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THE CITY OF OKLAHOMA CITY



JOINT INSURANCE COMMITTEE

Joanna McSpadden

Isaac Locke

Jeff Cooper

Donna Skidmore

Larry Slaff

Phil Smith

George Fina

**420 W Main Ste 110, Oklahoma City, OK 73102 Basement
Conference Room**

June 10, 2026 8:30 a.m.

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CITY OF OKLAHOMA CITY
JOINT INSURANCE COMMITTEE
AGENDA and MEETING NOTICE

DATE: June 10, 2026

TIME: 8:30 a.m.

PLACE: 420 W Main Ste 110, Oklahoma City, OK 73102
Basement Conference Room

AGENDA:

- I. Call to Order**
- II. Approval of Minutes**
 - A. March 4, 2026
- III. Information from Vendors**
 - A. Blue Cross Blue Shield / Prime
- IV. Information from Employee Benefits Division**
 - A. Plan Performance
- V. Items from Committee Members**
- VI. Adjournment**

AGENDA ITEM

II.

Approval of March 4, 2026 Minutes

CITY OF OKLAHOMA CITY
JOINT INSURANCE COMMITTEE
MINUTES

March 4, 2026

The Joint Insurance Committee meeting was held on September 10, 2025 at 8:30 a.m. in the City Municipal Building, 420 W Main, Ste 110 Basement Large Conference Room

Those in attendance were:

Members Present:

*Larry Slaff, Citizen Member
Donna Skidmore, Retiree Member
Isaac Locke, AFSCME Representative
Joanna McSpadden, City Manager Designee
Phil Smith, Citizen Member*

George Fina, Citizen

Members Absent:

Jeff Cooper, FOP Lodge 123 Member

Staff Present:

*Jason Long, Total Rewards Manager
Richard Mahoney, Asst Municipal Counselor III
Lolly Landgraf, Sr. Human Resources Analyst*

I. Call to Order

Jason Long, called to order the Joint Insurance Committee Meeting at 8:31 AM

II. Approval of Minutes

The minutes of the September 10, 2025 meeting was approved with no objection.

III. Information From Vendors

IV. Information from Employee Benefits Division

Lockton presented plan performance through December 2025.

IV. Employee Benefits Division Update (Morgan and Jason)

Health Plan Performance (2025 Plan Year):

- All plans finished the year at just under 102% loss ratio (funding vs. expenses), meeting budget expectations.
- Active EPO Plan: 91.4% loss ratio.
- Active PPO Plan: 127% loss ratio, driven by several high-cost claimants.
- Retiree Plans: Combined 108% loss ratio.
- Per Employee Per Year (PEPY) for actives: \$21,758 (2025), up 8.2% from \$20,057 (2024).
- Enrollment increased by ~5%, attributed to new hires and public safety recruit classes.

Stop Loss Claims:

- Active Plans: 10 claimants exceeded the \$350,000 stop loss deductible; \$2.51 million reimbursed.
- Retiree Plans: 2 claimants exceeded deductible; \$46,000 reimbursed.

Population Distribution:

- 70% of actives enrolled in EPO; 30% in PPO.
- Loss ratios and funding strategies discussed; rate adjustments may be considered to prevent migration between plans and maintain balanced loss ratios.
- Medical inflation was 8–9% in 2025, forecasted to rise to 9–10% over the next two years.

Plan Performance Details:

- Active plans: Loss ratio higher than 2024, as expected due to plan changes.
- Retiree plans: Loss ratio improved from 120.5% (2024) to 108% (2025); fewer high-cost claimants.
- Monthly breakdowns showed variance in loss ratios, with some months above 100% due to high claims.

Pharmacy Data (through September):

- Focus on year-over-year trends rather than financial totals due to rebate timing.
- Percentage of low clinical value drugs paid is higher than the norm; ongoing review of formulary for savings opportunities.
- Pharmaceutical companies often combine older medications into new patents, leading to higher costs for brand names compared to generics.
- Breakdown of generics, brands, and specialty medications aligns with previous years; comparison with

Lockton's book of business helps identify areas for review.

