



RFP Executive Summary

Reagan Latimer | July 17, 2024



Gallagher

Insurance | Risk Management | Consulting

Medical Carrier Highlights

Vendor Highlights

Value Adds for City's Continued Growth

BCBS

Medical Highlights

- ✓ No plan design or network changes.
- ✓ Access to Blue Distinction Centers Access to Health Advisors and Health Care Management Clinicians
- ✓ Virtual Visits through MDLive
- ✓ Comprehensive and Transparent Tools
- ✓ Access to the advanced BVA customer support team

BAFO Improvements

- ✓ Lowered rates
- ✓ \$75,000 Premium Credit for Medical
- ✓ 1% discount to Medical for adding Dental
- ✓ \$15,000 Wellness Reimbursement Fund
- ✓ \$20,000 Premium Credit for adding Dental

Vendor Highlights

Value Adds for City's Continued Growth

Vendor	Medical Highlights
Cigna	<ul style="list-style-type: none">✓ Matched current plan designs at a reduced rate.✓ Member disruption with new network and Rx formulary.✓ \$50,000 to cover Wellness Initiatives, Customized Communications, Technology and File Feeds. <p>BAFO Improvements</p> <ul style="list-style-type: none">✓ Lowered rates✓ Annual Allowance of \$75,000✓ 9.5% Rate Cap for 2026✓ Confirmed Airrosti is In-Network

Vendor Highlights

Value Adds for City's Continued Growth

Vendor	Medical Highlights
UHC	<ul style="list-style-type: none">✓ Close match to current plan design.✓ \$0 PCP Copay for under age 19, 24/7 Virtual Visits, and Tiered Specialist Copays✓ Provided quote for a Surest Plan – copay based CDHP on nationwide network.✓ Access to UHC Rewards wellness incentive program.✓ Concierge-level member service program to integrate member calls, service, and nurse clinical engagement on one dedicated phone number. <p>BAFO Improvements</p> <ul style="list-style-type: none">✓ Lowered rates✓ \$140,000 Premium Credit✓ \$5,000 Communication Credit✓ 14.9% Rate Cap for 2026✓ One Pass Select, Quit 4 Life, Real Appeal✓ Confirmed Airrosti is In-Network

Plan Designs

Fully-Insured Medical



Plan Designs – BCBS & Cigna

Carrier	Renewal BCBS					
	HDHP		Base PPO		Buy-Up PPO	
Plan Name	Blue Choice		Blue Choice		Blue Choice	
Network	Blue Choice		Blue Choice		Blue Choice	
	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Coinsurance	100%	70%	90%	60%	90%	60%
Calendar Year Deductible (Individual / Family)	\$3,200/\$6,000	\$9,000/\$18,000	\$1,500/\$3,000	\$4,500/\$9,000	\$1,000/\$2,000	\$6,000/\$6,000
Maximum Out of Pocket Limits	\$3,200/\$6,000	\$11,500/\$23,000	\$3,000/\$6,000	\$9,000/\$18,000	\$2,000/\$4,000	\$6,000/\$12,000
Physician Office Visit Copay	0% after ded	30% after ded	\$35	40% after ded	\$20	40% after ded
Specialist Office Visit Copay	0% after ded	30% after ded	\$50	40% after ded	\$35	40% after ded
Preventive Care Services	Covered at 100%	30% after ded	Covered at 100%	40% after ded	Covered at 100%	40% after ded
Urgent Care	0% after ded	30% after ded	\$50	40% after ded	\$50	40% after ded
Emergency Room Visit	0% after ded		\$350 copay, then 10% after ded		\$250 copay, then 10% after ded	
Hospital Inpatient	0% after ded	30% after ded	10% after ded	40% after ded	10% after ded	40% after ded
Hospital Outpatient	0% after ded	30% after ded	10% after ded	40% after ded	10% after ded	40% after ded
Lab & X-Ray	0% after ded	30% after ded	No charge	40% after ded	No charge	40% after ded
Major Diagnostics (CT, PET, MRI, MRA & Nuclear Medicine)	0% after ded	30% after ded	10% after ded	40% after ded	10% after ded	40% after ded
Prescription Benefit – up to 30-day supply	0% after ded	0% after ded	\$10 / \$40 / \$70 / 25%	\$10 / \$40 / \$70 / 25% plus 20% coinsurance	\$10 / \$30 / \$50 / 25%	\$10 / \$30 / \$50 / 25% plus 20% coinsurance
Mail-order copay for 90-day supply	0% after ded	N/A	\$25 / \$75 / \$125 / 25%	N/A	\$25 / \$75 / \$125 / 25%	N/A

