



2024 Employee Benefits Renewal

May 20, 2024



Presented by MSI Benefits Group

2024 Cigna Health Plan - Initial Renewal



		LocalPlus Plan		OAPin Plan		OAP Plan			
		Current	Renewal	Current	Renewal	Current	Renewal		
Employee	78	832.03	927.14	24	898.87	946.79	14	933.50	1,019.07
Employee + 1 Dependent	41	1,801.35	2,007.27	16	1,946.06	2,049.81	8	2,021.03	2,206.30
Employee + Family	36	2,378.78	2,650.70	40	2,569.87	2,706.87	9	2,668.88	2,913.54
Monthly Total	155	224,389.77	250,040.19	80	155,504.64	163,794.72	31	53,257.16	58,139.24
Percentage of Change			11.43%			5.33%			9.17%
In-Network		LocalPlus Plan		OAPin		OAP			
Plan Deductible (Individual / Family)		\$500 / \$1,500		\$1,000 / \$3,000		\$500 / \$1,500			
HRA Amount:		\$500 / \$1,500		\$500 / \$1,500		\$500 / \$1,500			
Employee Deductible after HRA:		\$0		\$500 / \$1,500		\$0			
Coinsurance		100%		100%		100%			
PCP Copay		\$20		\$20		\$15			
Preventive Care		100%		100%		100%			
Specialist Copay		\$40		\$40		\$25			
ER Copay		\$250		\$250		\$100			
Urgent Copay		\$60		\$60		\$60			
Outpatient Surgery		Deductible		Deductible		Deductible			
Inpatient Surgery		Deductible		Deductible		Deductible			
Out-of-pocket (Individual / Family) (Includes Deductible)		\$6,600 / \$13,200		\$6,600 / \$13,200		\$6,600 / \$13,200			
Prescription									
Level 1		\$10		\$10		\$10			
Level 2		\$25		\$25		\$25			
Level 3		\$50		\$50		\$50			
Level 4		20% up to a \$200		20% up to a \$200		20% up to a \$200			
Out-of-Network									
Deductible (Individual / Family)		Emergency Only		Emergency Only		\$1,000 / \$3,000			
Coinsurance						70%			
Out-of-pocket (Individual / Family)						\$6,600 / \$13,200			
EMPLOYEE WEEKLY DEDUCTIONS									
Employee	78	0.00	0.00	24	10.00	10.00	14	24.00	24.00
Employee + 1 Dependent	41	10.50	10.50	16	17.00	17.00	8	62.00	62.00
Employee + Family	36	13.00	13.00	40	20.00	20.00	9	81.50	81.50
		Current	Renewal						
Combined Monthly Total		433,151.57	471,974.15						
Combined Annual Total		5,197,818.84	5,663,689.80	8.96%					
Combined Monthly Net Cost		416,788.90	455,611.48						
Combined Annual Net Cost		5,001,466.84	5,467,337.80						
Percentage of Change			9.31%						
								Annual Net Increase	\$465,870.96

2024 Cigna Health Plan – Final Offer



		LocalPlus Plan		OAPin Plan		OAP Plan			
		Current	Renewal	Current	Renewal	Current	Renewal		
Employee	78	832.03	865.29	24	898.87	934.79	14	933.50	970.85
Employee + 1 Dependent	41	1,801.35	1,873.36	16	1,946.06	2,023.81	8	2,021.03	2,101.90
Employee + Family	36	2,378.78	2,473.87	40	2,569.87	2,672.54	9	2,668.88	2,775.67
Monthly Total	155	224,389.77	233,359.70	80	155,504.64	161,717.52	31	53,257.16	55,388.13
Percentage of Change			4.00%			4.00%			4.00%
In-Network		LocalPlus Plan		OAPin		OAP			
Plan Deductible (Individual / Family)		\$500 / \$1,500		\$1,000 / \$3,000		\$500 / \$1,500			
HRA Amount:		\$500 / \$1,500		\$500 / \$1,500		\$500 / \$1,500			
Employee Deductible after HRA:		\$0		\$500 / \$1,500		\$0			
Coinsurance		100%		100%		100%			
PCP Copay		\$20		\$20		\$15			
Preventive Care		100%		100%		100%			
Specialist Copay		\$40		\$40		\$25			
ER Copay		\$250		\$250		\$100			
Urgent Copay		\$60		\$60		\$60			
Outpatient Surgery		Deductible		Deductible		Deductible			
Inpatient Surgery		Deductible		Deductible		Deductible			
Out-of-pocket (Individual / Family) (Includes Deductible)		\$6,600 / \$13,200		\$6,600 / \$13,200		\$6,600 / \$13,200			
Prescription									
Level 1		\$10		\$10		\$10			
Level 2		\$25		\$25		\$25			
Level 3		\$50		\$50		\$50			
Level 4		20% up to a \$200		20% up to a \$200		20% up to a \$200			
Out-of-Network									
Deductible (Individual / Family)		Emergency		Emergency		\$1,000 / \$3,000			
Coinsurance		Only		Only		70%			
Out-of-pocket (Individual / Family)						\$6,600 / \$13,200			
EMPLOYEE WEEKLY DEDUCTIONS									
Employee	78	0.00	0.00	24	10.00	10.00	14	24.00	24.00
Employee + 1 Dependent	41	10.50	10.50	16	17.00	17.00	8	62.00	62.00
Employee + Family	36	13.00	13.00	40	20.00	20.00	9	81.50	81.50
		Current	Renewal						
Combined Monthly Total		433,151.57	450,465.35						
Combined Annual Total		5,197,818.84	5,405,584.20						
Combined Monthly Net Cost		416,788.90	434,102.68						
Combined Annual Net Cost		5,001,466.84	5,209,232.20						
Percentage of Change			4.15%						
								Annual Net Increase	\$207,765.36

