




MEMORANDUM

Date: February 24, 2015

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Medical and Health Benefits for Fiscal Year 2015/16**

Given the complexity of the February 17, 2015 discussion by the Board regarding employee health benefit premiums and tobacco surcharges, I am providing the Board with our interpretation of your motion. The table below shows the High Deductible Health Plan (HDHP) and the Preferred Provider Organization (PPO) employee-paid biweekly health insurance premiums for Fiscal Year (FY) 2015/16.

FY 2015/16 Employee-paid Biweekly Health Insurance Premiums.

Level of Coverage	PPO Tobacco Free	PPO Tobacco-User (with \$30 surcharge)	HDHP Tobacco Free	HDHP Tobacco-User (with \$30 surcharge)
Employee (Ee) Only	\$ 60.00	\$ 90.00	\$23.67	\$53.67
Ee + Spouse	138.00	168.00	36.11	66.11
Ee + Child(ren)	135.00	165.00	35.18	65.18
Ee + Family	197.00	227.00	51.41	81.41

As shown above, the tobacco surcharge will be \$30 per pay period for both the HDHP and PPO. As directed by the Board, employees using tobacco products must complete a tobacco cessation program in order to receive a waiver of the tobacco surcharge. Completion of the program is mandatory to receive the waiver. Several options that meet the Affordable Care Act (ACA) minimum requirements and are at no cost to employees are listed on the [Employee Wellness Tobacco Cessation website](#). Employees may enroll in a program that meets their specific needs, provided it meets the minimum requirements of the ACA.

While there are many programs available in the community, the Healthy Lifestyle Coaching (HLC) Tobacco-free Program is a new, County-sponsored benefit for Aetna members with telephonic individual and group counseling sessions available, as well as an eight-week

The Honorable Chair and Members, Pima County Board of Supervisors
Re: **Medical and Health Benefits for FY 2015/16**
February 24, 2015
Page 2

supply of Nicotine Replacement Therapy (NRT). To enroll in this program, Aetna members should contact HLC at 1-866-213-0153.

Employees will need to complete a minimum of four counseling sessions in an approved tobacco cessation program at any time throughout the fiscal year and submit proof of completion for the tobacco surcharge to be waived. However, in order to avoid the surcharge beginning July 3, 2015, employees must submit certification of completion before June 15, 2015. Should an employee submit the certification of completion after the June 15 deadline, the surcharge will be stopped the next pay period following submission.

Providing a \$500 advance contribution to an employee's Health Savings Account (HSA) for only those employees who move from the PPO to the HDHP may cause a conflict with the ACA if we do not also provide the same benefit for all members. I have advised Human Resources to fund the County portion of all HSAs as follows: one half on July 3, 2015 and one half on January 15, 2016.

In addition, the plans and plan options available will be explained to all employees by Human Resources staff at multiple employee meetings during the Open Enrollment period. These Open Enrollment sessions are scheduled to begin in mid-March. All current PPO members should attend one of these sessions. Human Resources staff will be informing all employees of the benefit changes approved by the Board of Supervisors.

Please advise if this is a correct interpretation of your action. If it is not, I would be happy to place the matter on the Board's agenda for clarification and direction.

CHH/anc

c: Allyn Bulzomi, Director, Human Resources
Robin Brigode, Clerk of the Board