INDEPENDENCE
MISSOURI
A GREAT AMERICAN STORY

CITY COUNCIL Study Session

July 22, 2024
6:00 PM, Council Chambers - 111 E. Maple Ave.

To view a Council meeting agenda, visit https://independencemo.portal.civicclerk.com/ and select 'Most Recent Council Agenda'.

COUNCIL SPONSORED ITEM

1. Trash Hauler Cap *(Sponsored by Councilmember Stewart)*

CITIZEN REQUESTS

1. Citizen Requests - Per Council Rules, Sect. 6.4 only "Council Sponsored Items" are eligible

PRESENTATIONS

1. Employee Insurance Update
2. Charter Amendment Overview
3. Ordinances to update the City Code based on the proposed Charter amendments.
4. Proposition PD Overview

STAFF REPORTS

INFORMATION ONLY

1. ***Please Note:*** *In accordance with RSMo. 610.021, the City Council may convene in an Executive Session during or after the meeting, in the Council Chambers and move to Conference Room D for the closed meeting, on matters of litigation, legal action, and/or attorney client communications, as permitted by Sec. 610.021(1), on matters of personnel, as permitted by Sec. 610.021(3) and personnel records, as permitted by*

610.021(13), on matters of contracts, as permitted by 610.021(12), on matters of real estate, as permitted by 610.021(2) and/or matters of labor negotiations, as permitted by 610.021(9).

BILL NO. _____________

ORDINANCE NO. ________________

AN ORDINANCE AMENDING ARTICLE 5 OF CHAPTER 19 OF THE CITY CODE ENACTING A MAXIMUM NUMBER OF REFUSE COLLECTORS OPERATING IN THE CITY.

WHEREAS, the City of Independence has regulated trash collectors since the 1940s; and may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws; and

WHEREAS, since the adoption, there have been several amendments to the refuse collectors article mostly dealing with singular topics; and,

WHEREAS, City Council desires to update these regulations to enact a maximum number of refuse collectors that can operate in the City.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI, AS FOLLOWS:

SECTION 1. The Code of Ordinances of the City of Independence Section 19.05.002 shall hereby be amended as follows:

Sec. 19.05.002. Certificate of public convenience and necessity required **and number of establishments.**

No person, firm or corporation shall engage in the business of regularly collecting refuse without first obtaining a certificate of public convenience and necessity from the City Council for each vehicle to be operated as a refuse collection vehicle. The certificate shall be in addition to any business or occupational license required by other ordinances. **No certificate of public convenience and necessity shall be approved where it is determined that the total number of such establishments operating within the City of Independence will exceed the population density factor of one refuse collection establishment per 15,500 residents based on the last decennial census.**

SECTION 2. This Ordinance shall be in full force and effect from and after passage.

SECTION 3. Correction of any scrivener's' errors identified within these articles are hereby authorized by this ordinance.

PASSED THIS _____ DAY OF ______________, 2024, BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED - FORM AND LEGALITY:

City Counselor

REVIEWED BY

City Manager

NOTE: Words struck through and bolded are being removed by this ordinance and words underscored and bolded are being added by this ordinance.

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:
Employee Insurance Update

Recommendations:

Background:
Staff, working with CBiz (City Consultant) issued a Request for Proposals (RFP) for insurance coverage for medical and pharmacy insurance for active and pre-65 retirees, dental, vision, flexible spending and health saving accounts on February 13, 2024. The RFP was published on Public Purchase, the City's e-bidding system, with notices sent to numerous potential respondents. Several firms responded by the March 1, 2024 deadlines.

A team comprised of a sub-group of the Stay Well Committee, including Active & Retiree members, plus HR and Administration, over a series of 3 work sessions in April and May, evaluated the proposals. Proposals were received and initially vetted through CBiz.

Attached to this item is an attachment which provides the evaluation criteria and fiscal impact changes for each coverage of insurance.

Emergency Justification:

Fiscal Impact:

Council Action:

Department / Contact	Council and Board /

<u>REVIEWERS</u>
Mike Jackson
Zachary Walker
Susanne Holland

ATTACHMENTS:

1. City of Independence Council Slides for All Plans

2025 BENEFITS MARKETING PRESENTATION

INDEPENDENCE
MISSOURI

July 22, 2024

CBIZ

Benefits Marketing Process

- The City currently offers a package of Medical, Dental, Vision, and other associated health & welfare programs through Cigna to eligible employees, retirees, and their families.
- The City has been in a 5-year contract with Cigna that prohibited the marketing of Cigna-administered plans through the 2024 plan year.
- Through the City's Procurement department, CBIZ distributed a Request for Proposal (RFP) to the local and national market for the City's Medical/Rx (Active & Retiree), Dental, Vision, Flexible Spending Account, and Health Savings Account Programs, for coverage to begin on January 1, 2025.
- Some vendors were invited by CBIZ to respond, and some responded after finding the public bid online.
- Responses were aggregated by CBIZ, then presented to a sub-group of the Stay Well Committee, including Active & Retiree members, plus HR and Administration, over a series of 3 work sessions in April and May.

ACTIVE/PRE-65 MEDICAL

Medical Marketing Summary

Carrier	Status	Comments
Cigna (incumbent)*	Quoted	Invited by CBIZ to respond
BlueKC *	Quoted	Invited by CBIZ to respond
Aetna	Declined to Quote *unable to provide timely proposal*	Invited by CBIZ to respond
United Healthcare **Selected as vendor finalist*	Declined to Quote *unable to provide timely proposal*	Invited by CBIZ to respond

Self-Funded Medical Marketing Process

CBIZ

THIRD PARTY ADMINISTRATION RFP

- **Market pricing survey for claims administration, network access, member tools, care management, and other care and wellbeing programs**
- **Carriers are given current plans and program components and asked to competitively price apples-to-apples offerings, or enhancements**
- ***“How much would it cost for Carrier A to run the claims administration of the plan?”***

CLAIMS REPRICING

- **Market survey for network efficiency and provider/facility contract discount projection, and cost estimation for future performance**
- **Carriers are given historical line-by-line claims data and are asked to project future costs and discounts based on actual plan utilization**
- ***“If the claims that the plan had in prior years were paid by***

Total Cost Projection

		Cigna	Cigna	Blue Cross of KC	BlueKC/Nat'l Alliance
		Current	Proposed	Proposed	Proposed
	Network Name	*Cigna OAP*	*Cigna OAP*	*Preferred Care Blue*	*Preferred Care Blue*
Fixed Costs	2025 Administrative Fees	$689,507	$689,507	$856,488	$1,031,832
Fixed Costs	2025 + 2026 Carrier Credits	$0	($115,000)^	($175,000)	($25,000)
Fixed Costs	2026 Administrative Fees	$689,507	$708,978	$856,488	$1,031,832
Variable Costs	2025 + 2026 Medical Claims Repricing	$27,467,550	$25,626,694	$24,211,916	$24,211,916
Variable Costs	2025 + 2026 Rx Claims Repricing	$7,330,855	$8,738,000	$7,237,689	$8,402,000*
Total	2025 + 2026 Claims + Fixed Projection	$36,177,418	$35,648,179	$32,987,581	$34,652,580
	$ Change from Incumbent		($529,240)	($3,189,837)	($1,524,838)
	% Change from Incumbent		-1.46%	-8.82%	-4.21%

^Does not reflect credits paid outside of 2025/2026 plan years (1/2027: $55,000)

- *Does not account for stop loss reimbursements for large claimants*
- *Rx projections include rebates/credits*
- *Does not include impact of use of carriers' narrow network programs*

Vendor Response Scoring

- Respondents were scored by 3 Active members of the RFP Sub-committee, plus representation from HR and were judged based on Responsiveness, Pricing, Plan Design Match, Value Added Programs, and Network Access, with a maximum score of 20 points per category
-

