JOINT WORK SESSION MEETING
AGENDA
CITY OF CREVE COEUR
CITY COUNCIL AND FINANCE COMMITTEE
300 NORTH NEW BALLAS RD
MARCH 9, 2020
6:00 PM

CALL TO ORDER

ROLL CALL

DISCUSSION ITEMS

1. **Approval of February 10, 2020 City Council Work Session Meeting Minutes**

2. **Capital Improvement Program FY21-25**
   Summary: City staff will provide an overview of the proposed Capital Improvement Program for Fiscal Years 2021-2025. The Finance Committee has also been invited to participate in the discussion.

3. **Spousal Health Insurance**
   Summary: The Finance Committee has recommended that the City Council adopt a policy changing how spousal health insurance is provided. This proposed policy has the potential to generate annual savings of up to $250,000.

Pursuant to Section 610.022 RSMo., the City Council could, at any time during the meeting, vote to close the public meeting and move to closed session to discuss matters relating to litigation, legal actions and/or communications from the City Attorney as provided under Section 610.021(1) RSMo. and/or personnel matters under Section 610.021(13) RSMo. And/or employee matters under Section 610.021(3) RSMo. and/or real estate matters under Section 610.021(2) or other matters as permitted by Chapter 610.

Posted: ___________________________ posted 03/5/2020
Deborah Ryan, MPCC
City Clerk

WORK SESSION MEETING
MINUTES
CITY OF CREVE COEUR
CITY COUNCIL
300 NORTH NEW BALLAS RD
FEBRUARY 10, 2020
6:00 PM

CALL TO ORDER

A regular meeting of the City Council of the City of Creve Coeur was called to order by Mayor Glantz at the City Council Chamber, 300 North New Ballas Rd, City of Creve Coeur Government Center, Creve Coeur, MO 63141 on Monday, February 10, 2020 at 6:00 PM.

Council Member, Ward 2 AJ Wang
Council Member, Ward 2 Ellen Lawrence
Council Member, Ward 3 Robert Hoffman
Council Member, Ward 3 Charlotte D'Alfonso
Council Member, Ward 4 Scott Saunders
Council Member, Ward 4 Susan Baseley
Council Member, Ward 1 Heather Silverman

Council Member, Ward 1 Alexis Travers **-- Absent**

ROLL CALL

Staff Present: Public Works Director Jim Heines, City Engineer Matt Wohlberg, City Administrator Mark Perkins, Asst City Administrator Sharon Stott, Community Development Director Jason Jaggi, Finance Director Lori Obermoeller, Parks and Recreation Director Jason Valvero, City Attorney Carl Lumley, Chief Eidman

DISCUSSION ITEMS

1. Approval of January 13, 2020 City Council Work Session Meeting Minutes

The vote on the motion being 7 ayes and 0 nays, motion carried.

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Susan Baseley, Council Member, Ward 4
SECONDER:	Ellen Lawrence, Council Member, Ward 2
AYES:	Wang, Lawrence, Hoffman, D'Alfonso, Saunders, Baseley, Silverman
ABSENT:	Travers

2. Strategic Plan Update

Mark Perkins reviewed and updated the Strategic Plan with Council.

Discussed:
Civic Engagement - Trustee Meeting with Staff and New Resident 101. Review consolidation of Boards/Committees/Commissions. Running productive meetings information to current and future chair.

MINUTES
CITY OF CREVE COEUR
CITY COUNCIL
300 NORTH NEW BALLAS RD
FEBRUARY 10, 2020
6:00 PM

Enhance Parks Programs and Green Space - reviewed Parks Master Plan implementation, CIP to prioritize maintenance
Support a Strong and Diverse Economic Base - 39 North Plan and green space
Practice and Promote Sustainability - trail ways system and connection
Maintain and Encourage High Quality Development - building permit process improvements, increase building inspection staff
Maintain Excellent Municipal Services - reviewed recent software implementation

Adjourned at 6:46 pm

RESULT:	**ITEM DISCUSSED**

City Council
300 North New Ballas Rd
Creve Coeur, MO 63141

SCHEDULED

Meeting: 03/09/20 06:00 PM
Department: City Administrator
Category: Report
Prepared By: Mark Perkins
Department Head: Carl Lumley

STAFF REPORT

Capital Improvement Program FY21-25

City staff will provide an overview of the proposed Capital Improvement Program for Fiscal Years 2021-2025. The Finance Committee has also been invited to participate in the discussion.

City Council
300 North New Ballas Rd
Creve Coeur, MO 63141

SCHEDULED

Meeting: 03/09/20 06:00 PM
Department: City Council
Category: Report
Prepared By: Lori Obermoeller
Department Head: Lori Obermoeller

STAFF REPORT

Spousal Health Insurance

The Finance Committee has recommended that the City Council adopt a policy changing how spousal health insurance is provided. This proposed policy has the potential to generate annual savings of up to $250,000.

