Finance Committee
Committee Meeting Agenda
September 10, 2019
4:00 PM
Administrative Conference Room
300 N New Ballas Rd

1. **Call to Order**
2. **Roll Call**
3. **Approval of Agenda**
4. **Approval of Minutes**
5. **Reports**
    - **Chairperson**
    - **Audit Committee**
    - **Pension Board**
    - **Council Liaison**
    - **Staff**
6. **Unfinished Business**
    - ***Disscuss Approach to Reviewing Employee Benefits***
        - **Creve Coeur Summary of Benefits**
        - **Health and Dental Survey**
        - **Health Insurance Cost**
        - **Health Insurance Summary of Benefits**
        - **City Plan vs. Other Plans**
        - **MBRA Report**
7. **New Business**
8. **Other Business**
    - **FY20 Meeting Schedule**
9. **Public Comments**

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10. **Adjourn**

11. **Communications**

CITY OF CREVE COEUR
EMPLOYEE BENEFITS SUMMARY

THE CITY OF CREVE COEUR MAINTAINS A HIGH LEVEL OF EMPLOYEE BENEFITS FOR FULL-TIME* EMPLOYEES INCLUDING DEPENDENT HEALTH AND DENTAL INSURANCE COVERAGE. THE FOLLOWING IS INTENDED FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A CONTRACT BETWEEN THE APPLICANT/EMPLOYEE AND THE CITY.

HOLIDAYS: 10.5 days per year, average. A listing is posted each year in January. Commissioned police officers are eligible for holiday pay and is paid in one lump sum in December.

FY2019 Cost to City: $145,353 (commissioned officers only); non-commissioned employee cost included in budget as regular salary for each full-time employee

PERSONAL HOLIDAY: Eight (8) hours with pay per year after successful completion of probationary period (generally one year from date of hire) and each year thereafter. Up to forty (40) hours of unused personal holidays may be carried over from one calendar year to the next.

FY2019 City Cost: included in budget as regular salary for each full-time employee

VACATION LEAVE: Vacation is accrued each pay period (twice per month) at the following rates:

Years of Service	Accrual Rate
0 to 4 years	80 hours annually
5 to 9 years	120 hours annually
10 to 19 years	160 hours annually
20 or more years	200 hours annually

The annual accrual of vacation based on years of service plus forty (40) additional hours may be carried over from one calendar year to the next.

FY2019 City Cost: included in budget as regular salary for each full-time employee

PAY IN LIEU OF VACATION LEAVE: Employees are eligible to receive pay in lieu of vacation leave following the first year of employment. Pay in lieu of vacation is bonus pay for a city fiscal year maximum of eighty (80) hours.* In no event shall an employee qualify for an amount of pay-in-lieu such that it would reduce his/her total vacation balance to fewer than eighty (80) hours on the date on which payment of pay-in-lieu of vacation is made.

**In FY2019, employees permitted to request up to a maximum of 40 hours only.*

FY2019 Cost to City: $35,157

Communication: Creve Coeur Summary of Benefits (Disscuss Approach to Reviewing Employee Benefits)

SICK LEAVE: Each full-time employee shall accrue four (4) hours of sick leave for each full pay period of full-time service rendered to the City. Up to 1056 hours of accrued sick leave may be accrued. Employees who use 16 or fewer sick hours per calendar year receive an extra 8 hours of vacation leave for the next calendar year. The City makes available Family and Medical Leave consistent with federal law. Sick leave is not payable to employees following employment term.

FY19 City Cost: Included in budget as regular salary for each full-time employee

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MEDICAL INSURANCE: Currently provided by Anthem Blue Cross Blue Shield (BCBS). The plan year begins July 1. Open enrollment is held in June each year.

Medical coverage is effective on the first day of employment. Currently, 85% of premium is paid by the City for individual coverage and 80% for dependent coverage. The City Council determines the contribution level each year. Medical premiums are paid by payroll deduction pre-tax.

The plan carries a $1,500 deductible for single coverage or $3,000 per family. The City will reimburse the employee for deductible expenses over $400/single coverage or $800/family coverage. The plan offers four premium tiers:

July 1, 2019 - June 30, 2020	**Anthem BCBS Monthly Premium Rates**			
	Employee Only	**Employee & Child(ren)**	**Employee & Spouse**	**Family**
Total Premium:	$574.42	$1,091.46	$1,206.34	$1,665.89
City Contribution:	$488.26	$901.89	$993.79	$1,361.43
Employee Contribution:	**$86.16**	**$189.57**	**$212.55**	**$304.46**

FY19 City Cost: $1,111,344

MEDICAL BENEFIT REIMBURSEMENT: City will reimburse a full-time employee who qualifies to enroll in the City's health insurance plan for a portion of the cost for coverage if the employee elects to not enroll himself/herself and/or some or all of his/her qualifying dependents in the City's health insurance plan. This reimbursement is not available to employees whose spouse or dependent is also a full-time employee of the City. The annual reimbursement amount is $600. For employees who were not eligible for health insurance for the entire year, the sum is prorated. Reimbursements are paid in an annual lump sum on the first payroll date of December each year.

