

AN ORDINANCE approving the awarding of RFP #3539- SELF-FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION & REINSURANCE COVERAGE AND GROUP LIFE/AD&D/SHORT TERM DISABILITY/LONG TERM DISABILITY INSURANCE by the City of Fort Wayne, Indiana, by and through its Department of Purchasing and AUTOMATED GROUP ADMINISTRATION AND SYMETRA LIFE INSURANCE COMPANY for the City of Fort Wayne.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA;

SECTION 1. That RFP #3539- SELF-FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION & REINSURANCE COVERAGE AND GROUP LIFE/AD&D/SHORT TERM DISABILITY/LONG TERM DISABILITY INSURANCE between the City of Fort Wayne, by and through its Department of Purchasing and AUTOMATED GROUP ADMINISTRATION AND SYMETRA LIFE INSURANCE COMPANY for the , respectfully for:

Contracts for:

Self-Funded Health & Dental:

Automated Group Administration
\$ 695,145 Administrative Costs
<u>\$1,047,888</u> Reinsurance Costs
\$1,743,033 Total Costs

Group Life/AD&D and Short Term and Long Term Disability:

Symetra Life Insurance Company
\$180,000 Basic Life/AD&D Insurance
\$231,000 Short Term Disability
<u>\$137,500</u> Long Term Disability
\$548,500 Employer Total

\$236,000

Supplemental Life Insurance (EMPLOYEE PAID) (includes employee paid supplemental life insurance)

\$784,500

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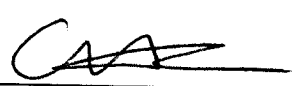
all as more particularly set forth in said RFP #3539- SELF-FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION & REINSURANCE COVERAGE AND GROUP LIFE/AD&D/SHORT TERM DISABILITY/LONG TERM DISABILITY INSURANCE which is on file in the Office of the Department of Purchasing, and is by reference incorporated herein, made a part hereof, and is hereby in all things ratified, confirmed and approved.

SECTION 2. That this Ordinance shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.



Council Member

APPROVED AS TO FORM AND LEGALITY



Carol Helton, City Attorney



CITY OF FORT WAYNE

THOMAS C. HENRY, MAYOR

TO: CITY COUNCIL MEMBERS

FROM: LAURA TOWNSEND – BENEFITS MANAGER

RE: SELF FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION & REINSURANCE COVERAGE AND GROUP LIFE/AD&D/SHORT TERM DISABILTY/LONG TERM DISABILITY INSURANCE

DATE: December 30, 2013

The Benefits Department requests approval for the following contracts effective January 1, 2014:

Self-Funded Health & Dental: (Based on an average of 1915 Covered employees/retirees)	Automated Group Administration	
	\$ 695,145	Administrative Costs
	<u>\$1,047,888</u>	Reinsurance Costs
	\$1,743,033	Total Costs
Group Life/AD&D and Short Term and Long Term Disability: (11 months - estimate)	Symetra Life Insurance Company	
	\$180,000	Basic Life/AD&D Insurance
	\$231,000	Short Term Disability
	<u>\$137,500</u>	Long Term Disability
	\$548,500	Employer Total
	<u>\$236,000</u>	Supplemental Life Insurance (EMPLOYEE PAID)
\$784,500	(Includes employee paid supplemental life insurance)	

See attached for more detailed information. The above amounts can vary based on enrollment.
Funding Source 403 BENF1 5143

Please contact me at (260) 427-2634 if you have any questions.

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**CITY OF FORT WAYNE
 SELF FUNDED HEALTH PLAN
 AUTOMATED GROUP ADMINISTRATION
 2014 RENEWAL
 SPECIFIC DEDUCTIBLE OF \$300,000 Option**

Renewal Effective Date: January 1, 2014

(3 PLAN OPTIONS \$500/\$1000/\$3000 Ded.)

