

# AGENDA

## CITY OF POCATELLO CITY COUNCIL WORKING SESSION

October 8, 2020 • 9:00 AM  
Council Chambers | 911 North 7th Avenue

*In-person attendance is allowed, but strict social distancing measures are in place. Attendance is limited and masks/face coverings are required.*

**The full Council meeting will be live-streamed at <http://streaming.pocatello.us/> and available on Sparklight Cable channel 56**

City Hall is accessible to persons with disabilities. Program access accommodations can be provided with three (3) days' advance notice by contacting Skyler Beebe at [sbeebe@pocatello.us](mailto:sbeebe@pocatello.us); 208.234.6248 or 5815 South 5th Avenue, Pocatello, Idaho.

### 1. ROLL CALL

### 2. LIBRARY BOARD UPDATE

Representatives from the Library Board will discuss the Board's goals and projects, as well as Council's policies and expectations. **(ACTION ITEM)**

### 3. HOUSING ALLIANCE AND COMMUNITY PARTNERS UPDATE

Representatives from Housing Alliance and Community Partners will discuss their goals and projects, as well as Council's policies and expectations. **(ACTION ITEM)**

### 4. POCATELLO ARTS COUNCIL UPDATE

Representatives from the Pocatello Arts Council will discuss the Committee's goals and projects, as well as Council's policies and expectations. **(ACTION ITEM)**

### 5. MEDICAL INSURANCE UPDATE – HUMAN RESOURCES

Heather Buchanan, Human Resources Director and GBS staff will be in

attendance to present medical insurance credit information from Blue Cross for four (4) months of Fiscal Year 2021. Ms. Buchanan will explain the process used to calculate employees' monthly medical rates for October, November and December 2020 and January 2021 and address how the credit is to be applied. There is no Council action required for acceptance of the Blue Cross premium credit. Council may wish to give direction to staff regarding appropriation of the City's portion of the premium credit. **(ACTION ITEM)**

Documents:

[AGENDA-ITEM-5.PDF](#)

## **6. ADJOURN**

# FY2021 Medical Insurance Rate Update



Human Resources  
October 2020

# Agenda

## 1) Explanation of 4 month Credit

There is no Council action required for acceptance of the Blue Cross premium credit.

## 2) FY2021 Savings to the City

## 3) Employee Premium Decrease

## 4) **ACTION ITEM**: Council provides direction on the City portion of the premiums.

# Premium Credit

**Per ACA Guidelines:** Blue Cross of Idaho is giving fully insured, group customers premium credits in the coming months. These credits are to return money to Blue Cross of Idaho customers based on the overall reduction in claims costs for medical lines of business during the COVID-19 pandemic thus far.

What this means for our group.

- The medical credit is based on our loss ratio from January - June 2020
  - Our loss ratio for this time period was 65%
- **The medical credit will be 11.8% of premium**
- **Premium Credits will be on the October through January bills**

Based on 10/01/2020 enrollment counts City savings from the FY2021 budget will be an estimated:

**3.89% or \$197,801.04**

(Or a savings of 16.29% or \$951,164.50 over FY2020)

Please note that this calculation is off 10/01/2020 enrollment numbers, and will change as new positions are filled with the start of the fiscal year