		* Cigna *				Blue Cross of Kansas City			
	Maximum Points	A	B	C	D	A	B	C	D
Responsiveness	20	20	15	20	19	20	15	20	19
Pricing	20	20	14	18	18	20	17	20	16
Plan Design Match	20	18	14	20	17	18	18	18	18
Value Added Programs	20	19	17	20	18	19	16	20	17
Network Access	20	20	18	20	18	20	17	15	16
Total Points	*100*	97	78	98	90	97	83	93	86
Average		91				90			

Vendor Response Commentary

Cigna:

- Cigna was responsive in their bid for Medical and Pharmacy provider. Cigna has the best plan design match of the bidders.
- Cigna has the best Network access for our plan design. The StayWell Committee has worked hard to promote the Local Plus Network that utilizes our hometown hospital and facilities. Cigna Medial and Pharmacy plan would have the least amount of disruption for the members.
- Cigna pricing was not as competitive as the other bidder.
- Cigna was my choice for Medical and Pharmacy based on the plan design and including our hometown hospital and providers to accommodate our Local Plus plan. The choice has the least amount of disruption to our members. Cigna has new programs designed to assist chronic and high cost. Claimants in reducing costs to the plan. Cigna has been a good partner with the City of Independence while continuing to work on the health and wellness of our members.

Vendor Response Commentary

Blue Cross of Kansas City:

- Blue KC was responsive in their bid for Medical and Pharmacy provider. Blue KC has a very competitive plan design match of the bidders.
- Blue KC has a competitive network access for our members.   Blue KC Blue Select Plus Network provides affordable access to care in and around the Kansas City metro. They also have a smaller local network in Spira Care. The Spira Care facilities offer advanced primary care services for newborns, infants, children, adolescents, adults and seniors. The network disruption for the member would be substantial to those members in Local plus.   The Spira Care program does not include the hometown hospital located in Independence.
- Blue KC Pharmacy program was not presented by the Pharmacy Team when the finalist presentation was given.   Several questions were not answered fully in regards to how the rebates work and if a drug is excluded, could negotiate to get it included if there was substantial disruption to the members. Blue KC pharmacy disruption impacted 663 prescriptions with 179 utilizers. (3.1% of total prescriptions.)
- Blue KC had the best pricing of the bidders. While Blue KC has higher admin costs, they presented that they have better re-pricing of claims that will save the fund a substantial amount of money. They also have a rate guarantee for 3 years when Cigna's admin fees will increase by 3% in 2026 and 2027.
- Blue KC Spira Care adds an additional value to their smaller network plan. I believe our employees would greatly benefit from this option

Vendor Response Commentary

CBIZ

Summary:

- Both Parties submitted proposals in a timely matter. As the Committee worked through the RFP process there were several areas that follow up information was needed and both parties were timely in their responses.
- With Cigna being our current carrier they matched the proposal with no issue with the OAP and Local Plus Networks. Blue KC offered a similar select network to Local Plus, but the main area of concern is that the Spira Care network is a complete change from where our members are being driven now. When the LP network was put into place we determined that there was approximately 65% of our membership using those facilities or Doctors already. This would cause a massive disruption amongst the membership and would also affect the projected cost saving the Blue KC anticipated with a switch to them as the Medical Carrier.

Vendor Response Commentary

Summary:

- When looking at pricing we focused on the Medical Claims repricing study that was conducted. Blue KC was projecting a savings of $3,255,634 as Cigna was projecting a savings of $1,840,856. The concern I have with Blue KC's projected savings is they never really spoke about the programs that "run behind the scenes" and what the cost PMPM would be. We have several programs running with Cigna currently and these projections are believed to be true savings.
- My recommendation is to award Cigna the contract with Medical and Pharmacy. They have been a well-established partner with the City of Independence for a long time while providing great coverage and lower medical cost. Blue KC in their final presentation was instructed to bring your best and final offer and during the presentation brought no one to speak about Pharmacy. We know that Pharmacy is probably the largest cost to any medical plan and they were unable to answer certain questions regarding discounts and rebates. I feel Blue KC is a great company and provides many benefits, but ultimately that Cigna is the right choice for the City of Independence and its members.
- Both were competitive. Cigna stood out as the better option at this time due to network access plan design.

Evaluation Summary

- **The panel's evaluation determined that Cigna, the incumbent, offered the most comprehensive program to match current offering, and offered the best network access for the City and for Retirees.**
- **Panel Recommendation: Maintain Active/Pre-65 medical coverage and <u>renew plans with Cigna</u>.**

DENTAL

Dental Marketing Summary

Carrier	Status	Comments
Cigna (incumbent)*	Quoted	Invited by CBIZ to respond
Ameritas	Quoted	Invited by CBIZ to respond
Blue KC	Quoted	Invited by CBIZ to respond
Delta Dental of MO	Quoted	Invited by CBIZ to respond
Metlife*	Quoted	Invited by CBIZ to respond
Sun Life	Quoted	Invited by CBIZ to respond
United Healthcare	Quoted	Invited by CBIZ to respond
Aetna	Declined to Quote *unable to provide timely proposal*	Invited by CBIZ to respond
Guardian	Declined to Quote *unable to provide competitive proposal*	Invited by CBIZ to respond
Mutual of Omaha	Declined to Quote *unable to provide competitive proposal*	Invited by CBIZ to respond

**Selected as vendor finalist*

Vendor Response Scoring

- **Respondents were scored by the Active and Retiree members of the RFP Sub-committee, plus representation from HR and were judged based on Responsiveness, Pricing, Plan Design Match, Value Added Programs, and Network Access, with a maximum score of 20 points per category.**
- **Scoring follows:**

		Cigna	Ameritas	BlueKC	Delta Dental of MO	Metlife	Sun Life	United Healthcare
	Maximum Points	Avg Score	Avg Score	Avg Score	Avg Score	Avg Score	Avg Score	Avg Score
Responsiveness	20	18	17	18	18	18	14	17
Pricing	20	13	17	11	16	18	15	14
Plan Design Match	20	19	15	14	14	18	15	13
Program Enhancements	20	16	14	15	14	16	14	14
Network Access	20	16	14	16	17	18	15	15
Average		**81**	**77**	**72**	**77**	**88**	**74**	**73**

Detailed scorecards on file with Procurement

Pricing Summary

Carrier	Total Cost Projection for 2025	Change from Current ($)	Change from Current (%)
Cigna (incumbent)	$1,013,721		
Ameritas	$910,562	($103,158)	-10.2%
Blue KC	$1,034,976	$21,255	2.1%
Delta Dental of MO	$949,141	($64,580)	-6.4%
Metlife	$904,476	($109,245)	-10.8%
Sun Life	$952,507	($61,213)	-6.0%
United Healthcare	$986,019	($27,702)	-2.7%

Vendor Response Summary

- **BlueKC** was going to be an increase to the city and members whereas **Cigna** remained flat with our current pricing. The remaining bids provided a savings from our current provider with **Metlife** and **Ameritas** providing over $100,000 in savings.
- All bidders had a difference in Annual Maximum Benefit allowance that was lower than our current provider except **Metlife** who actually quoted an increase to this benefit. Most of the carriers charge a higher deductible for Out-of-network care vs our current provider showing no price increase.
- When looking at Network access **Cigna** & **Ameritas** showed in the 60% range, **SunLife**, **BlueKC** and **UHC** showed in the 70% range, **Delta Dental** was in the 80% and **Metlife** was the only carrier to provide a Network Access in the 90% range for the Top 25 Dentists.
- **Metlife** offers a lower premium with a higher annual maximum and the highest network match. They also offer coverage for implants.
- **Metlife** was my first choice for Dental due to the best pricing and network matching. **Metlife** also provides onsite dental with 20 appointments. They are the largest provider of dental and their discounts exceed the national average by 1.3%.
- Overall **Metlife** with the best pricing, plan design and program enhancement would be the top pick

