

BENEFITS FACT SHEET

CITY OF SHORELINE 2009

Our 2009 budget proposes to allocate to each full-time regular employee \$806 (Tier I) per month to buy benefits. If the employee does not use the entire \$806, the remaining amount goes into a deferred compensation plan. If the cost is greater than \$806, the employee moves to Tier II, and is able to receive an additional contribution from the City of up to a total of \$1194. The employee pays any additional costs. (See examples on next page) All benefit allocations are pro-rated for part-time regular staff.

MEDICAL: Optional coverage for employee and dependents. Open enrollment is October 29th through November 14th, effective January 1, 2009.

		2008	2009
Regence Blue Shield AWC HealthFirst (Formerly PPO Plan)	Employee	434.00	469.40
	Spouse	434.00	469.40
	1 st dep	211.15	228.50
	2 nd & all others	174.30	188.60

Regence pharmacy co-pays are \$4 (generic), \$15 (name brand formulary, preferred) or \$35 (name brand not on the formulary) with a limit of a 34-day supply. Prescriptions can be filled through mail order for \$8 (generic), \$30 (name brand formulary preferred) or \$70 (name brand not on the formulary) for a 90-day supply.

Group Health Co-pay Plan 2	Employee	369.91	369.91
	Spouse	362.27	362.27
	1 st dep	183.21	183.21
	2 nd & all others	183.21	183.21

Group Health pharmacy co-pays are \$10 (generic or name brand) for a 34-day supply. They are on a Formulary Plan, which means they only cover drugs on their list. You can also use mail order to receive a 90-day supply by paying \$30 (3 co-pays), but this option is only available for maintenance drugs.

DENTAL: Optional coverage for employee and dependents. Open enrollment is October 29th through November 14th, effective January 1, 2009.

Wash. Dental Service Plan F	Employee	52.20	52.20
	Emp + 1 dep	98.65	98.65
	Emp. + 2 or more	155.70	155.70

Willamette Dental – \$10 Copay Plan	Employee	43.75	47.55
	Emp + 1 dep	82.70	88.90
	Emp. + 2 or more	130.50	141.90

VISION: Mandatory participation.

Vision Services Plan	Full family - \$25 deductible	15.67	15.67
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TERM LIFE & AD&D: Mandatory coverage, \$50,000 cap based on salary (annual salary/1000 x .21); supplemental coverage to additional \$100,000 available, based on age. Spouse can purchase up to equivalent of half of employee's supplemental amount.

Standard Insurance	Base coverage = \$10.50 max/month (no change)
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LONG-TERM DISABILITY: Mandatory coverage, rate based on salary.

Annual salary/12/100 x .21 (no change)

PERS: (Mandatory State retirement)	Plan I	Employee	6.00%
		Employer	8.31%
	Plan II	Employee	5.45%
		Employer	8.31%
	Plan III	Employee	Choice of 5-15%
		Employer	8.31%

SOCIAL SECURITY REPLACEMENT: (Mandatory 401a)

Employee	6.20%
Employer	6.20%

DEFERRED COMPENSATION PLAN: (Mandatory for any remaining funds from \$806.00 monthly allocation). Investments offered through ICMA 457 Deferred Compensation Plan; voluntary payroll deduction may be added or created up to \$15,500* max for year 2009.

*IRS has not announced 2009 limits as of notice date.

VACATION: Accrued at 8 hours per month for regular full-time employees, with added amounts in future years according to policies in Employee Handbook.

SICK LEAVE: Accrued at 8 hours per month for regular full-time employees.

HOLIDAYS: Ten formal holidays plus two personal days are awarded annually to full-time regular employees. Three additional days of management leave are awarded to FLSA Exempt staff.

EXAMPLES OF 95/5 TIER PLAN

Minimum (Tier I): \$806 (through 2009), annual growth cap of 5% thereafter.

Maximum (using Tier I and Tier II): \$1194 (for 2009), 95% of the lowest cost total health insurance premiums (Group Health in 2009) for an employee + spouse + 2 or more dependents.

These examples assume Regence medical coverage, AWC Plan F dental coverage, Vision coverage, plus an additional \$18 for life and disability (rates vary depending on pay rate) each month.

Employee #1: Chooses coverage only for self:

City's minimum contribution	\$806.00
Total monthly premium costs	\$555.27
Unused amount (to deferred comp)	\$250.73
Employee contribution	0

Because employee does not use the total minimum City contribution, the remainder goes to deferred comp.

Employee #2: Chooses coverage for self and spouse:

City's minimum contribution	\$ 806.00
Total monthly premium costs	\$1071.12
Additional contribution by City	\$ 265.12
Employee contribution	0

Because the minimum does not cover the total premium costs, employee receives an additional City contribution of \$265.12 for a total of \$1071.12. Employee pays nothing out-of-pocket for insurance choices.

Employee #3: Chooses coverage for self, spouse and two children:

City's minimum contribution	\$ 806.00
Total monthly premium costs	\$1545.27
Additional contribution by City	\$ 388.00
Employee contribution	\$ 351.27

Because the minimum does not cover the total cost of the benefits, employee receives an additional City contribution of \$388 for a total of \$1194 (the maximum). Employee pays out-of-pocket expenses of \$351.27 per month for insurance choices.