4.00%

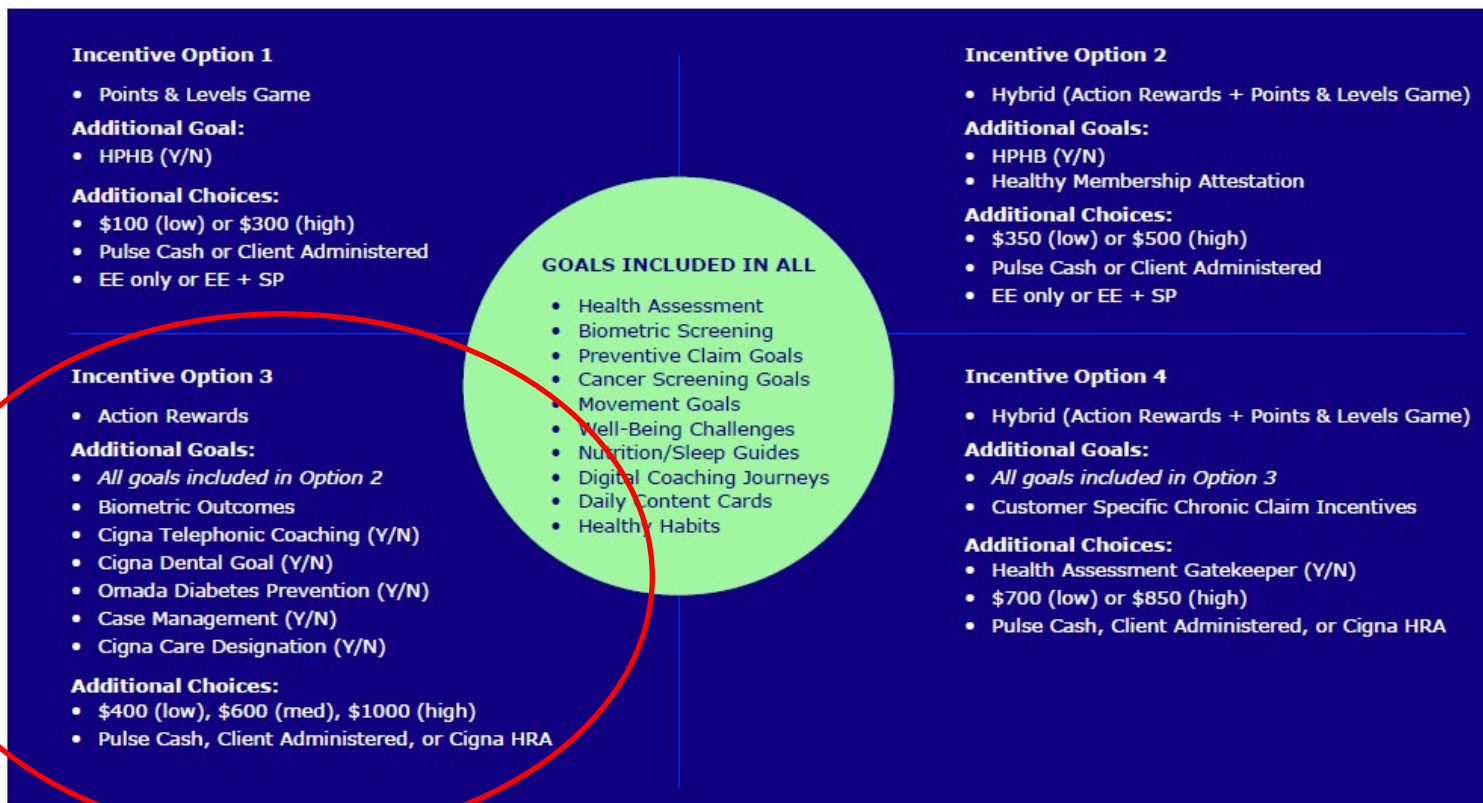
Cigna - Virgin Pulse (Health and Wellness)

