



Cigna HealthCare

Individual Stop Loss Renewal

Client	City of Sugar Land
Effective Date	01/01/2021
Account Number	3332131
Opportunity Number	OP-3091925
Sales Representative	Ada Rose
Quote Date	09/16/2020
Quote Expiration Date	10/15/2020

Individual Coverage Options

Proposal ID			
Contingent or Firm			
Individual Pooling Point	\$175,000	\$175,000	\$200,000
Annual ISL Maximum	Unlimited	Unlimited	Unlimited
Renewal Predictability Option		Renewal Advantage	Renewal Advantage
Covered Benefits		Medical/Rx	Medical/Rx
Contract Basis	Paid	Paid in 12	Paid in 12
Policy Period Months		12	12
Terminal Liability Months		-	-
Covered Employees		731	731
Individual Premium (PEPM)	\$123.06	\$138.16	\$120.13
ISL Policy Year Premium		\$1,211,937.58	\$1,053,763.25
Renewal Increase		12.27%	-2.38%
Commission (% or \$ PEPM)		-	-
Interface Fee, if applicable		\$3.00	\$3.00
Laser Applies?		Yes	Yes

Lasered Detail, if applicable			
Lasered Individuals	Claimant Number	Diagnosis	Laser Pooling Level
1			\$500,000

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Cigna HealthCare

Aggregate Stop Loss Proposal

Client **City of Sugar Land**

Effective Date **1/1/2021**

Account Number N/A
 Opportunity Number OP-3091925
 Sales Representative Ada Rose
 Quote Date 3/9/2020
 Quote Expiration Date 10/15/2020

Aggregate Coverage

	<u>ASL Option 1</u>	<u>ASL Option 2</u>
Proposal ID	57120	57160
Individual Pooling Point	\$175,000	\$200,000
Contract Basis	12/12	12/12
Run-in Months	-	-
Policy Period Months	12	12
Terminal Liability Months	-	-
Corridor	120%	120%
Annual Maximum	Unlimited	Unlimited
Covered Benefits	Medical/Rx	Medical/Rx
Includes Fixed Charges	Yes	Yes
Aggregate Premium (PEPM)	\$9.83	\$10.01
ASL Policy Year Premium	\$86,270.49	\$87,847.03
Commission %	0.00%	0.00%

Monthly Deductible Factors (per EE):

	Rating Plan	Lives		
	Choice Fund HSA - OAP-In	71	\$1,146.91	\$1,163.13
	Kelsey	660	\$1,453.17	\$1,468.23
Minimum Attachment Percentage			100%	100%
Illustrative Minimum Attachment Point			\$12,486,258	\$12,619,394

Terminal Attachment Factors:

	Rating Plan	Lives		
	Choice Fund HSA - OAP-In	71	\$0.00	\$0.00
	Kelsey	660	\$0.00	\$0.00
Minimum Run-Out Period Attachment Point			\$0	\$0
Terminal Attachment Factor			\$0.00	\$0.00

* Terminal Liability applies in the year of termination only. In the year of termination the Run-Out Period Attachment Point will be added to the Actual Attachment Point

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Aggregate Stop Loss Proposal



Aggregate Coverage

Proposal ID
Individual Pooling Point

Contract Basis
Run-in Months
Policy Period Months
Terminal Liability Months
Corridor
Annual Maximum

Covered Benefits
Includes Fixed Charges

Aggregate Premium (PEPM)

ASL Policy Year Premium
Commission %

Monthly Deductible Factors (per EE):

	Rating Plan	Lives
Choice Fund HSA - OAP-In		71
Kelsey		660

Minimum Attachment Percentage
Illustrative Minimum Attachment Point

Terminal Attachment Factors:

	Rating Plan	Lives
Choice Fund HSA - OAP-In		71
Kelsey		660

Minimum Run-Out Period Attachment Point
Terminal Attachment Factor
* Terminal Liability applies in the year of termination only. In the year of termination the Run-Out Period Attachment Point will be added to the Actual Attachment Point

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Cigna Healthcare

Terms and Conditions	Client	City of Sugar Land
	Effective Date	1/1/2021
	Account Number	3332131
	Opportunity Number	OP-3091925
	Sales Representative	Ada Rose
	Quote Expiration Date	10/15/2020

