

TESTIMONY PRESENTED

BY:

W. Craig Zimpher, Chair  
State Employment Relations Board

BEFORE:

Ohio Senate  
Finance Subcommittee on Workforce

April 28, 2015

Mr. Chairman and members of the Subcommittee, good afternoon. I am Craig Zimpher, Chair of the State Employment Relations Board, or SERB; I'm pleased and honored to be with you today to discuss the proposed biennial budget for SERB and the State Personnel Board of Review, or SPBR. As you know, under the current budget, funding for both agencies was consolidated under SERB. This has been the case for the last four biennia. And while the mission and responsibilities of both remain distinct and separate, we have realized significant and productive cost efficiencies and economies of scale through maximizing staff support, facilities allocation, and administration. Collectively, however, the two Boards oversee practically all aspects of the employer/employee relationship in Ohio's public sector. SERB exercises jurisdiction over all aspects of Ohio's public sector collective bargaining process, while the State Personnel Board has jurisdiction over classified employees. Mr. Chairman, the mission of both agencies is to effectuate effective, efficient, fair, and objective administration of the employer/employee personnel and bargaining process. Nearly all phases of the process are, in one aspect or another, overseen by the two agencies.

The maintenance of an efficient and high-quality civil service system is SPBR's mission. To that end, and in a quasi-judicial capacity, it hears appeals related to removals, suspensions, fines, reclassifications, job abolishments, layoffs, transfers, classified/unclassified status, whistleblowers, and investigation matters. Because the process is not subject to court and related evidentiary procedures, the Board provides an adjudicatory process less formalistic and expensive; more than 50% of the Appellants represent themselves. Another very important function of the SPBR is to assist Ohio's more than 225 municipal civil service commissions to assure consistent compliance with Ohio Civil Service Law.

Mr. Chairman, SERB's principal mission is to facilitate and promote orderly, objective, and constructive labor relations for our 2,742 public employers, and 323,000 state and local public employees; this mission must be understood at all times to reflect

the interests of all parties. SERB serves as the neutral, objective mediator or arbiter of matters arising in the collective bargaining process. Most importantly, however, our statutory mission of promoting orderly and constructive labor/management relations is designed to lessen or mitigate conflict through mediation, fact-finding and impartial adjudication.

SERB's responsibilities include investigating and adjudicating unfair labor practice charges, determining the size and appropriateness of bargaining units, conducting union representation elections, and providing the parties in 1,000 negotiations with comparative wage, benefits, and contract data. The Bureau of Mediation serves the critical preventative function of assisting employers and employees in negotiations to avoid work stoppages and, in every possible manner, to assist these interests in achieving mutually beneficial outcomes.

In meeting these objectives, Mr. Chairman, we are absolutely committed to managing the agency in the most frugal and prudent manner possible.

During the two previous biennia, SERB has proactively managed our budget challenges and maintained successful levels of service. Efficiencies have been realized by:

- Expanded use of personal service and intermittent contracts for Administrative Law Judges and Mediators;
- Discontinued the production of hearing transcripts in all cases except those that are required by the Courts;
- Moved toward other paperless operations including: transmitting internal reports electronically, submitting investigation requests electronically, and using electronic correspondence wherever else appropriate;
- Implemented electronic contract filings on a voluntary basis, thereby saving significant staff time required to scan those documents;
- Gained statutory authority to conduct mail-ballot representation elections instead of on-site elections;
- No travel reimbursement except for Mediators;
- Revised the administrative rules which govern SERB to make better use of technology and staff time, which provide for filing most documents with SERB via electronic mail;
- Implemented procedures and deadlines for all phases of case processing.

During this biennium SERB has continued its public education efforts through the conduct of labor/management relations seminars, attracting more than 800 labor or management participants. We will continue, for the twenty-third year, to publish the very widely utilized *Report on the Cost of Health Insurance in Ohio's Public Sector*. This report is a compendium of the results of a survey of over 1,322 public employers and the various health insurance programs they provide their employees. A copy of the most recent report, along with our agency's 2014 Annual Report, are attached to this testimony.

SERB's and the State Personnel Board of Review's priorities are clearly presented on page 196 of the proposed Executive Budget, and do not need repeating here today.

The proposed FY 2016/2017 budget, while a "status quo" allocation, will allow SERB to continue to:

- Present cases to the SERB Board within 150 days of filing
- Place representation cases on the SERB Board agenda well within our target of 180 days of filing
- Support proactive mediation to intervene where/when necessary and appropriate in contract negotiations or other labor/management situations to avoid work stoppage or other issues.
- Allow the State Personnel Board of Review to adjudicate caseloads without erosion of service and to assist in maintaining the integrity of the civil service systems.
- Allow SERB to fund dispute prevention work to prevent friction costs and strikes.

Mr. Chairman and members of the Subcommittee, I appreciate the opportunity to appear before you today and commit that, within the proposed Executive Budget appropriation, SERB will serve the interests of Ohioans fully and impartially.

Thank you.

# State Employment Relations Board

*“promoting orderly and constructive relationships  
between labor and management”*



## Annual Report 2014

**Governor of the State of Ohio  
John R. Kasich**

**SERB Chairperson  
W. Craig Zimpher**

**SERB Vice Chairperson  
Aaron Schmidt**

**SERB Member  
N. Eugene Brundige**

# SERB

"Promoting Orderly and Constructive  
Labor Relations Since 1984"

**State  
Employment  
Relations  
Board**



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W. Craig Zimpher, Chair  
Aaron A. Schmidt, Vice Chair  
N. Eugene Brundige, Board Member

Christine A. Dietsch, Executive Director

John R. Kasich, Governor

August 1, 2014

The Honorable John R. Kasich  
Office of the Governor  
Riffe Center, 30<sup>th</sup> Floor  
77 South High Street  
Columbus, Ohio 43215-6117

Dear Governor Kasich,

Attached is the Annual Report of the State Employment Relations Board (SERB), as mandated by the Ohio Revised Code. Copies of the Report have also been presented to the respective leaders of the Ohio General Assembly. The Report details SERB's accomplishments achieved during the past year in furthering our statutory mission of "promoting orderly and constructive relations between labor and management."

We remain committed to realizing that goal with efficiency, objectivity and prudence.

We are honored to serve all of the stakeholders in Ohio's public sector collective bargaining system, and remain committed to the fair and impartial adjudication of matters under our jurisdiction.

Thank you very much.

Sincerely,

W. Craig Zimpher, Chair

Aaron A. Schmidt, Vice Chair

N. Eugene Brundige, Board Member

Identical copies to:

The Honorable William G. Batchelder, Speaker, Ohio House of Representatives  
The Honorable Tracy Maxwell Heard, Minority Leader, Ohio House of Representatives  
The Honorable Keith Faber, President, The Ohio Senate  
The Honorable Joe Schiavoni, Minority Leader, The Ohio Senate

*SERB is an Equal Opportunity Employer and Service Provider*

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## Report from the Board

The publication of the 2014 Annual Report of the State Employment Relations Board (SERB) will again demonstrate that the agency has fulfilled its statutory mission of “promoting orderly and constructive labor relations” with both effectiveness and efficiency. We have executed our functions with an understanding and appreciation that the above referenced objective must be managed with a commitment to impartiality, neutrality, and efficient and timely processing and adjudication of the various matters for which SERB and the State Personnel Board of Review (SPBR) are responsible.

We are pleased to report that the legislatively mandated merger of both agencies (SERB/SPBR), and the merger of staff under SERB’s jurisdiction, continues to operate well and, as reported last year, without interruptions or detainments. Between these agencies, virtually every aspect of Ohio’s public sector employment relationship is overseen or regulated. Members of both Boards remain committed to their statutory responsibilities for fair and impartial administration of their respective duties.

We are pleased to report that our charge to educate and inform the various labor and management stakeholders has been very successfully accomplished. Seminars, symposia, and conferences provided in-depth training and orientation for professional labor/management practitioners. Over 500 practitioners attended these SERB and SPBR programs. Topics covered emerging labor law and review of relevant statutory or administrative law governing the processes engaged by SERB and SPBR. Each practitioner is asked to complete a detailed program evaluation upon completion; these evaluations continue to reflect very high remarks for the program’s content and presentation. Credit for these successes resides with SERB staff. Through their knowledge and professionalism, they remain committed to training and educating the attendees who are engaged in managing the employment relationship. The SERB and SPBR Board members express our deepest appreciation to our associates for their dedication and loyalty.

The agency was again fortunate to benefit from the efforts and talents of law school interns from The Ohio State University’s Moritz College of Law and Capital University Law School. The interns’ participation and immersion in agency operations provided them with invaluable “real world” opportunities and experiences by working with our Mediators, Administrative Law Judges, and other Professional Staff.

SERB continues to exercise prudence in the management of our fiscal/budget resources. We appreciate the General Assembly and Executive Administration’s support for our biennial budget requests. We assure both that their confidence and trust is being earned through our careful and judicious use of these resources.

The redesign of our legacy computer system was discussed in last year’s report. We are pleased to note that those efforts have continued to pay dividends by enhancing productivity and assuring greater accuracy in our operations. Indeed, improved data collection and analytical capability have provided our management team with a greater opportunity to measure, monitor, and assess process effectiveness. The adage that something cannot be managed if it cannot be measured may very well be accurate; our systems now sustain metrics and analytics by which we are able to regularly measure our various functions. This “business like” function now assures us a high level of confidence in our management oversight.

SERB’s twenty-first Annual Report on the Cost of Health Insurance in Ohio’s Public Sector, produced by our Research and Training Section, will be published August 1, 2014. This report is widely utilized by the various stakeholders in the public labor/management arena because of its reliable and comprehensive data. This year’s response rate from employers reached an all-time high of 92.8%, for which we are very appreciative. As noted last year, such high response adds to the report’s statistical accuracy. This year’s findings indicate, as the report will show, that the increase in health insurance costs has been slightly more than in previous years. From January 2013 to January 2014, single person coverage grew at 4.9%; family coverage costs at 4.7%. And, regardless of whether single or family coverage, the average annual cost per employee for medical insurance, including prescription coverage, was \$13,200. During 2013, the frequency of “employee pickup” of health insurance costs decreased 1.5%. And, interestingly, 2013 again witnessed no appreciable increase in the use of joint employer

health plan purchasing arrangements, notwithstanding evidence which indicates the cost effectiveness of such arrangements. The final report will be posted on SERB's website ([www.serb.state.oh.us](http://www.serb.state.oh.us)) and we encourage all interested to make use of it.

SERB's Investigations Section conducts investigations related to Unfair Labor Practice charges and various union representation issues. The unit's investigations are thorough and unbiased, and we have enhanced that effort by securing all necessary documentation to support or negate allegations made in such charges. As a part of our due diligence, we encourage affidavits, as opposed to witness statements, and conduct actual witness interviews. We also encourage mediating cases early in the process to facilitate communications between the parties. Phone conferences are regularly conducted with the litigants to help identify pertinent issues, determine the parties' respective positions, and to strategize "best practices" in managing cases.

The positive effects of mediation are best illustrated by the fact that amicable resolutions result in less friction, lower litigation costs, improved communication among adversarial parties, and better appreciation of opposing views. For example, this past year, the SERB Board referred 33 Unfair Labor Practice charges to mediation, wherein Probable Cause had been found that a statutory violation occurred. Of those, 20 charges were settled and resolved. This 66% success rate resulted in less cost for the parties by obviating the need for a hearing, and all of the attendant expenses incurred therein, as well as a greater likelihood of producing improved and more harmonious labor relations.

Another example of the Board's work in facilitating an informed and productive bargaining process is the maintenance of our extensive website ([www.serb.state.oh.us](http://www.serb.state.oh.us)). This site is the repository of literally thousands of collective bargaining agreements (CBAs) in effect at the local, regional, or state level, from townships to our major universities and state government. The comparative data contained on the website provide factual and accurate information for reference by all parties, both labor and management. This website, with constant updates, also provides the backdrop for dozens of specialized reports SERB's staff produces throughout the year, at the request of various interested parties.

SERB's constructive relationship with the Federal Mediation and Conciliation Service continued throughout the year as well. Our emphasis on mediation as a critical component in the labor/management sector, as noted above, will guide our focus and attention in resolving and, indeed, preventing conflict.

SERB maintains a comprehensive electronic monitoring system to assure compliance with Ohio Revised Code Section 4117.19. We again report that the system is operating very effectively and we express our appreciation to Ohio's public sector labor organizations for their assistance with this compliance responsibility.

Other noteworthy achievements during the past year include:

- All SERB Opinions since 1984 are now searchable on the SERB website. Previously, only Opinions from 1999 were available.
- A review of the active and inactive members of the Roster of Neutrals, those individuals recognized by SERB to conduct fact-finding and conciliation, was conducted. Inactive members of the Roster were contacted regarding their continuing interest in remaining in active status. The Board removed seven members. Correspondingly, ten candidates were recommended for membership onto the Roster of Neutrals. These candidates submitted the required application, writing samples and references. Adding these candidates to the Roster of Neutrals improves the diversity of the panel.
- The Board approved revisions to the State Employment Relations Board Fact Finding Guidebook. The Guidebook, for use by Fact Finders on the SERB Roster of Neutrals, has been updated and reformatted, including a table of contents for ease of looking up information.
- The annual report summarizing entry level salaries for BA/BS teachers in Ohio's various school districts was sent to the Ohio Board of Education on 1/27/14 for calendar year 2013. These data are

distilled from collective bargaining agreements entered into by Boards of Education and organizations representing teachers.

- The Annual IT Workforce Plan for 2014 was submitted to the Office of the Governor, DAS and CSA on November 5, 2013, in order to address more fully the OIT and SERB relationship in the Executive Summary. A strategy for migrating SERB's three servers to a new environment at the SOCC is in process. This includes: SQL Server, File Share Server, and a Terminal/Application Server.
- All staff participated in a retreat, held at the State Library, on Friday, December 20, 2013. The presenter was Diane Alexander, MindWorks, Inc. She presented a full day seminar on Advanced Skills for Conflict Resolution. CLEs were approved for the legal staff for the training. Future developmental opportunities for our staff are planned for the coming year. Such programs enhance our work environment, improve productivity, and assist each associate to fulfill her/his fullest professional potential.
- An exit conference with the Ohio Auditor of State's office for the Regular Biennial audit for the period 7/01/2010 through 6/30/2012 was held on January 22, 2013. The management letter included comments regarding performing regular and timely reconciliation of work done by Central Services Administration (CSA) comparing internal records to OAKS for verification and approvals of payroll, revenue and expenditure transactions. SERB took exception to this comment in that the Board contracts with CSA for these specific services. However, the Board has since implemented procedures related to monthly reconciliation of both invoices and revenue. It was also recommended that the Board develop and implement policies and procedures related to both SERB and SPBR records management and retention schedules. The Board has always followed the procedures set forth by the Department of Administrative Services. The Board has since taken a comprehensive review of its management and retention schedules and plans to modify the existing schedules to reflect advancements in technology. Most importantly, however, was the audit's conclusion that no major or noteworthy operational/fiscal discrepancies were noted.

In conclusion, the Board wishes to recognize and thank the associates with whom it is our pleasure to work and interact. Their loyalty to the State of Ohio was perhaps best exemplified during a recent SERB conference when Senior Members of the Ohio House of Representatives and Senate presented our team with Joint Resolutions recognizing and commending the agency on its thirtieth anniversary. We look forward to another year of success and accomplishment in helping maintain an environment that fosters healthy labor/management relations. We are equally committed to delivering that service in the most innovative and efficient manner possible. To all elected or appointed government officials and labor representatives, we pledge to faithfully execute our mission fairly and impartially. Thank you for your continued support.

Respectfully submitted,

The State Employment Relations Board

## SERB Statutory Functions

The following are the major statutory duties SERB performs pursuant to the Ohio Public Employees' Collective Bargaining Act of 1983, Chapter 4117 of the Ohio Revised Code:

- Investigation or mediation of alleged unfair labor practices. [Section 4117.12]
- Issuance and prosecution of unfair labor practice complaints when probable cause is found after investigation of charges. [Section 4117.12]
- Adjudication of alleged unfair labor practices based upon formal evidence and legal arguments presented by the parties at hearing. Such cases are heard by SERB administrative law judges, the SERB Board, or individual Board members, who make recommendations that are submitted to the Board for ultimate determination. [Section 4117.12]
- Enforcement of unfair labor practice remedial orders. [Section 4117.13]
- Review of employee challenges to fair share fees paid by them to unions. [Section 4117.09]
- Establishment of standards for and review of employee organization trusteeships. [Section 4117.19]
- Establishment and communication of timetables for all negotiation cases to which the statutory impasse resolution procedure applies. [Section 4117.14]
- Analysis and resolution of legal issues raised by negotiation cases in which the parties dispute the proper procedure. [Section 4117.14]
- Assignment of mediators to resolve impasses in negotiations and to prevent or shorten the duration of public-sector strikes. [Section 4117.14]
- Compilation and submission to parties of lists from which fact finders and conciliators are chosen. [Section 4117.14]
- Subsequent appointment of fact finder and conciliator with proper notification to parties and the appointed neutral and revision of assignments as necessary after ascertaining availability. [Section 4117.14]
- Selection of qualified individuals to serve on SERB's Roster of Neutrals. [Section 4117.02]
- Investigation of petitions for election (initial representation elections, challenge elections by rival unions, or decertification elections), including an examination of a showing of interest required to demonstrate adequate employee interest in an election. Also, investigation of requests for voluntary recognition in which elections may be unnecessary. [Sections 4117.05 and 4117.07]
- Determination or mediation of appropriate bargaining-unit configurations (often through hearing) that may involve the determination of whether employees are confidential, management level, or supervisory. [Sections 4117.01 and 4117.06]
- Conducting secret ballot elections by mail for eligible employees in appropriate units. [Section 4117.07]
- Resolution, through evidential hearing, of other disputed issues associated with representation activity, such as contract bar, election bar, standing, objectionable campaign activity by a party, and eligibility of voters. [Section 4117.02]
- Determination, through evidential hearing and legal arguments, whether job actions constitute prohibited strikes. [Section 4117.23]
- Determination, through evidential hearing and legal arguments, whether otherwise legal strikes pose a clear and present danger. [Section 4117.16]
- Acquisition and analysis of more than 2,900 Ohio public-sector collective bargaining agreements for use as an informational clearinghouse. [Section 4117.02]
- Production of reports reflecting bargaining agreement terms for political subdivision categories, in further fulfillment of the clearinghouse and analysis functions. [Section 4117.02]
- Annually update a list of school districts that have collective bargaining agreements with teacher unions to show, for each district for the current fiscal year, the starting salary in the district for teachers with no prior teaching experience who hold bachelors degrees, and send a copy of the updated list to the state board of education. [Section 4117.102]
- Presentation of training programs for representatives of employee organizations and public employers, and preparation of educational bulletins and manuals. [Section 4117.02]
- Development and implementation of labor-management cooperation initiatives, including interest-based bargaining and labor-management committee training and facilitation. [Section 4117.02]
- Collection, organization, and verification of union financial and organizational reports. [Section 4117.19]
- Investigation of alleged failure to comply with employee organization reporting requirements and possible imposition of penalties. [Section 4117.19]
- Dissemination of information regarding the Ohio Public Employees' Collective Bargaining Act to interested parties such as organizations, public employees, employers, and academicians. [Section 4117.02]

# The Board

The three-member State Employment Relations Board and its administrative staff were created by Ohio's Public Employees' Collective Bargaining Act of 1983. The Act was incorporated as Chapter 4117 of the Ohio Revised Code. Acting as a neutral, the quasi-judicial board determines appropriate bargaining units, conducts representation elections, certifies exclusive bargaining representatives, monitors and enforces statutory dispute procedures, adjudicates unfair labor practice charges, and determines unauthorized strikes. Board appointments are made by the governor with the advice and consent of the Senate. A board member's term is six years.

## W. Craig Zimpher, Chair

W. Craig Zimpher was appointed Chairman of the State Employment Relations Board by Governor John R. Kasich effective January 21, 2011. Prior to his appointment, he had served as Vice President for Government Affairs at Nationwide Insurance Enterprise. In that role Mr. Zimpher oversaw the management of the company's corporate political and outreach programs. He has testified on financial services legislation many times before state legislatures and congressional committees.

Mr. Zimpher's private-sector positions included service as Assistant V.P. of Ohio Operations for Gates, McDonald and Company and Assistant Dean of Students at Ohio Wesleyan University.

Mr. Zimpher's previous public-sector work includes serving as Chairman of the Industrial Commission of Ohio; an appointment by Governor Richard F. Celeste to the Commission on Workers Compensation Administration; served as Deputy Assistant to Governor James A. Rhodes and as Legislative Assistant to the Minority Leader of the Ohio House of Representatives.

Mr. Zimpher, a native of Piqua, Ohio, received his B.A. and M.A. degrees in History from The Ohio State University. He served as a 1st Lieutenant in the U. S. Army. He is married to Park T. Zimpher, and is the father of three sons, Fletch, Peter, and Nathaniel.

Mr. Zimpher has served on the Boards of Directors of Nationwide Children's Hospital Foundation; the Ohio Statehouse Foundation; the Ohio Chamber of Commerce; and the Ohio Council of Retail Merchants. He was elected twice to the vestry of St. Mark's Episcopal Church in Upper Arlington, Ohio. Mr. Zimpher also served as a Chair of the Ohio State College of Arts and Sciences Alumni Advisory Council. He also teaches at Ohio Dominican University as an Adjunct Instructor in History.

## Aaron Schmidt, Vice Chairperson

Aaron Schmidt was appointed to the State Employment Relations Board by Governor John R. Kasich effective January 2, 2014. Mr. Schmidt is an attorney with extensive legal experience in both the public and private sectors. At the time of his appointment, Mr. Schmidt served as legal counsel to the Ohio Lottery Commission.

Mr. Schmidt provided legal advice to the Lottery on a variety of legal matters, including contracts, compliance, litigation, labor relations, intellectual property, public records, and administrative law. He assisted in the promulgation of administrative rules, policies, and procedures, and represented the Lottery at hearings before the Joint Committee on Agency Rule Review (JCARR). He advised the Executive Director, Commissioners, and the Governor's Office on legal matters affecting the Lottery.

Prior to serving at the Ohio Lottery Commission, Mr. Schmidt practiced law in two Cleveland private law firms and managed litigation in a corporate legal department. His practice has encompassed a wide range of experience in employment matters and alternative dispute resolution.

Mr. Schmidt earned his bachelor's degree from The Ohio State University, he earned his law degree from Cleveland-Marshall College of Law, and he completed the Intensive Mediation program at Capital University Law School's Center for Dispute Resolution. Mr. Schmidt is admitted to the practice of law in Ohio. He is a member of the Ohio State Bar Association and the Cleveland Metropolitan Bar Association.

## N. Eugene Brundige, Member

Governor Ted Strickland appointed N. Eugene Brundige to the State Employment Relations Board effective May 12, 2008. At the time of his appointment, Mr. Brundige was an arbitrator, mediator and labor relations consultant, serving on the following arbitration rosters: American Arbitration Association (Labor Panel), Federal Mediation and Conciliation Services, Arbitration Mediation Service, and SERB's Roster of Neutrals. In addition to 15 years as a mediator, Mr. Brundige served previously as Vice Chair of the Board. Upon Governor John R. Kasich's appointment of W. Craig Zimpher as Board Chair in January 2011, Mr. Brundige assumed the position of Board Member.

Mr. Brundige served as Chief Negotiator for the City of Columbus, Director of Classified Personnel for Columbus Public Schools, Chief Negotiator for the State of Ohio, and HR Chief for the Ohio Bureau of Workers' Compensation. He also served in a number of capacities within a statewide union, including President of the Ohio Education Association and Director of Uniserv, supervising 70 staff representatives. He worked on assignment for the National Education Association in Florida.

Mr. Brundige is a graduate of Ohio University, where he received his Bachelors Degree in History and Government and also earned a Masters Degree in Education Administration. He has also served as adjunct faculty at Columbus State Community College and The Ohio State University in various labor-management programs.

## SERB Fiscal Year 2014 Expenditures Summary

|                  | Payroll              | Purchased Personal Services | Training        | Supplies / Maintenance | Equipment      | Totals             |
|------------------|----------------------|-----------------------------|-----------------|------------------------|----------------|--------------------|
|                  |                      |                             |                 |                        |                | as of 07/01/14     |
| General Revenue  | \$2,819,357**        | \$81,138                    | \$0             | \$399,908              | \$5,377        | \$3,305,780        |
| Special Accounts | \$0                  | \$4,564                     | \$24,456        | \$0                    | \$0            | \$29,020           |
| <b>TOTAL</b>     | <b>\$2,819,357**</b> | <b>\$85,702</b>             | <b>\$24,456</b> | <b>\$399,908</b>       | <b>\$5,377</b> | <b>\$3,334,800</b> |

## SERB Personnel FY 2008- 2014

Includes Full-Time Permanent, Part-Time Permanent and Interns.

|       | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|-------|------|------|------|------|------|------|------|
| Staff | 33   | 30   | 29   | 28   | 33   | 30   | 29*  |

\*\* Payroll expenditures for FY 2014 include 29 personnel who serve/support 3 SERB Board members and 3 SPBR Board members.

# Organization

## **Executive Director**

The Executive Director is the chief administrative officer of the agency and reports directly to the Board. Charged with its daily operations, the Executive Director oversees the administration of agency funds and personnel. The Executive Director is responsible for implementing Board policy, and manages, directs, and supervises activities of all employees of the Board.

## **Office of the General Counsel**

The Office of the General Counsel serves as in-house counsel, providing legal support for the Board and its sections, assisting in the preparation of Board opinions, drafting unfair labor practice complaints, and working with SERB's litigation counsel (the Ohio Attorney General) in the preparation of SERB-related cases pending before Ohio courts. Additionally, the General Counsel is the Chief Ethics Officer for the agency and provides or arranges annual ethics training for SERB personnel under Executive Order 2011-03K.

## **Representation Section**

The Representation Section oversees the review of all representation filings; as well as Requests for Recognition and Petitions for Representation Election to determine sufficiency, coordination of efforts to achieve consent-election agreements, and the subsequent scheduling of 60-70 representation mail-ballot elections annually. Additionally, the section is responsible for the substantive development and presentation of recommendations to the Board on representation issues, and for review and recommendations of rebate cases for fair-share-fee payers.

## **Investigations Section**

The Investigations Section is charged with the initial review, investigation, recommendation to the Board, and maintenance of statistics involving all unfair labor practice charges before SERB. The section is responsible for the investigation and recommendation to the Board of employee organization reporting complaints and jurisdictional work disputes. The agency's Labor Relations Specialists investigate an average of more than 700 of these charges each year. Additionally, the Labor Relations Specialists are involved in the mediation of unfair labor practice disputes before the Board's initial determination of whether probable cause exists.

## **Bureau of Mediation**

The Bureau of Mediation oversees implementation of the collective bargaining impasse-resolution procedures established by Section 4117.14 of the Ohio Revised Code. These procedures provide for strict timelines and for the appointment of mediators, fact finders, or conciliators (interest arbitrators) based upon the circumstances of each case. The bureau reviews Notices to Negotiate to determine whether to apply the statutory impasse resolution process or an alternate process designed by the parties. If the statutory process applies, the bureau establishes timelines for negotiations. If an alternate impasse-resolution process applies, the bureau monitors these negotiations and assists the parties when requested. The bureau reviews strike notices and the progress of negotiations, and intervenes when necessary to avoid or end a strike. The bureau develops and coordinates

labor-management-cooperation training and facilitation for interest-based bargaining and labor-management committee effectiveness.

