

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING CONTINUED PARTICIPATION IN THE MUNICIPAL HEALTH BENEFIT FUND FOR EMPLOYEE HEALTH AND DENTAL BENEFITS, WITH THE OPTION FOR EMPLOYEES TO PAY ADDITIONAL COSTS FOR A LOWER DEDUCTIBLE; AND FOR OTHER PURPOSES.

WHEREAS, the Attorney General of Arkansas stated in Opinion No. 83-198 that cities may participate in programs with the Arkansas Municipal League without adherence to the statutory bidding process found at Ark. Code Ann. § 14-58-303, including insurance products directly regulated by Ark. Code Ann. § 14-58-304; and

WHEREAS, on October 10, 2016, the North Little Rock City Council passed Resolution No. 9073, authorizing the Mayor and City Clerk to enter into an agreement with the Municipal Health Benefit Fund (“MHBF”) in order to provide health and dental coverage for City of North Little Rock (the “City”) employees; and

WHEREAS, in previous years, the medical plan deductible was \$500.00, but in order to maintain the same cost to the City for providing health and dental benefits to its employees, MHBF will raise the medical plan deductible to \$1,200.00 per year per covered individual in 2020; and

WHEREAS, MHBF has offered to provide an option to City employees to obtain medical benefits with a \$500.00 deductible per covered individual, with the additional cost of coverage for the lower deductible to be paid by the employee (see Medical Plan Comparison attached hereto as Exhibit A); and

WHEREAS, MHBF currently offers the most competitive and lowest health insurance prices for the City compared to other insurance companies (see Health Insurance Renewal Options attached hereto as Exhibit B); and

WHEREAS, it is in the best interests of the City to continue using MHBF as the City’s health benefit program with the added deductible options for employees.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That the Mayor and City Clerk are hereby authorized to execute such documents as may be necessary or advisable for the City to continue participation in the Municipal Health Benefit Fund for medical and dental benefits, with the new deductible options for employee health benefits as shown on Exhibit A.

SECTION 2: That the departmental cost to implement this resolution shall be included within each department's respective 2020 budget.

SECTION 3: That all contracts shall be approved by the Office of the City Attorney prior to execution.

SECTION 4: That all prior legislation of the City in conflict herewith is hereby repealed to the extent of the conflict.

SECTION 5: That the provisions of this Resolution are hereby declared to be severable, and if any section, phrase or provision shall be declared or held invalid, such invalidity shall not affect the remainder of the sections, phrases or provisions.

SECTION 6: That this Resolution shall be effective from and after its passage.

PASSED:

APPROVED:

Mayor Joe A. Smith

SPONSOR:

ATTEST:



Mayor Joe A. Smith *by AT*

Diane Whitbey, City Clerk

APPROVED AS TO FORM:



Amy Beckman Fields, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/cf



City of North Little Rock
Medical Plan Comparison
 January 1, 2020

MHBF
 \$500 deductible \$1200 deductible

PLAN DESIGN
Deductible (per covered Individual)
Deductible (Family maximum)
Co-Insurance (Plan Pays)
Out-of-Pocket Maximum (per covered Individual)
Out-of-Pocket Maximum (Family)
PCP Office Visit
Specialist Office Visit
Urgent Care
Emergency Room
Inpatient Services
Outpatient Surgical
Rx Drug Copays: Standard
Rx Drug Copays: Specialty
Notes: See below

