

CITY OF WARRENVILLE

MEMO

To: Full-time City of Warrenville Employees
 From: Juan Ortiz, HR Generalist *JO*
 Subject: MEDICAL INSURANCE PREMIUMS EFF JANUARY 1, 2026
 Date: November 19, 2025

Annual Open Enrollment for January 1, 2026, runs November 10, 2025, through November 23, 2025.

2026 Benefits Update:

- **Health Coverage:** The plan structure will remain the same for calendar year 2026. However, HMO rates will increase by 8.3% and PPO rates will increase by 16.1%.
- **Dental Coverage:** The plan structure and rates will remain the same through June 30, 2027.
- **Vision Coverage:** The plan structure and rates will remain the same through June 30, 2028.

Health Coverage Rates:

City pays 95% of the monthly premium and employee pays 5%.

Medical Plan Monthly Rate and Tiers	01/01/2025 – 12/31/2025 (Employee Cost)	01/01/2025 – 12/31/2025 (City Cost)	01/01/2026 – 12/31/2026 (Employee Cost)	01/01/2026 – 12/31/2026 (City Cost)
BCBS Blue Advantage HMO				
Employee Only	\$29.07	\$552.40	\$31.49	\$598.24
Employee & Spouse	\$60.29	\$1,145.42	\$65.29	\$1,240.49
Employee & Child(ren)	\$57.43	\$1,091.11	\$62.19	\$1,181.68
Family	\$88.64	\$1,684.14	\$96.00	\$1,823.92
BCBS Blue Choice Options PPO				
Employee Only	\$34.30	\$651.61	\$39.82	\$756.52
Employee & Spouse	\$71.12	\$1,351.19	\$82.57	\$1,568.73
Employee & Child(ren)	\$67.74	\$1,287.14	\$78.65	\$1,494.37
Family	\$104.56	\$1,986.71	\$121.40	\$2,306.56

Dental Coverage Rates:

Employees pay 100% of the monthly premium.

Delta Dental Rate and Tier	07/01/2025 – 06/30/2027
Employee Only	\$43.75
Employee + Spouse	\$87.50
Employee + Child(ren)	\$110.18
Family	\$150.93

Vision Coverage Rates:

Employees pay 100% of the monthly premium.

VSP Vision Rate and Tier	07/01/2024 – 6/30/2028
Employee Only	\$ 4.32
Employee + Spouse	\$ 8.03
Employee + Child(ren)	\$ 8.58
Family	\$13.71

Understanding This Year’s Health Care Increase:

Health insurance costs continue to rise nationwide, and plan rates are reflecting those pressures. A few key factors are driving the changes:

- **Higher Medical Claims:** Both the PPO and HMO plans have experienced higher than normal claims over the last few years. Medical expenses paid exceeded premiums collected.
- **Prescription Drug Costs:** Prescription drug spending is the fastest-growing part of health plan costs. Drug manufacturers have raised prices on many existing medications, and shortages of some drugs have also pushed costs higher. Additionally, GLP-1 and specialty medications used for weight loss have significantly increased over the last two years contributing to the rise in prescription drug spending.
- **Broader Cost Increases:** Prices for hospital care, doctor visits, and medical procedures are rising faster than general inflation.

While the January 1, 2026, renewal is significantly higher than Warrenville has experienced in the past, higher medical claims, prescription drug costs and market trends are driving increases. According to healthsystemtracker.org, Affordable Care Act (ACA) marketplace insurers nationwide are proposing median premium increases of about 18% in 2026. Illinois marketplace insurers have requested rate changes between 4.7% to 38.6% in 2026. The Intergovernmental Personnel Benefit Cooperative (IPBC), of which the City is a member, just announced that preliminary renewals for 2027 are ranging between 13.5% to 21.6%. Staff will continue to monitor and evaluate trends with the IPBC to maintain comprehensive coverage while managing rising costs.

For historical purposes, the chart summary on the next page reflects the past 10 years of medical premium rate increases and decreases. Please feel free to contact me with any questions at (630) 836-3025 or jortiz@warrenville.il.us.

	Percent Change in Employee Insurance Costs			
	Medical (PPO)	Medical (HMO)	Dental	Vision
2017	1.00%	5.00%	0.00%	2.94%
2018	4.80%	1.50%	2.47%	0.00%
2019	-1.40%	-0.10%	0.00%	0.00%
2020	2.20%	1.10%	4.74%	0.00%
2021*	5.00%	5.00%	-33.21%	0.00%
2022**	5.70%	-5.90%	-5.00%	-4.00%
2023	1.90%	-3.80%	6.00%	0.00%
2024***	0.50%	7.80%	15.00%	0.00%
2025	-0.30%	3.40%	6.00%	0.00%
2026	16.10%	8.30%	4.00%	0.00%

** City joined IPBC dental plan in 2021 that offered enhanced benefits and a significant cost reduction.*

*** Vision and dental rates were reduced in 2022 due to lower IPBC administrative fees, not because of a decrease in plan costs.*

****Dental increase due to new IPBC dental contract.*