

STATEMENT OF BUDGET IMPACT
(Policy Number 94-45)
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: November 18, 2019

BIS 20-034

FILE: TMP-2019-710

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE A ONE-YEAR AGREEMENT WITH CIGNA FOR STOP LOSS INSURANCE FOR A NOT TO EXCEED AMOUNT OF 110% OF \$1,126,276.00.

Statement of Budget Impact:

1. ☐ No Budget Impact associated with this action;
2. ☒ Sufficient budgetary resources identified/available;
3. ☐ Budgetary resources not identified/unavailable;
4. ☐ Potential Revenue is possible with this action;
5. ☒ Will not increase the cost of Housing;
6. ☐ May increase the cost of Housing; (CDAB review required)

Explanation:

This Resolution seeks authorization to execute a one-year agreement with Cigna for medical and prescription drug stop loss insurance coverage, in an amount not exceed 110% of \$1,126,276.

The proposed agreement will result in a 2% increase in the fixed rate cost for administration of the insurance program (\$17,942 annual increase); 5% increase in the composite rate for specific stop loss (approximately \$53,591 annual increase); and 3.9% increase in the composite rate for aggregate stop loss (approximately \$2,607 annual increase). If approved, the negotiated renewal rates will take effect January 1, 2020.

Sufficient funding is available in the FY 2020 Adopted Operating Budget account number 558.112006.51900.591990.000000.000.000.

PREPARED BY: Angela D. Stanley
Budget Support Technician

APPROVED BY: Laurette Jean, Director
Office of Budget & Performance Management