

CITY OF ALAMO HEIGHTS
CITY COUNCIL
November 17, 2015

A special meeting of the City Council of the City of Alamo Heights, Texas was held in the Council Chambers, located at 6116 Broadway, San Antonio, Texas, at 8:30 a.m. on Tuesday, November 17, 2015.

Present and composing a quorum were:

Mayor Louis Cooper
Councilmember Lawson Jessee
Councilmember Bobby Rosenthal
Councilmember Fred Prassel
Councilmember John Savage

Also attending were:

City Manager J. Mark Browne
Assistant City Manager/Fire Chief Buddy Kuhn
Assistant to the City Manager Marian Mendoza
Community Development Services Department Director Jason Lutz
Finance Director Robert Galindo
Public Works Director Pat Sullivan
Police Chief Rick Pruitt
City Secretary Jennifer Reyna

Absent was:

Mayor Pro Tem Lynda Billa Burke

* * *

Mayor Cooper called the meeting to order at 8:43 a.m.

* * *

Item # 1

ORDINANCE NO. 2038

AN ORDINANCE APPROVING THE RENEWAL OF CONTRACTS WITH METLIFE FOR DENTAL, LIFE AND LONG TERM DISABILITY INSURANCE, AVESIS FOR VISION INSURANCE; AND ACCEPTING THE PROPOSAL FROM BLUE CROSS-BLUE SHIELD FOR EMPLOYEE HEALTH INSURANCE AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY AGREEMENTS FOR THE PROVISION OF SUCH INSURANCE

City Manager J. Mark Browne made a PowerPoint presentation that included background information.

Mr. Browne informed Council that Blue Cross-Blue Shield submitted renewal rates that presented a 52% insurance premium increase. On August 24, 2015, Council approved the competitive sealed proposal method for soliciting bids for employees' insurance to obtain more favorable rates due to the proposed increased insurance rate. Bids were received until November 12, 2015. Revised renewal rates from Blue Cross-Blue Shield were obtained as well as new proposed insurance rates from Humana and United Healthcare. Mr. Browne noted that proposals were submitted; however, with different levels of coverage and conditions.

Bob Farish, Senior Vice-President, Frost Insurance, explained the differences among the submitted proposals. He highlighted Humana required an additional premium to be paid if there was a loss over 100%. He noted United Healthcare did not provide out-of-network benefits and a primary care physician was required.

Mr. Browne referred to the worksheet displaying the comparison between the plans and the financial impact noting the substantial increase to the family's portion. He informed Council that a better plan was sought to remain competitive and Mr. Farish contacted Blue Cross-Blue Shield seeking another proposal. Blue Cross-Blue Shield proposed a new insurance plan with a higher deductible at a lower premium cost. Mr. Browne summarized that Blue Cross-Blue Shield's proposal was more advantageous because of the rates for family members are lower than Humana and stated that once deductible is met there is no co-pay for prescriptions. He added the City is contributing \$1,000 to employees' Health Savings Accounts (HSA).

There was a brief discussion among Council on the amount of savings with the new proposed plan with Blue Cross-Blue Shield, savings to the City and employees, and HSA contribution amount.

Councilmember Lawson Jessee referenced Vitality, a wellness program that has lowered his employer's premium rates because employees are involved making better healthcare decisions. He briefly described the Vitality program.

Councilmember John Savage recommended the City proceed with the \$4,000 deductible plan and provide an additional \$250 HSA contribution for a total amount of \$1,250 since there are realized savings in opting with the new proposed plan.

Finance Director Robert Galindo briefly reviewed comparison costs for the insurance premiums and provided confirmation of savings with the new proposed plan with Blue Cross-Blue Shield. He stated the proposed increased HSA contribution is within budget.

A motion for approval was made by Councilmember John Savage for the new HSA plan (higher deductible) presented by Blue Cross-Blue Shield along with the additional \$250 HSA contribution to employees. The motion was seconded by Councilmember Bobby Rosenthal and passed by unanimous vote.

*

*

*

November 17, 2015 – Special City Council Meeting

There being no further business, the meeting was adjourned at 9:12 a.m.



Louis Cooper
Mayor



Jennifer Reyna
City Secretary