Biosimilars:

- Biosimilars serve as "generics" for biologic specialty medications.
- Biosimilars offer lower costs but typically fewer rebates; net plan cost is the key consideration.
- Potential future strategies may include adjusting co-pays to incentivize biosimilar use.
- Blue Cross will present further strategies at the June meeting.

Copay Assistance Program:

- (Larry) Inquired about a Flex Access program with Prime that assists employees in finding copay assistance for medications.
- Program rolled out November 2025; Blue Cross to report on utilization in June.
- Pharmacies should inform patients about available assistance; education efforts ongoing

New Program: Musculoskeletal (MSK) Digital Therapy:

- Intel program launched January 1, 2026 via Blue Cross Blue Shield; 100% coverage for employees and dependents.
- Digital platform assigns a physical therapist and provides equipment for at-home therapy.
- Program aims to reduce musculoskeletal claims and avoid costly, invasive procedures; voluntary participation.
- Formal rollout planned for March or April; communication plan in development to educate and engage employees.

Committee Discussion (Jason)

- (Donna) Asked for any updates on negotiations between United and Integris.
- Extension granted until March 8 and optimism expressed for resolution.
- Discussion on the impact of negotiations on patients.

VI. Adjournment (Jason)

Motion to adjourn approved. Meeting adjourned at 9:02 AM.

Next Meeting: Scheduled for June 10, 2026.

V. Citizens to be heard

VI. Items from Committee Members

VII. Adjournment

Mr. Long adjourned the meeting at 9:02 A.M.

AGENDA ITEM

III.

Information from Vendors

AGENDA ITEM

IV.

Information From Employee Benefits Division

A. Plan Performance

City of Oklahoma City Joint Insurance Committee

June 2026



Health Plan Performance

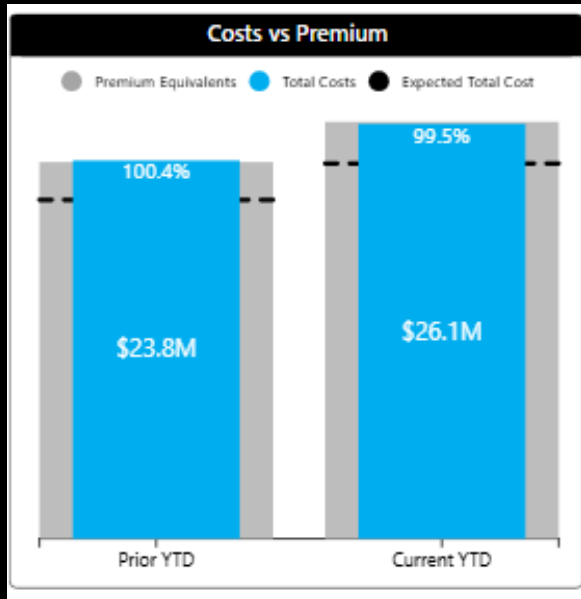


1st Quarter 2026 (January – March)

Executive Summary

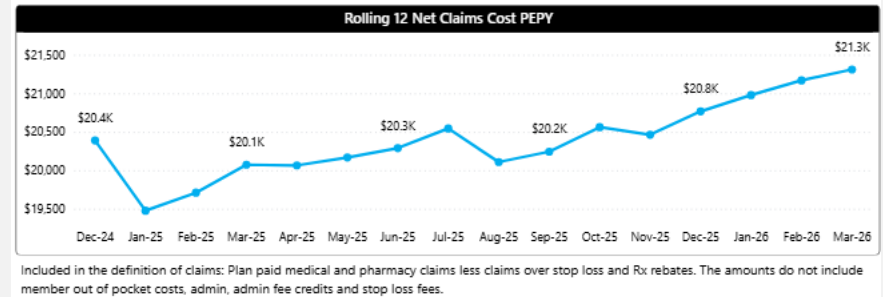
- On an all-plans combined basis; the plan is running at **99.5%** loss ratio (funding vs. expenses).
 - The Active EPO plan is running with YTD expenses to budget/accrual ratios of **90.8%** while the PPO Plan is running at **114.5%**.
 - The Retiree plans are running at **92.4%**.
 - Projected Per Employee Per Year (PEPY) cost for Actives is **\$22,252** (in March 2025, it was \$20,549). An **8.3% increase**.
- Through March 2026, there have been **0 claimants** over the ISL deductible.
 - This time last year, there were 15 claimants over the ISL deductible.

