

AN ORDINANCE approving the awarding of RENEWAL OF SELF-FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION AND REINSURANCE FEES) AND GROUP LIFE/LONG AND SHORT TERM DISABILITY INSURANCE PLANS by the City of Fort Wayne, Indiana, by and through its Department of Purchasing and AUTOMATED GROUP ADMINISTRATION / SYMETRA LIFE INSURANCE for the HUMAN RESOURCES AND BENEFITS DEPARTMENT.

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

SECTION 1. That RENEWAL OF SELF-FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION AND REINSURANCE FEES) AND GROUP LIFE/LONG AND SHORT TERM DISABILITY INSURANCE PLANS between the City of Fort Wayne, by and through its Department of Purchasing and AUTOMATED GROUP ADMINISTRATION/SYMETRA LIFE INSURANCE for the HUMAN RESOURCES AND BENEFITS DEPARTMENT, respectfully for:

Self -Funded Health & Dental: **Automated Group Administration**
Total annual fees are based on per person/per month enrollment.
Total annual not to exceed \$2,200,000

Group Life/AD&D/LTD/STD: **Symetra Life Insurance Company**
Total annual fees are based on per person/per month enrollment.
Total annual not to exceed \$1,200,000
(Includes \$350,000 of Supplemental Life Insurance (EMPLOYEE PAID))

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

involving a total cost of not to exceed THREE MILLION, FOUR HUNDRED THOUSAND AND 00/100 DOLLARS - (\$3,400,000.00) - (INCLUDES \$350,000 OF EMPLOYEE PAID LIFE INS) all as more particularly set forth in said RENEWAL OF SELF-FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION AND REINSURANCE FEES) AND GROUP LIFE/LONG AND SHORT TERM DISABILITY INSURANCE PLANS which are on file in the Office of the Department of Purchasing, and are 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 G. HENRY, MAYOR

TO: CITY COUNCIL MEMBERS

FROM: LAURA TOWNSEND – HR & BENEFITS MANAGER

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

DATE: DECEMBER 1, 2016

The Benefits Department requests approval for the following contracts effective January 1, 2015:

Self-Funded Health & Dental: **Automated Group Administration**
Total annual fees are based on per person/per month enrollment.
Total annual not to exceed \$2,200,000

Group Life/AD&D/LTD/STD: **Symetra Life Insurance Company**
Total annual fees are based on per person/per month enrollment.
Total annual not to exceed \$1,200,000
(Includes \$350,000 of Supplemental Life Insurance (EMPLOYEE PAID))

See attached summaries for more detailed information. Funding Source 403 INSR1 5146

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

ENGAGE • INNOVATE • PERFORM

CITIZENS SQUARE

200 E. Berry St. • Fort Wayne, Indiana • 46802 • www.cityoffortwayne.org
An Equal Opportunity Employer

COUNCIL DIGEST SHEET

Enclosed with this introduction form is a tab sheet and related material from the vendor(s) who submitted bid(s). Purchasing Department is providing this information to Council as an overview of this award.

RFPs , BIDS, OTHER PROJECTS

Bid/RFP#/Name of Project	Renewal of Self-Funded Health & Dental Plans (Administration and Reinsurance Fees) AND Group Life/Long and Short Term Disability Insurance Plans
Awarded To	Automated Group Administration/Symetra Life Insurance
Amount	Not to exceed \$3,400,00 (includes \$350,000 of employee paid life ins)
Conflict of interest on file?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Number of Registrants	
Number of Bidders	
Required Attachments	RFPs – attach Award Matrix; Bids – attach Tab Sheet

EXTENSIONS

Date Last Bid Out	
# Extensions Granted To Date	

SPECIAL PROCUREMENT

Contract #/ID (State, Federal, Piggyback--Authority)	
Sole Source/ Compatibility Justification	

BID CRITERIA *(Take Buy Indiana requirements into consideration.)*

Most Responsible, Responsive Lowest	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If no, explain below</i>
If not lowest, explain	

COUNCIL DIGEST SHEET

COST COMPARISON

<i>Increase/decrease amount from prior years For annual purchase (if available).</i>	
--	--

DESCRIPTION OF PROJECT / NEED

<i>Identify need for project & describe project; attach supporting documents as necessary.</i>	Quotes were obtained through our insurance broker and reviewed/selected based on competitive rates/service <hr/> <hr/> <hr/>
--	---

REQUEST FOR PRIOR APPROVAL

<i>Provide justification if prior approval is being requested.</i>	<hr/> <hr/> <hr/> <hr/>
--	-------------------------

FUNDING SOURCE

<i>Account Information.</i>	403 INSR1 5146 <hr/> <hr/> <hr/>
-----------------------------	-------------------------------------

City of Fort Wayne
January 1, 2017 Self Funded Cost Comparison



	Current - 2016		Renewal - 2017		Alternate - 2017	
Plan Administrator	AGA		AGA		AGA	
Managing Underwriter	MDS		MDS		MDS	
Reinsurance Carrier	Transamerica Premier Life		Transamerica Premier Life		Transamerica Premier Life	
Networks	Signature Care, Lutheran Preferred & Evolutions		Signature Care, Lutheran Preferred & Evolutions		Signature Care, Lutheran Preferred & Evolutions	
Reinsurance Contract Terms						
Specific Deductible	\$325,000		\$325,000		\$350,000	
Aggregating Specific Deductible	\$150,000		\$150,000		\$150,000	
Specific Contract	18/12		18/12		18/12	
Aggregate Contract	18/12		18/12		18/12	
Specific Contract Coverage	Medical		Medical		Medical	
Aggregate Contract Coverage	Medical/Rx/Dental		Medical/Rx/Dental		Medical/Rx/Dental	
Enrollment						
	<u>Medical</u>	<u>Dental</u>	<u>Medical</u>	<u>Dental</u>	<u>Medical</u>	<u>Dental</u>
TOTAL	1964	1979	1964	1979	1964	1979
Administration Fees						
Medical	15.95		16.50		16.50	
Dental	2.75		2.85		2.85	
PPO Access	6.50		6.50		6.50	
Utilization Review/Mgmt	3.25		3.25		3.25	
OP Therapy Review	0.70		0.70		0.70	
OP Surgery Review	0.80		0.80		0.80	
MCC Disease Mgmt Pkg	4.25		4.25		4.25	
Broker Fee	1.80		1.80		1.80	
Total Monthly Admin per Employee	36.00		36.65		36.65	
Subrogation Fee	Included		Included		Included	
Out-of-Network Negotiated Savings Fee	Included		Included		Included	
Monthly Administration Costs	\$70,704.00		\$71,980.60		\$71,980.60	
Annual Administration Costs	\$848,448.00		\$863,767.20		\$863,767.20	
Reinsurance Premiums						
Specific Premium	46.98		51.58		47.08	
Aggregate Premium	2.59		2.65		2.75	
Monthly Reinsurance Premium	\$97,394.33		\$106,547.47		\$97,907.37	
Annual Reinsurance Premium	\$1,168,731.96		\$1,278,569.64		\$1,174,888.44	
Aggregate Claim Factors						
Medical Aggregate Factor	1,455.35		1,570.65		1,574.98	
Dental Aggregate Factor	62.31		62.31		62.31	
Monthly Aggregate Factors	\$2,981,618.89		\$3,208,068.09		\$3,216,572.21	
Annual Aggregate Factors	\$35,779,426.68		\$38,496,817.08		\$38,598,866.52	
Total Minimum Plan Costs	\$2,017,179.96		\$2,142,336.84		\$2,038,655.64	
Total Maximum Plan Costs	\$37,796,606.64		\$40,639,153.92		\$40,637,522.16	

Percent of Increase/Change 7.53% 7.53%

Notes/Contingencies Current Benefits - \$600/\$1,200/\$3,400 Deductibles Grandfathered Status Current Benefits - \$1,200/\$3,400 Deductibles Grandfathered Status Current Benefits - \$1,200/\$3,400 Deductibles Grandfathered Status
See Underwriter Comments and Assumptions See Underwriter Comments and Assumptions See Underwriter Comments and Assumptions

