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# Health Insurance Renewal – FY23

# 2022/23 Insurance Renewal



## Background

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### Group Health Benefits

- ✓ Health
- ✓ Dental
- ✓ Vision
- ✓ Flexible Spending Account
- ✓ COBRA Administration
- ✓ Medical Gap Insurance
- ✓ Employee Assistance Program

### Current Carrier

- ❖ Aetna since October 1, 2019

# 2022/23 Insurance Renewal

## Background Con't

- 7.5% increase was the initial renewal proposal received from Aetna in January 2022
  - Gallagher's side by side underwriting and data review showed renewal should be lower than 7.5%
  - Gallagher continued to update our projections monthly based on additional claims data, further reducing the renewal action to 4%
- Gallagher Benefit Services, Inc.
  - Actuarial cost projection
  - Gallagher performed its own projections
  - Review comparative data
  - Pharmacy benefit evaluation
  - Review plan design



# 2022/23 Insurance Renewal



## Background Con't

Health Insurance Percentage Change in Premium Costs	
Renewal Year	Percentage Change
FY 2023	4.00%
FY 2022	5.00%
FY 2021	5.00%
FY 2020	0.00%
FY 2019	10.00%
FY 2018	-9.20%*
FY 2017	15.00%
FY 2016	15.00%
FY 2015	14.90%
FY 2014	16.40%

\*The City modified the plan and benefits to achieve a reduction

# 2022/23 Insurance Renewal



## I. Group Health Insurance

**4%** increase in existing Medical with Pharmacy premiums.

- No change in Prescription Drugs plan design/copay/coinsurance
- Wellness Fund
- Online Enrollment Platform

## II. Group Dental Insurance

An increase of **3.7%** in existing premium rates for the DMO Plan option and **5.5%** increase in the buy-up Dental PPO option which allows employees access to out of network providers.

## III. Group Vision Insurance

No change in existing premium rates.

## IV. Group Flexible Spending Account

No change in existing premium rates.



## V. Group COBRA

**4%** increase in COBRA rates, which are paid directly by employees that separated employment and elected the COBRA insurance option.

## VI. Medical Gap Insurance

No change in existing premium rates.

## VII. Group Employee Assistance Program

Increase from \$1.69/employee per month to \$1.83/employee per month.

# 2022/23 Insurance Renewal

## Health Insurance Premiums and Deductible Amounts



Proposed Health Insurance EMPLOYEE Contribution Rates (per month)						
	EMPLOYEE CONTRIBUTION RATES					CITY CONTRIBUTION
	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 22/23
Employee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$765.89
Employee + One	\$179.12	\$180.35	\$189.37	\$198.84	\$206.79	\$1,248.40
Family	\$339.77	\$370.72	\$389.26	\$408.72	\$425.06	\$1,757.71

Health Insurance EMPLOYEE Deductible Amounts (per year)					
	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
Employee	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Employee + One	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Family	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000



Hallandale Beach

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**Thank you!**