



**CITY OF SURPRISE**  
**Health Benefits Trust Fund Board Meeting**  
**16000 N. Civic Center Plaza**  
**Surprise, AZ 85374**  
 Wednesday, June 5, 2024 @ 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

**The City of Surprise receives awards for being one of Arizona’s healthiest and safest employers.**

- 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            Finance  
    March 6, 2024 Health Benefits Trust Fund Board meeting  
    minutes.

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

- 2. Citywide            Presentation and discussion pertaining to CBIZ            Donna Meuse  
    Consulting FY2024 3rd Quarter Report.            Finance
- 3. Citywide            Presentation and discussion pertaining to the City's            Andrea Davis  
    unaudited Employees Healthcare and Workers'            Finance  
    Compensation Self Insurance Funds Financial Report for  
    FY2024 3rd Quarter.

- G. Other Business and Future Agenda Items
- H. Adjournment

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KRISTI PASSARELLI, CITY CLERK

**POSTED: Friday, May 31, 2024 @ 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: June 5, 2024  
Submitting Department: Human Resources  
Staff Recommendations:

Contact Person:  
District: Internal

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

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**Agenda Wording:**

The City of Surprise receives awards for being one of Arizona's healthiest and safest employers.

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**Motion:**

Staff report only.

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**Background:**

The City of Surprise has been named one of the Valley's Healthiest Employers in a 2024 Phoenix Business Journal ranking and also earned a workplace safety award from the Industrial Commission of Arizona.

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**Objective Analysis:**

Staff report only.

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**Policy Compliant:**

Staff report only.

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**Financial Impact:**

There is no financial impact related to this item.

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**Budget Impact:**

There is no budget impact related to this item.

**FTE Impact:**

This item does not have an impact on current staff levels.

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**ATTACHMENTS:**

1. City Press Release
-



## City of Surprise honored as outstanding employers

City of Surprise receives awards for being one of Arizona's healthiest and safest employers

Thu, May 23, 2024

The City of Surprise has been named one of the Valley's Healthiest Employers in a 2024 Phoenix Business Journal ranking and also earned a workplace safety award from the Industrial Commission of Arizona.

Surprise placed eighth among mid-sized companies in the Healthiest Employers ranking in April. The City's employee health and wellness benefits include annual health risk assessments, nutritional counseling, on-site health screenings, an Employee Assistance Program, and access to a free fitness membership at Ottawa University's O'Dell Center.

This month, the City was also recognized by the Industrial Commission of Arizona for our safe work environments, receiving the honor of a Large Employer Award for Workplace Safety through the Public Entity Partnership Program (PEPP). The PEPP program is voluntary and designed to create a partnership between employers and the Arizona Division of Occupational Safety and Health to proactively conduct worksite visits and provide recommendations to improve the health and safety of employees.

Several on-site visits have resulted in increased awareness and training, enhanced policies and procedures, equipment upgrades and reinforced the City's commitment to safety. Overall, the City of Surprise was found to exemplify the mission and standards of the PEPP program.

Our City leadership is committed to providing a work environment that supports employees' health, safety, and well-being. These recent awards highlight this ongoing commitment and how we are working to make the City of Surprise a safe place to live, learn and work.

To learn more about how you can serve your community by joining our award-winning team and starting a career with City of Surprise, visit [surpriseaz.gov/HR](https://surpriseaz.gov/HR).

[View message in browser](#)

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surpriseaz.gov

**City of Surprise** - 16000 N Civic Center Plaza Surprise, AZ 85374  
Phone: 623-222-1000 | TTY: 623-222-1002



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

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Council Meeting Date: June 5, 2024  
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 approval of the March 6, 2024 Health Benefits Trust Fund Board meeting minutes.

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**Motion:**

I move to approve the March 6, 2024 Health Benefits Trust Fund Board meeting minutes.

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**Background:**

Attached are the minutes from the March 6, 2024 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 03.06.24 DRAFT
-

**CITY OF SURPRISE**

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

**March 6, 2024**

**MEETING MINUTES**

**CALL TO ORDER**

Chairperson Renee Pastor called the Health Benefits Trust Fund Meeting to order at 3:32 p.m. at Surprise City Hall, 16000 North Civic Center Plaza, Surprise, Arizona 85374, on Wednesday, March 6, 2024.

**ROLL CALL**

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

**STAFF PRESENT:**

Donna Meuse, Human Resources Director; Digger Oster, Risk Manager – Senior; Justin Jackson, Human Resources Specialist; Jenna Garcia, Financial Analyst – Senior; Erick Martin, Assistant Director – Finance; Jennifer Medina, Assistant Director, Finance; Rebecca Chitwood, Accounting Manager.

**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 6, 2023 Health Benefits Trust Fund Board Meeting Minutes.**

- Board Member Candice Rachal made a motion to approve the minutes for the December 6, 2023 meeting. Board Member Barb Minick seconded the motion. Motion passed.

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

### **Item 2: Presentation and discussion pertaining to CBIZ Consulting FY2024 2<sup>nd</sup> Quarter Report.**

- Melissa Barbakoff provided a list of definitions of terms used in the quarterly reports. Melissa, Mike Barberio and Mike Zucarelli presented CBIZ Consulting's FY2024 2<sup>nd</sup> Quarter Report, as well the city's pharmacy spend and rebate summary.

### **Item 3: Presentation and discussion of the City's unaudited Employee Healthcare and Workers' Compensation Self Insurance Funds Financial Report for FY2024 2<sup>nd</sup> Quarter.**

- Erick Martin presented the FY2024 2<sup>nd</sup> Quarter Financial Reports.

### **Item 4: Consideration and action pertaining to the approval of the recommended FY2025 Health Benefit Trust Fund Budget.**

- Jen Medina presented the recommended budget for the Health Benefit Trust Fund for FY2025.
- Vice Chair Coniam made a motion to approve the FY2025 Health Benefit Trust Fund Budget. Board Member Davis seconded the motion. Motion passed.

### **Item 5: Consideration and action pertaining to the approval of the FY2025 Workers' Compensation Plan Budget.**

- Digger Oster presented the recommended budget for the Workers' Compensation Plan for FY2025.
- Board Member Rachal made a motion to approve the FY2025 Workers' Compensation Plan Budget. Board Member Davis seconded the motion. Motion passed.

## **OTHER BUSINESS**

None.

## **EXECUTIVE SESSION**

No executive session was held.

## **ADJOURNMENT**

Chairperson Pastor made a motion to adjourn the meeting. Board Member Rachal seconded the motion. Motion passed. Hearing no further business, Chairperson 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 Meeting**

Council Meeting Date: June 5, 2024

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 FY2024 3rd Quarter Report.

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**Motion:**

None:Discussion Only

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**Background:**

CBIZ Consulting will present the 3rd Quarter self-funded medical, dental, and vision report for plan year FY2024 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 03 24 - Final
-



# *City of Surprise*

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

**Plan Year: July 2023 – June 2024**

*Month End: March 2024*

**Presented by your CBIZ Team**

*Mike Barberio, Melissa Barbakoff, and Lindsey Steinhoff*





## Executive Summary

### Medical and Pharmacy

The report details claims paid during the first three quarters of the plan year commencing July 2023. The pharmacy claims continue to rise. The first rebate was applied in January in the amount of \$329,160. CBIZ has adjusted the original rebate estimate of \$1,200,000 that the City of Surprise was projected to receive for PY24 to \$1,316,640. Expected claims for the month of March after stop loss recoveries and rebates are running at 78.4%. Expected claims through the third quarter are performing at 83.9%, which is an excellent result.

The prior plan year paid claims and administration section of the report shows that gross run out claims through March were \$1,010,170, after rebates and stop loss recoveries that amount drops to \$200,883. Pharmacy rebates for the prior plan year are now complete. For plan year 2023, rebates totaled \$1,080,711, which finished higher than the projected amount of \$880,000. The loss ratio for the PY23 plan year is 100.5%, with most of the run-out claims accounted for.

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

- HMO -41% of total claims, 87.7% loss ratio
- PPO – 39% of total claims, 94.1% loss ratio
- EPO – 20% of total claims, 70.2% loss ratio

### Enrollment by Plan:

- **HMO – 2.3% decrease in enrollment in the HMO plan**
  - 2023 - 338
  - 2022 - 346
  - 2021 – 365
- **PPO – 11.7% increase in enrollment in the PPO plan**
  - 2023 - 335
  - 2022 - 300
  - 2021 - 276
- **EPO – 27.1% increase in enrollment in the EPO plan**
  - 2023 - 267
  - 2022 - 210
  - 2021 - 159

On the Annual Cost Comparison slide, the grid all the way the right-hand side or as seen below illustrates the year over year total cost history increase or decrease. The CBIZ analytics team is projecting total costs for PY24 to be 0.8% higher than PY23. This is an excellent result through the third quarter. Average national medical trend is 7.7% and pharmacy is 9.8%. Currently, medical claims which include a completion factor

and an escalator load is coming in 7.9% **lower** over the PY23 plan year and pharmacy claims are 22% **higher** than the PY23 plan year. Medical and pharmacy claims have been adjusted for the enrollment increase of 7.59%.

