

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2024-45

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING THE CITY MANAGER TO CONTRACT WITH PREMIERA BLUE CROSS TO PROVIDE HEALTH INSURANCE FOR THE CITY OF DILLINGHAM EMPLOYEES

WHEREAS, it is the City's intent and preference to provide health insurance to its employees and dependents; and

WHEREAS, the City is currently not in a position to discontinue with the current carrier to look for other plans due to coverage demands from the last two year, and

WHEREAS, the City has opted to renew with Premiera Blue Cross Blue Shield Preferred Choice Plus – HSA with an increase in Health and Dental Premiums of 3% and is also offered a 0% increase in UNUM Life for the 2025 calendar year for a cost estimate increase of \$32,375.13 if the renewal is accepted by November 8, 2024 and

WHEREAS, and due to a High Deductible Health Plan, the City will continue a Health Reimbursement Arrangement that reimburses the employee up to \$2,000 per individual and \$4,000 per family of their deductible; and

NOW, THEREFORE, BE IT RESOLVED by the Dillingham City Council, Dillingham, Alaska that Daniel Decker, Acting City Manager, City of Dillingham, P. O. Box 889, Dillingham, AK 99576 be and is hereby designated as the Authorized Agent of the Employer and is hereby authorized to sign an Agreement with Premiera Blue Cross for Health Insurance Coverage.

PASSED and ADOPTED by the Dillingham City Council on November 7, 2024.

SEAL:

Alice Ruby, Mayor

ATTEST:

Abigail Flynn, Acting City Clerk

City of Dillingham

Medical Plan Analysis



By 11/1/2024

January 1, 2025 Renewal

Prepared by: Diana Stewart

		2024 Current Premera Blue Cross Blue Shield of Alaska Preferred Choice Plus \$3,000/20%/\$6,000 \$30/\$65	Renewal Premera Blue Cross Blue Shield of Alaska Preferred Choice Plus - HSA \$3,200/20%/\$6,000 Ess Rx	No Bid Premera Blue Cross Blue Shield of Alaska Preferred Choice Plus - HSA \$3,200/20%/\$6,000 Ess Rx	NoBid - Early Bird Premera Blue Cross Blue Shield of Alaska Preferred Choice Plus - HSA \$3,200/20%/\$6,000 Ess Rx
Benefits		In-Network	In-Network	In-Network	In-Network
Deductible - In / Out of Network					
Individual		\$3,000 / \$6,000	\$3,000 / \$6,000	\$3,000 / \$6,000	\$3,000 / \$6,000
Family		\$6,000 / \$12,000	\$6,000 / \$12,000	\$6,000 / \$12,000	\$6,000 / \$12,000
Coinsurance - In/ Out of Network		20%/60%	20%/60%	20%/60%	20%/60%
Out-of-Pocket Maximum (Includes Deductible) In / Out of Network					
Individual		\$6,000 / \$45,000	\$5,000 / \$45,000	\$5,000 / \$45,000	\$5,000 / \$45,000
Family		\$12,000 / \$90,000	\$10,000 / \$90,000	\$10,000 / \$90,000	\$10,000 / \$90,000
Benefits		In-Network	In-Network	In-Network	In-Network
Professional Services					
PCP & Specialist Office Visit		\$30 Copay PCP / \$65 Specialits	Deductible & Coinsurance	Deductible & Coinsurance	Deductible & Coinsurance
Laboratory & X-Ray (non-complex)		Deductible & Coinsurance	Deductible & Coinsurance	Deductible & Coinsurance	Deductible & Coinsurance
Therapy		\$65 Copay - 45 visits each PCY	Deductible & Coinsurance	Deductible & Coinsurance	Deductible & Coinsurance
Hospital & Emergency Services					
Emergency Care - Copay waived if admitted		\$100 Copay, then Deductible & Coinsurance	\$100 Copay, then Deductible & Coinsurance	\$100 Copay, then Deductible & Coinsurance	\$100 Copay, then Deductible & Coinsurance
Ambulance		Deductible & Coinsurance	Deductible & Coinsurance	Deductible & Coinsurance	Deductible & Coinsurance
Hospital Inpatient (Includes Mental Health)		Deductible & Coinsurance	Deductible & Coinsurance	Deductible & Coinsurance	Deductible & Coinsurance
Hostpital Outpatient (Includes Mental Health)		Deductible & Coinsurance	Deductible & Coinsurance	Deductible & Coinsurance	Deductible & Coinsurance
Alternative Care					
Spinal Manipulations & Acupuncture		\$30 Copay - 12 visits each PCY	Deductible & Coinsurance - 12 visits each PCY	Deductible & Coinsurance - 12 visits each PCY	Deductible & Coinsurance - 12 visits each PCY
Prescription Drugs		Preferred Choice E4 Essentials	Preferred Choice E4 Essentials	Preferred Choice E4 Essentials	Preferred Choice E4 Essentials
Deductible		N/A	N/A	N/A	N/A
Preferred Generic		\$10 Copay	Deductible & Coinsurance	Deductible & Coinsurance	Deductible & Coinsurance
Preferred Brand		\$25 Copay	Deductible & Coinsurance	Deductible & Coinsurance	Deductible & Coinsurance
Preferred Specialty		\$45 Copay	Deductible & Coinsurance	Deductible & Coinsurance	Deductible & Coinsurance
Non-Preferred All Drugs		30% Coinsurance	30% Coinsurance	30% Coinsurance	30% Coinsurance
Mail-Order		90 Days Supply, 2.5x Retail Copay	90 Days Supply, 2.5x Retail Copay	90 Days Supply, 2.5x Retail Copay	90 Days Supply, 2.5x Retail Copay
Medical Rates		2023 Renewal	Option 1	Option 2	Option 3
Employee Only	26	\$1,455.18	\$1,578.86	\$1,513.39	\$1,498.84
Employee + Spouse	3	\$2,997.73	\$3,252.53	\$3,117.64	\$3,087.66
Employee + Child(ren)	5	\$2,692.13	\$2,920.96	\$2,799.82	\$2,772.89
Family	7	\$4,234.63	\$4,594.57	\$4,404.02	\$4,361.67
Monthly Premium		\$89,930.93	\$97,574.74	\$93,528.17	\$92,628.86
Annual Premium		\$1,079,171.16	\$1,170,896.88	\$1,122,338.01	\$1,111,546.29
Percentage Change From Current			8.5%	4.0%	3.0%
Annual Dollar Change From Current			\$91,725.72	\$43,166.85	\$32,375.13

