



CITY OF NORTH MIAMI BEACH
Special Meeting
City Hall, Council Chambers, 2nd Floor
17011 NE 19th Avenue
North Miami Beach, FL 33162
Thursday, August 25, 2016
7:00 PM

Mayor George Vallejo
Vice Mayor Frantz Pierre
Councilman Anthony F. DeFillipo
Councilwoman Barbara Kramer
Councilwoman Marlen Martell
Councilman Phyllis Smith
Councilwoman Beth E. Spiegel

City Manager Ana M. Garcia, ICMA-CM
City Attorney Jose Smith
City Clerk Pamela L. Latimore, CMC

Notice to All Lobbyists

Any person who receives compensation, remuneration or expenses for conducting lobbying activities is required to register as a Lobbyist with the City Clerk prior to engaging in lobbying activities before City Boards, Committees, or the City Council.

Special Meeting Agenda

1. **ROLL CALL OF CITY OFFICIALS**
2. **PLEDGE OF ALLEGIANCE**
3. **PUBLIC COMMENT**
4. **LEGISLATION**
 - 4.1. **Resolution R2016-67 Health Insurance (Nadine Lewis, Human Resources Department)**

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI BEACH, FLORIDA APPROVING THE SELECTION OF CIGNA HEALTHCARE OF FLORIDA, INC. AS THE PROVIDER FOR HEALTH INSURANCE COVERAGE AND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT FOR HEALTH INSURANCE COVERAGE, IN THE ESTIMATED ANNUAL AMOUNT OF \$4,246,906.00, AS RECOMMENDED BY THE CITY'S INSURANCE BROKER OF RECORD, BROWN & BROWN OF FLORIDA, INC.
5. **ADJOURNMENT**



City of North Miami Beach
17011 NE 19 Avenue
North Miami Beach, FL 33162
305-947-7581
www.citynmb.com

MEMORANDUM

 [Print](#)

TO: Mayor and City Council

FROM: Ana M. Garcia, City Manager, ICMA-CM

VIA: Nadine Lewis-Sevilla, Human Resources Director

DATE: Thursday, August 25, 2016

RE: Resolution R2016-67 Health Insurance (Nadine Lewis, Human Resources Department)

BACKGROUND ANALYSIS:

The City's health insurance broker, Brown & Brown of Florida, Inc., went to market for medical insurance coverage and obtained four (4) proposals from the following carriers: United Health Care/Neighborhood Health Partnership, Inc. (current carrier), Cigna Healthcare of Florida, Inc., Blue Cross and Blue Shield of Florida, Inc., and Aetna Health, Inc. Based on the broker's recommendation, we are seeking approval to replace the current carrier with Cigna Healthcare of Florida, Inc.

Cigna offers a large national network of health care professionals, does not require referrals nor primary care physicians, streamlines benefits administration, and provides enhanced online tools for its customers. These features will enhance the coverage options, benefits, and accessibility of information available to staff, as well as provide administrative relief to the Human Resources Department. Lastly, replacing Neighborhood Health Partnership Inc. with Cigna Healthcare of Florida, Inc. will result in an annual cost savings of medical premiums in the estimated amount of \$327,049.00 from the budgeted amount, and a savings paid by the City of approximately \$248,249.

This carrier change would be effective October 1st, 2016.

RECOMMENDATION: Approve

FISCAL/BUDGETARY IMPACT:

ATTACHMENTS:

▢ [Final Reccomendations](#)

▢ [Marketing Analysis](#)

▢ [RESOLUTION 2016-67](#)



City of North Miami Beach

2016 Medical Recommendations

Presented by: Evelyn R. Alvarez
VP & Managing Director, Employee Benefits
Certified HealthCare Reform Specialist®

Brown and Brown of Florida, Inc. dba
T. R. Jones & Company
1780 North Krome Avenue
Homestead, FL 33030
305-246-7541 Direct Line
305-242-7468 Fax
ealvarez@bbinsfl.com



Final Recommendations - August 23, 2016

Medical – Recommendations

Carrier Change to Cigna

- **A.M. Best Rating**
 - Cigna (A)
 - NHP (A-) and United (A)
- **Total Annual Medical Premium** (based on current enrollment):
 - **Current: \$4,033,365 Renewal: \$4,573,955 Cigna: \$4,246,906**
- **The City received a renewal increase of 13%, equivalent to approximately \$540,590 annually.**
 - Impact to CNMB \$497,579
- **Cigna's plan offering reduces the renewal increase to 5% equivalent to approximately \$213,541.**
 - A savings of \$327,049 from proposed renewal with NHP/UHC.
 - Impact to CNMB \$249,330
 - A savings of \$248,249 from proposed renewal with NHP/UHC.
- **Cigna - National Carrier / National Provider Network**
 - **No primary care physician requirements**
 - **No referrals**
 - **Cigna Network Analysis based on NHP/UHC utilization – 100% match on Adult Primary Care Physicians, OB/GYNs, Specialists, Hospitals and 99.8% on Pediatricians.**
 - **Removal of fourth plan option– UHC POS plan was only required due to Out of Area Retirees. With Cigna's plans we were able to blend the 2 POS benefits and capitalize on the savings.**
- **Benefit plans match 98% to current NHP/UHC benefits.**
- **\$20,000 Wellness Fund**
- **\$20,000 Transitional Fee Credit** (to be provided on first month invoice).
- **Streamlined Administration and Enhanced Online Tools**
 - Drug and Doctor pricing compare tool

