

# City of Racine



Prepared for:



October 12th, 2020

# Agenda

City of Racine - October 12th, 2020



- **2021 Stop Loss Renewal**
  - Loss Ratio
  - Marketing Summary
  - Renewal Comparison
- **2021 Dental Renewal**

# City of Racine

## Reinsurance Loss Ratio History 2014-2020

Reinsurance Loss Ratio 2014-2020							
Contract Year	2014	2015	2016	2017	2018	2019	2020 YTD Thru 9/30
Number of High Cost Claimants (Over Specific)	4	4	5	8	7	7	0
Stop Loss Premiums	\$598,923	\$599,804	\$598,206	\$766,930	\$1,000,249	\$834,321	\$562,675
Reimbursements	\$562,283	\$1,700,721	\$155,530	\$917,597	\$421,066	\$975,248	\$0
Stop-Loss Loss Ratio	93.88%	283.55%	26.00%	119.65%	42.10%	116.89%	0.00%
Total Loss Ratio	95.39%						

Insurance / Risk Advisory / Employee Benefits

**HORTON**

# City of Racine

## January 1, 2021 Stop Loss Marketing Bid List

Stop Loss		
Carrier Name	Coverage	Status
American Fidelity	Stop Loss	Incumbent
Anthem	Stop Loss	Declined - Unapproved TPA
Berkshire Hathaway	Stop Loss	Declined - Uncompetitive
Vista	Stop Loss	Declined - Uncompetitive Rates
HCC Life	Stop Loss	Quoted
HIIG	Stop Loss	Declined - Uncompetitive Rates
HM Insurance	Stop Loss	Declined - Unapproved TPA
iiSi	Stop Loss	Declined - Not Quoting ASO
Liberty Mutual	Stop Loss	Declined - BUCA Bundle
Nationwide / TMS Re	Stop Loss	Declined - % of Retirees
Optum	Stop Loss	Declined - Not Quoting Over UHC TPA
QBE	Stop Loss	Quoted - Uncompetitive - 57% Over
Reliance Standard Life	Stop Loss	Declined - BUCA Bundle
Sun Life	Stop Loss	Declined - Uncompetitive Rates
Swiss Re	Stop Loss	Declined - Uncompetitive Rates
Symetra	Stop Loss	Declined - Uncompetitive Rates + 50%
UNUM	Stop Loss	Declined - Uncompetitive Rates
Voya	Stop Loss	Declined - Uncompetitive Rates

# City of Racine

## 1-1-2021 Stop Loss Marketing Comparison Summary

RECOMMENDED

RECOMMENDED			
CARRIER:	American Fidelity	American Fidelity	HCC
SPECIFIC STOP LOSS	Current	Renewal 3	Option 3
<i>Carrier Rating:</i>	A+	A+	A+
<i>TPA:</i>	UHC	UHC	UHC
<i>PPO Network:</i>	UHC Choice Plus	UHC Choice Plus	UHC Choice Plus
<i>UR Vendor:</i>	UHC	UHC	UHC
<i>PBM:</i>	CVS Caremark	CVS Caremark	CVS Caremark
<i>Specific Benefits Included:</i>	Med + Rx	Med + Rx	Med + Rx
<i>Plan Lifetime Maximum:</i>	Unlimited	Unlimited	Unlimited
<i>Specific Lifetime Maximum Reimbursement:</i>	Unlimited	Unlimited	Unlimited
<i>Individual Specific Deductible:</i>	\$275,000.00	\$275,000.00	\$275,000.00
<i>Specific Contract:</i>	24/12	24/12	12/18
444	EE Only	\$26.87	\$30.02
651	Family	\$77.71	\$83.52
1095	Composite	\$57.10	\$61.83
Monthly Specific Premium	\$62,519.49	\$67,698.55	\$96,458.45
Annual Specific Premium	\$750,233.88	\$812,382.58	\$1,157,501.42
<i>% Difference</i>		8.28%	54.29%
<i>Disclosure Status</i>		<b>Firm</b>	<b>Firm</b>
<i>Lasers</i>	1 - \$450L 2 - \$350K	1 - \$450L 2 - \$350K	1 - \$450L 2 - \$350K
TOTAL REINSURANCE EXPENSE			
Annual Fixed Premium	\$750,233.88	\$812,382.58	\$1,157,501.42
<i>% Difference</i>		8.28%	54.29%
Maximum Cost Liability	\$750,233.88	\$812,382.58	\$1,157,501.42
<i>% Difference</i>		8.28%	54.29%

