RECOMMENDED ACTION AND JUSTIFICATION: (Policy Item: Yes ( ) No(X)

Adopt this resolution authorizing Auditor to sign a modified renewal contract with Vision Service Plan, and to enter into a new contract with Robert F. Driver Co. Inc. to provide identical dental plan benefits with Delta Dental through CSAC's Excess Insurance Authority rather than through a renewal contract executed directly with Delta Dental.

Current County contracts for both vision and dental benefits expire September 30, 1997. The current contract with Vision Service Plan provides coverage for the employee only. The requested contract permits the employee to enroll dependents. The requested contract requires a co-payment by the patient of $20.00 rather than $10.00; however, the annual premium savings will compensate most employees for this additional $10.00 co-payment fee. However, some employees without dependents who do not utilize the full County contribution for their health benefits will incur the $10.00 additional co-payment under this proposed new contract. The attached spreadsheet Exhibit A shows the current plan rates and the revision options for both a $10.00 and a $20.00 co-payment as well as the annual savings realized by changing to the higher co-payment. The contract for dental services requested provides for a small increase in new contract premiums for the identical plan because, by participating through CSAC's EIA, the County is able to take advantage of premium savings realized through a larger employee base. This savings is shown on Exhibit A.

BACKGROUND AND HISTORY OF BOARD ACTIONS: As part of overall compensation for its employees, the County contributes toward employee dental and vision benefits as detailed in Article 6 of the Memoranda of Understanding with its four bargaining units. The requested modified contract with VSP and the new contract for dental service does not affect the County's monthly contribution level for these two insurances. They will, however, substantially increase the benefit realized by the employee by offering dependent coverage for the vision plan and by sustaining a smaller increase in the premium rates for the dental plan.

A Side Letter of Agreement between Mariposa County and Service Employees International Union, Local 752, and an identical Side Letter of Agreement between Mariposa County and American Federation of State, County, and Municipal Employees, Local 2703 established agreement to form a Health Insurance Task Force to be comprised of representatives from each bargaining unit to address ongoing mutual concerns over health benefit plans, quality of plans, and to explore other options and services available. This task force has met on several occasions, and its recommendations with respect to the vision and dental plans are contained in the attached memorandum from Nancy Kyle dated September 8, 1997 (Exhibit B).

The task force was comprised of one or more members of each of the County's bargaining units, and they feel that the recommendations are in the best interest of their members and represent the general consensus of a majority of their members. While the Side Letters of Agreement do not constitute "meet and confer" sessions, a separate section in each MOU providing for Maintenance of Benefits obligates the County to meet and confer with the Union prior to making any changes in its benefit programs. Letters
received from each bargaining unit indicating that the task force recommendations have satisfied the meet and confer requirement under this provision relative to the dental and vision plans are attached hereto as Exhibits C, D, E and F.

LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Current dental and vision contracts must be in place to maintain the County's agreement to provide certain levels of benefit coverage for its employees. If the current agreements are allowed to lapse with no alternative plan contracted for, the County would be in violation of the Memoranda of Understanding with all of its bargaining units.

Do not approve this request and direct staff to again meet with the Health Insurance Task Force and bring back other options for the Board's consideration.

<table>
<thead>
<tr>
<th>COSTS:</th>
<th>SPECIAL INSTRUCTIONS:</th>
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<tbody>
<tr>
<td>(X) Not Applicable</td>
<td>List the attachments and number the pages consecutively:</td>
</tr>
<tr>
<td>A. Budgeted current FY</td>
<td></td>
</tr>
<tr>
<td>B. Total anticipated costs</td>
<td></td>
</tr>
<tr>
<td>C. Required additional funding</td>
<td></td>
</tr>
<tr>
<td>D. Internal transfers</td>
<td></td>
</tr>
</tbody>
</table>

| SOURCE: | |
|--------| |
| ( ) 4/5ths Vote Required | |
| A. Unanticipated revenues | |
| B. Reserve for contingencies | |
| C. Source description: | |
| Balance in Reserve for Contingencies, if approved: $ | |

