

# Town of Paradise Valley

## HEALTHCARE REQUEST FOR PROPOSALS

**2<sup>nd</sup> Update**

March 26, 2026



# PURPOSE OF PRESENTATION



**Review:** Brief summary of project.



**Update on Feasibility Study:** Provided updated projections since study session.

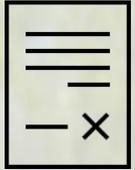


**Results of RFP:** Provide overview of the results of the RFP process conducted.



**Council “Ask”:** Seeking Council consensus to approve recommendation for membership renewal in the *Arizona Metropolitan Trust (AzMT)* by consent agenda on April 9, 2026.

# CONSULTANT SERVICES



- *Capital Financial Consulting (dba Capfi Consulting)* was retained to support RFP process for healthcare benefits.
- Contract not to exceed \$21,125.
  - ✓ YTD spend \$14,375.
- **Services**
  - ✓ Conducted feasibility study to consider fully self-funded healthcare.
  - ✓ Supported efforts to gather claims data, identify RFP specifications, reviewed submittals, and analyzed results.
  - ✓ Met with RFP committee to review submittals.
  - ✓ Prepared final analyses for consideration.

# TOWN HEALTHCARE BENEFITS PROVIDER

- Effective 07/01/2017, Council approved the Town's membership with the *Arizona Metropolitan Trust (AzMT)*, a self-insured pool.
- Current membership expires 06/30/2026.
- On 02/11/2026, in accordance with its renewal procedure for current members, the AzMT Board of Trustees approved to extend an offer of membership to the Town, effective 07/01/2026, for a 36-month term.



# FULLY SELF-INSURED FEASIBILITY STUDY



A feasibility study was conducted to determine if the Town would financially benefit from a fully self-funded insurance program. Results  $\leq 70\%$  indicate savings to be gained from full self-insurance.

- **October 23, 2025:** Feasibility results based upon FY2023, FY2024, and FY2025 claims data projected fully self-funding would outperform pooled funding in 78.9% of the modeling scenarios in FY2026, with projected savings of \$154,654, and increasing savings year after year.
- **February 3, 2026:** Provided FY2026 Q1 claims data and the modeling results dropped to 47.2%. Claims doubled in this quarter as compared to same quarter in the prior 3 plan years.
- **Conclusion:** Not a risk profile to recommend fully self-insured healthcare benefits.



# RFP RESULTS



**11/14/2025**

- RFP released the solicitation for proposals for medical, dental, vision, basic life/accidental death & dismemberment, voluntary life, and voluntary short-term disability insurance benefits.
- Invitations were sent to direct providers, third-party administrators, and benefit pools.

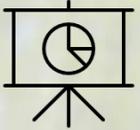
**12/15/2025**



- Bid opening.
- Received 9 responses total, 2 rejected (unresponsive), and 1 declined to provide a quote.



# RFP RESULTS



## Best Bid:

- None of the respondents quoted all of the Town's current lines of insurance with the AzMT.
- Only 1 respondent quoted medical, dental, and vision, at a cost of 18% over the Town's current healthcare costs.



## Additional Considerations:

- Other AZ healthcare pools were contacted to obtain current premium information.
- None responded.
- Conducted independent research and found limited pool premiums. All significantly exceeded current premiums.

# COUNCIL “ASK”

Based upon the results of the RFP, the Town recommends renewing its membership with the AzMT.

Therefore, the Town is seeking Council consensus to approve the resolution to renew its membership with the AzMT, effective 07/01/2026, for a 36-month term, at the 04/09/2026 meeting.





# Questions?