Evaluation Summary

- **The panel's evaluation determined that Metlife offered the most comprehensive program based on pricing, program enhancements, benefit improvements, and network access for the City and for Retirees.**
- **Panel Recommendation: Move Dental coverage to Metlife for 2025.**

VISION

Vision Marketing Summary

Carrier	Status	Comments
Cigna (incumbent)*	Quoted	Invited by CBIZ to respond
Ameritas	Quoted	Invited by CBIZ to respond
Blue KC	Quoted	Invited by CBIZ to respond
Delta Dental of MO	Quoted	Invited by CBIZ to respond
EyeMed*	Quoted	Invited by CBIZ to respond
Sun Life	Quoted	Invited by CBIZ to respond
Surency Vision	Quoted	Invited by CBIZ to respond
United Healthcare	Quoted	Invited by CBIZ to respond
Aetna	Declined to Quote *unable to provide timely proposal*	Invited by CBIZ to respond
Guardian	Declined to Quote *unable to provide competitive proposal*	Invited by CBIZ to respond
Mutual of Omaha	Declined to Quote *unable to provide competitive proposal*	Invited by CBIZ to respond
Vision Benefits of America	Declined to Quote *unable to provide competitive proposal*	Responded after finding public bid

Note: **Selected as vendor finalist*

Vendor Response Scoring

- **Respondents were scored by the Active and Retiree members of the RFP Sub-committee, plus representation from HR and were judged based on Responsiveness, Pricing, Plan Design Match, Value Added Programs, and Network Access, with a maximum score of 20 points per category.**
- **Scoring follows:**

		Cigna	Ameritas	BlueKC	Delta Dental of MO	EyeMed	Sun Life	Surency	United Healthcare
	Maximum Points	Avg Score	Avg Score	Avg Score	Avg Score	Avg Score	Avg Score	Avg Score	Avg Score
Responsiveness	20	17	18	18	17	19	17	11	17
Pricing	20	19	14	12	14	18	13	12	19
Plan Design Match	20	17	16	16	17	19	15	12	17
Program Enhancements	20	13	14	14	13	17	15	11	13
Network Access	20	11	19	17	15	17	19	13	11
Average		76	79	77	76	89	79	59	76

Detailed scorecards on file with Procurement

Pricing Summary

Carrier	Total Cost Projection for 2025	Change from Current ($)	Change from Current (%)
Cigna (incumbent)*	$357,462		
Ameritas	$314,563	($42,899)	-12.0%
Blue KC	$332,156	($25,306)	-7.1%
Delta Dental of MO	$241,761	($115,701)	-32.4%
EyeMed*	$207,622	($149,840)	-41.9%
Sun Life	$315,082	($42,380)	-11.9%
Surency Vision	$241,761	($115,701)	-32.4%
United Healthcare	$198,510	($158,952)	-44.5%

Vendor Response Summary

- All the bidders came in with annual quotes that would save the employer and member money, these rankings were based off the most savings for the highest score.
- When comparing plan design the biggest difference was in the Standard Lens section and what was covered and at what price. **EyeMed** and **UHC** offered the most options for the least amount of cost to the member.
- With the highest overall score I award the Vision coverage to **EyeMed**. They provided the biggest saving along with the smallest amount of disruption to the members.
- As all carriers were competitive in the bid process, **EyeMed** stood out with the pricing, plan design and program enhancement.
- **Cigna** was responsive in their bid for Vision. The plan design was one of the best of the bidders. **Cigna** offers program enhancements that includes value added services with savings on additional purchases on frames and lenses. They also provide a website with a cost estimator and appointment scheduling. **Cigna** has the best network access of all the bidders. The pricing was the least competitive of all the bidders.

Evaluation Summary

- **The panel's evaluation determined that EyeMed offered the most comprehensive program based on pricing, program enhancements, benefit improvements, and network access for the City and for Retirees.**
- **Panel Recommendation: Move Vision coverage to <u>EyeMed</u> for 2025.**

FLEXIBLE SPENDING ACCOUNT

Flexible Spending Account Marketing Summary

Carrier	Status	Comments
Cigna (incumbent)	Quoted	Invited by CBIZ to respond
Flex Made Easy*	Quoted	Invited by CBIZ to respond
Metlife*	Quoted	Invited by CBIZ to respond
Surency	Quoted	Invited by CBIZ to respond
TASC	Quoted	Invited by CBIZ to respond
WEX	Quoted	Invited by CBIZ to respond
Aetna	Declined to Quote *unable to provide timely proposal*	Invited by CBIZ to respond
Blue KC	Declined to Quote *looking for new FSA vendor*	Invited by CBIZ to respond
United Healthcare	Declined to Quote *unable to provide timely proposal*	Invited by CBIZ to respond

**Selected as vendor finalist*

Vendor Response Scoring

- **Respondents were scored by 3 Active members of the RFP Sub-committee, plus representation from HR and were judged based on Responsiveness, Pricing, Program Enhancements, and Member Experience, with a maximum score of 20 points per category.**
- **Scoring follows:**

		Cigna	Flex Made Easy	Metlife	Surency	TASC	WEX
	Maximum Points	Avg Score	Avg Score	Avg Score	Avg Score	Avg Score	Avg Score
Responsiveness	20	19	18	18	13	18	18
Pricing	20	11	16	18	11	12	13
Program Enhancements	20	11	11	12	12	11	12
Member Experience	20	12	11	12	11	12	11
Average		52	56	60	46	53	53

Pricing Summary

Carrier	Total Cost Projection for 2025	Change from Current ($)	Change from Current (%)
Cigna (incumbent)	$4,356		
Flex Made Easy	$2,688	($1,668)	-38.3%
Metlife	$2,166	($2,190)	-50.3%
Surency	$2,568	($1,788)	-41.0%
TASC	$3,072	($1,284)	-29.5%
WEX	$2,880	($1,476)	-33.9%

Vendor Response Summary

- **Metlife** offered the lowest 1st year Estimated Annual Cost. This program is mainly run behind the scene and is managed by the member therefore looking at the lowest cost option possible.
- Focused on monthly minimums and the flexibility of Claims Submissions. **Metlife** provides no monthly minimums and allows the employer to determine timeline on Claims Submission.
- **Cigna** was responsive on their bid for FSA. Their pricing was the worst of the bidders received.
- **Flex Made Easy** was responsive in their bid. The program features were competitive with the other bidders. Flex Made Easy pricing was competitive with the other bidders.
- No program enhancements were noted in any of the bidders, the programs all seemed consistent.
- **Metlife** is chosen to provide the FSA administration due to the lower annual cost and the flexibility provided to the member and employer.

Evaluation Summary

- **The panel's evaluation determined that Metlife offered the most comprehensive program based on pricing and member experience for the City.**
- **Panel Recommendation: Move Flexible Spending Account coverage to <u>Metlife</u> for 2025.**

HEALTH SAVINGS ACCOUNT

Health Savings Account Marketing Summary

Carrier Pre-65	Status	Comments
UMB (incumbent)	Quoted	Invited by CBIZ to respond
Surency	Quoted	Invited by CBIZ to respond
TASC	Quoted	Invited by CBIZ to respond
WEX	Quoted	Invited by CBIZ to respond
Aetna	Declined to Quote *unable to provide timely proposal*	Invited by CBIZ to respond
Blue KC	Declined to Quote *looking for new FSA vendor*	Invited by CBIZ to respond
UHC	Declined to Quote *unable to provide timely proposal*	Invited by CBIZ to respond

Vendor Response Scoring

- **Respondents were scored by 3 Active members of the RFP Sub-committee, plus representation from HR and were judged based on Responsiveness, Pricing, Program Enhancements, and Member Experience, with a maximum score of 20 points per category.**
- **Scoring follows:**

		UMB	Flex Made Easy	Surency	TASC
	Maximum Points	Avg Score	Avg Score	Avg Score	Avg Score
Responsiveness	20	18	18	13	18
Pricing	20	20	9	9	15
Program Enhancements	20	13	10	11	12
Member Experience	20	19	16	12	16
Average		69	53	45	60

Pricing Summary

Carrier	Total Cost Projection for 2025	Change from Current ($)	Change from Current (%)
Cigna (incumbent)	$0		
Surency	$10,998	$10,998	100%
TASC	$7,332	$7,332	100%
WEX	$9,165	$9,165	100%

Vendor Response Summary

- **UMB** offered a $0 annual fee whereas all other bidders were charging an annual fee.
- **UMB** offers the most access to funds, the most debit cards and has no monthly fee compared to the other carries that limit access to funds either to the debit card or online.
- My choice based off of the scoring chart is **UMB**. They are the incumbent and provide the best options for service for the least amount of money.
- All competitive. **UMB** stood out as being the best option.

Evaluation Summary

- The panel's evaluation determined that UMB, the incumbent, offered the best program, and at continued no cost to the City, for Health Savings Accounts.
- Panel Recommendation: Maintain <u>UMB</u> as Health Savings Account Vendor.

VENDOR SUMMARY

2025 Vendor Recommendation Summary

Coverage	Recommendation	Status
Medical (Active & Pre-65)	Cigna	No Change
Medical (Post-65)	Cigna	No Change
Pharmacy	Cigna	No Change
Dental	Metlife	Implement New Vendor
Vision	EyeMed	Implement New Vendor
Flexible Spending Accounts	Metlife	Implement New Vendor
Health Savings Accounts	UMB	No Change

APPENDIX

ASO TPA Administration

Administration	Cigna (Current) *Includes Rx Administration*	Cigna (Proposed) *Includes Rx Administration*	Blue Cross of KC (Proposed) *Includes Rx Administration*	BlueKC / Natl Alliance (Proposed) *Excludes Rx Administration*
Administration Fee	$25.91 PEPM	$25.91 PEPM	$51.00 PEPM	$59.00 PEPM
Network Access Fee	$22.21 PEPM	$22.21 PEPM	$10.00 PEPM	$10.00 PEPM
Stop Loss Carve Out Fee	$3.00 PEPM	$3.00 PEPM	$2.50 PEPM	$2.50 PEPM
Rx Accumulator Integration Fee	N/A	N/A	N/A	$5.00 PEPM
Utilization Review	Included	Included	Included	Included
Disease Management	Included	Included	Included	Included
Telemedicine	Included	Included	Included	Included
24/7 Nurseline	Included	Included	Not Included	Not Included
Maternity Management	Not Included	Not Included	Included	Included
Total Administration Fees	$51.12 PEPM	$51.12 PEPM	$63.50 PEPM	$76.50 PEPM
Subtotal Fees (Monthly)	**$57,459**	**$57,459**	**$71,374**	**$85,986**
Subtotal Fees (Annually)	**$689,507**	**$689,507**	**$856,488**	**$1,031,832**
Additional Plan Management Fees				
Plan Document Management	Included	Included	Included	Included
ID Cards	Included	Included	Included	Included
Behavioral Health	Capitated Fee	Capitated Fee	Included	Included
Run Out Administration (not Cost of Claims) – 12 mo	Sum of Prior 4 months' admin fee	Sum of Prior 4 months' admin fee	Included	Included
Additional Cost Containment Programs				
Shared Savings	29% of savings *included as claim expense*	29% of savings *included as claim expense*	*Out of Network: Included* *In Network: 1% of savings*	*Out of Network: 35% of savings* *In Network: 1% of savings*
Optional Programs				
Concierge Program	*One Guide* Paid via Wellness Fund	*One Guide* Paid via Wellness Fund	*Blue Connect* $2 - $6 PEPM	*Blue Connect* $2 - $6 PEPM
Gene Therapy Program (Rx)	$0.99 PMPM	$0.99 PMPM	N/A	N/A
Additional Client Funds Provided by TPA				
Wellbeing Fund (annual)	$125,000	$125,000	$125,000	$125,000
Onsite Benefits Coordinator (annual)	Included (Lisa Phillips)	Included (Lisa Phillips)	Included (BlueKC has agreed to hire Lisa Phillips if awarded COI contract)	Included (BlueKC has agreed to hire Lisa Phillips if awarded COI contract)
Onsite Wellbeing Coordinator (annual)	$59k paid by Cigna; $25,872 paid from Wellness Fund	$85,000 paid by Cigna	$85,000 paid by BlueKC	$85,000 paid by BlueKC
Education Fund (annual)	$22,000	$22,000	$25,000	$25,000
Wellness/Programming/Communications Fund (one-time)	N/A	$170,000 (2025: $60k; 2026: $55k; 2027: $55k)	N/A	N/A
Implementation Stipend (one-time)	N/A	N/A	$25,000	$25,000
Administration Fee Credit (one-time)	N/A	N/A	$150,000	N/A
Guarantees				
Administrative Fee Guarantee	N/A	3 Years	3 Year Admin Fee and Network Access Fee Guarantee	3 Year Admin Fee and Network Access Fee Guarantee
Administrative Fee Cost Summary				
Projected Annual Administrative Fees	**$689,507**	**$689,507**	**$856,488**	**$1,031,832**
First Year Credits		**$60,000**	**$175,000**	**$25,000**

This is only a summary of proposals and does not represent every plan provision.

TPA Credit Summary

	Cigna	Blue Cross
2024		
2025	$60,000*	$175,000
2026	$55,000*	
2027	$55,000*	
Total	$170,000	$175,000

*Contingent on Medical and Rx remaining bundled with Cigna. If Rx is carved out, future credits will be forfeited.

Does not include Education Fund, Wellbeing Fund, or Onsite Benefits Coordinator subsidy

Active/Pre-65 Medical Claims Repricing

	Current	Proposed	Proposed
TPA	Cigna	Cigna	Blue Cross of KC
Network	*Cigna OAP*	*Cigna OAP*	*Preferred Care Blue*
Total Review of Claims	**$75,702,135**	**$75,702,135**	**$75,702,130**
In-Network		$74,485,445	$75,702,130
Out-of-Network		$212,309	$0
Non-Repriced		$57,709	$0
Projected In-Network Savings			
% In-Network		99.6%	100.0%
Inpatient		62.0%	70.5%
Outpatient		74.0%	72.5%
Non-Facility		62.3%	57.9%
TOTAL		**68.6%**	**68.0%**
Allowable Charges			
In-Network	$24,557,801	$23,388,428	$24,211,916
Out-of-Network	$679,018	$95,635	$0
Non-Repriced		$18,121	$0
Fixed Charges	$2,230,731	$2,124,510*	N/A
TOTAL	**$27,467,550**	**$25,626,694**	**$24,211,916**
Difference from Incumbent		($1,840,856)	($3,255,634)
Difference from Incumbent		-6.7%	-11.9%

Results based on carrier repricing analysis of actual City of Independence claims paid January 2022 – December 2023 ($75.7M Billed claims)

- *Cost projections do not include Rx claims, stop loss premium, stop loss reimbursements or Rx rebates*
- *Change in claims mix/locations will impact future results*
- *Fixed charges: Claim expense fees – out-of-network negotiation, capitation, shared savings, behavioral health, cost containment fees. Currently included in monthly claims costs.*
  - **2025 Fixed Charges projected based on 2022 and 2023 charges as a percentage of paid claims (9.1%)*