## **Hearings Section**

The Hearing Section conducts administrative hearings to resolve factual disputes or help decide significant issues of law in cases involving representation, impasse resolution, unfair labor practice matters, and other substantive responsibilities imposed by the Ohio Public Employees' Collective Bargaining Act. In addition, the Hearing Section supports the State Personnel Board of Review (SPBR) to hear cases pertaining to exempt employees in the classified service, to non-exempt employees in the classified service who have not been organized, and to non-exempt employees whose collective bargaining agreement allows an appeal to SPBR. This includes employees of state agencies, county agencies, state universities, and general health districts. In whistleblower and OSHA-type appeals, SPBR may hear appeals from employees in the classified and unclassified service; a request for an investigation may be filed either by a civil service employee or a concerned citizen. All cases for SERB and SPBR are heard before an administrative law judge who submits recommended findings of fact and conclusions of law to the SERB and Report and Recommendation to the SPBR. Administrative law judges may subpoena witnesses and documents, administer oaths, and receive or exclude evidence for cause. Administrative law judges may also mediate representation matters.

## **Clerk's Office**

The Clerk's Office docket and maintains custody of case-related documents, processing an average of more than 2,000 new case filings annually. This section receives and distributes all case filings and other incoming documents, and is responsible for providing assistance to SERB customers. SERB's intake and record-keeping arm is vital to the agency's operation and is enhanced by a computerized and web-based docketing/imaging system.

## **Business/Records Office**

The Business/Records Office is responsible for fiscal and budget functions and records retention and certification of the record in administrative hearings to court for SERB and State Personnel Board of Review cases. It is also responsible for SERB's fleet-management and facilities-management functions.

## **Research and Training Section**

The Research and Training Section fulfills SERB's statutory commitment to act as a clearinghouse of information relating to wages, fringe benefits, and employment practices applicable to the various political subdivisions of the state. Also by statute, the section is responsible for training representatives of employee organizations and public employers in the rules and techniques of collective bargaining. The section's primary tool is its computerized Clearinghouse, a system providing customized collective bargaining agreement information for all jurisdictions in the state. The section is also responsible for writing, editing, and producing SERB's Annual Report and SERB's Annual Report on the Cost of Health Insurance in Ohio's Public Sector.

## Glossary of Terms

SERB's current case-typing system uses these designations:

|     |   |
|-----|---|
| ERC | Employee Organization Reporting Complaint   |
| JWD | Jurisdictional Work Dispute   |
| MED | Mediation   |
| RBT | Fair Share Fee Rebate Determination   |
| REP | Representation  |
| STK | Employer's Request for Determination of Unauthorized Strike <i>and</i><br>Request for Determination of Clear and Present Danger |
| ULP | Unfair Labor Practice   |

The following case designations were in use before January 1, 1987:

|      |   |
|------|---|
| AC   | Amended Certification   |
| CE   | Conscientious Exemption   |
| CPS  | Request for Determination of Clear and Present Danger (Strike case) |
| FR   | Fair Share Rebate Determination                                     |
| GR   | Grandfather (Notification of historical status)                     |
| MF   | Mediation/Fact-finding/Conciliation                                 |
| OR   | Organization Report   |
| RC   | Representation Certification by Election                            |
| RD   | Petition for Decertification Election                               |
| RE   | Representation Certification by Election                            |
| REPF | Fair Share Fee Rebate Determination                                 |
| SD   | Representation Certification for Self-Determination Election        |
| UC   | Unit Clarification  |
| UE   | Unfair Labor Practice Charge Filed Against an Employee              |
| UR   | Unfair Labor Practice Charge Filed Against an Employer              |
| US   | Notice of Strike/Request for Determination of Unauthorized Strike   |
| UU   | Unfair Labor Practice Charge Filed Against an Employee Organization |
| VR   | Request for Voluntary Recognition by an Employee Organization       |

The following abbreviations are in common administrative use:

|       |  |
|-------|--|
| ALJPO | Administrative Law Judges' Proposed Order<br>(Administrative Law Judges' recommendation in a ULP complaint case)                             |
| ALJRD | Administrative Law Judges' Recommended Determination<br>(Administrative Law Judges' recommendation in a non-ULP case)                        |
| MAD   | Mutually Agreed-Upon Dispute Settlement Procedure<br>(negotiations procedure adopted by the parties that supersedes the statutory procedure) |

## Year-End Case Status Summary

| <b>Cases Filed</b>                               | <b>FY 2013</b> | <b>FY 2014</b> |
|--|----------------|----------------|
| Total Cases                                      | 2,108          | 2,163          |
| Mediation (MED)                                  | 1,611          | 1,728          |
| Strike determinations (STK)                      | 1              | 2              |
| Representation (REP) <sup>1</sup>                | 139            | 144            |
| Rebate Determination(RBT)                        | 0              | 0              |
| Unfair Labor Practices (ULP)                     | 356            | 289            |
| Employee Organization Reporting Complaints (ERC) | 1              | 0              |
| Jurisdictional Work Disputes (JWD)               | 0              | 0              |

| <b>Agency Activities</b>                           | <b>FY 2013</b> | <b>FY 2014</b> |
|--|----------------|----------------|
| State mediator appointed for contract negotiations | 73             | 882            |
| Federal mediator appointed                         | 270            | 237            |
| Fact Finder appointed                              | 295            | 345            |
| Conciliator appointed                              | 54             | 52             |
| Strikes  | 2              | 1              |
| Elections held <sup>2</sup>                        | 52             | 59             |
| Complaints Issued                                  | 15             | 13             |
| Hearings held <sup>3</sup>                         | 8              | 11             |
| Board meetings <sup>4</sup>                        | 16             | 16             |
| Board opinions issued                              | 2              | 4              |

| <b>Mediations Conducted<sup>5</sup> (Non Contract Mediations)</b> | <b>FY 2013</b> | <b>FY 2014</b> |
|---|----------------|----------------|
| ULPs Pre-Determination  | 7              | 13             |
| ULPs Post-Probable Cause  | 16             | 23             |
| Representation Matters Pre-Direction to Hearing                   | 0              | 0              |
| Representation Matters Post-Direction to Hearing                  | 1              | 2              |
| Total Non-Contract Mediations                                     | 24             | 38             |

| <b>Final Dispositions</b>                         | <b>FY 2013</b> | <b>FY 2014</b> |
|---|----------------|----------------|
| Total Dispositions                                | 1,792          | 2,394          |
| Mediation Cases Closed                            | 1,323          | 1,940          |
| Election results certified                        | 53             | 54             |
| Voluntary recognition requests certified          | 9              | 12             |
| Recognition requests/election petitions dismissed | 25             | 33             |
| Miscellaneous representation activities           | 64             | 56             |
| RBT petitions settled or withdrawn                | 0              | 0              |
| ULP charges dismissed                             | 203            | 170            |
| ULP charges settled or withdrawn                  | 99             | 107            |
| ULP charges deferred/jurisdiction retained        | 5              | 12             |
| ULP complaints settled and continued              | 11             | 10             |

<sup>1</sup> This figure reflects the consolidation into one case of voluntary recognition requests with responsive petitions and multiple petitions of the same unit. It also includes petitions for amendment of certification and for clarification of bargaining unit.

<sup>2</sup>Includes professional/non-professional unit determination elections.

<sup>3</sup>Includes Board-conducted strike authorization hearings.

<sup>4</sup>Includes only regular board meetings.

<sup>5</sup>The statistical report on mediations conducted has been expanded and moved here from the Hearings Section Summaries.

## Collective Bargaining Agreements by Employer Type

As Of June 30, 2014

| Employers                                      | Employers<br>with<br>Contracts | Employer<br>Type                           | Number of<br>Contracts<br>On File | Employees<br>Covered<br>By Contracts |
|--|--------------------------------|--|-----------------------------------|--------------------------------------|
| <b>Local Government</b>                        |                                |  |                                   |                                      |
| 251  | 249                            | City                                       | 1006                              | 47,225                               |
| 87   | 5                              | County Auditor                             | 8                                 | 128                                  |
| 26   | 13                             | County Children Services                   | 16                                | 1,729                                |
| 88   | 10                             | County Clerk of Courts                     | 10                                | 426                                  |
| 88   | 43                             | County Commissioners                       | 83                                | 2,283                                |
| 88   | 3                              | County Coroner                             | 3                                 | 33                                   |
| 88   | 47                             | County Engineer                            | 52                                | 1,288                                |
| 32   | 17                             | County Health Care                         | 19                                | 971                                  |
| 14   | 2                              | County Hospital                            | 4                                 | 2,186                                |
| 88   | 52                             | County Job and Family Services             | 59                                | 6,192                                |
| 48   | 1                              | County Mental Health                       | 1                                 | 28                                   |
| 88   | 46                             | County Board of Developmental Disabilities | 76                                | 5,800                                |
| 1  | 1                              | County Narcotics Agency                    | 1                                 | 7                                    |
| 2  | 2                              | County Prosecutor                          | 2                                 | 22                                   |
| 86   | 7                              | County Recorder                            | 7                                 | 55                                   |
| 88   | 84                             | County Sheriff                             | 206                               | 8,626                                |
| 19   | 13                             | County Support Enforcement Agency          | 14                                | 908                                  |
| 88   | 9                              | County Treasurer                           | 9                                 | 240                                  |
| 14   | 11                             | Emergency Medical District                 | 12                                | 297                                  |
| 21   | 15                             | Fire District                              | 17                                | 301                                  |
| 83   | 8                              | Health District                            | 8                                 | 272                                  |
| 51   | 12                             | Park District                              | 21                                | 737                                  |
| 5  | 5                              | Sanitary District                          | 6                                 | 96                                   |
| 18   | 2                              | Conservancy District                       | 2                                 | 10                                   |
| 20   | 10                             | Water/Sewer District                       | 12                                | 413                                  |
| 251  | 29                             | Library                                    | 32                                | 2,552                                |
| 40   | 19                             | Metropolitan Housing Authority             | 36                                | 1,626                                |
| 5  | 3                              | Port Authority                             | 6                                 | 218                                  |
| 1  | 1                              | Regional Turnpike Commission               | 2                                 | 658                                  |
| 14   | 11                             | Regional Transit Authority                 | 18                                | 4,578                                |
| 14   | 13                             | State University                           | 47                                | 18,823                               |
| 14   | 9                              | Community College                          | 19                                | 1,943                                |
| 9  | 4                              | Technical College                          | 10                                | 696                                  |
| 154  | 93                             | Township                                   | 219                               | 3,168                                |
| 32   | 18                             | Miscellaneous                              | 25                                | 640                                  |
| 2,016  | 867                            | Total                                      | 2,068                             | 115,175                              |
| <b>State Government</b>                        |                                |  |                                   |                                      |
| 1  | 1                              | Attorney General                           | 3                                 | 717                                  |
| 1  | 1                              | Auditor of State                           | 1                                 | 17                                   |
| 1  | 1                              | Office of the Governor                     | 5                                 | 35,410                               |
| 1  | 1                              | Secretary of State                         | 1                                 | 63                                   |
| 1  | 1                              | Treasurer of State                         | 1                                 | 46                                   |
| 5  | 5                              | Total                                      | 11                                | 36,253                               |
| <b>Boards of Education</b>                     |                                |  |                                   |                                      |
| 721  | 640                            | Boards of Education                        | 1,170                             | 171,601                              |
| <b>Summary</b>                                 |                                |  |                                   |                                      |
| Total of all employers .....                   |                                |  | 2,742                             |                                      |
| Total number of employers with contracts ..... |                                |  | 1,512                             |                                      |
| Total contracts filed with SERB.....           |                                |  | 3,249                             |                                      |
| Total employees covered .....                  |                                |  | 323,029                           |                                      |

**Collective Bargaining Agreements by County  
As Of June 30, 2014**

| <b>County</b> | <b>Boards of Education</b> | <b>Others</b> | <b>Total</b> |
|---------------|----------------------------|---------------|--------------|
| Adams         | 3                          | 4             | 7            |
| Allen         | 18                         | 22            | 40           |
| Ashland       | 9                          | 8             | 17           |
| Ashtabula     | 16                         | 30            | 46           |
| Athens        | 13                         | 28            | 41           |
| Auglaize      | 9                          | 13            | 22           |
| Belmont       | 12                         | 15            | 27           |
| Brown         | 10                         | 4             | 14           |
| Butler        | 21                         | 62            | 83           |
| Carroll       | 4                          | 1             | 5            |
| Champaign     | 10                         | 9             | 19           |
| Clark         | 13                         | 20            | 33           |
| Clermont      | 15                         | 22            | 37           |
| Clinton       | 6                          | 5             | 11           |
| Columbiana    | 22                         | 24            | 46           |
| Coshocton     | 6                          | 7             | 13           |
| Crawford      | 11                         | 8             | 19           |
| Cuyahoga      | 86                         | 291           | 377          |
| Darke         | 10                         | 9             | 19           |
| Defiance      | 7                          | 7             | 14           |
| Delaware      | 13                         | 27            | 40           |
| Erie          | 14                         | 23            | 37           |
| Fairfield     | 11                         | 16            | 27           |
| Fayette       | 3                          | 4             | 7            |
| Franklin      | 37                         | 98            | 135          |
| Fulton        | 12                         | 8             | 20           |
| Gallia        | 6                          | 5             | 11           |
| Geauga        | 14                         | 17            | 31           |
| Greene        | 17                         | 34            | 51           |
| Guernsey      | 5                          | 9             | 14           |
| Hamilton      | 38                         | 110           | 148          |
| Hancock       | 14                         | 14            | 28           |
| Hardin        | 11                         | 7             | 18           |
| Harrison      | 4                          | 3             | 7            |
| Henry         | 8                          | 8             | 16           |
| Highland      | 7                          | 5             | 12           |
| Hocking       | 2                          | 8             | 10           |
| Holmes        | 3                          | 2             | 5            |
| Huron         | 13                         | 12            | 25           |
| Jackson       | 6                          | 16            | 22           |
| Jefferson     | 10                         | 22            | 32           |
| Knox          | 7                          | 11            | 18           |
| Lake          | 20                         | 69            | 89           |
| Lawrence      | 16                         | 17            | 33           |

| <b>County</b> | <b>Boards of Education</b> | <b>Others</b> | <b>Total</b> |
|---------------|----------------------------|---------------|--------------|
| Licking       | 16                         | 18            | 34           |
| Logan         | 6                          | 5             | 11           |
| Lorain        | 27                         | 65            | 92           |
| Lucas         | 21                         | 64            | 85           |
| Madison       | 8                          | 9             | 17           |
| Mahoning      | 30                         | 82            | 112          |
| Marion        | 9                          | 11            | 20           |
| Medina        | 13                         | 33            | 46           |
| Meigs         | 5                          | 5             | 10           |
| Mercer        | 7                          | 6             | 13           |
| Miami         | 12                         | 19            | 31           |
| Monroe        | 2                          | 4             | 6            |
| Montgomery    | 31                         | 76            | 107          |
| Morgan        | 2                          | 6             | 8            |
| Morrow        | 7                          | 2             | 9            |
| Muskingum     | 8                          | 15            | 23           |
| Noble         | 4                          | 3             | 7            |
| Ottawa        | 9                          | 9             | 18           |
| Paulding      | 4                          | 3             | 7            |
| Perry         | 6                          | 3             | 9            |
| Pickaway      | 4                          | 9             | 13           |
| Pike          | 7                          | 3             | 10           |
| Portage       | 26                         | 47            | 73           |
| Preble        | 9                          | 3             | 12           |
| Putnam        | 14                         | 4             | 18           |
| Richland      | 18                         | 25            | 43           |
| Ross          | 13                         | 6             | 19           |
| Sandusky      | 11                         | 15            | 26           |
| Scioto        | 14                         | 14            | 28           |
| Seneca        | 10                         | 12            | 22           |
| Shelby        | 11                         | 6             | 17           |
| Stark         | 33                         | 62            | 95           |
| Summit        | 37                         | 101           | 138          |
| Trumbull      | 41                         | 59            | 100          |
| Tuscarawas    | 15                         | 21            | 36           |
| Union         | 3                          | 6             | 9            |
| Van Wert      | 5                          | 7             | 12           |
| Vinton        | 2                          | 1             | 3            |
| Warren        | 16                         | 27            | 43           |
| Washington    | 13                         | 10            | 23           |
| Wayne         | 17                         | 14            | 31           |
| Williams      | 8                          | 12            | 20           |
| Wood          | 20                         | 40            | 60           |
| Wyandot       | 4                          | 3             | 7            |

**Summary**

|                           |       |
|---------------------------|-------|
| Boards of Education.....  | 1,170 |
| Other Employers .....     | 2,079 |
| Total 2014 Contracts..... | 3,249 |

## Bureau of Mediation Summary of Activity

### Filings and Appointments

FY 2013

FY 2014

#### Matters filed

|                             |       |       |
|-----------------------------|-------|-------|
| Notices to Negotiate        | 1,611 | 1,728 |
| Notices of Intent to Strike | 2     | 16    |

#### Neutrals appointed

|                          |       |       |
|--------------------------|-------|-------|
| Mediator Appointments    | 1,004 | 1,119 |
| Fact-Finder Appointments | 295   | 345   |
| Conciliator Appointments | 54    | 52    |

### FY 2014 Notices to Negotiate

#### Statutory

#### MADs

#### Total

|              |              |            |              |
|--------------|--------------|------------|--------------|
| Initial      | 34           | 0          | 34           |
| Reopener     | 230          | 48         | 278          |
| Successor    | 902          | 514        | 1,417        |
| <b>Total</b> | <b>1,166</b> | <b>562</b> | <b>1,728</b> |

### FY 2014 Fact-Finding Statistical Summary

|                                    |            |
|------------------------------------|------------|
| <i>Cases with reports accepted</i> | 54         |
| Accepted by both parties           | 13         |
| Deemed accepted . . .              | 41         |
| by employee organization only      | 8          |
| by employer only                   | 19         |
| by both parties                    | 14         |
| <i>Cases with reports rejected</i> | 46         |
| by employee organization only      | 28         |
| by employer only                   | 14         |
| by both parties                    | 4          |
| <b>Total FY 2014 reports</b>       | <b>100</b> |

#### Results of Fact-Finding

|             | FY 2013 | FY 2014 |
|-------------|---------|---------|
| Acceptances | 53      | 54      |
| Rejections  | 51      | 46      |

### Fact-Finding Cases by Employer Type

|                  | FY 2013 | FY 2014 |
|------------------|---------|---------|
| Cities           | 52      | 49      |
| Counties         | 31      | 36      |
| School Districts | 2       | 1       |
| Townships        | 7       | 9       |
| Universities     | 1       | 1       |
| State Government | 1       | 0       |
| Other            | 10      | 4       |

### Fact-Finding Cases by Employee Type

|          | FY 2013 | FY 2014 |
|----------|---------|---------|
| Police   | 56      | 56      |
| Fire     | 14      | 20      |
| Teaching | 2       | 0       |
| Nursing  | 2       | 1       |
| Other    | 30      | 23      |

## Public Sector Strikes, April 1, 1984—June 30, 2014

| Type         | 04/01/84—06/30/13 | FY 2012  | FY 2013  | FY 2014  | Total      |
|--------------|-------------------|----------|----------|----------|------------|
| Education    | 147*              | 1        | 1        | 0        | 149        |
| City         | 10                | 0        | 0        | 0        | 10         |
| County       | 44                | 0        | 0        | 1        | 45         |
| Township     | 2                 | 0        | 0        | 0        | 2          |
| Other        | 8*                | 0        | 1        | 0        | 9          |
| <b>Total</b> | <b>211</b>        | <b>1</b> | <b>2</b> | <b>1</b> | <b>215</b> |

\* FY 2013 strike total adjusted from 2012 Annual Report

### Public Sector Strikes Before and After the Collective Bargaining Act

|      |    |                   |    |                   |    |      |    |      |    |      |   |      |   |
|------|----|-------------------|----|-------------------|----|------|----|------|----|------|---|------|---|
| 1978 | 67 | 1984 <sup>1</sup> | 4  | 1990              | 13 | 1996 | 4  | 2002 | 6  | 2008 | 3 | 2014 | 1 |
| 1979 | 56 | 1985              | 9  | 1991              | 17 | 1997 | 3  | 2003 | 7  | 2009 | 2 |      |   |
| 1980 | 60 | 1986              | 14 | 1992              | 11 | 1998 | 14 | 2004 | 4* | 2010 | 0 |      |   |
| 1981 | na | 1987              | 19 | 1993 <sup>2</sup> | 3  | 1999 | 6  | 2005 | 1  | 2011 | 0 |      |   |
| 1982 | na | 1988              | 14 | 1994 <sup>3</sup> | 13 | 2000 | 2  | 2006 | 6  | 2012 | 1 |      |   |
| 1983 | na | 1989              | 17 | 1995              | 7  | 2001 | 8  | 2007 | 4  | 2013 | 2 |      |   |

<sup>1</sup> 04/01/84 – 12/31/84

<sup>2</sup> 01/01/93 – 06/30/93

<sup>3</sup> Beginning with July 1, 1993, all data are reported by fiscal year, July 1 through June 30.

<sup>4</sup> FY 2004 strike total adjusted from 2004 annual report.

## Representation Summary of Activity

|  | 04/01/84-06/30/11 | FY 2012         | FY 2013      | FY 2014      | Total          |
|--|-------------------|-----------------|--------------|--------------|----------------|
| Elections held   | 3,252             | 52              | 52           | 59           | 3,415          |
| Unit Determination elections held (Professional/Nonprofessional) | 211               | 1               | 0            | 2            | 214            |
| Choices for representation                                       | 2,479             | 40 <sup>2</sup> | 46           | 48           | 2,613          |
| Approximate number of eligible voters                            | 191,726           | 1,833           | 1,407        | 2,414        | 197,380        |
| Voter turnout  | 160,905<br>84%    | 1,219<br>67%    | 1,167<br>83% | 1,843<br>76% | 165,134<br>84% |
| Certification via Voluntary Request for Recognition              | 1,292             | 9               | 9            | 12           | 1,322          |

<sup>2</sup> number adjusted from 2012 Annual Report

## Unfair Labor Practice Summary of Activity

| Cases   | 04/01/84-06/30/11  | FY 2012 | FY 2013 | FY 2014 | Total  |
|---|--------------------|---------|---------|---------|--------|
| ULP Charges Filed   | 18,362             | 312     | 356     | 289     | 19,319 |
| ULP Charges Dismissed                                     | 10,203             | 173     | 203     | 170     | 10,749 |
| ULP Charges Withdrawn                                     | 4,640              | 70      | 99      | 107     | 4,916  |
| Probable Cause Findings                                   | 3,412 <sup>1</sup> | 30      | 29      | 33      | 3,504  |
| Deferrals to Arbitration (with retention of jurisdiction) | 236 <sup>3</sup>   | 6       | 5       | 12      | 259    |
| Complaints Settled  | 2,745 <sup>2</sup> | 30      | 11      | 10      | 2,796  |
| Complaints Adjudicated                                    | 528 <sup>2</sup>   | 4       | 5       | 7       | 544    |

<sup>1</sup> Adjusted figures in 1990 used in total.

<sup>2</sup> Does not include 1984-85, when these statistics were not kept.

<sup>3</sup> Does not include 1984-87, when these statistics were not kept.

### FY 2014 Unfair Labor Practice Allegations

|   |     |
|---|-----|
| Total Allegations of RC 4117.11 violations.....                           | 289 |
| Section 4117.11(A) alleged employer violations.....                       | 216 |
| Section 4117.11(B) alleged employee/employee organization violations..... | 73  |

### Board Decisions Finding Statutory Violations

| 04/01/84-06/30/11 | FY 2012 | FY 2013 | FY 2014 | Total |
|-------------------|---------|---------|---------|-------|
| 390               | 3       | 4       | 5       | 402   |

## Hearings Section Summary of Activity

| Action         | 04/01/84-06/30/11  | FY 2012 | FY 2013 | FY 2014 | Total |
|----------------|--------------------|---------|---------|---------|-------|
| ALJPOs/ALJRDs  | 952                | 9       | 6       | 13      | 980   |
| Pretrials held | 1,074 <sup>1</sup> | 24      | 14      | 15      | 1,127 |
| Hearings held  | 938                | 11      | 8       | 11      | 968   |
| Settlements    | 1,503 <sup>1</sup> | 30      | 22      | 13      | 1,568 |

NOTE: The statistical report on mediations conducted has been expanded and moved to the Year-End Case Status Summary.

<sup>1</sup> Statistic maintained beginning December 1994.

## **Board Opinions Issued in Fiscal Year 2014**

### **In re Toledo Area Regional Transit Authority, SERB 2013-001 (12-13-2013)**

In this unfair labor practice matter, Amalgamated Transit Union, Local 697 (“ATU”) alleged Toledo Area Regional Transit Authority (“TARTA”) violated Ohio Revised Code §§ 4117.11(A)(1) and (A)(2). The issues in this matter were: (1) did TARTA commit a violation when it requested that the ATU Business Agent, Cynthia Betz, make “advance arrangements” or “obtain permission” to visit the Toledo Area Regional Paratransit Service” (TARPS); (2) did TARTA commit a violation when it restricted ATU’s use of mail slots in the lockers at the TARPS facility; (3) did TARTA commit a violation when it posted Ms. Betz’s wages on the facilities employee bulletin board.

The State Employment Relations Board (“SERB” or “the Board”) found there was probable cause to believe that TARTA had committed or was committing unfair labor practices and referred the matter to mediation. After a failed mediation session, the case went to an evidentiary hearing in front of an Administrative Law Judge (“ALJ”). The Board adopted the reasoning in the ALJ’s Proposed Order and incorporated by reference the ALJ’s Findings of Fact, Analysis and Discussion, and Conclusions of Law.

To determine whether an employer has violated 4117.11(A)(1), the Board uses an objective standard. Board precedent states, “[e]stablishing that a violation of O.R.C. § 4117.11(A)(1) does not depend on whether the interference, restraint, or coercion succeeded or failed. Interference, restraint, or coercion can be established solely by demonstrating that the employer’s action reasonably tends to interfere with, restrain, or coerce employees in the exercise of their protected activity.” *In re Harrison Hills School Dist. Bd. Of Ed.*, SERB 2010-011 (8-12-10)(“*Harrison Hills*”). In this case, the Board held that all three issues were in violation of O.R.C. § 4117.11(A)(1).

Board precedent explains “[t]o establish an [O.R.C. § 4117.11] (A)(2) violation requires a demonstration of substantial evidence of material harm to the union in the administration or performance of its duties. The actions of the employer must prevent the union from performing administrative duties or interfere with its administration.” *Harrison Hills*. The Board determined “[w]hether a violation of [O.] R. C. 4117.11(A)(2) has occurred is determined objectively, without regard to the employer’s subjective intent.” *In re Clark Cty. Bd. of Dev. Disabilities*, SERB 2010-014 (8-19-10). In this case, the Board held that restricting the use of the mail slots and posting Ms. Betz’s wages were a violation of O.R.C. § 4117.11(A)(2). Additionally, the Board issued a cease and desist order and order to publish Notice to Employees.

### **In re Teamsters Local 436, City of Cleveland, SERB 2013-002 (12-13-2013)**

In this representation case, the Teamsters Local 436 (“the Union”) filed a Request for Recognition under Ohio Revised Code § 4117.05 seeking to represent Assistant Directors of Law (ADLs) for the Civil Division of the City of Cleveland (“the Employer” or “City”). The Employer filed objections to the request.

