

# DHRM TOTAL COMPENSATION BULLETIN

## Compensation and Benefits Information for State Employees FY 2018

**Effective Date:** July 1, 2017

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## 1. Salary Updates

### H.B. 8- State Agency and Higher Education Compensation Appropriations

- Provides funding for a 2.0% labor market adjustment for certain state and higher education employees.
- Provides funding equivalent to a 2.0% for discretionary salary changes in the legislative and judicial branches and constitutional offices.

### Across-the-Board Increase

- The legislature provided funding equivalent to a 2.0% labor market adjustment for certain state and higher education employees.
- The 2.0% adjustment will be administered as an across-the-board increase to employees who meet certain eligibility criteria.
- Eligible employees who are at the maximum of the salary range, above the maximum or in longevity will also receive an adjustment to their base salary.
- Salary ranges will increase by 2.0% for eligible jobs.
- Eligibility for the 2.0% increase are as follows:
  - Schedule B - All employees eligible
  - Schedule AA - Not eligible
  - Schedule AB - All employees eligible, unless prohibited by statutory limit in UCA § 67--22--2

- Schedule AC - Employees eligible; according to agency policy
- Schedule AD - All employees eligible
- Schedule AE - Determination made according to agency policy
- Schedule AG - Employees eligible; according to agency policy
- Schedule AH - Some employees eligible; according to agency policy
- Schedule AN - Legislative branch will determine eligibility
- Schedule AO - All employees eligible
- Schedule AP - Not eligible
- Schedule AQ - Not eligible
- Schedule AR - All employees eligible
- Schedule AS - All employees eligible
- Schedule AT - All employees eligible
- Schedule AU - Not eligible
- Schedule AW - All employees eligible
- Schedule IN - All employees eligible
- Schedule TL - All employees eligible

### Targeted Funding

- The legislature provided funding for targeted compensation increases as recommended by the Department of Human Resource Management (DHRM).
- The recommended adjustments are as follows
  - 6.5% for 14230 - Contract/Grant Analyst I
  - 6.5% for 14234 - Contract/Grant Analyst II
  - 6.5% for 83188 - Criminal Information Tech I
  - 6.5% for 83190 - Criminal Information Tech II
  - 6.5% for 83194 - Criminal Information Compliance Specialist
  - 6.5% for 83196 - Criminal Information Specialist
  - 6.5% for 83198 - Section Supervisor, BCI
  - 6.5% for 83200 - Field Service Manager, BCI
  - 6.5% for 86502 - JJS Technician I
  - 6.5% for 86504 - JJS Technician II
  - 6.5% for 91052 - Social Worker
  - 6.5% for 92278 - Intervener, USDB
  - 3.0% for 83079 - Conservation Officer I
  - 3.0% for 83080 - Conservation Officer II
  - 3.0% for 20220 - Hearing Officer, Disability Determination SVC
  - 3.0% for 32528 - Hearing Officer, Health
  - 3.0% for 83288 - Hearing Officer, Driver License Division
  - 3.0% for 86058 - Hearing Officer, POST
  - 3.0% for 86059 - Hearing Officer, Non-Post, Board of Pardons
  - 3.0% for 86060 - Senior Hearing Officer

- 3.0% for 86516 - Hearing Officer, Youth Parole Authority
- Employees who are at the maximum of the salary range, above the maximum or in longevity will receive a bonus equivalent to the calculation of a yearly salary increase. The one-time bonus will be distributed in July 2017.
  - The calculation will be based on 2080 hours. DHRM will work closely with the Division of Finance to provide employees who receive a bonus with FAQs on how taxes will be applied and will provide options for utilizing pre-tax plans.
  - In order to receive the bonus, an employee must be an active employee on July 1, 2017.
- Salary ranges will be increasing by 6.5% for Contract/Grant Analyst I and II and by 3% for all Hearing Officer titles listed.

## **2. Retirement Changes**

### **H.B. 8 - State Agency and Higher Education Compensation**

- Provides appropriations for an up to \$26 per pay period match for qualifying state employees enrolled in a defined contribution plan.

