



REQUEST FOR BOARD ACTION

ITEM NO. 12.

DATE OF MEETING: 7/23/12

REQUESTED BY: Claiburn B. Watson, Finance Officer

SHORT TITLE: Resolution Authorizing Renewal of Insurance Contracts: Medical/Dental, Worker's Compensation, Life and Business Insurance.

BACKGROUND: Pender County is partially self-funded for Medical/Dental as well as Worker's Compensation claims. These plans require an administration company and excess loss coverage only. Business insurance coverage and Life insurance are fully insured plans.

* Medical /Dental - Request to renew contract with third party administration company Employer's Direct Health. Madison Life would provide reinsurance coverage at a combined \$3,109,000 cost and exposure. This is a total 3.51% budgeted increase, compared to 2011-2012 budgeted rates. The physician provider network, the benefits, and the premium cost to the employees would remain the same as current plan. Budget Codes 50-463000 (Administrative), 50-463100 (Flex Administrative), 50-463500 (Claims), 50-463800 (Flex Claims).

* Business Insurance -Remain with incumbent NCACC at a total cost of \$349,402. This is an Budget Code 660-405401 (Insurance Claims).

* Workers Compensation – Enter into a contract with the NCACC for administration, stop loss and aggregate retention at a total cost of \$124,353. Budget Code 52-463001 (Insurance Claims).

* Life - Remain with Guardian Life Insurance Company- \$28.80 annual per employee cost. There is no change from 2011-12 rates. Budget Code 50-464000

SPECIFIC ACTION REQUESTED: To review and consider approval of the 2012-2013 insurance contract agreements and purchase order issuance.

COUNTY MANAGER'S RECOMMENDATION

Respectfully recommend approval.


Initial

RESOLUTION

NOW, THEREFORE BE IT RESOLVED by the Pender County Board of Commissioners that:

The Board hereby approves Contract/Agreements and purchase orders issued for insurance providers as noted below:

- A. Medical/Dental: Madison Life
- B. Business Insurance: NCACC
- C. Worker's Compensation: NCACC
- D. Life Insurance: Guardian Life

The Chairman/County Manager is authorized to execute any/all documents necessary to implement this resolution.

AMENDMENTS:

MOVED _____ SECONDED _____

APPROVED _____ DENIED _____ UNANIMOUS

YEA VOTES: Brown ___ Tate ___ Rivenbark ___ Ward ___ Williams ___

George Brown, Chairman Date

ATTEST Date