

Levy Court adopts FY20 Budget with 2% COLA & full step increase

Levy Court Commissioners adopted the Fiscal Year 2020 budget following a public hearing on May 14, 2019 concluding an annual process that begins each September with departmental budget request submissions.

The \$31.6 million general fund budget and the \$20.2 million sewer fund budget includes a 2% cost of living adjustment for active employees plus a full 2% step increase for eligible employees receiving an “effective” performance evaluation and not topped out on their pay grade. Employees with less than 9 but more than 3 months as of June 30 are eligible for a half (1%) step, and those with less than 3 months service are not eligible for a step increase. A 1% COLA was approved for “retirees” from active County service receiving County pension benefits, while no increase was given to regular “pensioners” (*former vested employees that did not retire directly from Kent County service*) and beneficiaries.



On the benefits side, Levy Court increased the County’s pension contribution by \$383,502 to \$3,408,084 as recommended by the pension actuary. The annual retiree benefits contribution increased by \$787,816 to \$2,154,449 as a result of the biennial actuarial valuation. For healthcare, Commissioners increased the employee cost share (7%) for individual only high plan health insurance from \$74.72 to \$79.98 per month consistent with DVHT/Aetna’s overall premium increase, with dependent health insurance cost share (20%) also increasing about 7%. The budget retains the employee/eligible retiree premium for dental insurance at \$3.10 per month and the dependent premium at \$42.00 for a monthly premium of \$45.10 combined with a calendar year maximum benefit of \$2,000.

Other budget related items include addition of a new Maintenance Worker position and a Custodian position in the Facilities Management office, increasing the work week from 35 to 40 hours for Wills Clerks and the Utility Locator position, and funding for third party administration of the Flexible Spending Account program.

In addition, numerous ongoing and future capital projects were funded or partially funded through an installment allocation including an I.T. Enterprise Solution for Countywide services, a pole building, console replacements and Fire/EMS system replacement for the Department of Public Safety, new carpet for the County Library, and various County parks improvements, among others.

The new budget will be effective on July 1, 2019. The adjusted healthcare cost share will be deducted from paychecks and pension checks effective June 1, 2019. The pay increase (one week’s worth) will be reflected in the July 12 paycheck, with the full increase in the July 26 paycheck.

Below is the monthly employee cost for individual, & optional family, child and spouse coverages (The 2019-20 Summary of Benefits & Coverage for each plan is posted on the Employee Portal and available in the Personnel office):

FY2020 (July 1, 2019 – June 30, 2020)	Employee/Retiree	Employee & Spouse	Employee & Child(ren)	Employee & Family
HDHP/HRA PPO100/80– <i>High</i> Aetna Open Choice PPO	Employee pays \$79.98/month	Employee pays \$377.04/month	Employee pays \$217.08/month	Employee pays \$491.30/month
HDHP/HRA PPO 90/70– <i>Low</i> Aetna Open Choice PPO	Employee pays \$77.08/month	Employee pays \$363.34/month	Employee pays \$209.20/month	Employee pays \$473.46/month
PPO \$0 – (Medicare sup) Aetna Open Choice PPO	\$0.00/month	\$145.83/month		
DENTAL INSURANCE – (July 1, 2019 – June 30, 2020)	Employee/Retiree only	Family coverage – employee & spouse &/or children		
Delta Dental of Delaware	\$3.10/month	Employee pays \$45.10/month		

County contributes 80%/month toward dependent coverage (all employees/retirees under 65 pay 7%/month) * *Employees & Retirees waiving County health insurance coverage receive \$100 per month medical cashback.*

DELAWARE VALLEY HEALTH TRUST (Aetna) MONTHLY PREMIUMS July 1, 2019 – June 30, 2020
FY2020 (Rates billed monthly to Kent County Levy Court)

Coverage Type	Employee	Employee & Spouse	Employee & Child	Family
DVHT HRA HDHP PPO 100/80 (HIGH)- phantom rate	\$1,142.55	\$2,627.85	\$1,828.07	\$3,199.13
DVHT HRA HDHP PPO 90/70 (LOW)- phantom rate	\$1,101.04	\$2,532.36	\$1,761.64	\$3,082.88
DVHT premium# HIGH plan	\$1,008.25	\$2,318.96	\$1,613.19	\$2,823.08
DVHT premium# LOW plan	\$966.73	\$2,223.48	\$1,546.76	\$2,706.84
DVHT Premium# Medicare Supplement	\$725.24	\$1,454.39		Rx 10/25/75 High Rx 20/60/80 Low

(#PPO premium actually charged by DVHT, does not include self-insured \$5K/\$10K HRA expense)

KENT COUNTY MEDICAL PLAN INFORMATION (July 1, 2019)

PLAN OPTION AVAILABLE: Delaware Valley Health Trust utilizing the Aetna provider network.
(Descriptions are only representative. Summary plan documents available in the Personnel Office)

REMEMBER TO: Ask provider if accepts Aetna & inform provider that your employer pays the full cost of the applicable HRA deductible.

