

RESOLUTION NO. _____

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 IN AN ANNUAL AMOUNT NOT TO EXCEED \$575,403.40.

WHEREAS, the City holds stop loss insurance for both Individual Stop Loss (ISL) and Aggregate Stop Loss (ASL) with Cigna, who also administer the City's health insurance program; and

WHEREAS, the current contract with Cigna expires on December 31, 2021; and

WHEREAS, the City's benefits consultant, the Gehring Group, issued a Request for Proposals on April 23, 2021, seeking proposals for stop loss insurance coverage; and

WHEREAS, Aetna, AvMed, Cigna, Humana, Optum, Symtera, TMS Re, and United Healthcare provided proposals for stop loss insurance; and

WHEREAS, Humana, Optum, Symtera, and TMS Re were disqualified due to either network service area deficiencies, non-competitive pricing or retiree prevalence; and

WHEREAS, both Cigna and United Healthcare proposed a bundled program of medical administration, pharmacy benefit management, and integrated stop loss insurance; and

WHEREAS, Cigna offered a lower aggregate stop loss claims corridor resulting in reduced maximum claims exposure from 125% to 120% off expected claims; and

WHEREAS, after careful review, it was determined that Cigna offered the most competitive and advantageous stop loss insurance proposal based on pricing, contract terms, and the pairing of claims administration with stop loss coverage; and

WHEREAS, the Gehring Group and the City recommend that the City remain with the current stop loss insurance provider, Cigna, in an annual amount not to exceed \$575,403.40, which includes a ten percent buffer to allow for fluctuations in costs; and

WHEREAS, funding for this agreement has been appropriated and exists in account number 558.112006.51900.591990.000000.000.000 and will be requested in subsequent fiscal years.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA.

Section 1: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Resolution.

Section 2: That it approves and authorizes the execution, by the appropriate City officials, of an agreement with Cigna, in a form acceptable to the City Manager and approved as to form and legal sufficiency by the City Attorney.

Section 3: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this _____ day of _____, 2021.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY for the use and reliance
of the City of Hollywood, Florida, only.

DOUGLAS R. GONZALES
CITY ATTORNEY