Memorandum

CITY OF DALLAS

DATE September 11, 2026

TO Honorable Mayor and Members of the City Council

SUBJECT **Responses to Questions Regarding the City Manager's Recommended Biennial Budget: Employee Health Benefits for Plan Year 2027 (Seventh Set)**

This memorandum responds to questions raised by City Council regarding the Employee Health Benefits for Plan Year 2027 as included in the City Manager's recommended budget for FY 2026-27. The responses address plan design, member impact, provider access, financial options, claims oversight, communications, and enrollment support.

1. What Employee Health Benefit plans will be offered for plan year 2027?
The proposed 2027 program retains two medical plan choices: the Blue Essentials Primary Care Physician (PCP) Plan and the Blue Essentials Health Savings Account (HSA) Plan, both using the statewide Blue Essentials network. The Blue Choice Copay Preferred Provider Organization (PPO) plan will be discontinued for Texas-based active employees and pre-65 retirees effective January 1, 2027. The change applies to active uniformed and non-uniformed employees and pre-65 retirees. Post-65 Medicare plans remain in place, subject to final Medicare-approved rates.

2. Will employees have access to the same providers now that the Blue Choice Copay Preferred Provider Organization (PPO) plan is no longer available?
Blue Cross and Blue Shield of Texas (BCBSTX) reports approximately 99% overlap between Blue Choice and Blue Essentials providers used by City members; approximately 1% of providers used in the prior 12 months were identified as potential disruptions. Network overlap does not guarantee that every member's current provider participates.

3. What is the purpose of eliminating the PPO plan?
The purpose is to contain projected costs for both the city and the employee/retiree and stabilize the Employee Health Benefits fund. Additionally, the elimination will improve care coordination and strengthen early engagement with a primary care provider while providing employees with lower monthly premiums and a reduced out of pocket impact.

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4. Provide details for the two plans that are offered for plan year 2027 including any changes from 2026 to 2027 and the proposed contribution schedules.

Plan feature	PCP Plan - 2026	PCP Plan - 2027	HSA Plan - 2026	HSA Plan - 2027
Availability	Continues	Continues	Continues	Continues
Network	Blue Essentials; Texas in-network care	Blue Essentials; Texas in-network care	Blue Choice PPO; national in- and out-of-network access	Blue Essentials; Texas in-network care
Primary care physician and referrals	Primary care physician selection and most specialist referrals required	Primary care physician selection and most specialist referrals required	No primary care physician selection or specialist referral requirement	Primary care physician selection and most specialist referrals required
Annual deductible - individual / family	$1,500 / $3,000	$2,000 / $4,000	$3,400 / $6,800	$3,500 / $7,000
Annual out-of-pocket maximum - individual / family	$6,350 / $12,700	$6,850 / $13,700	$6,350 / $12,700	$6,350 / $12,700
Member cost-sharing	Copays plus 20% coinsurance for specified services	Copays increase for selected services; 20% coinsurance continues	Generally, 20% after deductible	Generally, 20% after deductible
Salary contribution bands	Below $47,000; $47,000-$69,000; above $69,000	Below $50,000; $50,000-$75,000; above $75,000	No salary contribution bands	Below $50,000; $50,000-$75,000; above $75,000
City HSA contribution	Not applicable	Not applicable	$700 individual / $1,700 family	$700 individual / $1,700 family

Plan feature	Blue Essentials PCP Plan	Blue Essentials HSA Plan
Network	Blue Essentials; in-network only	Blue Essentials; in-network only
PCP designation	Required	Required
Annual deductible - individual / family	$2,000 / $4,000	$3,500 / $7,000
Annual out-of-pocket maximum - individual / family	$6,850 / $13,700	$6,350 / $12,700
Preventive care	No charge	No charge
Primary care visit	$25 copay	20% after deductible
Specialist visit	$80 copay	20% after deductible
X-ray and lab work	20% after deductible	20% after deductible
Urgent care	$70 copay	20% after deductible
Emergency room	$400 + 20% after deductible	20% after deductible
Inpatient hospital care / outpatient surgery	20% after deductible	20% after deductible
Generic prescription	$15 copay	20% after deductible
Preferred brand prescription	$50 copay	20% after deductible
Non-preferred brand prescription (includes specialty)	$85 copay	20% after deductible
City HSA contribution	Not applicable	$700 individual / $1,700 family

Source: 2027 Benefit Changes Frequently Asked Questions (FAQ), revised August 25, 2026. Benefits are in-network only. Members should review the Benefits Guide and verify provider participation before enrollment.

