



COUNCIL MINUTES

September 11, 2023

The City Council of the City of Mesa met in a Study Session in the lower-level meeting room of the Council Chambers, 57 East 1st Street, on September 11, 2023, at 5:15 p.m.

COUNCIL PRESENT

John Giles
Francisco Heredia
Mark Freeman
Scott Somers*
Julie Spilsbury

COUNCIL ABSENT

Jennifer Duff
Alicia Goforth

OFFICERS PRESENT

Scott Butler
Holly Moseley
Jim Smith

(*Participated in the meeting through the use of video conference equipment.)

Mayor Giles conducted a roll call.

Mayor Giles excused Councilmembers Duff and Goforth from the entire meeting.

1. Review and discuss items on the agenda for the September 11, 2023, Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflict of interest: Mayor Giles declared a potential conflict of interest on Item 9-a, **(Signal Butte Water Treatment Plant Expansion - Construction Manager at Risk (CMAR), Guaranteed Maximum Price (GMP) No. 1. (District 6))**, on the Regular Council Meeting agenda.

Items removed from the consent agenda: None

2. Hear a presentation and discuss an update on the 2024 Employee Benefit and Wellness Programs.

Human Resources Director Teri Overbey introduced Employee Benefits Administrator Janice Ashley and displayed a PowerPoint presentation. **(See Attachment 1)**

Ms. Ashley highlighted the 2024 benefits programs that will cover over 15,000 members. She mentioned the current program vendors, administrators, and insurers have been renewed or continued. (See Page 2 of Attachment 1)

Ms. Ashley outlined the prescription drug benefits for Basic and Choice Plans, adding that there are no separate deductibles before prescription drugs are covered. She stated the Flexible Spending Accounts (FSA) annual election will increase to \$3,050 per person/per year with the rollover max going up to \$610. She described a new voluntary membership program that covers pet care at a discounted cost. (See Pages 3 and 4 of Attachment 1)

Ms. Ashley remarked that the medical premiums for 2024 will increase approximately 2% for the Choice and Copay plans. She outlined the rate increases for active employees and retirees, as well as the financial considerations used to determine the increase changes for 2024. (See Pages 5 and 6 of Attachment 1)

Ms. Ashley commented that the Employee Health and Wellness Center is available to everyone enrolled in one of the medical plans free of charge. She stated the 2024 Mesa Wellness 360 program commences on November 1, 2023 through October 31, 2024, and is open to all employees and spouses/committed partners enrolled in the City medical plans. She noted the 2024 Wellness program rewards, which focus on incentivizing preventive screenings, and participation in education programs and events. (See Page 7 of Attachment 1)

Ms. Ashley said the open enrollment period opens October 4 through October 18, 2023. She pointed out that the Rock En-Roll themed Benefits Fair will take place on October 5 at the Convention Center from 8:00 a.m. to 1:00 p.m. She mentioned if no changes are needed the members do not have to do anything; except FSA participation requires re-enrollment each year. She stated there will be an enrollment computer and staff available at the Benefits Fair to assist employees and retirees. (See Page 8 of Attachment 1)

Assistant City Manager Scott Butler acknowledged the benefits team for their work for keeping costs low, providing outstanding programs, and the success of the Health and Wellness Center.

Mayor Giles thanked staff for the presentation.

3. Current events summary including meetings and conferences attended.

Mayor Giles and Councilmembers highlighted the events, meetings and conferences recently attended.

4. Scheduling of meetings.

Assistant City Manager Scott Butler stated that the schedule of meetings is as follows:

Wednesday, September 13, 2023, 5:30 p.m. - Community meet and greet with Arts & Culture Director Finalists

Thursday, September 14, 2023, 7:30 a.m. - Study Session

5. Adjournment.

Without objection, the Study Session adjourned at 5:44 p.m.



John Giles

JOHN GILES, MAYOR

ATTEST:

Holly Moseley

HOLLY MOSELEY, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 11th day of September 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Holly Moseley

HOLLY MOSELEY, CITY CLERK

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(Attachments – 1)



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2024 EMPLOYEE BENEFIT & WELLNESS PROGRAMS

CITY COUNCIL PRESENTATION

September 11, 2023

Benefit Programs Overview

Programs/ Vendor Partners

Medical/Behavioral Health/Prescription Drug = Cigna, MedImpact, VibrantRx, PaydHealth

Dental = Delta Dental of Arizona

Vision Care = Vision Service Plan (VSP)

Employee Assistance Program = ComPsych

Health and Dependent Care FSA = Navia Benefits

Life and Accidental Death & Dismemberment Insurance = MetLife

Short Term Disability Insurance = UNUM

Health and Wellness Center = OnSite Care Inc.

