



CITY OF BEND

Council Compensation Review Committee

Meeting No. 3 – Health & Dental Benefits

January 5, 2024, 2:00 PM - 5:00 PM

Board Room, City Hall

Agenda

- Additional Stipend Data
- Current Benefits
 - Benefit Overview
 - Benefit Rates and Cost Share
- Historic Information
- Council Benefit Options
 - Eligibility
 - Health Insurance
 - Cost Share
 - Dental Insurance
 - Cost Share



Additional Stipend Data

Washington Cities

*Strong mayor

**Washington statute authorizes municipalities to provide health benefits to electeds. Oregon does not have an equivalent.

City & Pop.	Annual Stipend	Formula	Health Benefits**
Sammamish 67,455	Mayor: \$15,648 Councilors: \$14,004	Flat amounts, increased annually using an average of preceding four-year CPI for Seattle area	Health insurance offered to Councilors. Can elect coverage for self and dependents. City pays 100% of premiums.
Auburn 85,700	Mayor: N/A* Deputy Mayor: \$23,364 Councilors: \$17,520	Flat amount with annual COLA increase	Health insurance offered to Councilors. Can elect coverage for self and dependents. City does not contribute to premiums.
Kirkland 92,175	Mayor: \$20,665 Councilor: \$16,223	Flat amount with same percentage increase, if any, received by management employees	Health insurance offered to Mayor & Councilors. No dependent coverage available. City makes the same premium contributions it does for FTEs.
Bellingham 92,289	Mayor: N/A* Councilor: \$67,000	Flat amount with 3% annual increase	Health insurance offered to Councilors at same rates and premium contributions as permanent part-time exempt employees. Can elect coverage for self and dependents.
Yakima 96,578	Mayor: \$16,500 Assistant Mayor: \$14,100 Councilor: \$12,900	Flat amount	Health insurance offered to Mayor & Councilors. Can elect coverage for self and dependents. City does not contribute to premiums.
Everett 110,812	Mayor: N/A* Council President: \$39,172 Councilor: \$30,132	Flat amount	Health insurance offered to Councilors. Can elect coverage for self and dependents. City pays 85% of premium for HMA Classic PPO or Kaiser med plan; City pays 95% of premium for HMA CDHP PPO plan.
Bellevue 149,440	Mayor: \$33,948 Deputy Mayor: \$30,468 Councilor: \$28,728	Flat amounts	Health insurance offered to Mayor & Councilors at same rates and premium contributions as non-represented employees. Can elect coverage for self and dependents.
Kent 137,900	Mayor: N/A* Councilor: \$36,000	Flat amount with annual 2.5% COLA increase	Health insurance offered to Councilors at same rates and contributions provided to FTEs. Can elect coverage for dependents at own expense (no City contribution to premiums for dependents).



Percentages of County Commissioners' Salary

\$125,000 Annual	
50%	\$62,500
30%	\$37,500
40%	\$50,000
20%	\$25,000
30%	\$37,500
10%	\$12,500

\$37,500 is 60% of \$62,500

60% of 50,000 is \$30,000

60% of \$37,500 is \$22,500

2023 Stipends →

	Monthly	Annually
Mayor	\$1,628.34	\$19,540.08
Councilors	\$814.17	\$9,770.04



Introduction to Benefits Presentation

Health Insurance on the Open Market in Central Oregon

Coverage	Average Monthly Premium	Annually
Individual	\$535	\$6,420
Individual + Spouse	\$1,040	\$12,480
Individual + Spouse + 2 Children	\$1,500	\$18,000

Current City Benefits

Benefit Overview

High Deductible Health Plan (HDHP)

Medical, vision, and Prescription coverage

Underwritten by PacificSource Health Plans

Full-time employees currently pay 10% of the total monthly premium. Benefit-eligible part-time employee premiums are pro-rated according to their regularly-scheduled hours, either at 50% (employees working 20-29 hours per week) or 75% (employees working 30-39 hours per week) of the full monthly premium.

Dental Plan

Underwritten by MODA/Delta Dental

\$2,000 calendar year benefit maximum per covered individual includes \$1,000 one-time orthodontia benefit.



Medical Coverage

High Deductible Health Plan (HDHP)

- Preventative Care
 - Well baby, Preventative physicals, Well women, immunizations
- Professional Services
 - Primary Care Office Visits, Naturopath, Specialists, Surgery, Chiropractic, Acupuncture
- Hospital & Outpatient Services
- Urgent & Emergent Services
- Maternity Services
- Mental Health & Substance Use Disorder Services

Medical, prescription, and vision coverage are bundled with PacificSource Health Plans

Deductible	In-Network	Out-of-Network
Individual/Family	\$2,000/\$4,000	\$4,000/\$8,000

Out-of-Pocket Maximum	In-Network	Out-of-Network
Individual/Family	\$4,000/\$6,850	\$10,000/\$20,000

Note: After the deductible is met, most in-network services have a 25% Co-insurance.



