

To: The Honorable Mayor and City Council  
From: Joseph Roglieri, Jr., Personnel Administration Director  
Date: October 25, 2016



RE: **RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI EXTENDING HEALTH INSURANCE COVERAGE WITH UNITED HEALTHCARE (UHC) FOR PLAN YEAR 2017.**

**RECOMMENDATION**

The Mayor and City Council adopt the attached resolution authorizing the City Manager to sign a contract extending the employee health, dental and vision insurance coverage with UHC for the 2017 plan year.

**BACKGROUND**

The City originally entered into a contract with United Healthcare in 2001. Sapoznik, the City's Insurance Agent of Record puts out a bid for proposals for companies to provide insurance coverage. This year UHC, Cigna, Humana, AvMed, BCBS and AETNA were the competitive bidders.

The Agent provided an in-depth comparison and analysis of the plans. Upon review it was determined that the two most competitive plans with similar benefit design were UHC and Cigna. Since Cigna did not offer a decrease in premiums with guaranteed rates for additional years, it is in the best interest of the City to remain with UHC.

UHC presented the 2017 plan year with a 9.89% increase for the Neighborhood Health Plan (NHP) for medical coverage. The City helped keep this rate increase down by raising the Emergency Room Co-Pay from \$250 to \$350, and by raising the Prescription Co-Pay for Tier II and Tier III from \$35 to \$45 and from \$50 to \$70 respectively. Tier I prescription Co-Pay remains at \$10. The Choice Plan and Choice Plus Plan, which have much lower participation rates (402 NHP/30 UHC) had increases of 29.25%, which resulted in an overall blended increase of 11.77%.

The Dental Plan had an approximate 15.54% decrease in premiums for the HMO, with an enriched benefit level. The PPO had an approximate 25.18% decrease in premiums, with no plan changes.

The Vision Plan had a stable rate with no plan changes.

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, APPROVING THE RENEWAL OF HEALTH, DENTAL AND VISION INSURANCE COVERAGE FOR THE 2017 PLAN YEAR WITH UNITED HEALTHCARE AS THE INSURANCE PROVIDER FOR CITY OF NORTH MIAMI EMPLOYEES; FURTHER AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS TO EFFECTUATE SAID COVERAGE; PROVIDING FOR AN EFFECTIVE DATE AND FOR ALL OTHER PURPOSES.**

**WHEREAS**, the City of North Miami (“City”) employee health, dental and vision insurance coverage, currently provided by United Healthcare, will expire on December 31, 2016; and

**WHEREAS**, the insurance agent of record, Sapoznik Insurance & Associates, LLC (“Insurance Agent”), solicited insurance plan proposals from healthcare insurance providers, on behalf of the City; and

**WHEREAS**, in response to the Insurance Agent’s request, insurance plan proposals were received from the following health insurance providers: 1) United Healthcare, 2) Cigna, 3) Humana, 4) AvMed, 5) BCBS, and 6) AETNA; and

**WHEREAS**, the Insurance Agent provided an in-depth comparison and analysis of the available insurance plans which reflected that the two most competitive plans were submitted by United Healthcare and Cigna; and

**WHEREAS**, the proposal submitted by Cigna did not offer a decrease in premiums with guaranteed rates for additional years; and

**WHEREAS**, the City was able to negotiate a renewal to the United Healthcare insurance plan with a slight increase in premiums; and

**WHEREAS**, City administration respectfully recommends to the Mayor and City Council to continue the health, dental and vision insurance coverage with United Healthcare and authorize the City Manager to renew said coverage with United Healthcare; and

**WHEREAS**, the Mayor and City Council find the renewal of the employee health insurance coverage with United Healthcare, as the health, dental and vision insurance provider for the 2017 plan year, to be in the best interest of the City.

**NOW THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA:**

**Section 1.**     **Authority of City Manager.** The Mayor and City Council of the City of North Miami, Florida, hereby approve the renewal of health, dental and vision insurance coverage for the 2017 plan year with United Healthcare, as the healthcare insurance provider for City of North Miami employees, and authorize the City Manager to execute all necessary documents to effectuate said coverage.

**Section 2.**     **Effective Date.** This Resolution shall become effective immediately upon adoption.

**PASSED AND ADOPTED** by a \_\_\_\_\_ vote of the Mayor and City Council of the City of North Miami, Florida, this \_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
DR. SMITH JOSEPH  
MAYOR

ATTEST:

\_\_\_\_\_  
MICHAEL A. ETIENNE, ESQ.  
CITY CLERK

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY:

\_\_\_\_\_  
JEFF P. H. CAZEAU, ESQ.  
CITY ATTORNEY

SPONSORED BY: CITY ADMINISTRATION

Moved by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

**Vote:**

Mayor Smith Joseph, D.O., Pharm. D.

