



2017 EMPLOYEE BENEFITS PROGRAM



CITY COUNCIL PRESENTATION
September 15, 2016

Page 1

Current Benefit Plan Overview

- ❑ **Five main insurance related employee benefits**
 - ❑ Medical (3 plans)
 - ❑ Dental (3 plans)
 - ❑ Vision (2 plans)
 - ❑ Term Life Insurance (basic/supplemental)
 - ❑ Short Term Disability (voluntary)
- ❑ **Benefits funded through Employee Benefit Trust Fund**
 - ❑ Contributions from the City
 - ❑ Employee and retiree premiums
 - ❑ State retirement system subsidies

Benefit Plan Updates for 2017

3

Medical Plan Contributions/Costs

- ❑ Employee/Retiree/City 8% contribution increases (both 2017 and 2018)
 - ❑ Active employee premium increases - \$8 to \$38 per month
 - ❑ Retiree premium increases - \$13 to \$67 per month
- ❑ Cost Drivers
 - ❑ National increases in medical and drug costs
 - ❑ Affordable Care Act fees/taxes - \$900,000
 - ❑ Increased number and severity of claims
 - ❑ 29 claims in 2015 over \$100,000
 - ❑ 14 claims in 2013/2014 over \$100,000
- ❑ \$10 million fund balance drawdown

Copay Plan Changes for 2017

4

Copay Plan *Increases*

- ❑ PCP office visit – from \$20 to \$25
- ❑ Specialist office visit – from \$20 to \$40 (includes Chiropractor and Rehab Therapists)
- ❑ Urgent care – from \$50 to \$55
- ❑ Emergency Room – from \$100 to \$150
- ❑ Outpatient facility – from \$100 to \$200
- ❑ Inpatient facility – from \$200 to \$300
- ❑ Prescriptions:
 - ❑ Retail – from \$10/\$40/\$75 to \$15/\$50/\$85
 - ❑ Mail Order – from \$20/\$80/\$150 to \$25/\$90/\$160

Other Benefit Plan Updates for 2017

5

Other Updates

- ❑ Medical/RX Out-of-pocket maximum increases - \$100 to \$350
- ❑ *New!* Retiree Medicare Part D Prescription Drug program
- ❑ Health FSA annual election increase - \$2,500 to \$2,600
- ❑ Other Plan Document Changes Summary included in materials
 - ❑ ACA compliance changes
 - ❑ Cost savings or enhancements
 - ❑ Language updates/corrections

Active Medical Plan Rates for 2017

ACTIVE F/T MEDICAL PLAN RATES – MONTHLY

BASIC 50% PLAN	2017		
	City Contribution	EE Contribution	EE Difference vs 2016
Single	\$456	\$0	\$0
Family	\$1,015	\$0	\$0

CHOICE 80% PLAN	2017		
	City Contribution	EE Contribution	EE Difference vs 2016
Single	\$456	\$114	+\$8
Family	\$1,015	\$254	+\$19

COPAY PLAN	2017		
	City Contribution	EE Contribution	EE Difference vs 2016
Single	\$456	\$171	+\$12
Family	\$1,015	\$516	+\$38

Open Enrollment/Health & Wellness Fair 2016

7

- **Open Enrollment (passive)**
 - ▣ Online eBenMesa October 10 - October 24, 2016
- **Health and Wellness Benefits Fair – October 13**
9:00 am to 2:00 pm – Mesa Convention Center
 - ▣ Flu Shots – Mesa Fire Department and Health and Wellness Center administered
 - ▣ Multiple wellness events, demonstrations and all benefit plan vendors

Questions?