

BILL NO. 2023-29

RESOLUTION 2023-29

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A CONTRACT AGREEMENT BETWEEN THE CITY OF WEST PLAINS, MISSOURI, AND ANTHEM FOR BENEFITS COVERAGE.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WEST PLAINS, MISSOURI AS FOLLOWS:

Section 1: The City authorizes the City Administrator to execute an administrative contract agreement between the City of West Plains, Missouri, and Anthem for benefits coverage.

Section 2: This Resolution shall be in full force and effect from and after the date of its passage and approval.

PASSED AND APPROVED THIS 16th DAY OF NOVEMBER 2023.

CITY OF WEST PLAINS, MISSOURI

BY: Michael Topliff
MAYOR MICHAEL TOPLIFF

ATTEST:

Allison Skinner
CITY CLERK ALLISON SKINNER



November 15, 2023

To: Mayor Michael Topliff
City Council Members
Allison Skinner, City Clerk

From: City Administrator Sam Anselm
HR Director Beccie Williams

Re: Benefits Coverage for Full-Time Employees

Executive Summary

The City is requesting approval to enter into an agreement with Anthem Blue Cross Blue Shield for benefits for employees.

Discussion

Anthem Blue Cross Blue Shield has agreed to lower their current rates by 3% for medical. Based on feedback from the EAC and the disruption caused by a carrier change, our recommendation is to remain with Anthem.

Anthem Blue Cross Blue Shield also agreed to lower their dental rates by 5%. It is our recommendation to maintain this plan with Anthem. While United Healthcare had very similar rates, they did not include implants in their coverage which would be a benefit reduction.

Anthem Blue Cross Blue Shield has held the vision rates. It is our recommendation to maintain this plan with Anthem. Rates with United Healthcare are a few pennies lower, but do not warrant the disruption or network differences.

Mutual of Omaha held their life and long-term disability (LTD) rates. The premium for these two lines from Mutual of Omaha is \$26,491. Anthem is higher on life insurance, but lower on LTD. Anthem's premium for these two lines is \$21,627. Anthem also matched voluntary life and voluntary short-term disability (STD) so the premium tables used for the payroll deduction for employees will not change.

If the Council agrees to our recommendations, all coverage will be with Anthem. This should help with plan administration and ease of service.

Fiscal Impact

The 2024 budget anticipated an 8% increase in insurance rates (approximately \$100,000), so the city will see a savings of that amount plus approximately \$48,000 in premium costs, for a total of \$150,000 next fiscal year.

