

**Metropolitan Domestic Water Improvement District
Board of Directors Meeting**

November 13, 2023

Approval of Employee Health Insurance Coverage

Synopsis

The Board of Directors is requested to approve medical and dental insurance for the District's employees for 2024. Crest Insurance Group, the District's broker, has brokered a three-option medical insurance program for employees and is continuing the choice of two dental insurance plans.

Background

Since December 2013, Crest Insurance Group has served as the District's broker for employee medical and dental insurance coverage. Crest has continued to provide staff with comprehensive quotes from a variety of insurance providers, negotiating lower premium costs whenever possible, and providing the District with clear cut recommendations. The cost and coverage for the District's medical and dental insurance is based on a calendar year rather than fiscal year.

In preparing for the Fiscal Year 2024 budget, the District factored a 12% increase for employee medical and 5% increase for employee dental insurance costs.

Issues

Current enrollment covers 54 employees with medical insurance (26 with the Preferred Provider Organization (PPO) Plan, and 28 with the Health Savings Account (HSA) Plan. Based on Blue Cross Blue Shield renewal quotes, District cost would be \$587,369 for 2024, which is a 2% increase.

The District continues to offer employees a choice in dental plans between Employers Dental Service, which is a Dental Health Maintenance Organization with a limited network provider, and Principal Dental, a High Plan – INN Based on Contracted Fees that allows the employees and their families to go to virtually any dentist or specialist that accepts insurance. Employers Dental Service are proposing a flat rate renewal. Principal Dental are proposing a 14.5% decrease to the MetLife Fiscal Year 2023 dental rates with a 2-year rate guarantee.

Attached are the spreadsheets showing the medical and dental insurance cost analysis and the District and employee's respective deductions and contributions.

Recommendation

It is recommended the Board of Directors approve Crest Insurance to administer a contract for employee medical insurance with Blue Cross Blue Shield on the District's behalf for the 2024 calendar year as presented in this report and attached spreadsheet. It is further recommended that Crest Insurance be authorized to administer contracts with Employers Dental and Principal Dental to provide employee dental insurance for 2024 under the proposal shown in the attached spreadsheet.

Both medical and dental insurance coverage are financially feasible and provide solid, affordable coverage for the District Employees.

Suggested Motion

I move to approve that Crest Insurance administer a contract for employee medical insurance with Blue Cross Blue Shield on the District's behalf for January 1, 2024 through December 31, 2024 and to approve a contract for employee dental insurance with Employers Dental Service and Principal Dental for calendar year 2024, and to direct the General Manager to implement the employee deductions and HSA contributions as identified in the attached table.

Respectfully submitted,

Joseph Olsen, P.E.
General Manager