

CITY OF HIGH POINT

AGENDA ITEM



Title: Cigna Contract Renewal – Employee Health Care

From: Angela Kirkwood, Director of Human Resources

Meeting Date: August 7, 2023

Public Hearing: N/A

Advertising Date

Advertised By: N/A

Attachments: Cigna Healthcare Contract Renewal

PURPOSE:

Renew the contract between Cigna Healthcare and the of City of High Point for city employee's healthcare coverage plan year of January 1, 2024, to December 31, 2024.

BACKGROUND:

The City of High Point offers healthcare coverage to its employees that include medical and dental care products. The plan year runs from January 1st to December 31st. At the Finance Committee Meeting on Thursday, August 3, 2023, Mark Browder of Mark III Employee Benefits, briefed the City Council on the Medical Plan and Dental Plan Renewal options under a new self-funded model.

Under a self-funded model, the City will pay Cigna Healthcare approximately \$3.32 million to administer the plan and provide stop loss coverage. The City will reimburse Cigna for actual health and dental claims. The total program is expected to be \$18,936,869 for medical and \$1,636,618 for dental, approximately 6.39% higher than the 2023 plan year.

BUDGET IMPACT:

Funds for healthcare coverage for City of High Point employees are included in the FY 2023-24 budget.

RECOMMENDATION / ACTION REQUESTED:

Council is requested to authorize the City Manager to execute a twelve (12) month contract with Cigna Healthcare for healthcare coverage for city employees. Contract will be effective January 1, 2024, to December 31, 2024.

CITY OF
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MEDICAL PLAN

2024 Medical Renewal – Update and Recommendations



August 3, 2023



The City Medical Plan has had steady single digit renewals for the past several years:

- In 2018, the Medical Plan was bid, with no competitors improving the CIGNA renewal of **7.85%**.
- The 2019 renewal was a **1.58%** increase (**5% Funding Allocation**).
- In 2020, the Plan increase was a **5.72%** increase and the City added an HSA option.
- The increase for 2021 was a net **6.04%** increase. The renewal was reduced from a 9% to a 6% increase, saving the Plan over \$480,000.
- The increase for 2022 was **5.61%**. Very competitive considering Plan performance.
- The increase for 2023 was **6.01%**. Very competitive considering Plan performance.

Medical Plan Renewal



2022 Experience - PPO Active

Month	Subscribers	Mbers	Premium	Medical In Network	Medical Out of Network	Pharmacy	Fixed Charges	Total Claims	Loss Ratio	Clm/Sub
January-22	1,245	2,302	\$1,285,639	\$789,463	\$8,077	\$290,782	\$91,055	\$1,179,377.00	91.7%	\$947.29
February-22	1,235	2,283	\$1,283,398	\$558,263	\$3,604	\$450,720	\$74,410	\$1,086,997.00	84.7%	\$880.16
March-22	1,247	2,291	\$1,290,326	\$1,071,078	\$3,425	\$327,952	\$61,850	\$1,464,305.00	113.5%	\$1,174.26
April-22	1,253	2,298	\$1,291,837	\$888,066	\$2,753	\$322,029	\$91,609	\$1,304,457.00	101.0%	\$1,041.07
May-22	1,251	2,290	\$1,291,120	\$624,087	\$1,289	\$392,848	\$74,546	\$1,092,770.00	84.6%	\$873.52
June-22	1,248	2,281	\$1,287,167	\$617,829	\$5,903	\$418,995	\$79,404	\$1,122,131.00	87.2%	\$899.14
July-22	1,333	2,413	\$1,356,106	\$795,055	\$2,022	\$337,612	\$77,936	\$1,212,625.00	89.4%	\$909.70
August-22	1,224	2,253	\$1,268,035	\$926,201	\$746	\$445,293	\$74,850	\$1,447,090.00	114.1%	\$1,182.26
September-22	1,235	2,271	\$1,276,990	\$693,376	\$608	\$384,009	\$79,725	\$1,157,718.00	90.7%	\$937.42
October-22	1,227	2,249	\$1,267,873	\$649,898	\$814	\$341,253	\$73,983	\$1,065,948.00	84.1%	\$868.74
November-22	1,234	2,257	\$1,275,073	\$763,131	\$989	\$347,140	\$74,171	\$1,185,431.00	93.0%	\$960.64
December-22	1,239	2,264	\$1,277,802	\$846,870	\$3,729	\$368,600	\$73,113	\$1,292,312.00	101.1%	\$1,043.03
Total	14,971	27,452	\$15,451,366	\$9,223,317	\$33,959	\$4,427,233	\$926,652	\$14,611,161	94.6%	\$975.96