**Incurred and Paid - 2022/2023 vs. 2023/2024**

Cost Categories	2022/2023 with Runout	PEPM Costs	2023/2024 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*	\$11,726,919	\$1,118.55	\$11,621,587	\$1,030.28	-0.90%	(\$105,332)	-7.9%	(\$88.27)	2014/2015	\$1,079.93	
Rx Claims Costs	\$3,377,367	\$322.14	\$4,431,552	\$392.87	31.21%	\$1,054,185	22.0%	\$70.72	2015/2016	\$1,160.82	7.5%
Rx Rebates	(\$1,080,711)	(\$103.08)	(\$1,316,640)	(\$116.72)	21.83%	(\$235,929)	13.2%	(\$13.64)	2016/2017	\$1,202.07	3.6%
Blue Card, Capitation Expenses, Misc and Value Based Services	\$134,571	\$12.84	\$150,233	\$13.32	11.64%	\$15,662	3.8%	\$0.48	2017/2018	\$1,151.77	-4.2%
Stop Loss Recoveries***	(\$753,712)	(\$71.89)	(\$349,281)	(\$30.96)	n/a	\$404,431	n/a	\$40.93	2018/2019	\$1,200.23	4.2%
Admin Fees	\$1,532,803	\$146.20	\$1,658,452	\$147.03	8.20%	\$125,649	0.6%	\$0.82	2019/2020	\$1,201.50	0.1%
<b>Total Costs</b>	<b>\$14,937,238</b>	<b>\$1,424.77</b>	<b>\$16,195,904</b>	<b>\$1,435.81</b>	<b>8.4%</b>	<b>\$1,258,666</b>	<b>0.8%</b>	<b>\$11.04</b>	2020/2021	\$1,178.50	-1.9%
									2021/2022	\$1,289.40	9.4%
									2022/2023	\$1,424.77	10.5%
									2023/2024	\$1,435.81	0.8%

	Annual	Annualized	% Enrollment Change	# Enrollment Change
Enrollment	10,484	11,280	7.59%	796

\*2022/2023 Medical Claims Costs includes an escalator load and 8% completion factor

There are fourteen large claims that over the \$100,000 threshold. One claimant has hit the individual stop loss deductible. Claimant one has reached the stop loss deductible amount and \$349,281 has been reimbursed. There is one new large claimant that has emerged in the third quarter. Large claims over \$100,000 represent 23.6% of overall spend. For comparison purposes, last year through the third quarter large claims represented 22.8% of overall spend. Large claims spend for medical is \$1,552,164 and it is \$967,617 for pharmacy. Specialty pharmacy accounts for 38% of large claimant spend.

**Dental**

Dental claims are performing well. The current loss ratio through March is 96.5% and the dental paid claims per employee, per month (PEPM) is \$89.96. On the annual cost comparison analysis, the plan is performing 4.6% below the prior plan year.

**Vision**

Vision claims have followed similar utilization patterns from prior years. Vision claims through the third quarter are at 87.2%. On the annual cost comparison analysis, the plan is performing 6.1% below the prior plan year.

**City of Surprise**  
**Paid Claims and Administration**  
**Plan Year: July 2023 to June 2024 (as of March 2024)**  
**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-23	914	\$ 1,302,975	\$ 1,476,250	\$ 285,090	\$ 308,604	\$ -	\$ 1,549	\$ 7,507	\$ -	\$ -	\$ 602,750	\$ 134,384	\$ 737,134	46.3%	40.8%	\$321.82	\$337.64	\$659.46	\$659.46	\$806.49
Aug-23	920	\$ 1,311,270	\$ 1,485,268	\$ 880,684.55	\$ 392,501	\$ -	\$ 2,205	\$ 7,515	\$ 3,296	\$ -	\$ 1,286,202	\$ 135,266	\$ 1,421,467	98.1%	86.6%	\$971.41	\$426.63	\$1,398.05	\$1,398.05	\$1,545.07
Sep-23	929	\$ 1,322,515	\$ 1,497,799	\$ 744,727.34	\$ 364,831	\$ -	\$ 2,979	\$ 7,551	\$ 1,630	\$ -	\$ 1,121,719	\$ 136,588	\$ 1,258,306	84.8%	74.9%	\$814.73	\$392.71	\$1,207.45	\$1,207.45	\$1,354.47
Oct-23	932	\$ 1,328,013	\$ 1,504,163	\$ 1,224,362.78	\$ 334,637	\$ -	\$ 2,474	\$ 7,583	\$ 1,569	\$ -	\$ 1,570,626	\$ 137,030	\$ 1,707,656	118.3%	104.4%	\$1,326.17	\$359.05	\$1,685.22	\$1,685.22	\$1,832.25
Nov-23	946	\$ 1,347,849	\$ 1,525,754	\$ 1,239,626.66	\$ 416,335	\$ -	\$ 4,948	\$ 7,712	\$ 1,352	\$ (149,866)	\$ 1,520,109	\$ 139,086	\$ 1,659,195	112.8%	99.6%	\$1,325.20	\$440.10	\$1,765.30	\$1,606.88	\$1,753.91
Dec-23	953	\$ 1,352,708	\$ 1,531,307	\$ 683,033.42	\$ 355,906	\$ -	\$ 6,226	\$ 7,715	\$ 2,118	\$ -	\$ 1,054,998	\$ 140,113	\$ 1,195,112	78.0%	68.9%	\$733.57	\$373.46	\$1,107.03	\$1,107.03	\$1,254.05
Jan-24	947	\$ 1,348,025	\$ 1,525,636	\$ 761,724.11	\$ 404,634	\$ (329,160)	\$ 2,299	\$ 7,723	\$ -	\$ (52)	\$ 847,168	\$ 139,232	\$ 986,401	62.8%	55.5%	\$814.94	\$427.28	\$894.64	\$894.58	\$1,041.61
Feb-24	960	\$ 1,360,663	\$ 1,540,462	\$ 643,328.94	\$ 366,700	\$ -	\$ 2,703	\$ 7,753	\$ 4,072	\$ (462)	\$ 1,024,094	\$ 141,143	\$ 1,165,237	75.3%	66.5%	\$685.27	\$381.98	\$1,067.25	\$1,066.76	\$1,213.79
Mar-24	959	\$ 1,361,526	\$ 1,541,960	\$ 874,283.05	\$ 379,516	\$ -	\$ 2,192	\$ 7,732	\$ 2,270	\$ (198,900)	\$ 1,067,094	\$ 140,998	\$ 1,208,091	78.4%	69.2%	\$924.38	\$395.74	\$1,320.12	\$1,112.72	\$1,259.74
Apr-24																				
May-24																				
Jun-24																				
<b>Total</b>	<b>8,460</b>	<b>\$ 12,035,543</b>	<b>\$ 13,628,599</b>	<b>\$ 7,336,861</b>	<b>\$ 3,323,664</b>	<b>\$ (329,160)</b>	<b>\$ 27,576</b>	<b>\$ 68,791</b>	<b>\$ 16,308</b>	<b>\$ (349,281)</b>	<b>\$ 10,094,759</b>	<b>\$ 1,243,839</b>	<b>\$ 11,338,598</b>	<b>83.9%</b>	<b>74.1%</b>	<b>\$880.56</b>	<b>\$392.87</b>	<b>\$1,234.52</b>	<b>\$1,193.23</b>	<b>\$1,340.26</b>
<b>Avg</b>	<b>940</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	\$57.44	\$57.44	\$57.44	\$57.44	\$57.44	\$57.44	\$57.44	\$57.44	\$57.44
Specific Stoploss 12/24 \$250,000 ISL	\$84.84	\$84.84	\$84.84	\$84.84	\$84.84	\$84.84	\$84.84	\$84.84	\$84.84
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>\$147.38</b>	<b>\$147.38</b>	<b>\$147.38</b>	<b>\$146.83</b>	<b>\$146.83</b>	<b>\$146.83</b>	<b>\$146.83</b>	<b>\$146.83</b>	<b>\$146.83</b>

Claim Expenses	PPO Plan			HMO Plan			EPO Plan		
	Employee	Emp + 1 Dep	EE + Family	Employee	Emp + 1 Dep	EE + Family	Employee	Emp + 1 Dep	EE + Family
Expected Liability	\$607.20	\$1,362.86	\$1,967.40	\$633.61	\$1,415.31	\$2,040.69	\$559.31	\$1,266.37	\$1,832.01
Maximum Liability (ICAP)	\$805.70	\$1,602.99	\$2,240.82	\$812.58	\$1,616.85	\$2,260.28	\$684.17	\$1,361.35	\$1,903.12



