



City Council Meeting - Final

October 21, 2024

7:00 PM

C. ATH2024-169 Approval of the recommended 2025 employee benefits insurance plans, providers and plan designs as recommended by Insurance Broker, John Knop of Oakbridge Insurance and staff and authorize the Mayor to sign and execute all related documents.



City of Smyrna

Issue Sheet

A Max Bacon
City Hall
2800 King Street
Smyrna, GA 30080

File Number: ATH2024-169

Agenda Date: 10/21/2024

In Control: City Council

File Type: Authorization

Agenda Section:

Formal Business

Department: Human Resources

Agenda Title:

Approval of the recommended 2025 employee benefits insurance plans, providers and plan designs as recommended by Insurance Broker, John Knop of Oakbridge Insurance and staff and authorize the Mayor to sign and execute all related documents.

Citywide

ISSUE AND BACKGROUND:

Approval of the recommended 2025 employee benefits insurance plans, providers and plan designs as recommended by Insurance Broker, John Knop of Oakbridge Insurance
Recommended:

- Renew with Pareto Captive (ICM) + Allied TPA
- VeracityRx (ProCare) – continue all existing programs
- Guardian Ancillary Lines – Renew with Guardian
- Continue Dependent Care & Health Flexible Spending Accounts with WEX
- Renew with Pareto Captive (ICM) + Allied TPA – no plan design changes other than IRS required changes to the HDHP plan deductibles (\$3,200 to \$3,300 indiv., \$6,400 to \$6,500 family)
- VeracityRx (ProCare) – continue all existing programs
- Guardian Ancillary Lines – Renew with Guardian
 - Dental & Vision – 0% increase
 - Basic Life & AD&D – 33% increase
 - STD - 8% rate increase, 65% loss ratio over the past 12 months
 - LTD – 0% rate increase
- Continue Dependent Care & Health Flexible Spending Accounts with WEX
- Continue Teladoc benefit
- No change in rates to employees

RECOMMENDATION / REQUESTED ACTION:

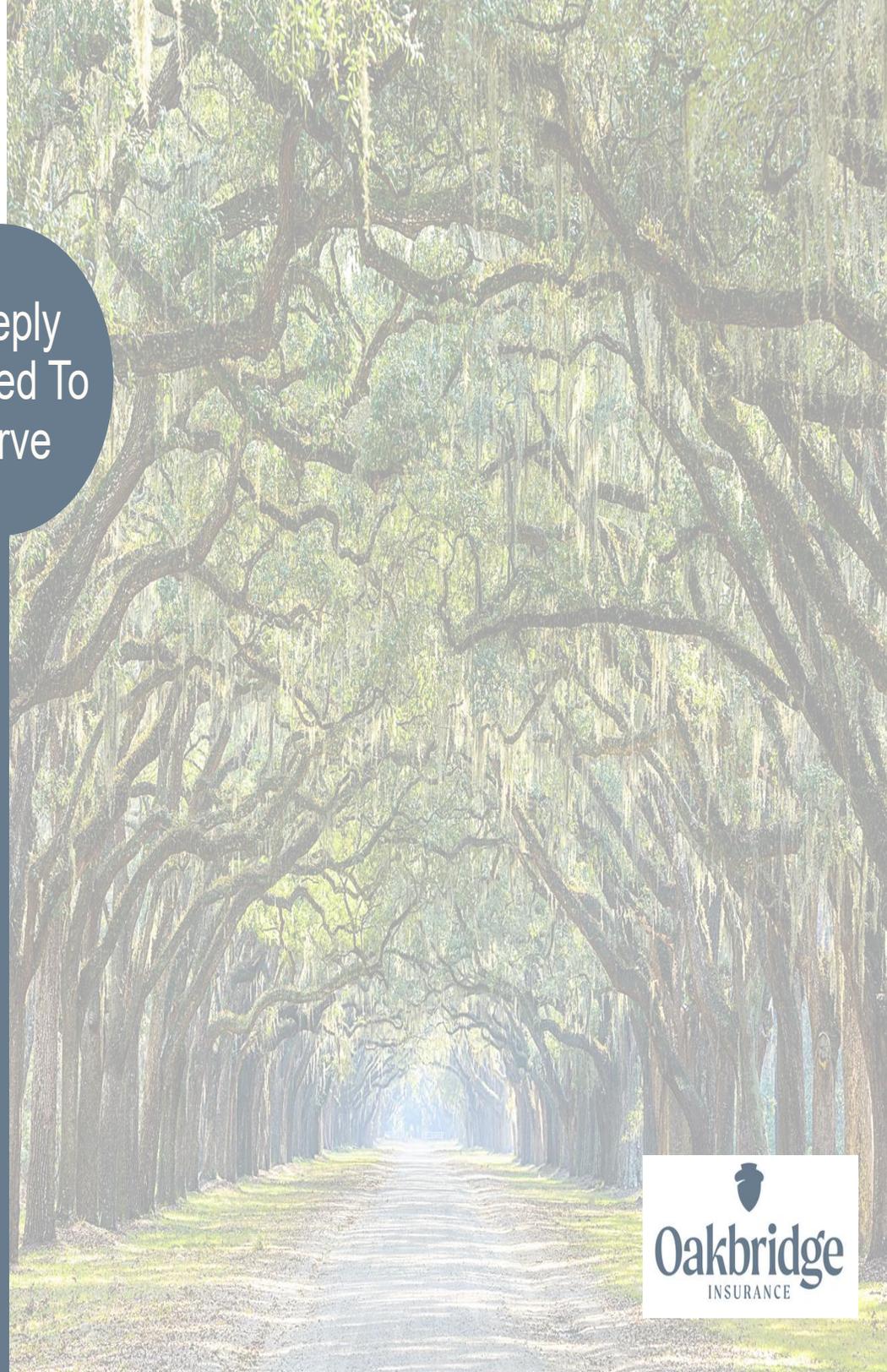
Human Resources and Finance recommend approval of the recommended 2025 employee benefits insurance plans, providers and plan designs as recommended by Insurance Broker, John Knop of Oakbridge Insurance and staff and authorize the Mayor to sign and execute all related documents.



CITY OF SMYRNA
GEORGIA

Deeply
Rooted To
Serve

2025 PLAN YEAR BENEFITS RENEWAL





Annual Enrollment: Summary of Recommendations

- Recommended: Renew with Pareto Captive (ICM) + Allied TPA
- VeracityRx (ProCare) – continue all existing programs
- Guardian Ancillary Lines – Renew with Guardian
- Continue Dependent Care & Health Flexible Spending Accounts with WEX
- Continue Teladoc benefit



2025 Renewal Overview

Executive Summary:

The Pareto Captive provides the following:

- No new lasers
- Stop Loss Renewal Rate cap of 30%

No more than \$50,000 additional laser liability as long as you remain in the captive.

- The current captive loss ratio for 2024 is 194%.

- 2 members have breached the \$220k spec breach as of 09/2024 with a combined total of \$905k over spec.

