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MEETING TYPE: Board of Alderman

DATE: June 9, 2025

SUBMITTED BY: Madison Stegall, Human Resources Director

ITEM TYPE: Consideration

AGENDA SECTION: Considerations

SUBJECT: **Consider Approval of BCBS Health Insurance Coverage and Humana Ancillary Benefits Coverage for FY26**

DETAILS:

The Town has historically partnered with BCBS for health insurance and is pleased to report a 2% decrease in premium rates for FY 2026. In addition, BCBS will now offer 100% coverage for Teledoc Telehealth Visits at no charge to employees. The Town currently contributes \$730.30 per employee toward medical insurance, with an additional 7% incentive provided to employees who select either of the Blue High Performance Plan options to promote cost-effective premium choices. BCBS has also expanded the Blue High Performance Plan eligibility to include employees who either live or work within the Blue High Performance Plan network.

In recent years, the Town has utilized MetLife and Guardian for ancillary insurance. However, due to premium increases, the Town went to market for competitive bids. Staff recommends transitioning all ancillary coverages, including dental, vision, short-term disability (STD), optional long-term disability (LTD), basic life, and voluntary life insurance, to Humana. Humana offered competitive pricing resulting in an estimated 13.1% annual savings, and consolidating ancillary benefits under a single provider will streamline administration. Humana has also guaranteed these rates for two years and will provide the Town with a \$1,500 credit on the first invoice.

Recommended Action: Motion to approve the FY26 Town health insurance coverage with Blue Cross Blue Shield, including continued Town provided premium assistance for employees, and to authorize Ancillary Benefit Coverage through Humana.