CITY OF SURPRISE
Health Benefits Trust Fund Board
16000 N. Civic Center Plaza
Surprise, AZ 85374
Wednesday, May 25, 2022 @ 4:00 PM
COUNCIL CHAMBERS OVERFLOW ROOM

A. Call To Order

B. Roll Call

C. Pledge of Allegiance

D. Current Events and Reports

E. Staff Reports

F. Health Benefits Trust Fund Board Agenda

CALL TO THE PUBLIC:

INSTRUCTIONS: In order to address the Board\Commission, you will need to fill out a Call to the Public Form available at the front counter, and then turn it in to the Secretary before the meeting begins.

Note: A.R.S. 38-431.01(H) - During this time members of the public may address the Board\Commission only on issues within the jurisdiction of the Board\Commission which are not an item on the agenda. At the conclusion of the open call, the Board\Commission may respond to criticism, may ask staff to review the matter or may ask that the matter be put on a future agenda. No discussion or action shall take place on any item raised.

CONSENT AGENDA:

1.	Citywide	Consideration and action pertaining to approval of the March 2, 2022 Health Benefits Trust Fund Board Meeting minutes.	Finance

REGULAR AGENDA ITEM - NON-PUBLIC HEARING:

2.	Citywide	Presentation and discussion pertaining to CBIZ Consulting FY2022 3rd Quarter Report.	None Donna Meuse Finance
3.	Citywide	Presentation and discussion pertaining to the City's unaudited Employee Healthcare and Workers' Compensation Self Insurance Funds Financial Report for FY2022 3rd Quarter.	None Andrea Davis Finance

G. Other Business and Future Agenda Items

H. Executive Session

For information purposes: Upon a public majority vote of a quorum (“Commission”), the Commission may hold an executive session, which will not be open to the public, but for only the following purposes: discussion or consideration of records exempt by law from public inspection (A.R.S. §38-431.03(A)(2));

or discussion or consultation for legal advice with the attorney or attorneys of the public body (A.R.S. §38-431.03(A)(3)).

Confidentiality Requirements: Pursuant to A.R.S. §38-431.03(C)(D), any person receiving executive session information pursuant to A.R.S. §38-431.02 shall not disclose that information except to the Attorney General or County Attorney or by agreement of the Commission, or as otherwise ordered by a court of competent jurisdiction.

The Commission may vote to hold an executive session for the purpose of obtaining legal advice from the Commission's attorney on any matter listed on the agenda pursuant to A.R.S. § 38-431.03(A)(3).

I. Adjournment

SHERRY ANN AGUILAR, CITY CLERK, MMC

POSTED: Wednesday, May 18, 2022 @ 9:00 A.M., and amended on Monday, May 23, 2022 @ 1:30 p.m. (Item #3 cover).

SPECIAL NOTE: PERSONS WITH SPECIAL ACCESSIBILITY NEEDS, INCLUDING LARGE PRINT MATERIALS OR INTERPRETER, SHOULD CONTACT THE CITY CLERK'S OFFICE @ 623.222.1200 OR TTY 623.222.1002, BY NO LATER THAN 24 HOURS IN ADVANCE OF THE REGULAR SCHEDULED MEETING TIME.

CITY OF SURPRISE
Health Benefits Trust Fund Board

Council Meeting Date: May 25, 2022
Submitting Department: Finance
Staff Recommendations:

Contact Person:
District: Citywide

Consent: Yes   Regular: No   Public Hearing: No   Report/Discussion: No

Agenda Wording:
Consideration and action pertaining to approval of the March 2, 2022 Health Benefits Trust Fund Board Meeting minutes.

Motion:
I move to approve the March 2, 2022 Health Benefits Trust Fund Board meeting minutes.

Background:
Attached are the minutes from the March 2, 2022 meeting.

Objective Analysis:

Policy Compliant:

Financial Impact:
No financial impact.

Budget Impact:
None

FTE Impact:

ATTACHMENTS:

1. HBTF MINUTES 03.02.22 Draft

CITY OF SURPRISE

HEALTH BENEFITS TRUST FUND BOARD
16000 North Civic Center Plaza
Surprise, AZ 85374

March 2, 2022

MEETING MINUTES

CALL TO ORDER

Vice Chair Renee Pastor called the Health Benefits Trust Fund Meeting to order at 3:01 p.m. at Surprise City Hall, 16000 North Civic Center Plaza, Surprise, Arizona 85374, on Wednesday, March 2, 2022.

ROLL CALL

In attendance were Chair Renee Pastor, Vice Chair William Coniam, Board Member Candice Rachal, Board Member Barb Minick, and Board Member Andrea Davis.

STAFF PRESENT:

Donna Meuse, Human Resources Director; Paige Gearhart, Human Resources Manager; Michelle Casciato, Risk/Safety Analyst; Thomas Partin, Workers' Comp Senior Claims Adjuster; Jennifer Medina, Financial Management Analyst – Senior; Julie Ralls, Accountant – Senior.

PLEDGE OF ALLEGIANCE

CURRENT EVENTS REPORT

None

STAFF REPORT

None

CALL TO THE PUBLIC

None

CONSENT AGENDA

Item 1: Consideration and action pertaining to the approval of the December 1, 2021 Health Benefits Trust Fund Board Meeting Minutes.

- Board Member Coniam made a motion to approve the minutes. Board Member Rachal seconded the motion. Motion passed.

REGULAR AGENDA ITEMS NOT REQUIRING A PUBLIC HEARING

Item 2: Presentation and discussion pertaining to CBIZ Consulting FY2022 2nd Quarter Report.

- Michael Barberio presented CBIZ Consulting's FY2022 2nd Quarter Report.
- Mike Zucarelli presented the city's pharmacy spend and rebate summary.
- Mike Zucarelli also gave an overview of Senate bill 1161 regarding states being able to create their own legislation that gets around the ERISA protection of some plans.

Item 3: Presentation and discussion pertaining to the City's unaudited Employee Healthcare and Worker's Compensation Self Insurance Funds Financial Report for FY2022 2nd Quarter.

- Andrea Davis, Finance Director, presented the FY2022 2nd Quarter Financial Reports.

Item 4: Consideration and action pertaining to approval of the recommended FY2023 Health Benefit Trust Fund Budget.

- Jennifer Medina presented the recommended budget for the Health Benefit Trust Fund for FY2023.
- Board Member William Coniam made a motion to approve the FY2023 Health Benefit Trust Fund Budget. Board Member Rachal seconded the motion. Motion passed.

Item 5: Consideration and action pertaining to approval of the FY2023 Workers' Compensation Plan Budget.

- Andrea Davis presented the recommended budget for the Workers' Compensation Plan for FY2023.
- Board Member Candace Rachal made a motion to approve the FY2023 Health Benefit Trust Fund Budget. Board Member Coniam seconded the motion. Motion passed.

OTHER BUSINESS

Regarding a previous request made requesting a legislative update, it was stated that there will not be a regular legislative update, but items of relevance would be presented to the board when deemed necessary. If the board has a specific question or concern, they are welcome to reach out to the city legal department.

ADJOURNMENT

Board Member Davis made a motion to adjourn the meeting. Board Member Coniam seconded the motion. Motion passed. Hearing no further business, Chairperson Renee Pastor adjourned the Health Benefits Trust Fund meeting at 4:36 p.m.

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Renee Pastor, Chair
Health Benefits Trust Fund Board

CITY OF SURPRISE
Health Benefits Trust Fund Board

Council Meeting Date: May 25, 2022

Contact Person: Donna Meuse, Human Resources Director

Submitting Department: Finance

District: Citywide

Staff Recommendations: None

Consent: No Regular: Yes Public Hearing: No Report/Discussion: No

Agenda Wording:

Presentation and discussion pertaining to CBIZ Consulting FY2022 3rd Quarter Report.

Motion:

None. Presentation and discussion only.

Background:

CBIZ Consulting will present the 3rd Quarter self-funded medical, dental, and vision report for plan year FY2022 for the City. This report contains financial information and claims activity.

Objective Analysis:

Policy Compliant:

Financial Impact:

None at this time; however, topics in this presentation could lead to future actions which may have a fiscal impact on the fund's operation.

Budget Impact:

None at this time; however, topics in this presentation could lead to future actions which may have a fiscal impact on the fund's operation.

FTE Impact:

ATTACHMENTS:

1. City of Surprise Medical Dental Vision Experience with COVID Dashboard 03 22
2. 2021-2022 City of Surprise PBM Summary thru March 2022

City of Surprise

Medical, Pharmacy, Dental & Vision Experience

Plan Year: *July 2021 – June 2022*

Month End: *March 2022*

Presented by your CBIZ Team

Mike Barberio, Branson Cobb, Melissa Barbakoff & Margaret Latham

our business is growing yours.

Executive Summary

Medical and Pharmacy

For the first three quarters of the 2021-2022 plan year, claims are performing at a higher rate than normal for the City of Surprise. The third quarter claims experience ran above 100%. The overall loss ratio is of 94.9% of expected claims cost and 78.7% of maximum claims cost not including run out claims.

Medical claims are running much higher than expected in the third quarter. This is not due to large claimants. The large claimants at this time appear to be right in line with your historical experience. Below is a list of the drivers of the medical claim cost:

- Overall medical allowed amount is up 10% over the prior year, driven by a 17% increase in visits from a 7% increase in claimants.
- Inpatient claims paid amount has increased by 21%.
- Outpatient utilization is up 48% and the claims paid in this category is up 18%.
- Professional (PCP and Specialist doctor visits) claims cost is up 17% in this category.