*This comparison shows only general provisions of each plan's in-network benefits. Contract certificates should be consulted for exact plan language.

City of Dillingham



Dental Plan Analysis

By 11/1/2024

January 1, 2025 Renewal

Prepared by: Diana Stewart

		Current Premera Dental Optima BER \$50/0%/20%/50%/\$1,500	2025 Renewal Premera Dental Optima BER \$50/0%/20%/50%/\$1,500	No Bid Renewal Premera Dental Optima BER \$50/0%/20%/50%/\$1,500	No Bid & Early Bird Premera Dental Optima BER \$50/0%/20%/50%/\$1,500
Dental		In-Network	In-Network	In-Network	In-Network
Network Type		Any Provider	Any Provider	Any Provider	Any Provider
Dental Benefits					
Deductible		\$50 Individual / \$150 Family	\$50 Individual / \$150 Family	\$50 Individual / \$150 Family	\$50 Individual / \$150 Family
Preventative		0%	0%	0%	0%
Basic		20%	20%	20%	20%
Major		50%	50%	50%	50%
Annual Maximum		\$1,500	\$1,500	\$1,500	\$1,500
Orthodontia		Not Covered	Not Covered	Not Covered	Not Covered
Carryover Benefit					
Dental Rates	Counts				
Employee Only	26	\$47.91	\$49.83	\$49.83	\$49.35
Employee + Spouse	3	\$103.00	\$107.13	\$107.12	\$106.09
Employee + Child(ren)	5	\$105.40	\$109.63	\$109.62	\$108.56
Family	7	\$158.09	\$164.42	\$164.41	\$162.83
Monthly Premium		\$3,188.29	\$3,316.06	\$3,315.82	\$3,283.94
Annual Premium		\$38,259.48	\$39,792.72	\$39,789.86	\$39,407.26
Percentage Change From Current			4.01%	4.00%	3.00%
Annual Dollar Change From Current			\$1,533.24	\$1,530.38	\$1,147.78

*This comparison shows only general provisions of each plan's in-network benefits. Contract certificates should be consulted for exact plan language.

**All rates listed above are estimates. Actual rates could increase or decrease pending actual enrollment.

City of Dillingham

Life & Disability Summary



January 1, 2025 Renewal

Prepared by: Diana Stewart

	Current	2025 Renewal
	UNUM Life & AD&D	
Life & AD&D		Rate Pass to 1/1/2026
Coverage Volume	\$3,671,900	\$3,671,900
Life Rate per \$1,000	\$0.30	\$0.30
AD&D Rate per \$1,000	\$0.05	\$0.05
Life Premium	\$1,101.57	\$1,101.57
AD&D Premium	\$183.60	\$183.60
Monthly Premium	\$1,285.17	\$1,285.17
Annual Premium	\$15,421.98	\$15,421.98
Percentage Change From Current		0.00%
Annual Dollar Change From Current		\$0.00

*This comparison shows only general provisions of each plan's in-network benefits. Contract certificates should be consulted for exact plan language.

City of Dillingham
Fiscal Note

Agenda Date: November 7, 2024

Renew health insurance with Premera BCBS for the 2025 Calendar year

ORIGINATOR: Finance Director

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
AMOUNT REQUESTED:	FUNDING SOURCE City of Dillingham
FROM ACCOUNT	Project
xxxx 6210 xx xx Health Insurance xxxx 6215 xx xx Dental Insurance xxxx 6211 xx xx Health Reimb Premiun xxxx 6220 xx xx Life Insurance xxxx 6560 xx xx Health Reimb payout	
TO ACCOUNT:	VERIFIED BY: Anita Fuller Date: 10/30/2020

EXPENDITURES

OPERATING	FY25	FY26	FY27	FY28
Health 3% Inc. from CY2024	\$ 555,773.15	\$ 555,773.14		
Dental 3% Inc. from CY2024	19,894.93	19,894.93		
HRA 0.00 Inc from CY2024	1,800.00	1,800.00		
Life 0% Inc from CY2024	\$7,710.99	\$7,710.99		
HRA payout estimate	10,000.00	10,000.00		
TOTAL OPERATING	\$ 595,179.07	\$ 595,179.06	\$ -	\$ -

CAPITAL	\$ -			
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REVENUE	-			
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FUNDING

General & Special Rev. Funds	\$ 595,179.07	\$ 595,179.06		
State/Federal Funds				
Capital Project				
Other				
TOTAL FUNDING	\$ 595,179.07	\$ 595,179.06	\$ -	\$ -

POSITIONS

Full-Time				
Part-Time				

Analysis: (Attach a separate page if necessary) See Resolution 2024-45
 CY24 Health increase was 37.17%; Dental was 3.79%, Life was 0%; Current industry standard is 15% Inc.
 FY25 Budget was for an 15% Health insurance increase, 4% Dental Increase and 5% Life Increase

PREPARED BY: Anita Fuller October 22, 2024

DEPARTMENT: Finance

APPROVED BY: _____