



February 28, 2025

Jennifer Aragon  
Debbie Jamison  
CBIZ  
1765 E Skyline Drive  
Tucson, AZ 85718

**RE: SAN001 City of San Luis Employee Benefit Trust 2025 PPO Network Renewal Proposal**

Dear Susan,

We have completed our evaluation of the City of San Luis Employee Benefit Trust PPO Network access fee renewal, effective July 1, 2025.

- The new PPO Network access fee will be \$22.50 per employee per month (PEPM) for medical enrollees, this is a 12-month contract.

It is important to note that if City of San Luis Employee Benefit Trust was to request a new bid from BCBSAZ the CHS new group rate is starting at \$24.00 PEPM.

To assist you with your renewal discussions, attached are the following supporting documents specific to City of San Luis:

- In-network Claims Pricing for 2/1/2024 – 1/31/2025 time period
- Rate Acceptance form with underwriting caveats (**Group Signature Required**)
  - 12-month contract

We have included two additional options for your review:

- 24-month contract
  - Year One - \$22.50 PEPM 2025-2026
  - Year Two - \$23.00 PEPM 2026-2027
- 24-month contract
  - Year One - \$22.75 PEPM 2025-2026
  - Year Two - \$22.75 PEPM 2026-2027

**Network Claims Savings**

We recognize that a network access fee increase is financially challenging. As such, it is important that BCBSAZ continues to offer strong value with regards to our provider discounts. As you can see on the attached claims savings report for the recent 12 months demonstrates:



- The overall discount for the City of San Luis is 63.7%. For comparison, the in-network average discount for our blue group book of business is 45.0% for Yuma County.
- Due to the 63.7% discount realized, it resulted in savings of over \$3,785,630 when comparing billed vs. allowed charges.

### **New Specialty Products**

This year, we've a wide portfolio of **specialty products** designed to give City of San Luis Employee Benefit Trust a single, trusted brand for all their insurance needs. Now you can offer the City of San Luis Employee Benefit Trust:

- Dental
- Life
- Disability
- Accident
- Critical Care

***Please let me know if you are interested in having us quote on any of these new products.***

### **Summary**

BCBSAZ appreciates the partnership with the City of San Luis Employee Benefit Trust. We are very committed to providing their participating employees and families with a best-in-class network solution and are looking forward to continuing our relationship for many years to come.

I look forward to discussing the renewal and answering any questions you may have.

Sincerely,

*Christy Hall*

Strategic Relationship Executive  
Middle Market  
BlueCross and BlueShield of Arizona

Cc: Karla Wilson, BCBSAZ  
Cristy Penniman, BCBSAZ

Attachments: 2025 Renewal Exhibits



**CHS Renewal Rate Acceptance\***  
**(Network Access Only)**

Exhibit A

An Independent Licensee of the  
Blue Cross Blue Shield Association

\* must be signed by a designated authorized representative  
prior to renewal effective date

Name of Trust: City of San Luis Employee Benefit Trust

BCBSAZ Group Number: SAN001

Effective Date: 7/1/2025 to 6/30/2026

Number of In-State Employees: 455 (Out-of-state not eligible)

Renewal Notice Days: 120

**I. Network Requested:** Medical PPO Network

**II. Access Fees**

Medical Access Fee <sup>a)</sup>: **\$22.50 PEPM** (per employee per month)

**III. Commission:** Rates are net of commission

**IV. Caveats**

- a) The Trust must be headquartered in Arizona.
- b) For an employee to access the BCBSAZ network, the employee must work in Arizona, not in another state.
- c) BCBSAZ will not act as a Stop Loss carrier under this agreement.
- d) BCBSAZ will be the sole leased medical network provider in Arizona.
- e) Under this network leasing arrangement, BCBSAZ contracts only with the Trust. Under no circumstance will this agreement be between BCBSAZ and any Third-Party Administrator (TPA) or any other referring entity.
- f) The Trust is responsible for the TPA's performance as claims administrator. BCBSAZ reserves the right to decline the Trust's choice of TPA if the proposed TPA is not a TPA that currently administers claims for other BCBSAZ Employers.
- g) The Trust shall be liable for and shall either pay or cause its contracted TPA to pay BCBSAZ contracted provider medical claims no less frequently than weekly.
- h) The coinsurance benefit differential between the Trust's Medical PPO in-network and out-of-network must be 10% or greater.
- i) The stated access fees do not include any Affordable Care Act ("ACA") fees. Payment of any applicable ACA fees is the responsibility of the Employer.

**BlueCross BlueShield of Arizona, Inc.,  
an Arizona Non-Profit Corporation**

**Employer Trust  
City of San Luis Employee Benefit Trust**

By: \_\_\_\_\_  
(signature)

**Michael Groeger**  
\_\_\_\_\_  
(printed)

Title: **Vice President**  
\_\_\_\_\_  
**Group Commercial & Specialty Sales**  
\_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_  
(signature)

\_\_\_\_\_  
(printed)

Title: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_



**CHS Renewal Rate Acceptance\***  
**(Network Access Only)**

Exhibit A

An Independent Licensee of the  
Blue Cross Blue Shield Association

\* must be signed by a designated authorized representative  
prior to renewal effective date

Name of Trust: City of San Luis Employee Benefit Trust  
 BCBSAZ Group Number: SAN001  
 Policy Period: 7/1/2025 to 6/30/2027  
**Current Policy Period: 7/1/2025 to 6/30/2026 (Year 1)**  
 Number of In-State Employees: 455 (Out-of-state not eligible)  
 Renewal Notice Days: 120

**I. Network Requested: Medical PPO Network**

**II. Medical Access Fee Per Employee Per Month (PEPM)**

<u>7/1/2025 - 6/30/2026</u>	<u>\$22.50</u>	PEPM
<u>7/1/2026 - 6/30/2027</u>	<u>\$23.00</u>	PEPM

**III. Commission:** Rates are net of commission

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<b>BlueCross BlueShield of Arizona, Inc., an Arizona Non-Profit Corporation</b>
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<b>Employer Trust City of San Luis Employee Benefit Trust</b>
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By: \_\_\_\_\_  
(signature)

**Michael Groeger**  
(printed)

Title: **Vice President**  
**Group Commercial & Specialty Sales**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
(signature)

\_\_\_\_\_  
(printed)

Title: \_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_



# CHS Renewal Rate Acceptance\* (Network Access Only)

Exhibit A

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Blue Cross Blue Shield Association

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prior to renewal effective date

Name of Trust: City of San Luis Employee Benefit Trust  
 BCBSAZ Group Number: SAN001  
 Policy Period: 7/1/2025 to 6/30/2027  
 Number of In-State Employees: 455 (Out-of-state not eligible)  
 Renewal Notice Days: 120

**I. Network Requested: Medical PPO Network**

**II. Medical Access Fee Per Employee Per Month (PEPM)**

7/1/2025 - 6/30/2027                      \$22.75 PEPM

**III. Commission:** Rates are net of commission

**IV. Caveats**

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**BlueCross BlueShield of Arizona, Inc.,  
an Arizona Non-Profit Corporation**

**Employer Trust  
City of San Luis Employee Benefit Trust**

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