

RESOLUTION NO. 2024-3326

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, APPROVING EMPLOYEE HEALTH BENEFITS RENEWAL CONTRACTS FOR FISCAL YEAR 2024/2025 WITH CIGNA FOR EMPLOYEE HEALTH INSURANCE, DENTAL AND VISION COVERAGE, MUTUAL OF OMAHA FOR LIFE AND DISABILITY INSURANCE, AND AMERIFLEX FOR FLEXIBLE SPENDING ARRANGEMENT (FSA) BENEFIT SERVICES, HEALTH REIMBURSEMENT AGREEMENT (HRA) SERVICES, AND COBRA ADMINISTRATION; AUTHORIZING THE TOWN MANAGER TO ENTER INTO ANY NECESSARY AGREEMENTS WITH CIGNA, MUTUAL OF OMAHA, AND AMERIFLEX FOR THE RESPECTIVE SERVICES; PROVIDING FOR IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town of Surfside (the "Town") continues to work with Adams Benefit ("Adams Benefit") as its insurance agent of record for employee health, dental, vision, life insurance, disability and other related benefit programs; and

WHEREAS, the Town Administration worked with Adams Benefit to renegotiate existing plans or solicit acceptable alternative plans from other carriers, with the goal of keeping the cost increase to the lowest possible, while minimizing the impact to our employee coverage, and determined that renewal of the existing plans is in the best option for the Town; and

WHEREAS, Town Administration recommends renewal of the existing contracts, with an 8% increase for Cigna health insurance, 6% increase for Cigna Dental (PPO), and 2% increase for Cigna Vision.

WHEREAS, the Town Commission wishes to (i) select/renew Cigna for employee health insurance, dental and vision coverage, (ii) continue with Mutual of Omaha for life and disability insurance, and (iii) select/renew Ameriflex for flexible spending arrangement (FSA)

benefit services, health reimbursement agreement (HRA) services, and COBRA administration, all as set forth in the Commission Communication memorandum presented with this Resolution; and

WHEREAS, the Town Commission further wishes to authorize the Town Manager to execute any necessary agreements with Cigna, Mutual of Omaha, and Ameriflex for the respective insurance services; and

WHEREAS, the Town Commission finds that the insurance providers and programs selected and this Resolution are in the best interest and welfare of the employees of the Town.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, AS FOLLOWS:

Section 1. Recitals Adopted. Each of the above stated recitals are hereby adopted, confirmed and incorporated herein.

Section 2. Approval of Insurance Providers. The Town Commission hereby approves and selects/renews for Fiscal Year 2024/2025: (i) Cigna for employee health insurance, dental and vision insurance; (ii) Mutual of Omaha for life and disability insurance; and (iii) Ameriflex for flexible spending arrangement (FSA) benefit services, health reimbursement agreement (HRA) services, and COBRA administration; all as set forth in the Commission Communication Memorandum presented with this Resolution.

Section 3. Authorization. The Town Manager is hereby authorized to execute any necessary agreements with: (i) Cigna for employee health insurance, dental and vision insurance; (ii) Mutual of Omaha for life and disability insurance; and (iii) Ameriflex for flexible spending arrangement (FSA) benefit services, health reimbursement agreement (HRA)

services, and COBRA administration; in accordance with the terms and conditions as set forth in the Commission Communication Memorandum, and subject to the approval of the Town Manager and Town Attorney as to form, content, and legal sufficiency.

Section 4. Implementation. The Town Manager and the Human Resources Director are authorized to take all action necessary to implement the purposes of this Resolution and the employee health benefits and insurance programs detailed in the Commission Communication Memorandum presented with this Resolution.

Section 5. Effective Date. This Resolution shall be effective immediately upon adoption.

PASSED AND ADOPTED on this 10th day of September, 2024.

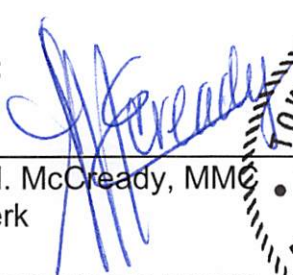
Motion By: Vice Mayor Paul

Second By: Commissioner Coto

FINAL VOTE ON ADOPTION:

Commissioner Ruben A. Coto	<u>Yes</u>
Commissioner Nelly Velasquez	<u>Yes</u>
Commissioner Gerardo Vildostegui	<u>Yes</u>
Vice Mayor Tina Paul	<u>Yes</u>
Mayor Charles W. Burkett	<u>Yes</u>

ATTEST:



Sandra N. McCready, MMC
Town Clerk



Charles W. Burkett, Mayor



**APPROVED AS TO FORM AND LEGALITY FOR THE USE
AND BENEFIT OF THE TOWN OF SURFSIDE ONLY:**

Mark Blumstein.
Town Attorney



Town of Surfside

Renewal - Benefit Illustration

Cigna PLAN OFFERED			
Medical Management Model	Open Access Plus - OAPIN	Medical Management Model	HSA Open Access Plus - H.S.A.
Health Advocacy	Included	Health Advocacy	Included
Funding	Excluded	Funding	Excluded
	Level Funding		Level Funding
Cigna MEDICAL BENEFITS		Cigna MEDICAL BENEFITS	
Collective Deductible	NO	Collective Deductible	YES
Collective OOP	NO	Collective OOP	YES
Variable Coinsurance Applies	NO	Deductible/OOP Max Accumulator	No Cross Accumulation
Plan Deductible Order of Applicability	Benefit Copay, Plan Deductible, Coins.	Variable Coinsurance Applies	NO
		Plan Deductible Order of Applicability	Plan Deductible, Benefit Copay, Coins.
In-Network:		In-Network:	
Office Copay - PCP	\$25	Office Copay - PCP	None
Office Copay - SPC	\$50	Office Copay - SPC	None
Inpatient Deductible - Per Admit	NA		
Inpatient Deductible - Per Day	NA		
Outpatient Facility Copay	None		
Emergency Room Copay	\$350		
Urgent Care Copay	\$50		
Deductible - Individual	\$1,000	Deductible - Individual	\$1,600
Deductible - Family	\$2,000	Deductible - Family	\$3,200
Out-of-Pocket - Individual	\$3,500	Out-of-Pocket - Individual	\$4,000
Out-of-Pocket - Family	\$7,000	Out-of-Pocket - Family	\$6,000
Out-of-Pocket - Family - Individual Amount	\$3,500	Out-of-Pocket - Family - Individual Amount	\$6,000
Out-of-Pocket Max Deductibles	Ded Accumulates	Out-of-Pocket Max Deductible	Ded Accumulates
Out-of-Pocket Max Copays	All Copays Accumulate	Out-of-Pocket Max Copays	All Copays Accumulate
Coinsurance	80%	Coinsurance	90%
Cigna Pathwell Specialty Drug Coinsurance	80%	Cigna Pathwell Specialty Drug Coinsurance	90%
Other Medical Pharmaceutical Drug Coinsurance	80%	Other Medical Pharmaceutical Drug Coinsurance	90%
		Adult Preventive Care Office Visit	100%, No Ded
Out of Network:		Out of Network:	
Deductible - Individual		Deductible - Individual	\$5,000
Deductible - Family		Deductible - Family	\$10,000
Individual - In a Family Amount Deductible		Individual - In a Family Amount Deductible	\$10,000
Out-of-Pocket - Individual		Out-of-Pocket - Individual	\$10,000
Out-of-Pocket - Family		Out-of-Pocket - Family	\$20,000
Out-of-Pocket - Family - Individual Amount		Out-of-Pocket - Family - Individual Amount	\$20,000
Out-of-Pocket Max Deductibles		Out-of-Pocket Max Deductibles	Ded Accumulates
Out-of-Pocket Max Copays		Out-of-Pocket Max Copays	All Copays Accumulate
Coinsurance		Coinsurance	50%
Pharmacy Benefits		Pharmacy Benefits	
Pharmacy Network	Cigna 90 Now CVS	Pharmacy Network	Cigna 90 Now CVS
Formulary/Prescription Drug List	Performance	Formulary/Prescription Drug List	Performance
Retail Generic Copay	\$10	Retail Generic Copay	\$10
Retail Pref Brand Copay	\$35	Retail Pref Brand Copay	\$35
Retail Non Pref Brand Copay	\$70	Retail Non Pref Brand Copay	\$70
Retail Generic Copay (90 Days)	\$30	Retail Generic Copay (90 Days)	\$30
Retail Pref Brand Copay (90 Days)	\$105	Retail Pref Brand Copay (90 Days)	\$105
Retail Non Pref Brand Copay (90 Days)	\$210	Retail Non Pref Brand Copay (90 Days)	\$210
Home Delivery Generic Copay	\$25	Home Delivery Generic Copay	\$25
Home Delivery Pref Brand Copay	\$88	Home Delivery Pref Brand Copay	\$88
Home Delivery Non Pref Brand Copay	\$175	Home Delivery Non Pref Brand Copay	\$175
Pharmacy Deductible - Individual	None (\$0)	Pharmacy Deductible - Individual	Combined With Medical
Pharmacy OOP Maximum - Individual	Combined With Medical	Pharmacy OOP Maximum - Individual	Combined With Medical
Out-of-Pocket Adjuster Program	Excluded	Out-of-Pocket Adjuster Program	Excluded

HSA limits increased in 2024 per IRS regulations

This is a brief summary of the benefits offered. The Certificate of Coverage (COC) is the governing document for all benefits, requirements and limitations. If there is a variation between this summary and the COC, the COC will govern.

