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LANE TRANSIT DISTRICT
SPECIAL BOARD MEETING/WORK SESSION

Monday, June 13, 2011
5:30 p.m.

LTD Board Room
3500 E. 17th Avenue, Eugene
(off Glenwood Boulevard)

A G E N D A

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I.	CALL TO ORDER	
II.	ROLL CALL	
	Kortge ______ Towery ______ Necker ______ Evans ______	
	Dubick _____ Eyster ______ Gillespie _____	
III.	PRELIMINARY REMARKS BY BOARD PRESIDENT	
IV.	ANNOUNCEMENTS AND ADDITIONS TO AGENDA	2
V.	WORK SESSION	
	A. Pension Plan Design Presentation (90 minutes)	3
	B. Oregon Health Strategies Project (30 minutes)	30
VI.	ADJOURNMENT	

The facility used for this meeting is wheelchair accessible. If you require any special physical or language accommodations, including alternative formats of printed materials, please contact LTD's Administration office as far in advance of the meeting as possible and no later than 48 hours prior to the meeting. To request these arrangements, please call 682-6100 (voice) or 1-800-735-2900 (TTY, through Oregon Relay, for persons with hearing impairments).

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AGENDA ITEM SUMMARY

DATE OF MEETING: June 13, 2011

ITEM TITLE: ANNOUNCEMENTS AND ADDITIONS TO AGENDA

PREPARED BY: Jeanne Schapper, Administrative Services Manager/Clerk of the Board

ACTION REQUESTED: None

BACKGROUND: This agenda item provides a formal opportunity for Board members to make announcements or to suggest topics for current or future Board meetings.

ATTACHMENT: None

PROPOSED MOTION: None

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AGENDA ITEM SUMMARY

DATE OF MEETING: June 13, 2011

ITEM TITLE: PENSION PLAN DESIGN PRESENTATION

PREPARED BY: Mary Adams, Director of Human Resources and Risk Management

ACTION REQUESTED: None. Information only.

BACKGROUND: The Board Human Resources Committee has been considering a range of options that could create more stability and long-term cost controls for the Lane Transit District's Salaried Employees' Retirement Plan. Committee members and staff have met twice with Pete Sturdivan, Lead Actuary with LTD's pension plan actuarial firm Milliman, Inc. to learn about the current plan and explore other potential plan designs.

At the April 11, 2011, Board meeting, Board members were joined by five Budget Committee members, to hold an in-depth discussion on pension values, and to give staff direction on how to design a new pension plan for new LTD employees. Milliman has done significant analysis based on Board direction.

On April 26, 2011, the Board Human Resources Committee was joined by the Board Finance Committee for an expanded discussion about pension plan designs. Based on that discussion, three potential plan designs were selected for final analysis.

At the June 13 Board meeting, Pete Sturdivan will present his firm's analysis of these three possible pension plan designs. Details will include short- and long-term costs, as well as member benefit comparisons for each design.

ATTACHMENT: PowerPoint Presentation

PROPOSED MOTION: None

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LANE TRANSIT DISTRICT

Retirement Program Redesign

June 13, 2011

Defined Benefit Plan

A defined benefit plan is one that provides a definitely determinable monthly benefit at retirement. Typical monthly benefits are expressed as a flat dollar rate per year of service or a flat percentage of final average salary per year of service. Current administrative employees are covered by a final average salary defined benefit plan.

Cash Balance Plan

A cash balance plan is a modified defined benefit plan that expresses benefits in terms of account balances. These plans look like defined contribution plans, because prior to retirement, the accrued benefit is expressed as an account balance based on annual additions to the account and a guaranteed interest rate. Unlike a defined contribution plan, the account does not increase with an allocated share of actual investment income each year, but by a formula rate defined in the plan. Proposal 1 in this presentation includes a cash balance plan component.

Defined Contribution Plan

A defined contribution plan provides a benefit based on the accumulation of pre-determined contributions. For example, the level of annual contribution is specified in the plan; e.g., 4% of pay. Under a defined contribution plan, if an employee quits, dies, retires or becomes disabled, the account balance is normally payable. However, lump sums do not have to be paid and the normal form of benefit may be an annuity purchased from an insurance company. Proposal 2 is a defined contribution only proposal.