2022 Experience - HSA Active

Month	Subscribers	Mbers	Premium	Medical In Network	Medical Out of Network	Pharmacy	Fixed Charges	Total Claims	Loss Ratio	Clm/Sub
January-22	91	140	\$76,993	\$8,634	\$0	\$30,721	\$4,122	\$43,477.00	56.5%	\$477.77
February-22	92	140	\$78,205	\$10,061	\$141	\$29,255	\$3,874	\$43,331.00	55.4%	\$470.99
March-22	98	146	\$81,841	\$7,855	\$0	\$28,250	\$3,041	\$39,146.00	47.8%	\$399.45
April-22	97	144	\$81,235	\$41,663	\$103	\$28,738	\$4,293	\$74,797.00	92.1%	\$771.10
May-22	96	144	\$80,424	\$41,241	\$1,223	\$31,299	\$3,922	\$77,685.00	96.6%	\$809.22
June-22	97	144	\$80,314	\$13,646	\$804	\$34,607	\$4,631	\$53,688.00	66.8%	\$553.48
July-22	94	140	\$77,835	\$70,371	\$1,136	\$8,747	\$3,997	\$84,251.00	108.2%	\$896.29
August-22	93	141	\$78,552	\$20,523	\$1,881	\$44,577	\$3,912	\$70,893.00	90.2%	\$762.29
September-22	94	138	\$78,039	\$49,160	\$971	\$62,651	\$4,086	\$116,868.00	149.8%	\$1,243.28
October-22	92	135	\$76,165	\$13,745	\$497	\$5,514	\$3,864	\$23,620.00	31.0%	\$256.74
November-22	91	134	\$75,559	\$19,126	\$533	\$62,621	\$3,776	\$86,056.00	113.9%	\$945.67
December-22	89	128	\$72,566	\$20,241	\$695	\$41,061	\$3,762	\$65,759.00	90.6%	\$738.87
Total	1,124	1,674	\$937,728	\$316,266	\$7,984	\$408,041	\$47,280	\$779,571	83.1%	\$693.57

Medical Plan Renewal



2022 Experience - Retiree

Month	Subscribers	Mbers	Premium	Medical In Network	Medical Out of Network	Pharmacy	Fixed Charges	Total Claims	Loss Ratio	Clm/Sub
January-22	62	101	\$70,958	\$25,069	\$0	\$44,212	\$5,137	\$74,418.00	104.9%	\$1,200.29
February-22	57	92	\$69,211	\$110,542	\$100	\$39,073	\$3,178	\$152,893.00	220.9%	\$2,682.33
March-22	55	90	\$68,411	\$24,283	\$0	\$38,037	\$3,702	\$66,022.00	96.5%	\$1,200.40
April-22	55	86	\$168,252	\$117,141	\$0	\$47,809	\$3,302	\$168,252.00	100.0%	\$3,059.13
May-22	55	86	\$66,931	\$135,713	\$0	\$73,414	\$2,765	\$211,892.00	316.6%	\$3,852.58
June-22	54	85	\$66,131	\$103,470	\$0	\$88,138	\$6,108	\$197,716.00	299.0%	\$3,661.41
July-22	53	85	\$66,277	\$35,739	\$0	\$56,090	\$2,759	\$94,588.00	142.7%	\$1,784.68
August-22	52	81	\$63,997	\$25,750	\$0	\$60,659	\$2,759	\$89,168.00	139.3%	\$1,714.77
September-22	51	80	\$63,197	\$23,132	\$0	\$57,367	\$3,906	\$84,405.00	133.6%	\$1,655.00
October-22	52	81	\$63,997	\$29,518	\$0	\$66,664	\$2,597	\$98,779.00	154.3%	\$1,899.60
November-22	50	77	\$61,521	\$45,107	\$0	\$61,082	\$2,640	\$108,829.00	176.9%	\$2,176.58
December-22	49	76	\$60,721	\$27,101	\$0	\$70,007	\$2,517	\$99,625.00	164.1%	\$2,033.16
Total	645	1,020	\$889,604	\$702,565	\$100	\$702,552	\$41,370	\$1,446,587	162.6%	\$2,242.77

