



DEPARTMENT OF ADMINISTRATION

STATE ADMINISTRATION AND
VETERANS' AFFAIRS COMMITTEE

November 2023

Topics

- General Montana/Regional Workforce Statistics
- State of Montana Employee Pay & Recruitment Challenges
- State of Montana Employee Benefits
- Telework as a Benefit
- Total Compensation Information
- State of Montana Employee Demographics & Turnover





Competing for a Quality State Workforce

November 2023

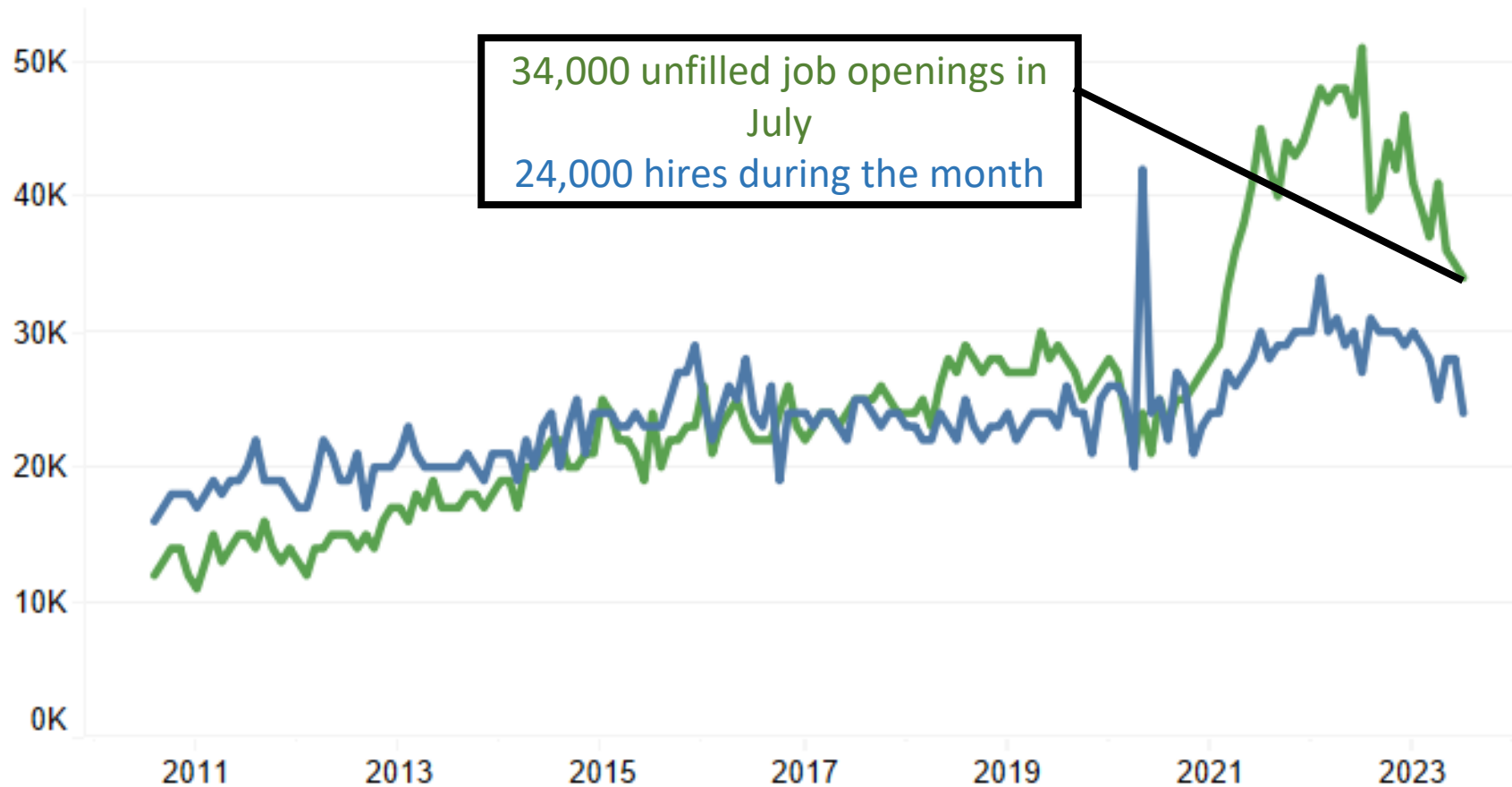


Montana Department of
LABOR & INDUSTRY



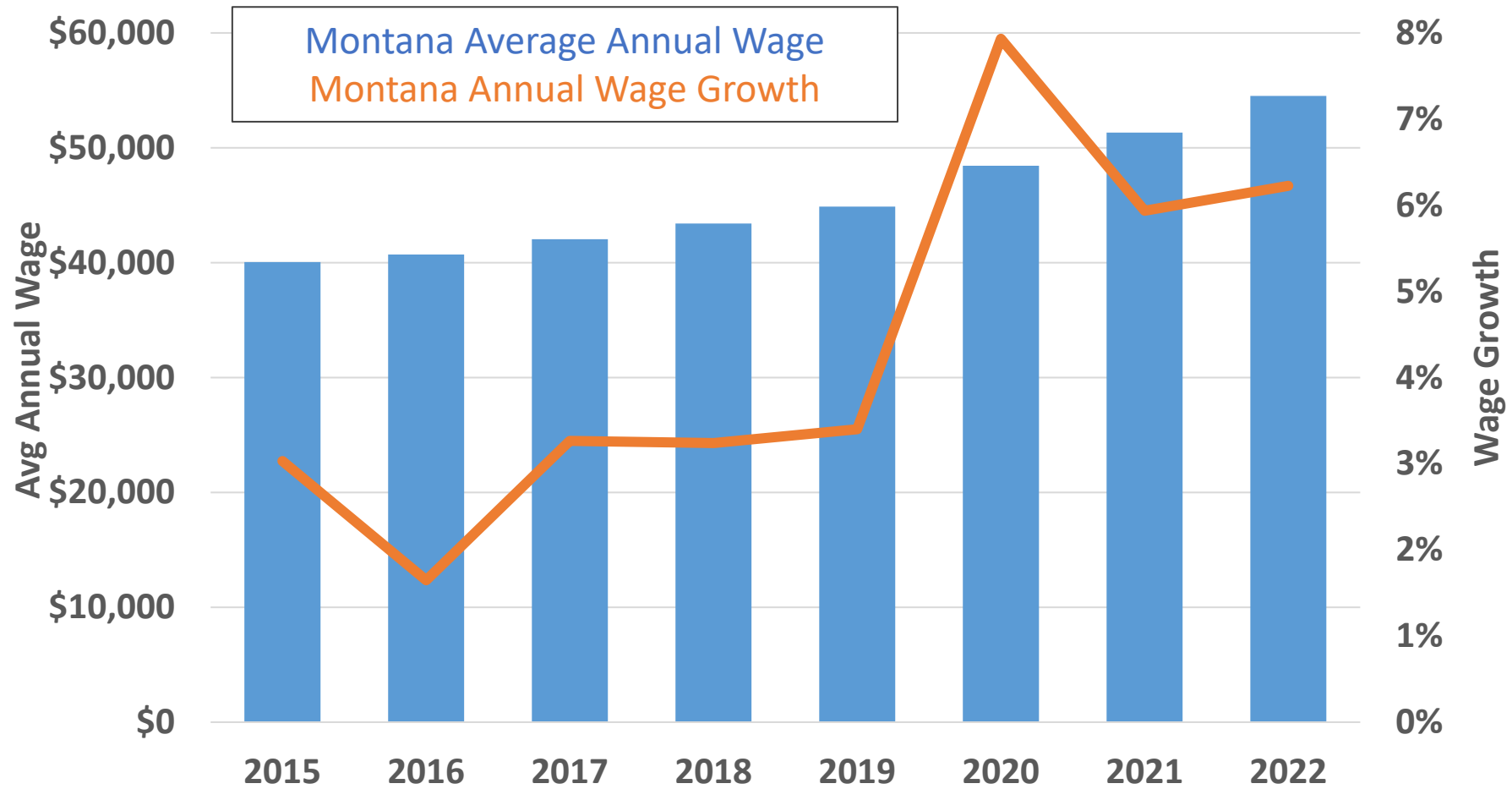
Historically High Number of Job Openings