<table>
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<th>CLERK'S USE ONLY:</th>
<th>ADMINISTRATIVE OFFICER'S RECOMMENDATION:</th>
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<tr>
<td>Res. No.: 92-85</td>
<td>This item on agenda as:</td>
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<tr>
<td>Ord. No.</td>
<td>Recommended</td>
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<tr>
<td>Vote - Ayes: 5</td>
<td>Not Recommended</td>
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<td>Noes:</td>
<td>For Policy Determination</td>
</tr>
<tr>
<td>Abstained:</td>
<td>Submitted with Comment</td>
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<tr>
<td>( ) Minute Order Attached</td>
<td>Returned for Further Action</td>
</tr>
<tr>
<td>( ) Denied</td>
<td></td>
</tr>
<tr>
<td>( ) No Action Necessary</td>
<td></td>
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</table>

The foregoing instrument is a correct copy of the original on file in this office.

Theatre: MARGIE WILLIAMS, Clerk of the Board
County of Mariposa, State of California

By: Deputy

A.O. Initials:
### Delta Dental Coverage

<table>
<thead>
<tr>
<th>Coverage</th>
<th>Current</th>
<th>Renewed</th>
<th>Increase</th>
<th>Proposed</th>
<th>Increase</th>
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<tr>
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<td>$31.25</td>
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<td>$2.79</td>
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<td>Spouse</td>
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<td>$8.12</td>
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### Vision Service Plan

#### Coverage ($10.00 copay)

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<th>Coverage</th>
<th>Current</th>
<th>Renewed</th>
<th>Annual</th>
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<td>Spouse</td>
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<tr>
<td>Family</td>
<td>$10.00</td>
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#### Coverage Co-Pay

<table>
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<tr>
<th>Coverage</th>
<th>Co-Pay</th>
<th>Current</th>
<th>Renewed</th>
<th>Annual</th>
<th>Note 1</th>
<th>Note 2</th>
<th>Note 3</th>
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<tbody>
<tr>
<td>Employee</td>
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Note 1: Annual premium savings with $20.00 copay.
Note 2: Additional out-of-pocket expense because of higher co-pay.
Note 3: Annual net premium savings. Family rates are estimated assuming a family of four.
September 8, 1997

TO: Distribution

FROM: Nancy Kyle, Personnel Analyst

RE: Health Insurance Task Force

A meeting of the Health Insurance Task force was held on September 8, 1997 at the Farm Advisor's Conference Room and was attended by: Jim Allen, Carol Azevedo, Becky Crafts, Lisa Edelheit, Nancy Kyle, Phil Rauch and Kim Scott.

Extensive discussion was held concerning vision plans offered by VSP and MES. The group reviewed plan options offering dependent coverage and their effect on premiums. While MES plans appear to offer substantial premium savings, the majority of the group felt concern over some negative comments that had been received and preferred to remain with VSP at the present time. However, the group requested that dependent coverage be added and that the contract be changed to the $20.00 co-pay rate schedule. Carol was requested to contact VSP to determine if they would offer an expanded provider list to include some of the discount frame outlets offered by the MES plan. This will be added to the renewal contract if it is available. The task force will continue to gather additional information on the MES plan, and it will be reviewed again at a later date; however, the group concurred with continuation of vision benefits with VSP as noted above.

Carol Azevedo presented additional benefit information to the group relative to the proposed change in life insurance carriers, and after general discussion, it was determined to make no change in the present carrier.

By copy of this memorandum, Nancy Kyle is to ask Jeff Green, Acting Personnel Director, to request Board approval of the recommendations made below. All bargaining units were represented at this task force meeting, and they indicated that they had reviewed the options presented with the majority of their membership. Each indicated that they will provide a letter to Jeff Green for inclusion with the Board agenda package prior to noon.
on Friday, September 12, 1997, indicating that the following task force recommendations have satisfied the meet and confer requirements relative to *Maintenance of Benefits* as set forth under Article 6 of their respective MOUs.

