



J.D. Curls, Benefits Consultant

Tyson Johnson, Independent Consultant

Ryan Whittington, Voluntary Benefits Consultant



Gallagher

Insurance | Risk Management | Consulting



Agenda

1 Employee Benefits Consulting

2 Compliance Consulting

3 Core Benefits

4 Voluntary Benefits

5 Questions

Employee Benefits Consulting



Employee Benefits Consulting

How you benefit

1 We are an extended part of your professional team. We get you what you need, when you need it, as a result of managing work effectively and delivering on our client service promise.

2 We proactively manage your renewal process, delivering a predictable timeline that allows time to make informed decisions.

3 We execute a holistic approach to organizational wellbeing, leveraging the principles of Gallagher Better WorksSM, so your organization has access to the solutions you need to help build a better workplace.

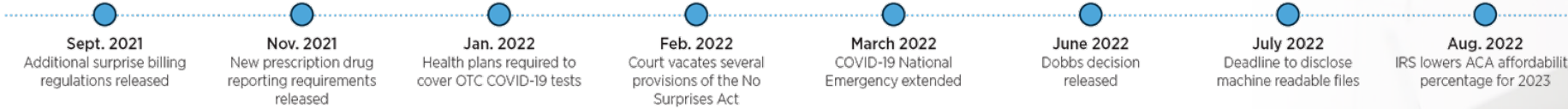


Compliance Consulting



Compliance Consulting

Deep industry experience for an increasingly complicated landscape



Quarterly
Compliance Connections
newsletters with more than 600 downloads

30+ **employee benefits attorneys and consultants**

With deep expertise in legislative compliance, including healthcare reform, ERISA, HIPAA, COBRA, FMLA, health and welfare benefit plan design and administration, cafeteria plans and nondiscrimination requirements.

14 **COMPLIANCE TOOLKITS**

- ACA Counting Hours
- Claims and Appeals
- DOL Audit
- Employer Shared Responsibility Payment
- Form W-2 Reporting
- Healthcare Reform Fees
- Medical Loss Ratio
- Preventive Services
- Sections 6055 and 6056 Reporting
- Summaries of Benefits and Coverage (SBC)
- Surprise Billing
- Transparency
- Wellness

