



**CITY OF SURPRISE**  
**Health Benefits Trust Fund Board Meeting**  
**16000 N. Civic Center Plaza**  
**Surprise, AZ 85374**

Wednesday, August 23, 2023 @ 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 the approval of the May 24, 2023 Health Benefits Trust Fund Board meeting minutes Finance

**REGULAR AGENDA ITEM - NON-PUBLIC HEARING:**

- 2. Citywide Presentation and discussion pertaining to CBIZ Consulting FY2023 4th Quarter Report. None  
Donna Meuse  
Finance
- 3. Citywide Presentation and discussion of the City of Surprise Worker's Compensation actuarial review process. None  
Human Resources
- 4. Citywide Consideration and action pertaining to approval of a settlement in the amount of \$233,244.56, which includes loss of earning capacity and Medicare set-aside fully funded and self-administered, in exchange for, and subject to, waiver of any and all Worker's Compensation claims and benefits to the extent allowed by law. Human Resources

**G. Other Business and Future Agenda Items**

**H. Executive Session**

- 1. Consideration and action to recess into executive session for discussion or consultation for legal advice with the city's attorneys regarding settlement of a certain Worker's Compensation claim pursuant to A.R.S. 38-431.03(A)(3) and (4)

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

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KRISTI PASSARELLI, CITY CLERK

POSTED: Wednesday August 16, 2023 @ 11:45 AM

**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 Meeting**

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Council Meeting Date: August 23, 2023  
Submitting Department: Finance  
Staff Recommendations:

Contact Person:  
District: Citywide

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

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**Agenda Wording:**

Consideration and action pertaining to the approval of the May 24, 2023 Health Benefits Trust Fund Board meeting minutes

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**Motion:**

I move to approve the May 24, 2023 Health Benefits Trust Fund Board meeting minutes.

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**Background:**

Attached are the minutes form the May 24, 2023 meeting.

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**Objective Analysis:**

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**Policy Compliant:**

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**Financial Impact:**

No financial impact.

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**Budget Impact:**

No budget impact.

**FTE Impact:**

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**ATTACHMENTS:**

1. HBTF MINUTES 05.24.23 DRAFT
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## **CITY OF SURPRISE**

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

**May 24, 2023**

## **MEETING MINUTES**

### **CALL TO ORDER**

Vice Chair William Coniam called the Health Benefits Trust Fund Meeting to order at 4:03 p.m. at Surprise City Hall, 16000 North Civic Center Plaza, Surprise, Arizona 85374, on Wednesday, May 24, 2023.

### **ROLL CALL**

In attendance were Vice Chair William Coniam, Board Member Candice Rachal (after roll call), Board Member Barb Minick, and Board Member Andrea Davis. Chairperson Renee Pastor was absent (unexcused).

### **STAFF PRESENT:**

Paige Gearheart, Human Resources Manager; Digger Oster, Risk Manager – Senior; Jenna Garcia, Financial Analyst – Senior; Erick Martin, Assistant Director – Finance; Julie Ralls, Accountant – Senior; Jennifer Medina, Budget Manager; Thomas Partin, Workers' Compensation Senior Claims Adjuster; and Michelle Casciato, Risk/Safety Analyst.

### **PLEDGE OF ALLEGIANCE**

### **CURRENT EVENTS REPORT**

None

### **STAFF REPORT**

Update on the completed RFP for medical benefits.

- Paige Gearhart gave a brief overview of the RFP. After a thorough search it was decided to stay with Blue Cross Blue Shield of Arizona (BCBS).
- Melissa Barbakoff from CBIZ added that BCBS was the best fit for the City in comparison to the alternatives.

### **CALL TO THE PUBLIC**

None

### **CONSENT AGENDA**

#### **Item 1: Consideration and action pertaining to the approval of the March 08, 2023 Health Benefits Trust Fund Board Meeting Minutes.**

- Vice Chair Coniam made a motion to approve the minutes for the March 08, 2023 meeting. Board Member Andrea Davis seconded the motion. Motion passed.

## **REGULAR AGENDA ITEMS NOT REQUIRING A PUBLIC HEARING**

### **Item 2: Presentation and discussion pertaining to CBIZ Consulting FY2023 3<sup>rd</sup> Quarter Report.**

- Melissa Barbakoff and Branson Cobb presented CBIZ Consulting's FY2023 3<sup>rd</sup> Quarter Report, as well the city's pharmacy spend and rebate summary.
- Michael Zucarelli discussed the utilization of the pharmacy benefits and the possibility of rebate increases due to Optum Rx pricing.

### **Item 3: Presentation and discussion pertaining to the City's unaudited Employee Healthcare and Workers' Compensation Self Insurance Funds Financial Report for FY2023 3<sup>rd</sup> Quarter.**

- Andrea Davis, Finance Director, presented the FY2023 3<sup>rd</sup> Quarter Financial Reports.

### **Item 4: Presentation and discussion pertaining to the Workers' Compensation Fund.**

- Digger Oster, Risk Manager – Senior, presented an update on the fully insured Workers' Compensation, stating that the city is now with Arizona Municipal Retention Risk Pool, effective April 1, 2023. The city will realize cost savings by making the switch to fully insured Workers' Compensation.
- Mentioned an update to Workers' Compensation in future meetings.
- Board Member Rachal asked what the runout will be for the self-insured Workers' Compensation fund. Digger mentioned that about 18 were transferred to the pool to manage. In the next six months we will know what the long-term impacts will be.

### **Item 5: Presentation and discussion of the City of Surprise Workers' Compensation actuarial report for fiscal year 2022.**

- Vice Chair Coniam made a motion to table this item until the next meeting to allow Chairperson Pastor to be present for the discussion. Board Member Minick seconded the motion. Motion passed.

## **OTHER BUSINESS**

Vice Chair Coniam would like to know more about what the city offers to employees as far as nurse healthline, telehealth, and the utilization of these benefits.

## **ADJOURNMENT**

Vice Chair Coniam made a motion to adjourn the meeting. Board Member Rachal seconded the motion. Motion passed. Hearing no further business, Vice Chair Coniam adjourned the Health Benefits Trust Fund meeting at 4:43 p.m.

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Renee Pastor, Chair  
Health Benefits Trust Fund Board



**CITY OF SURPRISE**  
**Health Benefits Trust Fund Board Meeting**

Council Meeting Date: August 23, 2023

Contact Person: Donna Meuse, Human Resources Director

Submitting Department: Finance

District: Citywide

Staff Recommendations: None

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Consent: No

Regular: Yes

Public Hearing: No

Report/Discussion: No

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**Agenda Wording:**

Presentation and discussion pertaining to CBIZ Consulting FY2023 4th Quarter Report.

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**Motion:**

None. Presentation and discussion only.

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**Background:**

CBIZ Consulting will present the 4th Quarter self-funded medical, dental and vision report for plan year FY2023 for the City. This report contains financial information and claims activity.

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**Objective Analysis:**

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**Policy Compliant:**

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**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.

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**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:**

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**ATTACHMENTS:**

1. City of Surprise Medical, Dental & Vision Experience 06 23 - Board Packet
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# *City of Surprise*

## **Medical, Pharmacy, Dental & Vision Experience**

**Plan Year: July 2022 – June 2023**

*Month End: June 2023*

**Presented by your CBIZ Team**

*Mike Barberio, Branson Cobb, Melissa Barbakoff & Bethany Jeffreys*





## Executive Summary

### Medical and Pharmacy

The experience report illustrates claims paid through the fourth quarter of the plan year. While the plan year has concluded there is 12 months of runout claims that will be accounted for to complete the 2022-2023 policy year. The overall claims are higher than they have in past couple of years but there are two quarters of rebates that are outstanding and will be applied during the runout period. CBIZ is projecting that the City of Surprise will realize approximately \$950,000 in rebates for the 2022-2023 plan year which will lower overall claim liability. Expected claims through the fourth quarter have come in at 99% and 80.8% for maximum claims liability. Average covered lives have increased by 7.67%. Gross run out claims through June were \$857,899, after rebates, reversals and stop loss recoveries that amount drops to \$341,415. The final loss ratio for the 2021-2022 plan period with runout is 97.9% of expected claims.

