



The Village of Friendliness – Since 1870

To: The City of the Village of Douglas City Council

From: Lisa Nocerini, City Manager

**RE: Adopt Employee Insurance Plan for Fiscal Year 2024-2025
Resolution 10-2024**

Date: May 20th, 2024

As an employer of 20 full-time employees, the City of the Village of Douglas currently provides employees with health and dental benefits through Lighthouse Group. They provided 10 proposed health options for consideration. The Options were from Priority health, and Blue Care Network.

As the City considers healthcare coverage for its employees it must also balance the financial benefits and constraints to the City, the benefit needs of the employees, and regulatory requirements such as Public Act 152.

Based on discussions during the budget workshops, the recommended action being presented tonight is to renew the current priority health insurance plans, continue the HSA City contribution policy of \$500 less than the deductible of the high deductible plan, and to set the employee co-share contribution rate of \$50/month. Renewing the City's current Delta Dental plan will not result in any change in premiums.

Health insurance costs are subject to numerous external factors, including medical inflation, regulatory changes, and market dynamics. Despite our best efforts to manage costs efficiently, fluctuations are inevitable. These increases align with prevailing trends and ensure that our employees continue to receive comprehensive coverage without undue financial strain on the City.

However, I recognize the importance of exploring avenues to mitigate future increases and enhance cost-effectiveness. To this end, we propose collaborative efforts between city employees and Lighthouse to evaluate strategies for FY25/26 rates. By engaging employees in this process, we harness their insights and collective expertise to identify viable solutions that balance cost containment with maintaining high-quality benefits.

I am committed to presenting a range of options in the next budget cycle that prioritizes both fiscal responsibility and the well-being of the workforce. By proactively addressing healthcare expenditure concerns, we aim to safeguard the financial sustainability of the organization while upholding the city's commitment to supporting employee health and welfare.

I recommend that City Council approve resolution 10-2024 approving Fiscal Year 2024-2025 insurance plans, HSA contribution rates, and employee contribution rates.

**CITY OF THE VILLAGE OF DOUGLAS
COUNTY OF ALLEGAN
STATE OF MICHIGAN**

RESOLUTION NO. 10-2024

**A RESOLUTION ADOPTING HEALTH & DENTAL INSURANCE PLANS, SETTING HSA
CONTRIBUTION LEVELS AND EMPLOYEE CONTRIBUTION LEVELS**

At a regular meeting of the City Council for the City of the Village of Douglas, Michigan, held at the City of the Village of Douglas City Hall, Douglas, Michigan, on the 20th day of May 2024, at 7:00 p.m.

PRESENT:

ABSENT:

The following resolution was offered by Councilperson XXX, and supported by Councilperson XXX.

RESOLUTION

WHEREAS, Lighthouse Group Insurance benefit consultants Tim VanSkuier and Deena Murawski have presented the City of the Village of Douglas with fiscal year 2024-2025 employee health and dental insurance policy options; and

WHEREAS, the Priority Health HMO 90-10, Priority Health HSA 70-30, and Delta Dental HMO Plan have been chosen as the plans that best meets the financial and benefits needs of the City and its employees; and

WHEREAS, Council has chosen to set a City contribution level of \$500 less than the deductible for any employee who selects the Priority Health HSA 70-30 Plan; and

WHEREAS, Council has chosen to set employee contribution levels at \$50 per month.

NOW, THEREFORE LET IT BE KNOWN that the City of the Village of Douglas City Council does hereby approve and accept the proposed fiscal year 2024-2025 employee health and dental insurance

plans, HSA contribution rates, and employee contribution rates. Said plans and contribution rates will begin on July 1, 2024, and shall be executed by the City Manager and filed in the Clerk's office.

YEAS: Council Members:

NAYS: Council Members:

ABSTAIN: Council Members:

ABSENT: Council Members:

ADOPTED this 20th day of May, 2024.

CITY OF THE VILLAGE OF DOUGLAS

BY: _____
Cathy North, Mayor

BY: _____
Laura Kasper, City Clerk

CERTIFICATION

I, Laura Kasper, the duly appointed Clerk of the City of the Village of Douglas, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Douglas City Council at a regular meeting held on May 20, 2024, in compliance with the Open Meetings Act, Act No. 267 of the Public Acts of Michigan, 1976, as amended, the minutes of the meeting were kept and will be or have been made available as required by said Act.

CITY OF THE VILLAGE OF DOUGLAS

BY: _____
Laura Kasper, City Clerk