Fully-Insured Medical



Plan Designs - UHC

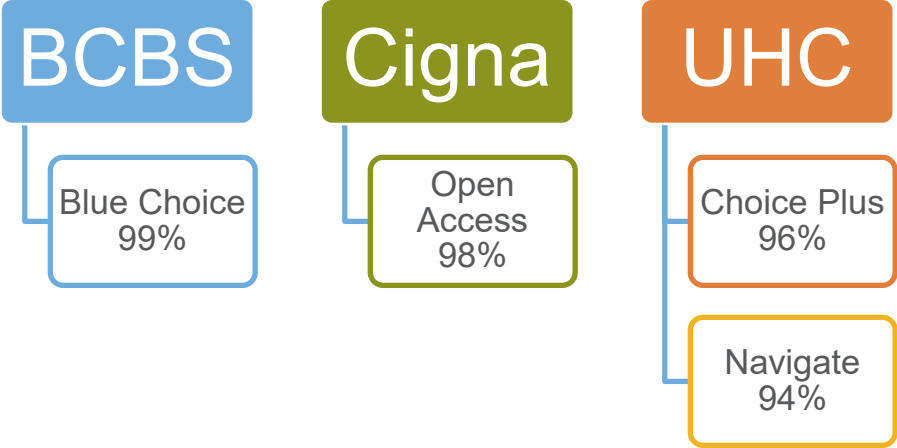
Carrier	Proposed UHC					
	DQY4 MOD		DQ33 MOD		DQ32 MOD	
Plan Name						
Network						
	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Coinsurance	100%	70%	90%	60%	90%	60%
Calendar Year Deductible (Individual / Family)	\$3,200/\$6,000	\$9,000/\$18,000	\$1,500/\$3,000	\$4,500/\$9,000	\$1,000/\$2,000	\$6,000/\$12,000
Maximum Out of Pocket Limits	\$3,200/\$6,000	\$11,500/\$23,000	\$3,000/\$6,000	\$9,000/\$18,000	\$2,000/\$4,000	\$6,000/\$12,000
Physician Office Visit Copay	0% after ded	30% after ded	\$35	40% after ded	\$20	40% after ded
Specialist Office Visit Copay	0% after ded	30% after ded	\$50/\$100	40% after ded	\$35/\$70	40% after ded
Preventive Care Services	Covered at 100%	30% after ded	Covered at 100%	40% after ded	Covered at 100%	40% after ded
Urgent Care	0% after ded	30% after ded	\$50	40% after ded	\$50	40% after ded
Emergency Room Visit	0% after ded		\$350 copay + 10% (DED does not apply)		\$250 copay + 20% (ded does not apply)	
Hospital Inpatient	0% after ded	30% after ded	10% after ded	40% after ded	10% after ded	40% after ded
Hospital Outpatient	0% after ded	30% after ded	10% after ded	40% after ded	10% after ded	40% after ded
Lab & X-Ray	0% after ded	30% after ded	No charge	40% after ded	No charge	40% after ded
Major Diagnostics (CT, PET, MRI, MRA & Nuclear Medicine)	0% after ded	30% after ded	10% after ded	40% after ded	10% after ded	40% after ded
Prescription Benefit -- up to 30-day supply	0% after ded	0% after ded	\$10/\$35/\$70	\$10/\$35/\$70	\$10/\$30/\$50	\$10/\$30/\$50
Mail-order copay for 90-day supply	0% after ded	N/A	\$25 / \$87.50 / \$175	N/A	\$25 / \$75 / \$125	N/A

