



Legislation Text

File #: R2018-126, Version: 1

Consider approving Resolution No. 2018-126 authorizing the City Manager to negotiate and execute a contract with QBE for medical stop-loss insurance coverage in an amount not to exceed \$355,000 for the 2019 plan year; and take appropriate action

BACKGROUND:

Stop-loss insurance is a product that provides protection against catastrophic or unpredictable losses. It is purchased by employers who have decided to self-fund their employee benefit plans, but do not want to assume 100% of the liability for losses arising from the plans. Under a stop-loss policy, the insurance company becomes liable for losses that exceed certain attachment limits called deductibles. The City has an aggregate attachment of \$4.6 million and a single attachment of \$150,000. The City has analyzed past claims and is proposing an increase in the single attachment limit from \$125,000 to \$150,000 in order to reflect premium savings.

DISCUSSION:

The proposed Resolution authorizes the City Manager to negotiate and sign on behalf of the City a contract for Medical Stop-Loss Insurance with QBE Insurance Group for such coverage at a cost not to exceed \$355,000 for the 2019 plan year.

RECOMMENDATION:

City Administration recommends approving Resolution No. 2018-126 authorizing the City Manager to execute a contract with QBE for stop-loss insurance coverage in an amount not to exceed \$355,000.

ACTIONS:

- 1) Motion to approve Resolution No. 2018-126 authorizing the City Manager to execute a contract for stop-loss insurance coverage with QBE in an amount not to exceed \$355,000.
- 2) Motion to deny Resolution No. 2018-126 authorizing the City Manager to execute a contract for stop-loss insurance coverage in an amount not to exceed \$355,000.
- 3) Motion to modify to meet the needs of the Council.
- 4) Motion to table the issue for further study or take no action.

ATTACHMENTS:

1. Resolution No. 2018-126