EMP 208

FAM 127

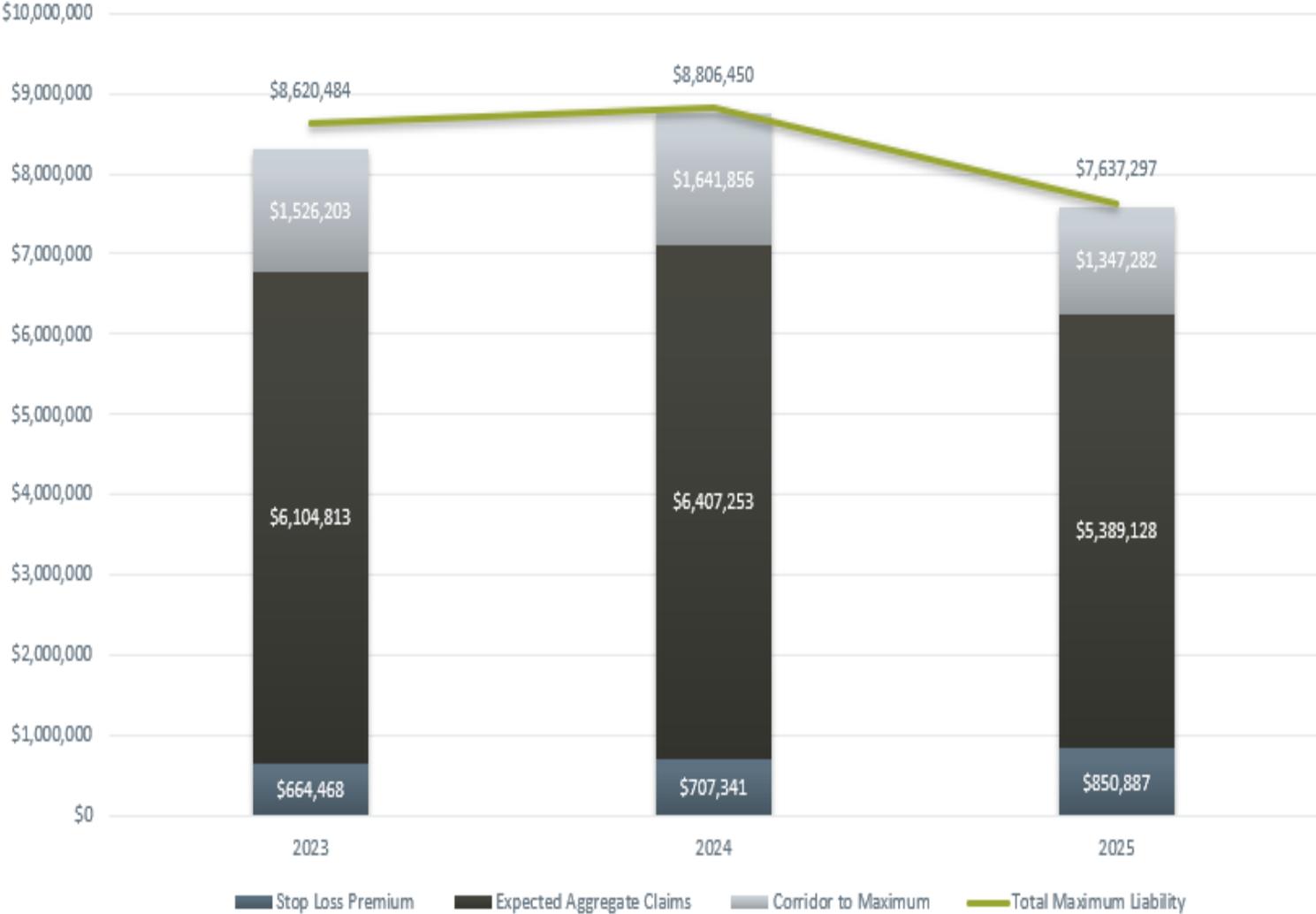
Total Employee Count 335

* For comparison purposes 2024 totals are based on current census.

	Current	Renewal	CHANGE
TPA	Allied	Allied	
Stop Loss Carrier	HCC	HCC	
Network	Aetna ASA	Aetna ASA	
Specific Deductible	\$225,000	\$225,000	
Aggregating Specific Deductible	n/a	n/a	
Specific Contract Basis	24/12	24/12	
Aggregate Max Annual Reimbursement	\$1,000,000	\$1,000,000	
Lasers	\$275,000	\$275,000	
Total Fixed & Variable Costs			
<i>Admin Fixed Costs</i>	\$391,260	\$414,737	\$23,477
<i>Stop Loss Premiums</i>	\$664,534	\$850,887	\$186,353
<i>Captive Capital Contribution</i>	\$70,734	N/A for year 3	-\$70,734
<i>Additional Laser Liability</i>	\$50,000	\$50,000	\$0
<i>Max Aggregate Claims Liability</i>	\$7,521,718	\$6,736,410	-\$785,308
<i>Expected Aggregate Claims Liability</i>	\$6,017,374	\$5,389,128	-\$628,246
Total Maximum Liability	\$8,698,246	\$8,052,033	-\$646,213
% Change from Current		-7.43%	
Minimum Annual Aggregate Deductible	\$8,009,066 (2024)	\$6,736,410 (2025)	-\$1,272,596

