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## RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH BLUE CROSS BLUE SHIELD OF NORTH CAROLINA TO ADMINISTER THE CITY'S SELF-FUNDED MEDICARE PLAN FOR RETIREES AGE 65 AND OLDER

**WHEREAS,** the City of Winston-Salem maintains a health reserve fund to fund a Medicare Advantage plan for eligible retirees who have attained the age of 65; and

WHEREAS, the City of Winston-Salem contracts for management services and claims processing for its Medicare Advantage plan; and

**WHEREAS**, currently there are 754 retirees and 225 retiree spouses covered by the Medicare Advantage plan and the current contract for medical administrative services ends on December 31, 2021; and

**WHEREAS**, in preparation for the 2022 insurance plan year, the Human Resources

Department directed the City's benefits consultant Willis Towers Watson to manage a Request for

Proposals process for Medicare Advantage plans; and

WHEREAS, the proposal from Blue Cross Blue Shield of North Carolina (BCBSNC) included the following provisions on a three year rate guarantee: (1) administrative fee of \$12.08 per member, per month (2) \$25,000 implementation credit (3) \$100,000 at risk funds (4) \$7,000 annual commitment to supporting local Minority and Women-owned business initiatives and (5) \$109,330 administrative expenses.

**NOW, THEREFORE, BE IT RESOLVED**, that the Mayor and Winston-Salem City Council hereby authorize the City Manager to enter into a one-year contract with BCBSNC, with the option to renew annually for up to three years to administer the City's Medicare Advantage plan at an administrative fee of \$12.08 per member per month.

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

Winston-Salem City Council APPROVED September 20, 2021