



## COUNCIL INSURANCE COMMITTEE MEETING

Friday, May 7, 2021

8:00 a.m.

Call to order: 8:01 A.M.

Members present: Dr. Charles Boester, Michael Lyons, Sue Ann Philippbar

Others present: Mayor Michael Wheeler, Kevin Edwards, Brian Frantz, Sandra Turk,

Karen Tabeling from Associated Underwriters Insurance (AUI), Alice Rhodes

(AUI)

I. Pledge of Allegiance

II. Motion was made by Dr. Boester for Sue Ann Philippbar to chair the insurance committee. Approved by a unanimous vote (3/0)

III. Review of Health Insurance Options for 2021-2022

- The goal is to continue to provide quality insurance with the least amount of financial impact to the Village.
- Ms. Rhodes, Ms. Tabeling and Brian Franz reviewed the proposals and comparison charts for Health Insurance for the Village of Richfield. Highlights follow:
  - It continues to be financially beneficial for the Village of Richfield to self-insure up to the stop-gap of \$35,000 per year per covered member.
  - Anything above \$35,000 will be covered by the insurance carrier
  - 7 Insurance Carriers submitted quotes for the upcoming fiscal year.
  - Roundstone Management is our current Group Captive program and it continues to offer the best overall value compared to the other 6 companies who placed bids.
- Roundstone's renewal reflects approximately a **4.27% total increase** which breaks down as follows: annual admin fee (proposed \$68,052); annual stop loss premium (proposed \$404,825); and annual maximum claim liability (proposed \$891,364). Combined, the total annual cost increases from \$1,308,337 to \$1,364,241.

IV. Bundling dental, vision and life insurance with MetLife will represent a total increase of \$1138/year (dental is up by 6%, vision is the same and life is reduced by 15%). This appears to be the most cost-effective choice for the Village's dental, vision and life insurance. (Life Insurance will change from Lincoln to Metlife.)

V. Teledoc Service costs are proposed to increase by about \$.32 per person. This reflects a 4.95% increase or \$241 per year increase.



- A motion was made by Mr. Lyons to recommend the Village keep Roundstone Management as our medical insurance group captive and use MetLife to bundle dental, vision and life insurance. The motion was seconded by Dr. Boester. This motion was passed unanimously (3/0).
- A motion to adjourn was made by Mike Lyons at 8:49 A.M.

*Post note: After the meeting, AUI renegotiated the dental and vision insurance: instead of \$1138 increase for dental, vision and life insurance it resulted in a \$1,239 decrease for the 3 components, resulting in additional savings for The Village.*