

RESOLUTION NO. __

**A RESOLUTION
APPROVING THE CITY'S HEALTH PLAN PREMIUMS AND PLAN DESIGN
CHANGES EFFECTIVE JANUARY 1, 2018**

WHEREAS, the City's Medical Fund Task Force reviews the status of the City's medical fund on an annual basis and makes recommendations each year to City Council regarding amendments to health plans and premium rates for the new plan year beginning each January 1st; and desires to provide an opportunity for all eligible City employees to participate in the City sponsored group health insurance plans and related wellness programs; and

WHEREAS, the City Council held a work session on August 29, 2017, for the purpose of hearing the Medical Fund Task Force recommendations for the 2018 plan year; and

WHEREAS, the City Council desires to adopt the recommendations presented at the August 29th session;

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF GILLETTE, that effective January 1, 2018, the following amendments to health plans and premium rates are adopted:

1. There will be a 3% increase in the Medical plan premiums for the PPO plan;
2. There will be a 3% increase in the Dental plan premiums for the PPO plan;
3. The addition of a High Deductible Health Plan (HDHP) option with a Health Savings Account (HSA) whereas the Single HDHP annual deductible will be \$1,500, the coinsurance will be 90% after the deductible is met, the out-of-pocket maximum will be \$6,650, and the premium will be paid at 100% by the City of Gillette;
4. The addition of an HDHP option whereas the Other than Individual HDHP option with an HSA annual deductible will be \$3,000, the coinsurance will be 90% after the deductible is met, the out-of-pocket maximum will be \$13,300, and the premium will be paid at 100% by the City of Gillette;
5. Once the deductible is met, the Retail Prescription Plan for 30-day fill copays will remain the same as the PPO for both HDHP options at \$10 for generic prescriptions, \$30 for brand prescriptions and \$45 for non-preferred prescriptions;
6. Once the deductible is met, the Retail Prescription Plan for 90-day fill copays will remain the same as the PPO for both HDHP options at \$25 for generic prescriptions, \$75 for preferred prescriptions and \$87.50 for non-preferred prescriptions;
7. Once the deductible is met, the Mail Order Prescription Plan for 90-day fill copays will remain the same as the PPO for both HDHP options at \$15 for generic prescriptions, \$45 for brand prescriptions and \$55 for non-preferred prescriptions;

8. The City will deposit a one-time HSA contribution of \$300 for employees who have been compliant with the Wellness program for the prior calendar year and remain compliant in the Wellness program for HDHP plan participants only;
9. The City will deposit a one-time HSA contribution of \$600 for employees and spouses who have been compliant with the Wellness program for the prior calendar year and remain compliant in the Wellness program for HDHP plan participants only;
10. The twenty percent (20%) Wellness Participant Differential Premium Incentive will continue as based on established criteria for the PPO plan;
11. Vision coverage will be provided at the current self-paid premium rate;
12. Other separate ancillary benefits/wellness/insurance plans remain as per the established plans.

The Human Resources Director shall oversee the City benefits and insurance plans, serve as the contact for the plans and shall receive necessary reports, notices, etc.

The Human Resources Director, as the responsible facilitator of the plans, shall provide necessary reports, notices, etc., to the Council regarding the above plans and programs, as needed.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2017.

Louise Carter-King, Mayor

(S E A L)
ATTEST:

Karlene Abelseth, City Clerk