Mesa Wellness 360 = WebMD technology platform

Highlights - Health Plan Benefit Changes for 2024

Medical/Prescription Drug Plans

Prescription Drug Benefits

Basic and Choice Plans

- ❑ Outpatient prescription drug benefits simplified/aligned to one plan design:
 - ✓ No separate Rx deductibles = \$0
 - ✓ Minimum and maximum copays/coinsurance same in both plans
 - ✓ Rx max annual out-of-pocket expense: \$2,500 individual/\$5,000 family both plans
- ❑ Basic, Choice and Copay plans – Diabetic Adherence Strategy
 - ✓ Diabetic Insulin copay/coinsurance reductions:
 - ❑ Generic (Tier 1) and Preferred Brand (Tier 2) Insulins pay at Tier 1 levels to a maximum of \$35 (30-day supply) and \$105 (90-day supply)
 - ❑ Non-preferred Insulins (Tier 3) regular copays/coinsurance by plan up to \$35/\$105 maximums
 - ✓ Diabetic supplies: 100% covered if Tier 1/2 and standard copays/coinsurance if Tier 3

Highlights - Health Plan Changes for 2024 cont.

Flexible Spending Accounts (FSA) Plan

- ❑ Health FSA annual election max increased to \$3,050 and rollover max to \$610

New! Pet Care Membership/Discount/Network program

- ❑ Voluntary benefit program with United Pet Care
 - ✓ Active and retired employees' pets
 - ✓ Direct enrollment and payment through UPC member portal
 - ✓ Monthly membership fee per pet (no breed or condition exclusions)
 - ✓ 20% to 25% and to 50% discount on all network in-house veterinary services
 - ✓ Prescription drug discount card for pet meds savings
 - ✓ 24 x 7 phone/chat/video "televet" services (for vet advice and guidance)
 - ✓ Enrollment opportunities at the Health and Wellness Benefits Fair

Medical Plan Premium Rate Changes for 2024

Medical Plan Premiums

- Active employees:**
 - ✓ Consolidation of rate structures – both FT and PT benefit eligible employees pay same rates by plan (for both medical and dental plans)
 - ✓ Basic Medical Plan – 100% City funded
 - ✓ Choice and Copay medical plans - \$4 to \$14 per mth rate increases in 2024
- Retirees:**
 - ✓ Retiree Basic Plan - \$0 premium for retirees (with full retirement system subsidies)
 - ✓ \$5 to \$8 per month rate increases for Retiree Choice Plan
 - ✓ \$9 to \$15 per month rate increases for Retiree Copay medical plan

Financial Considerations

- ❖ EBT fund balance projections support approx. 2% rate increase in medical plans for CY 2024
- ❖ National medical trend cost increases approx. 4% to 6%
- ❖ Favorable impact of prescription drug cost containment measures
- ❖ Positive impact of increased utilization of Health and Wellness Center including retirees
- ❖ Significant reductions COVID-19 utilization

Active Medical Plan Premium Rates for 2024

ACTIVE MEDICAL PLAN RATES – MONTHLY

		2024		
BASIC 50% PLAN		City Contribution	EE Contribution	EE Difference vs 2023
	Single	\$610	\$0	\$0
	Family	\$1,358	\$0	\$0

		2024		
CHOICE 80% PLAN		City Contribution	EE Contribution	EE Difference vs 2023
	Single	\$610	\$153	+\$4
	Family	\$1,358	\$340	+\$7

		2024		
COPAY PLAN		City Contribution	EE Contribution	EE Difference vs 2023
	Single	\$610	\$230	+\$6
	Family	\$1,358	\$692	+\$14

Mesa Wellness 360



Employee Health and Wellness Center

Employees, retirees and family members enrolled in active or retiree medical plans – free of charge!

2024 Wellness Program

November 1, 2023, through October 31, 2024

- ✓ Open to all employees
- ✓ Employees and spouses/committed partners enrolled in City medical plans eligible for incentive rewards

Rewards

- ✓ 250 points = \$50 debit/gift card (up to **6 x \$50 = \$300**) for both employee and spouse/CP
- ✓ **1,500 points** = \$200 **Wellness Credit** following calendar year – both employee and spouse/CP
- ✓ Raffle prizes/other recognition for high achievers **above 1,500 points** and non-medical plan employees
- ✓ Focus on incentivizing preventive screenings, wellbeing education programs and Citywide events

Open Enrollment and Health/Wellness Benefits Fair

Open Enrollment 2023 for 2024

October 4 – October 18

- Inside Mesa and Benefits Website links to eBenMesa
- Website: OE Guides, 2024 Plan Document, SBC's, Required Documents and other communications
- Passive enrollment (except FSA = positive enrollment)

Health/Wellness Benefits Fair

October 5 – from 8 am to 1 pm - Mesa Convention Center

Employees/retirees welcome

Rock En-Roll theme - assisted enrollment computer lab

Benefit plan vendors, City department information booths and Employee Network vendors

Free Flu Shots (first come, first served)

Mammography/P.O.P (with appointments – claims to medical plan)

Food and beverage trucks (from 7:30 am)