BILL NO. S-19-11-24

SPECIAL ORDINANCE NO. S-_____

AN ORDINANCE approving the awarding of RENEWAL OF SELF-FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION AND REINSURANCE COVERAGE) AND GROUP LIFE/AD&D INSURANCE AND LONG TERM AND SHORT TERM DISABILITY INSURANCE PLANS by the City of Fort Wayne, Indiana, by and through its Department of Purchasing and AUTOMATED GROUP ADMINISTRATION / SYMETRA LIFE INSURANCE for the HUMAN RESOURCES AND BENEFITS DEPARTMENT.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA;

SECTION 1. That RENEWAL OF SELF-FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION AND REINSURANCE COVERAGE) AND GROUP LIFE/AD&D INSURANCE AND LONG TERM AND SHORT TERM DISABILITY INSURANCE PLANS between the City of Fort Wayne, by and through its Department of Purchasing and AUTOMATED GROUP ADMINISTRATION/SYMETRA LIFE INSURANCE for the HUMAN RESOURCES AND BENEFITS DEPARTMENT, respectfully for:

Self –Funded Health & Dental: **Automated Group Administration**
Total annual fees are based on
per person/per month enrollment.
Total annual not to exceed $2,600,000

Group Life/AD&D/LTD/STD: **Symetra Life Insurance Company**
Total annual fees are based on per person/per month enrollment.
Total annual not to exceed $1,375,000
(Includes $375,000 of Supplemental Life Insurance (EMPLOYEE PAID))

involving a total cost of not to exceed THREE MILLION, NINE HUNDRED SEVENTY-FIVE THOUSAND AND 00/100 DOLLARS ($3,975,000.00)- (INCLUDES $375,000 OF EMPLOYEE PAID LIFE INS) all as more particularly set forth in said RENEWAL OF SELF-FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION AND REINSURANCE COVERAGE) AND GROUP LIFE/AD&D INSURANCE AND LONG TERM AND SHORT TERM DISABILITY INSURANCE PLANS which are on file in the Office of the Department of Purchasing, and are by reference incorporated herein, made a part hereof, and is hereby in all things ratified, confirmed and approved.

SECTION 2. That this Ordinance shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

_____
Council Member

APPROVED AS TO FORM AND LEGALITY

_____
Carol Helton, City Attorney

COUNCIL DIGEST SHEET

Enclosed with this introduction form is a tab sheet and related material from the vendor(s) who submitted bid(s). Purchasing Department is providing this information to Council as an overview of this award.

RFPs , BIDS, OTHER PROJECTS

Bid/RFP#/Name of Project	Renewal of Self-Funded Health & Dental Plans (Administration and Reinsurance Fees) AND Group Life/Long and Short Term Disability Insurance Plans
Awarded To	Automated Group Administration/Symetra Life Insurance
Amount	Not to exceed $3,975,000 (includes $375,000 of employee paid life ins)
Conflict of interest on file?	☒ Yes ☐ No
Number of Registrants	
Number of Bidders	
Required Attachments	RFPs – attach Award Matrix; Bids – attach Tab Sheet

EXTENSIONS

Date Last Bid Out	
# Extensions Granted To Date	

SPECIAL PROCUREMENT

Contract #/ID *(State, Federal, Piggyback--Authority)*	
Sole Source/ Compatibility Justification	

BID CRITERIA *(Take Buy Indiana requirements into consideration.)*

Most Responsible, Responsive Lowest	☒ Yes ☐ No *If no, explain below*
If not lowest, explain	

COUNCIL DIGEST SHEET

COST COMPARISON

Increase/decrease amount from prior years For annual purchase (if available).	

DESCRIPTION OF PROJECT / NEED

Identify need for project & describe project; attach supporting documents as necessary.	Quotes were obtained through our insurance broker and reviewed/selected based on competitive rates/service

REQUEST FOR PRIOR APPROVAL

Provide justification if prior approval is being requested.	

FUNDING SOURCE

Account Information.	403 INSRI 5146

CITY OF FORT WAYNE
SELF FUNDED HEALTH PLAN
AUTOMATED GROUP ADMINISTRATION
2020 RENEWAL
SPECIFIC DEDUCTIBLE OF $350,000

Renewal Effective Date: January 1, 2020

(2 PLAN OPTIONS $1200/$3400 Ded.)
Signature Care EPO

Service	2015	2016	2017	2018	2019	2020
Contract Type (Specific & Aggregate)	18/12 Unlimited Annual	18/12 Unlimited Annual	18/12 Unlimited Annual	18/12 Unlimited Annual	18/12 Unlimited Annual	18/12 Unlimited Annual
Specific Deductible	$ 325,000	$ 325,000	$ 325,000	$ 325,000	$ 350,000	$ 350,000
Aggregating Specific	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 175,000	$ 175,000
Medical Administration	$ 15.50	$ 15.95	$ 16.50	$ 16.50	$ 16.95	$ 17.50
Dental Administration	$ 2.65	$ 2.75	$ 2.85	$ 2.85	$ 2.95	$ 3.00
Utilization Review & Mgmt	$ 3.25	$ 3.25	$ 3.25	$ 3.25	$ 3.25	$ 3.25
OP Therapy Review	$ 0.70	$ 0.70	$ 0.70	$ 0.70	$ 0.70	$ 0.70
OP Surgery Review	$ 0.80	$ 0.80	$ 0.80	$ 0.80	$ 0.80	$ 0.80
MCC Disease Mgmt Pkg	$ 4.25	$ 4.25	$ 4.25	$ 4.25	$ 4.25	$ 4.25
Network Access Fee PPO	$ 6.50	$ 6.50	$ 6.50	$ 6.50	$ 6.25	$ 6.50
Healthiest You	N/A	N/A	N/A	$ 5.50	$ 5.50	$ 5.50
Dental Network Access Fee	N/A	N/A	N/A	N/A	$ 1.75	$ 1.75
Specific Premium	$ 43.85	$ 46.98	$ 51.58	$ 55.98	$ 51.98	$ 57.95
Aggregate Premium	$ 2.54	$ 2.59	$ 2.65	$ 2.65	$ 2.75	$ 2.84
Medical Aggregate Factor	$ 1,455.35	$ 1,455.35	$1,570.65	$1,593.49	$1,576.15	$1,576.15
Dental Aggregate Factor	$ 62.31	$ 62.31	$ 62.31	$ 62.31	$ 64.79	$ 69.75
Broker Fee (Monthly)	NET	NET	NET	NET	NET	NET
Total Maximum EE/MO	$ 1,597.70	$ 1,601.43	$1,722.04	$1,754.78	$1,738.07	$1,749.94
% of increase on Max. $	2.13%	0.23%	7.53%	1.90%	-0.95%	0.68%

City of Fort Wayne
January 1, 2020 Life/ADandD Rate Comparison

THE DEHAYES GROUP

	CURRENT - Symetra Life/AD&D	RENEWAL - Symetra Life/AD&D	OneAmerica Life/AD&D	Lincoln Life/AD&D	MetLife Life/AD&D
Benefit Amount					
Life Amount	Classed Benefits	Classed Benefits	Classed Benefits	Classed Benefits	Classed Benefits
AD&D Amount	Classed Benefits	Classed Benefits	Classed Benefits	Classed Benefits	Classed Benefits
Guarantee Issue Amount	Full Benefit	Full Benefit	Full Benefit	Full Benefit	Full Benefit
Waiver of Premium *(Active Employee's)*	Included	Included	Included	Included	Included
Accelrated Death Benefit *(Active Employee's)*	Included	Included	Included	Included	Included
Reduction Schedule	None	None	None	None	None
Conversion/Portability *(Life)*	Included	Included	Included	Included	Included
Miscellaneous					
Participation Requirement	100%	100%	100%	100%	100%
Employer Contribution	Non-contributory	Non-contributory	Non-contributory	Non-contributory	Non-contributory
Rate Guarantee	until January 1, 2020	until January 1, 2022	3 Years	3 Years	3 Years
Rates					
Life Volume (monthly)	$115,920,000	$115,920,000	$115,920,000	$115,920,000	$115,920,000
AD&D Volumme (monthly)	$163,875,000	$163,875,000	$163,875,000	$163,875,000	$163,875,000
Life Rate (per $1,000)	$0.25	$0.25	$0.31	$0.25	$0.247
AD&D Rate (per $1,000)	$0.02	$0.02	$0.02	$0.03	$0.024
MONTHLY PREMIUM	**$32,257.50**	**$32,257.50**	**$39,212.70**	**$33,896.25**	**$32,565.24**
ANNUAL PREMIUM	**$387,090.00**	**$387,090.00**	**$470,552.40**	**$406,755.00**	**$390,782.88**