\_\_\_\_\_ (Yes) \_\_\_\_\_ (No)

Vice Mayor Alix Desulme

\_\_\_\_\_ (Yes) \_\_\_\_\_ (No)

Councilman Scott Galvin

\_\_\_\_\_ (Yes) \_\_\_\_\_ (No)

Councilwoman Carol Keys, Esq.

\_\_\_\_\_ (Yes) \_\_\_\_\_ (No)

Councilman Philippe Bien-Aime

\_\_\_\_\_ (Yes) \_\_\_\_\_ (No)



# City of North Miami

## Premium Analysis

	Plan	Plan Monthly Premium	Total Monthly Premium	%
Current	NHP HMO OA F0S4- M	\$313,839.35	\$347,585.76	Current
	UHC- Choice AHQ6- M1	\$27,799.15		
	UHC-Choice Plus AHRM-M1	\$4,650.32		
	UHC-Choice Plus AHL- M1	\$1,296.94		
Renewal	NHP HMO OA F0S4- M	\$389,944.67	\$433,562.01	24.74%
	UHC- Choice AHQ6- M1	\$35,930.53		
	UHC-Choice Plus AHRM-M1	\$6,010.52		
	UHC-Choice Plus AHL- M1	\$1,676.29		
Final Renewal	NHP HMO OA F0S4- M	\$355,423.52	\$399,040.86	14.80%
	UHC- Choice AHQ6- M1	\$35,930.53		
	UHC-Choice Plus AHRM-M1	\$6,010.52		
	UHC-Choice Plus AHL- M1	\$1,676.29		
Alternates	NHP HMO OA F0S4- M2	\$344,893.74	\$388,511.08	11.77%
	UHC- Choice AHQ6- M1	\$35,930.53		
	UHC-Choice Plus AHRM-M1	\$6,010.52		
	UHC-Choice Plus AHL- M1	\$1,676.29		
Humana	Humana HMO OA 16	\$327,871.31	\$351,060.14	1.00%
	Humana HMO OA 16	\$17,118.87		
	Humana NPOS 100/70 16	\$3,372.20		
	Humana IDM 16	\$2,697.76		
				No Baptist/Tenet
Cigna LocalPlus	Cigna OAPIN	\$332,885.03	\$356,306.78	2.51%
	Cigna OAPIN	\$20,234.97		
	Cigna OAP	\$2,503.92		
	Cigna OAP	\$682.86		
Cigna National	Cigna OAPIN	\$358,660.18	\$382,310.41	9.99%
	Cigna OAPIN	\$20,443.30		
	Cigna OAP	\$2,519.52		
	Cigna OAP	\$687.41		
Cigna National Cost Shift	Cigna OAPIN	\$345,222.85	\$382,343.90	10.00%
	Cigna OAPIN	\$30,579.06		
	Cigna OAP	\$5,115.36		
	Cigna OAP	\$1,426.63		
AvMed	AvMed HM-OA 6224	\$353,859.20	\$374,723.01	7.81%
	AVMed HM-OA 5199	\$17,354.21		
	AvMed CH-CH 3556	\$3,509.60		
Aetna	Aetna \$250 Ded HnOnly	\$378,421.00	\$403,766.92	16.16%
	Aetna \$2000 Ded HnOnly	\$21,480.34		
	Aetna \$1500 Ded HnOptions/ MC OA	\$2,773.72		
	Aetna \$250Ded HnOptions/ MC OA	\$1,091.86		
BCBS	BCBS BlueCare 59	\$451,541.67	\$484,677.67	39.44%
	BCBS BlueCare 67	\$27,944.21		
	BCBS BlueOptions 03768	\$4,167.44		
	BCBS BlueOptions 03769	\$1,024.35		

