



REQUEST FOR COMMISSION ACTION
CITY OF INDEPENDENCE
July 9, 2020

Department Administration

Director Approval Kelly Passauer

AGENDA ITEM Consider renewing health insurance with Blue Cross/Blue Shield.

SUMMARY RECOMMENDATION Renew health insurance with Blue Cross/Blue Shield.

BACKGROUND Currently the City contracts with Blue Cross/Blue Shield (BC/BS) to provide employee health insurance. BC/BS has provided a proposal to renew the City's contract for the upcoming contract year (September 1 through August 31). The Blue Cross/ Blue Shield proposal provides for a 10.32% increase in premiums at the same level of benefits. The following tables compare previous and current rates to renewal rates:

Option	Coverage	2018-2019 Rates	2019-2020 Rates	2020-2021 Renewal	Employees
1	Single	\$463.52	\$403.87	\$445.70	41
1	Family	\$1,446.61	\$1,246.54	\$1,375.90	22
2	Single	\$453.08	\$394.46	\$434.49	6
2	Family	\$1,413.96	\$1,217.46	\$1,341.23	8
3	Single	\$444.10	\$386.84	\$425.98	13
3	Family	\$1,385.89	\$1,193.89	\$1,314.91	12
Optional Dental	Single	\$13.03	\$12.40	\$13.87	51
Optional Dental	Family	\$39.88	\$37.94	\$42.45	37

Option	Coverage	2019-2020 Monthly	2020-2021 Monthly	Current Annual	Renewal Annual	% Increase
1	Single	\$16,558.67	\$18,273.70	\$198,704.04	\$219,284.40	10.36%
1	Family	\$27,423.88	\$30,269.80	\$329,086.56	\$363,237.60	10.38%
2	Single	\$2,366.76	\$2,606.94	\$28,401.12	\$31,283.28	10.15%
2	Family	\$9,739.68	\$10,729.84	\$116,876.16	\$128,758.08	10.17%
3	Single	\$5,028.92	\$5,537.74	\$60,347.04	\$66,452.88	10.12%
3	Family	\$14,326.68	\$15,778.92	\$171,920.16	\$189,347.04	10.14%
Optional Dental	Single	\$632.40	\$707.37	\$7,588.80	\$8,488.44	11.85%
Optional Dental	Family	\$1,403.78	\$1,570.65	\$16,845.36	\$18,847.80	11.89%
	Totals	\$77,480.77	\$85,474.96	\$929,769.24	\$1,025,699.52	10.32%

BUDGET IMPACT The 2021 budget will include funds to cover the renewal rates.

SUGGESTED MOTION I move to approve the renewal rates for the 2020/2021 contract year (September 1 through August 31) with Blue Cross/Blue Shield and authorize staff to sign any related documents.

SUPPORTING DOCUMENTS Health/dental renewal

Premium Summary



CITY OF INDEPENDENCE
Comprehensive Major MedicalSM

Business Information

Group Number: **5740510** Business Number: **36406**
 Projected Effective Date: **09/01/2020** Package Code: **TOC8L**

Benefit Information - Benefits include but are not limited to:

	Option A	Option B	Option C
Deductible	\$500 per person (\$1,000 two-or-more persons).	\$1,000 per person (\$2,000 two-or-more persons).	\$1,500 individual; \$3,000 two-or-more persons.
Coinsurance	50/50 -- Plan pays 50%; individual pays 50% up to \$2,500 per person (\$5,000 two-or-more persons) maximum.		
Maximum Out-of-Pocket	\$5,000/\$10,000 individual/two-or-more persons after the maximum out-of-pocket amount has been reached (copays/deductible/coinsurance), eligible benefits will be paid at 100% of the allowed amount for the remainder of the benefit period.		
Office Visits	\$35 copay per visit.		
Telehealth Visits	\$35 copay per visit.		
Prescription Drugs & Mail Order	BlueRx Card \$15/\$50/\$75; Mail order is 2 1/2 x copay with Select formulary. The quantity per prescription shall be the greater of a 34-day supply or 100-unit dosage, if defined as a maintenance drug. Designated Specialty Pharmacy.		
Outpatient Radiology and Laboratory Services (Includes Advanced Imaging)	100% of the allowable charges to a maximum of \$300 per person, then subject to deductible/coinsurance.		
Emergency Room Copay	\$250 copay then subject to deductible/coinsurance.		
Accidental Injuries	Pays 100% up to \$1,000 per person each benefit period, then subject to deductible/coinsurance.		
Preventive Care Services as defined by Affordable Care Act	In network 100% coverage; out of network subject to policy provisions including the non-network penalties (limited).		
Home Social Work Visits/Hospice	Subject to deductible/coinsurance.		
Mental Illness and Substance Use Disorders	Inpatient subject to deductible/coinsurance; Outpatient subject to \$35 office visit copayment.		
Lifetime Maximum	Unlimited for each covered person.		
Eligible Dependents	Covered to age 26.		

Health: TOC8L - COMP MAJOR MEDICAL TRIPLE OPTION**Dental:** DT011 - Building Block 50/50/50/50**Dental RAF:** 0.688Monthly Premium

	Type of Coverage	Health	Dental	Total
Option A	Employee	\$445.70	\$13.87	\$459.57
	Family	\$1375.90	\$42.45	\$1418.35
Option B	Employee	\$434.49	\$13.87	\$448.36
	Family	\$1341.23	\$42.45	\$1383.68
Option C	Employee	\$425.98	\$13.87	\$439.85
	Family	\$1314.91	\$42.45	\$1357.36

BCBSKS reserves the right to adjust premiums accordingly should enrollment vary from the census.

An Independent Licensee of the Blue Cross and Blue Shield Association.

Dental: Yes No

Printed Name: _____

Signature: _____

Plan Administrator Rep., Plan Sponsor Rep. or Officer of the Company

Title: _____

Date: _____

For Office Use Only

Effective Date: _____ Completed Date: _____

Blue Choice Provider Network

Your financial responsibility is based on your provider's network: PPO (Blue Choice) or Traditional (CAP)
Maximum benefits are available when services are received from Blue Choice providers.

Blue Choice Network Providers

- Deductible, coinsurance or copay amount.

CAP (But Non-Blue Choice) Network Providers

- Additional 20% non-PPO network coinsurance amount*
- Deductible, coinsurance or copay amount.

Non-Blue Choice & Non-CAP Providers

- Difference between the payment allowance and the provider's charge.
- Additional 20% non- PPO network coinsurance amount*
- Deductible, coinsurance or copay amount.

*Non-PPO Coinsurance limited to a combined \$2,000 per person, \$4,000 two-or more persons each benefit period.

Exclusions

Duplicate benefits provided under federal, state or local laws, regulations or programs, except Medicaid; cosmetic or reconstructive surgery (except as stated in the certificate); any keratotomy procedures; charges for personal items; convalescent or custodial/maintenance care or rest cures; blood or payments to donors of blood; any service or supply related to the medical management of obesity; except for eligible preventive services; charges for services by immediate relatives or by members of your household; acupuncture and admissions for acupuncture; services related to temporomandibular joint dysfunction syndrome over the amount specified in the certificate; dental implants; any medically-aided insemination procedure; services related to the reversal of sterilization procedures; mental illness or substance use disorder services provided by a non-eligible provider; hearing aids; unnecessary services and admissions; services or supplies which are experimental or investigative in nature; services not specifically listed as benefits in the certificate; services covered and payable by any medical expense payment provision of any automobile insurance policy.

This is a brief summary of the coverage available under this program. It is not a legal document.
The exact provisions of the benefits and exclusions are contained in the certificate.