

**VICTOR VALLEY TRANSIT AUTHORITY
REGULAR MEETING OF
THE BOARD OF DIRECTORS**

MONDAY, SEPTEMBER 21, 2020, 9:30 A.M.



Victor Valley Transit Authority
17150 Smoke Tree Street
Hesperia, CA 92345

SUPPLEMENTAL AGENDA

ACTION ITEMS

- Item #8:** **VVTA Board Resolution 20-04 Approving Participation in the CalPERS Health Benefits Program.**
Recommendation: Approve Resolution 20-04 between VVTA and CalPERS for health benefits.
Presented by: Maged Azer, Finance Director.

VICTOR VALLEY TRANSIT AUTHORITY

AGENDA MATTER

VVTA Board Resolution 20-04 Approving Participation in the CalPERS Health Benefits Program.

SUMMARY STATEMENT

On September 20, 2010, the Board of Directors approved the Resolution and MOU for medical and ancillary benefits through Special District Risk Management (SDRMA).

In the past nine (9) years, SDRMA has minimally raised medical benefit costs between 2-4% annually, the entirety of which is passed on to the employee share of cost. Recent notification from SDRMA stated that medical benefit costs will be raised 10.5% for 2021 effective January 1st; the amount of the increase from SDRMA is significantly higher than in past years, with the employee share increasing as much as an additional \$210 per month.

With this significant increase, VVTA shopped around to get the best medical plan rates and coverage in the market, and found that the CalPERS Health Benefit Plan will reduce costs for both VVTA and covered employees, offer a wider variety of health plans, and expand the list of doctors to choose from.

Benefits of the new plan include:

- Covered employees will be under an umbrella of 1.5 million currently insured;
- Increased choices of seven (7) HMO and two (2) PPO plans versus only three (3) plans currently;
- Flat rates for all ages in each of the plans;
- Better health insurance coverage with lower co-payments; and
- Lower overall costs and savings for both VVTA and covered employees.

RECOMMENDED ACTION

Approve Resolution 20-04 between VVTA and CalPERS for health benefits.

PRESENTED BY	FISCAL IMPACT	MEETING DATE	ITEM NUMBER
Maged Azer Director of Finance	N/A	September 21, 2020	8