

Resolution #20-0423  
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**RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN  
AGREEMENT WITH AETNA FOR THE PROVISION OF A MEDICARE  
ADVANTAGE PLAN FOR RETIREES FOR PLAN YEAR 2021**

**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 retirees; and

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

**WHEREAS**, the Medicare Advantage plan provides coverage for 748 retirees and 221 retiree spouses; and

**WHEREAS**, the current premium cost for retiree coverage is \$127.67/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 \$1,145,965; and

**WHEREAS**, the current agreement with Aetna expires on December 31, 2020; and

**WHEREAS**, Aetna has submitted a proposal for a renewal rate of \$140.38/month/retiree, with no change in coverage, for an annual cost of \$1,260,051, which represents an increased cost of \$12.71/month/retiree for an annual increase of \$114,086, or 9.9%, over 2020; 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 \$140.38/month/retiree for plan year 2021; and

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

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council of the City of Winston-Salem 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 \$140.38/month/retiree for an annual not-to-exceed amount of \$1,260,051 for plan year 2021.

**BE IT FURTHER RESOLVED**, that the City Manager and City Clerk are authorized to execute the necessary documents pursuant to review and approval by the City Attorney.