



Meeting Name: Town Council Meeting
Meeting Date: December 09, 2024
Prepared By: Emily Alves, Finance/HR Director
Item Title: 2025 Health Insurance Renewals

DISCUSSION:

The Town's insurance broker Gehring Group went out for bids for the 2025 Health Insurance and other health related insurances. Florida Blue is the current provider and is the current year low bidder for 2025. Health insurance increased 6.6% for the upcoming year. There is a 2.5 % increase for dental. There is no increase for vision, life, short term and long-term disability.

The base health insurance plan will continue to be a high deductible plan whereby participants must pay the first dollar of services up to the plan deductible of \$1,750/single or \$3,500/family. Co-insurance or co-payments are required after that until participants meet a total out of pocket maximum of \$5,300/single and \$10,600/family. Florida Blue's BlueCare Network will be utilized for providers, no out-of-network option is available under this plan, an alternative plan will provide for this option.

Staff also recommend continuing to allow employees to choose from the base plan or one alternate plan. Employees will be required to select their plan prior to the start of the new plan year on January 1 and pay all amounts over the base plan costs if they choose an alternate plan. The offering of alternate plans allows employees to choose among plans that may better fit their utilization patterns. The alternate plan's premiums will remain cost neutral to the Town.

Employees will be responsible for all premium costs over the base plan for all tiers of coverage.

Staff proposes increasing the amount the Town pays for dependent coverage from 50% to 80%. This is consistent with benefits provided to other local government employees and police officers in the area.

Staff proposes to continue the funding program for a Health Care Flexible Spending Account (FSA) for each employee to help offset some of the upfront costs of the plans. This FSA funding provision is only available to employees that are employed as of January 1, it is not available to any newly hired employees throughout the year.

Additionally, staff is proposing to continue the same funding program for employees that opt-out of the Town's health insurance coverage. This option is available to employees who provide proof of another comparable group coverage from a former employer or spouse's plan. The in-lieu of medical coverage payment will be \$300 monthly, and they will continue to receive a FSA contribution annually to be used toward eligible health care costs.

Any FSA funds not requested or not eligible for reimbursement at the end of the plan year would be forfeited back to the Town.

The current Solstice dental insurance plan was also bid against other comparable plans. The renewal was quoted with a 2.5% increase. The Standard coverage for AD&D, Life, Short Term Disability and Long Term Disability remains unchanged with a 0% increase for 2025.

Vision insurance remained with the Florida Municipal Insurance Trust (FMIT), which was renewed on October 1, 2024 with a 0% increase.

All of the above recommendations are being made within the current funding of the 2024-2025 Annual Budget.

RECOMMENDATION

Staff recommends the Council consider a motion to approve; the Florida Blue BlueCare S14354 HMO Plan as the base employee health insurance plan, The Solstice dental plan, FMIT vision plan, the health care Flexible Spending Accounts, and opt-out provisions as outlined above for the plan year 2025, effective January 1, 2025 to December 31, 2025.