



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Consent

F.13.

12/7/2021

Subject:

Group Health Insurance Stop Loss (Excess Insurance) placement

Fiscal Impact:

FY 21-22 Fiscal Impact: Selection of the recommended carrier option will result in a premium rate of \$5.68 a flat renewal in the premium rates (projected 2022 cost of \$248,375). The specific deductible will remain \$1,000,000 with potential for additional claims cost towards the aggregating deductible of \$155,900 (increase from \$125,800) if claims exceed the \$1,000,000 specific deductible. The Plan's fixed costs are comprised of premium + aggregating deductible. For this renewal those costs are projected at \$404,275 for 2022. This is an 8% increase in costs from \$374,175 for premium + aggregating deductible in 2021. Actual claims experience will determine the ultimate costs to the group health plan. Adequate funds have been budgeted in Fund 5051/Cost Ctr 389420/Acct#5450002 to cover this expense.

Dept/Office:

Human Resources

Requested Action:

That the Board of County Commissioners approve the renewal of Stop Loss Insurance with Symetra Financial for the self-insured group health insurance program and authorize the Human Resources Director to execute all documents necessary to bind this coverage effective 1/1/2022.

Summary Explanation and Background:

Stop Loss coverage for a self-funded health plan provides a limit of financial exposure for the benefit plan when any individual member incurs a catastrophic claim. After successfully self-funding this exposure for several years, change in federal law through the Affordable Care Act (ACA) changed the financial landscape for employer's coverage on catastrophic claims effective January 1, 2014 the County began purchasing Stop Loss coverage with a high deductible through Symetra Financial. Stop Loss contracts are renewed each year.

The Office of Human Resources, along with the County's Benefits Consultants Robinson Bush, have reviewed the 2021 renewal options provided by Symetra Financial, all involving various combination of deductibles and premiums. The proposed renewal contract is based on claims incurred any time prior to December 31, 2022 and paid January 1, 2022 through December 31, 2022 (Paid basis). This is advantageous to the county in that

the contract basis allows eligible claims incurred at any time prior to December 31, 2022 to be counted toward the Stop Loss deductible for claims paid in 2021 for any individual member ("run-in" claims). RobinsonBush, Inc., the County's Benefit Consultant, and the office of Human Resources/Employee Benefits recommend the following 2022 renewal proposal:

Symetra		
Medical Only	Current	Proposed Renewal
Annual Max	Unlimited	Unlimited
Lifetime Max	Unlimited	Unlimited
Claims Basis	Paid	Paid
Specific Deductible	\$1,000,000	\$1,000,000
Aggregate Deductible	\$125,800	\$155,900
Composite Rate	\$5.68	\$5.68
Monthly Premium	\$20,697	\$20,697
Total Annual Premium	\$248,375	\$248,375
% Increase		0%
Total Premium + Agg	\$374,175	\$404,275
% Increase		8%

Clerk to the Board Instructions:



Kimberly Powell, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

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Kimberly.Powell@brevardclerk.us

December 8, 2021

M E M O R A N D U M

TO: Jerry Visco, Human Resources Director

RE: Item F.13., Group Health Insurance Stop Loss (Excess Insurance) Placement

The Board of County Commissioners, in regular session on December 7, 2021, approved the renewal of Stop Loss Insurance with Symetra Financial for the self-insured group health insurance program; and authorized you to execute all documents necessary to bind this coverage effective January 1, 2022.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK

A handwritten signature in cursive script that reads "Kimberly Powell".

Kimberly Powell, Clerk to the Board

/sm

cc: County Manager
Finance
Budget

**Brevard County Government
2022 Stop Loss Renewal**

Subscriber Count: 3,644

	Current	Option 1	Option 2	Option 3
Specific Deductible	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Coverages	Medical Only	Medical Only	Medical Only	Medical Only
Contract Basis	PAID	PAID	PAID	PAID
Reimbursement	100%	100%	100%	100%
Maximum Reimb	Unlimited	Unlimited	Unlimited	Unlimited
Premium PEPM	\$5.68	\$6.37	\$6.03	\$5.68
Annual Premium	\$248,375	\$278,547	\$263,680	\$248,375
\$ Premium Increase		\$30,172	\$15,305	\$0
% Premium Increase		12%	6%	0%
Aggregating Ded	\$125,800	\$125,800	\$140,800	\$155,900
Total with Agg Ded	\$374,175	\$404,347	\$404,480	\$404,275
		8%	8%	8%

	Large Claimant History			
	2021 (Sep)	2020	2019	2018
#1	\$832,152	\$512,848	\$867,812	\$431,198
#2	\$710,289	\$468,273	\$577,649	\$414,417
#3	\$445,267	\$435,071	\$489,583	\$414,237
#4	\$416,625	\$391,123	\$429,033	\$399,185
#5	\$367,589	\$383,486	\$413,406	\$354,400