

**REQUESTS FOR HEALTH INSURANCE
PROPOSALS**

CITY OF SEDALIA, MISSOURI



JANUARY 8, 2016

**PREPARED BY:
PERSONNEL OFFICE
CITY OF SEDALIA, MISSOURI
200 S. OSAGE AVE.
SEDALIA, MISSOURI 65301
(660) 827-3000**

Proposals must be submitted no later than
February 12, 2016 – 2:00 p.m.

CITY OF SEDALIA, MISSOURI
HEALTH INSURANCE BID PACKAGE

- Statement of Intent

Bid Forms & Information

- Medical Plan Specifications including current CIGNA Health Benefits
- Health Benefit Plan Summary
- Bid Form – Primary Proposal – Employee’s and Dependents
- Evaluation Questionnaire (Must be Returned with Bid)
- Employee Census Information

CITY OF SEDALIA, MO
HEALTH INSURANCE
STATEMENT OF INTENT

JANUARY 8, 2016

The City of Sedalia is committed to providing a quality series of comprehensive health insurance programs for its active full-time employees, and participating dependents, and will consider various plans and structures for providing health insurance coverage.

The City of Sedalia is requesting proposals for a fully integrated, managed care, cost managed health care program for the employees of the city. All proposals should assume a takeover on a fully insured basis. However, the city will consider reviewing alternate funding mechanisms including minimum premium arrangements or any improvements to its current Benefit and Services.

The city is looking for the best alternative which, in the city's sole discretion, provides a good level of health care at the best cost. The PPO and HSA categories have familiarity and understanding on the part of the current workforce. However, all alternatives presented will be given fair and full consideration.

The city is also open to different configurations for insurance coverage to receive the maximum cost savings to the city and the employees.

It is anticipated that the City Council will award a contract to the successful company and the new coverage's will take effect July 1, 2016.

A decision regarding the best comprehensive program will be based on the proposed benefits, services, policy conditions, provider network, financial stability of the insurer, and costs that the city feels will be the most beneficial to the city and the employees.

The City of Sedalia retains the right to reject any or all bids submitted or waive any irregularities contained in the bid and to accept the bids most advantageous to the City of Sedalia. Each proposer waives any claim against the City of Sedalia should the City fail to select their proposal. Late proposals will be unopened.

Additional information or questions concerning this request may be directed to the Personnel Office at (660) 827-3000, Extension 123.

Failure to comply with any of the above instructions will automatically disqualify the bidder unless specifically approved by the City of Sedalia.

MEDICAL PLAN SPECIFICATIONS

General Requirements/Health Insurance

The City is currently covered under (3) different medical plan options through CIGNA. Presently, the city belongs to a consortium made up of other public entities to achieve the maximum discounts available for large groups. Currently under the PPO plans, the city pays the entire cost for the employee's health insurance with a \$1,000/\$3,000 deductible. Employees have the option to lower the overall deductible to \$750/\$2,500 at a small additional expense. In addition, the city also offers employees the option of participating in a Health Saving Account (HSA). The city currently pays the entire cost of the HSA for the employee and also makes a contribution to their individual account on a monthly basis. In all three plans offered by the city, employees have the option of selecting dependent health insurance. Dependent premiums are shared by the city and the employee on an internally determined basis.

The city desires to have bidders quote on PPO plans with a \$750 deductible, \$1,000 deductible and an HSA with the initial \$1,500 deductible for individual coverage. Also taken into consideration will be the rates for spouses, children and/or family coverage.

The city encourages the use of a 4-tier premiums, if available:

Employee
Employee/Spouse
Employee/ Child(ren)
Employee/Family

Employees of the city primarily obtain health care in the Sedalia, Warrensburg, Lake of the Ozarks, Columbia, and Kansas City area. Please indicate in your proposal your coverage area and the network capabilities in these cities. If you use multiple networks please indicate in your proposal whether employees can have access to all networks and explain how these networks will coordinate.

Health insurance is normally bid for a 3-year period unless the bid involves a consortium defined under Missouri State Statute. All rates must be guaranteed for a 12 month period unless otherwise approved by the city.

The city also desire that the successful bidder supply on a regular basis a detailed claim listing which includes incurred dates, total charges, and total paid.

Each year the city offers an open enrollment on the policy anniversary date and proposal must allow employees to switch between the plans, add or delete dependents, or deny coverage. New employees to the city and their dependents must be eligible for coverage no later than the first of the month following a 30 day waiting period.

The city will require that any new ID cards, and/or prescription cards, be given to the employees and/or their dependents prior to the start of the plan year. In addition, the successful bidder will

be required to furnish a representative to attend employee open enrollment meetings on an annual basis to explain the provisions of the city's offer of health insurance as well as any new changes that will take effect for the current plan year and future plan years. The successful bidder will also provide all necessary enrollment forms, notices, other pertinent information and furnish all forms to the city at the time of set-up. In addition, the successful bidder will be responsible for providing electronic access to the personnel department for all new enrollments, changes, or other information necessary for maintain the respective health insurance policy and comply with all existing reporting requirements under the new Affordable Care Act.