Bimonthly
Directions Newsletters
with more than 100 articles and 47k downloads

14k+ **employer questions submitted to our Compliance help desk**

Monthly on-demand webinars, with more than
10k registrations annually

Core Benefits

Medical, Dental, Vision

Basic Life, Voluntary Life

Short Term Disability, Long Term Disability





Insurance | Risk Management | Consulting

City of Lake City

Medical Cost Comparison

Medical Insurance: Florida Blue

Carrier		UHC				Florida Blue					
Plan		Current				Proposed					
Commission Level		0%				4%					
Plan Name		Plan 6		Plan 14		BO 05192/3		BO 05770		BC 68	
Plan Type		Choice Plus		Choice Plus		BlueOptions		BlueOptions		BlueCare	
In Network Benefits	Deductible (Single/Family)	Calendar Year (CYD) \$2,500 / \$5,000		Calendar Year (CYD) \$1,000 / \$2,000		Calendar Year (CYD) \$2,500 / \$5,000		Calendar Year (CYD) \$1,000 / \$3,000		Calendar Year (CYD) \$1,000 / \$3,000	
	Coinsurance	20%		20%		20%		20%		20%	
	Maximum OOP (Single/Family)	\$5,000 / \$10,000		\$4,000 / \$8,000		\$5,800 / \$11,600		\$3,500 / \$7,000		\$4,500 / \$9,000	
	PCP Visit	DED + 20%		\$25		DED + 20%		\$0 / \$25		\$0 / \$30	
	Specialist	DED + 20%		\$50		DED + 20%		\$45		\$60	
	Preventive Care	\$0		\$0		\$0		\$0		\$0	
	Urgent Care	DED + 20%		\$35		DED + 20%		\$50		\$65	
	Inpatient Hospital	DED + 20%		DED +20%		DED + 20%		DED + 20%		\$500 per day / \$1500	
	Outpatient Surgical	DED + 20%		DED +20%		DED + 20%		\$150 / DED + 20%		DED + 20% / \$600	
	Routine Lab & X-Ray	DED + 20%		\$0		DED + 20%		\$20 / \$0 / \$50		\$20 / \$0 / \$60	
	Complex Imaging (MRI, CT, PET)	DED + 20%		DED +20%		DED + 20%		\$200		\$500	
Emergency Room	DED + 20%		\$200		DED + 20%		\$200		\$500		
Rx	Deductible	Combined with in-network		\$0		Combined with in-network		\$0		\$0	
	Retail (in-network)	\$10/\$35/\$60		\$10/\$35/\$60		\$10/\$50/\$80		\$10/\$30/\$50		\$10/\$30/\$50	
	Mail Order	\$25/\$87.50/\$150		\$25/\$87.50/\$150		\$25/\$125/\$200		\$25/\$75/\$125		\$25/\$75/\$125	
OON	Deductible	\$5,000 / \$10,000		\$1,000 / \$2,000		\$5,800 / \$10,000		\$3,000 / \$6,000		NA	
	Coinsurance	30%		30%		40%		50%		NA	
	Maximum OOP	\$10,000 / \$20,000		\$6,000 / \$12,000		\$5,800 / \$23,200		\$7,000 / \$14,000		NA	
	Emergency Room	DED + 20%		\$200		DED + 20%		\$200		\$500	
Number of Employees											
Rates	Employee Only	27	\$893.77	52	\$1,023.09	27	\$552.26	52	\$742.81	0	\$684.40
	Employee + Spouse	2	\$1,949.97	22	\$2,232.02	2	\$1,259.14	22	\$1,693.61	0	\$1,560.44
	Employee + Child(ren)	4	\$1,252.90	17	\$1,434.13	4	\$1,104.51	17	\$1,485.62	0	\$1,368.81
	Employee + Family	3	\$2,322.09	24	\$2,657.95	3	\$1,767.22	24	\$2,377.00	0	\$2,190.09
	Monthly Plan Cost	\$40,009.60		\$190,476.13		\$27,149.00		\$158,189.08		\$0.00	
	Percent Change by Plan						-32.14%		-16.95%		#DIV/0!
Cost	Total Annual Cost	\$2,765,829				\$2,224,057					
	Annual \$ Difference	N/A				(\$541,772)					
	Annual % Difference	N/A				-19.59%					

This analysis is for illustrative purposes only, and is not a proposal for coverage or a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. See your policy or contact us for specific information or further details in this regard.

Dental



DENTAL - Effective Date: 10/1/2023	Current	Proposed	
Plan Nickname			
Carrier	Delta Dental	MetLife	MetLife
Plan Name	Dental	Dental - AAFTE	Dental - Retirees
Rate Guarantee	-	1 year	1 year
Participation Requirements	-	58% or 10 lives	58% or 10 lives
In Network			
Deductible: Single	\$50	\$50	\$50
Deductible: Family	\$150	\$150	\$150
Preventative / Basic / Major	100%/80%/50%	100%/80%/50%	100%/80%/50%
Annual Maximum	\$1,500	\$1,500	\$1,500
Major Waiting Period	None	None	None
Endodontic Oral Surgery	Basic	Basic	Basic
Periodontic Oral Surgery	Basic	Basic	Basic
Ortho Coinsurance	50%	50%	50%
Ortho Waiting Period	None	None	None
Ortho Lifetime Max	\$1,000	\$1,000	\$1,000
Rollover Threshold	-	-	-
Rollover Amount	-	-	-
Rollover Account Limit	-	-	-
Out of Network			
Out of Network Reimbursement	90th UCR	90th UCR	90th UCR
Deductible: Single	\$50	\$50	\$50
Deductible: Family	\$150	\$150	\$150
Preventative / Basic / Major	100%/80%/50%	100%/80%/50%	100%/80%/50%
Enrollment			
Employee Only	70	70	5
Employee + Spouse	23	23	1
Employee + Child(ren)	13	13	0
Family	39	25	1
Monthly Premiums			
Employee Only	\$34.99	\$27.83	\$27.83
Employee + Spouse	\$69.90	\$57.18	\$57.18
Employee + Child(ren)	\$74.30	\$63.96	\$63.96
Family	\$114.47	\$100.03	\$100.03
Monthly Premium Per Plan	\$9,487.23	\$6,595.47	\$296.36
Annual Premium Per Plan	\$113,846.76	\$79,145.64	\$3,556.32