Network

Network

Top Hospitals

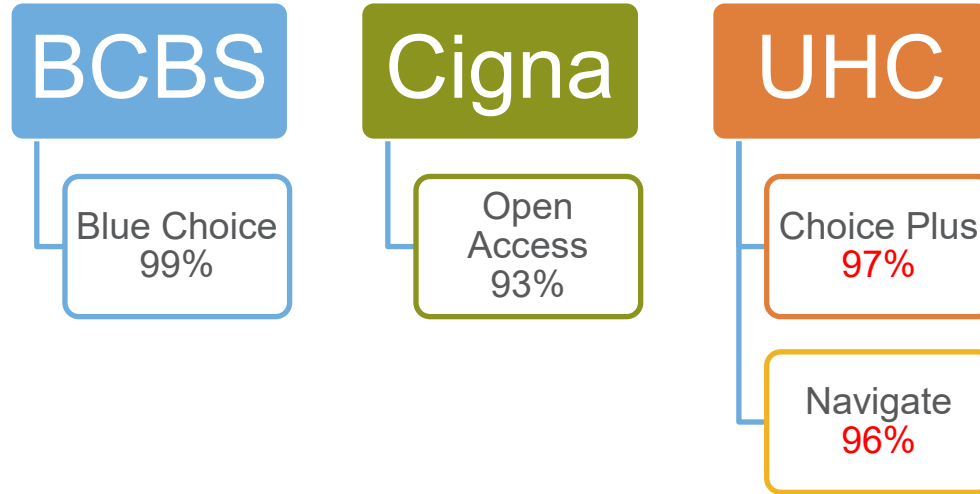
- Below is the percentage of In-Network based on the City's Top 50 Hospitals.



Network

Top Providers

- Below is the percentage of In-Network based on the City's Top 100 Providers.



Rates

Rate Comparison

BCBS

	BCBS – Current			BCBS – Renewal		
	<u>HDHP</u>	<u>Base PPO</u>	<u>Buy-Up PPO</u>	<u>HDHP</u>	<u>Base PPO</u>	<u>Buy-Up PPO</u>
EE Only	\$698.91	\$806.13	\$868.36	\$775.79	\$894.80	\$963.88
EE + Sp.	\$1,526.01	\$1,760.05	\$1,895.96	\$1,693.87	\$1,953.66	\$2,104.52
EE + Ch.	\$1,388.93	\$1,601.97	\$1,725.68	\$1,541.71	\$1,778.19	\$1,915.50
EE + Fam.	\$1,987.41	\$2,292.22	\$2,469.25	\$2,206.03	\$2,544.36	\$2,740.87
Annual Premium	\$5,984,026			\$6,567,265		
% Change	—			+10%		
\$ Change	—			\$583,239		

Rate Comparison

Cigna

	BCBS – Current			Cigna		
	<u>HDHP</u>	<u>Base PPO</u>	<u>Buy-Up PPO</u>	<u>HDHP</u>	<u>Base PPO</u>	<u>Buy-Up PPO</u>
EE Only	\$698.91	\$806.13	\$868.36	\$654.43	\$718.77	\$749.88
EE + Sp.	\$1,526.01	\$1,760.05	\$1,895.96	\$1,432.95	\$1,574.10	\$1,642.24
EE + Ch.	\$1,388.93	\$1,601.97	\$1,725.68	\$1,302.11	\$1,430.35	\$1,492.26
EE + Fam.	\$1,987.41	\$2,292.22	\$2,469.25	\$1,858.20	\$2,041.30	\$2,129.66
Annual Premium	\$5,984,026			\$5,302,564		
% Change	—			-11%		
\$ Change	—			-\$681,462		