### Loss Ratio by Quarter 2022-2023

- Quarter 1: 91.3%
- Quarter 2: 101%
- Quarter 3: 103%
- Quarter 4: 100.4%

### Claims Spend & Loss Ratio by Plan Design:

- HMO -50% of total claims, 117.6% loss ratio
- PPO – 36% of total claims, 105.2% loss ratio
- EPO – 14% of total claims, 63.8% loss ratio

### Large Claims

There are sixteen large claims over the \$100,000 threshold. Six claimants have hit the individual stop loss deductible. Large claims over \$100,000 represent 25.8% of overall spend which is higher than the prior plan period, with run out still to be calculated. For the 2022-2023 plan year there has been \$534,273 in stop loss reimbursements.

In 2021-2022 – large claims represented 19.7% of total claims spend with thirteen claimants above the \$100,000 threshold and four claimants hit the individual stop loss deductible. For the completed policy period there were \$274,040 in stop loss reimbursements.



### Telehealth Utilization

For the plan year telehealth utilization is on the lower side for the City of Surprise membership. Most of the membership utilizing Dispatch Health is between the ages of 2-17 and the top diagnostic category was for respiratory system issues. BlueCare Anywhere utilization was more evenly distributed between the different age categories and the top diagnostic category was respiratory as well.

- 18 Nurse on Call interactions
- 224 BlueCare Anywhere visits
- 38 Dispatch Health visits

### Annual Cost Comparison

On the Annual Cost Comparison slide, the grid all the way the right-hand side illustrates the year over year total cost history increase or decrease. The CBIZ analytics team is projecting total costs for the current plan year to be 12.5% higher than the prior plan period. In the current plan year, medical claims include a completion factor and they are coming in 17.6% higher over the prior plan year and pharmacy claims are 13.9% higher than the prior plan year. Medical and pharmacy claims have been adjusted for the enrollment increase of 7.67%.

Now that the prior plan year is complete, the total cost history comparison for the 2021/2022 plan year came in at 9.4% over the 2020/2021 plan year.

### Dental

Dental claims are performing at a similar rate to the 2020-2021 plan year. The dental claims for the policy period finished with an 89.5% loss ratio which is a good result. The last two years the City of Surprise dental plan has come underneath projections. The 2022-2023 plan year, based on the PEPM total cost history is running -0.7% better than the 2021-2022 plan year.

### Vision

Vision claims utilization is lower than in previous plan years. The loss ratio for the 2022-2023 plan year is 76.9% which is an excellent result. On the vision annual cost comparison slide vision is running 18.1% below the 2021-2022 plan year. The PEPM has decreased from \$11.54 to \$9.46 which is adjusted for enrollment changes.



# City of Surprise

## Paid Claims and Administration

Plan Year: July 2022 to June 2023 (as of June 2023)

### 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-22	835	\$ 1,068,539	\$ 1,308,684	\$ 442,434	\$ 238,089	\$ -	\$ (736)	\$ 7,205	\$ 1,525	\$ -	\$ 688,518	\$ 122,080	\$ 810,597
Aug-22	840	\$ 1,076,111	\$ 1,317,343	\$ 891,987	\$ 327,946	\$ -	\$ 2,215	\$ 7,214	\$ 1,593	\$ -	\$ 1,230,954	\$ 122,811	\$ 1,353,765
Sep-22	854	\$ 1,088,911	\$ 1,333,157	\$ 790,408	\$ 243,833	\$ -	\$ 1,843	\$ 7,266	\$ 1,579	\$ (8,989)	\$ 1,035,940	\$ 124,858	\$ 1,160,797
Oct-22	859	\$ 1,090,382	\$ 1,334,846	\$ 892,054	\$ 247,293	\$ -	\$ 2,516	\$ 7,281	\$ 1,548	\$ (559)	\$ 1,150,133	\$ 125,585	\$ 1,275,718
Nov-22	870	\$ 1,105,225	\$ 1,353,271	\$ 816,196	\$ 311,403	\$ -	\$ 1,832	\$ 7,384	\$ 1,491	\$ (392)	\$ 1,137,914	\$ 127,197	\$ 1,265,111
Dec-22	875	\$ 1,104,156	\$ 1,352,836	\$ 845,213	\$ 197,352	\$ -	\$ 2,497	\$ 7,360	\$ 1,596	\$ (13,320)	\$ 1,040,699	\$ 127,929	\$ 1,168,628
Jan-23	871	\$ 1,099,735	\$ 1,347,346	\$ 958,944	\$ 253,384	\$ (242,805)	\$ 3,842	\$ 7,304	\$ 1,639	\$ (2,390)	\$ 979,918	\$ 127,345	\$ 1,107,263
Feb-23	872	\$ 1,097,952	\$ 1,345,188	\$ 769,767	\$ 277,603	\$ -	\$ 2,544	\$ 7,304	\$ 1,622	\$ (50,383)	\$ 1,008,458	\$ 127,490	\$ 1,135,948
Mar-23	887	\$ 1,111,117	\$ 1,362,245	\$ 1,185,912	\$ 222,255	\$ -	\$ 2,662	\$ 7,375	\$ 1,581	\$ (3,119)	\$ 1,416,665	\$ 129,686	\$ 1,546,351
Apr-23	901	\$ 1,116,831	\$ 1,370,466	\$ 716,960	\$ 296,745	\$ (232,766)	\$ 2,162	\$ 7,351	\$ 1,485	\$ (82,061)	\$ 709,876	\$ 131,732	\$ 841,608
May-23	908	\$ 1,129,019	\$ 1,384,403	\$ 1,467,887	\$ 401,680	\$ -	\$ 2,361	\$ 7,501	\$ 1,415	\$ (275,216)	\$ 1,605,628	\$ 132,754	\$ 1,738,381
Jun-23	912	\$ 1,135,232	\$ 1,391,906	\$ 822,878	\$ 342,889	\$ -	\$ 5,811	\$ 7,513	\$ 1,494	\$ (97,844)	\$ 1,082,741	\$ 133,339	\$ 1,216,079
<b>Total</b>	<b>10,484</b>	<b>\$ 13,223,211</b>	<b>\$ 16,201,691</b>	<b>\$ 10,600,641</b>	<b>\$ 3,360,471</b>	<b>\$ (475,571)</b>	<b>\$ 29,549</b>	<b>\$ 88,058</b>	<b>\$ 18,568</b>	<b>\$ (534,273)</b>	<b>\$ 13,087,444</b>	<b>\$ 1,532,803</b>	<b>\$ 14,620,247</b>
<b>Avg</b>	<b>874</b>												

Loss Ratio	
Actual Claims vs Expected Claims Liability	Actual Claims vs Maximum Claims Liability
64.4%	52.6%
114.4%	93.4%
95.1%	77.7%
105.5%	86.2%
103.0%	84.1%
94.3%	76.9%
89.1%	72.7%
91.8%	75.0%
127.5%	104.0%
63.6%	51.8%
142.2%	116.0%
95.4%	77.8%
<b>99.0%</b>	<b>80.8%</b>

PEPM Costs				
Medical Claims Paid PEPM	Rx Claims Paid PEPM	Total Claims Paid PEPM	Total Paid Claims Net Stop Loss Reimbursement PEPM	Total Claims & Fees PEPM
\$539.44	\$285.14	\$824.57	\$824.57	\$970.78
\$1,075.01	\$390.41	\$1,465.42	\$1,465.42	\$1,611.63
\$938.05	\$285.52	\$1,223.57	\$1,213.04	\$1,359.25
\$1,051.69	\$287.88	\$1,339.57	\$1,338.92	\$1,485.12
\$950.46	\$357.93	\$1,308.40	\$1,307.95	\$1,454.15
\$979.05	\$225.55	\$1,204.59	\$1,189.37	\$1,335.58
\$1,115.65	\$290.91	\$1,127.79	\$1,125.05	\$1,271.25
\$895.92	\$318.35	\$1,214.27	\$1,156.49	\$1,302.69
\$1,350.09	\$250.57	\$1,600.66	\$1,597.14	\$1,743.35
\$807.94	\$329.35	\$878.95	\$787.88	\$934.08
\$1,629.03	\$442.38	\$2,071.41	\$1,768.31	\$1,914.52
\$918.53	\$375.97	\$1,294.50	\$1,187.22	\$1,333.42
<b>\$1,024.11</b>	<b>\$320.53</b>	<b>\$1,299.29</b>	<b>\$1,248.33</b>	<b>\$1,394.53</b>

