

RESOLUTION NO. 1132

A RESOLUTION OF THE CITY OF OSAWATOMIE, KANSAS DIRECTING STAFF ON THE HEALTH INSURANCE RENEWAL FOR CITY EMPLOYEES EFFECTIVE JULY 1, 2023

WHEREAS, the City of Osawatomie as an employer provides health insurance to its employees; and

WHEREAS, when the city was faced with a 60% increase in premiums going into the 2022/2023 policy year, council approved moving its brokerage service to Tyler Vaughn of VaughnFire Solutions; and

WHEREAS, VaughnFire Solutions was able to reduce that percent to an increase of 26% in order to manage the rate increases proposed for 2022 and rate increases anticipated again in the near term (2023-2025); and

WHEREAS, for the 2023/2024 renewal, Vaughn Fire Solutions has brought the city three possible options.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF OSAWATOMIE, KANSAS:

SECTION ONE: The Governing Body authorizes city management to move the city's health insurance plan from its current PPO options to a Qualified High Deductible Plan (QHDP) paired with a Health Savings Account.

SECTION TWO: The Governing Body directs the city management to enroll all eligible city employees into a \$6,000 QHDP under an Administrative Services Only (ASO) option with an HSA whereby the city will pay 75% of the employee only cost and 60% of any enrolled dependent cost.

SECTION THREE: To assist employees in the transition to a Health Savings Account, Governing Body further authorizes contributions to eligible employee HSAs at the following rates: \$1,000 for covered employees and \$2,000 for employees with dependents.

SECTION FOUR: These changes shall be effective for the 2023/2024 health insurance policy year which begins on July 1, 2023.

PASSED AND APPROVED by the Governing Body of the City of Osawatomie, Kansas this 11th day of May 2023, a majority being in favor thereof.

APPROVED AND SIGNED by the Mayor.

Nick Hampson, Mayor

(SEAL)

ATTEST:

Tammy Seamands, City Clerk