Job Openings and Hires



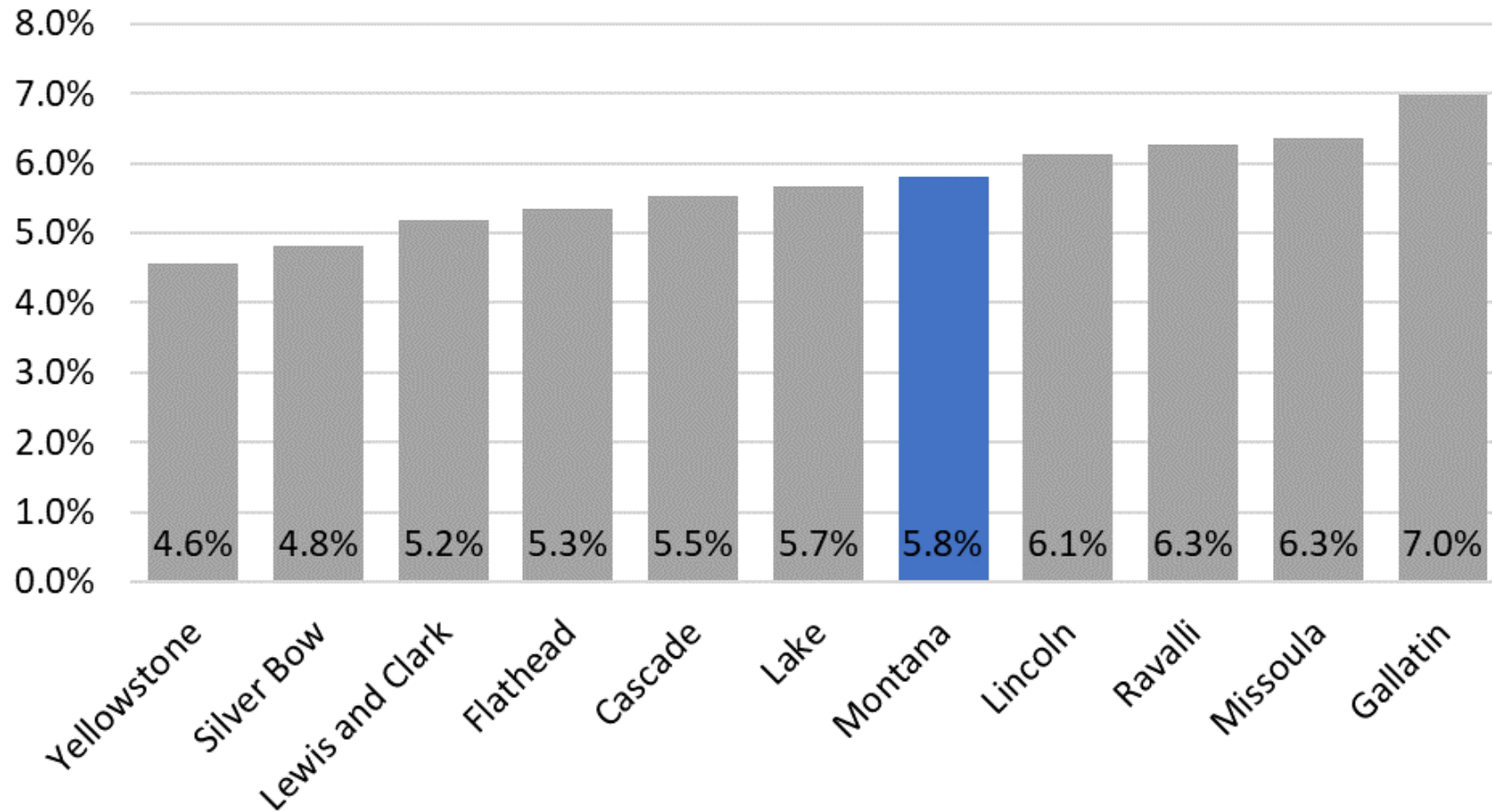


Strong Wage Growth in Montana



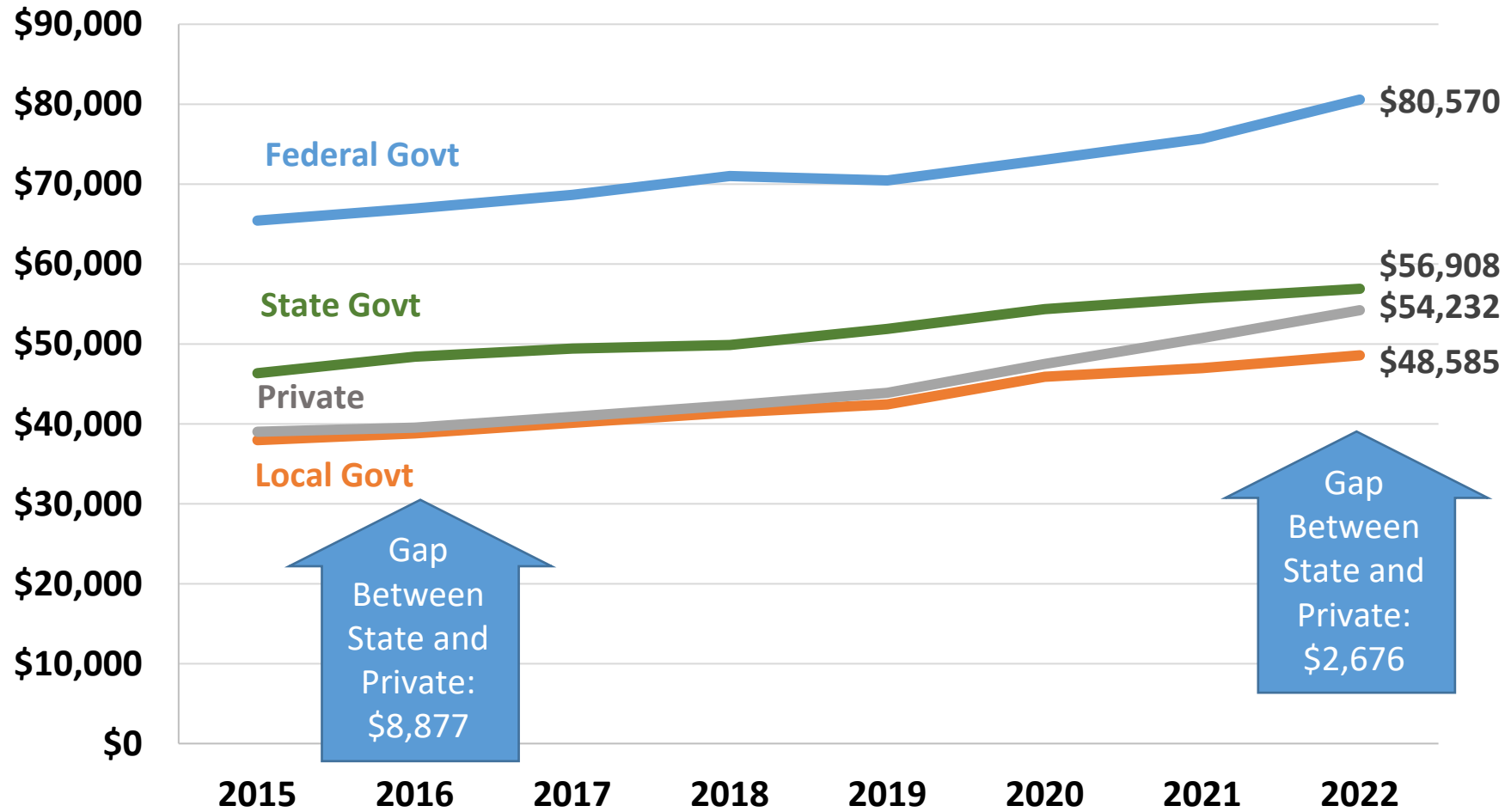