FY19 City Cost: $14,650

SECTION 125 PLAN: City provides you with an opportunity to participate in the Section 125 plan which allows the pre-tax deduction of health care spending, dependent care spending and insurance premium costs. This lowers the amount of your taxable income - generating savings that are used to offset eligible reimbursable costs and insurance premiums you pay through payroll deduction. Your election to participate is subject to IRS rules and is binding for the plan year with limited exceptions. Employees

may enroll to receive two (2) debit cards. Additional information is provided with the enrollment form. Open enrollment is in December each year.

FY19 City Cost: $7,542 (Flexible Spending, Dependent Care, Health Deductible Reimbursement third party administrator)

LIFE INSURANCE AND ACCIDENTAL DEATH AND DISMEMBERMENT: Two times annual salary for full-time employees; elected officials receive $30,000. Coverage begins on date of hire/took office. City pays 100% premium.

FY19 City Cost: $30,230

LONG TERM DISABILITY INSURANCE: Coverage consists of 60% of basic earnings up to a maximum benefit of $5,000 a month. Payment begins after the greater of 90 days or the expiration of paid sick leave. (Eligible after one year of employment.) City pays 100% premium.

FY19 City Cost: $19,060

VOLUNTARY SHORT TERM DISABILITY INSURANCE: Coverage consists of 60% of basic earnings up to a maximum benefit of $1,000 per week for up to 12 weeks. Payment begins after the 8th day or the expiration. (Eligiblity Limitations: If you have received treatment for a condition within 3 months prior to your effective date until you have been covered under the policy for 12 months, or if you remain treatment free for a period of six consecutive months.) Employee pays 100% premium.

FY19 City Cost: $0

DENTAL INSURANCE: Currently provided by Anthem Dental. Coverage begins on date of hire. Dental premiums are paid by payroll deduction pre-tax. Anthem Dental Plan requires $25 deductible per member/$75 deductible family. Preventive services are covered at 100%, Basic Dental Services at 80%, Major Dental Services at 60% and Periodontic Services at 80%, and Orthodontic Services at 50%. Maximum benefit per year is $1,500 per person. Employee contribution required through payroll deduction. The city pays 66.4% of Employee Only premium and 61.5% of Employee + Child(ren), Employee + Spouse, or Family premiums. Open enrollment is held in December. The plan year begins January 1. The plan offers four premium tiers.

Jan. 1, 2019 – Dec. 31, 2020	**Anthem Dental Monthly Premium Rates**			
	Employee Only	**Employee + Child(ren)**	**Employee + Spouse**	**Family**
Total Premium:	$33.50	$76.64	$67.01	$102.93
City Contribution:	$22.24	$47.14	$41.21	$63.31
Employee Contribution:	**$11.26**	**$29.50**	**$25.80**	**$39.62**

FY19 City Cost: $49,482

VISION INSURANCE (VOLUNTARY): Currently provided by EyeMed. Employee pays 100% of premium. Vision premiums are paid by payroll deduction pre-tax. $10 co-pay every calendar year for well-vision exam (in network). $20 copay for prescription lenses every calendar year. No co-pay and $150 allowance for frames plus a 20% off the remaining balance every 24 months. No co-pay and $150 allowance for contacts plus 15% off the remaining balance every calendar year. Laser vision correction is available at discount pricing. Open enrollment is held in late October. The plan year begins January 1. The plan offers four premium tiers:

Jan. 1, 2016 – Dec. 31, 2019	**EyeMed Monthly Premium Rates**			
	Employee Only	**Employee & Spouse**	**Employee & Child(ren)**	**Family**
Employee Contribution:	**$8.05**	**$15.31**	**$16.12**	**$23.69**

FY19 Cost to City: $0

PENSION PLAN: Employees hired on or after June 1, 2006 are eligible for a defined benefit plan with Missouri Local Government Employees Retirement System (LAGERS). The vesting period is 60 months (5 years) and may occur at one or more LAGERS employers. Once vested, an employee is guaranteed a monthly benefit for life. The City's benefit program level is LT-8(65) which is 1.50% for Life plus .50% to age 65. LAGERS benefits are based entirely on a formula:

BENEFIT PROGRAM LT-8(65)
X
HOW LONG YOU WORK (CREDITED SERVICE)
X
HOW MUCH YOU EARN (FINAL AVERAGE SALARY OF 60 MONTH AVERAGE)
=
MONTHLY BENEFIT FOR LIFE

Employees must contribute 4% of gross wages including overtime and recurring bonuses and are withdrawn each pay period. Employee contributions are guaranteed to the employee or beneficiary(ies) should they leave employment with the City. Contributions from both the City and the employee begin six months after date of hire, unless an employee has completed at least six months with a different LAGERS employer. Normal retirement is: age 55 for police employees; age 60 for general employees. For more information about LAGERS, visit www.molagers.org or call (800) 447-4334.

