



Memorandum

Date: June 20, 2022

To: The Honorable Mayor and City Council Members

From: JoAnna P. "Jody" Weaver, P.E., Interim City Manager
Susan Lang, Finance Director

Reference: Health Insurance Plan Recommendation for FY 2023

We have received and reviewed the medical, dental and vision insurance plan options available to the City for the fiscal year beginning October 1, 2022, as offered by BCBS through TML Health Benefits Pool.

The 2022-23 Renewal rate for the same coverage currently offered will increase by 15%, or \$154,920. After reviewing the options offered, we are recommending a plan change that will reduce the increase to 7.64% or \$78,863.

Changes to plan coverage are highlighted below:

- The Individual Deductible will increase from \$500 to \$750. The City is still far below the State-wide average of other Pool participants whose individual deductibles range from \$1,000 to \$1,500.
- The Out-of-Pocket (OOP) Maximum from increase from \$3,000 to \$4,000.

Even with these changes, the City is projecting an increase to the annual budget of approximately \$78,863 for FY 2023. The City has been absorbing all increases over the past several years, rather than passing on to employees to share. We are recommending the same for this year, because we have increased individual deductibles by 50% and the OOP maximum by 33%.

Overall, the trend for the City's health insurance costs of risen from \$728,040 in fiscal year 2020 to a projected 941,024 for fiscal year 2023. We will continue to monitor changes in plan design in order to minimize rising costs to the City.

There were no changes or price increase to the dental or vision plans offered to employees for fiscal year 2023.

Last year's renewal credit amounted to \$2,411 per month or \$28,932 annually. TML has not made a final decision on this year's credit, but we are hopeful that this will help to offset the increased premiums for fiscal year 2023.

Staff recommends the approval of BCBSTX Option 3 as offered by TML Health Benefits Pool, with continued coverage of the same plans for dental and vision.



MEDICAL COST PROJECTION
Port Lavaca - PPORTLA1
05/25/22
MEMBER OPTION

5/25/2022 11:29 AM

15% Increase	
Current Plan	2022-2023 Renewal
	New Rates
2021-2022	Copay-500-3K ER
Current Rates	80% / 50%
Copay-500-3K ER	PPO
80% / 50%	\$500 In Ded
	\$1,000 Out Ded
	\$3,000 In OOP
	\$0 Tola Health Copay
	\$30 OV/\$60 SP/\$75 UC/\$500 ER Copay
	DAW1&2 Rx Plan
	\$582.82
EE	\$1,183.16
EE + Spouse	\$1,360.64
EE + Child(ren)	\$1,025.80
EE + Family	\$1,719.36

New Plan Options
2022-2023

Option 1		Option 2		Option 3		Option 4	
11.84% Increase		10.63% Increase		7.64% Increase		4.21% Increase	
Copay-500-4K ER		Copay-750-3K ER		Copay-750-4K ER		Copay-750-5K ER	
80% / 50%		80% / 50%		80% / 50%		80% / 50%	
PPO (copay)		PPO (copay)		PPO (copay)		PPO (copay)	
\$500 In Ded		\$750 In Ded		\$750 In Ded		\$750 In Ded	
\$1,000 Out Ded		\$1,500 Out Ded		\$1,500 Out Ded		\$1,500 Out Ded	
\$4,000 In OOP		\$3,000 In OOP		\$4,000 In OOP		\$5,000 In OOP	
\$0 Tola Health Copay		\$0 Tola Health Copay		\$0 Tola Health Copay		\$0 Tola Health Copay	
\$30 OV/\$60 SP/\$75 UC/\$500 ER Copay		\$30 OV/\$60 SP/\$75 UC/\$500 ER Copay		\$30 OV/\$60 SP/\$75 UC/\$500 ER Copay		\$30 OV/\$60 SP/\$75 UC/\$500 ER Copay	
DAW1&2 Rx Plan		DAW1&2 Rx Plan		DAW1&2 Rx Plan		DAW1&2 Rx Plan	
\$651.80		\$644.76		\$627.32		\$607.36	
\$1,323.20		\$1,308.90		\$1,273.52		\$1,233.00	
\$1,147.22		\$1,134.82		\$1,104.14		\$1,069.00	
\$1,922.84		\$1,902.06		\$1,850.64		\$1,791.76	
Option 1		Option 2		Option 3		Option 4	
Signature / Date		Signature / Date		Signature / Date		Signature / Date	

Please sign & date option chosen:

DAW1&2 Plan: If a brand name drug is dispensed and a generic alternate drug exists, the Covered Individual pays the difference between the brand name and generic price in addition to the appropriate copayment for the brand name. The cost difference between the brand name and generic price does not apply to any individual deductibles or out of pocket amounts. The differential applies to all prescriptions purchased through this program when a generic alternate is available.