Finance Committee

March 5, 2020

Mayor and City Council
City of Creve Coeur Missouri
Creve Coeur MO 63141

Re: Spousal Health Insurance Coverage

Honorable Mayor and City Council:

In 2018, City Council established a Finance Task Force charged with reviewing possible cost reductions and revenue increases with the objective of avoiding a deficit of $1.5 million forecast in FY2023 and associated decreasing reserve funds. During the following two years numerous fiscally responsible actions were taken that improved the City's financial situation. Results have been satisfactory, but reserve funds, previously allocated to infrastructure repairs, have not yet been replaced.

Several opportunities for revenue increases, particularly involving increasing business license fees, levying a use tax and assessing a new parks and storm water sales tax, have been considered without recommending action. We believed it prudent to first exhaust all potential cost reductions. This completes that portion of the assignment.

In their final report, the Finance Task Force proposed that the Finance Committee study the City's employee benefits, including the City's health insurance. The Finance Committee studied these benefits in-depth beginning at its September 2019 meeting and then again at each of the next five consecutive meetings. These meetings included discussions with Mike Hanson of Daniel and Henry, the City's insurance broker, and the review of voluminous data prepared by Lori Obermoeller and Sharon Stott. Numerous options for cost savings were discussed but nothing produced a large enough savings to recommend, without making fundamental changes to the benefits offered to the City's employees, except for changing how spousal health insurance is covered.

At the Finance Committee's February 4th meeting a motion was made to recommend that the City Council adopt a policy changing how spousal health insurance is provided and it passed unanimously. This proposed policy has the potential **to generate annual savings as large as $250,000**[1]**.** The policy proposed by the Finance Committee is as follows:

---

[1] References to amounts in the Memorandum are to the City's health insurance costs as of August 2019. Unless otherwise stated, dollar amounts include:: (i) those being paid for both current employees and employees that joined the City prior to 2006 and have since retired (together with the current employees, referred to herein as the "**Employees**") and (ii) are the City's cost for providing employee health insurance **not** the total insurance premiums which are partially paid for by the Employees. The figures used in this report are derived from the spreadsheet attached hereto as Exhibit A.

Proposed Policy:

Each year during open enrollment Employees are required to inform the City whether their spouse works and, if so, whether their spouse has qualifying health insurance, which is defined as insurance that meets the minimum standards articulated under the Affordable Care Act 42 U.S.C. § 18001 et seq. (2010) ("**Available Employer Insurance**")

If an Employee's spouse has Available Employer Insurance, the Employee has two options:

a) the Employee can elect to continue providing health insurance coverage to their spouse through the City's plan and also pay a $200/month premium surcharge (the "**Surcharge**") for that spouse's insurance;

or

b) the Employee can elect to only insure themselves or themselves and their children, with the spouse being covered under the Available Employer Insurance.

The policy's Surcharge does not cover the entire cost of the spouse's insurance, but the Committee believes the Surcharge is large enough to cause Employees to opt against providing health insurance for their spouse, if their spouse has Available Employer Insurance.

The policy is not only being considered by City, but at least seven other municipalities have adopted or are considering adopting similar policies. These municipalities are: Town & Country, Manchester, Overland, Wentzville, St. Charles, Glendale and Kirkwood. Other institutional employers in the St. Louis Region, including Washington University, have also adopted a similar policy.

Currently, 44 of the City's Employees elect to cover their spouses through either Family Coverage (31) or for Employee+Spouse coverage (13). The number of spouses being covered under the City's health insurance that also have access to Available Employer Insurance is not known. However, the amount that could be saved for each spouse that is removed from the City's coverage is known:

- For Employees with Family Health Coverage that switch to Employee + Child(ren) Coverage the savings is $459.54/month or **$5,514.48/annually/Employee**.

- For Employees currently accepting Employee + Spouse Coverage that switch to Employee only coverage the savings is $503.53/month or **$6,042.36/annually/Employee**.

If all spouses that are currently insured through the City's health insurance have Available Employer Insurance and their Employee spouse decides not to cover them through the City's plan, then the annual savings would be:

Employees changing from Family to Employee + Child(ren) Coverage

31 Employees * $5,514.48 Savings per Spouse = ***$170,948.88 Annual Savings***

Employees changing from Employee + Spouse to Employee Only Coverage

13 Employees * $6,042.36 Savings per Spouse = ***$78,550 Annual Savings***

Combined Annual Savings: $170,948.88 + $78,550 = **249,498.88 Total Annual Savings**.