City of West Plains
 Medical Plan Recommendation
 Effective January 1, 2024

	Current & Renewal Anthem Fully Insured		Blue Preferred PPO 3000	Blue Preferred PPO 2600	Blue Access PPO 2500	Blue Access PPO 1150
Deductible (Ded.) (Single / Family)						
Embedded / Non-Embedded	\$3,000 / \$6,000	Embedded	\$2,500 / \$5,000	Embedded	\$2,500 / \$5,000	\$1,150 / \$3,450
Coinsurance (Coins.) (Carrier / Member)	80% / 10%	80% / 20%	80% / 20%	80% / 20%	80% / 20%	80% / 20%
Out-of-Pocket Maximum (Single / Family)	\$4,000 / \$8,000	Embedded	\$6,350 / \$12,700	Embedded	\$6,350 / \$12,700	\$4,000 / \$8,000
Primary Physician Office Services	Embedded	Embedded	Embedded	Embedded	Embedded	Embedded
Referral to Specialist Required	Ded. + Coins.	Ded. + Coins.	\$35 Copy	\$35 Copy	\$35 Copy	\$40 Copy
Virtual Visits	No	No	\$60 Copy	\$60 Copy	\$60 Copy	No
Inpatient Hospitalization	PCP: Ded. + Coins. Specialist: Ded. + Coins.	PCP: Ded. + Coins. Specialist: Ded. + Coins.	PCP: \$35 Copy Specialist: \$60 Copy	PCP: \$35 Copy Specialist: \$60 Copy	PCP: \$35 Copy Specialist: \$60 Copy	PCP: \$35 Copy Specialist: \$40 Copy
Outpatient Surgery	Ded. + Coins.	Ded. + Coins.	Ded. + Coins.	Ded. + Coins.	Ded. + Coins.	Ded. + Coins.
Ambulatory Surgery Center	Ded. + Coins.	Ded. + Coins.	Ded. + Coins.	Ded. + Coins.	Ded. + Coins.	Ded. + Coins.
Emergency Room Services (In / Out-of-Network)	Ded. + Coins.	Ded. + Coins.	\$300 Copy + Annual Ded. + Coins.	\$300 Copy + Annual Ded. + Coins.	\$300 Copy + Annual Ded. + Coins.	\$170 Copy + Annual Ded. + Coins.
Urgent Care Services	Ded. + Coins.	Ded. + Coins.	\$75 Copy	\$75 Copy	\$75 Copy	\$55 Copy
Independent Diagnostics:						
Lab	Ded. + Coins.	Ded. + Coins.	\$0 Copy	\$0 Copy	\$0 Copy	\$0 Copy
X-Ray	Ded. + Coins.	Ded. + Coins.	\$0 Copy	\$0 Copy	\$0 Copy	\$0 Copy
Advanced Imaging	Ded. + Coins.	Ded. + Coins.	Ded. + Coins.	Ded. + Coins.	Ded. + Coins.	Ded. + Coins.
Pharmacy (Rx):						
Formulary Name	Essential	Essential	Essential	Essential	Essential	Essential
Deductible (Single / Family)	Integrated with Medical	N/A	N/A	N/A	N/A	N/A
Tier 1	Ded. + \$10 Copy	\$10 Copy	\$10 Copy	\$10 Copy	\$10 Copy	\$10 Copy
Tier 2	Ded. + \$35 Copy	\$25 Copy	\$25 Copy	\$25 Copy	\$25 Copy	\$25 Copy
Tier 3 / Tier 4	Ded. + \$80 Copy	\$40 Copy	\$40 Copy	\$40 Copy	\$40 Copy	\$40 Copy
Specialty / Injectables	Ded. + 25% Coins. (\$250 Max.)	25% Coins. (\$250 Max.)	25% Coins. (\$250 Max.)	25% Coins. (\$250 Max.)	25% Coins. (\$250 Max.)	25% Coins. (\$250 Max.)
Mail Order	Ded. + 2.5 X Retail Copy	2.5 X Retail Copy	2.5 X Retail Copy	2.5 X Retail Copy	2.5 X Retail Copy	2.5 X Retail Copy
Mail Order Specialty	Ded. + 25% Coins. (\$250 Max.)	25% Coins. (\$250 Max.)	25% Coins. (\$250 Max.)	25% Coins. (\$250 Max.)	25% Coins. (\$250 Max.)	25% Coins. (\$250 Max.)
Out of Network:						
Deductible (Ded.) (Single / Family)	\$6,000 / \$12,000	Embedded	\$3,000 / \$6,000	Embedded	\$3,000 / \$6,000	\$2,300 / \$6,900
Embedded / Non-Embedded	Embedded	Embedded	Embedded	Embedded	Embedded	Embedded
Coinsurance (Coins.) (Carrier / Member)	70% / 30%	50% / 50%	50% / 50%	50% / 50%	50% / 50%	50% / 50%
Out-of-Pocket Maximum (Single / Family)	\$12,000 / \$24,000	Embedded	\$7,000 / \$14,000	Embedded	\$7,000 / \$14,000	\$6,000 / \$12,000
Embedded / Non-Embedded	Embedded	Embedded	Embedded	Embedded	Embedded	Embedded
Lifetime Maximum	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Network	Blue Preferred	Blue Preferred	Blue Access	Blue Access	Blue Access	Blue Access
Single	\$599.42	\$634.17	\$674.65	\$674.65	\$674.65	\$780.78
Employee + Spouse	\$1,162.89	\$1,230.26	\$1,308.79	\$1,308.79	\$1,308.79	\$1,514.69
Employee + Child(ren)	\$1,037.01	\$1,097.09	\$1,167.12	\$1,167.12	\$1,167.12	\$1,390.72
Family	\$1,638.45	\$1,731.26	\$1,841.77	\$1,841.77	\$1,841.77	\$2,131.49
Estimated Monthly Premium						
Estimated Annual Premium	\$135,036	\$162,100	\$135,036	\$162,100	\$135,036	\$21,149
Estimated Monthly Premium						
Estimated Annual Premium	\$1,572,392	\$1,572,392	\$1,572,392	\$1,572,392	\$1,572,392	\$2,067,55
Annual Dollar Change From Current						
Percentage Change From Current						



City of West Plains

Dental PPO Plan Recommendation
Effective: January 1, 2024

Benefit	Current • Rate Pass		Buy-Up Plan	
	Anthem Base Plan	Buy-Up Plan	Anthem Base Plan	Buy-Up Plan
Deductible (Single / Family)	\$50 / \$150	\$50 / \$150	\$50 / \$150	\$50 / \$150
Waived for Preventive	Yes	Yes	Yes	Yes
Calendar Year Maximum	\$1,000	\$1,000	\$2,000	\$2,000
Preventive	100%	100%	100%	100%
Basic	80%	80%	80%	80%
Major	50%	50%	50%	50%
Endodontics (Root Canal)	80%	80%	80%	80%
Periodontics (Non-Surgical)	80%	80%	80%	80%
Periodontics (Surgical)	80%	80%	80%	80%
Crest Surgery	80%	80%	80%	80%
Implants	50%	50%	50%	50%
Orthodontia	N/A	N/A	Child Only Up to Age 16	Child Only Up to Age 16
Children / Adult	N/A	N/A	1,000	1,000
Lifetime Maximum	N/A	N/A	Negotiated Fee	80th Percentile of UCR
UCR Allowance	Negotiated Fee	80th Percentile of UCR	Late Entrants Included	Late Entrants Included
Waiting Periods				
Maximum Rollover				
Dependents Covered up to				
Contribution				
Minimum Participation				
Rate Guarantees				
Single	110	\$21.52	31	\$27.23
Employee + Spouse	14	\$42.32	11	\$53.57
Employee + Children	7	\$44.14	7	\$55.85
Family	10	\$66.94	5	\$87.25
Estimated Monthly Premium		\$5,210		
Estimated Annual Premium		\$74,524		
Annual Dollar Change From Current		N/A		
Percentage Change From Current		N/A		

Anthem has reduced these rates by 5%

City of West Plains
Vision Plan Recommendation
 Effective: January 1, 2024

		Current - Rate Guarantee	
Anthem		Blue View Vision Low	Blue View Vision High
Exams		\$15 Copay	\$15 Copay
Lenses / Materials		\$130 Allowance + 20% off Balance	\$130 Allowance + 20% off Balance
Frames		Effective: Conventional: \$130 Allowance + 15% Off Balance Disposable: \$130 Allowance Medically Necessary: Covered in Full (Copay Waived)	Effective: Conventional: \$130 Allowance + 15% Off Balance Disposable: \$130 Allowance Medically Necessary: Covered in Full (Copay Waived)
Contact Lenses		Standard: Up to \$55 Copay Premium: 10% Off Retail Discounts Available	Up to \$55 Copay / 10% off Retail Price Discounts Available
Fitting and Evaluation			
Laser Vision Correction			
Frequency of Benefits			
Exams		N/A	Once Every Calendar Year
Lenses		Once Every Calendar Year	Once Every Calendar Year
Frames		Once Every other Calendar Year	Once Every other Calendar Year
Contact Lenses		Once Every Calendar Year (in Lieu of Eyeglasses)	Once Every Calendar Year (in Lieu of Eyeglasses)
Out of Network			
Eye Examination		Reimbursed up to: Single: \$40 Bifocal: \$60 Trifocal: \$80	Reimbursed up to \$42 Reimbursed up to: Single: \$40 Bifocal: \$60 Trifocal: \$80
Lenses			
Frames			
Contact Lenses		Reimbursed up to \$45 Reimbursed up to: Conventional: \$105 Disposable: \$105 Medically Necessary: \$210	Reimbursed up to \$45 Reimbursed up to: Conventional: \$105 Disposable: \$105 Medically Necessary: \$210
Contribution			
Minimum Participation			Voluntary Current 2 Years
Rate Guarantee			
Single	34	\$4.34	51
Employee + Spouse	1	\$8.66	13
Employee + Child(ren)	1	\$9.91	7
Family	2	\$15.55	7
Estimated Monthly Premium			\$894
Estimated Annual Premium			\$10,732
Annual Dollar Change From Current			N/A
Percentage Change From Current			N/A