City of Fort Wayne
January 1, 2017 Self Funded Cost Comparison



	Pro-Claim Plus, Inc. Crum and Forster U.S. Fire Ins. Co. Signature Care, Lutheran, Evolutions	Pro-Claim Plus, Inc. HCC Life HCC Life Signature Care, Lutheran, Evolutions	Pro-Claim Plus, Inc. Crum and Forster U.S. Fire Ins. Co. Signature Care, Lutheran, Evolutions	Pro-Claim Plus, Inc. HCC Life HCC Life Signature Care, Lutheran, Evolutions	Pro-Claim Plus, Inc. Crum and Forster U.S. Fire Ins. Co. Signature Care, Lutheran, Evolutions
Reinsurance Contract Terms					
Specific Deductible	\$325,000	\$325,000	\$330,000	\$330,000	\$375,000
Aggregating Specific Deductible	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Specific Contract	18/12	18/12	18/12	18/12	18/12
Aggregate Contract	18/12	18/12	18/12	18/12	18/12
Specific Contract Coverage	Medical/Rx	Medical/Rx	Medical/Rx	Medical/Rx	Medical/Rx
Aggregate Contract Coverage	Medical/Rx/Dental	Medical/Rx/Dental	Medical/Rx/Dental	Medical/Rx/Dental	Medical/Rx/Dental
Enrollment	1964	1964	1964	1964	1964
TOTAL					
Administration Fees					
Medical	15.00	15.00	15.00	15.00	15.00
Dental	2.00	2.00	2.00	2.00	2.00
PPO Access (avg)	4.63	4.63	4.63	4.63	4.63
Utilization Review/Mgmt	1.65	1.65	1.65	1.65	1.65
OP Therapy Review	0.25	0.25	0.25	0.25	0.25
OP Surgery Review	0.40	0.40	0.40	0.40	0.40
Disease Mgmt - Finns & Assoc.	2.60	2.60	2.60	2.60	2.60
Broker Fee	1.80	1.80	1.80	1.80	1.80
Total Monthly Admin per Employee	28.33	28.33	28.33	28.33	28.33
Subrogation Fees (13%)	3,875 annual *	3,875 annual *	3,875 annual *	3,875 annual *	3,875 annual *
Out-of-Network Negotiated Savings Fee (30%)	247,541 annual **	247,541 annual **	247,541 annual **	247,541 annual **	247,541 annual **
Monthly Administration Costs	\$76,591.45	\$76,591.45	\$76,591.45	\$76,591.45	\$76,591.45
Annual Administration Costs	\$919,097.44	\$919,097.44	\$919,097.44	\$919,097.44	\$919,097.44
Reinsurance Premiums					
Specific Premium	43.27	48.25	38.60	43.93	34.49
Aggregate Premium	2.00	3.60	2.11	3.63	2.33
Aggregate Accommodation Rider	2.00	1.50	2.00	1.50	2.00
Monthly Reinsurance Premium	\$92,838.28	\$194,779.40	\$83,882.44	\$94,553.84	\$76,046.08
Annual Reinsurance Premium	\$1,114,059.56	\$1,257,552.80	\$1,006,589.28	\$1,156,246.08	\$912,552.96
Aggregate Claim Factors					
Aggregate Factors	1,546.39	1,607.11	1,532.52	1,621.97	1,559.66
Monthly Aggregate Factors	\$3,037,109.96	\$3,156,564.04	\$3,049,149.28	\$3,185,549.08	\$3,063,172.24
Annual Aggregate Factors	\$36,445,319.52	\$37,376,368.48	\$36,589,791.56	\$38,226,588.96	\$36,758,066.88
Total Minimum Plan Costs	\$2,033,156.80	\$2,176,450.24	\$1,925,686.72	\$2,075,346.52	\$1,831,650.40
Total Maximum Plan Costs	\$38,478,476.32	\$40,052,818.72	\$38,515,478.08	\$40,301,932.48	\$38,569,717.28
Installation Fee	\$8,000.00	\$8,000.00	\$8,000.00	\$8,000.00	\$8,000.00

Notes/Contingencies: See Contingencies/Notes

* Based on 13% of actual 2015 subrogation fee of \$29,811
 ** Based on 30% of actual 2015 out-of-network negotiated savings of \$825,137



Symetra Life Insurance Company
 P.O. Box 34690
 Seattle, WA 98124-1690

Phone: (800) 426-7784
 Fax: (866) 346-0068
 TTY: (800) 833-8368 (Deaf/HH only)

cc: WDCK dba The DeHayes Group
 11-26-9822-03

Laura Townsend
 City of Fort Wayne
 200 E. Berry, Suite 370
 Fort Wayne, IN 46802

Re: Policy 01-016266-00
 January 1, 2016, Renewal

Dear Policyholder:

This letter contains the results of our annual review of your group insurance coverages. We have evaluated your rates using current census data. A brief summary of your plan's experience is provided below for the period of January 1, 2013, through July 31, 2015:

<u>Current Coverage</u>	<u>Premium</u>	<u>Claims</u>
Basic Employee Life Insurance	\$485,092	\$740,775
Basic Employee Accidental Death and Dismemberment Insurance	\$64,469	\$15,025
Supplemental Employee Life Insurance	\$576,042	\$100,219
Supplemental Spouse Life Insurance	\$102,438	\$55,000
Supplemental Child Life Insurance	\$5,209	\$0
Supplemental Employee Accidental Death and Dismemberment Insurance	\$34,368	\$0
Supplemental Spouse Accidental Death and Dismemberment Insurance	\$5,784	\$0
Supplemental Child Accidental Death and Dismemberment Insurance	\$1,286	\$0
Long-Term Disability Insurance	\$384,816	Paid Claims: \$105,427 Reserves: \$141,323
Short-Term Disability Insurance	\$417,359	\$318,198

Effective January 1, 2016 your renewal rates are as follows:

<u>Current Coverage</u>	<u>Current Monthly Rates</u>	<u>Renewal Monthly Rates</u>
Basic Employee Life Insurance	\$0.186 per \$1,000	\$0.250 per \$1,000
Basic Employee Accidental Death and Dismemberment Insurance	\$0.02 per \$1,000	\$0.02 per \$1,000
Supplemental Employee Life Insurance	*Step-Rated	*Step-Rated
Supplemental Spouse Life Insurance	*Step-Rated	*Step-Rated
Supplemental Child Life Insurance	\$0.07 per \$1,000	\$0.07 per \$1,000
Supplemental Employee Accidental Death and Dismemberment Insurance	\$0.03 per \$1,000	\$0.03 per \$1,000
Supplemental Spouse Accidental Death and Dismemberment Insurance	\$0.03 per \$1,000	\$0.03 per \$1,000
Supplemental Child Accidental Death and Dismemberment Insurance	\$0.03 per \$1,000	\$0.03 per \$1,000
Long-Term Disability Insurance	\$0.31 % covered payroll	\$0.31 % covered payroll
Short-Term Disability Insurance	\$0.38 per \$10	\$0.41 per \$10

The renewal rates are guaranteed for 2 years.

If you have any questions regarding this renewal information, please contact me or WDCK dba The DeHayes Group. We appreciate the opportunity to provide this insurance coverage and look forward to many more years of continued service to you.

Sincerely,

Katrina Bond
 Regional Account Manager
 (317) 308-8284
 Symetra Financial

 date



Symetra Life Insurance Company
P.O. Box 34690
Seattle, WA 98124-1690

Phone: (800) 426-7784
Fax: (866) 348-0058
T/TTY: (800) 833-6388 (Deaf/HH only)

SYMETRA LIFE INSURANCE COMPANY
777 108th Avenue NE, Suite 1200
Bellevue, Washington 98004-5135

PREMIUM RATE NOTICE

Policy Number: 01-016266-00

Policyholder: City of Fort Wayne

Effective Date of Premium Rates: January 1, 2016

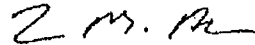
<u>Coverage</u>	<u>Monthly Rate</u>
Basic Employee Life Insurance	\$0.250 per \$1,000
Basic Employee Accidental Death and Dismemberment Insurance	\$0.02 per \$1,000
Supplemental Employee Life Insurance	*Step-Rated
Supplemental Spouse Life Insurance	*Step-Rated
Supplemental Child Life Insurance	\$0.07 per \$1,000
Supplemental Employee Accidental Death and Dismemberment Insurance	\$0.03 per \$1,000
Supplemental Spouse Accidental Death and Dismemberment Insurance	\$0.03 per \$1,000
Supplemental Child Accidental Death and Dismemberment Insurance	\$0.03 per \$1,000
Long-Term Disability Insurance	\$0.310 per \$100
Short-Term Disability Insurance	\$0.410 per \$10

*Supplemental Employee and Spouse step-rates are as follows:

Age	Rate per \$1,000
Under 25	\$0.07
25-29	\$0.07
30-34	\$0.07
35-39	\$0.11
40-44	\$0.17
45-49	\$0.28
50-54	\$0.50
55-59	\$0.82
60-64	\$1.09
65-69	\$1.70
70-74	\$3.00
75+	\$4.94

Premium rate adjustments due to change in age are effective on the policy anniversary following the date of change.

SYMETRA LIFE INSURANCE COMPANY



BY: Thomas M. Marra, President

Registrar: David Spak

Date: October 19, 2015

- Instructions: (1) Use these rates beginning on the effective date shown above.
(2) Retain this Premium Rate Notice with your policy.



