

CITY OF HOMER
HOMER, ALASKA

City Manager/
HR Director

RESOLUTION 24-049(A)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, APPROVING
ONE-YEAR CONTRACTS WITH MODA HEALTH, VSP, AND PRUDENTIAL
WITH A RENEWAL DATE OF JULY 1, 2024.

WHEREAS, Premera Blue Cross extended an initial renewal offer of a 27.5% medical plan increase for employee healthcare coverage for the 2024-25 plan year; and

WHEREAS, USI conducted a targeted market review and solicited bids for healthcare from multiple carriers; and

WHEREAS, Competitive bids were received from Moda Health and United Healthcare; and

WHEREAS, Contracting with Moda Health, effective July 1, 2024 provides a significantly lower rate, resulting in an overall estimated healthcare decrease of 22.7% under FY2025 budget; and

WHEREAS, The City already has a rate lock with VSP for vision and Prudential for Life Insurance, which provide the best rates for those benefits; and

WHEREAS, The Employee Committee reviewed the benefit coverage and cost projections for the July 1, 2024 renewal, and supports this recommendation; and


WHEREAS, Information was presented to City Council for consideration of a richer pharmacy plan through Moda Health so employee benefits do not decrease; and

WHEREAS, This would cost an additional \$21,500 on the presented medical plan.

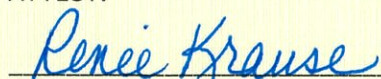
NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves new one-year contracts based upon the proposals with terms beginning on July 1, 2024, and authorizes the City Manager to execute the appropriate documents.

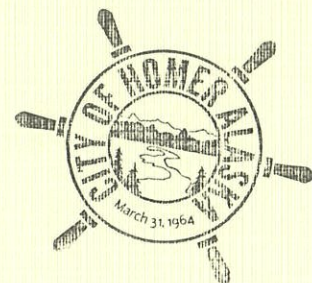
PASSED AND ADOPTED by the Homer City Council this 13th day of May, 2024.

CITY OF HOMER


KEN CASTNER, MAYOR

ATTEST:


RENEE KRAUSE, MMC, ACTING CITY CLERK



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48 Fiscal Note: ~~\$2,192,812~~ **\$2,214,312** annual cost of employee health care and life insurance.

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