

MEMORANDUM

TO: Honorable Tom Jinks, Mayor, City of Hedwig Village Honorable
Jimmy Pappas, Mayor, City of Hunters Creek Village Honorable
Marcus Vajdos, Mayor, City of Spring Valley Village Honorable
Russell Herron, Mayor, City of Hilshire Village
Mr. Jay Carlton, Chair, Village Fire Department
Mr. Gary Schenk, President, Memorial Villages Water Authority

FROM: Ray Thomas, Chair, Villages Mutual Insurance Group

CC: Villages Mutual Insurance Group Board
Members' City/Board Secretaries

DATE: October 29, 2021

SUBJECT: Board Recommendation for Plan Year 2022 Insurance Carriers

The Board Members of the Villages Mutual Insurance Group ("VMIG") met on Tuesday, October 19, 2021, to review and discuss the renewal proposal submitted by Blue Cross/Blue Shield ("BCBS"), as well as renewal proposals from Guardian Dental, Superior Vision, and Lincoln National Life.

The renewal proposals from Guardian Dental (dental coverage), Superior Vision (vision coverage), and Lincoln National Life (Life/AD&D and LTD) included no rate increases for Plan Year 2022. Therefore, the Board accepted the renewal proposals from these three providers without any changes.

Regarding medical coverage, for Plan Year 2021, the Board had switched carriers from UnitedHealthcare (which had proposed a 16% rate increase) to BCBS. BCBS agreed to an increase of 1.5% for 2021, with a rate increase renewal cap of 9.9% for 2022.

After recent negotiations based on a slightly improving 2021 loss ratio for our Group and the large volume of business that our consultant Gallagher has with BCBS, the Board accepted a 5.0% increase from BCBS for 2022. The BCBS renewal offers three different plans for our Members that are the same as our existing plans, with an improved network of medical providers. Most Members seem to be satisfied with BCBS.

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Therefore, the Board's recommendation for Plan Year 2022 is as follows:

Type of Insurance	Carrier
Medical	Blue Cross/Blue Shield
Dental	Guardian Dental
Vision	Superior Vision
Life/AD&D	Lincoln National Life
Long-Term Disability	Lincoln National Life
Supplemental Life	Lincoln National Life

Please place the above-recommended types of insurance and carriers on your Council or Board Agendas as soon as possible in November for consideration and advise us in writing of your Council's or Board's action.

If you have any questions, please feel free to contact Patti Torres at Village Fire Department at (713)468- 7941 .