

**Charlotte County Board Of County Commissioners
Agenda Item Summary**

Item Number: F- 14

1 DEPARTMENT MAKING REQUEST

Purchasing

2 MEETING DATE

9/9/2014 9:00:00 AM

3 REQUESTED MOTION/ACTION

Approve the annual renewal of Contract #08-359, Self Insured Medical, Dental, Life, Short-Term and Long-Term with CIGNA; and renewal of Vision with Humana/Comp Benefits, at the same terms and conditions, by mutual consent. Term of renewal is for the period October 1, 2014 up to and including September 30, 2015.

4 AGENDA

Consent

5 IS THIS ITEM BUDGETED (IF APPLICABLE) - Yes

Budget Action

No action needed. Funding from the Health Insurance Trust Fund and will be budgeted in the FY14/15 budget.

Financial Impact Summary Statement

Funding for this expenditure comes from the Health Insurance Trust Fund - Insurance Premium Charges.

Detailed Analysis Attached -

Budget Officer-

6 BACKGROUND (Why is this Action Necessary, and What Action will be accomplished)

This is an annual contract with a) CIGNA to provide medical, dental, life, and voluntary short and long term disability insurance and with b) Humana to provide vision care, for Charlotte County Board of County Commissioners. Attached is a list of rates provided by both CIGNA and Humana/Comp Benefits.

ATTACHMENTS:

Name:

Description:

Type:

[08-359 Oct 2014 renewal.pdf](#)

approval letter-evaluation

Backup
Material



July 11, 2014

Charlotte County Board of Commissioners
18500 Murdock Circle, #B-201
Port Charlotte, FL 33948

Dear Ms. Hewitt:

As a valued client of Humana Specialty Benefits, we would like to thank you for allowing Humana the opportunity to provide the vision benefits portion of the benefits package for Charlotte County Board of County Commissioners. Our goal is to ensure that your employees and family members experience the highest quality service and benefits. Humana is pleased to provide the County the following renewal; effective 10/01/2014. This renewal includes continuation of the current benefits. Confirmation of the renewal rates and rate guarantees are as follows:

Renewal Action: Funding Change to ASO, Effective October 1, 2014
Renewal rates guaranteed through: September 30, 2015

Tier	Current	Renewal
Employee	\$1.10	\$1.10
Employee + Spouse	\$1.10	\$1.10
Employee + Child(ren)	\$1.10	\$1.10
Family	\$1.10	\$1.10

Lastly, as part of our renewal process please complete the acknowledgement below and return to me at your earliest convenience. Should you have any questions regarding the renewal rates or benefits, please feel free to contact me directly at 813-288-6358.

Sincerely,

Aaron Dwyer
Health Solutions Client Executive

Renewal Acknowledgement:

We hereby acknowledge that we have received and reviewed the renewal listed within this notification and agree with the terms of the renewal.

Signed

Dated

Print Name _____

Dina D'Angelo
Senior Client Manager



1571 Sawgrass Corporate Parkway
Suite 300
Sunrise, FL 33323
Telephone 954-514-6877
Dina.Dangelo@Cigna.com

July 21, 2014

Janine Hewitt, Risk/Benefits Coordinator
Charlotte County Board of Commissioners
Risk Management
18500 Murdock Circle, #B-201
Port Charlotte, FL 33948

Dear Ms. Hewitt:

Cigna is pleased to offer a renewal package to Charlotte County Board of Commissioners. This contract will be in effect from 10/1/14 to 9/30/15.

Cigna is offering the following renewal terms:

Administrative Fees	10/1/2014
OAP In-Network (per ee)	\$ 52.33
Dental PPO (per ee)	\$ 3.01

Cigna is pleased to offer Individual Stop Loss Insurance and Aggregate stop-loss insurance at the following premium rates effective 10/1/14 through 9/30/15:

Individual Stop Loss	
Individual Tiered Pooling Level:	\$250,000/\$300,000
ISL Annual Maximum:	Unlimited
Includes Rx (yes or no):	Yes
Contract Basis:	Paid
Composite Monthly Rates (per ee):	\$74.23
Aggregate Stop Loss	
Annual Maximum	Unlimited
Aggregate Premium (PEPM):	\$6.56
Monthly Deductible Factor	\$1,432.50

Please note that this offer also includes the continuation of the part time on-site Cigna representative, and \$25,000 in wellness funds.

"Cigna" is a registered service mark, and , the "Tree of Life" logo is a service mark, of Cigna Intellectual Property, Inc., licensed for use by Cigna Corporation and its operating subsidiaries. All products and services are provided exclusively by such operating subsidiaries and not by Cigna Corporation. Such operating subsidiaries include Connecticut General Life Insurance Company (CGLIC), Cigna Health and Life Insurance Company (CHLIC), and HMO or service company subsidiaries of Cigna Health Corporation and Cigna Dental Health, Inc

Charlotte County BOCC
ASO & Reinsurance Renewal Evaluation
Effective Date: October 01, 2014

	CURRENT	RENEWAL
	2013-2014 Self Funded	2014-2015 Self Funded
<u>MEDICAL / Dental ASO FEE</u>	Cigna	Cigna
Medical OAP ASO Fee 1242	\$52.33	\$52.33
Dental PPO ASO Fee 1242	\$3.01	\$3.01
Annual Administration Cost	\$824,787.36	\$824,787.36
<u>STOP LOSS</u>	Cigna	Cigna
Individual Limit	\$250,000 / \$300,000 (12/36)	\$250,000 / \$300,000 (Paid)
1242	\$68.73	\$74.23
Annual Premium	\$1,024,351.92	\$1,106,323.92
\$ Increase	n/a	\$81,972.00
% Increase	n/a	8.00%
Aggregate Limit	125% (Paid)	125% (Paid)
Composite Rate 1242	\$6.56	\$6.56
Annual Premium	\$97,770.24	\$97,770.24
\$ Increase	n/a	\$0.00
% Increase	n/a	0.00%
Total Fixed Costs	\$1,946,909.52	\$2,028,881.52
\$ Increase	n/a	\$81,972.00
% Increase	n/a	4.21%
<u>EXPECTED CLAIMS COSTS</u>	Cigna	Cigna
Composite Rate 1242	\$1,098.75	\$1,146.00
Expected Claims Costs	\$16,375,799.81	\$17,079,984.00
\$ Increase	n/a	\$704,184.19
% Increase	n/a	4.30%
<u>TOTAL EXPECTED COST</u>	\$18,322,709.33	\$19,108,865.52
\$ Increase	n/a	\$786,156.19
% Increase	n/a	4.29%
<u>MAXIMUM CLAIMS COST</u>	Cigna	Cigna
Composite 1242	\$1,373.44	\$1,432.50
Maximum Claims Cost	\$20,469,749.76	\$21,349,980.00
\$ Increase	n/a	\$880,230.24
% Increase	n/a	4.30%
<u>TOTAL MAXIMUM COST</u>	\$22,416,659.28	\$23,378,861.52
\$ Increase	n/a	\$962,202.24
% Increase	n/a	4.29%