



## Finance Committee Meeting

### AGENDA

February 5, 2013

---

**I. CALL TO ORDER**

**II. MATTERS BEFORE COMMITTEE**

1. [Renewal - Property & Casualty Insurance](#)
2. [Renewal - Ancillary Insurance Dental & Life](#)
3. [Renewal - Health Insurance](#)

**III. ADJOURN**



## Finance Committee Meeting

### AGENDA

February 5, 2013

**Item:**

Renewal - Property & Casualty Insurance

**Department:**

**Additional Information:**

**Financial Impact:**

**Budgeted Item:**

**Recommendation / Request:**

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

 [Property & Casualty Info](#)

**City of Monroe  
Property Casualty Insurance Summary (2013-14)**

| COVERAGE                                     | EXPIRING PREMIUM | PROPOSED PREMIUM | CARRIER   | EXPIRING LIMITS          | PROPOSED LIMITS          |   | EXPIRING DEDUCTIBLE | PROPOSED DEDUCTIBLE |
|--|------------------|------------------|-----------|--------------------------|--------------------------|---|---------------------|---------------------|
| <b>GENERAL LIABILITY</b>                     | \$53,221         | \$58,938         | Companion | \$1,000,000/\$3,000,000  | \$1,000,000/\$3,000,000  | Each Event Limit/General Total Limit    | \$10,000            | \$10,000            |
| Products & Completed Work                    | Included         | Included         | Companion | \$3,000,000              | \$3,000,000              | Total Limit                             | \$10,000            | \$10,000            |
| Personal Injury                              | Included         | Included         | Companion | \$1,000,000              | \$1,000,000              | Each Person Limit                       | \$10,000            | \$10,000            |
| Advertisement Injury                         | Included         | Included         | Companion | \$1,000,000              | \$1,000,000              | Each Person Limit                       | \$10,000            | \$10,000            |
| Premises Damage                              | Included         | Included         | Companion | \$1,000,000              | \$1,000,000              |   | \$10,000            | \$10,000            |
| Medical Payments                             | Included         | Included         | Companion | \$5,000                  | \$5,000                  |   | \$10,000            | \$10,000            |
| Sewer Back-up                                | Included         | Included         | Companion | Included                 | Included                 |   | \$10,000            | \$10,000            |
| Failure to Supply                            | Included         | Included         | Companion | None                     | \$1,000,000              |   | \$10,000            | \$10,000            |
| <b>EMPLOYEE BENEFITS LIABILITY</b>           | Included         | Included         | Companion | \$1,000,000/\$3,000,000  | \$1,000,000/\$3,000,000  | Each Wrongful Act/Total Limit           | None                | None                |
| Retro Date: NONE                             |                  |                  |           |                          |                          |   |                     |                     |
| <b>AUTOMOBILE LIABILITY</b>                  | \$81,540         | \$85,664         | Companion | \$1,000,000              | \$1,000,000              |   | \$10,000            | \$10,000            |
| Uninsured/ Underinsured Motorist             | Included         | Included         | Companion | \$100,000                | \$100,000                |   | \$10,000            | \$10,000            |
| Medical Payments                             | Included         | Included         | Companion | \$5,000                  | \$5,000                  |   | \$10,000            | \$10,000            |
| Total Number of Autos/Trailers               |                  |                  |           | 186 Units/ 23 Trailer    | 189 Units / 23 Trailers  |   |                     |                     |
| <b>AUTOMOBILE PHYSICAL DAMAGE</b>            |                  |                  |           |                          |                          |   |                     |                     |
| Comprehensive/Collision                      | Included         | Included         | Companion | ACV                      | ACV                      |   | \$1,000             | \$1,000             |
| Hired Car Physical Damage                    | Included         | Included         | Companion | ACV                      | ACV                      |   | \$1,000             | \$1,000             |
| Total Number of Autos/Trailers               |                  |                  |           | 133 Units / 9 Trailers   | 135 Units / 9 Trailers   |   |                     |                     |
| <b>CRIME</b>                                 | \$729            | \$847            | Companion |                          |                          |   |                     |                     |
| Employee Theft                               | Included         | Included         | Companion | \$250,000                | \$250,000                | Per Loss                                | \$1,000             | \$1,000             |
