

**CITY OF RAPID CITY  
HEALTHCARE PLAN  
Renewal July 1, 2005  
(Medical Plan Only)**

LF 061305 - 15

May 26, 2005

*Current Enrollment*

Single 413  
Family 369  
Total 782

	<b>Current American National</b>	<b>Option #1 American National</b>	<b>Percent Change</b>	<b>Option #2 American National</b>	<b>Percent Change</b>	<b>Option #3 Hartford Life</b>	<b>Percent Change</b>	<b>Option #4 Hartford Life</b>	<b>Percent Change</b>	<b>Option #5 Hartford Life</b>	<b>Percent Change</b>
<b>STOP-LOSS CARRIER</b>											
<b>Specific Stop-Loss Limit</b>	<u>\$100,000</u>	<u>\$100,000</u>		<u>\$125,000</u>		<u>\$100,000</u>		<u>\$100,000</u>		<u>\$125,000</u>	
Type of Contract	15/12	24/12		24/12		24/12		24/12		24/12	
<b>Specific Premium</b>											
Single per month	\$14.47	\$18.22		\$16.46		\$19.54		\$19.23		\$16.53	
Family per month	\$34.89	\$43.93		\$39.68		\$38.58		\$37.97		\$33.67	
<b>Annualized Specific Premium</b>	<b>\$226,206</b>	<b>\$284,820</b>	25.91%	<b>\$257,279</b>	13.74%	<b>\$267,672</b>	18.33%	<b>\$263,435</b>	16.46%	<b>\$231,013</b>	2.13%
Corridor Liability (Note 1)	\$95,000	\$95,000	0.00%	\$75,000	-21.05%	\$95,000	0.00%	\$100,000	5.26%	\$75,000	-21.05%
<b>Annualized Prem and Corridor Liability</b>	<b>\$321,206</b>	<b>\$379,820</b>	18.25%	<b>\$332,279</b>	3.45%	<b>\$362,672</b>	12.91%	<b>\$363,435</b>	13.15%	<b>\$306,013</b>	-4.73%
Run in Limit	\$786,970										
<b>Aggregate Stop-Loss Limit</b>											
Type of Contract	15/12	24/12		24/12		24/12		24/12		24/12	
<b>Aggregate Accumulation Factors</b>											
Single per Month	\$349.60	\$338.79		\$344.69		\$308.00		\$308.00		\$315.70	
Family per month	\$786.59	\$762.29		\$775.56		\$800.80		\$800.80		\$820.82	
<b>Annualized Aggregate</b>	<b>\$5,215,638</b>	<b>\$5,054,463</b>	-3.09%	<b>\$5,142,463</b>	-1.40%	<b>\$5,072,390</b>	-2.75%	<b>\$5,072,390</b>	-2.75%	<b>\$5,199,200</b>	-0.32%
<i>Run-in Limit</i>											
<b>Aggregate Premium</b>											
Employee Per Month	\$4.06	\$3.94		\$3.99		\$3.92		\$3.92		\$4.03	
<b>Annualized Premium</b>	<b>\$38,099</b>	<b>\$36,973</b>	-2.96%	<b>\$37,442</b>	-1.72%	<b>\$36,785</b>	-3.45%	<b>\$36,785</b>	-3.45%	<b>\$37,818</b>	-0.74%
<b>Utilization Review-OHARA</b>											
Employee Per Month	\$1.70	\$1.70		\$1.70		\$1.70		\$1.70		\$1.70	
<b>Annualized Administration</b>	<b>\$15,953</b>	<b>\$15,953</b>	0.00%	<b>\$15,953</b>	0.00%	<b>\$15,953</b>	0.00%	<b>\$15,953</b>	0.00%	<b>\$15,953</b>	0.00%
<b>Network-SelectFirst</b>											
Employee Per Month	\$4.00	\$4.50		\$4.50		\$4.50		\$4.50		\$4.50	
<b>Annualized Administration</b>	<b>\$37,536</b>	<b>\$42,228</b>	12.50%	<b>\$42,228</b>	12.50%	<b>\$42,228</b>	12.50%	<b>\$42,228</b>	12.50%	<b>\$42,228</b>	12.50%
<b>Claims Administration-FAA</b>											
Employee Per Month	\$5.95	\$5.95		\$5.95		\$5.95		\$5.95		\$5.95	
<b>Annualized Administration</b>	<b>\$55,835</b>	<b>\$55,835</b>	0.00%	<b>\$55,835</b>	0.00%	<b>\$55,835</b>	0.00%	<b>\$55,835</b>	0.00%	<b>\$55,835</b>	0.00%
<b>Annualized Fixed Costs</b>	<b>\$373,629</b>	<b>\$435,809</b>	16.64%	<b>\$408,737</b>	9.40%	<b>\$418,473</b>	12.00%	<b>\$414,236</b>	10.87%	<b>\$382,847</b>	2.47%
<b>Anticipated Costs</b>											
Annualized Fixed Costs	\$373,629	\$435,809		\$408,737		\$418,473		\$414,236		\$382,847	
Expected Claim Costs	\$4,267,510	\$4,138,571		\$4,188,971		\$4,152,912		\$4,157,912		\$4,234,360	
<b>Total Anticipated Costs</b>	<b>\$4,641,139</b>	<b>\$4,574,380</b>	-1.44%	<b>\$4,597,707</b>	-0.94%	<b>\$4,571,386</b>	-1.50%	<b>\$4,572,148</b>	-1.49%	<b>\$4,617,207</b>	-0.52%

**CITY OF RAPID CITY  
HEALTHCARE PLAN  
Renewal July 1, 2005  
(Medical Plan Only)**

**Maximum Costs**

Annualized Fixed Costs	\$373,629	\$435,809		\$408,737		\$418,473		\$414,236		\$382,847	
Maximum Claims Costs	\$5,310,638	\$5,149,463		\$5,217,463		\$5,167,390		\$5,172,390		\$5,274,200	
<b>Total Maximum Costs</b>	<b>\$5,684,267</b>	<b>\$5,585,272</b>	-1.74%	<b>\$5,626,200</b>	-1.02%	<b>\$5,585,864</b>	-1.73%	<b>\$5,586,626</b>	-1.72%	<b>\$5,657,047</b>	-0.48%

**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 Administrators.

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