# City of Racine

## January 1, 2021 Dental Plan Options

			Recommendation			
			MetLife - High Plan		MetLife - Low Plan	
	High Plan	Low Plan	Current	Renewal	Current	Renewal
Employee	75	204	\$57.75	\$57.75	\$27.40	\$27.40
Employee +1	64	48	\$72.97	\$72.97	\$43.88	\$43.88
Family	153	78	\$115.55	\$115.55	\$70.79	\$70.79
Total Monthly Premium by Plan			\$26,680.48	\$26,680.48	\$13,217.46	\$13,217.46
<b>Total Annual Premium by Plan</b>			<b>\$320,165.76</b>	<b>\$320,165.76</b>	<b>\$158,609.52</b>	<b>\$158,609.52</b>
Percent Change from Current by Plan			---	0.00%	---	0.00%
<b>Combined Premium</b>			<b>Current</b>		<b>Renewal</b>	
Total Monthly Premium All Plans			\$39,897.94		\$39,897.94	
<b>Total Annual Premium All Plans</b>			<b>\$478,775.28</b>		<b>\$478,775.28</b>	
Percent Change from Current All Plans			0.00%			
<b>Rate Guarantee</b>			---	1 Year	---	1 Year
<b>Employer Contribution</b>			Employee Buy-Up from Low Plan		100%	
<b>Network</b>			MetLife PDP Plus Network, 90th R&C		MetLife PDP Plus Network, 90th R&C	
			In-Network	Out-of-Network	In-Network	Out-of-Network
<b>Deductible Per Member</b>						
Individual			\$50 per person	\$50 per person	\$50 per person	\$50 per person
<b>Annual Maximum</b>						
Per Person			\$1,500	\$1,500	\$1,500	\$1,500
Diagnostic/Preventive Applied to Annual Max			Yes		Yes	
<b>Diagnostic &amp; Preventive</b>			Deductible Waived		Deductible Waived	
Exams			100%	100%	100%	100%
Cleanings			100%	100%	100%	100%
Sealants			100%	100%	100%	100%
Fluoride			100%	100%	100%	100%
Space Maintainers			100%	100%	100%	100%
<b>Basic Services</b>			Deductible Applies		Deductible Applies	
X-Rays			80%	80%	80%	80%
Periodontic Maintenance			80%	80%	80%	80%
Fillings			80%	80%	80%	80%
Simple Extractions			80%	80%	80%	80%
Emergency Treatment for Pain			80%	80%	80%	80%
<b>Major Services</b>			Deductible Applies		Deductible Applies	
Oral Surgery			50%	50%	80% Basic	80% Basic
Endodontics (Root Canals)			50%	50%	80% Basic	80% Basic
Surgical Periodontics (Gum Disease)			50%	50%	80% Basic	80% Basic
Crowns, Inlays, Onlays			50%	50%	0%	0%
Bridges and Dentures			50%	50%	0%	0%
Repairs and Adjustments			50%	50%	0%	0%
Implants			50%	50%	0%	0%
<b>Orthodontic Services</b>			Deductible Waived		N/A	
Cost Share			50%	50%		
Lifetime Maximum per Person			\$1,500	\$1,500	Not Covered	
Dependent Age Limit			Up to age 19			



**HORTON**