

BOARD OF ALDERMEN

ITEM NO. B(4)

AGENDA ITEM ABSTRACT
MEETING DATE: May 18, 2004

SUBJECT: Recommendation for Health Insurance Coverage for
Fiscal Year July 1, 2004 – June 30, 2005

DEPARTMENT: Personnel	PUBLIC HEARING: YES ____ NO <u>x</u>
ATTACHMENTS: A. Resolution B. Health Insurance Rates Effective 7/1/04	FOR INFORMATION CONTACT: Desiree White – 918-7321

PURPOSE

The purpose of this item is to present the staff's recommendation for health insurance coverage for the 2004-2005 fiscal year.

INFORMATION

In preparing for the new year, staff considered several objectives that are important in selecting the Town's health insurance providers: *providing excellent coverage at affordable costs; providing coverage for domestic partners, retirees, and board members; and employee satisfaction.*

Currently, the Town provides health insurance to employees through WellPath Community Health Plans. WellPath has been offered as a provider for the past six years. The company offers HMO benefits with a large network of physicians and hospital choices, and employee satisfaction with WellPath has remained consistent.

This year WellPath quoted the Town a renewal rate that reflected a 5.5% increase in premiums, the lowest renewal quote that the Town has received in many years. In addition, this modest increase will result in no change in benefits.

RECOMMENDATION AND ACTION REQUESTED

The staff requests that the Mayor and Board of Aldermen continue to offer WellPath Community Health Plans as the Town's health insurance provider. Staff further recommends that the Town continue to contribute 50% toward the cost of dependent health care.