Rate Comparison

United Healthcare

	BCBS – Current			UHC		
	<u>HDHP</u>	<u>Base PPO</u>	<u>Buy-Up PPO</u>	<u>HDHP</u>	<u>Base PPO</u>	<u>Buy-Up PPO</u>
EE Only	\$698.91	\$806.13	\$868.36	\$748.24	\$886.81	\$944.77
EE + Sp.	\$1,526.01	\$1,760.05	\$1,895.96	\$1,633.69	\$1,936.24	\$2,062.79
EE + Ch.	\$1,388.93	\$1,601.97	\$1,725.68	\$1,486.97	\$1,762.35	\$1,877.53
EE + Fam.	\$1,987.41	\$2,292.22	\$2,469.25	\$2,127.68	\$2,521.71	\$2,686.53
Annual Premium	\$5,984,026			\$6,390,514		
% Change	—			+7%		
\$ Change	—			\$406,488		

Dental Summary

Delta Dental

	Low	Mid	High
Deductible	\$50 / \$150	\$50 / \$150	\$50 / \$150
Annual Max.	\$1,000	\$2,500	\$3,000
Preventive Services	100%	100%	100%
Basic Services	80%	80%	90%
Major Services	N/A	50%	60%
Orthodontia	Not Covered	50% CO up to \$2,000	50% A&C up to \$2,000

	Lives			Delta Dental		
				Low	Mid	High
EE Only	99	59	32	\$13.17	\$37.37	\$46.46
EE + Sp.	18	20	5	\$28.94	\$85.15	\$106.25
EE + Ch.	17	28	14	\$32.80	\$83.69	\$94.85
EE + Fam.	43	37	15	\$51.16	\$134.06	\$155.15
Annual Premium				\$257,601		
% Change				-9%		
\$ Change				-\$26,217		
Rate Guarantee				2 Years w/ 6.5% RC on Yr. 3		

- ✓ **Delta Dental** offering \$3,000 communications/onboarding credit.
 - ✓ Missing teeth prior to effective date will be covered.
 - ✓ Additional disease management program for members who self-report conditions.

Vision Summary

Community Eye Care

	Lives	CEC
EE Only	217	\$5.16
EE + Sp.	45	\$10.30
EE + Ch.	45	\$10.30
Family	92	\$13.84
Annual Premium		\$39,840
% Change		-20%
\$ Change		-\$9,664
Rate Guarantee		5 Years

- Benefits similar or improved compared to today's coverage.
- Large network
- **CEC** offering \$1,500 implementation credit and members with 20/20 vision can use allowances for sunglasses and safety glasses.

Disability Summary

The Hartford

STD Plan Design	
Benefit Amount	60%
Weekly Benefit Max.	\$1,500
Elimination Period	7/7
Duration	25 Weeks
Occupational Coverage	Non-Occupational
Pre-Existing Condition	3/3/12 + 4 wks.

STD Rates	
Age	Rates per \$10
15-24	\$0.450
25-29	\$0.480
30-34	\$0.460
35-39	\$0.440
40-44	\$0.530
45-49	\$0.580
50-54	\$0.670
55-59	\$0.910
60-64	\$1.250
65+	\$1.350
Rate Guarantee	3 Years

LTD Rates	
Composite Rate	\$0.250
Annual Premium	\$60,509
\$ Difference	-\$25,897
% Difference	-30%
Rate Guarantee	3 Years

Life Summary

The Hartford

Basic Life / AD&D	
Composite Rate	\$0.095
Est. Annual Premium	\$11,115
\$ Difference	-\$5,850
Rate Guarantee	3 Years

Vol. Life Enhancements

- ✓ Employee GI increased to \$300,000
- ✓ Employees can increase benefit in \$10k increments
- ✓ Spouse GI increased to \$50,000

