



City Council Regular Meeting AGENDA ITEM

NUMBER: 11

SUBJECT:

City Health Plan with UMR for Third Party Administration for the Medical Benefit Plans for the Period of January 1, 2024 through December 31, 2024 and Authorize the City Manager or his Designee to Execute and Deliver All Plan Documents and Agreements Necessary to Affect the Proposed Plans. (Citywide) (For Possible Action; Recommendation – Approve)

REQUESTED BY:

Wilson Edgell, Human Resources Director

WARD:

(Citywide)

RECOMMENDATION OR RECOMMEND MOTION:

It is recommended that the City Council approve the City Health Plan Summary Plan Description and authorize staff to affect the proposed plans to employees on the City Health Plan. The plan provisions and administrative fees have increased for the plan year January 1, 2024 through December 31, 2024.

FISCAL IMPACT:

ITEM 1: 2024 medical administration fee of \$13.58 PEPM from previous years' 2023 administration fee of \$13.18 (+3%)
2024 estimated total of \$6,855 monthly / \$82,260 annually
ITEM 2: 2024 care management fee (CARE) of \$2.21 PEPM from previous years' 2023 care management fee of \$2.10 (+5%)
2024 estimated total of \$1,114 monthly / \$13,368 annually
ITEM 3: 2024 case management fee of \$6.04 PEPM from previous years' 2023 care management fee of \$5.75 (+5%)
2024 estimated total of \$3,049 monthly / \$36,588 annually

(TeleDoc, Network Access, and rebates are not changing)

EXPLANATION: The current Plan Administrative Provisions will increase by an incremental total of \$0.79 per employee per month (3% and 5% respectively) for administrative and care/case management fees for plan year 2024 for the period January 1, 2024 through December 31, 2024.

ACCOUNT NUMBER:

721-170111-430673

STAFF COMMENTS AND BACKGROUND INFORMATION:

The City Plans to continue using UMR, a national network, to analyze health care claims, trends, and manage health care costs. The medical plan administered by UMR is available to Non-represented, Police and Corrections-represented employee groups. The net total cost per employee per month paid to UMR for administrative services is currently \$17.15, which is increasing to \$17.94 for plan year 2024, an incremental

cost of \$0.79 (+4.6%). The total estimated cost of \$9,060 monthly and \$108,720 annually for plan year January 1, 2024 through December 31, 2024.

CIP No.		Related Item:
LIST CITY COUNCIL GOAL(S): Responsible Fiscal Management		
PREPARED BY:	Respectfully Submitted	MEETING DATE:
Wilson Edgell, Human Resources Director	Ryann Juden, City Manager	December 6, 2023