NonDAW Plan: If a brand name drug is dispensed and a generic alternate drug exists, the Covered Individual pays the appropriate brand copay.

THIS DOES NOT COMPLETE THE RATE PROCESS. YOU WILL NEED TO SIGN THE MEMBER OPTION AND DO ONE OF THE FOLLOWING BY 06/25/2022:

1. Scan an image of the signed member option and email it to underwriting@tmhb.org, or
 2. Fax the signed member option to (512) 719-6544, attn: Underwriting
- THEN A NEW RATE NOTICE WILL BE GENERATED AND MAILED TO YOU. THE RATE SHEET MUST BE SIGNED AND RECEIVED IN AUSTIN BY 07/01/2022 FOR THE NEW BENEFITS AND RATES TO BE EFFECTIVE FOR 10/01/2022.**

CITY OF PORT LAVACA
HEALTH INSURANCE RATE COMPARISONS

2019/20 FISCAL YEAR					
Medical Insurance	Cost	Employee Contribution		Paid by City	
Employee Only	\$ 542.84	\$ 80.00	15%	\$ 462.84	85%
Employee + Spouse	\$ 1,101.98	\$ 240.00	22%	\$ 861.98	78%
Employee + children	\$ 955.40	\$ 210.00	22%	\$ 745.40	78%
Employee + Family	\$ 1,601.38	\$ 270.00	17%	\$ 1,331.38	83%

2020/21 FISCAL YEAR					
Maintain the same Employee Contribution dollar amount					
Medical Insurance	Cost	Employee Contribution		Paid by City	
Employee Only	\$ 569.98	\$ 80.00	14%	\$ 489.98	86%
Employee + Spouse	\$ 1,157.08	\$ 240.00	21%	\$ 917.08	79%
Employee + children	\$ 1,003.18	\$ 210.00	21%	\$ 793.18	79%
Employee + Family	\$ 1,681.46	\$ 270.00	16%	\$ 1,411.46	84%

2021/22 FISCAL YEAR					
Maintain the same Employee Contribution dollar amount					
Medical Insurance	Cost	Employee Contribution		Paid by City	
Employee Only	\$ 582.82	\$ 80.00	14%	\$ 502.82	86%
Employee + Spouse	\$ 1,183.16	\$ 240.00	20%	\$ 943.16	80%
Employee + children	\$ 1,025.80	\$ 210.00	20%	\$ 815.80	80%
Employee + Family	\$ 1,719.36	\$ 270.00	16%	\$ 1,449.36	84%

NEW RATES FOR 2022/23 FISCAL YEAR					
Maintain the same Employee Contribution dollar amount					
Medical Insurance	Cost	Employee Contribution		Paid by City	
Employee Only	\$ 627.32	\$ 80.00	13%	\$ 547.32	87%
Employee + Spouse	\$ 1,273.52	\$ 240.00	19%	\$ 1,033.52	81%
Employee + children	\$ 1,104.14	\$ 210.00	19%	\$ 894.14	81%
Employee + Family	\$ 1,850.64	\$ 270.00	15%	\$ 1,580.64	85%



Renewal Notice and Benefit Verification Form Port Lavaca

Original

Plan Year 10/01/2022 - 09/30/2023 (12 Months)

Important Notice: "If TML Health does not receive the fully executed renewal notice by the due date, it will result in an automatic renewal of current benefits at the new rates, with **CURRENT** employee contributions."

Medical

Employer Group Medical Plan

Plan	Benefit Percent	In Net Ded	Out Net Ded	In Net OOP	Office Visit	Rates	Current	New	
<u>750 4K</u> Copay-500-3K ER-DAW1&2	80/50	\$500	\$1000	\$3000	\$30	EE Only:	\$582.82	\$670.24	<u>Δ</u> 627.32
						EE + Spouse:	\$1,183.16	\$1,360.64	1,273.52
						EE + Child(ren):	\$1,025.80	\$1,179.68	1,104.14
						EE + Family:	\$1,719.36	\$1,977.26	1,850.64

In Network Deductible applies towards In Network OOP.

Medical and Dental Plan Accumulators will be based on Plan Year.

Monthly Employer Contribution Amounts

TML Health requires 60% employer contribution toward employee medical – Minimum employer contribution is \$402.14

Use this section for **Monthly Employer Contribution** for Active Employees Medical (**monetary values ONLY, no percentages**). Include EE Only amount in each tier.

