



## 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

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**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

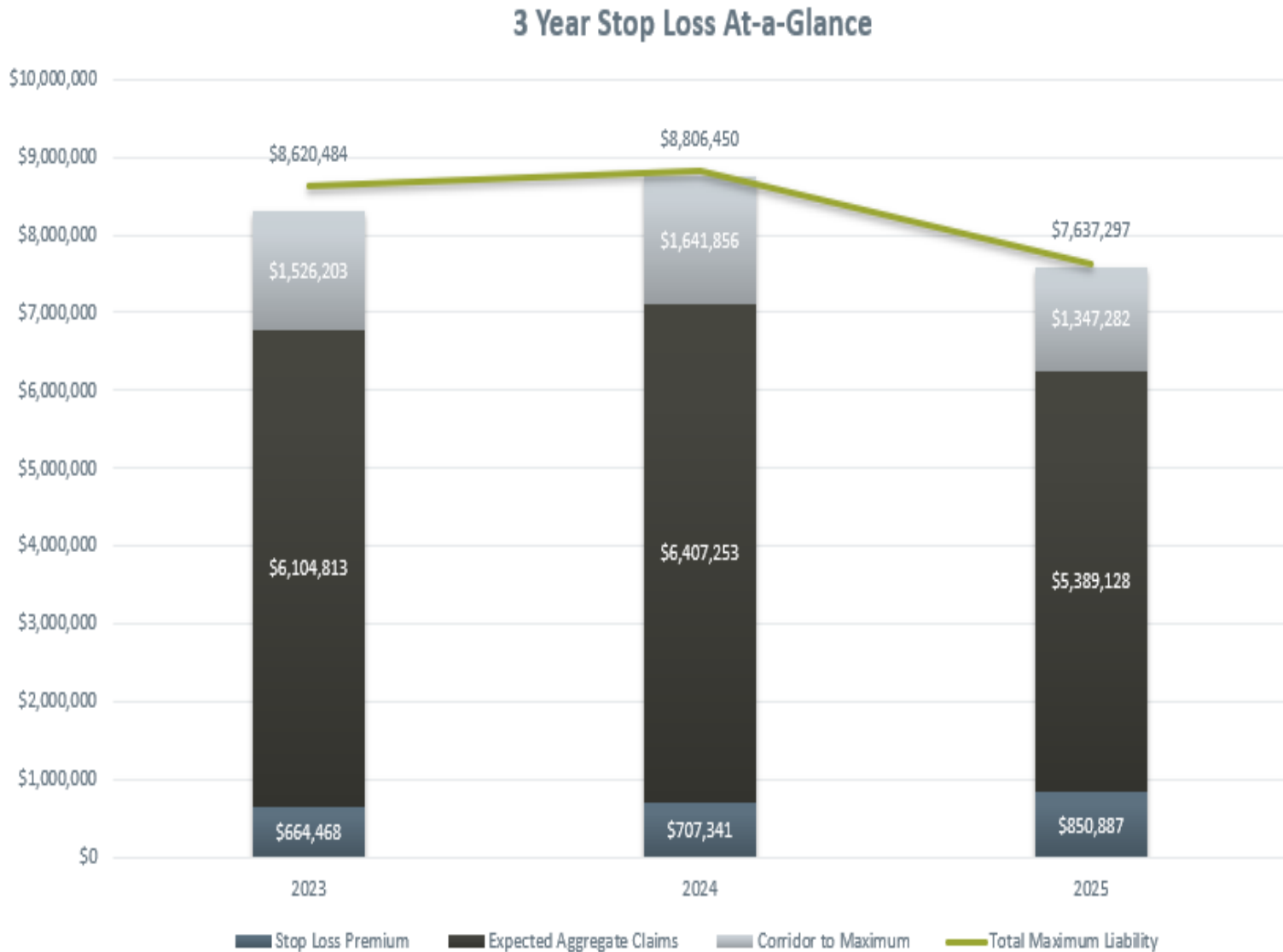
**FAM** 127

**Total Employee Count** 335

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

	Current	Renewal	CHANGE
<b>TPA</b>	<b>Allied</b>	<b>Allied</b>	
<b>Stop Loss Carrier</b>	<b>HCC</b>	<b>HCC</b>	
<b>Network</b>	Aetna ASA	Aetna ASA	
<b>Specific Deductible</b>	\$225,000	\$225,000	
<b>Aggregating Specific Deductible</b>	n/a	n/a	
<b>Specific Contract Basis</b>	24/12	24/12	
<b>Aggregate Max Annual Reimbursement</b>	\$1,000,000	\$1,000,000	
<b>Lasers</b>	\$275,000	\$275,000	
<b>Total Fixed &amp; Variable Costs</b>			
<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
<b>Total Maximum Liability</b>	<b>\$8,698,246</b>	<b>\$8,052,033</b>	<b>-\$646,213</b>
<b>% Change from Current</b>		<b>-7.43%</b>	
<b>Minimum Annual Aggregate Deductible</b>	<b>\$8,009,066 (2024)</b>	<b>\$6,736,410 (2025)</b>	<b>-\$1,272,596</b>