2022 Experience - Total

Month	Subscribers	Mbers	Premium	Medical In Network	Medical Out of Network	Pharmacy	Fixed Charges	Total Claims	Loss Ratio	Clm/Sub
January-22	1,398	2,543	\$1,433,590	\$823,166	\$8,077	\$365,715	\$100,314	\$1,297,272	90.5%	\$927.95
February-22	1,384	2,515	\$1,430,814	\$678,866	\$3,845	\$519,048	\$81,462	\$1,283,221	89.7%	\$927.18
March-22	1,400	2,527	\$1,440,578	\$1,103,216	\$3,425	\$394,239	\$68,593	\$1,569,473	108.9%	\$1,121.05
April-22	1,405	2,528	\$1,541,324	\$1,046,870	\$2,856	\$398,576	\$99,204	\$1,547,506	100.4%	\$1,101.43
May-22	1,402	2,520	\$1,438,475	\$801,041	\$2,512	\$497,561	\$81,233	\$1,382,347	96.1%	\$985.98
June-22	1,399	2,510	\$1,433,612	\$734,945	\$6,707	\$541,740	\$90,143	\$1,373,535	95.8%	\$981.80
July-22	1,480	2,638	\$1,500,218	\$901,165	\$3,158	\$402,449	\$84,692	\$1,391,464	92.8%	\$940.18
August-22	1,369	2,475	\$1,410,584	\$972,474	\$2,627	\$550,529	\$81,521	\$1,607,151	113.9%	\$1,173.96
September-22	1,286	2,351	\$1,340,187	\$716,508	\$608	\$441,376	\$83,631	\$1,242,123	92.7%	\$965.88
October-22	1,279	2,330	\$1,331,870	\$679,416	\$814	\$407,917	\$76,580	\$1,164,727	87.5%	\$910.65
November-22	1,284	2,334	\$1,336,594	\$808,238	\$989	\$408,222	\$76,811	\$1,294,260	96.8%	\$1,007.99
December-22	1,288	2,340	\$1,338,523	\$873,971	\$3,729	\$438,607	\$75,630	\$1,391,937	104.0%	\$1,080.70
Total	16,374	29,611	\$16,976,369	\$10,139,876	\$39,347	\$5,365,979	\$999,814	\$16,545,016	97.5%	\$1,010.44

Change 100.72%



				2023 - Fully Insured						
				Revised Renewal						
				Active		Retirees		HSA		
Primary Care Physician Visits				\$35		\$35		Deductible/20%		
Specialist Physician Visits				\$60		\$60		Deductible/20%		
Preventive Care				0%		0%		0%		
Deductible				\$1,000		\$1,000		\$1,500		
Deductible - Family				\$2,000		\$2,000		\$3,000		
Out of Pocket Limit - Includes Deductible				\$4,500		\$4,500		\$3,500		
Out of Pocket Limit - Family Max - Includes Deductible				\$9,000		\$9,000		\$5,000		
In-patient Hospital Services				Deductible/20%		Deductible/20%		Deductible/20%		
Out-patient Hospital Services				Deductible/20%		Deductible/20%		Deductible/20%		
Emergency Room				\$150		\$150		Deductible/20%		
Urgent Care				\$75		\$75		Deductible/20%		
Pharmacy				\$15/\$35/\$60		\$15/\$35/\$60		Deductible/20%		
Lifetime Maximum				Unlimited		Unlimited		Unlimited		
								HSA		
								\$750.00		
Rates:	OAP Active	OAP Retiree	HSA Active	Active	Monthly Premium	Retirees	Monthly Premium	Active	Monthly Premium	Retirees
Employee Only	759	36	72	\$713.88	\$541,834.92	\$849.11	\$30,567.96	\$633.24	\$45,593.28	\$753.18
Employee & Spouse	80	11	4	\$1,557.73	\$124,618.40	\$1,853.60	\$20,389.60	\$1,381.71	\$5,526.84	\$1,643.41
Employee & Children	235	4	11	\$1,493.47	\$350,965.45	\$1,778.01	\$7,112.04	\$1,324.75	\$14,572.25	\$1,577.13
Employee & Family	173	6	11	\$2,032.45	\$351,613.85	\$2,419.10	\$14,514.60	\$1,802.83	\$19,831.13	\$2,145.79
	1,247	57	98		\$1,369,032.62		\$72,584.20		\$85,523.50	
Annual Cost					\$16,428,391.44		\$871,010.40		\$1,026,282.00	
					106.10%		106.10%		104.50%	
Total Cost							\$18,325,683.84			
Change						Net Renewal	106.01%			

