

DHRM TOTAL COMPENSATION BULLETIN

Compensation and Benefits Information for State Employees FY 2019

Effective Date: July 1, 2018

Contents

1. Salary Updates
2. Retirement Changes
3. Medical, Dental, and Vision Insurance Changes
4. Salary Increase Administration Instructions to Agencies
5. Coding and Sequence of Salary Actions
6. Fiscal Year End Dates

1. Salary Updates

S.B. 8- State Agency and Higher Education Compensation Appropriations

The legislature provided funding equivalent to a 2.5% COLA for certain state and higher education employees.

- The 2.5% 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 2.5% for eligible jobs.
- Eligibility for the 2.5% 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
- Schedule TL - All employees

2. Retirement Changes

S.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. 21 Public Safety and Firefighter Retirement Death Benefit Amendments

- Amends the death benefit for Tier I if the active employee has accrued 20 or more years of public safety service credit.

H.B. 147 Retirement Forfeiture for Employment Related Offenses

- Authorizes a district attorney, a county attorney, the Attorney General's office or the State Auditor to notify URS and employer when an employee is charged with a felony offense that is or may be related to employment.

3. Medical, Dental, and Vision Insurance Changes

S.B. 8 - State Agency and Higher Education Compensation Appropriations

- Funds an average 4.1% increase in health insurance benefits. Employee premiums for the Preferred Care plans (Traditional, STAR and Utah Basic Plus) increase by approximately 4.1%.

S.B. 73 Public Employees' Benefit and Insurance Program Amendments

- Removes the requirement for plans to be actuarially equivalent. This allows the STAR and Traditional plans to remain as is with the STAR plan having a richer benefit.

H.B. 19 Health Insurance Right to Shop Amendments

- Requires PEHP to implement a savings reward program.

H.B. 24 Autism Insurance Coverage Sunset Amendments

- Removed the sunset date on the autism mandate, and the benefit is now permanent.

H.B. 29 Public Employees Long-Term Disability Act

- Allows for off-sets when LTD recipient receives other compensation.
- “Gainful employment” is defined as work that pays an amount equal to or greater than 40 hours per week at the legally required minimum wage, regardless of the number of hours. Defines long-term disability based only on the original disability date, not injury or illness that occurs after the original date.

H.B. 139 Telepsychiatric Consultation Access Amendments

- Requires the state Medicaid program to reimburse or telepsychiatric consultations and requires PEHP to provide coverage for physician to physician psychiatric consultations using telehealth.

H.B. 181 Infertility Insurance Coverage Pilot Program

- Requires PEHP to create a 3-year pilot program to cover a portion of the cost of using an assisted reproductive technology.

H.B. 229 Surviving Spouse Insurance Death Benefit Amendments

- Allows for a surviving spouse to keep PEHP health insurance even when remarrying.

Vision

- Premiums for OptiCare and EyeMed (full vision and eyewear only plans) remain the same.

Dental

- Dental premiums on Traditional and Preferred Choice plans decreased by 3%.
- Regence Expressions premiums stayed the same.

Telemedicine Benefit

- Intermountain Connect Care is the new vendor as of January 2018. Available for all PEHP members on all networks (not just Advantage members).

- Traditional plan is only \$10 per visit.
- STAR/Utah Basic Plus plan is only \$49 per visit, or \$10 after meeting your deductible.
- With Connect Care, you will only pay for the service if you're treated for your condition by the virtual doctor. If they refer you elsewhere for your condition, you pay nothing.

Health Savings Account/Health Reimbursement Account Employer Contribution

- The Health Savings Account (HSA), or Health Reimbursement Account (HRA), employer contribution for STAR and Utah Basic Plus plans remain the same.
- The first half of the HSA/HRA contribution will be distributed by the end of July 2018 and the second half by the end of January 2019.
- Maximum contribution limits for 2018-2019: \$3,450 (single), \$6,850 (dbl/family)

Flexible Spending Account (FSA)

- Maximum contribution for 2018-2019 is \$2,650
 - This increase also applies to limited-purpose FSAs that are restricted to dental and vision services.
 - \$500 may be carried over into the next plan year and not count toward the \$2,650 maximum

Health Insurance Changes

- While healthcare costs increased by approximately 4.1% over the last year, S.B. 8 funded an average 4.1% increase in health insurance benefits.
 - S.B.73 Public Employees' Benefit and Insurance Program Amendments removed the requirement for medical plans to be actuarially equivalent.
- The employee's portion of health insurance premiums slightly increased on the Traditional plan's Advantage and Summit networks by approximately 4.1%.
- The STAR plans remain the same.
- Premiums for the Preferred Care plans (Traditional, STAR, and Utah Basic PLUS) increased slightly.
- Copay amounts will increase for IHC and UofU only, as follows:
 - \$10 Tier - Value Providers & E-care
 - \$25 Tier - Primary Care Providers **(Non IHC/U)**
 - \$35 Tier - Specialists & **IHC/U Primary Care Providers only**
 - \$45 Tier - Urgent Care & **IHC/U Specialists only**