Vision

VISION - Effective Date: 10/1/2023	Current	Proposed
Plan Nickname		
Carrier	UnitedHealthcare	MetLife
Plan Name	Vision	Vision
Network	Spectra	Davis
Rate Guarantee	-	4 years
Participation Requirements	-	45%
In Network		
Exams Copay	\$10	\$0
Exams Frequency	12	12
Lenses Copay	\$0	\$0
Lenses Frequency	12	12
Frames Allowance	\$130	\$130
Frames Frequency	24	24
Contact Lenses Allowance	\$150	\$150
Contact Lenses Frequency	12	12
Out of Network		
Exams Copay	\$40	\$45
Lenses Copay	\$40	\$30
Frames Allowance	\$45	\$70
Contact Lenses Allowance	\$150	\$105
Enrollment		
Employee Only	60	60
Employee + Spouse	17	17
Employee + Child(ren)	6	6
Family	23	23
Monthly Premiums		
Employee Only	\$6.55	\$8.21
Employee + Spouse	\$12.09	\$16.42
Employee + Child(ren)	\$12.29	\$19.28
Family	\$22.03	\$29.55
Monthly Premium Per Plan	\$1,178.96	\$1,567.07
Annual Premium Per Plan	\$14,147.52	\$18,804.84

Basic Life



BASIC LIFE - Effective Date: 10/1/2023	Proposed
Plan Nickname	1
Carrier	MetLife
Plan Name	Basic Life AD&D - Option 1
Rate Guarantee	2 years
Participation Requirements	100%
Benefit	
Benefit Amount	1x salary to \$50,000
Maximum Benefit	\$50,000
Benefit Reduction	35% at Age 65, 50% at Age 70
Waiver of Premium	Disabled prior to 60, waiting period 9 months, coverage continues to 65
Portability	Conversion Available
Accelerated Benefit	80% to \$500,000
Guaranteed Issue	\$50,000
AD&D	1x salary to \$50,000
Enrollment	
Employee	226
Monthly Premiums (Rates Per \$1,000)	
Volume	\$9,143,650.00
Basic Life	\$0.181
AD & D	\$0.02
Basic Life AD & D	
Monthly Premium Per Plan	\$1,837.87
Annual Premium Per Plan	\$22,054.48

Short Term Disability



SHORT TERM DISABILITY - Effective Date: 10/1/2023	Proposed
Plan Nickname	
Carrier	MetLife
Contrib/Non-Contributory	Contributory
Plan Name	Short Term Disability
Rate Guarantee	2 years
Participation Requirements	30%
Employer Contribution	0.0000%
Benefit	
Benefit Percentage	60%
Max Weekly Benefit	\$1,500
Min Weekly Benefit	\$25
Max Benefit Duration	12 weeks
Elimination Period - Accident	7 days
Elimination Period - Sickness	7 days
Definition of Disability	<p>Due to a Sickness, or as a direct result of accidental injury; the employee is receiving Appropriate Care and Treatment and complying with the requirements of such treatment, and is unable to earn more than 80% of their predisability earnings.</p> <p>The amount of the employee's gross salary or wages from his/her employer as of the day before his/her disability began.</p> <p>Predisability earnings includes: Basic earnings only.</p>
Earnings Definition	
Covered Disability	Non-Occupational
Pre-existing Conditions	3/12
Guaranteed Issue	\$1,500
Enrollment	
Employee	0
Monthly Premiums	
Rates Per \$10	Less than 45: \$0.498
Covered Weekly Benefits	45: \$0.534
	46: \$0.57
	47: \$0.606
	48: \$0.633
	49: \$0.67
	50: \$0.697
	51: \$0.724
	52: \$0.751
	53: \$0.787
	54: \$0.823
	55: \$0.85
	56: \$0.887
	57: \$0.923
	58: \$0.959
	59: \$0.995
	60: \$1.022
61: \$1.059	
62: \$1.095	
63: \$1.167	
64: \$1.24	
65+: \$1.312	