Note: If providing a Defined Contribution (lump sum given to employees to purchase benefits) do not use this section. Skip to the defined contribution section below.

Plan	EE Only:	EE+Spouse:	EE+Child(ren):	EE+Family:
<u>750 4K</u> Copay-500-3K ER-DAW1&2	\$ <u>547.32</u>	\$ <u>1,003.52</u>	\$ <u>894.14</u>	\$ <u>1,580.64</u>

Are there different contributions based on other factors (ex: hourly vs salary, department or location based)? If so, please explain here:

Defined Contribution

Use this section if providing a Defined Contribution (lump sum given to employees to purchase benefits).

Note: All Defined Contributions will be allocated as follows (if offered): Medical, Dental, Vision, & all Employee Paid Voluntary Products (ex: voluntary life, voluntary spouse life, voluntary AD&D...). Any left-over contribution dollars will then be applied to an employee's HRA or HSA (as applicable) depending on medical plan election.

- Employer's **MONTHLY** Defined Contribution of \$ _____ equal to a full **ANNUAL** Defined Contribution of \$ _____ (monthly contribution x12).
- Will employees receive this Defined Contribution if medical coverage is waived? No ☐ Yes ☐ (if yes, see 2a).
 - Will employee's receive the full monthly Defined Contribution or a partial amount? Full ☐ Partial ☐ \$ _____
- Are there different contributions based on other factors (ex: hourly vs salary, department, location...)? If so please explain here:

Dental III

Rates	Current	New
EE Only:	\$37.64	\$37.64
EE + Family:	\$96.68	\$96.68

Use this section for **Monthly Employer Contributions** for Active Employees Dental (**monetary values ONLY, no percentages**). Include the EE Only amount in each tier, **enter \$0 if no contribution**.

Note: Not applicable for defined contribution plans.

EE Only \$ 17.06 EE + Family \$ 45.20

Vol Standard Vision

<u>Rates</u>	<u>Current</u>	<u>New</u>
EE Only:	\$6.88	\$6.88
EE + Family:	\$17.53	\$17.53

Use this section for **Monthly Employer Contributions** for Active Employees Vision (monetary values **ONLY**, no percentages). Include the EE Only amount in each tier, enter \$0 if no contribution.

Note: Not applicable for defined contribution plans.

EE Only \$ 0 EE + Family \$ 0

Basic Life and AD&D

No Basic Life and AD&D Coverage

Additional Employee Life and AD&D

No Additional Employee Life and AD&D Coverage

Dependent Life

No Dependent Life Coverage

Voluntary AD&D

No Voluntary AD&D Coverage

LTD

No LTD Coverage

STD

No STD Coverage

Pre-65 Retiree Medical

No Pre-65 Retiree Medical Coverage

Pre-65 Retiree Dental

No Pre-65 Retiree Dental Coverage

Pre-65 Retiree Vision

No Pre-65 Retiree Vision Coverage

Basic & Additional Retiree Life

No Basic & Additional Retiree Life Coverage

Retiree Dependent Life

No Retiree Dependent Life Coverage

COBRA (Continuation of Coverage)

Yes

Benefit Waiting Period

30 days after date of hire

FSA, DCA, HRA, HSA & RRA

FSA Admin

No

DCA Admin

No

HRA Admin

No

HSA Admin

No

RRA Admin

No

Required Annual Eligibility and Enrollment Information

Please provide the following information:

1. Total Full Time Employee Count: 98

2. Total Part Time Employee Count: 23

3. Total Employees with Medical Coverage: 86

4. Total Employees with Coverage Waiver: 12

5. Do you have an Ordinance or Resolution adopting Elected Official Benefit Coverage?

No ☒ *Yes ☐

*If yes, please provide a current copy (required annually).

6. How will Open Enrollment and Qualifying Life Events be addressed (please check all that apply):

A. Employee Self Service (ESS) via TML Health Online ☐

B. Employee enrollment by phone ☐

C. Employer/Administrator enrollment via TML Health Online ☒

Signature Section

The undersigned employer hereby acknowledges that for an employee to receive coverage, TML Health must receive enrollment information within thirty-one (31) days of the date of hire or within thirty-one (31) days of the coverage effective date, whichever is later, regardless of whether the Employer has a waiting period or a waiting and orientation period. If an enrollment is not submitted within this timeline, the employee cannot be added to the Plan until the next Open Enrollment period or a qualifying event occurs.