**City of Surprise**  
**Paid Claims and Administration**  
**Plan Year: July 2023 to June 2024 (as of March 2024)**  
**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-23	330	\$ 468,637	\$ 548,919	\$ 101,707	\$ 127,164	\$ -	\$ 228,871	\$ 48,635	\$ 277,506	48.8%	41.7%	\$308.20	\$385.35	\$693.55	\$840.93
Aug-23	331	\$ 467,884	\$ 548,289	\$ 396,237	\$ 115,821	\$ -	\$ 512,058	\$ 48,783	\$ 560,841	109.4%	93.4%	\$1,197.09	\$349.91	\$1,547.00	\$1,694.38
Sep-23	332	\$ 470,003	\$ 550,689	\$ 293,851	\$ 96,774	\$ -	\$ 390,625	\$ 48,930	\$ 439,555	83.1%	70.9%	\$885.09	\$291.49	\$1,176.58	\$1,323.96
Oct-23	335	\$ 476,207	\$ 557,731	\$ 749,731	\$ 97,471	\$ -	\$ 847,202	\$ 49,372	\$ 896,574	177.9%	151.9%	\$2,238.00	\$290.96	\$2,528.96	\$2,676.34
Nov-23	336	\$ 480,139	\$ 562,045	\$ 749,792	\$ 117,479	\$ (149,866)	\$ 717,404	\$ 49,520	\$ 766,924	149.4%	127.6%	\$2,231.52	\$349.64	\$2,581.16	\$2,282.51
Dec-23	335	\$ 478,172	\$ 559,804	\$ 284,175	\$ 100,402	\$ -	\$ 384,577	\$ 49,372	\$ 433,949	80.4%	68.7%	\$848.28	\$299.71	\$1,147.99	\$1,295.37
Jan-24	335	\$ 479,532	\$ 561,239	\$ 228,767	\$ 118,572	\$ (52)	\$ 347,287	\$ 49,372	\$ 396,659	72.4%	61.9%	\$682.89	\$353.95	\$1,036.83	\$1,184.06
Feb-24	338	\$ 484,225	\$ 566,686	\$ 227,049	\$ 120,005	\$ (462)	\$ 346,592	\$ 49,814	\$ 396,406	71.6%	61.2%	\$671.74	\$355.05	\$1,026.79	\$1,172.80
Mar-24	341	\$ 489,372	\$ 572,611	\$ 346,949	\$ 116,225	\$ (198,900)	\$ 264,274	\$ 50,257	\$ 314,530	54.0%	46.2%	\$1,017.45	\$340.84	\$1,358.28	\$922.38
Apr-24															
May-24															
Jun-24															
<b>Total</b>	<b>3,013</b>	<b>\$ 4,294,172</b>	<b>\$ 5,028,012</b>	<b>\$ 3,378,257</b>	<b>\$ 1,009,913</b>	<b>\$ (349,281)</b>	<b>\$ 4,038,889</b>	<b>\$ 444,056</b>	<b>\$ 4,482,945</b>	<b>94.1%</b>	<b>80.3%</b>	<b>\$1,121.23</b>	<b>\$335.19</b>	<b>\$1,456.41</b>	<b>\$1,487.87</b>
<b>Avg</b>	<b>335</b>														

Administrative Fees	PPO Plan		
	Employee	Emp + 1 Dep	EE + Family
Administration	\$57.44	\$57.44	\$57.44
Specific Stoploss 12/24 \$250,000 ISL	\$84.84	\$84.84	\$84.84
Aggregate Stoploss (125%)	\$5.10	\$5.10	\$5.10
<b>Total Admin Fees</b>	<b>\$147.38</b>	<b>\$147.38</b>	<b>\$147.38</b>

Claim Expenses	Employee	Emp + 1 Dep	EE + Family
<b>Expected Liability</b>	<b>\$607.20</b>	<b>\$1,362.86</b>	<b>\$1,967.40</b>
<b>Maximum Liability (ICAP)</b>	<b>\$805.70</b>	<b>\$1,602.99</b>	<b>\$2,240.82</b>

Month	Number of Enrollees by Month			Total
	EE	EE + 1	EE + Fam	
July	103	67	160	330
August	105	67	159	331
September	104	69	159	332
October	102	73	160	335
November	101	72	163	336
December	101	72	162	335
January	100	72	163	335
February	100	74	164	338
March	101	73	167	341
April	0	0	0	0
May	0	0	0	0
June	0	0	0	0
<b>Totals</b>	<b>917</b>	<b>639</b>	<b>1,457</b>	<b>3,013</b>

**City of Surprise**  
**Paid Claims and Administration**  
**Plan Year: July 2023 to June 2024 (as of March 2024)**  
**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-23	333	\$ 526,803	\$ 595,517	\$ 122,296	\$ 103,842	\$ -	\$ 226,138	\$ 48,894	\$ 275,032	42.9%	38.0%	\$367.26	\$311.84	\$679.09	\$825.92
Aug-23	336	\$ 529,641	\$ 598,920	\$ 340,050	\$ 209,070	\$ -	\$ 549,120	\$ 49,335	\$ 598,455	103.7%	91.7%	\$1,012.05	\$622.23	\$1,634.29	\$1,781.12
Sep-23	337	\$ 532,308	\$ 601,823	\$ 349,183	\$ 164,038	\$ -	\$ 513,221	\$ 49,482	\$ 562,702	96.4%	85.3%	\$1,036.15	\$486.76	\$1,522.91	\$1,669.74
Oct-23	337	\$ 532,308	\$ 601,823	\$ 360,698	\$ 162,419	\$ -	\$ 523,117	\$ 49,482	\$ 572,599	98.3%	86.9%	\$1,070.32	\$481.96	\$1,552.28	\$1,699.11
Nov-23	339	\$ 533,575	\$ 603,449	\$ 296,196	\$ 210,728	\$ -	\$ 506,924	\$ 49,775	\$ 556,700	95.0%	84.0%	\$873.73	\$621.62	\$1,495.35	\$1,642.18
Dec-23	340	\$ 534,365	\$ 604,422	\$ 299,359	\$ 146,153	\$ -	\$ 445,512	\$ 49,922	\$ 495,434	83.4%	73.7%	\$880.47	\$429.86	\$1,310.33	\$1,457.16
Jan-24	337	\$ 528,868	\$ 598,285	\$ 293,266	\$ 173,454	\$ -	\$ 466,720	\$ 49,482	\$ 516,202	88.2%	78.0%	\$870.23	\$514.70	\$1,384.93	\$1,531.76
Feb-24	341	\$ 532,184	\$ 602,339	\$ 297,857	\$ 164,159	\$ -	\$ 462,016	\$ 50,069	\$ 512,085	86.8%	76.7%	\$873.48	\$481.40	\$1,354.88	\$1,501.71
Mar-24	343	\$ 535,640	\$ 606,216	\$ 339,365	\$ 163,991	\$ -	\$ 503,356	\$ 50,363	\$ 553,719	94.0%	83.0%	\$989.40	\$478.11	\$1,467.51	\$1,614.34
Apr-24															
May-24															
Jun-24															
<b>Total</b>	<b>3,043</b>	<b>\$ 4,785,691</b>	<b>\$ 5,412,794</b>	<b>\$ 2,698,271</b>	<b>\$ 1,497,854</b>	<b>\$ -</b>	<b>\$ 4,196,124</b>	<b>\$ 446,804</b>	<b>\$ 4,642,928</b>	<b>87.7%</b>	<b>77.5%</b>	<b>\$886.71</b>	<b>\$492.23</b>	<b>\$1,378.94</b>	<b>\$1,525.77</b>
<b>Avg</b>	<b>338</b>														

Administrative Fees	HMO Plan		
	Employee	Emp + 1 Dep	EE + Family
Administration	\$57.44	\$57.44	\$57.44
Specific Stoploss 12/24 \$250,000 ISL	\$84.84	\$84.84	\$84.84
Aggregate Stoploss (125%)	\$4.55	\$4.55	\$4.55
<b>Total Admin Fees</b>	<b>\$146.83</b>	<b>\$146.83</b>	<b>\$146.83</b>

Claim Expenses	Employee	Emp + 1 Dep	EE + Family
<b>Expected Liability</b>	<b>\$633.61</b>	<b>\$1,415.31</b>	<b>\$2,040.69</b>
<b>Maximum Liability (ICAP)</b>	<b>\$812.58</b>	<b>\$1,616.85</b>	<b>\$2,260.28</b>

Month	Number of Enrollees by Month			Total
	EE	EE + 1	EE + Fam	
July	77	71	185	333
August	78	74	184	336
September	78	73	186	337
October	78	73	186	337
November	80	73	186	339
December	80	75	185	340
January	80	74	183	337
February	83	75	183	341
March	83	76	184	343
April	0	0	0	0
May	0	0	0	0
June	0	0	0	0
<b>Totals</b>	<b>717</b>	<b>664</b>	<b>1,662</b>	<b>3,043</b>

**City of Surprise**  
**Paid Claims and Administration**  
**Plan Year: July 2023 to June 2024 (as of March 2024)**  
**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-23	251	\$ 307,535	\$ 331,815	\$ 61,087	\$ 77,598	\$ -	\$ 138,684	\$ 36,854	\$ 175,539	45.1%	41.8%	\$243.37	\$309.15	\$552.53	\$699.36
Aug-23	253	\$ 313,744	\$ 338,059	\$ 144,397	\$ 67,610	\$ -	\$ 212,007	\$ 37,148	\$ 249,155	67.6%	62.7%	\$570.74	\$267.23	\$837.97	\$984.80
Sep-23	260	\$ 320,205	\$ 345,286	\$ 101,693	\$ 104,020	\$ -	\$ 205,713	\$ 38,176	\$ 243,889	64.2%	59.6%	\$391.13	\$400.08	\$791.20	\$938.03
Oct-23	260	\$ 319,498	\$ 344,609	\$ 113,934	\$ 74,747	\$ -	\$ 188,682	\$ 38,176	\$ 226,857	59.1%	54.8%	\$438.21	\$287.49	\$725.70	\$872.53
Nov-23	271	\$ 334,135	\$ 360,261	\$ 193,639	\$ 88,128	\$ -	\$ 281,767	\$ 39,791	\$ 321,558	84.3%	78.2%	\$714.54	\$325.20	\$1,039.73	\$1,186.56
Dec-23	278	\$ 340,171	\$ 367,082	\$ 99,500	\$ 109,351	\$ -	\$ 208,851	\$ 40,819	\$ 249,670	61.4%	56.9%	\$357.91	\$393.35	\$751.26	\$898.09
Jan-24	275	\$ 339,625	\$ 366,113	\$ 239,691	\$ 112,609	\$ -	\$ 352,299	\$ 40,378	\$ 392,678	103.7%	96.2%	\$871.60	\$409.49	\$1,281.09	\$1,427.92
Feb-24	281	\$ 344,253	\$ 371,437	\$ 118,423	\$ 82,536	\$ -	\$ 200,959	\$ 41,259	\$ 242,218	58.4%	54.1%	\$421.43	\$293.72	\$715.16	\$861.99
Mar-24	275	\$ 336,514	\$ 363,133	\$ 187,969	\$ 99,300	\$ -	\$ 287,269	\$ 40,378	\$ 327,647	85.4%	79.1%	\$683.52	\$361.09	\$1,044.62	\$1,191.45
Apr-24															
May-24															
Jun-24															
<b>Total</b>	<b>2,404</b>	<b>\$ 2,955,680</b>	<b>\$ 3,187,793</b>	<b>\$ 1,260,332</b>	<b>\$ 815,898</b>	<b>\$ -</b>	<b>\$ 2,076,231</b>	<b>\$ 352,979</b>	<b>\$ 2,429,210</b>	<b>70.2%</b>	<b>65.1%</b>	<b>\$524.26</b>	<b>\$339.39</b>	<b>\$863.66</b>	<b>\$1,010.49</b>
<b>Avg</b>	<b>267</b>														

Administrative Fees	HMO Plan		
	Employee	Emp + 1 Dep	EE + Family
Administration	\$57.44	\$57.44	\$57.44
Specific Stoploss 12/24 \$250,000 ISL	\$84.84	\$84.84	\$84.84
Aggregate Stoploss (125%)	\$4.55	\$4.55	\$4.55
<b>Total Admin Fees</b>	<b>\$146.83</b>	<b>\$146.83</b>	<b>\$146.83</b>

Claim Expenses	Employee	Emp + 1 Dep	EE + Family
	<b>Expected Liability</b>	<b>\$559.31</b>	<b>\$1,266.37</b>
<b>Maximum Liability (ICAP)</b>	<b>\$684.17</b>	<b>\$1,361.35</b>	<b>\$1,903.12</b>

Number of Enrollees by Month				
Month	EE	EE + 1	EE + Fam	Total
July	97	51	103	251
August	95	51	107	253
September	100	51	109	260
October	101	50	109	260
November	104	53	114	271
December	108	56	114	278
January	105	54	116	275
February	110	54	117	281
March	107	55	113	275
April	0	0	0	0
May	0	0	0	0
June	0	0	0	0
<b>Totals</b>	<b>927</b>	<b>475</b>	<b>1,002</b>	<b>2,404</b>

**City of Surprise**  
**Paid Claims and Administration**  
**Plan Year: July 2022 to June 2023 (as of March 2024)**  
**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-22	835	\$ 1,068,539	\$ 1,308,684	\$ 442,434	\$ 238,089	\$ -	\$ (736)	\$ 7,205	\$ 1,525	\$ -	\$ 688,518	\$ 122,080	\$ 810,597	64.4%	52.6%	\$539.44	\$285.14	\$824.57	\$824.57	\$970.78
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	114.4%	93.4%	\$1,075.01	\$390.41	\$1,465.42	\$1,465.42	\$1,611.63
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	95.1%	77.7%	\$938.05	\$285.52	\$1,223.57	\$1,213.04	\$1,359.25
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	105.5%	86.2%	\$1,051.69	\$287.88	\$1,339.57	\$1,338.92	\$1,485.12
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	103.0%	84.1%	\$950.46	\$357.93	\$1,308.40	\$1,307.95	\$1,454.15
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	94.3%	76.9%	\$979.05	\$225.55	\$1,204.59	\$1,189.37	\$1,335.58
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	89.1%	72.7%	\$1,115.65	\$290.91	\$1,127.79	\$1,125.05	\$1,271.25
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	91.8%	75.0%	\$895.92	\$318.35	\$1,214.27	\$1,156.49	\$1,302.69
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	127.5%	104.0%	\$1,350.09	\$250.57	\$1,600.66	\$1,597.14	\$1,743.35
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	63.6%	51.8%	\$807.94	\$329.35	\$878.95	\$787.88	\$934.08
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	142.2%	116.0%	\$1,629.03	\$442.38	\$2,071.41	\$1,768.31	\$1,914.52
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	95.4%	77.8%	\$918.53	\$375.97	\$1,294.50	\$1,187.22	\$1,333.42
<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>99.0%</b>	<b>80.8%</b>	<b>\$1,024.11</b>	<b>\$320.53</b>	<b>\$1,299.29</b>	<b>\$1,248.33</b>	<b>\$1,394.53</b>
<b>Avg</b>	<b>874</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-23	\$ 271,813	\$ 4,795.41	\$ (266,865)	\$ 1,242	\$ (44)	\$ (21,347)	\$ (10,405)
Aug-23	\$ 163,328	\$ 523.48	\$ -	\$ 60	\$ (50)	\$ (1,002)	\$ 162,860
Sep-23	\$ 307,172	\$ 7,366.72	\$ -	\$ 51	\$ (35)	\$ (196,977)	\$ 117,578
Oct-23	\$ 77,377	\$ 44.70	\$ (338,275)	\$ 23	\$ -	\$ -	\$ (260,831)
Nov-23	\$ 161,700	\$ -	\$ -	\$ (1,918)	\$ -	\$ -	\$ 159,782
Dec-23	\$ 6,045	\$ 3,999.11	\$ -	\$ (3)	\$ -	\$ -	\$ 10,042
Jan-24	\$ 5,131	\$ -	\$ -	\$ 13	\$ -	\$ (104)	\$ 5,040
Feb-24	\$ 11,016	\$ 167	\$ -	\$ 157	\$ -	\$ (10)	\$ 11,330
Mar-24	\$ 6,587	\$ -	\$ -	\$ (1,100)	\$ -	\$ -	\$ 5,487
Apr-24							\$ -
May-24							\$ -
Jun-24							\$ -
<b>Total</b>	<b>\$ 1,010,170</b>	<b>\$ 16,896</b>	<b>\$ (605,140)</b>	<b>\$ (1,475)</b>	<b>\$ (129)</b>	<b>\$ (219,439)</b>	<b>\$ 200,883</b>

**2022-2023 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
\$ 14,042,039	\$ (753,712)	\$ 13,288,327	\$ 1,532,803	\$ 14,821,130	100.5%	82.0%	\$ 1,413.69

# City of Surprise

Plan Year: July 2022 to June 2023 (as of March 2024)

## Annual Cost Comparison Analysis

Incurred and Paid - 2022/2023 vs. 2023/2024

Cost Categories	2022/2023 with Runout	PEPM Costs	2023/2024 Estimated Annual	PEPM Costs
Medical Claims Costs*	\$11,726,919	\$1,118.55	\$11,621,587	\$1,030.28
Rx Claims Costs	\$3,377,367	\$322.14	\$4,431,552	\$392.87
Rx Rebates	(\$1,080,711)	(\$103.08)	(\$1,316,640)	(\$116.72)
Blue Card, Captitation Expenses, Misc and Value Based Services	\$134,571	\$12.84	\$150,233	\$13.32
Stop Loss Recoveries***	(\$753,712)	(\$71.89)	(\$349,281)	(\$30.96)
Admin Fees	\$1,532,803	\$146.20	\$1,658,452	\$147.03
<b>Total Costs</b>	<b>\$14,937,238</b>	<b>\$1,424.77</b>	<b>\$16,195,904</b>	<b>\$1,435.81</b>

% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change
-0.90%	(\$105,332)	-7.9%	(\$88.27)
31.21%	\$1,054,185	22.0%	\$70.72
21.83%	(\$235,929)	13.2%	(\$13.64)
11.64%	\$15,662	3.8%	\$0.48
n/a	\$404,431	n/a	\$40.93
8.20%	\$125,649	0.6%	\$0.82
<b>8.4%</b>	<b>\$1,258,666</b>	<b>0.8%</b>	<b>\$11.04</b>

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	\$1,178.50	-1.9%
2021/2022	\$1,289.40	9.4%
2022/2023	\$1,424.77	10.5%
2023/2024	\$1,435.81	0.8%

