

EMPLOYEE BENEFIT CONTRACTS

Human Resources

THE CITY OF
BURLESON
TEXAS



BENEFITS

- Items 5B – 5D for benefit contracts and authorization for expenditures on the contracts
- 2021 RFP for plan years 2022 up to 2026 for multi-year contracts or renewal options
- Coverages presented in July work session and costs approved in the budget

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HUB INTERNATIONAL

Authorization for expenditures

July 18, 2022 – City Council approved 2 contracts with HUB and authorized 1 year of expenditures for 2022. This item will authorize the expenditures of \$181,608.29 for 2023 and future years per the contracts.



1. Benefits Consulting – 1 year agreement with 4 renewal terms through 2026 for benchmarks, trends, analysis, plan designs, strategic recommendations, cost saving alternatives, benefits compliance, RFP's, price negotiations, contracts, liaison and problem resolution, and communications
2. Actuarial valuation – 4 year agreement through 2025 for GASB 75 OPEB liability reporting (retiree insurance, post employment benefits)

HUB INTERNATIONAL

Authorization for expenditures



Benefits Consulting

Year	Monthly	Annual	Pricing Comments
2022	\$ 3,283.33	\$ 39,400	3 Year Rate Guarantee
2023	\$ 3,283.33	\$ 39,400	3 Year Rate Guarantee
2024	\$ 3,283.33	\$ 39,400	3 Year Rate Guarantee
2025	\$ 3,447.50	\$ 41,370	5% Increase
2026	\$ 3,619.87	\$ 43,438	5% Increase
TOTAL		\$ 203,008	

Actuarial - Retiree Insurance Valuation (GASB 75, OPEB Liability)

2 - Two year terms

Calendar Years	Monthly	Annual	Comments
2022 & 2023	N/A	\$ 14,000.00	Year 1 Full - \$10,000, Year 2 Partial- \$4000
2024 & 2025	N/A	\$ 14,000.00	Year 1 Full - \$10,000, Year 2 Partial- \$4000
TOTAL		\$ 28,000.00	

Combined Total for Contracted Services

Total for Services	\$ 231,008.29
Authorized Expenditures 2022	\$ 49,400.00
Total Expenditures To Authorize	\$ 181,608.29

UNITED HEALTHCARE

Contract Renewal

- Medical and dental third-party claims administration for self-funded plan in 2024 - \$42,535.92
- Vision fully insured plan employee paid coverage in 2024 - \$52,287.12 (no fiscal impact)



City Paid Third-Party Administration Fees

Coerage Type	PEPM	AVG/EST Enrolled	Annual Third Party Admin Cost
Medical	4.56	386	\$ 21,121.92
Dental	4.15	430	\$ 21,414.00
TOTAL			\$ 42,535.92

Employee Paid Premiums (No Fiscal Impact)

Coverage	AVG/EST Enrolled	Annual Cost
Vision	360	\$ 52,287.12
TOTAL		\$ 52,287.12

TOTAL MEDICAL, DENTAL, VISION	\$ 94,823.04
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* Assumptions estimate fully staffed full year with opt in coverages

SYMETRA

Contract Renewal

- Life and disability insurance provided by city in 2024 - \$280,858.56
- Employee paid additional life insurances in 2024 - \$103,054.65 (no fiscal impact)



City Paid Life and Disability Benefits

Coverage Type	AVG/EST Enrolled	Total Annual
Employee Life	435	\$ 76,819.08
Employee AD&D	435	\$ 24,517.44
Short Term Disability	435	\$ 97,976.64
Long Term Disability	435	\$ 69,989.40
Basic Dependent Life	435	\$ 11,556.00
TOTAL		\$ 280,858.56

Employee Paid Premiums (No Fiscal Impact)

Coverage Type	Total Annual
Optional Life Employee & Dependents	\$103,054.65

TOTAL LIFE AND DISABILITY	\$383,913.21
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* Assumptions estimate fully staffed full year with opt in coverages

COUNCIL ACTION



Approve expenditures for HUB International and contract renewals for United Healthcare and Symetra



Deny expenditures for HUB International and contract renewals for United Healthcare and Symetra

Questions?
Thank you!