### **S.B. 20 – Phased Retirement Amendment**

- Prior to the retiree's retirement date, the retiree must complete and submit all required phased retirement forms to URS. A retiree shall begin phased retirement employment after the retiree's retirement date but no later than 120 days after the retiree's retirement date. Effective 2/17/2017.

### **S.B. 21 - Retirement Systems Amendments (clean up bill)**

- Clarifies when certain benefit conversions due to death or divorce take effect, after notification to the Retirement Office. Restores one line of Utah Code language relating to the judge's' exemption from the reemployment earnings limitation.

### **S.B. 19 - Retirement Systems Payments to Survivors Amendments**

- Adopts the emerging rule that the divorce or annulment of a member's marriage shall revoke the member's former spouse as a beneficiary from any of the member's beneficiary designations; and allows a former spouse to be named as a beneficiary in a beneficiary designation made after the date of the divorce or annulment.

### **3. Medical, Dental, and Vision Insurance Changes**

*All premium changes are effective pay period 13 – July 1, 2017*

#### **Vision**

- Eyemed premiums were reduced by an average of 2%.
- Opticare premiums remain the same.

#### **Dental**

- As a result of HCR13, active participants in the Traditional and Preferred Choice dental plans will receive a one-time refund. Watch for details.
- Dental premiums on Traditional and Preferred plans remain the same.
- Regence Expressions increased premiums approximately 11%.

#### **Telemedicine Benefit**

- \$10 copay for [Amwell](#) virtual doctor visits (limited time).

#### **HSA Employer Contribution**

- No change: \$791.96 (Single); \$1583.92 (Double/Family)
- Maximum federal contribution limits for 2017-2018: \$3400 (single); \$6750 (dbl/family)

#### **Flexible Spending**

- Maximum contribution for 2017-2018 is \$2,600
  - \$500 may be carried over into the next plan year and not count toward the \$2,600 maximum

#### **Health Insurance Changes**

- While healthcare costs increased 6.5% over the last year, HB 8 funded an 8% increase in health insurance benefits. This funding, along with HCR 13, *Concurrent Resolution for Public Employees' Benefit and Insurance Program*, provided for a decrease to some employee premiums.
  - The employee's portion of health insurance premiums decreased on the Traditional plan's Advantage and Summit networks approximately 18%.
  - Employees will be responsible for only 8.2% of the premium instead of 10%.
- The STAR plans remain the same.
- Premiums for the Preferred Care Plans (Traditional and High Deductible Health Plans - STAR and Utah Basic PLUS) increased slightly.

### Medical Bi--weekly Premiums

<b>Star: Summit &amp; Advantage</b>			
	<b>FY 2018</b>	<b>FY 2017</b>	<b>Change</b>
Single	\$ 0.00	\$ 0.00	\$ 0.00
Double	\$0.00	\$ 0.00	\$ 0.00
Family	\$ 0.00	\$ 0.00	\$ 0.00
<b>Star: Preferred Care</b>			
	<b>FY 2018</b>	<b>FY 2017</b>	<b>Change</b>
Single	\$ 61.61	\$ 57.27	\$ 4.34
Double	\$127.63	\$118.67	\$ 8.96
Family	\$176.84	\$164.87	\$11.97

<b>Traditional: Summit &amp; Advantage</b>			
	<b>FY 2018</b>	<b>FY 2017</b>	<b>Change</b>
Single	\$ 20.65	\$ 23.51	\$ -2.86
Double	\$ 42.58	\$ 48.48	\$ -5.90
Family	\$ 56.84	\$ 64.72	\$ -7.88
<b>Traditional: Preferred Care</b>			
	<b>FY 2018</b>	<b>FY 2017</b>	<b>Change</b>
Single	\$104.19	\$97.84	\$ 6.35
Double	\$214.87	\$201.76	\$13.11
Family	\$286.82	\$269.31	\$17.51

