

FISCAL IMPACT STATEMENT

Indicate the **Total Fiscal Impact** of the action requested, including personnel, operating, and capital costs. Indicate costs for the current fiscal year and continuing costs in future years. Include all related costs necessary to place the asset in service.

1. DESCRIPTION: Renewal with existing Stop Loss Insurance carrier, Symetra Life Insurance Company, for Stop Loss Insurance effective 1/1/2017.

COSTS:

2. Does the acceptance of this action require the hiring of additional or new personnel or the use of overtime?
☐ Yes ☒ No (if Yes, include all personnel costs below).

3. Is the action funded in the current year budget and/or through reallocation of existing Department resources:
☒ Yes ☐ No If No, how will this item be funded? _____. PLEASE NOTE: If the action is funded by a grant received by the City please include the fiscal year of the funding award, grantor name, granting agency or office name (if any), grant name and when the grant agreement was approved by City Council.

Did this item require BRC action? ☐ Yes ☒ No If Yes, BRC Date: _____ BRC Item #: _____

4. This item will be charged to Fund/Dept/Program/Project: Fund 5010 F/EXO Dept/HRD0006 C.

5.	(a) Current Year Estimate	(b) Next Year Annualized	(c) Annual Continuing Costs Thereafter
Personnel	\$	\$	\$
Operating	266,390 (9 months)	88,797 (3 months)	
Capital			
Total	<u>\$266,390</u>	<u>\$88,797</u>	<u>\$0</u>

6. If costs do not continue indefinitely, explain nature and expiration date of costs: Symetra will charge a rate of \$6.35 Per Subscriber Per Month for Stop Loss insurance for plan (calendar) year 2017, totaling \$355,187. Due to the nature of this coverage, rates are generally only provided for one year.

7. OTHER COSTS

(a). Are there any future costs, one-time payments, lump sum payments, or other costs payable for this item at a later date that are **not** reflected above: ☐ Yes ☒ No

(b) If yes, by Fiscal Year, identify the dollar amount and year payment is due: \$ N/A Payment due date _____

(c) What is the nature of these costs: N/A

REVENUE:

8. What is the estimated increase in "valuation" added to the tax rolls? \$ N/A. Tax roll increase is:

☐ real property, ☐ tangible personal property, ☐ other (identify _____).

9. What is source of the revenue and the estimated annual recurring revenue? Source: N/A \$ N/A

10. If non-recurring, what is the estimated Fiscal Year and amount of non-recurring revenue that will be realized?
Source N/A Fiscal year N/A \$ N/A non-recurring revenue

11. What is the Payback period? N/A years

12. JUSTIFICATION: Document justification for request. Include anticipated economies or efficiencies to be realized by the City, including reductions in personnel or actual cost (cash flow) reductions to be realized in your budget. The 2017 Stop Loss Renewal from Symetra includes no increase to the 2016 Per Subscriber Per Month premium but does include a \$27,800 increase to the Individual Advantage Deductible (\$200,200 increases to \$228,000). The deductible applies only if health plan participants incur claims over the Specific Deductible of \$600,000 and then those over \$600,000 collectively incur claims totaling \$228,000. Under this proposal, the City realizes a 0% increase in premium payments to Symetra from 2016 to 2017. Total premium payments remain less than those paid under the previous carrier whose contract ended 12/31/2014.

13. APPROVED: Ana Palenzuela, Human Resources Division Manager (Submitting Director or authorized Division
Mgr **Only**)
FIS 3/14/08