City of West Plains

Basic Life / AD&D Plan Recommendation

Effective: January 1, 2024

	Current - Rate Guarantee	Option 1
	Mutual of Omaha	Anthem
	Basic Life / AD&D	Basic Life / AD&D
Eligible Employees	All Active Full Time Employees Working 30+ Hours	All Active Full Time Employees Working 30+ Hours
Basic Life / AD&D Amount Guarantee Issue Amount	\$40,000	\$40,000
Benefit Reduction Schedule		
At Age 65	Reduced to 65%	Reduced to 65%
At Age 70	Reduced to 50%	Reduced to 50%
At Age 75+	No Further Reduction	No Further Reduction
Waiver of Premium	Included	Included
Accelerated Benefit	Included	Included
EAP Included	Included	Included
Contribution	100% Employer Paid	100% Employer Paid
Minimum Participation	100%	100%
Rate Guarantee	1 Year	2 Years
Rates per \$1000 Volung		
Life	\$0.080	\$0.097
AD&D	\$0.020	\$0.020
Estimated Monthly Premium	\$764	\$894
Estimated Annual Premium	\$9,168	\$10,724
Annual Dollar Change From Current	N/A	\$1,558
Percentage Change From Current	N/A	17.00%

City of West Plains
Voluntary Life Plan Recommendation
 Effective: January 1, 2024

	Current - Rate Guarantee Mutual of Omaha Voluntary Life / AD&D	Option 1 Anthem Voluntary Life / AD&D
Eligible Employees	All Active Full Time Employees Working 30+ Hours	All Active Full Time Employees Working 30+ Hours
Employee Optional Life:		
Minimum	\$10,000	\$10,000
Increments	\$10,000	\$10,000
Maximum	5 X Annual Earnings, Up to \$150,000	5 X Annual Earnings, Up to \$150,000
Guarantee Issue	\$100,000	\$100,000
Spouse Optional Life:		
Minimum	\$5,000	\$5,000
Increments	\$5,000	\$5,000
Maximum	100% of Employees Amount, Up to \$75,000	100% of Employees Amount, Up to \$75,000
Guarantee Issue	\$50,000	\$30,000
Child(ren) Optional Life:		
Minimum	\$2,000	\$2,000
Increments	\$2,000	\$2,000
Maximum	100% of Employees Amount, Up to \$10,000	15 Days +: 100% of Employees Amount, Up to \$10,000
Guarantee Issue	\$10,000	\$10,000
Dependents Covered up to	Age: 26	Age: 26
Waiver of Premium	Included	Included
Accelerated Benefit	Included	Included
Portability / Conversion	Included / Included	Included / Included
Contribution	100% Employee Paid	100% Employee Paid
Minimum Participation	Current	Greater of 5 Enrolled or 20%
Rate Guarantee	1 Year	2 Years
Age Ranges		
<25	\$0.080	\$0.080
25-29	\$0.090	\$0.090
30-34	\$0.100	\$0.100
35-39	\$0.130	\$0.130
40-44	\$0.190	\$0.190
45-49	\$0.290	\$0.290
50-54	\$0.470	\$0.470
55-59	\$0.740	\$0.740
60-64	\$1.000	\$1.000
65-69	\$1.630	\$1.630
70-74	\$2.730	\$2.730
75+	\$8.080	\$8.080
Child Life Rate	\$0.120	\$0.120
AD&D (Employee/Spouse/Child)	\$0.025 / \$0.025 / \$0.025	\$0.025 / \$0.025 / \$0.025