Average Annual % Change in Private Sector Annual Wages 2017-2022



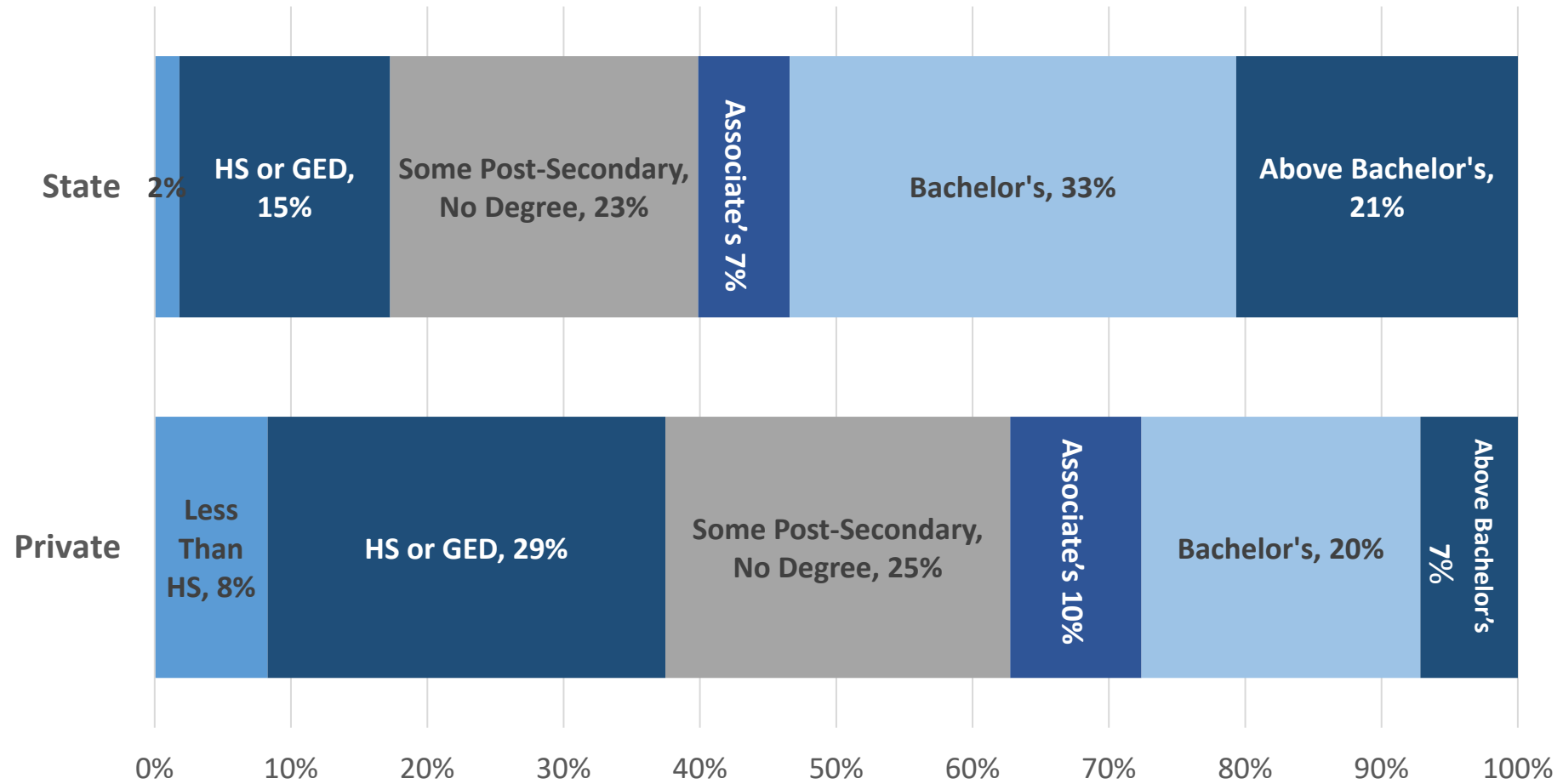


Wages and Wage Growth by Sector