South Florida Cigna Municipality Clients

- City of Miami since 10/1/1994
- City of Coral Springs since 1/1/1995
- Palm Beach Sheriffs since 1/1/1997
- Palm Beach Board of County Commissioners since 1/1/2000
- City of West Palm Beach since 1/1/2004
- City of Homestead since 1/1/2011
- City of Ft Lauderdale since 1/1/2012
- City of Miami Beach since 10/1/2016

Medical – Marketing Efforts

Carriers Considered

- **United Healthcare – (Single Platform)**
Not Competitive Plan Pricing
- **Aetna –**
Declined to Quote
- **Cigna–**
Most Competitive Package
- **Florida Blue–**
Plan/Pricing Not Competitive

City of North Miami Beach

Medical & Prescription Drug Plan Analysis

October 1, 2016

Plan Feature	Neighborhood Health									United Healthcare			
	CURRENT / RENEWAL PLANS												
	HDHP F0N1-M - New: F0Q4-M			HMO F0CG-M - New: F0SA-M			POS F0DA-M - New: F0T4-M			UHC OL-9-M - New: AHLW-M			
	In-Network		In-Network		In-Network		Out-of-Network		In-Network		Out-of-Network		
Annual Deductible (Individual/Family)	\$2,500 / \$5,000		\$500 / \$1,000		\$1,000 / \$3,000		\$2,000 / \$6,000		\$1,000 / \$3,000		\$2,000 / \$6,000		
Deductible Type	Embedded		Embedded		Embedded		Embedded		Embedded		Embedded		
Coinsurance (Carrier/Member)	100%		100%		80% / 20%		60% / 40%		80% / 20%		50% / 50%		
Annual OOP Maximum (Individual/Family)	\$3,000 / \$6,000		\$2,500 / \$5,000		\$3,000 / \$9,000		\$6,000 / \$18,000		\$3,500 / \$10,500		\$6,000 / \$18,000		
Applies to Out-Of-Pocket Maximum	Deductible, Coinsurance & All Copays		Deductible and All Copays		Deductible, Coinsurance & All Copays		Deductible, Coinsurance & All Copays		Deductible, Coinsurance & All Copays		Deductible, Coinsurance & All Copays		
Lifetime Maximum	Unlimited		Unlimited		Unlimited		Unlimited		Unlimited		Unlimited		
Open Access	Yes		Yes		Yes		N/A		Yes		Yes		
Physician Services													
Doctor's Office Visit	Deductible & Coinsurance		\$20		\$25		Deductible & Coinsurance		\$25		Deductible & Coinsurance		
Specialist 's Office Visit	Deductible & Coinsurance		\$40		\$45		Deductible & Coinsurance		\$50		Deductible & Coinsurance		
Wellness Care (Guidelines apply)													
Physical Exam & Immunizations	Covered at 100% with no member cost-sharing responsibility		Covered at 100% with no member cost-sharing responsibility		Covered at 100% with no member cost-sharing responsibility		Not Covered		Covered at 100% with no member cost-sharing responsibility		Not Covered		
Annual Well Woman Exam (Includes pap smear)	Covered at 100% with no member cost-sharing responsibility		Covered at 100% with no member cost-sharing responsibility		Covered at 100% with no member cost-sharing responsibility		Not Covered		Covered at 100% with no member cost-sharing responsibility		Not Covered		
Colorectal Cancer Screening	Covered at 100% with no member cost-sharing responsibility		Covered at 100% with no member cost-sharing responsibility		Covered at 100% with no member cost-sharing responsibility		Not Covered		Covered at 100% with no member cost-sharing responsibility		Not Covered		
Routine Mammography	Covered at 100% with no member cost-sharing responsibility		Covered at 100% with no member cost-sharing responsibility		Covered at 100% with no member cost-sharing responsibility		Not Covered		Covered at 100% with no member cost-sharing responsibility		Not Covered		
Hospital Care													
Inpatient Hospital Room & Board	Deductible & Coinsurance		\$200/Day (5 day Max)		Deductible & Coinsurance		Deductible & Coinsurance		Deductible & Coinsurance		Deductible & Coinsurance		
Inpatient Physician & Surgeon Services	Deductible & Coinsurance		Deductible		Deductible & Coinsurance		Deductible & Coinsurance		Deductible & Coinsurance		Deductible & Coinsurance		
Outpatient Surgery	Deductible & Coinsurance		\$200		Deductible & Coinsurance		Deductible & Coinsurance		Deductible & Coinsurance		Deductible & Coinsurance		
Outpatient Care													
Outpatient Diagnostic Lab at contracted lab	Deductible & Coinsurance		Covered 100%		Covered 100%		Deductible & Coinsurance		Covered 100%		Deductible & Coinsurance		
Outpatient Diagnostic X-Ray	Deductible & Coinsurance		Covered 100%		Covered 100%		Deductible & Coinsurance		Covered 100%		Deductible & Coinsurance		
Outpatient Major Radiology (MRI, PET CT Scans)	Deductible & Coinsurance		Deductible		Deductible & Coinsurance		Deductible & Coinsurance		Deductible & Coinsurance		Deductible & Coinsurance		
Emergency Care													
Emergency Room Services	Deductible & Coinsurance		\$250		\$150		\$150		\$250		\$250		
Urgent Care Center	Deductible & Coinsurance		\$50		\$50		Deductible & Coinsurance		\$50		Deductible & Coinsurance		
Prescription Drugs - Retail													
<i>Medical Deductible Applies First</i>													
Tier 1 - Generic	\$10		\$10		\$20				\$10				
Tier 2 - Preferred-Brand	\$35		\$35		\$40				\$35				
Tier 3 - Non-Preferred Brand	\$60		\$50		\$60		Not Covered		\$70		Not Covered		
Tier 4 - Self-Injectable	\$10/\$100/\$200		\$10/\$125/\$250		\$20/\$125/\$250				2.5x Retail Cost				
Mail Order (90 Day Supply)	2.5x Retail Cost		2x Retail Cost		2x Retail Cost				2.5x Retail Cost				
Coverage	Total EEs	Count	Current Rates	Renewal	Count	Current Rates	Renewal	Count	Current Rates	Renewal	Count	Current Rates	Renewal
Employee Only	253	20	\$411.59	\$465.10	200	\$502.35	\$567.66	6	\$496.52	\$561.07	27	\$585.93	\$697.26
Employee + 1	92	3	\$889.03	\$1,004.61	83	\$1,085.08	\$1,226.15	2	\$1,072.48	\$1,211.91	4	\$1,265.61	\$1,506.08
Employee + 2 or more	78	5	\$1,152.45	\$1,302.28	72	\$1,406.58	\$1,589.45	0	\$1,390.26	\$1,571.00	1	\$1,640.61	\$1,952.32
Estimated Total Monthly Premium	423	28	\$16,661.14	\$18,827.23	355	\$291,805.40	\$329,742.85	8	\$5,124.08	\$5,790.24	32	\$22,523.16	\$26,802.66
Estimated Total Combined Monthly Premium					Current: \$336,113.78				Renewal: \$381,162.98				
Estimated Total Combined Annual Premium					Current: \$4,033,365.36				Renewal: \$4,573,955.76				
Percentage Change from Current					13%								
Annual Financial Impact					\$540,590.40								

