

**VILLAGE OF CHAGRIN FALLS  
ADMINISTRATION AND COMPENSATION COMMITTEE  
November 16, 2020**

Members present: Wyville, DeBernardo  
Also present: Mayor Tomko, Bloom, Jamieson, Rogoff

The virtual meeting was called to order at 8:06 a.m. by Chairman Darren Wyville.

**2021 HEALTHCARE INSURANCE**

Tom Wirbel, from CPI-HR, explained that they evaluated options with all carriers for a January 1, 2021 effective date. The proposed renewal from Medical Mutual came in with a 26% increase in the premium and an 18% overall increase. The proposal from Cigna will allow us to spend less money in 2021 than was spent in 2020 and avoid a \$107,000 increase. There is \$114,000 gap between the proposal that is on the table from Cigna compared with what is on the table from Medical Mutual. The plan and the network with Cigna is 99% identical to the plan and network with Medical Mutual. There was lengthy discussion, comments were heard, and questions were answered.

Moved by Mr. Wyville, seconded by Mrs. DeBernardo to approve this and recommend it to Council. Carried. Ayes: Wyville, DeBernardo. Nays: None.

**2021 PAYROLL SCHEDULE**

Mayor Tomko said this includes changes in employee census and payment of separation pay, not just wage increases. It reflects a 2% cost of living increase in direct compensation. This aligns with the Department of Labor's inflation estimate through October, which were 1.4% to 1.9%. Mayor Tomko said he also did a survey of surrounding communities, which were all around 2%. This also reflects a change to Cigna Insurance, from Medical Mutual.

Moved by Mr. Wyville, seconded by Mrs. DeBernardo to vote to make the recommendation to Council to approve the cost of living increase 2%. Carried. Ayes: Wyville, DeBernardo. Nays: None.

The meeting adjourned at 9:15 a.m.

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Darren Wyville, Chairman  
lgb

Village of Chagrin Falls  
 Medical Benefit and Premium Comparison  
 January 1, 2021 Options

		Current				Option 1			
Company		Medical Mutual of Ohio		SPLIT FUNDING REIMBURSEMENT PLAN		Cigna		SPLIT FUNDING REIMBURSEMENT PLAN	
Plan		HSA P5000/100 MMRX		Network Services Only		HSA OAP 1030049		Network Services Only	
Deductible	Single Family	Network	Non-Network	Network Services Only	Network	Non-Network	Network Services Only	Network Services Only	
		\$5,000	\$10,000	\$1,500	\$5,000	\$10,000	\$10,000	\$1,500	
		\$10,000	\$20,000	\$3,000	\$10,000	\$20,000	\$3,000	\$3,000	
Coinsurance		100%	60%	100%	100%	60%	100%	100%	
Maximum Out of Pocket (Includes Deductible)	Single Family	\$5,000	\$15,000	\$1,500	\$5,000	\$15,000	\$1,500	\$1,500	
Office Visits - Primary Doctor	Single Family	\$10,000	\$30,000	\$3,000	\$10,000	\$30,000	\$3,000	\$3,000	
Office Visits - Specialist		Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	
Preventive		Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	
Inpatient		100%	Ded/Coins	100%	100%	Ded/Coins	100%	Ded/Coins	
Outpatient		Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	
Emergency Room		Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	
Urgent Care Center		Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	
Prescription Drugs	Retail	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	
	Mail Order	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins	
Rates	Enrollment	Current	Renewal						
Single	8	\$428.14	\$545.04					\$401.44	
EE+Spouse	6	\$851.14	\$1,085.08					\$798.08	
EE+Child	1	\$585.59	\$736.42					\$903.25	
EE+2 Children	0	\$743.04	\$927.80					\$903.25	
EE+3 Children	2	\$963.48	\$1,195.63					\$903.25	
EE+Spouse+Child	8	\$1,008.59	\$1,276.46					\$1,299.90	
EE+Spouse+2 Children	7	\$1,166.04	\$1,467.84					\$1,299.90	
EE+Spouse+3Children	5	\$1,386.48	\$1,735.67					\$1,299.90	
Monthly Medical Premium	37	\$34,207.91	\$43,163.39					\$36,707.75	
Annual Medical Premium		\$410,494.92	\$517,960.68					\$440,493.00	
Total Premium Change Over Current		\$107,465.76						\$29,998.08	
Total Percentage Change Over Current		26.18%						6.81%	
Split Funding Annual Fee		\$1,500.00	\$1,500.00					\$3,500.00	
Split Funding Monthly Fee Annual Cost		\$6,840.00	\$6,660.00					\$2,220.00	
HSA Contribution (Single)	\$1,200.00	\$9,600.00	\$9,600.00					\$9,600.00	
HSA Contribution (Family)	\$2,400.00	\$69,600.00	\$69,600.00					\$69,600.00	
Split Funding Claim Funding		\$88,939.00	\$88,939.00					\$88,939.00	
Admin Credit								\$16,200.00	
Total Annual Plan Cost		\$586,973.92	\$694,259.68					\$598,152.00	
Premium Change Over Current		\$107,285.76						\$11,178.08	
Percentage Change Over Current		18.28%						1.87%	
				Expected Claims Funding				38%	