	Annual
Enrollment	10,484

	Annualized
Enrollment	11,280

% Enrollment Change	# Enrollment Change
7.59%	796

\*2022/2023 Medical Claims Costs includes an escalator load and 8% completion factor

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

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

Cost Categories	2021/2022 with Runout	PEPM Costs	2022/2023 with Runout	PEPM Costs
Medical Claims Costs*	\$9,207,920	\$945.66	\$11,726,919	\$1,118.55
Rx Claims Costs	\$2,740,965	\$281.50	\$3,377,367	\$322.14
Rx Rebates	(\$697,652)	(\$71.65)	(\$1,080,711)	(\$103.08)
Blue Card, Captitation Expenses, Misc and Value Based Services	\$120,601	\$12.39	\$134,571	\$12.84
Stop Loss Recoveries***	(\$154,266)	(\$15.84)	(\$753,712)	(\$71.89)
Admin Fees	\$1,337,272	\$137.34	\$1,532,803	\$146.20
<b>Total Costs</b>	<b>\$12,554,840</b>	<b>\$1,289.40</b>	<b>\$14,937,238</b>	<b>\$1,424.77</b>

% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change
27.36%	\$2,519,000	18.3%	\$172.89
23.22%	\$636,402	14.4%	\$40.64
54.91%	(\$383,059)	43.9%	(\$31.43)
11.58%	\$13,970	3.6%	\$0.45
n/a	(\$599,445)	n/a	(\$56.05)
14.62%	\$195,531	6.5%	\$8.86
<b>19.0%</b>	<b>\$2,382,399</b>	<b>10.5%</b>	<b>\$135.37</b>

	Annual
Enrollment	9,737

	Annualized
Enrollment	10,484

% Enrollment Change	# Enrollment Change
7.67%	747

\*2022/2023 Medical Claims Costs includes a 1% completion factor

# City of Surprise

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

Plan Year: July 2023 to June 2024 (as of March 2024)

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	F005	Y	Active	PPO	\$599,281	\$0	\$599,281	\$400,381	\$198,900	100.0%	(\$349,281)	\$250,000
2	A007	Y	Active	HMO	\$2,324	\$199,013	\$201,338	\$180,859	\$20,478	80.5%		\$201,338
3	G001	N	Active	PPO	\$190,454	\$6	\$190,461	\$188,725	\$1,736	76.2%		\$190,461
4	C006	Y	Active	EPO	\$746	\$188,967	\$189,712	\$161,914	\$27,798	75.9%		\$189,712
5	E004	Y	Active	PPO	\$3,761	\$182,494	\$186,254	\$177,469	\$8,786	74.5%		\$186,254
6	G003	N	Active	EPO	\$164,383	\$0	\$164,383	\$122,333	\$42,050	65.8%		\$164,383
7	G004	N	Active	PPO	\$126,556	\$20,169	\$146,725	\$119,994	\$26,731	58.7%		\$146,725
8	C014	Y	Active	PPO	\$628	\$132,561	\$133,189	\$120,183	\$13,006	53.3%		\$133,189
9	F002	Y	Termed	HMO	\$132,017	\$40	\$132,057	\$108,907	\$23,149	52.8%		\$132,057
10	G007	N	Termed	HMO	\$0	\$131,888	\$131,888	\$131,849	\$39	52.8%		\$131,888
11	G002	N	Active	EPO	\$126,119	\$0	\$126,119	\$126,074	\$45	50.4%		\$126,119
12	G006	N	Active	PPO	\$103,628	\$6,062	\$109,690	\$107,352	\$2,338	43.9%		\$109,690
13	F004	Y	Active	HMO	\$948	\$106,417	\$107,365		\$107,365	42.9%		\$107,365
14	G005	N	Active	PPO	\$101,318	\$0	\$101,318	\$100,942	\$377	40.5%		\$101,318

<b>Total</b>	<b>\$1,552,164</b>	<b>\$967,617</b>	<b>\$2,519,781</b>	<b>\$2,046,983</b>	<b>\$472,798</b>	<b>(\$349,281)</b>	<b>\$2,170,500</b>
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<b>Percentage of Large Claims vs. Medical &amp; Rx Claims</b>	<b>23.6%</b>
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# City of Surprise

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

Plan Year: July 2022 to June 2023 (as of March 2024)

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	F005	N	Active	PPO	\$591,391	\$0	\$591,391	\$591,391	\$0	100.0%	(\$341,391)	\$250,000
2	E002	Y	Active	PPO	\$441,529	\$0	\$441,529	\$441,529	\$0	100.0%	(\$191,529)	\$250,000
3	F001	N	Active	HMO	\$364,896	\$0	\$364,896	\$364,896	\$0	100.0%	(\$114,896)	\$250,000
4	C014	Y	Active	HMO	\$0	\$307,280	\$307,280	\$307,280	\$0	100.0%	(\$57,280)	\$250,000
5	E014	Y	Active	PPO	\$293,553	\$814	\$294,368	\$294,368	\$0	100.0%	(\$44,368)	\$250,000
6	E015	Y	Termed	HMO	\$254,249	\$0	\$254,249	\$254,249	\$0	100.0%	(\$4,249)	\$250,000
7	C013	Y	Termed	PPO	\$238,587	\$214	\$238,801	\$238,801	\$0	95.5%		\$238,801
8	F002	N	Termed	HMO	\$207,968	\$111	\$208,078	\$208,078	\$0	83.2%		\$208,078
9	C006	Y	Active	EPO	\$492	\$182,934	\$183,426	\$183,426	\$0	73.4%		\$183,426
10	E004	Y	Active	PPO	\$9,176	\$155,003	\$164,179	\$164,179	\$0	65.7%		\$164,179
11	F010	N	Active	PPO	\$163,779	\$0	\$163,779	\$163,779	\$0	65.5%		\$163,779
12	F003	N	Active	PPO	\$162,002	\$66	\$162,068	\$162,068	\$0	64.8%		\$162,068
13	F007	N	Termed	PPO	\$158,089	\$0	\$158,089	\$158,089	\$0	63.2%		\$158,089
14	E017	Y	Termed	PPO	\$154,232	\$156	\$154,388	\$154,388	\$0	61.8%		\$154,388
15	F006	N	Active	HMO	\$141,376	\$8,336	\$149,712	\$149,712	\$0	59.9%		\$149,712
16	E022	Y	Termed	PPO	\$139,015	\$0	\$139,015	\$139,262	-\$247	55.6%		\$139,015
17	F009	N	Active	PPO	\$128,564	\$0	\$128,564	\$128,564	\$0	51.4%		\$128,564
18	F004	N	Active	HMO	\$7,729	\$103,387	\$111,117	\$111,117	\$0	44.4%		\$111,117
19	F008	N	Termed	PPO	\$106,445	\$55	\$106,500	\$106,500	\$0	42.6%		\$106,500

<b>Total</b>	<b>\$3,563,071</b>	<b>\$758,356</b>	<b>\$4,321,428</b>	<b>\$4,321,675</b>	<b>-\$247</b>	<b>(\$753,712)</b>	<b>\$3,567,716</b>
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<b>Percentage of Large Claims vs. Medical &amp; Rx Claims</b>	<b>28.8%</b>
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## City of Surprise PBM Summary

January 1, 2024 – March 31, 2024

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

#### Prior Calendar Year – 2020

\$53.28 – Results thru March, 2020	(does not include 1 <sup>st</sup> Q rebate of \$131,400)
\$56.32 – Results thru June, 2020	(does not include 2 <sup>nd</sup> Q rebates of \$120,281)
\$87.82 – Results thru September, 2020	(does not include 3 <sup>rd</sup> Q rebates of \$132,089)
\$74.55 – Results thru December, 2020	(does not include 4 <sup>th</sup> Q rebates of \$125,975)

#### Prior Calendar Year – 2021

\$84.47 – Results thru March, 2021	(does not include 1 <sup>st</sup> Q rebate of \$168,260)
\$83.48 – Results thru June, 2021	(does not include 2 <sup>nd</sup> Q rebates of \$133,310)
\$86.83 – Results thru September, 2021	(does not include 3 <sup>rd</sup> Q rebates of \$149,160)
\$93.08 – Results thru December, 2021	(does not include 4 <sup>th</sup> Q rebates of \$152,930)

#### Prior Calendar Year – 2022

\$94.88 – Results thru March, 2022	(does not include 1 <sup>st</sup> Q rebate of \$187,775)
\$106.93 – Results thru June, 2022	(does not include 2 <sup>nd</sup> Q rebates of \$211,432)
\$109.29 – Results thru September, 2022	(does not include 3 <sup>rd</sup> Q rebates of \$242,805)
\$100.68 – Results thru December, 2022	(does not include 4 <sup>th</sup> Q rebates of \$236,690)

#### Prior Calendar Year – 2023

\$100.35 – Results thru March, 2023	(does not include 1 <sup>st</sup> Q Rebate of \$266,865)
\$136.15 – Results thru June, 2023	(does not include 2 <sup>nd</sup> Q rebates of \$338,275)
\$138.85 – Results thru September, 2023	(does not include 3 <sup>rd</sup> Q rebates of \$329,160)
\$142.64 – Results thru December, 2023	(does not include 4 <sup>th</sup> Q rebates of \$358,965)

#### Current Calendar Year – 2024

\$144.99 – Results thru March, 2024	(does not include estimated 1 <sup>st</sup> Q Rebate of \$300,000)
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Your PMPM trend continues to be lower than the overall Optum book of business.

