

**ORDINANCE NO. 2017- 64**  
**INTRODUCED BY: MRS. DEBERNARDO**

4052

**AN ORDINANCE**

**AUTHORIZING AND DIRECTING THE MAYOR TO ENTER INTO A CONTRACT WITH MEDICAL MUTUAL OF OHIO FOR HEALTH CARE INSURANCE COVERAGE FOR THE EMPLOYEES OF THE VILLAGE OF CHAGRIN FALLS, AUTHORIZING EMPLOYEE CONTRIBUTIONS FOR PREMIUMS AND CHANGE THE AGENT OF RECORD TO CORPORATE PLANS, LLC, DBA CPI-HR, AND DECLARING AN EMERGENCY.**

WHEREAS, the Village of Chagrin Falls has received and reviewed quotes from professional services companies offering to provide health care insurance coverage for the employees of the Village of Chagrin Falls; and

WHEREAS, based upon the recommendation of the administration, this Council deems it necessary and in the best interests of the Village to enter into a contract with Medical Mutual of Ohio in order to provide this healthcare insurance coverage beginning on January 1, 2018 and elects to authorize the Mayor to execute such agreements as are necessary to obtain such coverage; and

WHEREAS, the Village of Chagrin Falls has determined that the employees of the Village of Chagrin Falls shall contribute a portion of the premium for healthcare insurance coverage; and

WHEREAS, the Village Council has determined to change the agent of record to Corporate Plans, LLC, dba CPI-HR, and to utilize a split funding program for the employees of the Village for Plan Year 2018.

**NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF CHAGRIN FALLS, CUYAHOGA COUNTY, STATE OF OHIO:**

SECTION 1. That the Mayor is authorized and directed to enter into a contract with Medical Mutual of Ohio in order to provide health care insurance coverage for Village

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employees pursuant to the terms, conditions and specifications of that company's quote for health insurance coverage, following the recommendation of CPI-HR as marked in blue on Exhibit "A" with the plan detail also set forth in Exhibit "A" which shall be effective on January 1, 2018.

SECTION 2. The Village hereby changes the agent of record, for Plan Year 2018, to Corporate Plans, LLC, dba CPI-HR, and to utilize the split funding program recommended by CPI-HR, utilizing CPI-HR as the third party administrator for employee claims.

SECTION 3. That the Director of Finance is authorized to make payments to Medical Mutual of Ohio as is set forth in Exhibit "A" from the appropriate fund of the Village.

SECTION 4. That the employees of the Village of Chagrin Falls shall contribute a portion of the premium for health care insurance coverage and for their health savings account, as indicated in Exhibit "B" attached hereto.

SECTION 5. That actions of this Council concerning and relating to the passage of this legislation were adopted in lawful meetings of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal action were in compliance with all legal requirements, including Chapter 114 of the Codified Ordinances of the Village of Chagrin Falls.

SECTION 6. That in accordance with Section 113.01 of the Codified Ordinances of the Village of Chagrin Falls, public notice of this Ordinance shall be given by posting a copy thereof for not less than fifteen (15) days in the Village Hall.

SECTION 7. That this Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health and safety of the inhabitants of the Village and for the further reason that this Ordinance needs to take immediate effect so that health insurance coverage for Village employees may continue without interruption; wherefore provided it receives the affirmative vote of at least two-thirds (2/3) of all members elected to Council, this Ordinance shall be in full force and effect from and immediately upon its passage by this Council and approval by the Mayor; otherwise, it shall take effect and be in force after the earliest period allowed by law.

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PASSED: Nov. 27, 2017



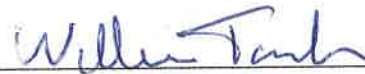
\_\_\_\_\_  
Karl Maersch, Council President

Submitted to the Mayor for  
his approval on this

28 day of November, 2017

Approved by the Mayor

November 28, 2017



\_\_\_\_\_  
Mayor William Tomko

I hereby certify that Ordinance No. 2017-64 was duly enacted on the 28 day of  
November, 2017, by the Council of the Village of Chagrin Falls and posted  
in accordance with Section 113.01 of the Codified Ordinances of the Village of Chagrin Falls.

