

SUBJECT: Consideration and possible approval of the renewal of Medical and Rx Stop Loss Coverage Self-Funded Health Plan, CSP #23P-008LL, to Aetna Life Insurance Company for a cost of \$2,970,994 to be paid through the health fund.

BACKGROUND: In accordance with state bid laws, legal notices were published in accordance with Texas Education Code 44.031. Specifications were prepared by Arthur J. Gallagher & Company. The purchasing office electronically distributed CSP's to 520 companies and 2 companies responded. PISD received responses from Aetna Life Insurance Company and Stealth Partner Group. The response from Broker, Stealth Partner Group contained three underwriter premiums. All responses contained three plan options. Best and Final Offer was requested and reduced the annual premium by \$34,585 plus a \$150,000 deduction on the medical claims for December. After evaluation, the proposal from Aetna Life Insurance Company was chosen as the best value for PISD. Contract dates will run from January 1, 2025, to December 31, 202, with two (2) one-year renewal options.

FINANCIAL IMPLICATIONS: A \$500,000 deductible will create an annual premium of \$2,970,994. This is an increase of 12.5% based on current PISD coverage

RECOMMENDATION: We recommend approval of the Renewal of Medical and Rx Stop Loss Coverage Self-Funded Health Plan, CSP #23P-008LL, to Aetna Life Insurance Company for a cost of \$2,970,994 to be paid through the health fund.

CABINET MEMBER: Bobbye McCain

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BOARD MEETING DATE: November 19, 2024