2027 Monthly Medical Plan Contribution Schedules

Proposed monthly rates by salary band and coverage tier.

PCP Plan Monthly Rates			
PCP Plan < $50k	**Total Monthly Rate**	**City Monthly Portion**	**Employee Monthly Portion**
Employee Only	$915.63	$877.59	$38.04
Employee + Spouse	$1,986.80	$1,415.35	$571.45
Employee + Child(ren)	$1,715.87	$1,549.78	$166.09
Employee + Family	$2,591.39	$1,965.25	$626.14
PCP Plan $50k-$75k	**Total Monthly Rate**	**City Monthly Portion**	**Employee Monthly Portion**
Employee Only	$915.63	$864.91	$50.72
Employee + Spouse	$1,986.80	$1,381.17	$605.63
Employee + Child(ren)	$1,715.87	$1,524.42	$191.45
Employee + Family	$2,591.39	$1,924.25	$667.14
PCP Plan > $75k	**Total Monthly Rate**	**City Monthly Portion**	**Employee Monthly Portion**
Employee Only	$915.63	$852.23	$63.40
Employee + Spouse	$1,986.80	$1,347.00	$639.80
Employee + Child(ren)	$1,715.87	$1,499.06	$216.81
Employee + Family	$2,591.39	$1,883.23	$708.16

HSA Plan Monthly Rates			
HSA Plan < $50k	**Total Monthly Rate**	**City Monthly Portion**	**Employee Monthly Portion**
Employee Only	$880.60	$840.66	$39.94
Employee + Spouse	$1,651.09	$1,051.07	$600.02
Employee + Child(ren)	$1,513.89	$1,339.49	$174.40
Employee + Family	$2,142.20	$1,484.76	$657.44
HSA Plan $50k-$75k	**Total Monthly Rate**	**City Monthly Portion**	**Employee Monthly Portion**
Employee Only	$880.60	$838.93	$41.67
Employee + Spouse	$1,651.09	$1,012.38	$638.71
Employee + Child(ren)	$1,513.89	$1,331.91	$181.98
Employee + Family	$2,142.20	$1,442.37	$699.83
HSA Plan > $75k	**Total Monthly Rate**	**City Monthly Portion**	**Employee Monthly Portion**
Employee Only	$880.60	$837.19	$43.41
Employee + Spouse	$1,651.09	$973.66	$677.43
Employee + Child(ren)	$1,513.89	$1,324.33	$189.56
Employee + Family	$2,142.20	$1,399.95	$742.25

5. What options exist to retain the Copay Preferred Provider Organization (PPO) plan in 2027 rather than eliminating this plan option?

If the City retains the Blue Choice Copay PPO plan, the incremental cost may be covered through either (1) employee contribution increases of approximately 40% to 57% or (2) an increase in the City contribution of up to $9.9 million. Based on the expected claims analysis, for every 10% PPO enrollment that migrates to the PCP plan, the City's required contribution is estimated to increase by approximately $1.7 million.

6. What is the Blue Essentials network that is now available for the two remaining plans – PCP and HSA?

Blue Essentials is a statewide Texas network. It is not limited to providers located within Dallas. Blue Cross and Blue Shield of Texas reports approximately 55,142 primary care physicians and 503,444 specialists statewide. It also reports that 94% of primary care physicians and 80% of specialists are accepting new patients. Appointment availability and waiting times vary by location and specialty.

7. How do individuals access care within the Blue Essentials network?

Under Blue Essentials, the primary care physician (PCP) coordinates preventive and routine care and provides referrals for most specialist services. Provider network status is based on contracting and credentialing, not a PCP's referral patterns. PCPs are not financially encouraged to block medically appropriate referrals.

Urgent care, emergency room care, and telehealth do not require a primary care physician referral. Emergency services are covered using the plan's emergency-care rules, including when the member is away from home. Members should use the emergency room for emergencies and urgent care or telehealth for appropriate non-emergency needs.

