

City of Seward, NE
Tuesday, November 17, 2015
Regular Session

Item G6

**CONSIDERATION FOR APPROVAL OF CHANGE IN
EMPLOYEE HEALTH PLAN PROVIDER - Bruce Smith**

Administrative Report: In 2015, the City will have paid \$680,700 in health insurance premiums to BlueCross/BlueShield of Nebraska for this benefit. In a recent meeting with Kolterman Agency, the City was advised that due to industry increases and the City's experience ratings, the premium was being increased to \$843,862 beginning 12/1/2015.

All employees were asked to complete a questionnaire and the Kolterman Agency sought bids from other providers.

United Healthcare provided the best quote with a premium of \$685,083, beginning 12/1/15. This is an approximate 1% increase over the current premium.

The City had been offering two plans

- 1) 250/500 deductible; 90/10 copay; \$1,250/\$2,500 out-of-pocket; \$20 office copay
- 2) \$1,000/\$2,000 deductible (reimbursable by the City); 80/20 copay; \$2,000/\$4,000 out-of-pocket max; \$30 office copay

United Healthcare's plan option is:

\$1,000/\$2,000 deductible (reimbursable by City); 80/20 copay; \$4,000/\$8,000 out-of-pocket max; \$25 office visit; \$10/\$35/\$60 pharmacy

Administration is recommending changing the employee health plan provider to United Healthcare, beginning 12/1/2015.

Staff Contact: