

**CITY OF BILOXI
AGENDA ITEM
FACT SHEET**

Item No.: 5N

Council Meeting Date: August 25, 2026

ITEM TITLE: RESOLUTION

INTRODUCED BY: Mayor Andrew "FoFo" Gilich

CONTACT PERSON: Richard Weaver, Chief Administrative Officer

SUMMARY EXPLANATION:

Resolution authorizing self-funded employee group health insurance with Healthgram, VersusRX, Mississippi Physician Care Network, and Sun Life.

Resolution ☒ Ordinance ☐ Public Hearing ☐ Routine Agenda ☐

Exhibits for Review

Contract ☐ Minutes ☐ Plans/Maps ☐ Deed ☐ Lease ☐

Other (Specify):

Submittal Authorization: Council President ☐ Mayor ☒

STAFF RECOMMENDATION:

COUNCIL ACTION: Motion By: _____ Second By: _____

Vote:	Councilmember	Yes	No	AFR	ABST	Councilmember	Yes	No	AFR	ABST
	Gray	___	___	___	___	Tisdale	___	___	___	___
	Marshall	___	___	___	___	Glavan	___	___	___	___
	Nail	___	___	___	___	Shoemaker	___	___	___	___
	Creel	___	___	___	___					

ACTION TAKEN:

jgl082526ghr

Resolution No.

RESOLUTION AUTHORIZING SELF-FUNDED EMPLOYEE GROUP
HEALTH INSURANCE WITH HEALTHGRAM,
VERSUSRX, MISSISSIPPI PHYSICIAN CARE NETWORK, AND SUN LIFE

WHEREAS, the City of Biloxi is currently providing comprehensive medical insurance benefits for City employees and their dependents through Healthgram, Mississippi Physician Care Network, VerusRX, and Sun Life.

WHEREAS, it has been determined that it is in the best interest of the City of Biloxi to provide the self-funded health insurance plan, which will be administered by Healthgram, VerusRx, Mississippi Physician Care Network, and reinsurance through Sun Life, and is for the term of one year beginning October 1, 2026, and ending September 30, 2027; and

WHEREAS, it has been determined that it is in the best interest of the City of Biloxi to provide health insurance coverage through a self-funded health insurance plan with a dual plan option. Plan 1 would include an employee contribution of employee/single of \$85.00 per month, employee/spouse of \$165.00 per month, employee/children of \$147.00 per month and employee/family \$250.00 per month; and a spousal surcharge of \$60.00 per month who spouse is offered coverage at their employer, and enrolled in the City of Biloxi medical plan, and they have refused coverage offered by their employer. Plan 2 would include an employee contribution of employee/single of \$57.00 per month, employee/spouse of \$138.00 per month, employee/children of \$120.00 per month and employee/family \$202.00 per month; and a spousal surcharge of \$60.00 per month who spouse is offered coverage at their employer, and enrolled in the City of Biloxi medical plan, and they have refused coverage offered by their employer; and

WHEREAS, under such self-funded health insurance plans, where a third-party administrator (TPA) handles and pays claims, it is established practice that premium payments are paid and recorded as an expenditure through the payroll function and that such premium payments are

deposited into an account from which the plan administrator withdraws reimbursement for claim payments and administrative fees (claims funding and fixed costs); and

WHEREAS, Heathgram will make claim payments at various times each month and require reimbursement for such claim payments, by electronic funds transfer, within two days; and

WHEREAS, except with respect to three (3) specific individuals, one (1) who has a \$1,000,000.00 specific deductible, one (1) who has \$500,000 specific deductible, and one (1) who has \$250,000 specific deductible, the reinsurer, Sun Life, covers claims in excess of \$150,000 specific deductible and an additional aggregating specific deductible of \$150,000, to be pooled by one or all participants in the health plan whose specific claims exceed \$150,000; and

WHEREAS, the City will fund approximately \$10,691,573.88 in lieu of 120% fixed cost and attachment point (or approximately \$12,280,345.44) determined by the reinsurer. By funding less than reinsurance requirements, the City will assume a risk corridor of approximately \$1,588,771.56 the difference between expected and 120%; and

WHEREAS, employees and dependents eligible for COBRA benefits shall pay for Plan 1 at a rate of employee/single of \$911.15 per month, employee/spouse of \$1,896.11 per month, employee/children of \$1,633.33 per month and employee/family \$2,772.20 per month; and Plan 2 at a rate of employee/single of \$846.60 per month, employee/spouse of \$1,762.56 per month, employee/children of \$1,519.80 per month and employee/family \$2,575.50 per month;

WHEREAS, the governing authority of the City of Biloxi finds such practice expedient.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF BILOXI, MISSISSIPPI, AS FOLLOWS:

SECTION 1: The statements, findings, and conclusions contained in the preamble of this resolution are hereby, approved, adopted, ratified, and incorporated herein.

SECTION 2: The Mayor and/or Municipal Clerk are hereby authorized to take the necessary steps to provide health insurance coverage for the City of Biloxi employees and their dependents through a self-funded health insurance plan with Healthgram, VerusRx, Mississippi Physicians Care Network, and Sun Life, with total fixed costs and claims funding with an employee contribution for Plan 1 of employee/single of \$85.00 per month, employee/spouse of \$165.00 per month, employee/children of \$147.00 per month and employee/family \$250.00 per month; and a spousal surcharge of \$60.00 per month who spouse is offered coverage at their employer and enrolled in the City of Biloxi medical plan, and they have refused coverage offered by their employer, and Plan 2 of employee/single of \$57.00 per month, employee/spouse of \$138.00 per month, employee/children of \$120.00 per month and employee/family \$202.00 per month; and a spousal surcharge of \$60.00 per month who spouse is offered coverage at their employer and enrolled in the City of Biloxi medical plan, and they have refused coverage offered by their employer .

SECTION 3: The Mayor and/or Municipal Clerk be and are hereby authorized to enter into an Administrative Services Contract between the City of Biloxi and Healthgram, VersusRx, Mississippi Physician Care Network and Sun Life.

SECTION 4: The City agrees to make funds available at any time for payment to Healthgram for payment of health insurance claims.

SECTION 5: The Mayor and/or Municipal Clerk are hereby authorized to take the necessary steps to provide health insurance coverage for employees and dependents eligible for COBRA benefits shall pay, for Plan 1, for at a rate of employee/single of \$911.15 per month, employee/spouse of \$1,896.11 per month, employee/children of \$1,633.33 per month and employee/family of \$2,772.02 per month and for Plan 2, for at a rate of employee/single of \$846.60 per month, employee/spouse of \$1762.56 per month, employee/children of \$1519.80 per month and

employee/family of \$2,575.50 per month.

SECTION 6: Consistent with this resolution, the Mayor and/or Municipal Clerk be and are hereby authorized to enter into and execute any and all paperwork necessary to continue the self-funded insurance program for the City employees and their dependents.

SECTION 7: This resolution shall take effect and be in force from and after adoption.
from and after adoption.