

August 16, 2024

**MEMORANDUM**

TO: Local Government Units  
FROM: Local Government Health Insurance Board  
SUBJECT: 2025 Benefit Changes and Premiums

At the August 13, 2024 Board meeting, the Local Government Health Insurance Board (LGHIB) approved a 4.75% medical and dental premium increase for active employees, non-Medicare and Medicare retirees effective January 1, 2025. The LGHIB will send units official premium assignment letters soon.

Along with the premium changes, below are the updates and changes to the Plan for 2025.

**Claims Administrators for 2025**

**I. Medical and Dental Benefits**

Blue Cross and Blue Shield of Alabama (BCBS) will continue to be the medical and dental claims administrator (if the unit offers dental through the Plan) for members in the Local Government Health Insurance Plan (LGHIP).

**II. Prescription Drug Benefits**

Beginning January 1, 2025, Prime Therapeutics will be the new pharmacy benefit manager for the LGHIP. We will send out more information regarding this change in the upcoming months before the effective date.

**III. Medicare Advantage**

UnitedHealthcare will continue administering the LGHIB's Medicare Advantage Plan for our eligible Medicare retirees.

**IV. Voluntary Benefits**

Southland Benefit Solutions will continue providing the stand-alone dental and vision policies.

**Premium Criteria Update**

**V. Criteria for the Preferred Premium Category**

Currently, new units joining the Local Government Health Insurance Plan (LGHIP) must pay the standard premium for two years before having access to the preferred premium; however, the Board voted to change the minimum time from two years to three months. Under the updated criteria, a unit must meet the following criteria to qualify for the preferred rate:

- Must be enrolled in the plan for three full calendar months;
- 80% or more wellness participation by their active employees during the wellness qualifying period;
- No more than 30 days late paying its premium from the due date two or more times in the last two years. If the unit fails to pay on time, the unit can enroll in ACH payments to be reconsidered for preferred eligibility;
- For units that cover retirees, 5% of total enrollment must be retirees, or the unit must certify to the LGHIB that all eligible retirees were offered LGHIP retiree coverage. Units certify that each eligible retiree was offered coverage by either submitting a Status Change form (LG02) to enroll the retiree in retiree coverage, or by selecting the option that they were offered but declined non-Medicare or Medicare retiree coverage on the Cancellation form (LG03).

## **Benefit Changes**

### **VI. Southland Cancer Policy**

The LGHIP will begin offering a voluntary Southland Cancer policy in addition to the voluntary Southland Vision and Dental policies. This policy will be available as a stand-alone policy for eligible employees to enroll and benefits are provided regardless of being enrolled in any other health insurance. The benefit is being offered to help offset the out-of-pocket costs incurred with a qualifying cancer diagnosis, as well as offering compensation for events and procedures related to treatment for the cancer. Enrollment in the Southland Cancer Policy will be during Open Enrollment, November 1-30 for an effective date of January 1, 2025. We will provide more information regarding the coverage details in the near future. Please visit our website, [www.lghip.org](http://www.lghip.org) for more information.

### **VII. Alabama Alliance of YMCAs**

Our program has partnered with the Alabama Alliance of YMCAs across Alabama that will allow members of our plan to join the YMCA branch of their choosing and have the membership joining fee waived. Some YMCA branches may offer additional discounts to employer units who offer payroll deduction for their employees. Unit administrators should contact the Membership Director or Branch Director at their local YMCA for additional information. This benefit will be effective September 1, 2024.

In addition to the previously mentioned benefit enhancements, we have more improvements planned for 2025. We will keep you updated on our progress as we continue to innovate and enhance our health insurance benefits for all participants and members.

We greatly appreciate your continued participation and support of the LGHIP. If you have questions regarding these changes, please contact our staff at (334) 851-6802.

**Local Government Health Insurance Program  
CY2025 Premiums**

<b>Active Employee Premiums - Preferred</b>			
	<b>Single</b>	<b>Family</b>	<b>Total</b>
Employee (dental)	\$637		\$637
Employee & dependent (dental)	\$637	\$916	\$1,553
Employee (no dental)	\$609		\$609
Employee & dependent (no dental)	\$609	\$874	\$1,483

<b>Active Employee Premiums - Standard</b>			
	<b>Single</b>	<b>Family</b>	<b>Total</b>
Employee (dental)	\$697		\$697
Employee & dependent (dental)	\$697	\$1,064	\$1,761
Employee (no dental)	\$669		\$669
Employee & dependent (no dental)	\$669	\$1,022	\$1,691

