

Miami-Dade County Public Schools Employee Benefits Program

The Office of Risk and Benefits Management is charged with the responsibility of creating and implementing a comprehensive employee benefit program for its benefit eligible employees, dependents, retirees and COBRA participants.. While Miami-Dade County Public Schools bases its financials on a fiscal year which runs from July - June of each year, the District's benefit program is based on a calendar year of January – December. This is structured in this manner because of the significant Internal Revenue Service (IRS) implications the benefit program must comply with, including applicable taxes to employees which must be based on a tax year or calendar year basis.

For 2011, benefit eligible employees were eligible for the following benefits:

- Life Insurance (District-paid equal to one or two times base salary)
- Health Insurance (Two options which include one which is funded 100% by the District and another which has a nominal employee cost share)
- Short Term Disability (District-paid for standard coverage)
- Flexible benefits which consist of individual benefits such as dental, vision, pre-paid legal, hospital income protection, long term disability, Accidental Death & Dismemberment (AD&D) as well as two Flexible Spending accounts consisting of medical and dependent care.

The District subsidizes the cost of dependent medical coverage. This subsidy is based upon a dependent rate structure which is salary banded with the following bands:

Less than \$25,000
\$25,000 - \$40,000
\$40,000 - \$55,000
\$55,000 - \$85,000
More than \$85,000

The percentage of subsidies is tiered so that the employees on the lower salary bands have a higher percentage of subsidy than employees on the higher salary bands in order to make healthcare affordable for the lower paid employees.

Benefits Notebook:

<http://riskmanagement.dadeschools.net/benefits/2011/enroll.asp>

From a standpoint of administration and software, the District's current healthcare program is self insured and the District has contracted with Cigna to administer the program through an Administrative Services Only (ASO) agreement. This contract was awarded effective January 1, 2010 as a result of a Request For Proposal (RFP) where the District sought competitive proposals from companies to provide administration for its self insured healthcare program. The District's funding platform had been fully insured for over 20 years until the self funded program became effective on January 1, 2010.

The District has utilized MSAF for its payroll/personnel mainframe system for over 25 years. This platform does not have a specific benefit platform so for the past several years, the District has been reliant upon contracting with an outside third party (TPA) administrator to provide benefit information which includes dependent information, rates, and eligibility. The current TPA is Fringe Benefits Management Company (FBMC) which provides all third party applications to determine eligibility, premium remittance, retiree administration and administration of flexible spending accounts. FBMC is also the provider for the online enrollment program utilized by employees.

The District has implemented through the Enterprise Resource Planning (ERP) process the benefits module in the SAP system. The third aspect of the SAP implementation was the payroll and benefits module which went live in 2011. The SAP benefits software allows the District to take ownership of much of the information that was reliant upon from FBMC including eligibility, enrollment, premium remittance and payroll deductions. COBRA and retiree administration will continue to be outsourced to a Third Party Administrator (TPA).