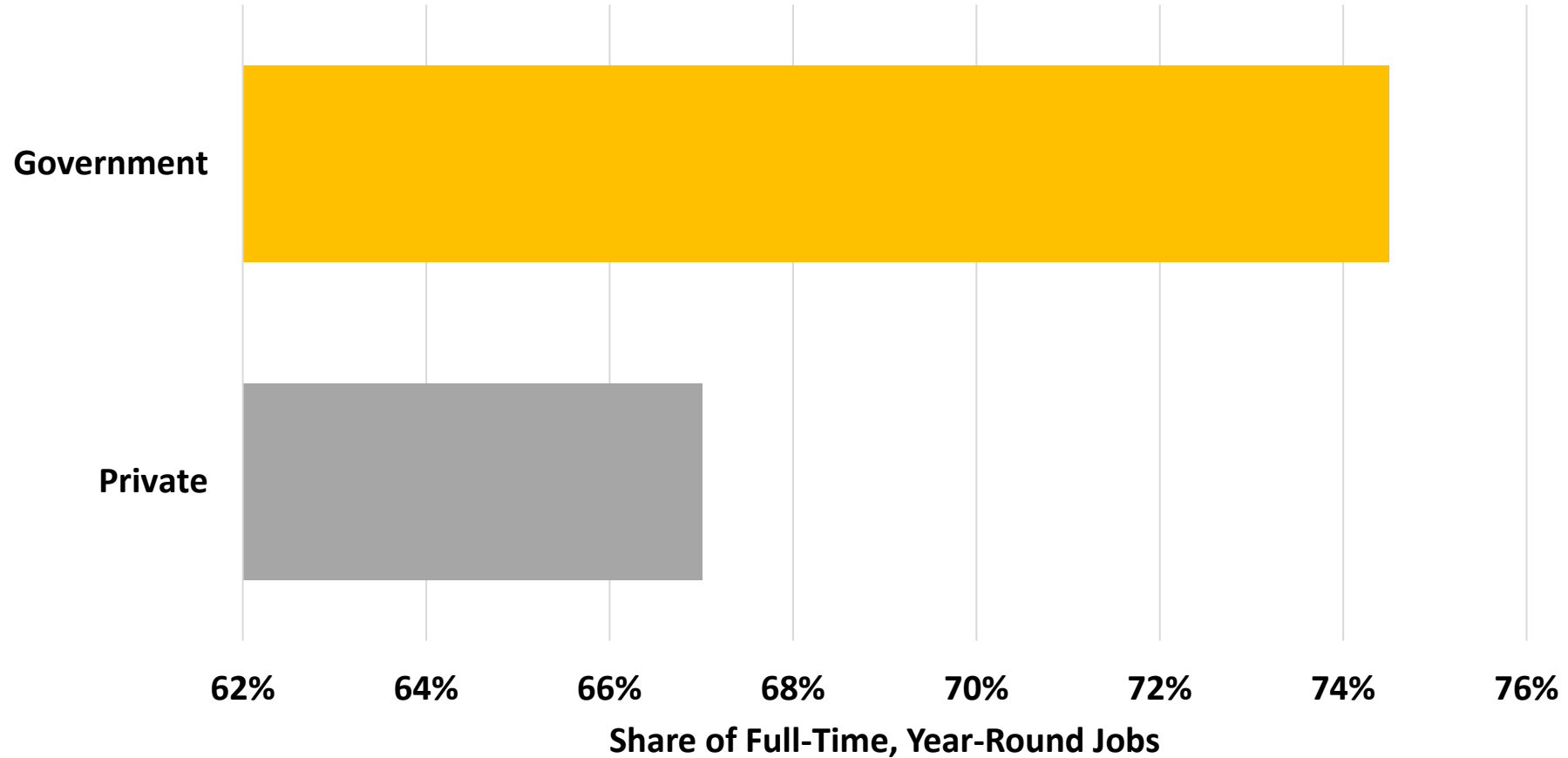


Education by Sector





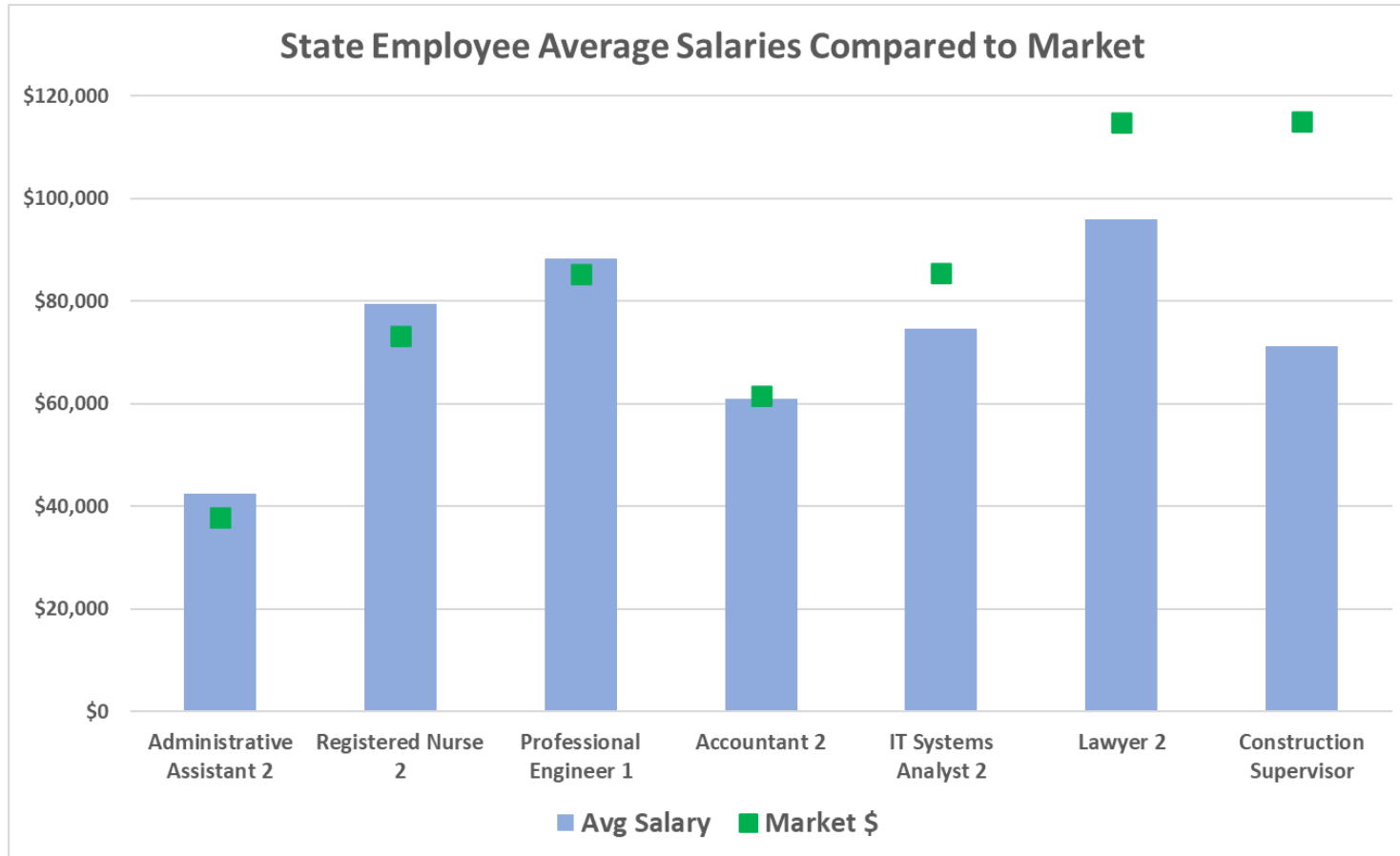
Share of full-time, year-round jobs by Sector