	Network	Non-Network	Network	Non-Network
Deductible (per covered Individual)	\$500		\$1,200	
Deductible (Family maximum)	\$6,000		\$6,000	
Co-Insurance (Plan Pays)	80%	50%	80%	50%
Out-of-Pocket Maximum (per covered Individual)	\$4,000	Unlimited	\$4,000	Unlimited
Out-of-Pocket Maximum (Family)	\$8,000	Unlimited	\$8,000	Unlimited
PCP Office Visit	\$20 + Coins	Ded + Coins	\$20 + Coins	Ded + Coins
Specialist Office Visit	\$20 + Coins	Ded + Coins	\$20 + Coins	Ded + Coins
Urgent Care	\$20 + Coins	Ded + Coins	\$20 + Coins	Ded + Coins
Emergency Room	\$250 + Coins		\$250 + Coins	
Inpatient Services	Ded + Coins		Ded + Coins	
Outpatient Surgical	Ded + Coins		Ded + Coins	
Rx Drug Copays: Standard	\$10 / \$30 / \$50		\$10 / \$30 / \$50	
Rx Drug Copays: Specialty	\$100 / \$200		\$100 / \$200	
	(a, b)		(a, b)	

MONTHLY PREMIUM
Rates include dental premium
Employee Only
Employee + Family

	City Cost per pay period	Employee Cost per pay period	City Cost per pay period	Employee Cost per pay period
Employee Only	\$242.50	\$20.00	\$242.50	\$0.00
Employee + Family	\$470.69	\$114.31	\$470.69	\$64.31

NOTES:
 (a) This is not intended to be a complete summary of benefits. Please refer to the benefit summary for any limitations or exclusions.
 (b) Out of pocket maximum includes Co-Insurance only.

City of North Little Rock
Medical Plan Comparison
January 1, 2020

Current
MHBF
\$500 deductible/Class 5

Projected Renewal
MHBF
\$500 deductible/Class 6 \$1200 deductible/Class 5

Option 1
Cigna
Open Access Plus \$00

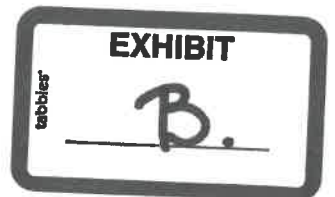
PLAN DESIGN	Current		Projected Renewal		Option 1	
	Network	Non-Network	Network	Non-Network	Network	Non-Network
Deductible (Individual)	\$500		\$500	\$1,200	\$500	\$1,000
Deductible (Family)	\$6,000		\$6,000	\$6,000	\$1,000	\$2,000
Deductible Type					Embedded	
Co-insurance (Plan Pays)	80%	50%	80%	50%	80%	55%
Out-of-Pocket Maximum (Individual)	\$4,000	Unlimited	\$4,000	Unlimited	\$4,000	\$8,000
Out-of-Pocket Maximum (Family)	\$8,000	Unlimited	\$8,000	Unlimited	\$8,000	\$16,000
Out-of-Pocket Maximum Type					Embedded	
PCP Office Visit	\$20 + coins	Ded + Coins	\$20 + coins	Ded + Coins	\$20	Ded + Coins
Specialist Office Visit	\$20 + coins	Ded + Coins	\$20 + coins	Ded + Coins	\$20	Ded + Coins
Urgent Care	\$20 + coins	Ded + Coins	\$20 + coins	Ded + Coins	\$20	Ded + Coins
Emergency Room	\$250 + coins		\$250 + coins		\$250	
Inpatient Services	Ded + Coins		Ded + Coins		Ded + Coins	
Outpatient Surgical	Ded + Coins		Ded + Coins		Ded + Coins	
Rx Drug Copays: Standard	\$10 / \$30 / \$50		\$10 / \$30 / \$50		\$10 / \$30 / \$50 / \$50	
Rx Drug Copays: Speciality	\$100 / \$200		\$100 / \$200		\$50	
Notes: See below	(a, b)		(a, b)	(a, b)	(a)	
MONTHLY PREMIUM						
TOTAL ENROLLED		843				
Employee Only	\$467.50		\$507.50	\$467.50	\$550.58	
Employee + Family	\$1,027.50		\$1,127.50	\$1,027.50	\$1,207.66	
COST SUMMARY						
Total Monthly Premium	\$644,423		\$704,963	\$644,423	\$757,854	
Total Annual Premium	\$7,733,070		\$8,459,550	\$7,733,076	\$9,094,244	
Difference from Current	-		-		\$1,361,174	
% Change from Current	-		9.4%	0.0%	17.6%	

NOTES:

(a) This is not intended to be a complete summary of benefits. Please refer to the benefit summary for any limitations or exclusions.