While Blue Cross' network discounts remain competitive, we are noticing a trend that doctors and hospitals are billing at a significantly higher rate than they were in your prior plan period. Blue Cross has conveyed that many doctors are billing at a higher rate due to inflationary pressures. Billed charges by each of the categories has increased by the following:

- Inpatient billed charges have increase by 31% since your prior plan period.
- Outpatient billed charges have increased by 33% since your prior plan period.
- Professional billed charges have increased by 21% since your prior plan period.

Gross run out claims through March is $564,013, after rebates and Stop Loss recoveries that amount drops to $204,963. With run out claims for the prior plan year mostly complete, the 2020-2021 plan year is finishing at 83.7% which is an excellent result.

Claim spend by individual plan design was:

- **HMO represents 56%, $1,631.59 PEPM**
- **PPO represents 30%, $1,185.00 PEPM**
- **EPO represents 14%, $968.34 PEPM**

There are five new large claimants that have exceeded the $100,000 claims threshold. The large claimants represent 16.6% of overall claims. Of the 9 nine large claimants, three of them are driving by specialty drugs.

Dental

Dental is running very similar to the 2020-2021 plan year. The current loss ratio is 88% with nine months of claims. Historically, the City has higher claims the first quarter and then claim usage begins to come down. The second and third quarter of dental claims are very consistent with the average loss ratio at 77.7% for the two quarters.

Vision

Vision claims have followed similar utilization patterns from prior years. The first quarter of vision claims were high but then utilization comes down in quarter 2 and 3 overall.

BlueCross BlueShield of Arizona

COVID-19 Risk Modeling and Tracking

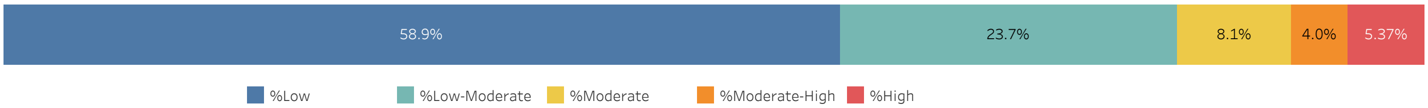
Opportunities to Inspire Health

EMPLOYER 023348 - CITY OF SURPRISE

City Of Surprise

(Based on Utilization thru 4/22/2022)

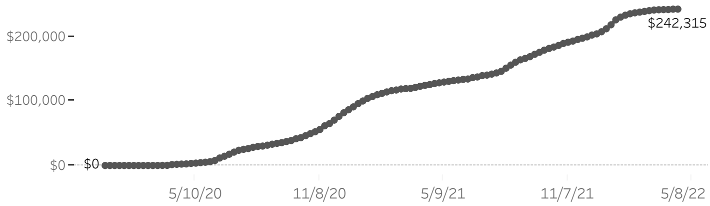
Certain factors, such as age, comorbid conditions, and recent utilization patterns can increase our risk for COVID-19 and its known complications.
Early on, BCBSAZ identified these members through risk stratification methods.Your distribution of membership by risk category is as follows:



Allowed
Paid

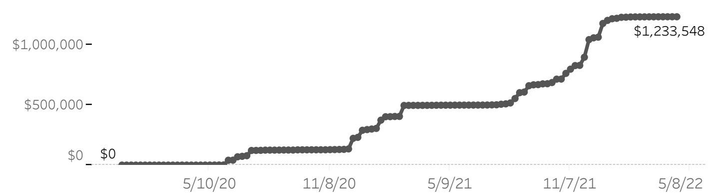
COVID-19 Live Virus Testing

$242,315	1,451	3,801
Tested_AllowedOrPaid	Total Members Tested	Total Testing Claims



COVID-19 Confirmed Diagnoses

$1,233,548	524	1,284
Confirmed_AllowedOrPaid	Total Confirmed Members	Total Confirmed Claims



NOTES:
1) This report summarizes claims and lab result experience received to date.
2) Industry available codes are used to identify and summarize COVID-19 specific claim lines, and are subject to change at any time:
Lab: U0001, U0002, U0003, U0004, U0005, 87635, G2023, and G2024 (high throughput and antibody testing codes will be added when available)
Diagnosis: U07.1
3) "COVID-19 Testing" represents total members and claims with a known test for COVID-19, based on lab and medical data. Total dollars for testing are based on medical claims specifically for the test and exclude other services, such as an office visit.
4) "COVID-19 Confirmed" represents total members and claims with either a positive lab test or confirmation of COVID-19 through medical claims. Total dollars for treatment are based on medical claims, and excluding testing.

City of Surprise

Paid Claims and Administration

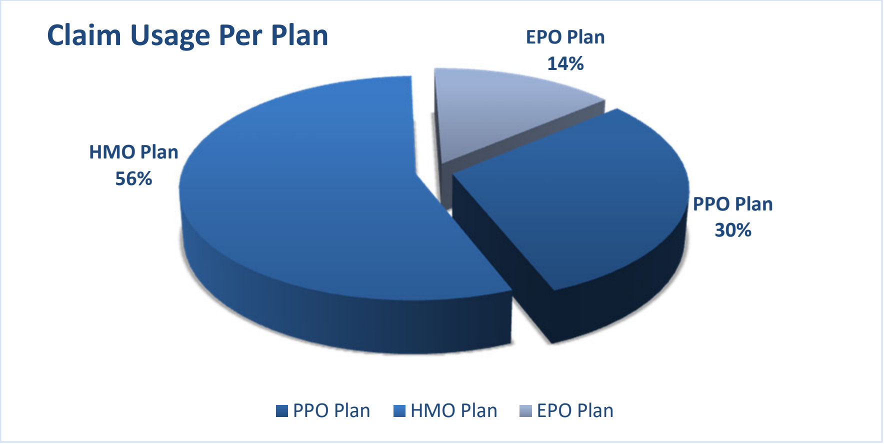
Plan Year: July 2021 to June 2022 (as of March 2022)

Incurred and Paid

BlueCross BlueShield of Arizona and Optum Rx- All Plans														Loss Ratio		PEPM Costs				
Paid Month	Subscribers	Expected Claims Liability	Maximum Claims Liability	Medical Paid Claims	Rx Paid Claims	Optum Rx Rebates & Performance Guarantees	Blue Card Claims Expense & Misc.	Capitation Fees	Value Based Services	Stop Loss Recovery	Total Paid Claims	Admin Fees	Total Paid Claims & Admin Fees	Actual Claims vs Expected Claims Liability	Actual Claims vs Maximum Claims Liability	Medical Claims Paid PEPM	Rx Claims Paid PEPM	Total Claims Paid PEPM	Total Paid Claims Net Stop Loss Reimburse-ment PEPM	Total Claims & Fees PEPM
Jul-21	795	$ 1,002,888	$ 1,209,887	$ 324,912	$ 195,921	$ -	$ 1,003	$ 7,035	$ 1,721	$ -	$ 530,592	$ 109,184	$ 639,776	52.9%	43.9%	$420.97	$246.44	$667.41	$667.41	$804.75
Aug-21	799	$ 1,010,908	$ 1,218,979	$ 661,061	$ 217,018	$ -	$ 1,090	$ 7,102	$ 1,629	$ -	$ 887,900	$ 109,734	$ 997,634	87.8%	72.8%	$839.65	$271.61	$1,111.26	$1,111.26	$1,248.60
Sep-21	803	$ 1,016,566	$ 1,225,523	$ 739,246	$ 218,170	$ -	$ 278	$ 7,082	$ 956	$ -	$ 965,732	$ 110,285	$ 1,076,017	95.0%	78.8%	$930.96	$271.69	$1,202.65	$1,202.65	$1,340.00
Oct-21	801	$ 1,011,746	$ 1,219,745	$ 841,297	$ 217,625	$ -	$ 1,408	$ 7,114	$ 3,132	$ -	$ 1,070,576	$ 110,010	$ 1,180,586	105.8%	87.8%	$1,064.86	$271.69	$1,336.55	$1,336.55	$1,473.89
Nov-21	806	$ 1,015,302	$ 1,224,074	$ 824,343	$ 249,799	$ -	$ 2,381	$ 7,094	$ 1,712	$ -	$ 1,085,328	$ 110,696	$ 1,196,024	106.9%	88.7%	$1,036.64	$309.92	$1,346.56	$1,346.56	$1,483.90
Dec-21	809	$ 1,015,903	$ 1,225,001	$ 811,101	$ 203,750	$ -	$ 1,600	$ 7,067	$ 1,567	$ -	$ 1,025,085	$ 111,108	$ 1,136,193	100.9%	83.7%	$1,015.25	$251.85	$1,267.10	$1,267.10	$1,404.44
Jan-22	811	$ 1,019,147	$ 1,228,640	$ 690,869	$ 207,552	$ (149,160)	$ 1,304	$ 7,158	$ 1,576	$ -	$ 759,298	$ 111,383	$ 870,681	74.5%	61.8%	$864.25	$255.92	$936.25	$936.25	$1,073.59
Feb-22	813	$ 1,016,483	$ 1,225,648	$ 914,778	$ 212,157	$ -	$ 1,788	$ 7,161	$ 1,574	$ -	$ 1,137,457	$ 111,656	$ 1,249,114	111.9%	92.8%	$1,138.13	$260.96	$1,399.09	$1,399.09	$1,536.43
Mar-22	814	$ 1,016,943	$ 1,226,189	$ 904,338	$ 283,102	$ -	$ 1,509	$ 7,123	$ 1,571	$ -	$ 1,197,643	$ 111,794	$ 1,309,436	117.8%	97.7%	$1,123.51	$347.79	$1,471.31	$1,471.31	$1,608.64
Apr-22																				
May-22																				
Jun-22																				
Total	**7,251**	**$ 9,125,887**	**$ 11,003,686**	**$ 6,711,943**	**$ 2,005,094**	**$ (149,160)**	**$ 12,360**	**$ 63,936**	**$ 15,438**	**$ -**	**$ 8,659,611**	**$ 995,850**	**$ 9,655,461**	**94.9%**	**78.7%**	**$938.31**	**$276.53**	**$1,194.26**	**$1,194.26**	**$1,331.60**
Avg	**806**																			