The matter was directed to a hearing by the State Employment Relations Board to determine an appropriate bargaining unit and for all other relevant matters. The sole issue in this case was whether the ADLs were “public employees” under O.R.C. § 4117.01(C); specifically whether they fall under the

exemptions under O.R.C. § 4117.01(C)(9). The burden of establishing an exclusion from a bargaining unit rests upon the party seeking it.

The Board found that in order to fall within the exception outlined in O.R.C. § 4117.01(C)(9), the City must prove that the ADLs meet three criteria. The ADLs must (1) be appointed pursuant to Section 124.11 of the Revised Code; (2) be employees of a public official; and (3) act in a fiduciary capacity.

First, the Board found that Section 124.11(A)(11) of the Revised Code provides an enumerated list of positions exempt from the classified civil service, including "... assistants to city directors of law." Finding that the state statute and the Charter were not in conflict, the Board concluded that the ADLs were appointed pursuant to Section 124.11 of the Revised Code, and that home rule amendment analysis was unnecessary.

The Board also held that Directors of Law are public officials despite the fact that they are not elected. Citing case law that established City Law Directors to be public officials, the Board found that the ADLs, as employees of Directors of Law, are employees of a public official.

Third, the Board found that ADLs act in a fiduciary capacity. While O.R.C. § 4117.01(C) does not define "fiduciary capacity", the Board adopted the Ohio Supreme Court's holding that when determining if an employee acts in a fiduciary capacity, the analysis must focus on whether the employee's job duties require a high degree of trust, confidence, reliance, integrity, and fidelity above and beyond whatever technical competence the position may require. Finding that these qualities are essential to the ADL position, the Board found that the ADLs act in a fiduciary capacity.

The board adopted the Findings of Fact, Analysis and Discussion, Conclusions of Law and Recommendations in the Administrative Law Judge's Recommended Determination, finding that the ADLs are employees of a public official who act in a fiduciary capacity, appointed pursuant to O.R.C. § 4117.01(C)(9). Thus, the ADLs are exempt from the definition of "public employee". As a result, the Union's request for recognition was dismissed with prejudice.

### **In re City of Green, SERB 2014-001 (02-20-2014)**

In this unfair labor practice case, the State Employment Relations Board ("the Board") found that the City of Green ("the City") violated O.R.C. §§4117.11(A)(1) and (A)(5) when it unilaterally reassigned bargaining-unit work performed exclusively by full-time firefighters to part-time non-bargaining unit firefighters.

The City and the Union negotiated a successor Collective Bargaining Agreement ("CBA") in 2010-2011. The City presented the Union with proposals to delete the full-time firefighter minimum staff level and to add language that would allow the City to establish part-time firefighter positions. The City handed the Union a "Notice of Intent" announcing its intention to unilaterally establish and utilize part-time firefighter/medics.

At mediation, the parties signed a tentative agreement that allows the City to reduce full-time staffing level in certain circumstances, but there was no language in the parties' CBA that allows the City to use part-time personnel. In July of 2012, the City issued a memorandum announcing that it "...will begin using part-time fire medics to supplement our response shift staffing the very near future..." The Union immediately requested to bargain the issue which the City refused and in October of 2012, the City hired part-time firefighters to perform emergency response work.

The City argued that the reassignment of bargaining unit work to non-bargaining unit employees was within its management rights under O.R.C. §4117.08(C). The Board followed legal precedent that the public employer must bargain with its employees regarding a management decision and that the

subject is a mandatory subject for collective bargaining. Additionally, the Board held that the City did not bargain with the Union because the City indicated that the "Notice of Intent" was not a bargaining proposal.

The City contended that Green City Ordinance 242.01 authorizes the use of part-time employees and takes precedence over the collective bargaining laws contained in O.R.C. §§4117. The Board opined that the City cannot use city ordinance to circumvent its duty to bargain under O.R.C. § 4117.10(A) which expressly states that "this chapter prevails over any and all other conflicting laws, resolutions, provisions..."

Through this decision, the Board reaffirms legal precedent that O.R.C. §§4117 requires all public employers and employee organizations to bargain in good faith regarding mandatory subjects of bargaining. The duty to bargain in good faith does not require that the parties reach an agreement; rather requires parties to engage in meaningful discussions regarding clearly defined proposals.

### **In re Cleveland Metropolitan School District Board of Education, SERB 2014-002 (02-20-2014)**

The State Employment Relations Board ("the Board") directed this matter to an inquiry based upon the allegations contained in Cleveland Metropolitan School District Board of Education's ("CMSD") Motion regarding the Service Employees International Union, District 1199, AFL-CIO ("SEIU District 1199"). Specifically, the inquiry was based on whether SEIU District 1199 conducted a proper vote in November of 2013 when attempting to reject a fact finder report.

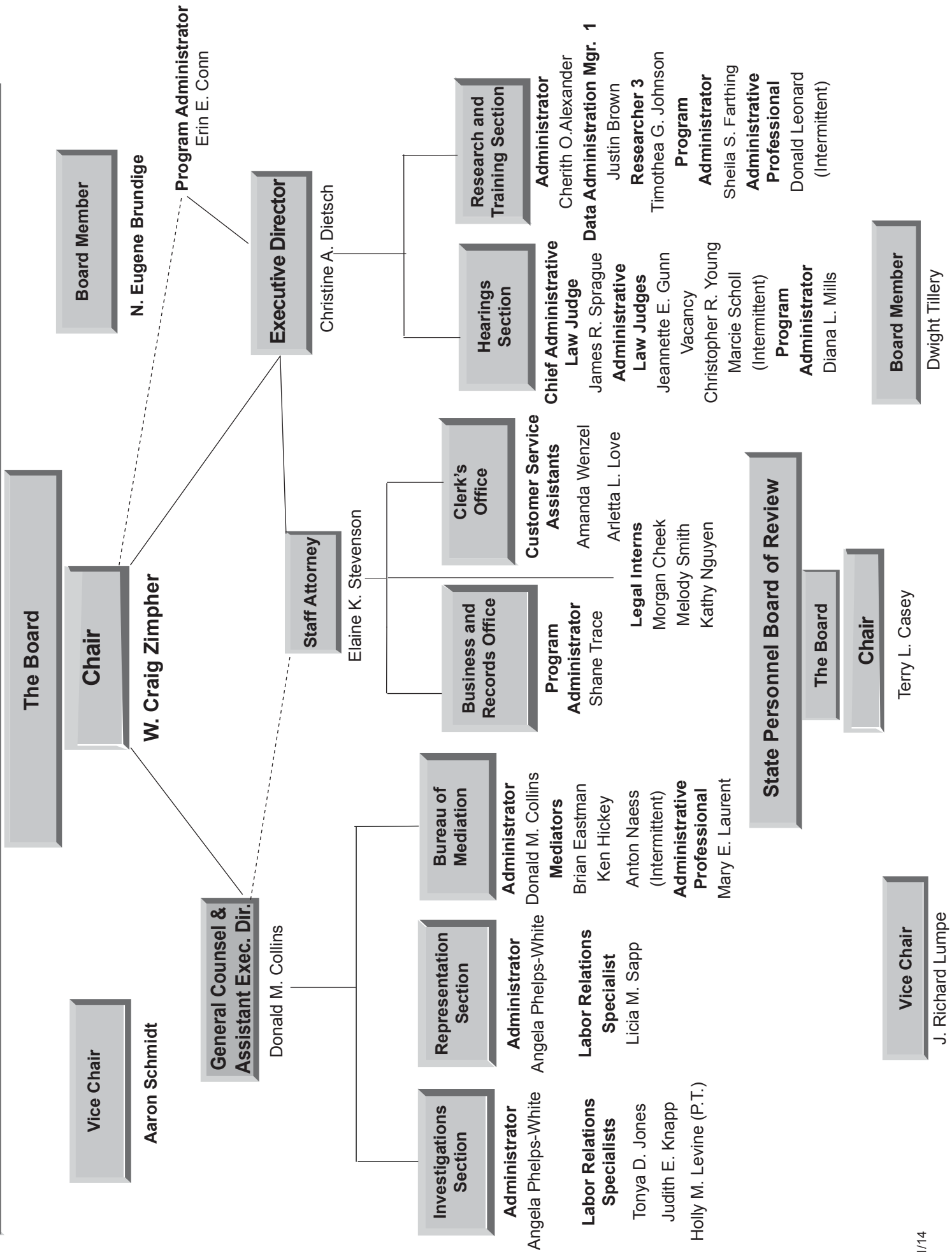
The Board adopted the Inquiry Report and Recommendation which answered two questions that resolved the issue of whether SEIU District 1199 properly rejected the October 2013 Fact Finding Report.

As to the first question, the Board found that the parties did not have an alternative dispute settlement procedure ("MAD") and therefore, were required to follow the statutory dispute settlement procedures established in O.R.C. § 4117.14 and O.A.C. 4117-9-03 and 4117-9-05. The Union argued that SERB lacked subject matter jurisdiction because the parties deviated from SERB's statutory fact finding procedure and created a MAD by operation of law. The Board did not find their argument persuasive because the parties admitted it was not in writing, a requirement of the Rules. Thus, the November 2013 fact finding is governed by statutory procedures and the motion regarding the Union's fact-finding election procedures is within SERB's jurisdiction.

For the second question, the Board then had to review the election procedures established by SEIU District 1199 for the November 2013 fact-finding vote and determined that they did not comply with the statutory dispute settlement procedures. Based on the evidence, the Board found that the Union manipulated the vote by combining electronic and in-person voting to obtain vote tallies prior to the close of the voting period violating O.A.C. Rule 4117-9-05. The Union also violated the statutory provision by providing for multiple election notices with different dates, times, and locations, thus manipulating the vote.

The Board granted CMSD's motion and found the November 2013 Fact-Finding vote rejecting the October 2013 Fact-Finding Report invalid. The Board noted that it seeks to ensure that it has the responsibility to assure the integrity of elections on fact-finding reports and protect them from manipulation. *In re Miami University*, SERB 86-030 (8-7-86).

# State Employment Relations Board



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#### ***SERB is an Equal Opportunity Employer.***

*EEO Officer: Marcie M. Scholl, Administrative Law Judge, Hearings Section (Intermittent)*

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## PROJECT DESIGN AND RESPONSE RATE

The State Employment Relations Board (SERB), as mandated by section 4117.02 of the Ohio Revised Code, is pleased to present the Annual Report on the Cost of Health Insurance in Ohio’s Public Sector (2014 Report). In its 22<sup>nd</sup> year, the purpose of this project is to provide data on various aspects of health insurance, plan design, and cost for government entities. Our goal is to provide constituents with statistics that may be useful for the employer and employee organizations, and to promote orderly and constructive relationships between public employers and their employees.

The original 2014 health insurance survey was web-based, although 5.1% (n=63) of respondents completed a paper form. The on-line survey was designed by SERB utilizing Novi Survey On Demand Edition ([www.novisurvey.com](http://www.novisurvey.com)). Pre-testing was conducted to ensure reliability of the survey instrument with regard to question and response wording and overall format. Survey question content alterations from the 2013 survey are minimal, but a few new questions were added to reflect the ever-changing arena of health care plan design and cost-management strategies.

The 2014 Health Insurance Survey was created and dispersed using Novi Survey, an on-line survey tool. SERB emailed or mailed links of the 2014 Health Insurance Survey to 1,327 governmental jurisdictions via email or postal mail<sup>i</sup> on or around January 13, 2014, requesting completion of the survey by March 1, 2014. The target survey population included:

| Government   | Schools   | Colleges/Universities  | Special Districts  |
|--|---|--|--|
| <ul style="list-style-type: none"> <li>• State</li> <li>• Cities</li> <li>• Counties</li> <li>• Townships</li> </ul> | <ul style="list-style-type: none"> <li>• School Districts (City, Local, Exempted Village)</li> <li>• Joint Vocational Schools &amp; Career Centers</li> <li>• Educational Service Centers (ESCs)</li> </ul> | <ul style="list-style-type: none"> <li>• Community Colleges</li> <li>• State Colleges</li> <li>• State Universities</li> </ul> | <ul style="list-style-type: none"> <li>• Metropolitan Housing Authorities</li> <li>• Transit Authorities</li> <li>• Port Authorities</li> <li>• Regional Fire Districts</li> </ul> |

Sixty-three surveys were completed on a paper form made available to entities that could not access the website. These surveys were entered into the on-line survey tool by individuals trained specifically for this project by SERB researchers. Completed surveys were downloaded from the survey manager’s website into an Excel database, where data were organized and transferred to SPSS Statistics 17.0 software. The data was cleaned and analyzed in-house using SPSS Statistics 17.0 software.

Just under ninety-three percent (n=1,231) of public employers that received a survey submitted a completed response. Fifteen employers responded that they did not offer insurance. Statistics in this report represent about 392,304 public employees in the State of Ohio. The number of employer responses required to make generalizations about the entire population surveyed (the aforementioned public entities) is 308.<sup>ii</sup> With a response rate of 92.8%, statistics presented in this report are representative of various aspects of public employee medical care in the State of Ohio.

In addition to providing SERB with the costs of medical premiums, employers were also asked a series of questions on plan procurement (e.g. consortium membership, formal bid processes, brokers), plan design (e.g. opt-out stipends, disease management programs), and fringe benefits (e.g., dental, vision, prescription). Collecting all of this information helps SERB provide constituents with a more complete picture of the current medical care environment.

Data are presented in several tables that are found throughout the body of the report. All benefit information is presented for single and family coverage. Data have been collected on other coverage types (single + 1, single & child, and single & spouse). Due to the sparse distribution of these coverage types, these categories will not be presented this year in all tables.<sup>iii</sup> Please keep in mind that the survey is representative of public sector medical insurance plans in effect on January 1, 2014.

## SUMMARY OF KEY FINDINGS

- ▶ Statewide, the average monthly premium for medical and prescription coverage, when prescription is included in the medical premium<sup>iv</sup>, is \$546 for single coverage and \$1,432 for family coverage. Calculations include employee contributions of \$0 towards the medical premium (Table 3.2).
- ▶ The one-year increase in medical premiums, when prescription is included in the medical premium, between January 1, 2013 and January 1, 2014 is 5.0% for single coverage and 4.5% for family coverage (Table 3.2).
- ▶ Average monthly employee contributions to bundled medical premiums, including prescription drug coverage, are \$66 for single coverage and \$187 for family coverage. Employee premium contributions for single coverage rose 11.9% from last year and employee contributions for family coverage rose 12.7% from last year. Calculations include employee contributions of \$0 towards the medical premium (Table 3.2).
- ▶ Average monthly employer contributions to medical premiums, including prescription drug coverage, are \$480 for single coverage and \$1,247 for family coverage. Employer premium contributions for single coverage increased 4.1% from last year and employer contributions for family premiums increased 4.0% (Table 16.2 found in the appendix).
- ▶ The average annual total cost per employee for medical coverage, when prescription drug is included in the premium, is \$13,200. This is a 3.5% increase from the average total cost in 2013<sup>1</sup> (Table 6).
- ▶ For medical plans where prescription drug is purchased separately from medical coverage, the average monthly medical and prescription premiums increase to \$610 for single and \$1,481 for family coverage. This is a 1.8% increase for single and a 4.4% increase for family over last year.
- ▶ For plans that have prescription coverage included as part or separate from the medical premium, the average annual cost for medical and prescription coverage is \$11,460, which is a 3.1% increase from 2013<sup>2</sup> (Table 3.1 Statewide PEPM x 12).
- ▶ The vast majority of medical plans require employees to contribute a portion of the medical premium cost. For 2014, only 11.7% of single medical plans and 9.6% of family medical premiums were paid 100% by the employer.
- ▶ When employees pay a portion of the medical premium, the average employee monthly contribution is \$72 for single and \$199 for family coverage. This represents an increase in premium cost to employees of 9.1% for single coverage and 8.2% for employees with family coverage from 2013. Calculations exclude employees who contribute \$0 towards the medical premium (Table 16.1 found in the appendix).
- ▶ The vast majority of medical premiums (89.0%) include prescription benefits. In 9.0% of plans, prescription benefits are carved-out (Table 10).
- ▶ In some cases, dental (10.7%) or vision (12.0%) benefits are included in the medical premium package (Table 10).

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<sup>1</sup> The average yearly cost per employee is calculated by multiplying the amount paid by the employer and employee for each single, single + 1, single & child, single & spouse, and family plan by the number of people electing each, then dividing by the total number of people covered. See page 17 (Table 6) for more detail.

<sup>2</sup> The average yearly cost per employee is calculated by multiplying the amount paid by the employer for each single, single + 1, single & child, single & spouse, and family plan by the number of people electing each, then dividing by the total number of people covered. See page 7 (Table 3.1) for more detail.

- ▶ Statewide median co-payments are \$15 for office visits (non-specialist), \$50 for emergency room visits (sometimes waived if admitted), and \$25 for urgent care visits.
- ▶ The vast majority of plans (89.7%) require a deductible before cost-sharing of out-of-pocket medical expenses begins.
- ▶ Only 7.5% (n=138) of plans do not require employees to pay a deductible or co-insurance for medical coverage.
- ▶ Most jurisdictions (93.3%) offer an option for dental benefits. The majority of jurisdictions that offer dental coverage (82.6%) do so via a carve-out plan separate from the medical premium (Table 10).
- ▶ Dental maximums range widely - from \$450 to \$6,000. The majority (63.9%) of jurisdictions with dental coverage have dental maximums between \$1,000 and \$1,500 per person covered.
- ▶ Over three quarters (77.0%) of jurisdictions offer some level of vision coverage. Of the jurisdictions offering vision coverage, most jurisdictions (65.0%) do so via a separate, carve-out plan (Table 10).

## SUMMARY TABLES

### Survey Population Response Rates

Table 1 shows the percent of entities that completed and returned surveys for 2014 by jurisdiction. The response rate of the number of surveys completed and returned to SERB for 2013 are also included for comparison.

**Table 1**

| Survey Response Rates by Jurisdiction |              |                   |               |              |                   |               |
|---------------------------------------|--------------|-------------------|---------------|--------------|-------------------|---------------|
|                                       | 2013         |                   |               | 2014         |                   |               |
|                                       | Surveys Sent | Surveys Completed | Response Rate | Surveys Sent | Surveys Completed | Response Rate |
| Counties                              | 88           | 80                | 90.9%         | 88           | 81                | 92.0%         |
| Cities                                | 249          | 217               | 87.1%         | 251          | 226               | 90.0%         |
| Townships                             | 152          | 124 (4)           | 81.6%         | 152          | 122 (4)           | 80.3%         |
| School Districts & Ed Svc Centers     | 720          | 700 (4)           | 97.2%         | 720          | 696 (5)           | 96.7%         |
| Colleges & Universities               | 37           | 34                | 91.9%         | 37           | 34                | 91.9%         |
| Fire Districts                        | 18           | 16 (5)            | 88.9%         | 18           | 17 (5)            | 94.4%         |
| Metropolitan Housing Authorities      | 40           | 37                | 92.5%         | 40           | 38                | 95.0%         |
| Port Authorities                      | 5            | 5                 | 100.0%        | 5            | 3                 | 60.0%         |
| Regional Transit Authorities          | 15           | 12 (1)            | 80.0%         | 15           | 13 (1)            | 86.7%         |
| State of Ohio                         | 1            | 1                 | 100.0%        | 1            | 1                 | 100.0%        |
| Overall Response Rate                 | 1,325        | 1,226 (14)        | 92.5%         | 1,327        | 1,231 (15)        | 92.8%         |

Note: Number of surveys that do not offer insurance are in parenthesis. These values are included in the total number of surveys completed.

Note: Health Districts were not surveyed this year, since past surveys found majority were included in county submitted surveys.

The response rate for 2014 included 92.8% of all public jurisdictions responding to the health insurance survey. More than four-fifths of all jurisdictional sub-categories responded to the survey.

This year SERB received 1,231 completed surveys. The surveys collected data on 1,858 insurance plans. Twenty-two of these insurance plans stated a medical plan type of “other” during the survey and are omitted from all tables related to medical insurance plan types in this report. Fifteen employers reported that they do not offer insurance and are also omitted from all tables in this report.

**Table 1.1**

| Total Insurance Plans Submitted by Plan Type |       |       |
|--|-------|-------|
|  | 2013  | 2014  |
| Traditional                                  | 28    | 26    |
| Preferred Provider Organization (PPO)        | 1,302 | 1,230 |
| Point of Service (POS)                       | 42    | 36    |
| Health Maintenance Organization (HMO)        | 76    | 62    |
| High Deductible Health Plan (HDHP)           | 351   | 467   |
| Other  | 10    | 22    |
| No Insurance Offered                         | 14    | 15    |
| Total Plans                                  | 1,823 | 1,858 |

## Health Plans by Jurisdiction

**Table 2**

| Percentage of Plan Types by Jurisdiction <sup>†</sup> |             |        |       |       |                  |                  |               |       |
|---|-------------|--------|-------|-------|------------------|------------------|---------------|-------|
|   | TRADITIONAL | PPO    | POS   | HMO   | HDHP<br>(no HSA) | HDHP<br>(w/ HSA) | % Self-funded | n     |
| STATEWIDE   | 1.4%        | 67.6%  | 2.0%  | 3.4%  | 10.5%            | 15.1%            | 68.3%         | 1,821 |
| State of Ohio   | -           | 100.0% | -     | -     | -                | -                | 100.0%        | 1     |
| Counties  | -           | 65.5%  | 4.2%  | 5.6%  | 11.3%            | 13.4%            | 75.4%         | 142   |
| Cities  | 1.2%        | 57.2%  | 0.3%  | 4.0%  | 10.8%            | 26.5%            | 47.4%         | 325   |
| Townships   | 3.8%        | 40.5%  | 5.3%  | 1.5%  | 31.3%            | 17.6%            | 23.7%         | 131   |
| School Districts & ESCs                               | 1.4%        | 76.0%  | 1.6%  | 2.7%  | 6.9%             | 11.4%            | 82.5%         | 1,070 |
| Colleges & Universities                               | -           | 65.7%  | 2.9%  | 7.1%  | 1.4%             | 22.9%            | 65.7%         | 70    |
| Special Districts                                     | 2.4%        | 46.3%  | 3.7%  | 6.1%  | 30.5%            | 11.0%            | 26.8%         | 82    |
| % Self-funded   | 69.2%       | 76.3%  | 55.5% | 32.2% | 42.1%            | 54.5%            |               |       |
| n   | 26          | 1,230  | 36    | 62    | 192              | 275              |               |       |

<sup>†</sup> Plan types -Traditional; PPO: Preferred Provider Organization; POS: Point of Service; HMO: Health Maintenance Organization; HDHP: High Deductible Health Plan; HSA: Health Savings Account; n: number of plans  
 Note: Total number of plans excludes 15 plans stating no insurance offered and 22 plans stating plan type "other"

- ▶ Preferred Provider Organizations (PPOs) continue the status of most utilized plan type. PPOs represent 67.6% of all medical plans statewide.
- ▶ In jurisdictions that offer only one plan to employees, over three-quarters (75.9%) (564 of 743 plans) have PPOs.
- ▶ The frequency of high deductible health plans (HDHPs) has increased since the 2013 survey. HDHPs now make up 25.6% of plans statewide, compared to 21.0% in 2013. School districts remain the least likely to offer HDHPs to employees in 2014.
- ▶ Self-funded plans have increased 3.6% since last year. Townships remain the least likely of all jurisdictions to be self-funded, as many townships have few employees. Schools and Counties are the most likely to be self-funded as a large portion are members of consortiums.

## Medical Premiums

Please note the following when reading Tables 3.1- 3.4.

- 1) These averages usually include the costs of prescription benefits, but do not typically include other fringe benefits, such as dental and vision coverage.<sup>3</sup>
- 2) Averages presented in these tables are not weighted, meaning each reporting jurisdiction counts as one, regardless of size.
- 3) Table 16.1 of this report gives the employee dollar amount and percentage contribution to the premium in only plans where a contribution is required.

<sup>3</sup> Of all plans statewide, 10.7% include dental benefits in the medical premium; 12.0% include vision (Table 10).

**Table 3.1 provides the following for all medical plans, including those plans where prescription drug is provided in a plan separate from the medical premium:**

- 1) The average monthly cost for combined single and family medical and prescription drug coverage.
- 2) The number of plans reported in each category.
- 3) The average monthly cost for combined single and family medical and prescription drug coverage.

**Table 3.1**

| <b>Average Monthly Medical and Prescription Premiums and Employer PEPM Costs †</b> |   |                   |               |                   |   |                   |
|--|---|-------------------|---------------|-------------------|---|-------------------|
| <b>Comparison Group</b>  | <b>Average Medical &amp; Prescription Drug Premiums including separate drug plans</b> |                   |               |                   | <b>Total Employer Cost Per Month for Bundled Medical and Prescription</b> |                   |
|  | <b>Single</b>   | <b># of plans</b> | <b>Family</b> | <b># of plans</b> | <b>Cost</b>   | <b># of plans</b> |
| STATEWIDE  | \$554   | 1,797             | \$1,438       | 1,797             | \$955   | 1,710             |
| State of Ohio  | \$511   | 1                 | \$1,413       | 1                 | \$936   | 1                 |
| Counties   | \$566   | 141               | \$1,510       | 140               | \$873   | 142               |
| Less than 50,000   | \$601   | 49                | \$1,630       | 48                | \$858   | 50                |
| 50,000 - 149,999   | \$561   | 55                | \$1,482       | 55                | \$900   | 55                |
| 150,000 or more  | \$527   | 37                | \$1,395       | 37                | \$852   | 37                |
| Cities   | \$551   | 317               | \$1,473       | 316               | \$1,023   | 315               |
| Less than 25,000   | \$544   | 229               | \$1,486       | 228               | \$1,011   | 230               |
| 25,000 - 99,999  | \$554   | 77                | \$1,453       | 77                | \$1,064   | 74                |
| 100,000 or more  | \$683   | 11                | \$1,347       | 11                | \$1,002   | 11                |
| Townships  | \$534   | 119               | \$1,426       | 121               | \$1,019   | 125               |
| Less than 10,000   | \$551   | 64                | \$1,412       | 66                | \$1,004   | 69                |
| 10,000 - 29,999  | \$531   | 42                | \$1,482       | 42                | \$1,074   | 43                |
| 30,000 or more   | \$462   | 13                | \$1,311       | 13                | \$917   | 13                |
| School Districts <sup>††</sup>   | \$555   | 925               | \$1,411       | 926               | \$953   | 846               |
| Less than 1,000  | \$530   | 222               | \$1,346       | 222               | \$906   | 203               |
| 1,000 - 2,499  | \$567   | 406               | \$1,432       | 406               | \$977   | 367               |
| 2,500 - 9,999  | \$552   | 270               | \$1,411       | 271               | \$951   | 250               |
| 10,000 or more   | \$619   | 27                | \$1,624       | 27                | \$1,001   | 26                |
| Colleges & Universities  | \$565   | 69                | \$1,490       | 69                | \$885   | 68                |
| Fire Districts   | \$397   | 10                | \$1,417       | 11                | \$962   | 12                |
| Metro Districts  | \$558   | 44                | \$1,526       | 44                | \$869   | 48                |
| Port Authorities   | \$423   | 3                 | \$1,279       | 3                 | \$743   | 3                 |
| Regional Transit Authority   | \$614   | 16                | \$1,717       | 14                | \$923   | 16                |

† Average employee contribution in this table includes all plans reporting, and does include plans where employees contribute \$0 to the medical premium. PEPM: Per Employee Per Month

†† ESCs are not included in this category because they do not have a population size. They are included in the statewide total.

