

**PTSC BOARD
NOVEMBER 26, 2013**

**Public
Transportation
Services
Corporation**

SUBJECT: GROUP INSURANCE PLANS

**ACTION: APPROVE THE RENEWAL OF GROUP INSURANCE
POLICIES**

One Gateway Plaza, Los
Angeles, CA 90012

213 922 4611

RECOMMENDATION

Approve the renewal of group insurance policies for the calendar periods January 1, 2014 through December 31, 2104.

ISSUE

A comprehensive package of health resources provides existing employees a foundation to maintain or improve health, and helps to attract and retain qualified employees.

The Public Transportation Services Corporation (“PTSC”), seeks to offer benefit plans that promote efficient use of health resources, are cost effective for the company and our employees, and are competitive with other local public agencies.

BACKGROUND

The Non-Contract Group Insurance Plan, a flexible benefits program, was implemented in August 1994. Roughly 95% of the employees covered by the benefit plans are PTSC employees. Expo employees are also covered by our plans, providing a cost-effective means of offering benefits to this small group. On an annual basis, employees may choose the medical, dental, vision, and supplemental life, long-term disability, and accidental death and dismemberment plans that meet their needs. Alternatively, employees may opt to waive medical and/or dental coverage and receive a taxable cash benefit, provided proof of other coverage is submitted.

Premiums proposed by the carriers are generally updated annually based on loss experience and current market conditions.



Metropolitan Transportation Authority

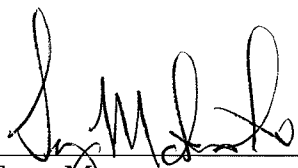
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The recommended medical, dental, and vision premiums for the calendar year (“CY”) January 1, 2014 through December 31, 2014, respectively, are listed on Attachment A.

FINANCIAL IMPLICATIONS

Funding for the Non-Contract and AFSCME group insurance plans were and are included in each department’s adopted budgets and on the balance sheet for accrued retiree medical liabilities. Based on the current employee participation by plan, costs are expected to be within the adopted budget.

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Administration and Financial Services Manager
213-922-2109



Terry Matsumoto
Chief Financial Officer, PTSC

Proposed Monthly Premium Rates

Provider	Coverage Option	CY 2013	CY 2014	%Change	Est # of Active Employees 1/1/14
Blue Cross (PPO)	Single	\$905.42	\$994.57	9.85%	209
	Couple	\$1,822.59	\$2,002.05	9.85%	204
	Family	\$2,444.61	\$2,685.32	9.85%	272
Blue Cross (HMO)	Single	\$646.36	\$646.36	0.00%	64
	Couple	\$1,357.34	\$1,357.34	0.00%	70
	Family	\$1,938.94	\$1,938.94	0.00%	159
Kaiser (HMO)	Single	\$554.38	\$559.29	0.88%	171
	Couple	\$1,108.77	\$1,118.57	0.88%	188
	Family	\$1,568.91	\$1,582.78	0.88%	325
Delta Dental (PPO)	Single	\$57.20	\$57.20	0.00%	331
	Couple	\$99.41	\$99.41	0.00%	379
	Family	\$149.37	\$149.37	0.00%	575
DeltaCare (DHMO)	Single	\$19.62	\$20.21	3.00%	64
	Couple	\$35.64	\$36.71	3.00%	50
	Family	\$52.74	\$54.32	3.00%	109
Dental Health Services (DHMO)	Single	\$16.82	\$16.82	0.00%	48
	Couple	\$32.60	\$32.60	0.00%	53
	Family	\$49.15	\$49.15	0.00%	94
Vision Service Plan	Single	\$9.73	\$10.15	4.35%	262
	Couple	\$14.07	\$14.68	4.35%	290
	Family	\$25.20	\$26.30	4.35%	438
Voluntary Waiver of Coverage:*					
	Medical	\$196.00	\$206.00	4.98%	118
	Dental	\$28.00	\$29.00	4.98%	78

* Waiver of Medical coverage requires proof of alternative coverage.