FY19 City Cost: $1,691,960 (combined total for closed Creve Coeur Defined Benefit Plan and LAGERS)

DEFERRED COMPENSATION (VOLUNTARY): Employees may elect to participate in a 457 deferred compensation plan through ICMA Retirement Corporation. Contributions, as determined by the employee, are deducted on a pre-tax basis to the annual maximums allowed by law.

FY19 City Cost: $0

ROTH IRA (VOLUNTARY): Employees may elect to participate in a Roth IRA through ICMA Retirement Corporation. Contributions, as determined by the employee, are deducted after tax to the annual maximum allowed by law.

FY19 City Cost: $0

RETIREMENT PLAN ADVISORS (RPA): The City contracts with RPA, an independent investment company, to provide review of deferred compensation plans, enhanced investment menus options with greater flexibility, and ongoing individualized investment advice to employees. The advisory service fee of 30 basis points is shared 50%-50% between the City and the employee whereby fees are deducted directly from the employee investment earnings. Employees can meet with RPA advisors at work during normal business hours or at the local RPA office in St. Peters, Mo. All new full-time employees are encouraged to meet with an RPA advisor in the first couple months of employment for consultation.

FY19 City Cost: $16,029

EMPLOYEE ASSISTANCE PROGRAM: The City contracts with Personal Assistance Services (PAS) to provide employees and qualified dependents with professional assistance to help resolve a wide range of personal and work-related concerns. These concerns include, among others, emotional issues, relationship challenges, legal and financial issues, child care and elder care concerns, alcohol/drugs issues, job stress and career challenges. To find out more about EAP services, contact PAS at 1-800-356-0845 or visit www.paseap.com. A consultant will answer calls 24 hours/day, 7 days/week. All services are completely confidential.

FY19 City Cost: $3,270

EDUCATION BENEFITS: City pays for books and tuition for approved work related courses up to state university rates. Pre-approval required. Subject to budget appropriation levels.

FY19 City Cost: $9,375

WELLNESS: Employees are encouraged to utilize the on-site Fitness Center complete with locker room and showers and participate in the Wellness Program activities when offered. Discounts at the City's Ice Arena and Golf Course, including free open-session ice skating and free golf, are also offered to employees. The City has an extensive wellness program where employees can participate in a variety of health-related activities.

FY19 City Cost: $4,198 (does not include ice or golf expenses)

MOST – MISSOURI'S 529 COLLEGE SAVINGS PLAN (VOLUNTARY): Employees may elect to participate in a 529 College Savings Plan through payroll deduction. Contributions are paid for 100% by the employee. For more information including the enrollment application and payroll deduction form, visit www.missourimost.org or call 888-414-6678.

FY19 City Cost: $0

OTHER SUPPLEMENTAL INSURANCE (VOLUNTARY): Several supplemental insurance benefits are available at group rates through payroll deduction. Premiums are paid 100% by the employee through payroll deduction. Term Life and AD&D benefits are available from Lincoln Financial Group. Long-Term Care benefits are available from Unum. Cancer and intensive care coverage are available through Washington National. If you are interested, please ask for more information at the time of hire or during insurance enrollment.

FY19 City Cost: $0

GENERAL PUBLIC ENTITY LIABILITY

General public entity liability insurance and police liability coverage are provided by the St. Louis Area Insurance Trust.

FY19 City Cost: $122,032

ADDITIONAL INFORMATION IS AVAILABLE ON ALL OF THESE BENEFITS. PLEASE CONTACT THE OFFICE OF THE CITY ADMINISTRATOR FOR ASSISTANCE.