Vision Coverage

Service/Supply	In-Network	Out-of-Network
Enrolled Members Age 18 and Younger		
Eye Exam	No deductible, 0%	No deductible, 0% up to \$40 then 100%
Vision Hardware	No deductible, 0% for one pair per year for frames and/or lenses	No deductible, 0% for one pair per year up to \$75 then 100% for frames and/or lenses
Enrolled Members Age 19 and Older		
Eye Exam	No deductible, 0%	No deductible, 0% up to \$40 then 100%
Single vision lenses	No deductible, 0%	No deductible, 0% up to \$56 then 100%
Bifocal lenses	No deductible, 0%	No deductible, 0% up to \$84 then 100%
Trifocal lenses	No deductible, 0%	No deductible, 0% up to \$116 then 100%
Lenticular lenses	No deductible, 0%	No deductible, 0% up to \$236 then 100%
Progressive lenses	No deductible, 0% up to \$116 then 100%	No deductible, 0% up to \$116 then 100%
Frames	No Deductible, 0% up to \$75 then 100%	No deductible, 0% up to \$75 then 100%
Contact lenses	No deductible, 0% up to \$180 then 100%	No deductible, 0% up to \$180 then 100%

Benefit Limitations:

Age 18 and younger

- One vision exam every contract year
- Vision hardware includes glassed (lenses and frames) or contacts (lenses and fitting) once per contract year.

Age 19 and older

- One vision exam every 12 months
- Lenses: One pair every 12 months
- Frames: Once every 24 months
- Contact Lenses: Once every 12 months
- Corrective eye surgery is covered up to a lifetime maximum of \$250 per eye
- Elective contact lenses are in lieu of frames and lenses



Prescription Coverage

Service/Supply	Tier 1	Tier 2	Tier 3
In-Network Retail Pharmacy^			
Up to a 90 day supply	After deductible, 25%	After deductible, 25%	After deductible, 25%
In-Network Mail Order Pharmacy			
Up to a 90 day supply	After deductible, 25%	After deductible, 25%	After deductible, 25%
Compound Drugs**			
Up to a 30 day supply		After deductible, 25%	
Out-of-Network Pharmacy			
30 day max fill, no more than three fills allowed per year		After deductible, 25%	
Specialty Drugs - In-Network Specialty Pharmacy			
Up to a 30 day supply		After deductible, 25%	
Specialty Drugs - Out-of-Network Specialty Pharmacy			
30 day max fill, no more than three fills allowed per year		After deductible, 25%	

^Remember to show your PacificSource member ID card each time you fill a prescription at a retail pharmacy. If your ID card is not used, your benefits cannot be applied and may result in a higher out-of-pocket cost.

***Compound medications are subject to a preauthorization process. Compounds are generally covered only when all commercially available formulary products have been exhausted and all the ingredients in the compound medications are on the applicable formulary.*



Dental Coverage

Calendar year costs	
Calendar year maximum, per member (Class 2 and Class 3)	\$2,000
Calendar year deductible, per member	\$0
Class 1 ** (Services do not apply to the calendar year max)	
Periodic Examinations/X-rays	100%
Prophylaxis (cleanings)/Periodontal Maintenance	
Sealants	
Space Maintainers	
Topical Application of Fluoride	
Class 2	
Restorative Fillings	Year 1: 70% Year 2: 80% Year 3: 90% Year 4: 100%
Oral Surgery (extractions & certain minor surgical procedures)	
Endodontics (treatment of teeth with diseased or damaged nerves)	
Periodontics (treatment of diseases of the gums and supporting structures of the teeth)	
Class 3	
Implants	Year 1: 70% Year 2: 80% Year 3: 90% Year 4: 100%
Crowns and other cast restorations	
Dentures and bridges (construction or repair of fixed bridges, partial, and complete dentures)	
*Under this plan, payments increase by 10% each eligibility year, provided the individual has visited the dentist at least once during the year. Failure to do so will cause a 10% reduction in payment the following year, although payment will never fall below 70%	

2023/2024 Dental Benefit Rates

	Cost Share (Individual / City)	Monthly Premium Total	Monthly City Contribution	Monthly Individual Contribution	Annual Premium Total	Annual City Contribution	Annual Individual Contribution
Full-Time	10% / 90%	\$ 126.95	\$ 114.25	\$ 12.70	\$ 1,523.40	\$ 1,371.00	\$ 152.40
Part-Time 3/4	25% / 75%	\$ 126.95	\$ 95.21	\$ 31.74	\$ 1,523.40	\$ 1,142.52	\$ 380.88
Part-Time 1/2	50% / 50%	\$ 126.95	\$ 63.48	\$ 63.47	\$ 1,523.40	\$ 761.76	\$ 761.64
* Dental Rate is the same for Individual only or Individual & Dependents							