Administrative Fees	PPO Plan			HMO Plan			EPO Plan		
	Employee	Emp + 1 Dep	EE + Family	Employee	Emp + 1 Dep	EE + Family	Employee	Emp + 1 Dep	EE + Family
Administration	$51.25	$51.25	$51.25	$51.25	$51.25	$51.25	$51.25	$51.25	$51.25
Specific Stoploss 12/24 $250,000 ISL	$81.35	$81.35	$81.35	$81.35	$81.35	$81.35	$81.35	$81.35	$81.35
Aggregate Stoploss (125%)	$5.10	$5.10	$5.10	$4.55	$4.55	$4.55	$4.55	$4.55	$4.55
Total Admin Fees	**$137.70**	**$137.70**	**$137.70**	**$137.15**	**$137.15**	**$137.15**	**$137.15**	**$137.15**	**$137.15**

Claim Expenses	Employee	Emp + 1 Dep	EE + Family	Employee	Emp + 1 Dep	EE + Family	Employee	Emp + 1 Dep	EE + Family
Expected Liability	**$502.79**	**$1,143.26**	**$1,655.63**	**$525.26**	**$1,187.64**	**$1,717.60**	**$462.33**	**$1,061.80**	**$1,541.40**
Maximum Liability (ICAP)	**$717.77**	**$1,428.05**	**$1,996.26**	**$729.38**	**$1,451.31**	**$2,028.86**	**$614.12**	**$1,221.96**	**$1,708.26**



City of Surprise
Paid Claims and Administration
Plan Year: July 2021 to June 2022 (as of March 2022)
Incurred and Paid

BlueCross BlueShield of Arizona & Optum Rx - PPO Plan										Loss Ratio		PEPM Costs			
Paid Month	Subscribers	Expected Claims Liability	Maximum Claims Liability	Medical Paid Claims	Rx Paid Claims	Stop Loss Recovery	Total Paid Claims	Admin Fees	Total Paid Claims and Admin Fees	Actual Claims vs Expected Claims Liability	Actual Claims vs Maximum Claims Liability	Medical Claims Paid PEPM	Rx Claims Paid PEPM	Total Claims Paid PEPM	Total Claims & Fees PEPM
Jul-21	272	$ 326,593	$ 405,759	$ 166,590	$ 32,987	$ -	$ 199,576	$ 37,454	$ 237,031	61.1%	49.2%	$612.46	$121.27	$733.74	$871.44
Aug-21	275	$ 329,255	$ 409,190	$ 177,382	$ 58,514	$ -	$ 235,896	$ 37,868	$ 273,763	71.6%	57.6%	$645.02	$212.78	$857.80	$995.50
Sep-21	280	$ 334,074	$ 415,336	$ 216,023	$ 50,433	$ -	$ 266,456	$ 38,556	$ 305,012	79.8%	64.2%	$771.51	$180.12	$951.63	$1,089.33
Oct-21	277	$ 330,773	$ 411,194	$ 310,008	$ 48,163	$ -	$ 358,170	$ 38,143	$ 396,313	108.3%	87.1%	$1,119.16	$173.87	$1,293.03	$1,430.73
Nov-21	279	$ 333,956	$ 415,045	$ 293,965	$ 67,513	$ -	$ 361,479	$ 38,418	$ 399,897	108.2%	87.1%	$1,053.64	$241.98	$1,295.62	$1,433.32
Dec-21	280	$ 334,459	$ 415,762	$ 306,824	$ 54,044	$ -	$ 360,868	$ 38,556	$ 399,424	107.9%	86.8%	$1,095.80	$193.02	$1,288.81	$1,426.51
Jan-22	280	$ 335,099	$ 416,473	$ 216,965	$ 64,052	$ -	$ 281,018	$ 38,556	$ 319,574	83.9%	67.5%	$774.88	$228.76	$1,003.63	$1,141.33
Feb-22	279	$ 330,625	$ 411,351	$ 204,242	$ 53,848	$ -	$ 258,090	$ 38,418	$ 296,508	78.1%	62.7%	$732.05	$193.00	$925.05	$1,062.75
Mar-22	279	$ 331,266	$ 412,061	$ 236,411	$ 61,322	$ -	$ 297,733	$ 38,418	$ 336,151	89.9%	72.3%	$847.35	$219.79	$1,067.14	$1,204.84
Apr-22															
May-22															
Jun-22															
Total	**2,501**	**$ 2,986,099**	**$ 3,712,171**	**$ 2,128,410**	**$ 490,877**	**$ -**	**$ 2,619,286**	**$ 344,388**	**$ 2,963,674**	**87.7%**	**70.6%**	**$851.02**	**$196.27**	**$1,047.30**	**$1,185.00**
Avg	**278**														

Administrative Fees	PPO Plan		
	Employee	Emp + 1 Dep	EE + Family
Administration	$51.25	$51.25	$51.25
Specific Stoploss 12/24 $250,000 ISL	$81.35	$81.35	$81.35
Aggregate Stoploss (125%)	$5.10	$5.10	$5.10
Total Admin Fees	**$137.70**	**$137.70**	**$137.70**

Claim Expenses	Employee	Emp + 1 Dep	EE + Family
Expected Liability	**$502.79**	**$1,143.26**	**$1,655.63**
Maximum Liability (ICAP)	**$717.77**	**$1,428.05**	**$1,996.26**

Number of Enrollees by Month				
Month	EE	EE + 1	EE + Fam	Total
July	82	57	133	272
August	84	57	134	275
September	87	57	136	280
October	86	56	135	277
November	87	54	138	279
December	88	54	138	280
January	87	55	138	280
February	89	56	134	279
March	88	57	134	279
April	0	0	0	0
May	0	0	0	0
June	0	0	0	0
Totals	**778**	**503**	**1,220**	**2,501**

CBIZ

City of Surprise
Paid Claims and Administration
Plan Year: July 2021 to June 2022 (as of March 2022)
Incurred and Paid

BlueCross BlueShield of Arizona & Optum Rx - HMO Plan										Loss Ratio		PEPM Costs			
Paid Month	Subscribers	Expected Claims Liability	Maximum Claims Liability	Medical Paid Claims	Rx Paid Claims	Stop Loss Recovery	Total Paid Claims	Admin Fees	Total Paid Claims and Admin Fees	Actual Claims vs Expected Claims Liability	Actual Claims vs Maximum Claims Liability	Medical Claims Paid PEPM	Rx Claims Paid PEPM	Total Claims Paid PEPM	Total Claims & Fees PEPM
Jul-21	366	$ 502,516	$ 605,106	$ 123,955	$ 114,783	$ -	$ 238,738	$ 50,197	$ 288,935	47.5%	39.5%	$338.68	$313.61	$652.29	$789.44
Aug-21	366	$ 503,576	$ 606,262	$ 432,244	$ 140,859	$ -	$ 573,103	$ 50,197	$ 623,300	113.8%	94.5%	$1,180.99	$384.86	$1,565.85	$1,703.00
Sep-21	362	$ 500,150	$ 601,900	$ 472,538	$ 118,337	$ -	$ 590,876	$ 49,648	$ 640,524	118.1%	98.2%	$1,305.35	$326.90	$1,632.25	$1,769.40
Oct-21	361	$ 497,108	$ 598,427	$ 400,212	$ 118,765	$ -	$ 518,978	$ 49,511	$ 568,489	104.4%	86.7%	$1,108.62	$328.99	$1,437.61	$1,574.76
Nov-21	359	$ 493,010	$ 593,648	$ 422,101	$ 156,846	$ -	$ 578,947	$ 49,237	$ 628,184	117.4%	97.5%	$1,175.77	$436.90	$1,612.66	$1,749.81
Dec-21	358	$ 490,763	$ 591,041	$ 393,620	$ 103,027	$ -	$ 496,646	$ 49,100	$ 545,746	101.2%	84.0%	$1,099.50	$287.78	$1,387.28	$1,524.43
Jan-22	357	$ 490,900	$ 591,034	$ 316,381	$ 99,919	$ -	$ 416,299	$ 48,963	$ 465,262	84.8%	70.4%	$886.22	$279.88	$1,166.11	$1,303.26
Feb-22	356	$ 489,182	$ 589,005	$ 632,516	$ 134,564	$ -	$ 767,080	$ 48,825	$ 815,905	156.8%	130.2%	$1,776.73	$377.99	$2,154.72	$2,291.87
Mar-22	356	$ 487,460	$ 587,128	$ 530,436	$ 132,388	$ -	$ 662,824	$ 48,825	$ 711,649	136.0%	112.9%	$1,489.99	$371.88	$1,861.87	$1,999.02
Apr-22															
May-22															
Jun-22															
Total	**3,241**	**$ 4,454,666**	**$ 5,363,551**	**$ 3,724,003**	**$ 1,119,488**	**$ -**	**$ 4,843,491**	**$ 444,503**	**$ 5,287,994**	**108.7%**	**90.3%**	**$1,149.03**	**$345.41**	**$1,494.44**	**$1,631.59**
Avg	**360**														

Administrative Fees	HMO Plan		
	Employee	Emp + 1 Dep	EE + Family
Administration	$51.25	$51.25	$51.25
Specific Stoploss 12/24 $250,000 ISL	$81.35	$81.35	$81.35
Aggregate Stoploss (125%)	$4.55	$4.55	$4.55
Total Admin Fees	**$137.15**	**$137.15**	**$137.15**

Claim Expenses	Employee	Emp + 1 Dep	EE + Family
Expected Liability	**$525.26**	**$1,187.64**	**$1,717.60**
Maximum Liability (ICAP)	**$729.38**	**$1,451.31**	**$2,028.86**

Number of Enrollees by Month				
Month	EE	EE + 1	EE + Fam	Total
July	72	76	218	366
August	72	74	220	366
September	70	72	220	362
October	72	70	219	361
November	73	69	217	359
December	73	70	215	358
January	71	71	215	357
February	71	71	214	356
March	72	72	212	356
April	0	0	0	0
May	0	0	0	0
June	0	0	0	0
Totals	**646**	**645**	**1,950**	**3,241**

City of Surprise
Paid Claims and Administration
Plan Year: July 2021 to June 2022 (as of March 2022)
Incurred and Paid

BlueCross BlueShield of Arizona & Optum Rx - EPO Plan										Loss Ratio		PEPM Costs			
Paid Month	Subscribers	Expected Claims Liability	Maximum Claims Liability	Medical Paid Claims	Rx Paid Claims	Stop Loss Recovery	Total Paid Claims	Admin Fees	Total Paid Claims and Admin Fees	Actual Claims vs Expected Claims Liability	Actual Claims vs Maximum Claims Liability	Medical Claims Paid PEPM	Rx Claims Paid PEPM	Total Claims Paid PEPM	Total Claims & Fees PEPM
Jul-21	157	$ 173,778	$ 199,023	$ 34,367	$ 48,151	$ -	$ 82,518	$ 21,533	$ 104,051	47.5%	41.5%	$218.90	$306.69	$525.60	$662.75
Aug-21	158	$ 178,077	$ 203,527	$ 51,435	$ 17,645	$ -	$ 69,080	$ 21,670	$ 90,750	38.8%	33.9%	$325.54	$111.68	$437.21	$574.36
Sep-21	161	$ 182,342	$ 208,287	$ 50,684	$ 49,400	$ -	$ 100,084	$ 22,081	$ 122,165	54.9%	48.1%	$314.81	$306.83	$621.64	$758.79
Oct-21	163	$ 183,866	$ 210,123	$ 131,076	$ 50,697	$ -	$ 181,773	$ 22,355	$ 204,129	98.9%	86.5%	$804.15	$311.02	$1,115.17	$1,252.32
Nov-21	168	$ 188,336	$ 215,382	$ 108,277	$ 25,440	$ -	$ 133,716	$ 23,041	$ 156,758	71.0%	62.1%	$644.50	$151.43	$795.93	$933.08
Dec-21	171	$ 190,682	$ 218,197	$ 110,657	$ 46,679	$ -	$ 157,336	$ 23,453	$ 180,789	82.5%	72.1%	$647.12	$272.98	$920.09	$1,057.24
Jan-22	174	$ 193,148	$ 221,133	$ 157,523	$ 43,581	$ -	$ 201,104	$ 23,864	$ 224,968	104.1%	90.9%	$905.30	$250.46	$1,155.77	$1,292.92
Feb-22	178	$ 196,676	$ 225,292	$ 78,020	$ 23,745	$ -	$ 101,765	$ 24,413	$ 126,178	51.7%	45.2%	$438.32	$133.40	$571.71	$708.86
Mar-22	179	$ 198,217	$ 227,000	$ 137,491	$ 89,392	$ -	$ 226,883	$ 24,550	$ 251,433	114.5%	99.9%	$768.11	$499.40	$1,267.51	$1,404.66
Apr-22															
May-22															
Jun-22															
Total	**1,509**	**$ 1,685,122**	**$ 1,927,963**	**$ 859,531**	**$ 394,729**	**$ -**	**$ 1,254,260**	**$ 206,959**	**$ 1,461,219**	**74.4%**	**65.1%**	**$569.60**	**$261.58**	**$831.19**	**$968.34**
Avg	**168**														

Administrative Fees	HMO Plan		
	Employee	Emp + 1 Dep	EE + Family
Administration	$51.25	$51.25	$51.25
Specific Stoploss 12/24 $250,000 ISL	$81.35	$81.35	$81.35
Aggregate Stoploss (125%)	$4.55	$4.55	$4.55
Total Admin Fees	**$137.15**	**$137.15**	**$137.15**

Claim Expenses	Employee	Emp + 1 Dep	EE + Family
Expected Liability	**$462.33**	**$1,061.80**	**$1,541.40**
Maximum Liability (ICAP)	**$614.12**	**$1,221.96**	**$1,708.26**

Number of Enrollees by Month				
Month	EE	EE + 1	EE + Fam	Total
July	53	23	81	157
August	50	24	84	158
September	49	27	85	161
October	50	28	85	163
November	53	28	87	168
December	56	26	89	171
January	58	26	90	174
February	60	27	91	178
March	60	27	92	179
April	0	0	0	0
May	0	0	0	0
June	0	0	0	0
Totals	**489**	**236**	**784**	**1,509**

City of Surprise

Paid Claims and Administration

Plan Year: July 2020 to June 2021 (as of March 2022)

Incurred and Paid

BlueCross BlueShield of Arizona and Optum Rx- All Plans

Paid Month	Subscribers	Expected Claims Liability	Maximum Claims Liability	Medical Paid Claims	Rx Paid Claims	Optum Rx Rebates & Performance Guarantees	Blue Card Claims Expense & Misc.	Capitation Fees	Value Based Services	Stop Loss Recovery	Total Paid Claims	Admin Fees	Total Paid Claims & Admin Fees
Jul-20	776	$ 942,700	$ 1,201,885	$ 298,418	$ 206,976	$ -	$ 760	$ 6,988	$ 1,846	$ -	$ 514,988	$ 105,420	$ 620,408
Aug-20	774	$ 938,912	$ 1,197,241	$ 636,398	$ 216,421	$ -	$ 1,026	$ 6,959	$ 1,783	$ -	$ 862,586	$ 105,148	$ 967,735
Sep-20	782	$ 944,205	$ 1,204,302	$ 437,593	$ 338,591	$ -	$ 1,444	$ 6,982	$ 1,771	$ -	$ 786,381	$ 106,235	$ 892,615
Oct-20	781	$ 943,305	$ 1,203,191	$ 461,606	$ 277,626	$ -	$ 1,097	$ 6,988	$ 1,755	$ -	$ 749,072	$ 106,101	$ 855,173
Nov-20	780	$ 946,776	$ 1,206,512	$ 460,053	$ 209,716	$ -	$ 1,088	$ 7,014	$ 1,758	$ -	$ 679,629	$ 105,962	$ 785,592
Dec-20	781	$ 946,386	$ 1,206,052	$ 598,192	$ 182,483	$ -	$ 1,167	$ 7,038	$ 1,737	$ -	$ 790,618	$ 106,098	$ 896,716
Jan-21	785	$ 949,365	$ 1,209,970	$ 624,716	$ 196,363	$ (133,529)	$ 1,130	$ 7,014	$ 1,727	$ -	$ 697,422	$ 106,641	$ 804,063
Feb-21	782	$ 948,023	$ 1,207,791	$ 573,157	$ 221,134	$ -	$ 1,227	$ 7,041	$ 1,727	$ (1,092)	$ 803,194	$ 106,234	$ 909,428
Mar-21	780	$ 942,879	$ 1,201,328	$ 1,180,234	$ 190,143	$ -	$ 1,013	$ 6,953	$ 1,646	$ (435,334)	$ 944,655	$ 105,962	$ 1,050,617
Apr-21	781	$ 944,975	$ 1,204,133	$ 892,114	$ 195,045	$ (125,975)	$ 1,410	$ 6,950	$ 1,613	$ (10,753)	$ 960,403	$ 106,100	$ 1,066,503
May-21	781	$ 944,328	$ 1,203,232	$ 562,968	$ 198,684	$ -	$ 988	$ 7,000	$ 1,722	$ (24,491)	$ 746,871	$ 106,099	$ 852,970
Jun-21	789	$ 949,477	$ 1,210,362	$ 656,418	$ 202,023	$ -	$ 1,081	$ 7,026	$ 1,704	$ (112,846)	$ 755,407	$ 107,185	$ 862,592
Total	**9,372**	**$ 11,341,331**	**$ 14,455,998**	**$ 7,381,869**	**$ 2,635,207**	**$ (259,504)**	**$ 13,430**	**$ 83,953**	**$ 20,788**	**$ (584,516)**	**$ 9,291,227**	**$ 1,273,185**	**$ 10,564,411**
Avg	**781**												

Loss Ratio

Paid Month	Actual Claims vs Expected Claims Liability	Actual Claims vs Maximum Claims Liability
Jul-20	54.6%	42.8%
Aug-20	91.9%	72.0%
Sep-20	83.3%	65.3%
Oct-20	79.4%	62.3%
Nov-20	71.8%	56.3%
Dec-20	83.5%	65.6%
Jan-21	73.5%	57.6%
Feb-21	84.7%	66.5%
Mar-21	100.2%	78.6%
Apr-21	101.6%	79.8%
May-21	79.1%	62.1%
Jun-21	79.6%	62.4%
Total	**81.9%**	**64.3%**

