



# Stop Loss Insurance

---

Plan Year 2023

# Stop Loss Insurance - Defined

---

The City's medical plan is a partially self-funded plan, which means we pay our own claims, but have a stop loss insurance plan to mitigate financial risk to our health plan

## Stop Loss Insurance services provided:

- Insures the City (not the employee) from catastrophic claims to contain risk and maintain financial solvency (critical component to a self-funded plan)
- 2 premiums:
  - Aggregate stop loss = 120% of total expected medical and Rx claims
  - Individual stop loss = \$125K
- Managing general underwriter performs cost tracking and stop loss claims processing

# Stop Loss Insurance Quotes

## Managing General Underwriter / Stop Loss Insurance Provider

Provider	2023 Premiums (Aggregate + Individual)	2023 Premium Change	2023 Max Liability (Deductible + Fixed Costs)	2023 Max Liability Increase / Decrease
Stealth / Berkshire Hathaway (Renewal)	\$672,288	0%	\$4,131,614	0%

*\* No lasers*

**2022-2023 adopted budget planned for an increase in premiums for the fiscal year - \$690,000**

### Stealth / Berkshire Hathaway Fiscal Impact:

Fiscal Year Cost	Monthly Premium	Total
Estimated premiums Oct – Dec 2021	\$56,024	\$168,072
Estimated premiums Jan – Sept 2022	\$56,024	\$504,216
Total		\$672,288

# Council Action

---

## Options:

1. Approve the insurance application and policy with Stealth Partner Group, managing general underwriter, and Berkshire Hathaway Specialty Insurance as outlined.
2. Deny the insurance application and policy with Stealth Partner Group, managing general underwriter, and Berkshire Hathaway Specialty Insurance as outlined and seek additional quotes.

## Recommendation:

Approve the insurance application and policy with Stealth Partner Group, managing general underwriter, and Berkshire Hathaway Specialty Insurance as outlined.