- Contains a firm Stop Loss quote with an expiration date of 10/15/2020. Coverage elected prior to the expiration date requires no additional large claim reporting.
- Cigna may revise or withdraw the ISL and/or ASL proposal(s) if there are changes in the benefit plan, or the addition or termination of a subsidiary, operation or class of employees, not otherwise accounted for during the Stop Loss underwriting process.
- The stop loss quote assumes proposed plan of benefits and networks and is based on Cigna providing the administration of those underlying benefits.
- The stop loss quote excludes all fund amounts for Cigna Choice Fund products (HRA/HSA) from projected claims and premium, as those amounts are strictly the liability of City of Sugar Land.
- In the event of material changes in the benefit plan or changes in legislation or regulation, Cigna may withdraw this proposal or revise the premium rates and/or coverage provisions with the revision(s) to become effective on the date such changes are effective.
- The ISL Maximum represents the maximum payable under the stop loss policy.
- Cigna may revise or withdraw this ISL proposal if the estimated number of Covered Persons for Stop Loss coverage, in total or in any covered plan differs more than 10% from the original estimated enrollment.
- The covered employees, shown on the financial page, are based on the following distribution of employees in each plan:
Kelsey = 654 Emps;
OAP = 70 Emps;
- Rates assume the Policy Period Months identified on the ISL proposal page.
- Scenarios that do not include run in coverage reflect a discount assuming an immature contract and will have this discount fully removed from the rates in the subsequent year when the case is renewed on a paid (mature) basis. Renewal rates can also be expected to increase for stop loss leveraged trend each year.
- If an employer carves out stop loss coverage, an additional data reporting interface fee will be charged to the employer and may vary depending on the frequency of reporting requested. Reporting information and support services are provided only after confidentiality agreements have been executed by the employer and stop loss insurer. The information provided by Cigna is based on paid-claim data only. Information is not provided for any incurred-but-not-paid claims or projected claims. In addition, information related to precertification, case management, course of treatment or prognosis will not be provided. Carving stop loss coverage out to a third party insurer is only available in our Over 500 business segment.
- Retirees over age 65 are not included in the Individual Stop Loss coverage.
- If the lasered individuals are accepted, we will need the name of each individual, social security # and relationship to the employee for identification in the Stop Loss policy.
- The renewal rate for the current stop loss pooling point, as identified on the ISL proposal page, is included. Medical trend is highly leveraged on stop loss and as such it is recommended that the pooling point is increased each year to keep the same proportional relationship between the underlying medical claims and the stop loss pooling point. Alternative pooling points and rates have been provided in this quote, other levels are available upon request.
- Unless otherwise indicated, this proposal contains a stop loss rate that will be adjusted by a savings amount of \$0.75 PEPM if both the incentive-based Cigna Healthy Pregnancy, Healthy Babies program and Cigna Comprehensive Oncology program are elected in conjunction with Cigna Stop Loss.
- This quote includes pricing for the Renewal Advantage feature, guaranteeing no new lasers upon renewal and an Individual Stop Loss renew rate increase not to exceed 45% (plus maturation, if applicable).
- The quote assumes inclusion of Embarc Benefit ProtectionSM as a feature of the underlying medical plan. If this program is not adopted, Cigna reserves the right to revise or withdraw this stop loss proposal(s).
- The Aggregate Stop Loss quote assumes that Cigna is selected as the carrier for both Aggregate and Individual Stop Loss. If an alternate carrier is selected as the Individual Stop Loss carrier, the Aggregate Stop Loss quote will be withdrawn.
- Any amounts in excess of the Aggregate Individual Deductible Limit will be excluded for Aggregate Stop Loss settlement purposes.
- Unless otherwise indicated, the enrollment utilized in the calculation of the Minimum Attachment Point and Actual Attachment Point is based on a two month lag prior to the paid claim month. In the event this refers to a month prior to the Effective Date of the policy, the first policy month enrollment will be used.
- This assumed maximum liability for the Aggregate Stop Loss under this contract is listed on the ASL proposal page(s).
- The Minimum Run-Out Period Attachment Point is included in the quote and will be updated each year at renewal.



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- The Aggregate Run-Out Period Attachment Point is determined in the year of termination and is the greater of; (1) the number of Covered Persons enrolled during the Lagged Month, 2 months prior to termination, in each product and plan design in the Benefit Plan multiplied by the Terminal Attachment Factor; or (2) the Minimum Run-Out Period Attachment Point. In the year of termination the Run-out Period Attachment Point will be added to the Actual Attachment.
- Any amounts between the Adjusted Individual pooling point chosen for the whole group and the Lasered pooling point will not accumulate towards the Aggregate Stop Loss Limit.

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