



Finance Committee Meeting

AGENDA

March 1, 2011

I. **CALL TO ORDER**

II. **MATTERS BEFORE COMMITTEE**

1. [Renewal - Health & Dental Insurance](#)
2. [Renewal - Property & Casualty Insurance](#)

III. **ADJOURN**



Finance Committee Meeting

AGENDA

March 1, 2011

Item:

Renewal - Health & Dental Insurance

Department:

Additional Information:

Financial Impact:

Budgeted Item:

Recommendation / Request:

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Attachments / click to download

- [Health Insurance Info](#)
- [Dental Insurance Letter](#)
- [Dental Insurance Info](#)



***Renewal
Administrative Services
&
Reinsurance Proposal
For
City of Monroe***





City of Monroe
April 1, 2011

Administrative Services

<i>Medical Administration</i>	<i>Covenant Administrators</i>
<i>Pharmacy Benefit Manager</i>	<i>WHI</i>
<i>Pre-Cert - UR Management</i>	<i>MediCor Managed Care</i>
<i>PPO Networks</i>	<i>First Health</i>

<i>Employee Count</i>	<i>EE</i>	<i>Family</i>	<i>Total</i>
	119	91	210

	<i>Monthly Administrative Fees</i>		<i>Annual Administrative Fees</i>
	<i>Current</i>	<i>Renewal</i>	<i>Renewal</i>
<u><i>Covenant Administrative Fees</i></u>			
<i>Medical Administration</i>	\$24.60	\$24.60	\$61,992.00
<i>Pharmacy Administration</i>	Included	Included	
<i>Dental Administration</i>			
<i>Disability Administration</i>			
<i>Vision Administration</i>			
<i>COBRA Administration</i>	Included	Included	
<i>HIPAA Administration</i>	Included	Included	
<u><i>Medical Management Administration Fees</i></u>			
<i>PreCert/UR Administration</i>	\$2.50	\$2.50	\$6,300.00
<i>MehraVista Health</i>			
<i>Primary Care Management</i>			
<i>PPO Network Access Fees</i>			
<i>First Health</i>	\$4.20	\$4.35	\$21,506.40
<u><i>Broker Management Fees</i></u>			
<i>Total Administrative Fees</i>	<u>\$31.30</u>	<u>\$31.45</u>	<u>\$79,254.00</u>
<u><i>Stop Loss Management Fee</i></u>			
	\$16.55	\$16.55	\$81,823.20
<u><i>Current Annual Administration Costs</i></u>		<u>\$160,699.20</u>	
<u><i>Renewal Annual Administration Costs</i></u>			<u>\$161,077.20</u>
		<i>Adjustment</i>	0.2%





City of Monroe
April 1, 2011

Stop Loss Coverage

	<i>Current</i>	<i>Renewal</i>
<i>SL Market</i>	<i>SLG Benefits</i>	<i>SLG Benefits</i>
<i>SL Market Rating</i>	<i>A+</i>	<i>A+</i>
<i>SL Carrier</i>	<i>QBE</i>	<i>QBE</i>
<i>Maximum LT Reimbursement</i>	<i>\$960,000</i>	<i>\$960,000</i>
<i>Specific Deductible</i>	<i>\$40,000</i>	<i>\$40,000</i>
<i>Aggregating Specific Deductible</i>	<i>\$80,000</i>	<i>\$80,000</i>
<i>Specific Basis</i>	<i>Paid</i>	<i>Paid</i>
<i>Aggregate Basis</i>	<i>Paid</i>	<i>Paid</i>
<hr/> <hr/>		
<u>Specific Stop Loss Coverage</u>		
<i>Employee</i>	<i>\$66.37</i>	<i>\$105.48</i>
<i>Family</i>	<i>\$161.56</i>	<i>\$250.58</i>
<u>Aggregate Stop Loss Coverage</u>		
<i>Aggregate</i>	<i>\$5.31</i>	<i>\$5.31</i>
<i>Aggregate Accommodation</i>		
<i>Terminal Liability</i>		
<u>Aggregate Attachment Factors</u>		
<i>Employee</i>	<i>\$488.90</i>	<i>\$524.38</i>
<i>Family</i>	<i>\$1,217.49</i>	<i>\$1,344.73</i>
<hr/> <hr/>		
<i>Specific S/L Premium</i>	<i>\$271,200</i>	<i>\$424,259</i>
<i>Aggregate S/L Premium</i>	<i>\$13,381</i>	<i>\$13,381</i>
<i>Aggregate Attachment</i>	<i>\$2,027,648</i>	<i>\$2,217,260</i>
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City of Monroe
April 1, 2011