| Forgery or Alteration                        | Included         | Included         | Companion | \$250,000                | \$250,000                | Per Employee                            | \$1,000             | \$1,000             |
| Inside Premises (Money & Securities)         | Included         | Included         | Companion | \$75,000                 | \$75,000                 | Per Loss                                | \$1,000             | \$1,000             |
| Outside Premises                             | Included         | Included         | Companion | \$75,000                 | \$75,000                 | " "                                     | \$1,000             | \$1,000             |
| Computer Fraud                               | Included         | Included         | Companion | \$250,000                | \$250,000                | " "                                     | \$1,000             | \$1,000             |
| <b>PROPERTY</b>                              | \$73,559         | \$73,440         | Companion |                          |                          |   |                     |                     |
| Blanket Building & Personal Property         | Included         | Included         | Companion | \$42,851,157             | \$42,851,157             | Blanket, Replacement Cost, 90% Co       | \$5,000             | \$5,000             |
| Valuable Papers                              | Included         | Included         | Companion | \$250,000                | \$100,000                |   | \$5,000             | \$5,000             |
| Equipment Breakdown                          | Included         | Included         | Companion | \$250,000                | \$100,000                |   | \$5,000             | \$5,000             |
| Flood  | Included         | Included         | Companion | \$1,000,000              | \$1,000,000              | Excludes Zones A&V                      | \$50,000            | \$50,000            |
| Earthquake                                   | Included         | Included         | Companion | \$1,000,000              | \$1,000,000              |   | \$50,000            | \$50,000            |
| <b>INLAND MARINE</b>                         |                  |                  |           |                          |                          |   |                     |                     |
| Contractor's Equipment                       | Included         | Included         | Companion | \$3,178,046              | \$3,209,756              |   | \$1,000             | \$1,000             |
| Unscheduled Property                         | Included         | Included         | Companion | \$75,000                 | \$75,000                 |   | \$1,000             | \$1,000             |
| Non-Owned Contractors Equipment              | Included         | Included         | Companion | None                     | \$75,000                 |   | \$1,000             | \$1,000             |
| EDP  | Included         | Included         | Companion | \$250,000                | \$250,000                |   | -                   |                     |
| <b>LAW ENFORCEMENT LIABILITY</b>             | \$45,405         | \$44,858         | Companion | \$1,000,000/\$3,000,000  | \$1,000,000/\$3,000,000  | Each Wrongful Act Limit/Total Limit     | \$10,000            | \$10,000            |
| <b>PUBLIC ENTITY MANAGEMENT LIABILITY</b>    | \$8,456          | \$8,901          | Companion | \$1,000,000/\$3,000,000  | \$1,000,000/\$3,000,000  | Each Wrongful Act Limit/Total Limit     | \$10,000            | \$10,000            |
| <b>EMPLOYEE PRACTICES LIABILITY</b>          | \$11,864         | \$12,358         | Companion | \$1,000,000/\$3,000,000  | \$2,000,000/\$3,000,000  | Each Wrongful Offense Limit/Total Limit | \$10,000            | \$10,000            |
| Retro Date: 6/4/2000                         |                  |                  |           |                          |                          |   |                     |                     |
| <b>UMBRELLA (excludes Failure to Supply)</b> | \$18,212         | \$20,147         | Companion | \$1,000,000/\$1,000,000  | \$1,000,000/\$1,000,000  | Each Event Limit/General Total Limit    | \$10,000            | \$10,000            |
| <b>CYBER LIABILITY</b>                       | \$3,058          | \$3,058          | AWAC      | \$1,000,000/\$1,000,000  | \$1,000,000/\$1,000,000  | Each Event Limit/General Total Limit    | \$10,000            | \$10,000            |
| Tax and Fees                                 | \$200            | \$200            |           |                          |                          |   |                     |                     |
| <b>AIRPORT LIABILITY</b>                     | \$5,950          | \$5,950          | ACE       | \$5,000,000/\$10,000,000 | \$5,000,000/\$10,000,000 | Each Event Limit/General Total Limit    | None                | None                |
| <b>TOTAL PREMIUM</b>                         | <b>\$296,044</b> | <b>\$308,211</b> |           |                          |                          | <b>Item # 1</b>                         |                     |                     |

