City of Foley (SunLife $100K Spec/$50K Agg Spec)

Health Plan Cost and Budget Projection

McGriff Insurance Services

Projection Period: 1/1/2021 through 12/31/2021

Table of Contents

I - ENROLLMENT

Ending Enrollment Data as of:	9/30/2020
Number of Employees	315
Number of Members	794
Member to Employee Ratio	2.52

II - MEDICAL (PROJECTED CLAIMS)

		2 Years Prior Period	1 Year Prior Period	Current Period
	Paid Claims Period	**10/1/2017 - 9/30/2018**	**10/1/2018 - 9/30/2019**	**10/1/2019 - 9/30/2020**
	Paid Medical Claims	$2,112,030	$2,282,576	$2,466,036
(-)	Reinsurance Recoveries	-$80,917	-$6,612	$0
(-)	Subrogation Recoveries	-$3,522	-$1,201	-$6,257
(=)	**Net Paid Claims**	**$2,027,591**	**$2,274,763**	**$2,459,779**
	Annual Trend	4.62%	4.62%	4.62%
	Trend Months	39	27	15
(x)	Composite Trend Factor	1.157	1.105	1.055
(=)	**Trended Claims**	**$2,346,366**	**$2,513,770**	**$2,595,731**
(/)	Total Enrollment	3,572	3,688	3,729
(=)	**Trended Claims (PEPM)**	**$656.88**	**$681.61**	**$696.09**

III - PHARMACY (PROJECTED CLAIMS)

	Paid Claims Period	**10/1/2017 - 9/30/2018**	**10/1/2018 - 9/30/2019**	**10/1/2019 - 9/30/2020**
	Paid Pharmacy Claims	$792,240	$896,676	$1,186,490
(-)	Pharmacy Rebates	-$218,342	-$219,271	-$246,749
(=)	**Net Paid Claims**	**$573,898**	**$677,406**	**$939,740**
	Annual Trend	4.62%	4.62%	4.62%
	Trend Months	39	27	15
(x)	Compound Trend Factor	1.157	1.105	1.055
(=)	**Trended Claims**	**$664,125**	**$748,580**	**$991,680**
(/)	Total Enrollment	3,572	3,688	3,729
(=)	**Trended Claims (PEPM)**	**$185.93**	**$202.98**	**$265.94**

IV - TOTAL (PROJECTED CLAIMS)

Total Projected Claims	**$3,010,491.22**	**$3,262,349.96**	**$3,587,410.34**
Total Projected Claims (PEPM)	**$842.80**	**$884.59**	**$962.03**

V - PERIOD BLENDING	10%	30%	60%
Weighted Total Projected Claims (PEPM)	**$84.28**	**$265.38**	**$577.22**
Weighted Total Projected Claims	**$318,579**	**$1,003,120**	**$2,181,884**
Total Projected Subscribers		**3,780**	
Blended Total Projected Claims (PEPM)		**$926.87**	
Blended Total Projected Claims		**$3,503,583**	

	Enrollment	Current	Renewal	Change
I - ADMINISTRATION FEES (PEPM)		1/1/2020 - 12/31/2020	1/1/2021 - 12/31/2021	
Medical Admin Fee (PEPM)		$68.65	$68.65	0.0%
Pharmacy Admin Fee (PEPM)		$3.00	$3.00	0.0%
COBRA Admin Fee (PEPM)		$0.00	$0.00	0.0%
Network Fee (PEPM)		$0.00	$0.00	0.0%
Administration Fees Sub-Total		**$71.65**	**$71.65**	**0.0%**
Administration Fees Monthly Total	**315**	**$22,569.75**	**$22,569.75**	**0.0%**
II - STOP LOSS (PEPM)				
Specific Reinsurance Cost		$153.43	$153.43	0.0%
Aggregate Reinsurance Premium		$4.81	$5.05	5.0%
Stop Loss Sub-Total		**$158.24**	**$158.48**	**0.2%**
Stop Loss Monthly Total	**315**	**$49,844.25**	**$49,919.85**	**0.2%**
III - OTHER FEES (PEPM)				
Other Fee 1 (PEPM)		$0.00	$0.00	0.0%
Other Fee 2 (PEPM)		$0.00	$0.00	0.0%
Other Fees (OON % Claims,Rx Fee/Claim, etc.)		$2.81	$2.81	0.0%
Other Fees Sub-Total		**$2.81**	**$2.81**	**0.0%**
Other Fees Monthly Total	**315**	**$885.07**	**$885.07**	**0.0%**
IV - TOTAL MONTHLY FIXED COSTS	**315**	**$73,299.07**	**$73,374.67**	**0.1%**
V - TOTAL ANNUAL FIXED COSTS		**$879,588.89**	**$880,496.09**	**0.1%**

I - ENROLLMENT

Ending Enrollment Data as of:	9/30/2020
Number of Employees	315
Number of Members	794
Member to Employee Ratio	2.52

