

RESOLUTION NO. 12-2118

A RESOLUTION OF THE TOWN COMMISSION FOR THE TOWN OF SURFSIDE, FLORIDA, RETROACTIVELY APPROVING THE GROUP HEALTH PLAN WITH UNITED HEALTHCARE/ NEIGHBORHOOD HEALTH PLAN AND THE DENTAL, TERM LIFE INSURANCE, ACCIDENTAL DEATH, SHORT TERM DISABILILTY, AND LONG TERM DISABILITY WITH MUTUAL OF OMAHA; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town Commission of the Town of Surfside, Florida (“TOWN”) on May 11, 2010 by Resolution 10-1939 retained the Stanton M. Bershad, CLU to become agent of record and secure and analyze the best proposals from competitive health care and other benefit providers for the Town of Surfside employees every year; and

WHEREAS, this task has been completed and the Town of Surfside wishes to continue to engage and renew with United Healthcare/Neighborhood Health Plan and Mutual of Omaha to arrange for the delivery of health and other benefits for FY 12/13, for qualified Town of Surfside Subscribers (“Subscribing Group”); and

WHEREAS, the Town Commission believes that it is in the best interest of the Town to retroactively accept the proposal of this company attached as Attachment “A”.

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, AS FOLLOWS:

Section 1. Recitals. The above and foregoing recitals are true and correct and are incorporated herein by reference.

Section 2. Authorization. The Town Commission hereby authorizes the Town Manager and the Town Attorney to retroactively enter into an agreement with United

Healthcare/Neighborhood Health Plan and Mutual of Omaha for group health and other benefits, based on the terms of the proposals attached hereto as Attachment "A" and authorizes the Town Manager and Town Attorney to do all things necessary to effectuate this Contract.

Section 3. Effective Date. This Resolution shall become effective October 1, 2012.


PASSED and **ADOPTED** on this 13 day of November, 2012

PASSED AND ADOPTED this 13 day of November 2012.

Motion by ^{Vice Mayor} Commissioner Karukin, second by Commissioner Olchyk.

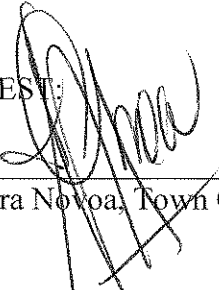
FINAL VOTE ON ADOPTION

Commissioner Joseph Graubart	<u>yes</u>
Commissioner Michelle Kligman	<u>yes</u>
Commissioner Marta Olchyk	<u>yes</u>
Vice Mayor Michael Karukin	<u>yes</u>
Mayor Daniel Dietch	<u>yes</u>




Daniel Dietch, Mayor

ATTEST:



Sandra Nova, Town Clerk

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY FOR THE TOWN OF SURFSIDE ONLY:**



Lynn M. Dannheisser
Town Attorney

UnitedHealthcare

Medical Proposed Rates with Alternate Plan Designs

Customer Name: TOWN OF SURFSIDE
 Medical Policy: 008H9525
 Renewal Date: October 1, 2012

* The numbers below are on an illustrative basis. Rates are subject to Underwriting approval.

Plan Name	Option 1: Current	Option 2: Current	Option 3: Current	Option 4 NEW				
	7EF-P (BASE CH+ INS) Rx Plan: 05U / 5U	DVD-P (Open Access HMO) Rx Plan: AK / NHP RX	EVC-P (Open Access HMO) Rx Plan: AK / NHP RX	FXZ-P (Trad w/ Copay) Rx Plan: FT / FT				
Product	Choice Plus * Insurance	Choice Plus * HMO	Choice * HMO	Choice Plus * Insurance				
Option	National 1	B19183	B19183					
Plan Offering	Multiple Option	Multiple Option	Multiple Option	Single Option				
Multiple Option with:	Option(s) <enter #(s)>	Option(s) <enter #(s)>	Option(s) <enter #(s)>	Option(s) N/A				
HRA or HSA	No	No	No	No				
Benefits*	Network Single/Family	Network Single/Family	Network Single/Family	Network Single/Family				
Office Copay (PCP/SPC)	\$15 Per Visit	\$15/25 Per Visit	\$15/25 Per Visit	\$20/\$35 Per Visit				
Other Copays (IP/ER/UC)	N/A/\$100/\$35	\$250/day x 5/\$100/\$50	\$250/day x 5/\$100/\$50	N/A/\$200/\$75				
Other	N/A	N/A	N/A	N/A				
Deductible	\$250/500	N/A	N/A	\$250/\$750				
Coinsurance	100%	100%	100%	100%				
Out-of-Pocket	\$250/500	\$1,500/3,000	\$1,500/3,000	\$250/\$750				
Pharmacy	\$10/35/60/100/30%	\$10/35/50/20%	\$10/35/50/20%	\$10/35/60/20%				
	Out of Network Single/Family	Out of Network Single/Family	Out of Network Single/Family	Out of Network Single/Family				
Deductible	\$500/1000	\$500/1,000	NA	\$1000/\$2000				
Coinsurance	80%	50%	NA	70%				
Out of Pocket	\$3000/6000	\$3,000/6,000	NA	\$15000/\$30000				
Enrollment								
Employee	28	8	9	45				
Employee + Spouse	8	0	3	11				
Employee + Child(ren)	10	0	1	11				
Employee + Family	13	2	1	16				
Total	59	10	14	83				
	Rates (Billed)	Rates (Billed)	Rates (Billed)	Rates (Billed)				
Rates	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
Employee	\$442.08	\$486.29	\$407.57	\$448.33	\$385.22	\$423.74	\$463.14	\$463.14
Employee + Spouse	\$946.05	\$1,040.66	\$872.20	\$959.42	\$824.37	\$906.80	\$991.12	\$991.12
Employee + Child(ren)	\$901.84	\$992.03	\$831.44	\$914.58	\$785.84	\$864.42	\$944.80	\$944.80
Employee + Family	\$1,352.77	\$1,488.05	\$1,247.17	\$1,371.89	\$1,178.76	\$1,296.63	\$1,417.21	\$1,417.21
Monthly Cost	\$46,551	\$51,206	\$5,755	\$6,330	\$7,905	\$8,695	\$64,812	\$64,812
Annual Cost	\$558,613	\$614,476	\$69,059	\$75,965	\$94,857	\$104,341	\$777,741	\$777,741
Change from Current		10.0%		10.0%		10.0%		10.0%

*High level benefit summary. Please see your plan summary for more detailed benefit description.

The numbers above are on an illustrative basis. Rates are subject to Underwriting approval.

For markets moving to service fees, current rates (applicable for renewals only) include commission expenses. Proposed rates, for your convenience, include any applicable producer service fees. Producer service fees are not a contingency of obtaining insurance coverage but are fees agreed to between you (client) and your producer/service provider for service rendered on behalf of client.

For markets continuing to pay commissions, both the current (applicable for renewals only) and proposed rates include commissions.

UnitedHealthcare

Medical Proposed Rates with Alternate Plan Designs

Customer Name: TOWN OF SURFSIDE
 Medical Policy: 008H9525
 Renewal Date: October 1, 2012

• The numbers below are on an illustrative basis. Rates are subject to Underwriting approval.

	Option 5	NEW	Option 6	NEW
	CVD-P (Referral Required *) Rx Plan: AK / NHP RX		FVC-P (Referral Required *) Rx Plan: AK / NHP RX	
Plan Name	Choice Plus * HMO		Choice * HMO	
Product	Choice Plus * HMO		Choice * HMO	
Option	Single Option		Single Option	
Plan Offering	Single Option		Single Option	
Multiple Option with:	Option(s) N/A		Option(s) N/A	
HRA or HSA	No		No	
Benefits*	Network-Single/Family		Network-Single/Family	
Office Copay (PCP/SPC)	\$15/25 Per Visit		\$15/25 Per Visit	
Other Copays (IP/ER/UC)	\$250/day x 5/\$100/\$50		\$250/day x 5/\$100/\$50	
Other	N/A		N/A	
Deductible	N/A		N/A	
Coinsurance	100%		100%	
Out-of-Pocket	\$1,500/3,000		\$1,500/3,000	
Pharmacy	\$10/35/50/20%		\$10/35/50/20%	
	Out-of-Network-Single/Family		Out-of-Network-Single/Family	
Deductible	\$500/1,000		NA	
Coinsurance	50%		NA	
Out of Pocket	\$3,000/6,000		NA	
Enrollment				
Employee	45		45	
Employee + Spouse	11		11	
Employee + Child(ren)	11		11	
Employee + Family	16		16	
Total	83		83	
	Rates (Billed)		Rates (Billed)	
Rates	Current	Proposed	Current	Proposed
Employee		\$406.09		\$377.23
Employee + Spouse		\$869.03		\$807.27
Employee + Child(ren)		\$828.42		\$769.55
Employee + Family		\$1,242.64		\$1,154.33
Monthly Cost		\$56,828		\$52,790
Annual Cost		\$681,939		\$633,476
Change from Current				

*High level benefit summary. Please see your plan summary for more detailed benefit description.

The numbers above are on an illustrative basis. Rates are subject to Underwriting approval.

For markets moving to service fees, current rates (applicable for renewals only) include commission expenses. Proposed rates, for your convenience, include any applicable producer service fees. Producer service fees are not a contingency of obtaining insurance coverage but are fees agreed to between you (client) and your producer/service provider for service rendered on behalf of client.

For markets continuing to pay commissions, both the current (applicable for renewals only) and proposed rates include commissions.

UnitedHealthcare
Medical Quote Assumptions

Customer Name: TOWN OF SURFSIDE
Medical Policy: 008H9525
Renewal Date: October 1, 2012

The rates quoted here are based on the following assumptions. Changes to these assumptions may result in an adjustment to rates or revocation of the quote.

Medical Quote Assumptions

- Rates are guaranteed for the contract period of 10/1/12 through 9/30/13.
 - UnitedHealthcare is the only carrier offered.
 - UnitedHealthcare reserves the right to adjust the rates if the enrollment varies by +/- 10% from the submitted census.
 - Employer contributes a minimum of 50% toward the employee only rates and 0% toward the dependent rates.
 - Requires a minimum participation level of 75%.
 - COBRA continuees make up 10% or less of covered employees.
 - Rates do not include commissions.
-
- Renewal assumes no out of area or retiree lives.
 - Unless otherwise stated, this offer replaces and renders all previous offers null and void.
 - Medical plans from the 2001 COC and 2007 COC can NOT be combined for a dual/triple option

UnitedHealthcare reserves the right to adjust the rates and/or fees (i) in the event of any changes in federal, state or other applicable legislation or regulation; (ii) in the event of any changes in Plan design required by the applicable regulatory authority (i.e. mandated benefits) or by the Plan Sponsor; and (iii) as otherwise permitted in our policy.

Renewal of current plans assumes the same percentage contribution to the employee premium that was in effect on March 23, 2010. Changes to the contribution level may cause a loss of grandfathered status under the Federal Patient Protection and Affordable Care Act. Please consult with legal counsel concerning compliance with the requirements of that Act.

This quote includes 0.00% commissions.

Agents may receive commissions and other compensation from us for sale and solicitation of the products in this proposal and these costs may be directly or indirectly reflected in your premium (for fully insured business) or fee (for self funded business). Separately, in certain fully insured markets, you may have elected to contract with producers/service provider to provide services directly to your group health plan and have agreed to pay them a 'service fee'. Since 'service fees' are not a contingency of the purchase of health insurance such fees are not part of your premium but for your convenience may have been included in total amount due. Both agent compensation and producer/service provider compensation is subject to disclosure on Form 5500 for group health plans subject to ERISA.

SOUTH FLORIDA GROUP OFFICE
 MUTUAL OF OMAHA
 1000 SAWGRASS CORPORATE PARKWAY
 SUITE 158
 SUNRISE, FL 33323-0000
 PHONE: (866) 660-0828
 FAX: (954) 845-6077



July 2, 2012

Stanton Bershad
 Post Office Box 546170
 Surfside, FL 33154

Re: Town of Surfside
 Group #: **G000369G**

Dear Stanton:

Thank you for choosing Mutual of Omaha as your client's benefits provider. It has been our pleasure to provide Town of Surfside with group benefits and services that are unique to your client's individual needs. Mutual of Omaha is committed to providing unparalleled service that will meet the needs of our customers.

Each renewal period, we analyze current benefit and rate structures to determine the appropriate rates for continued group insurance protection for your valued employees. This process includes recalculation of the premium rates to reflect factors like:

- plan features
- demographics
- nature of business
- experience
- any adjustments to our underlying rate structure

Based upon our review, your renewal rates, effective 10/1/2012, are as follows:

Coverage	Rate Basis	Current Rate	Current Monthly Premium	Renewal Rate	Renewal Monthly Premium	Renewal Monthly Premium Change	Rate Guarantee Date
Employee Term Life - Class 1	Per \$1,000	\$0.210	\$685.14	\$0.210	\$685.14	\$0.00	10/1/2014
Employee AD&D - Class 1	Per \$1,000	\$0.03	\$97.88	\$0.030	\$97.88	\$0.00	10/1/2014
Employee Term Life - Class 2	Per \$1,000	\$0.210	\$0.00	\$0.210	\$0.00	\$0.00	10/1/2014
Short-Term Disability	Per \$10 of Weekly Benefit	\$0.300	\$1,324.32	\$0.300	\$1,324.32	\$0.00	10/1/2014
Voluntary Term Life - Employee	Per \$1,000	\$0.39	\$561.60	\$0.390	\$561.60	\$0.00	10/1/2014
Voluntary AD&D Employee	Per \$1,000	\$0.03	\$43.20	\$0.030	\$43.20	\$0.00	10/1/2014
LTD	Per \$100 of Monthly Covered Payroll	\$0.380	\$1,231.03	\$0.380	\$1,231.03	\$0.00	10/1/2014

Coverage	Rate Basis	Current Rate	Current Monthly Premium	Renewal Rate	Renewal Monthly Premium	Renewal Monthly Premium Change	Rate Guarantee Date
Dental (Monthly Rate)	EE Only	\$33.05	\$4,283.51	\$46.810	\$6,066.54	\$1,783.03	10/1/2013
	EE and Spouse	\$75.69		\$107.190			
	EE and Child	\$65.17		\$92.290			
	EE and Family	\$109.19		\$154.640			
Premium Totals			\$8,226.68		\$10,009.71	\$1,783.03	

The monthly premium shown is based upon current billed lives and volume.

We appreciate your business and look forward to the continued opportunity to meet your group insurance needs. If you have any questions or if we can be of further assistance, please contact me at (866) 660-0828 or Karen.Plunkett@mutualofomaha.com.

Sincerely,

Karen Plunkett
Account Executive