

RESOLUTION R16-732

A RESOLUTION AUTHORIZING THE RENEWAL OF CERTAIN MEDICAL, VISION, DENTAL AND LIFE & DISABILITY INSURANCE POLICIES; AUTHORIZING THE CITY CLERK TO ATTEST SIGNATURES AND AFFIX THE OFFICIAL SEAL OF THE CITY, AS NECESSARY; REPEALING INCONSISTENT RESOLUTIONS; PROVIDING FOR AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

WHEREAS, the City of Stockbridge ("City") is a municipal corporation located within Henry County, Georgia duly organized and existing under the laws of the State of Georgia and is charged with providing public services to residents located within the corporate limits of the City; and

WHEREAS, the City finds it necessary and desirable to renew certain medical, dental, vision and life & disability insurance policies;

THEREFORE, IT IS NOW RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKBRIDGE, GEORGIA, AS FOLLOWS:

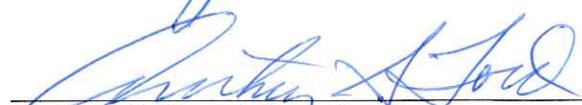
1. **Approval of Execution.** The City Council hereby approves the renewal of certain insurance policies for the employees of the City as follows:

Medical Coverage:	United Healthcare Medical
Dental:	Humana
Vision:	EyeMed
Life and Disability Insurance:	Mutual of Omaha

The Mayor or Mayor Pro Tem is hereby authorized to execute said policies with such changes as are recommended by the City Attorney.

2. **Documents.** The City Clerk is authorized to execute, attest to, and seal any documents which may be necessary to effectuate the amendment, subject to approval as to form by the City Attorney.
3. **Severability.** To the extent any portion of this Resolution is declared to be invalid, unenforceable or non-binding, that shall not affect the remaining portions of this Resolution.
4. **Repeal of Conflicting Provisions.** All City resolutions are hereby repealed to the extent they are inconsistent with this Resolution.
5. **Effective Date.** This Resolution shall be effective on the date of its approval by the City Council and Mayor as provided in the City Charter.

SO BE IT RESOLVED this 13th day of June 2016.



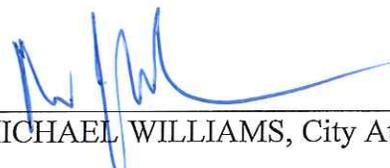
Anthony S. Ford, Mayor Pro Tem

ATTEST:



VANESSA HOLIDAY, City Clerk (SEAL)

APPROVED AS TO FORM:



MICHAEL WILLIAMS, City Attorney



City of Stockbridge

Employee Benefits Executive Summary

5-27-2016

The intent of this document is to provide an Executive Summary to City of Stockbridge on their 2016 – 2017 Employee Benefit Plan Options. We have been working with the City of Stockbridge for several years on many strategies to reduce their overall annual benefit costs, provide richer benefits and improve the health of its employees. These strategies include implementing annual marketing of the benefits program, split deductibles and wellness programs.

Medical:

United Healthcare performed well as a medical plan provider for the 2015-2016 plan year. The City of Stockbridge medical plan ran well regarding in-network utilization at 98%. The medical plan had a health mix on inpatient vs outpatient procedures. The pharmacy plan ran over expected costs by 3% compared to book of business. United Healthcare proposed a 2016 – 2017 renewal of 19% which equates to an increase of \$125,330.

Strongside Solutions has marketed your medical plan to all medical providers and received proposals or declinations from the marketplace. We also explored alternative funding plans which included partially self-funded options as well as captive options. The captive market came back with 5 year Performa's that would benefit the City of Stockbridge, but were more costly in the first 24 months. We evaluated the carrier proposals and Aetna, BCBS and Humana provided plans most similar to current with competitive rates. Aetna, BCBS and Humana require medical applications from each employee in order to provide final underwritten rates. The rates given from Aetna, BCBS and Humana were an illustrative rate based on the current census and plan design. We complied with the carrier requests and had each employee complete medical applications. While the rates initially given by Aetna, BCBS and Humana were competitive, the final underwritten rates came back uncompetitive at an increase of 20%, 18% and 22%.

We were able to negotiate a final United Healthcare renewal of 9% which equated to a \$59,599 annual increase. This represents a cost reduction of \$65,970 over the original renewal.

Strongside Solutions is making a recommendation to renew with United Healthcare Medical for the 2016 – 2017 plan year.