PEPM Costs

Paid Month	Medical Claims Paid PEPM	Rx Claims Paid PEPM	Total Claims Paid PEPM	Total Paid Claims Net Stop Loss Reimburse-ment PEPM	Total Claims & Fees PEPM
Jul-20	$396.92	$266.72	$663.64	$663.64	$799.49
Aug-20	$834.84	$279.61	$1,114.45	$1,114.45	$1,250.30
Sep-20	$572.62	$432.98	$1,005.60	$1,005.60	$1,141.45
Oct-20	$603.64	$355.47	$959.12	$959.12	$1,094.97
Nov-20	$602.45	$268.87	$871.32	$871.32	$1,007.17
Dec-20	$778.66	$233.65	$1,012.32	$1,012.32	$1,148.16
Jan-21	$808.39	$250.14	$888.44	$888.44	$1,024.28
Feb-21	$745.72	$282.78	$1,028.50	$1,027.10	$1,162.95
Mar-21	$1,525.44	$243.77	$1,769.22	$1,211.10	$1,346.94
Apr-21	$1,155.04	$249.74	$1,243.48	$1,229.71	$1,365.56
May-21	$733.26	$254.40	$987.66	$956.30	$1,092.15
Jun-21	$844.40	$256.05	$1,100.45	$957.42	$1,093.27
Total	**$800.26**	**$281.18**	**$1,053.75**	**$991.38**	**$1,127.23**

BCBS and Optum Rx Runout

Month	Paid Medical	Paid Rx	Optum Rx Rebates*	Blue Card Claims Expense	Capitation (Chiro FFS Costs)	Stop Loss Recovery	Total Paid Claims
Jul-21	$ 232,051	$ 135	$ (168,260)	$ 233	$ (26)	$ (4,148)	$ 59,985
Aug-21	$ 224,226	$ 3,280	$ -	$ 119	$ (15)	$ -	$ 227,611
Sep-21	$ 69,645	$ 203	$ -	$ 57	$ (21)	$ (557)	$ 69,328
Oct-21	$ 28,027	$ -	$ (192,507)	$ (4)	$ -	$ 72	$ (164,411)
Nov-21	$ 8,219	$ 237	$ -	$ 4	$ -	$ -	$ 8,460
Dec-21	$ 4,289	$ 40	$ -	$ -	$ -	$ -	$ 4,329
Jan-22	$ 2,376	$ 57	$ -	$ 2,011	$ -	$ -	$ 4,444
Feb-22	$ (7,632)	$ -	$ -	$ -	$ -	$ -	$ (7,632)
Mar-22	$ 2,812	$ -	$ -	$ 40	$ -	$ -	$ 2,851
Apr-22							$ -
May-22							$ -
Jun-22							$ -
Total	**$ 564,013**	**$ 3,951**	**$ (360,767)**	**$ 2,460**	**$ (62)**	**$ (4,632)**	**$ 204,963**

2020-2021 Medical Plan Costs with Runout

Total Claims Incurred for Time Period	Total Stop Loss Recovery	Total Paid Claims Net Runout	Total Admin Fees	Total Paid Claims and Admin Costs	% Actual Claims vs. Expected	% Actual Claims vs. Maximum Claim Liability	Total Paid Claims & Admin Costs PEPM
$ 10,085,338	**$ (589,148)**	**$ 9,496,190**	**$ 1,273,185**	**$ 10,769,375**	**83.7%**	**65.7%**	**$ 1,149.10**

Specific Stoploss 12/24 $250,000 ISL

Aggregate Stoploss (125%)

City of Surprise

Plan Year: July 2021 to June 2022 (as of March 2022)

Annual Cost Comparison Analysis

Incurred and Paid - 2020/2021 vs. 2021/2022

Cost Categories	2020/2021 with Runout	PEPM Costs	2021/2022 Estimated Annual*	PEPM Costs	% Cost Change	$ Cost Change	% PEPM Change	$ PEPM Change
Medical Claims Costs*	$8,104,800	$864.79	$9,942,625	$1,028.41	22.68%	$1,837,826	18.9%	$163.62
Rx Claims Costs**	$2,639,158	$281.60	$2,673,459	$276.53	1.30%	$34,301	-1.8%	($5.07)
Rx Rebates	($511,185)	($54.54)	($596,640)	($61.71)	16.72%	($85,455)	13.1%	($7.17)
Blue Card, Captitation Expenses, Misc and Value Based Services	$120,569	$12.86	$122,312	$12.65	1.45%	$1,742	-1.7%	($0.21)
Stop Loss Recoveries***	($589,148)	($62.86)	$0	$0.00	n/a	$589,148	n/a	$62.86
Admin Fees	$1,273,185	$135.85	$1,327,800	$137.34	4.29%	$54,615	1.1%	$1.49
Total Costs	**$11,037,378**	**$1,177.70**	**$13,469,556**	**$1,393.21**	**22.0%**	**$2,432,177**	**18.3%**	**$215.51**

PEPM Total Cost History		Increase/ Decrease
2014/2015	**$1,079.93**	
2015/2016	**$1,160.82**	**7.5%**
2016/2017	**$1,202.07**	**3.6%**
2017/2018	**$1,151.77**	**-4.2%**
2018/2019	**$1,200.23**	**4.2%**
2019/2020	**$1,201.50**	**0.1%**
2020/2021	**$1,177.70**	**-2.0%**
2021/2022	**$1,393.21**	**18.3%**

	Annual	Annualized	% Enrollment Change	# Enrollment Change
Enrollment	9,372	9,668	3.16%	296

***2021/2022 Medical Claims Costs includes a 10% completion factor**
***2021/2022 Medical Claims Costs includes an escalator load for participants who have not met deductibles**
*****Stop Loss Recoveries are not annualized**

Incurred and Paid - 2019/2020 vs. 2020/2021

Cost Categories	2019/2020 with Runout	PEPM Costs	2020/2021 with Runout	PEPM Costs	% Cost Change	$ Cost Change	% PEPM Change	$ PEPM Change
Medical Claims Costs*	$8,575,820	$933.17	$8,104,800	$864.79	-5.49%	($471,020)	-7.3%	($68.38)
Rx Claims Costs	$1,958,050	$213.06	$2,639,158	$281.60	34.79%	$681,108	32.2%	$68.54
Rx Rebates	($494,679)	($53.83)	($511,185)	($54.54)	3.34%	($16,506)	1.3%	($0.72)
Blue Card, Captitation Expenses, Misc and Value Based Services	$121,600	$13.23	$120,569	$12.86	-0.85%	($1,031)	-2.8%	($0.37)
Stop Loss Recoveries***	($285,777)	($31.10)	($589,148)	($62.86)	n/a	($303,371)	n/a	($31.77)
Admin Fees	$1,166,811	$126.97	$1,273,185	$135.85	9.12%	$106,374	7.0%	$8.88
Total Costs	**$11,041,825**	**$1,201.50**	**$11,037,378**	**$1,177.70**	**0.0%**	**($4,447)**	**-2.0%**	**($23.81)**

	Annual	Annualized	% Enrollment Change	# Enrollment Change
Enrollment	9,190	9,372	1.98%	182

***2020/2021 Medical Claims Costs includes a 2% completion factor**
*****Stop Loss Recoveries are not annualized**

CBIZ

City of Surprise

Blue Cross Blue Shield - Large Claims over $100k

Plan Year: July 2021 to June 2022 (as of March 2022)

Claimant	Unique ID	Prior Year Large Claimant (Y/N)	Enrollment Status	Plan	Medical Paid Claims	Rx Paid Claims	Current YTD Paid Claims through Month	Previous Month's YTD Paid Claims	Change from Prior Month's Claims	% of $250K ISL Limit	Stop Loss Reimbursement	Net Paid after SL Reimbursements
1	E002	N	Active	PPO	$238,409	$0	$238,409	$206,285	$32,124	95.4%		$238,409
2	C014	Y	Active	HMO	$253	$212,450	$212,703	$187,533	$25,170	85.1%		$212,703
3	D014	Y	Active	PPO	$189,604	$4,741	$194,344	$191,576	$2,768	77.7%		$194,344
4	C011	Y	Active	HMO	$151,783	$11,985	$163,768	$159,795	$3,973	65.5%		$163,768
5	C006	Y	Active	EPO	$812	$145,601	$146,413	$120,745	$25,668	58.6%		$146,413
6	E004	N	Active	PPO	$2,331	$133,965	$136,297	$120,079	$16,218	54.5%		$136,297
7	E003	N	Active	PPO	$124,789	$55	$124,844	$124,413	$431	49.9%		$124,844
8	E009	N	Termed	HMO	$115,905	$184	$116,089	$115,918	$171	46.4%		$116,089
9	E006	N	Active	EPO	$113,375	$1	$113,376	$112,754	$622	45.4%		$113,376
				Total	$937,261	$508,981	$1,446,243	$1,339,098	$107,145		$0	$1,446,243

Percentage of Large Claims vs. Medical & Rx Claims	16.6%

City of Surprise
Blue Cross Blue Shield - Large Claims over $50k
Plan Year: July 2020 to June 2021 (as of March 2022)