For illustrative purpose only; actual benefits described in SPD will prevail.

EAP services included in rates = Approximately \$1.33 Per Employee Per Month (\$6780)

City of North Miami Beach

Medical & Prescription Drug Plan Analysis

October 1, 2016

Cigna Healthcare

Alternate Package

Plan Feature	Choice Fund HSA OAP		OAPIn		OAP Plus		
	In-Network		In-Network		In-Network	Out-of-Network	
Annual Deductible (Individual/Family)	\$2,500 / \$5,000		\$500 / \$1,000		\$1,000 / \$3,000	\$2,000 / \$6,000	
Deductible Type	Embedded		Embedded		Embedded	Embedded	
Coinsurance (Carrier/Member)	100%		100%		80% / 20%	50% / 50%	
Annual OOP Maximum (Individual/Family)	\$3,000 / \$6,000		\$2,500 / \$5,000		\$3,500 / \$10,500	\$6,000 / \$18,000	
Applies to Out-Of-Pocket Maximum	Deductible, Coinsurance & All Copays		Deductible and All Copays		Deductible, Coinsurance & All Copays	Deductible, Coinsurance & All Copays	
Lifetime Maximum	Unlimited		Unlimited		Unlimited	Unlimited	
Open Access	Yes		Yes		Yes	Yes	
Physician Services							
Doctor's Office Visit	Deductible & Coinsurance		\$20		\$25	Deductible & Coinsurance	
Specialist 's Office Visit	Deductible & Coinsurance		\$40		\$50	Deductible & Coinsurance	
Wellness Care (Guidelines apply)							
Physical Exam & Immunizations							
Annual Well Woman Exam (Includes pap smear)	Covered at 100% with no member cost-sharing responsibility		Covered at 100% with no member cost-sharing responsibility		Covered at 100% with no member cost-sharing responsibility	Not Covered	
Colorectal Cancer Screening							
Routine Mammography							
Hospital Care							
Inpatient Hospital Room & Board	Deductible & Coinsurance		\$200/Day (5 day Max)		Deductible & Coinsurance	Deductible & Coinsurance	
Inpatient Physician & Surgeon Services	Deductible & Coinsurance		Deductible		Deductible & Coinsurance	Deductible & Coinsurance	
Outpatient Surgery	Deductible & Coinsurance		\$200		Deductible & Coinsurance	Deductible & Coinsurance	
Outpatient Care							
Outpatient Diagnostic Lab at contracted lab	Deductible & Coinsurance		Covered 100%		Covered 100%	Deductible & Coinsurance	
Outpatient Diagnostic X-Ray	Deductible & Coinsurance		Covered 100%		Covered 100%	Deductible & Coinsurance	
Outpatient Major Radiology (MRI, PET CT Scans)	Deductible & Coinsurance		Deductible		Deductible & Coinsurance	Deductible & Coinsurance	
Emergency Care							
Emergency Room Services	Deductible & Coinsurance		\$250		\$250	\$250	
Urgent Care Center	Deductible & Coinsurance		\$50		\$50	Deductible & Coinsurance	
Prescription Drugs - Retail							
<i>Medical Deductible Applies First</i>							
Tier 1 - Generic	\$10		\$20		\$10		
Tier 2 - Preferred-Brand	\$35		\$40		\$35		
Tier 3- Non-Preferred Brand	\$60		\$60		\$70	Not Covered	
Mail Order (90 Day Supply)	2.5x Retail Cost		2x Retail Cost		2.5x Retail Cost		
Coverage	Total EEs	Count	Choice Fund HSA OAP	Count	OAPIn	Count	OAP Plus
Employee Only	253	20	\$418.25	200	\$540.11	33	\$475.96
Employee + 1	92	3	\$906.51	83	\$1,166.63	6	\$1,028.07
Employee + 2 or more	78	5	\$1,175.88	72	\$1,512.29	1	\$1,332.69
Estimated Total Monthly Premium	423	28	\$16,963.93	355	\$313,737.17	40	\$23,207.79
Estimated Total Combined Monthly Premium					\$353,908.89		
Estimated Total Combined Annual Premium					\$4,246,906.68		
Percentage Change from Current					5%		
Annual Financial Impact from Current					\$213,541.32		

