
City of San Luis Budget Retreat *Employee Benefits Renewals* *July 1, 2024 – June 30, 2025*



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CITY OF SAN LUIS'S CBIZ ACCOUNT TEAM

Your Local Account Team



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Relationship
Management

Overall Strategy
Development

Cost Containment &
Innovative Solutions

Implementation &
Management of
Benefits

Day-to-Day Service

Ongoing Wellbeing,
Claims & Analytics

Supported by our National Experts



Regulatory Affairs Practice Lead
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Dave Rubadue, FSA, MAA, CLU

2023/2024 PLAN CHANGES REVIEW

- **Changed Third Party Administration (TPA) from 90 Degree to HealthComp**
 - Improved service and cost
- **Changed Stop-loss carrier from Symetra to Matrix**
 - Resulted in a decrease in premium of 6.18%
 - Resulted in reduction in Stop-loss premium from \$749,855 to \$703,480 or -\$46,375
 - Contract included an Individual Stop-loss insurance laser of \$185,000

2023/2024 PLAN CHANGES REVIEW

- **Mexico Medical Plan Changes**
 - Removed Out-of-Pocket Maximum for In-Network services to \$0/\$0 from \$4,500/\$9,000
- **Mexico Dental Plan Changes**
 - Added Verbiage “*Copay per Visit*” to Dental Services
- **Vision Plan Changes**
 - Increased Frame Allowance from \$150 to \$200
 - Increased Contacts Allowance from \$130 to \$150
 - Added coverage for VSP *LightCare* UV and Blue Light

2024/2025 PLAN FUTURE CHANGES

- **Teledoc/Healthiest You**
 - Eliminating broker commission from rates resulting in a -\$4,400 decrease in cost to the City
- **VSP Vision Plan**
 - Eliminating broker commission from rates resulting in a -\$2,800 decrease in the City's portion of the cost
- **Standard Insurance**
 - Eliminating broker commission from rates resulting in a decrease in the City's portion of the cost; awaiting on a decrease amount from Standard Insurance
- **BlueCross BlueShield Network Fee**
 - Increasing from \$21.50 Per Employee Per Month to \$22.00 Per Employee Per Month; approximately \$1,800 annual increase

MEDICAL AND DENTAL PLAN CLAIMS COST HISTORY*

* Does not include plan Administration fees and Stop-loss insurance premiums. 2023/2024 plan year year's estimates are based on claims paid through March 2024

NET PAID ANNUALIZED MEDICAL & DENTAL INSURANCE COST*

- **2022/2023 Actual**
 - \$3,084,202
- **2023/2024 Estimated**
 - \$2,204,898
- **Change**
 - -\$879,304 (-29%)

* Based on paid costs through February 2024; costs include plan Administration fees, Stop-loss premiums and claims costs

MEDICAL INSURANCE PLAN PRELIMINARY RENEWAL

Preliminary Individual and Aggregate Stop-loss Insurance Renewals

- Current Combined Stop-Loss Insurance Cost - \$716,578
 - Individual Stop-Loss Renewal at \$50K Limit +10%/+\$69,842
 - Aggregate Stop Loss Renewal at 125% Limit -53%/- \$9,626
- Preliminary Combined Stop-Loss Renewal Cost **\$776,794 or +8.4%/+\$60,216**

MEDICAL INSURANCE PLAN PRELIMINARY RENEWAL – CONT'D

Preliminary Expected Annual Claims Liability + Stop-Loss Insurance Renewal

- \$3,150,857 or +11.7%/+\$330,908

Preliminary Maximum Annual Claims Liability + Stop-Loss Insurance Renewal

- \$3,798,261 or +11%/+\$392,222

MEDICAL INSURANCE PLAN PRELIMINARY RENEWAL - CONT'D

- **CBIZ Recommendation**
 - Increase Individual Stop-Loss Limit from \$50K to \$100K and include an Aggregating Specific Deductible of \$50K
 - Results in a decrease in annual Stop-Loss Premiums of -\$225K
 - No changes to employee contributions

ONGOING AND FUTURE BENEFITS INITIATIVES

- **Wellbeing Program Initiative**
 - CBIZ working with HR/Benefits staff to develop and release a benefits survey
 - Discussing the possible creation of Wellbeing Committee
 - Discussing the review of 3rd party wellbeing vendor options
- **Other**
 - Future medical plan audit
 - Possible future review of Mexico plan options

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Thank you



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