

CITY OF

POCATELLO



2026 Renewal Presentation



A Leavitt Group Company

2026-2027 Insurance Renewal Discussion

- **How is the City of Pocatello Insured?**
 - The City of Pocatello is Fully Insured through Pacific Source
- **Very proactive approach to managing the plan for the City of Pocatello**
 - Data Analytics system in place
 - Aggressive plan design
 - Case/Care Management Mandatory



Reporting/Experience Background

What does experience mean?



Reporting or claims data that applies to your group.

What is a loss ratio?



Premium paid in vs. claims paid out
Pacific Source can take 15% of the total premium paid and apply it to administration based on PPACA (The loss ratios shown do include administration).

What is a large claimant?



Any claimant (Employee, Spouse, or Dependent) that has incurred over \$25,000 in expenses.

What is Trend?



Trend is essentially medical inflation taking into account the average claims experience. In Idaho depending on the carrier; 7%-10%. Nationally right now they are saying about 10%



Overview

Renewal

- The initial renewal came in at **17.9%**
- Revised Renewal came is at **16.5%**
- Revised Revised Renewal came in at **12.5%**
- Pacific Source has asked for another chance to lower the rate one more time. We are waiting for that number.

Experience is running better than it has in years.

- Our Medical Claims are down 56% (\$2.7 Million) through the second quarter in comparison to last year at this time.
- Our Fiscal Year Loss Ratio is 82%
- Our Trailing 12 Loss Ratio is 105%
- Last month (April) we ran a 77.5% loss ratio

Formal RFP

We had 2 solid options

Discuss and Evaluate those options



Request For Proposal

Sent the RFP out to local and national carriers.

CIGNA, United Health Care, and Aetna all declined to quote

- CIGNA and UHC were very engaged at the beginning but ultimately chose not to bid.

Regence Blue Shield failed to meet the deadline.

Blue Cross of Idaho did submit a bid that was in line with our initial renewal. Unfortunately, they didn't match the benefits which was a requirement of the RFP, so they were disqualified.



City of Pocatello

2026 Medical Options

CARRIER	OPTION	FUNDING TYPE	MONTHLY PREMIUM	ANNUAL PREMIUM	ANNUAL INCREASE	PERCENT INCREASE
PacificSource	CURRENT	Fully Insured	\$735,121	\$8,821,450	--	--
	RENEWAL	Fully Insured	\$866,881	\$10,402,567	\$1,581,118	17.92%
	REVISED RENEWAL	Fully Insured	\$856,149	\$10,273,790	\$1,452,340	16.46%
	REVISED RENEWAL-2	Fully Insured	\$827,011	\$9,924,137	\$1,102,687	12.50%
SelectHealth	QUOTE-1	Fully Insured	\$799,942	\$9,599,298	\$777,848	8.82%
	QUOTE-2	Fully Insured	\$787,485	\$9,449,818	\$628,368	7.12%
	QUOTE-3	Fully Insured	\$779,610	\$9,355,324	\$533,874	6.05%
	QUOTE-4	Fully Insured	\$794,329	\$9,531,948	\$710,498	8.05%



Benefits illustrated are for comparison purposes only. Please refer to carrier plan documents for further details. In case of discrepancy, carrier plan documents and rates will prevail.

Pacific Source

Does not have a rate guarantee on the second year.

They plan to come back with one final offer, with the goal of matching or improving upon Select Health's competitiveness.

Currently their best option is roughly \$325k more than Select Health's least competitive option and \$570k more than Select Health's most competitive.

Overall employees and HR are pleased with the service they have received from Pacific Source.



		PacificSource		PacificSource		PacificSource		PacificSource	
		Navigator 80% \$2,500 Trad		Navigator 80% \$2,500 Trad		Navigator 80% \$2,500 Trad		Navigator 80% \$2,500 Trad	
Medical Benefits		In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Deductible		\$2,500/\$5,000	\$2,500/\$5,000	\$2,500/\$5,000	\$2,500/\$5,000	\$2,500/\$5,000	\$2,500/\$5,000	\$2,500/\$5,000	\$2,500/\$5,000
Out of Pocket Maximum		\$4,500/\$9,000	\$4,500/\$9,000	\$4,500/\$9,000	\$4,500/\$9,000	\$4,500/\$9,000	\$4,500/\$9,000	\$4,500/\$9,000	\$4,500/\$9,000
Deductible Embedded		Yes		Yes		Yes		Yes	
OOP Max Embedded		Yes		Yes		Yes		Yes	
Professional Services									
Office Visits	Primary Care Physicians	\$25	40% AD	\$25	40% AD	\$25	40% AD	\$25	40% AD
	Specialists	\$50	40% AD	\$50	40% AD	\$50	40% AD	\$50	40% AD
	Mental Health & Chemical Dependency	\$25	40% AD	\$25	40% AD	\$25	40% AD	\$25	40% AD
	Urgent Care	\$25	40% AD	\$25	40% AD	\$25	40% AD	\$25	40% AD
Emergency Room		\$250 then 20% AD		\$250 then 20% AD		\$250 then 20% AD		\$250 then 20% AD	
Prescription Drugs (In-Network)									
Retail	Rx Deductible	None		None		None		None	
	Tier 1	\$10		\$10		\$10		\$10	
	Tier 2	\$30		\$30		\$30		\$30	
	Tier 3	\$50		\$50		\$50		\$50	
	Tier 4	\$150		\$150		\$150		\$150	
	Mail Order	3X Retail		3X Retail		3X Retail		3X Retail	
Employee Navigator Compatibility		--		--		--		--	
		CURRENT		RENEWAL		REVISED RENEWAL		REVISED RENEWAL-2	
Monthly Rates		Fully Insured		Fully Insured		Fully Insured		Fully Insured	
Plan Type									
Subs	Enrollment Tier	Subscribers	Premium Rate	Subscribers	Premium Rate	Subscribers	Premium Rate	Subscribers	Premium Rate
0	Employee	186	\$920.46	186	\$1,085.44	186	\$1,072.00	186	\$1,035.52
0	Employee + Spouse	71	\$1,904.35	71	\$2,245.68	71	\$2,217.88	71	\$2,142.39
0	Employee + Child	35	\$1,597.44	35	\$1,883.76	35	\$1,860.44	35	\$1,797.12
0	Employee + Children	22	\$2,274.40	22	\$2,682.05	22	\$2,648.85	22	\$2,558.70
0	Family	120	\$2,689.66	120	\$3,171.74	120	\$3,132.48	120	\$3,025.87
0	TOTAL BY PLAN	434	\$735,121	434	\$866,881	434	\$856,149	434	\$827,011
Percent of Increase					17.92%		16.46%		12.50%
Annual Increase					\$1,581,118		\$1,452,340		\$1,102,687