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%

Communication: Health and Dental Survey (Disscuss Approach to Reviewing Employee Benefits)

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 censu
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 cor
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; Data
Manchester	Pays 90.0% of employee only coverage; for other levels of coverage pays 50.0% of employee premum + part of difference between coverage and
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%

Communication: Health and Dental Survey (Disscuss Approach to Reviewing Employee Benefits)

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

Communication: Health and Dental Survey (Disscuss Approach to Reviewing Employee Benefits)

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

Communication: Health and Dental Survey (Disscuss Approach to Reviewing Employee Benefits)

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**

Communication: Health Insurance Cost (Disscuss Approach to Reviewing Employee Benefits)

The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. NOTE: Information about the cost of this plan (called the premium) will be provided separately. This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, https://eoc.anthem.com/eocdps/aso. For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at www.healthcare.gov/sbc-glossary/ or call (800) 490-6145 to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall deductible?	**$1,500**/single or **$3,000**/family for Network Providers. **$3,000**/single or **$6,000**/family for Non-Network Providers.	Generally, you must pay all of the costs from providers up to the deductible amount before this plan begins to pay. If you have other family members on the plan, each family member must meet their own individual deductible until the total amount of deductible expenses paid by all family members meets the overall family deductible.
Are there services covered before you meet your deductible?	Yes. Prescription Drugs, Preventive care, Primary Care visit, and Specialist visit for Network Providers.	This plan covers some items and services even if you haven't yet met the deductible amount. But a copayment or coinsurance may apply. For example, this plan covers certain preventive services without cost-sharing and before you meet your deductible. See a list of covered preventive services at https://www.healthcare.gov/coverage/preventive-care-benefits/.
Are there other deductibles for specific services?	No.	You don't have to meet deductibles for specific services.
What is the out-of-pocket limit for this plan?	**$4,000**/single or **$8,000**/family for Network Providers. **$8,000**/single or **$16,000**/family for Non-Network Providers.	The out-of-pocket limit is the most you could pay in a year for covered services. If you have other family members in this plan, they have to meet their own out-of-pocket limits until the overall family out-of-pocket limit has been met.
What is not included in the out-of-pocket limit?	Non-Network Transplant Services, Premiums, balance-billing charges, and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the out-of-pocket limit.
Will you pay less if you use a network provider?	Yes, Blue Access Choice. See www.anthem.com or call (800) 490-6145 for a list of network providers.	This plan uses a provider network. You will pay less if you use a provider in the plan's network. You will pay the most if you use an out-of-network provider, and you might receive a bill from a provider for the difference between the provider's charge and what your plan pays (balance billing). Be aware your network provider might use an out-of-network provider for some services (such as lab work). Check with your provider before you get services.

Communication: Health Insurance Summary of Benefits (Disscuss Approach to Reviewing Employee

Do you need a referral to see a specialist?	No.	You can see the specialist you choose without a referral.

All **copayment** and **coinsurance** costs shown in this chart are after your **deductible** has been met, if a **deductible** applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Network Provider (You will pay the least)	Non-Network Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	$25/visit deductible does not apply	20% coinsurance	--------none--------
	Specialist visit	$40/visit deductible does not apply	20% coinsurance	--------none--------
	Preventive care/screening/ immunization	No charge	20% coinsurance	You may have to pay for services that aren't preventive. Ask your provider if the services needed are preventive. Then check what your plan will pay for.
If you have a test	Diagnostic test (x-ray, blood work)	0% coinsurance	20% coinsurance	--------none--------
	Imaging (CT/PET scans, MRIs)	0% coinsurance	20% coinsurance	--------none--------
If you need drugs to treat your illness or condition More information about **prescription drug coverage** is available at http://www.anthem.com/pharmacyinformation/ National	Tier 1 - Typically Generic	$10/prescription deductible does not apply (retail) and $20/prescription deductible does not apply (home delivery)	Not covered	*See Prescription Drug section
	Tier 2 - Typically Preferred / Brand	$35/prescription deductible does not apply (retail) and $70/prescription deductible does not apply (home delivery)	Not covered	
	Tier 3 - Typically Non-Preferred / Specialty Drugs	$60/prescription deductible does not apply (retail) and $120/prescription deductible does not apply (home delivery)	Not covered	
	Tier 4 - Typically Specialty (brand and generic)	Not Applicable	Not Applicable	

