

**CITY OF RAPID CITY
HEALTHCARE PLAN
Renewal July 1, 2006
(Medical Plan Only)**

May 26, 2006

Current Enrollment				
Single	412			
Family	<u>370</u>			
Total	<u>782</u>			
	STOP-LOSS CARRIER			
		Current	Renewal	
		American	American	Percent
		National	National	Change
Specific Stop-Loss Limit		<u>\$100,000</u>	<u>\$100,000</u>	
Type of Contract		24/12	24/12	
Specific Premium				
Single per month		\$18.22	\$21.59	
Family per month		\$43.93	\$52.03	
Annualized Specific Premium		\$285,129	\$337,754	18.46%
Corridor Liability (Note 1)		\$95,000	\$95,000	0.00%
Annualized Prem and Corridor Liability		\$380,129	\$432,754	13.84%
Aggregate Stop-Loss Limit				
Type of Contract		24/12	24/12	
Aggregate Accumulation Factors				
Single per Month		\$338.79	\$358.99	
Family per month		\$762.29	\$807.73	
Annualized Aggregate		\$5,059,545	\$5,361,168	5.96%
<i>Run-in Limit</i>				
Aggregate Premium				
Employee Per Month		\$3.94	\$3.94	
Annualized Premium		\$36,973	\$36,973	0.00%
Utilization Review-OHARA				
Employee Per Month		\$1.70	\$1.70	
Annualized Administration		\$15,953	\$15,953	0.00%
Network-SelectFirst				
Employee Per Month		\$4.50	\$4.75	
Annualized Administration		\$42,228	\$44,574	5.56%
Claims Administration-FAI				
Employee Per Month		\$5.95	\$5.95	
Annualized Administration		\$55,835	\$55,835	0.00%
Annualized Fixed Costs		\$436,117	\$491,089	12.60%
Anticipated Costs				
Annualized Fixed Costs		\$436,117	\$491,089	
Expected Claim Costs		\$4,142,636	\$4,383,934	
Total Anticipated Costs		\$4,578,754	\$4,875,023	6.47%
Maximum Costs				
Annualized Fixed Costs		\$436,117	\$491,089	
Maximum Claims Costs		\$5,154,545	\$5,456,168	
Total Maximum Costs		\$5,590,663	\$5,947,256	6.38%

Note 1: The "Corridor Liability" is an additional liability assumed in lieu of paying a similar amount of premium

Note 2: All quotes are contingent upon receipt of a written disclosure, and their acceptance, of all known claims at the time of renewal acceptance.

Note 3: Administrative fees are at a reduced level because the stop-loss coverage is purchased through First Administra

Note 4: Dental claims administration remains unchanged at \$2.60 per employee per month

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*Approve Renewal
of Stop Loss +
Vendor for
City Employees
Health Care
Plan.*

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