

CITY OF HOMER  
HOMER, ALASKA

City Manager

RESOLUTION 23-044

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
APPROVING NEW ONE-YEAR CONTRACTS WITH PREMIERA BLUE  
CROSS, VSP, AND PRUDENTIAL WITH A RENEWAL DATE OF JULY  
1, 2023.

WHEREAS, Premera Blue Cross extended an initial renewal offer of a 23% increase for the City to remain on the Political Subdivision Plan (APS) for the 2023-24 plan year; and

WHEREAS The City has the option of leaving the Political Subdivision Group and requesting a bid for through Premera directly and independently; and

WHEREAS, Renewing the contract with Premera Blue Cross direct, effective July 1<sup>st</sup>, 2023 provided a significantly lower renewal rate, resulting in an overall health care increase of 2% over FY2023 budget, and a 6.8% increase based on current enrollment and rates; and

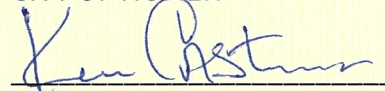
WHEREAS, VSP extended a rate pass for Vision, and Prudential Life extended a rate pass for Life Insurance, and both rates were offered with a two-year rate guarantee, which provides the City with the best rate for those benefits; and

WHEREAS, The Employee Committee reviewed the benefit coverage and cost projections for the July 1<sup>st</sup>, 2023 renewal, and supports this recommendation.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves new one-year contracts based upon the proposals with terms beginning on July 1, 2023, and authorizes the City Manager to execute the appropriate documents.

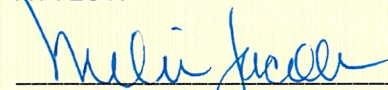
PASSED AND ADOPTED by the Homer City Council this 24<sup>th</sup> day of April, 2023.

CITY OF HOMER



KEN CASTNER, MAYOR

ATTEST:



MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: \$2,304,994 annual cost of employee health care and life insurance.

