



2023 EMPLOYEE BENEFIT & WELLNESS PROGRAMS

CITY COUNCIL PRESENTATION

September 12, 2022

Benefit Programs/Services Overview

Employee benefit programs/services/third-party administrators/networks

- ☐ Medical/Prescription Drug (3 plans: Basic, Choice and Copay) – Cigna and MedImpact/VibrantRX/PaydHealth
- ☐ Dental (3 plans: Preventive, Dental Choice and Dental Choice Plus) – Delta Dental AZ
- ☐ Vision Care (3 plans: Basic, Vision Plus and Vision Premium Plus) - VSP
- ☐ Employee Assistance Program – ComPsych
- ☐ Flexible Spending Account Plan (FSA) for Health and Dependent Care – Navia Benefits
- ☐ Life/AD&D and Short-Term Disability Insurance – MetLife and Unum
- ☐ Health and Wellness Center (OnSite Care Inc.) and Mesa Wellness 360 – WebMD platform

Employee Benefit Trust Fund – Funding Sources

- ☐ Contributions from the City
- ☐ Employee and retiree premiums
- ☐ State retirement system subsidies
- ☐ Other third-party administrative credits, subsidies and rebates

Highlights - Health Plan Benefit Changes for 2023

Medical/Prescription Drug Plans:

Enhanced benefits – effective January 1, 2023:

- ❑ In-network outpatient behavioral health and substance abuse care: 100% coverage (aligns with current in-network inpatient behavioral health care)
- ❑ In-network high-tech radiology services (MRI, CT, PET etc.): 100% coverage
- ❑ In-network Global Maternity Fee \$300 (pre/post natal and delivery) for professional medical services – cost predictability aligned in all three medical plans

Cost containment:

- ❑ Exclusion of Gene and Cellular Therapy Products and related services

Highlights - Health Plan Changes for 2023 cont.

Flexible Spending Accounts (FSA) Plans

- ❑ Increase Health FSA annual election max to **\$2,850** and rollover max to **\$570**
- ❑ No change Dependent Care FSA annual limits and no rollovers

Vision Plans (VSP):

- ❑ Enhanced benefit - \$20 fixed copay Retinal Digital/Photographic Screening (no premium changes)

Short Term Disability Insurance (UNUM):

- ❑ Voluntary insurance - three waiting period options:
 - STD14 (**changed from STD7**) + premium increase
 - STD29 (no premium change)
 - STD44 (no premium change)

Medical Plan Premium Rate Changes for 2023

Medical Plan Premiums:

☐ **Active employees:**

- ☐ \$6 to \$16 per month rate increase for Choice Medical Plan
- ☐ \$10 to \$33 per month rate increase for Copay Medical Plan
- ☐ Basic Medical Plan – remains 100% City funded for full-time employees

☐ **Retirees:**

- ☐ \$6 to \$14 per month rate increase for Retiree Choice Medical Plan
- ☐ \$12 to \$24 per month rate increase for Retiree Copay Medical Plan
- ☐ Retiree Basic Plan - \$0 premium for retirees (with full retirement system subsidies)

Financial Considerations:

- ☐ National and City medical cost trend increases approximately 7% to 8% annually
- ☐ Modest increases in membership, utilization and severity of high-cost claimants
- ☐ EBT fund balance projections support the need for approx. 5% rate increases in active plans and 3% increase in City contributions for retirees in CY 2023

Active Medical Plan Premium Rates for 2023

ACTIVE F/T MEDICAL PLAN RATES – MONTHLY

BASIC 50% PLAN	2023		
	City Contribution	EE Contribution	EE Difference vs 2022
Single	\$599	\$0	\$0
Family	\$1,332	\$0	\$0

CHOICE 80% PLAN	2023		
	City Contribution	EE Contribution	EE Difference vs 2022
Single	\$599	\$149	+\$6
Family	\$1,332	\$333	+\$16

COPAY PLAN	2023		
	City Contribution	EE Contribution	EE Difference vs 2022
Single	\$599	\$224	+\$10
Family	\$1,332	\$678	+\$33

2023 Wellness Program – November 1, 2022, through October 31, 2023

- ❑ WebMD technology platform and services
- ❑ Open to **all** employees - those enrolled in City medical plans eligible for incentives
- ❑ Spouse/committed partners enrolled in City medical plans can engage in WebMD platform, events and rewards

Rewards:

- ❑ 250 points = \$50 debit/gift card (up to 4 x \$50 = \$200) for both employee and spouse/CP
- ❑ 1,000 points = \$200 premium discount next calendar year – both employee and spouse/CP can earn
- ❑ Raffle prizes/other recognition for high achievers above 1,000 points and non-medical plan members

Health and Wellness Center:

- ❑ For employees, retirees (*new!* July 2022) and respective covered dependents enrolled in City active or retiree medical plans
- ❑ Contracted medical professionals delivering quality, accessible, primary and preventive care services and dermatology screenings – free of charge

Open Enrollment 2022 for 2023 Benefit Plans

Open Enrollment:

- October 5 – October 19, 2022
- Inside Mesa and Benefits Website links to eBenMesa
- Passive enrollment (except FSA positive enrollment)
- Updated Guides, other communications, 2023 Plan Document, SBC's and other Required Documents

Health and Wellness Benefits Fair 2022

Health and Wellness/Benefits Fair: Thursday, October 6, 2022

9:00 am to 2:00 pm at the Mesa Convention Center

- ▣ Employees/retirees welcome (100 Wellness Points for employees)
- ▣ Benefit plan vendors and City department information booths
- ▣ Wellness presentations/classes
- ▣ Employee Network vendors
- ▣ Information, giveaways and raffle prizes
- ▣ Assisted enrollment computer kiosks
- ▣ Free Flu Shots (Fire/Medical administered – first come, first served)
- ▣ Mammography/P.O.P with appointments
- ▣ Food and beverage trucks

Recruitment and Retention

- Effective January 1, 2023, post-retirement health insurance (medical, dental and vision) and City contributions will be available to employees regardless of hire date (previously ended 1/1/09) who meet the following criteria:
 - Retire from the City of Mesa
 - Retire from one of the State pension plans
 - Have a total of 20 years or more of cumulative benefit eligible service with the City of Mesa
 - Have 10 or more consecutive years of benefit eligible service with the City of Mesa immediately before retirement

Recruitment and Retention (Continued)

- Discretionary Time (DTO)
 - Changing amount that is granted annually on 7/1 from 16 hours to 20 hours
- New Hire
 - If hired between July and December 31st, new hire will get the standard 20 hours of DTO and a one-time extra 20 hours of DTO
 - If hired between January and May 31st, new hire will get the standard 10 hours of DTO and a one-time extra 10 hours of DTO