Long Term Disability

LONG TERM DISABILITY - Effective Date: 10/1/2023	Current	Proposed
Plan Nickname	1	1
Carrier	Lincoln Financial Group	MetLife
Contrib/Non-Contributory	Non-Contributory	Non-Contributory
Plan Name	Long Term Disability	Long Term Disability
Rate Guarantee	2 years	2 years
Participation Requirements	100%	100%
Employer Contribution	100.0000%	100.0000%
Benefit		
Benefit Percentage	60%	60%
Max Monthly Benefit	\$5,000	\$7,500
Min Monthly Benefit	\$100	\$100
Max Benefit Duration	SSNRA	RBD w/ SSNRA
Elimination Period	90 days	90 days
Definition of Disability	<p>During the Elimination Period and Own Occupation Period, it means that due to an Injury or Sickness the Insured Employee is unable to perform each of the substantial and material duties of his or her own occupation.</p>	<p>Due to a Sickness, or as a direct result of accidental injury: The employee is receiving Appropriate Care and Treatment and complying with the requirements of such treatment, and during the elimination period and the next 24 months is unable to earn more than 80% of predisability earnings.</p>
Earnings Definition	<p>Employee's average monthly base salary or hourly pay from the Employer before taxes on the Determination Date. Includes: Commissions averaged over 12 months prior.</p>	<p>The amount of the employee's gross salary or wages from his/her employer as of the day before his/her disability began. Predisability earnings includes: Basic earnings only.</p>
Pre-existing Conditions	3/12	3/12
Guaranteed Issue	\$5,000	\$7,500
SS Offset	Family	Family
Mental & Nervous	24 months	24 Months
Enrollment		
Employee	226	226
Monthly Premiums		
Rates Per \$100		\$0.371
Covered Monthly Payroll		\$836,284.00
Monthly Premium Per Plan	\$0.00	\$3,102.61
Annual Premium Per Plan	\$0.00	\$37,231.36

Employee Benefits Consulting

Benefit Advocate Center (BAC) Standard Tier Core Services

Benefits

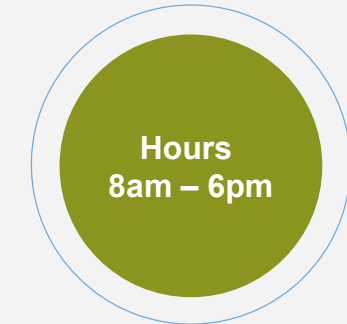
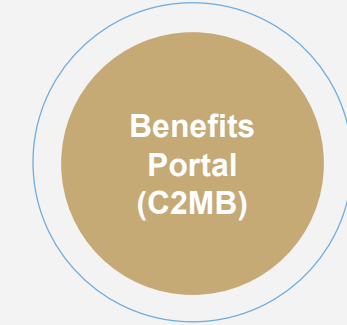
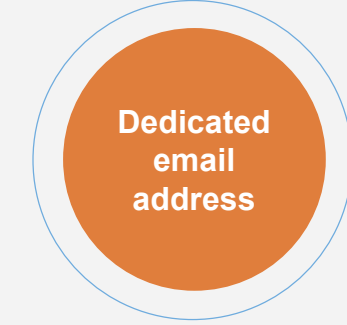
- Provide benefit support for new hires
- Open enrollment support and education
- ID card resolution
- Assist with locating in network providers
- Explain in network and out of network benefits
- Prescription coverage and authorization issues

Eligibility

- Explain eligibility rules and requirements

Claims

- Balanced billing and outstanding claim issues



Employee Assistance Program



Wellness Program



Voluntary Benefits

Accident, Critical Illness

Hospital Indemnity, Permanent Life Insurance



Carrier Information



Proposal	
1. AM Best/ Financial Rating	A- (Excellent) IX (\$250 Million to \$500 Million)
2. Products Quoted	Accident Insurance Critical HealthEvents Insurance Hospital Indemnity Insurance Life + Care Insurance
3. HSA Compliant	Yes
4. Rate Guarantees	State Filed
5. Employee Eligibility	Actively at Work; 30+ Hours / Week; 30 Days Active Service Required
6. Billing Process/Method	Self-Bill or List-Bill
7. Claims Turnaround Time	10 Business Days
8. Commissions	Acc, CI: 60% Year 1, 5% Years 2+ HI: 55% Year 1, 6% Years 2+ PL: 90% Year 1, 5% Years 2-10, 3% Years 11+

