



**City of
Portland**

FY 2025-26 Employee Benefits Program

Bureau of Human Resources

**April 16, 2025
City Council Meeting**



Agenda

- 01** Background
- 02** Labor Management Benefits Committee
- 03** Portland Police Association –
Portland Police Bureau



01

Background



Background

- **Bureau of Human Resources** has collaborated with the **Labor Management Benefits Committee** (LMBC) since June 2024
- **Bureau of Human Resources** has collaborated with the **Portland Police Association – Portland Police Bureau** (PPA-PPB) since August 2024
- Recommendations for addressing rising employee healthcare costs for fiscal year 2025-26 will be presented today



02

Labor Management Benefits Committee



Labor Management Benefits Committee (LMBC) Vote Results

Recommended, no financial savings:

- Continue five additional EAP visits, with options for onsite mental health support beginning in 2025-26
- Remove prior authorization requirement for nutritional therapy under CityCore medical.
- Add CirrusMD virtual visits to CityCore medical to expand virtual visit access.
- Cover sedation services under Class II benefits for Moda/Delta dental members who self-identify as having intellectual and/or developmental disabilities.



Labor Management Benefits Committee (LMBC) Vote Results

Recommended changes (included in all packages) with financial impact:

- Add Garner, a health navigation support program, to the CityCore medical plan which provides a \$1,250 Health Reimbursement Account (HRA) financial incentive to refer members to high quality outcome doctors.
- Add Hinge Health virtual musculoskeletal therapy coverage to CityCore medical.
- Add access to Transcarent Surgery Center of Excellence (COE) under CityCore medical.
- Add Transcarent cancer support services under CityCore medical.



Recommendation to Bridge Budget Gap for LMBC

Recommended for 8% (7.3%):

- Increase CityCore plan deductible to \$500 and out-of-pocket maximum to \$2,050 with \$1,250 HRA incentive for use of Garner providers.
- Changes to Kaiser coverage including a \$250 deductible, \$2,000 out-of-pocket maximum, implement three tier pharmacy benefit, increase emergency room copay to \$200, add 10% coinsurance after deductible for outpatient surgery, inpatient services, lab and imaging, and add 20% coinsurance after deductible for ambulance services. Decrease copays for specialty and urgent care to \$10.
- Add additional \$670,000 to help rebuild self-funded plan reserves, bringing renewal percentage to 8% budgeted



LMBC Costs

FY 2025-26 base (8%)	FY 2025-26 base (7.3%)
\$138,436,546	\$137,765,869
	\$670,677 (added to self-funded reserves)



03

Portland Police Association – Portland Police Bureau



PPA Executive Board Vote Results

Recommended, no financial savings:

- Continue five additional EAP visits, totaling 13 per plan year.
- Remove prior authorization requirement for nutritional therapy under CityNet medical.
- Add CirrusMD virtual visits options to CityNet to expand access.
- Add RationalMed program to the CityNet pharmacy coverage to identify potential safety issues or gaps in care.
- Coverage for sedation under Class II benefits for Moda/Delta Dental members who self-identify as having intellectual and/or developmental disabilities.
- Add Virta for weight loss support and diabetes reversal under CityNet medical.
- Add access to additional cancer support services under CityNet medical.



PPA Executive Board Vote Results

Recommended changes with financial impact:

- Add Garner to the CityNet medical plan and add \$1,000 Health Reimbursement Account financial incentive to refer members to high quality outcome doctors
- Add Hinge Health virtual musculoskeletal therapy under CityNet
- Increase CityNet stop-loss coverage from \$300,000 to \$350,000
- Implement Surgery Center of Excellence (COE) under CityNet
- Add EviCore utilization management for advanced imaging, cardiology management, and musculoskeletal review under CityNet
- Changes to Kaiser plan design to include a \$150 deductible, a \$1,000 out-of-pocket maximum, three-tier prescriptions, increased copays, and coinsurance for hospital care



Recommendation to Bridge Budget Gap for PPA

Additional Kaiser Changes:

- \$500/\$1,500 deductible
- \$3,000/\$9,000 out-of-pocket maximum
- \$15/\$30/\$45 pharmacy
- \$20 primary care
- \$30 specialty care
- \$40 urgent care
- 20% after deductible outpatient surgery, inpatient, emergency room, ambulance
- \$20 (simple)/\$100 (complex) lab



PPA-PPB Costs

FY 2025-26 base (8%)	FY 2025-26 base (11.9%)
\$17,685,685	\$18,324,335
	(\$638,650)



City of
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Thank you

Questions and discussion





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Recommendation to Bridge Budget Gap for LMBC

Recommended for 12% (11.6%):

- Add Kaiser inpatient copay of \$100 per day, up to a maximum of \$500 per admission.
- Changes to Kaiser pharmacy tier copays to \$15/\$30/\$50.

Recommended for 10%:

- No change to Moda benefit plans, adds \$1,000 HRA incentive for use of Garner providers
- Changes to Kaiser coverage including a \$150 deductible, \$1,000 out-of-pocket maximum, and increased copays and coinsurance for emergency room, ambulance, and surgery services.

Recommended for 8% (7.3%):

- Change Moda plan to \$500 deductible, \$2,050 out-of-pocket maximum with \$1,250 HRA incentive for use of Garner providers
- Changes to Kaiser coverage including a \$250 deductible, \$2,000 out-of-pocket maximum, and increased copays and coinsurance for emergency room, ambulance, and surgery services. Copays for specialty and urgent care go down.



LMBC Costs – Voted Amounts

FY 2025-26 base (8%)	FY 2025-26 base (7.3%)	FY 2025-26 base (10%)	FY 2025-26 base (11.6%)
\$138,436,546	\$137,765,869	\$141,116,380	\$143,101,868
	\$670,677 GF: \$293,262 Non-GF: \$377,415	(\$2,679,834) GF: (\$1,171,791) Non-GF: (\$1,508,043)	(\$4,665,322) GF: (\$2,039,971) Non-GF: (\$2,625,351)