



**NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
EMERGENCY BOARD MEETING TO APPROVE 2025/2026 EMPLOYEE BENEFITS**

AGENDA

MONDAY, AUGUST 11, 2025 ■ 4:00 P.M.
1885 Veterans Park Drive ■ Naples, FL 34109

1. Call to Order
2. Pledge of Allegiance
3. Approval, Additions or Deletions to Agenda
4. Request Approval for Medical Insurance Coverage for 2025-2026 Fiscal Year
5. Request Approval for Dental Insurance Coverage for 2025-2026 Fiscal Year
6. Request Approval for Short-Term Disability and Long-Term Disability Coverage for 2025-2026 Fiscal Year
7. Request Approval for Life Insurance Coverage for 2025-2026 Fiscal Year
8. Request Approval for Voluntary Vision Insurance Coverage for 2025-2026 Fiscal Year
9. Comments by Commission and Public
10. Adjournment



AGENDA ITEM 4

Meeting Date: August 11, 2025
Prepared by: Ben Van Klinger, Chief Financial Officer
Lori Freiburg, Deputy Director
Giesele Fischbach, HR Manager
Subject: Request for Board Approval to Renew Health Insurance Coverage for the Period October 1, 2025 through September 30, 2026

Objective

To obtain Board approval to renew the District’s health insurance coverage for the period of October 1, 2025 through September 30, 2026

Background Information

At the July 25, 2024 Board of Fire Commissioners Meeting, the Board voted to retain the plan as identified in the Collective Bargaining Agreement (Florida Options Plan 5192/5193) with coverage provided by Florida Blue for health insurance for the period of October 1, 2024 through September 30, 2025. This plan has a high deductible and is partially self-insured by the District up to a stop loss of \$150,000 per employee.

The Medical Insurance Committee, comprised of District management, Union and Board of Fire Commissioner representation, met with the District’s benefits and HR consulting service provider, OneDigital, on April 10, 2025, and discussed renewal options for all benefits, including medical.

OneDigital requested proposals from Cigna, United Healthcare (UHC), Aetna and Florida Blue, for both self-insured and fully insured insurance models and for tiered options where employees could voluntarily buy up for increased coverage or benefit levels. Additionally, OneDigital requested proposals for increased stop loss and/or moving the stop loss coverage to another carrier.

Considerations

Plan Model: Self-Funded vs. Fully Insured

After careful evaluation, a self-funded model is still believed to be the most advantageous for the District for the next fiscal year.

Tiered Plan Option

OneDigital indicated that the carriers declined quoting a tiered plan option as the actuarial value of the District’s current plan is too high when the amount of the District’s HSA



contributions are factored in. OneDigital notes that a high deductible health plan (HDHP) dual option would make sense if the District considers changing the current plan design (increase deductible, coinsurance or out of pocket) or reduce HSA contributions on a base plan with higher HSA contributions on a buy-up plan.

Stop Loss

Stop loss options included:

- remaining with FloridaBlue, but raising the stop loss from \$150K to \$175K and/or removing the TLO coverage (Terminal Liability Option: added option when a group thinks they might go back to fully insured giving the group three months of run-out claim protection (stop loss will continue to pay 3 months after plan year ends)); and
- moving stop loss coverage to another carrier.

Three stop loss carriers provided quotes for stop loss coverage, but 'lasered', or carved-out, several high claimants, providing a \$600K stop loss for one.

Carrier Options

FloridaBlue, Cigna, UHC and Aetna provided proposals, with Cigna's proposal offering a 21% cost savings from the current carrier FloridaBlue's proposal.

Recommendation

The Medical Insurance Committee recommends the District accept the renewal proposal from FloridaBlue for health insurance coverage for the period of October 1, 2025 through September 30, 2026 (Plans 5192 and 5193); maintain the individual stop loss amount at \$150,000; and remove the TLO (Terminal Liability Option).

While Cigna's proposal has lower fixed costs compared to FloridaBlue's proposal, the Committee's evaluation considered more factors than just cost, such as employee disruption, implementation timelines, and overall service experience. Transitioning to a new carrier on short notice does not allow sufficient time to fully evaluate the plan design, provider network and overall fit for our organization.