Employer Member Additional Acknowledgements and Agreements

1. Employer Member acknowledges and agrees that its signature on this Renewal Notice and Benefit Verification Form indicates its binding selections for renewal services through TML Health.
2. Employer Member acknowledges that certain benefit service selections require completion and execution of additional forms and agreements and agrees that it will work with all due diligence and in good faith to complete, execute, and return all necessary forms and agreements to TML Health prior to the beginning of the Group's open enrollment.
3. Employer Member acknowledges that TML Health will only allow open enrollment for renewal services in good faith and without receiving all necessary signed benefit service forms and agreements if:
 - A. A signed Renewal Notice and Benefit Verification Form with all necessary Employer Member selections and information has been received; and
 - B. Employer Member has in good faith attempted but failed to approve and return the applicable benefit service forms and agreements timely.

Please sign by the due date and return this completed form via email to your Account Executive/Account Manager or TMLHealthMarketing@tmlhb.org.

746001927

Tax ID Number

Authorized Signature

Date

Printed Name

Title

The rates are based on census information five months prior to plan year. If the census changes by more than 10%, TML Health reserves the right to revise rates due to census change and underwriting impact.

Rates are subject to change if there is any legislation passed during the plan year affecting benefits.

Supplemental benefits cannot be accessed without accessing the TML Health Medical Benefit Plan.

YOUR RENEWAL QUOTE INCLUDES PROPRIETARY INFORMATION THAT SHOULD NOT BE SHARED WITH OTHER COMPETITORS OR USED TO CIRCUMVENT THE REQUIREMENTS OF TEXAS COMPETITIVE BIDDING LAWS. IN THE EVENT YOU RECEIVE A RENEWAL QUOTE AND LATER DECIDE TO ISSUE AN RFP, THE RENEWAL QUOTE MAY NOT BE SHARED WITH ANY OTHER COMPETITORS AS DOING SO WOULD DISADVANTAGE TML HEALTH IN THE COMPETITIVE PROCESS. TML HEALTH ALSO RESERVES THE RIGHT TO REVISE PREVIOUSLY ISSUED RATES IN RESPONSE TO YOUR RFP.

Dental Selection Form



Selection

<input type="checkbox"/>	OPTION A1:	Dental 3 (Employer Paid) – Four-tier Monthly Rates Subscriber Only: \$37.64 Subscriber + Spouse: \$77.26	Employee + Child(ren): \$81.22 Employee + Family: \$115.54
<input checked="" type="checkbox"/>	OPTION A2:	Dental 3 (Employer Paid) – Two-tier Monthly Rates Subscriber Only: \$37.64	Subscriber + Family: \$96.68
<input type="checkbox"/>	OPTION B1:	Dental 4 (Employer Paid) – Four-tier Monthly Rates Subscriber Only: \$28.44 Subscriber + Spouse: \$66.82	Employee + Child(ren): \$61.10 Employee + Family: \$85.24
<input type="checkbox"/>	OPTION B2:	Dental 4 (Employer Paid) – Two-tier Monthly Rates Subscriber Only: \$28.44	Subscriber + Family: \$75.34
<input type="checkbox"/>	OPTION C1:	Dental 4 – Voluntary (Employee Paid) – Four-tier Monthly Rates Subscriber Only: \$35.06 Subscriber + Spouse: \$82.44	Employee + Child(ren): \$75.40 Employee + Family: \$105.22
<input type="checkbox"/>	OPTION C2:	Dental 4 – Voluntary (Employee Paid) – Two-tier Monthly Rates Subscriber Only: \$35.06	Subscriber + Family: \$92.96
<input type="checkbox"/>	OPTION D1:	Dental 5 (Employer Paid) – Four-tier Monthly Rates Subscriber Only: \$30.00 Subscriber + Spouse: \$61.00	Employee + Child(ren): \$64.00 Employee + Family: \$92.00
<input type="checkbox"/>	OPTION D2:	Dental 5 (Employer Paid) – Two-tier Monthly Rates Subscriber Only: \$30.00	Subscriber + Family: \$78.00
<input type="checkbox"/>	OPTION E1:	Dental 6 (Employer Paid) – Four-tier Monthly Rates Subscriber Only: \$22.00 Subscriber + Spouse: \$53.00	Employee + Child(ren): \$49.00 Employee + Family: \$68.00
<input type="checkbox"/>	OPTION E2:	Dental 6 (Employer Paid) – Two-tier Monthly Rates Subscriber Only: \$22.00	Subscriber + Family: \$57.00
<input type="checkbox"/>	OPTION F1:	Dental 6 – Voluntary (Employee Paid) – Four-tier Monthly Rates Subscriber Only: \$28.00 Subscriber + Spouse: \$66.00	Employee + Child(ren): \$60.00 Employee + Family: \$84.00
<input type="checkbox"/>	OPTION F2:	Dental 6 – Voluntary (Employee Paid) – Two-tier Monthly Rates Subscriber Only: \$28.00	Subscriber + Family: \$73.00

