CITY OF LAMARQUE
EMPLOYEE BENEFITS TRUST
of
AUGUST 8, 2022

Notice is hereby given that the Employee Benefits Trust of the City of La Marque, Texas will conduct a **Special Meeting** on **August 8, 2022**, beginning at **5:00 PM** in the **Council Chambers** at **1109-B Bayou Road La Marque, Texas as well as via videoconference hosted through Zoom (https://zoom.us/j/92493940502).** In accordance with Section 551.127(b) of the Texas Local Government Code the presiding officer and a quorum of the La Marque City Council intend to be and will be physically present at 1109-B Bayou Road, La Marque, Texas. This location will be open to the public and the meeting will be broadcast at this location, on Channel 16, and via YouTube (https://www.youtube.com/watch?v=L6G8ypjyEDo).

The Council will meet for the purpose of considering the following agenda:

1. CALL MEETING TO ORDER
2. ROLL CALL
3. INVOCATION AND PLEDGE OF ALLEGIANCE
4. PRESENTATIONS
5. PUBLIC SAFETY
6. CITIZENS PARTICIPATION
   LIMITED TO THREE MINUTES PER PERSON

   Comments from the public will be heard at this time. Any person with city-related business who has signed up may speak to Council (limited to three (3) minutes). If wishing to speak, give the Mayor your full name, address, and the item you wish to speak about. In compliance with Texas Open Meeting Act, the City may not deliberate on comments. Personal attacks will not be allowed, and personnel matters should be addressed to the City Manager during normal business hours. *Press *6 to mute or unmute if you are participating by telephone, press the unmute button if attending via zoom on a smartphone, tablet or computer, or stand if* attending in person, and the mayor will call on you in turn.

7. NEW BUSINESS
   Items presented to the Council for discussion and for Council to provide direction:

   7.I. Benefits Consultant
   Discussion/ possible action authorizing the City Manager to execute renewal of the agreement with Gallagher Benefit Services, Inc. as the consultant for city employees' benefits in the amount of $40,000

Documents:

02 FIN 1A AGENDA FORM - GALLAGHER CONTRACT RENEWAL.PDF

7.II. Medical And Pharmacy Insurance

Discussion/possible action to award Blue Cross Blue Shield through Texas Municipal League (TML) as provider for Employees' Medical and Pharmacy Insurance for plan year 2022-23

Documents:

FIN 02 2A AGENDA FORM - MEDICAL INSURANCE.PDF
8_8_2022 CITY OF LA MARQUE TRUST MEETING (002).PDF

7.III. Life, Dental, And Voluntary Vision

:Discussion/possible action to award MetLife as provider for Employees' Life, Dental, and Voluntary Vision Insurance for plan year 2022-23

Documents:

FIN 02 3A AGENDA FORM - LIFE DENTAL VISION INSURANCE.PDF

7.IV. Items For The Good Of The Order

Additional items to bring awareness to Council and the Community as well as future agenda item requests are accepted at this time.

8. EXECUTIVE SESSION

The City Council for the City of La Marque, Texas reserves the right to adjourn into executive session at any time during this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), and 551.086 (Economic Development)

9. ACTIONS TAKEN FROM EXECUTIVE SESSION

10. ADJOURNMENT

I hereby certify that the above notice of the meeting was posted at 1109-B Bayou Road, La Marque, Texas on Thursday, August 4, 2022 at ____________.

____

Kierra K. Nance

***This electronic copy is posted for convenience and in compliance with ADA Requirements , a signed* version of this agenda can be found with the City Clerk's office.

CITY COUNCIL AGENDA FORM

Meeting Date: August 08, 2022
Prepared by: Suzy Kou
Department: Finance

Agenda item:
Reviewed by:

AGENDA ITEM DESCRIPTION: Discussion/possible action authorizing the City Manager to execute renewal of the agreement with Gallagher Benefit Services, Inc. as consultant for city employees' benefits in the amount of $40,000.

