



AGENDA ITEM NO: Board Business
CITY OF STARKVILLE
AGENDA DATE: September 2, 2014
RECOMMENDATION FOR BOARD ACTION
PAGE: 1 of 1

SUBJECT: Request Board approval of proposal for renewal of services for Medical Insurance Benefit Plan and for Dental Insurance Benefit Plan as presented.

AMOUNT & SOURCE OF FUNDING:

FISCAL NOTE:

REQUESTING DIRECTOR'S DEPARTMENT: Taylor Adams, Chief Financial Officer

FOR MORE INFORMATION CONTACT: Randy Boyd or Stephanie Halbert, Personnel Office

AUTHORIZATION: Tim Cox of Cox Consulting Services has presented the attached proposal for renewal of our Employee Medical and Dental Insurance Benefit plans. It is necessary for these plans to be approved so that we can move forward with Open Enrollment for all employees. Open enrollment is tentatively scheduled for September 8th & 9th, 2014. Changes to the plan are listed on the attached letter. This proposal will allow greater flexibility in choices related to dependent coverage, which will be no cost to the City and will offer the potential for substantial savings to employees who need dependent medical coverage for either only one additional adult or only for dependent children.

FOR MORE INFORMATION CONTACT: Randy Boyd or Stephanie Halbert, Personnel Department

AUTHORIZATION HISTORY:

STAFF RECOMMENDATION: (Suggested Motion) Move approval of proposal for renewal of services for Medical Insurance Benefit Plan and for Dental Insurance Benefit Plan as presented.

DATE SUBMITTED: August 28, 2014



COX CONSULTING SERVICES, INC.

221 7* STREET NORTH, SUITE 104-A
P. O. BOX 1016 COLUMBUS, MS 39703
TELEPHONE: 662.327.3436
FACSIMILE: 662.327.3424
MOBILE: 662.386.3350
TCOXINS@BELLSOUTH.NET

TO: Taylor Adams, City Finance Officer, City of Starkville
FROM: Tim Cox, CHC
DATE: August 21, 2014
RE: Renewal Effective October, 1, 2014
• BCBSMS Self-Funded Medical Plan
• Humana Dental, Base Life, Voluntary Life & Vision Plans

Your BCBSMS Self-Funded Medical Plan renewal is effective October 1, 2014. I look forward to working with you and providing the plan management and customer service you expect for this coming plan year.

Your Current and Renewal Monthly Premium Factors for Medical coverage are outlined below:

PLAN YEAR	CURRENT OCT. 2013	RENEWAL OCT. 2014
SINGLE (277)	\$393.19	\$391.19
EE + 1 ADULT	NA	\$739.93
EE + CHILDREN	NA	\$860.14
FAMILY (28)	\$993.58	\$991.58
		Change Percentage 0%

(MS RISK POOL PEPM TAX WAS REDUCED FROM \$3.00 TO \$1.00 DURING PLAN YEAR)

Your TRU Reinsurance Coverage renews as follows:

- Incurred & Paid Claims Basis converts from 48/12 to 60/12.
- Individual Specific Deductible remains at \$125,000.
- Aggregating Specific Deductible reduces from \$105,000 to \$65,000.

Your Benefit Plan remains Grandfathered with 2014 mandated PPACA changes:

\$500 Calendar Year Deductible
80% Coinsurance Coverage
\$2000 Coinsurance Maximum (Does not include Deductible or Copays)
3 x Family Maximum Deductible & OOP
\$25 / \$40 Physician Copay
\$10/25/50/100 Rx Copay
\$0 Rx Deductible
100% Healthy You Wellness

PPACA Mandates:

UNLIMITED LIFETIME MAXIMUM BENEFITS
ADULT PRE-EXISTING CONDITION COVERAGE
TRANSITIONAL REINSURANCE & PCORI TAXES
DOMESTIC PARTNER DEPENDENT ELIGIBILITY (not a PPACA mandate)

Your Humana Renewal is effective October 1, 2014. Humana issued a Rate Increase on your Dental Plan with a Two Year Rate Guarantee and a Rate Hold on Base Life, Voluntary Life and Vision with One Year Rate Guarantee.

Your Current and Renewal Monthly rates are outlined below:

PLAN YEAR		<u>CURRENT OCT. 2013</u>	<u>RENEWAL OCT. 2014</u>
Dental	Single	\$19.53	\$21.03
	Family	\$63.33	\$68.19
Base Life \$10,000		\$0.43	\$0.43 (Life / AD&D per \$1000)
Vol. Vision	Single	\$8.80	\$8.80
	Family	\$22.40	\$22.40
Voluntary Life		No Change	Rates are based on Age Bands

Please let me know if you have any questions concerning your BCBSMS or Humana renewals. I'll need to meet with you for signatures on the BCBSMS Administration & PPACA Contract and TRU Reinsurance Contract to execute these policies following your September 3, 2013 Board of Alderman meeting.

Stephanie has scheduled your September Open Enrollment and I look forward to assisting employees with any questions and plan changes.

It is a privilege to represent the City of Starkville as your employee benefits agent since 1996. I appreciate your business and confidence in me to assist you with your employees' insurance needs.

Respectfully,

Tim Cox

Tim Cox

CC: Olivia Jacks, City of Starkville, Electric Department