

# Exhibit to Agenda Item #8

Authorize the Chief Executive Officer and General Manager to:

- a. Approve contract change to Contract No. 4500110473 with **United Health Care Insurance Company** approving 2023 medical insurance premium rates and extending the contract by one year for the period January 1, 2023, through December 31, 2023; 2023 cost estimated at \$37.4 million; and
- b. Approve contract change to Contract No. 4500043215 with **Kaiser Permanente** approving 2023 medical insurance premium rates and extending the contract by one year for the period January 1, 2023, through December 31, 2023; 2023 cost estimated at \$27.8 million.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting

Tuesday, October 18, 2022, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

# 2023 Medical Premium Renewal Summary

**SMUD provides medical benefits to approximately 9,500 employees, retirees and their eligible dependents**

- Active members: 1,828
- Retiree members: 1,958

**SMUD's Total Medical Premium increased by .31% (All plans active/retiree)**

- Industry trend projects Total Medical Premiums to increase by 6.5 % in 2023\*

## **SMUD Plans**

- Active Employee Medical Premiums: .44% increase
- Retiree Medical Premiums: .53% increase

\*Medical Cost Trend: Behind the Numbers 2022 – PwC's Health Research Institute

# 2023 Medical Summary by Carrier

Medical Premiums Total Cost	2022	2023	Percentage Changed
United Healthcare	\$35.7M	\$37.4M	4.9%
Kaiser Permanente	\$29.3M	\$27.8M	-5.1%
<b>Total</b>	<b>\$65M</b>	<b>\$65.2M</b>	<b>.31%</b>

# 2023 Active Employees Medical Premium Rates

Active Employees Carrier	Basic		
	Employee Only	Employee + 1	Employee + Family
Kaiser HMO – High Plan	\$712.11	\$1,424.22	\$2,136.33
Kaiser HMO – Low Plan	\$674.53	\$1,349.06	\$2,023.59
United Healthcare Signature Value HMO – High Plan	\$1,196.25	\$2,524.09	\$3,612.68
United Healthcare Signature Value HMO – Low Plan	\$1,075.34	\$2,268.96	\$3,247.58
United Healthcare Signature Alliance HMO – High Plan	\$1,111.76	\$2,345.81	\$3,357.51
United Healthcare Signature Alliance HMO – Low Plan	\$999.39	\$2,108.70	\$3,018.19
United Healthcare High Deductible Health Plan	\$954.14	\$2,013.23	\$2,881.49
United Healthcare PPO Plan	\$1,844.55	\$3,892.01	\$5,570.55

# 2023 Retiree Medical Premium Rates

Retiree Carrier	Basic			Medicare	
	Retiree Only	Retiree + 1	Retiree + Family	Retiree	Retiree + 1
Kaiser HMO	\$710.20	\$1,420.40	\$2,130.60	\$245.25	\$490.50
Kaiser Medicare Unassigned*	N/A	N/A	N/A	\$1,758.91	\$3,517.82
Kaiser Medicare Part A only**	N/A	N/A	N/A	\$1,348.26	\$2,696.52
United Healthcare Signature Value HMO	\$1,196.25	\$2,524.09	\$3,612.68	N/A	N/A
United Healthcare Signature Alliance HMO	\$1,111.76	\$2,345.81	\$3,357.51	N/A	N/A
United Healthcare PPO – In CA	\$1,844.55	\$3,892.01	\$5,570.55	N/A	N/A
United Healthcare PPO – Out Of CA	\$1,844.55	\$3,892.01	\$5,570.55	N/A	N/A
United Healthcare Medicare Advantage	N/A	N/A	N/A	\$428.88	\$857.76

# Board Action

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