

# BENEFITS

Issue 1  
Summer  
2003

## NO INCREASE IN EMPLOYEE HEALTH CARE PREMIUMS FOR 2004

On August 11, 2003, the City Manager will present his recommended budget to City Council. With our revenues either flat, or in some cases, declining and with the commitments made to public safety and the maintenance of our citizens' services, preparing this budget has been a challenge. One of our biggest challenges was how to deal with our health benefits program.

The costs of health benefits are projected to increase 12 to 15 percent in 2004. It was critical to explore creative ways to maintain a solid health care program, contain the impacts of these increases on employees' and retirees' premiums and meet our budget obligations.

The result is a health plan that does not increase monthly premiums and includes a Preventive Care Program (see box on the right) **that is not subject to the deductible.**

The plan does increase the in-network deductible from \$300 per person to \$1,000 and the in-network out-of-pocket maximum from \$2,800 to \$4,000. However, employees have the option of increasing their monthly premium to reduce those numbers back to \$300 and \$2,800 (see chart at the bottom of the page).

We plan on continuing to offer an HMO option. Our contract with CIGNA expires December 31, 2003 and we are currently in the process of finding a replacement.

We will keep you informed of any other changes to the health care program as they occur.

### TYPICAL PREVENTIVE CARE PROGRAM\*

Birth to 24 mo.	Up to 6 well visits and all immunizations
2 to 16 yrs.	1 annual well visit and all immunizations
Age 17 & up	Physical exams every 2 years
Age 50 & up	Colonoscopy every 5 years
Females Age 35 & up	Annual Mammogram
Females Age 20 & up	Annual Pap Smear
Males Age 35 & up	Annual Prostate Antigen Testing

**(\$1,000 Deductible Plan, In-network Only)**

**\*Not subject to deductible; plan pays 80%, member pays 20%. Exams include associated laboratory fees.**

### PROPOSED 2004 MONTHLY PREMIUMS

Premium Coverage Tier	\$1000 Deductible	\$300 Deductible Option
	Employee Pays	Employee Pays
Employee Only	\$23	\$111
Employee + Spouse	\$216	\$392
Employee + Child (ren)	\$65	\$206
Employee + Family	\$258	\$487