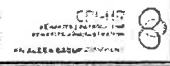


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Clerk of Council

EXHIBIT "A"

2018 Village of Chagrin Falls Proposal - CPI-HR		CPI-HR's Recommendation		
	Current / Renewal			
	Current (NON-ACA) Embedded Ded.	Grandmothered Renewal Embedded Ded.	Option 1 - (NON-ACA) Embedded Ded.	Effective Plan Design for Employees (not impact after HRA contributions)
Revised 9/19/2017	Ohio Health Pool	Ohio Health Pool	Ohio Health Pool	
Carrier	Medical Mutual	Medical Mutual	Medical Mutual	
Name of Plan	HSA P1500/3000	HSA P1500/3000	HSA P5000/10000	
	MM/RX	MM/RX	MM/RX	
	100%	100%	100%	
Benefits:	PPD	PPD	PPD	
	Network	Network	Network	
Ind. Ded.	\$1,500		\$1,500	\$1,500
Fam. Ded.	\$3,000	no changes	\$3,000	\$3,000
Ind. Co-ins.	none		none	none
Family Co-ins.	none		none	none
Ind. Max. Out/Pocket	\$1,500		\$3,000	\$1,500
Fam. Max. Out/Pocket	\$3,000		\$3,000	\$3,000
Lifetime Maximum	unlimited		unlimited	unlimited
Office Visits	100% after deductible		100% after deductible	100% after deductible
Chiropr. Care				
Preventive Care	no cost share		no cost share	no cost share
Outpatient Services	100% after deductible		100% after deductible	100% after deductible
Prescription Drugs				
Network	SM Plus (Cleve. Clinic & UH)	SM Plus (Cleve. Clinic & UH)	SM Plus (Cleve. Clinic & UH)	SM Plus (Cleve. Clinic & UH)
Totals - (35)				
Emp. Only (7)	\$545.77	\$595.17	\$396.59	
Emp/Sp (7)	\$1,086.39	\$1,185.21	\$788.05	
Emp. + 1 child (2)	\$742.15	\$814.30	\$541.07	
Emp. + 2 children (0)	\$938.53	\$1,033.43	\$687.45	
Emp. + 3+ children (2)	\$1,213.31	\$1,340.13	\$890.00	
Emp. + Sp. + 1 child (0)	\$1,282.77	\$1,404.34	\$933.40	
Emp. + Sp. + 2 children (8)	\$1,479.15	\$1,623.47	\$1,078.31	
Emp. + Sp. + 3+ children (3)	\$2,753.93	\$1,930.17	\$1,782.47	
Program Totals:				
Medical	\$40,127.65	\$43,975.83	\$29,237.86	
RX	included	included	included	
HRA Adm. Est. Fee	n/a	n/a	\$15,000 PEPM*	includes monthly HRA Admin Fee
Monthly Total:	\$40,127.65	\$43,975.83	\$29,762.86	
Monthly Total with HSA Contr.	\$46,427.65	\$50,275.83	\$36,062.86	
Annual Total:	\$481,531.80	\$527,708.96	\$357,154.32	
Annual Total with HSA Contr.	\$557,131.80 (inc. Fed. Mandated Fees)	\$603,308.96 (inc. Fed. Mandated Fees)	\$434,254.32 (inc. Fed. Mandated Fees)	includes annual HRA fee
Cost Notes:				
HSA HSA Max. Contribution	HSA Employer Contrib. 80% \$1200/yr. per employee \$2400/yr. per family Total Contribution - \$75,600	HSA Employer Contrib. 80% \$1200/yr. per employee \$2400/yr. per family Total Contribution - \$75,600	HSA Employer Contrib. 80% \$1200/yr. per employee \$2400/yr. per family Total Contribution - \$75,600	
Individual - \$450				
Family - \$900				
		inc. \$948.18/M - 9.59% Premium + HSA Contribution		
		HRA Alternative - 80% Funding	HRA Component - 100% Funding after \$1,500 Single / \$3,000 Family	
		HRA Adm. Fee \$4 - \$4 PEPM - \$2500 - \$3500/yr Flat One Time HRA Set-up \$750 & \$350 renewal fee	HRA Adm. Fee \$11 monthly admin + \$5 monthly fee for automatic COB feed Annual HRA Management Fee: \$1,500 HRA Set-Up Fees Waived	
		50% of \$75,600 satisfied = \$37,800	Maximum Potential HRA Funding: \$20,500	
		100% of \$75,600 satisfied = \$75,600	EXPECTED HRA Funding: \$94,150	
		Est. Annual Employer Liability \$569,869.96 - \$607,669.96	Est. Annual Employer Liability \$530,404.32	

