City of Joplin

Budget to Actual Report

May 18, 2026 / Kim Wixson & Brian Hunter

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Segal

Discussion Objectives

- **2025 and 2026 YTD Financial Statements**
- **Projected vs. Actual Income and Expenses**
  - **Twelve-Month Period Ending December 31, 2025**
  - **Three-Month Period Ending February 28, 2026**
- **Medical and Prescription Drug Large Claimant Experience**
- **2025 and 2026 YTD Claims, Enrollment and Utilization Summaries**

2025 Financial Statement (Cash Basis)

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Beginning Balance	**$3,143,474**	**$3,706,136**	**$3,418,414**	**$3,731,906**	**$3,992,489**	**$3,863,313**	**$3,759,162**	**$3,936,895**	**$3,886,054**	**$3,878,441**	**$3,979,161**	**$4,072,164**	**$3,143,474**
Income													
City Contributions	$759,196	$264,593	$757,834	$514,530	$510,045	$516,591	$515,647	$512,404	$510,112	$511,855	$512,753	$519,836	$6,405,397
Employee Contributions[1]	180,171	77,330	176,909	128,592	128,793	128,829	127,332	129,848	126,803	129,101	127,752	129,273	1,590,733
Interest Income[2]	-	-	-	-	-	-	-	1,074	-	-	-	-	1,074
Total	**$939,368**	**$341,924**	**$934,743**	**$643,122**	**$638,837**	**$645,420**	**$642,979**	**$643,325**	**$636,916**	**$640,956**	**$640,505**	**$649,109**	**$7,997,204**
Expense													
Medical[3]	$256,833	$244,379	$268,786	$283,143	$365,376	$335,995	$313,671	$293,934	$282,373	$406,544	$139,273	$553,704	$3,744,011
Stop Loss Reimbursements	(54,089)	-	(175)	-	-	-	-	-	-	(16,917)	(22,132)	(24,380)	(117,692)
Prescription Drug	247,484	252,841	219,117	228,576	264,921	272,040	201,947	263,810	229,504	269,051	293,423	241,862	2,984,575
Prescription Drug Rebates[4]	(210,784)	(3,410)	-	(266,477)	-	-	(273,524)	(1,949)	-	(257,573)	-	(3,465)	(1,017,183)
Dental Premium	30,166	29,436	29,876	29,136	30,036	29,576	30,017	29,696	29,527	29,766	29,915	29,586	356,735
Vision Premium	4,174	4,117	4,161	4,140	4,183	4,102	4,204	4,158	4,112	4,090	4,125	4,045	49,611
Life Premium	12,190	12,095	12,150	12,100	12,297	12,156	12,318	12,290	12,424	12,390	12,417	12,494	147,321
Stop-Loss Premium	64,873	64,996	65,209	63,644	65,679	64,811	65,409	65,209	64,668	65,237	65,074	64,469	779,278
Medical Administration	22,596	22,057	22,518	21,802	22,482	23,202	21,647	22,439	22,455	22,894	22,444	22,401	268,936
Special Events & Promotions	347	218	(3,308)	1,039	(559)	765	694	1,661	611	1,837	45	18	3,369
Fees & Permits	-	-	-	-	-	4,008	-	-	(4,060)	-	-	-	(52)
Administration[5]	2,917	2,917	2,917	5,436	3,598	2,917	88,863	2,917	2,917	2,917	2,917	2,917	124,146
Total	**$376,706**	**$629,646**	**$621,251**	**$382,539**	**$768,013**	**$749,572**	**$465,246**	**$694,166**	**$644,529**	**$540,236**	**$547,502**	**$903,649**	**$7,323,055**
Operating Surplus/(Deficit)	**$562,661**	**($287,722)**	**$313,492**	**$260,583**	**($129,176)**	**($104,152)**	**$177,733**	**($50,841)**	**($7,613)**	**$100,720**	**$93,003**	**($254,541)**	**$674,149**
Ending Balance	**$3,706,136**	**$3,418,414**	**$3,731,906**	**$3,992,489**	**$3,863,313**	**$3,759,162**	**$3,936,895**	**$3,886,054**	**$3,878,441**	**$3,979,161**	**$4,072,164**	**$3,817,623**	**$3,817,623**
Active/COBRA Lives	539	539	540	541	541	541	541	541	542	541	541	541	541
Retiree Lives	4	4	3	2	2	2	2	2	1	2	2	2	2
Total	**543**	**543**	**543**	**543**	**543**	**543**	**543**	**543**	**543**	**543**	**543**	**543**	**543**

