

RISK/ INSURANCE

**Budget Presentation
FY22-23**



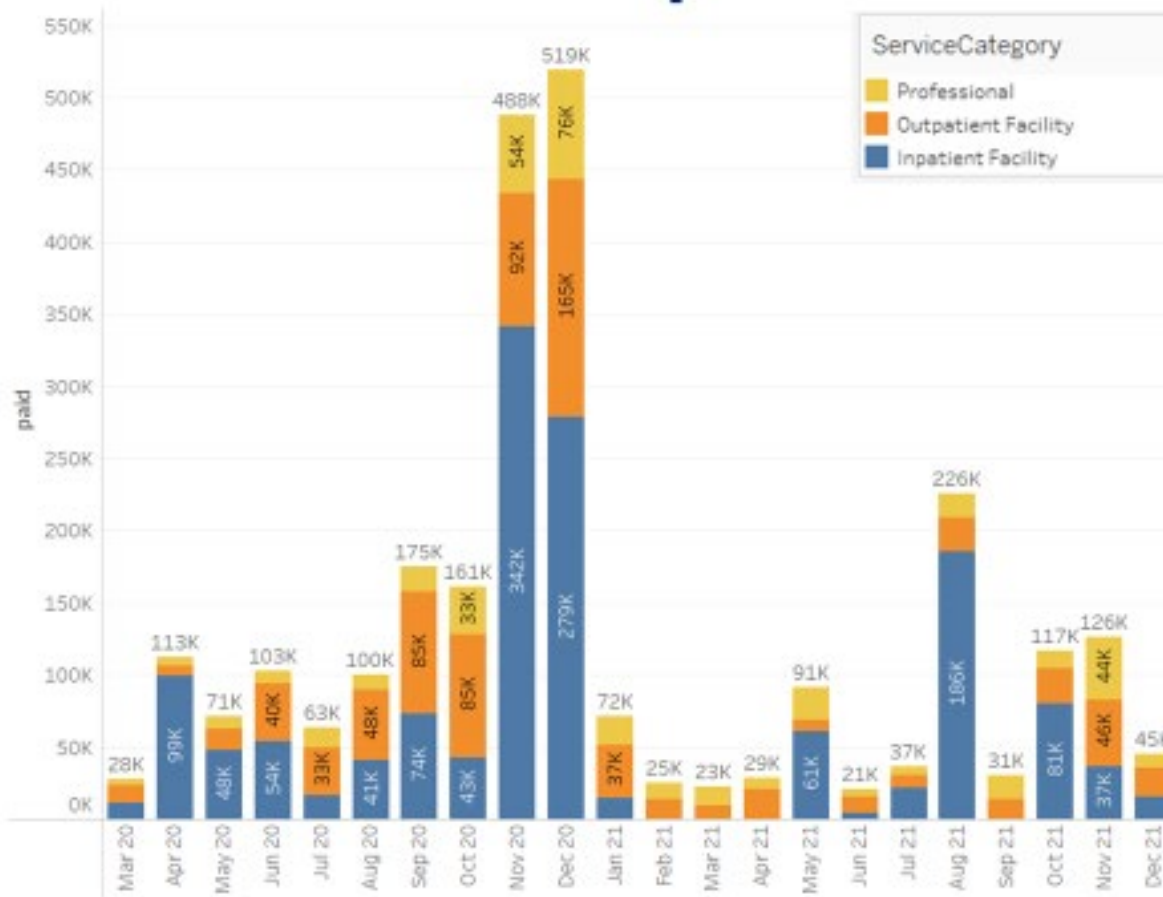
Healthcare Insurance Update

2022-23 Renewal Summary

2022-23 Renewal Summary

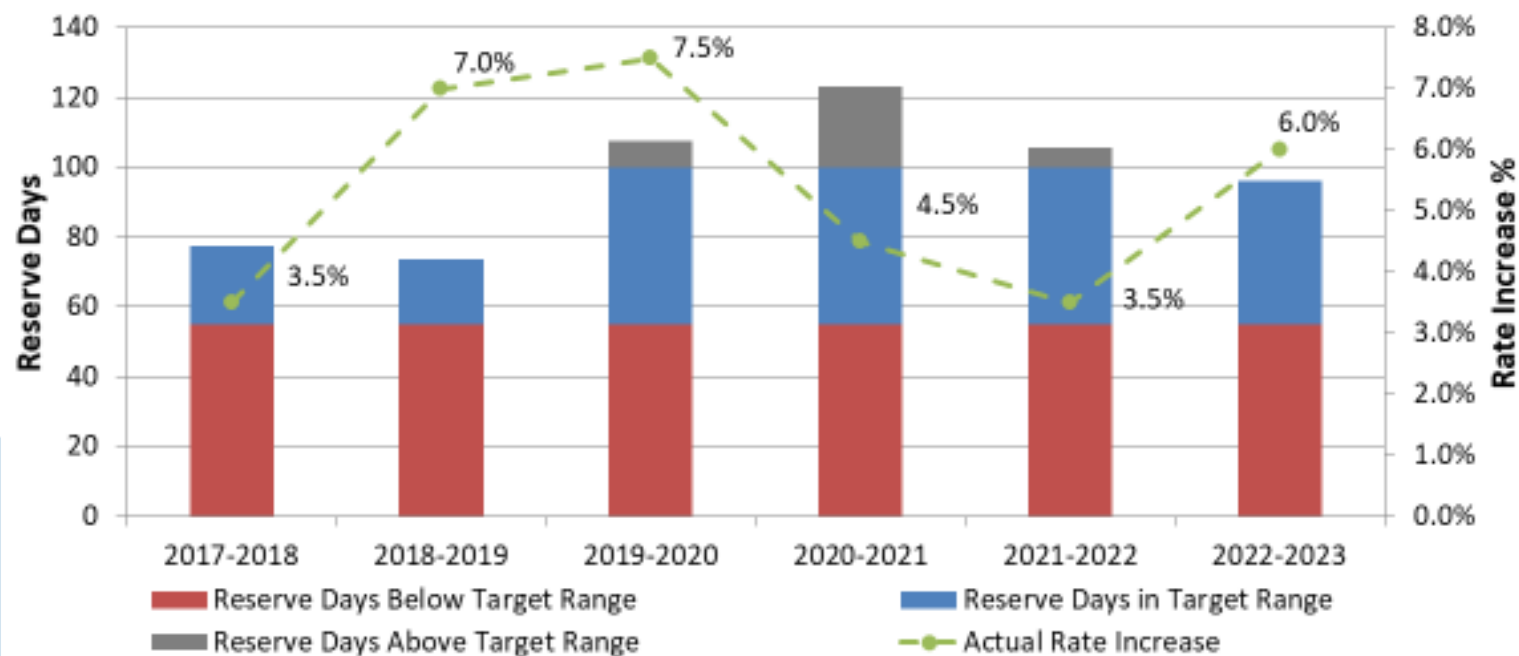
2022-2023 Renewal	
Medical	6.0%
Dental	0.0%

