

Exhibit to Agenda Item #3

- a. Discuss contract change to Contract No. 4500110473 with **United Health Care Insurance Company** approving 2024 medical insurance premium rates and extending the contract by one year for the period January 1, 2024, through December 31, 2024; 2024 cost estimated at \$39.1 million.
- b. Discuss contract change to Contract No. 4500043215 with **Kaiser Permanente** approving 2024 medical insurance premium rates and extending the contract by one year for the period January 1, 2024, through December 31, 2024; 2024 cost estimated at \$30.7 million.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, September 19, 2023, scheduled to begin at 6:00 p.m.
SMUD Headquarters Building, Auditorium

2024 Medical Premium Renewal Summary

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

- Active members: 1,911
- Retiree members: 1,973

SMUD's Total Medical Premium increased by 4.4% (all plans active/retiree)

- Industry trend projects Total Medical Premiums to increase by 7.0 % in 2024*

SMUD Plans

- Active Employee Medical Premiums: 4.49% increase
- Retiree Medical Premiums: 4.24% increase

*

Medical Cost Trend: Behind the Numbers 2023 – PwC's Health Research Institute

2024 Medical Summary by Carrier

Medical Premiums Total Cost	2023	2024	Percentage Changed
United Healthcare	\$37.8M	\$39.1M	3.37%
Kaiser Permanente	\$29.0M	\$30.7M	5.78%
Total	\$66.8M	\$69.8M	4.4%

2024 Active Employees Monthly Medical Premium Rates

2024 Active Employees Medical Rates

Active Employees Carrier	Basic		
	Employee Only	Employee + 1	Employee + Family
Kaiser HMO – High Plan	\$745.70	\$1,491.40	\$2,237.10
Kaiser HMO – Low Plan	\$706.58	\$1,413.16	\$2,119.74
United Healthcare Signature Value HMO – High Plan	\$1,256.07	\$2,650.30	\$3,793.32
United Healthcare Signature Value HMO – Low Plan	\$1,129.11	\$2,382.41	\$3,409.95
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	\$982.76	\$2,073.63	\$2,967.93
United Healthcare PPO Plan	\$1,899.89	\$4,008.77	\$5,737.67

2024 Retiree Monthly Medical Premium Rates

2024 Retiree Medical Rates

Retiree Carrier	Basic			Medicare	
	Retiree Only	Retiree + 1	Retiree + Family	Retiree	Retiree + 1
Kaiser HMO	\$745.70	\$1,491.40	\$2,237.10	\$283.87	\$567.74
Kaiser Medicare Unassigned*	N/A	N/A	N/A	\$1,834.82	\$3,669.64
Kaiser Medicare Part A only**	N/A	N/A	N/A	\$1,424.17	\$2,848.34
United Healthcare Signature Value HMO	\$1,256.07	\$2,650.30	\$3,793.32	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	\$1,899.89	\$4,008.77	\$5,737.67	N/A	N/A
United Healthcare PPO – Out Of CA	\$1,899.89	\$4,008.77	\$5,737.67	N/A	N/A
United Healthcare Medicare Advantage	N/A	N/A	N/A	\$428.88	\$857.76

* Age 65+ retiree – not enrolled in Medicare – transitional plan

** Have Medicare Part A due to disability but not enrolled in Medicare Part B due to age (under 65)

Board Action

- a. Approve contract change to Contract No. 4500110473 with United Health Care Insurance Company approving 2024 medical insurance premium rates and extending the contract by one year for the period January 1, 2024, through December 31, 2024; 2024 cost estimated at \$39.1 million.
- b. Approve contract change to Contract No. 4500043215 with Kaiser Permanente approving 2024 medical insurance premium rates and extending the contract by one year for the period January 1, 2024, through December 31, 2024; 2024 cost estimated at \$30.7 million.