



Village of Itasca

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MEMORANDUM

TO: President Jeff Pruyn
Board of Trustees

FROM: Ioana Ardelean, HR Manager

DATE: April 30, 2019

SUBJECT: Health, Dental and Life Insurance Renewal

On July 1, 2016, the Village joined the Intergovernmental Personnel Benefit Cooperative (IPBC) for its health, dental and life insurance policies. These policies are scheduled to renew on July 1, 2019.

Itasca's current health insurance carrier is Blue Cross and Blue Shield of Illinois and it currently offers a PPO plan and an HMO plan. The PPO plan renewal rate for the 2019-2020 plan year will increase by 0.9%, while the HMO plan will increase by 3.4% for the same period. The carrier for the dental insurance plan is Metlife and the premium will be 6.4% more effective July 1st, 2019. For historic comparison purposes, the average premium increase in the last three years prior to joining IPBC was 11.25%. We achieved a 10.5% reduction in premium in 2016, the year we moved to IPBC and the average premium increase in the 3 years after that was only 2.87%. Additionally, the premium for the current 2019-2020 renewal is lower than the premium we paid 4 years ago, in the 2015-2016 plan year. As such, we continue to reap benefits from joining IPBC.

Life insurance is offered through Standard Life. Staff proposes transitioning from a flat rate life insurance policy, which offered a standard \$50,000 coverage for each full time employee to a 1x their salary structure, which is more commensurate with the market benefit structure. The change will cost the Village an additional \$198 per month.

Staff is recommending the Board renew the Village's health, dental and life insurance policies with IPBC effective July 1st, 2019.

Please feel free to contact me prior to the meeting if you have any questions.

Village of Itasca Renewal Rates

July 1, 2019 through June 30, 2020

7/1/2018 - 6/30/2019 NWHIP Rate Adjustmer

PPO	HMO	Dental
6.6%	2.5%	-4.7%

7/1/2019 - 6/30/2020 NWHIP Rate Adjustmer

PPO	HMO	Dental
0.9%	3.4%	6.4%

LIFE	Rate Tier	7/1/2018 - 6/30/2019	7/1/2019 - 6/30/2020
Basic Life and AD&D	AD&D Rate	\$ 0.020	\$ 0.020
Basic Life and AD&D	Life Rate	\$ 0.092	\$ 0.092
GBS Fee		\$ 0.310	\$ 0.320
Medical Waivers	Rate Tier	7/1/2018 - 6/30/2019	7/1/2019 - 6/30/2020
Medical Waivers		\$ 2.05	\$ 2.34
HMO	Rate Tier	7/1/2018 - 6/30/2019	7/1/2019 - 6/30/2020
BCBS HMO	Employee Only Single Medicare	\$ 486.15	\$ 502.68
BCBS HMO	Employee Only	\$ 607.69	\$ 628.35
BCBS HMO	Employee Only Single Retiree < 65	\$ 607.69	\$ 628.35
BCBS HMO	Employee and Children	\$ 1,133.67	\$ 1,172.21
BCBS HMO	Employee and Children Single Retiree < 65	\$ 1,133.67	\$ 1,172.21
BCBS HMO	Employee and Spouse	\$ 1,278.82	\$ 1,322.30
BCBS HMO	Employee and Spouse Single Retiree < 65	\$ 1,278.82	\$ 1,322.30
BCBS HMO	Family	\$ 1,804.82	\$ 1,866.18
BCBS HMO	Family Single Retiree < 65	\$ 1,804.82	\$ 1,866.18
PPO	Rate Tier	7/1/2018 - 6/30/2019	7/1/2019 - 6/30/2020
BCBS PPO 1	Employee Only Single Medicare	\$ 338.00	\$ 341.04
BCBS PPO 1	Employee Only	\$ 567.35	\$ 572.46
BCBS PPO 1	Employee Only Single Retiree < 65	\$ 567.35	\$ 572.46
BCBS PPO 1	Employee and One Dependent Single Medic	\$ 675.98	\$ 682.06
BCBS PPO 1	Employee and Children	\$ 1,058.41	\$ 1,067.94
BCBS PPO 1	Employee and Children Single Retiree < 65	\$ 1,058.41	\$ 1,067.94
BCBS PPO 1	Employee and Spouse	\$ 1,193.93	\$ 1,204.68
BCBS PPO 1	Employee and Spouse Single Retiree < 65	\$ 1,193.93	\$ 1,204.68
BCBS PPO 1	Family	\$ 1,684.99	\$ 1,700.15
BCBS PPO 1	Family Single Retiree < 65	\$ 1,684.99	\$ 1,700.15
BCBS PPO 2	Employee Only Single Medicare	\$ 338.00	\$ 341.04
BCBS PPO 2	Employee Only	\$ 567.35	\$ 572.46
BCBS PPO 2	Employee Only Single Retiree < 65	\$ 567.35	\$ 572.46
BCBS PPO 2	Employee and One Dependent Single Medic	\$ 675.98	\$ 682.06
BCBS PPO 2	Employee and Children	\$ 1,058.41	\$ 1,067.94
BCBS PPO 2	Employee and Children Single Retiree < 65	\$ 1,058.41	\$ 1,067.94
BCBS PPO 2	Employee and Spouse	\$ 1,193.93	\$ 1,204.68
BCBS PPO 2	Employee and Spouse Single Retiree < 65	\$ 1,193.93	\$ 1,204.68
BCBS PPO 2	Family	\$ 1,684.99	\$ 1,700.15
BCBS PPO 2	Family Single Retiree < 65	\$ 1,684.99	\$ 1,700.15
Dental	Rate Tier	7/1/2018 - 6/30/2019	7/1/2019 - 6/30/2020
Metlife Dental	Employee Only	\$ 46.16	\$ 49.11
Metlife Dental	Employee and Children	\$ 98.12	\$ 104.40
Metlife Dental	Employee and Spouse	\$ 100.49	\$ 106.92
Metlife Dental	Family	\$ 150.25	\$ 159.87