**IMPORTANT:** This summary sheet is for informational purposes only and does not supersede the proposal or policy.



## Finance Committee Meeting

### AGENDA

February 5, 2013

**Item:**

Renewal - Ancillary Insurance Dental & Life

**Department:**

**Additional Information:**

**Financial Impact:**

**Budgeted Item:**

**Recommendation / Request:**

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

**Attachments / click to download**

 [Ancillary Insurance Renewal Info](#)

## **City of Monroe**

### 2013 Ancillary Benefits Renewal

Rates for all lines of coverage have not changed for 2013. The Omega Benefit Group was able to negotiate rate guarantees in 2012 and/or negotiate not rate changes for every product in the ancillary line of coverage's for the City. The rates for the current plans are below.

### **Dental**

| <u>Low Plan</u>      |         | <u>Renewal</u>       |         |
|----------------------|---------|----------------------|---------|
| Employee:            | \$22.37 | Employee:            | \$22.37 |
| Employee+Spouse:     | \$42.43 | Employee+Spouse:     | \$42.43 |
| Employee+Child(ren): | \$42.65 | Employee+Child(ren): | \$42.65 |
| Family:              | \$62.72 | Family:              | \$62.72 |
| <u>High Plan</u>     |         | <u>Renewal</u>       |         |
| Employee:            | \$35.46 | Employee:            | \$35.46 |
| Employee+Spouse:     | \$68.67 | Employee+Spouse:     | \$68.67 |
| Employee+Child(ren): | \$57.74 | Employee+Child(ren): | \$57.74 |
| Family:              | \$90.95 | Family:              | \$90.95 |

### **Vision (Voluntary Coverage)**

| <u>Current</u>       |         | <u>Renewal</u>       |         |
|----------------------|---------|----------------------|---------|
| Employee:            | \$8.47  | Employee:            | \$8.47  |
| Employee+Spouse:     | \$18.29 | Employee+Spouse:     | \$18.29 |
| Employee+Child(ren): | \$14.76 | Employee+Child(ren): | \$14.76 |
| Family:              | \$24.57 | Family:              | \$24.57 |

## Basic Life Insurance

Employer Paid Portion:

|   | Current | Renewal |
|---|---------|---------|
| Basic Life                              | \$6.50  | \$6.50  |
| AD&D (Accidental Death & Dismemberment) | \$1.00  | \$1.00  |

Age Reduction stays with current structure of a drop to 65% of life/AD&D benefits at ages 65-69, 50% to ages 70-74, and 35% at age 75+.

## Supplemental Life Insurance (Voluntary)

All supplemental life rates are held for 2013.

## Accident (Voluntary)

All Accident rates are held for 2013.

## Short Term Disability (Voluntary)

The Unum Short Term Disability plan received a 0% increase for 2013.

## Long Term Disability (Voluntary)

The Unum Long Term Disability plan received a 0% increase for 2013.



## Finance Committee Meeting

### AGENDA

February 5, 2013

**Item:**

Renewal - Health Insurance

**Department:**

**Additional Information:**

**Financial Impact:**

**Budgeted Item:**

**Recommendation / Request:**

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

 [Health Insurance Info](#)