Service	2009	2010	2011	2012	2013	2014
Contract Type (Specific & Aggregate)	18/12	18/12	18/12	18/12	18/12	18/12 Unlimited Annual
Specific Deductible	\$ 250,000	\$ 275,000	\$ 275,000	\$ 275,000	\$ 275,000	\$ 300,000
Aggregating Specific	\$ 125,000	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500	\$ 150,000
Medical Administration	\$ 12.25	\$ 12.95	\$ 13.75	\$ 14.50	\$ 14.50	\$ 14.95
Dental Administration	\$ 1.95	\$ 2.00	\$ 2.25	\$ 2.35	\$ 2.35	\$ 2.50
Utilization Review & Mgmt	\$ 2.75	\$ 2.95	\$ 3.25	\$ 3.25	\$ 3.25	\$ 3.25
OP Therapy Review	\$ 0.55	\$ 0.60	\$ 0.70	\$ 0.70	\$ 0.70	\$ 0.70
OP Surgery Review	\$ 0.65	\$ 0.75	\$ 0.80	\$ 0.80	\$ 0.80	\$ 0.80
MCC Disease Mgmt Pkg				\$ 3.25	\$ 3.25	\$ 3.75
Network Access Fee PPO (Includes Preferred Heart & Cardiac Pathways)	\$ 5.50	\$ 5.75	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.50
Specific Premium	\$ 32.95	\$ 35.90	\$ 38.77	\$ 44.59	\$ 40.13	\$ 43.25
Aggregate Premium	\$ 2.08	\$ 2.18	\$ 2.29	\$ 2.45	\$ 2.21	\$ 2.35
Medical Aggregate Factor	\$1,016.95	\$1,081.19	\$1,208.51	\$1,392.45	\$1,392.45	\$1,426.81
Dental Aggregate Factor	\$ 45.53	\$ 50.63	\$ 53.39	\$ 58.89	\$ 58.89	\$ 59.48
Broker Fee (Monthly)	See Broker Section	-	-	-	NET	NET
Total Maximum EE/MO	\$1,121.16	\$1,194.90	\$1,329.71	\$1,529.23	\$1,524.53	\$1,564.34
% of increase on Max. \$	0.00%	6.58%	11.28%	15.00%	-0.30%	2.61%

Marketing Diversified Services, Inc.

Underwriter Comments and Assumptions

No run-in \$ dollar limit from prior plan year,

The minimum Annual Attachment Point is equal to 100% of the employees covered during the first Policy Month times the Monthly Aggregate Attachment Point Factors, times 12.

The Excess Loss Contract limits reimbursement in excess of the Aggregate Attachment Point to \$1,000,000.

A proper disclosure is required to be completed after December 1, 2013. Based on the results some individuals may be subject to different specific deductibles.

Unlimited Lifetime Maximum with an Unlimited Annual Maximum.

Grandfathered Plan Status

The proposed plan of benefits and costs are based on submitted data plus assumptions and comments noted above. Final costs will be determined based on analysis of requested information including final claims experience, final enrollment and receipt and acceptance of the Excess Loss Reinsurance and Fully Insured applications. This document is a proposal and is not binding until accepted in writing by a representative of Monumental Life Insurance Company.

Monumental Life Insurance Company requests any broker, agent or other party involved in placing or evaluating the coverage in this proposal to disclose to the person seeking the coverage all compensation the broker, agent or other party will receive or may receive relating to this coverage, including any commissions listed in this proposal.

As a full-service Managing General Underwriter, MDS has developed a longstanding relationship with Monumental Life Insurance Company. Monumental carries the rating of A+ (on a scale of A++ to F) by A.M. Best.

Ratings are current as of 6/29/2010 and are reflective of the insurance rating services' current opinions of Monumental Life's relative strength and operating performance. Monumental Life's home office is located in Baltimore MD. 21202



To: Laura Townsend
 From: Jackie Brown
 Date: December 12, 2013
 Subject: City of Fort Wayne Plan Rates

Below are the current rates for the Basic Life/AD&D, Supp Life/AD&D, STD, & LTD plans:

<u>Coverage</u>	<u>Monthly Rate</u>
Basic Life	\$0.230 per \$1,000
Basic Life AD&D	\$0.020 per \$1,000
Supplemental Employee & Spouse AD&D	\$0.030 per \$1,000
Supplemental Child Life	\$0.070 per \$1,000
Supplemental Child AD&D	\$0.030 per \$1,000