Group Name: City of Port Lavaca Group Number: _____

Name: Joanna P. Weaver

Title: Interim City Manager

Signature: _____

Date: _____

Phone Number: 361-552-9793 ext. 224

Email: jweaver@portlavaca.org

Dental Selection Form



Starting January 1, 2022, TML Health will offer dental coverage through BlueCare DentalSM to provide you and your employees access to a national network of dentists. Your employees can see any dentist they like with the BlueCare Dental coverage but can save money by seeing an in-network dentist.

Dental Care Services	DENTAL 3		DENTAL 5 (Network Only Plan)	
Benefit Coverage	In-Network	Out-of-Network	In-Network	Out-of-Network
Deductible (per individual)				
Tier 1	N/A		N/A	N/A
Tier 2 & 3 (combined)	\$50/Calendar Year		\$50/Calendar Year	N/A
Tier 4	\$50/Lifetime		\$50/Lifetime	N/A
Benefit Maximums				
Tier 1, 2 & 3 (combined)	\$2,000/Calendar Year		\$2,000/Calendar Year	N/A
Tier 4	\$3,000/Lifetime		\$3,000/Lifetime	N/A
Tier 1 Dental Services	100%	100% up to R&C	100%	N/A
Tier 2 Dental Services	80%	80% up to R&C	80%	N/A
Tier 3 Dental Services	50%	50% up to R&C	50%	N/A
Tier 4 Dental Services (Children to age 19 only)	100%	100% up to R&C	100%	N/A
Dental 3 Plan				
OPTION A1: Employer Paid				
Employee:		\$37.64	Employee:	\$30.00
Employee + Spouse:		\$77.26	Employee + Spouse:	\$61.00
Employee + Child(ren):		\$81.22	Employee + Child(ren):	\$64.00
Employee + Family:		\$115.54	Employee + Family:	\$92.00
OPTION A2: Employer Paid				
Employee:		\$37.64	Employee:	\$30.00
Employee + Family:		\$96.68	Employee + Family:	\$78.00
Dental 5 Plan (Network Only Plan)				
OPTION D1: Employer Paid				
OPTION D2: Employer Paid				
Dental Care Services	DENTAL 4		DENTAL 6 (Network Only Plan)	
Benefit Coverage	In-Network	Out-of-Network	In-Network	Out-of-Network
Deductible (per individual)				
Tier 1	N/A		N/A	N/A
Tier 2 & 3 (combined)	\$50/Calendar Year		\$50/Calendar Year	N/A
Tier 4	N/A		N/A	N/A
Benefit Maximums				
Tier 1, 2 & 3 (combined)	\$1,500/Calendar Year		\$1,500/Calendar Year	N/A
Tier 4	N/A		N/A	N/A
Tier 1 Dental Services	100%	100% up to R&C	100%	N/A
Tier 2 Dental Services	80%	80% up to R&C	80%	N/A
Tier 3 Dental Services	50%	50% up to R&C	50%	N/A
Tier 4 Dental Services (Children to age 19 only)	N/A	N/A	N/A	N/A
Dental 4 Plan				
OPTION B1: Employer Paid				
Employee:		\$28.44	Employee:	\$22.00
Employee + Spouse:		\$66.82	Employee + Spouse:	\$53.00
Employee + Child(ren):		\$61.10	Employee + Child(ren):	\$49.00
Employee + Family:		\$85.24	Employee + Family:	\$68.00
OPTION B2: Employer Paid				
Employee:		\$28.44	Employee:	\$22.00
Employee + Family:		\$75.34	Employee + Family:	\$57.00
OPTION C1: Voluntary (Employee Paid)				
Employee:		\$35.06	Employee:	\$28.00
Employee + Spouse:		\$82.44	Employee + Spouse:	\$66.00
Employee + Child(ren):		\$75.40	Employee + Child(ren):	\$60.00
Employee + Family:		\$105.22	Employee + Family:	\$84.00
OPTION C2: Voluntary (Employee Paid)				
Employee:		\$35.06	Employee:	\$28.00
Employee + Family:		\$92.96	Employee + Family:	\$73.00
Dental 6 Plan				
OPTION E1: Employer Paid				
OPTION E2: Employer Paid				
OPTION F1: Voluntary (Employee Paid)				
OPTION F2: Voluntary (Employee Paid)				



