



**CITY OF RAPID CITY
HEALTHCARE PLAN
Renewal July 1, 2007
(Medical Plan Only)**

Current Enrollment
Single 426
Family 363
Total 789

STOP-LOSS CARRIER	Current American National	Renewal American National	Percent Change	Mutual of Omaha	Percent Change	HCC Life Ins. Co.	Percent Change	Wellmark	Percent Change
Specific Stop-Loss Limit	<u>\$100,000</u>	<u>\$100,000</u>		<u>\$100,000</u>		<u>\$100,000</u>		<u>\$100,000</u>	
Corridor Liability (Note 1)	\$95,000	\$85,000		\$85,000		\$85,000		\$85,000	
Anticipated Costs									
Annualized Fixed Costs	\$491,718	\$564,043		\$627,530		\$601,627		\$453,517	
Expected Claim Costs	\$4,377,903	\$4,539,450		\$4,539,450		\$4,539,450		\$4,546,950	
Total Anticipated Costs	\$4,869,621	\$5,103,493	4.80%	\$5,166,980	6.11%	\$5,141,077	5.57%	\$5,000,467	2.69%

Note 1: The "Corridor Liability" is an additional liability assumed in lieu of paying a similar amount of premium. The employer is liable for all specific claims in excess of the group deductible up to the specific corridor liability shown above. All claims will be filed, but there will be no reimbursements until the total specific claims exceed this annual employer corridor liability. The specific corridor is not a "Per Person" deductible. Claims that exceed the Specific Deductible up the stated corridor liability are not eligible claims under Specific or Aggregate coverage.

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 Administrators.

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

Note 5: Expected claims costs for 2007-2008 are based on average of all Stop Loss carriers.

Note 6: Wellmark does not quote a \$95,000 Specific corridor liability.

Note 7: Annualized Fixed Costs includes Stop Loss premiums, SelectFirst Network fees, OHARA Utilization Review fees and First Administrators Claims Administration fees.

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