Additionally, annual Open Enrollment for employees is less than 30 days away, beginning the first week of September. Given that this is our first open enrollment with OneDigital (as benefit administrator partner), managing both a carrier change and our new consulting relationship would provide for increased complexity. Further, there will not be sufficient time to establish the required data feeds to the new carrier, a process that can take up to 60 days.

Renewing a self-funded policy including stop loss coverage with FloridaBlue for the coming fiscal year best supports these priorities and supports efficient and continuous medical care coverage for our employees and dependents.



In light of the considerations noted above, the Medical Insurance Committee and One Digital remain fully committed to conducting a comprehensive evaluation of all benefit options for the 2026-2027 fiscal year. The team will initiate this evaluation as soon as reasonably possible to ensure there is ample time to thoroughly assess all available options, well in advance of open enrollment deadlines.

Through OneDigital, we have verified that the decision to remain with FloridaBlue will not impact our ability to engage with other carriers in the future who have expressed continued interest in working with us and remain open to providing competitive quotes when we revisit options next year.

Fiscal Impact

As a reminder, and pursuant to the terms of *Article 34: Insurance* of the Collective Bargaining Agreement, the District has agreed to fully fund the cost of health insurance for employees and eligible dependents.

The negotiated renewal from FloridaBlue reflects the following costs for the three primary components of costs in a partially self-funded plan:

1. Fixed Costs – the costs of the third-party administrator to process claims and provide administrative services and the cost premiums for the stop loss insurance (to pay the cost of claims over the District’s maximum liability).
2. Claims Costs – identified as “expected” and “maximum” (we use expected for budgetary purposes).
3. Run In/Out Exposure – this is the cost of claims if the District moves from a partially self-funded platform to a fully funded platform in the following fiscal year or changes carriers.

FloridaBlue Renewal Proposal

Projected total cost for 2025/2026 fiscal year is \$6,592,909, a 5.2% increase from this fiscal year, and based on the following:

- Administrative Fee increase of 3%;
- Stop Loss premium increase of 24.25% (primarily due to two ongoing claims of concern); and
- Cost savings of \$130K by removing TLO.

Other Factors

The (HSA) Health Savings Account contributions rates for employees are currently \$4,300 for single and \$5,000 for dependent/family for bargaining unit employees. These contributions are subject to change based upon pending collective bargaining negotiations.



Note that Florida Blue also offers a pharmacy rebate program which will yield refunds to the District. Staff was not able to confirm the estimated amount for this year fiscal year. Last fiscal year was approximately \$300K.

Attachments

Attachment 1: Health Insurance Renewal Analysis

Proposed Motion

Approve the renewal proposal from FloridaBlue for health insurance coverage for the period of October 1, 2025 through September 30, 2026 (Plans 5192 and 5193); maintain the individual stop loss amount at \$150,000; and remove the TLO (Terminal Liability Option).



AGENDA ITEM 5

Meeting Date: August 11, 2025
Prepared by: Ben Van Klingerren, Chief Financial Officer
Lori Freiburg, Deputy Director
Giesele Fischbach, HR Manager
Subject: Request Board Approval for Dental Insurance Coverage for the Period October 1, 2025 through September 30, 2026

Objective

To obtain Board approval for dental insurance coverage for the period of October 1, 2025 through September 30, 2026

Background Information

At the July 25, 2024 Board of Fire Commissioners' Meeting, the Board voted unanimously to approve renewal of a self-insured dental insurance plan by Guardian for the 2024-2025 fiscal year. In preparation for the upcoming 2025-2026 fiscal year, District staff met with the District's benefits and HR consulting service provider, OneDigital, on April 10, 2025, and discussed renewal options for all benefits, including dental.

OneDigital requested proposals from the District's current carrier, Guardian, as well as from other carriers for both self-insured and fully insured insurance models. MetLife, Mutual of Omaha and Principal declined to submit proposals. Guardian, Delta and The Standard submitted proposals.

