

RFP Cost Analysis - Life and LTD Finalists

	Hartford (RENEWAL QUOTE)	Securian/Ochs	Standard (RECOMMENDED)
Basic Life	City Paid 100%	City Paid 100%	City Paid 100%
Rate/\$1,000	\$0.050	\$0.045	\$0.035
Monthly Premiums	\$10,000	\$9,000	\$7,000
Current Volume	200,000,000	200,000,000	200,000,000
Implementation Credit	\$0	(\$9,450)	\$0
Annual Premiums	\$120,000	\$98,550	\$84,000
Current vs Proposed %		-21.6%	-42.9%
2023	\$120,000	\$98,550	\$84,000
2024	\$120,000	\$108,000	\$84,000
2025	\$120,000	\$108,000	\$84,000
2026	\$120,000	\$129,600	\$110,400
2027	\$132,000	\$155,520	\$144,000
Rate Guarantee		3 Yr Rate Guarantee; Rate Cap Year 4 and 5 of 20% ; Loss Ratio Target 85%	3 Yr Rate Guarantee; Rate Cap Year 4-\$0.046/1,000; Rate Cap Year 5- \$0.06/1,000; Loss Ratio Target 82%
Employee/Spouse Supp Life	EMPLOYEE PAID 100%	EMPLOYEE PAID 100%	EMPLOYEE PAID 100%
Volume	\$147,574,000	\$147,574,000	\$147,574,000
Rate/\$1,000	Age Rated (from .06 to 3.39/1,000)	Age Rated-matched current	Age Rated-matched current
Annual Cost	\$417,312	\$417,312	\$417,312
Rate Guarantee	5 Yrs	5 Yrs	5 Yrs
Employee AD&D	EMPLOYEE PAID 100%	EMPLOYEE PAID 100%	EMPLOYEE PAID 100%
Volume	\$205,149,000	\$205,149,000	\$205,149,000
Rate/\$1,000	\$0.02	\$0.02	\$0.02
Annual Cost	\$49,236	\$49,236	\$49,236
Rate Guarantee	5 Yrs	5 Yrs	5 Yrs
Spouse AD&D	EMPLOYEE PAID 100%	EMPLOYEE PAID 100%	EMPLOYEE PAID 100%
Volume	\$6,169,000	\$6,169,000	\$6,169,000
Rate/\$1,000	\$0.02	\$0.02	\$0.02
Annual Cost	\$1,481	\$1,481	\$1,481
Rate Guarantee	5 yrs	5 yrs	5 yrs
Child Life	EMPLOYEE PAID 100%	EMPLOYEE PAID 100%	EMPLOYEE PAID 100%
Volume	\$8,251,000	\$8,251,000	\$8,251,000
Rate/\$1,000	\$0.08	\$0.08	\$0.08
Annual Cost	\$7,921	\$7,921	\$7,921
Rate Guarantee	5 yrs	5 yrs	5 yrs
2023 Subtotal - Life	\$595,949	\$574,499	\$559,949
2024 Subtotal - Life	\$595,949	\$583,949	\$559,949
2025 Subtotal - Life	\$595,949	\$583,949	\$559,949
2026 Subtotal - Life	\$595,949	\$605,549	\$586,349
2027 Subtotal - Life	\$607,949	\$631,469	\$619,949
5-Yr Value Subtotal - LIFE	\$2,991,746	\$2,979,416	\$2,886,146
LTD	City Paid 100%	City Paid 100%	City Paid 100%
Volume	\$8,076,350	\$8,076,350	\$8,076,350
Rate/\$100	\$0.133	\$0.119	\$0.109
Rate Guarantee	3 yrs; did not quote Years 4 and 5	3 yr Rate Guarantee; Year 4 and 5 < 75% loss ratio, then \$.119 holds; if over 75%, then will assess renewal against loss ratio (assumed 20% increase)	3 Yr Rate Guarantee; Rate Cap Year 4-\$0.12/100; Rate Cap Year 5- \$.132/100; Loss Ratio Target 70%
Implementation Credit	\$0	(\$1,700)	\$0
2023 Subtotal - LTD	\$128,899	\$113,630	\$105,639
2024 Subtotal - LTD	\$128,899	\$115,330	\$105,639
2025 Subtotal - LTD	\$128,899	\$115,330	\$105,639
2026 Subtotal - LTD	No Quote	\$138,590	\$116,299
2027 Subtotal - LTD	No Quote	\$165,727	\$127,929
5-Yr Value Subtotal - LTD	No Quote	\$648,608	\$561,145
2023 - Grand Total Life + LTD	\$724,848	\$688,130	\$665,588
2024 - Grand Total Life + LTD	\$724,848	\$699,280	\$665,588
2025 - Grand Total Life + LTD	\$724,848	\$699,280	\$665,588
2026 - Grand Total Life + LTD	No Quote	\$744,139	\$702,649
2027 - Grand Total Life + LTD	No Quote	\$797,196	\$747,879
5 Yr Value Grand Total - LIFE + LTD	No Quote	\$3,628,024	\$3,447,291