\*\*\*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 entire 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.

Village of Chagrin Falls  
 Medical Benefit and Premium Comparison  
 January 1, 2021 Options

Company	Current		Option 2	
	Medical Mutual of Ohio	SPLIT FUNDING REIMBURSEMENT PLAN	Signa	SPLIT FUNDING REIMBURSEMENT PLAN
Plan	HSA P5000/100 MMRX	Network Services Only	HSA OAP 10307022	Network Services Only
Deductible	Single Family \$5,000 \$10,000	Non-Network \$10,000 \$20,000	Network \$6,900 \$13,800	Non-Network \$20,000 \$40,000
Coinsurance	100%	60%	100%	60%
Maximum Out of Pocket (Includes Deductible)	\$5,000 \$10,000	\$15,000 \$30,000	\$6,900 \$13,800	\$20,000 \$40,000
Office Visits - Primary Doctor	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins
Office Visits - Specialist	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins
Preventive	100%	100%	100%	100%
Inpatient	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins
Outpatient	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins
Emergency Room	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins
Urgent Care Center	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins
Prescription Drugs	Ded/Coins	Ded/Coins	Ded/Coins	Ded/Coins
Rates	Enrollment	Current	Ded/Coins	Ded/Coins
Single	8	\$428.14	Ded/Coins	\$355.11
EE+Spouse	6	\$851.14	Ded/Coins	\$705.96
EE+Child	1	\$585.59	Ded/Coins	\$799.00
EE+2 Children	0	\$743.04	Ded/Coins	\$799.00
EE+3 Children	2	\$963.48	Ded/Coins	\$799.00
EE+Spouse+Child	8	\$1,008.59	Ded/Coins	\$1,149.86
EE+Spouse+2 Children	7	\$1,166.04	Ded/Coins	\$1,149.86
EE+Spouse+3Children	5	\$1,386.48	Ded/Coins	\$1,149.86
Monthly Medical Premium	37	\$34,207.91	Ded/Coins	\$32,470.84
Annual Medical Premium		\$410,494.92	Ded/Coins	\$389,650.08
<b>Total Premium Change Over Current</b>		\$107,465.76		<b>(\$20,844.84)</b>
<b>Total Percentage Change Over Current</b>		26.18%		-5.35%
Split Funding Annual Fee		\$1,500.00		\$3,500.00
Split Funding Monthly Fee Annual Cost		\$6,840.00		\$2,220.00
HSA Contribution (Single)	\$1,200.00	\$9,600.00		\$9,600.00
HSA Contribution (Family)	\$2,400.00	\$69,600.00		\$69,600.00
Split Funding Claim Funding		\$88,939.00		\$121,239.00
Admin Credit		\$586,973.92		\$16,200.00
<b>Total Annual Plan Cost</b>		\$107,285.76		\$579,609.08
<b>Premium Change Over Current</b>		18.28%		<b>(\$7,364.84)</b>
<b>Percentage Change Over Current</b>				-1.27%
		<b>Expected Claims Funding</b>		<b>38%</b>

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**ORDINANCE NO. 2020-54**

**EXHIBIT B**

**ANNUAL EMPLOYEE CONTRIBUTIONS**

Below are the annual employee deduction amounts per tier for the health care policy year January 1, 2021 – December 31, 2021.