Enterprise Human Resources Workforce Metrics

Employee Salaries Compared to Market / Recruitment Challenges



Position	Average # of Days to Fill Position*
Administrative Assistant 2	55
Registered Nurse	117
Professional Engineer 1	96
Accountant 2	60
IT Systems Analyst 2	63
Lawyer 2	82
Construction Supervisor	76

*Based on average days to fill within job family in 2023.

EMPLOYEE BENEFITS / 50-STATE SURVEY

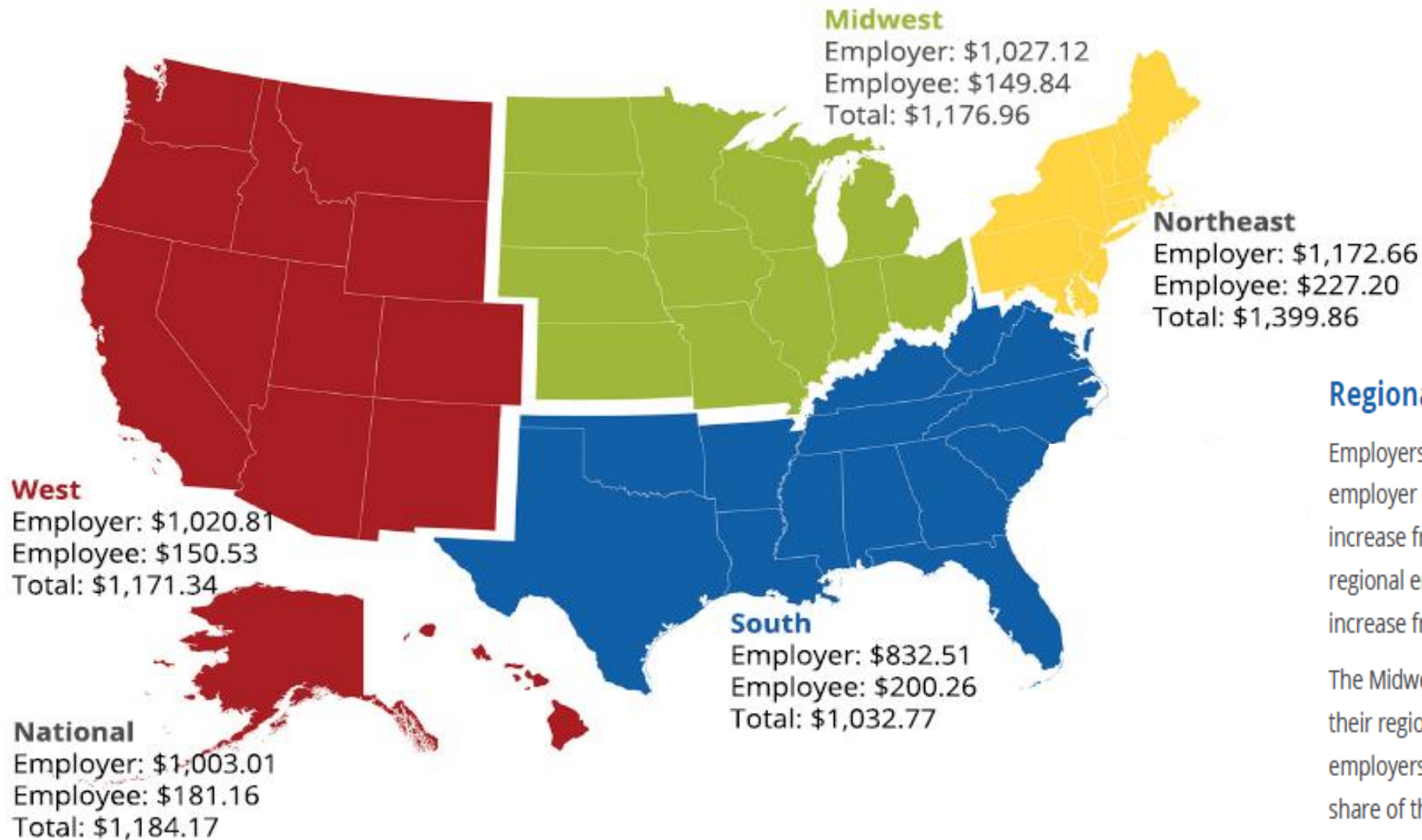
The South Carolina Public Employee Benefit Authority (PEBA) solicits and gathers information from across the nation regarding the premiums that public employers and employees are paying for **health insurance**. For purposes of the analysis, the 50 states are divided into four geographical regions: the West, Midwest, Northeast and South.

Composite calculation

PEBA calculated composite employer, employee and total contribution rates for the most prevalent plan in each state and compared them to our most prevalent plan, the State Health Plan Standard Plan. To do so, we took the percentage of Standard Plan subscribers enrolled in each coverage level and applied those percentages to each state's rate for that coverage level. In addition, we adjusted premiums to reflect the percentage of subscribers paying higher tobacco surcharges.



REGIONAL COMPOSITE AVERAGES



Regional employer composite

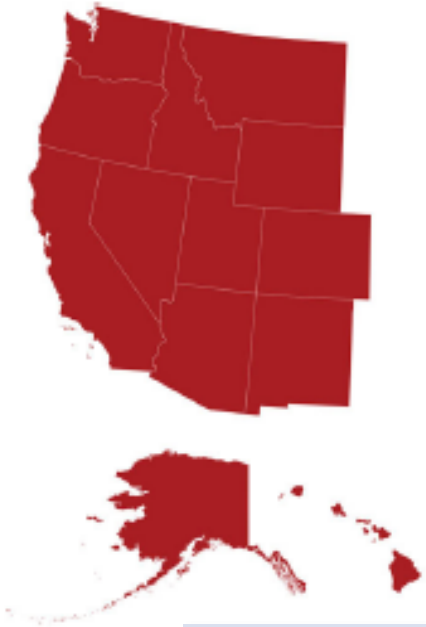
Employers in the Northeast region paid the highest employer composite rate in 2023 at \$1,172.66, a 7.9% increase from \$1,086.57 in 2022. The South had the lowest regional employer composite in 2023 at \$832.51, a 3.8% increase from \$802.30 in 2022.

