

Memorandum



CITY OF DALLAS

DATE August 30, 2024

TO Honorable Mayor and Members of the City Council

SUBJECT **Follow-up to August 21 Briefing: Health Benefits Budget Overview and Plan Design for FY 2024-25**

This memorandum is provided in response to questions asked on August 21 regarding our briefing on Health Benefits Budget Overview and Plan Design for FY 2024-25.

Request 1 – Provide information about the employee participation rates.

- Overall Participation in the Plan (2024-2025): The overall participation rate in the health benefits plan is currently 87.1%.
- Breakdown by Salary Bands for Employees in Tiered Structure:
 - Current Participation in Old 2024 Salary Bands:

▪ Under \$44,000	74.1%
▪ \$44,000 to \$66,000	88.9%
▪ Over \$66,000	87.2%
 - Expected Participation in New 2025 Salary Bands:

▪ Under \$47,000	77.2%
▪ \$47,000 to \$69,000	89.8%
▪ Over \$69,000	90.1%

Request 2 – What is the correlation between salary levels and enrollment rates? Are lower-salaried employees enrolling at lower rates?

- The new salary tiers for 2025 have significantly increased eligibility within the lowest salary band (under \$47,000), expanding this group by 40%. This restructuring is expected to drive higher participation rates within this tier, aligning with our goal of making health plans more affordable and equitable for all employees.

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- Data shows a consistent pattern where employees with lower salaries increasingly participate in the plans, with improvements seen in the new tier structures. The new structure effectively drives participation among our lowest-compensated employees, enhancing overall equity across the board.

If you have additional questions, please contact me or Nina Arias, Director of Human Resources.



Jack Ireland
Chief Financial Officer

c: Kimberly Bizzor Tolbert, City Manager (I)
Tammy Palomino, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Dominique Artis, Chief of Public Safety (I)
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