

**OFFICE OF THE CITY MANAGER
LITTLE ROCK, ARKANSAS**

**BOARD OF DIRECTORS COMMUNICATION
NOVEMBER 1, 2016 AGENDA**

<p>Subject:</p> <p>Renewal of Employee Group Health Insurance</p> <p>Submitted By:</p> <p>Human Resources Department</p>	<p>Action Required:</p> <p style="text-align: center;">Ordinance √ Resolution Approval Information Report</p>	<p>Approved By:</p> <p style="text-align: center;">Bruce T. Moore City Manager</p>
<p>SYNOPSIS</p>	<p>To authorize the City Manager to enter into a contract with United Health Care for Group Health Insurance for a twelve (12)-month period, effective January 1, 2017, including a seven (7)-year renewable clause.</p>	
<p>FISCAL IMPACT</p>	<p>Based on the current number of City employees, the cost to the City would be \$10,749,388.04. This would include the City continuing to pay 100% of the Employees' Basic Plan and sharing in the cost of the Basic Family Plan. Employees are still given the option of Buy-Up Plans for them and their families.</p>	
<p>RECOMMENDATION</p>	<p>Approval of the resolution.</p>	
<p>BACKGROUND</p>	<p>United Health Care (UHC) provided group health to all City employees, retirees, dependents and affiliates in 2016. Due to claims history, their renewal offer showed an increase in premium. During the bid process, options were offered through UHC's River Valley Plan and it is recommended that we continue with UHC in 2017 with the cost of the Basic Plan payed by the City for employee only coverage and the cost of the Family Plan shared by the City and the employee.</p>	