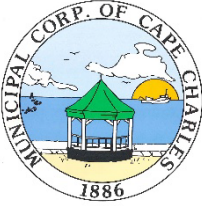




TOWN COUNCIL
Public Input Session & Special Meeting
March 2, 2023
Cape Charles Civic Center
6:30 PM

1. Call to Order
 - A. Roll Call
 - B. Establish quorum
2. Moment of Silence and Pledge of Allegiance
3. Public Input Session re: 2023 Community Strategic Plan
 - [Community Survey Presentation](#) from the February 2, 2023 Public Information Session
 - [Summary of Comment Trends](#) from the February 2, 2023 Public Information Session
4. Public Comments on Agenda Items Only (3 minutes)
5. Order of Business
 - *A. [2023 Community Strategic Plan & Priorities](#)
 - *B. [2023-2024 Employee Health Insurance Presentation & Renewal](#)
6. Town Manager Comments
7. Mayor & Council Comments (5 minutes per speaker)
8. Adjournment

 TOWN OF CAPE CHARLES	AGENDA TITLE: 2023 Community Strategic Plan Update		AGENDA DATE March 2, 2023
	SUBJECT/PROPOSAL/REQUEST: Approval of the 2023 Strategic Plan Update and Town Priorities		ITEM NUMBER: 5A
	ATTACHMENTS: 2023 Strategic Plan Update and Town Priorities		FOR COUNCIL: Action (X) Information ()
	STAFF CONTACT (s): John Hozey, Town Manager	REVIEWED BY: John Hozey, Town Manager	

BACKGROUND:

The Town has been actively engaged in long term community planning for the past three years. This resulted in the first Community Strategic Plan in 2021. That plan was used to guide short-term Town priorities and to inform the most recent update of the Town's Comprehensive Plan, which was adopted in December of 2022. Now that the Comprehensive Plan is finished, that becomes the primary planning document. The annual update to the Strategic Plan will now be informed by the Comprehensive Plan and will be used to help guide the implementation of the Comprehensive Plan.

ITEM SPECIFICS:

At the Town Council work session on February 9, 2023, the Community Strategic Plan was reviewed and cross referenced to the new Comprehensive Plan. Data from the 2022 Community Survey was also referenced. All of this information was used to revise/update the Strategic Plan goals and objectives for the coming year.

This draft to the 2023 Strategic Plan was then used to prioritize specific projects for purposes of this next year's budget formation and allocation of staff resources. This "multi-year" priority list also contains existing projects, still in progress from prior work periods, and then layers in new initiatives that can be started as resources become available.

The project priority listing has been attached to the Strategic Plan as an appendix. Therefore, adoption of the Strategic Plan also constitutes adoption of the project priorities.

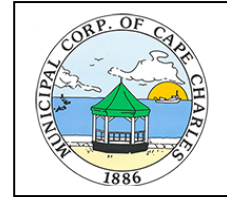
RECOMMENDATION:

Upon consideration of comments offered at tonight's public input session, the Town Council is requested to consider possible amendments to the Strategic Plan if appropriate, and then to approve the 2023 Community Strategic Plan.

Town Manager Memorandum

February 17, 2023

RE: Community Strategic Plan Update



It is that time of year again, when we need to ask for your help ensuring our Town continues to head in the right direction. Cape Charles, like most towns, has done community planning. But that's always the easy part. The hard part is working to implement those plans.

The Town Council and Planning Commission have recently finished work on a new Town Comprehensive Plan. That's an important document that covers a lot of ground. So, in order to break the Comprehensive Plan down into smaller, more implementable portions, an annual Strategic Plan is used. Think of the Strategic Plan as a mini-Comprehensive Plan. Every year the Strategic Plan can be reviewed and updated based on current needs and priorities. From that, the Town can put together its annual work plan and budget.

The 2023 draft Strategic Plan is now ready for public review and comment. The most recent Community Survey was also used during its development, and helped determine which parts of the Comprehensive Plan this year's Strategic Plan should start working on.

We would love to have your input about whether we're on track with all this. So, please take a moment to review the attached draft and let us know what you think.

There will be a public input session at the **Civic Center on March 2nd at 6:30 pm**. This part of the meeting will be conducted similar to town hall meetings, which allows for a back-and-forth exchange between the public, Town Council, and staff. You are invited to come participate in this discussion, or to just observe. The meeting will also be streamed live on Facebook.

Anyone not able to attend the March 2nd meeting in person is welcome to provide written comments. Please just provide all comments to the Town Clerk no later than one hour before the start of the meeting.

We're all looking forward to a productive 2023, and we'd like to thank you for all of your time and interest to help improve our town.



The Town of Cape Charles Community Strategic Plan 2023

DRAFT



Community Strategic Plan

What is a **Strategic Plan**, and what makes it different than our **Comprehensive Plan**? These are great questions, and understanding this difference is critical to any evaluation of this document.

A **Comprehensive Plan** is required by Virginia Administrative Code, which prescribes a detailed set of requirements. A Comprehensive Plan is a lengthy, intricate document, that can take a very long time to create. Due to its complexity and the length of time needed to develop it, the average citizen does not typically take the time to study a Comprehensive Plan in detail.

Strategic Plans on the other hand are much nimbler, they can be customized to any particular need of a community and are more easily digestible by members of the public. Strategic Plans also happen quicker, which facilitates more interest and better participation by community members. Our Strategic Plan shares the same community values and vision as our Comprehensive Plan but can be updated annually if desired, making the Strategic Plan a living document; flexible enough to react to current community developments in real time. This makes the Strategic Plan an ideal implementation tool for our Comprehensive Plan.

Both the Comprehensive and Strategic Plans start broad, and then become more specific. They begin with the values that are important to us and define us as a community. These values inspired our vision; a brief statement that looks to the future; is a source of inspiration; and serves to identify the ideals or characteristics we desire in our future.

The vision and its supporting goals represent the long-term view. The specific strategies needed to attain these goals are more short-term in nature and are considered objectives. They are the distinct, measurable deliverables that are affordable and implementable actions the Town can work into its next annual budget.

Following a three-year development period, the Town Council recently approved the most current Comprehensive Plan in December of 2022. The Strategic Plan will now start tackling the many discrete goals/objectives in the Comprehensive Plan by determining current priorities to assist with developing annual work plans.

While goals are longer term and subject to ongoing metrics, the Strategic Plan objectives are more fluid. As some objectives are completed, others may be added, contributing to the living nature of this document. Therefore, the objectives listed here should not be considered the definitive or complete list, but rather what is considered important or desirable to tackle first.

Community input to the annual Strategic Plan update is critical, and it will be solicited from annual community surveys and public input sessions.

Community Strategic Plan

Our Community Values:

- Friendliness
- Sense of Community
- Heritage – Traditional
- Diversity – Tolerance – Respect
- Determination
- Caring
- Hope – Optimism
- Adaptability
- Environmental Stewardship



Our Vision:

Preserve our historical, natural, and cultural resources, while fostering a sense of community that enhances well-being and prosperity, now and for generations to come

Community Strategic Plan

Our Goals*:

- **To retain the small-town character of Cape Charles**
 - Metric: citizen confirmation in annual survey
- **To maintain the authentic character of the historic district**
 - Metric: maintain status on the national registry and a satisfactory audit from the Dept of Historic Resources
- **To protect and maintain the beach**
 - Metric: no degradation via annual beach survey
- **To protect and maintain the harbor**
 - Metric: maintain/increase occupancy
- **To plan for coastal resiliency**
 - Metric: develop an implementable plan
- **To protect and improve public green/open space infrastructure**
 - Metric: develop an implementable plan
- **To retain and expand businesses in a business-friendly environment**
 - Metric: increase in business licenses, increase in business-related revenues, and data from building permits issued and an annual questionnaire on employment
- **To advance a variety of housing options for younger families and workforce**
 - Metric: increase in related units
- **To meet our residents' expectation for Town services**
 - Metric: citizen confirmation in annual survey

*Not in any particular order

Community Strategic Plan

Our Objectives:



- **Retain the small-town character of Cape Charles:**
 - a. Encourage a sense of engagement and inclusion among our community service organizations:
 - i. Planning Commission and Historic District Review Board to provide an annual briefing to Council
 - ii. Celebrate volunteer appreciation, to include a volunteer of the year award during the annual Town Ice Cream Social – invite all board/commission members
 - iii. Hold an annual strategic plan forum to get input from the public and civic groups
 - iv. Quarterly recognition of a board or commission member in the Gazette
 - v. Town to sponsor annual civic group meet & greet social event

Note: Current Cape Charles Civic Groups – Friends of the Library, Citizens for Central Park, Cape Charles Main Street, Cape Charles Rotary, Cape Charles Historical Society, Cape Charles Rosenwald School Restoration Initiative, Cape Charles Yacht Club, New Roots Youth Garden, GEAR, Arts Enter, CC Historic District Civic League, Vacation Rental Home Owners Association

- b. Encourage Citizen Engagement:
 - i. Maintain Facebook event postings for public events
 - ii. Continue calendar of public meetings in monthly billings
 - iii. Publish Strategic Plan “report card” prior to the annual Community Survey

Community Strategic Plan

- c. Maintain/improve walkability:
 - i. Continue Community Trail
 - ii. Promote improvements to, and additions to sidewalks
 - a. Press for state maintenance
 - b. Explore ordinance changes for rehabilitation and resale
 - c. Explore ways to assist with sidewalk infill
 - iii. Support Rails to Trails project
 - d. Promote and encourage community/quirky events:
 - i. Centralized calendar of events (sharing information)
 - ii. Pursue NHC Infrastructure Grants to support events
 - e. Promote the arts, entertainment, and recreation:
 - i. Provide services and venues at low or no cost to local non-profits
 - ii. Develop volleyball/basketball courts
 - iii. Develop official guidance for public art displays
 - f. Study short-term rental regulations
 - i. Establish working group, to include stakeholders, who will develop initial recommendations
 - g. Foster a safe golf cart culture:
 - i. Better and more signage
 - ii. Better enforcement (information to rentals and better reporting)
 - iii. Designate golf cart parking spots
 - iv. Foster positive relationship and meet annually with golf cart rental companies
- **Maintain the authentic character of the historic district:**
 - a. Encourage the mission of historic preservation organizations/efforts
 - i. Invite to provide Council briefings
 - **Protect and maintain the beach:**
 - a. Develop beachfront master plan (beach, dunes, boardwalk, LOVE sign area, bathhouse, etc.) to include specific parameters for beach and dune management, detailing desired size and characteristics of both
 - b. Continue annual surveys and sand replenishment budget
 - c. Evaluate survey data to determine erosion protection strategy