1 Employee Contributions include Retiree and COBRA contributions.

2 Interest income includes "Other Income" line item from financial statements.

3 Medical and prescription drug payments are combined on the financial statements prepared by the City. We have estimated monthly medical claims using monthly prescription drug claims as reported by the network carriers.

4 Prescription drug rebates from UHC are received on a quarterly basis.

5 Administration expense includes "Operating Equipment" and "Building Improvements" line items from financial statements.

2026 YTD Financial Statement (Cash Basis)

	January	February	Total
Beginning Balance	**$3,817,623**	**$4,211,493**	**$3,817,623**
Income			
City Contributions	$522,967	$517,714	$1,040,681
Employee Contributions[1]	128,782	127,820	256,602
Interest Income[2]	-	-	-
Total	**$651,749**	**$645,534**	**$1,297,283**
Expense			
Medical[3]	$349,500	$320,681	$670,181
Stop Loss Reimbursements	(159,538)	-	(159,538)
Prescription Drug	269,265	235,564	504,829
Prescription Drug Rebates[4]	(247,658)	(1,040)	(248,698)
Dental Premium	26,770	26,895	53,665
Vision Premium	4,186	4,236	8,422
Life Premium	10,951	10,938	21,888
Stop-Loss Premium	-	129,466	129,466
Medical Administration	1,283	44,702	45,985
Special Events & Promotions	205	(2,716)	(2,511)
Fees & Permits	-	-	-
Administration[5]	2,917	3,417	6,333
Total	**$257,880**	**$772,144**	**$1,030,023**
Operating Surplus/(Deficit)	**$393,870**	**($126,610)**	**$267,260**
Ending Balance	**$4,211,493**	**$4,084,883**	**$4,084,883**
Active/COBRA Lives	536	538	537
Retiree Lives	2	2	2
Total	**538**	**540**	**539**

1 Employee Contributions include Retiree and COBRA contributions.

2 Interest income includes "Other Income" line item from financial statements.

3 Medical and prescription drug payments are combined on the financial statements prepared by the City. We have estimated monthly medical claims using monthly prescription drug claims as reported by the network carriers.

4 Prescription drug rebates from UHC are received on a quarterly basis.

5 Administration expense includes "Operating Equipment" and "Building Improvements" line items from financial statements.

Projected vs. Actual 2025

Income	Projected PEPM	Projected 12 Mo. Total	Actual PEPM	Actual 12 Mo. Total	% Difference PEPM	% Difference 12 Mo. Total
City Contributions	$968.54	$6,264,500.00	$983.03	$6,405,397.01	$0.02	$0.02
Employee Contributions[1]	$226.48	$1,464,900.00	$244.13	$1,590,733.15	$0.08	$0.09
Interest Income[2]	NP	NP	$0.16	$1,074.12	N/A	N/A
Total Income	**$1,195.02**	**$7,729,400**	**$1,227.32**	**$7,997,204**	**2.7%**	**3.5%**
Expenses						
Medical[3]	$594.53	$3,845,400	$560.92	$3,654,948	-5.7%	-5.0%
Prescription Drug[3], [4]	$449.17	$2,905,200	$437.49	$2,850,672	-2.6%	-1.9%
Prescription Drug Rebates	($134.76)	($871,600)	($156.11)	($1,017,183)	15.8%	16.7%
Dental Premium	$55.58	$359,500	$54.75	$356,735	-1.5%	-0.8%
Vision Premium	$7.68	$49,700	$7.61	$49,611	-0.9%	-0.2%
Life Premium	$22.51	$145,600	$22.61	$147,321	0.4%	1.2%
Stop-Loss Premium	$120.24	$777,700	$119.59	$779,278	-0.5%	0.2%
Medical Administration[5]	$43.15	$279,100	$41.27	$268,936	-4.4%	-3.6%
ACA Fees	$0.54	$3,500	($0.01)	($52)	-101.9%	-101.5%
Administration	NP	NP	$19.57	$127,515	N/A	N/A
Total Expense	**$1,158.64**	**$7,494,100**	**$1,107.69**	**$7,217,782**	**-4.4%**	**-3.7%**
Operating Surplus (Deficit)	**$36.38**	**$235,300**	**$120.00**	**$779,422**	**N/A**	**N/A**
Active	532		541		1.7%	
Retiree	7		2		-71.4%	
Total Employees	**539**		**543**		**0.7%**	