(b) Out of pocket maximum includes Co-insurance only.

(c) Qualchoice, AR Blue Cross & Blue Shield and Aetna declined to quote



City of North Little Rock
Medical Plan Comparison
 January 1, 2020

PLAN DESIGN	Option 2 UHC BMW/A80		Option 3 UHC BMW/H19		Option 4 UHC BAUN/H19		Option 5 UHC BAUZ/H19	
	Network	Non-Network	Network	Non-Network	Network	Non-Network	Network	Non-Network
Deductible (Individual)	\$1,000	\$2,000	\$2,000	n/a	\$1,500	n/a	\$2,000	n/a
Deductible (Family)	\$2,000	\$4,000	\$4,000	n/a	\$3,000	n/a	\$4,000	n/a
Deductible Type	Embedded	Embedded	Embedded	Embedded	Embedded	Embedded	Embedded	Embedded
Co-Insurance (Plan Pays)	100%	75%	80%	n/a	80%	n/a	80%	n/a
Out-of-Pocket Maximum (Individual)	\$4,000	\$8,000	\$7,500	n/a	\$3,500	n/a	\$5,000	n/a
Out-of-Pocket Maximum (Family)	\$8,000	\$16,000	\$15,000	n/a	\$7,000	n/a	\$10,000	n/a
Out-of-Pocket Maximum Type	Embedded	Embedded	Embedded	Embedded	Embedded	Embedded	Embedded	Embedded
PCP Office Visit	\$0	Ded + Coins	\$25	n/a	\$25	n/a	\$25	n/a
Specialist Office Visit	\$50 after ded	Ded + Coins	\$40	n/a	\$50	n/a	\$50	n/a
Urgent Care	\$50	Ded + Coins	\$25	n/a	\$50	n/a	\$50	n/a
Emergency Room	\$500 + Ded + Coins	Ded + Coins	\$350	n/a	\$350	n/a	\$350	n/a
Inpatient Services	\$500 + Ded	Ded + Coins	Ded + Coins	n/a	Ded + Coins	n/a	\$500	n/a
Outpatient Surgical	\$500 + Ded	Ded + Coins	Ded + Coins	n/a	Ded + Coins	n/a	\$500	n/a
Rx Drug Copays: Standard	\$0 / \$50 / \$75 / \$150		\$10 / \$50 / \$50	n/a	\$10 / \$30 / \$50	n/a	\$10 / \$30 / \$50	
Rx Drug Copays: Specialty	\$0 / \$250 / \$350 / \$500		\$10 / \$30 / \$50	n/a	\$10 / \$30 / \$50	n/a	\$10 / \$30 / \$50	
Notes: See below	(a)		(a)		(a)		(a)	
MONTHLY PREMIUM								
TOTAL ENROLLED	843		843		843		843	
Employee Only	\$748.00		\$640.99		\$755.86		\$640.30	
Employee + Family	\$1,644.00		\$1,406.81		\$1,661.28		\$1,407.29	
COST SUMMARY								
Total Monthly Premium	\$1,031,076		\$883,570		\$1,041,913		\$882,617	
Total Annual Premium	\$12,372,912		\$10,602,841		\$12,502,953		\$10,591,409	
Difference from Current	\$4,639,842		\$2,869,771		\$4,769,883		\$2,858,339	
% Change from Current	60.0%		37.1%		61.7%		37.0%	

NOTES:

- (a) This is not intended to be a complete summary of benefits. Please refer to the benefit summary for any limitations or exclusions.
- (b) Out of pocket maximum includes Co-Insurance only.
- (c) QualChoice, AR Blue Cross & Blue Shield and Aetna declined to quote