1. **HDHP HRA \$5,000/\$10,000 PPO 100%** option: HIGH plan - A Preferred Provider Organization plan (Aetna Open Choice PPO) paying 100% of costs in network with \$10 copayment for primary care physician visits, \$20 copayment for specialists, and \$10 generic, \$25 brand name, and \$75 non-formulary prescriptions (90-day supply available at 2Xcopay). Emergency room copay is \$150 per visit. Urgent Care facility copay is \$50 per visit. Chiropractic care has 30 visits per plan year limit. Services outside of the Aetna national provider network are covered at 80% after deductible, employee pays 20% co-insurance.

HRA component is fully funded (self-insured) by the County. The County will pay the first \$5,000 of expense annually up to a maximum of \$10,000 for spouse/children/family aggregate deductible for hospital stays including semiprivate room & board, physician & surgeon services, and related professional services, laboratory services, imaging services, high tech radiology, chiropractic care, radiation therapy and chemotherapy, outpatient surgery and anesthesia, ambulatory surgical center, ambulance, maternity and

related services, mental health inpatient and intensive outpatient care, inpatient private duty nurse, durable medical equipment, skilled nursing facility, and home health care.

Aetna will process all claims and apply negotiated allowable charges with providers, then invoice the County for HRA services within the deductibles. DVHT pays first dollar (full cost) of primary care and specialist services, preventive medical services, prescriptions, emergency room services, and urgent care.

Employees must pay for routine (non-diagnostic) laboratory tests, and normal copayments for services and prescriptions, with no deductible or co-insurance except for certain services. Quest & LabCorp are in-network.

2. **HDHP HRA \$5,000/\$10,000 PPO 90% option: LOW plan** - A Preferred Provider Organization plan (Aetna Open Choice PPO) paying 90% of costs in network with \$20 copayment for primary care physician visits, \$40 copayment for specialists, and \$20 generic, \$60 brand name, and \$80 non-formulary prescriptions (90-day supply available at 2Xcopay). Emergency room copay is \$250 per visit. Urgent Care facility copay is \$50 per visit. Chiropractic care has/30 visits per plan year limit. Services outside of the Aetna national provider network are covered at 70% after deductible, employee pays 30% co-insurance. Under the LOW plan, most medical, surgical, hospital, maternity, chiropractic, behavioral, ambulance, laboratory services, (etc.) require employee to pay 10% co-insurance in network or 30% out of network.

HRA component is fully funded (self-insured) by the County. The County will pay the first \$5,000 of expense annually up to a maximum of \$10,000 for spouse/children/family aggregate deductible for hospital stays including semiprivate room & board, physician & surgeon services, and related professional services, laboratory services, imaging services, high tech radiology, chiropractic care, radiation therapy and chemotherapy, outpatient surgery and anesthesia, ambulatory surgical center, ambulance, maternity and related services, mental health inpatient and intensive outpatient care, inpatient private duty nurse, durable medical equipment, skilled nursing facility, and home health care in addition to any co-payment or co-insurance requirements.

Aetna will process all claims and apply negotiated allowable charges with providers, then invoice the County for HRA services within the deductibles.

Employees must pay full cost of routine (non-diagnostic) laboratory tests, applicable co-insurance, and copayments for services and prescriptions, except for certain services. Quest & LabCorp are in-network.

3. Aetna PPO \$0 **Medicare Supplement** option - A PPO type Medicare supplement that pays Part A and Part B deductibles and normal 20% coinsurance for Medicare eligible treatment. Prescription copayment costs are \$10 for generic, \$25 brand name, and \$75 for non-formulary with no annual maximum. This option is fully insured and mandatory for all retirees age 65 & over. Prescriptions are provided under this option, so Medicare Part D coverage is not needed, but Medicare Part A & B are required.

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