OVERALL ACTIVES TOTAL COST THROUGH Q1 2026 IS IN LINE WITH BUDGET



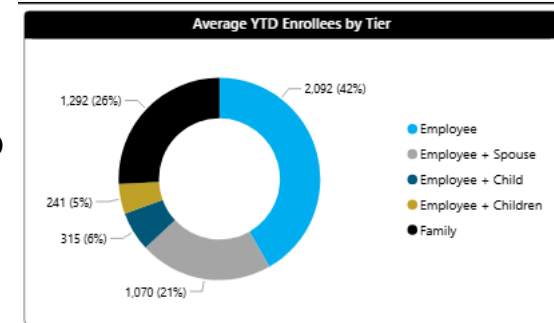
ROLLING 12 NET CLAIMS PEPY TRENDING UP

01



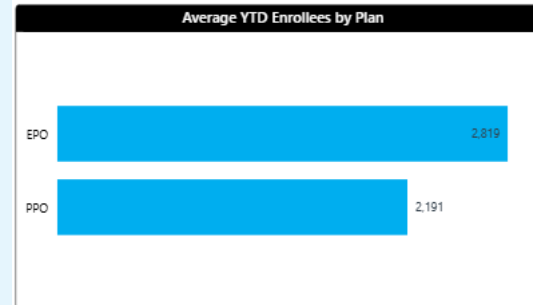
02

AVERAGE ENROLLMENT BY TIER HAS REMAINED CONSISTENT

