

Self-Insured Healthcare



City of Las Cruces
PEOPLE HELPING PEOPLE

Human Resources Department

TO: Robert Garza, City Manager 	
FROM: Andre Moquin, Director of Human Resources	
SUBJECT: Council Work Session Presentation	DATE: 10/7/13

The Human Resources Department has commissioned a study of health and benefit offerings.

This study included 3 phases. The first to review current history based on three years of usage history and review a qualitative and quantitative assessment of the results. The second to develop and distribute an RFP to evaluate options and cost available to the City. The third to negotiate with a chosen vendor and review plan design.

HR will be presenting the results of this study and the most likely options to be recommend.

Cc: Mark Winson, Assistant City Manager

CITY OF LAS CRUCES EMPLOYEE BENEFITS

October 15, 2013

BRIEF HISTORY

- City was self-insured until 2004
- Elected to offer benefits through State of New Mexico Risk Management Division.
 - Mitigated Risk
 - Initial decrease in premiums
 - More choices and offerings
 - Premiums and plan design stable for several years
- Recent Changes at State level
 - Plan redesign
 - Premium increases
 - Service issues

REVIEW OF CITY HEALTH AND BENEFITS

- Phase I
 - Review current offerings.
 - Match against 3 year claims history.
 - Evaluate options, pros and cons.
- Phase II
 - Develop Request for Proposal (RFP).
 - Review and solicit bids.
 - Evaluate and estimate.
- Phase III
 - Negotiate.
 - Bring to Council for approval.

NEXT STEPS

- Current results from Phase III indicate best option is move away from State sponsored health related benefit offerings.
 - Fully-insured option best available.
 - One carrier.
 - Two plan designs (PPO, HMO).
 - Plan redesign options.
- Certain options are being re-bid.
- Open enrollment later this Fall.

QUESTIONS