



**Northwest Fire District
Governing Board**
13535 North Marana Main Street
Marana, Arizona

SCHEDULED

MEMORANDUM NO. {{item.tracking_number}}

Date: September 24, 2024
To: Governing Board
From: Kim Sotomayor, Director
Division: Human Resource Services
Type of Action: Formal Action/Motion
Strategic Plan Goals: Support and reinforce the critical functions of personnel related services
Agenda Item: Discussion and Possible Action Approving the Recommendations to the Governing Board for the Plan Year 2025 Group Insurance Benefits for District Employees

RECOMMENDATION:

Staff recommends approval of Plan Year 2025 Group Insurance benefits for District employees (January 1, 2025, to December 31, 2025) as presented.

MOTION:

Move to approve staff recommendations for Plan Year 2025 Group Insurance benefits for District employees as presented.

DISCUSSION:

Staff has been working with the District's benefits consultant, CBIZ, on the renewal rates for benefits plan year 2025. CBIZ is still in discussions with United Healthcare regarding stop loss rates for the District. Based on the information from claims to date, the District should see a rate pass or an increase of no more than five percent (5%). The remaining benefits are in a rate pass (no increase).

Coverage	Carrier	Renewal Notes
Medical	United Healthcare	Admin Fee: No Change \$1.55 PEP Stop Loss: ISL and ASL should be rate pass. Finalize in October with claims through 9/30/2024
Dental	United Healthcare	PPO & HMO Plan: No Increase
Vision	VSP	Added an increase to frames allowance and Light Care benefit. Annual Increase \$3,475.
HSA/FSA/HRA Administration	Fidelity (new carrier)	Improved Investment Options
Life, AD&D, STD	Standard	Rate Guarantee; No Increase
Business Travel Accident	Hartford	Rate Guarantee; No Increase
Employee Assistance Program	AWP (new carrier)	New EAP with more benefits offered. Annual increase \$2,139
Critical Illness/Accident/Hospital	Standard	No Changes

Retiree Insurance

On July 23, 2024, UHC informed the District that the participation requirements for the retiree medical insurance policy are no longer being met.

Due to there being under ten (10) participants enrolled in the plan, UHC will not issue a 1/1/2025 renewal of the retiree medical insurance policy. An exception was made during the 2024 plan year renewal when there were five (5) enrolled participants to see if membership would increase. The enrolled participants further decreased, and as of December 1, 2024, there will only be one (1) participant enrolled in the plan.

The District's benefits broker, CBIZ, advised that other medical insurance providers would also require minimum enrollment participation.

As of January 1, 2025, the District will no longer provide retiree medical insurance.

ALTERNATIVES:

None at this time.

Fiscal Impact

FISCAL YEAR: 24/25

BUDGETED Y/N: Yes

AMOUNT REQUESTED: \$0

FISCAL IMPACT: The Adopted FY24/25 Budget includes \$4,000,000 for the employer cost of benefits.
Any increases that would be needed in FY25/26 would be part of the normal budget planning process.

Attachments

2025 Renewal Presentation