

Priority: Accountability **Lead Agency:** County Management
Program Offer Type: Existing Operating **Program Contact:** Mindy Harris
Related Programs:
Program Characteristics:

Executive Summary

The Employee Benefits program provides and manages a full range of affordable, family friendly health, life, disability and retiree benefits for County employees and retirees. This program assists in County compliance with labor contracts, federal, state and local laws/mandates. Oversees benefit plan administration for sound fiscal management while obtaining the best benefit value for employees and the County.

Program Description

Program coordinates/consults with all County departments/employees to ensure timely enrollment in benefit plans of employee's choice, accurate payroll deductions, production of user friendly benefit communication/educational materials, and act as liaison between employees & benefit providers for problem resolution. We work with the Employee Benefits Board to structure benefit components providing desirable benefit options within budgetary constraints. Administration has been standardized to ensure all employees receive the full value of their benefit programs. Due to integrity of County reporting systems, vendors rely on County reports for eligibility and payment. Plans are regularly reviewed for compliance with federal/state/local laws governing plan administration. Vendors and internal records are regularly audited to ensure County funds are being spent appropriately. Remittances are made on time to take advantage of discounts and avoid penalties. Service contracts include performance guarantees to ensure service levels. Vendor reports and services are regularly audited for compliance with plan requirements.

Program Justification

County's comprehensive benefit package is a primary contributor in attracting and retaining a highly qualified workforce. It is good public policy to provide benefit coverage. County plans and management design are program models for other public sector agencies. Program contains 3 primary components:

1. Health & Welfare, providing coverage to more than 13,000 members (employees, retirees and dependents).
2. Life & Disability: We manage multiple disability (long and short term, catastrophic leave) and life insurance plans (basic and optional life, accidental death and dismemberment).
3. Plan & Vendor Management and Communication: The value employees assign to their benefits is directly related to employee understanding of their programs and ease of use. This only happens with stringent administrative practices which allow timely enrollment, accurate eligibility reporting and premium calculations, timely remittances to vendors, and accurate, clear and timely communication to members.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY04-05)	Current Year Purchased (FY05-06)	Current Year Estimate (FY05-06)	Next Year Offer (FY06-07)
Output	Percent of benefits requests resolved within 5 workdays	0%	98%	98%	99%
Outcome	Benefit cost per employee	669	738	738	770
Quality	Customer satisfaction with New Employee benefit enroll process/material/service	99%	100%	100%	100%

Performance Measure - Description

Outcome 1: County's composite per member per month rate has been well below other local counties: 04/05 Clackamas \$750.50, Washington \$758.51, Lane \$987.39.

Legal/Contractual Obligation

County labor contracts contain benefit mandates for active and retired members. Benefits are governed by variety of federal/local laws, including Internal Revenue Service, COBRA, WFTRA, Older Workers Benefit Protection Act as well as civil rights and EEO laws.

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
	2006	2006	2007	2007
Program Expenses				
Personnel	\$0	\$937,569	\$0	\$691,781
Contracts	\$0	\$975,000	\$0	\$753,715
Materials & Supplies	\$0	\$61,330,976	\$0	\$70,506,153
Internal Services	\$0	\$309,490	\$0	\$132,192
Subtotal: Direct Exps:	\$0	\$63,553,035	\$0	\$72,083,841
Administration	\$0	\$0	\$39,931	\$2,735
Program Support	\$0	\$0	\$9,834	\$0
Subtotal: Other Exps:	\$0	\$0	\$49,765	\$2,735
Total GF/non-GF:	\$0	\$63,553,035	\$49,765	\$72,086,576
Program Total:	\$63,553,035		\$72,136,341	
Program FTE	0.00	0.00	0.00	8.00
Program Revenues				
Fees, Permits & Charges	\$0	\$44,975,637	\$0	\$51,426,091
Other / Miscellaneous	\$0	\$18,500,000	\$0	\$20,949,198
Program Revenue for Admin	\$0	\$0	\$3,281	\$0
Total Revenue:	\$0	\$63,475,637	\$3,281	\$72,375,289

Explanation of Revenues

Funding for Employee Benefit Programs comes from combination of internal services charges associated with each position in County's budget, employee cost share and premiums, Flexible Spending Account contributions.

Significant Program Changes

Last year this program was: #71008, Human Resources - Employee Benefits

Responding to Federal WFTRA legislation which changed the tax definition of dependent child, we revamped dependent eligibility info collection, enrollment, premium structure, communicated changes to County population, developed/designed a Dependent Affidavit (now used by other employers), obtained a 100% response rate annual enrollment from all County employees with dependent children enrolled. Researched, with EBB, additional lower cost HMO plan for part-time employees, selected a plan and installed it with 7/1/05 effective date. Issued newly mandated Medicare Part D Certificates of Creditable Coverage to all County employees/retirees. Designed, installed new HRA VEBA accounts for County employees with seed funds from Health Fund.