This summary is intended to be a brief outline of coverage for discussion purposes only. The above rates are not an offer or a guarantee of coverage. Final rates are subject to underwriting guidelines, enrollment, benefits selected and underwriting rules. The scope, provisions of benefits and exclusions are contained in the Group Contract, Certificate and Schedule of Benefits. In the event of a conflict between the Group Contract and this description, the terms of the Group Contract will prevail. Do not cancel existing coverage unless and until coverage is offered, accepted and premium is paid in full.



## EXHIBIT "B"

ORDINANCE NO. 2017-64

Below are the annual employee deductions for health care for policy year January 1, 2018 - December 31, 2018:

(7) Employee Only	\$4,266
(7) Employee/Spouse	\$8,528
(2) Employee/ 1 child	\$1,633
(0) Employee/ 2 Children	\$-0-
(2) Employee/ 3+ Children	\$2,628
(6) Employee/Spouse/1 Child	\$8,552
(8) Employee/Spouse/2 Children	\$13,062
(3) Employee/Spouse/3 Children	<u>\$5,769</u>
Total	\$44,438



VILLAGE OF CHAGRIN FALLS  
 Proposal Effective Date : 01/01/2018  
 Proposal Number : 5616983  
 Channel : HP  
 Zip : 44022

## PLAN DETAILS

The rates below are subject to the conditions disclosed at the front of this proposal.

Group Classification: ALL EMPLOYEES

HSA P5000/10000 Consumer MM Rx, HSAComp	IN-NETWORK
Grandfathered Plan	N
Network	SuperMed Plus
Benefit Period Deductible	\$5,000/\$10,000
Maximum Out of Pocket Including Deductible	\$5,000/\$10,000
Office Visit Copay	N/A
Urgent Care Copay	N/A
Specialist Copay	N/A
Coinsurance (member liability)	0%
Emergency Room Copay	N/A
Prescription Drugs	0% after deductible
INSURANCE PREMIUM	\$28,456.47
ACA TAXES AND FEES	\$781.39
TOTAL BILLED AMOUNT	\$29,237.86

Medical and Drug			
Contract Type	# of Units	Unit Price	Total
Employee	7	\$396.59	\$2,776.13
Employee + Spouse	7	\$788.05	\$5,516.35
Employee + Child	2	\$542.02	\$1,084.04
Employee + Two Children		\$687.45	\$0.00
Employee + Three or More Children	2	\$890.96	\$1,781.92
Employee + Spouse + Child	6	\$933.48	\$5,600.88
Employee + Spouse + Two Children	8	\$1,078.91	\$8,631.28
Employee + Spouse + Three or More Children	3	\$1,282.42	\$3,847.26
Medicare Primary		\$391.46	\$0.00
			Monthly Premium: \$29,237.86

Final billed rate may vary from proposed rate due to rounding. Group employees residing in the State of California may enroll their domestic partners as eligible dependents.



MEDICAL MUTUAL®

VILLAGE OF CHAGRIN FALLS  
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## Our Wellness Programs

Medical Mutual is dedicated to the good health of our customers and their employees. To encourage your employees to get well and stay well, we have developed our SuperWell® Programs, which are a comprehensive suite of Initiatives designed to promote healthy lifestyle behaviors. These programs help your employees understand their health, identify risk factors for disease and make positive changes to improve their well-being.