Projected Rebates (CY 24 - 12 months) - \$1,200,000

Projected Rebates Per Quarter (Per CBIZ Funding Projection) average between \$300,000 and \$350,000

*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 2023 to June 2024 (as of March 2024)

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-23	947	\$84,794	\$3,362	\$99,836	\$103,198	117.7%	\$105.42	\$108.97
Aug-23	951	\$85,153	\$3,376	\$111,176	\$114,552	130.6%	\$116.90	\$120.45
Sep-23	965	\$86,406	\$3,426	\$80,602	\$84,028	93.3%	\$83.53	\$87.08
Oct-23	968	\$86,675	\$3,436	\$87,147	\$90,583	100.5%	\$90.03	\$93.58
Nov-23	979	\$87,660	\$3,475	\$69,626	\$73,101	79.4%	\$71.12	\$74.67
Dec-23	983	\$88,018	\$3,490	\$73,524	\$77,013	83.5%	\$74.80	\$78.35
Jan-24	981	\$87,839	\$3,483	\$89,328	\$92,810	101.7%	\$91.06	\$94.61
Feb-24	993	\$88,913	\$3,525	\$74,993	\$78,518	84.3%	\$75.52	\$79.07
Mar-24	989	\$88,555	\$3,511	\$70,355	\$73,866	79.4%	\$71.14	\$74.69
Apr-24								
May-24								
Jun-24								
<b>Total</b>	<b>8,756</b>	<b>\$784,012</b>	<b>\$31,084</b>	<b>\$756,585</b>	<b>\$787,669</b>	<b>96.5%</b>	<b>\$86.41</b>	<b>\$89.96</b>
Avg PEPM Enrollment	<b>973</b>							

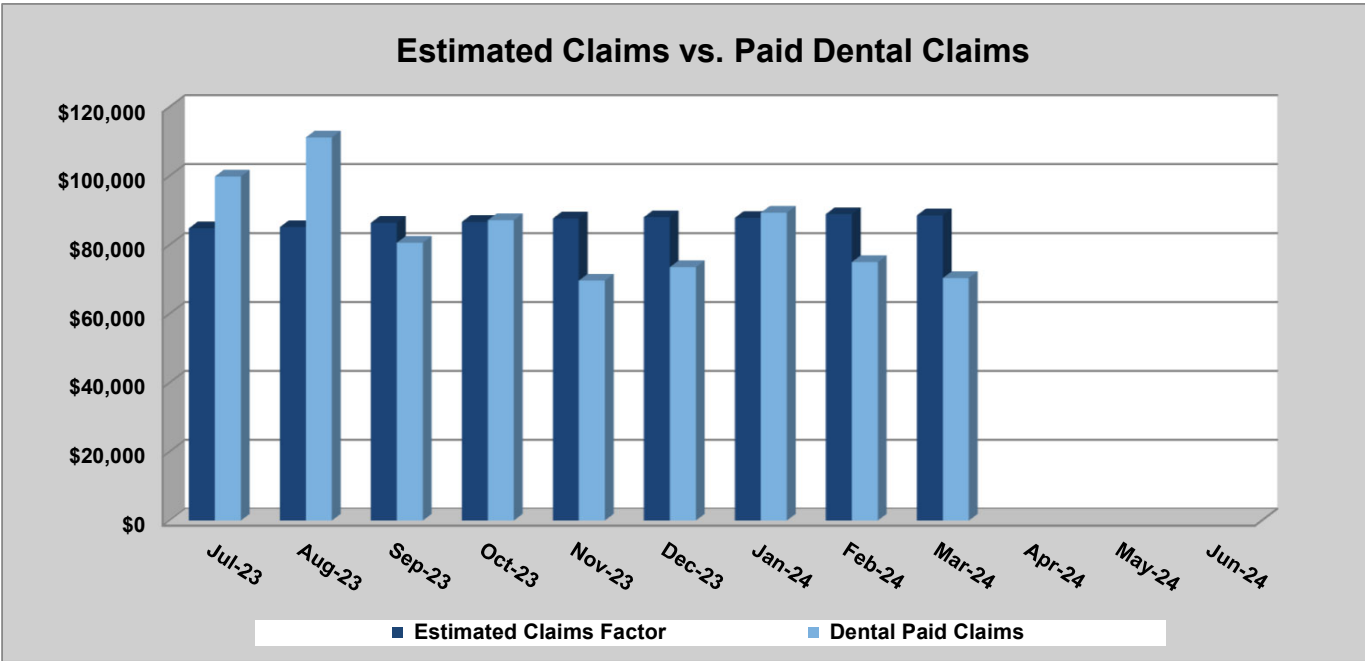
Admin Fees		Employee
Administration		\$3.55

Claim Expenses	
Estimated Claim Factor	\$89.54

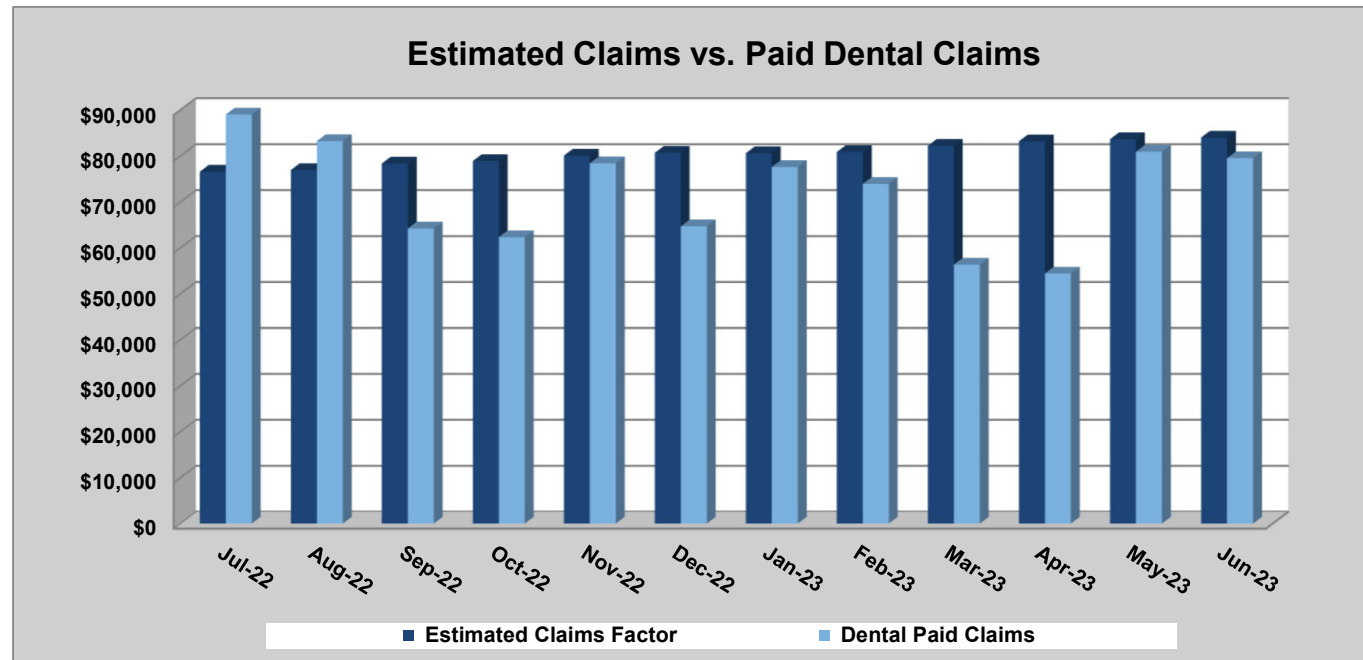
Premium Equivalent Rates		
EE	EE + 1	Family
\$39.40	\$79.28	\$129.84



**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 2023 to June 2024 (as of March 2024)

## Annual Cost Comparison Analysis 2022/2023 vs. 2023/2024

Cost Categories	2022/2023 Estimated Annual Costs	PEPM Costs	2023/2024 Estimated Annual Costs	PEPM Costs
Dental Claims*	\$864,661	\$79.98	\$888,780	\$76.13
Admin Fees	\$38,390	\$3.55	\$41,445	\$3.55
<b>Total Costs</b>	<b>\$903,051</b>	<b>\$83.53</b>	<b>\$930,225</b>	<b>\$79.68</b>

% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change
2.8%	\$24,119	-4.8%	(\$3.85)
8.0%	\$3,055	0.0%	(\$0.00)
<b>3.0%</b>	<b>\$27,174</b>	<b>-4.6%</b>	<b>(\$3.85)</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%
2023/2024	\$79.68	-4.6%

