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## **COUNCIL ACTION SUMMARY SHEET**

**MEETING DATE:** August 12, 2024

**TOPIC** 2024-25 Employee Health and Fringe Benefits Renewal

### **BACKGROUND BRIEF:**

Administration is requesting that Village Council approve the health insurance, dental, optical, long-term and short term disability, life insurance, and employee assistance plan options for Village employees for the 2024-25 plan year. The Village's plan year commences on September 1 and terminates on August 31. Administration has met with employees and the Village's employment benefits consultant to identify options for health insurance that provide high quality health insurance coverage to employees while complying with the State of Michigan hard cap limits under PA 152 of 2011, as amended.

Administration is recommending that the Village Council approve health insurance benefit options as follows:

- For employees currently participating in the Village's BCBSM PPO Simply Blue Gold Option 4, this option will continue, but employees will also have the option of switching to either the BCN Blue Elect Plus POS Gold Option 2 or Blue Elect Plus POS HSA Gold Option 2 plan
- For new, eligible hires as of September 1, 2024, the employee may select the BCN Blue Elect Plus POS Gold Option 2 or Blue Elect Plus POS HSA Gold Option 2 plans

Administration is also recommending no changes to the other fringe benefit plans, except to authorize optional insurance enhancements to employees at the employee's cost, to maintain the current year's premium costs for next year.

### **SUMMARY OF PREVIOUS COUNCIL ACTION:**

None

### **FINANCIAL IMPACT:**

Based on current employee health insurance participation, the estimated cost of health insurance for the 2024-25 plan year will be \$10,065.04 per month or \$120,780.48 annually, a cost savings of approximately \$20,000 from the current year.

**RECOMMENDED MOTION:**

To approve the health insurance program and other fringe benefit options for eligible Village employees for the Village's plan year 2024-25 and to authorize the Village Manager to execute all necessary documents to effectuate these programs:

- For existing employees currently participating in the Village's BCBSM PPO Simply Blue Gold Option 4, this option will continue, but existing employees will also have the option of either the BCN Blue Elect Plus POS Gold Option 2 or Blue Elect Plus POS HSA Gold Option 2 plan
- For new, eligible employees as of September 1, 2024, the employee may select the BCN Blue Elect Plus POS Gold Option 2 or Blue Elect Plus POS HSA Gold Option 2 plans
- The Village will continue the current dental, optical, life, accident, short term disability, long term disability, and employee assistance plan options with no changes while also offering optional additional coverages if employees choose to assume the additional cost.