

## AGENDA REPORT MEETING: REGULAR MEETING, OCTOBER 23, 2023 AGENDA CATEGORY: COUNCIL BUSINESS OLD BUSINESS

**Item:** Employee Health Insurance Approval

**Department:** City Manager

**Date of Meeting:** Monday, October 23, 2023

**Fiscal Impact:** The Fiscal Year 2024 Budget has \$8,398,000.00 available for claims,

premiums, and administration of the Group Health Benefits

**Presented By:** Michael Fischer, Assistant City Manager

**Action Requested:** Approval of this plan as described in the summary below for health

coverages to begin January 1, 2024, and give the City Manager or his designee the authority to approve and execute the necessary coverages

and documents to implement the plan.

## **Summary:** City health and related coverages approval:

- Renew contract with independent Third Party Administrator (TPA) using HealthEZ
- Continue using the Cigna network (PPO).
- Continue with Voya for stop loss insurance.
- Contract with an independent Pharmacy Benefits Manager (PBM). Using Verasity as PBM.
- Continue with an Independent Wellness consultant, Corporate Health Partners.
   This has been successful, and we think it will continue to benefit our employees and the City.
- Approve Anthem fully insured dental coverage for annual costs of \$265,585.
- Approve Anthem fully insured vision coverage for an annual costs of \$50,052.
- Approve life insurance, short-term and long-term disability coverages with OneAmerica for an annual costs of \$193,883.
- Keep Aetna Medicare Advantage Plan for retirees for an annual amount of \$334,712.

## 2024 Plan Year

• Continue to offer three plans – PPO Plan A, PPO Plan B and a high-deductible plan with a Health Saving Account (HSA) with a City contribution. The PPO Plans allow the employee to pay a premium to reduce the required deductible and the maximum out of pocket costs. Each Plan has an earned wellness component to allow employees and other covered members to earn monetary contributions by participating in wellness activities. Coverage will be based on a three-tier model – 1. Employee only, 2. Employee and other, 3. Family. The Spousal Surcharge will be \$50 per month, for spouses that have access to coverage at their place of employment.

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## **Attachments/Exhibits:**

PowerPoint Presentation