



City of Tarpon Springs, Florida

HUMAN RESOURCES DEPARTMENT
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TARPON SPRINGS, FLORIDA 34689
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MEMORANDUM

JULY 13, 2021

TO: HONORABLE MAYOR AND BOARD OF COMMISSIONERS

FROM: JANE KNIFFEN, HUMAN RESOURCES DIRECTOR

THROUGH: MARK G. LECOURIS, CITY MANAGER

SUBJECT: EMPLOYEE BENEFIT INSURANCE PLANS RENEWAL/EXTENSION

RECOMMENDATION:

It is recommended that the Mayor and Board of Commissioners approve the renewal or extension of the following employee benefit plans with premium guarantees as listed below. It is also recommended that the City continue to pay 100% of the Employee Only medical, dental and basic group life/AD&D/LTD premiums; the employee share of Dependent premiums will remain unchanged.

BENEFIT	CARRIER/PLAN	EFFECTIVE DATES- RATE GUARANTEE	COMMENTS
Medical	FMIT/UHC Choice Plus Plan 15	10/1/2021 – 9/30/2022	Includes wellness clinic and EAP
Dental	MetLife PDP Plus	10/1/2020 – 9/30/2022	Network includes local dentists
Basic Life, AD&D, LTD	The Hartford	10/1/2020 – 9/30/2022	Excellent claims paying record
Voluntary Vision (EE paid)	EyeMed EyeMed Insight	10/1/2020 – 9/30/2025	Network includes local providers

BACKGROUND:

Last year the City contracted the services of a consultant, the Gehring Group in an effort to secure the best program for both the City and its employees, considering a combination of service, level of benefits and premium cost.

Gehring Group released an RFP to the market on the City's behalf, soliciting proposals for medical insurance as well as other employee benefits. As a result, the City received a 2% reduction in medical insurance premiums for FY 2021.

Gehring Group has continued to work with the Florida Municipal Insurance Trust (FMIT) and has secured renewal of our current medical plan with no premium increases for FY 2022.

FUNDING

Funding will come from multiple funds and departments in their .23 benefits accounts.

Attachments: Gehring Group presentation of July 13, 2021
Executive Summary of coverages and costs
Summary of individual plans and costs



Tarpon Springs Employee Benefits RFP Review

Presented by:
Shawn Fleming, CSFS®
Senior Benefits Consultant
July 13th, 2021



Agenda

- Background
- Claims Experience
- Renewal Recommendations



Background

- The City is Fully Insured for all lines of coverage

Coverage	Current Carrier
Medical	Florida Municipal Insurance Trust / UnitedHealthcare
Onsite Medical Clinic	Florida Municipal Insurance Trust / CareATC
Dental	MetLife
Vision	EyeMed
Life Basic and Voluntary	The Hartford
Long-Term Disability	The Hartford
Flexible Spending Accounts	American Fidelity
EAP	Florida Municipal Insurance Trust / UnitedHealthcare
COBRA	UnitedHealthcare



Background - Schedule of Benefits

Benefit	UnitedHealthcare In-Network	UnitedHealthcare Out-of-Network
Deductible (EE/FM)	\$250 / \$500	\$500 / \$1,000
Out of Pocket Max (EE/FM)	\$2,500 / \$5,000	\$5,000 / \$10,000
Primary Care Visit	\$20	30% after CYD
Specialist Visit	\$40	30% after CYD
Virtual Visit/Telemedicine	\$5	Not Covered
Urgent Care	\$50	30% after CYD
Emergency Room	\$150	\$150
Advanced Imaging	\$100	30% after CYD
Inpatient Hospital	10% after CYD	30% after CYD
Outpatient Hospital	10% after CYD	30% after CYD
Pharmacy	\$10 / \$35 / \$60	Tier Copay + Difference to Network Cost



Background – 2020 RFP

- RFP was evaluated by 44 carriers
- 25 proposals were received - **5 Medical Proposals**
- Alternate designs provided enhancements if clinic was discontinued

