



2026 EMPLOYEE BENEFITS & WELLNESS PROGRAMS

CITY COUNCIL PRESENTATION

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Employee Benefit Programs Overview

Programs/Vendor Partners

Medical/Behavioral Health/Prescription Drug = Cigna, MedImpact, VibrantRx, PaydHealth

Dental = Delta Dental of Arizona

Vision Care = Vision Service Plan (VSP)

Employee Assistance Program = ComPsych

Health and Dependent Care FSA = Navia Benefits

Business Travel Accident/Commuter Travel Accident Insurance – LINA/New York Life

Life and Accidental Death & Dismemberment Insurance = **New! The Standard**

Short Term Disability Insurance = **New! The Standard**

LTD Insurance (secondary) for Sworn Officers/Elected Officials = **New! The Standard**

Health and Wellness Center = Premise Health

Employee Benefit Program Drivers for 2026

Financial Considerations

- ❖ Employee Benefit Trust Fund projections/fiscal sustainability
- ❖ Significant national healthcare cost inflation impacts
- ❖ Continuing Specialty Drug cost impacts/pipeline
- ❖ Continuing significant utilization of high-cost non-specialty drugs including GLP-1's for diabetes and weight reduction

Employee Benefit Program Drivers for 2026

Employee Engagement

- ❖ Lowest possible rate increases
- ❖ High coverage plan designs
- ❖ Broad high-quality networks
- ❖ Manageable out-of-pocket expenses
- ❖ Life Insurance family protection
- ❖ Lifetime retiree health plan access and funding
- ❖ Wellness incentives and rewards
- ❖ Free, accessible primary and preventive care services

Highlights - Benefit Plan Changes for 2026

What's **not changing** in Medical Plans in 2026

- ❑ Comprehensive, high-value coverage – 3 Plan options
- ❑ Free Employee Health and Wellness Center (primary and preventive care services)
- ❑ Medical Plan Administrators and networks
- ❑ In-network coinsurance levels (50%, 80%, 100%)
- ❑ Out-of-network deductibles and coinsurance levels
- ❑ 100% in-network coverage for: Preventive Care, High-Tech Radiology, all inpatient and outpatient Behavioral Health care, MDLive virtual urgent care, many other 100% covered services in the Copay Plan

Highlights - Benefit Plan Changes for 2026 Continued

What's **changing** in Medical Plans in 2026?

- ❑ Premium rates
- ❑ In-network Basic/Choice Plan deductibles (\$550/\$1,650; \$300/\$900)
- ❑ Medical MOOP's – Basic Plan: \$4,500/\$9,000; Choice Plan: \$3,000/\$6,000; Copay Plan: \$4,600/\$9,200
- ❑ Most copays:
 - ❑ Basic Plan Specialist Office Visit (OV) copay: \$30 (PCP OV \$20 - no change!)
 - ❑ In-Network Global Maternity Provider Fee \$400 all plans
 - ❑ Copay Plan: OV Copay - \$25 PCP/\$50 Specialist; \$30 Rehabilitation Therapy visits (PT, OT, ST, Chiropractic); \$60 Urgent Care; \$200 Emergency Room; \$250 Outpatient facility charge; \$300 Inpatient facility charge

Highlights - Benefit Plan Changes for 2026 Continued

Prescription Drug RX Changes

One *new* RX plan design for all medical plans!

- ❑ Continued no RX deductibles
- ❑ Consolidated mins, maxs, and coinsurance by channel/tier: Retail 30, Retail 90/Mail Order and Specialty Drugs
- ❑ Increased RX out-of-pocket maximums: \$4,000 per person/\$8,000 per family

Medical/Prescription Drug Plans - Rate Changes

Medical Plan Premium Increases for 2026

Active employees and families:

Plan and single/family tier of coverage determine increases - range from \$9 to \$73 per month increase

Retirees and families:

Plan, single/family tier of coverage and Medicare eligibility determine increases - range from \$0 to \$86⁸ per month increase

Active Medical Plan Premium Rates for 2026

ACTIVE MEDICAL PLAN RATES – MONTHLY

BASIC 50% PLAN	2026		
	City Contribution	EE Contribution	EE Difference vs 2025
Single	\$712	\$18	+\$9
Family	\$1,584	\$36	+\$16

CHOICE 80% PLAN	2026		
	City Contribution	EE Contribution	EE Difference vs 2025
Single	\$712	\$178	+\$16
Family	\$1,584	\$396	+\$36

COPAY 100% PLAN	2026		
	City Contribution	EE Contribution	EE Difference vs 2025
Single	\$712	\$267	+\$24
Family	\$1,584	\$806	+\$73

Highlights – Other Benefit Plan Changes for 2026

- ❑ **Flexible Spending Accounts (FSA) Plan**
 - ❖ Health FSA max to \$3,300 and rollover max to \$660
 - ❖ Dependent Care FSA election max to \$7,500/\$3,750
- ❑ **Vision Care Plans with VSP**
 - ❖ Same benefit levels with small rate increases on richer 2 of 3 Plan options
- ❑ **Voluntary Life/ADD with The Standard (new!)**
 - ❖ Maintained or reduced prices for employees
 - ❖ Coverage maximums and Guarantee Issue (GI) increases:
 - ✓ Employee - up to \$1 million with \$300,000 GI
 - ✓ Spouse/Committed Partner – up to \$500,000 with GI up to \$50,000
 - ✓ Children – up to \$20,000 and GI for all
- ❑ **Short Term Disability Insurance with The Standard (new!)**
 - ✓ Same 3 plan design options: 14/29/44 day waiting periods
 - ✓ Reduced unit prices

Annual Wellness Program:

Up to \$1,000 per household in incentives/rewards!

Health and Wellness Center:

Preventive/primary care services (Premise Health)

- ✓ **Remodeled, state-of-the-art location at 59 S. Hibbert**
- ✓ **15,800+ medical plan members eligible**
- ✓ **All services - free of charge!**
- ✓ **Skilled, high-quality, dedicated medical providers and staff**
- ✓ **Lab draw services**
- ✓ **Skin Cancer screenings**
- ✓ **Vaccinations**
- ✓ **Youth sports physicals**

Open Enrollment and Wellness Benefits Fair

Open Enrollment 2025 for CY 2026 - October 1 – October 15

- ❖ eBenMesa enrollment system
- ❖ Benefits Website: OE Guides, 2026 Plan Document, and other communications
- ❖ Passive enrollment (except FSA, any intended changes and *new* Voluntary Life Insurance options = *positive enrollment*)

Wellness and Benefits Fair/“Market” Theme

Thursday October 2 – from 8 am to 1 pm - Mesa Convention Center

- ❖ Employees/retirees welcome: Wellness & Benefits “Market” theme
- ❖ Enrollment computer lab with volunteers to assist
- ❖ Benefit plan vendors, City department information booths and Employee Network vendors
- ❖ Free Flu Shots including high dose for eligible age groups (first come, first served)
- ❖ Free Body Composition Testing & Free Chair Massages
- ❖ Mammography/P.O.P mobile units (with appointments – claims to medical plan)
- ❖ Food and beverage trucks (from 7:30 am)



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