- The revised renewal saved the Plan approximately \$2,200,000 or 13%.



Status	Diagnosis	Claim Amount
Active	CARE AND TREATMENT - NEOPLASM	\$535,757.36
Active	LIVER DISEASES	\$490,265.51
Termed	MALIGNANT MELANOMA AND OTHER SKIN	\$464,140.25
Active	CONGENITAL MUSCULOSKELETAL	\$442,551.90
Active	ARTERY/ARTERIOLE/CAPILLARY	\$403,961.85
Active	NUTRITIONAL & METABOLIC	\$331,395.56
Active	HEADACHE SYNDROMES	\$218,539.15
Active	FRACTURES/DISLOCATIONS	\$217,626.79
Active	STOMACH, INTESTINE AND PANCREAS	\$210,091.25
Active	ARTERY/ARTERIOLE/CAPILLARY	\$157,881.46
Active	COMPLICATIONS OF SURGICAL/MED CARE	\$141,067.50
Active	OTHER NEOPLASMS	\$119,837.42
Active	NEUROLOGICAL - CENTRAL NERVOUS SYS	\$116,412.08
Active	JOINT	\$113,642.30
Active	JOINT	\$112,723.59
Active	DIABETES	\$112,501.18
Active	STOMACH, INTESTINE AND PANCREAS	\$100,028.80

- Oncology is the dominant High Claimant challenge.

Medical Plan Renewal



2023 Experience - PPO Active

Month	Subscribers	Mbers	Premium	Medical In Network	Medical Out of Network	Pharmacy	Fixed Charges	Total Claims	Loss Ratio	Clm/Sub
January-23	1,222	2,231	\$1,336,195	\$913,519	\$9,094	\$412,803	\$74,083	\$1,409,499.00	105.5%	\$1,153.44
February-23	1,231	2,243	\$1,343,271	\$576,835	\$5,409	\$402,069	\$88,194	\$1,072,507.00	79.8%	\$871.25
March-23	1,229	2,246	\$1,342,923	\$695,595	\$1,096	\$404,560	\$70,711	\$1,171,962.00	87.3%	\$953.59
April-23	1,237	2,248	\$1,348,705	\$549,590	\$2,225	\$451,902	\$82,302	\$1,086,019.00	80.5%	\$877.95
May-23	1,244	2,254	\$1,356,642	\$732,962	\$6,374	\$415,938	\$88,757	\$1,244,031.00	91.7%	\$1,000.02
June-23	1,237	2,254	\$1,355,795	\$664,851	(\$342)	\$461,888	\$86,456	\$1,212,853.00	89.5%	\$980.48
Total	7,400	13,476	\$8,083,531	\$4,133,352	\$23,856	\$2,549,160	\$490,503	\$7,196,871	89.0%	\$972.55