City of Fort Wayne
January 1, 2020 Voluntary Life/ADandD Rate Comparison

THE DEHAYES GROUP

	CURRENT - Symetra Voluntary Life/AD&D		RENEWAL - Symetra Voluntary Life/AD&D		OneAmerica Voluntary Life/AD&D		Lincoln Voluntary Life/AD&D		MetLife Voluntary Life/AD&D	
Employee Benefit										
Minimum Amount	$10,000		$10,000		$10,000		$10,000		$10,000	
In Increments of	$10,000		$10,000		$1,000		$10,000		$10,000	
Maximum Amount	$500,000		$500,000		$500,000, not exceed 5x salary		$500,000		$500,000, not exceed 5x salary	
AD&D	Matches In-Force Life Benefit		Matches In-Force Life Benefit		Matches In-Force Life Benefit		Matches In-Force Life Benefit		Matches In-Force Life Benefit	
Spouse Benefit										
Minimum Amount	$5,000		$5,000		$5,000		$5,000		$5,000	
In Increments of	$5,000		$5,000		$500		$5,000		$5,000	
Maximum Amount	$250,000, not to exceed 50% Ee am		$250,000, not to exceed 50% Ee am		$250,000, not to exceed 50% Ee am		$250,000, not to exceed 50% Ee am		$250,000, not to exceed 50% Ee am	
AD&D	Matches In-Force Life Benefit		Matches In-Force Life Benefit		Matches In-Force Life Benefit		Matches In-Force Life Benefit		Matches In-Force Life Benefit	
Child(ren) Benefit										
Minimum Amount	$2,000		$2,000		$2,500		$2,000		$2,000	
In Increments of	$2,000		$2,000		$2,500		$2,000		$2,000	
Maximum Amount	$10,000		$10,000		$10,000		$10,000		$10,000	
AD&D	Matches In-Force Life Benefit		Matches In-Force Life Benefit		Matches In-Force Life Benefit		Matches In-Force Life Benefit		Matches In-Force Life Benefit	
Guarantee Issue Amount										
Employee	$200,000		$200,000		$200,000		$200,000		$200,000	
Spouse	$30,000		$30,000		$30,000		$30,000		$30,000	
Child(ren)	$10,000		$10,000		$10,000		$10,000		$10,000	
Miscellaneous										
Participation Requirement	25% eligible employees		25% eligible employees		25% eligible employees		25% employees / 10% spouses		35% employees / 25% dependents	
Rate Guarantee	until January 1, 2020		until January 1, 2022		3 Years		3 Years		3 Years	
	Employee	Spouse	Employee	Spouse	Employee	Spouse	Employee	Spouse	Employee	Spouse
Life Rates (per $1,000)										
Age Bracket <25	$0.070	$0.070	$0.070	$0.070	$0.070	$0.070	$0.070	$0.070	$0.060	$0.060
25-29	$0.070	$0.070	$0.070	$0.070	$0.070	$0.070	$0.070	$0.070	$0.060	$0.060
30-34	$0.070	$0.070	$0.070	$0.070	$0.070	$0.070	$0.070	$0.070	$0.080	$0.080
35-39	$0.110	$0.110	$0.110	$0.110	$0.110	$0.110	$0.110	$0.110	$0.090	$0.090
40-44	$0.170	$0.170	$0.170	$0.170	$0.170	$0.170	$0.170	$0.170	$0.101	$0.101
45-49	$0.280	$0.280	$0.280	$0.280	$0.280	$0.280	$0.280	$0.280	$0.196	$0.196
50-54	$0.500	$0.500	$0.500	$0.500	$0.500	$0.500	$0.500	$0.500	$0.375	$0.375
55-59	$0.820	$0.820	$0.820	$0.820	$0.820	$0.820	$0.820	$0.820	$0.615	$0.615
60-64	$1.090	$1.090	$1.090	$1.090	$1.090	$1.090	$1.090	$1.090	$0.818	$0.818
65-69	$1.700	$1.700	$1.700	$1.700	$1.700	$1.700	$1.700	$1.700	$1.275	$1.275
70-74	$3.000	$3.000	$3.000	$3.000	$3.000	-	$3.000	$3.000	$2.250	$2.250
75+	$4.940	$4.940	$4.940	$4.940	$4.940	-	$4.940	$4.940	$2.250	$2.250
Child(ren) Rates (per $1,000)	$0.070		$0.070		$0.200		$0.070		$0.054	
AD&D Rates (per $1,000)										
Employee	$0.030		$0.030		$0.030		$0.030		$0.026	
Spouse	$0.030		$0.030		$0.030		$0.030		$0.019	
Child(ren)	$0.030		$0.030		$0.040		$0.030		$0.019	

City of Fort Wayne
January 1, 2020 Short Term Disability Rate Comparison

THE DEHAYES GROUP

	CURRENT - Symetra STD	RENEWAL - Symetra STD	OneAmerica STD	Lincoln STD	MetLife STD
Benefit Amount					
Benefit Amount	60% of weekly income	60% of weekly income	60% of weekly income	60% of weekly income	60% of weekly income
Maximum Weekly Benefit	$1,300	$1,300	$1,300	$1,300	$1,300
Maximum Benefit Duration	12 weeks	12 weeks	12 weeks	13 weeks	12 weeks
Benefits Begin On					
Accident	8th day	8th day	8th day	8th day	8th day
Illness	8th day	8th day	8th day	8th day	8th day
Miscellaneous					
Participation Requirement	100%	100%	100%	100%	100%
Employer Contribution	Non-contributory	Non-contributory	Non-contributory	Non-contributory	Non-contributory
Rate Guarantee	until January 1, 2020	until January 1, 2022	3 Years	2 Years	2 Years
Rates					
Volume (monthly)	$669,796	$669,796	$669,796	$669,796	$669,796
Rate (per $10)	$0.385	$0.42	$0.56	$0.34	$0.517
MONTHLY PREMIUM	**$25,787.15**	**$28,131.43**	**$37,508.58**	**$22,773.06**	**$34,628.45**
ANNUAL PREMIUM	**$309,445.75**	**$337,577.18**	**$450,102.91**	**$273,276.77**	**$415,541.44**

City of Fort Wayne
January 1, 2020 Long Term Disability Rate Comparison

THE DEHAYES GROUP

	CURRENT - Symetra LTD	RENEWAL - Symetra LTD	OneAmerica LTD	Lincoln LTD	MetLife LTD
Benefit Amount					
Benefit Percentage	60%	60%	60%	60%	60%
Maximum Monthly Benefit	$5,000	$5,000	$5,000	$5,000	$5,000
Elimination Period	90 days	90 days	90 days	90 days	90 days
Guarantee Issue Amount	Full Benefit	Full Benefit	Full Benefit	Full Benefit	Full Benefit
Benefit Duration	65/SSNRA/ADEA	65/SSNRA/ADEA	65/SSFRA	65/SSNRA	65/SSNRA/RBD
Disability Definition	24 Month Own Occ	24 Month Own Occ	24 Month Own Occ	24 Month Own Occ	24 Month Own Occ
Social Security Definition	Family	Family	Family	Family	Family
Mental/Nervous & Substance Abuse	24 Months	24 Months	24 Months	24 Months	24 Months
Pre-existing Limitation	3/3/12	3/3/12	3/3/12	3/12	3/3/12
Miscellaneous				*Includes 10% Progressive Income Benefit*	
Participation Requirement	100%	100%	100%	100%	100%
Employer Contribution	Non-contributory	Non-contributory	Non-contributory	Non-contributory	Non-contributory
Rate Guarantee	until January 1, 2020	until January 1, 2022	3 Years	3 Years	3 Years
Rates					
Covered Payroll (monthly)	$4,826,170	$4,826,170	$4,826,170	$4,826,170	$4,826,170
Rate (per $100)	$0.37	$0.404	$0.51	$0.42	$0.564
MONTHLY PREMIUM	$17,856.83	$19,497.73	$24,613.47	$20,269.91	$27,219.60
ANNUAL PREMIUM	$214,281.95	$233,972.72	$295,361.60	$243,238.97	$326,635.19

City of Fort Wayne
Market Study - January 1, 2020

Medical	Results	Comments
Symetra (incumbent)	Renewal received	Basic Life/AD&D and Voluntary Life/AD&D - rate hold with 2 year rate guarantee. STD & LTD receiving rate increase with a 2 year rate guarantee. Refer to the analysis.
OneAmerica	Quote received	Refer to analysis
Lincoln	Quote received	Refer to analysis
MetLife	Quote received	Refer to analysis
The Standard	Declined to quote	Uncompetitive
UNUM	Declined to quote	Due to amount of retirees covered and percentage of Police and Firefighters
Guardian	Declined to quote	Uncompetitive
Reliance Standard Life Insurance Co.	Declined to quote	Uncompetitive
Principal	Declined to quote	Uncompetitive

CITY OF FORT WAYNE

THOMAS C. HENRY, MAYOR

TO: CITY COUNCIL MEMBERS

FROM: LAURA HELMKAMP – HR & BENEFITS MANAGER

RE: RENEWAL OF SELF FUNDED HEALTH & DENTAL PLANS (ADMINISTRATION & REINSURANCE COVERAGE) AND GROUP LIFE/AD&D INSURANCE AND LONG TERM & SHORT TERM DISABILITY INSURANCE

DATE: NOVEMBER 15, 2019

The Benefits Department requests approval for the following contracts effective January 1, 2020:

Self-Funded Health & Dental: **Automated Group Administration**
Total annual fees are based on per person/per month enrollment.
Total annual not to exceed $2,600,000

Group Life/AD&D/LTD/STD: **Symetra Life Insurance Company**
Total annual fees are based on per person/per month enrollment.
Total annual not to exceed $1,375,000
(Includes $375,000 of Supplemental Life Insurance **(EMPLOYEE PAID)**

See attached summaries for more detailed information. Funding Source 403 INSR1 5146

Please contact me at 427-2634 if you have any questions.