Financial Summary

	<i>Current</i>	<i>Renewal</i>
SL Market	SLG Benefits	SLG Benefits
SL Market Rating	A+	A+
SL Carrier	QBE	QBE
Maximum LT Reimbursement	\$960,000	\$960,000
<hr/>		
Specific Deductible	\$40,000	\$40,000
Aggregating Specific Ded	\$80,000	\$80,000
Specific Basis	Paid	Paid
Aggregate Basis	Paid	Paid
<hr/>		
Administrative Costs	\$160,699	\$161,077
Specific Premium	\$271,200	\$424,259
		56% \$153,059
Aggregate Premium	\$13,381	\$13,381
		0% \$0
<hr/>		
Total Fixed Costs	\$445,280	\$598,718
		34% \$153,437
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Expected Claims	\$1,622,119	\$1,773,808
Maximum Claims	\$2,027,648	\$2,217,260
		9% \$189,612
Total Expected Costs	\$2,067,399	\$2,372,526
		15% \$305,127
Total Maximum Costs	\$2,472,929	\$2,815,978
		14% \$343,049





City of Monroe
April 1, 2011

Stop Loss Coverage Options

	<i>Option 1</i>	<i>Option 2</i>
<i>SL Market</i>	SLG Benefits	SLG Benefits
<i>SL Market Rating</i>	A+	A+
<i>SL Carrier</i>	QBE	QBE
<i>Annual Reimbursement</i>	\$950,000	\$925,000
<i>Run - In Limited To</i>	-	-
<i>Specific Deductible</i>	\$50,000	\$75,000
<i>Aggregating Specific Ded</i>	\$80,000	\$80,000
<i>Specific Basis</i>	Paid	Paid
<i>Aggregate Basis</i>	Paid	Paid
<hr/>		
<u>Specific Stop Loss Coverage</u>		
<i>Employee</i>	\$83.89	\$55.10
<i>Family</i>	\$202.56	\$138.73
<u>Aggregate Stop Loss Coverage</u>		
<i>Aggregate</i>	\$6.25	\$8.27
<i>Aggregate Accommodation</i>		
<i>Terminal Liability</i>		
<u>Aggregate Attachment Factors</u>		
<i>Employee</i>	\$550.59	\$582.07
<i>Family</i>	\$1,411.96	\$1,492.66
<hr/>		
<i>Specific S/L Premium</i>	\$340,990	\$230,176
<i>Aggregate S/L Premium</i>	\$15,750	\$20,840
<i>Aggregate Attachment</i>	\$2,328,103	\$2,461,181
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City of Monroe
April 1, 2011

Financial Summary Options

	<i>Option 1</i>		<i>Option 2</i>	
<i>SL Market</i>	<i>SLG Benefits</i>		<i>SLG Benefits</i>	
<i>SL Market Rating</i>	<i>A+</i>		<i>A+</i>	
<i>SL Carrier</i>	<i>QBE</i>		<i>QBE</i>	
<i>Maximum LT Reimbursement</i>	<i>\$950,000</i>		<i>\$925,000</i>	
<hr/>				
<i>Specific Deductible</i>	<i>\$50,000</i>		<i>\$75,000</i>	
<i>Aggregating Specific Ded</i>	<i>\$80,000</i>		<i>\$80,000</i>	
<i>Specific Basis</i>	<i>Paid</i>		<i>Paid</i>	
<i>Aggregate Basis</i>	<i>Paid</i>		<i>Paid</i>	
<hr/>				
<i>Administrative Costs</i>	<i>\$161,077</i>		<i>\$161,077</i>	
<i>Specific Premium</i>	<i>\$340,990</i>		<i>\$230,176</i>	
	<i>26%</i>	<i>\$69,791</i>	<i>-15%</i>	<i>-\$41,024</i>
<i>Aggregate Premium</i>	<i>\$15,750</i>		<i>\$20,840</i>	
	<i>18%</i>	<i>\$2,369</i>	<i>56%</i>	<i>\$7,459</i>
<hr/>				
<u>Total Fixed Costs</u>	<i>\$517,818</i>		<i>\$412,094</i>	
	<i>16%</i>	<i>\$72,538</i>	<i>-7%</i>	<i>-\$33,186</i>
<hr/>				
<i>Expected Claims</i>	<i>\$1,862,482</i>		<i>\$1,968,945</i>	
<i>Maximum Claims</i>	<i>\$2,328,103</i>		<i>\$2,461,181</i>	
	<i>15%</i>	<i>\$300,455</i>	<i>21%</i>	<i>\$433,532</i>
<u>Total Expected Costs</u>	<i>\$2,380,300</i>		<i>\$2,381,039</i>	
<hr/>				
<u>Total Maximum Costs</u>	<i>\$2,845,921</i>		<i>\$2,873,275</i>	
	<i>15%</i>	<i>\$372,992</i>	<i>16%</i>	<i>\$400,346</i>



