

Staff Report

Subject: Ratification of Optum Stop/Loss Agreement

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Department: HR & Risk Management

Meeting Date: December 3, 2024

Item Description: Consideration to approve the ratification of the Optum Stop/Loss Agreement

Summary Recommendation: Staff recommends approval of the Optum Stop/Loss Agreement

Executive Summary/Background:

- Voya released their stop loss renewal with a 30.6%, \$2,180,747 increase over current stop loss premiums
- Optum Stoploss presented a firm stop loss quote of 18.2% over the current, a \$931,793 savings over the proposed Voya renewal.
- Effingham County was running at 95.5% net position to budget claims, projected to an estimated 15.6% overall increase.
- Based on the projection, the Voya renewal was extremely high, and USI recommended that Effingham accept the Optum proposal for 2025.

Alternatives for Commission to Consider

1. Ratify the Optum Stop/Loss Agreement
2. Take no action.

Recommended Alternative: 1

Other Alternatives: 2

Department Review: County Manager

Funding Source: FY 25 Budget

Attachments: Optum Stop/Loss Agreement