

RESOLUTION NO. 3636

A RESOLUTION of the Port Commission of the Port of Seattle adopting an individual self-funded health insurance program for Port of Seattle employees and retirees.

WHEREAS, The Port of Seattle has historically provided medical and dental benefits for its employees and retirees; and

WHEREAS, in order to save public resources and contain health care costs, many public entities in Washington state self-insure medical and dental benefits for employees;

WHEREAS, any program involving self-insuring medical and dental benefits is intended to reduce the cost of delivering the Port's chosen level of medical and dental benefits, rather than as a mechanism to reduce employee benefits; and

WHEREAS, RCW 48.62.031 provides a process for public entities like the Port of Seattle to self-insure its medical and dental benefits; and

WHEREAS, the Port of Seattle is a good candidate to self-insure its medical and dental benefits on a sustainable basis; and

WHEREAS, the Port will cover projected claim costs and will purchase stop loss and aggregate stop loss insurance to cover unanticipated losses due to a single large claim or multiple large claims;


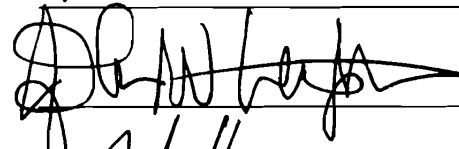
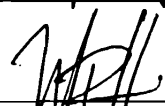
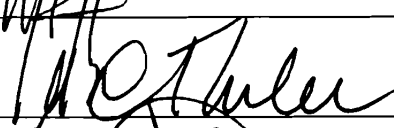

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Seattle that:

Section 1. The Port of Seattle shall adopt a self-funded health insurance program for medical, dental, vision, and prescription drug benefits pursuant to Chapter 82-65 WAC. This

program shall: 1) establish program reserves, 2) maintain an aggregate stop loss insurance policy, and 3) establish an additional contingency reserve. Reserves and stop loss insurance shall be established and maintained consistent with Chapter 82-65 WAC of at least eight weeks of program expenses, or an amount approved by the state risk manager, or an amount that is consistent with state law. During the first year of the existence of this program, these reserves shall be established pursuant to the initial plan reviewed and approved by the state risk manager.

Section 2. The Chief Executive Officer is authorized to take all steps required and execute all documents necessary to adopt, implement, and manage a self-insured health plan for the Port of Seattle.

ADOPTED by the Port Commission of the Port of Seattle at a regular meeting thereof, held this 1st day of May, 2010, and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the seal of the Commission.

	_____ TOM ALBRO
	_____ JOHN CREIGHTON
	_____ BILL BRYANT
	_____ GAEL TARLETON
	_____ ROB HOLLAND

Port Commission