*Notes
Spouse terms at age 70

City of West Plains
Voluntary Short-Term Disability Plan Recommendation
 Effective: January 1, 2024

	Current - Rate Guarantee		Option 1
	Mutual of Omaha Voluntary Short-Term Disability	All Active Full Time Employees Working 30+ Hours	Anthom Voluntary Short-Term Disability
Eligible Employees	All Active Full Time Employees Working 30+ Hours		All Active Full Time Employees Working 30+ Hours
Benefit Detail:			
Benefit Percentage	60%	60%	60%
Maximum Weekly Benefit	\$1,000	\$1,000	\$1,000
Minimum Weekly Benefit	\$25	\$25	\$50
Elimination Period:			
Accident	14 Days	14 Days	14 Days
Illness	14 Days	14 Days	14 Days
Benefit Duration	11 Weeks	11 Weeks	11 Weeks
Pre-Existing Limitation	3 / 6	3 / 6	3 / 12
Waiver of Premium	Included	Included	Not Included
W-2 / FICA	Included	Included	Included / Not Included
Contribution	100% Employee Paid		100% Employee Paid
Minimum Participation	Current	Current	Greater of 10 Enrolled or 20%
Rate Guarantee	1 Year	1 Year	2 Years
Rate			
<25	\$0.272	\$0.272	\$0.208
25-29	\$0.257	\$0.257	\$0.198
30-34	\$0.279	\$0.279	\$0.213
35-39	\$0.288	\$0.288	\$0.220
40-44	\$0.338	\$0.338	\$0.258
45-49	\$0.391	\$0.391	\$0.299
50-54	\$0.486	\$0.486	\$0.371
55-59	\$0.639	\$0.639	\$0.488
60-64	\$0.768	\$0.768	\$0.588
65-69	\$0.866	\$0.866	\$0.661
70-74	\$1.125	\$1.125	\$0.661
75+	\$1.125	\$1.125	\$0.661

City of West Plains

Long-Term Disability Plan Recommendation

Effective: January 1, 2024

	Current - Rate Guarantee Mutual of Omaha Long-Term Disability	Option 1 Anthem Long-Term Disability
Benefits		
Eligible Employees	All Active Full Time Employees Working 30+ Hours	All Active Full Time Employees Working 30+ Hours
Benefit Detail:		
Benefit Percentage	60%	60%
Maximum Monthly Benefit	\$6,000	\$6,000
Minimum Monthly Benefit	\$100	Greater of 15% of \$100
Elimination Period	90 Days	90 Days
Benefit Duration	SSNRA	SSNRA
Own Occupation Period	24 Months	2 Years
Definition of Disability	Unable to Perform Main Duties AND 1% Earnings Loss	Unable to Perform Main Duties AND 20% Earnings Loss
Pre-Existing Limitation	12 / 12	3 / 12
Mental / Substance Limitation	24 Months Lifetime	24 Months Lifetime
Special Conditions Limitation	None	None
Waiver of Premium	Included	Included
EAP Included	Not Included	Not Included
W-2 / FICA	Included	Included / Included
Contribution	100% Employer Paid	100% Employer Paid
Minimum Participation	100%	100%
Rate Guarantee	1 Year	2 Years
Rates per	Value	Negotiated from -24.56%
\$100	\$384,990	\$0.236
Estimated Monthly Premium	\$1,444	\$909
Estimated Annual Premium	\$17,325	\$10,903
Annual Dollar Change From Current	N/A	(\$6,422)
Percentage Change From Current	N/A	-37.07%