That Health Insurance Task Force made the following recommendations to the County:

1. **Dental Insurance.** Maintain existing plan with Delta Dental; however, contract with Robert F. Driver Co. Inc. through CSAC's EIA for coverage to take advantage of the rate reductions offered through a larger coverage group.

2. **Life Insurance.** No change is recommended from current group and voluntary life insurance plans.

3. **Vision Insurance.** The current coverage with VSP is for employee only and includes a $10.00 copayment. It is recommended that the Auditor's Office request a renewal plan with VSP based on a $20.00 copayment and offering dependent coverage.

Future meetings of this task force will be scheduled as necessary to further review possible changes in the County's vision plan and to consider health insurance options that may be available. Please contact me when you feel that you have sufficient additional information to discuss, and I will be happy to coordinate another meeting of this group.

**Distribution**

James Allen, SMA  
Carol Azevedo, Auditor's Office  
Becky Crafts, MCMCO  
Lisa Edelheit, Field Representative, SEIU  
Susan Patterson, SMA  
Phil Rauch, DSA  
Kim Scott, SEIU

cc: Jeffrey G. Green  
    Janet Hogan
September 15, 1997

Nancy Kyle
Health Insurance Task Force

This letter is to confirm that the DSA has met and agrees to accept the findings and decisions of the Health Insurance Task Force as related to our insurance.

This is satisfy Section 6.4.4 of the MOU (meet and confer).

[Signature]

Phil Rauch
President
September 12, 1997

Jeff Green
County of Mariposa
P.O. Box 784
Mariposa CA 95338

RE: Health Task Force Recommendation

ATTENTION: Nancy Kyle
Personnel Analyst

Dear Ms. Kyle:

We are in agreement with the recommendation from the Health Task Force regarding the dental and vision plans.

Should you have any further questions or concerns, please feel free to contact us.

Sincerely,

[Signature]

GENE STAMM
Business Agent

OPEIU-3/AFL-CIO(251)rr
September 10, 1997

Jeffrey G. Green
County Counsel
Mariposa County
P.O. Box 189
Mariposa, CA 95338

RE: Benefit Changes

Dear Jeff:

As you are aware the Health Insurance Task Force has been meeting to discuss vision, dental and life insurance benefits. At our last meeting on 9/8/97 the Task Force made the following unanimous recommendations to the County:

1. Dental Insurance. Maintain existing Delta Dental Plan but change carriers to take advantage of rate reductions by going through CSAC's EIA. Sign a 2 year contract rather than 1 year which guarantees the rates for 2 years.

2. Vision Insurance. Continue vision coverage with VSP rather than switching to MES. Sign a new 2 year contract that provides dependant coverage and a $20.00 copayment. The higher copayment will reduce the monthly premium with the rates locked in for 2 years.

3. Life Insurance. No change recommended.

We believe the meetings of the Task Force satisfies the meet and confer requirements spelled out in the MOU under Article 6 Section 6.4.2 - Maintenance of Benefits.

It is my understanding that these recommendation will be brought before the Board of Supervisors on September 23, and if approved, the new rates will be in effect and deducted from the September paychecks. We think these recommendations will benefit both the County and the employees and look forward to their approval.

Sincerely,

Lisa B. Edelheit
Field Representative
Mariposa County Sheriff's Office  
James H. Allen, Captain

To:        Jeff Green, County Council - Acting Personnel Director

Reference:  Meet and Confer on Maintenance of Benefits
            6.4.4 of the MOU between MSMA and Mariposa County

This shall serve as notice that representatives from our Association and the County did
meet and confer over the following benefit changes:

        Vision:        VSP      Plan B      $20.00 Copayment
                        This includes Employee +1 and Employee + Family

        Dental:       Delta Dental
                        This is a similar plan that we currently have with the following
                        changes: We join with CSAC at a reduced monthly premium.

If there are any questions or if I can be of further assistance please contact me.

James H. Allen
MSMA Representative