



AGENDA MEMORANDUM

Action Item for the City Council Meeting September 29, 2020

DATE: September 29, 2020

TO: Peter Zaroni, City Manager

FROM: Eyvon McHaney, Director of Human Resources
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Amendment No. 1 to Stop Loss Insurance Service Agreement

CAPTION:

Motion authorizing Amendment No. 1 to the FY 2020 Service Agreement with stHealth Benefit Solutions, LLC, dba Stealth Partner Group, Dallas TX, in an amount not to exceed \$58,000.00, increasing the total contract amount from \$2,500,000.00 to \$2,558,000.00, due to an unanticipated increase in number of employees in the self-funded stop loss insurance program, with FY 2020 funding available from the Employee Health Citicare Fund.

SUMMARY:

This motion authorizes an amendment to the FY 2020 Service Agreement with stHealth Benefit Solutions, LLC, dba Stealth Partner Group in an amount not to exceed \$58,000.00 due an unanticipated increase in number of employees in the self-funded stop loss insurance program.

BACKGROUND AND FINDINGS:

The City pays stop loss coverage for every "life" covered by BlueCross and BlueShield on our health insurance plan. The coverage pays for any claim(s) that exceed \$250,000.00 by reimbursing us for those cost. The City had an increase in the number of lives covered by the plan for FY 2020 due to an increase number of new FTEs that were added in the fiscal year. There were 59 new FTE's added, and with a Per Employee Per Month (PEPM) cost of \$80.84 we will need to add an additional \$58,000.00. This request to amend the contract is to ensure that all the lives are covered through the final month

of September 2020 in the contract.

ALTERNATIVES:

An alternative is to keep the current contract value and risk not being able to cover all the lives for the final month of the contract.

FISCAL IMPACT:

The fiscal impact for FY 2020 is an amount not to exceed \$58,000.00 with funding available from the Employee Health Citicare Fund.

FUNDING DETAIL:

Fund:	5610	EmpHth Citicare
Organization/Activity:	40600	Citicare
Mission Element:	213	Health Benefits Programs
Project # (CIP Only) :	N/A	
Account:	537385	Stop Loss Premium-Active

RECOMMENDATION:

Staff recommends approval of this motion authorizing Amendment No. 1 to Service Agreement 2255 with stHealth Benefit Solutions, LLC, dba Stealth Partner Group as presented.

LIST OF SUPPORTING DOCUMENTS:

Amendment
Service Agreement