**Supplemental Life &
 Supplemental Spouse
 Life Insurance :**

Monthly Premium Rate Per \$1,000 of Coverage

<u>Age</u>	
Under 25	\$0.070
25-29	\$0.070
30-34	\$0.070
35-39	\$0.110
40-44	\$0.170
45-49	\$0.280
50-54	\$0.500
55-59	\$0.820
60-64	\$1.090
65-69	\$1.700
70-74	\$3.000
75+	\$4.940

STD	\$0.38	Per \$10 of Coverage
LTD	\$0.310	Per \$100 of Covered Payroll

Let me know if you have any questions.

City of Fort Wayne RFP #3539
Summary of Proposals

Wells Fargo		Hyland Group		1st Source		DeHayes Group	
Automated Group Administration		Automated Group Administration		PHP - HCC Life		Employee Plan - HCC Life	
TPA Costs	\$667,933	TPA Costs	\$667,933	TPA Costs	\$845,500	TPA Costs	\$808,440
Reinsurance	\$972,973	Reinsurance	\$972,973	Reinsurance (not guaranteed)	\$803,611	Reinsurance (not guaranteed)	\$938,963
Total Fixed Costs	\$1,640,906	Total Fixed Costs	\$1,640,906	Total Fixed Costs	\$1,649,111	Total Fixed Costs	\$1,847,403
Symetra		Lincoln Financial		Lincoln Financial		Standard Insurance	
Life/AD&D	\$196,210	Life/AD&D	\$226,665	TPA Costs	\$226,665	TPA Costs	\$244,350
LTD	\$144,168	LTD	\$132,076	Reinsurance (not guaranteed)	\$132,076	Reinsurance (not guaranteed)	\$183,697
Total Costs	\$340,378	Total Costs	\$358,761	Total Costs	\$358,761	Total Costs	\$428,047
Broker Fee	\$88,473	Broker Fee	\$67,450	Broker Fee	\$187,267	Broker Fee	\$100,000
Annual Cost	\$2,069,757	Annual Cost	\$2,067,117	Annual Cost	\$2,195,159	Annual Cost	\$2,375,450
						(*standard commission on Life, LTD)	

City of Fort Wayne
Weighted Bid Analysis and Evaluation
Self-Funded Health & Dental Plans

	BROKER QUALIFICATIONS 25%		TPA QUALIFICATIONS 20%		TPA SERVICES 20%		COST 35%		TOTAL POINTS
	1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good	1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good	1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good	1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good	1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good	1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good	1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good		
WELLS FARGO									
AGA	5.00	1.25	5.00	1.00	4.50	0.53	4.50	1.53	4.805
ProClaim	5.00	1.25	4.75	0.95	4.60	0.92	3.63	1.27	4.391
PHP	5.00	1.25	4.75	0.95	4.60	0.92	3.63	1.36	4.478
Anthem	5.00	1.25	4.50	0.90	4.40	0.88	2.88	1.01	4.088
Aetna	5.00	1.25	4.50	0.90	4.60	0.92	2.88	0.92	3.991
MetLife	5.00	1.25	4.50	0.90	4.20	0.74	3.50	1.23	4.215
RYLAND GROUP									
AGA	4.60	1.15	5.00	1.00	4.90	0.99	4.50	1.58	4.705
ProClaim	4.60	1.15	4.75	0.95	4.60	0.92	3.63	1.27	4.291
PHP	4.60	1.15	4.75	0.95	4.60	0.92	3.63	1.36	4.378
Anthem	4.60	1.15	4.50	0.90	4.40	0.88	2.88	1.01	3.938
NAA	4.60	1.15	4.25	0.85	4.60	0.92	3.63	1.25	4.278
UMR	4.60	1.15	4.25	0.85	4.00	0.60	2.88	1.01	3.808
ISI SOURCE									
PHP	4.60	1.15	4.75	0.95	4.60	0.92	3.63	1.35	4.378
Anthem	4.60	1.15	4.50	0.90	4.40	0.88	2.88	1.01	3.938
UMR	4.60	1.15	4.25	0.85	4.00	0.60	2.88	1.01	3.808
DEHAVES GROUP									
Employee Plans	4.60	1.15	5.00	1.00	4.80	0.65	3.88	1.36	4.468
BAS	4.60	1.15	5.00	1.00	4.20	0.34	3.38	1.18	4.173

Sum of Percentages Must Equal 100%

Qualifications and Experience of broker and employees assigned to service account.
See attached notes

Qualifications and Experience of staff assigned to service account.
See attached notes.