Note: Statewide total number of plans is different for PEPM category because some plans did not report number of participants in the plan.

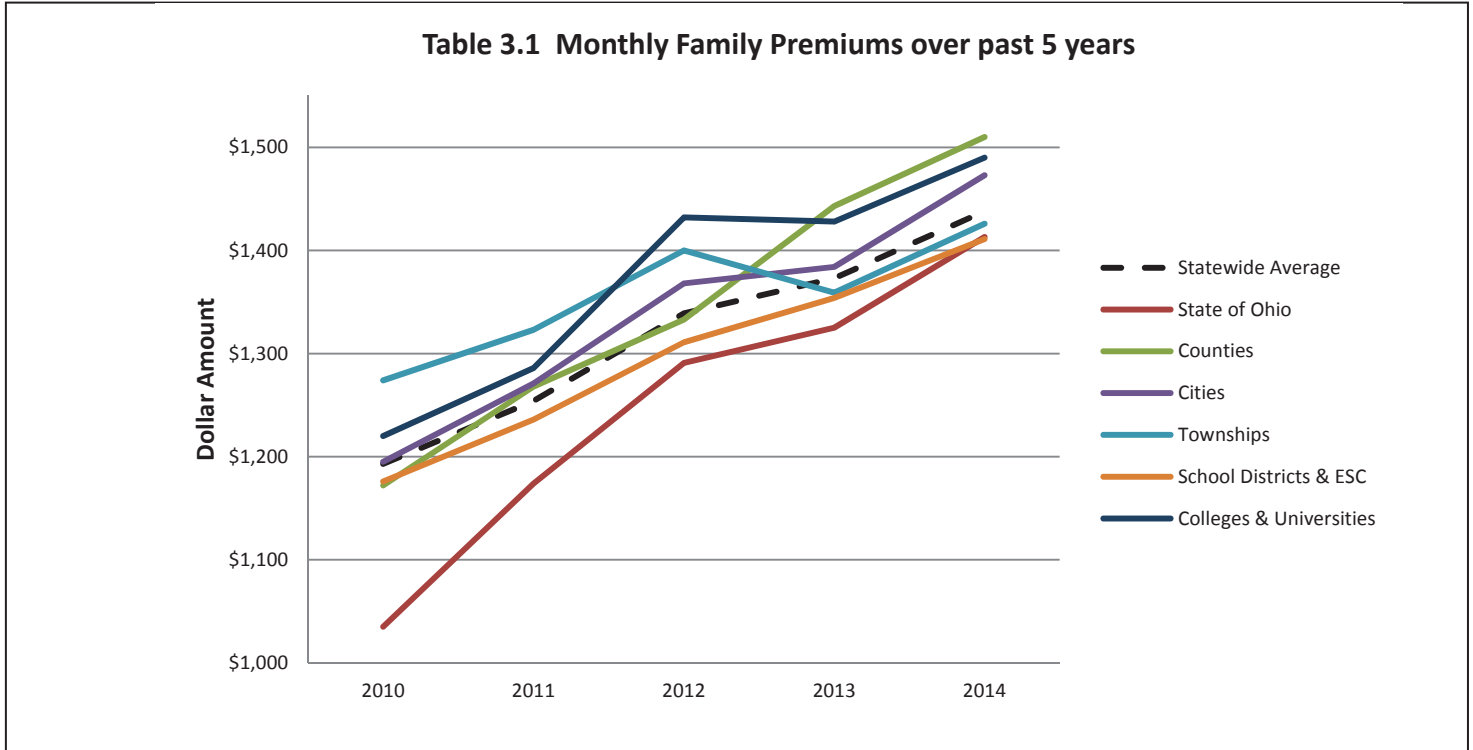
Note: Includes plan type "other"

Note: Excluded plans that have one rate.

- ▶ Fire Districts reported the lowest average single premiums. The single premium is 39.5% below the statewide average. Port Authorities reported the lowest average family premiums. The family premium is 12.4% below the statewide average.
- ▶ Regional Transit Authorities reported the highest average premiums. The single premium is 10.8% above the statewide average. The family premium is 19.4% above the statewide average.

Chart 1 displays the monthly family premiums found in table 3.1 over the past five years. In 2014 the monthly premiums have increased for all jurisdictions by 4.0% to 6.2% respectively. The State of Ohio had the largest increase in monthly family premiums at 6.2%.

**Chart 1**



**Tables 3.2, 3.3, and 3.4 provide three facets of medical premiums:**

- 1) The average monthly medical premium for single and family coverage (along with the number of plans for which we received surveys in each category).
- 2) The average monthly dollar contribution by employees to the medical premium.
- 3) The percentage of the medical premium paid by employees; the remainder is paid by the employer.

**Table 3.2**

| <b>Average Monthly Medical/Prescription Premiums and Employee Contributions</b> |                                |                   |               |                   |  |                   |               |                   |  |               |
|---|--------------------------------|-------------------|---------------|-------------------|--|-------------------|---------------|-------------------|--|---------------|
| <b>Comparison Group</b>   | <b>Average Medical Premium</b> |                   |               |                   | <b>Average Employee Contribution<sup>†</sup></b> |                   |               |                   | <b>Percent of Premium Paid By Employee</b> |               |
|   | <b>Single</b>                  | <b># of plans</b> | <b>Family</b> | <b># of plans</b> | <b>Single</b>                                    | <b># of plans</b> | <b>Family</b> | <b># of plans</b> | <b>Single</b>                              | <b>Family</b> |
| STATEWIDE   | \$546                          | 1,595             | \$1,432       | 1,598             | \$66   | 1,595             | \$187         | 1,598             | 11.9%                                      | 12.7%         |
| State of Ohio   | \$511                          | 1                 | \$1,413       | 1                 | \$77   | 1                 | \$223         | 1                 | 15.0%                                      | 15.8%         |
| Counties  | \$564                          | 128               | \$1,520       | 127               | \$79   | 128               | \$226         | 127               | 13.8%                                      | 14.5%         |
| Less than 50,000  | \$604                          | 48                | \$1,635       | 47                | \$98   | 48                | \$284         | 47                | 16.3%                                      | 17.4%         |
| 50,000 - 149,999  | \$547                          | 50                | \$1,492       | 50                | \$73   | 50                | \$209         | 50                | 12.9%                                      | 13.5%         |
| 150,000 or more   | \$526                          | 30                | \$1,388       | 30                | \$59   | 30                | \$164         | 30                | 11.0%                                      | 11.6%         |
| Cities  | \$551                          | 297               | \$1,469       | 296               | \$59   | 300               | \$159         | 299               | 10.8%                                      | 10.6%         |
| Less than 25,000  | \$541                          | 214               | \$1,478       | 213               | \$57   | 216               | \$158         | 215               | 10.4%                                      | 10.5%         |
| 25,000 - 99,999   | \$557                          | 74                | \$456         | 74                | \$67   | 75                | \$162         | 75                | 12.2%                                      | 10.9%         |
| 100,000 or more   | \$720                          | 9                 | \$1,359       | 9                 | \$59   | 9                 | \$139         | 9                 | 8.8%                                       | 10.6%         |
| Townships   | \$503                          | 109               | \$1,397       | 112               | \$36   | 108               | \$116         | 112               | 6.7%                                       | 7.2%          |
| Less than 10,000  | \$510                          | 58                | \$1,364       | 61                | \$26   | 58                | \$93          | 61                | 5.5%                                       | 6.4%          |
| 10,000 - 29,999   | \$508                          | 38                | \$1,480       | 38                | \$50   | 37                | \$145         | 38                | 7.5%                                       | 7.5%          |
| 30,000 or more  | \$462                          | 13                | \$1,311       | 13                | \$44   | 13                | \$136         | 13                | 9.5%                                       | 9.8%          |
| School Districts <sup>††</sup>  | \$547                          | 797               | \$1,401       | 798               | \$70   | 797               | \$193         | 798               | 12.4%                                      | 13.4%         |
| Less than 1,000   | \$511                          | 194               | \$1,307       | 194               | \$62   | 194               | \$173         | 194               | 11.7%                                      | 12.9%         |
| 1,000 - 2,499   | \$562                          | 349               | \$1,431       | 349               | \$72   | 349               | \$198         | 349               | 12.5%                                      | 13.4%         |
| 2,500 - 9,999   | \$548                          | 229               | \$1,408       | 230               | \$73   | 229               | \$197         | 230               | 13.0%                                      | 13.7%         |
| 10,000 or more  | \$618                          | 25                | \$1,636       | 25                | \$70   | 25                | \$227         | 25                | 11.8%                                      | 14.0%         |
| Colleges & Universities   | \$561                          | 63                | \$1,512       | 63                | \$78   | 63                | \$228         | 63                | 14.0%                                      | 15.3%         |
| Fire Districts  | \$401                          | 9                 | \$1,447       | 10                | \$29   | 9                 | \$115         | 10                | 9.2%                                       | 8.5%          |
| Metro Housing Authorities   | \$557                          | 43                | \$1,518       | 43                | \$74   | 43                | \$242         | 43                | 13.0%                                      | 15.9%         |
| Port Authorities  | \$423                          | 3                 | \$1,279       | 3                 | \$50   | 3                 | \$148         | 3                 | 11.8%                                      | 11.6%         |
| Regional Transit Authorities  | \$622                          | 14                | \$1,767       | 12                | \$67   | 14                | \$176         | 12                | 11.0%                                      | 10.4%         |

<sup>†</sup> Average employee contribution in this table includes all plans reporting, thus does include plans where employees contribute \$0 to the medical premium.

<sup>††</sup> ESCs are not included in this category because they do not have a population size. They are included in the statewide total.

Note: Includes plans where prescription is included in medical

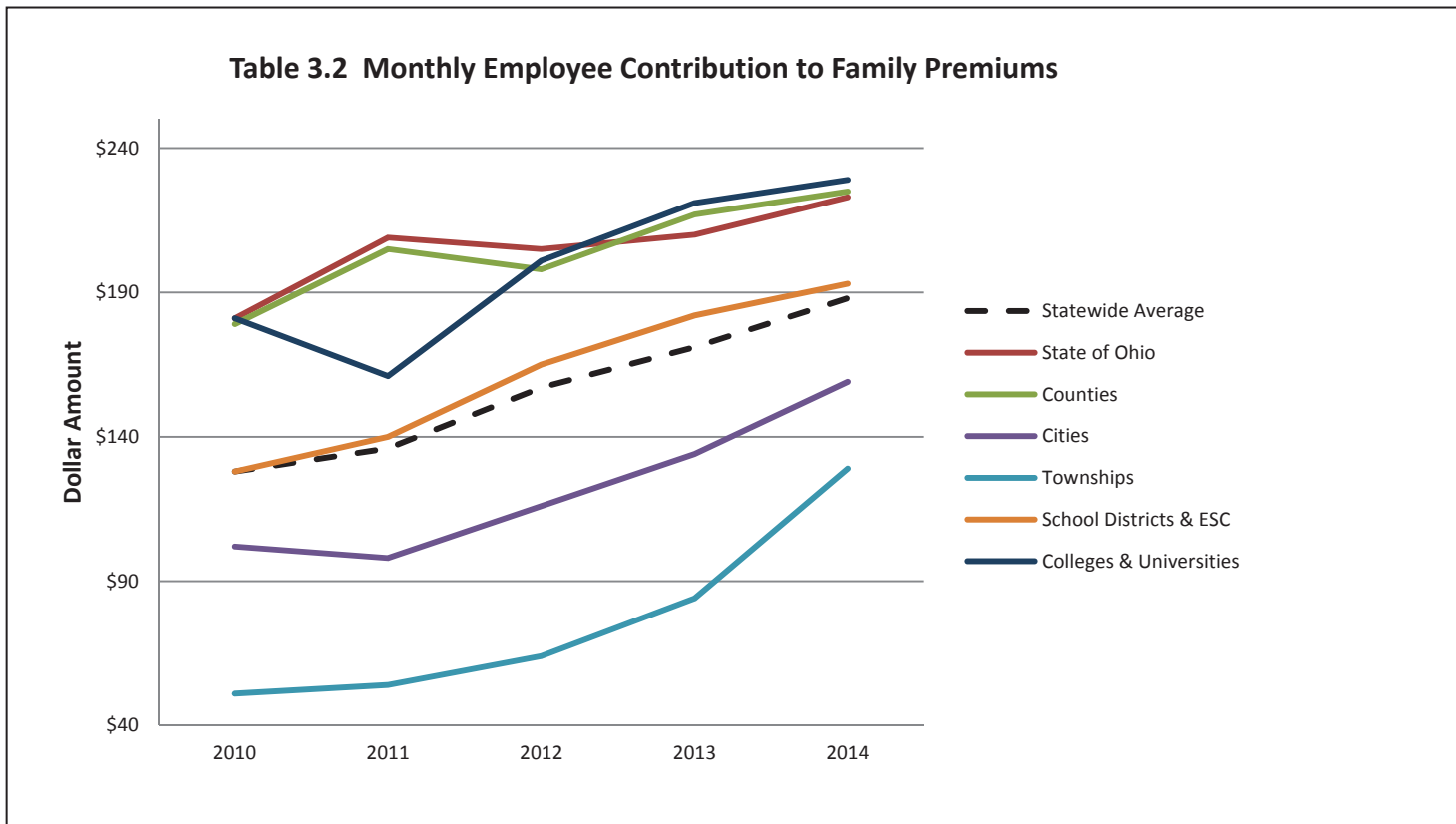
Note: Excluded plans that have one rate and plan type "other"

- ▶ Bundled medical/prescription premiums for the State of Ohio are 6.5% lower for single coverage and 1.3% lower for family coverage compared to the statewide average.
- ▶ Regional Transit Authorities have the largest average premiums. Single premiums are 13.9% higher than the statewide average and family premiums are 23.4% higher.

- ▶ Fire Districts average lower medical premiums at 26.6% below the statewide average for single premiums. Port Authorities average lower family medical premiums at 10.7% below the statewide average for family premiums.
- ▶ The average Township employee contribution to the single premium is 45.5% less for single and 25.7% less for family medical premiums than the statewide average.
- ▶ The average employee contribution to single and family premiums is below 10% for Townships and Fire Districts.
- ▶ The average employee contribution to family premiums is between 10.5% and 15.5% for Counties, Cities, School Districts, and Colleges & Universities.
- ▶ State of Ohio employees contribute 15.8% towards the family medical premium. College & University employees contribute 15.3% towards the family medical premium. The statewide average employee contribution for family medical coverage is 12.7%.
- ▶ Considering jurisdiction size, single premiums for cities with more than 100,000 people are 31.9% higher than the statewide average. Family premiums are 5.1% lower than the statewide average for this category.

Chart 2 displays the monthly employee contribution to family premiums found in table 3.2 over the past five years. The chart illustrates that monthly family contributions have continued to increase over that last few years. Township Employees contribution towards the family medical premium increased 38.0% over last year.

**Chart 2**



## Regions

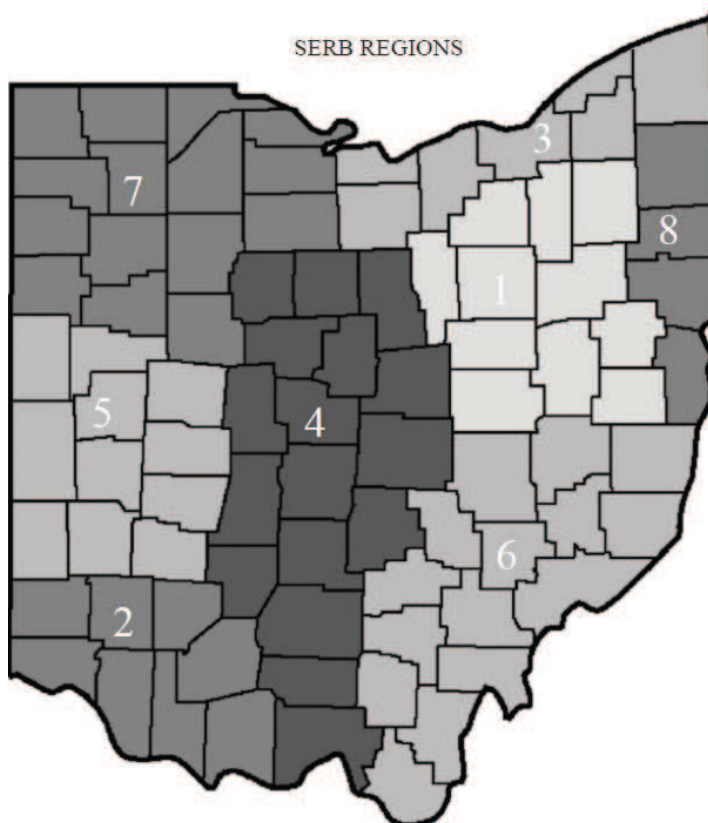
SERB divides the State into eight major regions. Insurance premiums may vary by region based on health care availability, proximity to larger metropolitan areas, economic, and other factors.

**Table 3.3**

| Average Monthly Medical/Prescription Premiums by Region |  |            |         |            |  |        |                                     |        |  |
|---|--|------------|---------|------------|--|--------|-------------------------------------|--------|--|
| Comparison Group  | Average Medical & Prescription Drug Premium including carve-out prescription plans |            |         |            | Average Employee Contribution <sup>†</sup> |        | Percent of Premium Paid By Employee |        |  |
|   | Single   | # of plans | Family  | # of plans | Single                                     | Family | Single                              | Family |  |
| STATEWIDE   | \$546  | 1,595      | \$1,432 | 1,598      | \$66                                       | \$187  | 11.9%                               | 12.7%  |  |
| 1 - Akron/Canton  | \$513  | 203        | \$1,313 | 205        | \$52                                       | \$130  | 10.0%                               | 9.9%   |  |
| 2 - Cincinnati  | \$530  | 197        | \$1,421 | 198        | \$72                                       | \$208  | 13.4%                               | 14.3%  |  |
| 3 - Cleveland   | \$558  | 209        | \$1,446 | 206        | \$60                                       | \$157  | 10.6%                               | 10.5%  |  |
| 4 - Columbus  | \$595  | 271        | \$1,545 | 272        | \$80                                       | \$234  | 13.3%                               | 14.7%  |  |
| 5 - Dayton  | \$519  | 215        | \$1,410 | 216        | \$77                                       | \$217  | 14.3%                               | 15.1%  |  |
| 6 - Southeast Ohio                                      | \$639  | 122        | \$1,633 | 122        | \$73                                       | \$214  | 11.4%                               | 13.0%  |  |
| 7 - Toledo  | \$513  | 260        | \$1,368 | 258        | \$66                                       | \$197  | 12.4%                               | 14.0%  |  |
| 8 - Warren/Youngstown                                   | \$524  | 118        | \$1,349 | 121        | \$37                                       | \$89   | 7.2%                                | 6.8%   |  |

<sup>†</sup> Average employee contribution in this table includes all plans reporting, thus does include plans where employees contribute \$0 to the medical premium.  
 Note: Includes plans where prescription is included in medical  
 Note: Excluded plans that have one rate and plan type "other"

- ▶ Compared to statewide averages, medical premiums in Southeast Ohio average 17.0% higher for single coverage and 14.0% higher for family coverage.
- ▶ Average single medical premiums in the Akron/Canton region is 6.0% lower than the statewide average. Average family premiums in the Akron/Canton region is 8.3% lower for family coverage.
- ▶ Employees in the Columbus region contribute 21.2% more than the statewide average for single medical premiums and 25.1% more than the statewide average for family medical premiums. Employees in the Columbus region also pay the largest percentage of the family premium.
- ▶ Compared to statewide averages, employees in the Warren/Youngstown region contribute 43.9% less for single medical coverage and 52.4% less for family medical coverage. Employees in the Warren/Youngstown region contribute the lowest percentage to the medical premium.



## Number of Employees

Table 3.4 shows how insurance premiums vary by number of employees covered by the plan. Table includes plans where prescription is included in the medical.

**Table 3.4**

| Average Monthly Medical/Prescription Premiums by Number of Employees Covered |                         |            |         |            |  |        |                                     |        |
|--|-------------------------|------------|---------|------------|--|--------|-------------------------------------|--------|
| Comparison Group   | Average Medical Premium |            |         |            | Average Employee Contribution <sup>†</sup> |        | Percent of Premium Paid By Employee |        |
|  | Single                  | # of plans | Family  | # of plans | Single                                     | Family | Single                              | Family |
| STATEWIDE  | \$546                   | 1,595      | \$1,432 | 1,598      | \$66                                       | \$187  | 11.9%                               | 12.7%  |
| 1 - 49   | \$537                   | 272        | \$1,481 | 275        | \$57                                       | \$177  | 10.4%                               | 11.4%  |
| 50 - 99  | \$518                   | 290        | \$1,386 | 289        | \$64                                       | \$178  | 11.9%                               | 12.6%  |
| 100 - 149  | \$544                   | 319        | \$1,402 | 319        | \$63                                       | \$177  | 11.3%                               | 12.3%  |
| 150 - 249  | \$570                   | 271        | \$1,455 | 271        | \$72                                       | \$197  | 12.5%                               | 13.3%  |
| 250 - 499  | \$555                   | 273        | \$1,429 | 274        | \$71                                       | \$193  | 12.6%                               | 13.2%  |
| 500 - 999  | \$547                   | 87         | \$1,412 | 88         | \$78                                       | \$204  | 14.3%                               | 14.4%  |
| 1,000 or more  | \$575                   | 83         | \$1,513 | 82         | \$74                                       | \$213  | 13.3%                               | 14.7%  |

<sup>†</sup> Average employee contribution in this table includes all plans reporting, thus does include plans where employees contribute \$0 to the medical premium.  
 Note: Includes plans where prescription is included in medical  
 Note: Excluded plans that have one rate and plan type "other"

## Plan & Funding Type

Table 4.1 shows how the average rates for different types of coverage (medical and prescription when included in medical) vary by plan type.

**Table 4.1**

| Average Premium Cost by Plan Type |             |          |          |          |               |                 |                        |
|-----------------------------------|-------------|----------|----------|----------|---------------|-----------------|------------------------|
|                                   | TRADITIONAL | PPO      | POS      | HMO      | HDHP (no HSA) | HDHP (with HSA) | All Plans <sup>†</sup> |
| Single                            | \$492       | \$574    | \$550    | \$539    | \$499         | \$566           | \$546                  |
| Family                            | \$1,315     | \$1,474  | \$1,498  | \$1,479  | \$1,377       | \$1,487         | \$1,432                |
| Total cost per person             | \$13,434    | \$13,854 | \$12,937 | \$13,145 | \$12,023      | \$13,315.54     | \$13,221               |
| Number of plans                   | 23          | 1,060    | 32       | 54       | 165           | 264             | 1,598                  |

<sup>†</sup> Average is for all plans; Plan types - TRADITIONAL; PPO: Preferred Provider Organization; POS: Point of Service; HMO: Health Maintenance Organization; HDHP: High Deductible Health Plan; HSA: Health Savings Account  
 Note: Includes plans where prescription is included in medical  
 Note: Excluded plans that have one rate and plan type "other"

- ▶ Point of Service (POS) plans are the most costly family plan type reported this year. POS family plans average 4.6% higher than the average of all family plan types.
- ▶ Preferred Provider Organization (PPO) plans have the highest average cost per person. PPO plans average cost per person is 4.8% higher than the average cost per person of all plan types.
- ▶ Employees enrolled in High Deductible Health Plans (HDHP) with no Health Savings Account (HSA) contribution by the employer have the lowest total cost per person.

**Table 4.2**

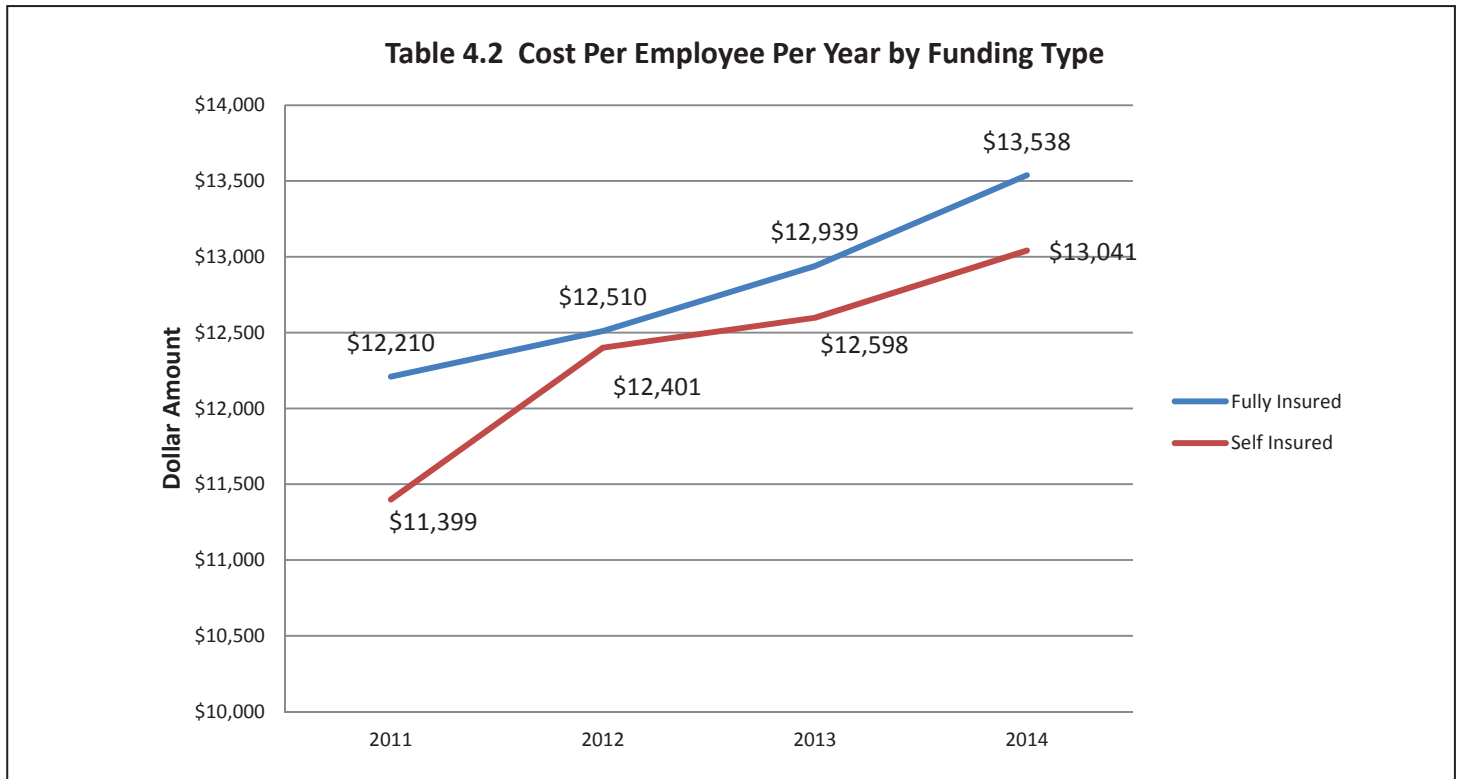
| <b>Average Premium Cost by Funding Type</b> |                      |                     |
|---|----------------------|---------------------|
|   | <b>Fully-insured</b> | <b>Self-insured</b> |
| Single                                      | \$547                | \$546               |
| Family                                      | \$1,508              | \$1,395             |
| Annual cost per person (PEPY)               | \$13,538             | \$13,041            |
| Number of plans                             | 538                  | 1,060               |

Note: Excluded plans that have one rate and plan type "other"

- ▶ Self-insured plans are composed of 66.3% of all plans reported this year.
- ▶ Fully-insured plans increased 5.8% for single and 6.0% for family from last year. Annual cost per person increased 4.6%.
- ▶ Self-insured plans increased 4.6% for single and 4.3% for family from last year. Annual cost per person increased 3.5%.
- ▶ Single and family premiums and annual cost per person rates are lower for self-insured benefits. Statistically significant differences in funding/premium rates is only found for family medical rates ( $t=6.677$ ,  $df=1589$ ,  $p=.000$ ).