Considerations

The current self-funded Guardian plan structure continues to provide savings to the District as opposed to a fully insured plan. OneDigital does recommend, however, adding the following enhancements for a slight increase to claims funding:

- Early Smiles (benefit designed for children, offering 100% in-network coverage for preventive, basic, and major care for children up to age 12)
- Preventive Advantage (preventative services do not apply towards annual maximum benefit; entire annual maximum is available for other dental needs)

Fiscal Impact

There is no increase by Guardian to the administrative fee. Guardian does recommend a higher funding level based on current claims tracking for this fiscal year. This increased funding level coupled with an increased number of employees and dependents results in an estimated annual premium of \$354,898, an increase of \$32,575 from this fiscal year.



Recommendation

Staff recommends the District accept the proposal from Guardian for dental coverage, remaining with the self-funded platform for the period of October 1, 2025 through September 30, 2026, including the Early Smiles and Preventive Advantage enhancements, for the estimated annual premium of \$354,898.

Attachments:

Attachment 1: Dental Insurance Proposal for 2025-2026

Proposed Motion:

Approve the proposal from Guardian for dental coverage, remaining with the self-funded platform for the period of October 1, 2025 through September 30, 2026, including the Early Smiles and Preventive Advantage enhancements, for the estimated annual premium of \$354,898.



AGENDA ITEM 6

Meeting Date: August 11, 2025
Prepared by: Ben Van Klinger, Chief Financial Officer
Lori Freiburg, Deputy Director
Giesele Fischbach, HR Manager
Subject: Request Board Approval for Short-Term Disability and Long-Term Disability Coverage for the period of October 1, 2025 through September 30, 2026

Objective

To obtain Board approval for Short-Term Disability and Long-Term Disability Coverage for the period of October 1, 2025 through September 30, 2026

Background Information

At the July 25, 2024 Board of Fire Commissioners' Meeting, the Board voted unanimously to approve self-funded Short-Term Disability (STD) coverage through Guardian and fully insured Long-Term Disability (LTD) Coverage through The Standard for the for the period of October 1, 2024 through September 30, 2025. In preparation for the upcoming 2025-2026 fiscal year, District staff met with the District's benefits and HR consulting service provider, OneDigital, on April 10, 2025, and discussed renewal options for all benefits, including STD and LTD.

As indicated above, currently STD is provided by Guardian in a self-funded model and LTD is provided by The Standard in a fully insured model. Staff tasked OneDigital with securing both STD and LTD coverages from a single carrier in order to streamline the employee experience and ensure a smoother transition between STD and LTD benefits. This change also allows for more efficient claims management by consolidating coverage under a single provider.

OneDigital requested proposals from the District's current carriers as well as The Hartford, MetLife, Mutual of Omaha and Principal. MetLife, Mutual of Omaha and Principal declined to submit proposals. The Hartford and The Standard submitted proposals.

Considerations

Staff evaluated both self-funded and fully insured proposals from Guardian, The Hartford and The Standard. After evaluation, OneDigital recommended a transition to a fully insured plan for STD, thus having both STD and LTD in a fully insured model.

Staff also evaluated each carrier's online portal functionality. The Standard proved to have better portal functionality, and the District has an established relationship with a Standard representative through our current LTD coverage interactions. For these reasons, Staff prefers securing single carrier coverage for both STD and LTD through The Standard.



Additionally, OneDigital recommends increasing the STD weekly benefit from \$800 to \$1,200. The \$800 cap level was set more than 10-15 years ago when average wages were lower. Typical STD benefit caps today range between \$1,000 - \$1,500 per week with \$1,200 more aligned with today's earnings.

Fiscal Impact

Short-Term Disability

Currently, with the self-funded Guardian plan, the approximate claims payment for this fiscal year is estimated to be approximately \$83K. Alternatively, The Standard's fully insured plan has an annual premium of \$75,355, providing a savings of approximately \$7,645. The Standard is willing to lock this rate for two years.

Long-Term Disability

There is no increase in the annual premium of \$89,642 for the District's fully insured LTD coverage with The Standard. The Standard is also willing to lock this rate in for three years.