Dental:

Humana performed well as a dental plan provider for the 2015-2016 plan year. Humana proposed a 5% increase for the 2016 – 2017 plan year which represents a \$2,043 annual increase.

Strongside Solutions has marketed your dental plan to the dental providers and received proposals. We evaluated the carrier proposals and Humana remains the most competitive.

Vision:

EyeMed performed well as a Vision plan provider for the 2015-2016 plan year. Strongside Solutions has negotiated a 48 month rate guarantee from EyeMed for last year's renewal.

EyeMed vision is under a rate guarantee until 2018 with no increase.

Basic Life, Voluntary Life, Short Term Disability and Long Term Disability:

Mutual of Omaha performed well as the Life and Disability carrier for the 2015 – 2016 plan year.

For the 3rd year in a row, Strongside Solutions has negotiated a rate continuation with no increase in cost.

Summary:

The United Healthcare POS plan will offer the City of Stockbridge the best Medical plan for the associated costs while providing stability to the employees. We recommend renewing with United Healthcare.

The Humana Dental program will offer the City of Stockbridge best Dental plan for the associated costs while providing stability to the employees. We recommend renewing with Humana.

The EyeMed Vision program will offer the City of Stockbridge best Vision plan for the associated costs while providing stability to the employees. We recommend renewing with EyeMed.

You will automatically renew with Mutual of Omaha for Life and Disability.

We hope that this executive summary provided strategy and clarity of how we approach delivering our services to City of Stockbridge. We look forward to many years of successful service to you, your team and your employees

If you need further clarification, additional information or options, please do not hesitate to give me a call.

Thank You,
Wendell Strickland
Strongside Solutions
Consultant

Phone: 678-488-5702

Fax: 678-248-9233

E-mail: wstrickland@strongsidesolutions.com



City of Stockbridge 2015 EE Contribution Overview Medical

Product	Tier	Census	Monthly Premium	Employee's Contribution Bi-Weekly	City's Contribution Monthly	Employee's Contribution Annually	Total Premium	Less Employee's Contribution		City Cost Less Employee Contribution
								2015 Annually	2015 Annually	
UHC 2015-2016 Current TOTALS	EE	22	\$439.03	\$0.00	\$439.03	\$0.00	\$115,903.92	\$0.00	\$115,903.92	
	EE+SP	6	\$921.96	\$35.42	\$845.22	\$920.88	\$66,381.12	\$5,525.28	\$60,855.84	
	EE+CH	24	\$834.16	\$35.42	\$757.42	\$920.88	\$240,238.08	\$22,101.12	\$218,136.96	
	FAMILY	15	\$1,317.09	\$35.42	\$1,240.35	\$920.88	\$237,076.20	\$13,813.20	\$223,263.00	
		67					\$659,599.32	\$41,439.60	\$618,159.72	
UHC 2016-2017 Renewal Same TOTALS	EE	22	\$522.45	\$0.00	\$522.45	\$0.00	\$137,926.80	\$0.00	\$137,926.80	
	EE+SP	6	\$1,097.14	\$35.42	\$1,020.40	\$920.88	\$78,994.08	\$5,525.28	\$73,468.80	
	EE+CH	24	\$992.66	\$35.42	\$915.92	\$920.88	\$285,886.08	\$22,101.12	\$263,784.96	
	FAMILY	15	\$1,567.35	\$35.42	\$1,490.61	\$920.88	\$282,123.00	\$13,813.20	\$268,309.80	
		67					\$784,929.96	\$41,439.60	\$743,490.36	
UHC 2015-2016 POS 8% TOTALS	EE	22	\$522.45	\$19.29	\$496.33	\$501.55	\$137,926.80	\$11,034.14	\$126,892.66	
	EE+SP	6	\$1,097.14	\$40.51	\$1,042.28	\$1,053.25	\$78,994.08	\$6,319.53	\$72,674.55	
	EE+CH	24	\$992.66	\$36.65	\$943.03	\$952.95	\$285,886.08	\$22,870.89	\$263,015.19	
	FAMILY	15	\$1,567.35	\$57.87	\$1,488.98	\$1,504.66	\$282,123.00	\$22,569.84	\$259,553.16	
		67					\$784,929.96	\$62,794.40	\$722,135.56	
UHC 2015-2016 POS 10% TOTALS	EE	22	\$522.45	\$24.11	\$491.10	\$626.94	\$137,926.80	\$13,792.68	\$124,134.12	
	EE+SP	6	\$1,097.14	\$50.64	\$1,031.31	\$1,316.57	\$78,994.08	\$7,899.41	\$71,094.67	
	EE+CH	24	\$992.66	\$45.82	\$933.10	\$1,191.19	\$285,886.08	\$28,588.61	\$257,297.47	
	FAMILY	15	\$1,567.35	\$72.34	\$1,473.31	\$1,880.82	\$282,123.00	\$28,212.30	\$253,910.70	
		67					\$784,929.96	\$78,493.00	\$706,436.96	