<b>Tier</b>	<b>Amount</b>	<b>Employees ( per Tier )</b>
Employee Only -----	\$4,875	(8)
Employee Spouse -----	\$7,309	(6)
Employee ----- 1 Child	\$816	(1)
Employee ----- 2 Children	\$0	(0)
Employee ----- 3+ Children	\$2,628	(2)
Employee Spouse 1 Child	\$11,403	(8)
Employee Spouse 2 Children	\$11,429	(7)
Employee Spouse 3+ Children	\$9,615	(5)
<b>TOTAL</b>	<b>\$48,075</b>	

**AN ORDINANCE  
AUTHORIZING AND DIRECTING THE MAYOR TO ENTER  
INTO A CONTRACT WITH CIGNA FOR HEALTH CARE  
INSURANCE COVERAGE FOR THE EMPLOYEES OF THE  
VILLAGE OF CHAGRIN FALLS, AUTHORIZING  
EMPLOYEE CONTRIBUTIONS FOR PREMIUMS, 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 Cigna in order to provide this healthcare insurance coverage beginning on January 1, 2021 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.

**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 Cigna in order to provide health care insurance coverage for Village employees pursuant to the terms, conditions and specifications of that company's quote for professional services which is attached and incorporated into this Ordinance as Exhibit "A" which shall be effective on January 1, 2021.

SECTION 2. That the Director of Finance is authorized to make payments to Cigna as is set forth in Exhibit "A" from the appropriate fund of the Village.

SECTION 3. 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.

**ORDINANCE NO. 2020- 54**  
**INTRODUCED BY: WYVILLE**

SECTION 4. 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 5. 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 6. 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.

PASSED: \_\_\_\_\_, 2020

\_\_\_\_\_  
Erinn Grube, Council President

Submitted to the Mayor for  
his approval on this

\_\_\_\_\_ day of \_\_\_\_\_, 2020

Approved by the Mayor

\_\_\_\_\_, 2020

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

I hereby certify that Ordinance No. 2020-54 was duly enacted on the \_\_\_\_\_ day of \_\_\_\_\_, 2020, 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.

\_\_\_\_\_  
Clerk of Council, David Bloom

Year	compensation expense including Pension (1)	H.A.S. contribution	Insurance Premium	Sell insurance cost	Total Health Care cost	year over year increase	Total cash out employment cost	year over year increase
2016	\$ 3,444,333	\$ 107,125	\$ 452,000	\$ 559,125	\$ 4,003,458			
2017	\$ 3,525,498	\$ 88,418	\$ 495,200	\$ 583,618	\$ 4,109,116	1.0438059		1.02639
2018	\$ 3,718,110	\$ 75,512	\$ 324,300	\$ 74,649	\$ 474,461	0.812965		1.07031
2019	\$ 3,921,177	\$ 78,100	\$ 375,400	\$ 97,280	\$ 550,780	1.1608541		1.06664
2020	\$ 4,084,350	\$ 78,600	\$ 410,495	\$ 88,939	\$ 578,034	1.0494876		1.04758
2021 (2)	\$ 4,166,037	\$ 77,800	\$ 389,650	\$ 121,239	\$ 588,689	1.0184332		1.01981

total \$

2016 to 2021 % increase 1.0528755

- 13 (1) includes changes in employee census and payment of separation pay not just wage increases
- 15 (2) reflects 2% cost of living increase in direct compensation and change to Cigna insurance actual insurance quote and same loss rate project as 2020