



CITY OF WASILLA

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COUNCIL MEMORANDUM

NO. 93-53

FROM: Municipal Services

DATE: June 9, 1993

RE: Health Care Costs

Administration has asked that I review health care plans and costs. The State of Alaska, Department of Administration has given verbal notice that Aetna's rates will go up 20 to 21% effective July 1, 1993. Blue Cross/Blue Shield of Washington & Alaska has proposed rates for the City of Wasilla. I am waiting for information from another insurance company to give a full evaluation of all companies. Following is a brief breakdown of Aetna Life & Casualty and Blue Cross/Blue Shield of Washington & Alaska. In comparing the 2 insurance companies, Blue Cross is equal or better.

	AETNA HEALTH	BLUE CROSS HEALTH	PROVIDENT LIFE	STATES WEST LIFE
EMPLOYEE	247.03	165.54	.82	.72
EMP. & KIDS	460.33	306.90	.94	.85
EMP/SPOUS.	541.77	359.23	1.08	.99
EMP/FAMILY	755.20	500.59	1.20	1.12
TOTAL	2,004.33	1,332.26	4.04	3.68
DIFFERENCE	672.07		0.36	

		AETNA RATES	BLUE CROSS	PROVI DENT	ST. WEST
EMPLOYEE	11	2,717.33	1,820.94	9.02	7.92
EMP.& KIDS	4	1,841.32	1,227.60	3.76	3.40
EMP/SPOUS.	7	3,792.39	2,514.61	7.56	6.93
EMP/FAMILY	18	13,593.60	9,010.62	21.60	20.16
TOTAL		21,944.64	14,573.77	41.94	38.41
DIFFERENCE	40.00	7,370.87		3.53	

$\$7,370.87 \times 12 = \$88,450$ ANNUAL COST SAVINGS