

City of Hollywood
 Medical Stop Loss Renewal Evaluation
 Effective Date: January 1, 2018



	CURRENT	NEGOTIATED RENEWAL	BEST & FINAL RENEWAL
	Cigna	Cigna	Cigna
MEDICAL Administration			
Network	Open Access Plus & OAPIN	Open Access Plus	Open Access Plus
Rate Guarantee	Expires 1/1/2020 with a 2-Year Rate Cap	Expires 1/1/2020 with a 2-Year Rate Cap	Expires 1/1/2020 with a 2-Year Rate Cap
Composite Rate	\$29.02	\$29.02	\$29.02
2,346			
Annual Administration Cost	\$816,971	\$816,971	\$816,971
\$ Increase/Decrease	--	\$0	\$0
% Increase/Decrease	--	0.0%	0.0%
SPECIFIC STOP LOSS	24/12 Contract Basis	PAID Contract Basis	PAID Contract Basis
Specific Deductible	\$350,000	\$350,000	\$350,000
Covered Benefits	Medical & Rx	Medical & Rx	Medical & Rx
Annual Max Reimbursement	Unlimited	Unlimited	Unlimited
Composite Rate	\$31.75	\$35.88	\$34.93
2,346			
Annual Premium	\$893,826	\$1,010,094	\$983,349
\$ Increase/Decrease	--	\$116,268	\$89,523
% Increase/Decrease	--	13.0%	10.0%
AGGREGATE STOP LOSS	12/12 Contract Basis	PAID Contract Basis	PAID Contract Basis
Covered Benefits	Medical & Rx	Medical & Rx	Medical & Rx
Annual Max Reimbursement	Unlimited	Unlimited	Unlimited
Composite Rate	\$2.00	\$2.20	\$2.20
2,346			
Annual Premium	\$56,304	\$61,934	\$61,934
\$ Increase/Decrease	--	\$5,630	\$5,630
% Increase/Decrease	--	10.0%	10.0%
Total Fixed Costs	\$1,767,101	\$1,888,999	\$1,862,255
\$ Increase/Decrease	--	\$121,898	\$95,154
% Increase/Decrease	--	6.9%	5.4%
EXPECTED CLAIMS COST	Rates are Per Plan	Rates are Per Plan	Rates are Per Plan
OAP	\$932.28	\$1,225.75	\$1,225.75
2,197			
OAPIN	\$806.26	\$1,085.32	\$1,085.32
149			
Annual Expected Claims Cost	\$26,020,216	\$34,256,278	\$34,256,278
2,346			
\$ Increase	--	\$8,236,062	\$8,236,062
% Increase	--	31.7%	31.7%
TOTAL EXPECTED & FIXED COST	\$27,787,317	\$36,145,277	\$36,118,533
\$ Increase/Decrease	--	\$8,357,960	\$8,331,216
% Increase/Decrease	--	30.1%	30.0%
MAXIMUM CLAIMS COST	125% Corridor	125% Corridor	125% Corridor
OAP	\$1,165.35	\$1,532.19	\$1,532.19
2,197			
OAPIN	\$1,007.82	\$1,356.65	\$1,356.65
149			
Annual Expected Claims Cost	\$32,525,270	\$42,820,347	\$42,820,347
2,346			
\$ Increase	--	\$10,295,078	\$10,295,078
% Increase	--	31.7%	31.7%
TOTAL MAXIMUM COST & FIXED COSTS	\$34,292,371	\$44,709,347	\$44,682,602
\$ Increase/Decrease	--	\$10,416,976	\$10,390,232
% Increase/Decrease	--	30.4%	30.3%

(1) Cigna applied a discount factor to claims based on Mandatory Medicare Part B beginning 1/1/18.

(2) In the year of termination, a run out attachment point will be added to the greater of the minimum attachment point or the actual attachment point, calculated at termination based on policy year claim.

(3) Renewal assumes no changes to existing plan designs.