Community Strategic Plan

- **Protect and maintain the harbor:**
 - a. Promote a healthy balance of commercial and recreational uses
 - b. Implement long-term major maintenance and replacement plan
 - c. Plan for harbor protection improvements
- **Plan for coastal resiliency:**
 - a. Develop an implementable plan, to include the Resilience Adaptation Feasibility Tool (RAFT) recommendations
- **Protect and improve public green/open space infrastructure:**
 - a. Review existing/previous plans and develop an implementable plan
- **Retain and expand businesses in a business-friendly environment:**
 - a. In collaboration with Cape Charles Main Street (CCMS) develop a public/private effort to guide business development and help remove obstacles
 - i. Review ordinances, regulations, and processes to identify business impediments
 - ii. Distribute the CCMS business tool kit to assist with common questions/concerns
 - iii. Support the economic vitality of the commercial district
 - b. Improve business access to workforce resources:
 - i. Develop programs with high schools & Eastern Shore Community College (ESCC)
 - ii. Support CCMS Job Fairs through Northampton County Chamber of Commerce, Eastern Shore Chamber of Commerce, and/or Eastern Shore Tourism
 - iii. Develop internships and apprenticeships (Dept of Labor & Industry - DOLI)
- **Advance a variety of housing options for younger families and workforce:**
 - a. Participate in ordinance barriers to workforce housing study and develop recommendations
 - b. Explore the viability of a workforce housing ordinance
 - c. Work with developers on workforce housing projects

Community Strategic Plan

- **Meet our residents' expectation for Town services:**
 - a. Establish Town staff mission statement
 - i. Ensure a safe/effective workplace
 - ii. Develop an accessible Town Hall
 - iii. Strive to centralize resources
 - b. Continue employee training (cross training, customer service training, etc.)
 - c. Continue citizen concern reporting system
 - i. Promote citizen use of "Report a Concern" on Town website
 - ii. Follow up public comments expressed during council meetings and through emails received from citizens
 - d. Evaluate the need and viability of additional services
 - i. Recycling
 - ii. Electric automobile charging stations

Implementation:

Any plan is only as good as its implementation strategy. The newly adopted Comprehensive Plan identified this Strategic Plan as its implementation tool. That was because this plan is reviewed annually and can be updated as needed to react in real time to current conditions. However, that does not mean that it is possible for all the objectives in this plan to be accomplished immediately or concurrently. Therefore, the Strategic Plan must be seen as a multi-year planning tool, which is updated each year.

Successful implementation depends on many things, including political will, money, staff capacity, and the time to do the work; with each of these representing their own unique challenges.

Political Will was demonstrated by the Mayor and Town Council through their participation in the development of this Strategic Plan. However, this Will can only be sustained with public support. The Strategic Plan cannot be seen as the Town Council's plan, but rather must be perceived as the community's plan. This public buy-in will be sought via annual public meetings to obtain input and address any questions/concerns; as well as using an annual community survey to gain insights and collect data over time regarding community satisfaction.

The Town's fiscal situation has improved significantly since the first Strategic Plan was adopted in 2021. While this does not mean we can fund everything at once, it does mean that we can now begin to put together a reasonable, prioritized spending plan.

Community Strategic Plan

While money may be less of an issue this year, the staff resources necessary to carry out this work remains constrained. Town staff are typically fully engaged in their routine day-to-day duties, which does not afford much additional capacity to take on new objectives. While volunteer resources can often help, volunteers cannot be counted upon to shoulder the sole responsibility for specific actions. Volunteer help is an excellent force multiplier but should not be counted upon as the primary resource in formal implementation planning. Therefore, expectations must remain reasonable, so that annual work plans don't become impractical.

Work Plans:

The Strategic Plan was referenced during this year's annual update to the Town's ongoing project priority list. That list, along with this plan will be used in the development of the next Town budget (FY24 - which begins on July 1). That budget is what will establish the resources and expectations for Town work plans in the coming year. A good faith effort will be attempted to work on those objectives which receive sufficient resources in the next budget. However, since this is a multi-year plan, we must accept that some objectives contained herein will not be scheduled until FY25 or beyond.

Please refer to the current ongoing Town project list to see how objectives have been prioritized for the coming year.



Community Strategic Plan

Appendix A

Cape Charles Comprehensive Plan Summary of Objectives and Strategies

A) Housing

- 1 Additional supply and diversity of housing
- 2 Workforce housing
- 3 Housing Finance Programs
- 4 Manufactured housing
- 5 STR impacts on housing

B) Economy

- 1 Healthy Balance - residents & tourists
- 2 Attract families with children
- 3 Strengthen household economic wellbeing
- 4 Promote and expand business
- 5 Promote economic benefits for the harbor
- 6 Expand local manufacturing base
- 7 Promote traditional water based economic activities
- 8 Study chains of activities
- 9 Identify placemaking opportunities
- 10 Update Bay Creek PUD

C) Transportation

- 1 Reduce traffic congestion
- 2 Enhance walkability
- 3 Maintain safe golf cart operations
- 4 Increase parking
- 5 Identify and maintain alleys and easements
- 6 Affordable public transportation
- 7 Complete multi-use path
- 8 Intergrade harbor area with other networks
- 9 Support Rails to Trails

Community Strategic Plan

D) Environment

- 1 Enhance Chesapeake Bay water quality
- 2 Promote strong aesthetics and limit litter
- 3 Ensure high quality drinking water
- 4 Long-term viability of beach and harbor
- 5 Increase coastal resiliency
- 6 Protect wetlands
- 7 Implement Coastal Resources Management guidance
- 8 Improve resiliency to storm events
- 9 Establish recycling
- 10 Protect tree canopy
- 11 Evaluate I&I to sewer

E) Facilities & Services

- 1 Pursue amenities for town facilities
- 2 Create modernized municipal facilities
- 3 Create multi-use recreation field
- 4 Ensure effective water & sewer utilities
- 5 Develop policy to pay for facility expansions
- 6 Develop policy to pay for impacts of future developments
- 7 Pursue arts, public events, etc.