Claimant	Unique ID	Prior Year Large Claimant (Y/N)	Enrollment Status	Plan	Medical Paid Claims	Rx Paid Claims	Current YTD Paid Claims through Month	Previous Month's YTD Paid Claims	Change from Prior Month's Claims	% of $250K ISL Limit	Stop Loss Reimbursement	Net Paid after SL Reimbursements
1	C018	Y	Active	HMO	$701,453	$12,499	$713,952	$713,952	$0	100.0%	($463,952)	$250,000
2	D009	N	Active	PPO	$375,196	$0	$375,196	$375,196	$0	100.0%	($125,196)	$250,000
3	D002	N	Active	HMO	$3,714	$208,784	$212,498	$212,498	$0	85.0%		$212,498
4	A010	Y	Active	HMO	$187,928	$22,042	$209,970	$209,970	$0	84.0%		$209,970
5	D014	N	Active	HMO	$173,084	$5,294	$178,378	$178,152	$226	71.4%		$178,378
6	C006	Y	Active	EPO	$1,186	$160,689	$161,875	$161,875	$0	64.7%		$161,875
7	D021	N	Active	HMO	$161,069	$156	$161,225	$161,225	$0	64.5%		$161,225
8	C003	Y	Active	HMO	$101,922	$43,183	$145,105	$145,105	$0	58.0%		$145,105
9	C014	Y	Active	HMO	$431	$130,211	$130,641	$130,641	$0	52.3%		$130,641
10	PY 16-17 #26	Y	Termed 5/21	HMO	$6,295	$115,086	$121,382	$121,382	$0	48.6%		$121,382
11	D007	N	Termed 1/21	PPO	$90,127	$7,183	$97,310	$97,310	$0	38.9%		$97,310
12	D015	N	Active	PPO	$94,950	$26	$94,977	$94,977	$0	38.0%		$94,977
13	D003	N	Active	PPO	$1,470	$92,581	$94,051	$94,051	$0	37.6%		$94,051
14	A007	Y	Active	HMO	$1,969	$91,188	$93,157	$93,157	$0	37.3%		$93,157
15	A023	Y	Active	HMO	$31,217	$58,756	$89,973	$89,973	$0	36.0%		$89,973
16	D011	N	Active	PPO	$76,520	$2,740	$79,260	$79,260	$0	31.7%		$79,260
17	D001	N	Termed 8/20	HMO	$76,058	$36	$76,094	$76,094	$0	30.4%		$76,094
18	D010	N	Active	HMO	$4,242	$70,849	$75,091	$75,091	$0	30.0%		$75,091
19	D012	N	Active	PPO	$6,013	$66,822	$72,836	$72,836	$0	29.1%		$72,836
20	A018	Y	Active	HMO	$1,855	$68,695	$70,550	$70,550	$0	28.2%		$70,550
21	D008	N	Active	PPO	$70,550	$0	$70,550	$70,550	$0	28.2%		$70,550
22	D017	N	Active	PPO	$68,834	$1,637	$70,471	$70,471	$0	28.2%		$70,471
23	D016	N	Termed 6/21	HMO	$67,011	$0	$67,011	$67,011	$0	26.8%		$67,011

City of Surprise

Blue Cross Blue Shield - Large Claims over $50k

Plan Year: July 2020 to June 2021 (as of March 2022)

Claimant	Unique ID	Prior Year Large Claimant (Y/N)	Enrollment Status	Plan	Medical Paid Claims	Rx Paid Claims	Current YTD Paid Claims through Month	Previous Month's YTD Paid Claims	Change from Prior Month's Claims	% of $250K ISL Limit	Stop Loss Reimbursement	Net Paid after SL Reimbursements
24	A025	Y	Active	PPO	$55,615	$6,223	$61,838	$61,838	$0	24.7%		$61,838
25	D018	N	Active	HMO	$2,216	$55,858	$58,073	$57,973	$100	23.2%		$58,073
26	B010	Y	Active	PPO	$30,347	$27,058	$57,405	$57,405	$0	23.0%		$57,405
27	B015	Y	Active	HMO	$4,628	$52,435	$57,063	$57,063	$0	22.8%		$57,063
28	D004	N	Active	PPO	$56,178	$170	$56,348	$56,348	$0	22.5%		$56,348
29	D005	N	Active	PPO	$55,978	$323	$56,301	$56,301	$0	22.5%		$56,301
30	D019	N	Active	PPO	$54,217	$489	$54,706	$54,706	$0	21.9%		$54,706
31	D006	N	Active	HMO	$54,104	$99	$54,203	$54,203	$0	21.7%		$54,203
32	D020	N	Active	PPO	$53,013	$558	$53,571	$53,571	$0	21.4%		$53,571
33	D013	N	Active	EPO	$962	$49,244	$50,206	$50,206	$0	20.1%		$50,206
				Total	$2,670,355	$1,350,914	$4,021,269	$4,020,943	$326		($589,148)	$3,432,121

Percentage of Large Claims vs. Medical & Rx Claims	40.1%

Dental Reports

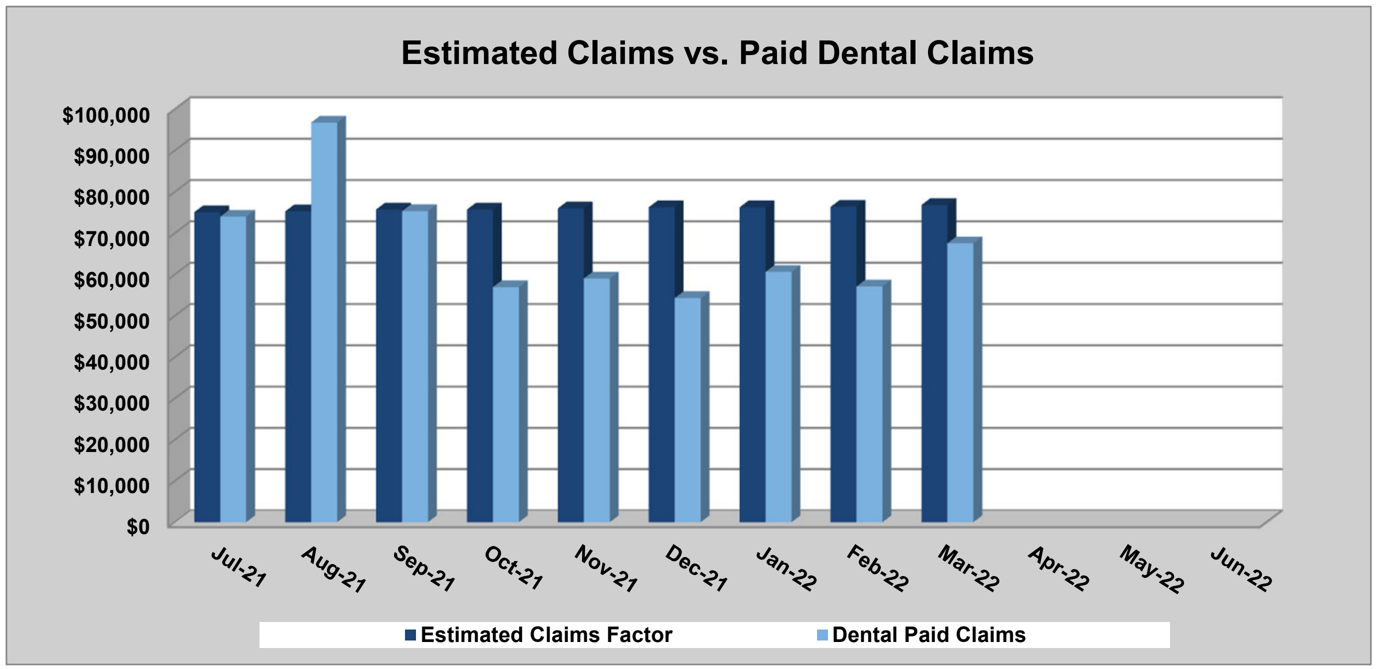
City of Surprise
Delta Dental Self Funded Paid Claims
Plan Year: July 2021 to June 2022 (as of March 2022)

Delta Dental						Loss Ratio	PEPM Costs	
Month	Enrollment	Estimated Claims Factor	Administrative Costs	Dental Paid Claims	Total Plan Costs	% Actual Claims vs. Estimated Claims Factor	Dental Paid Claims PEPM	Total Plan Costs PEPM
Jul-21	821	$75,072	$2,915	$73,986	$76,900	98.6%	$90.12	$93.67
Aug-21	823	$75,255	$2,922	$96,758	$99,679	128.6%	$117.57	$121.12
Sep-21	828	$75,712	$2,939	$75,316	$78,256	99.5%	$90.96	$94.51
Oct-21	828	$75,712	$2,939	$56,931	$59,871	75.2%	$68.76	$72.31
Nov-21	831	$75,987	$2,950	$59,014	$61,964	77.7%	$71.02	$74.57
Dec-21	834	$76,261	$2,961	$54,283	$57,244	71.2%	$65.09	$68.64
Jan-22	834	$76,261	$2,961	$60,631	$63,592	79.5%	$72.70	$76.25
Feb-22	835	$76,352	$2,964	$57,089	$60,054	74.8%	$68.37	$71.92
Mar-22	840	$76,810	$2,982	$67,522	$70,504	87.9%	$80.38	$83.93
Apr-22								
May-22								
Jun-22								
Total	**7,474**	**$683,423**	**$26,533**	**$601,531**	**$628,064**	**88.0%**	**$80.48**	**$84.03**
Avg PEPM Enrollment	830							

Admin Fees	Employee
Administration	$3.55

Claim Expenses	
Estimated Claim Factor	$91.44

Premium Equivalent Rates		
EE	EE + 1	Family
$38.80	$76.89	$124.56



City of Surprise
MetLife Dental Claims
Plan Year: July 2021 to June 2022 (as of March 2022)

Annual Cost Comparison Analysis 2020/2021 vs. 2021/2022

Cost Categories	2020/2021 Annual Costs	PEPM Costs	2021/2022 Estimated Annual Costs	PEPM Costs	% Cost Change	$ Cost Change	% PEPM Change	$ PEPM Change
Dental Claims*	$803,660	$83.30	$802,041	$80.48	-0.2%	($1,619)	-3.4%	($2.81)
Admin Fees	$34,239	$3.55	$35,377	$3.55	3.3%	$1,138	0.0%	$0.00
Total Costs	**$837,899**	**$86.85**	**$837,418**	**$84.03**	**-0.1%**	**($481)**	**-3.2%**	**($2.81)**

	Annual	Annualized	% Enrollment Change	# Enrollment Change
Enrollment	9,648	9,965	3.3%	317