# Historical Stop Loss Renewals



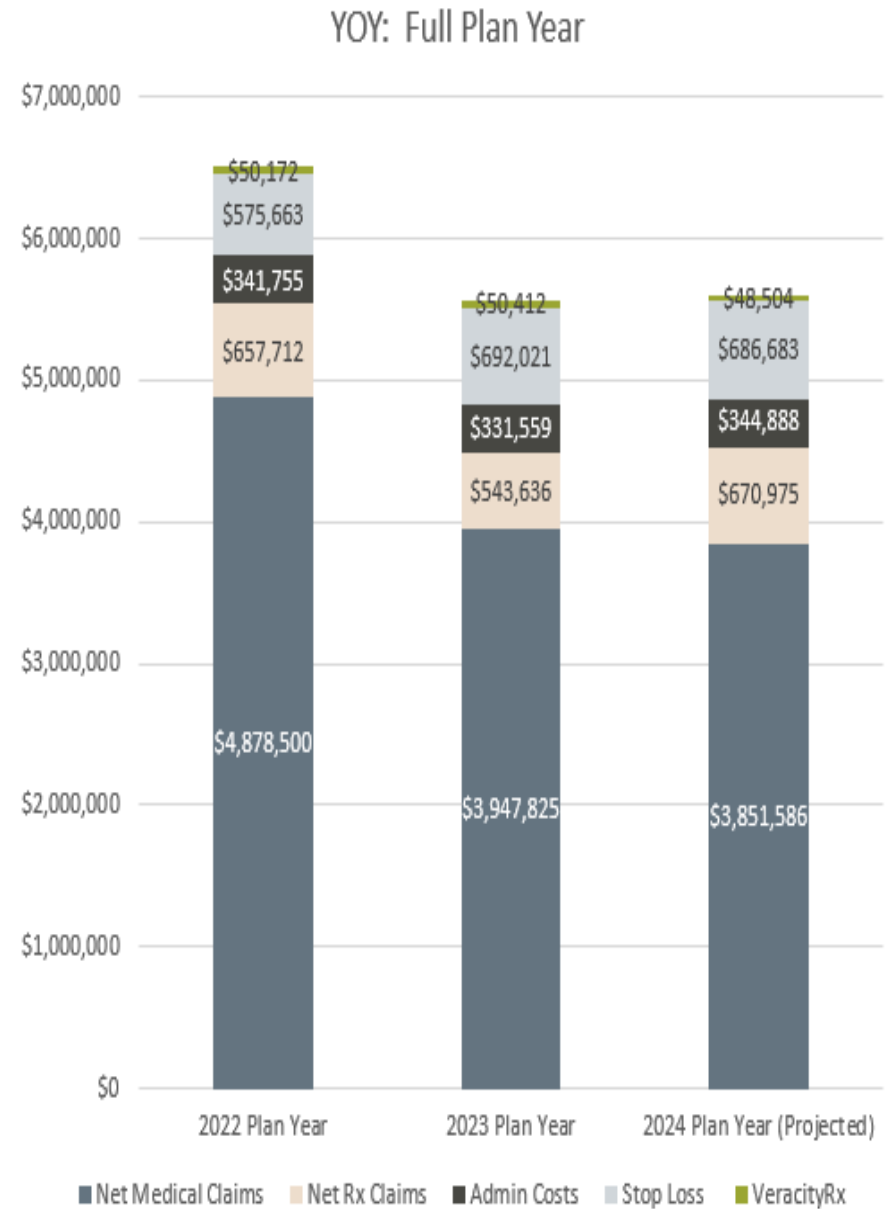
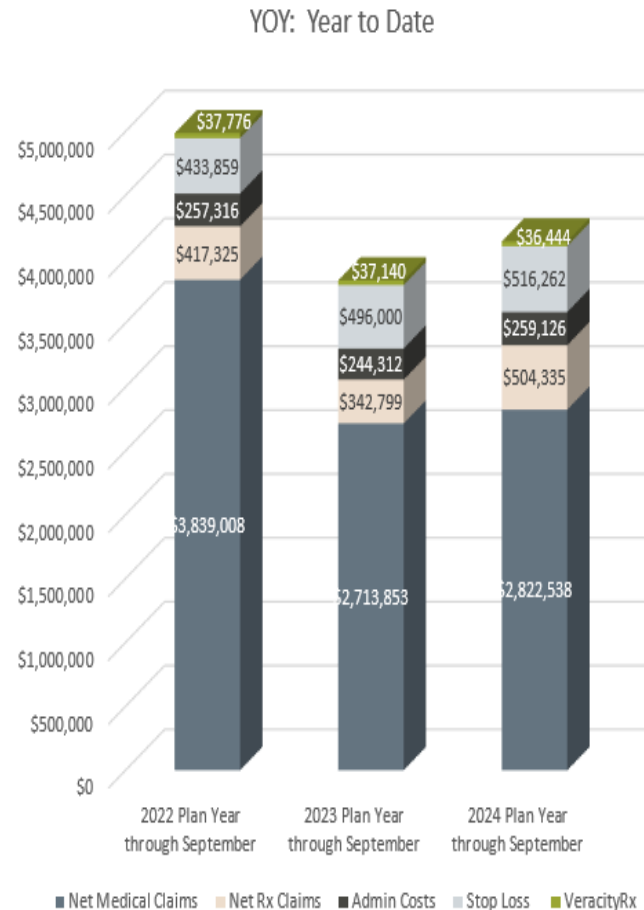
\*Excludes medical administration fixed costs & captive capital contribution

# Year Over Year Comparison

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

**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
<b>2024 Totals</b>				<b>\$851,277.65</b>	<b>\$797,212.79</b>	<b>\$56,578.66</b>	<b>93.35%</b>				<b>\$9,370.02</b>

\*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		N/A
Rx Deductible	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

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



# Employee Contributions

Recommended:

No change to Employee Contributions

Rates set at current Wellness Credit rate.

## 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

## 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
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
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
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

The background of the slide features a large, mature tree with thick, gnarled branches and dense green foliage. A large, white circle with a thick, dark green border is centered on the slide. A horizontal dark green line passes through the middle of the circle, extending to the left and right edges of the slide. The bottom half of the slide has a solid dark blue background.

Questions?

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