Active/Pre-65 GeoAccess

Cigna							
Group	Standard	With Access	# With Access	Access Points	Unique Locations	Distance to 1	Distance to 2
Primary Care Physicians	2 in 10 miles	99.6%	1,328	746,628	112,358	1.5	1.9
Specialists	2 in 10 miles	99.6%	1,329	4,045,286	232,014	1.1	1.2
Hospitals	1 in 15 miles	98.2%	1,310	10,412	8,404	4.0	6.0
Convenience Care Clinics	1 in 10 miles	87.3%	1,164	1,866	1,811	2.8	5.2

BlueKC							
Group	Standard	With Access	# With Access	Access Points	Unique Locations	Distance to 1	Distance to 2
Primary Care Physicians	2 in 10 miles	97.5%	1,300	1,002,813	117,525	2.1	2.6
Specialists	2 in 10 miles	96.3%	1,285	2,915,207	139,728	2.0	2.1
Hospitals	1 in 15 miles	94.0%	1,254	6,210	6,210	5.7	9.6
Convenience Care Clinics	1 in 10 miles	87.1%	1,162	12,608	12,331	2.5	3.9

This is only a summary of proposals and does not represent every plan provision.

Active/Pre-65 Projection Caveats

- **Projection based on current enrollment, administration of current plan design and setup (Medical/Rx bundled with carrier, stop loss carved out)**
- **Does not include stop loss insurance premium, consulting fees, or other fees**
- **Does not account for stop loss reimbursements for large claimants**
- **Rx claims projections include Rx rebates/credits**
    - Cigna: Rebates as shown in CBIZ analysis
    - BlueKC: Rebate credit
        - $78 PMPM ($2,349,000) in 2025, $81 PMPM ($2,440,000) in 2026

CBIZ Rx Market Analysis

City of Independence

Experience data - 1/1/2023 - 12/31/2023

DRAFT

	Experience	Yr. 1 Projections				
Employees	1,118	1,124				
Members	2,522	2,510	NPF Formulary	Opt-In Formulary	Opt-In Formulary	Premium Formulary
Projection Year 1 **1/1/2025 - 12/31/2025**	**Experience**	**Experience Projected**	**Cigna**	**Employer's Health Coalition (Caremark + PaydHealth)**	**Employer's Health Coalition (Caremark)**	**Employer's Health Coalition (OptumRx)**
Retail Network	$ 1,391,000	$ 1,620,000	$ 1,591,000	$ 1,293,000	$ 1,424,000	$ 1,440,000
Retail 90	$ 1,191,000	$ 1,298,000	$ 1,310,000	$ 1,381,000	$ 1,381,000	$ 1,429,000
Mail Order	$ 298,000	$ 323,000	$ 352,000	$ 356,000	$ 356,000	$ 362,000
Specialty Pharmacy	$ 2,890,000	$ 4,277,000	$ 4,039,000	$ 2,736,000	$ 4,112,000	$ 4,102,000
Gross Claim Cost	**$ 5,770,000**	**$ 7,518,000**	**$ 7,292,000**	**$ 5,766,000**	**$ 7,273,000**	**$ 7,333,000**
Member Cost Share	$ 807,000	$ 1,068,000	$ 1,011,000	$ 1,025,000	$ 1,025,000	$ 1,049,000
Net Claim Cost	**$ 4,963,000**	**$ 6,450,000**	**$ 6,281,000**	**$ 4,741,000**	**$ 6,248,000**	**$ 6,284,000**
PBM Admin Fees	$ -	$ -	$ -	$ 392,000	$ 15,000	$ 15,000
Rebates	$ (1,537,000)	$ (1,369,000)	$ (2,298,000)	$ (1,992,000)	$ (2,509,000)	$ (2,309,000)
Projected Pharmacy Cost	**$ 3,426,000**	**$ 5,081,000**	**$ 3,983,000**	**$ 3,141,000**	**$ 3,754,000**	**$ 3,990,000**
Cost / (Savings)			**$ (1,098,000)** **-21.6%**	**$ (1,940,000)** **-38.2%**	**$ (1,327,000)** **-26.1%**	**$ (1,091,000)** **-21.5%**

Results based on carrier repricing analysis of actual City of Independence claims paid January 2023 – December 2023

- *Cost projections do not include changes in ASO Admin Fees or consulting fees*
- *Change in claims mix will impact future results*

This is only a summary of proposals and does not represent every plan provision.

Dental Geo Access

Ameritas							
Group	Standard	With Access	# With Access	# Without Access	# of Providers	Distance to 1	Distance to 2
Dentist	2 in 10 miles	97.70%	1,362	32	447,767	1.6	1.8
Orthodontists	1 in 10 miles	91.1.%	1,270	124	40,754	3.9	4.8

BlueKC							
Group	Standard	With Access	# With Access	# Without Access	# of Providers	Distance to 1	Distance to 2
Dentist	2 in 10 miles	97.10%	1354	40	94,594	2.4	2.6
Orthodontists	1 in 10 miles	87.00%	1222	172	5,533	5.1	5.9

Cigna							
Group	Standard	With Access	# With Access	# Without Access	# of Providers	Distance to 1	Distance to 2
Dentist	2 in 10 miles	98.50%	1373	21	109,265	1.4	1.6
Orthodontists	1 in 10 miles	90.80%	1266	128	6,861	2.4	3.1

Delta Dental MO							
Group	Standard	With Access	# With Access	# Without Access	# of Providers	Distance to 1	Distance to 2
Dentist	2 in 10 miles	95.20%	1864	93	84,839	1.4	1.6
Orthodontists	1 in 10 miles	86.00%	1683	274	6,316	2.5	2.8

Metlife							
Group	Standard	With Access	# With Access	# Without Access	# of Providers	Distance to 1	Distance to 2
Dentist	2 in 10 miles	96.40%	1344	50	114,586	1.7	1.9
Orthodontists	1 in 10 miles	85.80%	1196	198	29,013	2.9	

Sunlife							
Group	Standard	With Access	# With Access	# Without Access	# of Providers	Distance to 1	Distance to 2
Dentist	2 in 10 miles	97.10%	1353	41	111,874	1.6	1.8
Orthodontists	1 in 10 miles	88.00%	1227	167	7,439	2.7	3.5

United Healthcare							
Group	Standard	With Access	# With Access	# Without Access	# of Providers	Distance to 1	Distance to 2
Dentist	2 in 10 miles	97.70%	1362	32	85,132	1.7	1.9
Orthodontists	1 in 10 miles	88.40%	1232	162	5,014	5	6

*Providers may practice in multiple locations

Dental Disruption

Top 25 Utilized Dental Providers		
Group	# In-Network	# Out-of-Network
Ameritas	16	9
Blue KC	19	6
Cigna **based off highest discount network*	13	12
Dental Dental of MO **based off highest discount network*	21	4
Metlife	23	2
Sun Life	16	9
United Healthcare	19	6

Vision Geo Access

Ameritas							
Group	Standard	With Access	# With Access	# Without Access	Access Points	Distance to 1	Distance to 2
Vision	2 in 10 miles	94.80%	1,811	100	169,315	2.9	3

BlueKC							
Group	Standard	With Access	# With Access	# Without Access	Access Points	Distance to 1	Distance to 2
Vision Urban	2 in 10 miles	100.00%	864	0	170,322	2.1	2.1
Vision Suburban	1 in 20 miles	98.60%	1032	15		3.6	3.7

Cigna							
Group	Standard	With Access	# With Access	# Without Access	Access Points	Distance to 1	Distance to 2
Vision	2 in 10 miles	94.90%	1813	98	168,693	2.2	2.2

