



500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM



Date: April 21, 2021

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager
Rob Maleszyk, Chief Financial Officer
Lisa Burnham, Controller
Jeanette Menig, Human Resources Director
Emily Frontera, Purchasing Manager

Subject: Contract Extension - Short/Long Term Disability, Life and AD&D Insurance Coverage

History

- The City of Troy provides quality benefits to employees.
- All full-time employees have provisions that include access to Short/Long Term Disability Insurance, Life Insurance and Accidental Death and Dismemberment Insurance.
- City Management has historically selected the insurers for these plans as a package considering cost and coverage required by the collective bargaining agreements.
- The Hartford Life Insurance Company currently provides Short/Long Term Disability, Life and AD&D Insurance with the current contract expiring May 30, 2021.

Purchasing

- On May 6, 2019 City Council approved an agreement for Short/Long Term Disability, Life and AD&D Insurance Coverage with *The Hartford Life Insurance Company of Hartford, CT* as a result of a quote solicitation performed by the City of Troy's Benefits Consultant, *Arthur J. Gallagher & Co.* on the behalf of the City (Resolution #2019-05-051-J-4d).
- The term of the contract expires May 31, 2021 but the agreement provided a three (3) year rate guarantee.
- The Hartford is extending the previously quoted monthly/annual premium rate for an additional third year of the agreement.

Carrier	Monthly Premium	Annual Premium
The Hartford	\$16,866	\$202,388

- The new agreement shall expire May 31, 2022.

Financial

- Funds are budgeted by Department for monthly/annual premium costs.
- Also, note that City of Troy employees contribute to premium costs for life and accidental death predicated upon Employee Bargaining Group Agreements.



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Recommendation

City Management recommends City Council approve the one (1) year continuation of *The Hartford Life Insurance Company of Hartford, CT* for Short Term Disability, Long Term Disability, Life and Accidental Death and Dismemberment Insurance for the third year of the existing agreement, contract expiring May 31, 2022.