



UNIFIED FIRE AUTHORITY

MEMORANDUM

25-147

August 28, 2025

TO: All Personnel

FROM: Chief Burchett

SUBJECT: SelectHealth Fully Insured Health Plan with Contingent Funding Arrangement Update and Upcoming Payroll Deductions

Unified Fire Authority (UFA) utilizes a health insurance plan with a contingent funding arrangement designed to reduce premium costs and create long-term savings for both employees and the organization. This plan keeps premiums lower throughout the year but includes a year-end financial review. If total healthcare claims are lower than expected, UFA and employees may receive a refund of up to 10%. If claims exceed expectations, an additional cost is shared between UFA and employees, capped at 5% for employees.

After tracking claims for FY24/25, UFA anticipated a maximum 5% assessment, and the latest report from SelectHealth confirms that expectation. However, even with this assessment, the plan still results in an estimated \$324,500 in savings compared to a traditional fully insured plan.

The amount owed will be split based on the standard 80/20 premium contribution. Employees enrolled in a UFA health plan will see a one-time payroll deduction on January 25, 2026 payroll. The deduction will be approximately \$210 or less, depending on the employee's coverage tier (SelectMed+, SelectCare+, single, 2-party, or family). Employees who joined UFA mid-year will receive a prorated deduction based on their months of coverage.

We understand this may be unexpected, so we're sharing this early to give employees time to plan and set aside funds.

Looking ahead, this plan is designed with your best interests in mind. Please continue to use in-network care, prioritizing preventive services, and avoiding unnecessary emergency visits. By doing so, we can all help control costs and keep premiums affordable. We encourage employees to save throughout the year. If claims come in under budget, SelectHealth will issue refunds to both UFA and participating employees.

Thank you for your understanding and partnership as we continue to find ways to manage healthcare costs responsibly and sustainably. If you have any questions or concerns, please contact Kiley Day, Human Resources Director, at (801) 743-7124 or by email at kday@unifiedfireut.gov.