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Medical Specific & Aggregate Insurance 12-Month Premium Renewal

- **Purpose:** Annual purchase of Medical Specific & Aggregate Insurance (Stop Loss) for ECISD self-funded medical coverage.
- **Background Info:** ECISD Benefits & Risk management was expected to realize a renewal for its Medical Specific & Aggregate Insurance(Stop Loss). An increase was predicted due to the District's claims experience throughout 2021, 2022, & 2023. Via the District's Interlocal Agreement with Universal Benefits Consortium (UBC), and at the request of the District, UBC assisted with the preparation of the renewal for the District Stop Loss. Universal Benefits Consortium requested quotes from sixteen (16) carriers. Unfortunately, due to the district's high claims experiences throughout the last three years, all but two of the carriers did not issue a quote for reasons of uncompetitive. The quote issued by the current Stop Loss carrier is a 34.5% increase in premiums, or approximate increase of \$280,634.00 annually. The proposal from the current carrier did not include protection for the 2025 renewal. The lack of protection means that there is no cap on the rate increase in future years. It also allows the carrier, at their discretion, to carve out individuals and charge a higher specific deductible amount. The lack of protection could increase the District's liability. The second proposal from Granular is a 52.9% increase, or an increase of \$429,721 annually. The Granular proposal does have a second-year rate cap and prohibits the carrier from carving out other individuals in future years. The Stop-loss Insurance quote recommended will protect our self-funded medical coverage from the financial risk of catastrophic or unpredictable claims. This allows the ECISD Medical Plan a way to control costs without impacting coverage.
- **Premium Renewal Cost:** \$1,240,410
- **Funding Source:** Medical Plan Fund
- **Recommended Service Provider:** Granular Insurance Company

Board Approval

Date

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