The Warehouse Employees Union Local 730

December 17, 2021

NFP

2022 Stop Loss Renewal

2022 Stop Loss Renewal Executive Summary

NFP marketed the stop loss through our Stop Loss Center of Excellence (COE)

- Berkshire, HM Life, Sun Life, Swiss Re, TMHCC and Voya declined to quote (DTQs)
- DTQs were a result of uncompetitive rates
- Ullico did not provide proposals for alternative deductibles due to the low premium of the plan

NFP was able to negotiate a 5.2% increase to the Ullico renewal

- Current stop loss trend is running between 15%-18%
- The proposal includes the 5% dividend guarantee only if the contract is renewed (estimated to be $4,768)

Recommendation

- Renew “as is” at the $500k ISL and $50k aggregating specific deductible
- The savings provided by increasing the ISL to $525k are negligible

2022 Stop Loss Renewal Executive Summary

Total Cost Summary	
Total Current Premium	$95,350
Current Claims Liability	$50,000
Total Current Premium + Liability	**$145,350**
Current Headcount	334

Quote Status		*Firm*	*Firm*	*Firm*
Commission Level		**0%**	**10%**	**10%**
Spec Level		**Ullico (Renewal)**	**Accurisk**	**Symetra**
$500,000 (Current)	Annual Premium	$102,966	$111,022	$103,246
	$ Change	$7,615	$15,671	$7,896
	% Change	8.0%	16%	8%
	Additional Claims Liability	$50,000	$50,000	$50,000
	Total Premium + Liability	**$152,966**	**$161,022**	**$153,246**
	$ Change	$7,615	$15,671	$7,896
	% Change	5.2%	10.8%	5.4%
	Contract Type	12/15	12/15	12/15
$525,000	Annual Premium		$106,292	$145,250
	$ Change		$10,942	$49,900
	% Change		11.5%	52.3%
	Additional Claims Liability		$50,000	$0
	Total Premium + Liability		$156,292	$145,250
	$ Change		$10,942	($100)
	% Change		8%	0%
	Contract Type		12/15	12/15

Individual Stop Loss Summary

Total Lives Covered: 334	Ullico	Ullico	Accurisk	Symetra
	Current	Renewal	Proposal	Proposal
Individual Stop Loss Deductible	**$500,000**	**$500,000**	**$500,000**	**$500,000**
Aggregating Specific Deductible	**$50,000**	**$50,000**	**$50,000**	**$50,000**
Single Rate (PEPM)	n/a	n/a	n/a	n/a
Family Rate (PEPM)	n/a	n/a	n/a	n/a
Composite Rate (PEPM)	$23.79	$25.69	$27.70	$25.76
Contract Basis	12/15	12/15	12/15	12/15
Benefits Covered	Medical & Rx	Medical & Rx	Medical & Rx	Medical & Rx
Specific Reimbursement Maximum	Unlimited	Unlimited	Unlimited	Unlimited
Additional Laser Liability	$0	$0	$0	$0
Individual Stop Loss Annual Premium	**$95,350**	**$102,966**	**$111,022**	**$103,246**
Additional Claims Liability (Agg Spec/Laser)	**$50,000**	**$50,000**	**$50,000**	**$50,000**
ISL Premium + Claims Liability	**$145,350**	**$152,966**	**$161,022**	**$153,246**
$ Change from Current	***N/A***	***$7,615***	***$15,671***	***$7,896***
% Change from Current	***N/A***	***5.2%***	***10.8%***	***5.4%***

Individual Stop Loss Summary – alternative 1

Total Lives Covered: 334	Ullico	Ullico	Accurisk	Symetra
	Current	Renewal	Proposal	Proposal
Individual Stop Loss Deductible	**$500,000**		**$525,000**	**$525,000**
Aggregating Specific Deductible	**$50,000**		**$50,000**	**$0**
Single Rate (PEPM)	n/a		n/a	n/a
Family Rate (PEPM)	n/a		n/a	n/a
Composite Rate (PEPM)	$23.79	**Did not quote**	$26.52	$36.24
Contract Basis	12/15		12/15	12/15
Benefits Covered	Medical & Rx		Medical & Rx	Medical & Rx
Specific Reimbursement Maximum	Unlimited		Unlimited	Unlimited
Additional Laser Liability	$0		$0	$0
Individual Stop Loss Annual Premium	**$95,350**		**$106,292**	**$145,250**
Additional Claims Liability (Agg Spec/Laser)	**$50,000**		**$50,000**	**$0**
ISL Premium + Claims Liability	**$145,350**		**$156,292**	**$145,250**
$ Change from Current	***N/A***		***$10,942***	***($100)***
% Change from Current	***N/A***		***7.5%***	***-0.1%***

Life and AD&D

Life and A&D Marketing - Executive Review

Goal

- Warehouse Union Local 730 requested that NFP perform an RFP on their behalf because of a concern of a large increase on the Life and AD&D line of coverage

Overview

- NFP marketed the Life and AD&D to five best-in-class carriers. These carriers were The Standard, Lincoln, the Hartford, New York Life and MetLife. The incumbent carrier, Voya, also received an opportunity to provide best and final.
- Carriers were asked to quote the Basic Life and AD&D that mirrored the current plan but also provide proposals for a flat $50k, $55k, and $60k benefit.

Results

- NFP received DTQ's from Lincoln Financial and the Standard. NFP received proposals from the Hartford, MetLife and New York Life. MetLife provides the most financial savings coming in 9% below current ($3.7k below current).