2023 Experience - HSA Active

Month	Subscribers	Mbers	Premium	Medical In Network	Medical Out of Network	Pharmacy	Fixed Charges	Total Claims	Loss Ratio	Clm/Sub
January-23	89	131	\$76,523	\$15,250	\$0	\$30,671	\$3,600	\$49,521.00	64.7%	\$556.42
February-23	89	131	\$76,523	\$10,444	\$297	\$42,070	\$4,106	\$56,917.00	74.4%	\$639.52
March-23	91	142	\$80,129	\$13,697	\$0	\$39,052	\$3,311	\$56,060.00	70.0%	\$616.04
April-23	90	139	\$78,804	\$25,441	\$0	\$53,276	\$4,481	\$83,198.00	105.6%	\$924.42
May-23	88	137	\$77,538	\$37,192	\$0	\$47,008	\$4,254	\$88,454.00	114.1%	\$1,005.16
June-23	88	142	\$78,707	\$35,946	\$0	\$51,186	\$4,184	\$91,316.00	116.0%	\$1,037.68
Total	535	822	\$468,224	\$137,970	\$297	\$263,263	\$23,936	\$425,466	90.9%	\$795.26

2023 Experience - Retiree

Month	Subscribers	Mbers	Premium	Medical In Network	Medical Out of Network	Pharmacy	Fixed Charges	Total Claims	Loss Ratio	Clm/Sub
January-23	52	80	\$67,128	\$73,600	\$0	\$69,445	\$2,514	\$145,559.00	216.8%	\$2,799.21
February-23	49	74	\$63,011	\$20,262	\$0	\$58,744	\$3,105	\$82,111.00	130.3%	\$1,675.73
March-23	47	71	\$60,308	\$71,793	\$0	\$76,530	\$2,164	\$150,487.00	249.5%	\$3,201.85
April-23	48	72	\$61,157	\$9,170	\$0	\$35,800	\$2,519	\$47,489.00	77.7%	\$989.35
May-23	48	72	\$61,157	\$10,667	\$0	\$72,195	\$2,636	\$85,498.00	139.8%	\$1,781.21
June-23	48	72	\$62,006	\$44,819	\$0	\$59,591	\$2,650	\$107,060.00	172.7%	\$2,230.42
Total	292	441	\$374,767	\$230,311	\$0	\$372,305	\$15,588	\$618,204	165.0%	\$2,117.14

2023 Experience - Total

Month	Subscribers	Mbers	Premium	Medical In Network	Medical Out of Network	Pharmacy	Fixed Charges	Total Claims	Loss Ratio	Clm/Sub
January-23	1,363	2,442	\$1,479,846	\$1,002,369	\$9,094	\$512,919	\$80,197	\$1,604,579	108.4%	\$1,177.24
February-23	1,369	2,448	\$1,482,805	\$607,541	\$5,706	\$502,883	\$95,405	\$1,211,535	81.7%	\$884.98
March-23	1,367	2,459	\$1,483,360	\$781,085	\$1,096	\$520,142	\$76,186	\$1,378,509	92.9%	\$1,008.42
April-23	1,375	2,459	\$1,488,666	\$584,201	\$2,225	\$540,978	\$89,302	\$1,216,706	81.7%	\$884.88
May-23	1,380	2,463	\$1,495,337	\$780,821	\$6,374	\$535,141	\$95,647	\$1,417,983	94.8%	\$1,027.52
June-23	1,373	2,468	\$1,496,508	\$745,616	-\$342	\$572,665	\$93,290	\$1,411,229	94.3%	\$1,027.84
July-23										
August-23										
September-23										
October-23										
November-23										
December-23										
Total	8,227	14,739	\$8,926,522	\$4,501,633	\$24,153	\$3,184,728	\$530,027	\$8,240,541	92.3%	\$1,001.65

7
99.85%

Medical Plan Renewal



Standard Renewal Calculations				
City of High Point	Subs	Premium	Claims	Loss Ratio
July-22	1,480	\$1,500,218	\$1,391,464	92.75%
August-22	1,369	\$1,410,584	\$1,607,151	113.94%
September-22	1,286	\$1,340,187	\$1,242,123	92.68%
October-22	1,279	\$1,331,870	\$1,164,727	87.45%
November-22	1,284	\$1,336,594	\$1,294,260	96.83%
December-22	1,288	\$1,338,523	\$1,391,937	103.99%
January-23	1,363	\$1,479,846	\$1,604,579	108.43%
February-23	1,369	\$1,482,805	\$1,211,535	81.71%
March-23	1,367	\$1,483,360	\$1,378,509	92.93%
April-23	1,375	\$1,488,666	\$1,216,706	81.73%
May-23	1,380	\$1,495,337	\$1,417,983	94.83%
June-23	1,373	\$1,496,508	\$1,411,229	94.30%
Total	16,213	\$17,184,498	\$16,332,203	95.04%

