to PRTC				714,300.00	766,272.00	51,972.00	7.28%

^ Based on current enrollment