☒

ATTACHMENTS FOR REFERENCE

1. Gallagher contract 2015

STAFF BRIEFING:

- City has been using Gallagher since August 2015.
- Gallagher has been assisting the city with medical, dental, and vision benefits negotiation and bidding each plan year.

HISTORY:

TARGET IMPLEMENTATION: August 2022 – July 2023

SIGNIFICANT ACTION DATES: N/A

ACTION:

- ☐ Ordinance
- ☐ Resolution
- ☐ Special Presentation
- ☐ Proclamation
- ☐ Finance Report
- ☐ Public Hearing
- ☒ Other - Contract Renewal
- ☒ Mark if this item does not conflict with any Resolution, Ordinance or City Charter, policies, procedures

Cost Details:	
Budgeted	$40,000
Actual Bid	
Estimated Expenditure	$40,000
Acct. Name(s)	Group Health Insurance
Line Item #	01-1070-99-00 02-1070-99-00
Other Funding	

STAFF'S RECOMMENDATION: Motion to authorize the City Manager to execute renewal of the agreement with Gallagher Benefit Services, Inc. as consultant for city employees' benefits in the amount of $40,000.

FISCAL IMPACT: $40,000

CONSULTING AGREEMENT

This Consulting Agreement (this "Agreement") is made by and between Gallagher Benefit Services, Inc., ("Gallagher") and City of La Marque (the "Client").

The Client wishes to enter into a consulting relationship with Gallagher on the terms and conditions set forth in this Agreement, and Gallagher is willing to accept such a consulting relationship.

In consideration of and in reliance upon the previous paragraph and the terms and conditions contained in this Agreement, the Client and Gallagher agree as follows:

1. Engagement

The Client engages Gallagher as an employee benefits consultant as stated in this Agreement and Gallagher accepts this engagement. During the time that Gallagher is performing services for the Client under this Agreement, and for all purposes outlined in this document, Gallagher's status will be that of an independent contractor of the Client.

2. Term and Termination

The Effective Date of this Agreement is August 1, 2015. The term of Gallagher's engagement under this Agreement (the "Consulting Period") will begin as of the Effective Date and will remain in effect for one (1) year from the Effective Date. **The Consulting Period will be automatically extended for an additional year on each anniversary of the Effective Date.** Either party may terminate this Agreement by giving the other party at least thirty (30) days written notice of its intent to terminate. In the event such termination is effective during the Consulting Period (including any renewed Consulting Period) and Gallagher has completed the competitive bid process or in lieu of any renewal negotiation and process in accordance with this Agreement, the Client shall be obligated to pay to Gallagher the sum of the compensation for the particular Consulting Period.

3. Services

Gallagher will provide employee benefits management consulting services to the Client and consult with its employees, representatives, agents and contractors as to such matters as more fully described in Exhibit A attached to this Agreement and incorporated herein. Gallagher will perform other services as the Client and Gallagher mutually agree in writing.

4. Compensation

Subject to any changes as may be mutually agreed by the parties, Gallagher will receive, as compensation for its services under this Agreement, fees in the amount of $40,000.08 per year, which amount will be billed in two (2) installments, one installment in October 2015 in the amount of $13,333.36 and the remaining balance of $26,666.72 billed in January 2016 and paid when billed.

For additional information regarding Gallagher compensation, please see the Gallagher revenue disclosure policy and schedule set forth in Exhibit B. Gallagher has national agreements with all the insurance carriers that are based on production, Gallagher may be entitled to receive supplemental compensation in the form of overrides. Gallagher will not receive direct commissions on products placed as a result of this consulting engagement/Agreement.

In the event an insurance company cancels or refuses to renew an insurance coverage that had been placed by Gallagher, on behalf of the Client, Gallagher will use its best efforts to obtain appropriate replacement coverage from another insurance company.