Combination of Defined Benefit Plan or Cash Balance Plan with a Defined Contribution Plan

The administrative retirement program is currently made up of a defined benefit plan and a defined contribution plan. This structure can take advantage of good features of both designs, including lifetime benefits and portable benefits. There will be two plans to administer, and must look at both plans when considering benefit levels. Both Proposals include a defined contribution component.

LTD Retirement Benefits

Plan Features	LTD & ATU Local No. 757 Pension Trust	LTD Salaried Employees' Retirement Plan		LTD Deferred Compensation Plan
Type of Plan:	Defined Benefit	Defined Benefit	Defined Contribution	457(b)
Who is Eligible:	ATU Represented Employees	Administrative Employees	Administrative Employees	All LTD Employees
When Established:	1972	1975	1999	1984
Vesting:	100% in Employee Participation Account at three years; 100% in pension at earlier of five years or 60th birthday while an LTD employee	100% at earlier of five years or 60th birthday while an LTD employee	100% immediately	100% immediately
Full Retirement:	Age 60 or 30 years of credited service	Age 60 or 30 years of service	N/A	N/A
Early Retirement:	Reduced benefit at age 55 and five years of credited service	Reduced benefit at age 55 and five years of service	N/A	N/A
Retirement Benefit:	$64 per month per year of credited service	1.67% of Final Average Annual Salary, divided by 12 times benefit credit years; or, if greater, 3% of Final Average Annual Salary divided by 12 times benefit credit years (up to 25), less the member's deemed primary social security benefit at age 62	Full balance taken at retirement	Full balance taken at retirement
Contribution Rate:	$4.26 per hour	18.3% of salary	6% of salary (all from LTD)	Employee deferral
MV Assets, Last Val Date:	$13,900,000	$7,900,000	Individual accounts	Individual accounts
Fund Manager:	RV Kuhns - Consultant	RV Kuhns - Consultant	AIG-VALIC	AIG-VALIC or Hartford
Who Directs Funds:	Trustees	Trustees	Employee self-directs funds	Employee self-directs funds
Trustees:	Four members: two representing ATU, two representing LTD	Three members: Board President, General Manager, Director of Human Resources and Risk Management		LTD

LTD Admin & OPSRP Comparison

Plan Features	OPSRP		LTD Salaried Employees' Retirement Plan	
Type of Plan:	Defined Benefit	Defined Contribution	Defined Benefit	Defined Contribution
Vesting:	Five years of service or age 65	100% immediately	Five years of service or age 60	100% immediately
Full Retirement (DB):	Age 65, or age 58 with 30 years of service	N/A	Age 60 or 30 years of service	N/A
Early Retirement (DB):	Actuarially reduced benefit at age 55 and five years of service	N/A	Reduced benefit at age 55 and five years of service (3% per year from 60 to 58; 8% per year from age 58 to 55)	N/A
Final Average Salary	Base pay, overtime (limited), bonus. No unused sick or vacation time.	N/A	Base pay, overtime, bonus. Includes accrued and unpaid Consolidated Annual Leave.	N/A
Full Retirement Benefit:	1.5% of Final Average Annual Salary divided by 12 times years of service	Full balance or installments taken at retirement	1.67% of Final Average Annual Salary, divided by 12 times benefit credit years; or, if greater, 3% of Final Average Annual Salary divided by 12 times benefit credit years (up to 25), less the member's deemed primary social security benefit at age 62	Full balance taken at retirement
COLA:	Usually 2% per year	N/A	N/A	N/A
Normal Contribution Rate:	6.1% of salary	6% of salary (usually ER-paid); voluntary employee contributions	11.0% of salary	6% of salary from LTD; voluntary employee contributions
Actuarial Cost Method:	Projected Unit Credit	N/A	Entry Age Normal	N/A
Discount Rate:	8.0%	N/A	7.5%	N/A
Mortality:	RP-2000 Healthy White Collar, generational projection	N/A	RP-2000 Healthy	N/A

Previous Board Input

- Current retirement benefits are coming at high cost
- Employee should be responsible for retirement income decision
  - Including whether to purchase guaranteed lifetime income
- Target benefits cost at approximately 9% of payroll