Historical Stop Loss Renewals

3 Year Stop Loss At-a-Glance



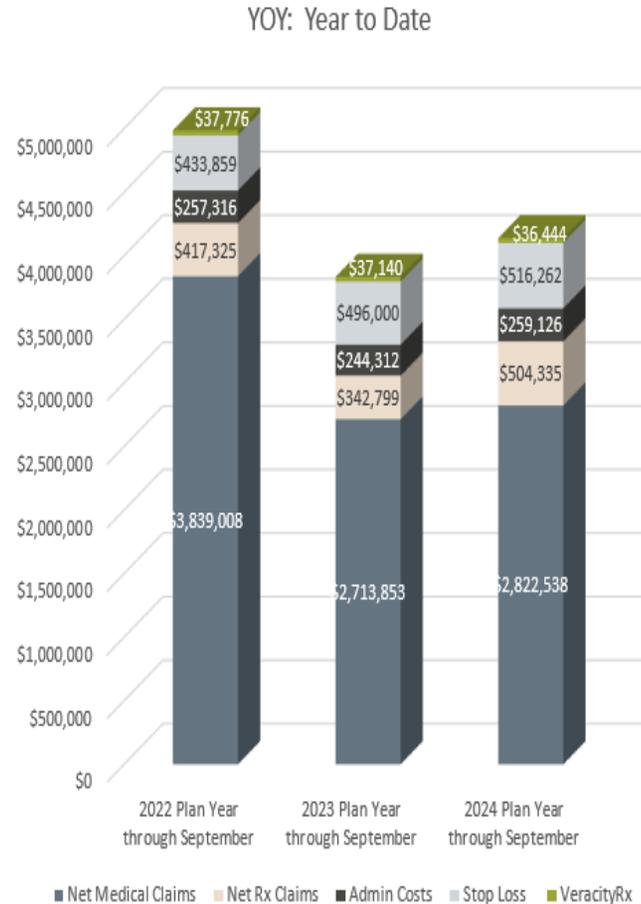
*Excludes medical administration fixed costs & captive capital contribution

Year Over Year Comparison

	Net Medical Claims	Net Rx Claims	Admin Costs	Stop Loss	VeracityRx	Total Costs
2022 Plan Year through September	\$3,839,008	\$417,325	\$257,316	\$433,859	\$37,776	\$4,985,284
2023 Plan Year through September	\$2,713,853	\$342,799	\$244,312	\$496,000	\$37,140	\$3,834,104
2024 Plan Year through September	\$2,822,538	\$504,335	\$259,126	\$516,262	\$36,444	\$4,138,705
	Net Medical Claims	Net Rx Claims	Admin Costs	Stop Loss	VeracityRx	Total Costs
2022 Plan Year	\$4,878,500	\$657,712	\$341,755	\$575,663	\$50,172	\$6,503,802
2023 Plan Year	\$3,947,825	\$543,636	\$331,559	\$692,021	\$50,412	\$5,565,453
2024 Plan Year (Projected)	\$3,851,586	\$670,975	\$344,888	\$686,683	\$48,504	\$5,602,636

Projected 2024 Increase over 2023 spend:

\$37,183





Allied Advocate

City of Smyrna

Allied Advocate

2024 Through August 31, 2024

Claim#	Member Type	Providers	DOS	Charges	Allowable	Paid	Savings Pct	Claim State	Payment Method	AAService	AA Fees
4315831201	Enrollee	EMORY UNIVERSITY HOSPITA	1/9/2024	\$7,447.44	\$5,362.16	\$2,139.15	71.28%	Closed	Medicare	Infusion	\$805.75
4342568701	Enrollee	ATLANTA DIALYSIS	1/1/2024	\$101,600.00	\$101,600.00	\$3,481.00	96.58%	Closed	Medicare	Dialysis	\$0.00
4343218801	Enrollee	LORING HEIGHTS DIALYSIS	1/29/2024	\$12,192.00	\$12,192.00	\$417.72	96.58%	Closed	Medicare	Dialysis	\$0.00
4346886001	Enrollee	GEORGIA UROLOGY PA	2/6/2024	\$1,610.00	\$1,587.41	\$1,587.41	1.41%	Closed	PPO	Infusion	\$0.00
4364138601	Enrollee	EMORY UNIVERSITY HOSPITA	2/6/2024	\$6,115.44	\$4,403.12	\$2,139.15	65.03%	Closed	Medicare	Infusion	\$565.99
4399107501	Spouse	AMERITA SOUTH ATLANTIC LLC	3/11/2024	\$12,787.37	\$1,094.56	\$1,094.56	91.45%	Closed	PPO	Infusion	\$0.00
4399414601	Enrollee	DVA RENAL HEALTHCARE INC	3/1/2024	\$125,984.00	\$125,966.00	\$4,316.44	96.58%	Closed	Medicare	Dialysis	\$0.00
4399414901	Enrollee	DVA RENAL HEALTHCARE INC	2/1/2024	\$117,856.00	\$117,856.00	\$4,037.96	96.58%	Closed	Medicare	Dialysis	\$0.00
4404034001	Spouse	AMERITA SOUTH ATLANTIC LLC	3/30/2024	\$6,443.08	\$674.52	\$674.52	89.54%	Closed	PPO	Infusion	\$0.00
4418426101	Enrollee	EYE CONSULTANTS OF ATLANTA PC	4/19/2024	\$5,217.74	\$3,439.01	\$1,835.02	64.84%	Closed	Medicare	Infusion	\$401.00
4444712101	Enrollee	EMORY UNIVERSITY HOSPITA	4/9/2024	\$5,570.44	\$4,010.72	\$2,137.15	61.64%	Closed	Medicare	Infusion	\$468.39
4449000001	Enrollee	DVA RENAL HEALTHCARE INC	4/1/2024	\$121,920.00	\$121,920.00	\$4,177.20	96.58%	Closed	Medicare	Dialysis	\$0.00
4452719201	Enrollee	EYE CONSULTANTS OF ATLANTA PC	3/8/2024	\$5,321.85	\$3,516.41	\$3,516.41	33.93%	Closed	PPO	Infusion	\$0.00
4464880701	Enrollee	EYE CONSULTANTS OF ATLANTA PC	5/24/2024	\$5,217.74	\$3,439.01	\$3,439.01	34.10%	Closed	PPO	Infusion	\$0.00
4469203001	Enrollee	DVA RENAL HEALTHCARE INC	5/1/2024	\$125,984.00	\$125,984.00	\$4,316.44	96.58%	Closed	Medicare	Dialysis	\$0.00
4484610801	Enrollee	EMORY UNIVERSITY HOSPITA	5/8/2024	\$6,520.44	\$4,694.72	\$2,150.54	67.02%	Closed	Medicare	Infusion	\$636.05
4487026401	Enrollee	EMORY UNIVERSITY HOSPITA	3/5/2024	\$5,570.44	\$4,010.72	\$2,139.15	61.60%	Closed	Medicare	Infusion	\$467.89
4516678901	Enrollee	DVA RENAL HEALTHCARE INC	6/1/2024	\$121,920.00	\$121,920.00	\$4,177.20	96.58%	Closed	Medicare	Dialysis	\$0.00
4529699801	Enrollee	EYE CONSULTANTS OF ATLANTA PC	7/22/2024	\$5,189.10	\$3,418.03	\$3,418.03	34.14%	Closed	PPO	Infusion	\$0.00
4539442801	Enrollee	EMORY UNIVERSITY HOSPITA	6/10/2024	\$4,241.04	\$3,053.55	\$1,459.90	65.58%	Closed	Medicare	Infusion	\$398.41
4545712901	Enrollee	HAMILTON MEDICAL C	7/10/2024	\$11,363.07	\$6,397.41	\$888.66	92.18%	Closed	Medicare	Infusion	\$1,377.19
4560885401	Enrollee	EMORY UNIVERSITY HOSPITA	7/9/2024	\$5,428.04	\$3,908.19	\$1,330.82	75.49%	Closed	Medicare	Infusion	\$644.34
4573692001	Enrollee	HAMILTON MEDICAL C	8/1/2024	\$29,778.42	\$16,765.25	\$1,705.22	94.28%	Closed	Medicare	Infusion	\$3,605.00
2024 Totals				\$851,277.65	\$797,212.79	\$56,578.66	93.35%				\$9,370.02