08-21-15 P12:33 IN

5. *Performance and Scope*

(a) Gallagher Not a Fiduciary Under ERISA. To the extent that one or more of the Client's employee benefit plans are subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and in spite of any other provision of this Agreement to the contrary, the parties agree and acknowledge that:

(i) Gallagher's services under this Agreement are not intended in any way to impose on Gallagher or any of its affiliates a fiduciary status under ERISA; and

(ii) this Agreement does not provide Gallagher, and the Client will not cause or permit Gallagher to assume, without prior written consent of Gallagher, any:

(A) discretionary authority or discretionary control respecting management of any "employee benefit plan" within the meaning of Section 3(3) of ERISA (an "ERISA Plan"),

(B) authority or control respecting management or disposition of the assets of any ERISA Plan, or

(C) discretionary authority or discretionary responsibility in the administration of any ERISA Plan.

(b) Reliance. In the performance of its duties, Gallagher may rely upon, and will have no obligation to independently verify the accuracy, completeness, or authenticity of, any written instructions or information provided to Gallagher by the Client or its designated representatives and reasonably believed by Gallagher to be genuine and authorized by the Client.

(c) No Practice of Law. Gallagher will not be obligated to perform, and the Client will not request performance of, any services which may constitute unauthorized practice of law. The Client will be solely responsible for obtaining any legal advice, review or opinion as may be necessary to ensure that its own conduct and operations, including the engagement of Gallagher under the scope and terms as provided herein, conform in all respects with applicable State and Federal laws and regulations (including ERISA, the Internal Revenue Code, State and securities laws and implementing regulations) and, to the extent that the Client has foreign operations, any applicable foreign laws and regulations.

(d) Subcontractors. Gallagher may cause another person or entity, as a subcontractor of Gallagher, to provide some of the services required to be performed by Gallagher hereunder; provided, that Gallagher shall remain responsible for all acts and omissions of any such subcontractors (each of which shall be bound by Gallagher's obligations under this Agreement). Gallagher shall seek prior written approval from Client for any subcontractors providing substantive consulting, professional or managerial services. Prior written approval shall not be required for clerical, office, secretarial, IT back-up, administrative or similar support services.

(e) Conflict of Interest. Gallagher's engagement under this Agreement will not prevent it from taking similar engagements with other clients who may be competitors of the Client. Gallagher will, nevertheless, exercise care and diligence to prevent any actions or conditions which could result in a conflict with Client's best interest.

(f) Acknowledgements. In connection with Gallagher's services under this Agreement, Client agrees that:

(i) Although Gallagher will apply its professional judgment to access those insurance companies it believes are best suited to insure the Client's risks, there can be no assurance that the insurance companies Gallagher has accessed are the only or are the best suited ones to insure the Client's risks.

(ii) Any compensation of the types described above and disclosed to it does not constitute a conflict of interest and the Client expressly waives any claims alleging any such conflict of interest.

(iii) The final decision to choose any insurance company has been made by the Client in its sole and absolute discretion. The Client understands and agrees that Gallagher does not take risk, and that Gallagher does not guarantee the financial solvency or security of any insurance company.

(iv) The compensation payable to Gallagher is solely for the services set forth under this Agreement, including Exhibit A. Any additional administrative, claims representative or other services (collectively, "Additional Services") will be governed by the terms of a separate agreement covering the Additional Services.

(v) The Client is responsible for immediate payment of Gallagher's fees (if applicable) and payment of premiums for all insurance placed by Gallagher on Client's behalf. If any amount is not paid in full when due, including premium payments to insurance companies, that nonpayment will constitute a material breach of this Agreement that will allow Gallagher to immediately terminate this Agreement, at its option, without notice to the Client, and may allow an insurance company for the Client's risks to cancel any applicable policies in accordance with the terms of such policies. Gallagher will negotiate with the carriers for a forty-five (45) day grace period from billing date when applicable to avoid cancellation.

6. Confidentiality

(a) Client Information. Gallagher recognizes that certain confidential information may be furnished by the Client to Gallagher in connection with its services pursuant to this Agreement ("Confidential Information"). Gallagher agrees that it will disclose Confidential Information only to those who, in Gallagher's reasonable determination, have a need to know such information. Confidential Information will not include information that (i) is in the possession of Gallagher prior to its receipt of such information from the Client, (ii) is or becomes publicly available other than as a result of a breach of this Agreement by Gallagher, or (iii) is or can be independently acquired or developed by Gallagher without violating any of its obligations under this Agreement. However, disclosure by Gallagher of any Confidential Information pursuant to the terms of a valid and effective subpoena or order issued by a court of competent jurisdiction, judicial or administrative agency or by a legislative body or committee will not constitute a violation of this Agreement.