Details of Possible Retirement Program Designs

Retirement Plan	Current Benefit Structure	Proposal 1 – Cash Balance	Proposal 2 – Defined Contribution
Normal Retirement Age (NRA)	Age 60 or 30 years of service	Age 65 and 5 Yrs. of Cr. Svc	Age 65 and 5 Yrs. of Cr. Svc
Normal Retirement Benefit (NRB)	1.67% of Final Average Annual Salary, divided by 12 times benefit credit years; or, if greater, 3% of Final Average Annual Salary divided by 12 times benefit credit years (up to 25), less the member's deemed primary social security benefit at age 62	Amount provided by Account	Amount provided by Account
COLA	None	Depends upon annuity basis	Depends on annuity basis
Annual Pay Credit / Employer Contribution	N/A	**7.0% of pay for first 5 years** **8.75% of pay for years 6 - 10** **10.5% of pay for years 11 - 15** **12.25% of pay for years 16 - 20** **14.0% of pay thereafter**	**4.5% of pay for first 5 years** **5.6% of pay for years 6 - 10** **6.7% of pay for years 11 - 15** **7.8% of pay for years 16 - 20** **9.0% of pay thereafter**
Interest Crediting Rate	N/A	**4.0% per year**	Based on plan's investment performance
Early Retirement	Age 55 and 5 Yrs. of Cr. Svc	Age 55 and 10 Yrs. of Cr. Svc	Age 55 and 10 Yrs. of Cr. Svc
Unreduced Early Retirement	Age 60 or 30 Yrs. of Cr. Svc	N/A	N/A
Early Retirement Factors (ERF)	3% from 60, 8% from 58	N/A	N/A
Early Retirement Benefit	NRB x ERF (3% for 2 years, then 8%)	Amount provided by Account	Amount provided by Account
Defined Contribution Plan			
Annual Employer Contribution	6% of covered pay	N/A	See above
Matching Formula	N/A	**50% of employee deferral on the first 6% of base salary**	**50% of employee deferral on the first 6% of base salary**

Discussion Points – Defined Contribution

- Defined contribution plans build up an account balance which the employee can roll over to an IRA upon retirement, and spend over the course of a retired lifetime.
- The District provides no guarantees to participants beyond the initial contributions into the account.
- Most defined contribution plans allow participants to direct investments.
- The Board indicated some interest in managing employees' investments up until the time of retirement.
  - Employer-directed investments come with fiduciary responsibilities.
  - Some "traditional" defined contribution plans have taken this approach by investing in, for example, 60% equity / 40% bond "balanced" portfolios.
  - An alternative approach to employer-directed investments might be to invest each member's assets in a target-date fund based upon their stated date of retirement. Target-date funds change asset allocations to more conservative investments as a participant approaches a stated retirement date.

Discussion Points – Cash Balance

- Cash balance plans build up an account balance which the employee can either annuitize or roll over to an IRA upon retirement.
- Must offer at least one annuity benefit
  - Can be for a period certain of 10 years or more, or can be a single or joint life annuity
  - Can offer annuity through an insurance company instead of through the Trust
- If lump sum payouts are offered, they are likely to be taken
- The District guarantees the initial contribution credits as well as all interest credits in the account.
  - The relatively low 4% guaranteed interest crediting rate is offset by higher pay credits.
- Early Retirement Window benefits can be provided within a cash balance plan
- A cash balance plan might stand a greater chance of acceptance from the ATU as the District looks to redesign its hourly employees' benefits.

Replacement Income

Following is a summary of employer-provided monthly pension benefits provided to a hypothetical retiree who is age 62 with 25 years of service. Base annual salary at retirement is $65,000. Benefits under the current DB plan also reflect a Consolidated Annual Leave cashout at retirement of 360 hours.

The current benefit structure also includes District-paid monthly retiree medical benefits of up to $250 prior to age 65, and $125 thereafter. This medical benefit is not included in the benefits and cost analyses on this and the following slide.

	Current Benefit Structure	Proposal 1 – Cash Balance	Proposal 2 – Defined Contribution
Age 62 Monthly Benefits			
-- DB Plan	$2,234	$1,137	$0
-- DC Plan	$879	$0	$952
-- District Match	n/a	$440	$440
-- Total	$3,113	$1,577	$1,392
Monthly Base Pay	$5,417	$5,417	$5,417
Replacement Ratio to base pay			
At retirement	57%	29%	26%
20 years later	33%	17%	15%

Estimated Program Costs

Following is a summary of the costs to the District of sponsoring the retirement benefits previously shown:

	Current Benefit Structure	Proposal 1 – Cash Balance	Proposal 2 – Defined Contribution
% of Payroll Costs			
-- DB Plan*	11.9%	6.5%	0.0%
-- DC Plan	6.0%	0.0%	6.8%
-- District Match	n/a	2.4%	2.4%
-- Total	17.9%	8.9%	9.2%

These costs are based upon data and assumptions stated towards the end of this presentation, and are designed to reflect the expected experience of future salaried employees.

