1 CITY OF HOMER 2 HOMER, ALASKA 3 City Manager 4 **RESOLUTION 20-052** 5 6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, 7 APPROVING NEW ONE-YEAR CONTRACTS WITH PREMERA BLUE CROSS, VSP, AND PRUDENTIAL WITH A RENEWAL DATE OF 8 9 AUGUST 1, 2020. 10 11 WHEREAS, The City of Homer moved healthcare and life insurance renewal to a start 12 date of August 1st each year, an off-peak enrollment cycle; and 13 14 WHEREAS, Premera Blue Cross submitted a proposal to continue Medical and Dental; 15 and 16 17 WHEREAS, USI negotiated no increase with Premera for Dental coverage, which provides the City with the best rate for those benefits; and 18 19 20 WHEREAS, The City already has a rate lock with VSP for Vision, which provides the City with the best rate for those benefits; and 21 22 23 WHEREAS, The City already has a rate lock with Prudential for Life Insurance, which 24 provides the best rate for those benefits; and 25 26 WHEREAS, Renewing the contract with Premera Blue Cross effective August 1st, 2020 results in an overall health care increase of 8.4% over the current plan year; and 27 28 29 WHEREAS, The average increase for the August 1st current and renewal plan years is a 30 decrease of 0.1% from the prior plan year which was effective January 2019; and 31 WHEREAS, The Employee Committee reviewed the benefit coverage and cost 32 33 projections for the August 1st, 2020 renewal, and supports this recommendation. 34 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves new 35 one-year contracts based upon the proposals with terms beginning on August 1, 2020, and 36 37 authorizes the City Manager to execute the appropriate documents. 38 39 PASSED AND ADOPTED by the Homer City Council this 8th day of June, 2020. 40 41 42

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MELISSA JACOBSEN, MMC, CITY CLERK
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Fiscal Note: \$1,748,584 annual cost of employee health care.