The actual savings generated by the proposed policy depends on the number of spouses with Available Employer Insurance and the fraction of employees that decide to retain their present coverage and pay the Surcharge. The foremost reason is likely to be convenience since maintaining multiple health insurances with multiple provider networks is inconvenient. If only half of the spouses have Available Employer Insurance available and only half of them switch their insurance, the savings would be correspondingly reduced.

Respectfully submitted,

Richard Kutta, Chair

Health Insurance Costs as of August 2019

Employees

Row Labels	Count of CURRENT COVERAGE	Sum of MONTHLY PREMIUM	Monthly Premium	Employee Share of the Monthly Premium	City Share of the Monthly Premium	Total Annual Cost of the Premium	City Share of the Total Annual Premium
SINGLE	36	20,679.12	574.42	86.16	488.26	248,149.44	210,928.32
FAMILY	28	46,644.92	1665.89	304.46	1361.43	559,739.04	457,440.48
EE/CHILD	16	17,463.36	1091.46	189.57	901.89	209,560.32	173,162.88
E+SPOUSE	9	10,857.06	1206.34	212.55	993.79	130,284.72	107,329.32
Grand Total	**89**	**95,644.46**				**1,147,733.52**	**948,861.00**

Retirees

Row Labels	Count of CURRENT COVERAGE	Sum of MONTHLY PREMIUM	Monthly Premium	Employee Share of Monthly Premium	City Share of the Monthly Premium	Total Annual Cost of the Premium	City Share of the Total Annual Premium
SINGLE	4	2,297.68	574.42	86.16	488.26	27,572.16	23,436.48
FAMILY	3	4,997.67	1665.89	304.46	1361.43	59,972.04	49,011.48
EE/CHILD	3	3,274.38	1091.46	189.57	901.89	39,292.56	32,468.04
E+SPOUSE	4	4,825.36	1206.34	212.55	993.79	57,904.32	47,701.92
Grand Total	**14**	**15,395.09**				**184,741.08**	**152,617.92**

Grand Total of Employees & Retirees	103	**111,039.55**				**1,332,474.60**	**1,101,478.92**

EXHIBIT 2

HEALTH INSURANCE SURVEY 2017

Assembled by City of Des Peres

Sorted by % Premiums Paid	AVERAGE	Wildwood	Lake St L	Ellisville	Bridgeton	Des Peres	Ballwin	Creve Coeur	Rock Hill	Sunset Hills	Ferguson	Crestwood	Clayton
Purchased Thru		Broker	SLAIT	Broker	Broker	SLAIT	SLAIT	SLAIT	SLAIT	Broker	SLAIT	Broker	SLAIT
Carrier		UHC	Anthem	Cigna	UHC	Anthem	Anthem	Anthem	Anthem	UHC	Anthem	UHC	Anthem
Deductibles													
In-Network - Employee	1,444	2,000	500	1,000	500	1,000	1,500	1,500	1,500	2,000	500	5,000	1,500
In-Network - Family	2,889	4,000	1,000	2,000	1,000	2,000	3,000	3,000	3,000	4,000	1,000	10,000	3,000
Out-Network - Employee	3,135	6,000	1,000	3,000	1,000	2,000	3,000	3,000	3,000	6,000	2,000	10,000	3,000
Out-Network- Family	6,426	12,000	2,000	6,000	2,000	4,000	6,000	6,000	6,000	12,000	4,000	20,000	6,000
HRA Reimbursement													
Employee	49.5%	90.0%	0.0%	100.0%	0.0%	50.0%	66.7%	73.3%	100.0%	37.5%	0.0%	100.0%	66.7%
Family	47.9%	45.0%	0.0%	100.0%	0.0%	50.0%	66.7%	73.3%	100.0%	37.5%	0.0%	100.0%	66.7%
Net Employee Deductible	481	200	500	$ -	500	500	500	400	$ -	1,250	500	$ -	500
Net Family Deductible	1,028	2,200	1,000	$ -	1,000	1,000	1,000	800	$ -	2,500	1,000	$ -	1,000
Premiums:													
Employee	549.06	576.84	597.21	611.49	629.00	581.05	437.82	541.30	604.73	432.21	578.91	572.98	467.69
Emp + Child(ren)	1,037.56	652.34	1,045.14	1,068.90	1,293.00	1,133.19	1,345.00	1,028.51	1,178.42	756.44	1,117.20	1,004.30	841.84
Emp + Spouse	1,187.58	1,761.16	1,194.39	1,223.00	1,419.00	1,350.47	833.64	1,136.77	1,168.00	864.46	1,217.85	1,145.94	982.15
Full Family	1,588.08	1,757.84	1,642.32	1,681.63	1,922.00	1,733.50	1,345.00	1,569.81	1,843.44	1,188.64	1,707.30	1,575.67	1,356.30
Paid by City													
Employee	92.8%	100.0%	92.8%	90.0%	100.0%	90.0%	94.5%	85.0%	100.0%	100.0%	90.0%	89.0%	90.0%
Emp + Child(ren)	77.9%	100.0%	87.3%	85.0%	80.7%	90.0%	81.3%	82.6%	75.0%	78.8%	78.0%	79.0%	75.0%
Emp + Spouse	77.3%	100.0%	87.1%	85.0%	82.4%	90.0%	85.9%	82.4%	75.0%	75.8%	76.9%	79.0%	75.0%
Full Family	73.4%	100.0%	85.1%	85.0%	87.0%	75.0%	81.3%	81.7%	75.0%	70.1%	73.5%	71.0%	75.0%

EXHIBIT 2

Paid by City													
Employee	509.73	576.84	554.00	550.34	629.00	522.95	413.60	460.10	604.73	419.13	521.02	509.95	420.92
Emp + Child(ren)	807.91	652.34	912.69	908.57	1,043.00	1,019.87	1,094.02	849.87	883.82	596.04	870.91	793.40	631.38
Emp + Spouse	922.45	1,761.16	1,039.72	1,039.55	1,169.00	1,215.42	715.92	936.48	876.00	655.19	936.34	905.29	736.61
Full Family	1,169.39	1,757.84	1,398.36	1,429.39	1,672.00	1,300.13	1,094.02	1,282.91	1,382.58	833.06	1,254.48	1,118.73	1,017.23
Paid By Employee													
Employee	39.33	-	43.21	61.15	-	58.11	24.22	81.20	-	13.08	57.89	63.03	46.77
Emp + Child(ren)	229.65	-	132.45	160.34	250.00	113.32	250.98	178.64	294.61	160.40	246.29	210.90	210.46
Emp + Spouse	265.13	-	154.67	183.45	250.00	135.05	117.72	200.29	292.00	209.27	281.51	240.65	245.54
Full Family	418.69	-	243.96	252.24	250.00	433.38	250.98	286.90	460.86	355.58	452.82	456.94	339.08

Employee Maximum Monthly													
Emp Premium + Net Deductible													
Employee	79.38	16.67	84.88	61.15	41.67	99.77	65.89	114.53	-	117.25	99.56	63.03	88.44
Emp + Child(ren)	316.99	183.33	215.78	160.34	333.33	196.65	334.31	245.31	294.61	368.73	329.62	210.90	293.79
Emp + Spouse	350.78	183.33	238.00	183.45	333.33	218.38	201.05	266.96	292.00	417.60	364.84	240.65	328.87
Full Family	506.03	183.33	327.29	252.24	333.33	516.71	334.31	353.57	460.86	563.91	536.15	456.94	422.41

FOOTNOTES:

Survey Timing	All data presented is as of January 1, 2017
Aggregate Contribution	is an estimate of the average premium paid by the city representing 1 employee in each group. The author understands that the employee censı
Bridgeton	Pays 100% of Premiums for Employees; Rate for other levels of coverage vary based on date of hire. If hired before 2012, monthly employee coı
Chesterfield	Has only a 2 Tiered Premium System: Employee and Familly whether he family is EMP-Child(ren), EMP-Spouse or EMP- Spouse and Child(ren)
Frontenac	Pays 90.0% of employee premium + 60.0% of difference between dependent coverage and employee premiums
Glendale	Purchased thru ACA Exchange; Premiums for Employees & Dependants Age Based; Glendale Pays 100% of employee coverage + 90.0% of differe
Hazelwood	Pays 100%of Employee Coverage + 50.0% of difference between other levels of coverage and employee coverage
Kirkwood	Offers Employees 2 Plan Options: (1) with 100% Co-Insurance and (2) with 80% Co-Insurance; city conributions are different between plans; Dat
Manchester	Pays 90.0% of employee only coverage; for other levels of coverage pays 50.0% of employee premum + part of difference between coverage an
Maryland Heights	Pays 100%of Employee Coverage + 50.0% of difference between other levels of coverage and employee coverage
Sunset Hills	Offers 2 Plans- a PPO (reflected in the survey) and (HSAPlan) within in-network deductibles of $2,600/$5,200 and premiums of $333.69(E),$58
Wildwood	Pays 100% of Premium for all coverages