	Annual
Enrollment	10,811

Annualized
11,675

% Enrollment Change	# Enrollment Change
8.0%	864

## 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>

	Annual
Enrollment	10,024

Annualized
10,811

% Enrollment Change	# Enrollment Change
7.9%	787



# Vision Reports



# City of Surprise

## Avesis Vision Self Funded Paid Claims

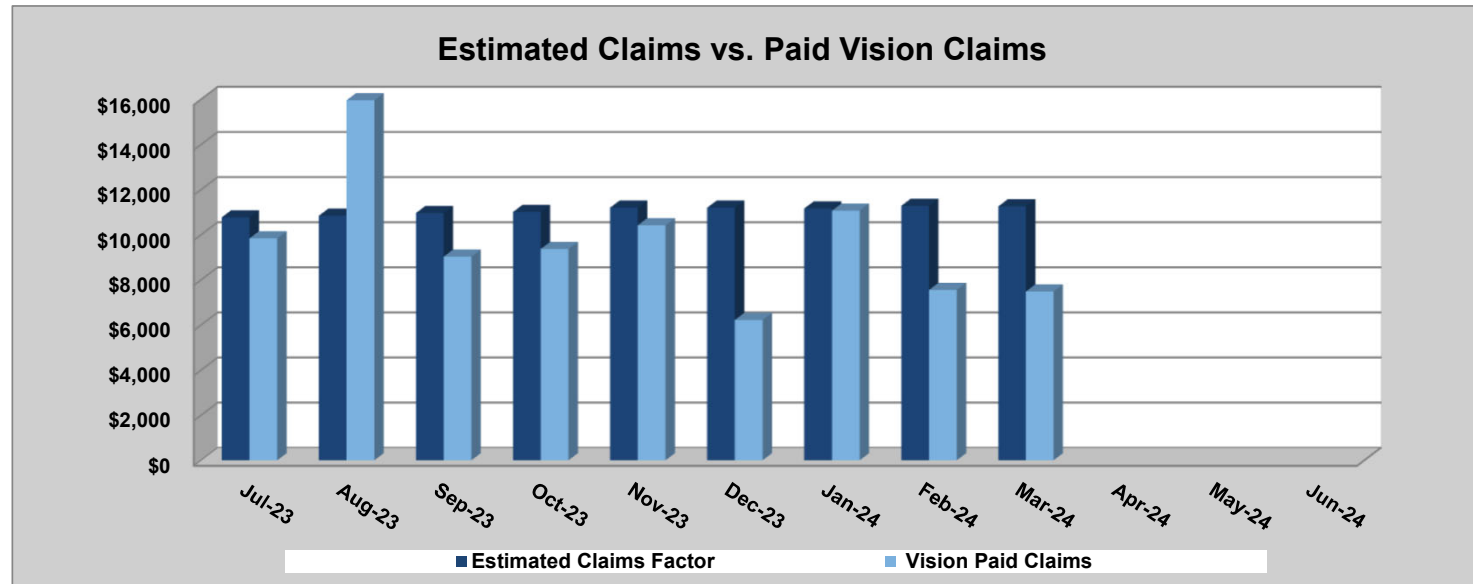
Plan Year: July 2023 to June 2024 (as of March 2024)

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-23	909	\$10,772	\$864	\$9,840	\$10,704	91.4%	\$10.83	\$11.78
Aug-23	915	\$10,843	\$869	\$15,964	\$16,833	147.2%	\$17.45	\$18.40
Sep-23	925	\$10,961	\$879	\$9,026	\$9,905	82.3%	\$9.76	\$10.71
Oct-23	929	\$11,009	\$883	\$9,368	\$10,251	85.1%	\$10.08	\$11.03
Nov-23	945	\$11,198	\$898	\$10,418	\$11,315	93.0%	\$11.02	\$11.97
Dec-23	945	\$11,198	\$898	\$6,222	\$7,120	55.6%	\$6.58	\$7.53
Jan-24	942	\$11,163	\$895	\$11,069	\$11,964	99.2%	\$11.75	\$12.70
Feb-24	952	\$11,281	\$904	\$7,552	\$8,456	66.9%	\$7.93	\$8.88
Mar-24	950	\$11,258	\$903	\$7,483	\$8,386	66.5%	\$7.88	\$8.83
Apr-24								
May-24								
Jun-24								
<b>Total</b>	<b>8,412</b>	<b>\$99,682</b>	<b>\$7,991</b>	<b>\$86,941</b>	<b>\$94,933</b>	<b>87.2%</b>	<b>\$10.34</b>	<b>\$11.29</b>
Avg Enrollment	935							

Admin Fees	Employee
Administration	\$0.95

Claim Expenses	
Estimated Claim Factor	\$11.85

Premium Equivalent Rates	
EE	Family
\$5.04	\$14.30



# City of Surprise

## Avesis Vision Self Funded Paid Claims

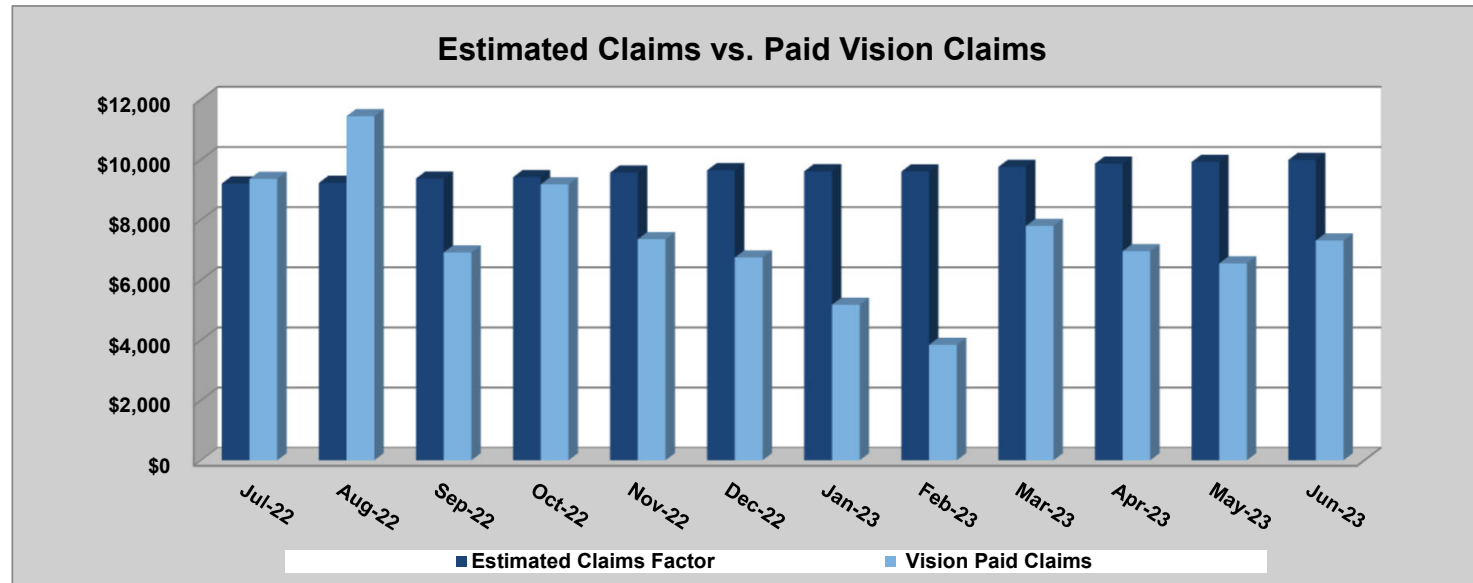
Plan Year: July 2022 to June 2023 (as of June 2023)

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 2023 to June 2024 (as of March 2024)

Annual Cost Comparison Analysis 2022/2023 vs. 2023/2024

Cost Categories	2022/2023 Costs	PEPM Costs	2023/2024 Estimated Annual Costs	PEPM Costs
Vision Claims	\$88,588	\$8.51	\$88,922	\$7.93
Admin Fees	\$9,891	\$0.95	\$10,655	\$0.95
<b>Total Costs</b>	<b>\$98,479</b>	<b>\$9.46</b>	<b>\$99,577</b>	<b>\$8.88</b>

% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change
0.4%	\$334	-6.8%	(\$0.58)
7.7%	\$764	0.0%	\$0.00
<b>1.1%</b>	<b>\$1,098</b>	<b>-6.1%</b>	<b>(\$0.58)</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%
2023/2024	\$8.88	-6.1%

	Annualized
Enrollment	10,412

	Annualized
Enrollment	11,216

% Enrollment Change	# Enrollment Change
7.7%	804

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

Cost Categories	2021/2022 Costs	PEPM Costs	2022/2023 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>

	Annual
Enrollment	9,745

	Annualized
Enrollment	10,412

% Enrollment Change	# Enrollment Change
6.8%	667



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

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Council Meeting Date: June 5, 2024

Contact Person: Andrea Davis, DIRECTOR -  
FINANCE

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 the City's unaudited Employees Healthcare and Workers' Compensation Self Insurance Funds Financial Report for FY2024 3rd Quarter.

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**Motion:**

None; Presentation and discussion only.