All premium changes are effective pay period 13 – June 30, 2018

Medical Bi-weekly Premiums

STAR: Summit & Advantage			
	FY 2019	FY 2018	Change
Single	\$ 0.00	\$ 0.00	\$ 0.00
Double	\$ 0.00	\$ 0.00	\$ 0.00
Family	\$ 0.00	\$ 0.00	\$ 0.00
STAR: Preferred Care			
	FY 2019	FY 2018	Change
Single	\$ 64.14	\$ 61.61	\$ 2.53
Double	\$132.87	\$127.63	\$ 5.24
Family	\$184.09	\$176.84	\$ 7.25

Traditional: Summit & Advantage			
	FY 2019	FY 2018	Change
Single	\$ 21.50	\$ 20.65	\$ 0.85
Double	\$ 44.33	\$ 42.58	\$ 1.75
Family	\$ 59.18	\$ 56.84	\$ 2.34
Traditional: Preferred Care			
	FY 2019	FY 2018	Change
Single	\$ 108.47	\$ 104.19	\$ 4.28
Double	\$ 223.68	\$ 214.87	\$ 8.81
Family	\$ 298.58	\$ 286.82	\$11.76

Utah Basic Plus: Summit/Advantage			
	FY 2019	FY 2018	Change
Single	\$ 0.00	\$ 0.00	\$ 0.00
Double	\$ 0.00	\$ 0.00	\$ 0.00
Family	\$ 0.00	\$ 0.00	\$ 0.00
Utah Basic Plus: Preferred Care			
	FY 2019	FY 2018	Change
Single	\$ 51.07	\$ 49.06	\$ 2.01
Double	\$ 106.72	\$ 102.52	\$ 4.20
Family	\$ 157.95	\$ 151.73	\$ 6.22

Dental Bi-weekly Premiums

Traditional			
	FY 2019	FY 2018	Change
Single	\$2.39	\$2.46	-\$ 0.07
Double	\$4.42	\$4.56	-\$ 0.14
Family	\$8.06	\$8.31	-\$ 0.25
Preferred Choice			
Single	\$1.32	\$1.36	-\$ 0.04
Double	\$2.45	\$2.52	-\$ 0.07
Family	\$4.45	\$4.59	-\$ 0.14
Regence Expressions			
Single	\$9.86	\$9.86	\$0.00
Double	\$17.39	\$ 17.39	\$0.00
Family	\$30.85	\$30.85	\$0.00

Vision Bi--weekly Premiums

EyeMed – Full Vision Plan			
	FY 2018	FY 2018	Change
Single	\$3.40	\$3.40	\$ 0.00
Double	\$5.56	\$5.56	\$ 0.00
Family	\$7.71	\$7.71	\$ 0.00
EyeMed – Eyewear ONLY Plan			
Single	\$ 2.94	\$ 2.94	\$ 0.00
Double	\$ 4.67	\$ 4.67	\$ 0.00
Family	\$ 6.40	\$ 6.40	\$ 0.00
OptiCare -- Full Vision Plan			
Single	\$ 3.83	\$ 3.83	\$ 0.00
Double	\$ 6.10	\$ 6.10	\$ 0.00
Family	\$ 9.04	\$ 9.04	\$ 0.00
OptiCare -- Eyewear ONLY Plan			

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

- DTS staff will automate the COLA increase according to the criteria provided in section 1 above.
- Agency HR Field Offices will be expected to provide any exceptions to DHRM by Friday, **April 13, 2018**.

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; there will be no manual drop-down available in HRE for HR Field Office staff to process the increase. 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.

2-. Agency- specific legislatively -approved salary increases should be coded as "**ASI- Legislative Approval**". If agencies have special legislatively funded increases that were not part of the **COLA** increase, 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 by **Friday April 13, 2018**.

3-. 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 June 30, 2018

Salary actions effective on **June 30, 2018**, 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 COLA 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. 2.5% COLA (Automated Processing)

- Employee base salary rates will be increased by 2.5%.
- Salary ranges will be increased by 2.5% for eligible jobs.

6. Fiscal Year End Dates

- When will HRE go down? When will HRE be back up? What are the dates for processing actions, etc.
 - The HRE system will be disabled during the processing of Fiscal Year End changes.
 - HRE will go down **Friday, June 29, 2018**, at 11:00 am
 - HRE will be back up **Monday, July 2, 2018**
 - On Thursday, **June 28, 2018**: 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, 2018**.

Note: New hires that will start with the state on or before **June 30, 2018** must be in the HRE system before HRE shutdown to avoid a delay in the salary increase processing. If employees do not complete tour 1 in onboarding by the above deadline, adjustments will need to be made manually by agency HR Field Offices when the HRE system comes back up on **Monday, July 2, 2018**.

- All actions entered by the HR Field Office staff must be submitted prior to 5 P.M. on **June 28, 2018**.
- All HRE actions for **June 30, 2018** and earlier MUST be entered and approved by ERIC in HRE prior to **June 28, 2018** at 11:00 A.M.

It is critical that all actions for **June 30, 2018** 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 **June 30, 2018**. Actions that are in pending status will be deleted.

- All actions entered with effective dates of **July 1, 2018** and later will be DELETED. Deleted actions will need to be re--entered when the system is back up on Monday, **July 2, 2018**.
- The first paycheck date for FY2019 will be on **Friday, July 27, 2018**.

- Any special adjustments related to fiscal year end processing need to be coordinated with the DHRM compensation team before **Friday, April 13, 2018**.