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RESOLUTION NO. R2022-67

A RESOLUTION OF WELLINGTON, FLORIDA'S COUNCIL AUTHORIZING THE MANAGER TO (1) AWARD A CONSUMER DRIVEN HEALTH PLAN (CDHP) AGREEMENT WITH CIGNA HEALTHCARE TO PROVIDE HEALTH INSURANCE TO ELIGIBLE EMPLOYEES, DEPENDENTS AND RETIREES AND APPROVE HRA FUNDING FOR EACH ELIGIBLE EMPLOYEE TO COVER COSTS ASSOCIATED WITH ANNUAL DEDUCTIBLES; (2) RENEW A CONTRACT WITH CIGNA TO PROVIDE DENTAL INSURANCE TO ELIGIBLE EMPLOYEES, DEPENDENTS AND RETIREES; (3) RENEW A CONTRACT WITH HUMANA TO PROVIDE VISION INSURANCE TO ELIGIBLE EMPLOYEES, DEPENDENTS AND RETIREES; (4) RENEW A CONTRACT WITH CIGNA GROUP BENEFITS TO PROVIDE LIFE/AD&D AND DISABILITY INSURANCE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Village currently offers group medical insurance to existing full time employees, dependents and retirees through Cigna Healthcare at a cost of approximately \$5.8 million annually, expiring on December 31, 2022; and

WHEREAS, the Village currently funds all annual calendar year deductibles utilizing a Health Reimbursement Account (HRA) at a cost of approximately \$673,500, expiring on December 31, 2022; and

WHEREAS, Cigna Healthcare has proposed an increase of \$133,849.32 for a total proposed annual premium of \$6,625,733.52 (\$5,952,233.52 in premium and \$673,500.00 in HRA), or 2% from the current calendar year, with no changes to the plan design; and and

WHEREAS, the current Cigna Total Network Plan will renew for one (1) year effective January 1, 2023 through December 31, 2023 at an annual cost of approximately \$6,625,733.52 (approximately \$5,713,452.12 paid by the Village and \$912,281.40 paid by the employee; and

WHEREAS, the existing dental insurance with CIGNA Total Network Plan will renew for one (1) additional year with the same benefits at no additional cost, with an annual cost of approximately \$343,757.28 (approximately \$261,211.80 paid by the Village and \$82,545.48 paid by the employee), based on current enrollment, effective January 1, 2023 through December 31, 2023; and

WHEREAS, the existing vision insurance with Humana is in rate guarantee and

1 set to expire on December 31, 2022. The existing contract will renew with the same
2 benefits at an annual cost of approximately \$32,906.88 (\$24,592.80 paid by the Village,
3 \$8,314.08 paid through employee payroll deductions), based on current enrollment,
4 effective January 1, 2023 through December 31, 2023; and
5

6 **WHEREAS**, the Village's existing Life/AD&D and Disability Insurance with
7 CIGNA Group Life, which is set to expire on December 31, 2022, will renew effective
8 through December 31, 2023, with no changes in benefits and no additional costs
9 (currently approximately \$254,487.07 based on current enrollment) and at no cost to the
10 employee; and
11

12 **WHEREAS**, the Manager and Staff recommend approval of the contract for
13 Wellington's employee health plan for the 2023 plan year to Cigna Healthcare's
14 Consumer Driven Health Plan (CDHP), dental insurance through a Cigna Total Network
15 Plan, HRA funding as noted, renewal of vision insurance through Humana, and renewal
16 of Life/AD&D and Disability Insurance through CIGNA Group Life.
17

18 **NOW, THEREFORE, BE IT RESOLVED BY WELLINGTON, FLORIDA'S**
19 **COUNCIL** that:
20

21 **SECTION 1.** The foregoing recitals are hereby affirmed and ratified as being true
22 and correct.
23

24 **SECTION 2.** Wellington's Manager is hereby authorized to enter into
25 agreements with Cigna Healthcare's Consumer Driven Health Plan (CDHP) to provide
26 Wellington's Employee Health Insurance Plan for the Plan Year 2023, which begins
27 January 1, 2023 and continues thereafter until modified by subsequent resolutions or
28 direction, dental insurance through a Cigna Total Network Plan, HRA funding as noted,
29 renewal of vision insurance through Humana, and renewal of Life/AD&D Disability with
30 Cigna Group Life, and continues thereafter until modified by subsequent resolutions or
31 direction. .
32

33 **SECTION 3.** This Resolution shall become effective immediately upon adoption.
34

35 **PASSED AND ADOPTED** this 11th day of October, 2022.
36

37 **ATTEST:**
38
39

WELLINGTON

40 By: _____
41 Chevelle Addie, Clerk
42

By: _____
Anne Gerwig, Mayor
43

44 **APPROVED AS TO FORM**
45 **AND LEGAL SUFFICIENCY**

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By: _____
Laurie Cohen, Village Attorney