City of Lake City Accident Plans & Rates



Accident Insurance

Group Accident Plan	
1. Issue Ages	Employee: Actively at Work; Ages 18+ Spouse: Ages 18+ Child: Birth to Age 26
2. Participation Requirement	10 Employee Applications
3. Guaranteed Issue	Yes
4. 24 Hour / Off Job	24 Hour
5. Hospital Admission	\$2,000
6. Hospital ICU Admission	Payable Under Hospital Admission
7. Admission Benefit Payments	Either Admission or ICU Admission Benefit is Payable Once Per Covered Accident
8. Hospital Confinement Per Day	\$400 (Up to 365 Days, Beginning Day 2)
9. Hospital ICU Confinement Per Day	\$600 (Up to 15 Days, Beginning Day 2)
10. Confinement Benefit Payments	Confinement and ICU Confinement Benefits Can Be Paid Simultaneously
11. Emergency Room	\$200
12. Non-Emergency Room Care	\$100 Physician's Office / Urgent Care (Virtual Care Accepted)
13. Ambulance Ground / Air	\$200 / \$1,000
14. Physical Therapy	\$50 (Up to 10 Visits)
15. Single Fractures / Dislocations	Up to \$10,000 / Up to \$8,000
16. Lacerations	Up to \$800
17. Accidental Death, Dismemberment & Catastrophic Benefits	Up to \$50,000
18. Wellness	\$50 Per Insured Per Benefit Year
19. Portability	Active Employees Can Port Coverage Until Group Master Policy Terminates, Not Portable if Group Master Policy is Replaced; Ported Policies Remain Active Until Policyholder Terminates Coverage or No Longer Pays Premiums
20. Miscellaneous	None
Rates - 24 Hour	Monthly Premium
25. Employee Only	\$14.74
26. Employee & Spouse	\$23.38
27. Employee & Children	\$30.56
28. Family	\$42.01

City of Lake City

Critical Illness Plan Designs & Rates

Critical Illness Insurance


Critical HealthEvents	
Situs State: FL	
1. Issue Ages	Employee: Actively at Work; Age 18+ Spouse: Ages 18+, Not Disabled Child/Dependent GCH: Birth to Age 26
2. Participation Requirement	10 Employee Applications
3. Guaranteed Issue Maximum	Employee: Up to \$30,000 Spouse: 50% of Employee Coverage Amount Child: 25% of Employee Coverage Amount
4. Children Coverage	Additional
5. Pre-Existing Condition Limitations*	Waived
6. Covered Critical Illnesses	Cancer (100%, 50% or 10% Payout Depending on Diagnosis), Heart Attack (100% or 50% Payout Depending on Diagnosis), Stroke (100% or 50% Payout Depending on Diagnosis), Major Organ Failure (Liver, Lung Pancreas or Heart), End-Stage Renal Failure
7. Other Covered Critical Illnesses	<p style="text-align: center;"><u>Covered At 100%</u></p> <p style="text-align: center;">Sudden Cardiac Arrest, Permanent Blindness, Complications of Diabetes - Lower Limb Amputation, Irreversible Loss of Hearing, Occupational HIV, Paralysis, ALS</p> <p style="text-align: center;"><u>Covered At 50%</u></p> <p style="text-align: center;">Coronary Artery Disease (Payout Depending on Diagnosis), Central Nervous Condition: Lupus, Sarcoid, Infection of the Brain; Neurologic Diseases, Dementia/Alzheimer's</p> <p style="text-align: center;"><u>Covered At 10%</u></p> <p style="text-align: center;">Coronary Artery Disease (Payout Depending on Diagnosis), Carcinoma in Situ, Benign Brain, Spinal Cord and Cranial Nerve Tumors, Myelodysplastic Syndrome, Cerebral Vascular Disease: TIA Including RIND Complications of diabetes requiring hospitalization for hyperglycemia, dehydration, Stem cell/bone marrow transplant, Acute Respiratory Distress Syndrome, Coma, Epilepsy, Rheumatoid Arthritis, Type 1 Diabetes</p>
8. Same Illness Diagnosis (Recurrence)	100%, 50%, 10% Payout Depending on Illness/Diagnosis (No Separation Period) No Recurrence for Specified Illness Rider Conditions

