



**To the Mayor and Members of the City Council**

**November 17, 2020**

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**SUBJECT: HEALTHCARE PREMIUM HOLIDAY**

The Human Resources Department is pleased to propose a healthcare “premium holiday” for all active employees who are on the City’s Health Center Plan and for active employees who pay a premium for spouse and/or dependent coverage on the City’s Consumer Choice Health Plan.

For both pay periods in December 2020, PP25 and PP26, there would be no health insurance premiums taken out of the impacted employees’ paychecks. Employees, who normally pay premiums for health insurance, will see that extra money reflected in their paychecks just in time for the holidays. This action is made possible because of the active members making good healthcare decisions and using the great options available on the plan. This year active members have increased usage of the Health Centers (Primary Care), Doctor On Demand (Telehealth), SurgeryPlus (Non-Emergency Surgery), Airrosti (Musculoskeletal Care), Alight (Healthcare Partner), and Virgin Pulse (Wellness Program).

The City’s Health Plan ended fiscal year 2020 with a \$9M surplus for active employees/members. This amount will add to the \$11M+ existing from last year to the Health Fund’s balance. The healthcare premiums normally collected per pay period are about \$550,000. The two pay period “holiday” means that \$1.1M will not be collected, and instead, will be effectively ‘given back’ to employees.

<b>Revenue</b>	<b>Actives</b>
Total	\$71,964,902
<b>Expenses</b>	<b>Actives</b>
Total	\$62,940,899
<b>Surplus/(Deficit)</b>	<b>\$9,024,004</b>

It should be noted that the Retiree Health Plan did not have as good a year. That group just broke even in comparing costs with contributions, and there is concern that this is only because of delayed care due to the pandemic. The increase to premiums for 2021 for this group will help to support the expected increases in claims for that population.



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The following are the premiums paid by employees per plan and per pay period.

<b>Health Center Plan</b>	<b>Employee Cost Per Paycheck</b>
Employee Only	\$48.18
Employee + Spouse	\$238.37
Employee + Child(ren)	\$177.85
Employee + Family	\$333.47

<b>Consumer Choice Plan</b>	<b>Employee Cost Per Paycheck</b>
Employee Only	\$0.00
Employee + Spouse	\$161.66
Employee + Child(ren)	\$115.77
Employee + Family	\$242.50

In a year when General employees will not receive pay increases, staff is recommending that the City Council adopt a resolution approving this healthcare premium holiday for the two December pay checks.

Please contact Nathan Gregory, Interim Human Resources Director, at 817-392-7847 or [nathan.gregory@fortworthtexas.gov](mailto:nathan.gregory@fortworthtexas.gov) if you have any questions.

**David Cooke**  
**City Manager**