Medical Carrier	Proposed Rate Increase	Alternate Plan
FMIT with Clinic	-2.0%	n/a
FMIT without Clinic	-4.0%	-2.0%
Aetna	6.0%	n/a
Cigna	5.0%	5.3%
Florida Blue	-5.0%	1.8%
Humana	8.6%	2.4%



Claims Experience Update



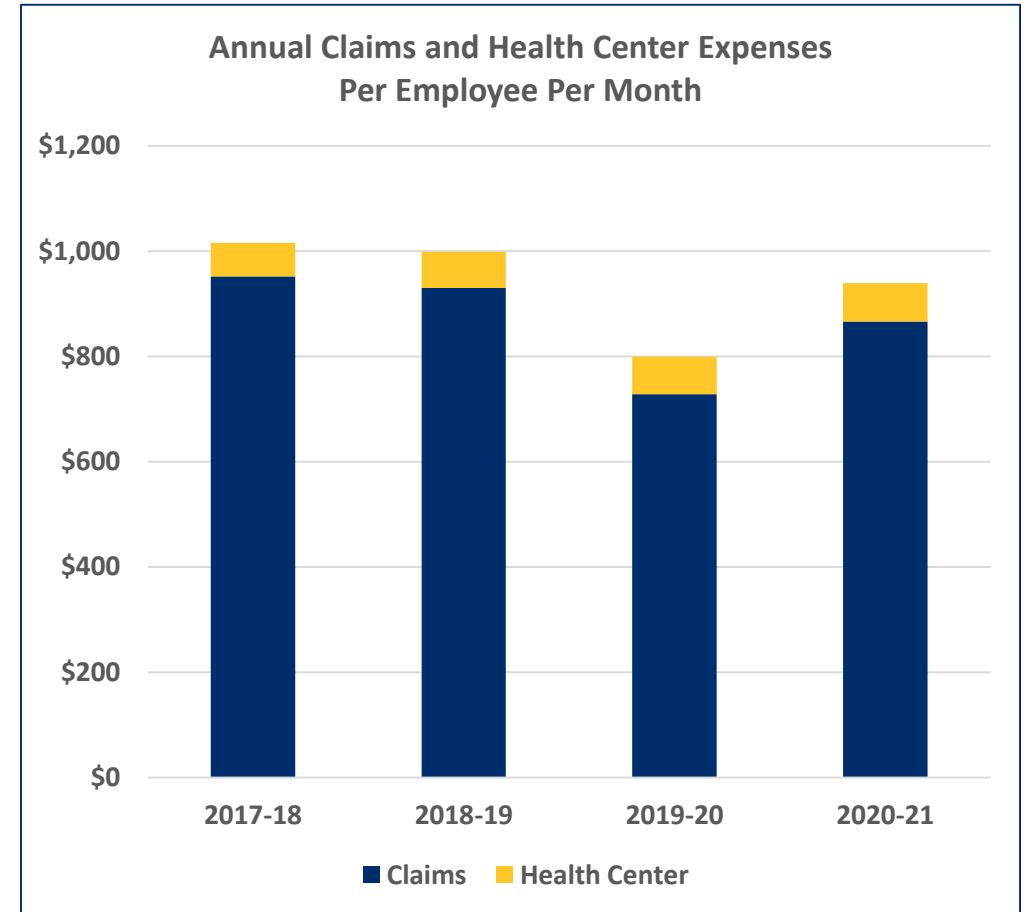
2020-21 claims have increased 19%, but are in line with pre-Covid 19 levels



Average increases for Florida are 8% - 12%



71% loss ratio, excluding clinic costs



Renewal Recommendations

- Gehring Group analyzed the current claims noting:
 - Costs incurred for Covid
 - Cost avoided as a result of Covid shutdowns
 - Health clinic costs



Renewal Recommendations

- Gehring Group negotiated with FLC to obtain a renewal which included:
 - No increase to rates (0%)
 - No change to schedule of benefits
 - No change to Health Center
- Recommendation that the City renew with Florida League of Cities



DISCUSSION