# Medical

## Renewal & Alternate

Company/Plan	NHP HMO OA F054- M			NHP HMO OA F054- M			UHC- Choice AHQ6- M1		UHC-Choice Plus AHRR- M1		UHC-Choice Plus AHP- M1			
								In-Network	Out-Network	In-Network	Out-Network			
Physician		\$15 CO-PAY		\$15 CO-PAY		\$15 CO-PAY		\$15 CO-PAY	DED & 70%	\$15 CO-PAY	DED & 70%			
Specialist		\$25 CO-PAY		\$25 CO-PAY		\$30 CO-PAY		\$30 CO-PAY	DED & 70%	\$15 CO-PAY	DED & 70%			
Adult & Child Wellness Adult Wellness Max		COVERED 100% (NO MAX)		COVERED 100% (NO MAX)		COVERED 100% (NO MAX)		COVERED 100% (NO MAX)	DED & 70% (NO MAX)	COVERED 100% (NO MAX)	DED & 70% (NO MAX)			
Mammograms		COVERED 100%		COVERED 100%		COVERED 100%		COVERED 100%	DED & 70%	COVERED 100%	DED & 70%			
Emergency Room - Waived if Admitted		\$250 CO-PAY		<b>\$350 CO-PAY</b>		\$150 CO-PAY		\$150 CO-PAY		\$100 CO-PAY				
Urgent Care		\$35 CO-PAY		\$35 CO-PAY		\$35 CO-PAY		\$35 CO-PAY	DED & 70%	\$50 CO-PAY	DED & 70%			
Independent Clinical Lab		COVERED 100%		COVERED 100%		COVERED 100%		COVERED 100%	DED & 70%	COVERED 100%	DED & 70%			
Diagnostic Testing / MRI, CAT Scans		\$200 CO-PAY		\$200 CO-PAY		\$250 CO-PAY		\$250 CO-PAY	DED & 70%	DED & 90%	DED & 70%			
Outpatient Surgery - Ambulatory Surgical Center		DED THEN 100%		DED THEN 100%		DED THEN 100%		DED & \$250 CO-PAY	DED & 70%	DED & 90%	DED & 70%			
Provider Services Ambulatory Surgery Center (ASC)		DED THEN 100%		DED THEN 100%		DED THEN 100%		DED THEN 100%	DED & 70%	DED & 90%	DED & 70%			
Outpatient Surgery - Hospital		DED THEN 100%		DED THEN 100%		DED THEN 100%		DED & \$250 CO-PAY	DED & 70%	DED & 90%	DED & 70%			
Inpatient Hospital		DED & \$500 CO-PAY		DED & \$500 CO-PAY		DED THEN 100%		DED & \$500 CO-PAY	DED & 70%	DED & 90%	DED & 70%			
Provider Services Hospital		DED THEN 100%		DED THEN 100%		DED THEN 100%		DED THEN 100%	DED & 70%	DED & 90%	DED & 70%			
Home Health		DED THEN 100% 60 VISITS		DED THEN 100% 60 VISITS		DED THEN 100% 60 VISITS		DED THEN 100% 60 VISITS	DED & 70% 60 VISITS	DED & 90% 60 VISITS	DED & 70% 60 VISITS			
Outpatient Therapy		COVERED 100% 20 VISITS		COVERED 100% 20 VISITS		\$15 CO-PAY 20 VISITS		\$15 CO-PAY 20 VISITS	DED & 70% 20 VISITS	\$15 CO-PAY 20 VISITS	DED & 70% 20 VISITS			
Deductible		\$250/\$500		\$250/\$500		\$2000/\$4000		\$1500/\$3000	\$2500/\$5000	\$250/\$500	\$500/\$1000			
Deductible Included in Out of Pocket Max		YES		YES		YES		YES		YES				
Co-Insurance		100%		100%		100%		100%	70%	90%	70%			
Maximum Out of Pocket		\$3000/\$6000		\$3000/\$6000		\$3000/\$6000		\$2000/\$4000	\$5000/\$10000	\$2250/\$4500	\$4500/\$9000			
Out of Pocket Includes		DED, CO-PAY, CO-INS & RX		DED, CO-PAY, CO-INS & RX		DED, CO-PAY, CO-INS & RX		DED, CO-PAY, CO-INS & RX	DED & CO-INS	DED, CO-PAY, CO-INS & RX	DED & CO-INS			
Prescription		\$10/\$35/\$50 SMCS: \$10/\$125/\$250		<b>\$10/\$45/\$70 SMCS: \$10/\$125/\$250</b>		\$10/\$30/\$70		\$10/\$30/\$50		\$10/\$30/\$50				
Lifetime Maximum		UNLIMITED		UNLIMITED		UNLIMITED		UNLIMITED		UNLIMITED				
<b>Premium Breakdown</b>		<b>Current</b>	<b>Renewal</b>	<b>Negotiated</b>		<b>Current</b>	<b>Renewal</b>	<b>Current</b>	<b>Renewal</b>	<b>Current</b>	<b>Renewal</b>			
Employee	311	\$582.11	\$723.27	\$659.24	\$639.71	22	\$831.51	\$1,074.73	4	\$1,162.58	\$1,502.63	1	\$1,296.94	\$1,676.29
Employee/Spouse	28	\$1,245.74	\$1,547.83	\$1,410.80	\$1,369.01	3	\$1,779.45	\$2,299.95	0	\$2,487.95	\$3,215.67	0	\$2,775.44	\$3,587.25
Employee/Child(ren)	45	\$1,161.32	\$1,442.94	\$1,315.20	\$1,276.23	1	\$1,658.87	\$2,144.10	0	\$2,319.37	\$2,997.78	0	\$2,587.38	\$3,344.18
Employee/Family	26	\$1,756.27	\$2,182.16	\$1,988.98	\$1,930.05	1	\$2,508.71	\$3,242.52	0	\$3,507.57	\$4,533.52	0	\$3,912.88	\$5,057.38
Comments	<b>410</b>	Current	24.25%	13.25%	9.89%	<b>27</b>	Current	29.25%	<b>4</b>	Current	29.25%	<b>1</b>	Current	29.25%
<b>Monthly Total</b>		<b>\$313,839.35</b>	<b>\$389,944.67</b>	<b>\$355,423.52</b>	<b>\$344,893.74</b>		<b>\$27,799.15</b>	<b>\$35,930.53</b>		<b>\$4,650.32</b>	<b>\$6,010.52</b>		<b>\$1,296.94</b>	<b>\$1,676.29</b>

