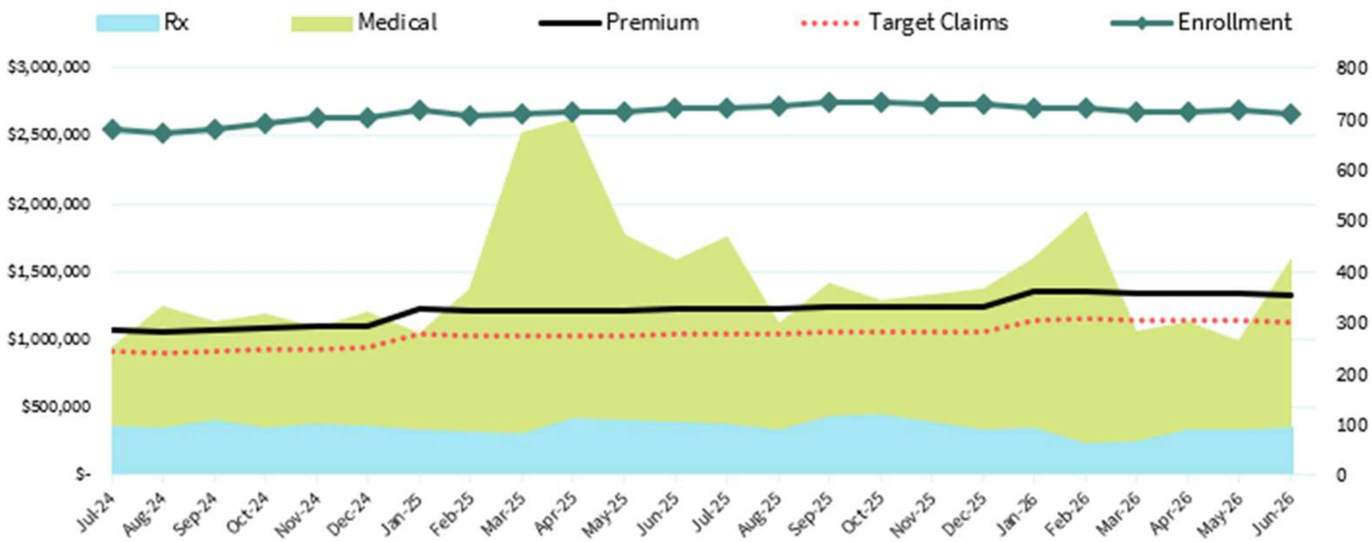
City of Lee's Summit Finance & Budget Meeting

August 3rd, 2026

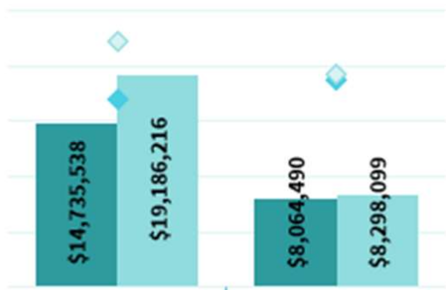
Financials

Medical Financial Summary

Monthly Trend



Medical Premium vs. Claims



	Prior Year	Current YTD
Premium	$14,735,538	$8,064,490
Claims	$19,186,216	$8,298,099
Premium PEPM	$1,702	$1,878
Claims PEPM	$2,216	$1,932

Loss Ratio	*Prior Year*	*Current YTD*	*Rolling 12*
	130%	103%	107%

Cost Drivers

Top Large Claims

Top Diagnosis	Amount	Status
Malignant Neoplasm Of Cardia	$ 847,235	*TERMINATED*
Bipolar Disorder, Current Episode Hypomanic	$ 651,166	*ACTIVE*
Interruption of Aortic Arch	$ 607,811	*ACTIVE*
Top 3 Large Claimant Total	**$ 2,106,211**	
Remaining Large Claims > $100,000	**$ 4,033,088**	
Total Large Claims > $100,000	**$ 6,139,300**	
% of Total Claims	**37%**	

Commentary

Summary

- Medical Premium vs. Claims
- YOY Claims Trend
- 12 Month Enrollment Trend

Plan Performance

- Overall the plan is running at 119% for the month and 103% for the current plan year