Community Strategic Plan

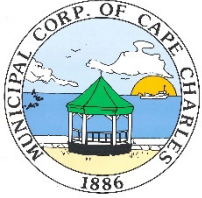
Appendix B **Ongoing Town Priorities List**

BLUE: still in progress from previous work periods and require additional time to complete; All items in blue are being worked concurrently with resources applied in in the following order:

- 1. Finalize the sale of our water/wastewater utilities**
 - a. Compile/file application for the VA State Corporation Commission**
 - b. Complete appraisals**
 - c. Effectuate closing and transfer of assets**
- 2. Align Zoning Ordinances with new Comprehensive Plan (consultant currently under contract)**
- 3. New Municipal Center and Library building sale/upgrades**
- 4. New Downtown Restroom and Visitors Center**
- 5. Trail Project – Phase 3 – Peach Street**
- 6. Connect Keck Wells to WTP (workforce housing/withdrawal permit)**
- 7. Work with developers/agencies to facilitate workforce housing**
- 8. Negotiate and develop settlement agreement for Preserve Communities' liabilities under the Annexation Agreement (associated with utility sale)**
- 9. Address trailer parking on public streets concern**

New items to be started as soon as time/resources are available:

10. Develop short-term rental regulations/ordinances
11. Develop beachfront master plan (beach, dunes, boardwalk, LOVE sign area, bathhouse, etc.)
12. Develop harbor/RR area conceptual master planning and new design guidelines
13. Work with consultant on overall municipal code update (outside of zoning)
14. Update Accawmacke Plantation PUD (Bay Creek)
15. Pursue development of shared revenue agreement with the County
16. Develop a plan to address coastal resiliency, to include RAFT recommendations

 TOWN OF CAPE CHARLES	AGENDA TITLE: 2023-2024 Renewal of Employee Health Insurance Presentation		AGENDA DATE: March 2, 2023
	SUBJECT/PROPOSAL/REQUEST: Council to review and approve the renewal and proposed changes to the health insurance plan for 2023-2024		ITEM NUMBER: 5B
	ATTACHMENTS: Exhibit A – Plan presentation, Exhibit B – Three Plan Comparison from Optima Exhibit C- rough draft, Wellness Incentive Program		FOR COUNCIL: Action (X) Information ()
	STAFF CONTACT (s): Jodi Outland, HR Manager	REVIEWED BY: John Hozey, Town Manager	

BACKGROUND:

The Town is currently in Open Enrollment for our employee Health Insurance program which will renew on April 1, 2023. Each year at this time, staff presents our renewal options and seeks Council concurrence for program design in the next plan year.

ITEM SPECIFICS:

The Town's renewal of the current Anthem level-funded plans came back with a 47% increase. This was due to a higher-than-normal claim year. The Town looked at returning to traditional ACA plans and reviewed proposals from United Healthcare, Anthem and Optima Health. We also explored what is called a Captive which is a self-insured pooled plan. The Town also submitted an application to The Local Choice, which is the State of Virginia's plan for local jurisdictions. While TLC is not an option for April 1, it has the potential to be implemented 7/1 or 10/1, if plan design and premiums are favorable.

This proposal recommends that the Town move forward with offering three Optima ACA plans. Plan design was similar across all our due diligence options, and Optima has premium rates that are more affordable. Optima Health is owned by Sentara; therefore, it provides a strong network for healthcare. All three of the Optima plans are HMO Vantage plans (silver), one of which is a traditional "High Deductible Health Plan" that is Health Savings Account (H.S.A.) compatible. For employees, the new plans will be a diminishment of benefits. All three plans have high deductibles. The bi-weekly premium deductions will increase, and because of the higher deductibles, so will out-of-pocket costs. We are recommending, in order to mitigate these costs, we continue to subsidize the dependent premiums as well as offer an employer funded Health Reimbursement Account (HRA), which will assist employees in meeting the high deductibles. In order to contain costs, the Town plans to pay 90% (not 100%) of the employee-only premium, reduce the monthly stipend for employees on Medicare by \$65, and no longer offer employer paid vision for employees who waive. The Town conducted a nationwide and a local survey of public sector employers and staff has come to the conclusion that the Town's proposal on plan design is very typical of other Towns, Cities and Counties. Including the addition of an employer funded HRA, we were able to get the initial 47% increase down to a 20.8% increase over last year's Anthem Level-funded plans

Claims is the number one driver in premium costs. The Town is proposing a Wellness & Health Incentive Program that, if employees meet the benchmarks, will earn a flat percentage return that can be put in to the employee's HRA for the following plan year. The purpose of a Wellness & Health Incentive Program is by keeping employees healthy, especially by encouraging preventative care and wellness, it ultimately reduces claims, and that is an investment for the Town.

Plan components include:

Medical Insurance
Dental Insurance
Employer contribution to health premiums
Wellness Incentive Plan

Vision Coverage
Flexible Savings Account
Employer funded HRA

The Town is only as good as the people who work for it and being able to recruit and retain employees is a significant challenge in this market. Benefits are one of the most important factors when employees are deciding to work for an organization.

