



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-09-27 (1)

Date: September 27, 2017
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Requesting Review by the Health Care Authority to Participate in the Washington State Insurance Plans

This resolution would authorize Tacoma Housing Authority (THA) to apply for and consider joining the Washington State Health Care Authority healthcare insurance plans.

Background

Since 2009, THA has procured healthcare insurance for its non-represented and OPEIU-represented employees through a benefit broker, Cascade Valley Insurance. Employees represented by the Laborers (our maintenance staff) have received their healthcare insurance through the Northwest Laborers- Employers Health & Security Trust. The laborers union proposed this coverage during labor negotiations and the maintenance staff switched to this coverage in 2008.

The insurance for the non-represented and OPEIU-represented employees has seen large premium increases for its healthcare plans on a year-to-year basis. Some of the reasons for these large increases relates to the demographics of our group, our claims experience, and the small size of our group (about 110 employees). For those reasons, the Benefit Committee (a group comprised of our OPEIU and non-represented employees and our OPEIU Business Rep., Valarie Peaphon) decided to pursue the option of joining a larger healthcare plan.

These larger groups offer a wider variety of healthcare options for our employees and for the first time, we will be able to offer our retiring employees the possibility of purchasing retirement healthcare coverage that is a lot less expensive than plans purchased on the open market. In addition, the cost of the plans is slightly less than THA's current plans. Joining a larger group may not immediately result in large savings; however in the long run, THA should at least see less volatility in our annual premium increases. We will continue to negotiate with the unions on cost sharing with our employees for their healthcare insurance coverage. THA currently pays 97.5% of the employee-only healthcare premium and pays 81% of all dependent healthcare premiums. The employees pay the balance.

The Benefit Committee has recommended that THA apply to join two large group plans, the

Washington State Health Care Authority (HCA) and the Association of Washington Cities (AWC). Once the 2018 premium rates are available (sometime in October), the Benefit Committee will make a final recommendation to Cabinet on which plan to join. This resolution is required as part of the application to join the HCA healthcare plans.

With this Resolution, we have attached samples of the various plans offered by the HCA. THA's Benefit Committee has thoroughly reviewed both large group options and determined that both have plans that are similar to our current coverage and also offer a wider variety of plans.

Recommendation

Authorize Tacoma Housing Authority's Director of Human Resources to apply to the Washington State Health Care Authority to join their 2018 healthcare insurance plans for THA's non-represented and OPEIU-represented employees.



TACOMA HOUSING AUTHORITY

RESOLUTION 2017-09-27 (1)

(Requesting Review by the Health Care Authority to Participate in the Washington State Insurance Plans)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma

WHEREAS, the Health Care Authority administers the medical, dental, life, and long term disability insurance coverage for the employees of the state of Washington, as set forth in chapter 41.05 RCW; and,

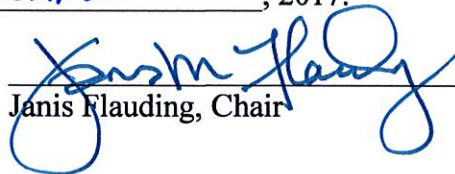
WHEREAS, the Board of Commissioners of the Housing Authority of the City of Tacoma representing the Housing Authority of the City of Tacoma has reviewed the state insurance plans, chapter 41.05 RCW, RCW 41.04.205, chapter 182-08 WAC, and chapter 182-12 WAC; and,

WHEREAS, we deem the state insurance plans as providing desirable insurance coverage for the non-represented and OPEIU-represented employees; and,

WHEREAS, we certify that all non-represented and OPEIU-represented employees enrolled are eligible to participate in the state insurance plans;

BE IT RESOLVED, that the Housing Authority of the City of Tacoma requests approval by the Health Care Authority to participate in the state insurance plans for the employees of the Housing Authority of the City of Tacoma subject to the requirement of RCW 41.04.205 and the rules adopted thereunder.

DATED this 27th day of September, 2017.



Janis Flauding, Chair