

**11317. RESOLUTION 17-52 – RESOLUTION BY THE
DELAWARE RIVER AND BAY AUTHORITY AUTHORIZING MODIFICATIONS TO
THE BENEFITS PLAN DESIGN**

WHEREAS, the Delaware River and Bay Authority (the “Authority”) is committed to providing its employees and retirees a comprehensive core benefits program; and

WHEREAS, the Authority is responsible for prudent financial governance with respect to those core benefits; and

WHEREAS, vision benefits are included in the Authority’s comprehensive core benefits program; and

WHEREAS, the Personnel Committee has reviewed the proposed recommendation to replace the current self-administered vision reimbursement plan with a fully-insured vision benefit plan that is more aligned with industry standards and recommends approval thereof to the Commissioners.

NOW, THEREFORE, BE IT RESOLVED that the Delaware River and Bay Authority hereby approves the following modifications to be implemented January 1, 2018 (as described in detail on Exhibit A, which is incorporated herein by reference):

1. Replace the self-administered vision reimbursement plan with a fully-insured vision benefit plan.
2. Identify and implement a vision vendor that will process all vision claims for actives and retirees utilizing a more industry standard vision benefits model.
3. The fully-insured vision benefit plan will include the following:
 - a. Base Plan paid 100% by the Authority for actives and retirees, and
 - b. Voluntary Buy-Up Option for actives only (employee pays difference between buy-up plan and base plan).

NOW, THEREFORE, BE IT FURTHER RESOLVED, that Section X entitled Employee Benefits, Permanent Full Time Employees, Paragraph D “Vision Care Plan” on Page 17 of the Authority’s Personnel Manual is hereby amended by adding the following sentence at the end of Paragraph D.

“Permanent full-time employees shall also have the option to purchase an enhanced Vision Care Plan.”

EXHIBIT A
Cost Analysis

Proposed Plans		Employer Paid Base (Actives & Retirees)	Voluntary Buy-Up (Actives Only)
Rates & Total Cost		Monthly Rates (Cost to Employer)	Monthly Rates (Additional Cost to Employees)
Employee	455	\$3.34	\$9.34
Employee + Spouse	126	\$6.34	\$17.75
Employee + Child(ren)	60	\$6.67	\$18.68
Family	176	\$9.80	\$27.47
Total Employees	817		
Annual Employer Total		\$53,322	
Notes			
The above enrollment count includes active, pre 65 retirees and post 65 retirees			
Current Plan		\$33,503	
Delta		\$19,819	

A motion to approve Resolution 17-52 was made by Commissioner Van Sant, seconded by Commissioner Ratchord, and approved by a roll call vote of 9-0.

Resolution 17-52 Executive Summary

- Resolution:** Authorizing Modifications to the Benefits Plan Design.
- Committee:** Personnel Committee
- Committee/Board Date:** October 17, 2017
- Purpose of Resolution:** To approve the proposed recommendations to the vision benefit plan design for actives and retirees as described in Exhibit A (which is incorporated herein by reference) as presented by the Chief Human Resources Officer and the Pension and Benefits Manager.
- Background for Resolution:** The Delaware River and Bay Authority (Authority) is committed to the health and well-being of our employees and retirees. During annual renewals, the Authority reviews administration and costs of benefits for determination of any recommended modifications including but not limited to benefit plan design changes, vendor/carrier changes, in comparison to industry trends and employee/retiree population utilization.
- The Authority currently provides a self-administered vision claim reimbursement plan that is not aligned with industry standards for a competitively attractive plan design for a vision benefit program. It provides minimal financial reimbursement to employees and retirees to offset exams, frames, and/or lenses once every 12 months. In addition, the current plan is administratively burdensome.
- The Authority received and evaluated insurance plan proposals submitted by three (3) companies – EyeMed, Vision Service Plan (VSP), and Highmark Delaware (Davis Vision), and with assistance from the Authority’s independent employee benefits consultant, identified a top-ranked insurer with the most cost effective rates as compared to the current self-administered plan.
- The fully-insured vision benefit plan will include the following:
- a. Base Plan paid 100% by the Authority for actives and retirees, and
 - b. Voluntary Buy-Up Option for actives only (employee pays difference between buy-up plan and base plan).
- This recommendation aligns with the Authority’s benefits philosophy and benefits strategic plan.

Illustrative Vision Benefit Plan Design

Plan	Employer Paid Base	Voluntary Buy-Up
Exam	\$20 Copay	\$0 Copay
Standard Plastic Lenses		
Single Vision	\$25 Copay	\$0 Copay
Bifocal	\$25 Copay	\$0 Copay
Trifocal	\$25 Copay	\$0 Copay
Lenticular	\$25 Copay	\$0 Copay
Progressive Lenses		
Standard Progressive	\$90 Copay	\$0 Copay
Lenses Enhancements		
Blended Segment/Photochromic (Plastic)	\$75 Copay	\$75 Copay
UV Treatment	\$15 Copay	\$15 Copay
Standard Plastic Scratch Coating	\$15 Copay	\$15 Copay
Standard Polycarbonate	\$40 Copay	\$0 Copay
Standard Anti-Reflective Coating (ARC)	\$45 Copay	\$0 Copay
Anti-Reflective Coating		
Standard	\$45 Copay	\$0 Copay
Frames	\$0 Copay; \$100 Allowance, 20% off balance over \$100	\$0 Copay; \$200 Allowance, 20% off balance over \$200
Contacts (in lieu of Frames & Lenses)		
Conventional	\$0 Copay; \$100 Allowance, 15% off balance over \$100	\$0 Copay; \$200 Allowance, 15% off balance over \$200
Disposable	\$0 Copay; \$100 Allowance, plus balance over \$100	\$0 Copay; \$200 Allowance, plus balance over \$200
Medically Necessary	\$0 Copay, Paid-In-Full	\$0 Copay, Paid-In-Full
Standard Contacts Exam/Fitting	\$40 Copay	\$40 Copay
Benefit Frequencies (E/L/F/C)	12 / 12 / 12 / 12	12 / 12 / 12 / 12
Participation Requirement	N/A	N/A
Non-network Benefits	Schedule	Schedule