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Company/Plan		UHC- D0070 S200A (New Plan D1056)	Aetna Plan 55	Cigna P6X00	Lincoln LDCS200	MetLife Met185A	Humana HS195	
Deductible		NONE	NONE	NONE	NONE	NONE	NONE	
Co-Insurance		100%	100%	100%	100%	100%	100%	
Dentist		COVERED 100%	COVERED 100%	\$6 CO-PAY	COVERED 100%	\$5 CO-PAY	COVERED 100%	
Specialist		CO-PAY APPLIES						
Cleanings		1 EVERY 6 MONTHS						
Preventive Network Non Network		MOST PROCEDURES COVERED 100% SOME PROCEDURES HAVE CO-PAYS						
Basic Coverage Network Non Network		SOME PROCEDURES COVERED 100% MOST PROCEDURES HAVE CO-PAYS						
Major Coverage		CO-PAY APPLIES						
Orthodontic Coverage		CO-PAY APPLIES						
Rate Guarantee		2 YEAR	1 YEAR	2 YEAR	1 YEAR	1 YEAR	1 YEAR	
Annual Maximum		NONE	NONE	NONE	NONE	NONE	NONE	
Dependent Child/Student Age		UP TO AGE 26						
Premium Breakdown		<b>Current / Renewal</b>	<b>Negotiated</b>	<b>5% Rate Cap</b>				
Employee	218	\$16.02	\$13.53	\$15.85	\$16.06	\$16.38	\$16.35	\$14.84
Employee+1	56	\$28.03	\$23.67	\$27.74	\$28.10	\$28.73	\$28.61	\$30.33
Employee+2 or more	46	\$41.38	\$34.95	\$40.95	\$41.48	\$42.63	\$44.96	\$51.20
Comments	<b>320</b>	No Increase	-15.54%	-1.05%	0.25%	2.51%	3.86%	4.64%
Monthly Total		<b>\$6,965.52</b>	<b>\$5,882.76</b>	<b>\$6,892.44</b>	<b>\$6,982.76</b>	<b>\$7,140.70</b>	<b>\$7,234.62</b>	<b>\$7,288.80</b>