RECOMMENDATION:

Staff recommends that Council approves the 2022-2023 (FY24) benefit package, as outlined in the attached presentation, which is set to renew on April 1, 2023.

OPEN ENROLLMENT FY24

OPTIMA plan with three plan options

1

OPEN ENROLLMENT 2023-2024

Our Anthem (level-funded) renewal came back with a 48% increase in premiums. We knew right then, it was time to dig deep and shop around:

1. Our brokers with Virginia Farm Bureau presented three traditional ACA plans: United Healthcare, Anthem and Optima.
 - a. All the plans within our targeted budget were similar in plan design. Higher deductibles with co-pays as well as *High Deductible Health Plans (HDHP)* with H.S.A. We favored Optima as the premiums were more affordable and the network is strong as they are owned by Sentara
2. The Town is also currently exploring *The Local Choice* which provides health coverage to local jurisdictions. We have submitted our application and censuses and if we can find affordable feature-rich plans, this is an option for the Town this fiscal year. TLC only offers two effective dates: July 1st and October 1st. We would start with Optima and convert to a short plan year, then switch over to TLC. The Town will weigh the pros and cons if it is worth presenting this to Council as an option this summer.
3. The Town has also explored joining a *Captive*. This is a strength by numbers approach which pools together the members and spreads liability over the entire pool. It is a self-insured plan with a stop loss which, if the claims are low, may result in a credit (much like we had applied this current plan year). While we may explore this in FY 25, the premiums were higher than Optima and plan design was not any more lucrative

2

HISTORY- MEDICAL PLANS

Plan Year	TOWN Covered Portion	PLANS OFFERED Deductible/monthly cost	DEPENDENTS	Actual Cost
2022-2023	\$595.00 monthly	a. 500/\$635.15 b. 2,500/\$556.32 c. 4,000/\$515.24	Allow for only a 5-7% increase for dependent premiums from FY22 to FY23.	\$199,183 w/ subsidy
2021-2022	\$549.62/ monthly	a. 500/\$549.62 b. 2,500/484.25 c. 4,000/450.28	\$100 subsidy per month for dependents	\$170,276 w/ subsidy
2020-2021	\$677.15/ monthly	a. 1,500/\$677.15 b. 3,500/\$589.81	\$100 subsidy per month for dependents	\$218,659 w/subsidy
2019-2020	\$600.00/ monthly	a. 1,500/\$519.53 b. 3,500/\$457.28	use difference in actual premium i.e. \$600-\$519.53= 80.47	\$164,778

3

CHALLENGES TO FIND THE WIN-WIN

- The plans that the Town is presenting for FY 24 do differ significantly from what has always been the norm. In order to contain costs for both the Town and the employees, moving to plans with higher deductibles was inevitable in this current climate of such large increases. Offering a “High Deductible Health Plan” (HDHP) that has the option of the H.S.A. (Health Savings Account) is a plan we have considered in the past, but had yet to implement.
- The challenge for our group is the significantly higher out of pocket costs for health care, coupled with higher premiums/payroll deductions.
- Another challenge is, how can we reduce our history of high claims which would help the Town find affordable health plans in the future?

4

POPULAR DESIGN

- Across the board, employers offering plans with high deductibles, whether or not a traditional HDHP plan, reduces the costs to employee's pocketbooks by setting up a Health Savings/Reimbursement Account which puts money into an account specifically to be used for medical expenses. (Much like the FSA). These are tax-free funds that can help employees pay for expenses while meeting the high deductible.
- As a matter of fact, much of our plan design and cost sharing approach is directly contrived from what other public sector employers are offering. The Town did a large survey in real time to gather data on what is being offered and how costs are being shared between employee and employer. Our proposal is based on these findings.

5

PREMIUM COST SHARE

***TOWN PAYS 90% of the SINGLE- EMPLOYEE ONLY RATE. In addition, TOWN PAYS 40% of the EMPLOYEE'S DEPENDENT COSTS**

	PREMIUM	EMPLOYEE PAYS	EMPLOYER PAYS	EMPLOYER-MONTHLY per employee	EMPLOYER-FOR DEPENDENTS	EMPLOYEE-MONTHLY	BIWEEKLY DEDUCTION	PLAN DESIGN
PLAN 1								
single	613.84	10%	90%	\$552.46	\$0.00	\$61.38	\$28.33	4K deductible
* Plus Spouse	1227.69	60%	40%	\$552.46	270.09	405.14	\$186.99	8650 OOP
* Plus child(ren)	1196.99	60%	40%	\$552.46	257.81	386.72	\$178.49	40/80 co pays
* Family	1810.84	60%	40%	\$552.46	503.35	755.03	\$348.48	20% co-ins.
PLAN 2								
single	\$622.66	10%	90%	\$560.39	\$0.00	\$62.27	\$28.74	3K deductible
* Plus Spouse	\$1,245.32	60%	40%	\$560.39	\$273.97	\$410.96	\$189.67	8,800 OOP
* Plus child(ren)	\$1,214.18	60%	40%	\$560.39	\$261.51	\$392.27	\$181.05	35 (& 70 after Ded)
* Family	\$1,836.85	60%	40%	\$560.39	\$510.58	\$765.87	\$353.48	25% co-insur
PLAN 3								
single	650.08	10%	90%	\$585.07	\$0.00	\$65.01	\$30.00	4K deductible
* Plus Spouse	1300.16	60%	40%	\$585.07	\$286.04	\$429.05	\$198.02	HDHP
* Plus child(ren)	1267.65	60%	40%	\$585.07	\$273.03	\$409.55	\$189.02	6900 OOP
* Family	1917.74	60%	40%	\$585.07	\$533.07	\$799.60	\$369.05	0% co-insur after DED
								H.S.A. comp.