6.28%

5.28%

8.00%

10.00%



**City of Stockbridge
Health Plan Renewal
July 1, 2016**

Benefits	United Healthcare OB-6 - POS - BALANCED 100	United Healthcare ZT-C/Basic/Embedded RX Plan: 5U	Aetna GA 51-100 OAMC 2500 100	BCBS OAP5 2.5K / 0 RxA	Humana GA SG NP05 14
Physician and Hospital Network	Plan Discontinued due to ACA	New ACA Plan	New ACA Plan	New ACA Plan	New ACA Plan
Individual/Family Deductible	Choice Plus	Choice Plus	Aetna	Bible Open Access POS	Humana
In-Network	\$2,500/\$5,000	\$2,500/\$5,000	\$2,500/\$5,000	\$2,500/\$7,500	\$2,500/\$5,000
Out-of-Network	\$4,000/\$8,000	\$4,000/\$8,000	\$5,000/\$10,000	\$5,000/\$15,000	\$7,500/\$15,000
Coinsurance Percentage					
In-Network	100%	100%	100%	100%	100%
Out-of-Network	80%	80%	70%	70%	70%
In Network Copays					
Primary Care Physician Office Visit	\$30	\$25	\$35	\$25	\$30
Specialist Office Visit	\$60	\$50	\$60	\$50	\$55
Urgent Care	\$100	\$75	\$75	\$60	\$100
Emergency	\$250	\$150	\$300	\$150	\$250
In-Patient Hospital					
Deductible & Coinsurance					
Individual/Family Out-of-Pocket					
In Network	\$5,000/\$10,000	\$5,000/\$10,000	\$5,500/\$11,000	\$2,500/\$7,500	\$6,350/\$12,700
Out of Network	\$8,000/\$16,000	\$8,000/\$16,000	\$16,000/\$32,000	\$7,500/\$22,500	\$19,050/\$38,100
* includes deductible					
Preventive Care					
In-Network	100%	100%	100%	100%	100%
Out-of-Network	80%	80%	70%	70%	70%
Prescription Drug Card					
Rx Calendar Year Deductible	None	None	None	None	None
Tier 1/1A	\$10/\$10	\$10/NA	Preferred \$40	\$15/\$15	\$10
Tier 2/2A	\$35/\$100	\$35/NA	Non-Preferred \$70	\$35/\$70	\$35
Tier 3/3A	\$60/\$200	\$60/NA	Specialty 30% Max to \$250	20% up to \$300 max per RX	\$55
Tier 4/4A	100/\$300	\$100/NA	Specialty NP 40% Max to \$500	\$100/NA	25% Coinsurance
Mail Order Maintenance Drugs			\$7.50/\$37.50 - Pref \$100 - NP \$12.75	2.5X Copay 90 Day Supply	2.5X Copay 90 Day Supply
Lifetime Maximum					
In-Network	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Out-of-Network	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Census	Current	Renewal			
Employee Only	\$ 439.03	\$ 522.45	\$533.00	\$507.96	\$552.44
Employee and Spouse	\$ 921.96	\$ 1,097.14	\$1,186.00	\$1,066.74	\$1,104.88
Employee and Children	\$ 834.16	\$ 992.66	\$998.00	\$990.54	\$1,022.01
Family	\$ 1,317.09	\$ 1,567.35	\$1,558.00	\$1,549.30	\$1,574.45
Monthly Premium by Plan	Annual Premium by Plan				
	\$ 54,967	\$ 65,411	\$66,164	\$64,588	\$66,928
	\$ 659,599	\$ 784,929.96	\$793,968	\$775,056.24	\$803,135
Percentage Change from Current		19.00%		18%	2.2%
			Final Negotiated		
			9%		
			20%		

Rates reflect final underwritten proposals