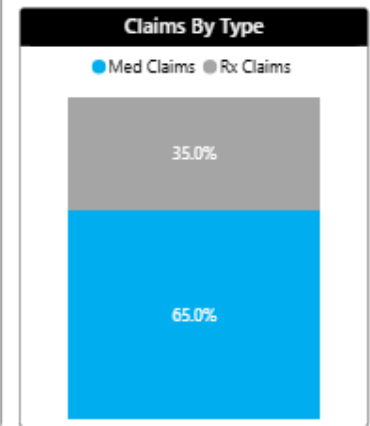
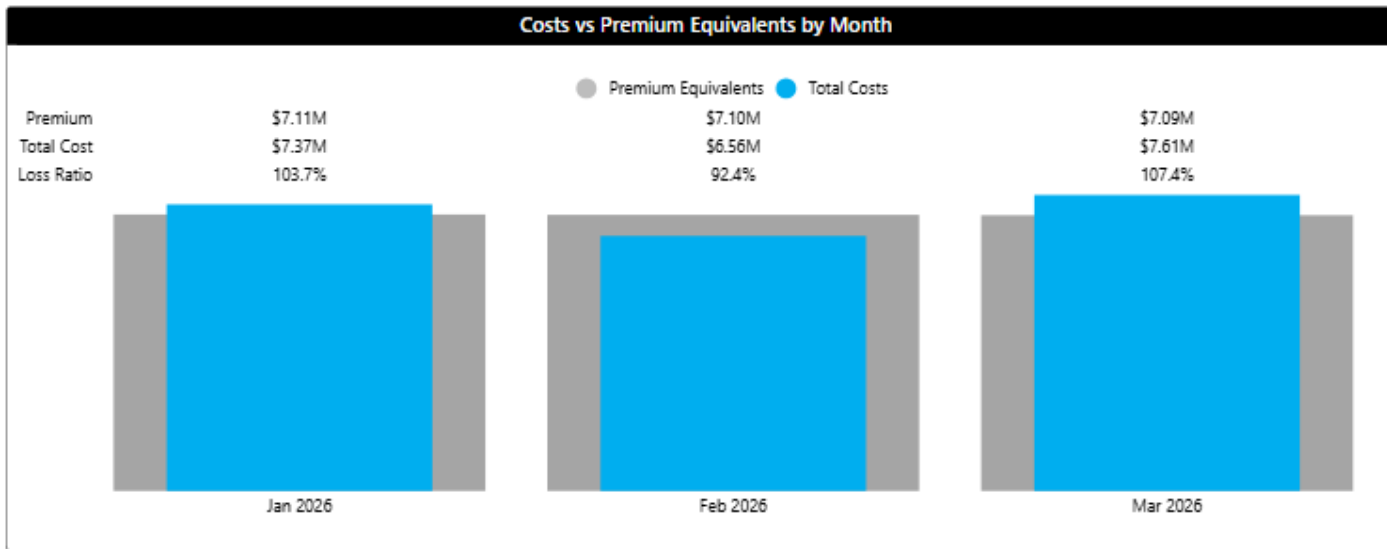
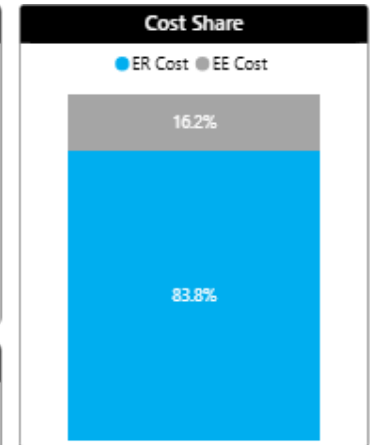
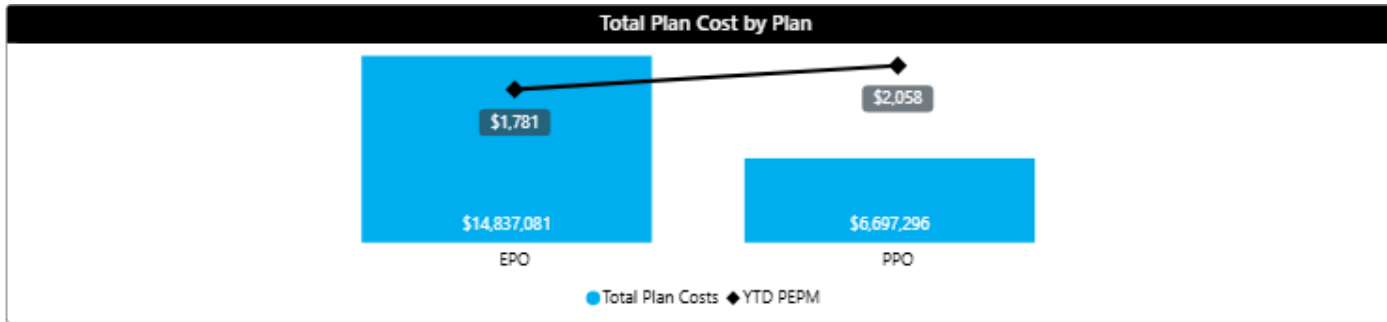


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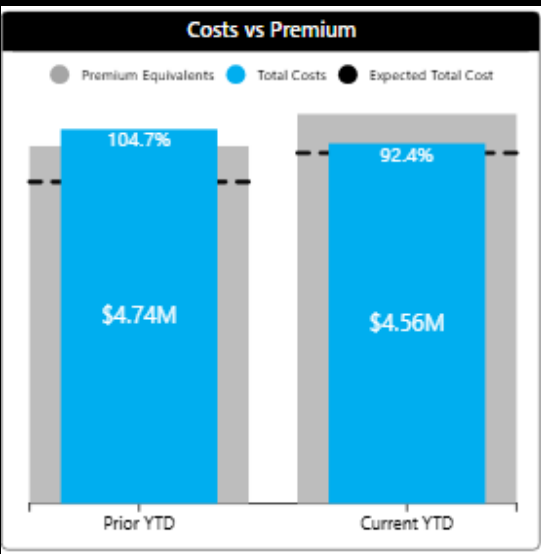
AVERAGE ENROLLMENT BY PLAN



