



Legislation Details (With Text)

File #:	AI 13-1345	Version:	1	Name:	health insurance 2017
Type:	Action Item	Status:	Passed		
File created:	7/27/2016	In control:	Board of Directors		
On agenda:	8/9/2016	Final action:	8/9/2016		
Title:	Consider recommendation from EAA staff to approve the purchase of employee medical insurance for October 1, 2016, through September 30, 2017, from Blue Cross Blue Shield of Texas through CBG Benefits Group, in the approximate amount of \$703,662, and authorizing the General Manager to execute any necessary documents.				

Sponsors:

Indexes:

Code sections:

Attachments: 1. RO - Health Insurance 08-16-849

Date	Ver.	Action By	Action	Result
8/9/2016	1	Board of Directors	approved	Pass

Consider recommendation from EAA staff to approve the purchase of employee medical insurance for October 1, 2016, through September 30, 2017, from Blue Cross Blue Shield of Texas through CBG Benefits Group, in the approximate amount of \$703,662, and authorizing the General Manager to execute any necessary documents.

RECOMMENDED MOTION:

Move the board adopt Resolution and Order No.08-16-849 of the Edwards Aquifer Authority Board of Directors to approve the purchase of employee medical insurance for October 1, 2016, through September 30, 2017, from Blue Cross Blue Shield of Texas, through CBG Benefits Group, in the approximate amount of \$703,662, and authorizing the General Manager to execute any necessary documents.

SUMMARY:

The purpose of this agenda item is for the board to consider a staff recommendation to purchase employee medical insurance from Blue Cross Blue Shield of Texas (BCBS) for the upcoming plan year 2017 that commences on October 1, 2016. This item represents the second renewal option with BCBS for employee medical insurance.

The renewal rate received by BCBS for medical insurance coverage for 2016 reflected an overall increase of 14.5%, however, some plan options reflected an increase of as much as 15.6%. In order to mitigate the impact of this increase on both the EAA budget and EAA staff, the General Manager decided to move away from the most expensive PPO plan option design and similar plan design with a lower monthly premium cost. The impact of including this more affordable plan option to the EAA health plan offerings is an annual cost of approximately \$703,662, or 12.8% increase over current

year expenditures. The rates for the new plan offerings are included in the attached resolution and order. This resolution and order has been approved by legal counsel.

M/WBE PARTICIPATION:

CBG Benefits, an M/WBE vendor, will serve as the EAA agent representing BCBS. BCBS is not an M/WBE.

STRATEGIC PLAN REFERENCE:

This agenda item supports the EAA's policy direction as set forth in the EAA 2016-20 Strategic Plan: Goal F. Develop an Inclusive, Service-Oriented Organization.

FISCAL IMPACT:

Funding for employee health insurance is available in the current budget and will be included in the General Manager's 2017 Recommended Budget.