2012EFM092

EFM SUBMISSION NO.: 12-5467

PRESENTED: 10/9/12

ADOPTED: 10/11/12

BY THE EMERGENCY FINANCIAL MANAGER:

Resolution to Enter Into the Annual Standard Group Benefit Rate Renewal with Blue Cross Blue Shield of Michigan effective January 1, 2013 through December 31, 2013

The City of Flint moved all Medicare eligible retirees into a Medicare Advantage plan effective September 1, 2012. Pursuant to federal regulations all Medicare Advantage programs are renewed annually effective January 1st. Blue Cross Blue Shield of Michigan has submitted the annual rate renewal to the City of Flint for acceptance. The January 1, 2013 through December 31, 2013 rate of $72.17 is the same as the current 2012 Medicare Advantage rate implemented on September 1, 2012.

IT IS RESOLVED, That the City of Flint is authorized to enter into a new Standard Group Benefit and Rate Renewal with Blue Cross Blue Shield of Michigan, effective January 1, 2013 through December 31, 2013 to reflect the 2013 Medicare Advantage rates.

APPROVED AS TO FORM:

for

Peter M. Bade, City Attorney

Michael K. Brown

Michael K. Brown, City Administrator

APPROVED AS TO FINANCE:

Gerald Ambrose, Finance Director

\EFM DISPOSITION:

ENACT 1 **REFER TO COUNCIL** _____ **FAIL** _____

Edward Kurtz

Edward J. Kurtz, Emergency Financial Manager

DATED: 10-11-12

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RESOLUTION STAFF REVIEW

DATE: 10-09-12

Agenda Item Title: Resolution to Enter Into the Annual Standard Group Benefit RateRenewal with Blue Cross Blue Shield of Michigan effective January 1, 2013 through December 31, 2013

Prepared By: Robert C. Erlenbeck – Risk Management and Benefits Administrator

Background/Summary of Proposed Action: Blue Cross Blue Shield of Michigan requires the City of Flint to accept the annual Standard Group Benefit and Rate Renewal for the Medicare Advantage plan. These rates are the same as those for the newly implemented Medicare Advantage program effective September 1, 2012.

Financial Implications: Failure to sign this rate renewal would result in the City of Flint being unable to provide this Medicare Advantage plan to its' Medicare eligible retirees.

Budgeted Expenditure? **Yes x** **No** **Please explain if no:**

Account No.: **No change**

Pre-encumbered? Yes

Other Implications (i.e., collective bargaining): The City's cost of Retiree health care could go up.

Staff Recommendation: It is Risk Management and Benefit Administration's recommendation that this rate renewal be accepted.

Staff Person: RE 10/9/12 **Approval:** _____
Risk Mgmt. & Benefits Administrator City Administration