



FY25 PLAN YEAR HEALTHCARE SELECTION

RS-24-093

June 4, 2024

Background and Funding

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- City's contribution
- Current providers
 - ▣ United Healthcare (UHC) – Healthcare
 - Employee medical plans participation: 996
- City conducted an RFP for medical/RX
- Self-funded Insurance:
 - ▣ FY24 Health Insurance Cost Emerging: \$7,045,766
 - ▣ FY25 Health Insurance Cost: \$7,186,542
 - ▣ \$140,776 increase for FY25

Plan Amendments

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- Medical/RX
 - ▣ BCBSTX provides for out of network coverage on both plan options. UHC did not provide out of network coverage.
 - ▣ The City will continue to cover the employee only premium on the low plan option.

Medical/RX Plans

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	FY24 Employee Monthly Premium	FY25 Employee Monthly Premium	Employee Increase	FY24 Employer Monthly HSA Contribution	FY25 Employer Monthly HSA Contribution	Employer Increase
Medical Plan I (HDHP w/HSA)						
Employee Only	\$0.00	\$0.00	\$0.00	\$123.46	\$123.46	\$0.00
Employee/Spouse	\$479.38	\$479.38	\$0.00	\$123.46	\$123.46	\$0.00
Employee/Children	\$157.12	\$157.12	\$0.00	\$123.46	\$123.46	\$0.00
Employee /Family	\$611.14	\$611.14	\$0.00	\$123.46	\$123.46	\$0.00
Medical Plan II (Co-Pay)						
Employee Only	\$35.00	\$35.00	\$0.00	NA	NA	NA
Employee/Spouse	\$625.22	\$625.22	\$0.00	NA	NA	NA
Employee/Children	\$230.04	\$230.04	\$0.00	NA	NA	NA
Employee /Family	\$793.44	\$793.44	\$0.00	NA	NA	NA

Staff Recommendation

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Staff recommends the City Council approve the City to enter into a contract with BCBSTX for its medical/RX plans for an anticipated increase in cost of \$140,776 for FY25, total cost of \$7,186,542; and authorize the City Manager or designee to execute an agreement with BCBSTX effective October 1, 2024, and that the City Manager or designee is further authorized to execute any necessary change orders in accordance with state and local law.