



CITY OF WASILLA

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COUNCIL MEMORANDUM NO. 94-26

FROM: Clerk's Office
DATE: May 4, 1994
SUBJECT: Health Insurance

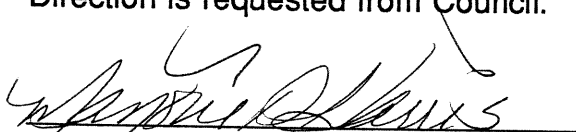
Several weeks ago rumblings began in Juneau regarding the Optional II Health Insurance program offered through SBS. It seems this option is not available if the City does not participate in the medical plan offered through the State of Alaska with Aetna. At the time we terminated our agreement with Aetna I was told that only the SBS Option I Health Insurance would not be available. Currently we have two Council Members who will be affected by this. What will happen is cancellation of their insurance plan.

I have contacted Blue Cross and they have agreed to write a contract for coverage of City Council Members which would give the same benefit as the employees receive, medical, dental and vision. The City would have to agree to pay 100% of the Council Member. If the Member wished to cover family that cost would be at the Member's expense unless Council chose to cover a portion of the Members family also. Members who had other insurance coverage would be able to not take coverage, which would decrease the City's expense. The following table indicates what the cost would be at the current rate. We do expect an increase in this rate of between 5 and 8%, but we have not received the new figures yet.

	City Cost	Council Member Cost
Council Member	\$165.54	\$-0-
Spouse	\$-0-	\$193.69
Spouse & Kids	\$-0-	\$335.05
Kids	\$-0-	\$141.36

Blue Cross will not cover the Council unless the City agrees to pay 100% of the Council Member cost.

Direction is requested from Council.


Marjorie D. Harris, CMC
Deputy Clerk

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