City of Lake City Critical Illness Plan Designs & Rates



Critical Illness Insurance

Critical Health Events Situs State: FL	
9. Different Illness Diagnosis	100%, 50%, 10% Payout Depending on Illness/Diagnosis; 1 x Each Illness Per Year (No Separation Period) Specified Illness Rider Conditions 1x Each Illness Per Lifetime
10. Maximum Benefit	Benefit Payout Replenishes Annually; No Limitations on Recurrence, Except for Conditions Covered Under the Specified Illness Rider
11. Benefit Reduction	None
12. Wellness	\$50 Per Insured Per Calendar Year
13. Portability	Active Employees Can Port Coverage Until Group Master Policy Terminates, Not Portable if Group Master Policy is Replaced; Ported Policies Remain Active Until Policyholder Terminates Coverage or No Longer Pays Premiums
14. Miscellaneous	None
Monthly Rates	Monthly Premium \$10,000 Employees Only Spouse & Dependent Rates are Included in the Proposal
	Non-Tobacco Attained Age 10 Total Age Bands
Age 35	\$4.59
Age 45	\$9.99
Age 55	\$22.89

*Diagnosis Look-Back Periods, Treatment/Symptom Free Duration Requirements and Other Restrictions May Apply.
The Policy and Certificate Provide Complete Definitions Regarding Eligibility of Any Claim.

City of Lake City Hospital Indemnity Plans & Rates



Hospital Indemnity Insurance

Hospital Indemnity Plan	
1. Issue Age	Employee: Actively at Work; No Age Limit Spouse: No Age Limit Child: Birth to Age 26
2. Participation Requirement	5 Enrolled Employees
3. Guaranteed Issue	Yes
4. Pre-Existing Condition Limitations*	None
5. Hospital Admission	\$1,000
6. Hospital Admission ICU	Payable Under Hospital Admission
7. Admission Benefit Payments	Either Admission or ICU Admission Benefit is Payable Once Per Benefit Year
8. Daily Hospital	\$100 (Up to 10 Days, Beginning Day 1)
9. Daily ICU Hospital	\$100 (Up to 10 Days, Beginning Day 1)
10. Confinement Benefit Payments	Confinement and ICU Confinement Benefit Can Be Paid Simultaneously Per Covered Accident / Illness
11. Pregnancy	Covered
12. Wellness	None
13. Portability	Active Employees Can Port Coverage Until Group Master Policy Terminates, Not Portable if Group Master Policy is Replaced; Ported Policies Remain Active Until Policyholder Terminates Coverage or No Longer Pays Premiums
14. Miscellaneous	OnCall Travel Assistance
Rates	Monthly Premium
	Rates Not Banded
15. Employee Only	\$13.38
16. Employee & Spouse	\$29.85
17. Employee & Child(ren)	\$20.95
18. Family	\$38.91

*Diagnosis Look-Back Periods, Treatment/Symptom Free Duration Requirements and Other Restrictions May Apply. The Policy and Certificate Provide Complete Definitions Regard



