

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: \_\_\_\_\_

Meeting Type: Regular

Meeting Date: Sep 11, 2014

Action Requested By: Human Resources

Agenda Type: Resolution

Subject Matter:

Modification Agreement between the City of Huntsville and VSP for the City's group vision insurance

Exact Wording for the Agenda:

Resolution authorizing the Mayor to execute a Modification to the original agreement, Resolution No. 09-885, between the City of Huntsville and VSP for the purpose of amending and renewing the City's group vision benefits.

Note: If amendment, Please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what council action will provide, allow and accomplish and; any other information that might be helpful.

This contract is needed to provide for the renewal of voluntary vision insurance benefits.

Associated Cost: \_\_\_\_\_

Budgeted Item: \_\_\_\_\_

MAYOR RECOMMENDS OR CONCURS: \_\_\_\_\_

Department Head: Byron K. Thomas

Date: 8/29/14

## ROUTING SLIP CONTRACTS AND AGREEMENTS

Originating Department: Human Resources

Council Meeting Date: 9/11/2014

Department Contact: Cindy Lehman

Phone # 256-427-5244

Contract or Agreement: Agreement to Renew with Vision Service Plan

Document Name: Modification No. 3 to Amend the Agreement

City Obligation Amount:

Total Project Budget:

Uncommitted Account Balance:

Account Number:

### Procurement Agreements

<u>Select...</u>	<u>Select...</u>
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### Grant-Funded Agreements

<u>Select...</u>	Grant Name:
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Department	Signature	Date
1) Originating	<i>Bryan K. Thomas</i>	8/29/14
2) Legal	<i>Theresa Cates</i>	9/3/14
3) Finance	<i>M.J.</i>	9/3
4) Originating		
5) Copy Distribution		
a. Mayor's office (1 copies)		
b. Clerk-Treasurer (Original & 2 copies)		

RESOLUTION NO. 14-\_\_\_\_\_

**WHEREAS** the City of Huntsville wishes to continue to offer voluntary group vision insurance to the City;

**WHEREAS** the City of Huntsville desires to implement the plan design changes and enhancements offered by Vision Service Plan (VSP) to include increased materials benefit and co-pay, and a four year rate guarantee;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Huntsville, Alabama, that the Mayor be, and he is hereby authorized to execute an authorization to renew, and other related documents with VSP, on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, which said agreement is substantially in words and figures similar to that certain document attached hereto and identified as Modification No. 3 to Amend the Agreement, one (1) page, plus four (4) pages consisting of related documents, and the date of September 11, 2014, appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville, Alabama.

**ADOPTED** this the 11<sup>th</sup> day of September, 2014.

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President of the City Council of  
the City of Huntsville, Alabama

**APPROVED** this the 11<sup>th</sup> day of September, 2014.

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Mayor of the City of  
Huntsville, Alabama

Modification No. 3 to Amend the  
Group Vision Plan Policy Between the  
City of Huntsville, Alabama, and  
Vision Service Plan Insurance Company  
as approved by Resolution No. 09-885  
and amended by Resolutions  
No. 12-837 and No. 13-681

STATE OF ALABAMA

COUNTY OF MADISON

**MODIFICATION NO. 3 TO AMEND THE AGREEMENT**

**THIS MODIFICATION No. 3** to the Group Vision Plan Policy Agreement, is entered into by and between the City of Huntsville, Alabama (City) and Vision Service Plan Insurance Company (VSP).

**WITNESSETH**

**WHEREAS**, VSP previously issued a group vision plan policy to the City: and

**WHEREAS**, the City previously agreed to be bound by the terms and conditions of the said policy as authorized by the Resolution No. 09-885; and

**WHEREAS**, the term of the policy renewal expires on December 31, 2014; and

**WHEREAS**, the parties have entered into Modifications to Renew and Extend Agreement to renew the said policy in subsequent years; and

**WHEREAS**, the current term of said policy will expire on December 31, 2014; and

**WHEREAS**, the parties wish to amend the agreement for the period of January 1, 2015 through December 31, 2018,

**NOW THEREFORE**, in consideration of the mutual covenants set forth herein, VSP and the City agree as follows:

1. The parties intend and agree to be bound by the terms and conditions contained in the group vision policy, as amended pursuant to this Modification to the Agreement and the City of Huntsville VSP renewal letter attached hereto and incorporated herein by reference as Exhibit "A".

