



**Gallagher**

Insurance | Risk Management | Consulting

# A Self-Funded Evaluation

PREPARED EXCLUSIVELY FOR:

**OKHEEI**

**January 1, 2024 - December 31, 2024**

# Plan Evaluation: OKHEEI

Medical & Pharmacy  
Self-Funded  
Status Quo

Renewal Plan Year: 1/1/2024 - 12/31/2024  
Carrier(s): BCBS OK  
Specific Deductible: \$300,000

Month	Subscribers	Members	Medical	Pharmacy	Total Claims
Dec-20	3,534	4,968			
Jan-21	3,513	4,942	\$1,667,391	\$815,263	\$2,482,655
Feb-21	3,522	4,948	\$1,278,302	\$572,242	\$1,850,544
Mar-21	3,516	4,947	\$1,672,378	\$697,330	\$2,369,708
Apr-21	3,514	4,935	\$1,745,790	\$799,175	\$2,544,965
May-21	3,494	4,919	\$1,505,433	\$680,013	\$2,185,446
Jun-21	3,453	4,860	\$1,714,175	\$618,963	\$2,333,138
Jul-21	3,412	4,803	\$1,655,165	\$787,164	\$2,442,328
Aug-21	3,358	4,703	\$1,823,057	\$669,672	\$2,492,729
Sep-21	3,449	4,808	\$1,816,980	\$659,586	\$2,476,566
Oct-21	3,466	4,825	\$1,695,721	\$839,901	\$2,535,622
Nov-21	3,466	4,819	\$2,325,403	\$642,211	\$2,967,614
Dec-21	3,472	4,827	\$2,079,010	\$893,363	\$2,972,372
Jan-22	3,398	4,698	\$1,995,704	\$630,938	\$2,626,643
Feb-22	3,390	4,686	\$1,552,481	\$741,373	\$2,293,854
Mar-22	3,392	4,693	\$2,113,851	\$627,018	\$2,740,869
Apr-22	3,374	4,673	\$1,410,766	\$855,946	\$2,266,712
May-22	3,361	4,661	\$1,681,981	\$767,676	\$2,449,657
Jun-22	3,324	4,603	\$1,684,261	\$690,201	\$2,374,462
Jul-22	3,297	4,568	\$1,804,032	\$779,694	\$2,583,725
Aug-22	3,268	4,519	\$1,948,447	\$729,381	\$2,677,827
Sep-22	3,350	4,630	\$1,842,265	\$916,377	\$2,758,642
Oct-22	3,364	4,653	\$1,686,209	\$856,822	\$2,543,031
Nov-22	3,360	4,640	\$1,667,037	\$856,177	\$2,523,214
Dec-22	3,350	4,615	\$1,761,501	\$964,753	\$2,726,254
<b>Prior R12</b>	<b>41,697</b>	<b>58,477</b>	<b>\$20,978,803</b>	<b>\$8,674,883</b>	<b>\$29,653,687</b>
<b>Prior R12 PEPM</b>	<b>---</b>	<b>---</b>	<b>\$503.13</b>	<b>\$208.05</b>	<b>\$711.17</b>
<b>Prior R12 PMPM</b>	<b>---</b>	<b>---</b>	<b>\$358.75</b>	<b>\$148.35</b>	<b>\$507.10</b>
<b>Current R12</b>	<b>40,350</b>	<b>55,851</b>	<b>\$21,148,534</b>	<b>\$9,416,356</b>	<b>\$30,564,890</b>
<b>Current R12 PEPM</b>	<b>---</b>	<b>---</b>	<b>\$524.13</b>	<b>\$233.37</b>	<b>\$757.49</b>
<b>Current R12 PMPM</b>	<b>---</b>	<b>---</b>	<b>\$378.66</b>	<b>\$168.60</b>	<b>\$547.26</b>

†This analysis is for illustrative purposes only, and is not a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. Please see your policy or contact us for specific information or further details in this regard.