EXHIBIT 2

HEALTH INSURANCE SURVEY 2017

Assembled by City of Des Peres

Sorted by % Premiums Paid	Maplewood	Glendale	Hazelwood	U City	M Heights	St Ann	Brentwood	Olivette	Webster	Town & Country	Frontenac	Manchester	Chesterfield	Kirkwood	R Heights
Purchased Thru	SLAIT	Exchange	Broker	SLAIT	SLAIT	SLAIT	SLAIT	SLAIT	Broker	SLAIT	SLAIT	Broker	SLAIT	Broker	SLAIT
Carrier	Anthem	Anthem	Cigna	Anthem	Anthem	Anthem	Anthem	Anthem	Cigna	Anthem (HSA)	Anthem	UHC	Anthem	BCBS	Anthem
Deductibles															
In-Network - Employee	250	3,500	1,000	250	250	1,500	1,500	1,000	500	2,000	1,000	5,000	1,500	750	500
In-Network - Family	500	7,000	2,000	500	500	3,000	3,000	2,000	1,000	4,000	2,000	10,000	3,000	1,500	1,000
Out-Network - Employee	500	7,000	3,000	500	500	3,000	3,000	2,000	2,000	4,000	2,000	10,000	3,000	150	1,000
Out-Network- Family	1,500	14,000	6,000	1,500	1,500	6,000	6,000	4,000	4,000	8,000	4,000	20,000	6,000	3,000	2,000
HRA Reimbursement										(HSA)					
Employee	100.0%	92.9%	0.0%	0.0%	0.0%	0.0%	75.0%	0.0%	100.0%	50.0%	50.0%	85.0%	100.0%	0.0%	0.0%
Family	100.0%	92.9%	0.0%	0.0%	0.0%	0.0%	75.0%	0.0%	100.0%	50.0%	50.0%	85.0%	100.0%	0.0%	0.0%
Net Employee Deductible	$ -	250	1,000	250	250	1,500	375	1,000	$ -	1,000	500	750	$ -	750	500
Net Family Deductible	$ -	500	2,000	500	500	3,000	750	2,000	$ -	2,000	1,000	1,500	$ -	1,500	1,000
Premiums:		Age Based													
Employee	598.40	634.62	639.61	548.19	621.56	525.62	480.72	490.38	559.06	367.71	495.61	631.18	428.02	636.36	536.35
Emp + Child(ren)	1,017.63		1,215.37	986.56	1,112.57	998.67	918.00	955.57	1,045.59	717.05	966.44	1,104.56	1,193.63	1,103.12	1,177.63
Emp + Spouse	1,316.49	1,269.24	1,344.42	1,151.00	1,392.28	1,103.80	1,012.58	1,025.06	1,320.13	772.20	1,040.78	1,262.37	1,193.63	1,260.72	1,303.21
Full Family	1,615.69		1,918.99	1,589.47	1,752.78	1,524.30	1,397.15	1,378.97	1,638.37	1,121.54	1,511.62	1,735.76	1,193.63	1,786.50	1,801.99
		At Age 50													
Paid by City															
Employee	100.0%	100.0%	100.0%	85.0%	100.0%	91.0%	100.0%	80.0%	100.0%	100.0%	90.0%	90.0%	76.6%	81.2%	90.0%
Emp + Child(ren)	73.0%	71.4%	81.7%	75.0%	77.9%	73.0%	76.2%	75.1%	77.0%	75.6%	75.4%	72.9%	67.9%	69.4%	68.2%
Emp + Spouse	84.0%	71.4%	73.8%	75.0%	72.3%	73.0%	73.7%	74.8%	73.0%	73.8%	74.3%	70.0%	67.9%	68.1%	66.5%
Full Family	65.0%	71.4%	66.7%	75.0%	67.7%	73.0%	67.2%	73.6%	67.0%	67.2%	69.8%	64.5%	67.9%	63.5%	61.9%

EXHIBIT 2

Paid by City															
Employee	598.40	634.62	639.61	465.96	621.56	478.31	480.72	392.31	559.06	367.71	446.05	568.06	328.02	517.04	482.71
Emp + Child(ren)	742.87		992.79	739.92	867.07	729.03	699.36	717.94	805.10	542.39	728.55	804.75	810.83	765.88	803.35
Emp + Spouse	1,105.85	906.23	992.02	863.25	1,006.92	805.77	746.65	766.58	963.69	569.96	773.15	883.66	810.83	858.77	866.15
Full Family	1,050.20		1,279.31	1,192.10	1,187.17	1,112.74	938.94	1,014.31	1,097.71	753.62	1,055.66	1,120.30	810.83	1,135.04	1,115.53
Paid By Employee															
Employee	-	-	-	82.23	-	47.31	-	98.07	-	-	49.56	63.12	100.00	119.32	53.64
Emp + Child(ren)	274.76		222.58	246.64	245.50	269.64	218.64	237.63	240.49	174.66	237.89	299.81	382.80	337.24	374.28
Emp + Spouse	210.64	363.01	352.40	287.75	385.36	298.03	265.93	258.48	356.44	202.24	267.63	378.71	382.80	401.95	437.06
Full Family	565.49		639.68	397.37	565.61	411.56	458.21	364.66	540.66	367.92	455.96	615.46	382.80	651.46	686.46

