

Renew Group Insurance Policies

Board Meeting
September 22, 2016

Group Insurance Plans 2017 Renewal

Comprehensive health benefits:

- Promote efficient use of health resources while being cost effective for the company and our employees
- Help attract and retain qualified employees as a component of the total compensation system
- Provide a foundation for employees to maintain and improve health

Group Insurance Plans 2017 Renewal

Governance and Policy

- Affordable Care Act mandates offering medical coverage
- Metro's Medical/Dental Policy covering NC and AFSCME reflects regulatory requirements and company goals
- Health benefits for SMART-TD, ATU, TCU and Teamster represented employees determined by the respective Health and Welfare Trust Funds

Group Insurance Plans 2017 Renewal

- Non Contract/AFSCME premiums approved annually by Board
- Employer per capita contributions to SMART-TD, ATU, TCU and Teamsters Health and Welfare Trust Funds per Collective Bargaining Agreements

	Est. Budget FY17 (\$ Millions)	# Active Employees	# Retirees
SMART – TD	\$ 69.6	4,866	884
ATU	\$ 53.8	2,458	1,169
TCU	\$ 17.0	896	149
TEAMSTERS	\$ 1.6	96	Included as NC Retirees
AFSCME	\$ 16.0	765	30
NON-CONTRACT	\$ 33.4	1,347	206
TOTAL	\$191.4	10,428	2,438

Group Insurance Plans 2017 Renewal

- Overall increase for CY 2017 is 2.2% which translates to \$1M increase over 2016
- Based on current participation by plan, estimated employer cost of \$45.4M expected to be within the adopted budget of \$49.4M

Group Insurance 2017 Renewal

Recommendation and Next Steps

- Authorize the CEO to renew existing group insurance policies covering Non-Contract and AFSCME employees for a one year period beginning January 1, 2017
- Next Steps:
 - Configure the annual open enrollment system for 2017 with new premiums and enrollment data
 - Conduct Annual Open Enrollment in November
 - Audit elections and integrate with payroll system
 - Implement elections effective January 1, 2017

Group Insurance 2017 Renewal

- Questions