

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

RESOLUTION NO. 2013-056

APPROVE RENEWAL OF THE HEALTH AND BENEFITS INSURANCE PLANS

June 14, 2013

WHEREAS, the Board of Directors (Board) of the Golden Gate Bridge, Highway and Transportation District (District) provides its employees with certain Health and Benefits Insurance Plans (Plans), which District staff reviews annually to ensure optimal health and benefits coverage at competitive rates; and,

WHEREAS, with this in mind, staff engaged in an independent internal analysis of certain Plans that are up for renewal and retained an outside consultant to perform a concurrent analysis that factored in relevant industry and market trends; and,

WHEREAS, after all due consideration, staff recommends that the Board approve renewal of the Health and Benefit Insurance Plans, at an estimated renewal cost increase of 4%; and,

WHEREAS, the Finance-Auditing Committee at its meeting of June 13, 2013, received a presentation from its outside consultant as to the specific nature and advantages associated with the proposed renewal cost increase of 4%; and,

WHEREAS, a copy of the outside consultant's presentation is available upon request on the District's web site or from the Office of the District Secretary; and,

WHEREAS, requisite funds are available in the FY 13/14 Bridge, Bus Transit, Ferry Transit and District Divisions' Operating Budgets, in the amount of \$31,949,849.00; and,

WHEREAS, the Finance-Auditing Committee at its meeting of June 13, 2013, has so recommended; now, therefore, be it

RESOLUTION NO. 2013-056
BOARD OF DIRECTORS MEETING OF JUNE 14, 2013
PAGE 2

RESOLVED that the Board of Directors of the Golden Gate Bridge, Highway and Transportation District hereby approves the renewal of the Health and Benefits Insurance Plans, at an estimated renewal cost increase of 4%, as follows:

- a. ***Kaiser Foundation Health Plan***, at a projected cost of \$5,422,000.00, for a one-year term, effective July 1, 2013;
- b. ***Blue Shield of California Preferred Provider Organization (PPO) Plan***, a self-funded Plan, at a projected cost of \$5,541,000.00, for a one-year term, effective July 1, 2013;
- c. ***Blue Shield of California Health Maintenance Organization (HMO) Plan***, at a projected cost of \$2,385,000.00, for a one-year term, effective July 1, 2013;
- d. ***Medical Stop-Loss Coverage with Blue Shield of California***, at a projected cost of \$545,000.00, for a one-year term, effective July 1, 2013;
- e. ***CVS Caremark Prescription Drug Plan***, a self-funded Plan, at a projected cost of \$1,127,000.00, effective July 1, 2013;
- f. ***OptumHealth Behavioral Solutions***, at a projected cost of \$22,000.00, for a one-year term, effective July 1, 2013, with the understanding that the renewal fully insured rates are guaranteed for three years (July 1, 2012 through June 30, 2015);
- g. ***Vision Service Plan of California***, a self-funded Plan, at a projected cost of \$133,000.00, for a one-year term, effective July 1, 2013, with the understanding that the administration fees are in the third year of a three-year rate guarantee (July 1, 2011 through June 30, 2014);
- h. ***Delta Dental Plan of California***, a self-funded Plan, at a projected cost of \$1,677,000.00, for a one-year term, effective July 1, 2013, with the understanding that the administration fees are in the third year of a two-year rate guarantee (July 1, 2011 through June 30, 2013);
- i. ***Group Life, Accidental Death & Dismemberment and Dependent Life Plan***, with Minnesota Life, at a projected cost of \$81,000.00, for a one-year term, effective July 1, 2013, with a three-year rate guarantee (July 1, 2012 through June 30, 2015); and,
- j. ***Retiree Health Benefit Costs/Annual Required Contribution (ARC) for Other Post-Employment Benefits (OPEB)***, at a projected cost of \$15,016,849.00; and, be it further

RESOLVED that requisite funds are available in the FY 13/14 Bridge, Bus Transit, Ferry Transit and District Divisions' Operating Budgets.

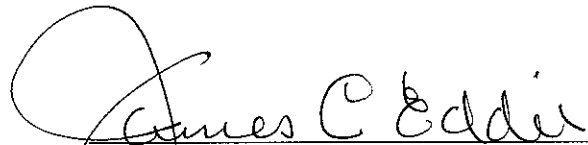
RESOLUTION NO. 2013-056
BOARD OF DIRECTORS MEETING OF JUNE 14, 2013
PAGE 3

ADOPTED this 14th day of June 2013, by the following vote of the Board of Directors:

AYES (15): Directors Arnold, Belforte, Breed, Cochran, Moylan, Pahre, Reilly, Sears, Snyder, Sobel, Theriault and Yee; Second Vice President Stroeh; First Vice President Grosboll; President Eddie

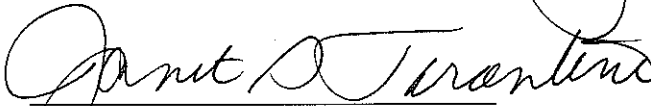
NOES (0): None

ABSENT (4): Directors Campos, Fredericks, Rabbitt and Wiener



James C. Eddie
President, Board of Directors

ATTEST:



Janet S. Tarantino
Secretary of the District