The Midwest region's employers paid the largest share of their regional total composite rate at 87.3%. In contrast, employers in the South region paid the lowest employer share of the total composite at 80.6% in 2023.



WEST REGIONAL COMPOSITE

West



- Employer: \$1,020.81
- Employee: \$150.53
- Total: \$1,171.34

13 states including:
Alaska, Arizona, California,
Colorado, Hawaii, Idaho,
Montana, Nevada, New
Mexico, Oregon, Utah,
Washington and Wyoming

State of Montana Composite Rate:

Employer - \$1,011.00
Employee - \$116.25
Total - \$1,127.25

The West region's total composite rate for 2023 was \$1,171.34, up 4.6% from \$1,120.14 in 2022. During the past five-year period, the region's total composite rate has grown an average 1.2% annually.

The 2023 employer composite rate for the West region was \$1,020.81, up 4.6% from \$975.89 in 2022.

Employers in the West paid the second-highest regional share of their total composite rate at 87.1%. The region's employer composite rate grew an average 2.1% annually the past five-year period.

Employees in the West paid only 12.9% of the regional total composite average. The region's employee composite rate of \$150.53 in 2023 was the second-lowest in the nation, and it was up 4.4% from \$144.25 in 2022. Over the past five years, the West's regional employee composite rate has decreased an average of 2.6% annually, the lowest regional employee composite growth rate in the nation.



STATE EMPLOYEE RATES

MEDICAL/DENTAL/VISION HARDWARE

Your out-of-pocket costs after the Employer Contribution is applied.

Plans	Medical*	Dental	Vision Hardware	Potential Live Life Well Incentive
Employee Only	\$30.00	+\$0.00	+\$7.64	up to \$30 off
Employee & Spouse	\$250.00	+\$21.40	+\$14.42	up to \$60 off
Employee & Child(ren)	\$101.00	+\$19.90	+\$15.18	up to \$30 off
Employee & Family	\$327.00	+\$28.90	+\$22.26	up to \$60 off
Joint Core	\$30.00 per employee	+\$0.00	+\$22.26 (Primary Member only)	up to \$30 off

There have been no significant plan or rate changes for the past seven years.

The State Plan charges a Tobacco Surcharge for plan members who use nicotine. The surcharge adds \$30 per month to the contribution amount for members who use nicotine and/or \$30 per month if the member's covered spouse/domestic partner uses nicotine.

*Medical includes: Medical, Prescription, Basic Vision (\$10 copay for an eye exam/member at an in-network VSP Vision Care provider) and Basic Life Insurance.



MEDICAL BENEFITS COST EXAMPLES

Peg is Having a Baby

(9 months of in-network pre-natal care and a hospital delivery)

■ The <u>plan's overall deductible</u>	\$1,000
■ <u>Specialist copayment</u>	\$35
■ Hospital (facility) <u>coinsurance</u>	25%
■ Other <u>coinsurance</u>	25%

This EXAMPLE event includes services like:

Specialist office visits (*prenatal care*)
 Childbirth/Delivery Professional Services
 Childbirth/Delivery Facility Services
Diagnostic tests (*ultrasounds and blood work*)
Specialist visit (*anesthesia*)

Total Example Cost	\$12,700
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In this example, Peg would pay:

<i>Cost Sharing</i>	
<u>Deductibles</u>	\$1,000
<u>Copayments</u>	\$40
<u>Coinsurance</u>	\$2,900
<i>What isn't covered</i>	
Limits or exclusions	\$60
The total Peg would pay is	\$4,000

Managing Joe's Type 2 Diabetes

(a year of routine in-network care of a well-controlled condition)

■ The <u>plan's overall deductible</u>	\$1,000
■ <u>Specialist copayment</u>	\$35
■ Hospital (facility) <u>coinsurance</u>	25%
■ Other <u>coinsurance</u>	25%

This EXAMPLE event includes services like:

Primary care physician office visits (*including disease education*)
Diagnostic tests (*blood work*)
Prescription drugs
Durable medical equipment (*glucose meter*)

Total Example Cost	\$5,600
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In this example, Joe would pay:

<i>Cost Sharing</i>	
<u>Deductibles</u>	\$900
<u>Copayments</u>	\$800
<u>Coinsurance</u>	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$20
The total Joe would pay is	\$1,720

Mia's Simple Fracture

(in-network emergency room visit and follow up care)

■ The <u>plan's overall deductible</u>	\$1,000
■ <u>Specialist copayment</u>	\$35
■ Hospital (facility) <u>coinsurance</u>	25%
■ Other <u>coinsurance</u>	25%

This EXAMPLE event includes services like:

Emergency room care (*including medical supplies*)
Diagnostic test (*x-ray*)
Durable medical equipment (*crutches*)
Rehabilitation services (*physical therapy*)

Total Example Cost	\$2,800
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In this example, Mia would pay:

<i>Cost Sharing</i>	
<u>Deductibles</u>	\$1,000
<u>Copayments</u>	\$200
<u>Coinsurance</u>	\$300
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Mia would pay is	\$1,500