Life and AD&D Marketing - Renewal

	Current	Renewal - Voya	Renewal - Voya (with commissions)*	Hartford*	MetLife*	NYL*
Basic Life Rate	$0.210	$0.250	$0.270	$0.280	$0.203	$0.240
Basic AD&D Rate	$0.030	$0.030	$0.030	$0.040	$0.016	$0.030
Basic Life Volume	$15,057,000	$15,057,000	$15,057,000	$15,057,000	$15,057,000	$15,057,000
Basic AD&D Volume	$15,057,000	$15,057,000	$15,057,000	$15,057,000	$15,057,000	$15,057,000
Monthly Premium	**$3,614**	**$4,216**	**$4,517**	**$4,818**	**$3,297**	**$4,065**
Annual Premium	**$43,364**	**$50,592**	**$54,205**	**$57,819**	**$39,570**	**$48,785**
$ Change		$7,227	$10,841	$14,455	-$3,794	$5,421
% Change		17%	25.0%	33%	-9%	13%
Rate Guarantee		2 years	2 years	2 years	2 years	3 years

*Includes 10% commissions

Life and AD&D Marketing – Option 1 - $50k

	Current	Renewal - Voya	Renewal - Voya (with commissions)*	Hartford*	MetLife*	NYL*
Basic Life Rate	$0.210	$0.250	$0.270	$0.280	$0.193	$0.240
Basic AD&D Rate	$0.030	$0.030	$0.030	$0.040	$0.016	$0.030
Basic Life Volume	$15,057,000	$16,847,500	$16,847,500	$16,847,500	$16,847,500	$16,847,500
Basic AD&D Volume	$15,057,000	$16,847,500	$16,847,500	$16,847,500	$16,847,500	$16,847,500
Monthly Premium	**$3,614**	**$4,717**	**$5,054**	**$5,391**	**$3,521**	**$4,549**
Annual Premium	**$43,364**	**$56,608**	**$60,651**	**$64,694**	**$42,254**	**$54,586**
$ Change		$13,243	$17,287	$21,330	-$1,111	$11,222
% Change		31%	39.9%	49%	-3%	26%
Rate Guarantee		2 years	2 years	2 years	2 years	3 years

*Includes 10% commissions

Life and AD&D Marketing – Option 2 - $55k

	Current	Renewal - Voya	Renewal - Voya (with commissions)*	Hartford*	MetLife*	NYL*
Basic Life Rate	$0.210	$0.250	$0.270	$0.280	$0.193	$0.240
Basic AD&D Rate	$0.030	$0.030	$0.030	$0.040	$0.016	$0.030
Basic Life Volume	$15,057,000	$18,532,250	$18,532,250	$18,532,250	$18,532,250	$18,532,250
Basic AD&D Volume	$15,057,000	$18,532,250	$18,532,250	$18,532,250	$18,532,250	$18,532,250
Monthly Premium	**$3,614**	**$5,189**	**$5,560**	**$5,930**	**$3,873**	**$5,004**
Annual Premium	**$43,364**	**$62,268**	**$66,716**	**$71,164**	**$46,479**	**$60,044**
$ Change		$18,904	$23,352	$27,800	$3,115	$16,680
% Change		44%	53.9%	64%	7%	38%
Rate Guarantee		2 years	2 years	2 years	2 years	3 years

*Includes 10% commissions

Life and AD&D Marketing – Option 3 - $60k

	Current	Renewal - Voya	Renewal - Voya (with commissions)*	Hartford*	MetLife*	NYL*
Basic Life Rate	$0.210	$0.250	$0.270	$0.275	$0.193	$0.240
Basic AD&D Rate	$0.030	$0.030	$0.030	$0.040	$0.016	$0.030
Basic Life Volume	$15,057,000	$20,217,000	$20,217,000	$20,217,000	$20,217,000	$20,217,000
Basic AD&D Volume	$15,057,000	$20,217,000	$20,217,000	$20,217,000	$20,217,000	$20,217,000
Monthly Premium	**$3,614**	**$5,661**	**$6,065**	**$6,368**	**$4,225**	**$5,459**
Annual Premium	**$43,364**	**$67,929**	**$72,781**	**$76,420**	**$50,704**	**$65,503**
$ Change		$24,565	$29,417	$33,056	$7,340	$22,139
% Change		57%	67.8%	76%	17%	51%
Rate Guarantee		2 years	2 years	2 years	2 years	3 years

*Includes 10% commissions

Basic Life - Plan Design Comparison

Basic Life/AD&D Plan Design	Current - Voya	Renewal	Hartford	MetLife	NYL
Benefit Amount	Flat $45k	Match	Match	Match	Match
Guaranteed Issue Amount	$45,000	Match	Match	Match	Match
Standard Provisions					
Waiver of Premium	Yes	Match	Match	Match	Match
Accelerated Death Benefit	50% of the life insurance amount up to a max of $100,000	Match	**6 months of life expectancy, 80% of benefit to a max $500k**	**12 months or less to live, up to 80% of coverage to a max $500k**	12 months or less to live, up to 75% of coverage to a max of $33,750
Employer Contribution	100%	Match	Match	Match	Match
Benefit Reductions					
Reduces to	65% starting on your 65th birthday and prior to age 70; 50% from your 70th birthday to age 75 and 30% if over age 75	Match	65% starting on your 65th birthday and prior to age 70; 50% from your 70th birthday to age 75 and 20% if over age 75	Match	Match
Other Items					
Conversion	Yes	Match	Match	Match	Match

Thank You.

Primary Point of Contact:

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