** Costs for the current defined benefit plan are 10.6% of payroll for true new hires, and 14.4% of payroll for ATU transfers. Costs for the cash balance and defined contribution proposals are for transfers and new hires combined, and assume transfers will receive higher accrual rates in observance of ATU service.*

Observations on Benefits and Costs

- Proposals 1 and 2 are designed to cost the District approximately 9% of covered pay, including matching contributions.
- The current benefit structure comes with risks of increasing contributions if Trust investments do not meet the assumed annual return.
- Proposal 1 comes with smaller risk of increasing contributions because the actuarial assumptions are more conservative and the normal cost is lower.
- The current benefit structure is significantly richer than the proposed structures. This may pose challenges for attracting and retaining future employees.
- If the current benefit structure's DC component could be eliminated or reduced, that would immediately save the District significant revenue and bring greater parity between old and new benefit structures.
- Female members tend to do better than males under defined benefit structures because of their longer expected lifetimes.
- If the cash balance plan does not provide meaningful guarantees to the participants, a defined contribution plan may cost less to administer, would expose the District to less risk, and may be more transparent to employees.

Workforce Management

- Removal of retirement income guarantee, lower level of benefits, and lack of early retirement subsidies could lead to later retirement for future generations of workers.
- Backloaded formula for cash balance and defined contribution plans will help retain workers until retirement, but may also encourage later retirement.
- Current retirement benefits are substantially richer and more secure than proposed retirement benefits. This may lead to communication issues with future hires.
- If current ATU employees are placed into the new retirement benefits upon transfer to salaried employment, it may be difficult to induce employees to transfer.
  - ATU transfers have comprised approximately 35% of new salaried employees over the past ten years. Current ATU employees could transfer into the current salaried retirement benefit structure but the savings of adopting a new retirement benefit structure would be postponed.