Customer Service:

The successful bidder shall assign an account representative who is knowledgeable about all aspects of the health insurance plan(s).

In addition, the city desires a toll free customer service/claim office telephone number during normal hours of operation for our employees to address health insurance issues that arise with our employees and their dependents.

Each bid shall be submitted on bid forms attached accompanied with a sample policy, a detailed explanation of all coverage's and a complete breakdown of premiums. Before any contract shall be awarded for furnishing of the required insurance coverage's, the successful bidder shall agree in writing to furnish a written notice no less than 60 days in advance of any proposed rate increase.

General Requirements/Prescription Drugs:

Prescription drug coverage should be listed for: Generic, Preferred, Specialty and other classes and prices shall include both retail and mail-in ordering.

A complete listing shall be provided of all hospital, physicians, pharmacies, and ancillary service providers in the area. The city also requests that the successful company's representative notify the local hospitals and drugs stores in Sedalia to alert them of any changes.

(Included with this packet is a copy of the employee census information that shows gender of employee and birthdate, and dependent spouse and children under the age of 26).

2015-16 Health Insurance Plan Comparison

Health Insurance – CIGNA through Midwest Public Risk

PLAN TYPE	PPO 1000 Deductibles	PPO Plan B Deductibles	HD/HSA Deductibles
Network	Cigna Open Access Plus	Cigna Open Access Plus	Cigna Open Access Plus
Deductibles (Single/Family)	\$1,000/\$3,000	\$750/\$2,250	\$1,500/\$3,000 (aggregate if family)
Out of Pocket Maximum (not including deductible)	\$3,000/\$6,000 Medical copays apply to Out of Pocket Maximum	\$2,500/\$5,000 Medical copays apply to Out of Pocket Maximum	\$1,500/\$3,000 (aggregate if family)
Physician Care Primary Care Physician Specialist	\$30 office visit copay \$50 office visit copay	\$25 office visit copay \$50 office visit copay	20% after deductible 20% after deductible
Hospital/Facility Inpatient Outpatient Emergency Room Urgent Care	\$300 copay + 30% after ded 30% after deductible \$150 copay + 30% after ded \$ 50 copay	\$300 copay + 20% after ded 20% after deductible \$150 copay + 20% after ded \$ 50 copay	20% after deductible 20% after deductible 20% after deductible 20% after deductible
Diagnostic Lab & X-Ray Dr. Office/ Indep Lab Outpatient Hospital Advanced Imaging	\$0 (plan pays 100%) 30% after deductible 30% after deductible	\$0 (plan pays 100%) 20% after deductible 20% after deductible	20% after deductible 20% after deductible 20% after deductible
Chiropractic Care (visit limits apply)	Copay based on provider status	Copay based on provider status	20% after deductible
Prescription Benefits In Network*	PPO 1000 Deductibles	PPO Plan B Deductibles	HD/HSA Deductibles
Retail – 30 days Level 1 Level 2 Level 3 Specialty – Level 4	MedTrak \$7 (or actual cost if less) 45% up to \$100 cap 50% up to 150 cap 25%	Medtrak \$7 (or actual cost if less) 45% up to \$100 cap 50% up to \$150 cap 25%	Cigna 20% after deductible 20% after deductible 20% after deductible 20% after deductible
Retail – 90 days Level 1 Level 2 Level 3 Specialty – Level 4	MedTrak Performance 90 \$21 (or actual cost if less) 45% up to \$100 cap 50% up to 150 cap 25%	Medtrak Performance 90 \$21 (or actual cost if less) 45% up to \$100 cap 50% up to \$150 cap 25%	Cigna 20% after deductible 20% after deductible 20% after deductible 20% after deductible
Retail – 90 days Level 1 Level 2 Level 3 Specialty – Level 4	Walgreen's Mail Service \$21 (or actual cost if less) 45% up to \$100 cap 50% up to 150 cap 25%	Walgreen's Mail Service \$21 (or actual cost if less) 45% up to \$100 cap 50% up to \$150 cap 25%	Cigna Home Delivery 20% after deductible 20% after deductible 20% after deductible 20% after deductible
Prescription Out of Pocket Maximum (single/family)	\$2,500/\$5,000	\$2,500/\$5,000	Combined Medical and Pharmacy Out of Pocket Maximum listed above.

