



MEMORANDUM

To: Mayor and City Council

From: Matia Messemer, Director of Employee Experience

Date: September 26, 2023

Reference: Consider approval of renewal for fully insured organ transplant coverage with Tokio Marine HCC in the amount of \$73,732.00; as budgeted in FY 2023-2024, and authorizing the City Manager to sign any necessary documents.

2040: Sustainable Government

Introduction:

This item is presented to consider a proposal for Organ transplant coverage from Tokio Marine – HCC in the amount of \$73,732.00. This proposal is for a fully insured policy to cover claims for organ transplants.

Background:

With few exceptions, most organ transplantation procedures are expensive and because of their high cost, the City of Coppell decided several years ago to carve out the transplant procedure from its self-insurance plan and purchase a fully insured plan as a separate policy. This decision helps protect the City’s health plan from a catastrophic transplant claim while insuring the affected employee gets the treatment needed from a designated center of excellence for a set annual fee. There is no change in rates from the previous fiscal year.

If the City chooses not to purchase this fully insured product, all potential organ transplant claims would be paid out of the Self-Insurance Fund, and the fund would be at great risk of potentially one or more catastrophic claims.

Legal Review:

N/A

Fiscal Impact:

The fiscal impact of this Agenda Item is \$72,732, funded through the Self-Funded Health Fund.

Recommendation:

City staff recommends approval of this item.