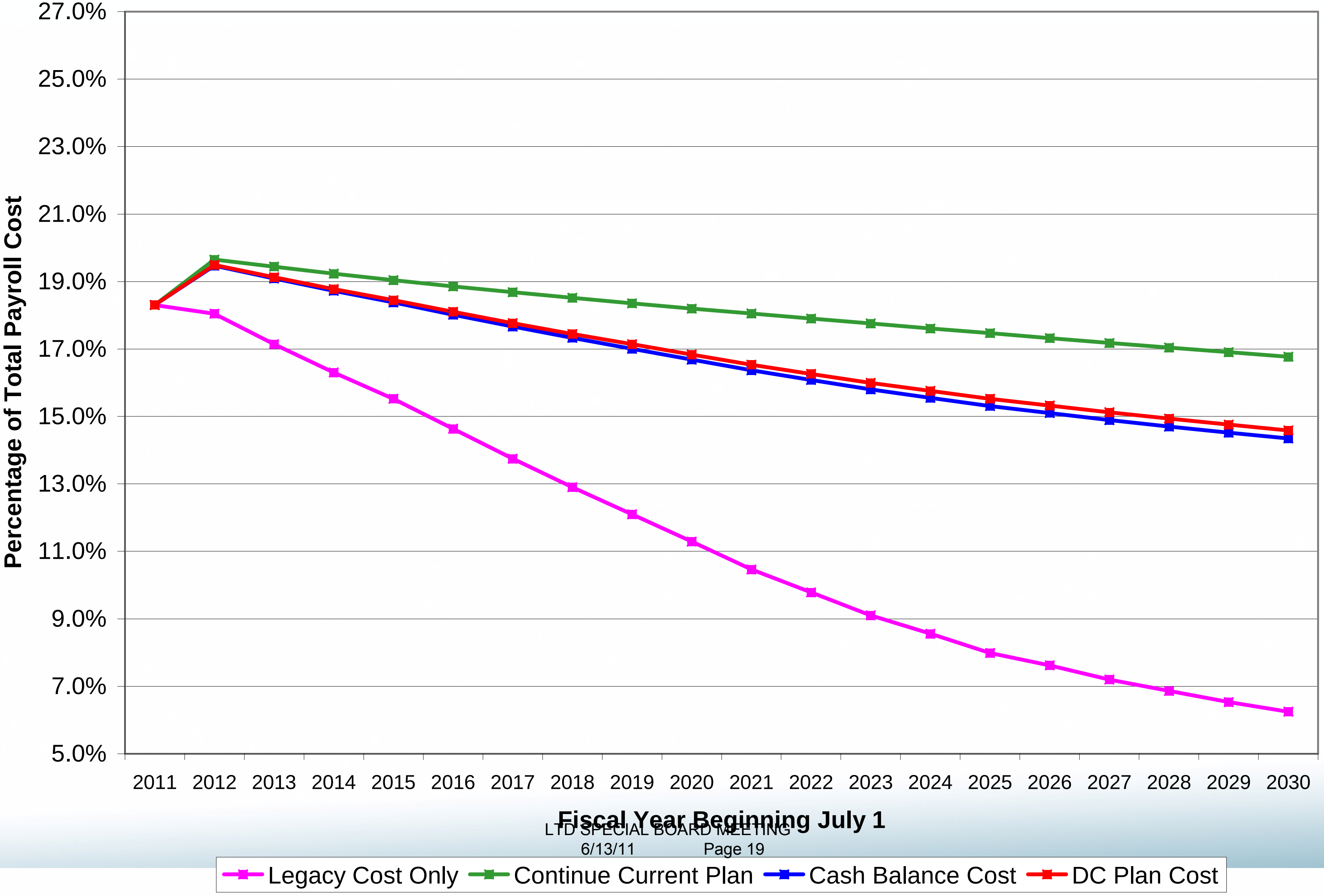
Current Benefits

- Budgetary pressures are a primary reason for pursuing retirement benefits redesign.
- Focus has been on future employee benefits.
  - Retirement Plan Legal Counsel recommends against altering the defined benefit structure for current employees, because of legal uncertainties.
- Reducing or eliminating current employees Part 2 benefit would deliver greater parity between current and proposed benefit structures, and would help satisfy the budgetary goals which have led to the change in benefits
  - Retirement Plan Legal Counsel believes that the “Part 2” 6% of pay defined contribution structure for current employees could be altered or eliminated.

Current Benefits

- Removing future entrants from the current defined benefit structure will put upward pressure on the costs for those benefits.
  - Current GASB rules – which are a benchmark for cash funding – require that unfunded liability be amortized in level dollar installments, not as a level percent of payroll.
    - Switching to level dollar installments generally increases scheduled contributions.
    - However, if a cash balance plan is adopted, a switch to level dollar installments may not be required.
  - As the covered population ages, a shortening investment horizon may lead to more conservative investments and therefore a lower expected rate of return.
  - However, salary increases for the remaining senior population will generally be lower than for the District as a whole.
  - Several potential assumption changes may warrant review for the 2011 valuation.
- The following slide shows a projection of current salaried retirement plan costs for next 20 years as a percentage of total District payroll.
  - "Legacy Cost" – current pension plan for the closed group of participants
  - "Current Plan" – current pension plan, including future participants
  - "Cash Balance" – legacy cost plus the cash balance and matching contribution benefits for future hires
  - "DC Plan" – legacy cost plus the defined contribution and matching contribution benefits for future hires

Projected Retirement Benefit Costs (except Part 2)