If a member does not select a primary care physician at enrollment, BCBSTX will assign one. Members may change their primary care physician, effective the first day of the following month. Members receiving ongoing medical treatment should contact BCBSTX before January 1, 2027, for an individual continuity-of-care review under the plan's clinical criteria.

8. What resources are available to assist employees in accessing care?

Resource	Available support	Access
Benefit Value Advisor (BVA)	Find an in-network provider; select/change a PCP; understand care options	855-756-4445, 6:00 a.m.-11:00 p.m.; live chat through Blue Access for Members or the BCBSTX app
24/7 Nurseline	Health questions and guidance on the appropriate care setting	Telephone number on the member ID card
City Benefits Office	City plan eligibility, enrollment, rates, and general benefits questions	214-671-6947; hrbenefits@dallas.gov

9. What is the City's cost, how many positions are included, and what are the days/hours of availability for the Benefit Value Advisor (BVA) program?

The Benefit Value Advisor program is provided as part of the City's Blue Cross and Blue Shield of Texas contract, with no separate fee. The program includes access to 18 support positions provided by Blue Cross and Blue Shield of Texas; these individuals are not City employees. Hours of operation are 6:00 a.m. to 11:00 p.m. Central Time, seven days a week.

10. How is the City's cost for employee health benefits budgeted across the organization?

The revenue and expense for Employee Health Benefits are accounted for in a separate fund within the accounting system. Staff from Human Resources and Budget & Management Services work with the City's consultant – Holmes Murphy – on the Employee Health Benefit plan. Holmes Murphy provides the projected expenses associated with the plan (including medical and pharmacy). Holmes Murphy also calculates the projected revenue that will be received from both employees and retirees based on assumptions about which plan different members will choose.

The City's total projected expense is allocated across all operating departments of the City based on the number of positions assigned to each department including General Fund departments, Enterprise Fund departments, and Internal Service Fund departments. Then all departments contribute from their budget to the Employee Health Benefit fund based on the amount that was allocated to the department whether employees participate in the City's benefit plan or not.

11. What is the communication plan for sharing information with employees and retirees about the Employee Health Benefits plans?

The communications strategy uses town hall meetings, mailed guides, virtual and in-person education, family sessions, Spanish-language sessions, recordings, and direct enrollment support. Questions raised during sessions are incorporated into the 2027 Benefit Changes Frequently Asked Questions (FAQ) included as ***Appendix A***.

Timing	Audience/event	Purpose and status
August 11-27	Uniformed employee and retiree sessions	Budget and health-plan changes for Dallas Police Department and Dallas Fire-Rescue, including active and retiree impacts.
August 31 at 2 p.m.; September 1 at noon and 3 p.m.	Active employees and leaders - virtual sessions	Focus on 2027 health-plan education; a recording will be made available.
September 18	Active employees - legal notices, Children's Health Insurance Program notice, and newsletter mailed	Open-enrollment reminder and overview of available options.
Week of September 28	Pre-65 and post-65 retirees - enrollment guides mailed	Plan options, rates, enrollment instructions, and decision support.
September 29; October 1 at 9 a.m. and 3 p.m.	Active employees - financial education	Health savings account and flexible spending account tax considerations, dependent-care flexible spending account, pension education, and financial literacy.
September 25 / October 2	Retirees - legal notices and benefits guide mailed	Legal notices by September 25; physical benefits guide by October 2.
October 5-16	Active employee open enrollment and education	Active enrollment through Workday; in-person, virtual, family, leadership, and Spanish-language sessions.
October 5-16	Civil Service computer lab enrollment assistance	Benefits staff available on the first floor of City Hall to assist employees.
October 6	Active employee reminder postcard mailed	Reminder that active open enrollment is underway.
October 7 and 14 at 2 p.m.	Spanish-language employee sessions	2027 plan changes, rates, and Workday enrollment instructions.
October 19-30	Retiree open enrollment and education	Active enrollment support through two in-person sessions and four to six virtual sessions, including a family session.
October 20	Retiree reminder postcard mailed	Reminder that retiree open enrollment is underway.
January 1, 2027	Coverage effective date	New elections and 2027 plan design take effect.

12. Provide comparison for 2026 and 2027 that shows the employee contributions for both the PCP plan and the HSA plan, and show the year-over-year increase in dollars and percentage for each employee contribution tier and group?