Services provided by TPA matches or exceeds current level.
See attached notes.

Fee structure is competitive for both reinsurance and administrative services.
See attached notes.

City of Fort Wayne
 Weighted Bid Analysis & Evaluation - Life and Long Term Disability Insurance

	25% BROKER QUALIFICATIONS		20% CARRIER FINANCIAL STRENGTH		20% CARRIER SERVICES		35% COST		TOTAL POINTS
	1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good		1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good		1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good		1 = Very Poor 2 = Poor 3 = Average 4 = Above Average 5 = Very Good		
WELLS FARGO									
Symetra	5.00	1.25	4.00	0.50	4.50	0.50	5.00	2.75	5.300
AUL/One America	5.00	1.25	5.00	0.50	4.50	0.50	3.50	1.53	4.575
UNUM	5.00	1.25	4.00	0.50	4.50	0.50	4.00	2.20	4.750
SunLife Financial	5.00	1.25	5.00	0.50	4.00	0.50	5.00	2.75	5.300
Met Life	5.00	1.25	5.00	0.50	4.50	0.50	4.50	2.43	5.125
Aetna	5.00	1.25	4.67	0.47	4.50	0.50	4.00	2.20	4.817
Lincoln National	5.00	1.25	4.67	0.47	4.50	0.50	5.00	2.75	5.367
Aetna	5.00	1.25	4.33	0.43	4.50	0.50	5.00	2.75	5.333
Guardian	5.00	1.25	5.00	0.50	3.50	0.70	4.00	2.20	4.650
Mutual of Omaha	5.00	1.25	4.67	0.47	4.50	0.50	4.50	2.43	5.082
Standard	5.00	1.25	4.33	0.43	4.50	0.50	4.00	2.20	4.783
Cigna	5.00	1.25	4.00	0.50	4.50	0.50	5.00	2.75	5.300
HYLAND GROUP									
SunLife Financial	4.80	1.15	5.00	0.50	4.00	0.50	5.00	2.75	5.200
Mutual of Omaha	4.80	1.15	4.67	0.47	4.50	0.50	4.50	2.43	4.992
Lincoln National	4.80	1.15	4.67	0.47	4.50	0.50	5.00	2.75	5.267
Cigna	4.80	1.15	4.00	0.50	4.50	0.50	5.00	2.75	5.200
Met Life	4.80	1.15	5.00	0.50	4.50	0.50	4.50	2.43	5.025
Aetna	4.80	1.15	4.67	0.47	4.50	0.50	4.00	2.20	4.717
FST SOURCE									
Lincoln	4.80	1.15	4.67	0.47	4.50	0.50	5.00	2.75	5.267
MetLife	4.80	1.15	5.00	0.50	4.50	0.50	4.50	2.43	5.025
Aetna	4.80	1.15	4.67	0.47	4.50	0.50	4.00	2.20	4.717
DEBATES GROUP									
Employee Plans	4.80	1.15	5.00	1.00	4.80	0.55	3.88	1.96	4.475
BAS	4.80	1.15	5.00	1.00	4.30	0.84	3.38	1.18	4.683

Sum of Percentages Must Equal 100%

Qualifications and Experience of broker and employees assigned to service account.
 See attached notes.

Qualifications and Experience of staff assigned to service account.
 See attached notes.

Services provided by TPA matches or exceeds current level.
 See attached notes.

Fee structure is competitive for both reinsurance and administrative services.
 See attached notes.

