

**Personnel Department – November 2008 Quarterly Performance Report  
Spotlight on Employee Benefits (EB)**

One of the many features of the Unified Personnel System (UPS) is that it offers the member agencies, each of whom are individual employers, the legal ability to join together in common benefit programs. There are significant advantages to the employer, employees, retirees and their families to such an arrangement:

- Benefit programs are uniform across UPS agencies, thus employees who transfer from one to another can rest assured their benefits will be unaffected.
- A single point of contact is available for benefits administration and customer service.
- The pooling creates a much larger group size which results in reduced costs.
- These reduced costs permit the County to be more generous in its offerings than might otherwise be possible.

Like most employers, the County group health plan is the most significant benefit program from both a cost and utilization standpoint. The plan is self funded (with reinsurance for catastrophic claims) which allows the taxpayers, and not an insurance company, to benefit from any economies of scale or better than expected claims experience. The program contracts with vendors to provide administrative services such as claims processing, network development, provider discounts, and others. A *carve out* strategy is used which means separate vendors provide the services for the health, dental, pharmacy, mental health, and vision benefits. The approach allows selection of the best for each as opposed to a single vendor. While this may seem confusing on the outside, employees and their families have adapted well.

<b>Pinellas County Group Health Plan Carved Out Programs</b>				
<b>Medical</b>	<b>Pharmacy</b>	<b>EAP/Mental Health</b>	<b>Vision</b>	<b>Dental</b>
United HealthCare	Walgreens Health Initiatives (WHI)	UniPsych	Eyemed	Direct Reimbursement or Safeguard

Group life, short term disability (STD) and long term disability benefits are also handled by the EB division. The County is somewhat unique for an employer of its size in that it self funds its short term disability plan. Many of the same advantages enjoyed by the health plan apply to the STD self funding. While a vendor is used to approve and administer claims, EB staff works directly with the claimants and issues the claim payments. The frequent and personal contact by staff with disability claimants provides suffering employees reassurance and helps expedite the return to duty.

The EB division has a staff of 7 to handle the various administrative, customer service and management responsibilities for the roughly 8,900 plan participants, consisting of employees, retirees, and family members. All employee and retiree files are imaged and available for viewing or printing from desktop. To further control cost, boost efficiency and eliminate errors attributed to paper enrollment, the group health eligibility records are transmitted to our vendor partners through an automated file transfer process.

Retirement related benefits are another major area of focus. County employees are participants in the Florida Retirement System which offers both a traditional pension plan and an investment plan which is similar to a 401(k). Deferred compensation programs are offered by four vendors in which employees can invest on their own, tax deferred, to supplement the employer provided programs. Our retirement coordinator produces retirement estimates, counsels employees on their choices as they near retirement, and oversees the transition from active to retiree medical benefits. As has been mentioned in both the *Pen* newsletter and the Personnel Department Annual Report, educational classes and workshops are conducted by EB staff to assist employees preparing for retirement.



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In January 2008 a new health program was implemented for Medicare eligible retirees through Secure Horizons by United HealthCare. The new plan offers another choice to retirees as well as greatly reduced costs to both retirees and the County. As shown on the table on the next page, retirees are extremely pleased with the new plan and the value it offers.

## **Survey of Retirees in the Secure Horizons Health Plan**

### **General**

- Retiree response rate of 65%
- Overall, the plan has been cost effective for me – 96% Agree
- Overall, I am satisfied with Secure Horizons – 95.45% Agree

### **Medical Plan Usage**

- The plan has been working as I expected – 94.84% Agree
- I have not had any issues with my medical claim –91.39% Agree
- I am satisfied with the network – 94.27% Agree

### **Prescription Usage**

- I am satisfied with the prescription copays – 96.15% Agree
- Network pharmacies are conveniently located – 99.32% Agree

The County has also had a robust wellness program in place for approximately 10 years utilizing the contracted services of an outside vendor. After carefully considering alternatives, the Personnel Department decided that the program would be more effective in the future utilizing internal staff. Therefore the funds which had been previously earmarked for the vendor were allocated to a full time Health and Wellness Specialist employed by the County. This change better positions the County to derive full benefit from the new disease management program, as well as other health and wellness initiatives currently in place or planned in the future. Board members can look forward to a detailed presentation in the near future outlining some of the exciting plans in this area.

There are several less visible but very important programs for which EB staff has responsibility. These include the flexible spending account which produces significant tax savings for over 25% of our employees who have decided to participate. A voluntary leave sharing program, "A Friend in Need," provides needed financial assistance to employees suffering from personal or family illness not covered under other programs. Finally, the Benefits staff provides technical guidance and training to County managers and supervisors for the Family and Medical Leave Act.