

CITY COMMISSION MEETING

October 28, 2020 at 10:00 AM

CITY COMMISSION / MUNICIPAL COURT ROOM
518 MECHANIC, EMPORIA, KS

Agenda

Pre-Luncheon Items

- ▶ Update on Health Insurance
- ▶ Discuss Dynamic Discs
- ▶ Discuss the Rescheduling of November Study Sessions.

Post-Luncheon Items



**If you need accommodations due to a disability to participate in this event, meeting, or activity, or alternative format of written materials contact City of Emporia Jeff Lynch, ADA Coordinator at least 48 hours before the event at 620-343-4285 or jlynch@emporia-kansas.gov*

MEMORANDUM

Date: October 16, 2020~~March 21, 2017~~
To: City Commission~~City Employees~~
From: Jo Lynne Herron, Director of Human Resources~~Jo Lynne Herron, Dir HR~~
Re: 2021 Health Care Plan~~Updated Compensation Plan – Lump Sum~~

In cooperation with and upon advice from our broker partner, Hays Companies, the City of Emporia will continue to be partially self-insured with Blue Cross Blue Shield of Kansas and an Administrative Services Only (ASO) contract, funding the Health Care Fund via premiums recommended by Hays. We will maintain the same health premiums to employees in 2021 as we have in 2020. Dental premiums will increase by 3.45% to both employees and employer. There is no change to our vision plan with pricing that has been contractually ~~Please note the updates to Section V., paragraph C in the Compensation Plan:~~

~~C.—Employees that are receiving the maximum allowed pay rate for the assigned position classification may be considered for an annual, one-time bonus payment of up to 2.5% of their annual wage. Only employees who receive an Excels performance review shall be eligible for the bonus pay. This provision recognizes that each job has a maximum monetary value while allowing employees at the top of the wage classification to be rewarded for performance that is considered above the normal expectations of the position. The bonus pay must be earned annually for the work performed during the previous 12-month period. The wage rate for employees receiving the bonus pay shall not be increased.~~

established through 2021.

The health premium recommendation from Hays results in an overall increase in plan costs of 1.7%. The City will absorb the increase leaving employees' share of the premium the same as 2020. This is an estimated increase of \$31,000 over 2020 health care costs. This is below the 2021 budgeted increase to health insurance spending.

We started the year with \$700k in the Health Care Fund. By the end of 2020, we are projecting to have nearly \$900k. This is in alignment with our goal of increasing fund balances by at least \$200k each year in an effort to get the reserves to a level to cover an entire year of claims with no deposits: \$2.2M.



The opportunity to maintain employee costs for their health care premiums and continue to increase overall funding levels in the Health Care Fund is a substantially positive position. We continue to have success with our health care plan goals of stabilizing rates and benefits for employees and building reserves in the fund.

We will have Open Enrollment for 2021 benefits from October 26 – November 13, 2020.

Representative partners from Hays Companies will attend the October 28th study session to give an overview of our plan, how we are monitoring the health care plan and succeeding in our goals.



City of Emporia

2021 Renewal Summary

October 14, 2020

2021 Medical Contributions



MEDICAL						
Option	Enrollment	2020		2021		City Monthly Increase
		Total	Employee \$	City of Emporia \$	Employee \$	
BuyUp						
Employee	56	\$526.70	\$100.26	\$426.44	\$535.81	\$ 9.11
ES	2	\$1,131.14	\$542.61	\$588.53	\$1,150.70	\$ 19.56
EC	6	\$1,066.11	\$520.08	\$546.03	\$1,084.54	\$ 18.43
Family	1	\$1,670.57	\$809.90	\$860.67	\$1,699.45	\$ 28.88
Base						
Employee	134	\$467.08	\$43.54	\$423.54	\$475.16	\$ 8.08
ES	13	\$1,002.99	\$420.69	\$582.30	\$1,020.33	\$ 17.34
EC	11	\$945.16	\$405.01	\$540.15	\$961.50	\$ 16.34
Family	16	\$1,481.24	\$629.78	\$851.46	\$1,506.85	\$ 25.61
Annual Contribution Totals		\$1,794,587	\$437,581	\$1,357,006	\$1,825,623	
Est. Annual \$ Change over current					\$31,037	2.3%
% Change over current					1.7%	0.0%

DENTAL						
Option	Enrollment	2020		2021		City Monthly Increase
		Total	Employee \$	City of Emporia \$	Employee \$	
BuyUp Plan						
- Single	93	\$29.29	\$10.44	\$18.85	\$30.30	\$ 0.64
- ES	9	\$62.82	\$38.05	\$24.77	\$64.99	\$ 1.32
- EC	17	\$64.67	\$41.72	\$22.95	\$66.90	\$ 1.44
- Family	20	\$98.19	\$61.99	\$36.20	\$101.58	\$ 2.15
Base Plan						
- Single	65	\$20.94	\$2.09	\$18.85	\$21.66	\$ 0.08
- ES	13	\$45.03	\$20.26	\$24.77	\$46.59	\$ 0.71
- EC	8	\$41.73	\$18.78	\$22.95	\$43.17	\$ 0.65
- Family	11	\$65.81	\$29.61	\$36.20	\$68.08	\$ 1.03
Annual Contribution Totals		\$112,281	\$49,651	\$62,630	\$116,154	
Est. Annual \$ Change over current					\$51,377	3.4%
% Change over current					\$3,873	3.5%

MEDICAL & DENTAL COMBINED						
		2020		2021		
		Total	Employee \$	City of Emporia \$	Total	
Contribution Total		\$1,906,868	\$487,232	\$1,419,636	\$1,941,778	
\$ Change over current					\$34,909	1.8%
% Change over current					\$1,725	0.0%
					\$33,184	2.3%

Estimated Annual Totals based on enrolled counts illustrated; monthly enrollment fluctuations will impact overall costs.