Remote Work

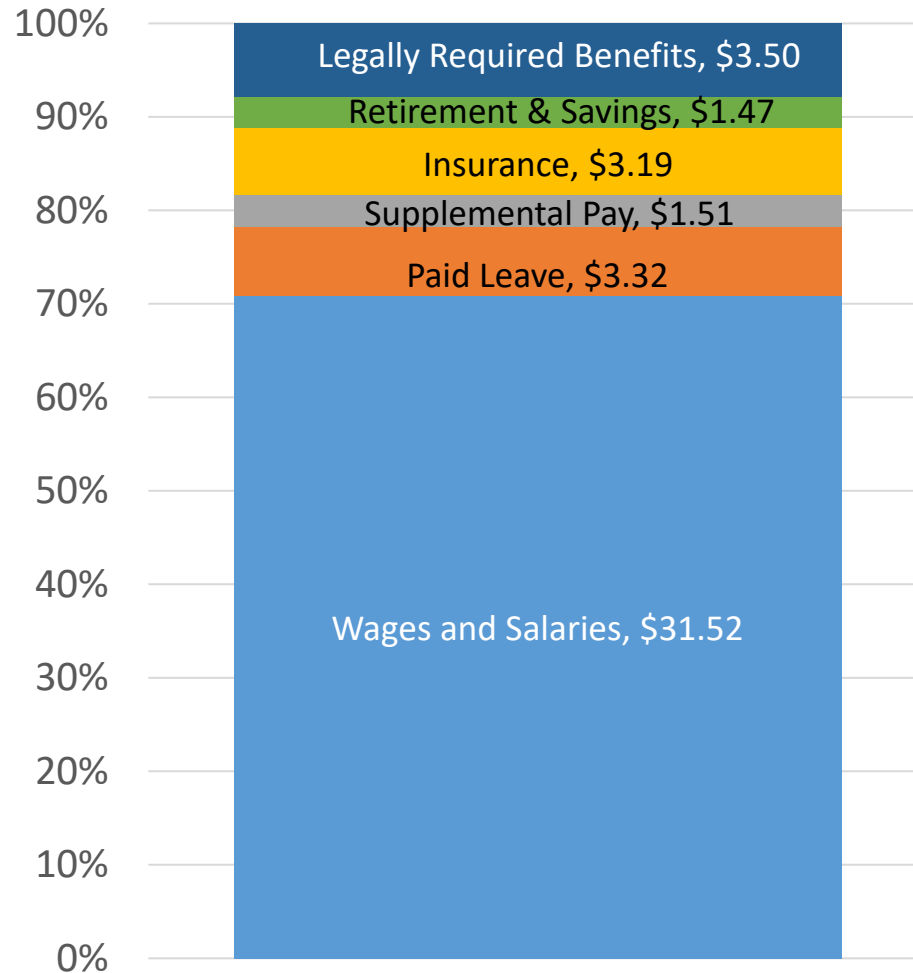
- **About 25% of Montana businesses have teleworking employees**
- 12.7% of Montana businesses are fully remote, meaning all employees are teleworking all of the time
 - Montana ranks 15th in the nation for the percentage of fully remote businesses
- 12.7% of Montana businesses have a hybrid model, meaning some of their employees telework some of the time
 - Montana ranks 40th in nation for the percentage of businesses with a hybrid telework model
 - 32% of businesses across the U.S. operate with a hybrid model

**60% of MT State Government Positions
are eligible for Hybrid Telework**



Employer Costs for Employee Compensation

Private Sector Mountain West



Total Employer Cost per Hour =
\$44.51 in June 2023

Percent of Total Compensation:
Health Insurance = 7.2%

Leave = 7.5%

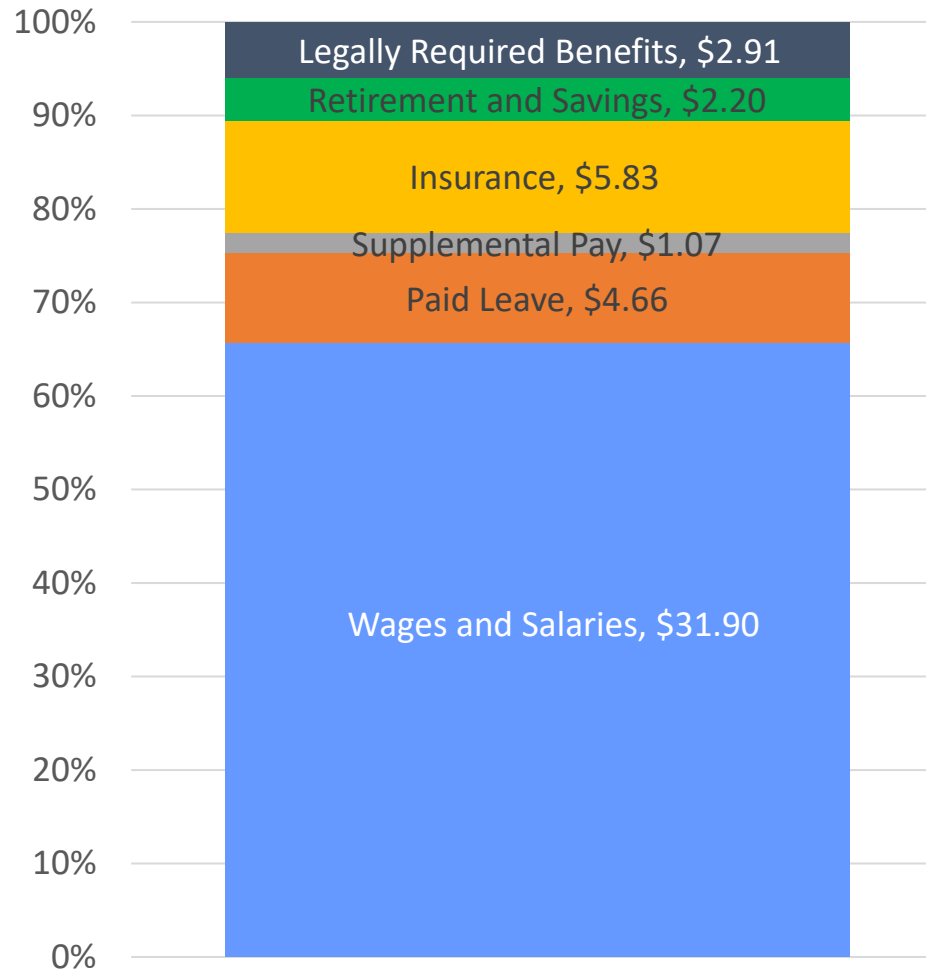
Retirement = 3.3%



Enterprise Human Resources Workforce Metrics

State-Wide Average Total Compensation - September 2023

State-Wide Average Total Compensation



Total Employer Cost per Hour =
\$48.57 in September 2023

Percent of Total Compensation:
Health Insurance = 12.0%

Leave = 9.6%

Retirement = 4.5%

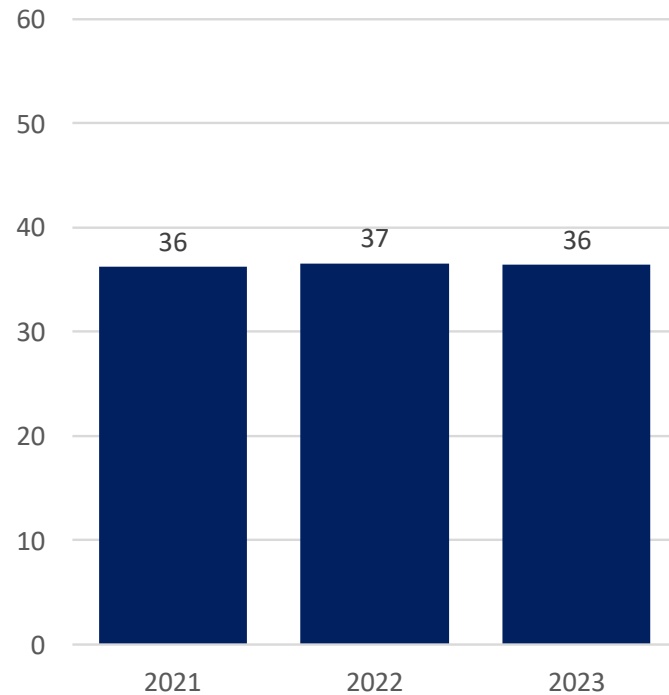


Enterprise Human Resources Workforce Metrics

Calendar Years 2021, 2022, and 2023 (QTR 1 – 3)