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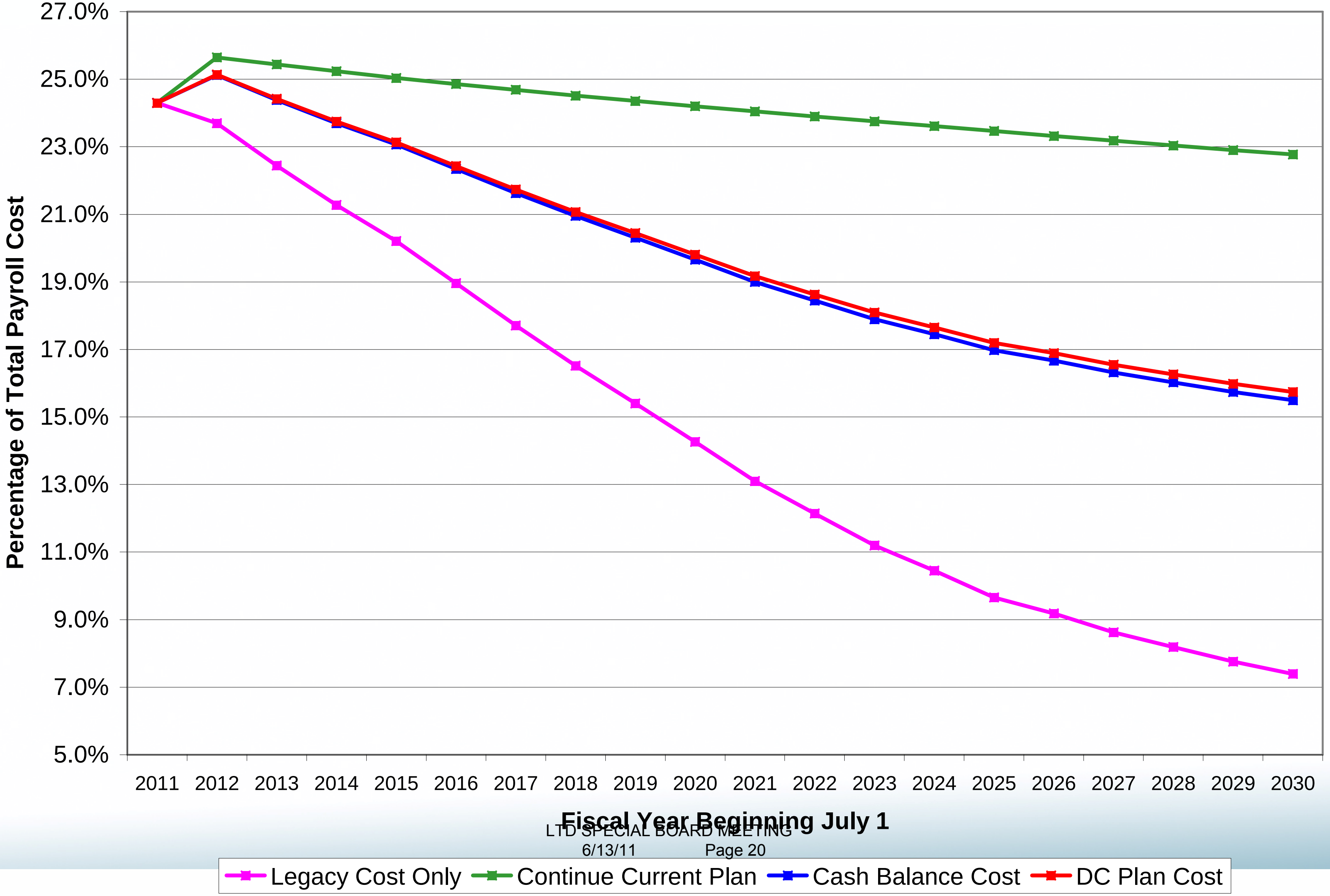
Projected Retirement Benefit Costs (incl. Part 2)



Projected Costs

- The costs shown herein are for discussion purposes only, and could change significantly based upon Board action for the 2011 valuation.
  - Actuarial assumptions are generally from the 2009 valuation report.
  - For illustrative purposes, payment of the unfunded actuarial accrued liability is based upon a projected market value of assets of $11.4 million as of July 1, 2011, and 25-year level dollar payments.
  - The projections make allowance for ATU employees as of July 1, 2011 who transfer to salaried employment in future years and participate under the current benefit structure.
  - Revised assumptions for future entrants under the current plan or the cash balance plan are discussed in the slides at the end of this presentation.
  - Additional changes to assumptions used for current participants (discussed on previous slide) may increase costs further.
  - Retiree medical benefits for current employees are not included.
- Annual base salary of $5.5 million is assumed for 2011-2012, growing 3.5% per year in all future years.

Projected Costs (cont'd)

- Defined contribution costs shown above recognize that actives will have higher contribution rates in future years than they will have during the next few fiscal years.
  - To the extent that actual defined contribution costs over the next few fiscal years are lower than projected herein, the District could set aside that excess to fund the pension plan faster than it otherwise would have, or to set aside money for future years' defined contribution obligations.
- All defined benefit costs shown above are based upon meeting actuarial assumptions, and come with risks of higher contributions in the event that assumptions such as investment return are not realized.
  - Due to the lower level of benefits and more conservative assumptions, the cash balance plan entails significantly less risk than the current plan. The DC plan eliminates this risk for future entrants.