II - MEDICAL and PHARMACY (PROJECTED CLAIMS)

	Blended Claims
Paid Claims Period	**10/1/2017 - 9/30/2020**
Trended Medical Claims	$2,599,982
Trended Pharmacy Claims	$903,602
Total Trended Claims*	**$3,503,583**
Projected Subscribers	3,780
Total Projected Claims (PEPM)	**$926.87**

III - FIXED COSTS

Medical Admin Fee (PEPM)	$68.65
Pharmacy Admin Fee (PEPM)	$3.00
COBRA Admin Fee (PEPM)	$0.00
Network Fee (PEPM)	$0.00
Specific Reinsurance Cost	$153.43
Aggregate Reinsurance Premium	$5.05
Other Fee 1 (PEPM)	$0.00
Other Fee 2 (PEPM)	$0.00
Other Fees (OON % Claims,Rx Fee/Claim, etc.)	$2.81
Total Fixed Costs (PEPM)	**$232.94**
Total Fixed Costs	**$880,496.09**

IV - RENEWAL RATE ACTION

Total Projected Plan Costs	$4,384,079
Total Projected Plan Costs (PEPM)	$1,159.81
Funding at Current Rates	$4,178,197
Funding at Current Rates (PEPM)	$1,105.34
Final Renewal Rate Action	**4.9%**

** The Concurrent Model accounts for the reinsurance reimbursements as they become eligible based upon claim payments.*

I - ENROLLMENT ASSUMPTIONS	City of Foley 2020 PPO	Total (All Plans)
Employee Only	114	114
Employee + Family	201	201
Total Enrollment	**315**	**315**
II - CURRENT RATES	**Premium Equivalents**	**COBRA Rates**
Employee Only	$643.56	$656.43
Employee + Family	$1,367.25	$1,394.60
Monthly Total	**$348,183**	**$355,147**
Annual Total	**$4,178,197**	**$4,261,761**
III - RENEWAL RATES	**Premium Equivalents**	**COBRA Rates**
Employee Only	$675.27	$688.78
Employee + Family	$1,434.62	$1,463.31
Monthly Total	**$365,340**	**$372,647**
Annual Total	**$4,384,079**	**$4,471,761**
Annual Change ($)	**$205,882**	**$210,000**
Annual Change (%)	**4.9%**	**4.9%**
Total Medical/Rx Plan Costs (Projected)	**$4,384,079**	

Medical Care	City of Foley 2020 PPO	
Name of Medical Network	*BCBSAL*	
Grandfathered Status	Grandfathered	
	In-Network	Out-of-Network
Routine Services		
PCP Office Visit	$25 Copay	Ded/Coins
Specialist Office Visit	$25 Copay	Ded/Coins
Preventive Care (as outlined by the U.S. Task Force guidelines)	Plan pays 100%; deductible waived	Ded/Coins
Annual Deductible		
Per Individual	$200	
Maximum Per Family	$600	
Deductible: Calendar Year or Plan Year	Calendar Year	
Coinsurance		
Employer Coinsurance	80%	80%
Annual Out-of-Pocket Maximum		
Individual	$400	
Family	$400/Individual	
Deductible & Copays Included in OOP Maximum	No	
Lifetime Maximum	Unlimited	Unlimited
Emergency Care		
Emergency (Professional Services Included)	$100 Copay	
ER Copay Waived if Admitted	Yes	Yes
Urgent Care	$25 Copay	Ded/Coins
Hospital Services - Inpatient		
Facility Services	$100 Copay	$200 +Coins
Physician Services	Ded/Coins	Ded/Coins
Inpatient X-Ray and Lab Tests	Ded/Coins	Ded/Coins
Hospital Services - Outpatient		
Facility Services	$100 Copay	Ded/Coins
Physician Services	Ded/Coins	Ded/Coins
Outpatient X-Ray and Lab Tests	Ded/Coins	Ded/Coins
MRI, CT, PET scans	Ded/Coins	Ded/Coins
Therapy Services		
Occupational, Physical, and Speech Therapy	Ded/Coins	Ded/Coins
Chiropractic Care	Ded/Coins	Ded/Coins
Mental Health/Substance Abuse		
Inpatient Services	$100 Copay	$200 +Coins
Outpatient Services	Ded/Coins	Ded/Coins
Prescription Drugs - Retail Pharmacy		
Deductible	N/A	N/A
Out-of-Pocket Maximum	N/A	N/A
Tier 1 (Generic)	$10 Copay	N/A
Tier 2 (Preferred Brand Name)	$20 Copay	N/A
Tier 3 (Non-Preferred Brand Name)	$35 Copay	N/A
Tier 4 (Specialty/Injectables)	$10/$20/$35 Copay	N/A
Number of Days Supply	34 Days	N/A
Actuarial Values	**City of Foley 2020 PPO**	
Actuarial Value	96.3%	
Relativity	0.963	