



City of Hudson, Ohio

Staff Report With Text

File #: 16-186 **Version:** 1 **Name:**

Type: Resolution **Status:** Passed

File created: 11/17/2016 **In control:** City Council

On agenda: 12/6/2016 **Final action:** 12/6/2016

Title: A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH SUMMACARE FOR CERTAIN HEALTH BENEFIT PLAN SERVICES; AND DECLARING AN EMERGENCY.
Executive Summary: The City of Hudson provides certain (medical and prescription drug coverage) health benefits to regular full-time city employees. The attached legislation seeks Council's authorization for the City Manager to enter into a contract with SummaCare for certain health benefit plan services for the period of January 1, 2017 thru December 31, 2017.

Sponsors: David A. Basil

Indexes: Administration

Code sections:

Attachments: 1. 2017 SummaCare Renewal, 2. Resolution No. 16-186

Date	Ver.	Action By	Action	Result
12/6/2016	1	City Council	approved on the consent agenda	Pass
11/22/2016	1	City Council Workshop	item forwarded	

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH SUMMACARE FOR CERTAIN HEALTH BENEFIT PLAN SERVICES; AND DECLARING AN EMERGENCY.

Executive Summary: The City of Hudson provides certain (medical and prescription drug coverage) health benefits to regular full-time city employees. The attached legislation seeks Council's authorization for the City Manager to enter into a contract with SummaCare for certain health benefit plan services for the period of January 1, 2017 thru December 31, 2017.

Legislative History

None.

Purpose & Explanation

The purpose of this resolution is to authorize the renewal of the City's health insurance plan with SummaCare. Staff is recommending entering into a contract with SummaCare for medical and prescription drug coverage for the period of January 1, 2017 thru December 31, 2017.

The original renewal quote was 17.15% however after negotiations with SummaCare, the amended renewal rate is 7%. The employee contribution percentage for 2017 remains the same as 2016 at 15%.

Staff is once again recommending that the City fund a Health Reimbursement Account (HRA) for each employee equal to the employee's deductible, a maximum of \$2,000/\$4,000 (single/family) per employee to cover the City's potential liability.

The following is a breakdown of the monthly contributions that employees would experience for 2017: \$105.06 per month for single coverage; \$219.38 per month for employee/spouse coverage; \$208.64 per month for employee/child(ren) coverage; and \$310.40 for family coverage. This represents an average increase of 7.4% to employees over 2016.

The City will enter into separate contracts with NEO Administration to manage the associated health reimbursement account (HRA) program, Delta Dental for dental coverage and HealthSmart (formerly Klais & Company, Inc.) for vision coverage.

Timing Considerations

Open enrollment for health insurance is November 17 through December 2, 2016.

Fiscal Impact

Currently Budgeted

Supplemental Appropriation Required

☒ Appropriation Not Required.

Suggested Action

Staff recommends City Council approve the attached Resolution authorizing the City Manager to enter into the health benefit plan contract **with SummaCare, 10 N. Main Street Akron, Ohio, 44308** . Staff also recommends the legislation be passed as an emergency measure.

Submitted by,

Jane Howington, City Manager,

Jeff Knoblauch, Finance Director