<b>Retiree (not Medicare)</b>			
	<b>Single</b>	<b>Family</b>	<b>Total</b>
Retiree (not Medicare) (dental)	\$1,316		\$1,316
Retiree (not Medicare) & dependent (not Medicare) (dental)	\$1,316	\$1,111	\$2,427
Retiree (not Medicare) & dependent (Medicare) (dental)	\$1,316	\$211	\$1,527
Retiree (not Medicare) & 2 dependents (Medicare) (dental)	\$1,316	\$422	\$1,738
Retiree (not Medicare) (no dental)	\$1,288		\$1,288
Retiree (not Medicare) & dependent (not Medicare) (no dental)	\$1,288	\$1,069	\$2,357
Retiree (not Medicare) & dependent (Medicare) (no dental)	\$1,288	\$183	\$1,471
Retiree (not Medicare) & 2 dependents (Medicare) (no dental)	\$1,288	\$366	\$1,654

<b>Retiree (Medicare)</b>			
	<b>Single</b>	<b>Family</b>	<b>Total</b>
Retiree (Medicare) (dental)	\$211		\$211
Retiree (Medicare) & dependent (not Medicare) (dental)	\$211	\$914	\$1,125
Retiree (Medicare) & dependent (Medicare) (dental)	\$211	\$211	\$422
Retiree (Medicare) & 2 dependents (Medicare) (dental)	\$211	\$422	\$633
Retiree (Medicare) (no dental)	\$183		\$183
Retiree (Medicare) & dependent (not Medicare) (no dental)	\$183	\$872	\$1,055
Retiree (Medicare) & dependent (Medicare) (no dental)	\$183	\$183	\$366
Retiree (Medicare) & 2 dependents (Medicare) (no dental)	\$183	\$366	\$549

<b>COBRA - Preferred</b>			
	<b>Single</b>	<b>Family</b>	<b>Total</b>
Employee (dental)	\$650		\$650
Medicare employee (dental)	\$215		\$215
Employee & dependent (not Medicare) (dental)	\$650	\$934	\$1,584
Medicare employee & dependent (not Medicare) (dental)	\$215	\$934	\$1,149
Medicare employee & dependent (Medicare) (dental)	\$215	\$215	\$430
Employee & dependent (Medicare) (dental)	\$650	\$215	\$865
Employee (no dental)	\$621		\$621
Medicare employee (no dental)	\$187		\$187
Employee & dependent (not Medicare) (no dental)	\$621	\$891	\$1,512
Medicare employee & dependent (not Medicare) (no dental)	\$187	\$891	\$1,078
Medicare employee & dependent (Medicare) (no dental)	\$187	\$187	\$374
Employee & dependent (Medicare) (no dental)	\$621	\$187	\$808

<b>COBRA - Standard</b>			
	<b>Single</b>	<b>Family</b>	<b>Total</b>
Employee (dental)	\$711		\$711
Medicare employee (dental)	\$215		\$215
Employee & dependent (not Medicare) (dental)	\$711	\$1,085	\$1,796
Medicare employee & dependent (not Medicare) (dental)	\$215	\$1,085	\$1,300
Medicare employee & dependent (Medicare) (dental)	\$215	\$215	\$430
Employee & dependent (Medicare) (dental)	\$711	\$215	\$926
Employee (no dental)	\$682		\$682
Medicare employee (no dental)	\$187		\$187
Employee & dependent (not Medicare) (no dental)	\$682	\$1,042	\$1,724
Medicare employee & dependent (not Medicare) (no dental)	\$187	\$1,042	\$1,229
Medicare employee & dependent (Medicare) (no dental)	\$187	\$187	\$374
Employee & dependent (Medicare) (no dental)	\$682	\$187	\$869

<b>Retiree (not Medicare) COBRA</b>			
	<b>Single</b>	<b>Family</b>	<b>Total</b>
Retiree (not Medicare) (dental)	\$1,342		\$1,342
Retiree (not Medicare) & dependent (not Medicare) (dental)	\$1,342	\$1,132	\$2,474
Retiree (not Medicare) & dependent (Medicare) (dental)	\$1,342	\$215	\$1,557
Retiree (not Medicare) & 2 dependents (Medicare) (dental)	\$1,342	\$430	\$1,772
Retiree (not Medicare) (no dental)	\$1,314		\$1,314
Retiree (not Medicare) & dependent (not Medicare) (no dental)	\$1,314	\$1,090	\$2,404
Retiree (not Medicare) & dependent (Medicare) (no dental)	\$1,314	\$187	\$1,501
Retiree (not Medicare) & 2 dependents (Medicare) (no dental)	\$1,314	\$373	\$1,687

