
**HUMAN RESOURCES AND EQUAL EMPLOYMENT OPPORTUNITY
INTEROFFICE MEMORANDUM**

TO: All employees covered by MCSIG benefits
FROM: Terri Pyer, Interim Director
DATE: June 12, 2009; UPDATED June 15, 2009
SUBJECT: MCSIG benefit premium rate increase and new composite rates

On July 1st of each year, increases to the Monterey County Schools Insurance Group (MCSIG) benefit premium rates take effect. This year, the rate increase for the medical plan, as determined by the MCSIG Board, was 11.74%. There was no increase to the dental or vision rates.

The District determines each employee's premium obligation by calculating a composite rate for each employee group based on the current demographics for each group. The new monthly rates for MCSIG Option I, along with last year's rates, are listed below:

	MEDICAL Monthly Premium		DENTAL Monthly Premium		VISION Monthly Premium	
	Old Rate	NEW 2009-10 RATE	Old Rate	NEW 2009-10 RATE	Old Rate	NEW 2009-10 RATE
Employee (EE)	\$738.77	\$825.51	\$49.12	\$49.12	\$12.22	\$12.22
EE + 1	\$1122.94	\$1254.78	\$92.58	\$92.58	\$17.33	\$17.33
EE + 2 or more	\$1566.18	\$1750.05	\$159.45	\$159.45	\$30.92	\$30.92

Below are the new monthly composite rates for 2009-10:

	NEW COMPOSITE RATE Monthly Premium	DISTRICT PAID CAP Monthly	'OVER-CAP' AMOUNT Monthly
HCFA*	\$1584.77	\$1400.00	\$184.77***
CSEA	\$1465.79	\$1400.00	\$65.79
L-39	\$1494.18	\$1400.00	\$94.18**
MGMT/SUPR/CONF	\$1402.20	\$1400.00	\$2.20

* Life insurance (currently \$6.60 per month) is not included in the cap amount for faculty.

**L-39's current contract shifts the over cap amount to the district; employees do not pay it.

***Because the District can not deduct over cap amounts from deferred summer paychecks, the annual 'over-cap' amount is divided equally and deducted from the 10 or 11 regular paychecks, resulting in 10 or 11 equal deductions of \$221.72 or \$201.57 for faculty.

The new 'over-cap' amounts are effective July 1st. 'Over-cap' deductions for Group Health and Welfare benefits are taken the end of the month prior to coverage (i.e., June 30th paycheck for July coverage).

A note on composites: A composite rate is the total cost of an employee group's insurance cost divided by the number of employees in that group. Employee groups with a larger percentage of members covered at the more expensive 'employee + two or more' rate have a higher composite rate than groups with a larger percentage of members at the 'employee only' or 'employee + one' rate. Employee group demographics and other benefit information will be posted on the Human Resources Benefits website.

Any questions regarding this information may be directed to Louann Raras, HR Specialist at lraras@hartnell.edu, or to your employee group representative.