PEPM Total Cost History		Increase/ Decrease
2014/2015	**$75.97**	
2015/2016	**$86.13**	**13.4%**
2016/2017	**$85.96**	**-0.2%**
2017/2018	**$86.59**	**0.7%**
2018/2019	**$91.62**	**5.8%**
2019/2020	**$68.78**	**-24.9%**
2020/2021	**$86.85**	**26.3%**
2021/2022	**$84.03**	**-3.2%**

Annual Cost Comparison Analysis 2019/2020 vs. 2020/2021

Cost Categories	2019/2020 Annual Costs	PEPM Costs	2020/2021 Annual Costs	PEPM Costs	% Cost Change	$ Cost Change	% PEPM Change	$ PEPM Change
Dental Claims*	$615,225	$65.23	$803,660	$83.30	30.6%	$188,435	27.7%	$18.06
Admin Fees	$33,484	$3.55	$34,239	$3.55	2.3%	$755	0.0%	($0.00)
Total Costs	**$648,709**	**$68.78**	**$837,899**	**$86.85**	**29.2%**	**$189,190**	**26.3%**	**$18.06**

	Annual	Annualized	% Enrollment Change	# Enrollment Change
Enrollment	9,431	9,648	2.3%	217

Vision Reports

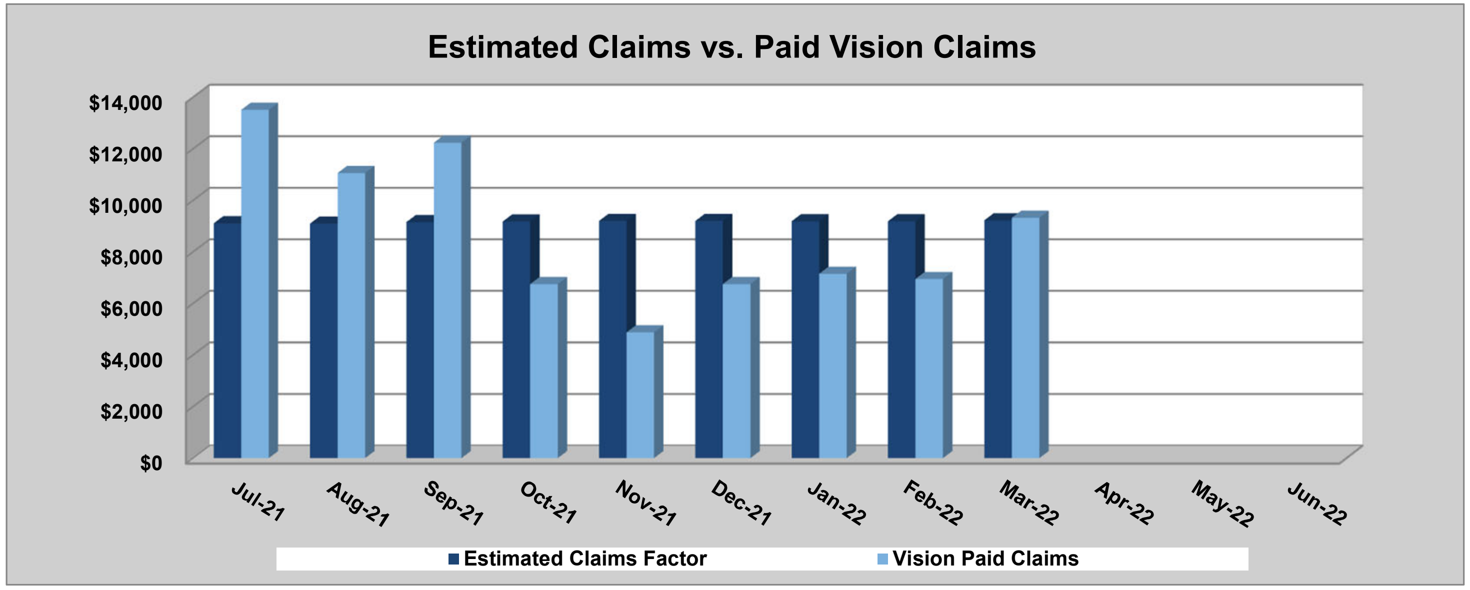
City of Surprise
Avesis Vision Self Funded Paid Claims
Plan Year: July 2021 to June 2022 (as of March 2022)

Avesis Vision						Loss Ratio	PEPM Costs	
Month	Enrollment	Estimated Claims Factor	Administrative Costs	Vision Paid Claims	Total Plan Costs	% Actual Claims vs. Estimated Claims Factor	Vision Paid Claims PEPM	Total Plan Costs PEPM
Jul-21	803	$9,106	$763	$13,510	$14,273	148.4%	$16.82	$17.77
Aug-21	802	$9,095	$762	$11,057	$11,819	121.6%	$13.79	$14.74
Sep-21	807	$9,151	$767	$12,236	$13,002	133.7%	$15.16	$16.11
Oct-21	809	$9,174	$769	$6,747	$7,516	73.5%	$8.34	$9.29
Nov-21	811	$9,197	$770	$4,871	$5,641	53.0%	$6.01	$6.96
Dec-21	811	$9,197	$770	$6,746	$7,516	73.3%	$8.32	$9.27
Jan-22	810	$9,185	$770	$7,145	$7,914	77.8%	$8.82	$9.77
Feb-22	810	$9,185	$770	$6,945	$7,714	75.6%	$8.57	$9.52
Mar-22	813	$9,219	$772	$9,319	$10,091	101.1%	$11.46	$12.41
Apr-22								
May-22								
Jun-22								
Total	**7,276**	**$82,510**	**$6,912**	**$78,574**	**$85,486**	**95.2%**	**$10.80**	**$11.75**
Avg Enrollment	**808**							

Admin Fees	Employee
Administration	$0.95

Claim Expenses	
Estimated Claim Factor	$11.34

Premium Equivalent Rates	
EE	Family
$5.16	$14.62



City of Surprise

Avesis Vision Claims

Plan Year: July 2021 to June 2022 (as of March 2022)

Annual Cost Comparison Analysis 2020/2021 vs. 2021/2022

Cost Categories	2020/2021 Costs	PEPM Costs	2021/2022 Estimated Annual Costs	PEPM Costs	% Cost Change	$ Cost Change	% PEPM Change	$ PEPM Change
Vision Claims	$100,336	$10.58	$104,765	$10.80	4.4%	$4,429	2.1%	$0.22
Admin Fees	$9,010	$0.95	$9,216	$0.95	2.3%	$206	0.0%	$0.00
Total Costs	**$109,346**	**$11.53**	**$113,981**	**$11.75**	**4.2%**	**$4,635**	**1.9%**	**$0.22**

	Annual	Annualized	% Enrollment Change	# Enrollment Change
Enrollment	9,484	9,701	2.3%	217

PEPM Total Cost History		Increase/ Decrease
2014/2015	**$9.09**	
2015/2016	**$10.33**	**13.6%**
2016/2017	**$10.42**	**0.9%**
2017/2018	**$10.69**	**2.6%**
2018/2019	**$10.81**	**1.1%**
2019/2020	**$9.87**	**-8.7%**
2020/2021	**$11.53**	**16.8%**
2021/2022	**$11.75**	**1.9%**

Annual Cost Comparison Analysis 2019/2020 vs. 2020/2021

Cost Categories	2019/2020 Costs	PEPM Costs	2020/2021 Costs	PEPM Costs	% Cost Change	$ Cost Change	% PEPM Change	$ PEPM Change
Vision Claims	$83,343	$8.92	$100,336	$10.58	20.4%	$16,993	18.6%	$1.66
Admin Fees	$8,876	$0.95	$9,010	$0.95	1.5%	$134	0.0%	$0.00
Total Costs	**$92,219**	**$9.87**	**$109,346**	**$11.53**	**18.6%**	**$17,127**	**16.8%**	**$1.66**

	Annual	Annualized	% Enrollment Change	# Enrollment Change
Enrollment	9,343	9,484	1.5%	141

City of Surprise PBM Summary

January 1, 2022 – December 31, 2022

Per Member Per Month Actual Cost Versus Projection (Accrued Basis)

Prior Calendar Year - 2018

$44.16 – Results thru March, 2018

$54.57 – Results thru June, 2018 (includes 1st Q rebates)

$55.73 – Results thru Sep, 2018 (includes 1st and 2nd Q rebates)

$54.45 – Results thru Dec, 2018 (includes 1st, 2nd and 3rd Q rebates)

$50.49 – Results thru Dec, 2018 (includes 1st, 2nd, 3rd and 4th Q rebates)

Prior Calendar Year – 2019*

$68.70 – Results thru March, 2019 (includes no rebates) $53.84 with estimated rebates

$56.32 – Results thru June, 2019 (includes 1st Q Rebate $120,916)

$53.35 – Results thru September, 2019 (includes 1st & 2nd Q Rebates)

$66.75 – Results thru December, 2019 (includes 1st, 2nd, 3rd & 4th Q Rebates)

Prior Calendar Year – 2020

$53.28 – Results thru March, 2020 (includes 1st Q rebate of $131,400)

$56.32 – Results thru June, 2020 (includes 1st Q & 2nd Q rebates of $120,281)

$87.82** – Results thru September, 2020 (includes 1st, 2nd & 3rd Q rebates of $132,089)

$74.55 – Results thru December, 2020 (includes 1st, 2nd, 3rd & 4th Q rebates of $125,975)

Prior Calendar Year – 2021

$84.47 – Results thru March, 2021 (includes 1st Q rebate of $168,260)

$83.48 – Results thru June, 2021 (includes 1st Q & 2nd Q rebates of $133,310)

$86.83 – Results thru September, 2021 (includes 1st, 2nd & 3rd Q rebates of $149,160)

$93.08 – Results thru December, 2021 (includes 1st, 2nd, 3rd & 4th Q estimated rebates of $152,930)

Current Calendar Year – 2022

$94.88 – Results thru March, 2022 (includes 1st Q estimated rebate of $150,000)

$00.00 – Results thru June, 2022 (includes 1st Q & 2nd Q rebates of $150,000)

$00.00– Results thru September, 2022 (includes 1st, 2nd & 3rd Q rebates of $150,000)

$00.00 – Results thru December, 2022 (includes 1st, 2nd, 3rd & 4th Q estimated rebates of $150,000)

Your PMPM trend continues to be lower than the overall Optum book of business.

