

THE CITY OF OKLAHOMA CITY



JOINT INSURANCE COMMITTEE

Joanna McSpadden

Isaac Locke

Jeff Cooper

Donna Skidmore

Larry Slaff

Phil Smith

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

September 2, 2026 8:30 a.m.

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CITY OF OKLAHOMA CITY
JOINT INSURANCE COMMITTEE
AGENDA and MEETING NOTICE

DATE: September 2, 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. June 10, 2026
- III. Information from Vendors**
 - A. Blue Cross Blue Shield
- IV. Information from Employee Benefits Division**
 - A. Plan Performance
- V. Items from Committee Members**
- VI. Adjournment**

AGENDA ITEM

II.

Approval of June 10, 2026 Minutes

CITY OF OKLAHOMA CITY
JOINT INSURANCE COMMITTEE
MINUTES

June 10, 2026

The Joint Insurance Committee meeting was held on June 10, 2026 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
Jeff Cooper, FOP Lodge 123 Member
Phil Smith, Citizen Member*

Members Absent:

Citizens Present:

George Fina

Staff Present:

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

I. Call to Order

Jason Long, called to order the Joint Insurance Committee Meeting at 8:37 AM

II. Approval of Minutes

The minutes from June 10, 2026 meeting were approved with no objection.

III. Information From Vendors

IV. Information from Employee Benefits Division

Lockton presented plan performance.

IV. Employee Benefits Division Update (BCBS)

Blue Cross Blue Shield Performance Review

- Presentation given by Cassie and pharmacy director.
- Printed packets unavailable; digital slides sent after meeting.
- Over 100,000 pharmacy claims reported.
- Cardiovascular and provider utilization trends noted.
- Inpatient utilization down 3%; inpatient costs up 7%.
- Specialty drug use increased by 15%.
- Nearly 40% of pharmacy use categorized as low utilization.
- Autoimmune and diabetes categories highest in spend.
- Cost increases driven by healthcare inflation and recontracting.

Benefit Design & Pharmacy Management

- Broad medication access with emphasis on lower-cost alternatives.
- Prior Authorization program manages high-cost drug use.
- Concerns raised about off-label prescribing trends.
- Guardrails proposed to prevent inappropriate use (e.g., weight-loss prescribing).
- Estimated plan savings around \$5 million.

GLP-1 Utilization Review

- Around 70% of GLP-1 claims had a corresponding medical diagnosis.
- 305 members lacked documentation supporting GLP-1 use.
- Weight-loss drugs excluded from plan coverage.
- Clinical criteria require lab results and diagnosis confirmation.
- Integration of medical/pharmacy data reduces unnecessary PA steps.

Biosimilars & Balance Program

- Biosimilars expected to significantly reduce drug costs.
- Members will transition from brand biologics to biosimilars.
- Balance Program shifts certain medications to OTC options.
- OTC drug costs often comparable to generic copays.

Plan Performance Overview

- Combined loss ratio near 100%, above 90% target.
- EPO plan performing on-target.
- PPO plan elevated due to three claims exceeding \$100,000.
- Retiree plans improved compared to prior year.
- No claims exceeded the \$350,000 stop-loss threshold.

International Sourcing

- Around 7% of employers using international drug sourcing.
- Primarily used for high-cost specialty medications.
- Compliance concerns for public entities remain significant.

Adjournment

- No additional items from committee members.
- Meeting adjourned at 9:34 AM.

V. Citizens to be heard

VI. Items from Committee Members

VII. Adjournment

Mr. Long adjourned the meeting at 9:34 A.M.

AGENDA ITEM

III.

Information from Vendors

City of Oklahoma City

Joint Insurance Committee

Health Plan Update

September 2, 2026 | Claims through July 2026



The full population

\$22.4K

Annual cost per enrollee

Rolling 12 months through July 2026 for all covered populations. This time last year, costs were \$19.9k annually per enrollee

+12.7%

Year-over-year increase

The same coverage now costs more per person.

103.0%

Loss ratio

Plan costs through July 2026 are running over expected budgeted costs

Costs are rising even though enrollment is stable.

Medical claims account for 58.8% of total cost while Rx costs account for 41.2%

Active and COBRA members

\$23.

9K Cost per enrollee

Rolling 12 claims through July 2026.
This time last year, costs were \$21.1k
annually per enrollee

104.1%

Loss ratio

Cost is above funding

13.0%

12-month CAGR

Direction and pace of cost growth

**Less High Cost
Claims**

Stop Loss

4 SL claimants with reimbursements totaling
\$303,239 vs. 13 SL claimants with
reimbursements totaling \$3,115,611 this time
last year

What this means

**The Active/COBRA plan is
spending more per person, and
current cost is running above
the funding collected.**

The cost of care is more expensive; not
being driven by high cost claims
activity

Retiree members

\$17.

7K Cost per enrollee

Rolling 12 claims through July 2026.
This time last year, costs
were \$16.2k annually per enrollee

98.5%

Loss ratio

Funding remains in line with budget

9.1%

12-month CAGR

Direction and pace of cost growth

**Less High Cost
Claims**

Stop Loss

1 SL claimant with reimbursements totaling
\$244,529 vs. 34 SL claimants with
reimbursements totaling \$3,203,694 this
time last year

What this means

**Retiree costs are increasing,
but this population is still
operating below the funding
collected.**

More favorable high cost claim activity is
significantly contributing to the lower
loss ratio.

Fewer stop loss claimants, yet plan costs are still rising

Prior YTD through July	Current YTD through July
\$6.3M in SL reimbursements	\$0.5M in SL reimbursements
47 Claimants	5 claimants
91% lower stop loss reimbursements than this time last year	

Where the claimants occurred

13 → 4 Active / COBRA

34 → 1 Retirees

Prior YTD Current YTD

Healthcare costs are increasing despite significantly fewer catastrophic claims

Independence changes everything.



AGENDA ITEM

IV.

Information From Employee Benefits Division

A. Plan Performance

B. Open Enrollment 2027

Retirees - October 20 - 21

Actives - October 26 - 30

C. 2027 JIC Meeting dates (Tentative)

- March 3, 2027
- June 9, 2027
- September 1, 2027
- December 1, 2027

AGENDA ITEM

V.

Items from Committee Members

AGENDA ITEM

VI.

Adjournment