Omega Benefit Group, LLC

Suite 400
745 North Brown Road
Lawrenceville, GA 30043

www.omegabenefitgroup.com

February 24, 2011

Renee L. Prather
Finance Director, The City of Monroe
215 North Broad Street
Monroe, Georgia 30655

Re: April 1, 2011 Dental Plan Renewal

Dear Renee:

The Dental 2011 Renewal rates have been reviewed by our team here at Omega. The original renewal increase came in at 38%. After negotiations the renewal amount was decreased to 24.5%. Below are the renewal rates effective April 1, 2011.

	<u>Current</u>	<u>Renewal</u>
<u>Low Plan</u>		
Employee	\$ 16.88	\$ 21.04
Employee/Spouse	\$ 32.04	\$ 39.92
Employee/Child	\$ 32.20	\$ 40.12
Family	\$ 47.36	\$ 59.00
<u>High Plan</u>		
Employee	\$ 26.80	\$ 33.36
Employee/Spouse	\$ 51.88	\$ 64.60
Employee/Child	\$ 43.64	\$ 54.32
Family	\$ 68.72	\$ 85.56

The reason for this increase was due to the overall utilization of the plan. The City of Monroe paid \$106,304.00 in premiums in 2010. The claims incurred were \$160,438.34.

Page Two
Renee L. Prather
February 25, 2010

The plan was shopped with 4 dental insurance carriers to offer competitive bids. The carriers approached by Omega were Metlife, Lincoln Financial, American General, and Prudential. All carriers were provided with the same information that Standard provided.

We appreciate your continued trust in Omega Benefit Group and we look forward to continuing our relationship for years to come.

If you have any questions concerning this information, please feel free to contact our office.

Sincerely,

Joel C. Ballew
Sales Executive

Enclosures



OMEGA
Benefit Group

The Last Word in Benefits.

***2011 Benefits
Renewal Package***

***For
City Of Monroe***

February 9, 2011

The Last Word in Benefits.



City Of Monroe

April 1, 2011

High Plan Dental Renewal

	CURRENT	RENEWAL
CARRIER	Standard	Standard
RATING	A	A

High Plan Rates

	CURRENT	RENEWAL	% Change
Employee	\$26.80	\$33.36	24.5%
Employee + Spouse	\$51.88	\$64.60	24.5%
Employee + Child(ren)	\$43.64	\$54.32	24.5%
Family	\$68.72	\$85.56	24.5%

	Plan Design
Annual Benefit Maximum	\$1,000.00
Deductible	\$50 Type 2 &3
Family Deductible	No Maximum
Preventative Services	100%
Basic Services	80%
Major Services	50%
Periodontic Services	Major
Endodontic Services	Major
Office Visit Copay	\$0 Copay
Ortho.	N/A
Adult Coverage	N/A
Deductible	N/A
Lifetime Maximum	N/A

Financial Summary

	Monthly	Annual	%
Current	\$6,089.84	\$73,078.08	24.5%
Renewal	\$7,581.85	\$90,982.20	24.5%



City Of Monroe

April 1, 2011

Low Plan Dental Renewal

	CURRENT	RENEWAL
CARRIER	Standard	Standard
RATING	A	A

High Plan Rates			% Change
Employee	\$16.88	\$21.04	24.6%
Employee + Spouse	\$32.04	\$39.92	24.6%
Employee + Child(ren)	\$32.20	\$40.12	24.6%
Family	\$47.36	\$59.00	24.6%

	Plan Design
Annual Benefit Maximum	\$1,000.00
Deductible	\$50 Type 2
Family Deductible	No Maximum
Preventative Services	100%
Basic Services	80%
Major Services	N/A
Periodontic Services	N/A
Entodontic Services	N/A
Office Visit Copay	\$0 Copay
Ortho.	N/A
Adult Coverage	N/A
Deductible	N/A
Lifetime Maximum	N/A

Financial Summary

	Monthly	Annual	%
Current	\$1,505.00	\$18,060.00	24.5%
Renewal	\$1,874.00	\$22,488.00	24.5%



Finance Committee Meeting

AGENDA

March 1, 2011

Item:

Renewal - Property & Casualty Insurance

Department:

Additional Information:

Financial Impact:

Budgeted Item:

Recommendation / Request:

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Attachments / click to download

[Property & Casualty Insurance Info](#)

**City of Monroe
2011-12 Premium Summary**

COVERAGE	EXPIRING PREMIUM	ANNUALIZED PREMIUM	PROPOSED PREMIUM	CARRIER	EXPIRING LIMITS	PROPOSED LIMITS	NOTES	EXPIRING DEDUCTIBLE	PROPOSED DEDUCTIBLE
GENERAL LIABILITY Products & Completed Operations Personal & Advertising Injury Liability Damage to Premises Rented to You Limit Medical Expense Limit Sewer Backup Failure To Supply	\$55,776 Included Included Included Not Requested Included Not Requested	\$57,459 Included Included Included Not Requested Included Not Requested	\$57,459 Included Included Included Not Requested Included Not Requested	Travelers Travelers Travelers Travelers Travelers Travelers Travelers	\$1,000,000/\$2,000,000 \$2,000,000 \$1,000,000 \$100,000 Not Requested \$500,000 Not Requested	\$1,000,000/\$2,000,000 \$2,000,000 \$1,000,000 \$100,000 Not Requested \$500,000 Not Requested	Each Occurrence/General Aggregate Aggregate Limit Any One Person or Organization Limit Any One Premises Any One Premises Resulting From Negligence Submit	\$10,000 \$10,000 \$10,000 \$10,000 Not Requested \$10,000 Not Requested	\$10,000 \$10,000 \$10,000 \$10,000 Not Requested \$10,000 Not Requested
EMPLOYEE BENEFITS LIABILITY Retro Date: None - Claims Made	\$381	\$381	\$381	Travelers	\$1,000,000/\$3,000,000	\$1,000,000/\$3,000,000	Each Employee Limit/Aggregate Limit	\$1,000	\$1,000
AUTOMOBILE LIABILITY Medical Payments Uninsured/ Underinsured Motorist Total Number of Units with Liability	\$74,136 Included Included Included	\$75,953 Included Included Included	\$75,998 Included Included Included	Travelers Travelers Travelers Travelers	\$1,000,000 \$5,000 \$75,000 204	\$1,000,000 \$5,000 \$75,000 209	Any Auto Owned Autos Only Owned Autos Subject to Compulsory U/M Law Includes B Trailers	\$10,000 \$0 \$0 -	\$10,000 \$0 \$0 -
AUTOMOBILE PHYSICAL DAMAGE Comprehensive/Collision Hired Car Physical Damage Total Number of Units with APD	\$23,218 Included Included Included	\$23,355 Included Included Included	\$23,479 Included Included Included	Travelers Travelers Travelers Travelers	\$6,326,359 - -	\$6,363,737 - 149	Actual Cash Value	\$2,000/\$2,000 \$250/\$250 -	\$2,000/\$2,000 \$250/\$250 -
CRIME Employee Theft Forgery or Alteration On Premises (Money & Securities) Outside Premises (Money & Securities) Computer Fraud Faithful Performance of Duty	\$1,676 Included Included Included Included Included Included	\$1,693 Included Included Included Included Included Included	\$1,693 Included Included Included Included Included Included	Travelers Travelers Travelers Travelers Travelers Travelers Travelers	- \$200,000 \$200,000 \$50,000 \$50,000 \$200,000 Included	- \$200,000 \$200,000 \$50,000 \$50,000 \$200,000 Included	Per Loss	- \$2,500 \$2,500 \$2,500 \$2,500 \$2,500 -	- \$2,500 \$2,500 \$2,500 \$2,500 \$2,500 -
