



TRUCKEE MEADOWS FIRE PROTECTION DISTRICT STAFF REPORT

Board Meeting Date: November 4, 2025

DATE: October 10, 2025

TO: Truckee Meadows Fire Protection District Board of Fire Commissioners

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SUBJECT: Recommendation to approve a Health Benefits Program for District employees, dependents, and retirees for an estimated total cost to the District of \$2.7 million; and authorize the Chair of the Board of Fire Commissioners to execute all insurance contracts and service agreements pertinent to the approved Health Benefits Program for calendar year 2026 (All Commission Districts). FOR POSSIBLE ACTION

SUMMARY

Recommendation to approve a Health Benefits Program for District employees, dependents, and retirees for an estimated total cost to the District of \$2.7 million; and authorize the Chair of the Board of Fire Commissioners to execute all insurance contracts and service agreements pertinent to the approved Health Benefits Program for calendar year 2026.

PREVIOUS ACTION

Since 2012, the District has provided group insurance for employees, dependents, and retirees. Over the past six years, the Health Benefits Program has progressed to include an Employee Assistance Program through the ESI Group and a high-deductible health plan (HDHP) with a Health Savings Account (HSA) partially funded by the District.

November 19, 2019, the Board of Fire Commissioners (Board) approved a group health insurance plan for calendar year 2020, to include changes of insurance providers to Prominence Health, changed the Employee Assistance Program to ComPsych, and created a Health Reimbursement Account (HRA) for retirees who opt into the HDHP funded by the District.

November 10, 2020, the Board approved a group health insurance plan for calendar year 2021, maintaining all of its current health insurance providers and benefit plans with the exception of adding a cochlear implant provision to the Prominence Health Plan.

November 2, 2021, and November 1, 2022, the Board approved a group health insurance plan for calendar years 2022 and 2023, respectively, maintaining all of the current health insurance providers and benefit plans.

November 7, 2023, the Board approved a group health insurance plan for calendar year 2024, maintaining all of the current health insurance providers and benefit plans with the exception of an increased frame allowance and added Light Cares to the Vision Service Plan (VSP).

November 12, 2024, the Board approved a group health insurance plan for calendar year 2025, maintaining the prior health insurance provider and benefit plans.

BACKGROUND

The District's health insurance plan is set to expire on December 31, 2025. All coverage information referenced in this staff report is based on competitive bids received from Prominence, Hometown Health, IAFF, and Cigna, through the District's broker, LP Insurance Services. Bids, which included PPO, HDHP/HSA, HMO, and EPO options, were evaluated and negotiated by the District and IAFF Local 2487. The incumbent provider, Prominence, proposed a renewal with a 25% cost increase (matching Hometown Health's 25% increase), while Cigna and IAFF proposed 26.1% and 35.1% increases, respectively.

Following focused negotiations, the District and IAFF Local 2487 agreed to transition the medical plan from Prominence Health Plan to Hometown Health. The final plan design includes four options: PPO National, PPO Non-National, HDHP National, and HDHP Non-National plans. The Non-National PPO carries a deductible of \$500/\$1,000 (individual/family), and the HDHP options carry a deductible of \$5,000/\$10,000 (individual/family). The District will continue to cover 100% of the employee premium and 50% of the dependent premium for the Non-National options, with employees who choose the higher-cost National plans paying the premium difference. This transition requires a critical shift for all employees from the St. Mary's/Northern Nevada Medical groups to the Renown Medical groups. These changes resulted in a combined plan cost increase of approximately \$358,000 for calendar year 2026.

Competitive renewal quotes were also received for vision and dental benefits. For vision coverage, VSP (incumbent) proposed a 0% change, while other bids included decreases from Renaissance (16%), MetLife (12%), and Cigna (7%). For dental coverage, the incumbent, Guardian, proposed a 5% increase, while alternatives offered decreases from MetLife (18.2%), Renaissance (11.2%), and Cigna (5.7%). Through negotiations, the District and Union agreed to move both dental and vision coverage to MetLife, resulting in a combined (vision and dental) cost savings of approximately \$45,000.