Vision Selection Form



Selection

☐

OPTION A: EyeMed Standard Benefit (Employer Paid) – Two-tier Monthly Rates
Subscriber Only: \$6.79 Subscriber + Family: \$17.30

☐

OPTION B: EyeMed Premium Benefit (Employer Paid) – Two-tier Monthly Rates
Subscriber Only: \$9.86 Subscriber + Family: \$25.14

☒

OPTION C: EyeMed Standard Benefit – Voluntary (Employee Paid) – Two-tier Monthly Rates
Subscriber Only: \$6.88 Subscriber + Family: \$17.53

☐

OPTION D: EyeMed Premium Benefit – Voluntary (Employee Paid) – Two-tier Monthly Rates
Subscriber Only: \$9.99 Subscriber + Family: \$25.47

☐

OPTION E: EyeMed Standard Benefit – (Employer Paid) – Four-tier Monthly Rates
Subscriber Only: \$6.16 Employee + Child(ren): \$12.32
Subscriber + Spouse: \$11.70 Employee + Family: \$15.71

☐

OPTION F: EyeMed Premium Benefit – (Employer Paid) – Four-tier Monthly Rates
Subscriber Only: \$8.93 Employee + Child(ren): \$17.86
Subscriber + Spouse: \$16.97 Employee + Family: \$22.78

☐

OPTION G: EyeMed Standard Benefit – Voluntary (Employee Paid) – Four-tier Monthly Rates
Subscriber Only: \$7.22 Employee + Child(ren): \$14.43
Subscriber + Spouse: \$13.71 Employee + Family: \$18.40

☐

OPTION H: EyeMed Premium Benefit – Voluntary (Employee Paid) – Four-tier Monthly Rates
Subscriber Only: \$10.47 Employee + Child(ren): \$20.94
Subscriber + Spouse: \$19.90 Employee + Family: \$26.71

PRE-65 RETIREES:

☐ Yes☒ No

Group Name: _____ Group Number: _____

Name: _____

Title: _____

Signature: _____

Date: _____

Phone Number: _____

Email: _____



Vision Selection Form

Vision Care Services	EyeMed STANDARD Benefit		EyeMed PREMIUM Benefit	
	IN NETWORK	OUT OF NETWORK Reimbursed UP TO:	IN NETWORK	OUT OF NETWORK Reimbursed UP TO:
Exam with Dilation as Necessary	\$0 Copay	\$65	\$0 Copay	\$65
Retinal Imaging	Up to \$39	N/A	Up to \$39	N/A
Exam Options				
Standard Contact Lens Fit & Follow-up	Up to \$40	N/A	\$0 Copay	\$40
Premium Contact Lens Fit & Follow-up	10% off retail price	N/A	\$0 Copay, 10% off retail, then apply \$40 allowance	\$40
Frames				
Any available frame at provider location	\$175 allowance, 20% off balance over \$175	\$125	\$225 allowance, 20% off balance over \$225	\$160
Standard Plastic Lenses				
Single Vision	\$10 Copay	\$30	\$0 Copay	\$40
Bifocal – Lined	\$10 Copay	\$50	\$0 Copay	\$60
Trifocal – Lined	\$10 Copay	\$70	\$0 Copay	\$80
Standard Progressive Lens	\$65 Copay	\$50	\$0 Copay	\$60
Premium Progressive Lens	FIXED PRICING includes lens copay Tier 1 - \$95 Tier 2 - \$105 Tier 3 - \$120 Tier 4 - \$185	\$50	FIXED PRICING includes lens copay Tier 1 - \$30 Tier 2 - \$40 Tier 3 - \$55 Tier 4 - \$175	\$60
Lens Options				
UV Treatment	\$15	N/A	\$15	N/A
Tint (Solid and Gradient)	\$15	N/A	\$15	N/A
Standard Plastic Scratch Coating	\$15	N/A	\$15	N/A
Standard Polycarbonate – Adults	\$40	N/A	\$0	\$5
Standard Polycarbonate – Kids under 19	\$0	\$5	\$0	\$5
Standard Anti-Reflective Coating	\$45	\$5	\$45	\$5
Premium Anti-Reflective Coating	Tier 1 - \$57 Tier 2 - \$68 Tier 3 - \$85	\$5	Tier 1 - \$57 Tier 2 - \$68 Tier 3 - \$85	\$5
Photochromatic/Transition – Plastic	\$75	N/A	\$75	N/A
Contact Lenses	Contact lenses in lieu of spectacle lenses only – member still able to use their frame benefit		Contact lenses in lieu of spectacle lenses only – member still able to use their frame benefit	
Elective Contact Lenses	\$175	\$125	\$225	\$160
Medically Necessary	Covered in full	\$210	Covered in full	\$210
Frequency				
Examination	Once every plan year		Once every plan year	
Lenses or Contact Lenses	Once every plan year		Once every plan year	
Frames	Once every plan year		Once every plan year	
STANDARD PLAN			PREMIUM PLAN	
OPTION A: Employer Paid			OPTION B: Employer Paid	
Subscriber: \$6.79			Subscriber: \$9.86	
Subscriber + Family: \$17.30			Subscriber + Family: \$25.14	
OPTION C: Voluntary (Employee Paid)			OPTION D: Voluntary (Employee Paid)	
Subscriber: \$6.88			Subscriber: \$9.99	
Subscriber + Family: \$17.53			Subscriber + Family: \$25.47	
OPTION E: Employer Paid			OPTION F: Employer Paid	
Subscriber: \$6.16			Subscriber: \$8.93	
Subscriber + Spouse: \$11.70			Subscriber + Spouse: \$16.97	
Subscriber + Child(ren): \$12.32			Subscriber + Child(ren): \$17.86	
Subscriber + Family: \$15.71			Subscriber + Family: \$22.78	
OPTION G: Voluntary (Employee Paid)			OPTION H: Voluntary (Employee Paid)	
Subscriber: \$7.22			Subscriber: \$10.47	
Subscriber + Spouse: \$13.71			Subscriber + Spouse: \$19.90	
Subscriber + Child(ren): \$14.43			Subscriber + Child(ren): \$20.94	
Subscriber + Family: \$18.40			Subscriber + Family: \$26.71	