## City of Monroe

### Self-Funded Comparison to Fully Insured

| <b>Administrator   Carrier</b>      | Covenant            | Covenant   | BCBS   GMA   | BCBS   GMA          | Athens AHP                                 |
|-------------------------------------|---------------------|--|--|---------------------|--|
| Product Type                        | PPO                 | PPO  | PPO  | POS                 | POS  |
| Funding Type                        | Self-Funded         | Self-Funded  | Fully Insured  | Fully Insured       | Fully Insured                              |
| Plan Status                         | Current             | HCC   Offer  | Offer  | Offer               | Offer                                      |
| Contract Basis:                     |                     |  |  |                     |  |
| Fully Insured                       |                     |  | 12/24  | 12/24               | 12/24                                      |
| Specific Stop-Loss Contract         | 24/12               | 24/12  |  |                     |  |
| Aggregate Stop-Loss Contract        | 24/12               | 24/12  |  |                     |  |
| <hr/>                               |                     |  |  |                     |  |
| Employee                            | \$ 668.92           | \$ 785.62  | \$ 666.00  | \$ 576.00           | \$ 551.92                                  |
| Family                              | \$ 1,702.73         | \$ 1,828.34  | \$ 1,565.00  | \$ 1,355.00         | \$ 1,549.82                                |
| Estimated Run-Out Admin/Claims      |                     |  | \$ 289,000.00  | \$ 289,000.00       | \$ 289,000.00                              |
| <hr/>                               |                     |  |  |                     |  |
| <b>Self-Funded Program</b>          |                     |  |  |                     |  |
| <b>Fixed Cost:</b>                  |                     |  |  |                     |  |
| Employee                            | \$ 143.33           | \$ 161.42  |  |                     |  |
| Family                              | \$ 283.64           | \$ 291.41  |  |                     |  |
| <b>Variable Cost:</b>               |                     |  |  |                     |  |
| Employee                            | \$ 525.59           | \$ 624.20  |  |                     |  |
| Family                              | \$ 1,419.09         | \$ 1,536.93  |  |                     |  |
| <b>Self-Funded Totals:</b>          |                     |  |  |                     |  |
| Employee                            | \$ 668.92           | \$ 785.62  |  |                     |  |
| Family                              | \$ 1,702.73         | \$ 1,828.34  |  |                     |  |
| <hr/>                               |                     |  |  |                     |  |
| <b>Annual Maximum Cost</b>          | \$ 2,705,138        | \$ 2,996,028   | \$ 2,844,736   | \$ 2,500,936        | \$ 2,674,013                               |
| <b>% Change</b>                     | -                   | 10.75%   | 5.2%   | -7.5%               | -1.2%                                      |
| <b>* Predicted Annual Plan Cost</b> | <u>\$ 2,764,233</u> | <u>\$ 2,551,747</u>  | <u>\$ 2,844,736</u>  | <u>\$ 2,500,936</u> | <u>\$ 2,674,013</u>                        |
| <hr/>                               |                     |  |  |                     |  |
| <b>Plan Design</b>                  |                     |  |  |                     |  |
| Office Visit   Primary              | \$20.00             | \$40.00  | \$30.00  | \$25.00             | \$20.00                                    |
| Office Visit   Specialist           | \$30.00             | \$60.00  | \$35.00  | \$35.00             | \$50.00                                    |
| Deductible                          | \$200.00            | \$500.00   | \$500.00   | \$500.00            | \$500.00                                   |
| Coinsurance   In-Network            | 80%                 | 80%  | 80%  | 80%                 | 80%  |
| Coinsurance   Out-of-Network        | 60%                 | 60%  | 60%  | 60%                 | 60%  |
| Out of Pocket   Employee            | \$600.00            | \$1,500.00   | \$2,000.00   | \$2,000.00          | \$2,500.00                                 |
| Out of Pocket   Family              | \$1,200.00          | \$3,000.00   | \$6,000.00   | \$6,000.00          | \$7,500.00                                 |
| Prescription Drugs                  | \$10/\$20/\$40      | \$20/\$40/\$80   | \$15/\$30/\$50   | \$15/\$30/\$50      | \$20/\$40/\$85                             |
| Mail Order (90 day supply)          | \$ 10.00            | \$40/\$80/\$160  | \$10/\$30/\$50   | \$30/\$50/\$80      |  |
| Plan Networks                       | First Health        | Cigna  | BCBS   | BCBS                | Athens AHP                                 |
| Estimated Average Discounts         | 30%-33%             | 52%-55%  | 52%-55%  | 52%-55%             | 50%-55%                                    |
| <hr/>                               |                     |  |  |                     |  |
| <b>Plan Enrollment:</b>             |                     |  |  |                     | Athens Area Health Plan                    |
| Employee                            | 113                 |  |  |                     | Local Hospital included                    |
| Family                              | <u>88</u>           | Self Insured Plan:   | GMA - BCBS Plan:   |                     | included No in/out surgical co-pays apply. |
|                                     |                     | \$50,000 Specific Deductible 3 Employees are at \$125,000 Runout will occur only when exiting this plan. | Traditional Blue Cross network with Aetna prescription network. Other plans available. |                     | Other plans available.                     |
| Total                               | 201                 |  |  |                     |  |

**Footnotes:**

1] Aetna, Humana, and United Healthcare declined to offer a fully insured proposal to the City of Monroe due to loss experience.