



AGENDA ACTION FORM

Consideration of a Resolution to Renew Stop Loss Contract

To: Board of Mayor and Aldermen
From: Chris McCartt, City Manager *CM*

Action Form No.: AF-292-2024
Work Session: December 16, 2024
First Reading: N/A
Final Adoption: December 17, 2024
Staff Work By: Michael Wessely
Presentation By: Tyra Copas

Recommendation:

Approve the Resolution to remain with current Stop Loss Carrier (VOYA).

Executive Summary:

Mark III, our benefits broker, presented six Stop Loss proposals for consideration for the 2025 calendar year: three from VOYA and three from Sun Life. These proposals offered various deductible options, each with associated cost increases to the city. The proposed premium increases range from 26.86% to 53.34%, with some excluding high-dollar claims (lasers). The primary difference among the proposals is the specific deductible amount, with one maintaining the current deductible of \$175K and the others ranging from \$185K - \$200K.

The deductible is the amount the city must cover on a claim before Stop Loss coverage begins. After carefully evaluating all options, the Benefits Administration recommends renewing with VOYA and increasing the aggregate deductible from \$175K to \$200K. This option reflects a 29.54% premium increase but represents the lowest cost increase among the proposals without lasers, while still providing strong protection for the city against catastrophic health claims.

Attachments:

1. Resolution
2. Stop Loss Proposals Comparison

	<u>Y</u>	<u>N</u>	<u>O</u>
Baker	—	—	—
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Mayes	—	—	—
Phillips	—	—	—
Montgomery	—	—	—