



Legislation Text

File #: 23-0605, Version: 1

TO: Mayor Richard C. Irvin

FROM: Alisia Lewis, Chief Human Resources Officer

DATE: July 31, 2023

SUBJECT:

A Resolution Authorizing an Agreement with Humana to administer a Medicare Advantage Plan for Medicare Eligible Retirees for the Period of January 1, 2024 through December 31, 2025.

PURPOSE:

To authorize an agreement with Humana to administer a Medicare Advantage Plan for Medicare eligible retirees.

BACKGROUND:

January 1, 2022 the City of Aurora moved the Post-65 Medicare retirees from the Aetna Medicare Advantage plan over to Humana's Medicare Advantage Plan. Under the Humana Medicare Advantage Plan the city saved 43.3%, or approximately \$835,730. The below is the rate history since 2019:

2020:	\$343.35 Per Retiree Per Month
2021:	\$314.84 Per Retiree Per Month
2022:	\$178.55 Per Retiree Per Month
2023:	\$199.98 Per Retiree Per Month

DISCUSSION:

Humana offered the city a two-year contract with the 2024 rate guarantee at \$214.86 which is a 7.4% increase rate.

Humana Plan Highlights:

Silver Sneakers - Fitness Program included (Enhancement over Aetna)
Home Delivery Meal Program - 14 days after in-patient stay
Go 365 Wellness Program included
Post-Discharge Personal Home Care

The city recommends accepting the Humana renewal for the Post-65 retiree health plan on January 1, 2024; the 2024 rate is 37.5% below the 2021 rates for Post-65 retirees.

IMPACT STATEMENT:

No impact.

RECOMMENDATIONS:

Place on the Finance Committee calendar for approval to the City Council.

cc: Finance Committee



CITY OF AURORA, ILLINOIS

RESOLUTION NO. _____
DATE OF PASSAGE _____

A Resolution authorizing an Agreement with Humana to Administer a Medicare Advantage Plan for Medicare Eligible Retirees for the Period of January 1, 2024 through December 31, 2025.

WHEREAS, the City of Aurora has a population of more than 25,000 persons and is, therefore, a home rule unit under subsection (a) of Section 6 of Article VII of the Illinois Constitution of 1970; and

WHEREAS, subject to said Section, a home rule unit may exercise any power and perform any function pertaining to its government and affairs for the protection of the public health, safety, morals, and welfare; and

WHEREAS, it is in the best interests of the City of Aurora to continue a contractual relationship by and between the City of Aurora and Humana for administration of a Medicare Advantage Plan for Medicare eligible retirees; and

WHEREAS, the 2024 proposed City budget provides funding for this item in employee health account 602-0000-410-.28-02; 602-0000-410.28-04; 602-0000-410.28-21; and retiree health account numbers 704-0000-41.28-52; 704-0000-410.28-54; 704-0000-410.28-62; 704-0000-410.28-64; 704-0000-410.28.72; 704-0000-410.28-74.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Aurora, Illinois, as follows: that the Mayor if hereby authorized to enter into an agreement with Humana for the period of January 1, 2024 through December 31, 2025.