<b>Retiree (Medicare) COBRA</b>			
	<b>Single</b>	<b>Family</b>	<b>Total</b>
Retiree (Medicare) (dental)	\$215		\$215
Retiree (Medicare) & dependent (not Medicare) (dental)	\$215	\$933	\$1,148
Retiree (Medicare) & dependent (Medicare) (dental)	\$215	\$215	\$430
Retiree (Medicare) & 2 dependents (Medicare) (dental)	\$215	\$430	\$645
Retiree (Medicare) (no dental)	\$187		\$187
Retiree (Medicare) & dependent (not Medicare) (no dental)	\$187	\$889	\$1,076
Retiree (Medicare) & dependent (Medicare) (no dental)	\$187	\$187	\$374
Retiree (Medicare) & 2 dependents (Medicare) (no dental)	\$187	\$373	\$560

<b>COBRA Disabled - Preferred</b>			
	<b>Single</b>	<b>Family</b>	<b>Total</b>
COBRA Disabled (dental)	\$956		\$956
COBRA Disabled Medicare (dental)	\$317		\$317
COBRA Disabled & dependent (dental)	\$956	\$934	\$1,890
COBRA Disabled Medicare & dependent (dental)	\$317	\$934	\$1,251
COBRA Disabled & dependent (Medicare) (dental)	\$956	\$215	\$1,171
COBRA Disabled Medicare & dependent (Medicare) (dental)	\$317	\$215	\$532
COBRA Disabled (no dental)	\$914		\$914
COBRA Disabled Medicare (no dental)	\$275		\$275
COBRA Disabled & dependent (no dental)	\$914	\$891	\$1,805
COBRA Disabled Medicare & dependent (no dental)	\$275	\$891	\$1,166
COBRA Disabled & dependent (Medicare) (no dental)	\$914	\$187	\$1,101
COBRA Disabled Medicare & dependent (Medicare) (no dental)	\$275	\$187	\$462

<b>COBRA Disabled - Standard</b>			
	<b>Single</b>	<b>Family</b>	<b>Total</b>
COBRA Disabled (dental)	\$1,046		\$1,046
COBRA Disabled Medicare (dental)	\$317		\$317
COBRA Disabled & dependent (dental)	\$1,046	\$1,085	\$2,131
COBRA Disabled Medicare & dependent (dental)	\$317	\$1,085	\$1,402
COBRA Disabled & dependent (Medicare) (dental)	\$1,046	\$215	\$1,261
COBRA Disabled Medicare & dependent (Medicare) (dental)	\$317	\$215	\$532
COBRA Disabled (no dental)	\$1,004		\$1,004
COBRA Disabled Medicare (no dental)	\$275		\$275
COBRA Disabled & dependent (no dental)	\$1,004	\$1,042	\$2,046
COBRA Disabled Medicare & dependent (no dental)	\$275	\$1,042	\$1,317
COBRA Disabled & dependent (Medicare) (no dental)	\$1,004	\$187	\$1,191
COBRA Disabled Medicare & dependent (Medicare) (no dental)	\$275	\$187	\$462

<b>Southland</b>			
	<b>Single</b>	<b>Family</b>	<b>Total</b>
Vision	\$12	\$20	\$20
Dental	\$44	\$44	\$44
Cancer	\$12	\$24	\$24

<b>Southland - COBRA</b>			
	<b>Single</b>	<b>Family</b>	<b>Total</b>
Vision	\$12	\$20	\$20
Dental	\$46	\$46	\$46
Cancer	\$12	\$24	\$24

**Local Government Health Insurance Program  
CY2025 Premiums**

<b>Retiree (Medicare) (No Part B)</b>			
	<b>Single</b>	<b>Family</b>	<b>Total</b>
Retiree (Medicare) (No Part B) (dental)	\$1,316		\$1,316
Retiree (Medicare) (No Part B) & dependent (not Medicare) (dental)	\$1,316	\$1,111	\$2,427
Retiree (Medicare) (No Part B) & dependent (Medicare) (dental)	\$1,316	\$211	\$1,527
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Retiree (Medicare) (No Part B) & dependent (not Medicare) (no dental)	\$1,288	\$1,069	\$2,357
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Retiree (Medicare) (No Part B) & 2 dependents (Medicare) (dental)	\$1,342	\$430	\$1,772
Retiree (Medicare) (No Part B) (no dental)	\$1,314		\$1,314
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