



AGENDA SECTION	CONSENT
MEETING DATE	NOV 23, 2020

CITY OF COLUMBIA HEIGHTS - COUNCIL LETTER

ITEM:	Consideration of Resolution 2020-98 Entering into a Contract with Medica for Employee Health Insurance		
DEPARTMENT:	Administration	CITY MANAGER'S APPROVAL:	
BY/DATE:	Patty Sweep - November 23, 2020	BY/DATE:	<i>Kew Bonney</i> 11/20/20
CITY STRATEGY:	#2: Economic Strength		
Additional Strategy?	#3: Affordability		
SHORT TERM GOAL (IF APPLICABLE):	N/A		
Additional Goal?	N/A		

BACKGROUND:

Our current health care contract with our provider Medica, will expire December 31, 2020, as such; the City had our benefits consultant conduct a request for proposals for employee health insurance for 2021. We received three proposals back, United Health Care, Blue Cross Blue Shield, and Medica. HealthPartners did not return a proposal. Blue Cross Blue Shield of Minnesota proposal was a 19.16% increase, and United Health Care proposal was a 12.12% increase, with a very narrow field of providers that would require some employees to change doctors and/or clinics, and many suburban areas clinics were not in coverage areas. Medica's proposal was a 14% increase in premium rates for 2021 coverage for the same plans as are currently provided, and seemed to be the most cost effective based on coverage area.

Medica will not have the final contract document ready for signatures until at least mid-December but staff is asking City Council to approve staying with Medica for employee health insurance in 2021 based on the attached plan summary.

STAFF RECOMMENDATION:

Staff recommends City Council approve Medica as the City's health insurance provider for 2021 and authorizes the City Manager to sign the contract once it is received.

RECOMMENDED MOTION(S):

MOTION: Move to wave the reading of Resolution No. 2020-98, there being ample copies available to the public.

MOTION: Motion to adopt Resolution No. 2020-98, entering into a contract with Medica for employee health insurance coverage for January 1, 2021 through December 31, 2021 and authorizing the City Manager to sign the contract once it is received.

ATTACHMENTS:

- Resolution No. 2020-98
- Insurance Proposals
- Final Medica Plan Rate Sheet