Insurance | Risk Management | Consulting

City of Lake City Permanent Life Insurance



Permanent Life Insurance

Life + Care™
Situs State: FL

1. Issue Ages	Employee: Actively at Work; Ages 18-75 Spouse: Ages 18-70
2. Participation Requirement	10 Employee Applications
3. Guaranteed Issue - EE	Up to \$100,000
4. Guaranteed Issue - SP	Amount purchased up to 50% of employee benefit; up to \$20,000
5. Guaranteed Issue - Child(ren)	None
6. Waiver of Premium	None
7. Future Purchase Option	None
8. Long Term Care Rider	<p><u>Professional Caregiving</u>: 4% Monthly Benefit When Professional Caregiving Services Are Needed; If Funds Are Needed Immediately a 20% Lump Sum Benefit is Also Available; Money Can Be Used However it is Needed (To Pay For Care in a Assisted Living Facility or Nursing Home, or For Home Health Care or Adult Day Care); 6/6 Pre-Ex</p> <p><u>Family Caregiving</u>: 2% Monthly Benefit When Caregiving Services Are Provided By an Insured's Family Member or Friend; If Funds Are Needed Immediately a 10% Lump Sum Benefit is Also Available; Money Can Be Used However it is Needed (From Home Modifications to Helping Out the Family/Friend Caregiver With Their Financial Needs)</p>
9. Restoration of Benefits	Restores 100% of Death Benefit Reduced By Chronic Care Benefits (Professional & Family Caregiving)
10. Extension of Benefits	<u>None</u>
11. Accelerated Death Benefit Rider	<u>Terminal Illness Benefit</u> : Accelerates 50% of Death Benefit When Life Expectancy is 24 Months or Less
12. Accidental Death Benefit Rider	None
13. Time Span of Coverage	Up to Age 121
14. Portability	Active Employees Can Port Coverage Even if Group Master Policy Terminates or is Replaced; Ported Policies Remain Active Until Policyholder Terminates Coverage or No Longer Pays Premiums
15. Miscellaneous	Benefits Reduce to 1/3 at the Later of Age 70 or 15 Policy Years, Living Benefits Do Not Reduce; No Permanency Requirement: Condition Causing a Need For Care Does Not Have to Be Permanent In Order to Receive Benefits; Non-Forfeiture Benefit: EE May Pay No Further Premiums & Maintain a Death Benefit With Either Extended Term or Reduced Paid- Up Coverage (Premiums Need to Be Paid For At Least 10 Years)
Rates	<p>Monthly Premium \$20,000 Face Amount</p> <p>EE, Non-Tobacco, Death Benefit</p>
16. Age 35	\$16.33
17. Age 45	\$25.86
18. Age 55	\$43.06

Opt-out Program

Key Points

- Incentives to waive a health plan must be addressed in the client’s cafeteria plan document and other plan communications.
- The employee must decline to enroll in the employer-sponsored coverage.
- The employee must provide reasonable evidence that they, and all other individuals in their tax family, will have MEC that is not individual coverage during the period of time they are receiving the opt out incentive; and
- The employer ensures that the opt-out incentive will not be made (and is not made) if the employer knows or has reason to know that the employee or any other member of their tax family does not have (or will not have) the required alternative coverage.
- A lot of employers overlook that substantiation must also be collected for the employee's dependents; it is not enough that the employer obtain documentation that the employee alone has other group coverage.
- Failure to comply with opt-out program laws can result in hefty financial penalties.

Current

Employees are allowed \$200 or \$400 opt-out amount depending on what level of coverage they choose to opt-out of.

Proposed

Replace cash payout with “employer paid” benefits.

- E.g. The City would provide benefits such as Dental, Vision, Hospital Indemnity and Accident at no cost for opt-out employees.
- Remove opt-out program and reinvest the ~\$100K into medical premium.

Questions?



Gallagher

Insurance | Risk Management | Consulting



[AJG.com](https://www.ajg.com)

©2023 ARTHUR J. GALLAGHER & CO.

Thank You! Disclaimer – GBS

J.D. Curls
Benefits Consultant

137 NW Madison Ave
Lake City, FL 32055

For Institutional Use Only. Not for Public Distribution.

This material was created to provide information on the subjects covered, but should not be regarded as a complete analysis of these subjects. The information provided cannot take into account all the various factors that may affect your particular situation. The services of an appropriate professional should be sought regarding before acting upon any information or recommendation contained herein to discuss the suitability of the information/recommendation for your specific situation.

Gallagher Fiduciary Advisors, LLC (“GFA”) is an SEC Registered Investment Advisor that provides retirement, investment advisory, discretionary/named and independent fiduciary services. **GFA** is a limited liability company with Gallagher Benefit Services, Inc. as its single member. **GFA** may pay referral fees or other remuneration to employees of AJG or its affiliates or to independent contractors; such payments do not change our fee. Neither Arthur J. Gallagher & Co., **GFA**, their affiliates nor representatives provide accounting, legal or tax advice.

Securities may be offered through **Triad Advisors, LLC (“Triad”)**, member FINRA/SIPC. **Triad** is separately owned and other entities and/or marketing names, products or services referenced here are independent of **Triad**. Neither **Triad** nor their affiliates provide accounting, legal or tax advice.



Gallagher

Insurance | Risk Management | Consulting

[AJG.com](https://www.ajg.com)

©2023 ARTHUR J. GALLAGHER & CO.