Performance Overview – Actives Only

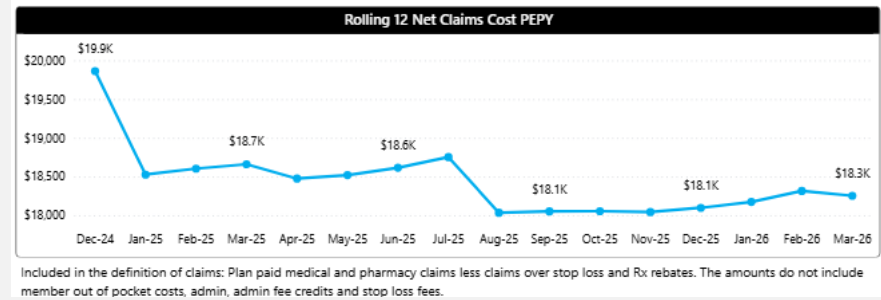


OVERALL RETIREE TOTAL COST THROUGH Q1 2026 IS IN LINE WITH BUDGET



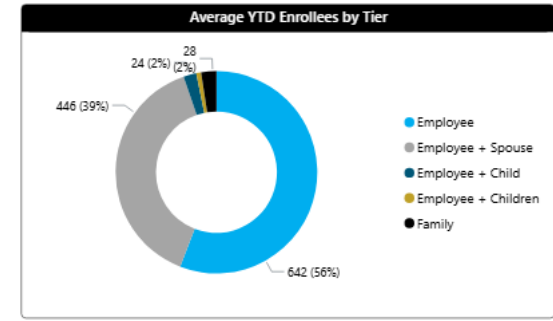
ROLLING 12 NET CLAIMS PEPY TRENDING DOWN

