



Legislation Details (With Text)

**File #:** 23-0403      **Version:** 1      **Name:** Employee Stop-Loss Insurance 23-24  
**Type:** Agenda Item      **Status:** Approved  
**File created:** 8/23/2023      **In control:** Human Resources  
**On agenda:** 9/12/2023      **Final action:** 9/12/2023  
**Title:** Consider and take action on a resolution renewing the employee stop-loss insurance with Blue Cross Blue Shield for the period October 1, 2023 to September 30, 2024 for the amount of \$1,548,601. (Director of Human Resources and Civil Service)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Data Sheet, 2. Proposed Resolution, 3. 2023-2024 Medical Plan Stop Loss RFP Summary

Date	Ver.	Action By	Action	Result
9/12/2023	1	City Council	Approved	Pass

Consider and take action on a resolution renewing the employee stop-loss insurance with Blue Cross Blue Shield for the period October 1, 2023 to September 30, 2024 for the amount of \$1,548,601. (Director of Human Resources and Civil Service)

League City has retained HUB International to provide consulting for its health and welfare benefits plans. The results of the Stop Loss Reinsurance RFP for 10/1/2023 are provided below and within the attached documents.

**Medical Plan Stop Loss Reinsurance RFP**

In conjunction with Purchasing and Human Resources, HUB conducted an RFP for Stop Loss Reinsurance for the City’s medical and pharmacy plan. The RFP was publicly advertised and distributed to all available markets.

The current Stop Loss Reinsurance policy is with Blue Cross Blue Shield of Texas (BCBS). BCBS initial proposal was a +12.15% premium increase and 0.89% aggregate attachment factor increase for the current \$125,000 specific stop loss deductible. HUB negotiated a final renewal offer of +6.80% increase. The total stop loss premium would be \$1,548,601, which is an increase of \$98,630 from last year. Alternative proposals were received from Stealth Partners Group (Berkshire Hathaway, Sun Life, Symetra and Voya).

Proposals were also requested for higher specific deductible amounts of \$150,000 and \$175,000 for consideration of potential premium savings. The premium savings proposed versus the additional risk assumed by the City do not warrant a change at this time based on the City’s prior large claim history.

CONTRACT ORIGINATION: Agreement has been reviewed by the City Attorney’s Office.

**Attachments:**

1. Data Sheet
2. Proposed Resolution
3. 2023-2024 Medical Plan Stop Loss RFP Summary

**FUNDING**

{x} Funding in the amount of \$1,548,601 is available in Employee Benefit Fund Health Insurance account #40301650-

54650, upon Council's approval of the FY2024 budget.

STRATEGIC PLANNING  
{x} NOT APPLICABLE