*The information contained in this document, entitled "Allied Advocate Activity," is a snapshot of data that may change and/or evolve based on additional claim processing and/or negotiation activity. As such, the data presented is fluid and subject to change beyond this snapshot in time. Note 2019-2020 savings data may incorporate additional claims associated with the claim identifier's date of service.

Executive Summary:

Year To Date, the
Allied Advocate
program has saved
the plan **\$785,329.**



Plan Design

	High Option		Middle Option		Low Option HDHP	
Plan Design: Tier Structure:	In-Network		In-Network		In-Network	
Deductible						
Individual	\$500		\$1,000		\$3,300	
Family	\$1,500		\$3,000		\$6,600	
Coinsurance	80%		80%		100%	
Out-of-pocket Maximum						
Individual	\$2,500		\$3,000		\$3,500	
Family	\$7,500		\$9,000		\$7,000	
Office Visits						
Preventive Care	100%		100%		100%	
Primary Care	\$25 copay		\$30 copay		100% after deductible	
Specialist	\$35 copay		\$40 copay		100% after deductible	
Diagnostics						
Lab (Outpatient)	100%, deductible waived		100%, deductible waived		100% after deductible	
X-Ray (Outpatient)	100%, deductible waived		100%, deductible waived		100% after deductible	
Major Diagnostics (MRI, CAT, PET)	\$250 copay; \$0 with Kisx Card		\$250 copay; \$0 with KisxCard		100% after deductible	
Immediate Medical Care						
Emergency Room	\$250 copay		\$250 copay		100% after deductible	
Urgent Care	\$25 copay		\$30 copay		100% after deductible	
InPatient Hospital						
Facility	80% after deductible		80% after deductible		100% after deductible	
Physician/Surgeon	80% after deductible		80% after deductible		100% after deductible	
OutPatient Hospital						
Hospital	80% after deductible		80% after deductible		100% after deductible	
Freestanding Facility	80% after deductible		80% after deductible		100% after deductible	
Physician/Surgeon	80% after deductible		80% after deductible		100% after deductible	
Retail Prescription Drugs	Select Pharmacy	Non-Select Pharmacy	Select Pharmacy	Non-Select Pharmacy	Select Pharmacy	Non-Select Pharmacy
Rx OOP Max	\$3,000 ind / \$6,000 fam		\$3,000 ind / \$6,000 fam		N/A	
Rx Deductible	N/A		N/A		Medical Deductible applied before Copays:	
Type 1: Generics	\$15 copay	\$40 copay	\$15 copay	\$40 copay	\$15 copay	\$40 copay
Type 2: Preferred Brand	\$40 copay	\$65 copay	\$40 copay	\$65 copay	\$40 copay	\$65 copay
Type 3: Non-Preferred Brand	\$70 copay	\$95 copay	\$70 copay	\$95 copay	\$70 copay	\$95 copay
Tier 4: International Formulary	Use of International Program = \$0 cost to employee		Use of International Program = \$0 cost to employee		Use of International Program = \$0 cost to employee	

*Specialty Drugs are not covered. The VeracityRx Specialty Team assists in offsetting financial responsibility with required documentation



2024 – Current Employee Payroll Deductions:

Plan	Tier	Non-Smoker	Smoker	Non-Smoker with Wellness Credit	Smoker with Wellness Credit
		Employee Per Pay Period	Employee Per Pay Period	Employee Per Pay Period	Employee Per Pay Period
High Option	Employee	\$126.94	\$150.02	\$78.48	\$101.56
	Employee + One	\$249.74	\$272.82	\$185.12	\$208.20
	Family	\$361.83	\$384.90	\$287.98	\$311.06
Middle Option	Employee	\$113.46	\$136.54	\$65.00	\$88.07
	Employee + One	\$225.48	\$248.55	\$160.86	\$183.94
	Family	\$324.08	\$347.15	\$250.23	\$273.31
Low Option HDHP	Employee	\$94.01	\$117.08	\$45.54	\$68.62
	Employee + One	\$182.33	\$205.41	\$117.72	\$140.79
	Family	\$247.33	\$270.41	\$173.49	\$196.56

Employee Contributions

Recommended:

No change to Employee Contributions

Rates set at current Wellness Credit rate.

2025 Employee Payroll Deductions:

Plan	Tier	Non-Smoker	Smoker
		Employee Per Pay Period	Employee Per Pay Period
High Option	Employee	\$78.48	\$101.56
	Employee + One	\$185.12	\$208.20
	Family	\$287.98	\$311.06
Middle Option	Employee	\$65.00	\$88.07
	Employee + One	\$160.86	\$183.94
	Family	\$250.23	\$273.31
Low Option HDHP	Employee	\$45.54	\$68.62
	Employee + One	\$117.72	\$140.79
	Family	\$173.49	\$196.56

Ancillary Lines

2025 Renewal Summary



Dental

0% Increase:

- 73% loss ratio over the past 12 months.



Vision

0% Increase:

- 52% loss ratio over past 12 months.



Basic Life/ADD Voluntary Life

33% Increase:

- As of 08/24 – claims totaling \$494,300
- 249% loss ratio in 2023 plan year.



STD & LTD

8% Increase STD

- 65% loss ratio over past 12 months.
- 18 paid claims with 3 open claims as of 08/24.

0% Increase LTD:

- 2 active on-going claims



Voluntary Benefits

Voluntary Life, Critical Illness, and Accident will remain flat with 0% Increase.

Ancillary Lines

2025 Renewal Rate Summary

Dental Plan		Current		Renewal	
Monthly Rates					
EO	158	\$	33.22	\$	33.22
EE+1	60	\$	65.69	\$	65.69
FAM	71	\$	115.08	\$	115.08
Total Monthly Premium		\$	17,361	\$	17,361
Total Annual Premium		\$	208,330	\$	208,330
Change					0%

Vision		Current		Renewal	
Monthly Rates					
EO	123	\$	8.33	\$	8.33
EE+1	52	\$	16.16	\$	16.16
FAM	45	\$	23.73	\$	23.73
Total Monthly Premium		\$	2,933	\$	2,933
Total Annual Premium		\$	35,193	\$	35,193
Change					0%