The District received renewal bids from Standard Life (the current life insurance provider) with no rate increases, and plans to continue with this provider.

The changes in annual premiums for medical coverage of the employee portion are as follows:

Plan	Prominence FY25	Hometown FY26	Annual \$ Increase	Total % Increase
PPO – Non-National				
Employee Only	0	0	0	0%
Employee + 1	\$4,166	\$4,913	\$748	18%
Employee + Fam	\$8,485	\$10,023	\$1537	18%
PPO – National				
Employee Only	N/A	\$558	N/A	N/A
Employee + 1	N/A	\$5,914	N/A	N/A
Employee + Fam	N/A	\$11,483	N/A	N/A
HDHP – Non-National				
Employee Only	\$0	\$0	\$0	0%
Employee + 1	\$2,993	\$3,226	\$233	8%
Employee + Fam	\$6,096	\$6,580	\$485	8%
HDHP – National				
Employee Only	N/A	\$368	N/A	N/A
Employee + 1	N/A	\$3,886	N/A	N/A
Employee + Fam	N/A	\$7,543	N/A	N/A

The changes in annual premiums for vision coverage of the employee portion are as follows:

Plan	VSP FY25	MetLife FY26	Annual \$ (Decrease)	Total % (Decrease)
Employee + S/C	\$32	\$28	(\$4)	(12%)
Employee + CH	\$34	\$30	(\$4)	(12%)
Employee + F	\$88	\$77	(\$10)	(12%)

The changes in annual premiums for dental coverage of the employee portion are as follows:

Plan	Guardian FY25	MetLife FY26	Annual \$ (Decrease)	Total % (Decrease)
Employee + S	\$236	\$193	(\$43)	(18%)
Employee + C/CH	\$371	\$303	(\$68)	(18%)
Employee + F	\$607	\$496	(\$111)	(18%)

The estimated annual increase for the District health benefits is summarized below.

2025 Health Insurance	2026 Health Insurance	Total \$ Increase	Total % Increase
Prominence	Hometown	\$358,069	11%
2025 Dental/Vision Insurance	2026 Dental/Vision Insurance	Total \$ (Decrease)	Total % (Decrease)
VSP	MetLife	(\$4701)	(18%)
Guardian	MetLife	(\$40,697)	(12%)

Note: Increases are the total increase shared between employer and employee based on the current employee enrollment. Employees may change plans during open enrollment; therefore, the above amounts may vary.

There were no changes to the Flexible Benefit Plan (Section 125) with American Fidelity, which provides voluntary supplemental benefit plans to employees at no charge to the District and continues as the HSA and HRA Administrator. The District also did not change its annual contributions to the employees' HSA (enrolled in the HDHP).

Plan	2025 District HSA Contribution	2026 District HSA Contribution (no change)
Employee Only	\$2356	\$2356
Employee + One or more	\$4688	\$4688

There were no changes to the District's annual contributions to the retiree's HRA plan for the renewal, summarized below:

Plan	2025 District HRA Contribution	2026 District HRA Contribution (no change)
Retiree	\$1,700	\$1,700

FISCAL IMPACT

The estimated annual cost is \$2.6 million for employees and \$100,000 for retirees based on the current employees and retirees enrolled in the plans. Funding for the Health Benefits Program at this level is included in the Fiscal Year 2025-2026 budget.

RECOMMENDATION

Staff recommends the Board approve a Health Benefits Program for District employees, dependents, and retirees for an estimated total cost to the District of \$2.7 million; and authorize the Chair of the Board of Fire Commissioners to execute all insurance contracts and service agreements pertinent to the approved Health Benefits Program for calendar year 2026.

POSSIBLE MOTION

Should the Board agree with the staff's recommendation, a possible motion would be:

"I move to approve the presented Health Benefits Program for District employees, dependents, and retirees for an estimated total cost to the District of \$2.7 million; and authorize the Chair of the Board of Fire Commissioners to execute all insurance contracts and service agreements pertinent to the approved Health Benefits Program for calendar year 2026."