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	\$52.79	\$52.79	\$52.79	\$52.79	\$52.79	\$52.79	\$52.79	\$52.79	\$52.79
Specific Stoploss 12/24 \$250,000 ISL	\$88.67	\$88.67	\$88.67	\$88.67	\$88.67	\$88.67	\$88.67	\$88.67	\$88.67
Aggregate Stoploss (125%)	\$5.10	\$5.10	\$5.10	\$4.55	\$4.55	\$4.55	\$4.55	\$4.55	\$4.55
<b>Total Admin Fees</b>	<b>\$146.56</b>	<b>\$146.56</b>	<b>\$146.56</b>	<b>\$146.01</b>	<b>\$146.01</b>	<b>\$146.01</b>	<b>\$146.01</b>	<b>\$146.01</b>	<b>\$146.01</b>

Claim Expenses	Employee	Emp + 1 Dep	EE + Family	Employee	Emp + 1 Dep	EE + Family	Employee	Emp + 1 Dep	EE + Family
Expected Liability	\$519.00	\$1,184.52	\$1,716.94	\$542.31	\$1,230.63	\$1,781.31	\$476.93	\$1,099.85	\$1,598.21
Maximum Liability (ICAP)	\$754.88	\$1,501.88	\$2,099.47	\$767.09	\$1,526.34	\$2,133.75	\$645.87	\$1,285.14	\$1,796.58



**City of Surprise**  
**Paid Claims and Administration**  
**Plan Year: July 2022 to June 2023 (as of June 2023)**  
**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-22	293	\$ 362,638	\$ 457,529	\$ 122,679	\$ 77,533	\$ -	\$ 200,212	\$ 42,942	\$ 243,154	55.2%	43.8%	\$418.70	\$264.62	\$683.32	\$829.88
Aug-22	295	\$ 365,540	\$ 461,131	\$ 234,422	\$ 97,938	\$ -	\$ 332,359	\$ 43,235	\$ 375,595	90.9%	72.1%	\$794.65	\$331.99	\$1,126.64	\$1,273.20
Sep-22	300	\$ 370,664	\$ 467,744	\$ 256,755	\$ 65,165	\$ (8,989)	\$ 312,930	\$ 43,968	\$ 356,898	84.4%	66.9%	\$855.85	\$217.22	\$1,073.06	\$1,189.66
Oct-22	295	\$ 365,673	\$ 461,280	\$ 310,770	\$ 88,167	\$ (559)	\$ 398,377	\$ 43,235	\$ 441,612	108.9%	86.4%	\$1,053.46	\$298.87	\$1,352.33	\$1,496.99
Nov-22	306	\$ 380,699	\$ 480,042	\$ 213,653	\$ 68,506	\$ (392)	\$ 281,767	\$ 44,847	\$ 326,614	74.0%	58.7%	\$698.21	\$223.87	\$922.09	\$1,067.37
Dec-22	310	\$ 383,440	\$ 483,808	\$ 335,785	\$ 49,414	\$ (9,071)	\$ 376,128	\$ 45,434	\$ 421,561	98.1%	77.7%	\$1,083.18	\$159.40	\$1,242.58	\$1,359.88
Jan-23	310	\$ 381,045	\$ 481,119	\$ 442,742	\$ 96,333	\$ (2,390)	\$ 536,685	\$ 45,434	\$ 582,119	140.8%	111.5%	\$1,428.20	\$310.75	\$1,738.95	\$1,877.80
Feb-23	307	\$ 380,153	\$ 479,601	\$ 287,015	\$ 55,141	\$ (50,383)	\$ 291,773	\$ 44,994	\$ 336,767	76.8%	60.8%	\$934.90	\$179.61	\$1,114.51	\$1,096.96
Mar-23	318	\$ 390,787	\$ 493,433	\$ 602,790	\$ 50,747	\$ (3,119)	\$ 650,418	\$ 46,606	\$ 697,025	166.4%	131.8%	\$1,895.57	\$159.58	\$2,055.15	\$2,191.90
Apr-23	321	\$ 391,013	\$ 494,203	\$ 341,174	\$ 49,901	\$ (52,688)	\$ 338,387	\$ 47,046	\$ 385,433	86.5%	68.5%	\$1,062.85	\$155.46	\$1,218.30	\$1,200.73
May-23	321	\$ 393,941	\$ 497,490	\$ 840,408	\$ 74,915	\$ (209,469)	\$ 705,855	\$ 47,046	\$ 752,900	179.2%	141.9%	\$2,618.09	\$233.38	\$2,851.47	\$2,345.48
Jun-23	323	\$ 396,710	\$ 500,942	\$ 319,801	\$ 89,652	\$ (36,133)	\$ 373,320	\$ 47,339	\$ 420,659	94.1%	74.5%	\$990.10	\$277.56	\$1,267.66	\$1,302.35
<b>Total</b>	<b>3,699</b>	<b>\$ 4,562,302</b>	<b>\$ 5,758,322</b>	<b>\$ 4,307,994</b>	<b>\$ 863,411</b>	<b>\$ (373,193)</b>	<b>\$ 4,798,212</b>	<b>\$ 542,125</b>	<b>\$ 5,340,337</b>	<b>105.2%</b>	<b>83.3%</b>	<b>\$1,164.64</b>	<b>\$233.42</b>	<b>\$1,398.05</b>	<b>\$1,443.72</b>
<b>Avg</b>	<b>308</b>														

Administrative Fees	PPO Plan		
	Employee	Emp + 1 Dep	EE + Family
Administration	\$52.79	\$52.79	\$52.79
Specific Stoploss 12/24 \$250,000 ISL	\$88.67	\$88.67	\$88.67
Aggregate Stoploss (125%)	\$5.10	\$5.10	\$5.10
<b>Total Admin Fees</b>	<b>\$146.56</b>	<b>\$146.56</b>	<b>\$146.56</b>

Claim Expenses	Employee	Emp + 1 Dep	EE + Family
<b>Expected Liability</b>	<b>\$519.00</b>	<b>\$1,184.52</b>	<b>\$1,716.94</b>
<b>Maximum Liability (ICAP)</b>	<b>\$754.88</b>	<b>\$1,501.88</b>	<b>\$2,099.47</b>

Number of Enrollees by Month				
Month	EE	EE + 1	EE + Fam	Total
July	91	59	143	293
August	91	60	144	295
September	93	62	145	300
October	90	62	143	295
November	91	67	148	306
December	94	68	148	310
January	96	68	146	310
February	92	69	146	307
March	98	71	149	318
April	103	69	149	321
May	101	68	152	321
June	102	67	154	323
<b>Totals</b>	<b>1,142</b>	<b>790</b>	<b>1,767</b>	<b>3,699</b>

**City of Surprise**  
**Paid Claims and Administration**  
**Plan Year: July 2022 to June 2023 (as of June 2023)**  
**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-22	349	\$ 489,516	\$ 598,901	\$ 280,719	\$ 116,612	\$ -	\$ 397,331	\$ 50,957	\$ 448,288	81.2%	66.3%	\$804.35	\$334.13	\$1,138.48	\$1,284.49
Aug-22	346	\$ 487,339	\$ 595,993	\$ 561,936	\$ 148,781	\$ -	\$ 710,717	\$ 50,519	\$ 761,237	145.8%	119.2%	\$1,624.09	\$430.00	\$2,054.10	\$2,200.11
Sep-22	346	\$ 486,237	\$ 594,778	\$ 433,779	\$ 104,070	\$ -	\$ 537,849	\$ 50,519	\$ 588,368	110.6%	90.4%	\$1,253.70	\$300.78	\$1,554.48	\$1,700.49
Oct-22	346	\$ 485,687	\$ 594,170	\$ 420,929	\$ 128,506	\$ -	\$ 549,436	\$ 50,519	\$ 599,955	113.1%	92.5%	\$1,216.56	\$371.41	\$1,587.96	\$1,733.97
Nov-22	345	\$ 483,905	\$ 592,037	\$ 458,915	\$ 181,232	\$ -	\$ 640,147	\$ 50,373	\$ 690,520	132.3%	108.1%	\$1,330.19	\$525.31	\$1,855.50	\$2,001.51
Dec-22	342	\$ 478,561	\$ 585,635	\$ 440,923	\$ 120,529	\$ (4,249)	\$ 557,204	\$ 49,935	\$ 607,139	116.4%	95.1%	\$1,289.25	\$352.42	\$1,641.67	\$1,775.26
Jan-23	341	\$ 477,468	\$ 584,261	\$ 402,498	\$ 99,750	\$ -	\$ 502,247	\$ 49,789	\$ 552,037	105.2%	86.0%	\$1,180.35	\$292.52	\$1,472.87	\$1,618.88
Feb-23	339	\$ 473,217	\$ 579,234	\$ 361,748	\$ 159,944	\$ -	\$ 521,692	\$ 49,497	\$ 571,189	110.2%	90.1%	\$1,067.10	\$471.81	\$1,538.91	\$1,684.92
Mar-23	341	\$ 472,925	\$ 579,250	\$ 516,440	\$ 140,663	\$ -	\$ 657,104	\$ 49,789	\$ 706,893	138.9%	113.4%	\$1,514.49	\$412.50	\$1,926.99	\$2,073.00
Apr-23	343	\$ 473,872	\$ 580,632	\$ 307,746	\$ 176,914	\$ (29,373)	\$ 455,287	\$ 50,081	\$ 505,368	96.1%	78.4%	\$897.22	\$515.78	\$1,413.00	\$1,473.38
May-23	343	\$ 474,561	\$ 581,391	\$ 536,519	\$ 236,760	\$ (65,747)	\$ 707,532	\$ 50,081	\$ 757,613	149.1%	121.7%	\$1,564.19	\$690.26	\$2,254.46	\$2,208.78
Jun-23	344	\$ 477,030	\$ 584,284	\$ 408,929	\$ 193,245	\$ (61,711)	\$ 540,463	\$ 50,227	\$ 590,691	113.3%	92.5%	\$1,188.75	\$561.76	\$1,750.51	\$1,717.12
<b>Total</b>	<b>4,125</b>	<b>\$ 5,760,320</b>	<b>\$ 7,050,567</b>	<b>\$ 5,131,083</b>	<b>\$ 1,807,005</b>	<b>\$ (161,079)</b>	<b>\$ 6,777,008</b>	<b>\$ 602,291</b>	<b>\$ 7,379,299</b>	<b>117.6%</b>	<b>96.1%</b>	<b>\$1,243.90</b>	<b>\$438.06</b>	<b>\$1,681.96</b>	<b>\$1,788.92</b>
<b>Avg</b>	<b>344</b>														