For illustrative purpose only; actual benefits described in SPD will prevail.

EMPLOYER COST ANALYSIS - CURRENT

MEDICAL BENEFITS - Oct 2015-2016 Current

CARRIER: NHP / UHC

Tier	HDHP F0NI	# of EEs	Rates	Employer Cost %	Employer Cost \$	Annual Cost
Employee Only		20	\$411.59	93%	\$381.59	\$91,581.60
Employee + 1		3	\$889.03	87%	\$769.03	\$27,685.08
Employee + 2 or more		5	\$1,152.45	75%	\$867.45	\$52,047.00
HSA Contribution/EE		28	\$825.00	100%	\$23,100	\$23,100.00
28						\$194,413.68

Tier	HMO F0CGM	# of EEs	Rates	Employer Cost %	Employer Cost \$	Annual Cost
Employee Only		200	\$502.35	92%	\$462.35	\$1,109,640.00
Employee + 1		83	\$1,085.08	85%	\$925.08	\$921,379.68
Employee + Family		72	\$1,406.58	73%	\$1,026.58	\$886,965.12
355						\$2,917,984.80

Tier	POS F0DAM	# of EEs	Rates	Employer Cost %	Employer Cost \$	Annual Cost
Employee Only		6	\$496.52	82%	\$408.52	\$29,413.44
Employee + 1		2	\$1,072.48	73%	\$785.48	\$18,851.52
Employee + 2 or more		0	\$1,390.26	67%	\$935.26	\$0.00
8						\$48,264.96

	# of EEs		Employer Cost \$	Annual Cost
UHC CNMB Payment	21	CNMB Payment:	\$6,632.73	\$79,592.76

Total Enrolled	412	Combined Annual Cost	\$3,240,256.20
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ANCILLARY BENEFITS - Oct 2015-2016 Current

CARRIER: LINCOLN

Group Life & AD/D	Volume	Rate per \$1,000	Monthly Cost	Annual Cost
Life	\$29,109,250.00	\$0.39	\$11,352.61	\$136,231.29
AD/D	\$29,109,250.00	\$0.026	\$756.84	\$9,082.09
Total			\$12,109.45	\$145,313.38

Long Term Disability Closed MNGMT Class	Volume	Rate per \$1,000	Monthly Cost	Annual Cost
LTD	\$66,623.00	\$0.76	\$506.33	\$6,076.02
Total			\$506.33	\$6,076.02

Total Enrolled	412	Annual Cost	\$151,389.39
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COMBINED PLAN BENEFIT TOTALS

Total Monthly Employer Cost	Total Annual Employer Cost	Total Annual Cost Per Eligible Employee
\$282,637.13	\$3,391,645.59	\$8,232.15

EMPLOYER COST ANALYSIS - RENEWAL

MEDICAL BENEFITS - Oct 2016-2017 Renewal

CARRIER: NHP / UHC

Tier	HDHP F0Q4M	# of EEs	Rates	Employer Cost %	Employer Cost \$	Annual Cost
Employee Only		20	\$465.10	94%	\$435.10	\$104,424.00
Employee + 1		3	\$1,004.61	88%	\$884.61	\$31,845.96
Employee + 2 or more		5	\$1,302.28	78%	\$1,017.28	\$61,036.80
HSA Contribution/EE		28	\$825.00	100%	\$23,100.00	\$23,100.00
						28
						\$220,406.76

Tier	HMO F0SAM	# of EEs	Rates	Employer Cost %	Employer Cost \$	Annual Cost
Employee Only		200	\$567.66	93%	\$527.66	\$1,266,384.00
Employee + 1		83	\$1,226.15	87%	\$1,066.15	\$1,061,885.40
Employee + 2 or more		72	\$1,589.45	76%	\$1,209.45	\$1,044,964.80
						355
						\$3,373,234.20