2024 Fully Insured Renewal Calculation

	Annual
Incurring Claims - Matured	Annual 8% Trend
Premium - 2023	\$17,775,906.00
Incurring Claims	\$16,332,203.00
Pooling - \$200,000	\$1,514,330.00
Claims less Pooling	\$14,817,873.00
Benefit Change	\$14,817,873.00
Trended Claims - 2024 - 8%	\$16,596,017.76
PPACA - Fee for Comparative Effectiveness Research Agency	\$7,323.75
Health Insurance Industry Fee - 3.5% - Fully Insured	\$0.00
Total Claims/PPACA Cost	\$16,603,341.51
2023 Premium	\$17,775,906.00
Trended Loss Ratio	93.40%
Target Loss Ratio	83.00%
Rate Increase	112.53%

Reserve
\$3,500,000

- The renewal formula for transitioning to self-funding finally makes sense.

2024 Self-funded Renewal Calculation - Expected - Firm

	Annual
Incurring Claims - Matured	Annual
Trended Claims - 2024 - 8% Annual	\$16,596,017.76
PPACA - Fee for Comparative Effectiveness Research Agency	\$7,323.75
Fixed Cost	\$2,704,814.79
Lasers - \$625,000	\$625,000.00
Rebates	\$1,020,704
Total Claims/PPACA Cost/Fixed Cost	\$18,912,452.30
2023 Contribution	\$17,775,906.00
Rate Increase	106.39%



Components of a Self-funded Contract

- Hire an administrator to pay Medical and Pharmacy claims – **Retain CIGNA**
- Purchase insurance for large claims (Stop-loss Insurance). **CIGNA issues Stop Loss Contract**
- Hire a network (doctors/medical specialists/hospitals) – **Retain CIGNA**
- Budget for Claims
- Establish Reserving

SELF FUNDING FORMULA: Rates = Administrator + Claims + Stop Loss + Reserves



- Long-term, self-funding delivers a lower cost strategy for funding Medical Coverage, because of a lower overall expense structure.
- Allows the City to receive revenue sources retained by CIGNA (Rebates).
- Self-funding give the City significantly more flexibility to implement enhanced wellness strategies.
- Make adjustments to Plan design for Wellness incentives and Clinic integration.
- The City is well positioned to make the transition.



	2023 - 2024 - CIGNA \$200,000 Spec - 125% Agg 12/36 Original	2023 - 2024 - CIGNA \$200,000 Spec - 125% Agg 12/36 Revised	2023 - 2024 - CIGNA \$200,000 Spec - 125% Agg 12/12 Revised Option 1 – Current Programs	2023 - 2024 - CIGNA \$200,000 Spec - 125% Agg 12/12 Revised Option 2 – Some CIGNA Program Elimination
Network Access Fee	\$33.54	\$33.54	\$33.54	\$21.95
Medical Plan Administration Fee	\$15.00	\$10.00	\$10.00	\$10.00
Specific Stop-loss - \$200,000	\$113.62	\$113.62	\$122.03	\$122.03
Aggregate Stop Loss Coverage	\$4.32	\$3.23	\$3.23	\$3.23
Vision	\$0.35	\$0.35	\$0.35	\$0.35
Total Administration Fees (A)	\$166.83	\$160.74	\$169.15	\$157.56
Annual Cost	\$3,312,794.53	\$3,312,794.53	\$3,312,794.53	\$3,312,794.53
Laser	\$625,000.00	\$625,000.00	\$0.00	\$0.00
Wellness Dollars	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00
Implementation Dollars	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00
			No New Laser	No New Laser
			Rate Cap - 45%	Rate Cap - 45%

- The revised self-funded fixed cost and risk exposure was significantly improved.
- The laser was removed under a revised contract, with no new lasers, and a rate cap.
- The final Administrative Package (Option 1 or 2) will be determined during implementation.