Chart 3 displays the average cost per employee per year for fully and self insured medical plans found in table 4.2 over the past four years. The chart illustrates that on average self insured plans cost less per employee. Fully insured medical plans cost per employee increased 4.6% while self-insured medical plans cost per employee increased 3.8%.

**Chart 3**



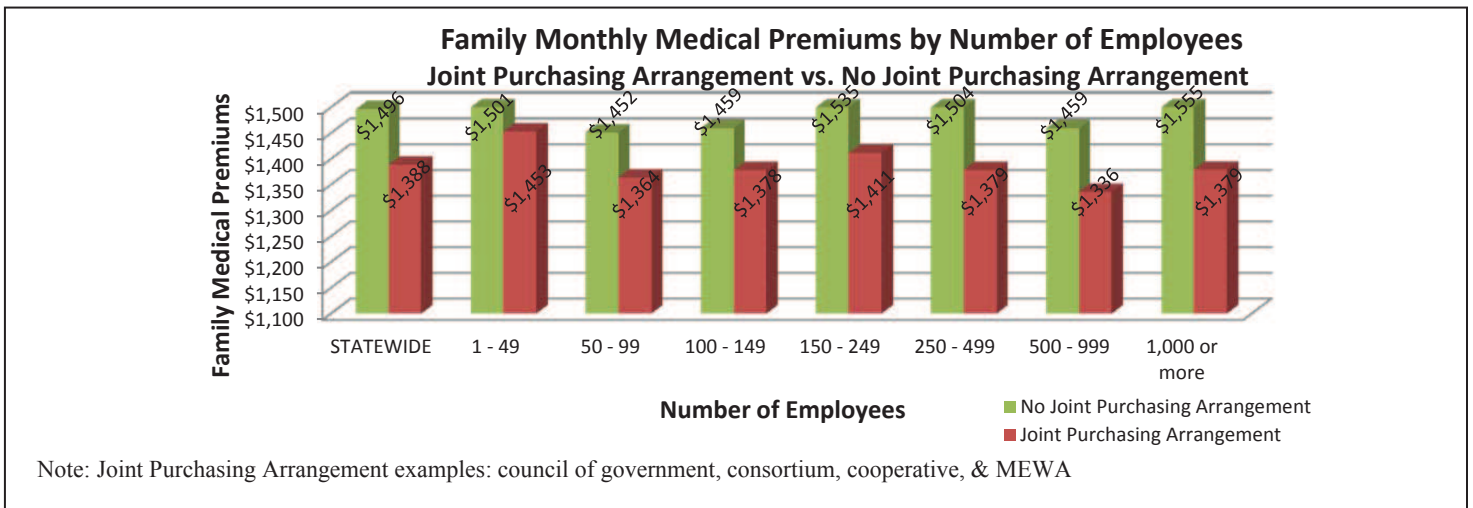
**Table 4.3**

| <b>Average Premium Cost by Joint Purchasing Arrangement</b>   |                                     |  |
|---|-------------------------------------|--|
|   | <b>Joint Purchasing Arrangement</b> | <b>No Joint Purchasing Arrangement</b> |
| Single  | \$534                               | \$564                                  |
| Family  | \$1,386                             | \$1,496                                |
| Annual cost per person (PEPY)   | \$12,911                            | \$13,600                               |
| Number of plans   | 922                                 | 676                                    |
| Note: Joint Purchasing Arrangement examples: council of government, consortium, cooperative, & MEWA |                                     |  |
| Note: Excluded plans that have one rate and plan type "other"                                       |                                     |  |

- ▶ Joint purchasing membership contributes to 57.7% of all plan types reported this year.
- ▶ Joint purchasing participant plans increased 5.1% for single and increased 4.7% for family from last year. Annual cost per person increased 3.7%.
- ▶ Independently procured plans increased 5.4% for single and 4.9% for family from last year. Annual cost per person increased 4.1%.
- ▶ The number of plans where employers purchasing medical benefits via a joint purchasing arrangement increased slightly from 2013.
- ▶ Medical plans purchased through a consortium are significantly lower in cost compared to those plans that are not. This trend holds true for single ( $t= 0.194$ ,  $df=1,588$ ,  $p=.000$ ), family ( $t= 6.677$ ,  $df=1,589$ ,  $p=.000$ ), and annual cost per person, or PEPY ( $t= 2.669$ ,  $df=1,489$ ,  $p=.000$ ).

Chart 4 compares family monthly medical premiums, by number of employees, for organizations who participate in a joint purchasing arrangement and organizations that do not participate in a joint purchasing arrangement.

**Chart 4**



- ▶ Family monthly medical premiums for organizations with 1,000 or more employees who participate in a joint purchasing arrangement are 12.8% less than organizations with 1,000 or more employees who do not participate in a joint purchasing arrangement.
- ▶ Statewide, organizations that participate in a joint purchasing arrangement have family medical premiums that average 7.7% less than organizations that do not participate in a joint purchasing arrangement.

## Premium Change

Chart 5 graphs the percent change in single and family medical premiums compared to the average negotiated wage increase for public employees from SERB's Annual Wage Settlement report. The relatively flat line represents the average wage increases for public sector employees over the past seventeen years, all ranging between 0.7% and 3.8%. Comparatively, medical insurance premiums have risen at a much faster rate.

Chart 5

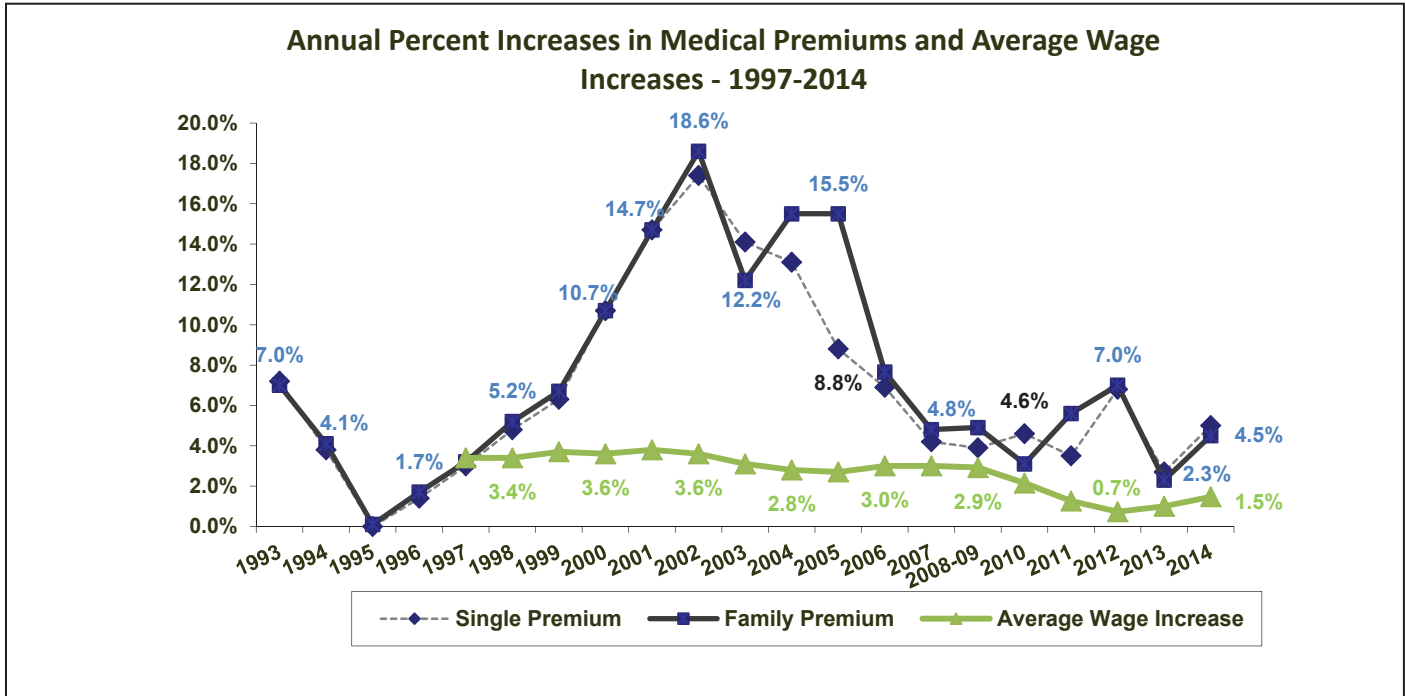


Chart 6 illustrates the diverging path of medical premium and worker salary increases since 1997. Over the seventeen year period presented, medical premiums rose more than three times faster than the average worker salary.

Chart 6

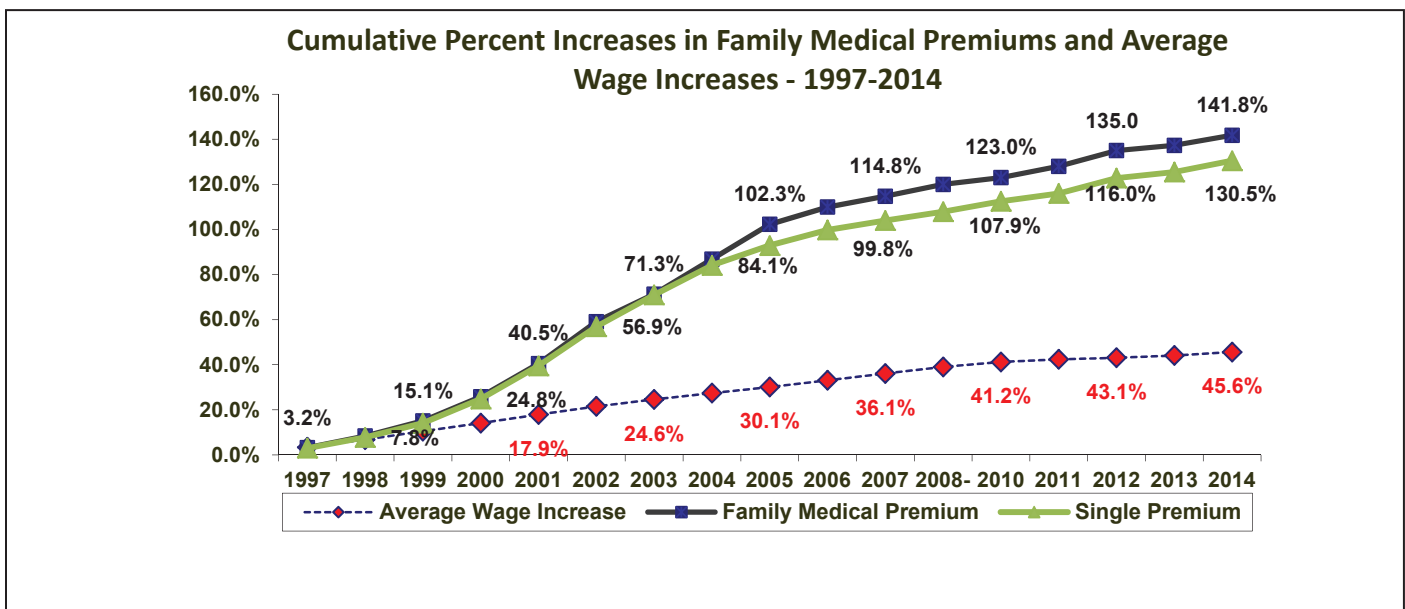


Table 5 compares percent change in insurance premiums over the past 21 years to the national overall inflation and medical care inflation rates. Premium rates for public employees in the State of Ohio rose slightly more than the overall inflation and medical care inflation rates for 2013.

**Table 5**

| <b>Annual Change in Medical Care Costs, Inflation, and Medical Care Inflation Rates</b> |                       |                   |                       |                   |                         |                       |  |
|---|-----------------------|-------------------|-----------------------|-------------------|-------------------------|-----------------------|--|
| <b>Report Year</b>  | <b>Single Premium</b> | <b># of Plans</b> | <b>Family Premium</b> | <b># of Plans</b> | <b>Inflation Rate †</b> | <b>Medical Care †</b> |  |
| 1993  | 7.2%                  | 557               | 7.0%                  | 536               | 2.7%                    | 5.4%                  |  |
| 1994  | 3.8%                  | 437               | 4.1%                  | 441               | 2.7%                    | 4.9%                  |  |
| 1995  | 0.0%                  | 416               | 0.1%                  | 415               | 2.5%                    | 3.9%                  |  |
| 1996  | 1.4%                  | 492               | 1.7%                  | 497               | 3.3%                    | 3.0%                  |  |
| 1997  | 3.0%                  | 625               | 3.2%                  | 631               | 1.7%                    | 2.8%                  |  |
| 1998  | 4.8%                  | 457               | 5.2%                  | 463               | 1.6%                    | 3.4%                  |  |
| 1999  | 6.3%                  | 617               | 6.7%                  | 622               | 2.7%                    | 3.7%                  |  |
| 2000  | 10.7%                 | 596               | 10.7%                 | 601               | 3.4%                    | 4.2%                  |  |
| 2001  | 14.7%                 | 617               | 14.7%                 | 617               | 1.6%                    | 4.7%                  |  |
| 2002  | 17.4%                 | 655               | 18.6%                 | 655               | 2.4%                    | 5.0%                  |  |
| 2003  | 14.1%                 | 895               | 12.2%                 | 895               | 1.9%                    | 3.7%                  |  |
| 2004  | 13.1%                 | 909               | 15.5%                 | 909               | 3.3%                    | 4.2%                  |  |
| 2005  | 8.8%                  | 642               | 15.5%                 | 642               | 3.4%                    | 4.3%                  |  |
| 2006  | 6.9%                  | 1,387             | 10.1%                 | 1,381             | 2.5%                    | 3.6%                  |  |
| 2007  | 4.2%                  | 1,313             | 4.8%                  | 1,330             | 4.1%                    | 5.2%                  |  |
| 2008-09   | 4.9%                  | 1,258             | 4.9%                  | 1,263             | 0.1%                    | 2.6%                  |  |
| 2010  | 4.6%                  | 1,353             | 3.1%                  | 1,395             | 2.7%                    | 3.4%                  |  |
| 2011  | 3.5%                  | 1,135             | 5.6%                  | 1,109             | 1.5%                    | 3.3%                  |  |
| 2012  | 6.8%                  | 1,493             | 7.0%                  | 1,499             | 3.0%                    | 3.5%                  |  |
| 2013  | 2.8%                  | 1,552             | 2.3%                  | 1,552             | 1.7%                    | 3.2%                  |  |
| 2014  | 5.0%                  | 1,595             | 4.5%                  | 1,598             | 1.5%                    | 2.0%                  |  |

† Bureau of Labor Statistics, Consumer Price Index, December 2013 (<http://www.bls.gov/cpi/cpid1312.pdf>)  
 Note: The single and family premium annual change percentage includes medical plans with prescription only. This figure is the annual change in the statewide total from Table 3.2.  
 Note: The number of plans is the total number of single and family plans submitted; therefore this number includes plans that do not include prescription.

## Cost of Medical and Ancillary Benefits

Table 6 exhibits the 2014 annual cost per employee for medical, prescription, vision, and dental benefits.<sup>4</sup>

**Table 6**

| Average Annual Cost per Employee for Medical, Prescription, Dental, and Vision Carve-outs <sup>†</sup> |   |            |                   |            |         |            |        |            |
|--|---|------------|-------------------|------------|---------|------------|--------|------------|
| Comparison Group   | Medical & Prescription Drug <sup>††</sup> | # of Plans | Prescription Drug | # of Plans | Dental  | # of Plans | Vision | # of Plans |
| STATEWIDE  | \$13,200                                  | 1,530      | \$2,828           | 155        | \$898   | 788        | \$204  | 604        |
| State of Ohio  | \$13,297                                  | 1          | -                 | -          | \$946   | 1          | \$274  | 1          |
| Counties   | \$12,276                                  | 130        | \$2,532           | 10         | \$673   | 49         | \$160  | 37         |
| Cities   | \$13,789                                  | 301        | \$3,061           | 9          | \$796   | 112        | \$188  | 74         |
| Townships  | \$13,029                                  | 116        | -                 | -          | \$921   | 74         | \$295  | 45         |
| School Districts & ESCs  | \$13,281                                  | 843        | \$2,848           | 130        | \$957   | 486        | \$206  | 403        |
| Colleges & Universities  | \$12,717                                  | 63         | \$2,681           | 4          | \$730   | 27         | \$155  | 22         |
| Special Districts <sup>†††</sup>   | \$12,206                                  | 76         | \$2,292           | 2          | \$807   | 39         | \$162  | 22         |
| REGION   |   |            |                   |            |         |            |        |            |
| 1 - Akron/Canton   | \$12,783                                  | 163        | \$2,643           | 40         | \$1,156 | 127        | \$233  | 67         |
| 2 - Cincinnati   | \$12,651                                  | 209        | -                 | -          | \$901   | 94         | \$199  | 72         |
| 3 - Cleveland  | \$13,541                                  | 214        | \$2,582           | 42         | \$848   | 117        | \$205  | 87         |
| 4 - Columbus   | \$14,226                                  | 256        | \$2,550           | 7          | \$910   | 131        | \$227  | 119        |
| 5 - Dayton   | \$12,960                                  | 208        | \$3,446           | 24         | \$796   | 117        | \$200  | 77         |
| 6 - Southeast Ohio   | \$15,078                                  | 122        | \$3,247           | 12         | \$746   | 53         | \$193  | 50         |
| 7 - Toledo   | \$11,965                                  | 256        | \$2,295           | 7          | \$802   | 86         | \$196  | 87         |
| 8 - Warren/Youngstown  | \$13,038                                  | 102        | \$2,983           | 23         | \$874   | 63         | \$142  | 45         |
| EMPLOYEES COVERED  |   |            |                   |            |         |            |        |            |
| 1 - 49   | \$12,471                                  | 284        | \$2,399           | 7          | \$814   | 136        | \$239  | 99         |
| 50 - 99  | \$12,898                                  | 273        | \$3,084           | 26         | \$877   | 135        | \$216  | 98         |
| 100 – 149  | \$13,277                                  | 300        | \$2,982           | 31         | \$898   | 153        | \$198  | 118        |
| 150 - 249  | \$14,131                                  | 245        | \$2,916           | 32         | \$945   | 135        | \$207  | 119        |
| 250 - 499  | \$13,425                                  | 263        | \$2,541           | 31         | \$938   | 138        | \$183  | 109        |
| 500 - 999  | \$13,386                                  | 81         | \$2,761           | 19         | \$979   | 56         | \$178  | 35         |
| 1,000 or more  | \$12,770                                  | 84         | \$2,712           | 9          | \$807   | 35         | \$165  | 26         |

<sup>†</sup> Monthly and yearly premiums plus ancillary benefit amounts are figured by giving equal weight to each medical plan, regardless of the number of employees receiving coverage. "-" indicates there is not enough data to report an average.

<sup>††</sup> Includes cost of: prescription in 89.0% of plans, dental in 10.7% and vision in 12.0% (Table 10)

<sup>†††</sup> Includes, Fire Districts, Metropolitan Housing Authorities, Port Authorities and Regional Transit Authorities

Note: Excluded plans that have one rate and plan type "other"

<sup>4</sup> Average yearly cost per employee for medical, prescription carve-out, dental, and vision benefits are figured with the following formula:

$$\text{Average Annual Cost} = \frac{12 * (\text{SPREM} * \text{NUMS}) + (\text{S1PREM} * \text{NUMS1}) + (\text{SCPREM} + \text{NUMSC}) + (\text{SSPREM} + \text{NUMSS}) + (\text{FPREM} * \text{NUMF})}{\text{NUMS} + \text{NUMS1} + \text{NUMSS} + \text{NUMSC} + \text{NUMF}}$$

|        |        |   |  |
|--------|--------|---|--|
| Where: | SPREM  | = | Total monthly single rate for all health benefits          |
|        | NUMS   | = | Number of employees with single medical coverage           |
|        | S1PREM | = | Total monthly single + 1 rate for all health benefits      |
|        | NUMS1  | = | Number of employees with single + 1 medical coverage       |
|        | SCPREM | = | Total monthly single & child rate for all health benefits  |
|        | NUMSC  | = | Number of employees with single & child medical coverage   |
|        | SSPREM | = | Total monthly single & spouse rate for all health benefits |
|        | NUMSS  | = | Number of employees with single & spouse medical coverage  |
|        | FPREM  | = | Total monthly family rate for all health benefits          |
|        | NUMF   | = | Number of employees with family medical coverage           |

## Deductibles for Medical Coverage – Managed Care Plans<sup>5</sup>

The following tables show the percent of plans in each deductible category for single and family coverage for non-traditional plans (i.e. PPO, HMO, POS, and HDHP). The highest category captures plans that are eligible for a Health Savings Account (HSA). Deductibles must be at least \$1,200 for single and \$2,400 for family to qualify for an HSA. The deductible is the amount of covered expenses that must be incurred and paid by the insured individual before benefits become payable by the insurance provider.

**Table 7.1**

| Deductible Categories for Single In-Network Medical Coverage |       |            |           |            |             |            |            |            |                |            |
|--|-------|------------|-----------|------------|-------------|------------|------------|------------|----------------|------------|
| Comparison Group   | \$0   | # of plans | \$1-\$100 | # of plans | \$125-\$400 | # of plans | \$500-1199 | # of plans | \$1200 or more | # of plans |
| STATEWIDE  | 10.3% | 190        | 16.4%     | 301        | 22.9%       | 420        | 24.1%      | 442        | 26.3%          | 484        |
| State of Ohio  | -     | -          | -         | -          | 100.0%      | 1          | -          | -          | -              | -          |
| Counties   | 5.7%  | 8          | 3.6%      | 5          | 22.9%       | 32         | 41.4%      | 58         | 26.4%          | 37         |
| Cities   | 13.7% | 45         | 9.4%      | 31         | 25.2%       | 83         | 14.9%      | 49         | 36.8%          | 121        |
| Townships  | 10.6% | 14         | 6.8%      | 9          | 10.6%       | 14         | 19.7%      | 26         | 52.3%          | 69         |
| Colleges & Universities                                      | 8.5%  | 6          | 12.7%     | 9          | 31.0%       | 22         | 23.9%      | 17         | 23.9%          | 17         |
| School Districts & ESCs                                      | 10.1% | 109        | 22.4%     | 242        | 23.4%       | 253        | 25.3%      | 273        | 18.9%          | 204        |
| Special Districts  | 9.6%  | 8          | 6.0%      | 5          | 18.1%       | 15         | 22.9%      | 19         | 43.4%          | 36         |

Note: Excluded plans where single deductible was blank or missing

**Table 7.2**

| Deductible Categories for Family In-Network Medical Coverage |       |            |           |            |             |            |            |            |                |            |
|--|-------|------------|-----------|------------|-------------|------------|------------|------------|----------------|------------|
| Comparison Group   | \$0   | # of plans | \$1-\$200 | # of plans | \$200-\$800 | # of plans | \$900-2399 | # of plans | \$2400 or more | # of plans |
| STATEWIDE  | 10.4% | 191        | 15.5%     | 285        | 23.4%       | 431        | 24.1%      | 444        | 26.7%          | 491        |
| State of Ohio  | -     | -          | -         | -          | 100.0%      | 1          | -          | -          | -              | -          |
| Counties   | 5.6%  | 8          | 3.5%      | 5          | 22.4%       | 32         | 39.2%      | 56         | 29.4%          | 42         |
| Cities   | 13.7% | 45         | 9.4%      | 31         | 25.2%       | 83         | 14.6%      | 48         | 37.1%          | 122        |
| Townships  | 10.6% | 14         | 6.8%      | 9          | 11.4%       | 15         | 18.9%      | 25         | 52.3%          | 69         |
| Colleges & Universities                                      | 8.5%  | 6          | 8.5%      | 6          | 31.0%       | 22         | 25.4%      | 18         | 26.8%          | 19         |
| School Districts & ESCs                                      | 10.2% | 110        | 21.2%     | 230        | 24.3%       | 263        | 25.6%      | 277        | 18.7%          | 203        |
| Special Districts  | 9.6%  | 8          | 4.8%      | 4          | 18.1%       | 15         | 24.1%      | 20         | 43.4%          | 36         |

Note: Excluded plans where family deductible was blank or missing

- ▶ Cities have a comparatively higher portion of single and family plans with no deductible.
- ▶ Townships have more than 50% of their plans in the high deductible category.
- ▶ Counties have a much lower percentage of plans with no deductible, compared to other jurisdictions.

<sup>5</sup> Managed care plans (PPO, HMO, POS) cover the majority of public employers in the State of Ohio. Data on traditional medical plans is not presented because there are very few of these plans statewide.

- The portion of plans statewide with no deductible decreased one percentage point since the 2013 survey. Over 25% of all plans have deductibles high enough to make them eligible for an HSA, though not all of these plans have an employer funded (or partially employer funded) savings account (see Table 4.1).

## Co-Insurance for Medical Coverage – Managed Care Plans<sup>6</sup>

Tables 8.1 and 8.2 show the distribution of co-insurance splits between the plan and employees for family medical coverage. Co-insurance is the arrangement by which the insurance provider and the insured individual share a percentage of covered expenses after the deductible is met.