NP = Not Projected

N/A = Not Applicable

1 Includes Retiree/COBRA Contributions

2 Interest Income includes “Other Income” line item from financial statements.

3 Medical and prescription drug claims are net of estimated stop-loss reimbursements. Actual stop-loss reimbursements were lagged.

4 Prescription drug claims as reported by UMR (net of estimated stop-loss reimbursements).

5 Medical Administration includes variable fees paid to UMR.

Projected vs. Actual 2026 YTD

Income	Projected PEPM	Projected 2 Mo. Total	Actual PEPM	Actual 2 Mo. Total	% Difference PEPM	% Difference 2 Mo. Total
City Contributions	$970.33	$1,046,000	$965.38	$1,040,681	-0.5%	-0.5%
Employee Contributions[1]	$223.95	$241,400	$238.04	$256,602	6.3%	6.3%
Interest Income[2]	NP	NP	$0.00	$0	N/A	N/A
Total Income	**$1,194.28**	**$1,287,400**	**$1,203.42**	**$1,297,283**		
Expenses						
Medical[3]	$636.15	$685,800.00	$621.69	$670,181.46	($0.02)	($0.02)
Prescription Drug[3], [4]	$503.06	$542,300.00	$468.30	$504,829.02	($0.07)	($0.07)
Prescription Drug Rebates	($201.22)	($216,900.00)	($230.70)	($248,698.27)	$0.15	$0.15
Dental Premium	$49.41	$53,300.00	$49.78	$53,664.72	$0.01	$0.01
Vision Premium	$7.68	$8,300.00	$7.81	$8,422.36	$0.02	$0.02
Life Premium	$15.91	$17,200.00	$20.30	$21,888.39	$0.28	$0.27
Stop-Loss Premium	$138.28	$149,100.00	$120.10	$129,466.05	($0.13)	($0.13)
Medical Administration[5]	$44.28	$47,700.00	$42.66	$45,985.18	($0.04)	($0.04)
ACA Fees	$0.56	$600.00	$0.00	$0.00	($1.00)	($1.00)
Administration	NP	NP	$3.55	$3,822.48	N/A	N/A
Total Expense	**$1,194.11**	**$1,287,400**	**$1,103.49**	**1,189,561**	**-7.6%**	**-7.6%**
Operating Surplus (Deficit)	**$0.17**	**$0**	**$100.00**	**$107,722**	**N/A**	**N/A**
Active	532		537		0.9%	
Retiree	7		2		-71.4%	
Total Employees	**539**		**539**		**0.0%**	

NP = Not Projected

N/A = Not Applicable

1 Includes Retiree/COBRA Contributions

2 Interest Income includes “Other Income” line item from financial statements.

3 Medical and prescription drug claims are net of estimated stop-loss reimbursements. Actual stop-loss reimbursements were lagged.

4 Prescription drug claims as reported by UMR (net of estimated stop-loss reimbursements).

5 Medical Administration includes variable fees paid to UMR.

Stop-Loss Policy - Lasered Claimants

- Two plan members were “lasered” under the terms of the 2026 Tokio Marine HCC (TMHCC) stop-loss policy.
- These individuals will have a higher deductible than the rest of the group:
  - Participant A will have a $500,000 deductible for a cancer related diagnosis
  - Participant B will have a $475,000 deductible contingent on the potential of a kidney transplant and/or dialysis, or else a $275,000 deductible if they don’t have the transplant and/or dialysis
  - All other individuals covered under the plan will have a deductible of $175,000
  - Any claims paid above the deductibles will be covered
- The claims total for these participants is not yet known.
- Based on reporting through March 2026:
  - Participant A: Approximately $72,000 was paid in claims
  - Participant B: There have been no claims reported yet