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# Dental

## DPPO

City of North Miami

January 1, 2017

Company/Plan		UHC- 2P480/MAC		MetLife		Aetna		Humana		Lincoln		Cigna	
Deductible		IN: \$25/\$75 OUT: \$50/\$150		IN: \$25/\$75 OUT: \$50/\$150		IN: \$25/\$75 OUT: \$50/\$150		IN: \$25/\$75 OUT: \$50/\$150		IN: \$25/\$75 OUT: \$50/\$150		IN: \$25/\$75 OUT: \$50/\$150	
Co-Insurance		IN: 100%/90%/60% OUT: 100%/80%/50%		IN: 100%/90%/60% OUT: 100%/80%/50%		IN: 100%/90%/60% OUT: 100%/80%/50%		IN: 100%/90%/60% OUT: 100%/80%/50%		IN: 100%/90%/60% OUT: 100%/80%/50%		IN: 100%/90%/60% OUT: 100%/80%/50%	
Dentist		DED & CO-INS		DED & CO-INS		DED & CO-INS		DED & CO-INS		DED & CO-INS		DED & CO-INS	
Specialist		DED & CO-INS		DED & CO-INS		DED & CO-INS		DED & CO-INS		DED & CO-INS		DED & CO-INS	
Cleanings		1 EVERY 6 MONTHS		1 EVERY 6 MONTHS		1 EVERY 6 MONTHS		1 EVERY 6 MONTHS		1 EVERY 6 MONTHS		1 EVERY 6 MONTHS	
Preventive Coverage		IN/OUT: DED WAIVED, COVERED 100%		IN/OUT: DED WAIVED, COVERED 100%		IN/OUT: DED WAIVED, COVERED 100%		IN/OUT: DED WAIVED, COVERED 100%		IN/OUT: DED WAIVED, COVERED 100%		IN/OUT: DED WAIVED, COVERED 100%	
Basic Coverage		IN: DED & 90% OUT: DED & 80%		IN: DED & 90% OUT: DED & 80%		IN: DED & 90% OUT: DED & 80%		IN: DED & 90% OUT: DED & 80%		IN: DED & 90% OUT: DED & 80%		IN: DED & 90% OUT: DED & 80%	
Major Coverage		IN: DED & 60% OUT: DED & 50%		IN: DED & 60% OUT: DED & 50%		IN: DED & 60% OUT: DED & 50%		IN: DED & 60% OUT: DED & 50%		IN: DED & 60% OUT: DED & 50%		IN: DED & 60% OUT: DED & 50%	
Periodontic & Endodontic Coverage		Basic Coverage		Basic Coverage		Basic Coverage		Basic Coverage		Basic Coverage		Basic Coverage	
Orthodontic Coverage Orthodontic Maximum (Age Limits)		50% CO-INS ADULT/CHILD \$2500 LIFETIME MAX		50% CO-INS ADULT/CHILD \$2500 LIFETIME MAX		50% CO-INS ADULT/CHILD \$2500 LIFETIME MAX		50% CO-INS ADULT/CHILD \$2000 LIFETIME MAX		50% CO-INS ADULT/CHILD \$2500 LIFETIME MAX		50% CO-INS ADULT/CHILD \$2500 LIFETIME MAX	
Rate Guarantee		2 YEAR		1 YEAR		1 YEAR		1 YEAR		1 YEAR		2 YEAR	
Annual Maximum		\$2,500		\$2,500		\$2,500		UNLIMITED		\$2,500		\$2,500	
Dependent Child/Student Age		UP TO AGE 26		UP TO AGE 26		UP TO AGE 26		UP TO AGE 26		UP TO AGE 26		UP TO AGE 26	
Reimbursement Level		OON- FEE		OON- FEE	OON- UCR	OON- FEE	OON- UCR	OON- FEE	OON- UCR	OON- FEE	OON- UCR	OON- FEE	OON- UCR
Premium Breakdown		<b>Current / Renewal</b>	<b>Negotiated</b>			<b>7% Rate Cap</b>							
Employee	100	\$57.74	\$43.20	\$40.42	\$46.19	\$45.18	\$44.82	\$45.52	\$50.76	\$48.49	\$57.01	\$53.46	\$69.19
Employee+1	29	\$115.28	\$86.25	\$80.70	\$92.22	\$90.20	\$89.49	\$90.87	\$101.33	\$96.80	\$113.83	\$106.74	\$138.14
Employee+2 or more	17	\$176.84	\$132.31	\$123.79	\$141.47	\$138.36	\$137.28	\$139.41	\$155.45	\$148.50	\$174.62	\$163.74	\$211.91
Comments	146	No Increase	-25.18%	-30.00%	-20.00%	-21.76%	-22.37%	-21.17%	-12.09%	-16.02%	-1.26%	-7.41%	19.83%
Monthly Total		<b>\$12,123.40</b>	<b>\$9,070.52</b>	<b>\$8,486.73</b>	<b>\$9,698.37</b>	<b>\$9,485.92</b>	<b>\$9,410.97</b>	<b>\$9,557.20</b>	<b>\$10,657.22</b>	<b>\$10,180.70</b>	<b>\$11,970.61</b>	<b>\$11,225.04</b>	<b>\$14,527.53</b>
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