Town of Surfside

Renewal - Plan Cost Summary - Rates

Total Cost		Total Enrollment	2023 Rates
HSA Open Access Plus - NATIONAL OAP HRA	Employee	58	\$591.26
	Emp + Spouse	8	\$1,419.49
	Emp + Child(ren)	8	\$1,202.05
	Emp + Family	17	\$1,876.15
Open Access Plus - NATIONAL OAP OAPIN	Employee	10	\$679.58
	Emp + Spouse	3	\$1,631.62
	Emp + Child(ren)	1	\$1,381.68
	Emp + Family	1	\$2,156.52
Total Cost		Total Enrollment	2024 Rates
HSA Open Access Plus - NATIONAL OAP HRA	Employee	58	\$650.39
	Emp + Spouse	8	\$1,561.44
	Emp + Child(ren)	8	\$1,322.26
	Emp + Family	17	\$2,063.77
Open Access Plus - NATIONAL OAP OAPIN	Employee	10	\$747.54
	Emp + Spouse	3	\$1,794.78
	Emp + Child(ren)	1	\$1,519.85
	Emp + Family	1	\$2,372.17
Total Monthly Cost			\$112,628.07
Total Annual Cost			\$1,351,536.84

Estimated Premium Credit (2%)	10%
Estimated Revised Annual Cost	\$27,031
Net Renewal Increase	\$1,324,506
	8%

Renewal offer includes a \$10,000 Wellness Fund

Stop Loss Features	
Individual Stop Loss Level	\$40,000
Corridor Factor	110%

variation between this summary and the COC, the COC will govern. Final premium rates may change from those quoted based upon actual enrollment as of the effective date.

Town of Surfside

Renewal - Schedule of Monthly Rates and Factors

Medical Choice: Plan Name:	HSA Open Access Plus - NATIONAL OAP HSA Bensum 2023 (21495572)					Rates Based Upon	Eligible	Actual
						Employee	68	58
						Emp + Spouse	11	8
						Emp + Child(ren)	9	8
						Emp + Family	18	17
						Total	106	91
Admin. Fee		Pharmacy Rebate Credit	Individual Stop Loss	Aggregate Stop Loss	Insurance & Admin. Costs	Claims Funding	Total Costs	
Employee		\$89.30	(\$66.21)	\$191.05	\$22.78	\$236.92	\$413.47	\$650.39
Emp + Spouse		\$214.37	(\$158.95)	\$458.68	\$54.70	\$568.80	\$992.64	\$1,561.44
Emp + Child(ren)		\$181.53	(\$134.60)	\$388.42	\$46.32	\$481.67	\$840.59	\$1,322.26
Emp + Family		\$283.33	(\$210.08)	\$606.24	\$72.30	\$751.79	\$1,311.98	\$2,063.77

Medical Choice: Plan Name:	Open Access Plus - NATIONAL OAP OAPIN					Rates Based Upon	Eligible	Actual
	Bensum 2023 (21495571)					Employee	68	10
						Emp + Spouse	11	3
						Emp + Child(ren)	9	1
						Emp + Family	18	1
						Total	106	15
		Admin. Fee	Pharmacy Rebate Credit	Individual Stop Loss	Aggregate Stop Loss	Insurance & Admin. Costs	Claims Funding	Total Costs
Employee		\$108.38	(\$84.97)	\$197.27	\$29.05	\$249.73	\$497.81	\$747.54
Emp + Spouse		\$260.19	(\$204.00)	\$473.64	\$69.74	\$599.57	\$1,195.21	\$1,794.78
Emp + Child(ren)		\$220.34	(\$172.75)	\$401.08	\$59.06	\$507.73	\$1,012.12	\$1,519.85
Emp + Family		\$343.89	(\$269.62)	\$626.01	\$92.18	\$792.46	\$1,579.71	\$2,372.17

Stop Loss Details

Individual Stop Loss Limit (Medical & Rx):	\$40,000
Corridor Factor (Total):	110%
Level Funding Arrangement:	1/2 retained by Cigna HealthCare, 1/2 returned to the Employer

Rates are subject to final underwriting terms and conditions.

Includes \$10,000 Wellness Fund

This is a brief summary of the rates offered. The Certificate of Coverage (COC) is the governing document for all benefits, requirements and limitations. If there is a variation between this summary and the COC, the COC will govern. Final premium rates may change from those quoted based upon actual enrollment as of the effective date.