Medical Plan Renewal



	2023 - Fully Insured				2024 - Fully Insured or Self-funded						
	Current				Renewal						
	Active	Retirees	HSA		Active	Retirees	HSA		Active	Retirees	Monthly Premium
Primary Care Physician Visits	\$35	\$35	Deductible/20%		\$35	\$35	Deductible/20%				
Specialist Physician Visits	\$60	\$60	Deductible/20%		\$60	\$60	Deductible/20%				
Preventive Care	0%	0%	0%		0%	0%	0%				
Deductible	\$1,000	\$1,000	\$1,500		\$1,000	\$1,000	\$1,500				
Deductible - Family	\$2,000	\$2,000	\$3,000		\$2,000	\$2,000	\$3,000				
Out of Pocket Limit - Includes Deductible	\$4,500	\$4,500	\$3,500		\$4,500	\$4,500	\$3,500				
Out of Pocket Limit - Family Max - Includes Deductible	\$9,000	\$9,000	\$5,000		\$9,000	\$9,000	\$5,000				
In-patient Hospital Services	Deductible/20%	Deductible/20%	Deductible/20%		Deductible/20%	Deductible/20%	Deductible/20%				
Out-patient Hospital Services	Deductible/20%	Deductible/20%	Deductible/20%		Deductible/20%	Deductible/20%	Deductible/20%				
Emergency Room	\$150	\$150	Deductible/20%		\$150	\$150	Deductible/20%				
Urgent Care	\$75	\$75	Deductible/20%		\$75	\$75	Deductible/20%				
Pharmacy	\$15/\$35/\$60	\$15/\$35/\$60	Deductible/20%		\$15/\$35/\$60	\$15/\$35/\$60	Deductible/20%				
Lifetime Maximum	Unlimited	Unlimited	Unlimited		Unlimited	Unlimited	Unlimited				
			HSA				HSA				
			\$750.00				\$750.00				
Rates:	Active	Retirees	Active	Retirees	Active	Monthly Premium	Retirees	Monthly Premium	Active	Monthly Premium	Retirees
Employee Only	\$713.88	\$849.11	\$633.24	\$753.18	\$757.43	\$574,131.94	\$900.91	\$27,027.30	\$661.74	\$44,336.58	\$787.08
Employee & Spouse	\$1,557.73	\$1,853.60	\$1,381.71	\$1,643.41	\$1,652.75	\$127,261.75	\$1,966.67	\$23,600.04	\$1,443.89	\$4,331.67	\$1,717.37
Employee & Children	\$1,493.47	\$1,778.01	\$1,324.75	\$1,577.13	\$1,584.57	\$372,373.95	\$1,886.47	\$5,659.41	\$1,384.36	\$11,074.88	\$1,648.10
Employee & Family	\$2,032.45	\$2,419.10	\$1,802.83	\$2,145.79	\$2,156.43	\$357,967.38	\$2,566.67	\$7,700.01	\$1,883.96	\$22,607.52	\$2,242.36
						\$1,431,735.02		\$63,986.76		\$82,350.65	
Annual Cost						\$17,180,820.24		\$767,841.12		\$988,207.80	
						106.10%		106.10%		104.50%	
Total Cost			\$17,862,364.80					\$18,936,869.16			
Change							Net Renewal	106.02%			

- From a long-term perspective, the recommendation for self-funding cost allocation is to match the fully insured rates.

Wellness Results



2022 HEALTHIEST EMPLOYERS AWARDS

Greater Charlotte Area:

- City of Salisbury – 1st
- Cleveland County – 2nd
- Rowan County – 3rd
- City of Gastonia – 9th

Triangle Area:

- Durham - 4th

Triad Area:

- **City of High Point - 1st**
- Randolph County - 2nd

Top 100 Across America:

- Randolph County – 14th
- Durham County – 62nd
- Cleveland County – 94th
- **City of High Point - 95th**



2024 Recommendation:

- We are recommending the City transition to self funding with CIGNA at the fully insured rates.
- Making the change with CIGNA makes the transition smooth and seamless.
- There are no planned benefit changes in the transition.
- For the first time in a decade, the claims are allowing the City to transition to self funding.
- The City is well positioned to make this funding change.
- Funding discipline is important into the future.
- The long-term benefits of self funding are to the advantage of the City.



Mark III
Employee Benefits