Projected Rebates (CY 22 - 12 months) - $600,000

Projected Rebates Per Quarter - $150,000

Changes in utilization that are unexpected may result in a variance against targets.

**Does not include $53,710 paid in May, 2019 for pricing performance guarantees.*

CITY OF SURPRISE
Health Benefits Trust Fund Board

Council Meeting Date: May 25, 2022

Submitting Department: Finance

Staff Recommendations: None

Contact Person: Andrea Davis, DIRECTOR - FINANCE

District: Citywide

Consent: No | Regular: Yes | Public Hearing: No | Report/Discussion: No

Agenda Wording:

Presentation and discussion pertaining to the City's unaudited Employee Healthcare and Workers' Compensation Self Insurance Funds Financial Report for FY2022 3rd Quarter.

Motion:

None. Presentation and discussion only.

Background:

Staff will be presenting the City's unaudited Employee Healthcare Self Insurance Fund and Workers' Compensation Fund financial report for FY2022 3rd Quarter. This report contains unaudited financial activity through March 31, 2022 for the Employee Healthcare Self Insurance Fund and the Workers' Compensation Fund.

Objective Analysis:

Policy Compliant:

Financial Impact:

None at this time; however, topics covered in this presentation could lead to future actions which may have fiscal impact on the fund's operation.

Budget Impact:

None at this time; however, topics covered in this presentation could lead to future actions which may have fiscal impact on the fund's operation.

FTE Impact:

ATTACHMENTS:

1. 3rd Quarter Self Insurance Fund

City of Surprise, Arizona
Employee Healthcare Self Insurance Fund and Workers' Compensation Fund
March 31, 2022

	Employee Healthcare Trust Fund	Worker's Compensation Trust Fund
ASSETS		
Current assets:		
Cash and investments	$ 7,724,621	$ 3,910,350
Other Receivables	-	-
Prepaid services	521	-
Total current assets	7,725,142	3,910,350
Noncurrent assets:		
Net OPEB asset	464	379
Total noncurrent assets	464	379
Total assets	7,725,606	3,910,729
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources - pension related	21,430	17,498
Deferred outflows of resources - OPEB related	1,326	1,083
Total deferred outflows of resources	22,756	18,581
Total assets and deferred outflows of resources	7,748,362	3,929,310
LIABILITIES		
Current liabilities:		
Accounts payable	-	-
Accrued payroll and benefits	2,580	2,515
Compensated absences payable, due in less than one year	4,246	1,453
Claims payable	-	-
Claims - incurred but not reported (IBNR)	864,183	281,650
Total current liabilities	871,009	285,618
Noncurrent liabilities:		
Compensated absences payable, greater than one year	6,928	2,370
Net pension liability	111,753	91,249
Net OPEB liability	494	403
Total noncurrent liabilities	119,175	94,022
Total liabilities	990,184	379,640
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources - pension related	1,289	1,069
Deferred inflow of resources - OPEB related	935	747
Total deferred inflows of resources	2,224	1,816
Total liabilities and deferred inflows of resources	992,408	381,456
NET POSITION		
Restricted for:		
Committed - Industrial Commission Reserve	-	1,500,000
Committed - Adverse Claims Contingency Reserve	3,254,591	-
Unrestricted	3,501,363	2,047,854
Total net position	$ 6,755,954	$ 3,547,854

City of Surprise, Arizona - Employee Healthcare Self Insurance Fund
Schedule of Revenues, Expenditures, and Changes in Net Position -Budget and Actual
For the quarter ended March 31, 2022

	FY 2022 Third Quarter Budget	FY 2022 Actual	Variance favorable (unfavorable)	% Variance
OPERATING REVENUES				
Employee Contributions				
Medical	$ 1,973,775	$ 1,894,027	$ 578,177	96.0%
Dental	191,100	187,474	60,074	98.1%
Vision	22,350	24,960	10,060	111.7%
City Contributions				
Medical	7,886,625	8,104,332	2,846,582	102.8%
Dental	497,325	490,625	159,075	98.7%
Vision	64,800	60,776	17,576	93.8%
Cobra contributions	37,500	197,934	172,934	527.8%
Subrogation recovery	-	55,377	55,377	-
Wellness reimbursement	-	23,672	23,672	-
Pharmacy rebate	447,900	489,353	190,753	109.3%
Miscellaneous Revenue	-	4,924	4,924	-
Interest revenue	32,550	10,890	(10,810)	33.5%
Total operating revenues	11,153,925	11,544,344	4,108,394	0.0%
OPERATING EXPENSES				
Personnel (Wages/Benefits)	83,816	92,122	(33,750)	109.9%
Wellness				
Work/life balance	29,625	23,798	(4,048)	80.3%
Physical & nutritional well being	-	590	(590)	-
Books & subscriptions	750	-	500	0.0%
Special event hosting	750	311	189	41.5%
Administration				-
Medical	369,750	450,101	(203,601)	121.7%
Medical stop loss	618,825	772,385	(359,835)	124.8%
Dental	26,100	26,536	(9,136)	101.7%
Vision	6,900	8,480	(3,880)	122.9%
Claims				
Medical	7,557,825	7,365,455	(2,326,905)	97.5%
Pharmacy	1,697,850	2,022,494	(890,594)	119.1%
Dental	647,025	600,985	(169,635)	92.9%
Vision	77,325	78,574	(27,024)	101.6%
Professional outside services	84,975	94,223	(37,573)	110.9%
Travel & training	3,750	-	2,500	0.0%
Dues & membership	750	-	500	0.0%
Limited purpose flex spending	9,075	9,734	(3,684)	107.3%
Total operating expenses	11,215,091	11,545,788	(4,066,566)	102.9%
Change in net position	$ (61,166)	$ (1,444)	$ 41,828	

City of Surprise, Arizona - Workers' Compensation
Schedule of Revenues, Expenditures, and Changes in Net Position -Budget and Actual
For the quarter ended March 31, 2022

	FY 2022 Third Quarter Budget	FY 2022 Actual	Variance favorable (unfavorable)	% Variance
OPERATING REVENUES				
City Contributions				
Worker's comp	$ 1,123,125	$ 1,239,447	$ 490,697	110.36%
Subrogation recovery	-	-	-	-
Recovery of PY	-	11,071	11,071	-
Interest revenue	-	7,513	7,513	-
Total operating revenues	1,123,125	1,258,031	509,281	0.00%
OPERATING EXPENSES				
Personnel (Wages/Benefits)	74,595	81,864	(30,334)	109.75%
Administration	225,000	234,785	(84,785)	104.35%
Claims				
Claim Settlement	716,250	571,562	(94,062)	79.80%
Municipal Firefighters Cancer	375,000	366,916	8,084	97.84%
Software license	33,750	32,207	(9,707)	95.43%
Taxes Chages Service Fees	30,000	14,812	5,188	49.37%
Other professional services	48,750	39,768	(7,268)	81.58%
Total operating expenses	1,503,345	1,341,914	(212,884)	89.26%
Operating income (loss)	(380,220)	(83,883)	296,397	
Income (loss) before contributions and transfers	(380,220)	(83,883)	296,397	
Transfers in	-	375,000	375,000	
Change in net position	$ (380,220)	$ 291,117	$ 671,397	

Pharmacy Rebate by Fiscal Year

	HMO	PPO	EPO	Total By Year
2018	111,392	101,497	-	212,889
2019	264,706	240,185	-	504,891
2020	363,076	161,800	72,213	597,089
2021	300,178	99,161	52,092	451,431
2022	295,845	110,840	82,668	489,353
Total By Plan	1,335,197.40	713,481.92	206,973.22	2,255,652.54

Employee Health Care Activity

Claims History By Quarter

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
2020	2,926,865	2,089,090	1,538,628	4,616,374	11,170,957
2021	3,935,628	2,513,712	2,122,665	2,695,665	11,267,670
2022	2,069,953	4,545,565	3,451,990		10,067,508

Net Income (loss) By Quarter

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
2020	(115,223)	990,840	(493,804)	(226,908)	154,905
2021	25,559	545,521	(88,325)	(266,950)	215,805
2022	1,088,596	(1,230,194)	140,154		(1,444)

Stop Loss Credits

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
2020	-	-	-	-	-
2021	-	-	436,425	148,555	584,981
2022	4,147.50	557	-		4,704

FY2022 IBNR
Medical, Dental and Vision Activity

	Medical	Dental	Vision	Total
July	228,110.18	36,524.00	13,510.00	278,144.18
August	224,330.95	54,990.00	407.00	279,727.95
September	69,124.94	8,246.82	242.00	77,613.76
October	28,095.65	2,742.00	-	30,837.65
November	8,222.96	570.90	-	8,793.86
December	4,288.65	1,809.00	-	6,097.65
January	4,387.22	170.00	-	4,557.22
February	(7,632.46)	270.00	-	(7,362.46)
March	2,851.30	129.00	-	2,980.30
April			-	-
May			-	-
June			-	-
Total FY 2020 Claims Run out	561,779.39	105,451.72	14,159.00	681,390.11

FY2022 IBNR	864,183.00
Total Run Out Claims FY2021	(681,390.11)
Medical Claim Adjustment - Revenue to Fund	182,792.89