Administrative Fees	HMO Plan		
	Employee	Emp + 1 Dep	EE + Family
Administration	\$52.79	\$52.79	\$52.79
Specific Stoploss 12/24 \$250,000 ISL	\$88.67	\$88.67	\$88.67
Aggregate Stoploss (125%)	\$4.55	\$4.55	\$4.55
<b>Total Admin Fees</b>	<b>\$146.01</b>	<b>\$146.01</b>	<b>\$146.01</b>

Claim Expenses	Employee	Emp + 1 Dep	EE + Family
<b>Expected Liability</b>	<b>\$542.31</b>	<b>\$1,230.63</b>	<b>\$1,781.31</b>
<b>Maximum Liability (ICAP)</b>	<b>\$767.09</b>	<b>\$1,526.34</b>	<b>\$2,133.75</b>

Number of Enrollees by Month				
Month	EE	EE + 1	EE + Fam	Total
July	76	69	204	349
August	73	70	203	346
September	73	72	201	346
October	73	73	200	346
November	73	73	199	345
December	73	73	196	342
January	72	74	195	341
February	73	73	193	339
March	77	71	193	341
April	80	69	194	343
May	79	70	194	343
June	78	71	195	344
<b>Totals</b>	<b>900</b>	<b>858</b>	<b>2,367</b>	<b>4,125</b>

**City of Surprise**  
**Paid Claims and Administration**  
**Plan Year: July 2022 to June 2023 (as of June 2023)**  
**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-22	193	\$ 216,385	\$ 252,253	\$ 39,036	\$ 43,945	\$ -	\$ 82,981	\$ 28,180	\$ 111,161	38.3%	32.9%	\$202.26	\$227.69	\$429.95	\$575.96
Aug-22	199	\$ 223,233	\$ 260,220	\$ 95,629	\$ 81,227	\$ -	\$ 176,856	\$ 29,056	\$ 205,912	79.2%	68.0%	\$480.55	\$408.18	\$888.73	\$1,034.74
Sep-22	208	\$ 232,010	\$ 270,636	\$ 99,874	\$ 74,598	\$ -	\$ 174,472	\$ 30,370	\$ 204,842	75.2%	64.5%	\$480.17	\$358.64	\$838.81	\$984.82
Oct-22	218	\$ 239,022	\$ 279,396	\$ 160,444	\$ 30,620	\$ -	\$ 191,064	\$ 31,830	\$ 222,894	79.9%	68.4%	\$735.98	\$140.46	\$876.44	\$1,022.45
Nov-22	219	\$ 240,620	\$ 281,192	\$ 143,628	\$ 61,666	\$ -	\$ 205,294	\$ 31,976	\$ 237,270	85.3%	73.0%	\$655.83	\$281.58	\$937.41	\$1,083.42
Dec-22	223	\$ 242,154	\$ 283,392	\$ 68,504	\$ 27,410	\$ -	\$ 95,914	\$ 32,560	\$ 128,474	39.6%	33.8%	\$307.19	\$122.91	\$430.11	\$576.12
Jan-23	220	\$ 241,222	\$ 281,966	\$ 113,704	\$ 57,301	\$ -	\$ 171,006	\$ 32,122	\$ 203,128	70.9%	60.6%	\$516.84	\$260.46	\$777.30	\$923.31
Feb-23	226	\$ 244,582	\$ 286,353	\$ 121,004	\$ 62,519	\$ -	\$ 183,523	\$ 32,998	\$ 216,521	75.0%	64.1%	\$535.42	\$276.63	\$812.05	\$958.06
Mar-23	228	\$ 247,404	\$ 289,562	\$ 66,682	\$ 30,844	\$ -	\$ 97,526	\$ 33,290	\$ 130,816	39.4%	33.7%	\$292.46	\$135.28	\$427.74	\$573.75
Apr-23	237	\$ 251,946	\$ 295,631	\$ 68,040	\$ 69,930	\$ -	\$ 137,970	\$ 34,604	\$ 172,574	54.8%	46.7%	\$287.09	\$295.06	\$582.15	\$728.16
May-23	244	\$ 260,517	\$ 305,522	\$ 90,960	\$ 90,005	\$ -	\$ 180,965	\$ 35,626	\$ 216,591	69.5%	59.2%	\$372.79	\$368.87	\$741.66	\$887.67
Jun-23	245	\$ 261,492	\$ 306,679	\$ 94,147	\$ 59,992	\$ -	\$ 154,140	\$ 35,772	\$ 189,912	58.9%	50.3%	\$384.27	\$244.87	\$629.14	\$775.15
<b>Total</b>	<b>2,660</b>	<b>\$ 2,900,588</b>	<b>\$ 3,392,803</b>	<b>\$ 1,161,653</b>	<b>\$ 690,056</b>	<b>\$ -</b>	<b>\$ 1,851,709</b>	<b>\$ 388,387</b>	<b>\$ 2,240,095</b>	<b>63.8%</b>	<b>54.6%</b>	<b>\$436.71</b>	<b>\$259.42</b>	<b>\$696.13</b>	<b>\$842.14</b>
<b>Avg</b>	<b>222</b>														

Administrative Fees	HMO Plan		
	Employee	Emp + 1 Dep	EE + Family
Administration	\$52.79	\$52.79	\$52.79
Specific Stoploss 12/24 \$250,000 ISL	\$88.67	\$88.67	\$88.67
Aggregate Stoploss (125%)	\$4.55	\$4.55	\$4.55
<b>Total Admin Fees</b>	<b>\$146.01</b>	<b>\$146.01</b>	<b>\$146.01</b>

Claim Expenses	Employee	Emp + 1 Dep	EE + Family
<b>Expected Liability</b>	<b>\$476.93</b>	<b>\$1,099.85</b>	<b>\$1,598.21</b>
<b>Maximum Liability (ICAP)</b>	<b>\$645.87</b>	<b>\$1,285.14</b>	<b>\$1,796.58</b>

Number of Enrollees by Month				
Month	EE	EE + 1	EE + Fam	Total
July	67	34	92	193
August	69	35	95	199
September	74	35	99	208
October	82	35	101	218
November	82	35	102	219
December	85	38	100	223
January	82	37	101	220
February	88	36	102	226
March	87	39	102	228
April	94	43	100	237
May	95	46	103	244
June	96	45	104	245
<b>Totals</b>	<b>1,001</b>	<b>458</b>	<b>1,201</b>	<b>2,660</b>

# City of Surprise

## Paid Claims and Administration

Plan Year: July 2021 to June 2022 (as of June 2023)

### 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 Reimbursement PEPM	Total Claims & Fees PEPM
Jul-21	795	\$ 1,002,888	\$ 1,209,887	\$ 322,951	\$ 195,921	\$ -	\$ 1,003	\$ 7,035	\$ 1,721	\$ -	\$ 528,630	\$ 109,184	\$ 637,814	52.7%	43.7%	\$418.50	\$246.44	\$664.94	\$664.94	\$802.28
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	\$ 690,819	\$ 207,592	\$ (149,160)	\$ 1,304	\$ 7,158	\$ 1,576	\$ -	\$ 759,288	\$ 111,383	\$ 870,671	74.5%	61.8%	\$864.19	\$255.97	\$936.24	\$936.24	\$1,073.58
Feb-22	813	\$ 1,015,971	\$ 1,225,080	\$ 914,393	\$ 212,279	\$ -	\$ 1,788	\$ 7,161	\$ 1,574	\$ -	\$ 1,137,194	\$ 111,656	\$ 1,248,850	111.9%	92.8%	\$1,137.66	\$261.11	\$1,398.76	\$1,398.76	\$1,536.10
Mar-22	815	\$ 1,019,699	\$ 1,229,209	\$ 902,985	\$ 285,791	\$ -	\$ 1,509	\$ 7,123	\$ 1,571	\$ -	\$ 1,198,978	\$ 111,930	\$ 1,310,908	117.6%	97.5%	\$1,120.48	\$350.66	\$1,471.14	\$1,471.14	\$1,608.48
Apr-22	826	\$ 1,028,430	\$ 1,240,012	\$ 803,928	\$ 259,898	\$ (149,285)	\$ (1,929)	\$ 7,243	\$ 1,416	\$ (31,405)	\$ 889,867	\$ 113,441	\$ 1,003,308	86.5%	71.8%	\$981.43	\$314.65	\$1,115.34	\$1,077.32	\$1,214.66
May-22	827	\$ 1,028,803	\$ 1,240,633	\$ 877,548	\$ 199,590	\$ -	\$ 1,618	\$ 7,217	\$ -	\$ (46,083)	\$ 1,039,891	\$ 113,578	\$ 1,153,469	101.1%	83.8%	\$1,071.81	\$241.34	\$1,313.15	\$1,257.43	\$1,394.76
Jun-22	832	\$ 1,032,299	\$ 1,245,141	\$ 818,250	\$ 273,532	\$ -	\$ 3,122	\$ 7,190	\$ 2,991	\$ (76,779)	\$ 1,028,306	\$ 114,266	\$ 1,142,572	99.6%	82.6%	\$999.46	\$328.76	\$1,328.23	\$1,235.94	\$1,373.28
<b>Total</b>	<b>9,737</b>	<b>\$ 12,217,662</b>	<b>\$ 14,731,923</b>	<b>\$ 9,207,920</b>	<b>\$ 2,740,965</b>	<b>\$ (298,445)</b>	<b>\$ 15,171</b>	<b>\$ 85,585</b>	<b>\$ 19,845</b>	<b>\$ (154,266)</b>	<b>\$ 11,616,775</b>	<b>\$ 1,337,272</b>	<b>\$ 12,954,047</b>	<b>95.1%</b>	<b>78.9%</b>	<b>\$958.05</b>	<b>\$281.50</b>	<b>\$1,208.90</b>	<b>\$1,193.05</b>	<b>\$1,330.39</b>
<b>Avg</b>	<b>811</b>																			

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-22	\$ 595,860	\$ 599	\$ (187,775)	\$ 1,063	\$ 15	\$ (114,392)	\$ 295,370
Aug-22	\$ 158,790	\$ 0	\$ -	\$ 118	\$ 32	\$ (3,845)	\$ 155,096
Sep-22	\$ 32,671	\$ 340	\$ -	\$ 105	\$ 18	\$ -	\$ 33,133
Oct-22	\$ 38,993	\$ -	\$ (211,432)	\$ 59	\$ -	\$ -	\$ (172,379)
Nov-22	\$ 43,349	\$ 14	\$ -	\$ 85	\$ -	\$ -	\$ 43,448
Dec-22	\$ (2,174)	\$ -	\$ -	\$ 97	\$ -	\$ -	\$ (2,077)
Jan-23	\$ 18,091	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,091
Feb-23	\$ 10,211	\$ -	\$ -	\$ (40)	\$ -	\$ (1,342)	\$ 8,828
Mar-23	\$ (27,146)	\$ -	\$ -	\$ 3	\$ -	\$ (195)	\$ (27,338)
Apr-23	\$ (12,008)	\$ -	\$ -	\$ (58)	\$ -	\$ -	\$ (12,065)
May-23	\$ (1,910)	\$ -	\$ -	\$ 21	\$ -	\$ -	\$ (1,889)
Jun-23	\$ 3,173	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ 3,198
<b>Total</b>	<b>\$ 857,899</b>	<b>\$ 954</b>	<b>\$ (399,207)</b>	<b>\$ 1,478</b>	<b>\$ 64</b>	<b>\$ (119,774)</b>	<b>\$ 341,415</b>

### 2021-2022 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
\$ 12,232,230	\$ (274,040)	\$ 11,958,190	\$ 1,337,272	\$ 13,295,462	97.9%	81.2%	\$ 1,365.46

Specific Stoploss 12/24 \$250,000 ISL  
Aggregate Stoploss (125%)

# City of Surprise

Plan Year: July 2022 to June 2023 (as of June 2023)

## Annual Cost Comparison Analysis

Incurred and Paid - 2021/2022 vs. 2022/2023

Cost Categories	2021/2022 with Runout	PEPM Costs	2022/2023 Estimated Annual	PEPM Costs	% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change	PEPM Total Cost History		Increase/Decrease
									2014/2015	2015/2016	
Medical Claims Costs*	\$9,207,920	\$945.66	\$11,660,705	\$1,112.24	26.64%	\$2,452,785	17.6%	\$166.58	2014/2015	\$1,079.93	
Rx Claims Costs	\$2,740,965	\$281.50	\$3,360,471	\$320.53	22.60%	\$619,506	13.9%	\$39.03	2015/2016	\$1,160.82	7.5%
Rx Rebates	(\$697,652)	(\$71.65)	(\$951,142)	(\$90.72)	36.33%	(\$253,490)	26.6%	(\$19.07)	2016/2017	\$1,202.07	3.6%
Blue Card, Capitation Expenses, Misc and Value Based Services	\$120,601	\$12.39	\$136,175	\$12.99	12.91%	\$15,574	4.9%	\$0.60	2017/2018	\$1,151.77	-4.2%
Stop Loss Recoveries***	(\$154,266)	(\$15.84)	(\$534,273)	(\$50.96)	n/a	(\$380,006)	n/a	(\$35.12)	2018/2019	\$1,200.23	4.2%
Admin Fees	\$1,337,272	\$137.34	\$1,532,803	\$146.20	14.62%	\$195,531	6.5%	\$8.86	2019/2020	\$1,201.50	0.1%
<b>Total Costs</b>	<b>\$12,554,840</b>	<b>\$1,289.40</b>	<b>\$15,204,740</b>	<b>\$1,450.28</b>	<b>21.1%</b>	<b>\$2,649,901</b>	<b>12.5%</b>	<b>\$160.89</b>	2020/2021	\$1,178.50	-1.9%
									2021/2022	\$1,289.40	9.4%
									2022/2023	\$1,450.28	12.5%

	Annual	Annualized	% Enrollment Change	# Enrollment Change
Enrollment	9,737	10,484	7.67%	747

\*2022/2023 Medical Claims Costs includes a 10% completion factor

\*\*\*Stop Loss Recoveries are not annualized

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

Cost Categories	2020/2021 with Runout	PEPM Costs	2021/2022 with Runout	PEPM Costs	% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change
Medical Claims Costs	\$8,112,363	\$865.60	\$9,207,920	\$945.66	13.50%	\$1,095,557	9.2%	\$80.07
Rx Claims Costs**	\$2,639,158	\$281.60	\$2,740,965	\$281.50	3.86%	\$101,807	0.0%	(\$0.10)
Rx Rebates	(\$511,185)	(\$54.54)	(\$697,652)	(\$71.65)	36.48%	(\$186,467)	31.4%	(\$17.11)
Blue Card, Capitation Expenses, Misc and Value Based Services	\$120,559	\$12.86	\$120,601	\$12.39	0.03%	\$42	-3.7%	(\$0.48)
Stop Loss Recoveries***	(\$589,148)	(\$62.86)	(\$154,266)	(\$15.84)	n/a	\$434,881	n/a	\$47.02
Admin Fees	\$1,273,185	\$135.85	\$1,337,272	\$137.34	5.03%	\$64,087	1.1%	\$1.49
<b>Total Costs</b>	<b>\$11,044,932</b>	<b>\$1,178.50</b>	<b>\$12,554,840</b>	<b>\$1,289.40</b>	<b>13.7%</b>	<b>\$1,509,908</b>	<b>9.4%</b>	<b>\$110.89</b>

	Annual	Annualized	% Enrollment Change	# Enrollment Change
Enrollment	9,372	9,737	3.89%	365

# City of Surprise

## Blue Cross Blue Shield - Large Claims over \$100k

Plan Year: July 2022 to June 2023 (as of June 2023)

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	Y	Active	PPO	\$440,749	\$0	\$440,749	\$407,822	\$32,927	100.0%	(\$190,749)	\$250,000
2	F005	N	Active	PPO	\$394,414	\$0	\$394,414	\$394,414	\$0	100.0%	(\$144,414)	\$250,000
3	F001	N	Active	HMO	\$349,551	\$0	\$349,551	\$314,742	\$34,809	100.0%	(\$99,551)	\$250,000
4	C014	Y	Active	HMO	\$0	\$307,280	\$307,280	\$280,378	\$26,902	100.0%	(\$57,280)	\$250,000
5	E014	Y	Active	PPO	\$287,216	\$814	\$288,030	\$284,824	\$3,206	100.0%	(\$38,030)	\$250,000
6	E015	Y	Termed	HMO	\$254,249	\$0	\$254,249	\$254,249	\$0	100.0%	(\$4,249)	\$250,000
7	C013	Y	Active	PPO	\$240,202	\$214	\$240,416	\$220,691	\$19,725	96.2%		\$240,416
8	F002	N	Active	HMO	\$206,022	\$111	\$206,133	\$187,901	\$18,231	82.5%		\$206,133
9	C006	Y	Active	EPO	\$492	\$182,934	\$183,426	\$183,241	\$185	73.4%		\$183,426
10	E004	Y	Active	PPO	\$9,176	\$155,003	\$164,179	\$144,915	\$19,264	65.7%		\$164,179
11	F003	N	Active	PPO	\$161,664	\$66	\$161,729	\$161,063	\$666	64.7%		\$161,729
12	F006	N	Active	HMO	\$139,660	\$8,336	\$147,997	\$144,380	\$3,617	59.2%		\$147,997
13	E022	Y	Active	PPO	\$140,660	\$0	\$140,660	\$126,574	\$14,086	56.3%		\$140,660
14	F004	N	Active	HMO	\$7,729	\$103,387	\$111,117	\$111,117	\$0	44.4%		\$111,117
15	F007	N	Active	PPO	\$110,182	\$0	\$110,182		\$110,182	44.1%		\$110,182
16	F008	N	Active	PPO	\$105,752	\$55	\$105,807		\$105,807	42.3%		\$105,807

<b>Total</b>	<b>\$2,847,718</b>	<b>\$758,200</b>	<b>\$3,605,918</b>	<b>\$3,216,312</b>	<b>\$389,606</b>	<b>(\$534,273)</b>	<b>\$3,071,645</b>
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<b>Percentage of Large Claims vs. Medical &amp; Rx Claims</b>	<b>25.8%</b>
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## City of Surprise

### Blue Cross Blue Shield - Large Claims over \$100k

Plan Year: July 2021 to June 2022 (as of June 2023)

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	D014	Y	Active	PPO	\$366,018	\$6,533	\$372,552	\$372,552	\$0	100.0%	(\$122,552)	\$250,000
2	E002	N	Active	PPO	\$346,887	\$0	\$346,887	\$346,887	\$0	100.0%	(\$96,887)	\$250,000
3	C014	Y	Active	HMO	\$326	\$287,178	\$287,504	\$287,504	\$0	100.0%	(\$37,504)	\$250,000
4	E015	N	Termed	HMO	\$267,098	\$0	\$267,098	\$267,098	\$0	100.0%	(\$17,098)	\$250,000
5	C006	Y	Active	EPO	\$867	\$196,918	\$197,785	\$197,785	\$0	79.1%		\$197,785
6	C011	Y	Active	HMO	\$153,198	\$16,835	\$170,032	\$170,032	\$0	68.0%		\$170,032
7	E004	N	Active	PPO	\$2,863	\$166,415	\$169,279	\$169,279	\$0	67.7%		\$169,279
8	C018	Y	Active	HMO	\$132,289	\$19,026	\$151,315	\$151,315	\$0	60.5%		\$151,315
9	E003	N	Active	PPO	\$125,919	\$114	\$126,033	\$126,033	\$0	50.4%		\$126,033
10	E006	N	Active	EPO	\$117,379	\$1	\$117,380	\$117,380	\$0	47.0%		\$117,380
11	E017	N	Termed	PPO	\$113,991	\$1,401	\$115,392	\$115,392	\$0	46.2%		\$115,392
12	E009	N	Termed	HMO	\$105,820	\$184	\$106,004	\$106,004	\$0	42.4%		\$106,004
13	A010	Y	Termed	HMO	\$98,303	\$2,533	\$100,836	\$100,836	\$0	40.3%		\$100,836

<b>Total</b>	<b>\$1,830,958</b>	<b>\$697,137</b>	<b>\$2,528,096</b>	<b>\$2,528,096</b>	<b>\$0</b>
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<b>(\$274,040)</b>	<b>\$2,254,056</b>
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<b>Percentage of Large Claims vs. Medical &amp; Rx Claims</b>	<b>19.7%</b>
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## City of Surprise PBM Summary

January 1, 2023 – June 30, 2023

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

#### Prior Calendar Year – 2020

\$53.28 – Results thru March, 2020	(includes 1 <sup>st</sup> Q rebate of \$131,400)
\$56.32 – Results thru June, 2020	(includes 2 <sup>nd</sup> Q rebates of \$120,281)
\$87.82** – Results thru September, 2020	(includes 3 <sup>rd</sup> Q rebates of \$132,089)
\$74.55 – Results thru December, 2020	(includes 4 <sup>th</sup> Q rebates of \$125,975)

#### Prior Calendar Year – 2021

\$84.47 – Results thru March, 2021	(includes 1 <sup>st</sup> Q rebate of \$168,260)
\$83.48 – Results thru June, 2021	(includes 2 <sup>nd</sup> Q rebates of \$133,310)
\$86.83 – Results thru September, 2021	(includes 3 <sup>rd</sup> Q rebates of \$149,160)
\$93.08 – Results thru December, 2021	(includes 4 <sup>th</sup> Q rebates of \$152,930)

#### Prior Calendar Year – 2022

\$94.88 – Results thru March, 2022	(includes 1 <sup>st</sup> Q rebate of \$187,775)
\$106.93 – Results thru June, 2022	(includes 2 <sup>nd</sup> Q rebates of \$211,432)
\$109.29 – Results thru September, 2022	(includes 3 <sup>rd</sup> Q rebates of \$242,805)
\$100.68 – Results thru December, 2022	(includes 4 <sup>th</sup> Q rebates of \$236,690)

#### Current Calendar Year – 2023

\$100.35 – Results thru March, 2023	(includes 1 <sup>st</sup> Q Rebate of \$266,865)
\$136.15 – Results thru June, 2023	(includes estimated 2 <sup>nd</sup> Q rebates of \$228,690)

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

Projected Rebates (CY 23 - 12 months) - \$880,000

Projected Rebates Per Quarter (Per CBIZ Funding Projection) \$220,000 as of January 2023