May 23, 2022



CITY OF PORT LAVACA
202 N VIRGINIA ST
PORT LAVACA, TX 77979

Dear Rachel Garza:

Thank you for your partnership with TML Health Benefits Pool. The Pool is governed by our members through the TML Health Board of Trustees, and we are accountable only to our members, like you. TML Health isn't just a benefits provider. As a member of the Pool, you join with more than 980 Texas cities and political subdivisions, maximizing your purchasing power to make benefits affordable, and providing the support you need to make benefits easy for you and your employees.

It's time to renew your employee benefit coverage with TML Health, and we are here to help you find a great benefit plan that fits your budget.

How to Renew

You may notice that we have made some changes to our renewal form. The changes are designed to give you a view of all your current benefit options and to accurately capture your selections. If you need assistance completing your renewal, that's where your Account Executive, Victor Diaz comes in.

Victor Diaz will be reaching out to you shortly to answer any of your questions regarding the renewal timeline and to help you accurately designate your elections. If you have any questions regarding the renewal process, please contact Victor Diaz at 512-719-6793.

For faster processing, please return the completed, signed form by email to Victor.Diaz@tmlhb.org as soon as possible, but no later than 07/01/2022.

- COVID-19's impact on your rates: As we enter the third year of living with the coronavirus, we can now more clearly see its impact on Texas. Although we are currently seeing cases dip, we are still receiving hospital bills from the Delta surge and Omicron surge. Health insurance rates are rising across the nation because of COVID. *It is important to note that while cities and municipalities were eligible to receive federal COVID relief funds, TML Health has not received any state or federal dollars to help offset the more than \$15.3 million that the Pool has spent on COVID and COVID mandates since the beginning of the pandemic.*
- The Pool's medical claims went up 25% over the past year, largely driven by long-term hospital stays for severe COVID cases.
- As you may recall, the Board of Trustees voted to absorb all COVID costs from the Pool's reserves up until the vaccines became widely available last year. So far, the Pool has paid over \$15 Million in COVID claims from the Pool's reserves. However, this year TML Health members will begin to see COVID claims in your loss ratio, and therefore in your rates, for the first time since the pandemic began.
- The Pool is continuing to cover all COVID testing at 100% as required by federal law. The law also requires us to cover related tests such as strep or flu at 100%, when administered at the same time as a COVID test. These factors, along with the federal mandate to cover at-home COVID tests at 100%, are causing a rise in testing costs, pushing the overall impact of COVID on rates even higher.

