

Item # 6 A+B

**City of Carson City
Agenda Report**

Date Submitted: September 26, 2006

Agenda Date Requested: October 5, 2006
Time Requested: 10 minutes

To: Board of Supervisors

From: Sue Johnson, Internal Auditor

Subject Title: Action to approve a reimbursement agreement between the City of Carson City and Saint Mary's HealthFirst for overpaid insurance premiums for the period July 2003 through June 2006.

Staff Summary: Per request from the City's Director of Finance and Director of Human Resources, the Internal Auditor was asked to examine the monthly Saint Mary's HealthFirst invoices beginning with July 2003. The purpose of this review was to determine if the City of Carson City was being billed properly for policy holders based on their coverage classification, coverage type and status with the City. The audit revealed overpayments to Saint Mary's HealthFirst and a reimbursement due to Carson City in the amount of \$152,588.19.

Type of Action Requested: (check one)
 Resolution Ordinance
 Formal Action/Motion Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: I move to approve a reimbursement agreement between the City of Carson City and Saint Mary's HealthFirst for overpaid insurance premiums for the period July 2003 through June 2006.

Explanation for Recommended Board Action: See attached audit report for complete explanation of the recommended action.

Applicable Statute, Code, Policy, Rule or Regulation: N/A

Fiscal Impact: A reimbursement agreement has been drafted, in the amount of \$152,588.19, between the City of Carson City and Saint Mary's HealthFirst for the outstanding balance of overpaid insurance premiums. This amount is to be reimbursed to the City in thirty-two (32) monthly installments of \$4,768.38, beginning November 1, 2006 and ending June 1, 2006.

Explanation of Impact: Same as fiscal impact.

Funding Source: N/A

Alternatives: Not to accept reimbursement agreement.