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**Background:**

Staff will be presenting the city's unaudited Employee Healthcare Self Insurance Fund and Workers' Compensation Fund financial report for FY2024 3rd Quarter. This report contains unaudited financial activity through March 31, 2024 for the Employee Healthcare Self Insurance Fund and the Workers' Compensation Fund.

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**Objective Analysis:**

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**Policy Compliant:**

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**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.

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**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.

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**FTE Impact:**

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**ATTACHMENTS:**

1. 3rd Quarter Self Insurance Fund (Updated on 6/4/24)
-

City of Surprise, Arizona  
Employee Healthcare Trust Fund and Workers' Compensation Fund  
March 31, 2024

	Employee Healthcare Trust Fund	Worker's Compensation Trust Fund
<b>ASSETS</b>		
Current assets:		
Cash and investments	\$ 8,396,056	\$ 4,365,921
Other Receivables	-	-
Prepaid services	420	-
Total current assets	8,396,476	4,365,921
Noncurrent assets:		
Net OPEB asset	3,853	3,356
Total noncurrent assets	3,853	3,356
Total assets	8,400,329	4,369,277
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources - pension related	20,557	17,904
Deferred outflows of resources - OPEB related	467	406
Total deferred outflows of resources:	21,024	18,310
Total assets and deferred outflows of resources:	8,421,353	4,387,587
 <b>LIABILITIES</b>		
Current liabilities:		
Accrued payroll and benefits	1,515	2,381
Compensated absences payable, due in less than one year	8,374	15,155
Claims - incurred but not reported (IBNR)	949,413	873,790
Total current liabilities	959,302	891,326
Noncurrent liabilities:		
Compensated absences payable, greater than one year	13,098	23,704
Net pension liability	110,316	96,079
Net OPEB liability	63	55
Total noncurrent liabilities	123,477	119,838
Total liabilities	1,082,779	1,011,164
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources - pension related	2,906	2,531
Deferred inflow of resources - OPEB related	2,466	2,148
Total deferred inflows of resources	5,372	4,679
Total liabilities and deferred inflows of resources	1,088,151	1,015,843
 <b>NET POSITION</b>		
Restricted for:		
Committed - Industrial Commission Reserve	-	1,500,000
Committed - Adverse Claims Contingency Reserve	3,703,608	-
Unrestricted	3,629,594	1,871,744
Total net position	\$ 7,333,202	\$ 3,371,744

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, 2024

	FY 2023 Third Quarter Budget	FY 2023 Actual	Variance favorable (unfavorable)	% Variance
<b>OPERATING REVENUES</b>				
Employee Contributions				
Medical	\$ 2,172,300	2,180,892	8,592	0.4%
Dental	235,050	235,480	430	0.2%
Vision	24,375	24,598	223	0.9%
City Contributions				
Medical	10,671,750	10,841,603	169,853	1.6%
Dental	554,250	560,665	6,415	1.2%
Vision	71,025	71,788	763	1.1%
Cobra contributions	182,550	242,736	60,186	33.0%
Subrogation recovery	30,000	2,998	(27,002)	(90.0%)
Wellness reimbursement	107,625	15,537	(92,088)	(85.6%)
Pharmacy rebate	742,425	454,710	(287,715)	(38.8%)
Miscellaneous Revenue	-	146	146	-
Prior Year Recovery	-	-	-	-
Interest revenue	18,750	125,599	106,849	569.9%
Total operating revenues	<u>14,810,100</u>	<u>14,756,752</u>	<u>(53,348)</u>	<u>(0.4%)</u>
<b>OPERATING EXPENSES</b>				
Personnel (Wages/Benefits)	96,100	117,722	(21,622)	(22.5%)
Wellness				
Work/life balance	97,222	18,467	78,755	81.0%
Books & subscriptions	203	203	203	100.0%
Special event hosting	407	407	407	100.0%
Administration				
Medical	285,229	584,623	(299,394)	(105.0%)
Medical stop loss	678,113	946,252	(268,139)	(39.5%)
Dental	134,823	31,066	103,757	77.0%
Vision	6,911	9,836	(2,925)	(42.3%)
Claims				
Medical	8,661,468	7,889,383	772,085	8.9%
Pharmacy	2,579,525	3,380,333	(800,808)	(31.0%)
Dental	671,880	750,913	(79,033)	(11.8%)
Vision	75,677	86,942	(11,265)	(14.9%)
Professional outside services	83,197	111,301	(28,104)	(33.8%)
Travel & training	2,710	460	2,250	83.0%
Dues & membership	271	-	271	100.0%
Limited purpose flex spending	8,198	13,221	(5,023)	(61.3%)
Federal medical insurance fees	4,946	250	4,696	94.9%
Total operating expenses	<u>13,386,878</u>	<u>13,940,769</u>	<u>(553,891)</u>	<u>(4.1%)</u>
Operating income (loss)	<u>1,423,222</u>	<u>815,983</u>	<u>(607,239)</u>	<u>(42.7%)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Total nonoperating revenues (expenses)	-	-	-	-
Income (loss) before contributions and transfers	1,423,222	815,983	(607,239)	(42.7%)
Change in net position	<u>\$ 1,423,222</u>	<u>\$ 815,983</u>	<u>\$ (607,239)</u>	<u>(42.7%)</u>

City of Surprise, Arizona - Workers' Compensation  
Schedule of Revenues, Expenditures, and Changes in Net Position -Budget and Actual  
For the quarter ended March 31, 2024

	FY 2024 Third Quarter Budget	FY 2024 Actual	Variance favorable (unfavorable)	% Variance
<b>OPERATING REVENUES</b>				
City Contributions				
Worker's comp	\$ 1,920,600	\$ 1,152,993	\$ (767,607)	-39.97%
Subrogation recovery	-		-	-
Claim Expense Reimbursement				
Recovery of PY	-	650	650	-
Interest revenue	-	131,941	131,941	-
Total operating revenues	<u>1,920,600</u>	<u>1,285,584</u>	<u>(635,016)</u>	<u>-33.06%</u>
<b>OPERATING EXPENSES</b>				
Personnel (Wages/Benefits)	254,900	238,589	16,311	6.40%
Administration	1,029,608	238,922	790,686	76.79%
Claims				
Claim Settlement	418,655	746,367	(327,713)	-78.28%
Municipal Firefighters Cancer	396,003	392,113	3,890	0.98%
Software license	35,640	42,979	(7,339)	-20.59%
Taxes, Charges, Service Fees	28,512	1,078	27,434	96.22%
Other professional services	67,321	21,725	45,596	67.73%
Total operating expenses	<u>2,230,639</u>	<u>1,681,773</u>	<u>548,866</u>	<u>24.61%</u>
Operating income (loss)	<u>(310,039)</u>	<u>(396,189)</u>	<u>(86,150)</u>	<u>27.79%</u>
Income (loss) before contributions and transfers	<u>(310,039)</u>	<u>(396,189)</u>	<u>(86,150)</u>	<u>27.79%</u>
Transfers in	-	-	-	
Change in net position	<u>\$ (310,039)</u>	<u>\$ (396,189)</u>	<u>\$ (86,150)</u>	<u>27.79%</u>

## Employee Health Care Activity

### Claims Medical History By Quarter

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Total</u>
2022	2,069,953	4,545,565	3,451,990	2,733,925	12,801,433
2023	4,156,131	3,117,159	3,650,996	3,848,228	14,772,514
2024	3,868,396	4,651,388	3,587,787		12,107,571

### Net Income (loss) By Quarter

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Total</u>
2022	1,088,596	(1,230,194)	140,154	(154)	(1,598)
2023	(892,576)	28,909	1,060,353	(587,412)	(390,726)
2024	107,832	(401,422)	1,109,574		815,983

### Stop Loss Credits

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Total</u>
2022	4,148	557	-	154,266	158,971
2023	127,225	14,271	57,429	455,120	654,046
2024	219,325	149,866	199,528		568,720

## Pharmacy Rebate by Fiscal Year

	HMO 90216211	PPO 90216214	EPO 90216215	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
2023	553,282	274,223	225,233	1,052,739
2024	218,982	130,838	104,891	454,710
Total By Plan	2,107,462	1,118,543	537,097	3,763,101

## FY2024 IBNR Medical, Dental and Vision Activity

	<b>Medical</b>	<b>Dental</b>	<b>Vision</b>	<b>Total</b>
July	251,665	23,066	2,610	277,341
August	162,336	6,631	301	169,268
September	110,211	1,915	-	112,126
October	77,400	-	-	77,400
November	159,782	585	-	160,367
December	6,043	181	-	6,224
January	5,040	121	-	5,161
February	11,164	26	-	11,190
March	5,487	-	-	5,487
April				-
May				-
June				-
<b>Total FY 2023 Claims Run out</b>	<b>789,127</b>	<b>32,524</b>	<b>2,911</b>	<b>824,563</b>
<b>IBNR Valuation as of June 30 2024</b>	<b>902,000</b>	<b>44,000</b>	<b>3,413</b>	
	(112,873)	(11,476)	(502)	
FY2023 IBNR		949,413		
Total Run Out Claims FY2024		<u>(824,563)</u>		
Medical Claim Adjustment - Revenue to Fund		<u>124,850</u>		