Employee contributions increase 15% for Employee Only and Employee + Child(ren) coverage and 24% for Employee + Spouse and Employee + Family coverage under the PCP plan, consistent across all salary bands. Under the HSA plan, which introduces salary-based contribution tiers for the first time in 2027, increases range from 15% to 24% at the lowest salary band up to 25% to 40% at the highest, reflecting both the plan design change and the new tiering. Dollar and enrollment detail by tier and salary band is shown below.

PCP < $47k / < $50k	2026 Enrollment	2027 Enrollment	2026	2027	Change
Employee Only	314	1226	$33.08	$38.04	$4.96 15.0%
Employee + Spouse	8	42	$460.85	$571.45	$110.60 24.0%
Employee + Child(ren)	57	264	$144.43	$166.09	$21.66 15.0%
Employee + Family	5	54	$504.95	$626.14	$121.19 24.0%

PCP $47k-$69k / $50k-$75k	2026 Enrollment	2027 Enrollment	2026	2027	Change
Employee Only	619	1753	$44.10	$50.72	$6.61 15.0%
Employee + Spouse	32	121	$488.41	$605.63	$117.22 24.0%
Employee + Child(ren)	180	562	$166.48	$191.45	$24.97 15.0%
Employee + Family	54	192	$538.02	$667.14	$129.12 24.0%

PCP > $69k / > $75k	2026 Enrollment	2027 Enrollment	2026	2027	Change
Employee Only	719	2610	$55.13	$63.40	$8.27 15.0%
Employee + Spouse	62	277	$515.97	$639.80	$123.83 24.0%
Employee + Child(ren)	274	1245	$188.53	$216.81	$28.28 15.0%
Employee + Family	258	1059	$571.10	$708.16	$137.06 24.0%

HSA Plan all / < $50k	2026 Enrollment	2027 Enrollment	2026	2027	Change
Employee Only	1873	391	$34.73	$39.94	$5.21 15.0%
Employee + Spouse	151	7	$483.89	$600.02	$116.13 24.0%
Employee + Child(ren)	946	108	$151.65	$174.40	$22.75 15.0%
Employee + Family	467	10	$530.19	$657.44	$127.25 24.0%

HSA Plan n/a / $50k-$75k	2026 Enrollment	2027 Enrollment	2026	2027	Change
Employee Only	0	548	$34.73	$41.67	$6.94 20.0%
Employee + Spouse	0	41	$483.89	$638.71	$154.82 32.0%
Employee + Child(ren)	0	263	$151.65	$181.98	$30.33 20.0%
Employee + Family	0	35	$530.19	$699.83	$169.64 32.0%

HSA Plan n/a / > $75K	2026 Enrollment	2027 Enrollment	2026	2027	Change
Employee Only	0	934	$34.73	$43.41	$8.68 25.0%
Employee + Spouse	0	103	$483.89	$677.43	$193.54 40.0%
Employee + Child(ren)	0	575	$151.65	$189.56	$37.91 25.0%
Employee + Family	0	422	$530.19	$742.25	$212.06 40.0%

*2027 counts based on projections.

13. Will employees have to actively enroll in a plan for 2027, or will they be automatically enrolled in one of the two remaining plans?
Active employees, pre-65 retirees, and post-65 Medicare retirees must actively elect 2027 coverage during their applicable enrollment period.

14. How does the city audit the expenses of the Employee Health Benefit plan to ensure we are paying the correct amounts?
The city uses a layered review process to validate Employee Health Benefit Plan expenses. Blue Cross and Blue Shield of Texas applies internal pre- and post-payment audit controls to verify member eligibility, covered services, provider rates, medical coding, duplicate claims, coordination of benefits, and potential fraud, waste, or abuse. The City and its benefits consultant also review claim-funding requests, administrative fees, high-cost claims, utilization reports, and financial reconciliations against the applicable contracts and plan provisions. Any identified discrepancies are researched and corrected or recovered through the appropriate claims-adjustment process.

The proposed 2027 design preserves two medical plan choices while addressing substantial cost pressure through a statewide network and stronger primary-care coordination. 2027 will serve as a transition year while staff and consultants work to develop a more sustainable approach for implementation in plan year 2028.

