



## Legislation Text

---

**File #:** Pres 15-447, **Version:** 1

---

Presentation regarding the selection of united healthcare to provide employee health insurance benefits

### **Summary and Background Information :**

The city reviews its employee benefits plan every year to make adjustments based on current market trends, the city's budget, union contracts and other impacts such as federal mandates. In May, the city's broker, IMA, issued an RFP (Request for Proposals) for health care providers. Three providers (Aetna, Kaiser, and UHC) submitted bids and each provided presentations to the city and benefits committee in July. The human resources department made the recommendation, after input from the employee benefits committee, to the city manager to move to UHC.

The city's benefits philosophy and strategy includes balancing the best quality healthcare with cost containment while providing the highest quality health and wellness care and services to the employees. Following are a few key reasons that UHC was chosen.

- ☐ The city is introducing a third plan, Option C, which is a high deductible health plan with a Health Savings Account (HSA). UHC is more experienced at managing HSAs.
- ☐ UHC's network is more than three times the size of the city's current provider's network so employees will have more options for doctors, specialists, hospitals, labs and pharmacies (most major chains).
- ☐ Faster processing and access to claims to help employees manage medical bills.
- ☐ Better wellness and health services which includes individual and family wellness incentive programs (up to \$200/employee and \$400/family).
- ☐ Online and mobile tools for members to manage claims, health records and wellness incentives.
- ☐ UHC offers the city a 2-year rate guarantee, a wellness credit of \$25,000 for the first 2 years, a \$75,000 transition incentive and employee wellness incentives.
- ☐ Positions the city to explore additional cost control through self-funding and third-party administrators.

**Staff Responsible (Department Head ):** Cathy Blakeman

**Staff Member Presenting :** Brian McBroom/Cathy Blakeman

**Staff Recommendation :** Council to receive this information regarding United Healthcare providing employee health insurance benefits beginning in 2016