**Table 8.1**

| Co-Insurance Categories for In-Network Medical Coverage |                |            |                  |            |             |            |             |            |                 |            |
|---|----------------|------------|------------------|------------|-------------|------------|-------------|------------|-----------------|------------|
| Comparison Group  | Plan pays 100% | # of plans | Plan pays 90-99% | # of plans | 85/15 Split | # of plans | 80/20 Split | # of plans | Plan pays < 80% | # of plans |
| STATEWIDE   | 33.3%          | 605        | 30.8%            | 560        | 2.2%        | 40         | 31.1%       | 585        | 2.6%            | 47         |
| State of Ohio   | -              | -          | -                | -          | -           | -          | 100.0%      | 1          | -               | -          |
| Counties  | 22.4%          | 32         | 17.5%            | 25         | 1.4%        | 2          | 44.1%       | 63         | 14.7%           | 21         |
| Cities  | 49.8%          | 164        | 16.1%            | 53         | 1.8%        | 6          | 30.4%       | 100        | 1.8%            | 6          |
| Townships   | 64.6%          | 84         | 9.2%             | 12         | 1.5%        | 2          | 24.6%       | 32         | -               | -          |
| Colleges & Universities                                 | 22.5%          | 16         | 40.8%            | 29         | 1.4%        | 1          | 33.8%       | 24         | 1.4%            | 1          |
| School Districts & ESCs                                 | 25.1%          | 271        | 39.7%            | 429        | 2.6%        | 28         | 30.8%       | 333        | 1.8%            | 19         |
| Special Districts                                       | 45.8%          | 38         | 14.5%            | 12         | 1.2%        | 1          | 38.6%       | 32         | -               | -          |

Note: Excluded plans where in-network co-insurance was blank or missing

**Table 8.2**

| Co-Insurance Categories for Out-of-Network Medical Coverage |                   |            |             |            |             |            |                  |            |                 |            |
|---|-------------------|------------|-------------|------------|-------------|------------|------------------|------------|-----------------|------------|
| Comparison Group  | Plan pays 90-100% | # of plans | 80/20 Split | # of plans | 70/30 Split | # of plans | Plan pays 60-69% | # of plans | Plan pays < 60% | # of plans |
| STATEWIDE   | 0.8%              | 13         | 26.6%       | 456        | 33.0%       | 566        | 32.7%            | 560        | 6.9%            | 118        |
| State of Ohio   | -                 | -          | -           | -          | -           | -          | 100.0%           | 1          | -               | -          |
| Counties  | -                 | -          | 14.9%       | 20         | 23.1%       | 31         | 39.6%            | 53         | 22.4%           | 30         |
| Cities  | 0.7%              | 2          | 22.4%       | 68         | 38.8%       | 118        | 33.9%            | 103        | 4.3%            | 13         |
| Townships   | -                 | -          | 34.8%       | 40         | 24.3%       | 28         | 35.7%            | 41         | 5.2%            | 6          |
| Colleges & Universities                                     | -                 | -          | 6.3%        | 4          | 54.7%       | 35         | 31.3%            | 20         | 7.8%            | 5          |
| School Districts & ESCs                                     | 1.0%              | 10         | 30.8%       | 314        | 32.2%       | 329        | 30.5%            | 311        | 5.6%            | 57         |
| Special Districts   | 1.4%              | 1          | 13.5%       | 10         | 33.8%       | 25         | 41.9%            | 31         | 9.5%            | 7          |

Note: Excluded plans where out-of-network co-insurance was blank or missing

- Since the 2013 survey, the percent of plans Statewide that pay 100% of deductible remains unchanged at just over thirty-three percent.

<sup>6</sup> Managed care plans (PPO, HMO, POS) cover the majority of public employers in the State of Ohio. Data on traditional medical plans is not presented because there are very few of these plans statewide; data is available upon request from SERB.

- ▶ Counties continue to have the lowest percentage of single medical plans with no co-insurance requirement, and the highest percentage of single plans with an 80/20 split.
- ▶ The majority of townships (64.6%) have plans with no in-network co-insurance requirement.

### Out-of-Pocket Maximums for Medical Coverage- Managed Care Plans<sup>7</sup>

Tables 9.1 and 9.2 give the median, minimum, and maximum out-of-pocket maximums for in and out-of-network family medical coverage by jurisdiction.

**Table 9.1**

| In-Network Out-of-Pocket Maximums for Medical Coverage |         |         |          |         |         |          |       |
|--|---------|---------|----------|---------|---------|----------|-------|
| Comparison Group                                       | Single  |         |          | Family  |         |          | n     |
|  | Median  | Minimum | Maximum  | Median  | Minimum | Maximum  |       |
| STATEWIDE  | \$1,500 | \$0     | \$10,000 | \$3,000 | \$0     | \$20,000 | 1,811 |
| State of Ohio  | \$1,500 | \$1,500 | \$1,500  | \$3,000 | \$3,000 | \$3,000  | 1     |
| Counties   | \$2,500 | \$0     | \$7,000  | \$5,000 | \$0     | \$14,000 | 142   |
| Cities   | \$1,500 | \$0     | \$10,000 | \$3,000 | \$0     | \$20,000 | 325   |
| Townships  | \$2,500 | \$0     | \$6,350  | \$5,000 | \$0     | \$18,000 | 125   |
| Colleges & Universities                                | \$2,000 | \$0     | \$8,000  | \$4,200 | \$0     | \$16,000 | 71    |
| School Districts & ESCs                                | \$1,095 | \$0     | \$7,350  | \$2,200 | \$0     | \$14,000 | 1,066 |
| Special Districts                                      | \$2,500 | \$0     | \$6,000  | \$5,000 | \$0     | \$15,000 | 81    |

Note: Excluded plans where in-network out-of-pocket maximum was blank or missing  
Note: Excludes Traditional Plans

**Table 9.2**

| Out-of-Network Out-of-Pocket Maximums for Medical Coverage |         |         |          |          |         |          |       |
|--|---------|---------|----------|----------|---------|----------|-------|
| Comparison Group   | Single  |         |          | Family   |         |          | n     |
|  | Median  | Minimum | Maximum  | Median   | Minimum | Maximum  |       |
| STATEWIDE  | \$3,000 | \$0     | \$45,000 | \$6,000  | \$0     | \$90,000 | 1,701 |
| State of Ohio  | \$3,000 | \$3,000 | \$6,000  | \$6,000  | \$6,000 | \$6,000  | 1     |
| Counties   | \$4,500 | \$500   | \$18,000 | \$9,000  | \$1,500 | \$32,000 | 125   |
| Cities   | \$4,000 | \$100   | \$45,000 | \$8,000  | \$200   | \$90,000 | 303   |
| Townships  | \$7,000 | \$0     | \$30,000 | \$14,000 | \$0     | \$90,000 | 117   |
| Colleges & Universities                                    | \$4,000 | \$600   | \$10,000 | \$8,400  | \$1,200 | \$20,000 | 60    |
| School Districts & ESCs                                    | \$2,100 | \$100   | \$18,000 | \$4,300  | \$200   | \$32,000 | 1,020 |
| Special Districts  | \$6,000 | \$900   | \$30,000 | \$12,000 | \$2,000 | \$90,000 | 75    |

Note: Excluded plans where out-of-network out-of-pocket maximum was blank or missing  
Note: Excludes Traditional Plans

- ▶ Out-of-network, out-of-pocket maximums are at least double the in-network, out-of-pocket maximums for all jurisdictions except Colleges and Universities

<sup>7</sup> Managed care plans (PPO, HMO, POS) cover the majority of public employers in the State of Ohio. Data on traditional medical plans is not presented because there are very few of these plans statewide; data is available upon request from SERB.

- ▶ Statewide average in-network out-of-pocket maximums increased 11.3% for single and 1.1% for family.
- ▶ Statewide average out-of-network out-of-pocket maximums increased 7.8% for single and 8.3% for family.

## Fringe Benefits: Prescription, Dental & Vision

### Prescription Drug

Table 10 shows the distribution of fringe benefits. Benefits shown as “included in premium” are included in the price of the overall medical premium. “Carved-out” benefits are purchased through a plan separate from the medical premium.

**Table 10**

| <b>Fringe Benefit Provisions</b> |                            |                   |                    |
|----------------------------------|----------------------------|-------------------|--------------------|
|                                  | <b>Included in Premium</b> | <b>Carved-out</b> | <b>Not Offered</b> |
| Prescription                     | 89.0%                      | 9.0%              | 2.0%               |
| Dental                           | 10.7%                      | 82.6%             | 6.7%               |
| Vision                           | 12.0%                      | 65.0%             | 23.0%              |

- ▶ Prescription coverage is provided by 98.0% of all jurisdictions. In 89.0% of jurisdictions reporting, the cost for prescription coverage is included as part of the medical premium. Some type of dental coverage is provided by 93.3% of jurisdictions. Vision coverage is offered by 77% of jurisdictions.

Tables 11.1 and 11.2 provide statewide data on retail and mail order prescription plan design and co-payments. The median dollar amount and percentages are given within three tier options. Retail prescriptions are for a 30-day supply; mail order prescriptions are typically for a 90-day supply.

**Table 11.1**

| <b>Statewide Retail Prescription Co-payments</b>                                |                |                   |                             |                   |
|---|----------------|-------------------|-----------------------------|-------------------|
| <b>Prescription Plan</b>  | <b>Dollars</b> | <b># of plans</b> | <b>Percent Co-insurance</b> | <b># of plans</b> |
| <b>No Tiers</b>   | \$10           | 30                | 20.0%                       | 159               |
| <b>Two Tiers</b>  |                |                   |                             |                   |
| Generic   | \$7            | 162               | 20.0%                       | 131               |
| Brand   | \$20           | 160               | 20.0%                       | 136               |
| <b>Three Tiers</b>  |                |                   |                             |                   |
| Generic   | \$10           | 944               | 20.0%                       | 19                |
| Brand (formulary)   | \$25           | 944               | 25.0%                       | 31                |
| Brand (non-formulary)   | \$40           | 931               | 35.0%                       | 45                |
| <b>Four Tiers</b>   |                |                   |                             |                   |
| Generic   | \$10           | 221               | 20.0%                       | 10                |
| Brand (formulary)   | \$30           | 220               | 30.0%                       | 10                |
| Brand (non-formulary)   | \$55           | 180               | 35.0%                       | 39                |
| Cosmetic/biologic   | \$100          | 173               | 25.0%                       | 50                |
| Note: Excluded plans where retail prescription co-payments was blank or missing |                |                   |                             |                   |

**Table 11.2**

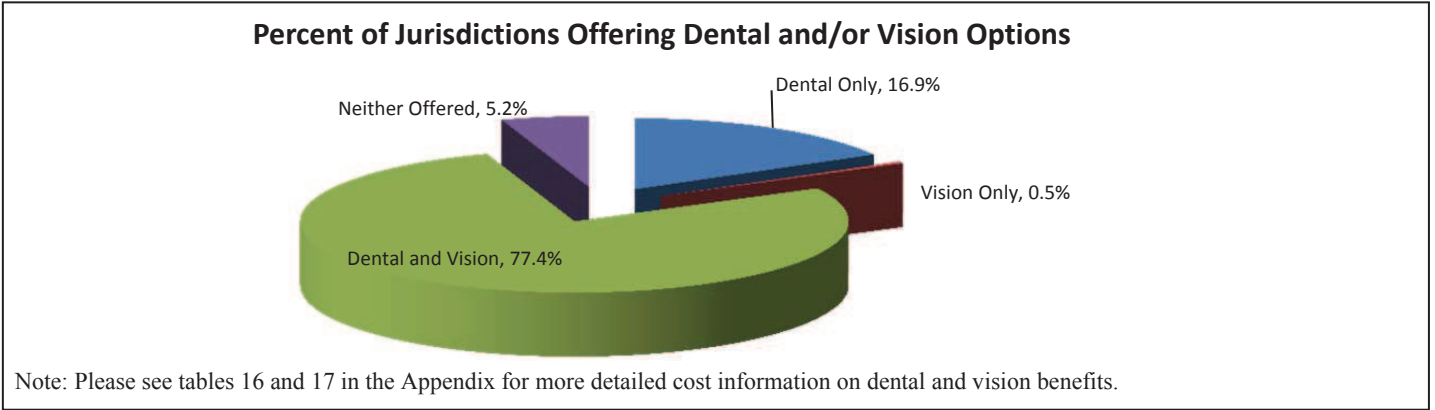
| <b>Statewide Mail Order Prescription Co-payments</b>                                |                |                   |                             |                   |
|---|----------------|-------------------|-----------------------------|-------------------|
| <b>Prescription Plan</b>  | <b>Dollars</b> | <b># of plans</b> | <b>Percent Co-insurance</b> | <b># of plans</b> |
| <b>No Tiers</b>   | \$18           | 34                | 20.0%                       | 150               |
| <b>Two Tiers</b>  |                |                   |                             |                   |
| Generic   | \$10           | 155               | 20.0%                       | 125               |
| Brand   | \$25           | 153               | 20.0%                       | 131               |
| <b>Three Tiers</b>  |                |                   |                             |                   |
| Generic   | \$20           | 923               | 30.0%                       | 17                |
| Brand (formulary)   | \$40           | 924               | 30.0%                       | 25                |
| Brand (non-formulary)   | \$75           | 908               | 35.0%                       | 36                |
| <b>Four Tiers</b>   |                |                   |                             |                   |
| Generic   | \$20           | 218               | 30.0%                       | 7                 |
| Brand (formulary)   | \$75           | 218               | 30.0%                       | 7                 |
| Brand (non-formulary)   | \$120          | 178               | 35.0%                       | 36                |
| Cosmetic/biologic   | \$150          | 157               | 25.0%                       | 46                |
| Note: Excluded plans where mail order prescription co-payments was blank or missing |                |                   |                             |                   |

- Few jurisdictions report a flat rate payment for retail or mail-order prescriptions; over 60%<sup>8</sup> have a three or four-tier prescription drug plan.

<sup>8</sup> 1,165 out of 1,843 insurance plans submitted offer a three or four-tier prescription drug plan

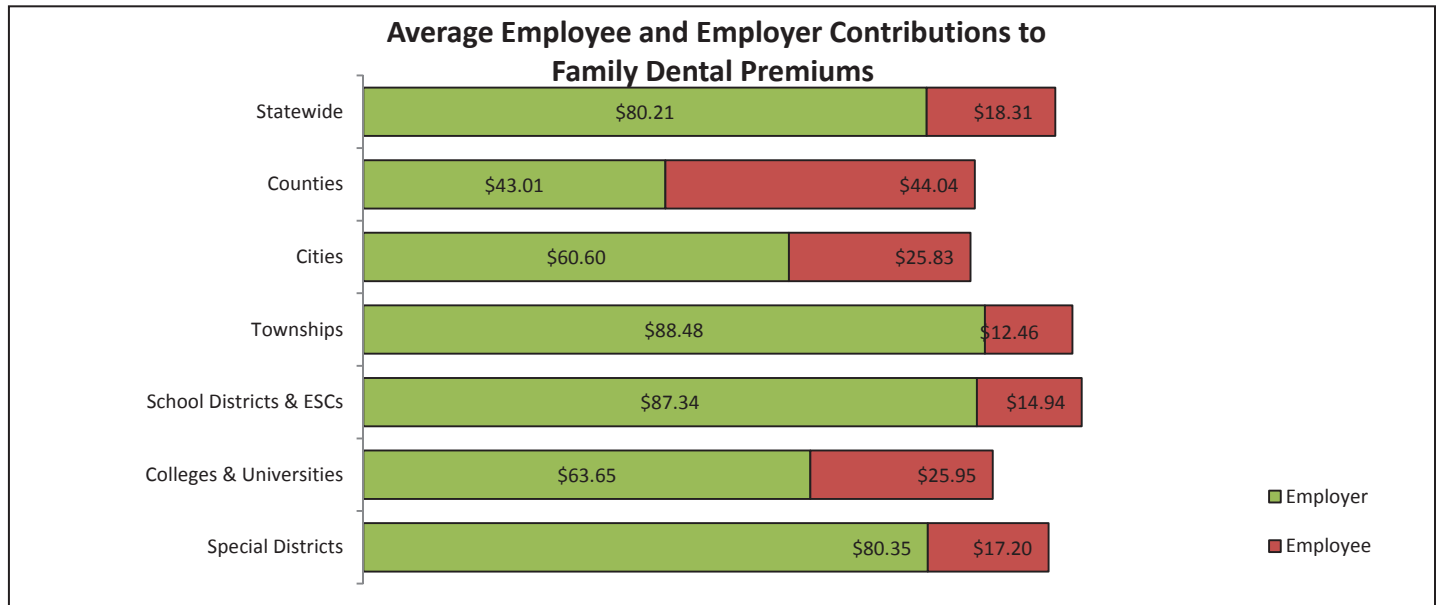
Chart 7 provides another view of dental and vision coverage.

**Chart 7**



## Dental<sup>9</sup>

**Chart 8**



For 2014, single and family dental premiums in Table 17 are divided into tiered plans and composite rates. Chart 8 includes tiered rates for family dental plans.

- ▶ County employees pay the highest portion of the family dental premium, contributing over half the premium on average.
- ▶ Township employees contribute the least to family dental premiums, contributing 12.3% of the total premium on average.

<sup>9</sup> For a detailed breakdown of dental costs, please see Table 17 in the appendix. Dental numbers are for plans that are not included in the medical premium, or carve-outs.

Table 12 summarizes dental maximums by jurisdiction.

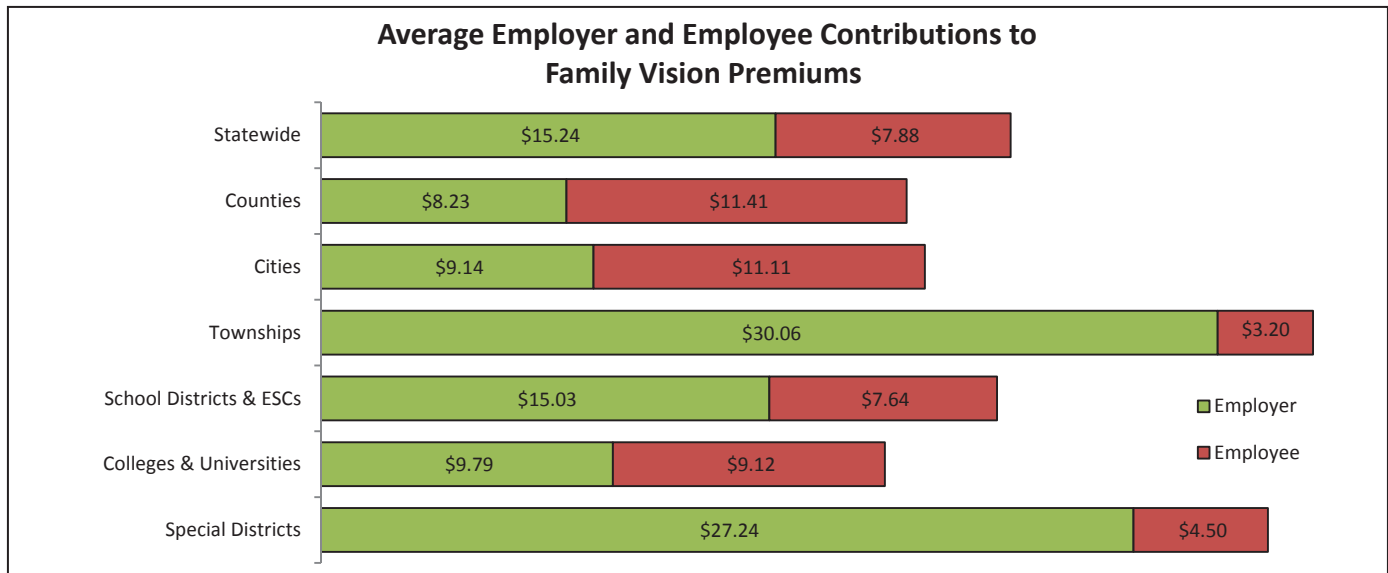
**Table 12**

| Comparison Group        | Annual Dental Maximums |         |               |         |               |
|-------------------------|------------------------|---------|---------------|---------|---------------|
|                         | \$500-750              | \$1,000 | \$1,100-1,400 | \$1,500 | \$1,600-4,000 |
| STATEWIDE               | 2.6%                   | 30.4%   | 5.4%          | 28.1%   | 33.5%         |
| State of Ohio           | -                      | -       | -             | 100.0%  | -             |
| Counties                | 6.3%                   | 55.6%   | 7.9%          | 23.8%   | 6.3%          |
| Cities                  | 2.1%                   | 51.6%   | 5.9%          | 24.5%   | 16.0%         |
| Townships               | 1.0%                   | 48.5%   | 8.2%          | 22.7%   | 19.6%         |
| School Districts & ESCs | 2.4%                   | 18.6%   | 4.5%          | 30.4%   | 44.1%         |
| Colleges & Universities | 5.9%                   | 41.2%   | 17.6%         | 14.7%   | 20.6%         |
| Special Districts       | 4.3%                   | 44.7%   | -             | 31.9%   | 19.1%         |

- ▶ The majority of dental plans statewide have annual maximums between \$1,000 and \$1,500.
- ▶ School Districts & ESCs have a comparatively larger percentage of dental plans that have maximums in the highest category (\$1,600-\$4,000).

**Vision**<sup>10</sup>

**Chart 9**



For 2014, single and family vision premiums in Table 18, which is found in the appendix, are divided into tiered plans and composite rates. Chart 9 includes tiered rates for family vision plans.

- ▶ County employees pay the largest portion of family vision insurance, contributing 58.1% of the premium on average.
- ▶ Township employees pay a much lower portion of the vision premium compared to the statewide average.

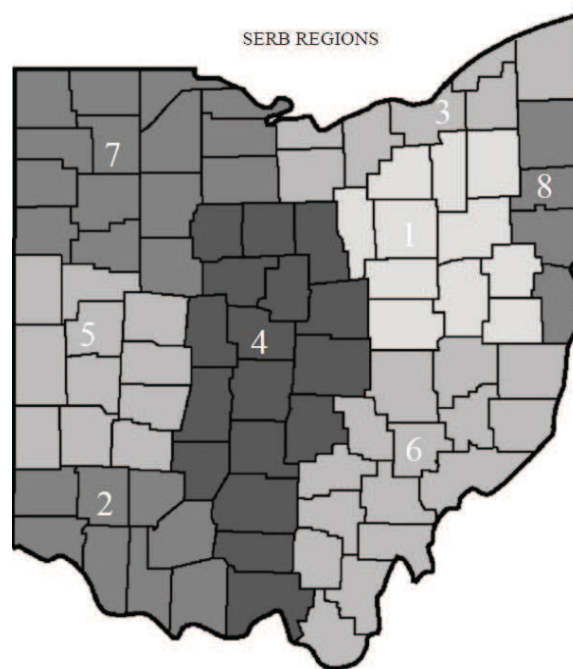
<sup>10</sup> For a detailed breakdown of vision costs, please see Table 18 in the appendix. Vision numbers are for plans that are not included in the medical premiums.

Table 13 provides regional breakdowns of dental and vision composite rates by region.

**Table 13**

| <b>Median Monthly Dental and Vision Composite Rates by Region</b> |               |               |
|---|---------------|---------------|
| <b>Region</b>   | <b>Dental</b> | <b>Vision</b> |
| 1 - Akron/Canton  | \$64.03       | \$10.02       |
| 2 - Cincinnati  | \$78.40       | \$16.00       |
| 3 - Cleveland   | \$76.94       | \$7.51        |
| 4 - Columbus  | \$73.45       | \$17.16       |
| 5 - Dayton  | \$86.55       | \$22.07       |
| 6 - Southeast Ohio  | \$61.95       | \$18.51       |
| 7 - Toledo  | \$78.00       | \$16.05       |
| 8 - Warren/Youngstown   | \$72.08       | \$8.03        |

- ▶ A sizable number of jurisdictions have composite rates for dental (n = 185) and vision (n=88) premiums. In these jurisdictions, the premiums for dental or vision coverage are one rate, regardless of whether the employee has single, single + 1, or family coverage.
- ▶ Composite rates typically fall somewhere in between the cost for a single plan and family plan.



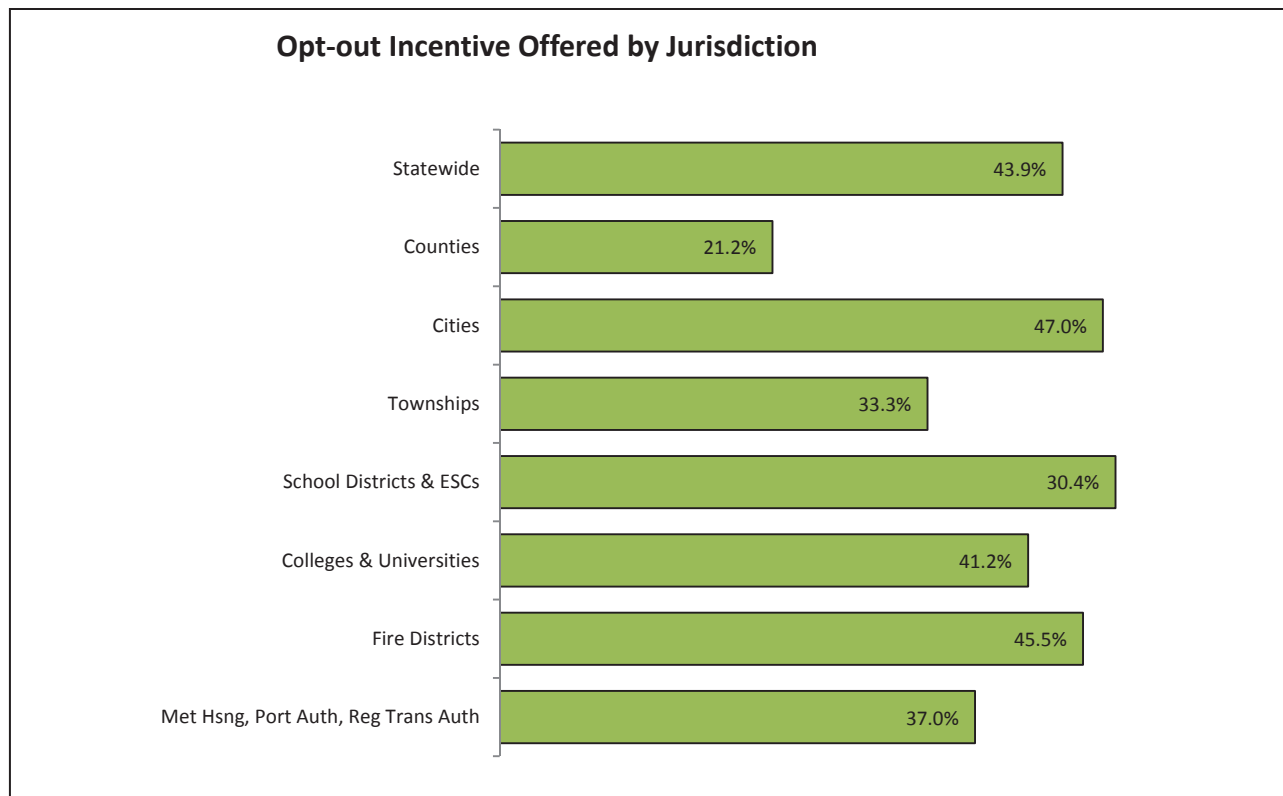
## Methods to Lower Healthcare Costs

Public employers and employees continue to look for ways to lower health insurance costs. The following describe some of the ways jurisdictions are trying to counteract ever-increasing medical premiums.

### Incentive for Opting out of the Medical Plan

- ▶ The average number of jurisdictions statewide offering monetary incentives to employees that waive medical coverage has remained unchanged since last year’s survey.

**Chart 10**



The amount of the incentive may vary depending on whether the person is eligible for single or family coverage. Table 14 illustrates the distribution of average, median, and maximum incentive categories by coverage type.

**Table 14**

| <b>Annual Incentive Offered to Employees for Opting Out of Medical Coverage</b> |                          |                         |                          |                            |
|---|--------------------------|-------------------------|--------------------------|----------------------------|
| <b>Opt-out group</b>  | <b>Average Incentive</b> | <b>Median Incentive</b> | <b>Maximum Incentive</b> | <b>Number of Employers</b> |
| Single  | \$1,466                  | \$1,200                 | \$6,000                  | 462                        |
| Single + 1  | \$1,853                  | \$1,500                 | \$7,200                  | 170                        |
| Single & child  | \$1,885                  | \$1,500                 | \$7,200                  | 215                        |
| Single & spouse   | \$1,971                  | \$1,500                 | \$7,200                  | 224                        |
| Family  | \$2,098                  | \$1,800                 | \$2,098                  | 505                        |

## Spousal Restrictions

Thirty-five percent<sup>11</sup> of employers who completed the survey report they have some type of spousal stipulation for employees whose spouses have other means of medical coverage. Spousal Restrictions have increased slightly since last year's report. Jurisdictional breakdown is illustrated below in Chart 11.