6

PROPOSED FY 24 OPTIMA PLANS

Plan Year	TOWN Covered Portion	PLANS OFFERED Deductible/monthly cost	H.R.A Town Contribution	Actual Town Cost for Optima
2023-2024	90% of employee monthly premium, as an average: \$566 40% of dependent share. On average \$311	a. 4000/40/20% b. 3000/35/25% c. 4000/0% (HDHP)	SINGLE: \$750/year SINGLE plus one or More: \$1,200/year	Premiums: \$224,427 Premiums + HRA funding: \$253,377

7

H.S.A OR H.R.A.

- A Health Savings Account (H.S.A.) is an independent savings account owned wholly by the employee that the employer AND the employee may contribute towards. If an employee leaves the organization, the H.S.A. stays with the employee. H.S.A.s are strictly regulated by the IRS and may prohibit employees from participating in other benefits. You must be enrolled in a High Deductible Health Plan (Plan 3) in order to enroll.
- A Health Reimbursement Account (H.R.A.) is an employer-only funded account that also rolls over year to year (unlike an FSA) but is not portable to the employee. It's plan design is very flexible to the needs of the employer. It does not matter what plan you are enrolled in. Offering an FSA alongside allows employees to contribute pre-tax dollars on their own as they see the need for.

8

THE TOWN PROPOSES THE HEALTH REIMBURSEMENT ACCOUNT (HRA)

- The Town recommends that in order to offset employee's out of pocket costs with the new higher deductible plans, that an HRA is implemented. This way ALL employees enrolled in the health plan can receive equal employer contributions depending on two variables: (SINGLE/SINGLE plus 1 or more)



9

WHAT IS A HEALTH REIMBURSEMENT ACCOUNT (HRA)?

HRAs provide a tax-free, employer-funded amount of money for health care expenses.

- HRAs are a way to pay for out-of-pocket health care expenses while working to meet your plan deductible.

VOLUNTARY HEALTH CARE

10

TOTAL COST COMPARISON FY23 TO FY24

YEAR	Annual Cost to Town	HRA includes waivers (FY 24) FSA for Waivers (FY 23)	Town paid Dental, Vision, Medicare stipend	TOTAL
FY 2024 Optima	\$224,427 includes subsidy	28,950 \$750/SINGLE \$1200/Single plus dependents	\$24,608	\$277,985
FY 2023 Anthem	\$202,895 employees received subsidy, however, most was covered by a credit.	\$2,000	\$25,160	\$230,055

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NEW FOR 2023-2024

- NEW: The Town will pay 90% of the employee-only premium for whichever plan they choose (cost difference among the three plans is not significant). Previously the Town has offered one plan that is covered at 100%. This is very far and few between among organizations today. The average pre-tax payroll deduction will be \$28.00
- The Town will reduce the stipend granted to employees covered by Medicare from \$420 per month to \$355
- The Town will increase the amount provided (this year through an HRA, past years through an FSA) from \$500 to \$750 annually to non-Medicare employees who waive the insurance.
- An employer subsidy is NOT new, but this year it will be the same across all dependent tiers, 40%. In past years it has ranged from 11.5% to 49%
- NEW: The Town will fund a Health Care Reimbursement Account (HRA) for employees covered by a Town plan, to help defray deductible costs. This will roll over year to year but is not portable, it belongs to the Town
- The Town will implement a Wellness Incentive Plan that will encourage wellness and preventative care, an investment in future plan years by reducing claims

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WELLNESS INCENTIVE PROGRAM

- In referring to appendix C, you will find a rough draft of our Wellness & Health Incentive Program. We encourage ideas and feedback! Employees who would participate would need to complete 8 of the 28 “activities” or benchmarks, from either the Wellness Activities category or the Health/Preventative Care category.
- Staff developed this as a “fun” way to encourage overall health of employees and in turn, reduce claims. By reducing claims, it will result in lower premiums in future plan years. It also helps to reduce sick time, increases productivity and is a morale booster.
- ALL regular employees may participate. Employees not enrolled in one of the Optima plans will receive a small award, such as a day off or a gift card (TBD). Employees on a plan will receive a contribution to their HRA equal to 50% of the employee-only payroll deduction paid in the plan year

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SUMMARY: TOTAL COST

OPTIMA (AVG) Monthly cost to Town	2023-2024			
MEDICAL-OPTIMA	\$224,427.49			
DENTAL-DELTA	\$11,828.64			
MEDICARE	\$12,780.00			
HRA	\$28,950.00	\$750/SINGLE & \$1,200/SINGLE +		
TOTAL	\$277,986.13			
current plan year 2022-2023	\$230,055.00			
difference, including the addition of an HRA	\$47,931.13			
% increase	20.80%			
Wellness & Health Incentive Plan	\$7,520			
TOTAL incuding WHIP	\$285,506.13			

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"My doctor told me to avoid any unnecessary stress, so I didn't open his bill."

