



Agenda Item Summary

MEETING DATE: September 30, 2024
SUBJECT: 2025 Health Insurance Renewal - CEBT
PRESENTED BY: Mary Strutt, Administrative Services Director

SUMMARY

The Town received the 2025 renewal rates for employee health, dental, vision, life and disability insurance from its current carrier, Colorado Employer Benefit Trust (CEBT). The overall renewal rate increase for our current PPO IV and Kaiser KP-HMO 45 plans is 13.5%. The Dental Plan A shows a 4.0% increase and no increase to the Vision Plan C. CEBT believes the increases in loss ratios are due to a post-COVID increase in healthcare and higher inflation. Based on economic and inflationary factors, the increase was anticipated and is similar to those anticipated by other municipalities in Colorado. The renewal deadline is October 11, 2024.

CEBT has been the Town's health insurance carrier since 2010. The Town has offered dual plans since mid-2014, offering Kaiser and a traditional PPO plan. Employees may select a plan that best fits their needs. Currently, the Town's contribution is equal to 100% of the employee cost and 50% of dependent cost for the Kaiser plan. Employees who select the PPO IV plan pay the premium difference between the two plans. The employee costs of healthcare is attached and will be presented to Town employees at the Open Enrollment Benefit Fair scheduled for October 30, 2024.

FINANCIAL CONSIDERATIONS

A 13.5% premium increase is approximately \$93,000 (based on the 2024 estimated actuals). However, the cost (and subsequently the amount of increase) varies based on the number of employees in the plan and their benefit selections. As noted above, some of the cost is absorbed by employee contribution to the insurance plans. The 2025 budget will reflect the 13.5% increase.

STAFF RECOMMENDATION/ACTION REQUIRED

Staff recommends the Board renew the Town's employee health insurance with CEBT for 2025 and authorize Administrative Services Director Mary Strutt to execute the renewal. A motion to adopt the consent agenda will approve this item. If the item is removed from the Consent Agenda, the following motion is recommended:

Suggested Motion:

"I move to authorize the Administrative Services Director to execute CEBT's Renewal for January 1, 2025 on behalf of the Town of Mead."

ATTACHMENTS

CEBT Renewal January 1, 2025
Semi-Monthly Cost 2025