Vol. Life / AD&D			
Rates per \$1,000	EE	Sp.	Ch.
Below 25	\$0.070	\$0.070	\$0.400 per \$1,000
25-29	\$0.070	\$0.070	
30-34	\$0.070	\$0.070	
35-39	\$0.090	\$0.090	
40-44	\$0.150	\$0.150	
45-49	\$0.270	\$0.270	
50-54	\$0.390	\$0.390	
55-59	\$0.660	\$0.660	
60-64	\$1.110	\$1.110	
65-69	\$1.940	\$1.940	
70-74	\$2.990	\$2.990	
75+	\$2.990	\$2.990	
AD&D Pricing	\$0.090	\$0.090	\$0.040
Rate Guarantee	3 Years		

EAP Summary

Deer Oaks

Carrier	AWP Current	The Hartford	Deer Oaks
Face to Face Sessions	8 Sessions	8 Sessions	8 Sessions
Onsite Critical Incident Response	Included	Included	12 hr. Annual Bank
Rate PEPM	\$2.02	\$1.73	\$2.01
Rate Guarantee	—	1 Year	2 Years

- The Hartford confirmed all members will have access to EAP.
- Deer Oaks – Lowered PEPM \$0.01 and lessened RG from 5 years.

VB Summary

Symetra & Aflac

Critical Illness	
EE Only	\$4.90
EE + Sp.	\$10.00
EE + Ch.	\$22.40
EE + Fam.	\$40.80
Rate Guarantee	3 Years

Accident		
	Low	High
EE Only	\$9.40	\$14.47
EE + Sp.	\$16.25	\$25.04
EE + Ch.	\$19.67	\$30.58
EE + Fam.	\$24.57	\$39.66
Rate Guarantee	3 Years	

Hospital Indemnity			
	Plan 1	Plan 2	Plan 3 (EE Paid)
EE Only	\$5.07	\$7.93	\$18.25
EE + Sp.	\$18.59	\$29.51	\$38.90
EE + Ch.	\$8.06	\$12.87	\$2992
EE + Fam.	\$19.50	\$30.94	\$54.16
Rate Guarantee	3 Years		

Permanent Life – Aflac	
Rates – Issue Age	
EE Only w/ \$50,000 at Age 35, Non-Smoker	\$44.92
EE Only w/ \$50,000 at Age 45, Non-Smoker	\$73.67
EE Only w/ \$50,000 at Age 55, Non-Smoker	\$119.13
Rate Guarantee	For Length of Policy

Marketing Survey & Compensation Disclosure



Carrier	A.M. Best Rating	Line of Coverage	Commission
Avesis	NR	Vision	10%
Blue Cross Blue Shield of Texas	A/XV	Medical, Dental	Disability: 10%, Dental: 10%
CEC Vision	A/XV	Vision	10%
Cigna	A/XV	Medical, Vision	10%
Deer Oaks	NR	EAP	N/A
Delta Dental	A/XV	Dental	10%
Ochs	NR	Disability, Life	Life: 10%, Disability: 10%
The Hartford	A+/XV	Life, Disability, EAP	Life: 10%, Disability: 10%
The Standard	A-u/XV	Vision, Life, Disability	Life: 10%, Disability: 10%, Vision: 10%
United Healthcare	A+/XV	Medical	N/A
Unum	A/XV	Disability, Life, Dental, Vision	Life: 10%, Vision: 10%, Dental: 10%, Disability: 10%

*While Gallagher does not guarantee the financial viability of any health insurance carrier or market, it is an area we recommend that clients closely scrutinize when selecting a health insurance carrier. There are a number of rating agencies that can be referred to including, A.M. Best, Fitch, Moody's, Standard & Poor's, and Weiss Ratings (The Street.com). Generally, agencies that provide ratings of Health Insurers, including traditional insurance companies and other managed care organizations, reflect their opinion based on a comprehensive quantitative and qualitative evaluation of a company's financial strength, operating performance and market profile. However, these ratings are not a warranty of an insurer's current or future ability to meet its contractual obligations.

Thank you!

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