

MEMORANDUM

STATE OF CALIFORNIA

Department of Personnel Administration

DATE: May 19, 1992  
Reference No. 92-65

TO: PERSONNEL MANAGEMENT LIAISONS:

Please distribute to:

Labor Relations Officers  
Personnel Officers

FROM: Rick McWilliam  
Chief of Labor Relations  
Department of Personnel Administration

SUBJECT: Health Benefits Open Enrollment

Information released by the Public Employees' Retirement System (PERS) regarding the current health benefits open enrollment is misleading and can cause significant misunderstanding for any employees considering plan changes.

PERS announced the State contribution rates which result from using the 1992-93 premium rates in the 100/90 formula; however, THESE RATES DO NOT APPLY TO ANY ACTIVE REPRESENTED OR EXCLUDED STATE EMPLOYEE. THE 100/90 FORMULA WAS INVALIDATED BY THE 3RD DISTRICT COURT OF APPEALS IN APRIL 1992.

The current State contributions for health benefits for active represented employees are:

1 party	\$174
2 party	323
3 party	410

At the present time the State's contribution rates for excluded employees are:

1 party	\$157
2 party	292
3 party	367

Departments which announced the higher 100/90 formula rates rather than the current rates as part of the current open enrollment period should immediately send a correction notice to all affected employees. The current open period will end May 31, 1992; PERS has indicated that a subsequent opportunity to change plans will be provided to employees once final State contribution rates have been determined.



RICK McWILLIAM  
Chief of Labor Relations