Tier	POS F0T4M	# of EEs	Rates	Employer Cost %	Employer Cost \$	Annual Cost
Employee Only		6	\$561.07	84%	\$473.07	\$34,061.04
Employee + 1		2	\$1,211.91	76%	\$924.91	\$22,197.84
Employee + 2 or more		0	\$1,571.00	71%	\$1,116.00	\$0.00
						8
						\$56,258.88

	# of EEs	Employer Cost \$	Annual Cost
UHC CNMB Payment	21	CNMB Payment: \$7,892.98	\$94,715.76

EAP Agreement Removal = Approx. \$1.33 per EE per Month

\$6,780.00

	Annual Cost
Total Count	412
	Combined Annual Cost
	\$3,737,835.60

ANCILLARY BENEFITS - Oct 2016-2017 Renewal

CARRIER: GUARDIAN

Group Life & AD/D	Volume	Rate per \$1,000	Monthly Cost	Annual Cost
Life	\$29,109,250.00	\$0.35	\$10,188.24	\$122,258.85
AD/D	\$29,109,250.00	\$0.026	\$756.84	\$9,082.09
Total			\$10,945.08	\$131,340.94

Long Term Disability Closed MNGMT Class	Volume	Rate per \$1,000	Monthly Cost	Annual Cost
LTD	\$66,623.00	\$0.70	\$466.36	\$5,596.33
Total			\$466.36	\$5,596.33

	Annual Cost
Total Count	412
	\$136,937.27

COMBINED PLAN BENEFIT TOTALS

Total Monthly Employer Cost	Total Annual Employer Cost	Employer Cost Difference
\$322,897.74	\$3,874,772.87	\$483,127.27

Percentage Change from Current:

14%

EMPLOYER COST ANALYSIS - CIGNA

MEDICAL BENEFITS - Oct 2016-2017 Renewal

CARRIER: CIGNA

Tier	HDHP OAP	# of EEs	Rates	Employer Cost %	Employer Cost \$	Annual Cost
Employee Only		20	\$418.25	93%	\$388.25	\$93,180.00
Employee + 1		3	\$906.51	87%	\$786.51	\$28,314.36
Employee + 2 or more		5	\$1,175.88	76%	\$890.88	\$53,452.80
HSA Contribution/EE		28	\$825.00	100%	\$23,100.00	\$23,100.00
						28
						\$198,047.16

Tier	OAPIn	# of EEs	Rates	Employer Cost %	Employer Cost \$	Annual Cost
Employee Only		200	\$540.11	93%	\$500.11	\$1,200,264.00
Employee + 1		83	\$1,166.63	86%	\$1,006.63	\$1,002,603.48
Employee + 2 or more		72	\$1,512.29	75%	\$1,132.29	\$978,298.56
						355
						\$3,181,166.04

Tier	OAP Plus	# of EEs	Rates	Employer Cost %	Employer Cost \$	Annual Cost
Employee Only		6	\$475.96	82%	\$387.96	\$27,933.12
Employee + 1		2	\$1,028.07	72%	\$741.07	\$17,785.68
Employee + 2 or more		0	\$1,332.69	66%	\$877.69	\$0.00
						8
						\$45,718.80

# of EEs	Employer Cost \$	Annual Cost
CNMB Retiree Payment	21	CNMB Payment: \$5,387.86
		\$64,654.32

Total Count	Annual Cost
412	\$3,489,586.32

ANCILLARY BENEFITS - Oct 2016-2017 Renewal

CARRIER: GUARDIAN

Group Life & AD/D	Volume	Rate per \$1,000	Monthly Cost	Annual Cost
Life	\$29,109,250.00	\$0.35	\$10,188.24	\$122,258.85
AD/D	\$29,109,250.00	\$0.026	\$756.84	\$9,082.09
Total			\$10,945.08	\$131,340.94

Long Term Disability Closed MNGMT Class	Volume	Rate per \$1,000	Monthly Cost	Annual Cost
LTD	\$66,623.00	\$0.70	\$466.36	\$5,596.33
Total			\$466.36	\$5,596.33

Total Count	Annual Cost
412	\$136,937.27

COMBINED PLAN BENEFIT TOTALS

Total Monthly Employer Cost	Total Annual Employer Cost	Employer Cost Difference
\$302,210.30	\$3,626,523.59	\$234,877.99
<i>Percentage Change from Current:</i>		7%

Current Medical Plans and Employee Cost Based on Current City Contributions

CURRENT - NHP HDHP FONIM (\$2,500 Ded, 100% Coins)

Status	Count	Current Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
EE	20	\$411.59	\$381.59	\$30.00	\$7,631.80	\$7.50
EE + 1	3	\$889.03	\$769.03	\$120.00	\$2,307.09	\$30.00
EE +2 or M	5	\$1,152.45	\$867.45	\$285.00	\$4,337.25	\$71.25
Total	28	\$16,661.14				
		Monthly Total		\$2,385.00	\$14,276.14	