(b) HIPAA Privacy. Gallagher and the Client will each comply with any prohibitions, restrictions, limitations, conditions, or other requirements to the extent they apply to them directly or indirectly pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and its implementing regulation concerning privacy of individually identifiable health information as set forth in 45 CFR Parts 160-164, as amended from time to time. Where required, the Client, as a representative of the health plans and Gallagher will enter into a separate Business Associate Agreement.

(c) Use of Names; Public Announcements. No party will use, in any commercial manner, the names, logos, trademarks or other intellectual property of the other party without its prior written consent. Except as may be required by law, no party will issue any press releases or make any public announcements of any kind regarding the relationship between the parties without the other party's prior consent.

7. *Indemnification Rights and Limitation of Liability*

(a) Indemnification. To the extent of the law, each party ("Indemnifying Party") will promptly defend, indemnify and hold the other party ("Indemnified Party") harmless from and against any and all claims, suits, actions, liabilities, losses, expenses or damages which the Indemnified Party may incur as a result of any violation by the Indemnifying Party of any law, or any loss or expense to the Indemnified Party caused by the misrepresentation, negligent act or omission, or any breach of any of the Indemnifying Party's obligations under this Agreement.

(b) Limitation of Liability. Notwithstanding any other term or provision of this Agreement, each party shall only be liable for actual damages incurred by the other party, and shall not be liable for any indirect, consequential or punitive damages. Furthermore, the aggregate liability under this Agreement, if any, of either party to the other for claimed losses or damages shall not exceed $20,000,000. This provision applies to the fullest extent permitted by applicable law.

8. *Notices*

Any notices, requests and other communications pursuant to this Agreement will be in writing and will be deemed to have been duly given, if delivered in person or by courier or sent by express, registered or certified mail, postage prepaid, addressed as follows:

If to the Client:	City of La Marque Attention: Suzy Kou, Finance Director 1111 Bayou Road La Marque, Texas 77568
If to Gallagher: Texas	Gallagher Benefit Services, Inc. Attention: Burke O. Sunday 245 Commerce Green Blvd., Suite 290 Sugar Land, Texas 77478

Either party may, by written notice to the other, change the address to which notices to such party are to be delivered or mailed.

9. *Miscellaneous*

(a) Severability. The various provisions and subprovisions of this Agreement are severable and if any provision or subprovision or part thereof is held to be unenforceable by any court of competent jurisdiction, then such enforceability will not affect the validity or enforceability of the remaining provisions or subprovisions or parts thereof in this Agreement.

(b) Entire Agreement; Amendment. This Agreement, including all exhibits hereto, constitutes the entire agreement between the parties and supersedes all prior agreements and understandings, whether oral or written, between the parties regarding the subject matter hereof. Except for changes in carriers and/or lines of coverage noted in Exhibit B which may occur upon unilateral approval of the Client, this Agreement may be modified or amended only by a written instrument executed by both parties.

(c) Governing Law; Rule of Construction. This Agreement will be construed, interpreted and enforced in accordance with the laws of the State of Texas without giving effect to the choice of law principles thereof or any canon, custom or rule of law requiring construction against the drafter.

(d) Successors. This Agreement shall be binding upon and shall inure to the benefit of all assigns, transferees and successors in the interest of the parties hereto.

(e) Counterparts. This Agreement may be executed by the parties in several counterparts, each of which shall be deemed to be an original copy.

(f) Survival of Provisions. Sections 5(a), 6 and 7 will survive the termination of this Agreement.

[The remainder of this page intentionally left blank. The parties' signatures appear on the following page.]