PROPERTY Blanket Building & Personal Property Specified Building & Personal Property Valuable Papers	\$51,301 Included Included Included	\$51,542 Included Included Included	\$55,285 Included Included Included	Travelers Travelers Travelers Travelers	- \$37,611,080 \$5,040,077 \$100,000	- \$37,811,080 \$5,040,077 \$100,000	Replacement Cost/90% Coinsurance Replacement Cost/100% Coinsurance	- \$5,000 \$5,000 \$5,000	- \$5,000 \$5,000 \$5,000
FLOOD EARTHQUAKE	Included Included	Included Included	Included Included	Travelers Travelers	\$1,000,000/\$1,000,000 \$1,000,000/\$1,000,000	\$1,000,000/\$1,000,000 \$1,000,000/\$1,000,000	Excludes Zones A & V	\$25,000 \$25,000	\$25,000 \$25,000
EQUIPMENT BREAKDOWN Spoilage Ammonia Contamination Hazardous Substance	Included Included Included Included	Included Included Included Included	Included Included Included Included	Travelers Travelers Travelers Travelers	\$42,651,157 \$250,000 \$250,000 \$250,000	\$42,851,157 \$250,000 \$250,000 \$250,000	*Subject to property values	\$5,000 \$5,000 \$5,000 \$5,000	\$5,000 \$5,000 \$5,000 \$5,000
INLAND MARINE Electronic Data Processing Equipment (EDP) Scheduled Contractors Equipment Scheduled Property	\$11,718 Included Included Included	\$11,788 Included Included Included	\$11,800 Included Included Included	Travelers Travelers Travelers Travelers	- \$161,151 \$2,630,061 \$75,083	- \$161,151 \$2,647,152 \$75,083		- \$1,000 \$1,000 \$1,000	- \$1,000 \$1,000 \$1,000
LAW ENFORCEMENT LIABILITY Occurrence Form	\$39,355	\$39,355	\$37,317	Travelers	\$1,000,000/\$2,000,000	\$1,000,000/\$2,000,000	Each Wrongful Act Limit/Aggregate Limit	\$25,000	\$25,000
PUBLIC ENTITY MANAGEMENT LIABILITY Retro Date: 04/06/2000 - Claims Made	\$7,014	\$7,073	\$7,073	Travelers	\$1,000,000/\$1,000,000	\$1,000,000/\$1,000,000	Each Wrongful Act Limit/Aggregate Limit	\$25,000	\$25,000
EMPLOYMENT PRACTICES LIABILITY Retro Date: 04/06/2000 - Claims Made	\$33,495	\$33,495	\$33,008	Travelers Travelers	\$2,000,000/\$2,000,000	\$2,000,000/\$2,000,000	Each Wrongful Offense Limit/Aggregate Limit	\$25,000	\$25,000
CYBERFIRST Crisis Management Service Security Breach Notification Retro Date: 04/06/2009 - Claims Made & Reported	\$1,679 Included Included	\$1,679 Included Included	\$1,676 Included Included	Travelers Travelers Travelers	\$1,000,000/\$1,000,000 \$25,000 \$25,000	\$1,000,000/\$1,000,000 \$25,000 \$25,000	Each Wrongful Act Limit/Aggregate Expenses Limit Expenses Limit	\$5,000 \$5,000 \$5,000	\$5,000 \$5,000 \$5,000
UMBRELLA Occurrence Form	\$26,772	\$26,772	\$26,279	Travelers	\$1,000,000/\$1,000,000	\$1,000,000/\$1,000,000	Each Occurrence Limit/General Aggregate	\$10,000	\$10,000
EXCESS WORKER'S COMPENSATION	\$66,153	\$66,153	\$65,403	Safety National	\$500,000/\$500,000	\$500,000/\$500,000	Per Occurrence/Aggregate	\$350,000 SIR	\$350,000 SIR
AIRPORT LIABILITY Personal Injury & Advertising Injury	\$5,950 Included	\$5,950 Included	\$5,950 Included	Catlin Insurance Catlin Insurance	\$5,000,000/\$10,000,000 \$5,000,000	\$5,000,000/\$10,000,000 \$5,000,000	Per Occurrence/Aggregate Aggregate Limit	\$0 \$0	\$0 \$0
TERRORISM	Included	Included	Included						
LOSS CONTROL FEE	\$10,000	\$10,000	\$10,000						
TOTAL PREMIUM	\$408,624	\$412,648	\$412,801						

IMPORTANT: This summary sheet is for informational purposes only and does not supersede the proposal or policy.