# Claim Development: OKHEEI

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Renewal Plan Year: 1/1/2024 - 12/31/2024  
Carrier(s): BCBS OK  
Specific Deductible: \$300,000

	1/1/2021 - 12/31/2021		1/1/2022 - 12/31/2022		Fixed Cost Estimates PEPM	Current 2023	Change (%)	Renewal 2024
	Medical	Pharmacy	Medical	Pharmacy				
Gross Paid Claims	\$20,978,803	\$8,674,883	\$21,148,534	\$9,416,356	Administrative Fee	-\$30.33	48.5%	-\$45.03
Pharmacy Rebates		(\$427,387)		(\$192,102)	Zero Card Fee	\$8.29	4.3%	\$8.65
Claims over Specific Deductible	(\$230,200)	\$0	(\$559,672)	\$0	ISL Premium	\$52.59	20.0%	\$63.11
Total Net Paid Claims	\$20,748,604	\$8,247,496	\$20,588,862	\$9,224,254	ASL Premium	\$1.04	5.0%	\$1.09
Subscriber Months	41,697	41,635	40,350	40,228	Consulting Fee	\$3.57	0.00%	\$3.57
Average Claim Value	\$497.60	\$198.09	\$510.26	\$229.30				
Experience Midpoint	7/1/2021	7/1/2021	7/1/2022	7/1/2022	<b>Total Fixed Costs PEPM</b>	<b>\$35.16</b>	<b>-10.7%</b>	<b>\$31.39</b>
Projection Midpoint	7/1/2024	7/1/2024	7/1/2024	7/1/2024				
Trend Months	36	36	24	24				
Claims Adjusted Trend Rate	7.1%	10.0%	7.1%	10.0%				
Trend Factor	1.228	1.331	1.147	1.210	<b>Renewal Summary</b>			
Change in Reserve Adjustment	1.006	1.000	1.006	1.000	<b>Current Budgeting Rate PEPM</b>			<b>\$850.48</b>
Contract Size Adjustment	0.982	0.982	0.995	0.995	<b>Projected Premium Equivalent (Exp)</b>			<b>\$865.64</b>
Experienced Incurred Claims PEPM	\$603.92	\$258.99	\$585.85	\$276.14	<b>Calculated Rate Action (%)</b>			<b>1.8%</b>
Combined Experienced Incurred Claims PEPM	\$862.92		\$861.99					
Experience Weighting	5%		95%					
Projected Incurred Claims PEPM	\$862.04							
Rx Negotiations	(\$27.79)							
<b>Total Projected Incurred Claims PEPM (Exp)</b>	<b>\$834.25</b>							

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## Rate Development: OKHEEI

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Coverage Tier	Enrollment	Current Plan Year 2023	Renewal Plan Year	Renewal Plan Year	Renewal Plan Year
		Total Rates	Self Funded (Mature Expected)	Enrollment (Rose State Eliminated)	Self Funded (Rose State Eliminated)

### Plan A

Employee	790	\$851.83	\$867.02	788	\$867.02
Employee + Spouse	11	\$1,658.30	\$1,687.86	11	\$1,687.86
Employee + Child	53	\$1,088.55	\$1,107.96	52	\$1,107.96
Employee + Children	11	\$1,471.27	\$1,497.50	11	\$1,497.50
Employee + Family	2	\$2,124.66	\$2,162.54	2	\$2,162.54

### Plan B

Employee	1,213	\$743.75	\$757.01	957	\$757.01
Employee + Spouse	78	\$1,347.70	\$1,371.73	66	\$1,371.73
Employee + Child	115	\$955.69	\$972.73	89	\$972.73
Employee + Children	67	\$1,298.34	\$1,321.49	54	\$1,321.49
Employee + Family	44	\$1,765.21	\$1,796.68	42	\$1,796.68

### Plan C

Employee	570	\$631.39	\$642.65	565	\$642.65
Employee + Spouse	55	\$1,214.92	\$1,236.58	54	\$1,236.58
Employee + Child	138	\$837.28	\$852.21	138	\$852.21
Employee + Children	73	\$1,170.13	\$1,190.99	73	\$1,190.99
Employee + Family	81	\$1,620.50	\$1,649.39	79	\$1,649.39

### Plan F

Employee	34	\$637.95	\$649.32	34	\$649.32
Employee + Spouse	4	\$1,200.91	\$1,222.32	4	\$1,222.32
Employee + Child	5	\$813.89	\$828.40	5	\$828.40
Employee + Children	3	\$1,152.98	\$1,173.53	3	\$1,173.53
Employee + Family	3	\$1,655.48	\$1,684.99	3	\$1,684.99

These rates are illustrative and should not be used for budgetary purposes

Plan Cost Composite PEPM	3,350	\$850.48	\$865.64	3,030	\$868.97
PCORI Fees		\$0.37	\$0.40		\$0.40
Annual		\$34,203,912	\$34,814,665		\$34,948,598
Change From Current (\$)			\$610,754		\$744,686
Change From Current (%)			1.8%		2.2%

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