

REQUEST FOR COUNCIL ACTION

Agenda Section: **New Business**

Originating Department:

Date

No: **5.**

Finance

09/20/21

Item: **2022 City Health Insurance Recommendations on Health Plan Designs**

No. **5.1**

SUMMARY OF REQUESTED ACTION:

The City Health Insurance Committee met in May and September with representatives from the firm of Mercer. The meetings included an evaluation of the City's health plan options, review of claims history and stop-loss coverage, and suggested premium rates for 2022 for the health plan options. The City Health Insurance Committee recommends the following actions.

Effective January 1, 2022

- Continue self-insured plan arrangement with Blue Cross Blue Shield of Minnesota (BCBSM) as third-party administrator.
- Change from \$115,000 to \$125,000 stop-loss deductible per member.
- Continue to offer city employees three health plan options:
 - Green Plan single/family deductible of \$3,000/\$6,000 using BCBSM's AWARE network
 - Red Plan single/family deductible of \$3,500/\$7,000 using BCBSM's AWARE network
 - Purple Plan single/family deductible of \$2,000/\$4,000 using BCBSM's High Value Network (HVN) which considers all Mayo facilities to be non-network.
- All plans include the ability to implement a Health Savings Account (HSA).
- Employees can choose any of the three plan options, regardless of the plan option that they are currently enrolled in (change may only occur on January 1).
- Continue Doctor on Demand (telemedicine) to cover at 100% after the deductible is satisfied-all plans.
- Continue ShareCare fitness incentive program through BCBS to provide a \$20 incentive for achieving a specific number of steps per month.
- Add the Omada and Learn to Live components to join BCBSMN's integrated health management program for a total cost of approximately \$1,300 per year.

If the Council concurs, a motion to approve the City Health Insurance Committee's recommendations for 2022 would be in order. (Attachment: 2022 Plan Coverage Summary)

Department Approval:



City Manager Approval:

