

RESOLUTION No. 2009-185-1131

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AUTHORIZING THE CITY MANAGER TO EXECUTE A RENEWAL OF MEDICAL INSURANCE COVERAGE WITH AVMED HEALTH PLANS; PROVIDING FOR THE ADOPTION OF REPRESENTATIONS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, on October 11, 2006, the City Council authorized the City Manager to negotiate and execute an agreement with AvMed Health Plan for medical insurance, and

WHEREAS, the City's initial rate with AvMed was 8.6 %, and

WHEREAS, the City's agent of record has negotiated a rate of 6.34%, which is below the state average renewal increase of 10%, and

WHEREAS, the City Council would like to authorize the City Manager to renew the City's agreement with AvMed,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AS FOLLOWS:

Section 1. ADOPTION OF REPRESENTATIONS: The foregoing Whereas paragraphs are hereby ratified and confirmed as being true, and the same are hereby made a specific part of this Resolution.

Section 2. AUTHORIZATION: The City Council of the City of Miami Gardens hereby authorizes the City Manager to take any all steps necessary to renew medical coverage with AvMed Health Plans at a rate increase of 6.34%.

Section 3. EFFECTIVE DATE: This Resolution shall take effect immediately upon its final passage.

Resolution No. 2009-185-1131

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS
AT ITS REGULAR MEETING HELD ON OCTOBER 14, 2009.


SHIRLEY GIBSON, MAYOR

ATTEST:


RONETTA TAYLOR, MMC, CITY CLERK

PREPARED BY: SONJA KNIGHTON DICKENS, ESQ.
CITY ATTORNEY

SPONSORED BY: DANNY CREW, CITY MANAGER

MOVED BY: Councilwoman Watson
SECOND BY: Vice Mayor Gilbert

VOTE: 7-0

Mayor Shirley Gibson	<u>X</u> (Yes)	___ (No)
Vice Mayor Oliver Gilbert, III	<u>X</u> (Yes)	___ (No)
Councilman Melvin L. Bratton	<u>X</u> (Yes)	___ (No)
Councilman Aaron Campbell	<u>X</u> (Yes)	___ (No)
Councilwoman Barbara Watson	<u>X</u> (Yes)	___ (No)
Councilwoman Sharon Pritchett	<u>X</u> (Yes)	___ (No)
Councilman André Williams	<u>X</u> (Yes)	___ (No)



City of Miami Gardens Agenda Cover Memo

Council Meeting Date: <i>(Enter X in box)</i>	<i>October 14, 2009</i>		Item Type: <i>(Enter X in box)</i>	Resolution	Ordinance	Other	
				X			
Fiscal Impact: <i>(Enter X in box)</i>	Yes	No	Ordinance Reading: <i>(Enter X in box)</i>	1st Reading		2nd Reading	
	X			Public Hearing: <i>(Enter X in box)</i>	Yes	No	Yes
Funding Source:	Various Departments		Advertising Requirement: <i>(Enter X in box)</i>		Yes		No
						X	
Contract/P.O. Required: <i>(Enter X in box)</i>	Yes	No	RFP/RFQ/Bid #:	<i>RFP#05-06-015-Renewal Medical Insurance-AvMed Health Plans</i>			
	X						
Sponsor Name	Dr. Danny Crew		Department:	<i>Human Resources Department</i>			

Short Title:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AUTHORIZING THE CITY MANAGER TO EXECUTE A RENEWAL OF MEDICAL INSURANCE COVERAGE WITH AVMED HEALTH PLANS; PROVIDING FOR THE ADOPTION OF REPRESENTATIONS; PROVIDING AN EFFECTIVE DATE

Staff Summary:

Background

The City Council authorized the City Manager to negotiate and execute agreements for medical, dental, vision, flexible spending, and life coverage for employees and council members on October 11, 2006. Medical insurance was awarded to Avmed Health Plans. Funding for medical, dental, vision, flexible spending, and life insurance is allocated in various departments for a total of \$3,442,662.

The City's agent of record McKinley Financial Services, Inc. and staff reviewed the proposed 8.6% renewal rate increase and was able to negotiate a reduced rate increase of 6.34%, which is below the state average renewal increase of 10%. Renewal notice attached as Exhibit A.

Proposed Action:

That the City Council approve the attached resolution authorizing the City Manager to renew medical insurance with AvMed Health Plans.

**ITEM J-9) CONSENT AGENDA
RESOLUTION
Renewal with AvMed Health Plans**

Attachment:

Exhibit A: Avmed Medical Financial Analysis - 3 Year Period

City of Miami Gardens
Effective 1/1/2010
Medical Financial Analysis - 3 Year Period

	2010 (REVISED)			2009			2008		
	3410 HMO	3410-40 POS		3410 HMO	3410-40 POS		3410 HMO	3410-40 POS	
		In-Network	Out-of Network		In-Network	Out-of Network		In-Network	Out-of Network
DEDUCTIBLE	0	\$500/\$1,500	\$500/\$1,500	0	0	\$500/\$1,500	0	0	\$500/\$1,500
COINSURANCE	100%	100%	30%	100%	100%	30%	100%	100%	30%
OUT OF POCKET MAXIMUM	\$1,500/\$3,000	\$1,500/\$3,000	\$3,000/\$6,000	\$1,500/\$3,000	\$1,500/\$3,000	\$3,000/\$6,000	\$1,500/\$3,000	\$1,500/\$3,000	\$3,000/\$6,000
PCP/SPC	\$10	\$10	30% aft Ded	\$10	\$10	30% aft Ded	\$10	\$10	30% aft Ded
IP HOSPITAL	\$0	\$0	30% aft Ded	\$0	\$0	30% aft Ded	\$0	\$0	30% aft Ded
OP SURGERY	\$0	\$0	30% aft Ded	\$0	\$0	30% aft Ded	\$0	\$0	30% aft Ded
MRI, CAT SCAN, PET SCAN	\$25	\$25	30% aft Ded	\$25	\$25	30% aft Ded	\$25	\$25	30% aft Ded
EMERGENCY / URGENT CARE	\$75 / \$40	\$75 / \$40	\$75 / \$40	\$75 / \$40	\$75 / \$40	\$75 / \$40	\$75 / \$40	\$75 / \$40	\$75 / \$40
PRESCRIPTION	\$10/\$20/\$30	\$10/\$20/\$30	Not Covered	\$10/\$20/\$30	\$10/\$20/\$30	Not Covered	\$10/\$20/\$30	\$10/\$20/\$30	Not Covered

Fully Insured Rates

Employee Only	\$451.61	\$507.21	\$424.32	\$477.54	\$400.66	\$447.98
Employee & Spouse	\$858.06	\$963.69	\$806.77	\$907.32	\$761.26	\$851.17
Employee & Family	\$1,219.34	\$1,369.45	\$1,146.46	\$1,289.35	\$1,081.78	\$1,209.56
% Change Year over Year	6.35%		6.02%		9.32%	

ToDate there has not been any carrier or benefit changes. ☐ Renewals consistently under 10%