Data analysis

Goal utilization

Value drivers

Feedback



- The wellness program MotivateMe (MMe) is transitioning to Virgin Pulse. Option 1 best aligns with what the City has now through MMe.
- Virgin Pulse is personalized, based on the employees' health assessments, preferences, claims and prior interactions.
- Provides health incentives based on behaviors
- The City is going with Option 3 for employees only up to an annual benefit of \$400
- **Cigna agreed to increase the annual Health & Wellness Fund to \$30K (currently \$20K).**

2024 Cigna Dental Plan Renewal



		Cigna.	
		Current	Renewal
Employee Only	120	31.48	31.48
Employee +1 Dependent	83	67.99	67.99
Employee + Family	68	89.67	89.67
	271	15,518.33	15,518.33
Deductible		\$50 Individ. (\$150 Family)	
Preventive		100%	
Basic		80%	
Major		60%	
Annual Maximum Benefit		\$2,000	
Fillings		80%	
Simple Extractions		80%	
Oral Surgery		80%	
Periodontics		80%	
Endodontics (Root Canals)		80%	
Crowns		60%	
Dentures / Bridges		60%	
Implants		60%	
Orthodontia Coverage		50% up to \$2,000 max	
		Current	Renewal
Annual Premium		186,219.96	186,219.96
Annual Net Change			0.00%

* Dental coverage is a second-year rate guarantee until 7.1.2025


2024 Cigna Vision Plan Renewal



		Cigna	
		Current	Renewal
Employee	124	6.92	6.92
Employee + 1 Dependent	80	12.10	12.10
Employee + Family	69	19.37	19.37
Monthly Total	273	3,163.06	3,163.06
Eye Exam Frequency		\$10 Every 12 months	
Lenses Single, Bifocal, Trifocal Frequency		\$20 Every 12 months	
Contacts Elective Medically Necessary Frequency		Up to \$150 Allowance Included Every 12 months	
Frames Frequency		Up to \$150 Allowance plus 20% discount on overage Every 12 months	
WEEKLY DEDUCTIONS			
Employee		0.00	0.00
Employee + 1 Dependent		1.00	1.00
Employee + Family		2.56	2.56
Monthly Premium		3,163.06	3,163.06
Annual Premium		37,956.70	37,956.70
Percent of Change			0.00%



* Vision coverage is a second-year rate guarantee until 7.1.2025

2024 Basic Life AD&D Plan Renewal

Basic Life and AD&D Insurance	
Basic Life Benefits and AD&D Amount:	
Class 1: All Full-Time Upper Management Employees:	\$150,000
Class 2: All Full-Time Middle Management Employees:	\$40,000
Class 3 All Other Full-Time Employees:	\$20,000
Life Rate:	0.330
AD&D Rate:	0.035
Projected Volume:	\$7,750,000
Covered Lives:	271
Basic Life Monthly Premium:	\$2,829
Annual Cost:	\$33,945
Rate Guarantee:	7/1/2025

- Rate hold until 2025

HRA, FSA, and DCA

				New Benefit	
					
		Current	Renewal	Proposal - HRA	Proposal - FSA/DCA
Medical Enrollment	275	\$2.00	\$2.00	\$4.00	\$4.50
HRA Enrollment	275				
HRA Fee					
Monthly Total		\$550.00	\$550.00	\$1,100.00	N/A
Annual Cost		\$6,600.00	\$6,600.00	\$13,200.00	N/A

- Recommending a change in administrators for the Health Reimbursement Arrangement (HRA) for a better member experience and to also offer a Flexible Spending Account (FSA) and Dependent Care Account (DCA)
- Cost under each proposal includes setup and Debit Cards
- IRS allows individual FSA contributions up to \$3,200
- City would set the minimum FSA contribution to \$250
- Employees would have the ability to rollover up to \$640 of unused FSA funds into the next plan year
- Married employees could elect up to \$5,000 under the DCA and \$2,500 for single employees

Recommended Option

Renew Medical, Dental, and Vision with Cigna. No change to the plans or employe costs. Renew the Basic Life and AD&D Insurance with Lincoln Financial with no change. Change HRA administrators from MedCom to AdminAmerica and offer an FSA/DCA to employees.

Overall Budget Cost: **\$5,482,471** (4.07% increase)

Cost Includes: Medical, HRA, Dental, Vision, and Basic Life