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**Meeting Name:** Town Council Meeting  
**Meeting Date:** November 15, 2023  
**Prepared By:** Michael Ventura, Finance Director  
**Item Title:** 2024 Health Insurance Renewals

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## **DISCUSSION:**

The Town's insurance broker Gehring Group went out for bids for the 2024 Health Insurance and other health related insurances. Florida Blue is the current provider and is the current year low bidder for 2024. Health insurance increased 6.7% for the upcoming year. There is no increase for dental, 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 is also recommending to continue allowing 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 to continue the same funding program for a Health Care Flexible Spending Account (FSA) for each employee to help offset some of the upfront costs of the plans. The annual contribution amount to each employee would be \$850 for employee only coverage and \$1,700 for dependent coverage. 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 \$285 monthly and the FSA contribution will remain \$500 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 0% increase. The Standard coverage for AD&D, Life, Short Term Disability and Long Term Disability remains unchanged with a 0% increase for 2024.

Vision insurance remained with the Florida Municipal Insurance Trust (FMIT), which was renewed on October 1, 2023 with a 0% increase.

All of the above recommendations are being made within the current funding of the 2023-2024 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 2024, effective January 1, 2024 to December 31, 2024.