Premium vs. Claims

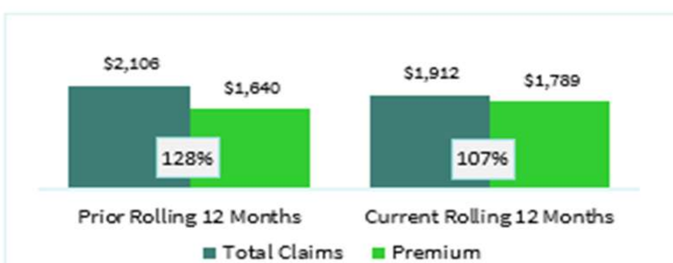
Loss Ratio	Current Month - Jun 2026	Prior Rolling 12 Months	Current Rolling 12 Months	Change		Prior Year	Prior YTD	Current YTD	Change	
	119%	128%	107%	-17%		130%	149%	103%	-31%	
Premium										
Employee Contribution	$ 161,896	$ 2,559,459	$ 2,340,272	$ (219,187)	-9%	$ 2,689,927	$ 1,336,755	$ 987,100	$ (349,655)	-26%
Company Contribution	$ 1,166,404	$ 11,227,307	$ 13,155,856	$ 1,928,549	17%	$ 12,045,612	$ 5,967,145	$ 7,077,389	$ 1,110,244	19%
Total Premium	**$ 1,328,301**	**$ 13,786,765**	**$ 15,496,127**	**$ 1,709,362**	**12%**	**$ 14,735,538**	**$ 7,303,900**	**$ 8,064,490**	**$ 760,589**	**10%**
Total Claims										
Medical Claims	$ 1,221,574	$ 13,178,599	$ 12,259,099	$ (919,500)	-7%	$ 14,539,404	$ 8,669,728	$ 6,389,423	$ (2,280,305)	-26%
Pharmacy Claims	$ 356,141	$ 4,532,293	$ 4,308,107	$ (224,185)	-5%	$ 4,646,812	$ 2,247,381	$ 1,908,676	$ (338,705)	-15%
Total Claims	**$ 1,577,715**	**$ 17,710,892**	**$ 16,567,207**	**$ (1,143,685)**	**-6%**	**$ 19,186,216**	**$ 10,917,109**	**$ 8,298,099**	**$ (2,619,010)**	**-24%**
Additional Expenses or Adjustments										
HSA Contribution	$ 19,200	$ 178,500	$ 215,150	$ 36,650	21%	$ 194,700	$ 95,500	$ 115,950	$ 20,450	21%
Net Employer Spend	**$ 1,185,604**	**$ 11,405,807**	**$ 13,371,006**	**$ 1,965,199**	**17%**	**$ 12,240,312**	**$ 6,062,645**	**$ 7,193,339**	**$ 1,130,694**	**19%**

Page 1

Medical/Rx Loss Ratio
Current R24 Months: 117%
Current R12 Months: 107%
Plan YTD: 103%
Current Month 2026 (May): 119%

PY27 Projection: 25% increase as of June 2026

Please note: This is a very high-level estimate and does not reflect all plan- and group-specific adjustments. A detailed projection will be calculated and provided to CoLS later in the plan year.



Large Claimants

Rolling 12 Large Claimants gross cost summary:

- 22 members over $100K with $6.1M in claims
    - $4.4M related to medical claims and $1.7M related to pharmacy claims

- 2 new high-cost claimants and 1 dropped off in June
    - New claimants added $424K and $123K came off adding $300K to the rolling 12 total

- Top 5 Diagnosis Categories
    - Cardiology/Circulatory
    - Cancer
    - Inflammation related
    - Mental Health
    - Pregnancy

Current rolling 12 months, there are 22 members over the $100K large claims threshold totaling $6.1M, accounting for 37% of the total claims paid.

Renewal Timeline

Tentative Timeline

- Finance & Budget Committee meeting - August 3rd
  - Provide updated financials and timeline
- Cigna Renewal Release – Mid August
- City & Alliant work towards final recommendation – August 17th – September 1
  - Review plan options, negotiate final renewal, finalize recommendations
- Meet with CoLS Management Team – September 2
  - Provide recommendations and take feedback
- Provide recommendations to Finance & Budget – TBD (mid-Sept.)
  - Recommend plan options
- City Council Meeting for final approval – September 22
- CoLS Health Fair – October 27
- CoLS Open Enrollment – Late October through Early November

Thank you