



**City of Coral Gables  
CITY COMMISSION MEETING  
March 9, 2010**

**ITEM TITLE:**

Resolution approving the medical/dental/life insurance renewal proposals. The Humana group medical plan is for a one (1) year term, effective July 1, 2010; the renewal of the Blue Cross/Blue Shield dental plan and the Standard Insurance Company life insurance plan, both with no premium increase guaranteed through June 30, 2012, are also effective July 1, 2010 for a one (1) year term.

**RECOMMENDATION OF THE CITY MANAGER:**

Approval.

**BRIEF HISTORY:**

The City's medical, dental, and life insurance plans are up for renewal as of July 1, 2010. For the medical plan, the City's experience over the last twelve (12) months was more favorable than for the previous year. This fact, plus some benefit coverage changes resulted in a softening in premiums.

The City's Health Insurance Consultant Robert J. Shafer was able to negotiate and recommends a 4% decrease in premiums for the Humana Group Medical Plan. There will be no changes in plan design, and the City will maintain the \$30 per month dependent coverage subsidy for general employees who select the base HMO. The reduced rates will be effective July 1, 2010 – June 30, 2011 at a premium not to exceed \$3,612,461.00.

Blue Cross/Blue Shield and Standard Insurance Company will maintain their current rates for twenty-four (24) months (effective July 1, 2010 – June 30, 2012) for dental and life insurance coverage, respectively. In addition, coverage benefits for both plans will remain unchanged for the two (2) year period. The Standard Life Insurance premium is not to exceed \$125,000.00 through June 30, 2011.

The Insurance Advisory Committee, meeting on February 22, 2010, recommended acceptance of the three (3) renewals under the above cited terms.

**FINANCIAL INFORMATION: (If Applicable)**

No.	Amount	Account No.	Source of Funds
1.	\$ 3,612,461.00	540-0000-590-4550	Insurance Fund
2.	\$ 125,000.00	540-0000-590-4550	Insurance Fund
<b>APPROVED BY:</b>			

**APPROVED BY:**

Department Director	City Attorney (If Applicable)	City Manager
		

**ATTACHMENT(S):**

1. Resolution
2. Employee Benefit Review Letter from Shafer & Associates
3. 2010 Medical, Dental, and Life Insurance renewal proposals