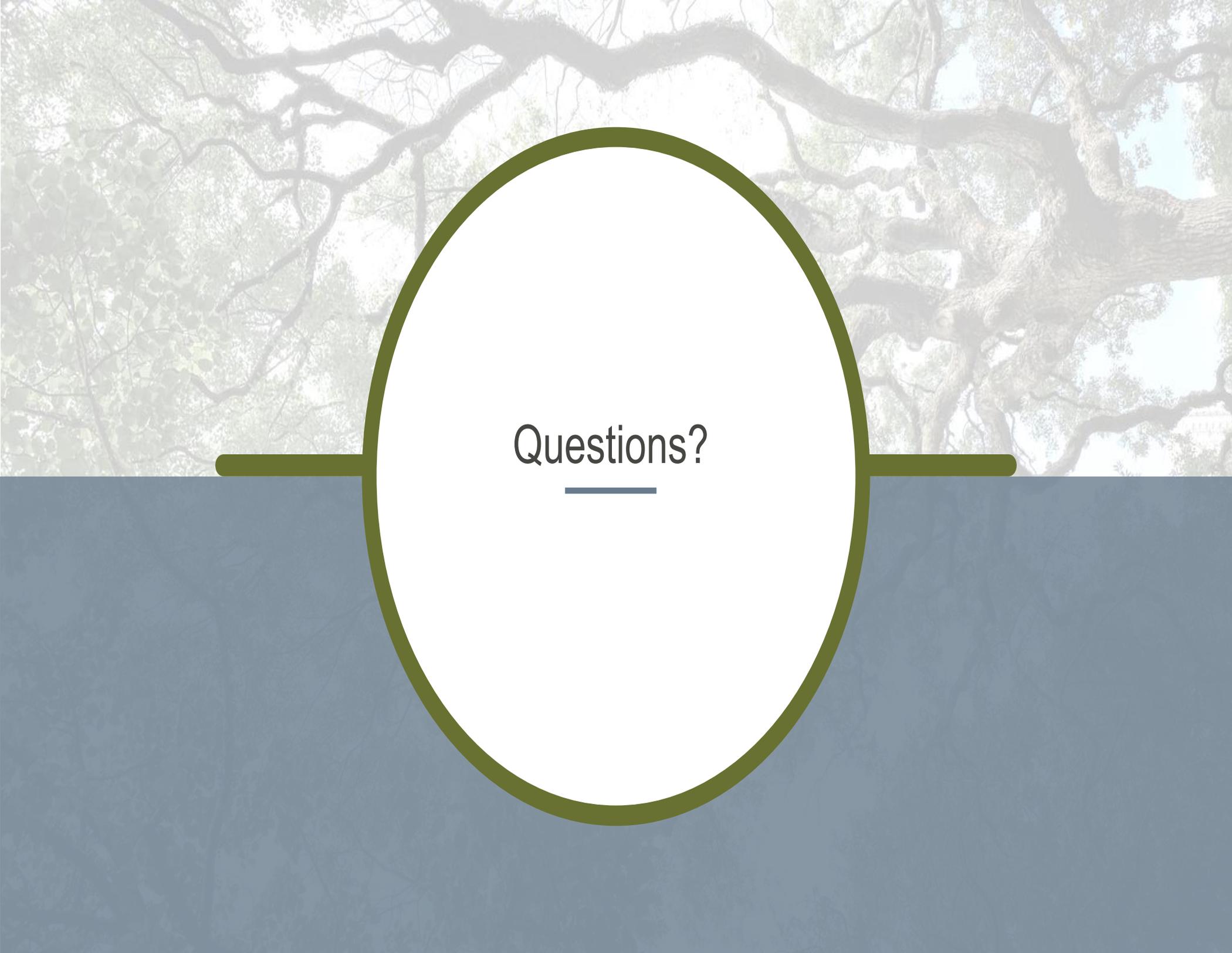
Basic Life		Guardian Current		Guardian Renewal		
Basic Life			0.445		0.600	
ADD			0.020		0.020	
Dependent Life		\$	0.52	\$	0.52	
Summary						
Basic Life	\$	40,008,310	\$	17,804	\$	24,005
ADD	\$	32,573,310	\$	651	\$	651
Dependent Life		230	\$	120	\$	120
Total Monthly Premium			\$	18,575	\$	24,776
Total Annual Premium			\$	222,897	\$	297,313
						33%

STD		Guardian Current		Guardian Renewal		
60% up to \$700			0.370		0.400	
Summary						
STD	\$	239,495	\$	8,861	\$	9,580
Total Monthly Premium			\$	8,861	\$	9,580
Total Annual Premium			\$	106,336	\$	114,958
						8%

LTD		Guardian Current		Guardian Renewal		
60% up to \$4000 / \$5000			0.32		0.320	
Summary						
LTD	\$	1,929,308	\$	6,174	\$	6,174
Total Monthly Premium			\$	6,174	\$	6,174
Total Annual Premium			\$	74,085	\$	74,085
						0%

Recommended: Renew with Guardian

2025 Estimated Employer Annual Increase: \$82,675



Questions?
