



Las Vegas

Agenda Item No.: 25.

AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: DECEMBER 20, 2006

DEPARTMENT: HUMAN RESOURCES
DIRECTOR: CLAUDETTE ENUS

Consent **Discussion**

SUBJECT:

Approval to renew the contract with AIG for stop-loss insurance (\$384,021 - Self-Insurance Internal Service Fund)

Fiscal Impact:

No Impact **Augmentation Required**
 Budget Funds Available

Amount: \$384,021.00

Funding Source: Self-Insurance Internal Service Fund

Dept./Division: HR/Insurance Services Division

PURPOSE/BACKGROUND:

The City Health Insurance Plan (CHIP) and the Consumer Driven Health Plan (CDHP) are partially self-funded Preferred Provider Organization (PPO) plans. Stop-loss insurance is obtained to limit the exposure on both a claims and aggregate perspective. This renewal combines the stop-loss limits for both the CHIP and Consumer Driven Health Plans for 2007. The net percentage increase over 2006 is 18.61%. Average increases are normally 25% to 35% for a plan of our size and experience. This renewal is reflective of the success of the Large Case Management program currently in place at the City of Las Vegas. AIG is the current stop-loss provider; this represents a renewal for 2007.

RECOMMENDATION:

Approve to renew the contract with AIG for stop-loss insurance

BACKUP DOCUMENTATION:

1. Rate proposal from COMRISK Insurance
2. Letter of recommendation from Lockton, City of Las Vegas Benefits consultant

Motion made by GARY REESE to Approve Items 12 through 40 as recommended

Passed For: 7; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0

LOIS TARKANIAN, LAWRENCE WEEKLY, LARRY BROWN, OSCAR B. GOODMAN,
GARY REESE, STEVE WOLFSON, STEVEN D. ROSS; (Against-None); (Abstain-None);
(Did Not Vote-None); (Excused-None)