



TO: Becky Stinchcomb and Members of Council
FROM: Sue E. Wadley, Director of Human Resources
DATE: September 3, 2014
SUBJECT: Human Resources Report to Council, September 8, 2014

Action Item 1 – Dental Coverage for employees

Our dental coverage is with Delta Dental through the COHCC (Central Ohio Healthcare Consortium) and 2014 was the second year of a two year agreement. Delta has offered the COHCC a two year rate guarantee effective January 1, 2015 with an increase of 7.0%. This increase will cover both the 2015 and 2016 plan years. This increase is based upon our current utilization and is below the industry trend for a two year period. Industry trend is 7% to 9% annually for a group our size. This is below the 12% that Jennifer estimated in the SOM. Our benefits will remain the same with no changes for the renewal period. Therefore, I am requesting legislation to authorize the Mayor to sign an agreement with Delta Dental to provide our dental coverage for 2015. The regular legislative timeline is fine, therefore, no waiver or emergency is requested. A copy of the new agreement is attached for your review.

Action Item 2 – Life Insurance Coverage for employees

Our current life insurance is with the Cigna Insurance Company. Our current contract expires on 12/31/15. We are under a guarantee rate agreement through the end of 2015. The COHCC began offering life insurance to participating entities this year. The coverage is available through the Standard Life Insurance Company and will offer a rate guarantee through 12/31/2016. The move from Cigna to Standard is cost neutral to the City of Gahanna but will lock the rate in for an additional year. The cost for voluntarily life coverage to our employees will be slightly lower and will offer enhanced benefits to them.

Standard Life will grandfather our current employees at their current level of coverage and there will not be a need for employees to complete new applications nor to go through the underwriting process to maintain the same level of coverage. Employees who do not currently carry the maximum guarantee level of coverage will have a onetime opportunity at this year's Open Enrollment to increase their

coverage to the maximum guarantee level without the need to go through the underwriting process to provide proof of insurability. This is an added benefit to our current employee.

I am respectfully requesting Council to approve legislation to allow the Mayor to sign the Standard Life application/agreement effective January 1, 2015. Since I did not receive this application until last Friday, 8/28/14 and due to the sensitive time of adding this benefit and allowing our employees the opportunity to enroll during this year's open enrollment, a waiver is requested. A copy of the application/agreement is attached for your review.

Updates: Vision and Medical Insurance

Vision and Medical Coverage:

Our vision insurance provider is VSP through the COHCC. 2014 was the second year of a two year contract with VSP. Our Medical coverage also under COHCC will be entering the third year a three year contract. The renewal rates for the medical and vision plans are not yet finalized. The COHCC board members expect to receive the final renewal numbers during the month September. I will update the Mayor and Council as soon as this information is available.

Thank you

Sue

SUE E. WADLEY, PHR
Director of Human Resources
Department of Human Resources