<b>Utah Basic Plus: Summit/Advantage</b>			
	<b>FY 2018</b>	<b>FY 2017</b>	<b>Change</b>
Single	\$0.00	\$0.00	\$ 0.00
Double	\$0.00	\$0.00	\$ 0.00
Family	\$0.00	\$0.00	\$ 0.00
<b>Utah Basic Plus: Preferred Care</b>			
Single	\$ 49.06	\$ 44.71	\$ 4.35
Double	\$102.52	\$ 93.56	\$ 8.96
Family	\$151.73	\$139.77	\$11.96

## Dental Bi--weekly Premiums

<b>Traditional</b>			
	<b>FY 2018</b>	<b>FY 2017</b>	<b>Change</b>
Single	\$2.46	\$2.46	\$0.00
Double	\$4.56	\$4.56	\$0.00
Family	\$8.31	\$8.31	\$0.00
<b>Preferred Choice</b>			
Single	\$1.36	\$1.36	\$0.00
Double	\$2.52	\$2.52	\$0.00
Family	\$4.59	\$4.59	\$0.00
<b>Regence Expressions</b>			
Single	\$ 9.86	\$ 8.90	\$0.96
Double	\$17.39	\$15.68	\$1.71
Family	\$30.85	\$ 27.66	\$3.19



## Vision Bi--weekly Premiums

<b>EyeMed – Full Vision Plan</b>			
	<b>FY 2018</b>	<b>FY 2017</b>	<b>Change</b>
Single	\$3.40	\$3.47	\$ -0.07
Double	\$5.56	\$5.68	\$ -0.12
Family	\$7.71	\$7.88	\$ -0.17
<b>EyeMed – Eyewear ONLY Plan</b>			
Single	\$2.94	\$2.99	\$ -0.05
Double	\$4.67	\$4.76	\$ -0.09
Family	\$6.40	\$6.54	\$ -0.14
<b>OptiCare -- Full Vision Plan</b>			
Single	\$3.83	\$3.83	\$0.00
Double	\$6.10	\$6.10	\$0.00
Family	\$9.04	\$9.04	\$0.00
<b>OptiCare -- Eyewear ONLY Plan</b>			
Single	\$2.94	\$2.94	\$0.00
Double	\$4.46	\$4.46	\$0.00
Family	\$6.29	\$6.29	\$0.00

## 4. Salary Increase Administration Instructions to Agencies

1. DTS staff will automate the labor market increase according to the criteria provided in the Salary Updates Section 1 above.
2. DTS staff will automate the targeted funding increases according to the criteria provided in the Salary Updates Section 1 above.
3. Agency HR Field Offices will be expected to provide any exceptions to DHRM Enterprise by **Monday, April 17, 2017**.

## 5. Coding and Sequence of Salary Actions

### How Will Salary Actions be Coded?

1. The Across-the-Board Increase will be coded as “**COLA - Cost of Living Adjustment**” in automatic processing. If any adjustments need to be made after fiscal year end processing, agency HR Field Offices will need to work through ERIC and DTS staff to properly code the action as a “**COLA - Cost of Living Adjustment.**”
2. The Targeted Funding increases for salary ranges will be coded as “**Structure Adjustment**” and employee pay increases will be coded as “**Market Hot-Spot Increase**” in automatic processing. If any adjustments need to be made after fiscal year end processing, agency HR Field Offices will need to work through ERIC and DTS staff to properly code the actions.
3. Agency- specific legislatively -approved salary increases should be coded as “**ASI-Legislative Approval**” and is available in HRE for manual entry. If agencies have special legislatively funded increases that were not part of the Labor Market Adjustment, HR Field Offices in these agencies will need to work with the DHRM compensation team to determine if adjustments can be automated and in what date and sequence the increase should take place. Any special legislatively funded increases that need automation will need to be coordinated and approved by the DHRM compensation team before **Monday April 17, 2017**.

