



City Administrator
Rebecca N. Grill

October 15, 2015

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The Honorable Mayor Dan Devine
and Members of the Common Council
Attn: Administration and Finance Committee
West Allis WI

City Hall
7525 West Greenfield Avenue
West Allis, Wisconsin 53214

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Dear Mayor Devine and Common Council Members:

As part of the 2016 City of West Allis Mayor's Recommended Budget, the following changes are being proposed to the City's Health Insurance Plan, effective March 1, 2016 for all City employees:

- A change in provider network from Humana Preferred BHCG to Anthem BP.
 - Results in ~\$840,000 savings to the General Fund.
 - Provides same level of coverage.
 - Premiums are lower than current premium levels.
 - No changes to deductibles or copays.
 - Network is smaller than current network--some disruption will occur.
- A 2nd Plan Option--with a higher deductible and a Health Savings Account.
 - Completely optional--if an employee has a doctor that is not part of Anthem BP and they wish to continue seeing that doctor, this plan will allow them to do so.
 - Higher deductibles.
 - City will make initial deposit into Health Savings Account which helps mitigate the higher deductible.
 - No disruption.
- Moving over-65 retirees out of our self-insured plan to a privately insured plan.
 - Lower premium costs for retirees.
 - Potential net savings of ~\$1.5 million in health fund (claim avoidance).

This is a very high level explanation of the changes to the plan. I ask that you hold this item as a much more detailed explanation will be provided at the Administration & Finance Committee meeting on October 26, along with alternative insurance options.

Sincerely,

Rebecca N. Grill
City Administrator

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