

RESOLUTION 2016-133

A RESOLUTION AUTHORIZING AN AGREEMENT WITH CIGNA AS A PROVIDER FOR THE LEVEL FUNDED HEALTH INSURANCE, DENTAL AND VISION PLANS

WHEREAS, all professional service engagements, which require the expenditure of over \$20,000, require Village Board of Trustee approval ("*Village Board*"); and

WHEREAS, the Village Board has determined that First Benefit Marketing of Illinois ("*First Benefit*") is well suited to act as the Village's Broker on behalf of the Village of Vernon Hills Employee Health, Dental and Vision Insurance Plans; and

WHEREAS, Village staff and First Benefit have explored alternatives for the provision of health, dental and vision insurance; and

WHEREAS, the Village Board determined that is in the best interest of the Village to purchase level funded health insurance coverage with Cigna at an overall increase of 15.0% over the prior year; and

WHEREAS, the Village Board determined that is in the best interest of the Village to purchase dental insurance coverage with Cigna for the second and final year of a two-year rate guarantee; and

WHEREAS, the Village Board determined that is in the best interest of the Village to purchase vision insurance coverage with Cigna at an overall increase of 2.0% over the prior year; and

WHEREAS, the Village Board has determined Cigna is well suited to act as the Village of Vernon Hills Employee Health, Dental and Vision Insurance Provider.

NOW THEREFORE BE IT RESOLVED BY THE VILLAGE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF VERNON HILLS, LAKE COUNTY, ILLINOIS:

SECTION ONE: APPROVAL AND EXECUTION OF INSURANCE AGREEMENT: That the Village Manager is authorized to contract with Cigna as the Village of Vernon Hills Health, Dental and Vision Insurance Provider and to execute insurance payments in an amount of \$2,252,516.76 or proportionately greater, dental insurance payments of \$131,229.12 or proportionately greater, and vision insurance payments of \$31,050.00 or proportionately greater, dependent upon any incremental increase due to the addition of new employees for the period of December 1, 2016 through November 30, 2017; and

SECTION TWO: APPROVAL OF HEALTH INSURANCE RATES: That the Village has determined that the monthly premiums for the Village of Vernon Hills Employee Health Insurance Plan - PPO be set at \$715.98 for single coverage, \$1,503.54 for employee plus spouse, \$1,360.37 for employee plus child, and \$2,147.92 be set for family coverage, the HMO be set at \$768.05 for single coverage, \$1,612.93 for employee plus spouse, \$1,459.32 for employee plus child and \$2,304.18 for family coverage and the high deductible PPO plan be set at \$656.79 for single coverage, \$1,379.29 for employee plus spouse, \$1,247.93 for employee plus child, and \$1,970.39 be set for family coverage; and

THAT, employees will pay 20% of the cost of the premium; and

THAT, eligible retirees will pay 100% of the premium unless they are under a special retirement program.

SECTION THREE: APPROVAL OF DENTAL INSURANCE RATES: That the Village has determined that the monthly premiums for the Village of Vernon Hills Employee Dental Insurance Plan be \$46.91 for single coverage, \$93.26 for employee plus spouse, \$91.34 for employee plus child(ren), and \$150.24 for family coverage; and

THAT, employees will pay 25% of the cost of the premium; and

THAT, eligible retirees will pay 100% of the premium unless they are under a special retirement program.

SECTION FOUR: APPROVAL OF VISION INSURANCE RATES: That the Village has determined that the monthly premiums for the Village of Vernon Hills Employee Vision Insurance Plan be \$4.72 for single coverage, \$8.32 for employee plus spouse, \$8.39 for employee plus child(ren), and \$12.71 for family coverage; and

THAT, the Village will continue to pay 100% of the cost of the premium.

Dated the 18th day of October 2016

Adopted by roll call vote as follows:

AYES: 4 - Hebda, Schultz, Koch, Grieb

NAYS: 0 - None

ABSENT AND NOT VOTING: 2 - Marquardt, Williams



Roger L. Byrne, Village President

PASSED:

APPROVED:

ATTEST:



John Kalmar, Village Clerk