Employee Maximum Monthly															
Emp Premium + Net Deductible															
Employee	-	20.83	83.33	103.06	20.83	172.31	31.25	181.40	-	83.33	91.23	125.62	100.00	181.82	95.31
Emp + Child(ren)	274.76		389.25	288.31	287.17	519.64	281.14	404.30	240.49	341.33	321.22	424.81	382.80	462.24	457.61
Emp + Spouse	210.64	404.68	519.07	329.42	427.03	548.03	328.43	425.15	356.44	368.91	350.96	503.71	382.80	526.95	520.39
Full Family	565.49		806.35	439.03	607.28	661.56	520.71	531.33	540.66	534.59	539.29	740.46	382.80	776.46	769.79

FOOTNOTES:
Survey Timing
Aggregate Contribution

Bridgeton
Chesterfield
Frontenac
Glendale
Hazelwood
Kirkwood
Manchester
Maryland Heights
Sunset Hills
Wildwood

EXHIBIT 2

January 2018 Dental Benefits Survey

	Lake Saint Louis	Ballwin	Brentwood	Chesterfield		Clayton	Creve Coeur	Des Peres	ECDC	Ferguson	Frontenac	Maplewood	Maryland Heights	Olivette	Richmond Heights	Rock Hill	St. Ann	Town & Country	Webster Groves		University City	University City
Carrier	Delta Dental	Delta Dental	Delta Dental	Delta Dental	Delta Dental	Delta Dental	Delta Dental	The Standard	Delta Dental	SunLife/Assurant	Delta Dental	Delta Dental	Reliance Standard	Delta Dental	Delta Dental	MetLIfe	Standard	Delta Dental	Sunlife/Assurant	Sunlife/Assurant	Delta Dental	Delta Dental
Plan Name	Delta Dental PPO	PPO - DentacareM	Delta Dental PPO	Delta Dental PPO (Low Option)	Delta Dental PPO (High Option)	Delta Dental PPO- *self-insured*	Delta Dental PPO	PPO	Delta Dental PPO	Dental PPO	Delta Dental PPO			Delta Dental PPO	Delta Dental PPO		Ameritas PPO	Delta Dental PPO	PPO High	PPO Low	High Option- PPO	Low Option-PPO
Contract Term	7/1/17-6/30/19	6/1/2017-6/1/2018	7/1/17 - 6/30/18			10/1/16 - 9/30/18	1/1/2017 -12/31/2018	1/1/18-12/31/19	6/1/17-5/31/18	7/1/17-6/30/18	7/1/17/6/30/18			7/1/17-6/30/18	6/1/17-5/31/18	1/1/18-12/31/18	1/1/18-12/31/18	1/1-12/31/18	1/1/18-12/31/18	1/1/18-12/31/18	7/1/17-6/30/18	7/1/17-6/30/18
Calendar Year Deductible	0	50EE/150 FAM	25	50 emp/150 family	50 emp/150 family	50 emp / 150 family	25 emp/75 family	50 emp/150 family	$25/person; $75 family limit	50	25 ind / 75 fam	25	25/50 and 50/100	25 ind/75 family	$25 per person/$75 family	50 emp/150 family	0	50 emp/150 family	25	50	50 emp/150 fam	75 ind/unlim fam
Annual Maximum	2,000	1,000	1,000	1,000	1,000	1,250	1,500	1,000	1,000	1,500	$1000 ind / $2000 f	1,000	1500 and 1000	2,000	1,000	1,000	1,000	1,000	1,500	1,500	1,500	1,000
Preventative Services Coverage	100%	100%	80%	100%	100%	100%	100%	100%	100%	100%	100%	80%	100%	100%	100%	100%	100%	100%	100%	80%	100%	100%
Basic Services Coverage	100%	90%	80%	80%	90%	80%	80%	90%	90%	80%	80%	80%	90%/80%	80%	90%	100%	90%	90%	90%	80%	90%	70%
Major Services Coverage	60%	60%	80%	50%	60%	65%	60%	60%	60%	50%	80%	80%	60%/50%	60%	60%	60%	60%	60%	60%	50%	60%	50%
Orthodontia	50%/$1,000 max	50%/1,000 max	50%/$1,000 max	50%/$1,000 max	50%/$1,000 max	50%/$1,000 max	50%/1,500 max	50%	50%/$1,000 max	50%/1,500 max	50% /$1,000 max	50%/1,000 max	1000 manimum	50%/$1,000 max	50%/$1,000 max	50%/$1000 max	50%/1,500	50%/1,000 max	2,000 max	1,500 max	$2,000 lifetime	$1,000 lifetime
Monthly Premiums:																						