* For more information about limitations and exceptions, see **plan** or policy document at https://eoc.anthem.com/eocdps/aso.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Network Provider (You will pay the least)	Non-Network Provider (You will pay the most)	
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	0% coinsurance	20% coinsurance	--------none--------
	Physician/surgeon fees	0% coinsurance	20% coinsurance	--------none--------
If you need immediate medical attention	Emergency room care	$250/visit deductible does not apply	Covered as In-Network	Copay waived if admitted.
	Emergency medical transportation	0% coinsurance	Covered as In-Network	--------none--------
	Urgent care	$50/visit deductible does not apply	20% coinsurance	--------none--------
If you have a hospital stay	Facility fee (e.g., hospital room)	0% coinsurance	20% coinsurance	--------none--------
	Physician/surgeon fees	0% coinsurance	20% coinsurance	--------none--------
If you need mental health, behavioral health, or substance abuse services	Outpatient services	Office Visit $25/visit deductible does not apply Other Outpatient 0% coinsurance	Office Visit 20% coinsurance Other Outpatient 20% coinsurance	Office Visit --------none-------- Other Outpatient --------none--------
	Inpatient services	0% coinsurance	20% coinsurance	--------none--------
If you are pregnant	Office visits	$25/visit deductible does not apply	20% coinsurance	Maternity care may include tests and services described elsewhere in the SBC (i.e. ultrasound).
	Childbirth/delivery professional services	0% coinsurance	20% coinsurance	
	Childbirth/delivery facility services	0% coinsurance	20% coinsurance	
If you need help recovering or have other special health needs	Home health care	0% coinsurance	20% coinsurance	60 visits/benefit period.
	Rehabilitation services	$25/visit deductible does not apply	20% coinsurance	*See Therapy Services section
	Habilitation services	$25/visit deductible does not apply	20% coinsurance	
	Skilled nursing care	0% coinsurance	20% coinsurance	90 days limit/benefit period.
	Durable medical equipment	0% coinsurance	20% coinsurance	--------none--------
	Hospice services	0% coinsurance	20% coinsurance	--------none--------
If your child needs dental or eye care	Children's eye exam	Not covered	Not covered	*See Vision Services section
	Children's glasses	Not covered	Not covered	
	Children's dental check-up	Not covered	Not covered	*See Dental Services section

Communication: Health Insurance Summary of Benefits (Disscuss Approach to Reviewing Employee

* For more information about limitations and exceptions, see **plan** or policy document at https://eoc.anthem.com/eocdps/aso.

Excluded Services & Other Covered Services:

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services.)

- Abortion
- Acupuncture
- Bariatric surgery
- Cosmetic surgery
- Dental care (adult)
- Dental Check-up
- Eye exams for a child
- Glasses for a child
- Hearing aids
- Infertility treatment
- Long- term care
- Routine eye care (adult)
- Routine foot care unless you have been diagnosed with diabetes.
- Weight loss programs

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)

- Chiropractic care
- Most coverage provided outside the United States. See www.bcbsglobalcore.com
- Private-duty nursing 82 visits/benefit period. 164 visits/lifetime.

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for tho agencies is: Department of Labor, Employee Benefits Security Administration, (866) 444-EBSA (3272), www.dol.gov/ebsa/healthreform. Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information abou the Marketplace, visit www.HealthCare.gov or call 1-800-318-2596.

Your Grievance and Appeals Rights: There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights this notice, or assistance, contact:

ATTN: Grievances and Appeals, P.O. Box 105568, Atlanta GA 30348-5568

Department of Labor, Employee Benefits Security Administration, (866) 444-EBSA (3272), www.dol.gov/ebsa/healthreform

Does this plan provide Minimum Essential Coverage? Yes

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemptic from the requirement that you have health coverage for that month.

Does this plan meet the Minimum Value Standards? Yes

If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

To see examples of how this plan might cover costs for a sample medical situation, see the next section.

* For more information about limitations and exceptions, see **plan** or policy document at https://eoc.anthem.com/eocdps/aso.

About these Coverage Examples:

This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby
(9 months of in-network pre-natal care and a hospital delivery)

The plan's overall deductible	$1,500
Specialist *copayment*	$40
Hospital (facility) *coinsurance*	0%
Other *coinsurance*	0%

This EXAMPLE event includes services like:
Specialist office visits *(prenatal care)*
Childbirth/Delivery Professional Services
Childbirth/Delivery Facility Services
Diagnostic tests *(ultrasounds and blood work)*
Specialist visit *(anesthesia)*

Total Example Cost	**$12,800**

In this example, Peg would pay:

Cost Sharing	
Deductibles	$1,500
Copayments	$90
Coinsurance	$0
What isn't covered	
Limits or exclusions	$60
The total Peg would pay is	**$1,650**

Managing Joe's type 2 Diabetes
(a year of routine in-network care of a well-controlled condition)

The plan's overall deductible	$1,500
Specialist *copayment*	$40
Hospital (facility) *coinsurance*	0%
Other *coinsurance*	0%

This EXAMPLE event includes services like:
Primary care physician office visits *(including disease education)*
Diagnostic tests *(blood work)*
Prescription drugs
Durable medical equipment *(glucose meter)*

Total Example Cost	**$7,400**

In this example, Joe would pay:

Cost Sharing	
Deductibles	$100
Copayments	$2,200
Coinsurance	$0
What isn't covered	
Limits or exclusions	$60
The total Joe would pay is	**$2,360**