By electing Medical Mutual insurance, your covered employees will automatically have access to all of the initiatives in SuperWell, including:

- Health Assessment
- Health Promotion Mailings
- SuperWell Extras
- SuperWell Health Resource Center
- Walking for Wellness Program
- Health Outlooks (Member Newsletter)
- Health History
- SuperWell Fitness Discounts
- SuperWell QuitLine
- Weight Watchers® reimbursements

## The exact information you need, when you need it.

With our online tools, we make it easy to use your health benefits—as an employer and as a member.

### Online Tools for Group Officials

**EmployerLink:** This enrollment administration tool allows you to view and update company and employee enrollment information online. EmployerLink also allows you to view and pay bills online.

### Online Tools for Members

**My Health Plan:** Members are able to view their health plan information on MedMutual.com with a secure user ID and password. *My Health Plan* allows members to:

- Find a network doctor, hospital or laboratory
- Review how much has been paid toward their deductible and review claims status
- Access their Explanations of Benefits (EOBs) and sign up for paperless EOBs
- Order new identification cards
- Choose or change a primary care physician
- Update their address or phone number
- E-mail a Customer Service representative
- Check the balance of a Health Reimbursement Account or Flexible Spending Account
- Access the web-based features of the SuperWell Essential Program, along with a wealth of information on a variety of health topics and SuperWell Extras discounts
- Take a personal Health Assessment

**MedMutual Mobile App:** Members can download the app through iTunes or Google Play to help them keep up with their on-the-go lifestyle. With the app, members can:

- View claims summary, including filter and sort claims by claim status, member name and date of service.
- Review claim details and email Customer Care about claims.
- See deductible and coinsurance balances from the current and previous years.
- Access member identification (ID) card to share with healthcare providers by email or fax.
- Use the Find Provider search tool to find a doctor, hospital or urgent care facility covered by their health plan, as well as get directions.



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## DISCLOSURE OF RATING PRACTICES

Renewal rates for all groups within Ohio Health Pool are uniformly calculated based on accepted actuarial practices. Written notification of rate changes will be provided at least 60 days prior to the effective date; however, such notice will not apply to changes in premium rates which are the results of changes in benefit provisions that are required by state or federal law.

For all benefit plans, the renewal rates may be affected by the duration of the group coverage, the historical or expected claims experience of the group, or the health status of persons covered in the group. These factors can result in the group's renewal rates being less than or greater than the midpoint rates for all groups with similar products or case characteristics. Case characteristics include geographic area, age and sex of the individual employees and dependents, the appropriate industry classification as determined by Medical Mutual, the number of employees and dependents, and such other objective criteria as may be established by Medical Mutual. The renewal rates will never be less than 60% of the midpoint rates and will never exceed 140% of the midpoint rates. In addition, the impact of these factors (the group's duration, claims experience or health status) will never affect an annual increase by more than 15%.

Medical Mutual reserves the right to change the price relationships among the various products and case characteristics factors which affect the group rates.

The group coverage (or replacement coverage if the standard benefit structure being marketed to new groups by Medical Mutual has been changed) is guaranteed renewable except for the following reasons:

- Nonpayment of required premlums by the group; or
- Fraud or misrepresentation by the group or a person covered by the group contract
- Failure to comply with contribution or maintain participation requirements
- Medical Mutual discontinues the product in the market place

Medical Mutual's underwriting and rating methods are and will be compliant with the requirements of the Ohio Revised Code and compliant with accepted actuarial practices.

## Federally Mandated Fees

The rates in this proposal include Patient-Centered Outcomes Research Institute Fee, Reinsurance Fee and Market Share Fee which are federally mandated. To the extent permitted by law, we reserve the right to adjust the premium and/or add these fees during the contract period. All fees are subject to state premium tax and are subject to change. To fully disclose the new costs, the adjustments will be noted in a line item on monthly invoices.

## DISCLAIMER

The rates in the proposal are an estimate based on the group census data and the expected group risk. Final group rates may vary from those quoted, and will be issued after all enrollment applications have been received, reviewed, approved and accepted by Underwriting. If the quote is not accepted for the effective date specified on the rate sheets in this proposal, the rates may change.