IN WITNESS WHEREOF, the parties hereto have caused this Consulting Agreement to be duly executed on the date first written above.

CITY OF LA MARQUE

By: ________________________

Name: Carol Buttler

Title: City Manager

Date: 08/24/15

GALLAGHER BENEFIT SERVICES, INC.

By: ________________________

Name: Burke O. Sunday

Title: Branch Manager

Date: 8/21/15

EXHIBIT A
SCOPE OF SERVICES

Subject to any changes and additions as may be mutually agreed by the parties in writing, availability and delivery of data from the insurance carrier and other third party vendors, Gallagher will provide the following services:

CONSULTING SERVICES PROVIDED ON AN "AS NEEDED" BASIS

RENEWAL ANALYSIS:

- Review and evaluate carrier projections
- Prepare "shadow" renewal projection
- Create financial modeling reports using proprietary Apex software
- Coordinate carrier negotiations
- Create employee contribution modeling reports
- Review identified benchmarks of projected plan costs
- Develop "working" rates for Client analysis and approval
- Assist with budget projections
- Provide renewal alternatives with cost impact of benefit plan changes

PERIODIC PLAN FINANCIAL REPORTS: (FREQUENCY TO BE MUTUALLY AGREED UPON)

- Summary of plan costs
- Analysis of actual vs. budget
- Employee contributions
- Large claims tracking
- Utilization review
- Comparison to prior claim period
- Plan trends

ANNUAL FINANCIAL REPORTS (END OF YEAR ACCOUNTING):

- Executive summary of program expenses
- Comparison of current costs to renewal costs
- Future plan costs projections
- Percent of benefit dollars paid by employee
- Claims by size
- Benefits paid by type of service
- Plan funding/budget comparison

LEGISLATIVE AND CORPORATE COMPLIANCE SUPPORT:

- Provide legislative updates, including Technical Bulletins and Directions newsletters
- Evaluate plan design to assist with compliance with state and federal regulations
- Review benefit plan documents, including summary plan descriptions, contracts, employee summaries, and policies/procedures
- Conduct periodic seminars on regulatory issues
- Assist with the review and evaluation of COBRA and HIPAA compliance procedures
- Provide general information and guidance to assist with compliance with ERISA, FMLA, USERRA, Medicare Part D and other Federal legislation that directly affects the administration of plan benefits
- Provide template or sample compliance notices, certificates of creditable coverage and enrollment forms as reasonably requested by Client

CARRIER MARKETING AND NEGOTIATIONS, AS DIRECTED BY CLIENT:

- Work with Client to develop a strategy to identify goals, analyze program costs and review both current and alternative funding arrangements
- Manage the renewal process with the current carrier to control costs
- Implement carrier renewal strategies with Client
- Develop timeline covering every aspect from RFP preparation to the delivery of employee communications
- Provide analysis of employee disruption report and preparation of geo-access report
- Provide analysis of discounts offered by various carriers by using CPT codes and carrier pricing data
- Manage RFP development that tailors the RFP to the desires, needs and financial directions provided by Client
- Explore alternative funding solutions
- Evaluate vendor responses to track variations in coverage and costs as they are identified
- Conduct finalist interviews to investigate and document intangibles such as personalities, service orientation and responsiveness
- Draft renewal analysis report, based on renewal negotiation, covers program and claims cost projections as well as complete information on benefit designs
- Facilitate decision process by coordinating close collaboration and discussions among the Gallagher team and Client

COMMUNICATION MATERIALS:

- Assist with the drafting and distribution of participant Satisfaction Surveys
- Assist with participant wellness initiatives, as directed by Client

BENEFIT ADMINISTRATION ASSESSMENT:

- Periodic evaluation of internal plan enrollment and benefit termination processes
- Review, coordinate and implement Client agreed upon plan "best practices" to help limit plan liability and increase participant satisfaction
- Help identify opportunities for streamlining and improving administration procedures

MARKET BENCHMARKING STUDIES:

- Industry Surveys

BENEFIT PLAN DESIGN (OR REDESIGN):

