



Open Session Item

SUBJECT: Contract Award (PUR-1316) – Stop Loss Insurance Coverage

PRESENTATION DATE: May 24, 2016

PRESENTATION BY: Karen Luther – Director of Purchasing and Steve Dillman, Account Executive with the County’s consultant, CBIZ Benefits & Insurance Services, Inc.

RECOMMENDED MOTION: Move to award a contract for Stop Loss Insurance to **Reliastar Life Insurance Company** (a member of the Voya family of companies) of Minneapolis, MN who submitted a proposal with no special terms for high claimants for a total annual premium of **\$693,761** with specific stop loss @ \$175,000 per claimant.

REPORT-IN-BRIEF: The Request for Quote (RFQ) was advertised on the State’s “eMaryland Marketplace” web site, on the County’s web site, and in the local newspaper. Nine (9) firms requested the RFQ.

Quotations were received on May 4, 2016 from five (5) companies to provide Stop Loss Insurance. The firms were provided with additional information regarding a claimant with extensive medical expenses that was a concern to many of the stop loss carriers and the pricing was refreshed on May 13, 2016 and is indicated on the attached sheets.

The revised pricings and Special Terms for the High Claimant were reviewed by the necessary County employees and the above recommendation was unanimous. Consultants for the procurement are Steve Dillman, Becky Royal, and Liz Logsdon, from CBIZ Benefits & Insurance Services, Inc.

DISCUSSION: N/A

FISCAL IMPACT: The amount budgeted in FY 2017 is \$15,151,081 based on an 8.91% increase to the FY 2016 Approved Budget amount of \$13,911,308.

CONCURRENCES: As recommended with the concurrence of the Director of Health and Human Services, County Benefits Coordinator, Director of Budget & Finance and County Administrator

ALTERNATIVES: N/A

ATTACHMENTS: The attached Summary will be reviewed and discussed by the County’s consultant at the meeting.

AUDIO/VISUAL NEEDS: N/A

Washington County Commissioners
Stop Loss Pricing Summary
Revised Due to New High Ongoing High Claimant Situation

	Annual Premium					
	Current Current SunLife	Aetna	SunLife	Proposed July 1, 2016 Symetra Voya HCC		
Specific Stop Loss @ \$175,000	\$572,711	\$759,408	\$526,906	\$595,685	\$689,161	\$528,362
Aetna Reporting Fee	\$0	0	\$4,600	\$4,600	\$4,600	\$4,600
Total Cost	\$572,711	\$759,408	\$531,506	\$600,286	\$693,761	\$532,963
Premium @ \$200,000		\$665,712	\$492,229	\$527,753	\$593,179	\$464,520
Premium Savings		\$93,696	\$34,677	\$67,932	\$95,982	\$63,843
Premium @ \$225,000		\$589,503	\$441,158	\$464,023	\$513,592	\$419,503
Premium Savings		\$169,906	\$85,748	\$131,662	\$175,569	\$108,859

	Annual Premium					
	Current Current SunLife	Aetna	SunLife	Proposed July 1, 2016 Symetra Voya HCC		
Aggregate Stop Loss	\$27,622	\$43,619	\$27,622	\$30,702	\$39,744	\$30,702
Aggregate Liability	\$15,794,464	\$15,816,025	\$15,794,464	\$16,357,736	\$16,169,250	\$16,746,532
CBIZ Projected Liability		\$12,732,152	\$12,732,152	\$12,732,152	\$12,732,152	\$12,732,152
Max Liability Based on CBIZ Projection		\$15,915,189	\$15,915,189	\$15,915,189	\$15,915,189	\$15,915,189

Special Terms for High Claimant	Lasered at \$1,000,000	Claimant excluded from stop loss	Will either laser or exclude services incurred prior to 7/1/2016	None	Will exclude this individual until more info becomes available
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