



CITY OF SUN VALLEY
REPORT TO THE CITY COUNCIL

TO: Honorable Mayor and City Council

FROM: 
Susan E. Robertson, ICMA-CM
City Administrator

SUBJECT: Health, Dental, and Vision Insurance Renewal

DATE: February 28, 2013

The City of Sun Valley currently provides health, dental, and vision insurance for its employees. Those plans' annual renewal date occurs on April 1, 2013. In anticipation of that, the City's insurance agent, Starley-Leavitt Insurance Agency, has obtained renewal quotations and considered possible alternatives to the City's current coverage. Due to the fact that other insurance carriers did not provide competitive quotations, the limited cost increase for renewal, and the number of limited providers in the network for this area, Starley-Leavitt is recommending that the City remain with the current carriers for medical, dental, and vision benefits for another year. The change in health, dental, and vision renewal rates would be as follows:

Health Insurance	4.4% increase
Dental Insurance	2.0% increase
Vision Insurance	No change in rates

It is expected that these rate changes will result in an increased premium cost of \$14,535.96 for the plan year, half of which (\$7,627.98) will fall in the 2013 fiscal year. The 2013 Budget provided for a 7% increase in insurance rates effective April 1, 2013. Based on that, it is anticipated that the insurance renewal will yield a budget savings of \$5,377.95.