

**Resolution #19-0591**  
**Resolution Book 1, Volume 1**

**RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN  
AGREEMENT WITH AETNA FOR THE PROVISION OF A MEDICARE  
ADVANTAGE PLAN FOR RETIREES**

**WHEREAS**, the City of Winston-Salem offers a Medicare Advantage health insurance plan for retirees (age 65+) who are eligible for Medicare coverage; and

**WHEREAS**, this coverage supplements retirees' Medicare Parts A and B coverage and provides a benefit that closely matches the health insurance coverage provided for employees and pre-65 employees; and

**WHEREAS**, the current provider of this plan is Aetna; and

**WHEREAS**, the Medicare Advantage plan provides coverage for 747 retirees and 225 retiree spouses; and

**WHEREAS**, the current premium cost for retiree coverage is \$187.69/month/retiree, the cost of which is borne by the City; and

**WHEREAS**, the annual cost of the current agreement with Aetna for retiree coverage is a not to exceed amount of \$1,750,000; and

**WHEREAS**, the current agreement with Aetna expires on December 31, 2019; and

**WHEREAS**, Aetna has submitted a proposal for a renewal rate of \$127.67/month/retiree, with no change in coverage, for an annual cost of \$1,144,434, a savings of \$538,019 over actual plan cost for 2019; and

**WHEREAS**, City staff recommends that the City enter into an agreement with Aetna for the provision of a Medicare Advantage plan for retirees at a rate of \$127.67/month/retiree for plan year 2020; and

**WHEREAS**, funds are budgeted for these premiums in the Retiree Benefits Fund.

**NOW, THEREFORE, BE IT RESOLVED**, by the Mayor and Winston-Salem City Council, that the City Manager is hereby authorized to enter into an agreement with Aetna for the provision of a Medicare Advantage plan for retirees at a rate of \$127.67/month/retiree and an annual not to exceed amount of \$1,180,000 for Plan Year 2020.

**BE IT FURTHER RESOLVED**, that this resolution is effective upon adoption.