

G.15

November 5, 2019

Mayor and Aldermen,

Item G. 15 on tonight's agenda references two items about which I would provide supplemental information.

First, it noted that recommended dental insurance premiums would be brought to the meeting. These rates impact a small portion of the funds costs and revenues, but an increase is recommended by the Director of Administration and the Finance Director. Following are the rates.

	Single	Family
Current	39.26	103.00
Recommended 2020	42.00	108.00

Second, regarding the LTD, the second paragraph of page 1 indicates the following:

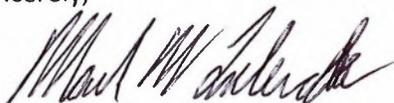
"The option exists to allow automatic entry of any employee qualifying for the benefit. The Director of Administration does not recommend this at this time, but will complete additional review prior to the meeting."

Upon further review, there is no clear evidence that future rates will be negatively impacted by allowing individuals who previously passed up participation to now join without medical certification. Our broker concurs and says any such risk can be addressed by changing carriers in the future. As such, the very low risk of an impact on future rates for all is outweighed by the potential significant benefit for the immediate potential benefit for a few existing employees. Note that this enrollment benefit does not waive the industry-standard restriction on a limitation against pre-existing conditions for claims with the first two (I believe) years. As such, I recommend that provided Sun Life will allow any current employee to join (which we understand they will), the option to join the Sun Life LTD be extended to all qualifying employees.

Therefore, the following should be inserted into the motion for number 7.

"7. Dental premiums for 2020 shall be \$42/single and \$108/family and automatic allowable enrollment into the Sun Life LTD shall not be restricted by the City to current participants."

Sincerely,



Mark W. Luberda
Director of Administration