Cape Charles

Carrier	Optima Health		Optima Health		Optima Health	
Plan Name	Optima Vantage Silver 4000/40/20% Rx Ded Direct		Optima Vantage Silver 3000/35/25% Direct		Optima Vantage Equity Silver 4000/0% Direct	
Network	POS DIRECT/VANTAGE DIRECT		POS DIRECT/VANTAGE DIRECT		POS DIRECT/VANTAGE DIRECT	
Network URL	https://d2ed110nmrd591.cloudfront.net/blobs/IRUQ3n		https://d2ed110nmrd591.cloudfront.net/blobs/XvNqfpz		https://d2ed110nmrd591.cloudfront.net/blobs/C7WU4ii	
Summary of Benefits URL						
Additional Information					HSA Eligible	
	Network	Non-Network	Network	Non-Network	Network	Non-Network
Medical Deductible & Maximum Out of Pocket						
Individual Medical Deductible	\$4,000	Not Covered	\$3,000	Not Covered	\$4,000	Not Covered
Family Medical Deductible	\$8,000	Not Covered	\$6,000	Not Covered	\$8,000	Not Covered
Individual Medical Maximum Out of Pocket	\$8,650	Not Covered	\$8,800	Not Covered	\$6,900	Not Covered
Family Medical Maximum Out of Pocket	\$17,300	Not Covered	\$17,600	Not Covered	\$13,800	Not Covered
Coinsurance						
Coinsurance	20% after deductible	Not Applicable	25% after deductible	Not Applicable	0% after deductible	Not Applicable
Physicians Services						
Preventative Care	\$0	Not Covered	\$0	Not Covered	\$0	Not Covered
Primary Care Physician	\$40	Not Covered	\$35	Not Covered	\$0 after deductible	Not Covered
Specialty Care Physician	\$80	Not Covered	\$70 after deductible	Not Covered	\$0 after deductible	Not Covered
Emergency Services						
Emergency Room	30% after deductible	30% after deductible	35% after deductible	35% after deductible	20% after deductible	20% after deductible
Urgent Care	\$80	Not Covered	\$70 after deductible	Not Covered	\$0 after deductible	Not Covered
Hospital Services						
Inpatient Facility	20% after deductible	Not Covered	25% after deductible	Not Covered	\$0 after deductible	Not Covered
Outpatient Facility	20% after deductible	Not Covered	25% after deductible	Not Covered	\$0 after deductible	Not Covered
Diagnostic Procedures						
Imaging	20% after deductible	Not Covered	25% after deductible	Not Covered	\$0 after deductible	Not Covered
Lab Test	\$80 after deductible	Not Covered	25% after deductible	Not Covered	\$0 after deductible	Not Covered
Pharmacy Deductible & Maximum Out of Pocket						
Individual Drug Deductible	\$250	Not Covered	Included in Medical	Not Covered	Included in Medical	Not Covered
Family Drug Deductible	\$250 per person	Not Covered	Included in Medical	Not Covered	Included in Medical	Not Covered
Individual Drug Maximum Out of Pocket	Included in Medical	Not Covered	Included in Medical	Not Covered	Included in Medical	Not Covered
Family Drug Maximum Out of Pocket	Included in Medical	Not Covered	Included in Medical	Not Covered	Included in Medical	Not Covered
Pharmacy Retail						
Generic Drugs (Preferred)	\$25 after deductible	Not Covered	\$15 after deductible	Not Covered	\$15 after deductible	Not Covered
Generic Drugs (Non-Preferred)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Brand Drugs (Preferred)	\$50 after deductible	Not Covered	\$50 after deductible	Not Covered	\$50 after deductible	Not Covered
Brand Drugs (Non-Preferred)	20% after deductible	Not Covered	25% after deductible	Not Covered	20% after deductible	Not Covered
	20% after deductible, up to		25% after deductible, up to		20% after deductible, up to	
Specialty Drugs (Preferred)	\$350	Not Covered	\$350	Not Covered	\$350	Not Covered
Specialty Drug (Non-Preferred)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Pharmacy Mail Order						
Generic Drugs (Preferred) Mail Order	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary
Generic Drugs (Non-Preferred) Mail Order	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary
Brand Drugs (Preferred) Mail Order	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary
Brand Drugs (Non-Preferred) Mail Order	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary
Specialty Drugs (Preferred) Mail Order	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary
Specialty Drug (Non-Preferred) Mail Order	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary	See Benefit Summary

** Illustrative Rate for an Underwritten Product.

* All Information shown above is for illustration purposes only. Rates listed above are non-binding and subject to change pending carrier approval. Please see plan document for further details in regards to covered services as this document is only a partial listing of benefits.

[†] Preventative services include evidence based services that have a rating of "A" or "B" in the United States Preventative Services Task Force, routine immunizations and other screenings, as provided for in the Patient Protection and Affordable Care Act, in accordance with state and federal laws.

[‡] Subject to medical deductible and coinsurance.

* See Medical Carrier Disclaimers.

^ - Limitations apply, check the summary of benefits for details.



WELLNESS & HEALTH INCENTIVE PROGRAM 2023

SUMMARY

The most simple and straightforward goal of the Wellness Health Incentive Program (WHIP) is to encourage employees to be vigilant about preventative care and adopting a healthy life style by offering reimbursements on employee health insurance premium costs.

HOW IT WORKS

There are many opportunities for you to be proactive about your health, as well as activities you can do to get and stay healthy. If you do not see something on the list below, please ask HR and if it suffices as a bona fide Wellness Activity or a Preventative Care Activity, it may be incorporated into the program. This program begins on April 1, 2023 and concludes on March 31st 2024. You cannot use anything prior to April 1st toward this program.