REF. NO.:	3539
DEPT:	Benefits
DATE:	12/30/13
ITEM/SERVICE:	Self-Funded Health & Dental Plans (Administration & Reinsurance Coverage) and Group Life/AD&D Insurance and Long Term Disability Coverage
ADVERTISED BID:	Yes
DATES ADVERTISED:	6/19/12 & 6/26/12
DATE OPENED:	7/31/12
SINGLE SOURCE:	No
NO. OF VENDORS NOTIFIED:	14
NO. OF VENDORS RECEIVING BID:	14
NO. OF VENDORS RETURNING BID:	11
NO. OF VENDORS DISQUALIFIED:	0
DATE SENT TO DEPT FOR RECOMM:	8/1/12
DATE RECOMM RECEIVED BACK:	12/30/13
DATE SENT TO LAW DEPT:	1/6/14
INTRODUCTION DATE:	1/14/14
DISCUSSION DATE:	1/21/14
PASSAGE DATE:	1/28/14

Public Hearing Date, if applicable _____

Read the first time in full and on motion by Councilman JeHL

Read the second time by title and referred to the Finance

Committee. Read the third time in full and on motion by Councilman Crawford, placed on passage by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
<u>TOTAL VOTES</u>	<u>7</u>	<u>1</u>	_____	<u>1</u>
BENDER	<input checked="" type="checkbox"/>	_____	_____	_____
CRAWFORD	<input checked="" type="checkbox"/>	_____	_____	_____
DIDIER	<input checked="" type="checkbox"/>	_____	_____	_____
HARPER	_____	<input checked="" type="checkbox"/>	_____	_____
HINES	<input checked="" type="checkbox"/>	_____	_____	_____
JEHL	_____	_____	_____	<input checked="" type="checkbox"/>
PADDOCK	<input checked="" type="checkbox"/>	_____	_____	_____
SHOAFF	<input checked="" type="checkbox"/>	_____	_____	_____
SMITH	<input checked="" type="checkbox"/>	_____	_____	_____

DATED: 2-4-14 Sandra Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as
(ANNEXATION) (APPROPRIATION) (GENERAL) (SPECIAL) (ZONING) ORDINANCE
(RESOLUTION) NO. 5-07-14 on the 4th day of
February, 2014

ATTEST:
Sandra E. Kennedy
SANDRA E. KENNEDY,
CITY CLERK

Martin A. Bender
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 5th day
of February, 2014, at the hour of 3:00 o'clock PM. E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 6TH day of FEBRUARY
2014, at the hour of 10:00 o'clock AM. E.S.T.

Thomas C. Henry
THOMAS C. HENRY, MAYOR

BILL NO. S-14-01-06

REPORT OF COMMITTEE ON FINANCE

JANUARY 21, 2014

*Russell Jehl, Chair
John Crawford, Co, Chair
All Council Members*

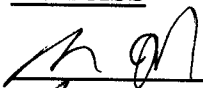
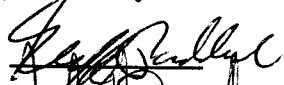
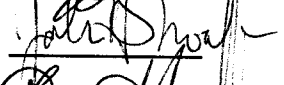
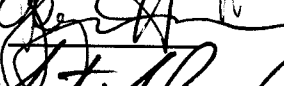
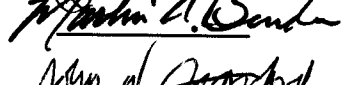
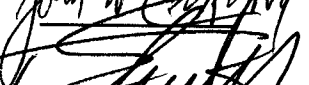

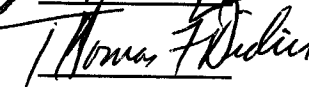
AN ORDINANCE approving the awarding of RFP #3539 - Self-Funded Health & Dental Plans (Administration & Reinsurance Coverage and Group Life/AD&D/Short Term Disability/Long Term Disability Insurance by the City of Fort Wayne, Indiana, by and through its Department of Purchasing and Automated Group Administration and Symetra Life Insurance Company for the City of Fort Wayne. **COMMITTEE ON FINANCE HAVE HAD SAID** Ordinance under consideration and beg leave to report back to the Common Council that said ordinance

DO PASS

DO NOT PASS

ABSTAIN

NO REC

	_____	_____	_____
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SANDRA E. KENNEDY
CITY CLERK