

**AGENDA ITEM REPORT**

**DATE:** December 3, 2024  
**DEPARTMENT:** Human Resources  
**REQUESTER:** Angela Pruitt  
**TITLE:** Approve Amending & Renewing Aetna Life Insurance Medical Stop Loss Contract

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**I. MOTION REQUESTED**

- A. Approve Amendment No. 3 with Aetna Life Insurance Company, under Solicitation No. RFP210494CJV Medical Stop Loss, to increase the individual Stop Loss Limit Amount from \$450,000 to \$475,000 and the premium rate from \$48.72 per employee per month to \$55.18. The amendment will increase the contract amount by approximately \$327,832 annually, with total annual anticipated expenditures of approximately \$2,800,275.
- B. Approve contract renewal for Medical Stop Loss, from Aetna Life Insurance Company, under Solicitation No. RFP210494CJV, through 12/31/25, with anticipated annual expenditures of approximately \$2,800,275.
- C. Authorize the County Manager or designee to execute the amendment and renewal on behalf of the Board of County Commissioners.

**II. ITEM SUMMARY**

Stop-loss insurance is a critical safeguard for self-insured health funds, protecting against the financial strain of exceptionally high medical claims. This item approves an amendment to the contract with Aetna Life Insurance Company for Medical Stop Loss to increase the individual Stop Loss Limit Amount from \$450,000 to \$475,000 and the premium rate from \$48.72 per employee per month to \$55.18. The stop loss is paid by the county. The amendment will increase the contract amount by approximately \$327,832 annually, with total anticipated expenditures of approximately \$2,800,275. Keeping the stop loss at \$450,000 would have resulted in a \$544,000 increase to the county. Total expenditures during Fiscal Year 2023-24 were \$2,460,847. Approves the contract renewal through December 31, 2025.

**III. BACKGROUND AND IMPLICATIONS OF ACTION**

On December 7, 2021, the Board of County Commissioners awarded RFP210494CJV Medical Stop Loss to Aetna Life Insurance Company on an as-needed basis. The original term of the contract was for one-year with an option to renew for up to three (3) additional years. On December 5, 2023, an Amendment 2 was approved by the Board to increase the price for the stop loss coverage. On December 6, 2022, an Amendment 1 was approved by the Board to increase the price for the stop loss coverage.

**IV. FINANCIAL INFORMATION**

Current Year Dollar Amount: \$2,460,847  
Included in the Current Budget?: Yes  
Fund: Self-Insurance Medical Fund  
Comments:

Is this a revenue or expense item? Expense  
Is this Discretionary or Mandatory? Discretionary  
Will this item impact future budgets?  
Program: Self-Insurance Medical Fund  
Project:  
Account Strings: GC5133757602.503190  
Fund Type? Self-Insurance Medical Fund

**V. RECOMMENDATION**

Approve

**ATTACHMENTS:**

Signed Aetna.Affidavit 287.138 and 787.06, Lee County BOCC Firm SL Renewal 01.01.2025 (1), Medical Stop Loss - Aetna - Contract Amendment, Signed Aetna.Renewal Letter.1 Year.Aetna Life (2)

**REVIEWERS:**

Lynne Peterson, Human Resources  
Angela Pruitt, Human Resources  
Anne Henkel, Budget Services  
Angela Guttery, Budget Services  
Peter Winton, County Manager  
Andrea Fraser, County Attorney  
Dave Harner, County Manager  
Mary Tucker, Procurement

Created/Initiated - 11/20/2024  
Approved - 11/20/2024  
Approved - 11/21/2024  
Approved - 11/21/2024  
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Final Approval - 11/25/2024