Public Hearing Date, if applicable _____

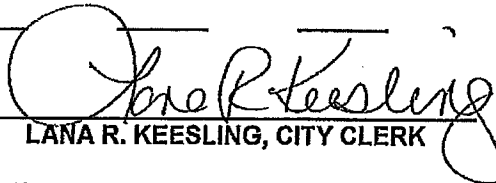
Read the first time in full and on motion by Councilman _____

Read the second time by title and referred to the _____


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

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
<u>TOTAL VOTES</u>	_____	_____	_____	_____
ARP	_____	_____	_____	_____
BARRANDA	_____	_____	_____	_____
CRAWFORD	_____	_____	_____	_____
DIDIER	_____	_____	_____	_____
ENSLEY	_____	_____	_____	_____
FREISTOFFER	_____	_____	_____	_____
HINES	_____	_____	_____	_____
JEHL	_____	_____	_____	_____
PADDOCK	_____	_____	_____	_____

DATED: _____

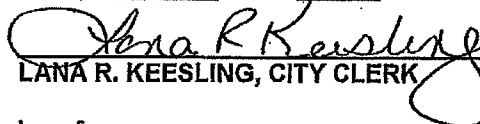

LANA R. KEESLING, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ANNEXATION) (APPROPRIATION) (GENERAL) (SPECIAL) (ZONING) ORDINANCE (RESOLUTION) NO. _____ on the _____ day of _____, 2016


ATTEST:
LANA R. KEESLING,
CITY CLERK


PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the _____ day of _____, 2016, at the hour of _____ O'clock _____ E.S.T.


LANA R. KEESLING, CITY CLERK

Approved and signed by me this _____ day of _____ 2016, at the hour of _____ O'clock _____ E.S.T.

THOMAS C. HENRY, MAYOR

BILL NO. S-16-12-09

REPORT OF COMMITTEE ON FINANCE

January 10, 2017

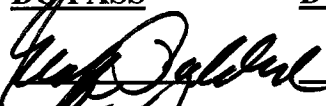


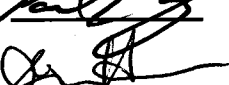

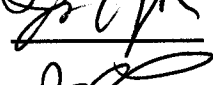

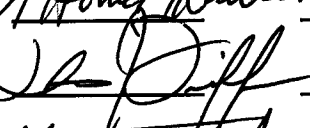
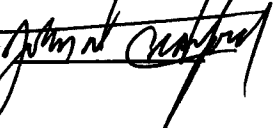
Geoff Paddock Chair

Jason Arp Co-Chair

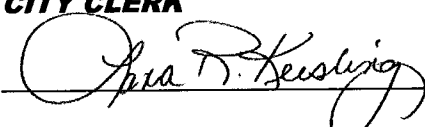
All Council Members

An Ordinance approving the awarding of renewal of Self-Funded Health & Dental Plans (Administration and Reinsurance Fees) and Group Life/Long and Short Term Disability Insurance Plans by the City of Fort Wayne, Indiana, by and through its Department of Purchasing and Automated Group Administration/Symetra Life Insurance

COMMITTEE ON FINANCE HAVE HAD SAID Ordinance under consideration and beg leave to report back to the Common Council that said Ordinance

	<u>DO PASS</u>	<u>DO NOT PASS</u>	<u>ABSTAIN</u>	<u>NO REC</u>
GP		_____	_____	_____
MB		_____	_____	_____
PE		_____	_____	_____
GH		_____	_____	_____
RS		_____	_____	_____
GN		_____	_____	_____
TD		_____	_____	_____
TP		_____	_____	_____
X		_____	_____	_____

**LANA R. KEESLING
CITY CLERK**



Public Hearing Date: N/A

Read the first time in full and on motion by Councilman Crawford.

Read the second time by title and referred to the Finance Committee.

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

<u>TOTAL VOTES</u>	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
ARP	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BARRANDA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CRAWFORD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
DIDIER	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ENSLEY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FREISTROFFER	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HINES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
JEHL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PADDOCK	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

DATED: January 10, 2017



 LANA R. KEESLING, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as
 Special Ordinance No. S-16-12-09 on the 10th day of January, 2017

ATTEST:



 LANA R. KEESLING
 CITY CLERK



 PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 11th
 of January 2017, at the hour of 9:30 o'clock P.M. E.S.T.



 LANA R. KEESLING, CITY CLERK

Approved and signed by me this 11th day of JANUARY
 2016, at the hour of 1:30 O'clock PM E.S.T.



 THOMAS C. HENRY, MAYOR