BID SUMMARY OF FINANCIAL & NETWORK COMPARISON

City of Olathe

July 7, 2026

PEOPLE SOLUTIONS

Financial Comparison Summary - Year 1

Dual Network Option

2027 ILLUSTRATIVE (YEAR ONE)			
	2026 Cigna	2027 Cigna	2027 Aetna
Pharmacy Benefits Manager	**Express Scripts**	**Express Scripts**	**CVS Caremark**
Network Combination	OAP	OAP & Local Plus	CPOS II & KC Care
MATURE CLAIMS AND REBATES			
Medical Claims Factor	--	1 / 0.91	0.96 / 0.89
Pharmacy Claims Factor	--	1.01	1.044
Medical Claims	$13,822,142	$14,659,211	$14,091,950
Pharmacy Claims	$8,835,133	$8,736,902	$9,127,369
Pharmacy Rebates	($2,003,603)	($3,028,560)	($3,130,035)
Total Mature Claims less Rebates	$20,653,672	$20,367,553	$20,089,284
ADMINISTRATIVE FEES AND FIXED COSTS			
Medical Admin & Access Fees	$413,086	$413,086	$525,902
PBM Admin Fees	-	-	$26,328
Cigna Run-Out Fees (Estimated)	-	-	$103,273
Total Fixed Fees	$413,086	$413,086	$655,503
CREDITS AND ALLOWANCES			
First-Year Credit	$0	$0	$225,000
Implementation Credit	-	-	$0
Wellness Credit	$72,500	$150,000	$200,000
Total Credits *(sum of all possible year-one and ongoing)*	$72,500	$150,000	$425,000
ILLUSTRATIVE COST			
Total Claims & Fees *(excludes ACA taxes, stop loss and HSA seed)*	**$20,994,258**	**$20,630,639**	**$20,319,787**
$ Impact to 2026 Reforecast	-	***($363,619)***	***($674,471)***
% Impact to 2026 Reforecast	-	***-1.73%***	***-3.2%***

Assumptions:
- 2026 claims reforecast based on rolling 24 months of enrollment and claims experience through December 2025
- Medical and Pharmacy Claims Factors are compared to current contract pricing and network discounts
- Assumes no change to current plan design (unless expressly stated)
- Assumes 20% migration to narrow network slice option
- Medical admin fees include base administration fee, network access fee

Financial Comparison Summary - Year 2

Dual Network Option

2027 ILLUSTRATIVE (YEAR TWO)			
	2026 Cigna	**2027 Cigna**	**2027 Aetna**
Pharmacy Benefits Manager	**Express Scripts**	**Express Scripts**	**CVS Caremark**
Network Combination	OAP	OAP & Local Plus	CPOS II & KC Care
MATURE CLAIMS AND REBATES			
Medical Claims Factor	--	1 / 0.91	0.96 / 0.88
Pharmacy Claims Factor	--	1.01	1.044
Medical Claims	$13,822,142	$14,659,211	$14,091,950
Pharmacy Claims	$8,835,133	$8,736,902	$9,127,369
Pharmacy Rebates	($2,003,603)	($3,028,560)	($3,130,035)
Total Mature Claims less Rebates	$20,653,672	$20,367,553	$20,089,284
ADMINISTRATIVE FEES AND FIXED COSTS			
Medical Admin & Access Fees	$413,086	$413,086	$525,902
PBM Admin Fees	-	-	$26,328
Cigna Run-Out Fees (Estimated)	-	-	-
Total Fixed Fees	$413,086	$413,086	$552,230
CREDITS AND ALLOWANCES			
Wellness Credit	$72,500	$150,000	$125,000
Total Credits *(sum of all possible year-one and ongoing)*	$72,500	$150,000	$125,000
ILLUSTRATIVE COST			
Total Claims & Fees *(excludes ACA taxes, stop loss and HSA seed)*	**$20,994,258**	**$20,630,639**	**$20,516,514**
$ Impact to 2026 Reforecast	-	***($363,619)***	***($477,744)***
% Impact to 2026 Reforecast	-	***-1.7%***	***-2.3%***

Assumptions:

- 2026 claims reforecast based on rolling 24 months of enrollment and claims experience through December 2025
- Medical and Pharmacy Claims Factors are compared to current contract pricing and network discounts
- Assumes no change to current plan design (unless expressly stated)
- Medical admin fees include base administration fee, network access fee

NETWORK SUMMARY

Cigna vs. Aetna

Provider Disruption Summary

Broad and Narrow Network Comparison - All Providers/Facilities Types

Broad Network	Cigna	Aetna
Network	Open Access Plus	Aetna POS II
Total Billed Amount	$39,181,001	$39,181,000
Total Number of Claims	27,044	27,044
% In-Network Billed Claims	**97.7%**	**98.4%**
% In-Network Number Claims	**89.2%**	**98.9%**
% Out-of-Network Billed Claims	**2.3%**	**1.6%**
% Out-of-Network Number of Claims	**10.8%**	**1.1%**

Narrow Network	Cigna	Aetna
Network	Local Plus	KC Care
Total Billed Amount	$39,181,001	$39,181,001
Total Number of Claims	27,044	27,044
% In-Network Billed Claims	**89.1%**	**78.5%**
% In-Network Number of Claims	**71.0%**	**54.8%**
% Out-of-Network Billed Claims	**10.9%**	**21.5%**
% Out-of-Network Number of Claims	**29.0%**	**45.2%**

Improvement made in BAFO

Medical Performance Guarantees

	Cigna	Aetna	
PERFORMANCE METRIC	**$ at Risk**	**% at Risk**	**$ at Risk**
Implementation	$0	4%	$21,036
Account Management/Renewal	$50,000	4%	$21,036
Plan Sponsor Services	$0	2%	$10,518
Claim Administration	$57,500	4%	$21,036
Member Services	$32,500	6%	$31,554
OVERALL AMOUNT AT RISK	**$140,000**	**20%**	**$105,180**

PERFORMANCE GUARANTEE QUESTIONS		
When are the PGs measured? (quarterly, annually, etc)	Quarterly	Annually
When are PGs paid out?	Annually	Annually
How are PGs paid out? (credit to invoice or check)	Check, ACH or Credit to the ASO Bank Statement	Admin invoice credit
Define what the amount at risk is based on - % of base admin fee etc.	Flat dollar amount	Medical admin fee
Term of Guarantee	1 year	1 year

Network Discount Guarantees

Improvement made in BAFO

	Cigna			Aetna		
	Discount Range	PEPM at Risk	Annual $	Discount Range	% Admin Fee	Annual $
	OAP & Local Plus			CP II & KC Care Plus		
	70.2% - 68.2%	$0.00	$0	< 70.6%	40%	$210,361
	68.1% - 67.2%	$5.00	$64,020			
	67.1% - 66.2%	$6.00	$76,824			
	66.1% - 65.2%	$7.00	$89,628			
	65.1% - 64.2%	$8.00	$102,432			
	64.1 % - 63.2%	$9.00	$115,236			
	Less than 63.1%	$10.00	$128,040			
Total Amount at Risk	**$128,040**			**$210,361**		
Target in-network discount	**70.20%**			**70.60%**		
Discount guarantee corridor	**2%**			**2%**		
Are both in-and-out-of-network claims considered?	In-network only			In-network only		
Will catastrophic claims be removed from the discount reconciliation?	Excludes all claims for claimants with covered charges $100,000 or greater			Excludes each case where claims exceed $100,000		

Cigna In-Network Discount Achieved: 69.44%
Based on claim incurred 11/1/2024 – 1/31/2026 and paid 2/1/2025 – 1/31/2026

Medical Claim Trend Guarantees

Improvement made in BAFO

	Cigna	Aetna		
		Trend Target	Admin Fee %	Annual $
		0%	25%	$131,475
Total Amount at Risk	**Not proposed**	**$131,475**		
Are both in-and-out-of-network claims considered?		All Med Claims		
Will catastrophic claims be removed from the discount reconciliation?		Excludes each case where claims exceed $100,000		
In addition to or in lieu of discount guarantee?		In lieu of		

INDEPENDENCE
changes everything.

UNCOMMONLY INDEPENDENT