

**Columbus Consolidated Government
Council Meeting Agenda Item**

TO:	Mayor and Councilors
AGENDA SUBJECT:	Retiree Health Insurance Plan
AGENDA SUMMARY:	Approval is requested authorizing the renewal of the Medicare-eligible healthcare plan benefits and the United Healthcare Medicare Advantage plan.
INITIATED BY:	Human Resources Department

Recommendation: Approval is requested authorizing the renewal of the Medicare-eligible healthcare plan benefits and the United Healthcare Medicare Advantage plan.

Background: In October 2007 Council authorized implementation of a Medicare Advantage plan and established a cost sharing formula whereby the City pays 25% of the fully insured health plan premium (Ord. No. 07-70) for employees hired prior to July 1, 2001. All retirees who are Medicare eligible and were hired on or after July 1, 2001, are not eligible for the 25% City subsidy (Ord. No. 14-25). Since 2012, the Retiree Benefits Committee has approved United Healthcare (UHC) as the carrier for the Medicare Advantage Plan because of the favorable plan design and minimum premium increases.

City Council authorized a contract with United Healthcare for the retiree Medicare Advantage Plan (Res. No. 284-12). There is no recommended change in Medicare Advantage plan provider for the retirees for calendar year 2024 and the Retiree Benefits Committee, NFP Benefits Consulting, and the Human Resources Department recommends remaining with United Healthcare.

Analysis: Three carriers made bids for coverage, Anthem Insurance, Humana, and United Healthcare. United Healthcare presented another strong bid for coverage in CY2024. The post-65 retiree health insurance costs will be reduced by 12.1% in 2024 and there are no plan design changes. The retirees' monthly premium rate will be \$82.50 a month for the City subsidized retiree group (hired prior to July 1, 2001) and \$110.00 for the unsubsidized retiree group (hired on or after July 1, 2001). The out-of-pocket maximum will remain at \$1,000 annually. Because of United Healthcare's competitive bid, excellent customer service, stability, and consistency; it was determined to remain with UHC.

Financial Considerations: A reduction in plan costs means the cost to the City will be reduced by 12.1% in CY2024.

Legal Considerations: The Council must authorize changes to the health plan.

Recommendations/Actions: The Retiree Health Benefits Committee, NFP Benefits Consultant, and the Human Resources Director recommend the proposed resolution.

A RESOLUTION

NO. ____

A RESOLUTION AUTHORIZING RENEWAL OF THE MEDICARE ELIGIBLE HEALTH PLAN BENEFITS AND THE UNITED HEALTHCARE MEDICARE ADVANTAGE PPO PLAN.

WHEREAS, United Healthcare has offered the City a competitive renewal of the Medicare Advantage PPO plan which resulted in a 12.1% reduced premium rates and no plan design changes; and,

WHEREAS, the monthly premium rate is \$82.50 for the City subsidized retiree group and \$110.00 for the unsubsidized retiree group. The out-of-pocket maximum is \$1,000 annually for CY2024; and,

WHEREAS, the Columbus Council must authorize implementation of the recommended plan renewal.

NOW, THEREFORE, THE COUNCIL OF COLUMBUS, GEORGIA HEREBY RESOLVES AS FOLLOWS:

Section I.

That the City Manager is authorized to renew the existing Medicare Advantage PPO contract with United Healthcare. The renewal will become effective January 1, 2024.

Introduced at a regular meeting of the Council of Columbus, Georgia held on the ____ day of _____, 2023 and adopted at said meeting by the affirmative vote of ____ members of said Council.

Councilor Allen voting _____.
Councilor Barnes voting _____.
Councilor Begly voting _____.
Councilor Cogle voting _____.
Councilor Crabb voting _____.
Councilor Davis voting _____.
Councilor Garrett voting _____.
Councilor Huff voting _____.
Councilor Thomas voting _____.
Councilor Tucker voting _____.

Sandra T. Davis, Clerk of Council

B.H. "Skip" Henderson, Mayor