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



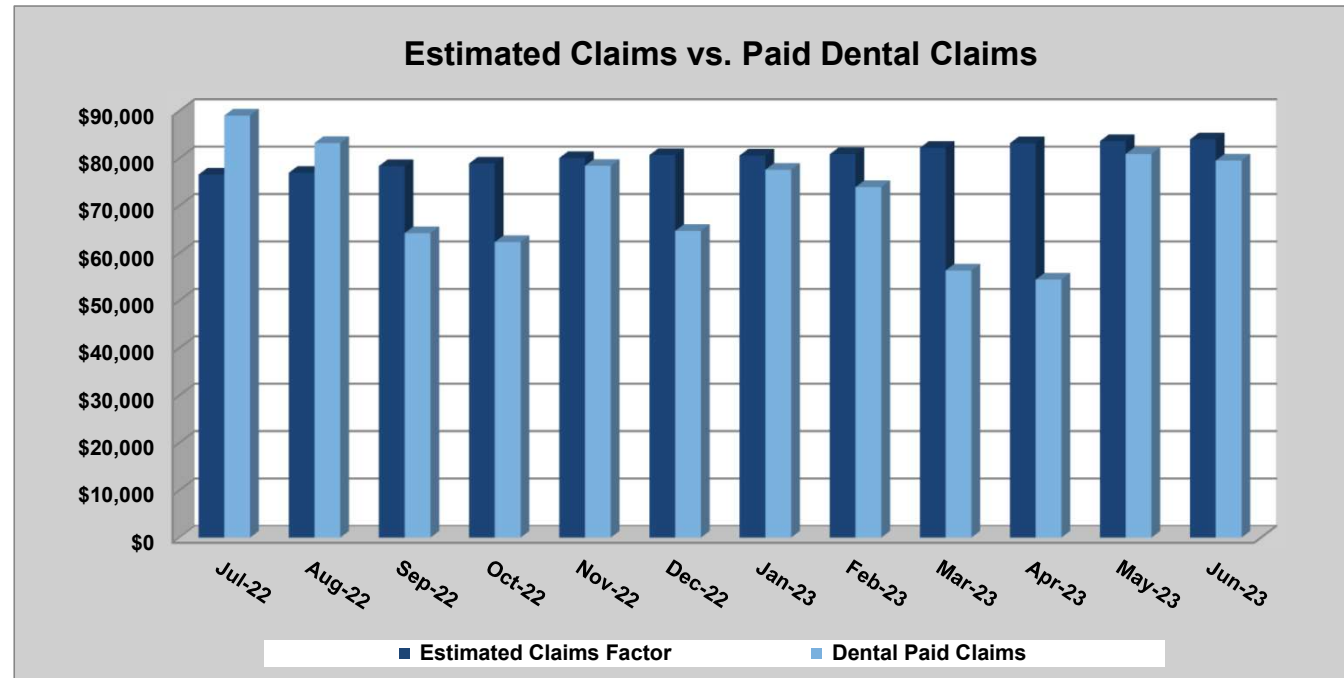
# Dental Reports



**City of Surprise**  
**Delta Dental Self Funded Paid Claims**  
**Plan Year: July 2022 to June 2023 (as of June 2023)**

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-22	857	\$76,582	\$3,042	\$89,024	\$92,066	116.2%	\$103.88	\$107.43
Aug-22	861	\$76,939	\$3,057	\$83,235	\$86,291	108.2%	\$96.67	\$100.22
Sep-22	877	\$78,369	\$3,113	\$64,218	\$67,332	81.9%	\$73.22	\$76.77
Oct-22	883	\$78,905	\$3,135	\$62,335	\$65,470	79.0%	\$70.59	\$74.14
Nov-22	896	\$80,067	\$3,181	\$78,415	\$81,595	97.9%	\$87.52	\$91.07
Dec-22	903	\$80,692	\$3,206	\$64,689	\$67,895	80.2%	\$71.64	\$75.19
Jan-23	902	\$80,603	\$3,202	\$77,596	\$80,798	96.3%	\$86.03	\$89.58
Feb-23	905	\$80,871	\$3,213	\$73,928	\$77,140	91.4%	\$81.69	\$85.24
Mar-23	920	\$82,211	\$3,266	\$56,353	\$59,619	68.5%	\$61.25	\$64.80
Apr-23	931	\$83,194	\$3,305	\$54,421	\$57,726	65.4%	\$58.45	\$62.00
May-23	936	\$83,641	\$3,326	\$80,923	\$84,250	96.8%	\$86.46	\$90.01
Jun-23	940	\$83,998	\$3,344	\$79,525	\$82,869	94.7%	\$84.60	\$88.16
<b>Total</b>	<b>10,811</b>	<b>\$966,071</b>	<b>\$38,390</b>	<b>\$864,661</b>	<b>\$903,051</b>	<b>89.5%</b>	<b>\$79.98</b>	<b>\$83.53</b>
Avg PEPM Enrollment	<b>901</b>							

Admin Fees		Employee
Administration		\$3.55
Claim Expenses		
Estimated Claim Factor		\$89.36
Premium Equivalent Rates		
EE	EE + 1	Family
\$37.80	\$75.10	\$121.94



# City of Surprise

## Delta Dental Dental Claims

Plan Year: July 2022 to June 2023 (as of June 2023)

### Annual Cost Comparison Analysis 2021/2022 vs. 2022/2023

Cost Categories	2021/2022 Estimated Annual Costs	PEPM Costs	2022/2023 Estimated Annual Costs	PEPM Costs
Dental Claims*	\$807,999	\$80.61	\$864,661	\$79.98
Admin Fees	\$35,585	\$3.55	\$38,390	\$3.55
<b>Total Costs</b>	<b>\$843,584</b>	<b>\$84.16</b>	<b>\$903,051</b>	<b>\$83.53</b>

% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change
7.0%	\$56,662	-0.8%	(\$0.63)
7.9%	\$2,804	0.0%	\$0.00
<b>7.0%</b>	<b>\$59,467</b>	<b>-0.7%</b>	<b>(\$0.63)</b>

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	\$84.16	-3.1%
2022/2023	\$83.53	-0.7%

	Annual	Annualized
Enrollment	10,024	10,811

% Enrollment Change	# Enrollment Change
7.9%	787

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

Cost Categories	2020/2021 Annual Costs	PEPM Costs	2021/2022 Estimated Annual Costs	PEPM Costs
Dental Claims*	\$803,660	\$83.30	\$807,999	\$80.61
Admin Fees	\$34,239	\$3.55	\$35,585	\$3.55
<b>Total Costs</b>	<b>\$837,899</b>	<b>\$86.85</b>	<b>\$843,584</b>	<b>\$84.16</b>

% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change
0.5%	\$4,339	-3.2%	(\$2.69)
3.9%	\$1,346	0.0%	\$0.00
<b>0.7%</b>	<b>\$5,685</b>	<b>-3.1%</b>	<b>(\$2.69)</b>

	Annual	Annualized
Enrollment	9,648	10,024

% Enrollment Change	# Enrollment Change
3.9%	376



# Vision Reports



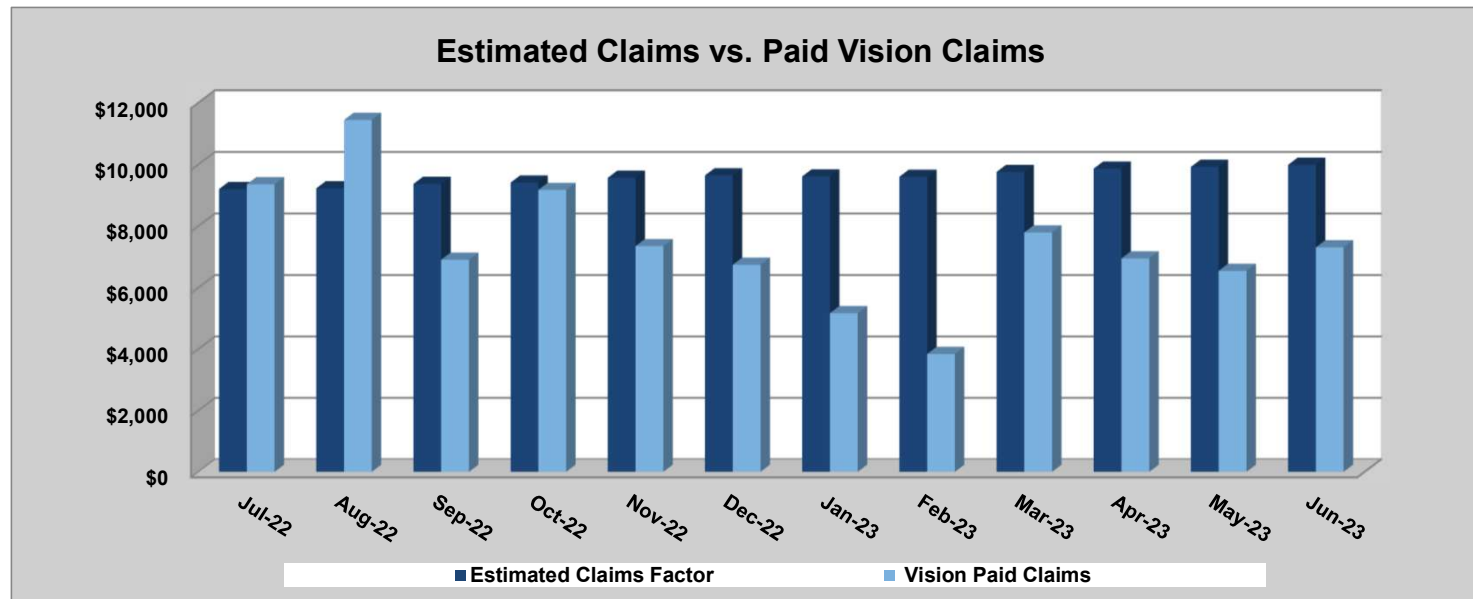
**City of Surprise**  
**Avesis Vision Self Funded Paid Claims**  
 Plan Year: July 2022 to June 2023 (as of June 2023)