RENEWAL - HDHP F0Q4M (\$2,500 Ded, 100% Coins)

Renewal Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
\$465.10	\$435.10	\$30.00	\$8,702.00	\$7.50
\$1,004.61	\$884.61	\$120.00	\$2,653.83	\$30.00
\$1,302.28	\$1,017.28	\$285.00	\$5,086.40	\$71.25
\$18,827.23				
		Monthly Total	\$2,385.00	\$16,442.23

Employer Impact Current Plan	Employee Impact Current Plan
Monthly Increase/Savings	
\$2,166.09	\$0.00
Annual Increase	
\$25,993.08	\$0.00

CURRENT - NHP HMO F0CGM (\$500 Ded, 100% Coins)

Status	Count	Current Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
EE	200	\$502.35	\$462.35	\$40.00	\$92,470.00	\$10.00
EE + 1	83	\$1,085.08	\$925.08	\$160.00	\$76,781.64	\$40.00
EE +2 or M	72	\$1,406.58	\$1,026.58	\$380.00	\$73,913.76	\$95.00
Total	355	\$291,805.40				
		Monthly Total		\$48,640.00	\$243,165.40	

RENEWAL - HMO F0SAM (\$500 Ded, 100% Coins)

Renewal Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
\$567.66	\$527.66	\$40.00	\$105,532.00	\$10.00
\$1,226.15	\$1,066.15	\$160.00	\$88,490.45	\$40.00
\$1,589.45	\$1,209.45	\$380.00	\$87,080.40	\$95.00
\$329,742.85				
		Monthly Total	\$48,640.00	\$281,102.85

Employer Impact Current Plan	Employee Impact Current Plan
Monthly Increase/Savings	
\$37,937.45	\$0.00
Annual Increase	
\$455,249.40	\$0.00

CURRENT - NHP POS F0DAM (\$1,000 Ded, 80% Coins)

Status	Count	Current Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
EE	6	\$496.52	\$408.52	\$88.00	\$2,451.12	\$22.00
EE + 1	2	\$1,072.48	\$785.48	\$287.00	\$1,570.96	\$71.75
EE +2 or M	0	\$1,390.26	\$935.26	\$455.00	\$0.00	\$113.75
Total	8	\$5,124.08				
		Monthly Total		\$1,102.00	\$4,022.08	

RENEWAL - POS F0T4M (\$1,000 Ded, 80% Coins)

Renewal Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
\$561.07	\$473.07	\$88.00	\$2,838.42	\$22.00
\$1,211.91	\$924.91	\$287.00	\$1,849.82	\$71.75
\$1,571.00	\$1,116.00	\$455.00	\$0.00	\$113.75
\$5,790.24				
		Monthly Total	\$1,102.00	\$4,688.24

Employer Impact Current Plan	Employee Impact Current Plan
Monthly Increase/Savings	
\$666.16	\$0.00
Annual Increase	
\$7,993.92	\$0.00

CURRENT - UHC OL-9M (\$1,000 Ded, 80% Coins)

Status	Count	Current Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
EE	0	\$585.93	\$0.00	\$0.00	\$0.00	\$0.00
EE + 1	0	\$1,265.61	\$0.00	\$0.00	\$0.00	\$0.00
EE +2 or M	0	\$1,640.61	\$0.00	\$0.00	\$0.00	\$0.00
Total	0	\$0.00				
		Monthly Total		\$0.00	\$0.00	

RENEWAL - UHC AHLW-M (\$1,000 Ded, 80% Coins)

Renewal Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
\$697.26	\$0.00	\$0.00	\$0.00	\$0.00
\$1,506.08	\$0.00	\$0.00	\$0.00	\$0.00
\$1,952.32	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00				
		Monthly Total	\$0.00	\$0.00

Employer Impact Current Plan	Employee Impact Current Plan
Monthly Increase/Savings	
\$0.00	\$0.00
Annual Increase	
\$0.00	\$0.00

Total Medical Monthly Cost	\$313,590.62
Total Employer <u>Monthly</u> Health Benefit Cost	\$261,463.62
HSA Annual Employer Contribution	\$23,100.00
Retirees <u>Annual</u> Contribution based on Percentages:	\$79,592.74
Total Employer <u>Annual</u> Health Benefit Cost	\$3,240,256.18

Total Medical Monthly Cost	\$354,360.32
Total Employer <u>Monthly</u> Health Benefit Cost	\$302,233.32
HSA Annual Employer Contribution	\$23,100.00
Retirees <u>Annual</u> Contribution based on Percentages:	\$94,715.78
Total Employer <u>Annual</u> Health Benefit Cost	\$3,744,615.62
15.6%	

Total Monthly Increase/Savings	
\$42,029.95	\$0.00
Total Annual Increase/Savings	
\$504,359.44	\$0.00

Current Medical Plans and Employee Cost Based on Current City Contributions

CURRENT - NHP HDHP FONIM (\$2,500 Ded, 100% Coins)

Status	Count	Current Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
EE	20	\$411.59	\$381.59	\$30.00	\$7,631.80	\$7.50
EE + 1	3	\$889.03	\$769.03	\$120.00	\$2,307.09	\$30.00
EE +2 or M	5	\$1,152.45	\$867.45	\$285.00	\$4,337.25	\$71.25
Total	28	\$16,661.14				
		Monthly Total		\$2,385.00	\$14,276.14	