Recommendation

Staff recommends the District 1) transition STD coverage from the current self-funded Guardian plan to the fully-insured Standard plan and increase the weekly benefit from \$800 to \$1,200; and 2) to renew the fully-insured LTD coverage with The Standard; both for the period of October 1, 2025 through September 30, 2026.

Attachments:

Attachment 1: STD & LTD Proposal from The Standard

Proposed Motion:

Approve 1) the District's transition of STD coverage from the current self-funded Guardian plan to the fully-insured Standard plan and increase the weekly benefit from \$800 to \$1,200; and 2) renew the fully insured LTD coverage plan with The Standard; both for the period of October 1, 2025 through September 30, 2026.



AGENDA ITEM 7

Meeting Date: August 11, 2025
Prepared by: Ben Van Klinger, Chief Financial Officer
Lori Freiburg, Deputy Director
Giesele Fischbach, HR Manager
Subject: Request Board Approval for Life Insurance Coverage for the period of October 1, 2025 through September 30, 2026

Objective

To obtain Board approval for Life Insurance Coverage for the period of October 1, 2025 through September 30, 2026

Background Information

At the July 25, 2024 Board of Fire Commissioners' Meeting, the Board voted unanimously to approve life insurance coverage through The Standard for the for the period of October 1, 2024 through September 30, 2025. In preparation for the upcoming 2025-2026 fiscal year, District staff met with the District's benefits and HR consulting service provider, OneDigital, on April 10, 2025, and discussed renewal options for all benefits, including life insurance.

OneDigital requested proposals from the District's current carriers as well as The Hartford, MetLife, Mutual of Omaha and Principal. MetLife, Mutual of Omaha and Principal declined to submit proposals. The Hartford and The Standard submitted proposals.

Considerations

Although The Hartford provided a competitive proposal, Staff prefers to maintain life insurance coverage with The Standard for the 2025-2026 fiscal year. As The Standard also provides the District's voluntary life insurance program, continuity in the life insurance benefit is maintained. Additionally, staying with The Standard avoids any disruptions to the District's employees.

Fiscal Impact

The Standard is not increasing the annual premium of \$34,667 for life insurance coverage, and is locking in the rate for three years.

Recommendation

Staff recommends the District renew life insurance coverage with The Standard with an annual premium of \$34,667 for the period of October 1, 2025 through September 30, 2026.

Attachments:

Attachment 1: Life Insurance Proposal from The Standard



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Proposed Motion:

Approve renewal of life insurance coverage with The Standard with an annual premium of \$34,667 for the period of October 1, 2025 through September 30, 2026.



AGENDA ITEM 8

Meeting Date: August 11, 2025
Prepared by: Ben Van Klinger, Chief Financial Officer
Lori Freiburg, Deputy Director
Giesele Fischbach, HR Manager
Subject: Request Board Approval for Voluntary Vision Insurance Coverage for the Period October 1, 2025 through September 30, 2026

Objective

To obtain Board approval for voluntary vision insurance coverage for the period of October 1, 2025 through September 30, 2026

Background Information

At the July 25, 2024 Board of Fire Commissioners' Meeting, the Board voted unanimously to approve renewal of a voluntary vision insurance plan by Guardian for the 2024-2025 fiscal year. In preparation for the upcoming 2025-2026 fiscal year, District staff met with the District's benefits and HR consulting service provider, OneDigital, on April 10, 2025, and discussed renewal options for all benefits, including voluntary vision.

Considerations

OneDigital suggested an enhancement to the current policy, adjusting the service frequency of frames from one pair every 24 months to one pair every 12 months. This adjustment slightly increases the rates an employee pays for voluntary vision coverage (see Attachment 1).

Fiscal Impact

As this benefit is a voluntary benefit, paid by employees, there is no fiscal impact to the District.

Recommendation

Staff recommends the District accept the proposal from Guardian for voluntary vision coverage for the period of October 1, 2025 through September 30, 2026.

Attachments:

Attachment 1: Voluntary Vision Insurance Proposal for 2025-2026

Proposed Motion:

Approve the proposal from Guardian for voluntary vision coverage for the period of October 1, 2025 through September 30, 2026.