Surency Vision							
Group	Standard	With Access	# With Access	# Without Access	Access Points	Distance to 1	Distance to 2
Vision	2 in 10 miles	90.50%	1729	182	170,322	2.7	2.7

Delta Dental of MO							
Group	Standard	With Access	# With Access	# Without Access	Access Points	Distance to 1	Distance to 2
Vision	2 in 10 miles	91.50%	1790	167	200,325	3.6	3.7

Eyemed							
Group	Standard	With Access	# With Access	# Without Access	Access Points	Distance to 1	Distance to 2
Vision	2 in 10 miles	92.80%	980	76	145,165	2.8	2.8

Sunlife							
Group	Standard	With Access	# With Access	# Without Access	Access Points	Distance to 1	Distance to 2
Vision	2 in 10 miles	92.00%	1759	152	115,115	2.6	2.6

United Healthcare							
Group	Standard	With Access	# With Access	# Without Access	Access Points	Distance to 1	Distance to 2
Vision	2 in 10 miles	97.40%	1862	49	165,229	1.1	1.1

Vision Disruption

	Top 25 Utilized Vision Providers	
Group	# In-Network	# Out-of-Network
Ameritas	EyeMed: 21 VSP: 24	EyeMed: 4 VSP: 1
Blue KC	22	3
Cigna	24	1
Delta Dental of MO	22	3
Eyemed	22	3
Sunlife	24	1
Surency Vision	22	3
United Healthcare	14	11

City of Independence
Charter Amendment Questions

August 6, 2024 Election

Jackie Sommer, Chair

Produced at City expense for voter information

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Commission Members

- Jackie Sommer, Chair
- Tom Waters, Vice-Chair
- John Allinder
- Les Boatright
- Patrick Casey
- Carmen DeHart
- Bruce Frakes
- Nick Huff
- Kevin Lathrom
- Mark McDonald
- Terri Steele

By the numbers

- Met twice a month January through November 2023
- Nearly 600 person hours plus homework and prep
- Recommended version reduces from 60 to nearly 30 pages
- Resources:
- Zach Walker, City Manager
- Jeremy Cover, City Counselor
- Lindsey Gallman, Secretary/Clerk for the Commission
- National Civic League Model City Charter
- Other local charters including Blue Springs, Lee's Summit, Kansas City
- Mayor's Advisory Commission on Ethics Reform
- Jackson County Election Board
- Various Citizens
- State Law

INDEPENDENCE
★ MISSOURI ★ SM

Question 1: Amends Charter throughout

- Allows publication of official notices electronically and not just in local newspaper.
- Removes outdated City boundaries (current as of 12/31/1975).
- Adds references to specific Missouri state statutes that govern or supersede existing Charter language.
- Makes grammatical, numbering, and language corrections for clarity/accuracy.
- Requires mandatory Charter review at least every 7 years by 11-member Commission to ensure Charter remains current and requires fewer extensive changes in the future.

INDEPENDENCE
★ MISSOURI ★ SM

Question 2: Amends Articles 1, 2, 4, and 5

- Adds public engagement statement and need to reach out to underrepresented communities.
- Renames Management Analyst to Internal Auditor.
- Allows Internal Auditor to audit City departments as directed by Audit & Finance Committee.
- Allows official records to be stored electronically instead of paper.
- Allows City to adopt standard technical codes (building, electric, or property maintenance code).

INDEPENDENCE
★ MISSOURI ★ SM

Question 2 (Con't): Amends Articles 1, 2, 4, and 5

- Requires annual update of City Code on City's website.
- Removes City residency requirement for Municipal Judges.
- Clarifies powers of the Ethics Board and provides operating budget.
- Clarifies prohibition on use of public office for private gain and requires City Council to adopt Code of Ethics.
- Allows for potential future transfer of municipal court to Circuit Court after public hearing/super-majority vote of City Council (if desired).
- If municipal court is transferred to Circuit Court, requires City to maintain City Prosecutor.

INDEPENDENCE
★ MISSOURI ★ SM

Question 3: Amends Articles 2, 3, 8, 9, and 10

- Requires public vote to decide whether City may sell a public utility.
- Restricts budgetary transfers and loans from utilities.
- Removes administrative department descriptions in favor of placement in City Code, but keeps Police and Fire in Charter.
- Removes job descriptions in favor of placement in City Code or Personnel Manual.
- Clarifies provisions related to issuance of bonds or notes.

INDEPENDENCE
★ MISSOURI ★ SM

Question 3 (Con’t): Amends Articles 2, 3, 8, 9, 10

- Removes provisions related to City officers/employees entering into contracts on behalf of City in favor of adding to Personnel Manual.
- Removes Article 10 and renames Article 8 “Financial Management” which includes provisions from Article 10.
- Removes provisions regulating business licenses, because the City’s ability to require a business license is regulated by State law.
- Adds a requirement for the Council to approve financial policies to maintain the financial integrity of the City government

INDEPENDENCE
★ MISSOURI ★ SM

Question 4: Amends Articles 6, 7, and 13

- Removes examples of election forms.
- Clarifies election dates and processes.
- Establishes that if candidates file nominating petition on first day of filing, their names will appear on ballot in random order.
- Clarifies that for candidates to be declared incompetent, they must be adjudged incompetent by a judge.

INDEPENDENCE
★ MISSOURI ★ SM

Question 4 (Con't): Amends Articles 6, 7, and 13

- Clarifies that candidates must be current on all fees and taxes to the City and shall not have unresolved warrants.
- Clarifies the referendum process and timeline.
- Clarifies that franchises and private utilities are subject to State law.

INDEPENDENCE
★ MISSOURI ★ SM

Question 5: Amends Articles 11, 12, and 14

- Removes certain provisions relating to special assessments for public improvements.
- Removes certain provisions relating to the Planning Commission and Board of Adjustment in favor of similar provisions in State law or future placement in City Code.
- Removes subpoena powers from Planning Commission and Board of Adjustment.
- Clarifies that meetings, records, accounts, and votes shall be open as required by State law.

INDEPENDENCE
★ MISSOURI ★ SM

“The Charter Commission had 11 months to do this work. Citizens only got 2 months to review it.”

- **False.**
- Each Charter Commissioner is a citizen of Independence and was appointed by the duly elected Mayor and City Council during public meetings.
- Commission held 20 total meetings, all of which were public.
- Recommendations presented publicly 1/8/24 by Commission to Council.
- City Council public meetings regarding the Charter: February 8th, February 26th, March 11th (Study Sessions), April 1st Public Open House, April 4th 1st Reading of Ballot Ordinance, April 15th 2nd Reading of Ballot Ordinance.

INDEPENDENCE
★ MISSOURI ★ SM

“Our Charter protects our rights, freedoms, and liberties. There are many instances where they remove the rights of the people. These amendments remove our voice, our vote, and our rights.”

- **False.**
- **The City is required to follow all State and federal laws.**
- The proposed revisions to the Charter do not change that requirement.
- All revisions to the Charter must be approved by the voters, as required by the Missouri Constitution.

INDEPENDENCE
★ MISSOURI ★ SM

“Our codified rights and protections are being deleted. Each question takes something from the people.”

- **False.**
- Many proposed revisions require that public has a voice within the City government.
- Question 1 requires a **public review of the Charter** every 7 years.
- Question 2 requires the City to **proactively engage** with the public.
- Question 3 **requires the people to vote** as to whether or not the City can sell a public utility.
- Question 4 clarifies that **council districts shall be updated** after every census.
- Question 5 clarifies that all meetings, records, and votes of the City Council and City departments are **open to the public**, as required by State law.

INDEPENDENCE
★ MISSOURI ★ SM

“If Question 1 passes, all other questions are moot points.”