\_\_\_\_\_  
President of the City Council of the  
City of Huntsville, Alabama

Date: \_\_\_\_\_



Julianne Purcell  
Market Director

August 20, 2014

Ms. Holly Woodson  
**COBBS, ALLEN & HALL INC.**  
115 Office Park Drive, Suite 200  
Mountain Brook, AL 35223-2423

Dear Holly:

As a valued customer of VSP since January 1, 2010, we hope our mutual client, *City of Huntsville*, and their employees have enjoyed a positive outcome with all aspects of our services.

VSP reviewed your program and developed rates based on the experience of your vision care program. These rates are outlined below. Many factors are considered when determining rates, such as utilization, claim frequency, retention and trends. The rates include any applicable taxes and health assessment fees.

**VSP EasyOptions™**

Effective January 1, 2015, VSP will offer VSP EasyOptions™, a plan personalization feature that can help you/your clients increase enrollment and member satisfaction, while providing high quality vision care.

Group Name:	City of Huntsville
Group Number:	30015389
Plan Design:	Choice Plan – Exam and lenses every 12 months, and frames every 24 months
Copayment:	\$20 Exam / \$20 Materials
Covered Lens Options:	Polycarbonate & Scratch-resistant coating
Current Allowances:	\$150 Frame / \$150 ECL
Renewal Period:	January 1, 2015 – December 31, 2018 (48 months)
Current Active Rates:	\$6.80 / 12.95 / 18.33
Current COBRA Rates:	\$6.93 / 13.20 / 18.69
<b>Renewal Active Rates:</b>	<b>\$7.13 / 13.58 / 19.23</b>
<b>Renewal COBRA Rates:</b>	<b>\$7.27 / 13.85 / 19.61</b>

~~Please confirm your election to further discuss the VSP EasyOptions™.~~

Please have the appropriate group representative sign the renewal below and fax or email a copy of this renewal to Julianne Purcell at [julianne.purcell@vsp.com](mailto:julianne.purcell@vsp.com) and Angela Smith at [angela.smith@vsp.com](mailto:angela.smith@vsp.com) or fax (770) 263-6008.

We appreciate your business and value our relationship with your organization.

Sincerely,

  
Julianne Purcell  
Market Director, VSP Vision Care

Attachments: VSP EasyOptions flier

\_\_\_\_\_  
Authorized Group Representative Signature

# VSP® EasyOptions



Your employees personalize their coffee drinks, ringtones, even credit cards. Wouldn't it be great if you could offer them the chance to personalize their vision plan? With VSP EasyOptions, you can.

## Choice When Members Want It

VSP EasyOptions offers every VSP member in a family the power to personalize their benefits from a menu of upgrades you choose. They'll appreciate the chance to select what they know they'll use and love. You'll appreciate their increased satisfaction.

The best part is each member doesn't have to decide until they've met with their VSP doctor (instead of having to guess when they enroll). This helps ensure their decision best meets their current eyecare needs.

## The Right Benefit at the Right Time

Members don't have to choose their upgrade until they visit their VSP doctor.

## Personalization for the Whole Family



**Higher frame allowance**  
Mom wants her glasses to reflect her fashion style.



**Covered-in-full progressive lenses**  
Dad needs glasses to help him see up close and far away.



**Higher contact lens allowance**  
Sam wants to try contact lenses.



**Covered-in-full photochromic lenses**  
Hannah is constantly on the go, so added UV protection indoors and out is important.

## Members prefer VSP EasyOptions.

When offered to consumers nationwide, one in two chooses VSP EasyOptions over a base plan.<sup>1</sup>

## Ready to get started?

We'll work with you personally to select a menu of upgrades that delivers the highest value to your unique employees.

Make every employee feel like a VIP with VSP EasyOptions.

<sup>1</sup>Results of VSP Direct program

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## Keep your eyes healthy with CITY OF HUNTSVILLE and VSP® Vision Care.

Why enroll in VSP? Your eyes deserve the best care to keep them healthy year after year. Plus with VSP, you'll get a great value on your eyecare and eyewear.

### You'll like what you see with VSP.

- **Value and Savings.** You'll get great benefits on your exam and eyewear at an affordable price.
- **Personalized Care.** You'll get quality care that focuses on your eyes and overall wellness through a WellVision Exam® from a VSP doctor. When you see a VSP doctor, you'll get the most out of your benefit and have lower out-of-pocket costs. Plus, with a VSP doctor your satisfaction is guaranteed—if you're not 100% happy, we'll make it right.
- **Great Eyewear.** Choose the eyewear that's right for you and your budget.
- **Choice of Providers.** With open access to see any eyecare provider, you can see the one who's right for you. Choose a VSP doctor or any other provider.

