



City of Smyrna

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Issue Sheet

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WARD: Citywide

COMMITTEE: Human Resources

\$ IMPACT: \$418,299

Agenda Title:

Approval of the 2020 Employee Insurance providers and plans and authorize the Mayor to execute all related documents

ISSUE: Annual selection / renewal of employee benefits

BACKGROUND: Every fall, the city must re-evaluate and select its insurance plans and providers for Employee Benefits (medical, dental, vision, life, AD&D, short-term and long-term disability, flex spending and Cobra administration). Our consultant/broker, Marsh McLennan Agency (Guy Morrison) solicited bids through an RFP process. The RFP results were reviewed by MMA and city staff (HR, Finance, City Administration) to determine the best provider(s) and plan design(s) for the upcoming year.

RECOMMENDATION/REQUESTED ACTION: Recommendation:

- 1) Renewal of medical insurance with **Blue Cross/Blue Shield**, adding a new HMO Base plan option (\$1000 deductible and co-pay increase); and continuing to offer HMO (\$500 deductible), PPO and CDHP options.
- 2) Increase the employee cost share of medical by 1% to 16%. (Combined with #1, this results in an overall increase of **\$387,455** to the City.)
- 3) Renewal dental and vision insurance with current provider, **Guardian, with no increase in cost.**
- 4) Renewal of Life/AD&D, Short-term and Long-term disability insurance with **MetLife**, with an increase in cost of **\$30,854** to the City.

Requested Action: Approval of the 2020 Employee Insurance providers and plans and authorize the Mayor to execute all related documents.

Additionally:

Effective 1/1/2020:

Employees hired on or after 1/1/2020 will no longer be eligible for city-paid life insurance

upon retirement.

Effective 1/1/2021:

Retiree Spouse Only medical coverage premiums will increase to full cost of coverage (effective for current and future Retiree Spouse only participants).