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-22	832	\$9,202	\$790	\$9,359	\$10,149	101.7%	\$11.25	\$12.20
Aug-22	834	\$9,224	\$792	\$11,444	\$12,236	124.1%	\$13.72	\$14.67
Sep-22	847	\$9,368	\$805	\$6,909	\$7,713	73.7%	\$8.16	\$9.11
Oct-22	851	\$9,412	\$808	\$9,174	\$9,982	97.5%	\$10.78	\$11.73
Nov-22	865	\$9,567	\$822	\$7,350	\$8,172	76.8%	\$8.50	\$9.45
Dec-22	872	\$9,644	\$828	\$6,744	\$7,572	69.9%	\$7.73	\$8.68
Jan-23	869	\$9,611	\$826	\$5,171	\$5,996	53.8%	\$5.95	\$6.90
Feb-23	868	\$9,600	\$825	\$3,841	\$4,665	40.0%	\$4.42	\$5.37
Mar-23	882	\$9,755	\$838	\$7,794	\$8,631	79.9%	\$8.84	\$9.79
Apr-23	892	\$9,866	\$847	\$6,951	\$7,798	70.5%	\$7.79	\$8.74
May-23	897	\$9,921	\$852	\$6,546	\$7,398	66.0%	\$7.30	\$8.25
Jun-23	903	\$9,987	\$858	\$7,308	\$8,166	73.2%	\$8.09	\$9.04
<b>Total</b>	<b>10,412</b>	<b>\$115,157</b>	<b>\$9,891</b>	<b>\$88,588</b>	<b>\$98,479</b>	<b>76.9%</b>	<b>\$8.51</b>	<b>\$9.46</b>
Avg Enrollment	868							

Admin Fees	Employee
Administration	\$0.95

Claim Expenses	
Estimated Claim Factor	\$11.06

Premium Equivalent Rates	
EE	Family
\$5.04	\$14.30



# City of Surprise

## Avesis Vision Claims

Plan Year: July 2022 to June 2023 (as of June 2023)

Annual Cost Comparison Analysis 2021/2022 vs. 2022/2023

Cost Categories	2021/2022 Costs	PEPM Costs	2022/2023 Estimated Annual Costs	PEPM Costs
Vision Claims	\$103,227	\$10.59	\$88,588	\$8.51
Admin Fees	\$9,258	\$0.95	\$9,891	\$0.95
<b>Total Costs</b>	<b>\$112,484</b>	<b>\$11.54</b>	<b>\$98,479</b>	<b>\$9.46</b>

% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change
-14.2%	(\$14,639)	-19.7%	(\$2.08)
6.8%	\$634	0.0%	\$0.00
<b>-12.5%</b>	<b>(\$14,005)</b>	<b>-18.1%</b>	<b>(\$2.08)</b>

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	\$11.54	0.1%
2022/2023	\$9.46	-18.1%

	Annual
Enrollment	9,745

Annualized
10,412

% Enrollment Change	# Enrollment Change
6.8%	667

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

Cost Categories	2020/2021 Costs	PEPM Costs	2021/2022 Costs	PEPM Costs
Vision Claims	\$100,336	\$10.58	\$103,227	\$10.59
Admin Fees	\$9,010	\$0.95	\$9,258	\$0.95
<b>Total Costs</b>	<b>\$109,346</b>	<b>\$11.53</b>	<b>\$112,484</b>	<b>\$11.54</b>

% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change
2.9%	\$2,891	0.1%	\$0.01
2.8%	\$248	0.0%	\$0.00
<b>2.9%</b>	<b>\$3,138</b>	<b>0.1%</b>	<b>\$0.01</b>

	Annual
Enrollment	9,484

Annualized
9,745

% Enrollment Change	# Enrollment Change
2.8%	261



**CITY OF SURPRISE**  
**Health Benefits Trust Fund Board Meeting**

---

Council Meeting Date: August 23, 2023  
Submitting Department: Human Resources  
Staff Recommendations: None

Contact Person:  
District: Citywide

---

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

---

**Agenda Wording:**

Presentation and discussion of the City of Surprise Worker's Compensation actuarial review process.

---

**Motion:**

None; Presentation and discussion only

---

**Background:**

Sigma Actuarial Consulting Group will be discussing the actuarial review process for the City of Surprise Worker's Compensation Trust Fund.

---

**Objective Analysis:**

---

**Policy Compliant:**

---

**Financial Impact:**

None at this time

---

**Budget Impact:**

None at this time.

---

**FTE Impact:**

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**ATTACHMENTS:**

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**CITY OF SURPRISE**  
**Health Benefits Trust Fund Board Meeting**

Council Meeting Date: August 23, 2023  
Submitting Department: Human Resources  
Staff Recommendations:

Contact Person:  
District: Citywide

---

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

---

**Agenda Wording:**

Consideration and action pertaining to approval of a settlement in the amount of \$233,244.56, which includes loss of earning capacity and Medicare set-aside fully funded and self-administered, in exchange for, and subject to, waiver of any and all Worker's Compensation claims and benefits to the extent allowed by law.

---

**Motion:**

Consideration and action pertaining to approval of a settlement in the amount of \$233,244.56, which includes loss of earning capacity and Medicare set-aside fully funded and self-administered as approved or adjusted by CMS, in exchange for, and subject to, waiver of any and all Worker's Compensation claims and benefits to the extent allowed by law.

---

**Background:**

A claimant filed a certain Worker's Compensation claim based on an alleged industrial injury from an incident that occurred on or about June 25, 2020. In an effort to resolve and finalize the Workers' Compensation claim(s), the parties have tentatively agreed that the claimant will, to the extent allowed by law, waive any present and future Workers' Compensation claims and benefits in exchange for the full and final settlement, which totals \$233,244.56. These rights exist by operation of law when the City's Workers' Compensation Program or Health Benefits Program pays for healthcare under the respective programs.

Because the Trust Board has certain oversight of the Health Benefits and Workers' Compensation Trusts and the referenced settlement is associated with monies paid from those Trust Funds, the City Attorney has recommended that in this limited situation, it would be prudent to obtain approval of the settlement from the Trust Board.

---

**Objective Analysis:**

This action is consistent with all applicable laws and will facilitate settlement of a Workers' Compensation claim consistent with the policies and interests of the City.

---

**Policy Compliant:**

This action is consistent with the applicable Trust Agreements, the City's self-insured Workers'

Compensation Program policies and the Surprise Municipal Code.

---

**Financial Impact:**

The City will pay \$233,244.56 in exchange for waiver of any present of future costs and expenses associated with this certain Workers' Compensation claim(s).

---

**Budget Impact:**

N/A

**FTE Impact:**

N/A

---

**ATTACHMENTS:**

---



**CITY OF SURPRISE**  
**Health Benefits Trust Fund Board Meeting**

---

Council Meeting Date: August 23, 2023  
Submitting Department: Human Resources  
Staff Recommendations:

Contact Person:  
District: Internal

---

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

---

**Agenda Wording:**

Consideration and action to recess into executive session for discussion or consultation for legal advice with the city's attorneys regarding settlement of a certain Worker's Compensation claim pursuant to A.R.S. 38-431.03(A)(3) and (4)

---

**Motion:**

I move to recess into executive session for the purpose noticed.

---

**Background:**

---

**Objective Analysis:**

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**Policy Compliant:**

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**Financial Impact:**

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**Budget Impact:**

**FTE Impact:**

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**ATTACHMENTS:**

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