Large Claims (medical and Rx combined)

Claim Range	Jan 2023 - Dec 2023		Jan 2024 - Dec 2024		Jan 2025 - Dec 2025		Jan 2026 - Feb 2026		Total All Periods	
	Claimants	Total Claims	Claimants	Total Claims	Claimants	Total Claims	Claimants	Total Claims	Claimants	Total Claims
$50,000 - $99,999	4	$281,738	18	$1,245,135	15	$999,008	2	$157,980	39	$2,683,861
$100,000 - $149,999	4	$504,062	2	$222,212	6	$697,351	0	$0	12	$1,423,625
$150,000 - $199,999	3	$532,338	2	$333,252	1	$189,061	0	$0	6	$1,054,650
$200,000 - $249,999	1	$233,907	1	$227,492	0	$0	0	$0	2	$461,399
$250,000 - $499,999	2	$574,922	0	$0	2	$559,680	0	$0	4	$1,134,602
$500,000 - $999,999	0	$0	0	$0	0	$0	0	$0	0	$0
>$999,999	0	$0	0	$0	0	$0	0	$0	0	$0
Total	**14**	**$2,126,966**	**23**	**$2,028,092**	**24**	**$2,445,100**	**2**	**$157,980**	**63**	**$6,758,137**
% Change from Previous Year	-	-	64.3%	-4.6%	4.3%	20.6%	-91.7%	-93.5%		
Total Claims	**$6,132,392**		**$6,162,195**		**$6,679,180**		**$1,152,728**		**$20,126,495**	
Percent of Total Claims	34.7%		32.9%		36.6%		13.7%		33.6%	

Diagnosis Category	Jan 2023 - Dec 2023		Jan 2024 - Dec 2024		Jan 2025 - Dec 2025		Jan 2026 - Feb 2026		Total All Periods	
	Claimants	Total Claims	Claimants	Total Claims	Claimants	Total Claims	Claimants	Total Claims	Claimants	Total Claims
Prescription Drugs	5	$660,659	13	$1,267,208	16	$1,572,925	0	$0	34	$3,500,792
Diseases of the circulatory system	1	$321,224	3	$215,903	4	$413,466	0	$0	8	$950,593
Factors influencing health status and contact with health services	2	$396,215	1	$60,128	0	$0	1	$90,848	4	$547,191
Neoplasms	1	$133,485	1	$65,988	1	$293,271	0	$0	3	$492,744
Diseases of the digestive system	1	$199,821	3	$257,172	0	$0	0	$0	4	$456,994
Mental, Behavioral and Neurodevelopmental disorders	0	$0	1	$96,244	2	$112,380	0	$0	3	$208,624
Diseases of the respiratory system	1	$126,065	1	$65,448	0	$0	0	$0	2	$191,513
Diseases of the nervous system	1	$151,348	0	$0	0	$0	0	$0	1	$151,348
Diseases of the musculoskeletal system and connective tissue	1	$86,481	0	$0	1	$53,059	0	$0	2	$139,540
Diseases of the ear and mastoid process	0	$0	0	$0	0	$0	1	$67,132	1	$67,132
Congenital malformations, deformations and chromosomal abnormalities	1	$51,667	0	$0	0	$0	0	$0	1	$51,667

2025 & 2026 YTD Enrollment Split

2025

	January	February	March	April	May	June	July	August	September	October	November	December
Subscribers												
Single	317	318	313	313	314	314	318	314	322	322	319	321
Family	226	225	224	225	225	226	225	224	222	223	222	221
Total	**543**	**543**	**537**	**538**	**539**	**540**	**543**	**538**	**544**	**545**	**541**	**542**
Members												
Single	317	318	313	313	314	314	318	314	322	322	319	321
Family	835	831	829	832	830	832	830	829	821	823	820	816
Total	**1,152**	**1,149**	**1,142**	**1,145**	**1,144**	**1,146**	**1,148**	**1,143**	**1,143**	**1,145**	**1,139**	**1,137**