# Employee Rates Adjusting for Premium Credit

FULL TIME	FY2021 Budgeted Rate	FY2021 Credit Rate	Credit Amount Per Pay Period	October		November		December			January		FY2021 Budgeted Rate	Savings Per Employee
				FY2021 Budgeted Rate	FY2021 Budgeted Rate	Correction Pay Period		FY2021 Credit Rate	FY2021 Credit Rate	FY2021 Credit Rate	FY2021 Credit Rate	FY2021 Credit Rate		
	Premium Due	Premium Due	09/18/20	10/02/20	10/30/20		11/13/20	11/25/20	12/11/20	12/24/20	01/08/21	01/22/21		
	Premium Due	Premium Due	Premium Due	Premium Due	Premium Due	Catch Up	Premium Due	Premium Due	Premium Due	Premium Due	Premium Due	Premium Due		
Employee Only	\$ 14.39	\$ 12.74	\$ 1.65	\$ 14.39	\$ 14.39	\$ 9.44	\$ 4.95	\$ 12.74	\$ 12.74	\$ 12.74	\$ 12.74	\$ 12.74	\$ 14.39	\$ 13.20
Employee + Spouse	\$ 59.20	\$ 52.32	\$ 6.88	\$ 59.20	\$ 59.20	\$ 38.56	\$ 20.64	\$ 52.32	\$ 52.32	\$ 52.32	\$ 52.32	\$ 52.32	\$ 59.20	\$ 55.04
Employee + 1 Child	\$ 49.71	\$ 43.95	\$ 5.76	\$ 49.71	\$ 49.71	\$ 32.43	\$ 17.28	\$ 43.95	\$ 43.95	\$ 43.95	\$ 43.95	\$ 43.95	\$ 49.71	\$ 46.08
Employee + Children	\$ 105.96	\$ 93.61	\$ 12.35	\$ 105.96	\$ 105.96	\$ 68.91	\$ 37.05	\$ 93.61	\$ 93.61	\$ 93.61	\$ 93.61	\$ 93.61	\$ 105.96	\$ 98.80
Family	\$ 125.22	\$ 110.60	\$ 14.62	\$ 125.22	\$ 125.22	\$ 81.36	\$ 43.86	\$ 110.60	\$ 110.60	\$ 110.60	\$ 110.60	\$ 110.60	\$ 125.22	\$ 116.96
PART TIME	FY2021 Budgeted Rate	FY2021 Credit Rate	Credit Amount Per Pay Period	09/18/20	10/02/20	10/30/20		11/13/20	11/25/20	12/11/20	12/24/20	01/08/21	01/22/21	Savings Per Employee
Employee Only	\$ 143.91	\$ 127.45	\$ 16.47	\$ 143.91	\$ 143.91	\$ 94.50	\$ 49.41	\$ 127.45	\$ 127.45	\$ 127.45	\$ 127.45	\$ 127.45	\$ 143.91	\$ 131.76
Employee + Spouse	\$ 296.01	\$ 261.59	\$ 34.41	\$ 296.01	\$ 296.01	\$ 192.78	\$ 103.23	\$ 261.59	\$ 261.59	\$ 261.59	\$ 261.59	\$ 261.59	\$ 296.01	\$ 275.28
Employee + 1 Child	\$ 248.56	\$ 219.75	\$ 28.81	\$ 248.56	\$ 248.56	\$ 162.13	\$ 86.43	\$ 219.75	\$ 219.75	\$ 219.75	\$ 219.75	\$ 219.75	\$ 248.56	\$ 230.48
Employee + Children	\$ 353.21	\$ 312.05	\$ 41.16	\$ 353.21	\$ 353.21	\$ 229.73	\$ 123.48	\$ 312.05	\$ 312.05	\$ 312.05	\$ 312.05	\$ 312.05	\$ 353.21	\$ 329.28
Family	\$ 417.40	\$ 368.67	\$ 48.74	\$ 417.40	\$ 417.40	\$ 271.18	\$ 146.22	\$ 368.67	\$ 368.67	\$ 368.67	\$ 368.67	\$ 368.67	\$ 417.40	\$ 389.92

October Credit: \$57,065.83

# Handling Billing Discrepancies with the Late Implementation of the Credit

There may be slight discrepancies between the September Blue Cross Bill and the calculated October correction rate amount, this is due to new hires or new eligibility selections – basically our costs for October may be higher than September, which means there will be a small difference between the credit and premiums. That difference will be covered by each department who had an enrollment change. This cost can easily be absorbed with the funds in the medical benefits line that will not be expended due to the lower rate for 4 months.



# ACTION ITEM

**Option 1: VENDOR CHANGE:** we are in the process of changing over a vendor (unexpected mid year change) and the new carrier might have higher costs, the unused medical funds could be utilized to pay for the possible increase

**Option 2: RESERVE POOL:** as it currently stands that budgeted amounts that are not expended due to the credit will remain in the medical budget line of each department and return to the fund reserve pool at the end of the fiscal year

(Reserve funds cannot be expended without Council approval)

**Option 3: OTHER OPTIONS:** if Council would like to see other options for options for the medical benefits money, HR can bring those forward at a later work session