



MEMO

To: Mayor Teske – Common Council
From: Daron J Haugh – City Administrator
Subject: 2026 Health Insurance Rates
Date: 2025-08-26

After reviewing health insurance rates and analyzing the impact for the 2026 fiscal year, I've determined that the City's costs are expected to increase by 24.9% (or \$156,616.56) over last year, based on current enrollment. For employees, these changes will be significant: monthly contributions for the most popular family plan, GHC Neighbors, will rise by 94.4% (\$228.78), and single plans will see a 93.2% increase (\$91.92) compared to the previous year. These substantial jumps will affect the City's operating expenses and could influence future wage decisions.

The State Maintenance Plan (SMP) – Dean, is another option for 2026. Although the SMP is available in the Juneau County/City of Mauston area, not all providers currently used by employees may be included in its network, which could impact those who wish to continue seeing specific doctors or specialists. While SMP rates are set to decrease from 2025 to 2026—single plans by 10.6% and family plans by 11.0%—the SMP rate is still higher than the 2025 GHC rate. Details about the full provider network and coverage area are still being gathered. If the SMP's coverage proves comparable to our current plan, it could become a cost-effective option for both employees and the City, despite the higher premium.

I will continue to monitor these options closely and keep both Council and staff updated on any developments as soon as new information becomes available.