Mia's Simple Fracture
(in-network emergency room visit and follow up care)

The plan's overall deductible	$1,5
Specialist *copayment*	$
Hospital (facility) *coinsurance*	(
Other *coinsurance*	(

This EXAMPLE event includes services like:
Emergency room care *(including medical supplies*
Diagnostic test *(x-ray)*
Durable medical equipment *(crutches)*
Rehabilitation services *(physical therapy)*

Total Example Cost	**$1,9**

In this example, Mia would pay:

Cost Sharing	
Deductibles	$9
Copayments	$1,(
Coinsurance	
What isn't covered	
Limits or exclusions	
The total Mia would pay is	**$1,9**

The plan would be responsible for the other costs of these EXAMPLE covered services.

City Plan with SLAIT	vs	High Deductible Health Plan
City of Creve Coeur **St. Louis Area Insurance Trust (SLAIT)** **Anthem BlueCross BlueShield Plan**		**Generic** **High Deductible Health Plan (HDHP)**
• City's Plan Deductible of: o $1,500 for individual coverage o $3,000 for family coverage • City competitive with many other SLAIT cities. All SLAIT cities have the same health care plan with varying deductibles: o 3 cities w/$250 o 3 cities w/$500 o 4 cities w/$1,000 o 7 cities w/$1,500 deductible o 1 city w/existing HDHP in place prior to joining SLAIT; city pays 50% HRA to employee offset deductible		• Must have a minimum deductibles of: o $1,350 for individual coverage o $2,700 for family coverage
• Maximum total yearly out-of-pocket expense (including deductibles, copayments, and coinsurance): o $4,000/individual o $8,000/family o *Exception: limits do not apply to out-of-network services* • Co-pays apply for provider office or clinic (primary care $25; specialist $40)		• Maximum total yearly out-of-pocket expense (including deductibles, copayments, and coinsurance): o $6,650/individual o $13,300/family o *Exception: limits do not apply to out-of-network services* • Increased out-of-pocket costs can be burdensome especially for low income families • Some individuals may delay or avoid physician-recommended tests or treatments because of high associated costs; possibility of result in worse conditions/higher claims later.

City Plan with HRA	vs	HSA Option
City of Creve Coeur **Health Reimbursement Account (HRA)**		**Health Savings Account (HSA)**
• City benefit to offset high deductible costs • Pre-Tax Income • City pays up to $1,100 (individual) deductible; or $2,200 (family) deductible • Employees must meet eligibility requirements for HRA: o Employee pays initial $400 (individual) or $800 (family); o Employee submits required documentation to 3rd party administrator.		• Used by an employer to offset employee healthcare cos • Pre-Tax Income o Tax-deductible contributions o Tax-free growth o Tax-free withdrawals for qualified medical expenses. • Max Contribution Limits o $3,450 (individual) o $6,900 (family) with a $1,000 catch-up contribution for people age 55 or older • Permanent contribution of the employer. 100% employe money. Employees can utilize, roll over, take funds with them after employment ends. • Employer expense is fixed. • If given an option, generally the healthy employees sign for HDHP.

Communication: City Plan vs. Other Plans (Disscuss Approach to Reviewing Employee Benefits)

• City has experienced reduced premium increases since joining SLAIT; 10-year average premium rate increase of 3.7% (2010-2019); whereby: o Industry trend is 12-15% premium increases per year. o Prior to joining SLAIT, Creve Coeur experienced a 10-year average increase of 11.3% (2000-2009).	• Generally have lower premiums, but with higher deductibles, co-insurance and out of pocket maximums • Possibility for large claims exists regardless of group or individual coverages which can also impact premiums.

Other notes:

- Employers offering more than one plan can have an adverse selection; in other words, "healthy" people will take one plan; while "unhealthy" employees can take the other; claims for one can impact the premium rates for one or both.
    - Currently, no SLAIT cities offer more than one plan. Possible reason may include difficulty managing enrollment, payroll processes and educating employees on different plans.
    - City would still have occasional large claims regardless of plan chosen which would impact premiums.
- Switching to a traditional HDHP would generally not produce the same level of premium savings for SLAIT participants as could normally for an individual company/city because the cost of claims are spread through a larger group.
- Cafeteria Plans: Some private employers offer a Cafeteria plan in lieu of paying a portion/or all of offsetting a specific insurance for employees. Cafeteria plans are generally a lump sum paid to employees who then elect the coverages they prefer through company or on their own:
    - Pre-tax dollars provided to employees to be permitted to elect the insurance(s) the employee elects to allocate the funds toward.
    - Adverse selection effect can occur whereby voluntary election of group policies can reduce the number of employees electing certain insurances and inadvertently cause those premiums to be higher later. Group policy premium rates tend to be less expensive when an entire employee population is included because provider is guaranteed a specific number of participants at the time RFP is submitted versus a voluntary benefit.
- An employer can have both HRA and HSA, but an HRA cannot be used until the entire HDHD deductible has been met first by employee.
- City of Creve Coeur Medical Benefit Reimbursement Account (MBRA): In FY2019, City projected $14,650 on MBRA. Employees who are eligible to be on the city's health insurance and waive coverage altogether, or are eligible to enroll spouse or children and opt to waive dependent coverage, are eligible for $50 per month (or $600/annually max) for each month coverage is waived.

