



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: August 6, 2013
 TO: Board of Directors
 FROM: Leo Laska, Personnel Committee Chair
 SUBJECT: Summary of Personnel Committee Meeting of July 31, 2013

The Personnel Committee met on July 31st at 11 a.m. at the District administrative offices. Committee members in attendance were Directors Pendergrass, Delgado, and Downey (via teleconference). District Legal Counsel Rob Wellington was also present. The purpose of the meeting was to receive a report on District health insurance. The agenda for the meeting is attached.

- 1) **Report on District Health Insurance.** HR Manager, Daylene Alliman, reported to the Committee that the District was proposing to change dental and vision insurance carriers for the LSC (Laborer and Sales Clerk) unit in an effort to avoid any increase to premiums. Staff has not received information from Operating Engineers regarding any anticipated changes or premium increases to the health insurance they provide to the rest of the District employees. The Committee also discussed the impact of Healthcare reform and reviewed an Employer Readiness Checklist along with other pertinent information. The Committee requested that the District Insurance Broker, Jackson Booth, provide a brief overview of the Affordable Care Act at the September Board meeting.
- 2) **General Manager Comments.** No additional comments.
- 3) **Next Meeting Date:** Wednesday, August 28, 2013.

Leo Laska

Attachment

BOARD OF DIRECTORS

DENNIS ALLION
CHAIR

LEO LASKA
VICE CHAIR

GARY BALES
SUE MCCLOUD
DAVID PENDERGRASS
LIBBY DOWNEY
JANE PARKER
IAN OGLESBY
BRUCE DELGADO



WILLIAM MERRY, P.E., BCEE
GENERAL MANAGER/
DISTRICT ENGINEER

TIMOTHY S. FLANAGAN
ASST. GENERAL MANAGER

RICHARD SHEDDEN, P.E.
SENIOR ENGINEER

ROBERT WELLINGTON
COUNSEL

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the East Coast Mermaid

REVISED

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT PERSONNEL COMMITTEE MEETING

Wednesday
July 31, 2013
Approximately 11 a.m., Following Meeting of Finance Committee

Boardroom
MRWMD Offices
14201 Del Monte Blvd., Marina CA

Teleconference Location:

90 Rowley Circle
Tiburon, CA 94920

Attending: Committee Chair (Board Vice Chair) Laska; Directors Pendergrass, Delgado, and Downey
Rob Wellington, Legal Counsel
William Merry, General Manager
Tim Flanagan, Assistant General Manager
Daylene Alliman, Human Resources Manager

OPEN SESSION AGENDA

- 1) Report on District Health Insurance.

- 2) General Manager Comments.

- 3) Next Meeting Date: 11 a.m., Wednesday, August 28, 2013.

CLOSED SESSION AGENDA

As permitted by Government Code Section 54956 et seq., the Board may adjourn to a Closed or Executive Session to consider specific matters dealing with pending or prospective litigation, real property negotiations, certain personnel matters, or to confer with District's Meyers-Milias-Brown representative.

- 1) Conference with Labor Negotiators:
District Negotiators: William Merry, Daylene Alliman, and Tim Flanagan
Employee Organizations: Operating Engineers, and Management Employees
- 2) Personnel Matter
 - a. Public Employee Performance Evaluation: General Manager

Health Care Reform

Its Current & Future Impact On MRWMD & Its Employees



Presented By: Jackson Booth CLU, ChFC

September 2013

Five Key Areas Of Focus

- Workflow Requirements
- The Impact On Costs
- The Impact On Benefits
- The Impact on Access To Care
- What Will It All Lead To

Four Important Workflow Requirements

- Distribution Of The Exchange Notice To All employees By October 1st**
 - ✓ Being Completed As We Speak
- Measurement & Stability Periods Established in 2014 To Determine Who Are Your Full-time Employees That Need To Be Offered Coverage**
 - ✓ Not A Major Issue For MRWMD [see below]
- Affordable, Minimum Value Coverage To 95% of Full-time Employees in 2015**
 - ✓ MRWMD Is Already In Compliance.
- Reporting Requirements For 2015/2016**
 - ✓ Awaiting Revised Regulations From The HHS, IRS and the DOL Who Are Trying To Simplify The Reporting Requirements

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The Impact On Costs

- Health Care Premiums Are Definitely Going Up**
 - New Taxes Will Automatically Increase Costs By 7%
 - Benefit Enhancements Are Never Free
 - Adverse Selection Caused By The Young And Healthy Not Participating Will Drive Up Cost Because of Guaranteed Issue Health Coverage And No Pre-Existing Conditions
- Calling Something Affordable Because Someone Else Is Paying For It Does Not Lower Its Cost**
- Fortunately, The Anticipated 30% ++ Increases Will Not Measurably Impact Larger Employers Like MRWMD**
 - Your Premiums Costs Will Be More Experience Driven Than Structurally Driven
 - But, If The Cadillac Tax Is Not Repealed, Your Plans Will Be Subject To A Massive Tax Starting In 2018

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Impact On Benefits

- Health Care Reform Will Not Impact MRWMD's Benefit Plans Because They Already Either Equal or Exceed All Of The Benefit Mandates Required By The Affordable Care Act.**
- We Benefit From California Being Way Ahead Of Most States On Its Regulation of Health Insurance Benefits.**

Impact On An Employee's Access To Care

- Monterey County Will Have Approximately 50,000 Potentially New Insureds Seeking Access to An Already Overburden Health Care Delivery System – There Is Simply No Way To Sugar Coat The Devastating Consequences Of This Reality.**
- But, Necessity Has Always Been The Mother Of Invention.**
- In Three Years, The Two Major Facilities In Our Local Health Care Delivery System Will Be WalMart and Safeway. I Kid You Not!**
- Be On The Look Out For A Whole New Health Care Delivery Paradigm Called "Location Management". We Are Currently Working With SVMH On Its Implementation.**

What Will It All Lead To?

- Unfortunately, Health Care Reform, As Currently Presented, Will Fail To Achieve Its Goal Of Insuring The Uninsured. In Fact, It May Even Worsen The Problem.**

- Yes, We Will Work Hard Over The Next Few Years To Try To Make It Work; But Unlike Wine, Poorly Conceived Legislation Rarely Gets Better Over Time.**

- As A Result, My Prediction Is That Health Care Reform Will Prove To Be Nothing More Than A Down Payment On A Single Payor Health Care Financing System – In Other Words, Medicare For Everyone Is In Our Future.**