## **RESOLUTION No. 23-135**

A RESOLUTION OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL, FLORIDA, APPROVING AETNA AS THE CITY'S HEALTH AND DENTAL CARE INSURANCE PROVIDER; MUTUAL OF OMAHA FOR LIFE, SHORT-TERM, AND LONG-TERM DISABILITY INSURANCE; AND HUMANA FOR VISION CARE EFFECTIVE OCTOBER 1, 2023; AUTHORIZING THE CITY MANAGER OR DESIGNEE TO EXECUTE ALL NECESSARY DOCUMENTS, SUBJECT TO APPROVAL BY THE CITY ATTORNEY AS TO FORM AND LEGAL SUFFICIENCY; AND TO EXPEND BUDGETED FUNDS ON BEHALF OF THE CITY IN FURTHERANCE HEREOF; PROVIDING FOR IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE

**WHEREAS**, the City Council of the City of Doral ("City") seeks to provide the most cost efficient and effective health benefits for its employees and their families; and

WHEREAS, the City's Human Resources Department, and the City's Insurance Agent of Record, National Marketing Group Services, Inc., evaluated the current medical benefits offering, past and current medical claims, and possible medical plan renewal options; and

WHEREAS, after careful consideration of the financial impact to the City and its employees, as well as the quality of health care benefits, staff is requesting that the City Council approve Aetna as the City's health care insurance and dental carrier/provider, approve Mutual of Omaha for life and short-term and long-term disability insurance, and approve Humana for vision insurance as outlined in the accompanying Human Resources Department memorandum, attached hereto as Exhibit "A"; and

**WHEREAS**, the City Council finds that the procurement of the foregoing insurance in the best interest of the City.

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NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL, FLORIDA, AS FOLLOWS:

<u>Section 1.</u> <u>Recitals.</u> The above recitals are confirmed, adopted, and incorporated herein and made a part hereof by this reference.

Section 2. Approval. The City Council hereby approves Aetna as the City's health care and dental insurance provider, Mutual of Omaha for life, short-term and long-term disability insurance, and Humana for vision insurance, and authorizes the City to continue to offer these benefits to all eligible employees and dependents, including domestic partners, in accordance with established City Policy, acknowledging an effective date of October 1, 2023.

<u>Section 3.</u> <u>Authorization</u>. The City Manager or designee is authorized to execute all necessary documents related to the provision of the aforementioned policies, upon the City Attorney's approval as to form and legal sufficiency, and to expend budgeted funds on behalf of the City in furtherance of this approval.

<u>Section 4.</u> <u>Implementation.</u> The City Manager and the City Attorney are hereby authorized to take such further action as may be necessary to implement the purpose and provisions of this Resolution.

<u>Section 5.</u> <u>Effective Date.</u> This Resolution shall become effective immediately upon its adoption.

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The foregoing Resolution was offered by Councilmember Puig-Corve who moved its adoption. The motion was seconded by Vice Mayor Pineyro and upon being put to a vote, the vote was as follows:

Mayor Christi Fraga	Yes
Vice Mayor Rafael Pineyro	Yes
Councilwoman Digna Cabral	Yes
Councilwoman Maureen Porras	Yes
Councilman Oscar Puig-Corve	Yes

PASSED AND ADOPTED this 9 day of August, 2023.

CHRISTI FRAGA, MAYOR

ATTEST:

CONNIE DIAZ, MMC

CITY CLERK

APPROVED AS TO FORM AND LEGAL SUFFICIENCY FOR THE USE AND RELIANCE OF THE CITY OF DORAL ONLY:

VALERIE VICENTE, ESQ. for

NABORS, GIBLIN & NICKERSON, P.A.

CITY ATTORNEY

## **EXHIBIT "A"**



July 25, 2023

Barbara Hernandez City Manager City of Doral 8401 NW 53 Terrace Doral, Florida 33166

RE: Employee Benefits Insurance Renewals, October 1<sup>ST</sup>, 2023

Dear Ms. Manager,

As discussed in our meeting on July 13<sup>th</sup>, NMGS has initiated negotiations with all incumbent and prospective insurance carriers regarding the 2023-24 employee benefits insurance policy renewals. Our current medical provider, Aetna, released an initial 13.9% increase offer. Due to a significant improvement in the City's overall claims experience, NMGS and HR decided to shop the plan for competitive bids. We were able to secure several strong, matching benefit offers from various carriers including a 10% below current proposal from United Healthcare, a 7.5% below current bid from Cigna and a 9.8% below current offer from AvMed. We then went back to Aetna and used those bids as leverage to bring down the renewal offer from 13.9% to -3.73% below current while adding \$15,000 to the city's wellness allowance making the new wellness budget \$40,000. This represents an approximate \$250,000 annual savings to the City of Doral. In addition, NMGS has also obtained rate passes on the Aetna dental plan, as well as the Mutual of Omaha life and disability coverages with a minimal \$.20 PEPM increase to the Humana vision plan. Here is a summary of the renewal offers:

Medical: 3.73% decrease | Dental: Rate Pass | Vision: \$.20 PEPM increase | Life and Disability: Rate Pass

**Recommendation**: Based on our discussions with yourself, your team, and Human Resources, and considering the city's priority to maintain quality health plans, continuity of care and avoid disruption for its employees, it is our recommendation that the City of Doral accepts all the above renewal offers from Aetna (Medical and Dental), Humana (Vision) and Mutual of Omaha (Life and Disability).

Sincerely,

Roger Gonzalez, President

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cc: Maria Jose, Human Resources Director, Michelle Gonzalez, VP; Michael Gonzalez, Key Accounts Manager