2026

	January	February	March	April	May	June	July	August	September	October	November	December
Subscribers												
Single	322	322										
Family	224	222										
Total	**546**	**544**										
Members												
Single	322	322										
Family	831	827										
Total	**1,153**	**1,149**										

2025 & 2026 YTD Medical Claims

Month	Paid Medical Claims	Employees	Members	Paid Medical Per Employee Per Month	Paid Medical Per Member Per Month
January 2025	$119,916	543	1,152	$220.84	$104.09
February 2025	$278,295	543	1,149	$512.51	$242.21
March 2025	$278,362	537	1,142	$518.37	$243.75
April 2025	$297,966	538	1,145	$553.84	$260.23
May 2025	$403,922	539	1,144	$749.39	$353.08
June 2025	$313,057	540	1,146	$579.74	$273.17
July 2025	$313,983	543	1,148	$578.24	$273.50
August 2025	$292,127	538	1,143	$542.99	$255.58
September 2025	$274,328	544	1,143	$504.28	$240.01
October 2025	$407,156	545	1,145	$747.08	$355.59
November 2025	$188,680	541	1,139	$348.76	$165.65
December 2025	$526,812	542	1,137	$971.98	$463.34
YTD - 2025	**$3,694,604**	**541**	**1,144**	**$569.10**	**$269.13**
January 2026	$302,521	546	1,153	$554.07	$262.38
February 2026	$345,378	544	1,149	$634.89	$300.59
YTD - 2026	**$647,899**	**545**	**1,151**	**$594.40**	**$281.45**
2 Month - 2025	**$398,211**	**543**	**1,151**	**$366.68**	**$172.98**
% Change	**62.7%**	**0.4%**	**0.0%**	**62.1%**	**62.7%**

2025 & 2026 YTD Prescription Drug Claims

Month	Paid Rx Claims	Employees	Members	Paid Rx Per Employee Per Month	Paid Rx Per Member Per Month
January 2025	$247,484	543	1,152	$455.77	$214.83
February 2025	$252,841	543	1,149	$465.64	$220.05
March 2025	$219,117	537	1,142	$408.04	$191.87
April 2025	$228,576	538	1,145	$424.86	$199.63
May 2025	$264,921	539	1,144	$491.51	$231.57
June 2025	$272,040	540	1,146	$503.78	$237.38
July 2025	$201,947	543	1,148	$371.91	$175.91
August 2025	$263,810	538	1,143	$490.35	$230.81
September 2025	$229,504	544	1,143	$421.88	$200.79
October 2025	$269,051	545	1,145	$493.67	$234.98
November 2025	$293,423	541	1,139	$542.37	$257.61
December 2025	$241,862	542	1,137	$446.24	$212.72
YTD - 2025	**$2,984,575**	**541**	**1,144**	**$459.73**	**$217.41**
January 2026	$269,265	546	1,153	$493.16	$233.53
February 2026	$235,564	544	1,149	$433.02	$205.02
YTD - 2026	**$504,829**	**545**	**1,151**	**$463.15**	**$219.30**
2 Month - 2025	**$500,324**	**543**	**1,151**	**$460.70**	**$217.34**
% Change	**0.9%**	**0.4%**	**0.0%**	**0.5%**	**0.9%**

2025 & 2026 YTD Total Medical and Prescription Drug Claims

Month	Sum of Total Paid Claims	Employees	Members	Paid Total Claims Per Employee Per Month	Paid Total Claims Per Member Per Month
January 2025	$367,400	543	1,152	$676.61	$318.92
February 2025	$531,136	543	1,149	$978.15	$462.26
March 2025	$497,479	537	1,142	$926.40	$435.62
April 2025	$526,542	538	1,145	$978.70	$459.86
May 2025	$668,844	539	1,144	$1,240.90	$584.65
June 2025	$585,097	540	1,146	$1,083.51	$510.56
July 2025	$515,930	543	1,148	$950.15	$449.42
August 2025	$555,937	538	1,143	$1,033.34	$486.38
September 2025	$503,831	544	1,143	$926.16	$440.80
October 2025	$676,207	545	1,145	$1,240.75	$590.57
November 2025	$482,104	541	1,139	$891.13	$423.27
December 2025	$768,674	542	1,137	$1,418.22	$676.05
YTD - 2025	**$6,679,180**	**541**	**1,144**	**$1,028.83**	**$486.54**
January 2026	$571,786	546	1,153	$1,047.23	$495.91
February 2026	$580,942	544	1,149	$1,067.91	$505.61
YTD - 2026	**$1,152,728**	**545**	**1,151**	**$1,057.55**	**$500.75**
2 Month - 2025	**$898,536**	**543**	**1,151**	**$827.38**	**$390.33**
% Change	**28.3%**	**0.4%**	**0.0%**	**27.8%**	**28.3%**