- Help Client identify business and HR objectives that impact benefits
- Review with Client possible benefit strategies to meet their objectives
- Help Client evaluate/review current scope of benefits package – e.g., types & levels of coverage
- Work with Client to develop funding and contribution strategies
- Assist with budget projections for design alternatives

CITY COUNCIL AGENDA FORM

Meeting Date:	August 8, 2022	Agenda item:	
Prepared by:	Suzy Kou	Reviewed by:	
Department:	Finance		

AGENDA ITEM DESCRIPTION: Discussion/possible action to award Blue Cross Blue Shield through Texas Municipal League (TML) as provider for Employees' Medical and Pharmacy Insurance for plan year 2022-23.

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ATTACHMENTS FOR REFERENCE
1. Renewal presentation

STAFF BRIEFING:
- The Benefit Committee is recommending Blue Choice PPO Plan through TML for city employees in plan year 2022-23.
- Quote reflects 7% increase. Proposed budget has 7% increase ($1,128,041)

HISTORY:

TARGET IMPLEMENTATION: October 1, 2022

SIGNIFICANT ACTION DATES: **N/A**

ACTION:

☐ Ordinance ☐ Resolution
☐ Special Presentation ☐ Proclamation
☐ Finance Report ☐ Public Hearing
☐ Other - Contract Renewal
☒ Mark if this item does not conflict with any Resolution, Ordinance or City Charter, policies, procedures

Cost Details:	
Budgeted	$1,128,041
Actual Bid	
Estimated Expenditure	$1,128,041
Acct. Name(s)	Group Health Insurance
Line Item #	1070 account from all departments
Other Funding	

STAFF'S RECOMMENDATION: Motion to award TML as provider for Employees' Medical and Pharmacy Insurance for plan year 2022-23.

FISCAL IMPACT: $1,128,041

City of La Marque
Trust Meeting

August 8, 2022

Gallagher

Insurance | Risk Management | Consulting

Agenda

Gallagher
Insurance | Risk Management | Consulting

17GGB______

Ancillary Benefits

Insurance | Risk Management | Consulting

MetLife	Current Carrier
Dental	Rate Pass
Vision	Rate Pass
Basic Life	Rate Pass
Supplemental Life	Rate Pass

Insurance | Risk Management | Consulting

TML Medical Health Renewal

- TML Renewal
  - We did ask Underwriting to relook at the renewal for some additional points off. The City's loss ratio is lower but that is reflected in the rate. The TML average is 13% for the pool and increase they received was below our average increase. This is your first year in the pool and your claims are immature. The first 3 months are run in. The 7% matches the medical trend we applied to the Pool.

Fully Insured Medical – TML Renewal

Carrier		**Current**	**Renewal**
Plan Name		**Blue Choice PPO**	**Blue Choice PPO**
		In-Network	**In-Network**
Annual Deductible (Ind/Fam)		$1,000/$2,000	$1,000/$2,000
Maximum Out of Pocket Limits (Ind/Fam)		$5,000/$10,000	$5,000/$10,000
Co-insurance		80%	80%
PCP Visit Copay		$30	$30
Specialist Visit Copay		$45	$45
Telehealth – Virtual Visits		Medical visit: covered at 100%; Behavioral Health visit: $45 copay	Medical visit: covered at 100%; Behavioral Health visit: $45 copay
Preventive Care Services		Covered at 100%	Covered at 100%
Lab/Imaging		Covered at 100% when associated with OV; Ded/Coins if not associated with OV	Covered at 100% when associated with OV; Ded/Coins if not associated with OV
Major Diagnostics		20% after Deductible	20% after Deductible
Hospital Inpatient		20% after Deductible	20% after Deductible
Hospital Outpatient		20% after Deductible	20% after Deductible
Emergency Room Visit		Facility: $500 copay; Physician: 20% after Ded	Facility: $500 copay; Physician: 20% after Ded
Urgent Care		$75	$75
Mental Health/Substance Abuse - Inpatient		20% after Deductible	20% after Deductible
Mental Health/Substance Abuse - Outpatient		20% after Deductible	20% after Deductible
Rx Annual Prescription			
• Copays		$10/$40/$70/$100/$150	$10/$40/$70/$100/$150
• Mail Order		$30/$120/$210/NA/$450	$30/$120/$210/NA/$450
Rates		**Current**	**Renewal**
Employee	126	$518.08	$554.36
Employee + Spouse	2	$1,051.70	$1,125.34
Employee + Child(ren)	12	$911.82	$975.66
Employee + Family	4	$1,528.32	$1,635.32
Monthly Cost		**$84,436.60**	**$90,349.24**
Annual Cost		**$1,013,239.20**	**$1,084,190.88**
Difference (% change)			**7%**
Difference ($ change)			**$70,951.68**