01



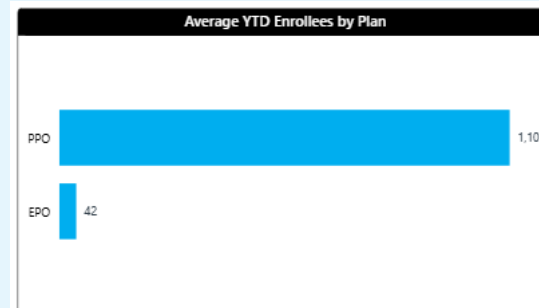
02

AVERAGE ENROLLMENT BY TIER HAS REMAINED PREDOMINATELY RETIREE ONLY

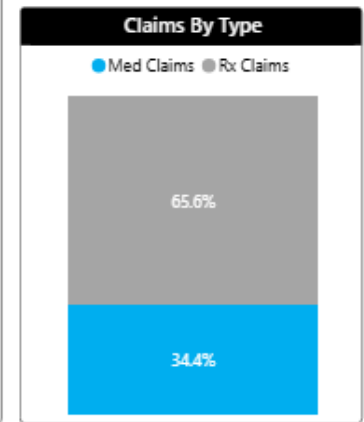
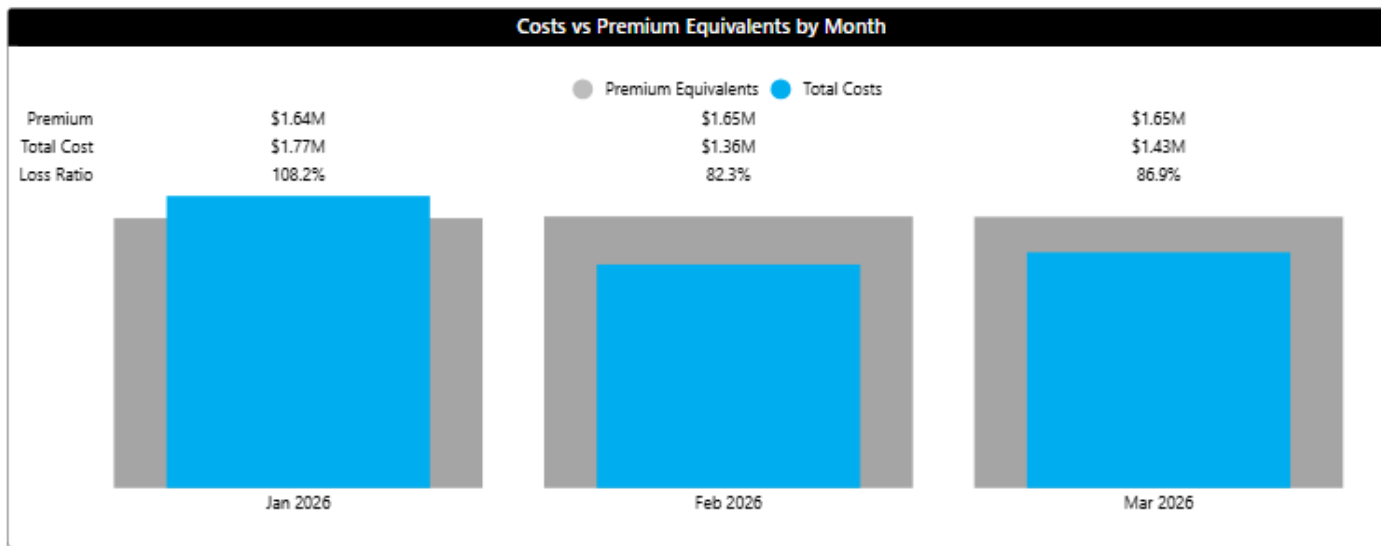
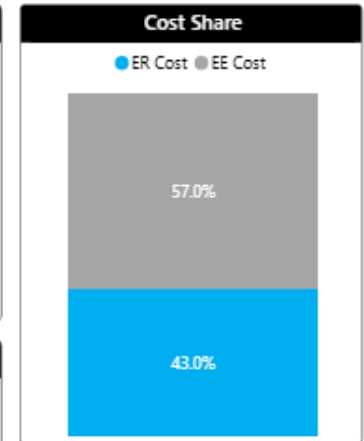
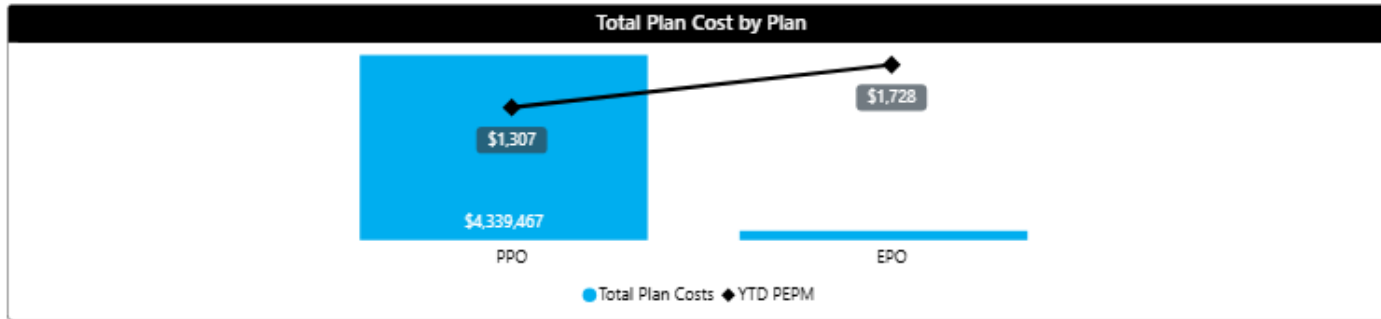


03

AVERAGE ENROLLMENT BY PLAN



Performance Overview – Retirees Only



Independence changes everything.



AGENDA ITEM

V.

Items from Committee Members

AGENDA ITEM

VI.

Adjournment