**Chart 11**

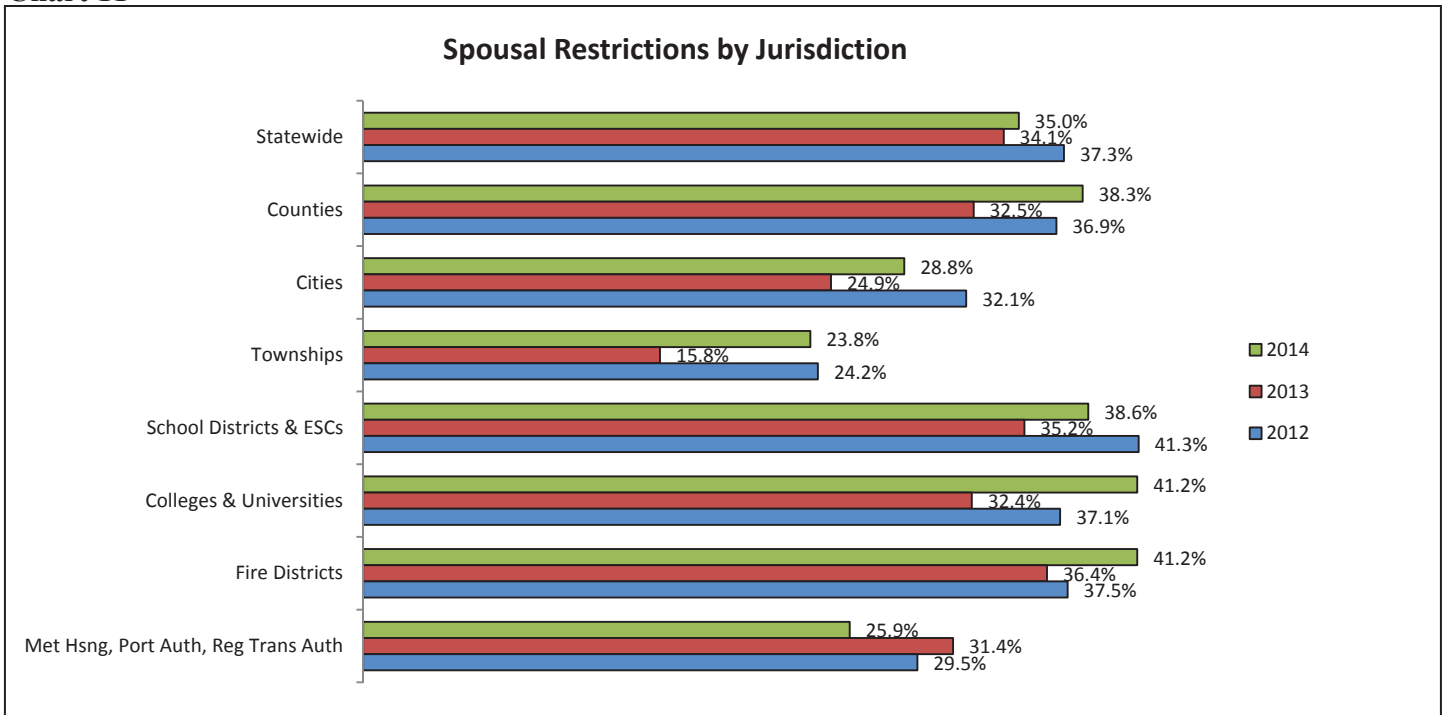
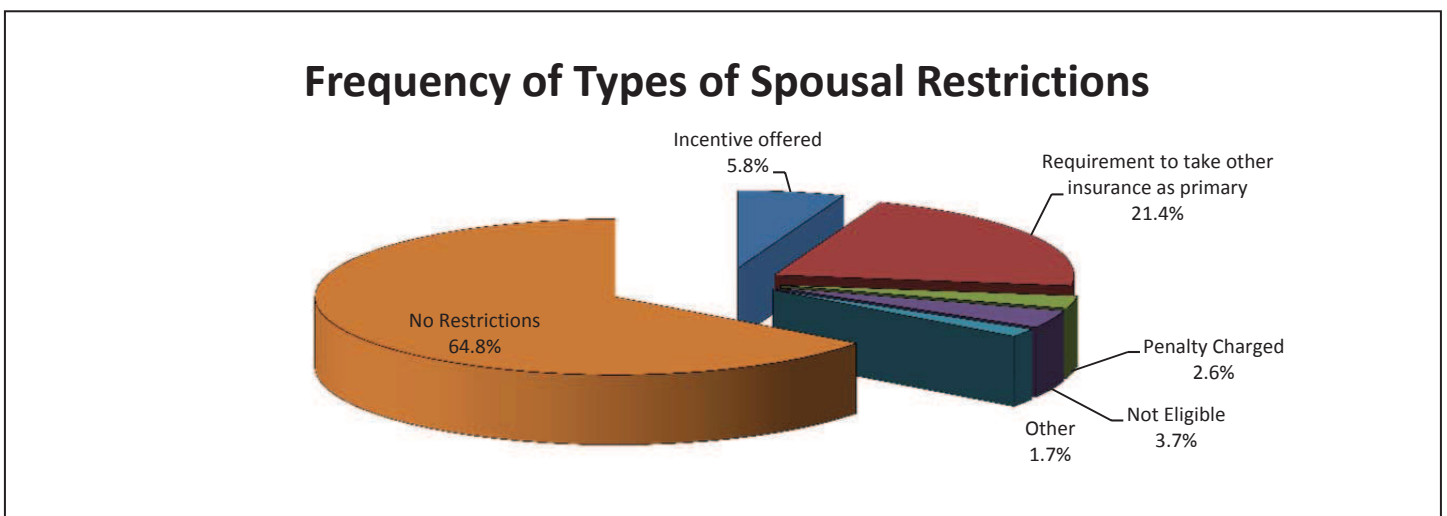


Chart 12 illustrates the frequency of the type of spousal restriction for those jurisdictions that have spousal restrictions.

**Chart 12**



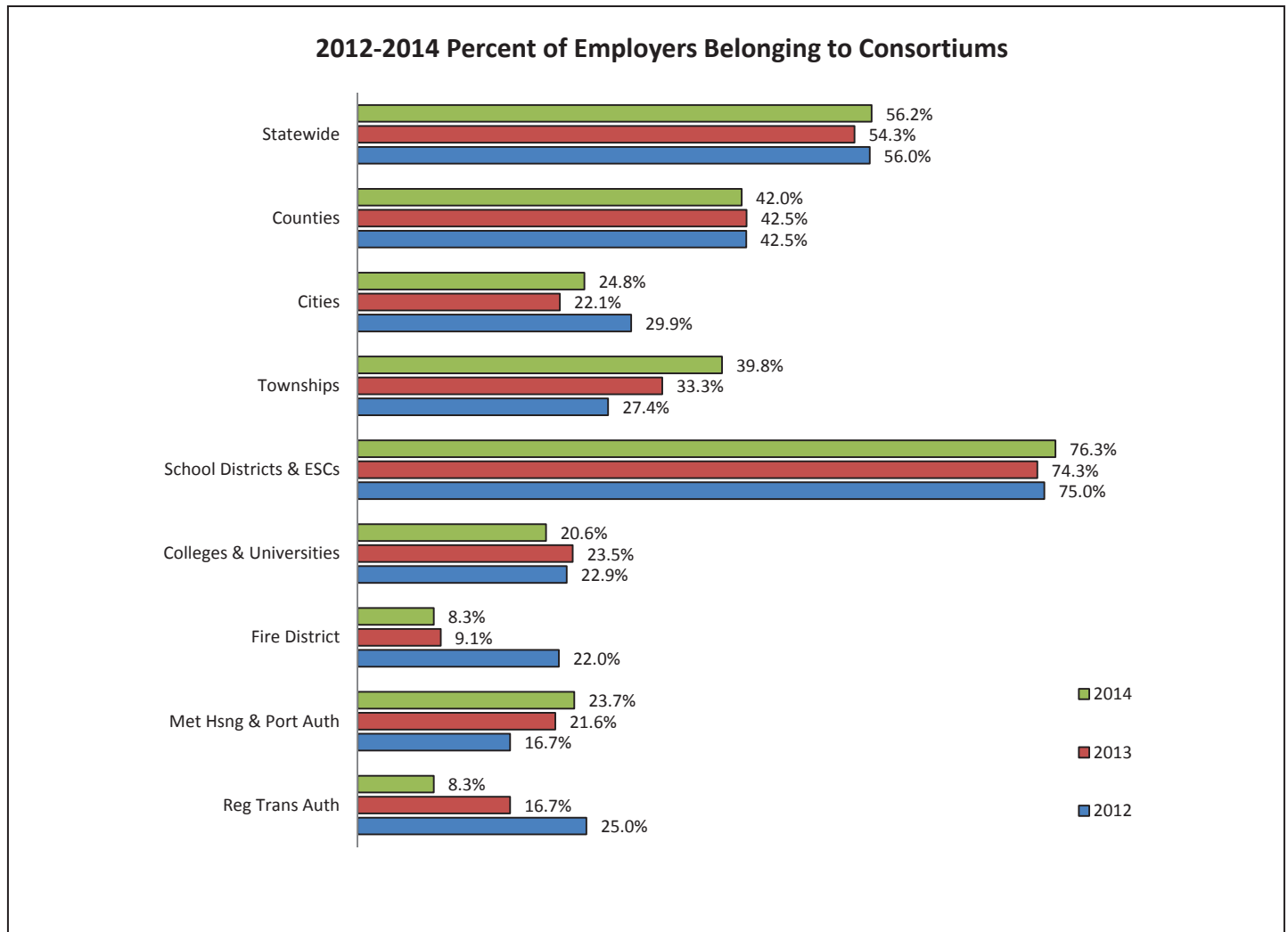
- ▶ The majority of jurisdictions that report having spousal restrictions stipulate that if an employee's spouse has medical coverage through their own employer, the spouse must use their employer's insurance as their primary form of coverage.

<sup>11</sup> 430 out of 1,231 employers reported having spousal restrictions

## Joint Purchasing Arrangements

A joint purchasing arrangement is created when employers join together to purchase health insurance, usually to save money by increasing the risk pool. Chart 13 illustrates the wide jurisdictional variations in joint purchasing membership, comparing the percent of employers indicating they have a joint purchasing arrangement, by jurisdiction.

**Chart 13**



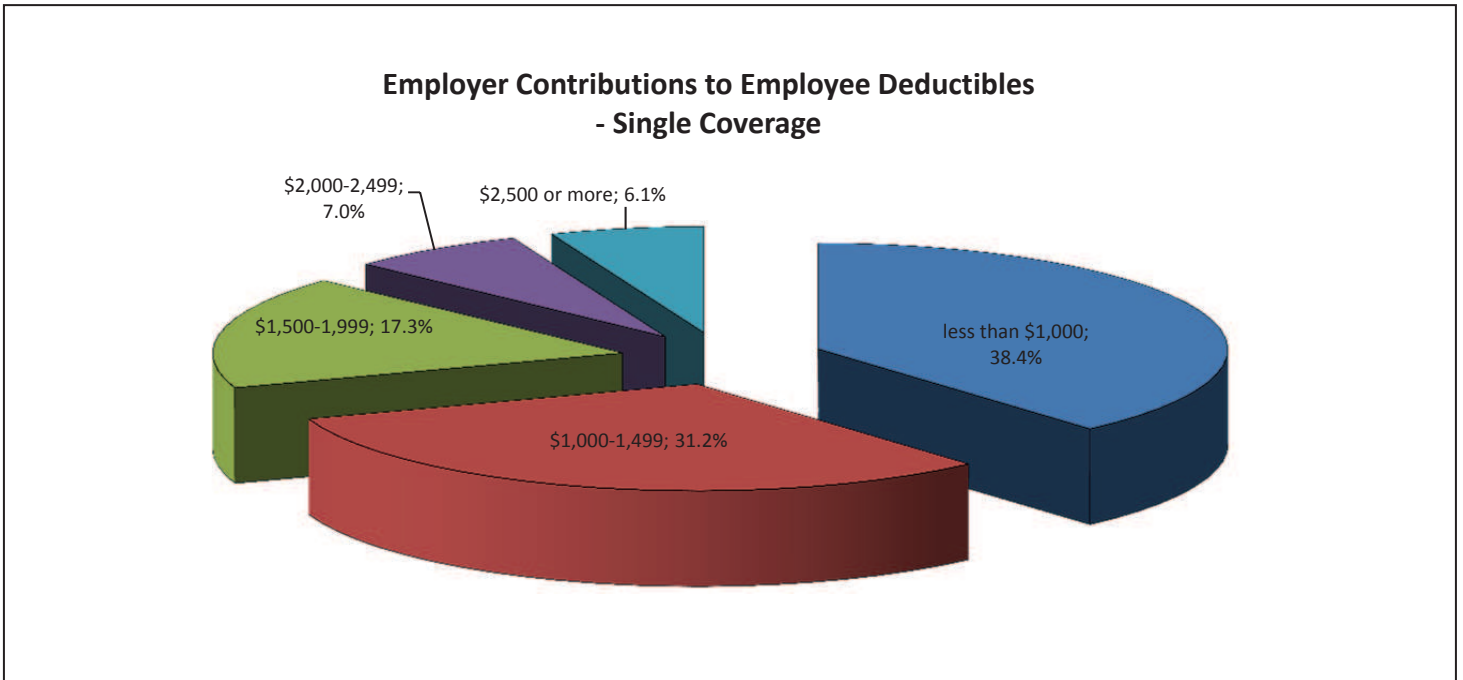
- ▶ Statewide, consortium membership increased by almost two percentage points.
- ▶ Fire Districts have the lowest participation in consortiums. Only one of the eleven that responded with offering medical insurance participated in a consortium.
- ▶ School districts continue to have the highest consortia membership. Joint purchasing was part of the School Employees' Health Care Board's "Best Practices," explaining the much higher frequency of consortium membership for schools and ESCs.

## High Deductible Health Plans

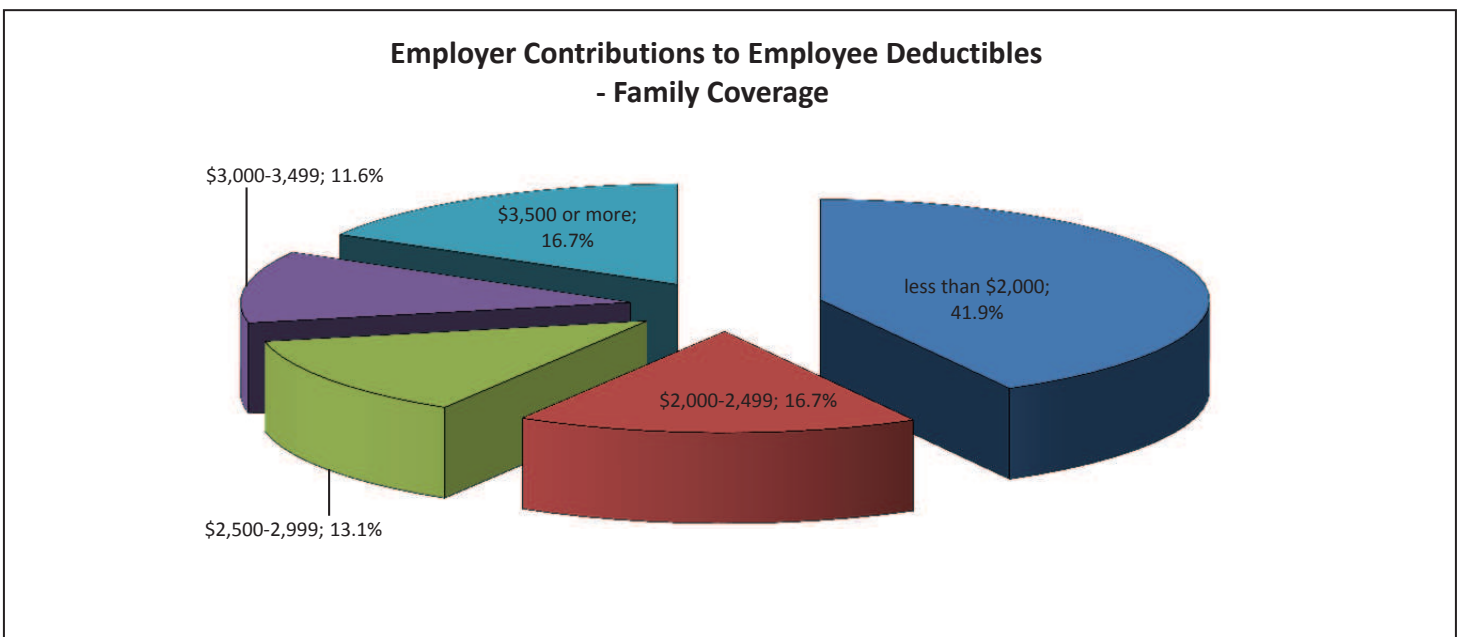
As illustrated in Table 2, High Deductible Health Plans (HDHP) are growing in popularity (25.6% of medical plans) as they feature lower premiums compared to other managed care and traditional indemnity plans.

Many HDHPs are coupled with Health Savings Accounts (HSAs) or Health Reimbursement Arrangements (HRAs) that the employer partially or fully funds. Charts 14 and 15 illustrate employer contributions to employee deductibles for HSA eligible medical plans.

**Chart 14**



**Chart 15**

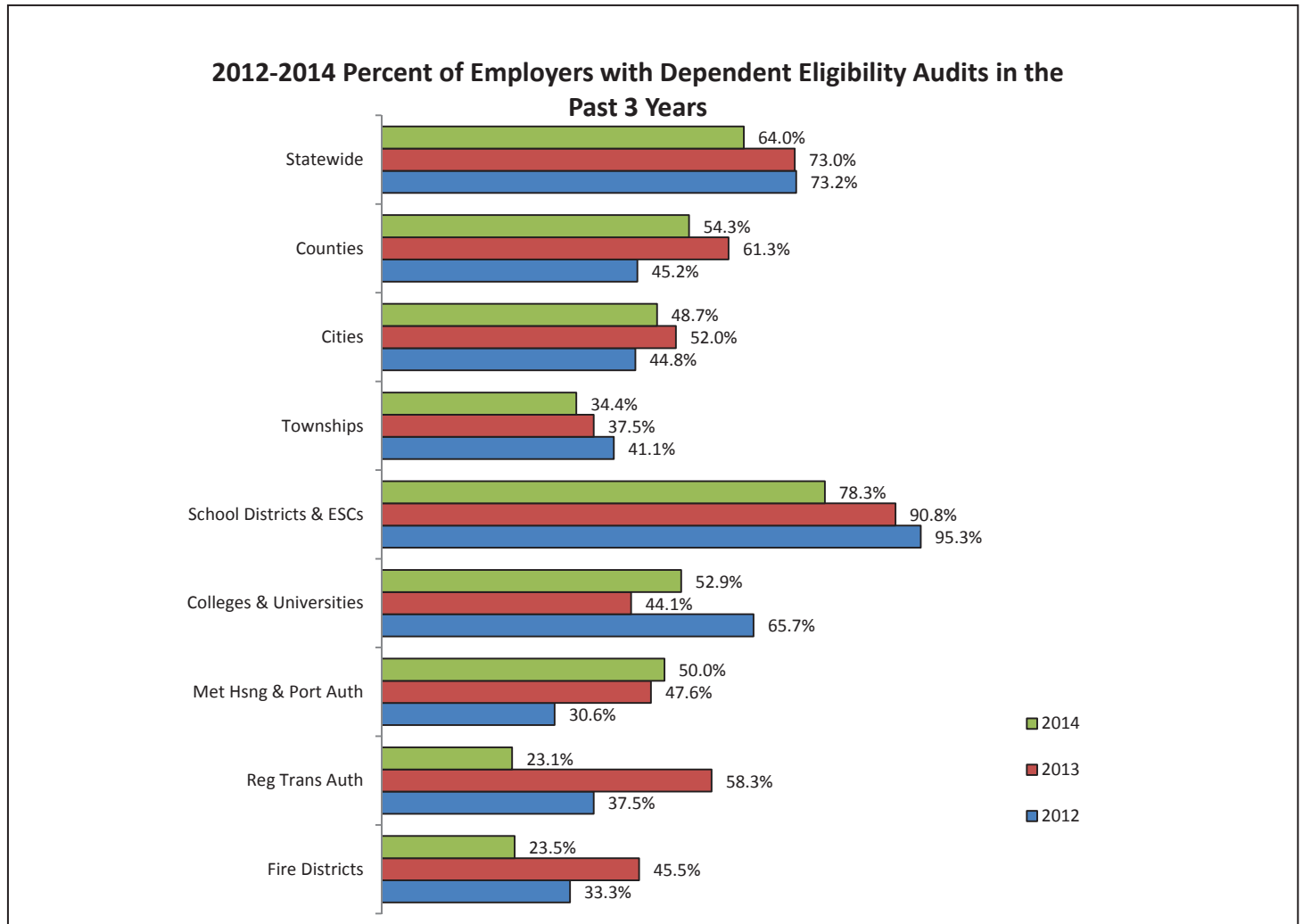


## Dependent Eligibility Audits

Dependent eligibility audits (DEAs) identify individuals who do not qualify to be on the employer’s medical plan. The purpose of a DEA is to identify persons enrolled on the employer’s medical plan who are no longer eligible for coverage. Examples include adult children, who are no longer in school, full-time students older than the maximum age allowed by the plan, ex-spouses, and other relatives not eligible for coverage.

Chart 16 illustrates the number of employers, by jurisdiction, indicating that either they or the medical provider conducted a dependent eligibility audit in the past three years. Comparative data from the last two years’ reports are also presented.

**Chart 16**

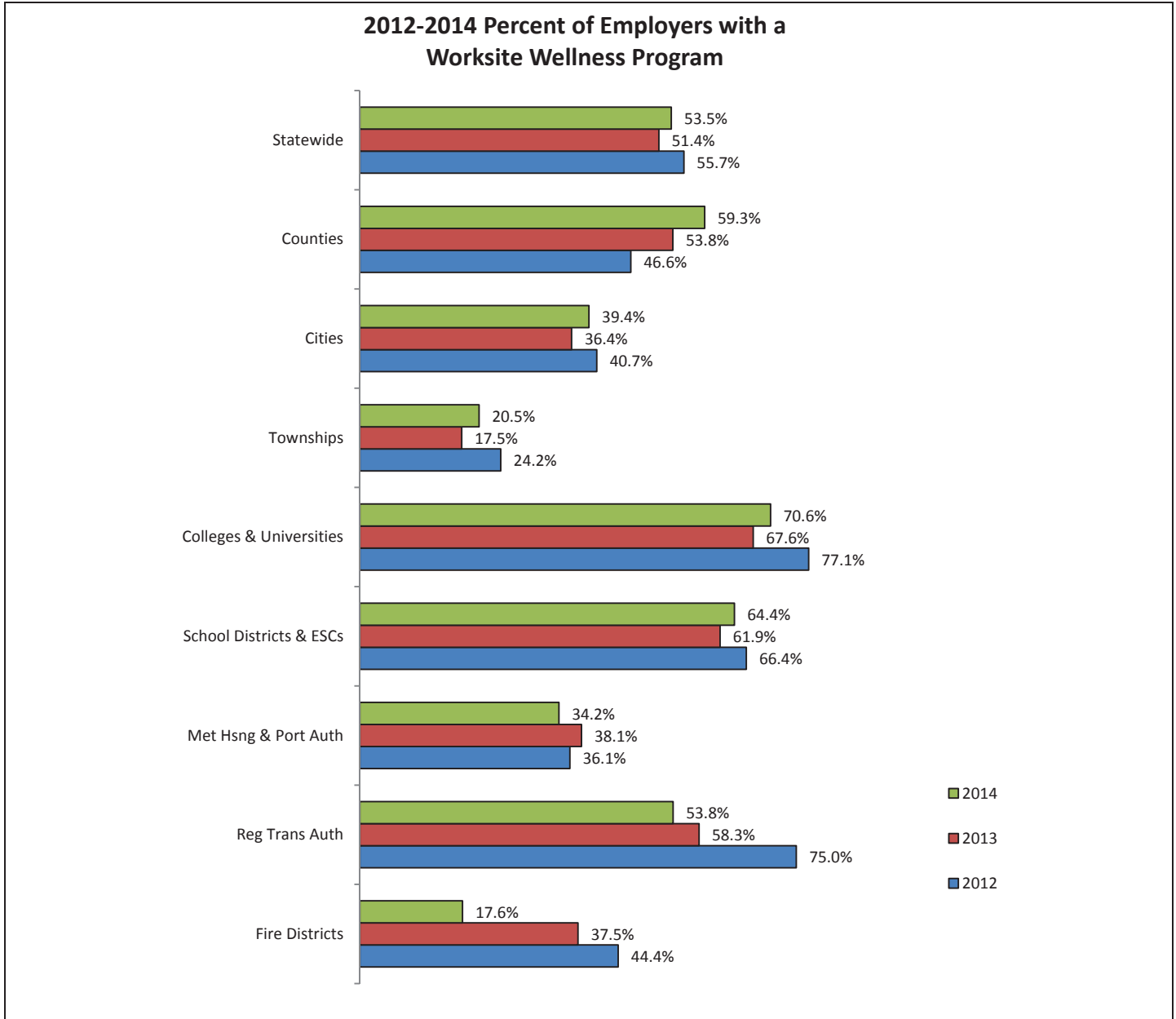


- ▶ Statewide, between 2013 and 2014, the percent of employers reporting that their organization conducted a dependent eligibility audit sometime over the past three years decreased nine percent.
- ▶ School districts and ESCs are most likely to report having conducted a DEA; this is also part of the “Best Practices” adapted by the School Employees’ Health Care Board.
- ▶ Metro Housing Authorities have shown continued increases in the usage of Dependent Eligibility Audits

## Worksite Wellness

Worksite wellness programs are at the employer level (rather than included in the medical plan) and include various types of health maintenance programs, from screening programs, to staff dedicated to employee health programs. Further explanation of the components of worksite wellness programs are found in Table 15. Chart 17 illustrates the variability of these offerings by jurisdiction.

**Chart 17**



- ▶ More than half (53.5%) of employers responding to the survey report having some type of worksite wellness program, which is a 2.1 percentage point increase since the 2013 report.
- ▶ Colleges & Universities have the highest frequency of worksite wellness programs.
- ▶ Townships remain as the jurisdiction with the lowest incidence of worksite wellness programs, probably due to their small size.

Table 15 breaks down the types of worksite wellness programs utilized when a jurisdiction reports having a worksite wellness program. Employers who answered “yes” to the question of whether they had a worksite wellness program were then presented with a set of questions asking about which components of a wellness plan they have.

**Table 15**

| <b>2013 Frequency of Wellness Program Components</b>          |  |             |                         |             |
|---|--|-------------|-------------------------|-------------|
| <b>Program Component</b>                                      | <b>Examples</b>  | <b>2012</b> | <b>Percent<br/>2013</b> | <b>2014</b> |
| Health Education  | Education or counseling opportunities relative to physical activity, workplace injury prevention | 73%         | 83%                     | 81%         |
| Supportive Social & Physical Work Environment                 | Policies against tobacco use, classes or counseling on nutrition or fitness                      | 68%         | 69%                     | 68%         |
| Integration of Worksite Program into Organization's Structure | Dedicated staff, office, or budget   | 29%         | 36%                     | 39%         |
| Related Programs  | Employee assistance, work/family, occupational safety and health programs, etc                   | 50%         | 57%                     | 53%         |
| Screening Programs  | Blood pressure, blood cholesterol screening programs   | 86%         | 76%                     | 74%         |

## APPENDIX

Table 16.1 contains the average employee contributions to single and family premiums, when such a contribution is required. Plans where employees pay \$0 toward the medical premium are excluded when calculating this average.

