BILL NO. S-23-11-38

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 COMPANY 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 by the City of Fort Wayne, Indiana, by and through its Department of Purchasing and AUTOMATED GROUP ADMINISTRATION / SYMETRA LIFE INSURANCE COMPANY for the HUMAN RESOURCES AND BENEFITS DEPARTMENT, respectfully for:

Self-Funded Health Plan:	**Automated Group Administration** Total annual fees are based on per person/per month enrollment. Dental administration going back to AGA 1/1/24 Total annual not to exceed $2,875,000
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 $1,700,000 (Includes $400,000 of Supplemental Life Insurance (EMPLOYEE PAID)) Year 2 of a 2 year contract

involving a total cost of not to exceed FOUR MILLION, FIVE HUNDRED SEVENTY-FIVE THOUSAND AND 00/100 DOLLARS ($4,575,000.00)- (INCLUDES $400,000 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

_____
Malak Heiny, City Attorney

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, 2023

The Benefits Department requests approval for the following contracts effective January 1, 2024:

Self-Funded Health Plan:	**Automated Group Administration** Total annual fees are based on per person/per month enrollment. Dental administration going back to AGA 1/1/24 Total annual not to exceed $2,875,000
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 $1,700,000 (Includes $400,000 of Supplemental Life Insurance **(EMPLOYEE PAID)** Year 2 of a 2 year contract
TOTAL:	**$4,575,000**

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

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

City of Fort Wayne
January 1, 2024 Self Funded Cost Comparison

THE DEHAYES GROUP

Includes Dental

	Current - 2023		Renewal - 2025		Alternate - 2024	
Plan Administrator	AGA		AGA		AGA	
Managing Underwriter	MDS		MDS		MDS	
Reinsurance Carrier	Companion Life		Companion Life		Companion Life	
Networks	Signature Care EPO & Evolutions		Signature Care EPO & Evolutions		Signature Care EPO & Evolutions	
Reinsurance Contract Terms						
Specific Deductible	$400,000		$400,000		$400,000	
Aggregating Specific Deductible	$200,000		$200,000		$200,000	
Specific Contract	18/12		18/12		18/12	
Aggregate Contract	18/12		18/12		18/12	
Specific Contract Coverage	Medical		Medical		Medical	
Aggregate Contract Coverage	Medical/Rx		Medical/Rx		Medical/Rx/Dental	
Enrollment	Medical	Dental	Medical	Dental	Medical	Dental
TOTAL	2118	n/a	2118	n/a	2118	2133
Administration Fees						
Medical	19.45		20.45		20.45	
Dental	n/a		n/a		3.25	
PPO Access	7.25		7.25		7.25	
Utilization Review/Mgmt	3.25		3.50		3.50	
OP Therapy Review	0.70		0.70		0.70	
OP Surgery Review	0.80		0.80		0.80	
MCC Disease Mgmt Pkg	5.45		5.45		5.45	
HealthiestYou	5.50		5.50		5.50	
Consolidated Appropriations Act	1.00		1.00		1.00	
Total Monthly Admin per Employee	43.40		44.65		47.90	
Subrogation Fee	Included		Included		Included	
Out-of-Network Negotiated Savings Fee	Included		Included		Included	
Monthly Administration Costs	$89,803.20		$92,450.70		$99,382.95	
Annual Administration Costs	$1,077,638.40		$1,109,408.40		$1,192,595.40	
Reinsurance Premiums						
Specific Premium	59.75		61.84		61.84	
Aggregate Premium	3.25		3.39		3.39	
Monthly Reinsurance Premium	$133,434.00		$138,157.14		$138,157.14	
Annual Reinsurance Premium	$1,601,208.00		$1,657,885.68		$1,657,885.68	
Aggregate Claim Factors						
Medical Aggregate Factor	1,646.01		1,646.01		1,646.01	
Dental Aggregate Factor	n/a		n/a		75.75	
Monthly Aggregate Factors	$3,486,249.18		$3,486,249.18		$3,647,823.93	
Annual Aggregate Factors	$41,834,990.16		$41,834,990.16		$43,773,887.16	
Total Minimum Plan Costs	$2,678,846.40		$2,767,294.08		$2,850,481.08	
Total Maximum Plan Costs	$44,513,836.56		$44,602,284.24		$46,624,368.24	
Notes/Contingencies	Current Benefits - $1,200/$3,400 Deductibles Grandfathered Status		Current Benefits - $1,200/$3,400 Deductibles Grandfathered Status *See Underwriter Comments and Assumptions*		Current Benefits - $1,200/$3,400 Deductibles Grandfathered Status *See Underwriter Comments and Assumptions*	

City of Fort Wayne
January 1, 2024 Self Funded Cost Comparison

THE DEHAYES GROUP

	Current - 2023		Alternate - 2024		
Plan Administrator	AGA		AGA		
Managing Underwriter	MDS		Symetra		
Reinsurance Carrier	Companion Life		Symetra		
Networks	Signature Care EPO & Evolutions		Signature Care EPO & Evolutions		
Reinsurance Contract Terms					
Specific Deductible	$400,000		$400,000		
Aggregating Specific Deductible	$200,000		$200,000		
Specific Contract	18/12		18/12		
Aggregate Contract	18/12		18/12		
Specific Contract Coverage	Medical		Medical		
Aggregate Contract Coverage	Medical/Rx		Medical/Rx		
Enrollment	Medical	Dental	Medical	Dental	
TOTAL	2118	n/a	2118	n/a	
Administration Fees					
Medical	19.45		20.45		
Dental	n/a		n/a		
PPO Access	7.25		7.25		
Utilization Review/Mgmt	3.25		3.50		
OP Therapy Review	0.70		0.70		
OP Surgery Review	0.80		0.80		
MCC Disease Mgmt Pkg	5.45		5.45		
HealthiestYou	5.50		5.50		
Consolidated Appropriations Act	1.00		1.00		
Total Monthly Admin per Employee	43.40		44.65		
Subrogation Fee	Included		Included		
Out-of-Network Negotiated Savings Fee	Included		Included		
Monthly Administration Costs	$89,803.20		$92,450.70		
Annual Administration Costs	$1,077,638.40		$1,109,408.40		
Reinsurance Premiums					
Specific Premium	59.75		72.07		
Aggregate Premium	3.25		3.25		
Monthly Reinsurance Premium	$133,434.00		$159,527.76		
Annual Reinsurance Premium	$1,601,208.00		$1,914,333.12		
Aggregate Claim Factors					
Medical Aggregate Factor	1,646.01		1,724.22		
Dental Aggregate Factor	n/a		n/a		
Monthly Aggregate Factors	$3,486,249.18		$3,651,897.96		
Annual Aggregate Factors	$41,834,990.16		$43,822,775.52		
Total Minimum Plan Costs	**$2,678,846.40**		**$3,023,741.52**		
Total Maximum Plan Costs	**$44,513,836.56**		**$46,846,517.04**		
Notes/Contingencies	Current Benefits - $1,200/$3,400 Deductibles Grandfathered Status		Current Benefits - $1,200/$3,400 Deductibles Grandfathered Status		

City of Fort Wayne
Market Study - January 1, 2024

Medical	Results	Comments
AGA/Companion Life	Renewal received	Refer to analysis.
Symetra	Quote received	Uncompetitive. Refer to analysis.
Sun Life	Declined	Uncompetitive
Skyward	Declined	Uncompetitive

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 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 $4,575,000 (includes $400,000 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 INSR1 5146