



AGENDA ITEM

Meeting Name: Town Council Meeting
Meeting Date: December 10, 2025
Prepared By: Emily Alves, Finance/HR Director
Item Title: 2026 Health Insurance Renewals

DISCUSSION:

The Town's insurance broker, Gehring Group, solicited bids for the 2026 health and related insurance plans. All staff recommendations align with the current FY 2025–2026 Annual Budget.

Key changes include:

- Health Insurance: Bids were received with overall plan increases from 9.5% to 39.4%. Florida Blue, the current provider, remains the lowest bidder for the upcoming year. Staff recommend continuing to offer employees a choice between the base health plan (HMO) and one alternate plan (PPO), with employees responsible for any premium costs above the base plan for all tiers of coverage. This approach provides flexibility for employees to select plans that best fit their needs while remaining cost-neutral to the Town. The difference between the lowest increase bid of 9.5% and the one staff is proposing (Option 1) with a 11.5% increase is a different alternate (PPO) plan, so the employees would pay the full cost above the minimum bid.
 - Dental & Vision: No increase
 - Life, Short-Term, and Long-Term Disability: 9.8% increase
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Base Plan: BlueCare 14354 (HMO)

- Provider Network: Florida Blue's BlueCare Network; no out-of-network option.
 - Deductibles
 - Single: Increasing from \$1,750 → \$2,000
 - Family: Increasing from \$1,750 per person / \$3,500 per family → \$2,000 per person / \$4,000 per family
 - Out-of-Pocket Maximums (including Coinsurance):
 - Single: Increasing from \$5,300 → \$5,500
 - Family: Increasing from \$5,300 per person / \$10,600 per family → \$5,500 per person / \$11,000 per family
 - Coinsurance: Remains at 20% for in-network services
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Alternate Plan: BlueOptions 26102 (PPO)

- Provider Network: Florida Blue's BlueOptions Network; includes out-of-network coverage.
 - Deductibles:
 - In-Network:
 - Single: Decreasing from \$1,950 → \$1,500
 - Family: Decreasing from \$3,900 → \$1,500 per person / \$3,000 per family
 - Out-of-Network:
 - Single: Decreasing from \$3,900 → \$3,000
 - Family: Decreasing from \$7,800 → \$3,000 per person / \$6,000 per family
 - Out-of-Pocket Maximums (including Coinsurance):
 - In-Network:
 - Single: Increasing from \$3,700 → \$5,500
 - Family: Increasing from \$3,700 per person / \$7,400 per family → \$5,500 per person / \$11,000 per family
 - Coinsurance: Decreasing from 10% → 0%
 - Out-of-Network:
 - Single: Increasing from \$7,400 → \$11,000
 - Family: Increasing from \$7,400 per person / \$14,800 per family → \$11,000 per person / \$22,000 per family
 - Coinsurance: Remains at 50%
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Other Coverages

- Dental: Solstice plan – 0% increase
- Vision: FMIT plan – renewed October 1, 2025, with 0% increase
- Life/Disability: The Standard – 9.8% increase

Additional Provisions

- Increase Town-funded Health Care Flexible Spending Account (FSA) by \$500 for eligible employees (employed as of January 1) to offset the increases in out-of-pocket costs for employees. Unused FSA funds are forfeited at year-end or upon separation.
 - Continuing opt-out program: \$300 monthly payment for employees with proof of comparable coverage, plus annual FSA contribution.
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RECOMMENDATION:

Staff recommend the Council consider a motion to approve the following employee benefits for the period of January 1, 2026 to December 31, 2026:

- Florida Blue BlueCare 14354 HMO as the base health insurance plan
 - Florida Blue BlueOptions 26102 PPO as the alternate health insurance plan
 - Solstice dental plan
 - FMIT vision plan
 - The Standard Basic Life with AD&D, Short Term Disability, Long Term Disability plans
 - Health Care Flexible Spending Accounts
 - Opt-out provisions as outlined above
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ATTACHMENTS:

Medical RFP Evaluation from The Gehring Group