Employee	38.27	33.78	32.15	28.13	36.71	32.28	40.31	28.12	38.39	23.01	41.13	36.35	31.12	48.17	38.39	32.08	31.99	34.06	33.50	23.54	$36.12	$11.99
Emp + Child(ren)	84.91	68.22	N/A	55.75	72.73	76.59	92.22	65.18	88.25	50.64		n/a	67.68	114.54	88.25	73.70	88.64	73.23	84.00	62.00	N/A	N/A
Emp + Spouse	78.28	68.22	N/A	N/A	N/A	65.14	80.63	56.85	76.78	62.46		n/a	63.52	101.05	76.78	65.09	65.52	69.68	65.18	47.00	N/A	N/A
Full Family	133.88	125.16	82.89	95.32	117.02	109.45	123.85	92.49	127.69	97.64	106.06	93.80	82.28	141.60	127.69	114.23	122.16	116.24	128.00	86.00	$106.07	$32.44
Paid by City																						
Employee	38.27	32.24	32.15	28.13	28.13	32.28	26.76	25.31	38.39	20.89	41.13	36.35	31.12	38.54	34.55	32.08	-	34.06	-	-	$0	$0
Emp + Child(ren)	80.47	32.24	N/A	41.93	41.93	57.63	56.71	58.66	63.31	39.61		n/a	-	85.00	59.47	73.70	-	68.23	-	-	N/A	N/A
Emp + Spouse	73.89	32.24	N/A	N/A	N/A	48.89	49.58	51.17	57.58	47.61		n/a	-	75.55	53.74	65.09	-	64.68	-	-	N/A	N/A
Full Family	124.23	32.24	32.15	61.72	61.72	81.82	76.17	69.37	83.03	71.45	80.09	36.35	-	103.94	79.19	114.23	-	111.24	-	-	$0	$0
Paid By Employee																						
Employee	0	1.54	0	0	8.58	0	13.55	2.81	0	2.12	-	0	0	4.44	3.84	0	31.99	0	33.50	23.54	$36.12	$11.99
Emp + Child(ren)	4.44	35.98	N/A	13.82	30.80	18.96	35.51	6.52	24.94	11.03	N/A	N/A	42.48	13.63	28.78	-	88.64	5.00	84.00	62.00	N/A	N/A
Emp + Spouse	4.39	35.98	N/A	N/A	N/A	16.25	31.05	5.69	19.20	14.85	N/A	N/A	32.40	11.77	23.04	-	65.52	5.00	65.18	47.00	N/A	N/A
Full Family	9.65	92.92	50.74	33.60	55.30	27.63	47.68	23.12	44.66	26.19	25.97	57.45	57.08	17.38	48.50	-	122.16	5.00	128.00	86.00	$106.07	$32.44
Percentage Paid by City																						
Employee	100.0%	95.4%	100.0%	100.0%	76.6%	100.0%	66.4%	90.0%	100.0%	90.8%	100.0%	100.0%	100.0%	80.0%	90.0%	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Emp + Child(ren)	94.8%	47.3%	N/A	75.2%	57.7%	75.2%	61.5%	90.0%	71.7%	78.2%	N/A	N/A	0.0%	74.2%	67.4%	100.0%	0.0%	93.2%	0.0%	0.0%	N/A	N/A
Emp + Spouse	94.4%	47.3%	N/A	N/A	N/A	75.1%	61.5%	90.0%	75.0%	76.2%	N/A	N/A	0.0%	74.8%	70.0%	100.0%	0.0%	92.8%	0.0%	0.0%	N/A	N/A
Full Family	92.8%	25.8%	38.8%	64.8%	52.7%	74.8%	61.5%	75.0%	65.0%	73.2%	75.5%	38.8%	0.0%	73.4%	62.0%	100.0%	0.0%	95.7%	0.0%	0.0%	0.0%	0.0%
Census																						
Employee	21	52	49	61.00	43.00	55	32	28	13		13	40	200	24	57	9		19	40	33	55	71
Emp + Child(ren)	11	39	N/A	34.00	33.00	13.00	9	26	1			N/A	70.00	13.00	23	7.00		9.00	9	4	N/A	N/A
Emp + Spouse	11		N/A			22.00	13	18	8			N/A	42.00	10.00	12	2.00		5.00	8	9	N/A	N/A
Full Family	37	44	63	20.00	25.00	72	36	29	2		40	53	30	25	29	13		22	20	4	32	34
Not enrolled	2	2	0	16.00	0	11	19	0	2		0	0	0	3	4			0	5	32		

NOTES:

Brentwood: We also allow retirees on the plan - WHOLLY at their expense, currently with 12 single, 9 family coverage

Richmond Heights: We also allow retirees to continue on the plan indefinitely---wholly at their own expense, currently 11 single, 10 employee/spouse, 1 family coverage

ECDC: We also allow retirees to continue on the plan indefinitely--wholly at their own expense, currently 2 single and 1 employee/spouse

Chesterfield: Coverage options are EE, E+1 Dependent, and Family.