Enrollment and Claims

	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026 thru 2/28
Average Enrolled Participants					
Total - Enrolled Employees	476	497	535	541	545
Total - Enrolled Members	1,111	1,117	1,155	1,144	1,151
Paid Expenses [1]					
Total Paid Expenses (medical and Rx)	**$6,316,934**	**$6,132,392**	**$6,162,195**	**$6,679,180**	**$1,152,728**
Paid Expenses - Per Employee Per Month	$1,105.91	$1,028.23	$959.84	$1,028.83	$1,057.55
Paid Expenses - Per Member Per Month	$473.82	$457.50	$444.60	$486.54	$500.75

[1] Paid expenses do not reflect stop-loss reimbursements

Utilization Summary

Admissions/Visits/Services by Provider Type	CY 2022	CY 2023	CY 2024	CY 2025
Inpatient facility (admissions)	75	82	89	142
Outpatient (visits)	$1,611	$1,701	$1,968	$1,680
Professional (visits)	$8,782	$8,905	$8,825	$9,809
Paid Claims by Provider Type[1]				
Inpatient facility	$1,144,535	$861,634	$701,769	$635,821
Outpatient	$1,083,792	$937,309	$896,633	$1,042,494
Professional	$1,567,725	$1,623,269	$1,414,606	$1,685,763
Total	**$3,796,052**	**$3,422,212**	**$3,013,008**	**$3,364,079**
Paid Claims Per Admission/Visit/Service				
Inpatient Per Adminssion	$15,260.47	$10,507.73	$7,885.04	$4,477.61
Outpatient Per Visit	$672.74	$551.03	$455.61	$620.53
Professional Per Visit	$178.52	$182.29	$160.30	$171.86

[1] Paid claims do not reflect stop-loss reimbursements

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City of Joplin, MO

HDHP/HSA Options

April 10, 2026 / Kimberly Wixson / Brian Hunter

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Health Savings Account (HSA) Features

- **Health Savings Account (HSA) Contributions**
  - Employee must be enrolled in an IRS-compliant High Deductible Health Plan (HDHP)
  - Employee cannot be covered by another health plan which provides non-HDHP benefits or Medicare
  - Employee or his/her spouse cannot be enrolled in a full health care FSA
  - Employers and employees can contribute to HSAs subject to annual IRS limits
  - Triple Tax Benefits
    - Employer and Employee contributions are tax-free including state and federal taxes including FICA (ER and EE) and FUTA (ER)
    - Earnings on employer and employee contributions are tax-free
    - Withdrawals for qualified expenses defined under IRC §213(d) are tax-free
- **Health Savings Account (HSA) Withdrawals**
  - HDHP enrollment is not necessary to make withdrawals – but qualified expenses must be incurred after the effective date the HSA was established
  - Receipts are generally not required to justify an expense is qualified as an employee can withdraw from his/her HSA for non-qualified expenses (with tax consequences); but if the employee is audited, the IRS will require documentation that an expense is qualified or taxes and penalties will apply
  - Withdrawals for non-qualified non-medical expenses (including cash-outs) are subject to tax and 20% penalty (penalty waived once participant reaches age 65 but taxes still apply)
- **Health Savings Account (HSA) Other Attributes**
  - Unused HSA balances including any earnings are carried over, without limit, from year to year
  - HSA funds are portable and can be rolled over into another HSA
  - Employees can keep HSA accounts even after they change or terminate health plans or retire – you may not be able to make contributions, but you can use your HSA to cover qualified expenses