COVID Related Expenses

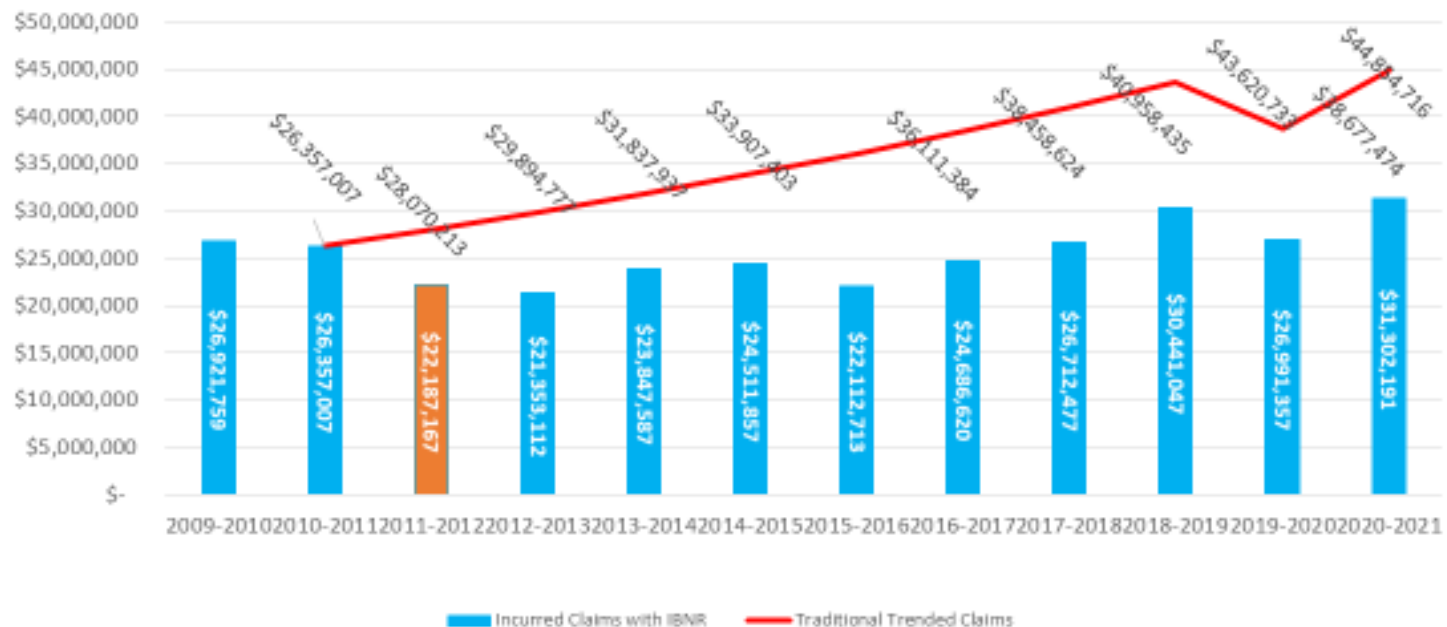


Medical Reserves and Rate Changes

SLC Risk Pool - Reserves and Rate Changes



SLC Historical Claims



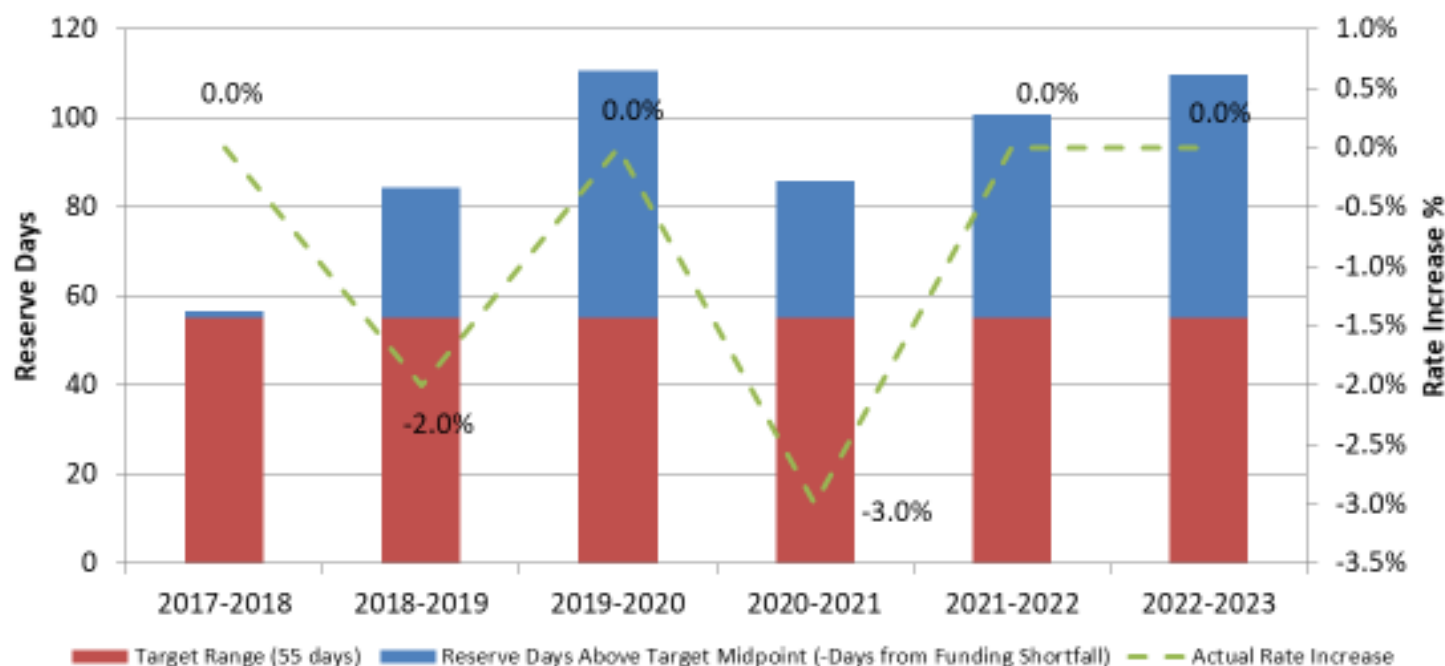
Notes:

- 1) The red Traditional Trended Claims line represents projected claims using 6.5% annual trend to illustrate how claims would continue to rise if no action taken.
- 2) The STAR HDHP plan was added 7/1/2011 and claims dropped \$4.2M with 50% enrollment.
- 3) A significant discount (approx. \$1M per year) was negotiated with Mountain Star hospitals, effective July 2015.
- 4) SLC stopped covering early retirees effective September 2015.
- 5) HSA contribution cost for 2019-20 was approximately \$3.3 million
- 6) Large utilization decrease began in Spring 2020 due to COVID19 pandemic but rebounded in 2021

Dental Insurance

Dental Reserves and Rate Changes

SLC Risk Pool - Reserves and Rate Changes



Enhancements to the Dental Plan

- Removing 3-year waiting period requirement
- Allowing married dependents to be covered through age 26
- Adjusting Single/Double/Family tier factors
- No additional costs to employees

Short & Long-term Disability Insurance

Purpose: Short and long-term disability benefits are intended to provide income security when an employee is unable to work such as after an injury or illness.

Long-term Disability for All Employees: The proposed budget would change the existing long-term disability benefit from a voluntary opt-in program to a City sponsored program for all employees. This change will bring the City's practice into compliance with URS regulations and is a benefit offered by many other municipalities in Utah. The benefit provides a percentage of an employee's annual salary after short-term disability runs out which is typically after 12 weeks.

Thank you!