CIGNA - Choice Fund HSA OAP

Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
\$418.25	\$388.25	\$30.00	\$7,765.00	\$7.50
\$906.51	\$786.51	\$120.00	\$2,359.53	\$30.00
\$1,175.88	\$890.88	\$285.00	\$4,454.40	\$71.25
\$16,963.93				
		Monthly Total	\$2,385.00	\$14,578.93

Employer Impact Current Plan	Employee Impact Current Plan
Monthly Increase/Savings	
\$302.79	\$0.00
Annual Increase	
\$3,633.48	\$0.00

CURRENT - NHP HMO F0CGM (\$500 Ded, 100% Coins)

Status	Count	Current Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
EE	200	\$502.35	\$462.35	\$40.00	\$92,470.00	\$10.00
EE + 1	83	\$1,085.08	\$925.08	\$160.00	\$76,781.64	\$40.00
EE +2 or M	72	\$1,406.58	\$1,026.58	\$380.00	\$73,913.76	\$95.00
Total	355	\$291,805.40				
		Monthly Total		\$48,640.00	\$243,165.40	

CIGNA - OAPIn

Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
\$540.11	\$500.11	\$40.00	\$100,022.00	\$10.00
\$1,166.63	\$1,006.63	\$160.00	\$83,550.29	\$40.00
\$1,512.29	\$1,132.29	\$380.00	\$81,524.88	\$95.00
\$313,737.17				
		Monthly Total	\$48,640.00	\$265,097.17

Employer Impact Current Plan	Employee Impact Current Plan
Monthly Increase/Savings	
\$21,931.77	\$0.00
Annual Increase	
\$263,181.24	\$0.00

CURRENT - NHP POS FODAM (\$1,000 Ded, 80% Coins)

Status	Count	Current Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
EE	6	\$496.52	\$408.52	\$88.00	\$2,451.12	\$22.00
EE + 1	2	\$1,072.48	\$785.48	\$287.00	\$1,570.96	\$71.75
EE +2 or M	0	\$1,390.26	\$935.26	\$455.00	\$0.00	\$113.75
Total	8	\$5,124.08				
		Monthly Total		\$1,102.00	\$4,022.08	

CIGNA - OAP Plus

Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
\$475.96	\$387.96	\$88.00	\$2,327.76	\$22.00
\$1,028.07	\$741.07	\$287.00	\$1,482.14	\$71.75
\$1,332.69	\$877.69	\$455.00	\$0.00	\$113.75
\$4,911.90				
		Monthly Total	\$1,102.00	\$3,809.90

Employer Impact Current Plan	Employee Impact Current Plan
Monthly Increase/Savings	
-\$212.18	\$0.00
Annual Increase	
-\$2,546.16	\$0.00

CURRENT - UHC OL-9M (\$1,000 Ded, 80% Coins)

Status	Count	Current Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
EE	0	\$585.93	\$0.00	\$0.00	\$0.00	\$0.00
EE + 1	0	\$1,265.61	\$0.00	\$0.00	\$0.00	\$0.00
EE +2 or M	0	\$1,640.61	\$0.00	\$0.00	\$0.00	\$0.00
Total	0	\$0.00				
		Monthly Total		\$0.00	\$0.00	

CIGNA - OAP Plus

Monthly Premium	Employer Cost	Employee Contribution	Monthly Employer Contribution Per EE/Dep.	Weekly Employee Contribution (48 Pay Periods)
\$475.96	\$0.00	\$0.00	\$0.00	\$0.00
\$1,028.07	\$0.00	\$0.00	\$0.00	\$0.00
\$1,332.69	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00				
		Monthly Total	\$0.00	\$0.00

Employer Impact Current Plan	Employee Impact Current Plan
Monthly Increase/Savings	
\$0.00	\$0.00
Annual Increase	
\$0.00	\$0.00

Total Medical Monthly Cost \$313,590.62 Total Employer <u>Monthly</u> Health Benefit Cost \$261,463.62 HSA Annual Employer Contribution \$23,100.00 Retirees <u>Annual</u> Contribution based on Percentages: \$79,592.74 Total Employer <u>Annual</u> Health Benefit Cost \$3,240,256.18

Total Medical Monthly Cost \$335,613.00 Total Employer <u>Monthly</u> Health Benefit Cost \$283,486.00 HSA Annual Employer Contribution \$23,100.00 Retirees Annual Contribution based on Percentages: \$64,654.37 Total Employer <u>Annual</u> Health Benefit Cost \$3,489,586.37 7.7%
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Employer Impact Current Plan	Employee Impact Current Plan
Total Monthly Increase/Savings	
\$20,777.52	\$0.00
Total Annual Increase/Savings	
\$249,330.19	\$0.00

MEDICAL MARKETING ANALYSIS

Non-Competitive Carriers

for

City of North Miami Beach

Effective October 1, 2016

Carrier	Plan Name	EE	EE+1	EE+2 or More
AETNA	<i>Decline to Quote</i>			

OV - Primary	OV - Spec	Ded.	Coins.	Major Diag.	ER	Rx

Carrier	Plan Name	EE	EE+1	EE+2 or More
United	<i>Not Competitive on Single Platform</i>			