Employees must complete a total of 8 of the 28 Wellness Activities or Preventative Care Activities. By completing the required number of Wellness and Preventative Care Activities (preferable a combination), 5% of the total “employee-only” cost for the Optima Health plan you enrolled in will be refunded to you the following plan year as a contribution to your Health Reimbursement Account (HRA). This provides additional funds to use for health-related out-of-pocket costs next year. *You must be enrolled in one of the Optima plans on 3/31/2024 in order to receive this reimbursement.*

For example:

Total Monthly Employee-Only Premium	Annual cost of premium	Annual Employee share (10%)	Bi-weekly Payroll deduction	Refund 5%	Funded to employee's HRA
\$622.66	\$7,471.92	\$747.19	\$28.74	\$373.60	4/1/2024

Spouses who are covered under an employee's health plan are also eligible to participate and will also earn credit.

Part-time employees and employees who have waived health insurance, or are covered by Medicare are also eligible to participate. At the conclusion of completing 8 of the 28 Wellness Activities/Preventative Care Activities, employees will have the option to choose a paid day off* OR an Amazon Gift card for \$100.00.

**Paid day off has no cash value and will not be paid-out if employee separates from the Town prior to its use.*

[Wellness Incentive Forms \(1. For Providers and 2. For Wellness Activities\)](#) are available in the HR office. Be sure to pick up the proper form before completing either a health appointment, vaccinations, or screening; or a Wellness Activity (fitness & classes).

Let's use an example:

You have a wellness exam with your family doctor. Complete a Provider form and then have your doctor or the nurse sign where indicated.

You are working out at the YMCA. Complete a Wellness Incentive Form, sign it, and if possible, ask the front desk to sign your form collaborating your work outs or print a sheet showing your gym usage

You are in a smoking cessation program. Complete a Wellness Incentive Form and have the instructor sign that you completed the class.

This is a new program, we may have to alter this method as we gain experience with it, and we appreciate your input and patience*

[PRIVACY](#)

While this is a voluntary program, we respect our employee's privacy, therefore for any health-related test or appointment you only need to submit the form. We do not want test results.

WELLNESS ACTIVITIES

All are for a period of 3 months or longer unless otherwise noted.

- _____ Work out for 30 minutes, 2x a week at a gym or fitness center *
- _____ Participate in a fitness class (such as Yoga, Pilates, Zumba, etc.) 1 x a week*
- _____ Walk, bike, or run for 30 minutes, 2x a week*
- _____ Play Pickleball or Tennis 2x a week*
- _____ Home exercise on your own for 30 minutes, 2x a week (there are even good apps for this, try “Couch Yoga”!) *
- _____ Participate on a Team Sport (For example, Northampton County just started a co-ed Volleyball league for a minimum of 6 weeks)
- _____ Participate in the *Drink More Water Challenge* and hit at least 30 oz a day
- _____ Join Weight Watchers or a similar weight loss program
- _____ Track sleep using a Fitbit, Apple watch, or another similar device
- _____ Complete a Smoking Cessation Class
- _____ Take 7 consecutive days off for the sole purpose of enjoyment, stress reduction, and enjoyment. (i.e., vacation time for vacation)

*May be counted more than once if supported by multiple durations

HEALTH/SCREENING/PREVENTATIVE CARE ACTIVITIES

To be completed 4/1/2023 through 3/31/2024

- _____ Certification that blood pressure is within a healthy range
- _____ Certification that cholesterol is within a normal range
- _____ Certification that your BMI is within a normal/healthy range
- _____ Do a BMI check; Provide certification that your BMI has improved
- _____ Annual wellness exam with your PCP including blood work (CBC and for men, PSA)
- _____ 1 dental cleaning appointment
- _____ Vision Exam
- _____ Annual well-woman exam
- _____ Annual prostate exam (men)
- _____ Colonoscopy
- _____ Mammogram
- _____ Bone Density test
- _____ Flu Shot or COVID booster shot
- _____ Shingles vaccine
- _____ Participate in a "Life Screening Event" (Health Insurance does not cover this cost)
- _____ Certify that you do not use tobacco

*Certain tests may not be covered by insurance. Be sure to call Optima first.



Town of Cape Charles 2023-2024 Wellness Incentive Program

Dear Provider:

Our employee is participating in a wellness challenge this year and we need your help! (name)_____ is requesting verification on the following:

Please print your name below and sign this form as proof that _____ completed the above. We are not asking for actual results or paperwork, just a signature that this was completed

NAME OF PROVIDER: _____ (print)

SIGNATURE _____ DATE _____

SIGNATURE OF EMPLOYEE _____ DATE _____



Town of Cape Charles Wellness Incentive Plan

NAME (PRINT) _____

Wellness Action: _____

DATES: _____ to _____
 _____ to _____
 _____ to _____
 _____ to _____
 _____ to _____
 _____ to _____
 _____ to _____
 _____ to _____
 _____ to _____

Please describe below your activity, what was your goal? Have you accomplished your goal? Please describe in a few words what you were doing to accomplish or attempt to meet your goal.

If possible, please provide “proof” (screen shot from a device, receipt from a class such as Weight Watchers, a Yoga Class, or a smoking cessation class, gym or fitness center logs)

I _____ attest that I have taken place in the above Wellness Activity and have completed this form honestly.

SIGNATURE _____ DATE: _____

Please return to the Human Resources Office. Anyone found “fudging” these forms by dishonestly reporting an activity will be suspended from the program for that year and may be disciplined in accordance with the Town’s personnel policies.