Average Age of New Hires

Statewide Average Age of New Hires



Average Age of New Hires by Job Family

Job Family	Calendar Year		
	2021	2022	2023
Architecture & Engineering	35	34	30
Arts Design Entertain & Media	34	37	38
Buildg Grounds Cleang & Maint	33	36	40
Business & Financial Ops	38	39	39
Community & Social Services	33	36	36
Computer & Mathematical	35	34	36
Construction & Extraction	43	39	43
Education Training & Library	40	34	40
Farming Fishing & Forestry	38	37	33
Food Preparation & Serving	38	36	34
Healthcare Practice & Tech	39	41	43
Healthcare Support	27	35	31
Install Maintain & Repair	34	40	37
Legal	36	34	38
Life Physical & Social Science	34	33	32
Management	42	47	42
Office & Admin Support	39	37	38
Personal Care & Service	24	21	39
Production	42	36	43
Protective Service	30	34	30
Sales & Related	26	36	52
Transportation and Material Moving	33	36	45
N/A - No Job Family Assigned	32	39	36
Statewide Average Age	36	37	36

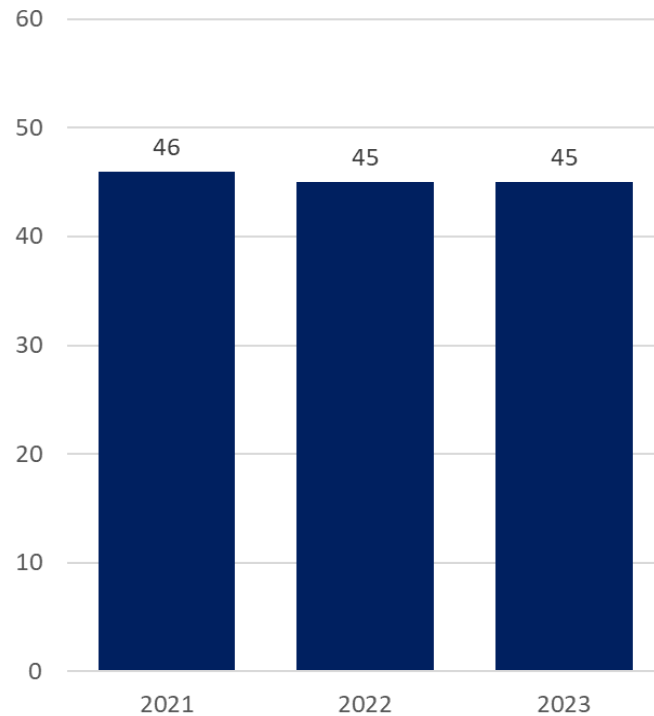


Enterprise Human Resources Workforce Metrics

Calendar Years 2021, 2022, and 2023 (QTR 1 – 3)

Average Age of Workforce

Statewide Average Age of Workforce

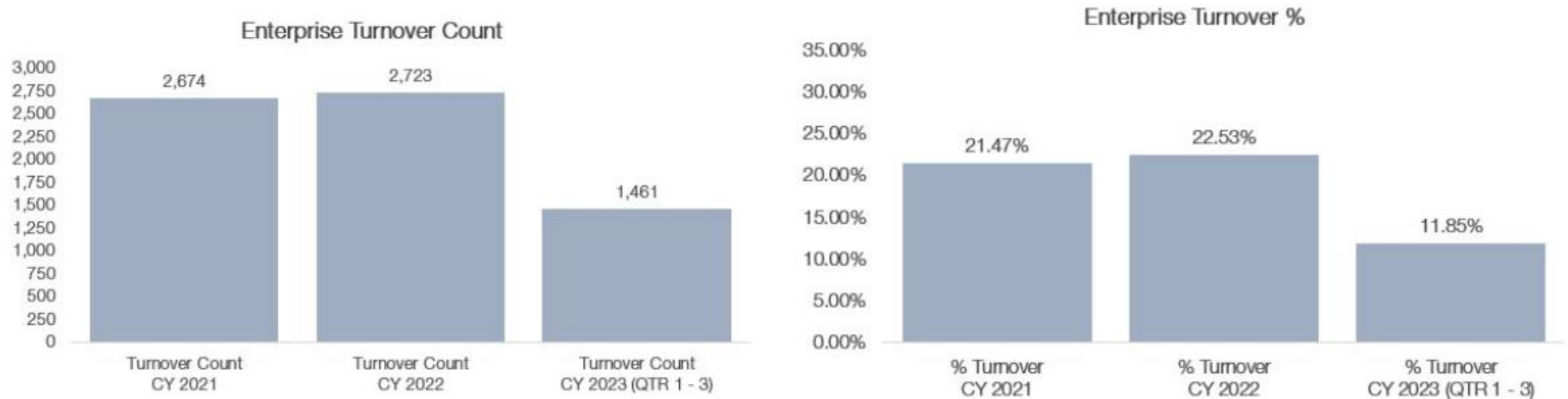


Average Age of Workforce by Job Family

Job Family	Calendar Year		
	2021	2022	2023
Architecture & Engineering	44	44	43
Arts Design Entertain & Media	48	48	47
Buildg Grounds Cleang & Maint	47	47	46
Business & Financial Ops	47	47	47
Community & Social Services	42	42	42
Computer & Mathematical	45	45	45
Construction & Extraction	49	48	48
Education Training & Library	49	48	47
Farming Fishing & Forestry	45	45	45
Food Preparation & Serving	48	46	45
Healthcare Practice & Tech	49	48	48
Healthcare Support	42	43	42
Install Maintain & Repair	49	48	48
Legal	44	44	44
Life Physical & Social Science	43	43	42
Management	50	49	49
Office & Admin Support	47	46	46
Personal Care & Service	47	48	49
Production	47	46	45
Protective Service	40	40	39
Sales & Related	51	48	47
Transportation and Material Moving	45	44	44
N/A - No Job Family Assigned	48	48	48
Statewide Average Age	46	45	45



Enterprise Human Resources Workforce Metrics Calendar Years 2021, 2022, and 2023 (QTR 1 – 3)



Retirements average 4.5% of voluntary turnover.

Total number of retirements by calendar year:

2021 = 557

2022 = 493

Average age of state employee noting separation reason as 'retirement' has remained steady at 62 over the past three years. This average includes employees participating in all retirement systems.



Questions?