- **False.**
- Each Question stands on its own.
- Each Question must be approved by a majority of the voters for the revisions in that Question to take effect.

INDEPENDENCE
★ MISSOURI ★ SM

“Language requiring fair and equal treatment of every citizen is gone.”

- **False.**
- Section 5.2 was proposed to be removed from the Charter and be put into City Code.
- If Question 2 is approved, the **Council will be required to approve a Code of Ethics**, which could include a provision similar to current Section 5.2.

INDEPENDENCE
★ MISSOURI ★ SM

“They classed us in Article 1. The City will search out special people and give them special treatment.”

- **False.**
- Question 2 proposes that the City treat public engagement as an **<u>integral part of effective and trusted governance</u>**.
- If passed, Question 2 would require the City to engage with all people of the City, including those who are typically looked over or those who feel they don’t have a voice within the City government.

INDEPENDENCE
★ MISSOURI ★ SM

Question 2 “removes the Ethics portion of our Charter.”

- **False.**
- Question 2 proposes language that clarifies that **the use of public office for private gain is prohibited**.
- If passed, Question 2 requires the Council to adopt Code of Ethics.
- Question 2 proposes that the Board of Ethics’ role is clarified and that the City be required to provide the Board of Ethics an operating budget.
- City Council **must follow State laws** regarding ethics, conflicts of interest, campaign finance, and financial disclosures.

INDEPENDENCE
★ MISSOURI ★ SM

“They demoted the Mayor position to basically an employee. The Mayor is no longer an elected official.”

- **False.**
- The Mayor is created in Section 2.1 (unchanged) and the powers and duties of the Mayor are listed in Section 2.5 (added language to clarify that the Mayor can only declare a state of emergency in accordance with the State laws).
- **Term, qualifications, and election of Mayor unchanged.**

INDEPENDENCE
★ MISSOURI ★ SM

“The City Council removed themselves.”

- **False.**
- Section 1.2: all powers of the City shall be vested in an elective council.
- Section 2.1: Council created, number of councilmembers, terms (unchanged).
- Section 1.2: **The City government shall be a “council-manger government**” (unchanged).

INDEPENDENCE
★ MISSOURI ★ SM

“The City Manager is left in. It is the only person left in our Charter.”

- **False.**
- Seven councilmembers (Section 2.1); includes Mayor (Section 2.5) and Mayor pro tempore (Section 2.6).
- Internal Auditor (Section 2.11), City Clerk (Section 2.12), Other personnel appointed by the council (Section 2.13).
- City Manager (Section 3.1), Police Chief (Section 3.5), Fire Chief (Section 3.7), Municipal Judge (Section 4.1), and City Prosecutor (Section 4.5).
- Council may establish other city departments (Section 3.4.A)

INDEPENDENCE
★ MISSOURI ★ SM

“The City Manager position is enhanced by giving it the authority to run every single aspect of our life.”

- **False.**
- Section 1.2: **The City government shall be a “council-manger government”** (unchanged).
- Section 3.3 (City Manager: Powers and duties) is unchanged.
    - *The city manager shall be chief administrative officer and head of the administrative branch of the city government. The city manager shall execute the laws and ordinances and administer the government of the city, and shall be responsible therefore to the council.*
- Six primary duties listed, which remain unchanged.

INDEPENDENCE
★ MISSOURI ★ SM

“All (power) is left to one unelected bureaucrat (City Manager) that no one voted for.”

- **False.**
- Section 3.3 City Manager **shall be responsible to the council**.
- The council may suspend or remove the city manager, **with or without cause**, by the affirmative vote of at least four (4) members of the council (Section 3.1).
- Form of government unchanged (Section 1.2). The municipal government provided by this charter shall be known as a “council-manager government.” Pursuant to the provisions of the Charter and subject only to the limitations imposed by the Constitution and laws of the State of Missouri and this charter, **all powers of the City shall be vested in an elective council**.

INDEPENDENCE
★ MISSOURI ★ SM

Question 4: “This question removes the public utility regulatory agency for a public utility franchise (Comcast, MGE, AT&T, etc.)”

- **False.**
- Missouri Public Service Commission regulates investor-owned electric, steam, natural gas, water and sewer companies, and has limited authority over telephone providers in the state.
- City Council will continue to set policy and adopt rates for IPL, Water, and Wastewater.
- State laws regulate private utility franchises.

INDEPENDENCE
★ MISSOURI ★ SM

Question 4: "This question allows the potential to remove the City's Public Works Department and send it to be controlled by the County."

- **False.**
- Section 10.1 gives the City power to establish, improve, acquire, construct, reconstruct, alter, repair, and maintain all public works or improvements.
- Proposed revisions do not contemplate that the City's public works will be controlled by the County.
- Public Works Department is part of the Municipal Services Department.
- Consolidations have saved the General Fund approximately $1.5 million.

INDEPENDENCE
★ MISSOURI ★ SM

Question 5: “This question removes the input of the Planning Commission to prepare and recommend an official map of the City. This takes away citizens’ input.”

- **False.**
- City boundaries and council districts are not considered by the Planning Commission.
- The City’s legal description changes from time to time due to annexation and de-annexation or detachment.
- The Planning Commission prepares and approves the City’s Master Plan (to be renamed the “Comprehensive Plan” if Question 5 is approved).
- <u>**State law requires the Planning Commission to make recommendations for all zoning map amendments**</u>, which are considered at public meetings.

INDEPENDENCE
★ MISSOURI ★ SM

“The Questions remove rights that the State law says cannot be removed from the Charter.”

- **False.**
- **<u>State laws do not require the City to include any particular items in its Charter.</u>**
- The Missouri Constitution provides that the City has all powers that any cities in Missouri have, unless the Charter limits those powers.
- The purpose of charter cities is to allow the organization and powers of the City to be decided by the people.

INDEPENDENCE
★ MISSOURI ★ SM

“A summary statement and fiscal note are required and the City didn’t include those in the Questions.”

- **False.**
- Summary statements and fiscal notes are required for **statewide ballot measures only. They are not required for City elections.**
- A summary of the Questions can be found on the City’s website.

INDEPENDENCE
★ MISSOURI ★ SM

“Changes to Section 15.2 will leave citizens with vague questions. These questions are not amendments as required by State law.”

- Independence: Adopted 1961. Amended 1972, 1978, 1985, 1987, 1999, and 2002. Last citizen’s review: 1985.
- Jackson County: Adopted 1970. Amended 1978, 1985, 1986, 1994, 2010, and 2018.
- Blue Springs: Adopted 1994. Amended 2019.
- Lee’s Summit: Adopted 1996. Amended April 2017.