This memorandum responds to questions raised by City Council regarding the Employee Health Benefits for Plan Year 2027 as included in the City Manager's recommended budget for FY 2026-27. ***Appendix A*** contains the 2027 Benefit Changes FAQ prepared separately for employees and retirees.

Please contact me or Nina Arias, Director of Human Resources, if you need additional information.

Service First, Now!

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Chief Financial Officer

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City of Dallas

2027 Benefit Changes

Frequently Asked Questions (FAQS)

Overall Benefits Changes

Why are benefits changing for the upcoming plan year 2027?

A: The City is making changes as an additional budget measure to address the current budget financial shortfall. The benefit fund is funded by the City and by employee contributions. The health of this fund, along with the ability to continue paying for employees' healthcare, requires changes to be made to address the cost overruns. These adjustments will also help the City remain competitive and allow us to continue to provide sustainable coverage.

Is the need for benefit changes unique to the City of Dallas?

A: No, healthcare costs have been rising nationwide, and many organizations are facing cost increases that are necessitating plan design changes. For example, the Employees Retirement System of Texas announced premium increases of 8% in 2025 and another 8% in 2026 for HealthSelect plans due to rising medical and pharmacy costs. According to a study by Mercer, a majority of employers are making cost-cutting changes to their plans (changing network structure, adjusting deductible and copay amounts, adjusting drug formularies) to contain costs.

Sources:

Employers are Challenged to Keep Healthcare Affordable as Costs Soar
ERS What's New: Premium Increases

Employee Impact and Required Actions

What do these changes mean for me as an employee?

A: During Open Enrollment, you will need to take action if you want to have medical coverage in 2027. During Open Enrollment, you will need to select between one of the two available plans: the Blue Essentials PCP Plan or the Blue Essentials HSA Plan. If you take no action, you waive coverage effective January 1, 2027.

Will medical plan rates be changing?

A: Yes. Medical premiums will change for this upcoming plan year. As healthcare costs continue to rise due to a variety of factors such as increased utilization, medical inflation, and rising provider costs, the City of Dallas will be making adjustments to medical premiums for 2027 to offset costly trends and ensure our medical plans remain sustainable and affordable for the future.

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City of Dallas

2027 Benefit Changes

Frequently Asked Questions (FAQS)

2027 Medical Plan Options

What medical plans will be offered in 2027?

A: In 2026, the City offered three medical plan options. Beginning January 1, 2027, we will only offer **two** medical plan options through **BlueCross BlueShield of Texas (BCBSTX)**:

- **Blue Essentials PCP Plan** (Primary Care Physician Copay Plan)
- **Blue Essentials HSA Plan** (High-Deductible Health Plan with Health Savings Account)
- Both medical plan options will utilize BCBSTX's **Blue Essentials** network. This will be new for the HSA Plan for 2027. The Blue Essentials network is a targeted, coordinated-care network that includes top-tier quality and cost- effective providers. These plans will require a **Primary Care Physician (PCP)** designation and are only available to those who live in Texas in a Blue Essentials network area.
- **Please note:** Other plan structures, like deductibles and copays, are changing slightly. Please review the Benefits Guide for details. The guide will be available on the HR website as well as the Employee Experience SharePoint site before Open Enrollment.

The **Blue Choice PPO Plan** has been **eliminated effective January 1, 2027,** and will not be offered for the 2027 plan year.

Why is the Blue Choice PPO Plan being eliminated?

A: The City evaluates all benefit plans each year to ensure long-term sustainability, cost efficiency, and alignment with employee utilization patterns. During this year's evaluation, there was consideration to either spread the rising costs across the three existing plans through higher premiums and higher out-of-pocket costs for everyone, or to consolidate to two strong plans that maintain relatively modest premium increases. We chose to go with the second option of consolidating to two plans.

Moving to a coordinated-care network model helps:

- Reduce volatility in plan costs
- Simplify plan choices
- Support more coordinated care through primary providers

We understand change can be challenging, and we're committed to offering resources to help you compare the remaining plans and select what works best for your household.

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City of Dallas

2027 Benefit Changes
Frequently Asked Questions (FAQs)

Why was the PPO plan so much more costly than the other plans, and how will the PCP plan result in savings for the city?