4. Salary increases that agencies provide- in addition to specific legislatively- approved funding should be entered with an ASI action code in HRE that is appropriate for why the agency is giving the increase, i.e. executive director approval, performance, etc. Funding for these increases comes from an agency's existing budget. Do not use the **"ASI -Legislative Approval"** action code, even if you consider them to be the same type of increase. DHRM must be able to produce reports that separate these actions based upon their funding source.

#### Sequence of Actions Effective on July 1, 2017

Salary actions effective on **July 1, 2017**, will be processed according to the following sequence:

1. Other Agency Salary Increases: (Manual Entry)
  - Salary increases such as longevity increases, promotional increases and regular ASI's must be manually entered prior to fiscal year end processing.
  - If more than one type of increase is processed for a single employee, the increases will run in chronological order based upon which is entered first.
  - Increases, other than the COLA, Targeted Funding and special agency-specific legislatively- approved increases, are funded from existing agency budgets. There is no additional or separate funding.
  - Longevity salary increases should follow established DHRM rules for eligibility and should be processed by ERIC. Career service employees must have a current performance evaluation of successful or higher within the prior year in order to be eligible. These evaluation reviews must be entered into HRE prior to entry of the Longevity Increase action. Employees in Schedules AB, IN, TL are not eligible for longevity increases.
2. 2.0% COLA (Automated Processing)
  - Employees' base salary rate will be increased by 2.0%.
3. Targeted Funding (Automated Processing)
  - See Salary Updates Section 1 above for employee eligibility. Employees' base salary rate will be increased by the associated percentage.

## Bonus

- The Bonus will be automated by the Division of Finance. DHRM will send the Division of Finance a spreadsheet containing all eligible employees and the amounts they are to receive. The bonus paid at the beginning of FY2018 will be applied on the **July 28, 2017** paycheck.
  - Late assignment and salary actions may affect the amount of a one-time bonus that has already been paid to employees; these errors must be corrected no later than **December 1, 2017**, in order for W-2's to be correct.
  - An employee who has received a bonus in error or who receives more than they should have received will be required to reimburse the State for the overage no later than **December 1, 2017**.
  - An employee who should have received a bonus, or received less than they should have, will have the bonus or the shortage paid to them only if the error is found prior to **December 1, 2017**.
  - Late assignment and salary actions processed after **December 1, 2017**, will not result in any correction to an error in the bonus calculation.

## 6. Fiscal Year End Dates

- The HRE system will be disabled during the processing of Fiscal Year End changes.
  - HRE will go down **Friday, June 30, 2017**, at 11:00 am
  - HRE will be back up **Monday, July 3, 2017**
- On Thursday, **June 29, 2017**: All placement and onboarding actions and Tour one completion should be completed for new hires that start with the state on or before **July 1, 2017**.

Note: New hires that will start with the state on or before **July 1, 2017** must be in the HRE system before HRE shutdown to avoid a delay in the salary increase processing. If employees do not complete Tour one in onboarding by the above deadline, adjustments will need to be made manually by agency HR Field Offices via ePAR when the HRE system comes back up on **Monday, July 3, 2017**.

- All ePAR actions entered by the HR Field Office staff must be submitted prior to 5 P.M. on **June 29, 2017**.

- All HRE actions for **July 1, 2017** and earlier MUST be entered and approved by ERIC in HRE prior to **June 29, 2017** at 11:00 A.M.
- It is critical that all actions for **July 1, 2017** or earlier are entered and approved prior to shut-down in order to ensure that the increases process correctly. The sequence for these increases will be based upon current information that is in place on **July 1, 2017**. Actions that are in pending status will be deleted.
- All ePARs entered with effective dates of **July 2, 2017** and later will be DELETED. Deleted actions will need to be re--entered when the system is back up on Monday, **July 3, 2017**.
- The first paycheck date for FY2018 will be on **Friday, July 28, 2017**. This paycheck will include the bonus for eligible employees.
- Any special adjustments related to fiscal year end processing need to be coordinated with the DHRM compensation team before **Monday, April 17, 2017**.