INDEPENDENCE
★ MISSOURI ★ SM

Thank You

INDEPENDENCE
★ MISSOURI ★ SM

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AUGUST 6TH
BALLOT MEASURE

Proposition PD

The Challenge:

March 2024:

- KCPD announced new wage scale aimed at attracting new police officers
- Independence FOP and the City were already negotiating a new work agreement at this time

April 2024:

- KCPD new wage scale went into effect:
  - Starting wage for police officer: $65,000
  - Top wage for police officer: $104,600
  - 8-years of service to top wage
- Since announcement, KCPD had 22 certified police officer applicants

May 1, 2024:

- IPD learns that 5 current IPD officers are looking at KCPD due to new scale
- CMO and Council engage and work to address challenge
- After new wage scale went into effect, KCPD had an **additional 44** certified police officer applicants

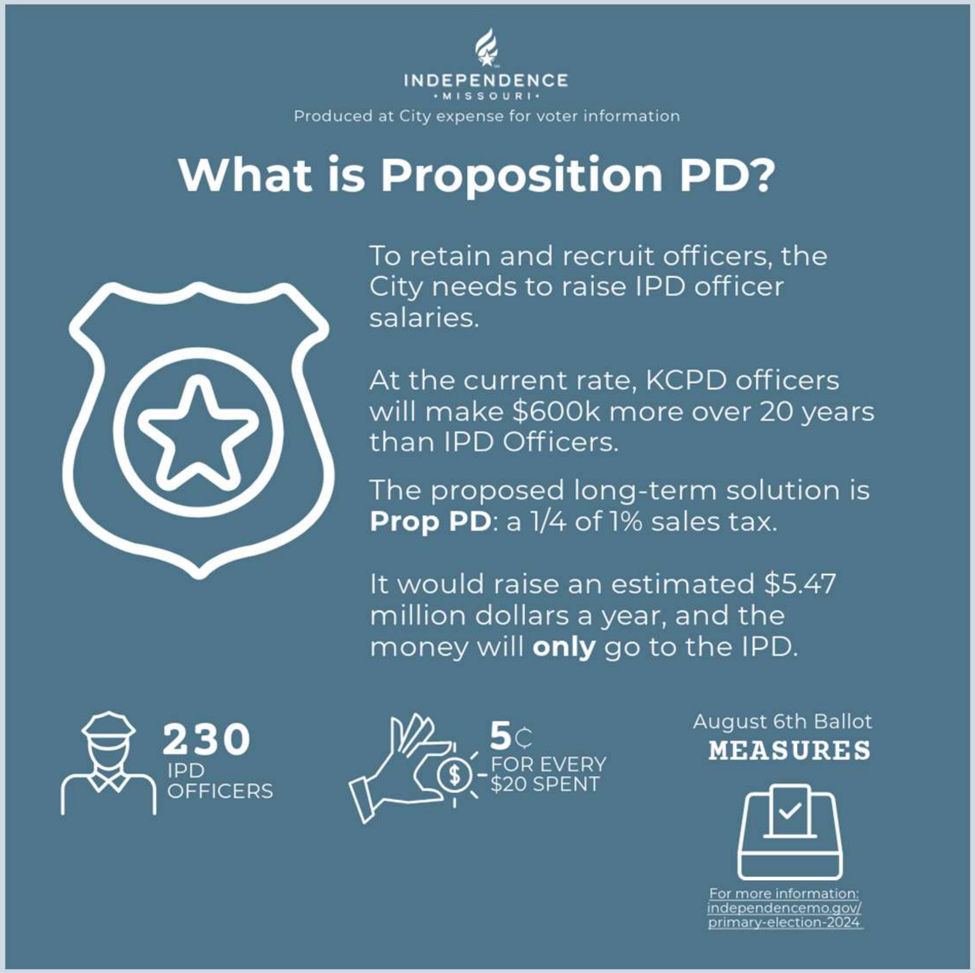
The Proposed Solution:

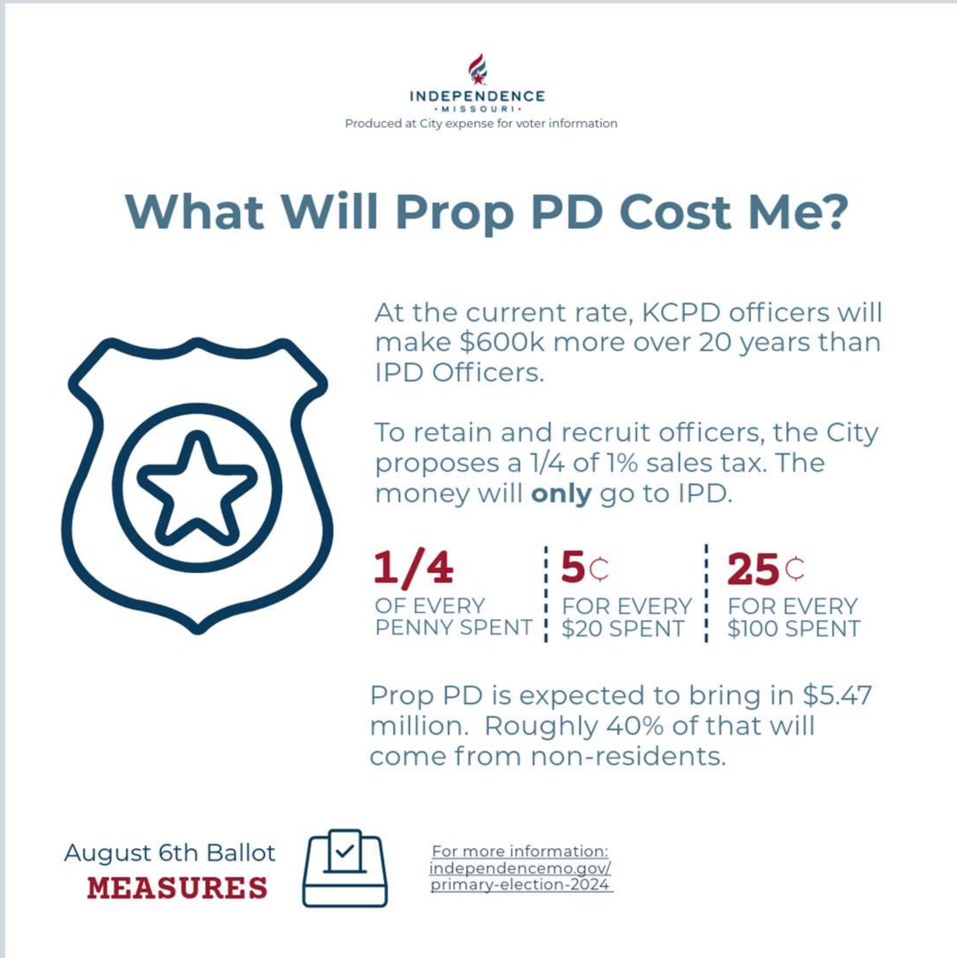
May 6, 2024:

- The City finalized an agreement with the FOP, this was approved by Council on May 20th
  - City Leadership identified funding to fund current FY (2024-25) wage cost of agreement

Moving Forward:

- To sustain this wage scale and provide future funding, the City Council decided to put a sales tax measure before the voters on August 6th:
  - Proposition PD


INDEPENDENCE
• MISSOURI •
Produced at City expense for voter information
What is Proposition PD?
To retain and recruit officers, the City needs to raise IPD officer salaries.
At the current rate, KCPD officers will make $600k more over 20 years than IPD Officers.
The proposed long-term solution is **Prop PD**: a 1/4 of 1% sales tax.
It would raise an estimated $5.47 million dollars a year, and the money will **only** go to the IPD.
230
IPD OFFICERS
5¢
FOR EVERY $20 SPENT
August 6th Ballot
MEASURES
For more information: independencemo.gov/primary-election-2024


INDEPENDENCE
• MISSOURI •
Produced at City expense for voter information
What Will Prop PD Cost Me?
At the current rate, KCPD officers will make $600k more over 20 years than IPD Officers.
To retain and recruit officers, the City proposes a 1/4 of 1% sales tax. The money will **only** go to IPD.
1/4
OF EVERY PENNY SPENT
5¢
FOR EVERY $20 SPENT
25¢
FOR EVERY $100 SPENT
Prop PD is expected to bring in $5.47 million. Roughly 40% of that will come from non-residents.
August 6th Ballot
MEASURES
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primary-election-2024

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What has IPD done with previous sales taxes?

Proposition P
Online Sales Tax

Hire more officers.

Public Safety
Online Sales Tax

Purchase IPD equipment.

Marijuana Sales Tax

Fund public safety and emergency management.

Proposition PD
Proposed Sales Tax

Maintain commissioned officer salaries.

August 6th Ballot
MEASURES

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