**Table 16.1**

| <b>Average Monthly Employee Contributions to Medical Premiums When a Contribution is Required</b> |                      |                     |                   |                      |                     |                   |  |
|---|----------------------|---------------------|-------------------|----------------------|---------------------|-------------------|--|
| <b>Comparison Group</b>   | <b>Single</b>        |                     |                   | <b>Family</b>        |                     |                   |  |
|   | <b>Dollar Amount</b> | <b>% of Premium</b> | <b># of plans</b> | <b>Dollar Amount</b> | <b>% of Premium</b> | <b># of plans</b> |  |
| STATEWIDE   | \$72                 | 13.1%               | 1,617             | \$199                | 13.7%               | 1,637             |  |
| State of Ohio   | \$77                 | 15.1%               | 1                 | \$223                | 15.8%               | 1                 |  |
| Counties  | \$82                 | 14.4%               | 132               | \$231                | 15.0%               | 132               |  |
| Less than 50,000  | \$101                | 17.0%               | 48                | \$288                | 17.8%               | 48                |  |
| 50,000 - 149,999  | \$75                 | 13.3%               | 53                | \$210                | 13.9%               | 53                |  |
| 150,000 or more   | \$65                 | 12.2%               | 31                | \$178                | 12.4%               | 31                |  |
| Cities  | \$68                 | 12.4%               | 274               | \$179                | 12.1%               | 277               |  |
| Less than 25,000  | \$67                 | 12.3%               | 193               | \$184                | 12.3%               | 196               |  |
| 25,000 - 99,999   | \$71                 | 13.0%               | 70                | \$171                | 11.6%               | 70                |  |
| 100,000 or more   | \$59                 | 9.7%                | 11                | \$135                | 10.6%               | 11                |  |
| Townships   | \$54                 | 10.0%               | 74                | \$182                | 10.9%               | 83                |  |
| Less than 10,000  | \$45                 | 9.4%                | 35                | \$182                | 11.4%               | 42                |  |
| 10,000 - 29,999   | \$63                 | 9.7%                | 30                | \$177                | 9.4%                | 32                |  |
| 30,000 or more  | \$64                 | 13.7%               | 9                 | \$197                | 14.2%               | 9                 |  |
| School Districts <sup>†</sup>   | \$72                 | 13.0%               | 860               | \$196                | 13.8%               | 870               |  |
| Less than 1,000   | \$69                 | 13.1%               | 190               | \$185                | 13.8%               | 197               |  |
| 1,000 - 2,499   | \$72                 | 12.7%               | 388               | \$186                | 13.6%               | 389               |  |
| 2,500 - 9,999   | \$74                 | 13.4%               | 256               | \$198                | 14.1%               | 260               |  |
| 10,000 or more  | \$72                 | 12.2%               | 26                | \$244                | 15.3%               | 24                |  |
| Colleges & Universities   | \$81                 | 14.8%               | 66                | \$233                | 16.1%               | 67                |  |
| Fire Districts  | \$42                 | 12.7%               | 8                 | \$179                | 13.5%               | 7                 |  |
| Metro Housing, Port Auth,<br>& Reg Trans Auth   | \$87                 | 14.7%               | 59                | \$236                | 15.4%               | 56                |  |
| REGION  |                      |                     |                   |                      |                     |                   |  |
| 1 - Akron/Canton  | \$55                 | 10.8%               | 230               | \$139                | 10.8%               | 230               |  |
| 2 - Cincinnati  | \$78                 | 14.5%               | 194               | \$224                | 15.4%               | 197               |  |
| 3 - Cleveland   | \$65                 | 11.9%               | 232               | \$170                | 12.0%               | 230               |  |
| 4 - Columbus  | \$85                 | 14.0%               | 264               | \$243                | 15.4%               | 265               |  |
| 5 - Dayton  | \$85                 | 15.9%               | 219               | \$234                | 16.3%               | 224               |  |
| 6 - Southeast Ohio  | \$78                 | 12.1%               | 123               | \$216                | 13.3%               | 128               |  |
| 7 - Toledo  | \$73                 | 13.7%               | 245               | \$213                | 15.0%               | 250               |  |
| 8 - Warren/Youngstown   | \$50                 | 9.7%                | 110               | \$119                | 9.2%                | 113               |  |
| EMPLOYEES COVERED   |                      |                     |                   |                      |                     |                   |  |
| 1 - 49  | \$72                 | 12.9%               | 238               | \$213                | 13.7%               | 247               |  |
| 50 - 99   | \$71                 | 13.3%               | 287               | \$194                | 13.7%               | 290               |  |
| 100 - 149   | \$70                 | 12.6%               | 310               | \$192                | 13.4%               | 316               |  |
| 150 - 249   | \$74                 | 12.9%               | 294               | \$199                | 13.7%               | 297               |  |
| 250 - 499   | \$73                 | 13.1%               | 293               | \$195                | 13.6%               | 295               |  |
| 500 - 999   | \$76                 | 14.1%               | 103               | \$204                | 14.8%               | 104               |  |
| 1,000 or more   | \$75                 | 13.8%               | 92                | \$214                | 14.7%               | 88                |  |

<sup>†</sup> ESCs are not included in this category because they do not have a population size. They are included in the statewide total.  
Note: Number of plans may vary if employer does not have single or family coverage being utilized or values were not reported for the plan.  
Note: Excludes plans where employee contribution is zero.  
Note: Includes medical insurance plan type "other"

Table 16.2 contains the average employer contributions to single and family premiums. Plans where the employer pays 100% and the employee pays 0% are included in this average.

**Table 16.2**

| <b>Average Employer Contributions to Medical/Prescription Premiums</b> |   |                   |               |                   |  |               |
|--|---|-------------------|---------------|-------------------|--|---------------|
| <b>Comparison Group</b>  | <b>Average Monthly Employer Contributions to Medical Premiums</b> |                   |               |                   | <b>Percent of Premium Paid By Employer</b> |               |
|  | <b>Single</b>   | <b># of plans</b> | <b>Family</b> | <b># of plans</b> | <b>Single</b>                              | <b>Family</b> |
| STATEWIDE  | \$480   | 1,591             | \$1,247       | 1,593             | 88.1%                                      | 87.3%         |
| State of Ohio  | \$434   | 1                 | \$1,190       | 1                 | 84.9%                                      | 84.2%         |
| Counties   | \$485   | 129               | \$1,295       | 128               | 86.3%                                      | 85.5%         |
| Less than 50,000   | \$507   | 49                | \$1,351       | 48                | 83.8%                                      | 82.7%         |
| 50,000 - 149,999   | \$474   | 50                | \$1,283       | 50                | 87.1%                                      | 86.5%         |
| 150,000 or more  | \$467   | 30                | \$1,224       | 30                | 88.9%                                      | 88.4%         |
| Cities   | \$492   | 295               | \$1,313       | 294               | 89.2%                                      | 89.3%         |
| Less than 25,000   | \$484   | 214               | \$1,320       | 213               | 89.6%                                      | 89.4%         |
| 25,000 - 99,999  | \$492   | 72                | \$1,304       | 72                | 87.8%                                      | 89.1%         |
| 100,000 or more  | \$660   | 9                 | \$1,220       | 9                 | 91.2%                                      | 89.4%         |
| Townships  | \$472   | 107               | \$1,299       | 113               | 93.4%                                      | 92.9%         |
| Less than 10,000   | \$484   | 58                | \$1,281       | 62                | 94.5%                                      | 93.7%         |
| 10,000 - 29,999  | \$472   | 36                | \$1,373       | 38                | 92.5%                                      | 92.6%         |
| 30,000 or more   | \$418   | 13                | \$1,174       | 13                | 90.5%                                      | 90.2%         |
| School Districts <sup>†</sup>  | \$478   | 798               | \$1,208       | 798               | 87.6%                                      | 86.6%         |
| Less than 1,000  | \$450   | 195               | \$1,134       | 194               | 88.5%                                      | 87.1%         |
| 1,000 - 2,499  | \$490   | 349               | \$1,233       | 349               | 87.5%                                      | 86.6%         |
| 2,500 - 9,999  | \$476   | 229               | \$1,211       | 230               | 87.0%                                      | 86.3%         |
| 10,000 or more   | \$548   | 25                | \$1,409       | 25                | 88.2%                                      | 86.0%         |
| Colleges & Universities  | \$484   | 63                | \$1,285       | 63                | 85.9%                                      | 84.7%         |
| Fire Districts   | \$372   | 9                 | \$1,332       | 10                | 90.8%                                      | 91.5%         |
| Metro Housing Authorities  | \$483   | 43                | \$1,276       | 43                | 86.9%                                      | 84.1%         |
| Port Authorities   | \$373   | 3                 | \$1,131       | 3                 | 88.2%                                      | 88.4%         |
| Regional Transit Authorities   | \$554   | 14                | \$1,591       | 12                | 89.0%                                      | 89.6%         |

<sup>†</sup> ESCs are not included in this category because they do not have a population size. They are included in the statewide total.

Note: Number of plans may vary if employer does not have single or family coverage being utilized or values were not reported for the plan.

Note: Includes all plans where prescription is included in medical

Note: Excluded plans that have one rate and medical insurance plan type "other"

Tables 17 and 18 give the premium amount as well as employee and employer contributions for dental and vision coverage, respectively. Amounts for single and family coverage are given. Employee and employer contribution calculations only include plans where employees contribute to the premium. The total premium will not be the additive factor of the employee plus employer contributions.

**Table 17**

| <b>Dental Premiums - Median Total Premium and Employee and Employer Share</b>   |                             |                       |                       |                   |                      |                       |                       |                   |                              |                   |
|---|-----------------------------|-----------------------|-----------------------|-------------------|----------------------|-----------------------|-----------------------|-------------------|------------------------------|-------------------|
| <b>Comparison Group</b>   | <b>Single</b>               |                       |                       |                   | <b>Family</b>        |                       |                       |                   | <b>Dental Composite Rate</b> |                   |
|   | <b>Total Single Premium</b> | <b>Employee Share</b> | <b>Employer Share</b> | <b># of plans</b> | <b>Total Premium</b> | <b>Employee Share</b> | <b>Employer Share</b> | <b># of plans</b> | <b>Rate</b>                  | <b># of plans</b> |
| STATEWIDE   | \$32.75                     | \$5.54                | \$30.22               | 833               | \$88.84              | \$15.01               | \$80.00               | 841               | \$77.30                      | 185               |
| State of Ohio   | \$24.23                     | -                     | \$24.23               | 1                 | \$99.19              | -                     | \$99.19               | 1                 | -                            | -                 |
| Counties  | \$28.00                     | \$12.88               | \$23.30               | 49                | \$82.76              | \$43.50               | \$62.27               | 49                | -                            | -                 |
| Cities  | \$28.17                     | \$5.10                | \$26.00               | 112               | \$84.80              | \$15.29               | \$75.49               | 112               | \$65.52                      | 23                |
| Townships   | \$27.03                     | \$4.63                | \$27.03               | 70                | \$94.83              | \$15.02               | \$91.99               | 74                | \$77.42                      | 6                 |
| School Districts & ESCs   | \$36.42                     | \$5.38                | \$32.90               | 535               | \$88.96              | \$14.20               | \$80.54               | 538               | \$77.38                      | 153               |
| Colleges & Universities   | \$28.23                     | \$8.46                | \$23.71               | 28                | \$87.04              | \$23.18               | \$73.08               | 28                | \$60.22                      | 3                 |
| Special Districts   | \$28.58                     | \$6.33                | \$25.58               | 38                | \$91.05              | \$16.22               | \$84.72               | 39                | -                            | -                 |
| REGION  |                             |                       |                       |                   |                      |                       |                       |                   |                              |                   |
| 1 - Akron/Canton  | \$62.63                     | \$6.33                | \$53.23               | 167               | \$150.24             | \$15.45               | \$131.02              | 168               | \$56.00                      | 10                |
| 2 - Cincinnati  | \$31.58                     | \$5.23                | \$30.43               | 92                | \$92.68              | \$15.08               | \$83.64               | 94                | \$78.40                      | 30                |
| 3 - Cleveland   | \$31.37                     | \$4.73                | \$28.43               | 115               | \$87.50              | \$12.66               | \$80.98               | 116               | \$74.90                      | 13                |
| 4 - Columbus  | \$33.48                     | \$6.89                | \$29.99               | 137               | \$90.88              | \$20.39               | \$76.08               | 137               | \$73.73                      | 43                |
| 5 - Dayton  | \$27.61                     | \$5.38                | \$25.00               | 120               | \$79.54              | \$14.98               | \$66.50               | 121               | \$86.55                      | 12                |
| 6 - Southeast Ohio  | \$27.62                     | \$4.02                | \$25.05               | 53                | \$73.66              | \$12.24               | \$64.56               | 54                | \$61.95                      | 25                |
| 7 - Toledo  | \$32.21                     | \$7.98                | \$29.70               | 84                | \$84.29              | \$13.13               | \$75.05               | 85                | \$78.00                      | 42                |
| 8 - Warren/Youngstown   | \$33.14                     | \$3.53                | \$31.09               | 65                | \$84.93              | \$8.49                | \$84.93               | 66                | \$72.08                      | 10                |
| EMPLOYEES COVERED   |                             |                       |                       |                   |                      |                       |                       |                   |                              |                   |
| 1 - 49  | \$27.63                     | \$7.60                | \$26.34               | 130               | \$86.34              | \$23.44               | \$82.65               | 133               | \$74.20                      | 12                |
| 50 - 99   | \$30.72                     | \$5.76                | \$29.70               | 145               | \$88.01              | \$15.00               | \$81.14               | 148               | \$77.46                      | 41                |
| 100 - 149   | \$33.00                     | \$5.21                | \$29.61               | 157               | \$86.19              | \$14.14               | \$76.91               | 158               | \$75.00                      | 43                |
| 150 - 249   | \$35.54                     | \$6.39                | \$32.89               | 150               | \$87.33              | \$15.27               | \$78.17               | 151               | \$77.38                      | 48                |
| 250 - 499   | \$35.89                     | \$5.38                | \$32.07               | 152               | \$89.29              | \$13.83               | \$80.11               | 152               | \$75.53                      | 27                |
| 500 - 999   | \$36.84                     | \$6.26                | \$33.20               | 63                | \$100.11             | \$15.80               | \$91.18               | 63                | \$78.40                      | 8                 |
| 1,000 or more   | \$31.51                     | \$5.85                | \$29.11               | 36                | \$90.78              | \$16.12               | \$78.22               | 36                | \$71.44                      | 6                 |
| Note: Number of plans may vary if employer does not have single or family coverage being utilized or values were not reported for the plan. |                             |                       |                       |                   |                      |                       |                       |                   |                              |                   |
| Note: Includes all plans where dental is included in medical.   |                             |                       |                       |                   |                      |                       |                       |                   |                              |                   |
| Note: Excludes dental plans that have a composite rate  |                             |                       |                       |                   |                      |                       |                       |                   |                              |                   |

**Table 18**

**Vision Premiums - Median Total Premium and Employee and Employer Share**

| Comparison Group        | Single               |                |                |            | Family        |                |                |            | Vision Composite |            |
|-------------------------|----------------------|----------------|----------------|------------|---------------|----------------|----------------|------------|------------------|------------|
|                         | Total Single Premium | Employee Share | Employer Share | # of plans | Total Premium | Employee Share | Employer Share | # of plans | Rate             | # of plans |
| STATEWIDE               | \$8.19               | \$2.47         | \$7.25         | 636        | \$20.56       | \$6.54         | \$17.03        | 634        | \$16.85          | 88         |
| State of Ohio           | \$10.04              | -              | \$10.04        | 1          | \$27.61       | -              | \$27.61        | 1          | -                | -          |
| Counties                | \$7.29               | \$5.11         | \$6.40         | 37         | \$19.10       | \$12.42        | \$13.86        | 37         | -                | -          |
| Cities                  | \$7.25               | \$5.69         | \$6.38         | 74         | \$17.95       | \$16.23        | \$14.82        | 74         | \$16.83          | 19         |
| Townships               | \$7.99               | \$1.76         | \$7.99         | 45         | \$25.22       | \$7.22         | \$22.95        | 46         | \$20.82          | 12         |
| School Districts & ESCs | \$8.58               | \$2.00         | \$7.52         | 435        | \$21.19       | \$5.00         | \$16.93        | 435        | \$14.58          | 53         |
| Colleges & Universities | \$6.89               | \$2.92         | \$5.64         | 22         | \$18.20       | \$9.78         | \$13.39        | 22         | \$17.29          | 3          |
| Special Districts       | \$6.41               | \$2.68         | \$5.61         | 22         | \$17.52       | \$6.00         | \$16.43        | 19         | \$12.00          | 1          |
| REGION                  |                      |                |                |            |               |                |                |            |                  |            |
| 1 - Akron/Canton        | \$11.10              | \$1.59         | \$11.09        | 87         | \$27.75       | \$3.91         | \$27.31        | 78         | \$10.02          | 8          |
| 2 - Cincinnati          | \$7.25               | \$6.36         | \$6.31         | 71         | \$17.68       | \$16.50        | \$16.43        | 38         | \$16.00          | 10         |
| 3 - Cleveland           | \$6.69               | \$0.99         | \$6.24         | 86         | \$15.65       | \$3.04         | \$14.45        | 73         | \$7.51           | 7          |
| 4 - Columbus            | \$8.77               | \$5.50         | \$7.76         | 127        | \$22.57       | \$13.54        | \$17.97        | 85         | \$17.16          | 30         |
| 5 - Dayton              | \$8.09               | \$4.41         | \$7.25         | 80         | \$19.62       | \$11.50        | \$16.90        | 53         | \$22.07          | 7          |
| 6 - Southeast Ohio      | \$8.58               | \$1.12         | \$7.72         | 50         | \$19.74       | \$4.21         | \$16.24        | 44         | \$18.51          | 14         |
| 7 - Toledo              | \$8.61               | \$1.89         | \$7.52         | 87         | \$20.26       | \$5.00         | \$16.79        | 74         | \$16.05          | 3          |
| 8 - Warren/Youngstown   | \$5.98               | \$0.75         | \$5.63         | 48         | \$14.68       | \$2.07         | \$13.64        | 42         | \$8.03           | 9          |
| EMPLOYEES COVERED       |                      |                |                |            |               |                |                |            |                  |            |
| 1 - 49                  | \$8.62               | \$3.76         | \$7.99         | 100        | \$23.94       | \$10.88        | \$20.69        | 80         | \$20.17          | 10         |
| 50 - 99                 | \$9.21               | \$1.99         | \$8.13         | 103        | \$21.62       | \$4.67         | \$18.98        | 83         | \$16.89          | 22         |
| 100 - 149               | \$8.50               | \$2.49         | \$7.25         | 124        | \$19.20       | \$5.81         | \$16.70        | 97         | \$17.11          | 25         |
| 150 - 249               | \$8.39               | \$2.74         | \$7.57         | 132        | \$20.13       | \$7.00         | \$16.90        | 101        | \$17.39          | 14         |
| 250 - 499               | \$7.45               | \$2.84         | \$6.66         | 114        | \$18.99       | \$9.47         | \$15.45        | 79         | \$11.88          | 10         |
| 500 - 999               | \$6.46               | \$2.55         | \$5.43         | 36         | \$15.88       | \$9.05         | \$13.84        | 26         | \$10.17          | 2          |
| 1,000 or more           | \$6.48               | \$1.26         | \$5.14         | 27         | \$18.54       | \$3.94         | \$13.76        | 21         | \$9.36           | 5          |

Note: Number of plans may vary if employer does not have single or family coverage being utilized or values were not reported for the plan.  
 Note: Includes all plans where vision is included in medical.  
 Note: Excludes vision plans that have a composite rate

## DEFINITIONS AND CLARIFICATIONS

- Under Jurisdiction, reporting “Special Districts” include: housing authorities, port authorities, regional transit authorities, and regional fire districts. These jurisdictions are often merged due to the relatively low numbers in each.
- Each Region consists of several geographically proximate counties. The groupings, which were originally developed by SERB’s Bureau of Mediation for the purpose of developing fact-finding and conciliation panels, are as follows:
  - 1 - Akron/Canton: Ashland, Carroll, Coshocton, Harrison, Holmes, Medina, Portage, Stark, Summit, Tuscarawas & Wayne.
  - 2 – Cincinnati: Adams, Brown, Butler, Clermont, Clinton, Hamilton, Highland & Warren.
  - 3 – Cleveland: Ashtabula, Cuyahoga, Erie, Geauga, Huron, Lake, & Lorain.
  - 4 – Columbus: Crawford, Delaware, Fairfield, Fayette, Franklin, Knox, Licking, Madison, Marion, Morrow, Pickaway, Pike, Richland, Ross, Scioto, Union, & Wyandot.
  - 5 – Dayton: Auglaize, Champaign, Clark, Darke, Greene, Logan, Mercer, Miami, Montgomery, Preble, & Shelby.
  - 6 - Southeast Ohio: Athens, Belmont, Gallia, Guernsey, Hocking, Jackson, Lawrence, Meigs, Monroe, Morgan, Muskingum, Noble, Perry, Vinton, & Washington.
  - 7 – Toledo: Allen, Defiance, Fulton, Hancock, Hardin, Henry, Lucas, Ottawa, Paulding, Putnam, Sandusky, Seneca, Van Wert, Williams, & Wood.
  - 8 – Warren-Youngstown: Columbiana, Jefferson, Mahoning, & Trumbull.
- **Employees Covered** refers to the total number of employees covered under each employer health plan. For instance, an employer who offers two health plans with one plan covering 600 employees and the other plan covering 1,200 will have the former placed in the population category “500 to 999” covered employees and the latter placed in the population category “1,000 or more” covered employees.
- **Base Medical & Major Medical Plan (BMM):** “A traditional fee for service plan which covers 100% of certain basic health care services such as hospital, surgical and physician services up to established limits. Thereafter, the major medical portion of the plan goes into effect for those items or for benefits not covered under the base plan. Deductibles, co-insurance and co-payments typically apply only to the major medical portion of the plan.” (The Ohio Public Sector Labor-Management Health Care Benefits Committee. <http://www.healthlmc.org/rc/glossary.html#h>. Retrieved on 10 June 2009)
- **Comprehensive Major Medical Plan (CMM):** “A type of traditional plan where all benefits are subject to deductibles and co-payments.” (The Ohio Public Sector Labor-Management Health Care Benefits Committee. <http://www.healthlmc.org/rc/glossary.html#h>. Retrieved on 10 June 2009)
- **Preferred Provider Organization (PPO):** “A Preferred Provider Organization (PPO) is a healthcare delivery system where providers contract with the PPO at various reimbursement levels in return for patient steerage into their practices and/or timely payment. PPOs differ from other healthcare delivery systems in the way they are financed, including providing more choice, benefit flexibility and enrollee access to providers and medical services both in and out-of-network.” (American Association of Preferred Provider Organizations. <http://aappo.org/>. Retrieved on 6 February 2008)

- **Health Maintenance Organization (HMO):** “An HMO is a type of health plan that often has lower monthly premiums and out-of-pocket costs, like copayments and deductibles. HMOs only cover health care services given by doctors and hospitals in the plan's provider network. Not all HMO plans are the same. Some HMOs may have a smaller network and lower monthly premiums than other HMOs..” (National Center for Health Statistics, Center for Disease Control. <http://www.cdc.gov/nchs/datawh/nchsdefs/hmo.htm>. Retrieved on 6 February 2008).
- **Point of Service (POS):** “A point-of-service plan (POS) is a type of managed care plan that is a hybrid of HMO and PPO plans. Like an HMO, participants designate an in-network physician to be their primary care provider. But like a PPO, patients may go outside of the provider network for health care services. When patients venture out of the network, they'll have to pay most of the cost, unless the primary care provider has made a referral to the out-of-network provider. Then the medical plan will pick up the tab.” (California Healthcare Foundation. <http://www.healthcoverageguide.org/ReferenceGuide/Coverage-Types/Point-of-Service-Plan-POS.aspx>. Retrieved on 6 February 2008).
- **Consumer-Driven Health Plan (CDHP):** Also sometimes referred to as High Deductible Health Plans (HDHPs). These are health plans with high deductibles (\$1250 for single coverage and \$2500 for family coverage) that are coupled with a tax-deferred medical care savings account. Enrollees in a CDHP may use this account to pay for any qualified medical expenses before their deductible is reached and any other out-of-pocket expenses. (U.S. Office of Personnel Management. <http://www.opm.gov/insure/health/hsa/hsa.asp> Retrieved 13 May 2009; Kaiser Family Foundation. “National Survey of Enrollees in Consumer Directed Health Plans” <http://www.kff.org/kaiserpolls/upload/7594.pdf> Retrieved on 10 February 2008.)
- **Health Savings Account (HSA):** “Health Savings Accounts are tax-advantaged personal savings accounts used in conjunction with a qualified high-deductible health plan (HDHPs) to help pay for unreimbursed medical expenses. Contributions to HSAs may be received from employers, individuals or any combination of both. Employer contributions are excludable from income and individual contributions are deductible, regardless of whether or not a taxpayer itemizes deductions. Annual contributions are limited to a statutory level and out-of-pocket maximums are limited, but individuals age 55 and over with accounts can make additional contributions. HSAs are portable and funds carry over to subsequent years.” (National Association of Health Underwriters. <http://www.nahu.org/legislative/MSAs/HSAs-HSSAs/index.cfm> Retrieved 13 May 2009.)
- **Health Reimbursement Account (HRA):** Like an HSA, an HRA is a tax-advantaged personal savings account where monies can be used to pay for medical expenses prior to the deductible being met and for any other out-of-pocket medical expenses. Unlike HSAs, an employee does not have to be enrolled in a CDHP/HDHP to qualify for an HRA, though they typically are. HRAs can only be funded by the employer, and they are not portable should the employee change health plans and/or employers. (Internal Revenue Service. “Health Savings Accounts and Other Tax-Favored Health Plans.” <http://www.irs.ustreas.gov/pub/irs-pdf/p969.pdf> Retrieved 13 May 2009.)

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## END NOTES

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<sup>i</sup> For the two employers that we could not locate email addresses for, letters with links to the survey website were sent via postal mail.

<sup>iii</sup> The sample size needed to estimate  $p$  with a bound on error  $B$  was estimated using equation 3: ( $N$ = total number of surveys sent)

$$n = \frac{Npq}{(N-1)D + pq} \quad N=1327, p=.5, B=.05$$

$$\text{where } q = 1 - p \text{ and } D = \frac{B^2}{4}$$

The bound ( $B$ ) utilized was .05, while  $p$  was replaced with the most conservative estimate, .5. Solving for  $n$  results in a necessary sample size of 308. Sample sizes necessary for individual entities (i.e. cities, school districts) are available upon request.

<sup>iii</sup> Information on single + one, single & spouse and single & child coverage is available upon request.

<sup>iv</sup> In 89.0% of medical plans reported, prescription drug coverage is included in the medical premium cost.