A: Broad, open-access networks, like the one the PPO has, drive higher utilization and claims costs (more specialist/ER use without referrals), which increases premiums and the City's contribution. PCP plans, with their primary-care coordination and referral requirements, combined with a tighter, lower-cost network, reduce unnecessary services and unit prices, leading to lower premiums and total spend for the City. When you need a specialist, your PCP guides you to the right one, the first time. No unnecessary visits, no duplicate tests. People with a strong primary care relationship have better health outcomes: conditions caught earlier, medications managed properly, fewer things falling through the cracks.

Is there a change to the Pharmacy Benefit Manager?

A: No, this is still administered by BCBS Prime-Therapeutics. The formulary is subject to change though, and you should always check to make sure your prescription coverage has not changed.

Blue Essentials Network

How does the new Blue Essentials HSA Plan differ from last year's HSA Plan?

A: The **benefits structure (coinsurance, HSA eligibility)** remains similar, but:

- The **network is changing from Blue Choice to Blue Essentials**, meaning:
  - You will need to designate a Primary Care Physician (PCP)
  - Specialist visits may require referrals
  - You must use in-network providers for services to be covered

How much do the Blue Choice and Blue Essentials networks differ?

A: The Blue essentials network has more than 94% of the same providers in network for the State of Texas. Because the list of providers can change throughout the year, it is important that you always check the BCBS Provider search tool, Find a Healthcare Provider, for your specific provider.

How long to get my first appointment with my PCP?

A: BCBS Standard is within 15 days, but it depends on the provider; it could be much quicker.

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City of Dallas

2027 Benefit Changes
Frequently Asked Questions (FAQs)

Which hospital systems are in the Blue Essentials Network?
A: Most hospitals systems in the DFW area are currently in-network, but you should always check the provider search tool offered by BCBS to confirm provider status. Ennis Regional Medical Center is currently **Not in-network,** while UT Southwestern, Methodist Dallas, and Baylor Scott & White locations show as **in-network.**

How will out-of-state dependents get coverage under the new network or what if I have an emergency out of state?
A: Emergencies are still covered; providers are paid as though they are in network. BCBS does offer an **away-from-home** program, please contact the benefits center for additional details. If your dependent does not qualify for that program and additional care is needed, it may be necessary to look into supplemental coverage. Many States offer student coverage; the marketplace offers coverage at reasonable prices.

How many active employees live outside the coverage areas, and how do they get coverage?
A: The latest report shows 60 participants with addresses outside of Texas. Most of these are retirees. These participants will be moved to a closed PPO (only those outside of Texas are allowed in this network). This all happens automatically on BCBS's end.

Primary Care Physician (PCP) Selection

Will I need to choose a PCP for 2027?
A: Yes, both plans require you to select a Primary Care Physician. Choosing a PCP early ensures smoother access to care and seamless referrals when needed.

Will I be able to change my PCP after Open Enrollment?
A: Yes, you are able to change your PCP once a month, which will take effect the following month. To change your PCP, contact BCBS.

How many PCPs are available in the 2027 medical plans?
A: There are approximately 6,800 PCPs of all types — Internal Medicine, Family Practice, Pediatrics, and OBGYN — within 50 miles of City Hall that are accepting new patients.

Do my dependents have to have the same PCP as I do?
A: No, your dependents can have their own, different PCPs.

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City of Dallas

2027 Benefit Changes
Frequently Asked Questions (FAQs)

Specialist Access and Referrals

If I need to see a specialist, will I be able to find one in the Blue Essentials network?
A: Yes. On average, over 90% of the specialists that were in the Blue Choice network will also be in the Blue Essentials network.

If I already see a specialist, will I need a referral when the plan starts in 2027?
A: Yes.

If I need to see a specialist on a recurring basis, do I need a referral for each visit?
A: Not for each visit. Referrals can be for a period of time and number of visits. For example, one referral could apply for an appointment every 6 weeks for the entire year. Referrals like this can be valid for a maximum of twelve months.

How long to get a specialist referral?
A: Referrals are issued quickly by the PCP. Then the member will need to schedule a visit with the specialist.

Care That Does Not Require a Referral

Do I need a referral for preventative care?
A: No. For example, scheduling a well-woman exam does not require a referral.