### Using your VSP benefit is easy.

- **Find an eyecare provider who's right for you.**  
To find a VSP doctor, visit [vsp.com](http://vsp.com) or call 800.877.7195.
- **Review your benefit information.**  
Visit [vsp.com](http://vsp.com) to review your plan coverage before your appointment.
- **At your appointment, tell them you have VSP.**  
There's no ID card necessary.

**That's It! We'll handle the rest**—there are no claim forms to complete when you see a VSP doctor.

### Choice in Eyewear

From classic styles to the latest designer frames, you'll find hundreds of options. Choose from featured frame brands like bebe®, ck Calvin Klein, Flexon®, Lacoste, Michael Kors, Nike, Nine West, and more. Visit [vsp.com](http://vsp.com) to find a doctor who carries these brands.

Enroll in VSP today.  
You'll be glad you did.

Contact us.  
[vsp.com](http://vsp.com)  
800.877.7195



# Your VSP Vision Benefits Summary

CITY OF HUNTSVILLE and VSP provide you with an affordable eyecare plan.

Visit [vsp.com](http://vsp.com) for more details on your vision benefit and for exclusive savings and promotions for VSP members.

**VSP Coverage Effective Date:** 01/01/2015

**VSP Doctor Network:** VSP Choice

Benefit	Description	Copay	Frequency
<b>Your Coverage with a VSP Doctor</b>			
<b>WellVision Exam</b>	• Focuses on your eyes and overall wellness	\$20	Every calendar year
<b>Prescription Glasses</b>		\$20	See frame and lenses
<b>Frame</b>	<ul style="list-style-type: none"> <li>• \$150 allowance for a wide selection of frames</li> <li>• \$170 allowance for featured frame brands</li> <li>• 20% savings on the amount over your allowance</li> </ul>	Included in Prescription Glasses	Every other calendar year
<b>Lenses</b>	• Single vision, lined bifocal, and lined trifocal lenses	Included In Prescription Glasses	Every calendar year
<b>Lens Enhancements</b>	<ul style="list-style-type: none"> <li>• Polycarbonate lenses</li> <li>• Scratch-resistant coating</li> <li>• Standard progressive lenses</li> <li>• Premium progressive lenses</li> <li>• Custom progressive lenses</li> <li>• Average savings of 20-25% on other lens enhancements</li> </ul>	\$0 \$0 \$55 \$95 - \$105 \$150 - \$175	Every calendar year
<b>Contacts (instead of glasses)</b>	<ul style="list-style-type: none"> <li>• \$150 allowance for contacts; copay does not apply</li> <li>• Contact lens exam (fitting and evaluation)</li> </ul>	Up to \$60	Every calendar year
<b>Diabetic Eyecare Plus Program</b>	• Services related to diabetic eye disease, glaucoma and age-related macular degeneration (AMD). Retinal screening for eligible members with diabetes. Limitations and coordination with medical coverage may apply. Ask your VSP doctor for details.	\$20	As needed
<b>Extra Savings</b>	<p><b>Glasses and Sunglasses</b></p> <ul style="list-style-type: none"> <li>• Extra \$20 to spend on featured frame brands. Go to <a href="http://vsp.com/specialoffers">vsp.com/specialoffers</a> for details.</li> <li>• 20% savings on additional glasses and sunglasses, including lens enhancements, from any VSP doctor within 12 months of your last WellVision Exam.</li> </ul> <p><b>Retinal Screening</b></p> <ul style="list-style-type: none"> <li>• No more than a \$39 copay on routine retinal screening as an enhancement to a WellVision Exam</li> </ul> <p><b>Laser Vision Correction</b></p> <ul style="list-style-type: none"> <li>• Average 15% off the regular price or 5% off the promotional price; discounts only available from contracted facilities</li> </ul>		
<b>Your Monthly Contribution</b>	\$7.13 Member only	\$13.58 Member + 1	\$19.23 Member + family

## Your Coverage with Other Providers

Visit [vsp.com](http://vsp.com) for details, if you plan to see a provider other than a VSP doctor.

Exam.....up to \$35    Single Vision Lenses.....up to \$25    Lined Trifocal Lenses.....up to \$60    Contacts.....up to \$115  
 Frame.....up to \$45    Lined Bifocal Lenses.....up to \$40    Progressive Lenses.....up to \$40

VSP guarantees coverage from VSP doctors only. Coverage information is subject to change. In the event of a conflict between this information and your organization's contract with VSP, the terms of the contract will prevail. Based on applicable laws, benefits may vary by location.

Enroll in VSP today.  
 You'll be glad you did.  
 Contact us. [vsp.com](http://vsp.com)  
 800.877.7195

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