

Memorandum



CITY OF DALLAS

DATE September 13, 2019

TO Honorable Members of the City Council

SUBJECT **Upcoming Agenda Items: City of Dallas Employee and Retiree Health Benefits – September 18, 2019 Item #9**

The September 18, 2019, City Council Briefing agenda includes an action item related to the 2020 Employee Health Benefits Plans. The City of Dallas provides health coverage to approximately 23,000 employees, retirees and their dependents. In 2020, three plans will be offered to include: Health Reimbursement Account Plan (HRA), Premium Co-Pay Plan (EPO) and a Health Savings Account Plan (HSA). The HRA plan will be discontinued in 2021; however, we have made significant enhancements to the preventive health and pharmacy components of the EPO. Finally, to reinforce the importance of tax-deferred savings, we have re-allocated contributions from the HRA to the HSA.

CareATC, the on-site medical clinic will continue to provide care to all employees and their dependents, as well as pre-65 retirees enrolled in the City's health plan and their dependents.

- **Health, Flexible Spending and COBRA.** The Employee Health Benefits Plans, flexible spending, and COBRA will continue to be administered by Cigna.
- **Dental and Vision.** MetLife will continue to administer the dental plans and Davis Vision will continue to manage all vision benefits.
- **Voluntary Benefits.** For 2020, we are re-introducing Voluntary Benefits, and Administration of these benefits will be handled by The Standard.
- **Prescription Benefits.** Caremark CVS will continue to serve as our Pharmacy Benefit Manager (PBM).

For the 2020 Wellness Program, the incentive has been increased from \$200 to \$500 and employees will be required to: (1) complete the Online Assessment (2) acquire an annual physical or age appropriate screening with a physician and (3) receive a biometric by August 31, 2020. For points earned prior to August 31, 2020, their wellness incentive will be paid in December 2020.

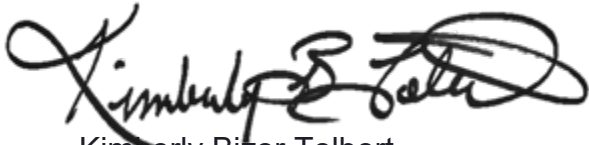
Opening enrollment for all active employees will commence on Monday, September 16, 2019. We will provide you with a hard copy of the Guide next week.

In April 2020, staff will release a Request for Proposal (RFP) for all employee and retiree health benefits for implementation in 2021. We are also actively seeking vendors to offer new, enhanced voluntary benefits, such as access to innovative student loan repayment options, pet health insurance, and caregiver support services. The enhanced voluntary

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benefits would be the employee's choice and wholly funded by the employee. Please feel free to contact me or Nina Arias, Director, Human Resources if you have questions or should you require additional information at this time.



Kimberly Bizor Tolbert
Chief of Staff to the City Manager

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| T.C. Broadnax, City Manager | Joey Zapata, Assistant City Manager |
| Chris Caso, City Attorney (Interim) | Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer |
| Mark Swann, City Auditor | Michael Mendoza, Chief of Economic Development and Neighborhood Services |
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