Does mental healthcare require a referral?
A: No. Mental healthcare professionals do not require a referral. Also, under the PCP plan, they typically fall under the PCP copay amount for office visits.

Do I need a referral for emergency or urgent care?
A: No. Emergency care that is administered at an out-of-network facility is treated as in-network for insurance and coverage purposes.

Continuity of Care

If I am currently receiving ongoing care, how do I keep getting care when the new plan year starts?
A: BCBS has a continuity of care program. Contact a BVA at 1-855-756-4445 prior to the start of the new plan in order to set this up.

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City of Dallas

2027 Benefit Changes
Frequently Asked Questions (FAQs)

Costs, Contributions, and Plan Details

Is there a change to the City's HSA contribution?

A: No, the City's HSA contribution will remain $700 for individuals and $1700 for families, and there is not a City contribution to the Health FSA or Dependent Care FSA.

What are the deductibles, out-of-pocket maximum, coinsurance, and other plan details?

A: See table:

	Blue Essentials PCP Plan	Blue Essentials HSA Plan
Network	Blue Essentials	Network Change to Blue Essentials
	In-Network Only Benefits	
Annual Deductible		IRS required deductible change
Individual	$2,000	$3,500
Family	$4,000	$7,000
Annual Out-of-Pocket Max		
Individual	$6,850	$6,350
Family	$13,700	$12,700
Benefit Features Summary		
Preventive Care	No charge	No charge
Primary Care Physician	$25 copay	20% after deductible
Specialist	$80 copay	20% after deductible
X-Ray and Lab Work	20% after deductible*	20% after deductible
Urgent Care	$70 copay	20% after deductible
Emergency Room	$400 + 20% after deductible	20% after deductible
Inpatient Hospital Care	20% after deductible	20% after deductible
Outpatient Surgery	20% after deductible	20% after deductible
Pharmacy	Blue Essentials PCP Plan	Blue Essentials HSA Plan
Generic Medications	$15 copay	20% after deductible
Preferred Brand-Name Medications	$50 copay	20% after deductible
Non-Preferred Brand-Name Medications (Includes Specialty)	$85 copay	20% after deductible

Enrollment and Plan Elections

What happens if I was previously enrolled in the Blue Choice PPO Plan?

A: You will need to select **one of the two available Blue Essentials Plans** during Open Enrollment. If you do not make a new election, your coverage will not roll over, and you will waive coverage.

Are the other benefits plans changing in 2027?

A: The Dental, Vision, and Voluntary benefit plans and rates are not changing in 2027, but you will still need to actively enroll in those plans. If you take no action, you waive coverage effective January 1, 2027.

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2027 Benefit Changes
Frequently Asked Questions (FAQs)

Will I need to choose a PCP for 2027?
A: Yes, both plans require you to select a Primary Care Physician. Choosing a PCP early ensures smoother access to care and seamless referrals when needed.

When is Open Enrollment?
A: Open Enrollment for active employees is **October 5-October 16, 2026**. It is an active enrollment. If you do not take action, your current elections will not roll over, and you will waive coverage effective January 1, 2027. Any plan choices you make will take effect with the new plan year starting January 1, 2027. Employees will have the opportunity to speak with many of our health and well-being vendors during the Annual Employee Health and Well-Being Expo on September 29, 2026 at 7:30 A.M. at Dallas City Hall. There will also be additional virtual and in-person open enrollment sessions offered at various times starting October 5, 2026.

Resources and Support

What resources are available to help me?
A: There are three Employee Health Education and Enrollment sessions currently scheduled for August 31 at 2 p.m. and September 1 at 12 p.m. and 3 p.m. Invitations will go out at a later time. Further sessions and tools will become available as we approach Open Enrollment, which is October 5 – October 16, 2026. Health Advocate is also available for retirees or persons needing to navigate the marketplace.

What if I have more questions?
A: Contact the **Benefits Office** anytime at 214-671-6947 or hrbenefits@dallas.gov. We're here to help make this transition as clear and supportive as possible. Open Enrollment does require HIPAA protected information and should be completed in a confidential environment. To support employees who may need assistance, Benefits staff will be available Monday – Friday during open enrollment or by appointment in the computer lab at Dallas City Hall 1D, behind the stairs and near the red elevator. Retirees and those considering retirement also have access to Health Advocate: 866-799-2731

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