Select Health

6-8.82% increase depending on the network.

Rate cap of 12.9% on the second year.

Increase of \$533k-\$778k the first year.

Max increase of roughly \$1.2 million the second year.

Total 2-year increase in cost of \$1.7-\$2 million.

Going to do a claims repricing to verify network discounts and additional discounts proposed.



		SelectHealth		SelectHealth			SelectHealth			SelectHealth		
		Med 80% \$2,500 Trad		Preference 80% \$2,500			Preference 80% \$500/\$2,500			Preference 80% \$500/\$2,500 Combined OOP		
Medical Benefits		In-Network	Out-of-Network	Value	Med	Out-of-Network	Value	Med	Out-of-Network	Value	Med	Out-of-Network
Deductible		\$2,500/\$5,000	\$3,000/\$6,000	\$2,500/\$5,000	\$3,000/\$6,000	\$500/\$1,000	\$2,500/\$5,000	\$3,000/\$6,000	\$500/\$1,000	\$2,500/\$5,000	\$3,000/\$6,000	
Out of Pocket Maximum		\$4,500/\$9,000	\$5,000/\$10,000	\$4,500/\$9,000	\$5,000/\$10,000	\$1,500/\$3,000	\$4,500/\$9,000	\$5,000/\$10,000	\$4,500/\$9,000	\$5,000/\$10,000		
Deductible Embedded		Yes		Yes			Yes			Yes		
OOP Max Embedded		Yes		Yes			Yes			Yes		
Professional Services												
Office Visits	Primary Care Physicians	\$25	40% AD	\$25	\$25	40% AD	\$15	\$25	40% AD	\$15	\$25	40% AD
	Specialists	\$50	40% AD	\$50	\$50	40% AD	\$40	\$50	40% AD	\$40	\$50	40% AD
	Mental Health & Chemical Dependency	\$25	40% AD	\$25	\$25	40% AD	\$15	\$25	40% AD	\$15	\$25	40% AD
	Urgent Care	\$25	40% AD	\$25	\$25	40% AD	\$25	\$25	40% AD	\$25	\$25	40% AD
Emergency Room		\$250 then 20% AD		\$250 then 20% AD			\$250 then 20% AD			\$250 then 20% AD		
Prescription Drugs (In-Network)												
Retail	Rx Deductible	None		None			None			None		
	Tier 1	\$10		\$10			\$10			\$10		
	Tier 2	\$30		\$30			\$30			\$30		
	Tier 3	\$50		\$50			\$50			\$50		
	Tier 4	\$100		\$100			\$100			\$100		
Monthly Rates		QUOTE-1		QUOTE-2			QUOTE-3			QUOTE-4		
Plan Type		Fully Insured		Fully Insured			Fully Insured			Fully Insured		
Subs	Enrollment Tier	Subscribers	Premium Rate	Subscribers	Premium Rate	Subscribers	Premium Rate	Subscribers	Premium Rate	Subscribers	Premium Rate	
186	Employee	186	\$1,001.00	186	\$986.00	186	\$976.20	186	\$994.60			
71	Employee + Spouse	71	\$2,071.00	71	\$2,040.00	71	\$2,019.60	71	\$2,057.70			
35	Employee + Child	35	\$1,737.30	35	\$1,711.20	35	\$1,694.10	35	\$1,726.10			
22	Employee + Children	22	\$2,473.50	22	\$2,436.40	22	\$2,412.00	22	\$2,457.60			
120	Family	120	\$2,929.10	120	\$2,881.30	120	\$2,852.40	120	\$2,906.30			
434	TOTAL BY PLAN	434	\$799,942	434	\$787,485	434	\$779,610	434	\$794,329			
Percent of Increase			8.82%		7.12%		6.05%		8.05%			
Annual Increase			\$777,848		\$628,368		\$533,874		\$710,498			

Conclusion

We are in much better shape than we anticipated.



Before we make a decision:

We need to wait and see what Pacific Source comes back with.

We need to see what the claims repricing looks like from Select Health.



Other benefits (Vison, Dental, Life)

- Dental is an 8% (Roughly \$40k) increase and Vision is a rate pass with a 2-year rate guarantee from MetLife
 - We are exploring reductions by allowing them to bid the Life
 - Symetra is a rate pass with a 2 year guarantee
 - HealthJoy is in process.
 - EAP is a rate pass.
 - The voluntary benefits with Assurity are a rate pass.
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THANK YOU!

Questions?



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