



LIVINGSTON COUNTY, MICHIGAN
Human Resources Department

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DATE: October 15, 2021

TO: Livingston County Board of Commissioners

FROM: Jennifer Palmbos, Director of Human Resources/Labor Relations

RE: Blue Cross / Blue Shield of Michigan Stop Loss Insurance Amendment

Livingston County is self-insured for health, dental, and prescription benefits and contracts with Blue Cross/Blue Shield of Michigan (BCBSM) to administer those benefits. Livingston County purchases individual stop loss insurance from BCBSM to cover individual claims that exceed the specific deductible level. The current individual stop loss deductible is \$150,000, which means the County is currently responsible for the actual costs of medical claims up to \$150,000. Claims costs that exceed that amount are reimbursed to the County by the stop loss insurance.

Aon, our benefits consultant, has performed the annual stop loss analysis and is recommending the County increase the deductible to \$175,000 in order to save on stop loss insurance premiums and based on our historical claims levels. The premium savings is expected to be over \$175,000 in 2022. Another analysis will be done in 2022 to determine the proper level of the deductible for the 2023 benefit year.

Livingston County Administration, Fiscal Services, and Human Resources have reviewed the analysis from Aon and concurs with the recommendation and this resolution.

Please feel free to reach out to me if you have any questions.