Town and Country: census includes employee count only and 5 retirees who pay 100% of the expense.

Maplewood: we allow retirees on the plan as well, at their expense

MEMORANDUM

DATE: December 30, 2019

TO: Mark Perkins, City Administrator

FROM: Lori Obermoeller, Director of Finance

SUBJECT: Cost Saving Suggestion

At the November 5th Finance Committee meeting, everyone was asked to submit their cost saving suggestions to me before the January meeting (see attached emails). Below is a summary of those suggestions:

- If Employee or Retiree has coverage elsewhere, they can't have coverage through the City
- If Employee's spouse or Retiree's spouse has coverage through their employer, they must pay a Premium
- Require Retirees to pay the full cost of spouses and dependents (save $82,308 per year)
- Increase the percentage City covers for spouse and children coverage
- Eliminate or reduce the HRA (currently $400/$800). Total annual cost to the city of the HRA is $33,500
- Increase the deductible (currently $1,500/$3,000)
- Prohibit Retirees from coming back on the City's plan more than once

I have attached a spreadsheet that applies a $200 Premium to spouses that have the option of coverage through their employer (see second chart on attached page). This is roughly 50% of the total premium cost, substantially higher than the current dependent contribution of 20%. The city's maximum potential savings under this plan is estimated at $110,400, but our actual savings will be less since we do not know how many spouses work. We will also want to discuss whether to include grown children who have coverage through their employer.

I have also changed the City's percentage for all dependent coverages from 80% to 70% (see third chart on the attached page), which will save $62,594 per year.

Also, if a premium is charged for those spouses/grown children with coverage elsewhere, we will also want to review the Medical Benefit Reimbursement, which currently pays $600 annually to employees whose eligible dependents decline health coverage through the city's plan. The total cost to the city for this benefit is $14,650.

I can answer any questions at the next meeting.

Health Insurance Coverage for Full Time Employees and Retirees

Coverage	Number Enrolled	Total Monthly Premium	Employee Monthly Share (15%/20%)	City Monthly Share (85%/80%)	Total Annual cost	Total City Share Annual Cost	City's Actual %
Employee	40	574.42	86.16	488.26	275,721.60	234,363.36	85.00%
Employee + Child	18	1,091.46	189.57	901.89	235,755.36	194,808.02	82.63%
Employee + Spouse	16	1,206.34	212.55	993.79	231,617.28	190,808.26	82.38%
Family	30	1,665.89	304.46	1,361.43	599,720.40	490,115.88	81.72%
	104				1,342,814.64	1,110,095.52	

This chart shows the current health coverage rates, as well as the city and employee's share of the total premium.

Coverage	Number Enrolled	Total Monthly Premium	Employee Monthly Share (15%/20%)+$200	City Monthly Share (85%/80%)	Total Annual cost	Total City Share Annual Cost	Maximum Potential Savings**	City's Actual %
Employee	40	574.42	86.16	488.26	275,721.60	234,363.36		85.00%
Employee + Child	18	1,091.46	189.57	901.89	235,755.36	194,808.02		82.63%
Employee + Spouse	16	1,206.34	412.55	793.79	231,617.28	152,408.26		65.80%
Family	30	1,665.89	504.46	1,161.43	599,720.40	418,115.88		69.72%
	104				1,342,814.64	999,695.52	110,400.00	

This chart reflects a $200 charge being added to "Employee + Spouse" & "Family" coverage for those spouses that could be covered by their employer. The $200 is approximately what the rate would be if you changed the 20% to 50% on the "Employee + Spouse" coverage. We then applied that same $200 to the "Family" coverage. We used a flat $200 for Administrative purposes (it's simplier to understand and to administer).

**Maximum Potential Savings is assuming every spouse works, so our actual savings will be less.

Coverage	Number Enrolled	Total Monthly Premium	Employee Monthly Share (15%/30%)	City Monthly Share (85%/70%)	Total Annual cost	Total City Share Annual Cost	Maximum Potential Savings**	City's Actual %
Employee	40	574.42	86.16	488.26	275,721.60	234,363.36		85.00%
Employee + Child	18	1,091.46	241.28	850.19	235,755.36	183,639.96		77.89%
Employee + Spouse	16	1,206.34	275.74	930.60	231,617.28	178,675.39		77.14%
Family	30	1,665.89	413.60	1,252.29	599,720.40	450,822.96		75.17%
	104				1,342,814.64	1,047,501.67	62,593.85	

This chart reflects changing the percentage for all dependents from 20% to 30%