Next Steps

Gallagher
Insurance | Risk Management | Consulting

- Renew current Ancillary Benefits with a rate pass.
- Renew current TML Medical Renewal
- Planning open enrollment
- Planning BioMetric Screening Event
- Planning Flu Shot Drive

Disclaimers

Gallagher
Insurance | Risk Management | Consulting

SOLVENCY POLICY DISCLAIMER

While GBS does not guarantee the financial viability of any health insurance carrier or market, it is an area we recommend that clients closely scrutinize when selecting a health insurance carrier or HMO. There are a number of rating agencies that can be referred to including, A.M. Best, Fitch, Moody's, Standard & Poor's, and Weiss Ratings (TheStreet.com). Generally, agencies that provide ratings of U.S. Health Insurers, including traditional insurance companies and other managed care (e.g., HMO) organizations, reflect their opinion based on a comprehensive quantitative and qualitative evaluation of a company's financial strength, operating performance and market profile. However, these ratings are not a warranty of an insurer's current or future ability to meet its contractual obligations.

RENEWAL / FINANCIAL DISCLAIMER

This analysis is for illustrative purposes only, and is not a proposal for coverage or a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. See your policy or contact us for specific information or further details in this regard.

LEGAL DISCLAIMER

The intent of this analysis [report, letter, etc.] is to provide you with general information regarding the status of, and/or potential concerns related to, your current employee benefits environment. It should not be construed as, nor is it intended to provide, legal advice. Laws may be complex and subject to change. This information is based on current interpretation of the law and is not guaranteed. Questions regarding specific issues should be addressed by legal counsel who specializes in this practice area.

Thank You!

Name Nick Long
Contact # 281.773.8954
E-mail Nick_Long@ajg.com

Gallagher

Insurance | Risk Management | Consulting

CITY COUNCIL AGENDA FORM

Meeting Date:	August 8, 2022	Agenda item:	
Prepared by:	Suzy Kou	Reviewed by:	
Department:	Finance		

AGENDA ITEM DESCRIPTION: Discussion/possible action to award MetLife as provider for Employees' Life, Dental, and Voluntary Vision Insurance for plan year 2022-23.

X

ATTACHMENTS FOR REFERENCE

1. Renewal presentation

STAFF BRIEFING:

- The Benefit Committee is recommending MetLife proposal for dental, life, and voluntary vision insurance for all city employees in plan year 2022-23.
- Quote reflects no increase in new plan year.

HISTORY:

TARGET IMPLEMENTATION: October 1, 2022

SIGNIFICANT ACTION DATES: **N/A**

ACTION:

- ☐ Ordinance
- ☐ Resolution
- ☐ Special Presentation
- ☐ Proclamation
- ☐ Finance Report
- ☐ Public Hearing
- ☐ Other - Contract Renewal
- ☒ Mark if this item does not conflict with any Resolution, Ordinance or City Charter, policies, procedures

Cost Details:	
Budgeted	$96,929
Actual Bid	
Estimated Expenditure	$96,929
Acct. Name(s)	Group Health Insurance
Line Item #	1070 account from all departments
Other Funding	

STAFF'S RECOMMENDATION: Motion to award MetLife as provider for Employees' Life, Dental, and Voluntary Vision Insurance for plan year 2022-23.

FISCAL IMPACT: $96,929