



City of West Allis

Legislation Text

File #: R-2018-0202, **Version:** 1

Resolution relative to selecting the Humana Medicare Advantage Plan as a total replacement for Medicare eligible retirees, effective July 1, 2018.

WHEREAS, The Horton Group, the City's health insurance and benefits consultant, has conducted a request for proposal (RFP) on behalf of the City for providing a Medicare Advantage Plan as a total replacement for Medicare eligible retirees, effective July 1, 2018; and

WHEREAS, the reason for choosing a Medicare Advantage Plan for Medicare eligible retirees is based upon the comprehensive benefit plan offerings along with a significant reduction of premium costs for retirees and the costs of retiree insurance obligations for the City including the City's OPEB (other post-employment benefits) liability; and

WHEREAS, the option for providing a Medicare Advantage Plan for Medicare eligible retirees was discussed with the Administration and Finance Committee on December 19, 2017, January 2, January 8, and March 6, 2018; and with the Employee Benefit Committee on February 15 and March 1, 2018; and

WHEREAS, The Horton Group originally provided the Employee Benefit Committee with six options for consideration (three Medicare Advantage Plans and three Medicare Supplement Plans), and the proposals were reviewed in detail in order to judiciously provide a recommendation from the Employee Benefit Committee to the Administration and Finance Committee; and

WHEREAS, after reviewing the proposals, The Horton Group and the Employee Benefit Committee recommends that the City of West Allis move forward with the Humana Medicare Advantage plan for Medicare eligible retirees, effective July 1, 2018 through December 31, 2019; and

WHEREAS, choosing the Humana Medicare Advantage Plan as a total replacement for Medicare eligible retirees will provide Medicare eligible retirees with the following benefits:

- 1) *a broad nationwide network (any provider that accepts Medicare assignment is "in network"-this equates to approximately 95% of all providers), and*
- 2) *a customized prescription drug program that is effective in all 50 states and Puerto Rico, and*
- 3) *a robust open formulary including lifestyle medications, and*
- 4) *Go365 (Robust wellness program and seniors can earn gift cards for doing things like getting their annual physicals, dental and vision exams, as well as maintaining a healthy lifestyle including physical fitness, etc.), and*
- 5) *Humana Achieve (weight loss programs), and*
- 6) *Silver Sneakers (free memberships to local fitness centers), and*
- 7) *Humana First (nurse hotlines), and*
- 8) *Humana at Home Chronic Care Management, and*
- 9) *Alternative Medical Services, and*
- 10) *At-home meals (delivery of up to 10 meals at home post hospitalization), and*
- 11) *An estimated annual savings for single retirees of approximately \$1,600, and a net savings to the City over the next 18 months of approximately \$1.9 million, and*
- 12) *Need for only one insurance card to be utilized, and*
- 13) *The plan follows you as you travel - no need to find new providers.*

WHEREAS, funds for providing retiree health care have been included in the 2018 Budget in the Health Insurance Fund; and

WHEREAS, the Common Council deems it to be in the best interest of the City of West Allis that the Humana Medicare Advantage

plan be accepted as a total replacement for Medicare eligible retirees and that an agreement shall be entered into for the period of July 1, 2018 to December 31, 2019.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the City of West Allis that the Humana Medicare Advantage Plan proposal, submitted by Humana for providing Medicare Advantage coverage for all Medicare eligible retirees, be and is hereby accepted. Funding for this agreement is included in the 2018 Budget under the Health Insurance Fund.

BE IT FURTHER RESOLVED that the City Administrator be and is hereby authorized and directed to execute the Agreement, Plan documents and such other and further documents as may be necessary for the full implementation of the Agreement and Plan.

BE IT FURTHER RESOLVED that the City Attorney be and is hereby authorized to make any substantive changes, modifications, additions and deletions to and from the various contract documents, including but not limited to all attachments, exhibits, addendums and amendments, as may be necessary and proper to correct inconsistencies, eliminate ambiguity and otherwise clarify and supplement said provisions to preserve and maintain the general intent thereof, and to prepare and deliver such other and further documents as may be reasonably necessary to complete the transactions contemplated therein.

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