With coverage effective dates of September 1, 1997 or after, groups with 50 or fewer eligible employees will be rated upon the medical risk contained within the group. All eligible employees and their dependents will be required to submit Medical History Questionnaires at the time of the group's application for coverage.

In order to enroll with Medical Mutual, groups are required to submit a copy of the quarterly wage report filed with the state along with all other necessary enrollment materials and documentation.

**PLEASE DO NOT CANCEL YOUR CURRENT COVERAGE UNTIL YOU HAVE RECEIVED A WRITTEN ACCEPTANCE FROM MEDICAL MUTUAL.**





MEDICAL MUTUAL

VILLAGE OF CHAGRIN FALLS  
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## SUMMARY OF UNDERWRITING REGULATIONS

### GROUP SIZE 1-50

Please read this information very carefully and retain this summary for future reference.

Medical Mutual would like to outline a portion of our current underwriting regulations for groups enrolled in your rating class. These regulations are effective with your current renewal and supersede all other regulations your group is following. It is very important that you read this document and that you understand that if the following underwriting regulations are not met, your group can be cancelled by Medical Mutual with 31 days advance notice.

### Premium Contributions

Groups must contribute 25 percent or more to the health insurance premium for each enrolled contract, this includes both enrolled active and retired employees.

### Minimum Enrollment Requirements

Groups must meet the following enrollment requirements for all health products:

- For groups with two to four employees, Medical Mutual will require enrollment of 100 percent of the group's net active eligible employees.
- For groups with 5-50 employees; Medical Mutual will require a minimum enrollment of 75 percent of the group's net active eligible employees.

### Probationary Periods

Groups must clearly state their probationary period. Groups may not assign effective dates on a case-by-case basis or waive the probationary period for any specific employee. If a group wishes to change their probationary period, the effective date for that change must be a future effective date. The new probationary period would not apply to anyone hired prior to that effective date, but would apply to all new hires hired on or after that date. Groups may impose a maximum probationary period of ninety (90) days. If your group's probationary period is currently longer than 90 days, Medical Mutual will automatically change your probationary period to 90 days effective on your current renewal date. (This change is required by the Ohio Revised Code.)

### Re-Certification

Upon request by Medical Mutual, the Group shall deliver to Medical Mutual a document of assurance signed by an authorized person of the Group, certifying that the Group has complied with and continues to meet all regulations required of the Group by Medical Mutual. The Group shall also promptly deliver to Medical Mutual all information requested to assure that compliance to enrollment guidelines is met.

### Termination of Coverage

If you have not paid the full premium amount due, in accordance with its policies, Medical Mutual may elect to cancel your coverage. Benefits will terminate on the last day of the month of your ineligibility, or the last day of the month in which you have paid premiums to Medical Mutual, whichever comes first. When terminating group healthcare coverage, the employer must provide written notification to Medical Mutual at least 31 days prior to the requested termination date. Failure to provide written documentation will result in termination of coverage due to lack of payment.

### DISCLOSURE OF RATING PRACTICES

Renewal rates for all groups within Medical Mutual Small Group are uniformly calculated based on accepted actuarial practices. Written notification of rate changes will be provided at least 60 days prior to the effective date; however, such notice will not apply to changes in premium rates which are the result of changes in benefit provisions that are required by state or federal law.

Medical Mutual reserves the right to change the price relationships among the various products and demographics factors which affect the group rates. The group coverage (or replacement coverage if the standard benefit structure being marketed to groups by Medical Mutual has been changed) is guaranteed renewable except for the following reasons:

- Nonpayment of required premiums by the group
- Fraud or misrepresentation by the group or a person covered by the group contract
- Failure to maintain participation requirement
- Failure to maintain minimum employer contribution requirements
- Medical Mutual discontinues the product in the market-place

Medical Mutual's underwriting and rating methods are and will be compliant with the requirements of the Ohio Revised Code and Federal Guidelines and compliant with accepted actuarial practices.

For additional questions concerning your group's coverage or other terms and conditions of coverage, please contact your service representative or insurance agent.