Lori Obermoeller <lobermoeller@crevecoeurmo.gov>

Fwd: City of Creve Coeur - Medical Plan / HDHP Review

1 message

Sharon Stott <sstott@crevecoeurmo.gov> Wed, Aug 28, 2019 at 11:45 AM
To: Lori Obermoeller <lobermoeller@crevecoeurmo.gov>

---------- Forwarded message ---------
From: **Mike Hanson** <HansonM@danielandhenry.com>
Date: Wed, Dec 5, 2018 at 4:28 PM
Subject: City of Creve Coeur - Medical Plan / HDHP Review
To: Sharon Stott (sstott@crevecoeurmo.gov) <sstott@crevecoeurmo.gov>, Lauren Khawaja (lkhawaja@crevecoeurmo.gov) <lkhawaja@crevecoeurmo.gov>
Cc: Dana Pederson <pedersond@danielandhenry.com>

Sharon,

This email is a summary of the discussion we had last week regarding the possibility of a High Deductible Health Plan (HDHP) for the City of Creve Coeur. Please let me know if you need any additional information or if it would be helpful for me to meet with the Finance Committee to discuss the subject further.

We established the City's primary interest in this pursuing this subject is to manage health insurance costs and reduce those costs if possible. Many organizations and business that have independent health insurance plans (both fully-insured and self-funded) will implement a High Deductible Health Plan (HDHP) that is qualified for a Health Savings Account (HSA) in order to reduce the insurance premiums or claims costs incurred by the plan. Generally these plans are effective at reducing costs for the insurance carrier or employer because a greater portion of the health care costs are shifted to the employee's responsibility.

First, we reviewed the effectiveness of the SLAIT Health program. The SLAIT program has minimized the health insurance cost increases for the participating cities, and the City has seen renewals over the last five years that are much lower than the industry trend of 12-15% per year. The renewal rate increases for the City of Creve Coeur over the last five years have been:

2014	1.8%
2015	0%
2016	4.5%
2017	2.0%
2018	2.0%

The results of the SLAIT health insurance program have allowed the participating cities to keep the premiums for their current plans lower than the market for independent employer plans, generally speaking. As the SLAIT plans do not need to provide profitability for an insurance company, the participating cities together mitigate the risk of an unexpected and volatile medical insurance renewal. However, these lower premiums translate to a smaller opportunity to achieve a premium savings by converting to a HDHP, as the Trust would still need to maintain an overall premium level to account for the claims incurred by all the participating cities.

Communication: City Plan vs. Other Plans (Disscuss Approach to Reviewing Employee Benefits)

Second, we discussed the current medical benefit plan and Health Reimbursement Arrangement (HRA) offered by the City, and how that compares to an HSA-qualified HDHP.

- Currently
    - The City reimburses up to 73% of the deductible for employees and dependents participating in the medical plan through the HRA.
    - Essentially the employee is only responsible for an individual deductible of $400, or a family deductible of $800 during the plan year.
    - The city only pays the HRA claims when an employee/dependent has the medical claims
- HSA-Qualified HDHP
    - The **minimum** deductible for a plan is $1,350 individual / $2,700 family –
    - There is no cost sharing permitted by the plan prior the deductible being paid by the employee. The plan may not reimburse expenses through an HRA, and the employee must pay the full cost of medical services until the deductible is met. (No copays for Office Visits, prescriptions, Emergency Room – all services are paid 100% by the employee until the deductible is met.)
    - The City can make tax-free contributions to the Employee's Health Savings Account (HSA) that can be used to pay for health expenses. These contributions become the employees' property and are irrevocable, however, and may not be recovered if the employee leaves the City or does not have any health care expenses.

