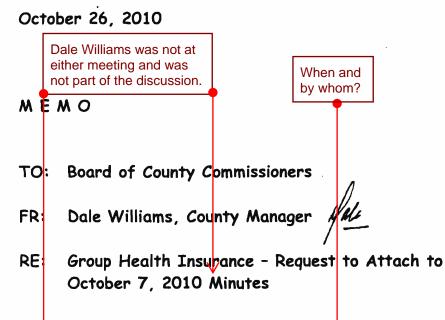
District No. 1 - Ronald Williams District No. 2 - Dewey Weaver District No. 3 - Jody DuPree District No. 4 - Stephen E. Bailey District No. 5 - Scarlet P. Frisina



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Due to discussions in the regular Board of County Commissioners meeting of October 7, 2010 I have been requested to verify the final decision of the Lake City Council regarding group health insurance. The City of Lake City renewed group health insurance with Blue Cross/Blue Shield at the FY 2009-2010 rate (no increase). Blue Cross/Blue Shield had sought a 12% increase (\$300,000 in additional premium). The renewal premium is good for 9 months. It will expire September 30, 2011. The current plan expires December 31, 2010. My understanding is that the city desired to have their group health policy run concurrent with the fiscal year in lieu of a calendar year. The county does the same.

Columbia County received a 19% increase. This increase amounted to \$330,000 in additional premium. The county insurance committee recommended a change to its base plan that resulted in a \$460,000

> BOARD MEETS FIRST THURSDAY AT 7:00 P.M. AND THIRD THURSDAY AT 7:00 P.M.

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The County Manager's numbers don't jive.

premium reduction (\$130,000 less than current premium). The plan selected by the county is \$399 monthly for the employee and \$730 month for family. The same plan was priced for the city at \$449 month for the employee and \$1,030 month for family. The county last accepted proposals for group health insurance in 2009.

Health insurance pricing is a reflection of claims paid, health trends and company retention percentages; therefore, comparing premiums is not always the best indicator of whether a plan is the best plan for a particular group.

DW/pds

XC: Outgoing Correspondence