OV - Primary	OV - Spec	Ded.	Coins.	Major Diag.	ER	Rx

Carrier	Plan Name	EE	ES	FA
FL Blue	HSA BlueCare 120/121	\$553.85	\$1,201.37	\$1,574.91
	BlueCare 59	\$580.05	\$1,380.52	\$1,809.76
	BlueOptions 3359	\$681.44	\$1,621.82	\$2,126.09
	BlueOptions 5770	\$707.71	\$1,684.36	\$2,208.06

OV - Primary	OV - Spec	Ded.	Coins.	Major Diag.	ER	Rx
\$2,500	Ded.	Ded.	100%	Ded.	Ded.	Ded.
\$15	\$35	\$500	90%	\$175	\$100	\$10/\$30/\$50
\$35	\$60	\$1,000	80%	\$125	\$500	\$10/\$30/\$50
\$25	\$45	\$1,000	80%	\$200	\$200	\$10/\$30/\$50

RESOLUTION NO. R2016-67

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI BEACH, FLORIDA APPROVING THE SELECTION OF CIGNA HEALTHCARE OF FLORIDA, INC. AS THE PROVIDER FOR HEALTH INSURANCE COVERAGE AND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT FOR HEALTH INSURANCE COVERAGE, IN THE ESTIMATED ANNUAL AMOUNT OF \$4,246,906.00, AS RECOMMENDED BY THE CITY'S INSURANCE BROKER OF RECORD, BROWN & BROWN OF FLORIDA, INC.

WHEREAS, Brown & Brown of Florida, Inc. ("Brown & Brown") serves as the City of North Miami Beach's ("City") Broker of Record for brokerage services for employee benefits insurance coverage services; and

WHEREAS, Brown & Brown was selected through a formal competitive solicitation by the City of Daytona Beach to provide brokerage services for employee benefits insurance coverage; and

WHEREAS, the City piggybacked on the City of Daytona Beach's competitively solicited and negotiated agreement for the same services, as permitted under Section 3-4.3 of the City's Code of Ordinances; and

WHEREAS, pursuant to the agreement, Brown & Brown, as the Broker of Record went to market seeking providers of employee health insurance coverage; and

WHEREAS, the Broker of Record obtained proposals for health insurance coverage from Cigna Healthcare of Florida, Inc., Blue Cross & Blue Shield of Florida, Inc., and United Health Care/Neighborhood Health Partnership, Inc., and Aetna Health, Inc., declined to submit a proposal; and

WHEREAS, based on the market options as well as the best cost and value of benefits, the Broker of Record recommends selection of Cigna Healthcare of Florida, Inc. as the provider of the City's health insurance benefits; and

WHEREAS, the health insurance coverage offered by Cigna Healthcare of Florida, Inc. will enhance employee benefits available, such as offering nationwide coverage, larger platform of physicians and facilities, enhanced online tools for employees and City benefits administration

team, and lastly will reduce overall annual premiums compared to the renewal rates of coverage with the current medical carrier; and

WHEREAS, the cost of annual medical premiums will decrease by approximately \$327,049.00 from budgeted amount, and the cost of annual medical premiums paid by the City will decrease by approximately \$248,249.00 and

WHEREAS, attached is a breakdown of the current carrier renewal rates versus the proposed medical rates through Cigna Healthcare of Florida, Inc.; and

WHEREAS, after review and evaluation by the Broker of Record, the Human Resources Department and the Procurement Management Division, of the health insurance coverage offered, it was determined that Cigna Healthcare of Florida, Inc. was the best value and cost for the City; and

WHEREAS, after conducting her due diligence, the City Manager, concurs with the recommendation of the Broker of Record, the Human Resources Department and the Procurement Management Division and recommends selection of Cigna Healthcare of Florida, Inc.; and

WHEREAS, the Mayor and City Council desire to select Cigna Healthcare of Florida, Inc. as the provider of employee health insurance benefits and authorize the City Manager to execute an Agreement pursuant to the rates proposed in the attached Exhibit "A".

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of North Miami Beach, Florida.

Section 1. The foregoing recitals are true and correct.

Section 2. The Mayor and City Council of the City of North Miami Beach hereby select Cigna Healthcare of Florida, Inc. as the provider of employee medical benefits coverage.

Section 3. The Mayor and City Council authorize and direct the City Manager and the City Clerk to execute an Agreement, in a form acceptable to the City Attorney, between the City and Cigna Healthcare of Florida, Inc. for employee health insurance benefits.

APPROVED AND ADOPTED by the City of North Miami Beach City Council at the regular meeting assembled this **25th day of August, 2016**.

[SIGNATURE PAGE TO FOLLOW]

ATTEST:

PAMELA L. LATIMORE
CITY CLERK
(CITY SEAL)

GEORGE VALLEJO
MAYOR

APPROVED AS TO FORM &
LANGUAGE & FOR EXECUTION

JOSE SMITH
CITY ATTORNEY

SPONSORED BY: Mayor and Council