



COMMISSIONERS COURT COMMUNICATION

REFERENCE NUMBER _____

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DATE: 08/29/2023

SUBJECT: APPROVAL OF PLAN CHOICES, SERVICE PROVIDER SELECTIONS, AND THE CONTRIBUTION RATES FOR FUNDING EMPLOYEE AND RETIREE HEALTHCARE BENEFITS IN PLAN YEAR 2024

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court approve plan choices, service provider selections, and the contribution rates for funding the employee and retiree healthcare benefits in Plan Year 2024.

BACKGROUND

The Public Employee Benefits Cooperative (PEBC) Board of Governance has determined plan choices and service providers for Plan Year 2024 and is recommending the Commissioners Court approval of the recommended plan changes that are outlined in Exhibit A and the designated service providers and respective rates that are outlined in Exhibit B. (Note: Rate changes are highlighted in yellow.)

Exhibit A

- Increase in HDP Medical Plan Health Savings Accounts (HSA) and Flexible Spending Accounts (FSA) limits and carryover of unused FSA funds.

Exhibit B

- Items 4 and 5 - 3% increase in administration fees for UHC plans for active employees and retirees.
- Item 7 - 3% increase in PEBC Wellness Program administration fee.
- Item 8 - Recommended increase in HSA employer annual contribution amount from \$750 to \$850 single/family.
- Item 9 - Stop Loss premium - TBD (Rate information unavailable until October 2023).
- Item 10 - Decrease in Pharmacy Services administration fee.
- Item 11 - Long-Term Disability Insurance premium – Rate renewal pending per PEBC.

Following the August 18, 2023, annual benefits finance meeting with a representative from the benefits consultant, Gallagher, County staff met to review the annual funding requirements and contribution scenarios for 2024. Recommended employee/retiree contribution rates for medical coverage are outlined in the following exhibits:

- Exhibit C1 – Active Employees: Rate hold and medical premium holiday for active employees in December 2024
- Exhibit C2 – Pre-65 Retirees: Rate hold
- Exhibit C3 – Post-65 Retirees: Rate hold for Medicare Advantage PPO Plan and rate change approved by the PEBC Board on March 9, 2023, for Medicare Advantage HMO Plan
- Exhibit D – Dental and Vision Plans: Rate increase in employee/retiree monthly contributions for the self-funded PPO dental plan; rate hold for the fully insured Delta DHMO dental plan and the VSP vision plan

SUBMITTED BY:	Human Resources	PREPARED BY: APPROVED BY:	Maila Dumaup Anjanie Ramnarine
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FISCAL IMPACT

Plan costs for healthcare benefits for employees, retirees, and their respective dependents are accounted for in the benefits budget established for Plan Year 2024.