Major Decision Points

1. Adopt a new retirement benefit structure?
2. Will the new structure be cash balance or defined contribution?
   - Cost of benefits acceptable as shown?
3. Adopt a matching contribution benefit?
   - Cost of benefits acceptable as shown?
4. Current members – reduce Part 2 benefits?
   - What level of LTD-paid contributions? (0% to 6%)
   - Or change to matching contributions, same as with future hires?

Trailing Decision Points

1. Who will be covered by the new retirement benefits?
   - Date of hire on or after July 1, 2011?
   - How to handle employees who have been hired but have not commenced work?
   - Will current ATU employees who transfer into salaried positions be under the new benefits?
2. Compensation definition
   - A basic compensation definition might include regular salary, Consolidated Annual Leave used in the course of employment, and no reduction for Section 125 and 457(b) deferrals.
   - Could include OT or bonus in retirement benefits compensation, similar to OPSRP
3. Vesting provisions
   - Required minimum hours for a year of service
   - 3 to 5 years of service cliff vesting
   - Graded vesting over up to 7 years
   - Could vary vesting provisions by “main” benefit vs. matching contributions
4. Eligibility provisions
   - Length of waiting period, if any
5. Transfer provisions
   - Credit ATU service in determining accrual rate?

Trailing Decision Points

6. Retirement definition
   - Age 65 with 5 years of service
   - Age 55 with 10 years of service – would affect access to self-pay retiree medical
7. Defined contribution investments
   - Participant-directed or District-directed?
   - What investments or range of investment to use?
   - Could vary by “main” benefit and matching contribution
8. Defined contribution deposit timing
   - Payroll basis is most generous
   - Main alternative is annual deposits with end of year employment requirement
9. Matching contribution deposits
   - Payroll basis is most straight-forward and encourages ongoing participation
   - Alternatives include quarterly or annual deposits, or true-ups
   - Adopt automatic enrollment of employees?
10. Annuitization of cash balance benefit
    - Require partial or full annuitization? At what dollar levels or ages?
    - Work with a single insurer? Offer variable as well as fixed annuities?
11. Modifications to benefit formulas
    - Based on other trailing decision points, modifications to benefit formulas shown in slide 7 may be needed to meet cost goals approved by the Board as part of the Major Decision Points.

Cost Study Data

In developing the costs of current benefits and the cash balance proposal for new members, we reflected the age and gender mix of new salaried District hires from 1999-2009.

Based upon 2009 valuation data from the District, we constructed an “average” administrative new retiree as male age 62, working 2,080 hours per year and earning $65,000 in base pay. In estimating benefits under the current DB Plan, we also reflected 360 hours of cashed out Consolidated Annual Leave at retirement. For both the current and new retirement structures, overtime and bonus were included in covered compensation, but no actual amount was assumed based on the understanding that these components of compensation are not frequently paid.

Economic Actuarial Assumptions

Investment Return

The assumed investment assumption was 6.5% per year, net of investment fees, for determining the entry age normal cost for the current benefit structure and the pre-retirement defined contribution investment return. For the cash balance structure, we used an assumed investment assumption of 6.0% per year prior to retirement.

For converting cash balance and defined contribution benefits to annuities at age 62, interest rates were assumed to be 5.5% per year. This is a long-term annuity rate assumption; current rates for retirees are below 4.0%.

Salary Inflation

Salaries are assumed to increase based upon age, ranging from 11% to 7% for the employees younger than 35, down to 5.0% for employees ages 35 to 49, and 3.5% for employees age 50+. Most employees of the District are older than 35.

Cost of Living Increases

We assumed general price inflation of 2.75% per year.

Additional Actuarial Assumptions

Unless otherwise noted, actuarial assumptions were retained from the 2009 Actuarial Valuation for the current benefit structure. A detailed description of assumption changes was provided to District staff.

- RP-2000 Mortality Table for Males and Females with a 30-year projection using Scale AA. The projection of mortality is meant to reflect the new entrants whose benefits are being considered.
- Termination rates lowered for longer-service employees under the current plan in order to reflect the incentives offered by current pension and retiree medical benefits.
- Retirement rates revised for current benefits to reflect incentive for unreduced retirement at 30 years of service. Retirement rates also extended to age 67 to reflect observed experience.
- Retirement rates for cash balance proposal lowered from current levels and extended to age 70.
- All employer DC contributions (including match) will become vested.
- 80% of active members were assumed to participate and be eligible for the matching contributions up to the 3% level.

