

City of Dillingham Action Memorandum

Agenda of: December 7, 2017

Action Memorandum No. 2017-19

Subject:

Authorize City Manager to enter into a new Contract with Premera Health with an increased deductible; and authorize change in the HRA to reimburse employee expenses from \$1,000 to \$3,000

City Manager: Recommend Approval

Signature: *Jordan* 11/29/17

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

Summary Statement:

For 2018 the Finance Committee reviewed health/dental insurance options provided by the City insurance broker. City received insurance quotes from Premera, Moda, and Aetna. Premera (the City's current health/dental insurance provider) offered the most competitive rates.

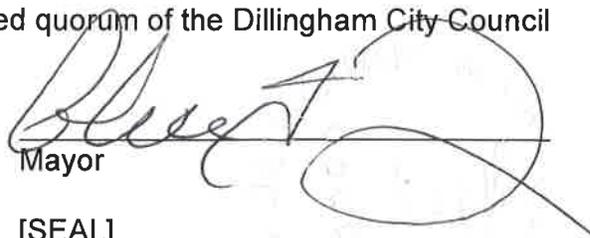
Renewing the City's existing insurance plan with Premera would cost the City an additional \$106K (estimated) in 2018. The City's current health insurance plan has a \$2,000 deductible. In addition, the City has an HRA plan that would reimburse employees/dependents for annual medical expenses incurred from \$750 to \$2,000.

Finance Committee decided to change the health insurance plan to one with a higher deductible (\$3,000). The selected plan would increase City expense in 2018 by an additional \$17K (estimated). Finance Committee decided to renew the City's current dental insurance plan. This plan would increase City expense in 2018 by an additional \$5K (estimated). In addition, the Finance Committee has requested that the HRA Plan be changed to now cover medical expenses incurred from \$1,000 to \$3,000.

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Summary Statement continued:

PASSED and APPROVED by a duly constituted quorum of the Dillingham City Council
on Dec. 7, 2017.


Mayor

[SEAL]

ATTEST:



City Clerk

Route to	Department Head	Date
X	Finance Director	
X	City Clerk	