Follow us:
[@TMLHealth](https://twitter.com/TMLHealth)



(800) 282-5385
1821 Rutherford Lane, Suite 300
Austin, Texas 78754-5151

For more information, visit us at
tmlhealthbenefits.org

- COVID is also driving an increase in utilization in other types of treatment as people are now beginning to have the medical tests and procedures they put off over the past couple of years. In addition, some people who had even mild COVID are now seeing increased risk of heart conditions, shingles, and some other “long COVID” symptoms. All of these factors are driving medical costs much higher this year.

What We are Doing to Keep Rates Affordable

TML Health is working hard to keep benefit plans affordable for our members. Our new pharmacy benefit manager Navitus has been very successful in holding down drug trend. In the first year of our partnership, the Pool saw a decrease in drug costs of about \$10 per member per month. These savings are helping to offset the increase in medical costs due to COVID.

The Board has approved benefit changes to help offset some of the costs.

- The cost of brand name drugs has gone up 50% over the last 5 years. However, our prescription copays have not changed to keep up with these cost increases. We are making a change to the standard prescription copays as shown below and all plans will now have the new copays.

	Current	New
• Tier 1	• \$10	• \$10
• Tier 2	• \$40	• \$45
• Tier 3	• \$70	• \$90
• Tier 4	• \$100	• \$150
• Tier 5	• \$150	• \$175

- For members on a Copay Plan, the copay for a specialist visit will increase from \$45 to \$60. This is necessary due to rising costs of specialist care.
- We are introducing a new copay for certain specialty drug infusions. Infusion therapy is becoming more common and there is a very wide range of prices for infusion therapy depending on where you receive the infusion. The infusion copay will be \$30 when received at a doctor’s office, independent infusion center, or at home. The infusion copay will be \$500 when received at a hospital or outpatient facility. Members on a High Deductible Health Plan will first meet their deductible, and then the infusion copays will apply. (Note: This Copay does not apply to cancer treatment due to clinical reasons. Cancer infusions will be subject to regular plan benefits.)
- For our member groups who are on a tight budget, you may want to consider other options that can reduce your employees’ monthly contributions. In many parts of the state, HMO plans are available and are lower cost than PPO plans. In some of the urban areas of the state, we also now have a narrow PPO network that can significantly reduce costs. For most groups, we are automatically providing you with options to consider. The options we automatically provide are not the only options we can make available to you. If you would like to see other plans and rates, contact Victor Diaz and they will help you with this process.

To ensure your benefits are set up in time for your open enrollment period, we need to have all your benefit decisions at least 90 days before your anniversary date. **If we do not receive your decision by the deadline, we will renew your current benefits at the new rates provided in the renewal.**

*As a reminder: As a member of the TML Health Benefits Pool through our Interlocal Agreement, your renewal quote automatically satisfies the competitive bidding requirements of state law. Your renewal quote includes proprietary information that should not be shared with other competitors or used to circumvent the requirements of Texas competitive bidding laws. In the event you receive a renewal quote and later decide to issue an RFP, the renewal quote may not be shared with any other competitors, as doing so would disadvantage TML Health in the competitive process. TML Health also reserves the right to revise previously issued rates in response to your RFP requirements.

Open Enrollment

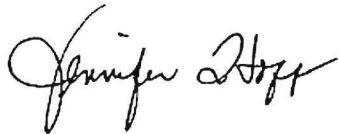
We are making some updates to TML Health Online to help make your open enrollment process easy and efficient. Once you've made all your benefit decisions, our easy-to-use and intuitive interface will make it easy for your employees to understand their benefits and enroll by self-service. If you've got employees who don't have access to a computer, or just prefer to talk to someone, we are now offering enrollment by phone as well. We handle all of the processing, and we will send you a summarized report to set up your payroll deductions at the end.

How Far We Have Come Together

Over the last 18 months, we have made a lot of changes with the goal of making healthcare better for you. Like many of you, we have been impacted by several factors that have not allowed us to get fully staffed, impacting our service to you. We would like to thank you for your patience as we all grapple with the lingering impacts of COVID and the "great resignation," which has made it challenging to hire staff. We know that at times our level of service has not been up to your standards or our own, but I am pleased to say that we are now fully staffed, which has allowed us to get back to the fast service you are used to when calling TML Health.

On behalf of the Trustees and the entire TML Health staff, thank you for choosing to partner with the 950+ public entities that together make up TML Health. We look forward to serving you, your employees, and your retirees during this new plan year.

Respectfully,

A handwritten signature in black ink, appearing to read "Jennifer Hoff". The signature is fluid and cursive, with the first name "Jennifer" written in a larger, more prominent script than the last name "Hoff".

Jennifer Hoff
Executive Director