Limitations

This presentation is not intended to provide legal advice. Any legal questions resulting from this presentation should be referred to legal counsel.

Future actuarial measurements may differ significantly from the current measurements presented in this presentation due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements.

AGENDA ITEM SUMMARY

DATE OF MEETING: June 13, 2011

ITEM TITLE: OREGON HEALTH STRATEGIES PROJECT

PREPARED BY: Mary Adams, Director of Human Resources and Risk Management

ACTION REQUESTED: None. Information only.

BACKGROUND: As part of LTD's ongoing efforts to manage health care benefits in a progressive way, the District has been a member of the Oregon Coalition of Health Care Purchasers (OCHCP) for the past seven years. Mary Adams has been an active Board member for six of those years. The Purchaser's Coalition has been very aggressive in finding grant funding to conduct pilots for health care alternatives. In 2010 the National Business Coalition on Health, Pfizer Inc., and the OCHCP formed a collaborative, underwritten by Pfizer, to invest in the health of the workforce by ensuring that employees and their families receive high-quality, cost effective, evidence-based health care. Employer participation is free, and 11 Oregon employers have joined the Oregon collaborative.

Employers are using their health and productivity data to better align incentives to encourage desired health behaviors and remove health care barriers for employees. This is the first systematic model for combining data from an employer's group health plan; workers' compensation plan; internal productivity and attendance records; and ancillary benefits such as short-term and long-term disability, federal and state protected leaves, and employee assistance programs.

The first phase of this 30-month project involved collection of a significant amount of data. This process was completed in December 2010. The second phase of data analysis has been an iterative process that is ongoing. A draft report has been prepared for each employer. Staff will present this initial report at the June 13 Board meeting and discuss possible long-term outcomes from participation in this collaborative.

ATTACHMENT: None.

PROPOSED MOTION: None.

Oregon Health Strategies Project

LTD Board of Directors Briefing

June 13, 2011

Oregon Coalition of Health Care Providers

- Over 30 employer members in Oregon
- Committed to working with partners
- Promote and maintain healthcare delivery system that provides:
  - Quality
  - Accountability
  - Affordability for employers

Oregon Health Strategies Project

- Collaborative between
  - Oregon Coalition of Health Care Providers
  - National Business Coalition on Health
  - Pfizer Inc.
- Five project grants awarded
  - Chicago
  - Kansas City
  - Texas
  - Virginia

Study Guiding Principles

Employers with

strong health management teams *and*

actionable data

will be better able to foster

healthier, more productive employees

and achieve **higher value**

for every health care dollar invested.

Oregon Health Strategies Project

Six Private Oregon Employers Involved

- Blount International
- Citycounty Insurance Services
- The Collins Companies
- Legacy Health
- Portland General Electric
- Salem Health

Oregon Health Strategies Project

Six Pubic Oregon Employers Involved

- City of Corvallis
- City of Eugene
- Clackamas County
- Lane Transit District
- Multnomah County
- OHSU

Expected Outcomes for LTD

- Coordinated and aligned benefits
- Improved health outcomes for employees and dependents
- Reduced long-term benefit costs

Study Design

Three-year, Three-phase Study

- Phase 1: Prepare Baseline Descriptive Survey
    - Using Full Cost Estimator Tool
- Phase 2: Design and Implement Interventions
- Phase 3: Evaluate Outcomes

Data Sources

- Health Care Providers
  - Medical Claims
  - Pharmacy Claims
  - Disease Management Program
  - Employee Assistance Plan
- Screenings
  - Biometric Screenings

Data Sources

Internal Data

- Demographics
- Absences
- Productivity
- Recruiting Timelines
- Retention and Turnover
- Safety and Risk Management

Data Sources

Leave Program Sources

- Worker's Compensation Claims
- Short-term Disability
- Long-term Disability
- Family Medical Leave
- Oregon Family Leave

Data Sources

Wellness Programs

- Empower Diabetic Program
- In-house Events

Expected Study Benefits

- Data Driven Comparisons
  - Against other successful employers
  - Against other similar employers
- Suggested Interventions Based On
  - Data Proven Best Practices
- Data Driven Evaluation Methodology

Current Status

- Phase 1 Complete
  - Full Cost Estimator Received
- Phase 2 In Progress
  - Initial Draft Comparison Reports Prepared
  - Initial Intervention Ideas Suggested
  - Health Strategies Team Forming