Transitioning from the current medical plan and HRA to an HSA-qualified HDHP will create significant discontent in the employee population, particularly when many of the surrounding cities offer the exact same SLAIT plan that Creve Coeur currently offers. Depending on the deductible chosen for the HDHP plan, and the HSA contributions offered by the City, it may not provide any cost reduction compared to the current plans offered. However there is one recommendation for an immediate cost-saving measure the City should consider: the reduction or elimination of the HRA currently offered to employees. The HRA is a direct cost the City incurs to subsidize the out-of-pocket costs that are acquired by employees. Reducing or eliminating the HRA would be the easiest and most logical way to shift some of the health care costs back to employees.

It may be possible to introduce and roll out the HSA/HDHP concept over time and replace the current plan option, however this strategy would take considerable time and preparation to implement. The same recommendation of reducing or eliminating the HRA would also be the first step in transitioning to an HSA-qualified HDHP if this is a direction the City would like to proceed in for future years.

If there is anything you can think of from our call that I haven't mentioned in this email, please let me know.

Thanks,

Mike Hanson
Account Executive

Assistant Manager Group Benefits
The Daniel and Henry Co.
1001 Highlands Plaza Drive West Suite 500
St. Louis, MO 63110
314-444-5009

Communication: City Plan vs. Other Plans (Disscuss Approach to Reviewing Employee Benefits)

Creve Coeur, MO

MEDICAL REIMBURSEMENT BENEFIT

Payroll Set: 01-Payroll Set 01

Account	Account Description	Units	Pay Amount
01-11-13-5101	SALARIES - FULL TIME EMPLOYEES	0.00	600.00
01-12-11-5101	SALARIES - FULL TIME EMPLOYEES	0.00	1,650.00
01-13-11-5101	SALARIES - FULL TIME EMPLOYEES	0.00	1,200.00
01-13-14-5101	SALARIES - FULL TIME EMPLOYEES	0.00	600.00
01-21-11-5101	SALARIES - FULL TIME EMPLOYEES	0.00	1,000.00
01-21-21-5101	SALARIES - FULL TIME EMPLOYEES	0.00	1,200.00
01-21-22-5101	SALARIES - FULL TIME EMPLOYEES	0.00	3,700.00
01-31-11-5101	SALARIES - FULL TIME EMPLOYEES	0.00	600.00
01-31-41-5101	SALARIES - FULL TIME EMPLOYEES	0.00	1,100.00
01-31-43-5101	SALARIES - FULL TIME EMPLOYEES	0.00	600.00
01-32-11-5101	SALARIES - FULL TIME EMPLOYEES	0.00	600.00
01-32-61-5101	SALARIES - FULL TIME EMPLOYEES	0.00	600.00
	01 - GENERAL FUND Total:	**0.00**	**13,450.00**
06-14-31-5101	SALARIES - FULL TIME EMPLOYEES	0.00	600.00
06-14-32-5101	SALARIES - FULL TIME EMPLOYEES	0.00	600.00
	06 - MUNICIPAL ENTERPRISE FUND Total:	**0.00**	**1,200.00**
	Report Total:	**0.00**	**14,650.00**

Communication: MBRA Report (Disscuss Approach to Reviewing Employee Benefits)

City of Creve Coeur
Finance Committee
FY20 Meeting Schedule
Meeting Time 4:00 PM to 5:30 PM

DATE	TOPIC
August 27, 2019	Nominate Chair & Committee Liaisons Review Employee & Retired Benefits Review Fraud Risk Assessment Review 4th Quarter Financials and Year-End Adoption of Old Olive Street Road Further Discussion of Revenue Options
September 10, 2109	Discuss Approach Reviewing Employee Benefits
November 5, 2019	Review of 1st Quarter Financials, Further Discussion of Revenue Options
October 22, 2019	Discuss Employee Benefits
February 4, 2020	Review of 2nd Quarter Financials, Review of Financial Policies
March 9, 2020	Joint Work Session with City Council to Review of Proposed 5-Year Capital Plan
March 17, 2020	Review Proposed 5-Year Capital Plan
April 21, 2020	Review Proposed Budget Preview
May 5, 2020	Review of Proposed Budget, Review 3rd Quarter Financials
June 2, 2020	Olive/Graeser TDD Audit (every 3 years) Nominate Chair

FINANCE COMMITTEE PRIORITIES

- As part of the budget review process, evaluate economic justification and risks of proposed single-project capital and operational expenditures in excess of $100,000 or a combination of multiple similar projects or the aggregate value of multi-year projects over $1 million.
- Review proposed financing, bond indebtedness, taxation and leases greater than $10,000 prior to council action.
- Review project closeout reports for scope, schedule and cost variation.
- Periodically review and comment on the surplus funds investment policy and financial performance.
- Review opportunities for cooperative purchasing or contracting ventures with other municipalities.

Proposed

Communication: FY20 Meeting Schedule (Other Business)