HDHP and HSA Plan Rules

- Per IRS regulations, HDHPs must include certain design elements to coordinate with HSAs:
  - There must be a minimum deductible and maximum out-of-pocket amount.
    - The minimum deductibles in 2026 is $1,700 for individual and $3,400 for families.
      - The family deductible must be non-embedded, meaning the entire amount must be satisfied as a family (satisfaction of the individual amount has no bearing).
      - These deductibles apply to all medical and prescription drug claims, except for certain preventive services including preventive drugs.
    - The maximum out-of-pocket amounts (MOOPs) in 2026 is $8,500 per individual up to $17,000 per family.

- The IRS limits HSA contributions:
  - The maximum contribution in 2026 (including both employer contributions and employee self-contributions) is $4,400 per individual and $8,750 for families.
    - A catch-up contribution of $1,000 is allowed for individuals 55 or older (if not enrolled in Medicare).

HDHP Plan Options

	PPO		HDHP Example 1		HDHP Example 2	
Employer HSA Contribution						
Annual (S/F)	Not Applicable		Not Applicable		$600 / $1,200	
Medical	**INN**	**OON**	**INN**	**OON**	**INN**	**OON**
Deductible (S/F)	$750 / $1,500	$1,500 / $3,000	$1,700 / $3,400 (non-embedded)	$3,400 / $6,800	$2,000 / $4,000 (non-embedded)	$4,000 / $8,000
Member Coinsurance	20%	40%	0%	20%	20%	40%
Medical MOOP (S/F)	$2,000 / $4,000	$6,000 / $12,000	$1,700 / $3,400	$4,000 / $8,000	$3,500 / $7,000	$7,000 / $14,000
Office Visits (PCP / Spc)	$25 / $25 copay	D&C	D&C	D&C	D&C	D&C
Preventive Services	0%	D&C	0%	D&C	0%	D&C
ER Room	$150 copay	$150 copay	D&C	D&C	D&C	D&C
Urgent Care	$50 copay	D&C	D&C	D&C	D&C	D&C
Prescription Drugs						
Deductible (S/F)	Not Applicable	Not Applicable	Integrated	Not Applicable	Integrated	Not Applicable
Member Coinsurance	Not Applicable	Not Applicable	Integrated	Not Applicable	Integrated	Not Applicable
Generic (retail / mail)	$10 / $25	Reimbursable	D&C	Not Covered	D&C	Not Covered
Brand (retail / mail)	$30 / $75	Reimbursable	D&C	Not Covered	D&C	Not Covered
Non-Pref. Brand (retail / mail)	$50 / $125	Reimbursable	D&C	Not Covered	D&C	Not Covered
Specialty	Same as Above	Reimbursable	D&C	Not Covered	D&C	Not Covered
Rx MOOP (S/F)	$5,100 / $10,200	$5,100 / $10,200	Integrated	Not Covered	Integrated	Not Covered
Combined INN MOOP (S/F)	**$7,100 / $14,200**	**$11,100 / $22,200**	**$1,700 / $3,400**	**Not Applicable**	**$3,500 / $7,000**	**Not Applicable**
Plan Value (relative to PPO)	**1.00**		**0.99**		**1.00**	

S/F = Single / Family
INN = In-network, OON = Out-of-network
MOOP = Maximum Out-of-Pocket Amount
D&C = Deductible & Coinsurance

- The relative values illustrated are estimated based on actuarial modeling of these plan designs. Actual cost of these plans will depend on actual utilization.
- Employer HSA contribution, where applicable, includes the entire amount credited to accounts.
- In the event the City begins offering multiple benefit options (i.e. HDHP alongside the legacy PPO), the average cost for the HDHP and PPO will eventually start to diverge.

Next Steps

- We recommend an HDHP/HSA be offered effective January 1, 2027, alongside the existing PPO plan.
- We recommend a plan design similar to Option 2 to avoid needing to increase the plan deductibles every year to meet the minimum required under the rules.
- We recommend the City contribute to members HSAs to offset the high-deductible and to fully-leverage the tax advantages available under HSA rules.

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