Town of Surfside

Renewal Analysis - Dental - Benefit & Premium Illustration

Dental - DMO		CIGNA	
		Dental Care Access Plus-P6X00	
Calendar Year Deductible		N/A	
Co-Insurance		Scheduled Co-Pays	
		Current	Renewal
Employee	33	\$ 14.14	\$ 14.14
Employee + Spouse	5	\$ 25.70	\$ 25.70
Employee + Child(ren)	4	\$ 34.31	\$ 34.31
Employee + Family	7	\$ 50.26	\$ 50.26
Monthly	49	\$ 1,084.18	\$ 1,084.18
Renewal Change			0.00%

Dental - PPO		CIGNA	
		PPO - Plan 1	
		In-Network	Out-Network
Calendar Year Deductible		\$50 Ind. \$150 Family	\$50 Ind. \$150 Family
Co-Insurance			
Type 1 - Preventative		100%	100%
Type 2 - Basic		90%	90%
Type 3 - Major		60%	60%
Type 4 - Orthodontia		50%	50%
Calendar Year Maximum		Year 1: Year 2: Year 3: Year 4:	\$2,000 \$2,150 \$2,300 \$2,450
Orthodontic Lifetime Max		\$1,500	
Out of Network Reimbursement		UCR	
		Current	Renewal
Employee	28	\$ 37.16	\$ 39.39
Employee + Spouse	13	\$ 82.50	\$ 87.45
Employee + Child(ren)	5	\$ 101.82	\$ 107.93
Employee + Family	12	\$ 142.92	\$ 151.50
Monthly:	58	\$ 4,337.12	\$ 4,597.42
Renewal Change			6%

Total Monthly	\$	5,421.30	\$	5,681.60
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Renewal rates guaranteed for 12 months

Town of Surfside

Renewal Analysis - Vision - Benefit & Premium Illustration

VISION		CIGNA	
Co-Pays			
Exam		\$10	
Materials		\$25	
Frame Allowance		\$140 retail allowance	
Frequency			
Exam		12 months	
Lenses		12 months	
Frames		24 months	
		Current	Renewal
Employee	47	\$ 5.69	\$ 5.80
Employee + Spouse	15	\$ 10.51	\$ 10.72
Employee + Child(ren)	7	\$ 11.00	\$ 11.22
Employee + Family	9	\$ 16.48	\$ 16.81
Monthly:	78	\$ 650.40	\$ 663.23
Renewal Change			2.00%

Renewal rates guaranteed for 12 months

This is a brief summary of the benefits and rates offered. The Certificate of Coverage (COC) is the summary and the COC, the COC will govern. Final premium rates may change from those quoted

Town of Surfside

Renewal Analysis - Life - Benefit & Premium Illustration

Basic Life & AD&D	Mutual of Omaha	
	All Eligible Active Employees	
Benefit	1 x annual salary to \$250,000	
Basic Life Basic AD&D	Current	Renewal
	\$.22/\$1,000 \$.03/\$1,000	\$.22/\$1,000 \$.03/\$1,000

Eligible Retirees		
Benefit	\$15,000	
Basic Life	Current	Renewal
	\$1.250/\$1,000	\$1.250/\$1,000

Grandfathered Retirees		
Benefit	\$2,500	
Basic Life	Current	Renewal
	\$.21/\$1,000	\$.21/\$1,000

Voluntary Life	Mutual of Omaha	
Employee & Spouse	Current	Renewal
	\$.39/\$1,000	\$.39/\$1,000
Child(ren)	\$.10/\$1,000	\$.10/\$1,000

Voluntary AD&D	Mutual of Omaha	
Employee & Spouse	\$.03/\$1,000	\$.03/\$1,000

This is a brief summary of the benefits and rates offered. The Certificate of Coverage (COC) is the governing document for all benefits, requirements and limitations. If there is a variation between this summary and the COC, the COC will govern. Final premium rates may change from those quoted based upon actual enrollment as of the effective date.

Town of Surfside

Renewal Analysis - Disability - Benefit & Premium Illustration

Short Term Disability	Mutual of Omaha	
	All Eligible Active Employees	
Benefit Benefits Begin Duration	66% to \$2,500 weekly On 15th day accident On 15th day sickness 24 weeks	
	Current	Renewal
STD per \$10 of weekly Benefit	\$.24/\$10	\$.24/\$10

Long Term Disability	Mutual of Omaha	
	All Eligible Active Employees	
Benefit Elimination Period Own Occupation Period	60%t to \$10,000 180 calendar days 2 years	
	Current	Renewal
LTD per \$100 of covered monthly payroll	\$.38/\$100	\$.38/\$100