2023/2024 Health Benefit Rates

	Cost Share (Individual / City)	Monthly Premium Total	Monthly City Contribution	Monthly Individual Contribution	Annual Premium Total	Annual City Contribution	Annual Individual Contribution
Full-Time Medical							
Individual Only	10% / 90%	\$ 627.60	\$ 564.84	\$ 62.76	\$ 7,531.20	\$ 6,778.08	\$ 753.12
Individual & Dependents		\$ 1,568.95	\$ 1,412.05	\$ 156.90	\$ 18,827.40	\$ 16,944.60	\$ 1,882.80
Part-Time 3/4 Medical (30-39 hours)							
Individual Only	25% / 75%	\$ 627.60	\$ 470.70	\$ 156.90	\$ 7,531.20	\$ 5,648.40	\$ 1,882.80
Individual & Dependents		\$ 1,568.95	\$ 1,176.71	\$ 392.24	\$ 18,827.40	\$ 14,120.52	\$ 4,706.88
Part-Time 1/2 Medical (20-29 hours)							
Individual Only	50% / 50%	\$ 627.95	\$ 313.80	\$ 313.80	\$ 7,535.40	\$ 3,765.60	\$ 3,765.60
Individual & Dependents		\$ 1,568.95	\$ 784.48	\$ 784.48	\$ 18,827.40	\$ 9,413.76	\$ 9,413.76

Historic Benefit Information

Year over Year Cost - Medical

Medical - Monthly		
Plan Year	Premium	Year over Year % Change
12/13	\$ 1,136.56	
13/14	\$ 1,110.49	-2.3%
14/15	\$ 1,059.30	-4.6%
15/16	\$ 1,103.47	4.2%
16/17	\$ 1,153.34	4.5%
17/18	\$ 1,189.25	3.1%
18/19	\$ 1,296.18	9.0%
19/20	\$ 1,248.86	-3.7%
20/21	\$ 1,373.67	10.0%
21/22	\$ 1,453.29	5.8%
22/23	\$ 1,523.25	4.8%
23/24	\$ 1,568.95	3.0%
10 Year Average		3%
10 Year Total Increase		\$ 458.46

Medical - Annually		
Plan Year	Premium	Year over Year % Change
12/13	\$ 13,638.72	
13/14	\$ 13,325.88	-2.3%
14/15	\$ 12,711.60	-4.6%
15/16	\$ 13,241.64	4.2%
16/17	\$ 13,840.08	4.5%
17/18	\$ 14,271.00	3.1%
18/19	\$ 15,554.16	9.0%
19/20	\$ 14,986.32	-3.7%
20/21	\$ 16,484.04	10.0%
21/22	\$ 17,439.48	5.8%
22/23	\$ 18,279.00	4.8%
23/24	\$ 18,827.40	3.0%
10 Year Average		3%
10 Year Total Increase		\$ 5,501.52

Year over Year Cost – Dental

Dental - Monthly		
Plan Year	Premium	Year over Year % Change
12/13	\$ 125.42	
13/14	\$ 131.77	5.1%
14/15	\$ 128.50	-2.5%
15/16	\$ 123.34	-4.0%
16/17	\$ 123.34	0.0%
17/18	\$ 127.04	3.0%
18/19	\$ 127.04	0.0%
19/20	\$ 132.76	4.5%
20/21	\$ 132.76	0.0%
21/22	\$ 126.12	-5.0%
22/23	\$ 119.76	-5.0%
23/24	\$ 126.95	6.0%
10 Year Average		0.2%
10 Year Total Increase		\$ (4.82)

Dental - Annually		
Plan Year	Premium	Year over Year % Change
12/13	\$ 1,505.04	
13/14	\$ 1,581.24	5.1%
14/15	\$ 1,542.00	-2.5%
15/16	\$ 1,480.08	-4.0%
16/17	\$ 1,480.08	0.0%
17/18	\$ 1,524.48	3.0%
18/19	\$ 1,524.48	0.0%
19/20	\$ 1,593.12	4.5%
20/21	\$ 1,593.12	0.0%
21/22	\$ 1,513.44	-5.0%
22/23	\$ 1,437.12	-5.0%
23/24	\$ 1,523.40	6.0%
10 Year Average		0.2%
10 Year Total Increase		\$ (57.84)

Eligibility

- Requires City Code Amendment in order to get approved by PacificSource underwriting
- Following an intervening election.
- Effective the first of the month coinciding with or following date of appointment.
- Life Events – follow IRS Guidelines
- Open Enrollment occurs in June
- Medical Plan Year: August 1 – July 31
- Dental Plan Year: Jan 1 – Dec 31



Council Benefit Options

Health Insurance

- Individual Only or Individual & Dependents
- Cost Share

	Cost Share (Individual / City)	Monthly Premium Total	Monthly City Contribution	Monthly Individual Contribution	Annual Premium Total	Annual City Contribution	Annual Individual Contribution
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Dental Insurance

- Individual Only and Individual & Dependents
 - Cost is the same either way
- Cost Share

	Cost Share (Individual / City)	Monthly Premium Total	Monthly City Contribution	Monthly Individual Contribution	Annual Premium Total	Annual City Contribution	Annual Individual Contribution
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