PROPOSAL #1 (Primary – PPO 1000 Deductible)

More forms may be obtained or copies may be made to submit multiple options

Company Name: _____

Address: _____

Agent Name: _____

Address: _____

Please fill in the Statement of Coverages your company offers for each personal insurance expense listed below:

Type of Plan: _____

Network: _____

Deductible per Plan Year	Individual: _____
	Family: _____

Co-Insurance	Network: _____
	Non-Network: _____

Out of Pocket (Individual)	Network: _____
	Non-Network: _____

Out of Pocket (Family)	Network: _____
	Non-Network: _____

Office Visits	Primary Care: _____
	Specialists: _____

Prescriptions	Generic: _____
	Preferred: _____
	Non-Preferred: _____
	Mail-In: _____

Maximum Out of Pocket Prescriptions	Total: _____
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(Costs Continue)

Routine Preventive Care: _____

Hospital – Inpatient/Outpatient: _____

Maternity Care: _____

Short Term Therapies: _____

Chemical/Mental Rehabilitation: _____

Home Healthcare: _____

Skilled Nursing Facility: _____

Chiropractic Services: _____

Lifetime Plan Max: _____

Emergency Room: _____

Allergy Testing/Treatment/Injections: _____

MONTHLY COST

Employee Only: \$_____ / month Employee / Spouse: \$_____ / month

Employee / Child(ren): \$_____ / month Employee / Family: \$_____ / month

Broker Signature: _____

Date: _____

PROPOSAL #2 (Secondary – PPO 750 Deductible)

More forms may be obtained or copies may be made to submit multiple options

Company Name: _____

Address: _____

Agent Name: _____

Address: _____

Please fill in the Statement of Coverages your company offers for each personal insurance expense listed below:

Type of Plan: _____

Network: _____

Deductible per Plan Year	Individual: _____
	Family: _____

Co-Insurance	Network: _____
	Non-Network: _____

Out of Pocket (Individual)	Network: _____
	Non-Network: _____

Out of Pocket (Family)	Network: _____
	Non-Network: _____

Office Visits	Primary Care: _____
	Specialists: _____

Prescriptions	Generic: _____
	Preferred: _____
	Non-Preferred: _____
	Mail-In: _____

Maximum Out of Pocket Prescriptions	Total: _____
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(Costs Continue)

Routine Preventive Care: _____

Hospital – Inpatient/Outpatient: _____

Maternity Care: _____

Short Term Therapies: _____

Chemical/Mental Rehabilitation: _____

Home Healthcare: _____

Skilled Nursing Facility: _____

Chiropractic Services: _____

Lifetime Plan Max: _____

Emergency Room: _____

Allergy Testing/Treatment/Injections: _____

MONTHLY COST

Employee Only: \$_____ / month Employee / Spouse: \$_____ / month

Employee / Child(ren): \$_____ / month Employee / Family: \$_____ / month

Broker Signature: _____

Date: _____

PROPOSAL #3 (Health Savings Account 1500 Deductible)

More forms may be obtained or copies may be made to submit multiple options

Company Name: _____

Address: _____

Agent Name: _____

Address: _____

Please fill in the Statement of Coverages your company offers for each personal insurance expense listed below:

Type of Plan: _____

Network: _____

Deductible per Plan Year Individual: _____
Family: _____

Co-Insurance Network: _____
Non-Network: _____

Out of Pocket (Individual) Network: _____
Non-Network: _____

Out of Pocket (Family) Network: _____
Non-Network: _____

Office Visits Primary Care: _____
Specialists: _____

Prescriptions Generic: _____
Preferred: _____
Non-Preferred: _____
Mail-In: _____

Maximum Out of Pocket Prescriptions Total: _____

(Costs Continue)

Routine Preventive Care: _____

Hospital – Inpatient/Outpatient: _____

Maternity Care: _____

Short Term Therapies: _____

Chemical/Mental Rehabilitation: _____

Home Healthcare: _____

Skilled Nursing Facility: _____

Chiropractic Services: _____

Lifetime Plan Max: _____

Emergency Room: _____

Allergy Testing/Treatment/Injections: _____

MONTHLY COST

Employee Only: \$_____ / month Employee / Spouse: \$_____ / month

Employee / Child(ren): \$_____ / month Employee / Family: \$_____ / month

Broker Signature: _____

Date: _____

As part of the evaluation process, describe how the health insurance company that you are bidding handles the following:

HEALTH & WELLNESS:

- A) Describe the wellness benefits offered: _____

- B) Describe how the employee wellness benefits offered are funded. Example: Is a portion of the premium amount set aside for wellness benefits or is entirely funded by the provider? _____

- C) How much, if any, is allocated on a plan year basis per employee for wellness benefits? _____

- D) Are the funds for wellness carried over past the plan year and what is the maximum amount that can be accumulated? _____

- E) If the city terminates the insurance policy, are the funds allocated for wellness benefits refunded to the city or are they forfeited to the company? _____

- F) Currently, the city conducts a bi-annual health fair for the employees. Does your company conduct health fairs and what is provided for these fairs. _____

- G) Are the expenses of the health fair, if available, provided by the company or the City? _____

HEALTH INSURANCE REPORTING:

The City of Sedalia is considered an applicable large employer for the purposes of the ACA and therefore required to file electronic returns on health insurance to the IRS. Currently, the city works with a vendor selected by our present health insurance company to track hours, coverage offerings, filing of 1095's to employees and electronic reporting to the IRS.

- A) Describe how your company complies with the health insurance law in reporting and

what resources that are available for the city to utilize in complying with the Affordable Care Act (ACA)._____

B) If the company does not provide these services direct, what resource do you use to provide this support to the customer?_____

C) Is there an additional charge for these services, and if so, what is that charge based on the current employee population on a yearly basis?_____
