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**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 26-033(S)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
APPROVING NEW ~~18-6~~ -MONTH CONTRACTS **WITH CURRENT**
BENEFITS WITH MODA HEALTH, VSP, AND PRUDENTIAL WITH A
RENEWAL DATE OF JULY 1, 2026.

WHEREAS, Moda Health extended a renewal offer of a ~~9-6~~ **11.3%** medical plan increase
for employee healthcare coverage **with current benefits** for and ~~18 6~~ -month period, from July
1, 2026 – December 31, ~~2027~~ **2026**; and

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

WHEREAS, Alaska Municipal Heath Trust (AMHT) declined to quote due to
uncompetitive rates; and

WHEREAS, Premera Blue Cross extended a bid offer of a 42.9% increase over current;
and

WHEREAS, Aetna extended a bid offer of a 40% increase over current; and

WHEREAS, Moda's Select Health's plan option is the most competitive; and

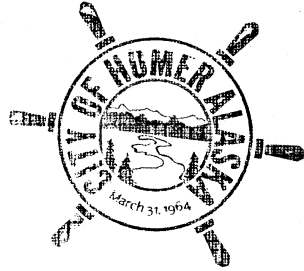
WHEREAS, the City already has a rate lock with VSP for vision and Prudential for Life
Insurance, which provide the best rates for those benefits; and

WHEREAS, approving an ~~18 6~~ -month contract with Moda allows the City to move to a
January 1st renewal date each year which will align with deductible and out-of-pocket max
renewal dates annually ~~and locks in a rate for an extended period.~~

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves new
~~18 6~~ -month contracts based upon the proposals with terms beginning on July 1, 2026, and
authorizes the City Manager to execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 11th day of May, 2026.

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CITY OF HOMER

A handwritten signature in black ink, which appears to read "Rachel Lord", is written over a horizontal line. Below the line, the text "RACHEL LORD, MAYOR" is printed.

ATTEST:

A handwritten signature in black ink, which appears to read "Amy Woodruff", is written over a horizontal line. Below the line, the text "AMY WOODRUFF, CITY CLERK" is printed.

Fiscal Note: \$2,664,417 annual cost of employee health care and life insurance.