

**INDEPENDENT SCHOOL DISTRICT NO. 271
Bloomington, MN**

REQUEST FOR SCHOOL BOARD ACTION

DATE OF BOARD MEETING: March 27, 2017

SUBJECT: 2017-18 and 2018-19 District Self-Funded Group Insurance Rates

ORIGINATING DEPARTMENT: Office of Human Resources

APPROVAL OF ADMINISTRATOR: Mary Burroughs
Executive Director of Human Resources

RESOLUTION FOR BOARD TO ADOPT:

RESOLVED that the School Board of Independent School District No. 271 sets the monthly premium rates recommended by the District insurance consultant for the District self-funded group insurance programs for the 12-month period from July 1, 2017 to June 30, 2018, and for the District self-funded group health insurance program for the 12-month period for July 1, 2018 to June 30, 2019, per the attached memo.

1. For 2017-18 and 2018-19 increase health insurance premiums by 3% each year.
2. No change to deductible amounts or maximum out-of-pocket amounts per IRS regulations for 2017-18.
3. No change in dental insurance premiums for 2017-18.

REVIEW AND RECOMMENDATION OF SUPERINTENDENT:

Approve.

DETAILED BACKGROUND:

This Board motion follows the move in 2010 to consolidate Board motions regarding District group insurance. The attached memo provides the specifics of the recommended action, as well as significant background information.

Recommended by Office of Human Resources, District Insurance Committee, District Benefits Consultant, and Office of Business Services.



Educational Services Center
 1350 West 106th Street
 Bloomington, MN 55431-4126

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TO: School Board
 FROM: Mary Burroughs, HR Director
 DATE: March 27, 2017
 RE: District Self-Funded Group Insurance Rates

The Office of Human Resources, District Insurance Committee and District Benefits Consultant (OneDigital) recommend the monthly premium rates per underwriting for the District self-funded group insurance programs for the 12-month period from July 1, 2017 to June 30, 2018. The recommendation also includes monthly premium rates per underwriting for the District self-funded group health insurance program for the 12-month period from July 1, 2018 to June 30, 2019.

1. **Health Insurance (High Deductible Health Plan):** 3% increase each for 2017-18 and 2018-19.

Premium	2016-17	2017-18	2018-19
Employee-Only	\$788.00	\$812.00	\$836.00
Employee-plus-One	\$1,655.00	\$1,705.00	\$1,756.00
Family	\$1,812.00	\$1,866.00	\$1,922.00

- Estimated 2017-18 Annual Costs, as of 3/9/17: \$22,864,015

2. **Deductible/Out-of-pocket Maximum:** per IRS regulations (no change)

Deductible	2016-17	2017-18
Employee-Only	\$1,300.00	\$1,300.00
Employee-plus-One & Family	\$2,600.00	\$2,600.00

Out-of-pocket Maximum	2016-17	2017-18
Employee-Only	\$ 6,550.00	\$ 6,550.00
Employee-plus-One & Family	\$13,100.00	\$13,100.00

- Out-of-pocket Maximum: In-network: 100% / Out-of-network: 80/20 co-insurance

3. **Dental Insurance:** No increase

Premium	2016-17	2017-18
Employee-Only Preventative	\$ 24.50	\$ 24.50
Employee-Only Comprehensive	\$ 37.70	\$ 37.70
Family Comprehensive	\$111.45	\$111.45

- Estimated 2017-18 Annual Costs, as of 3/9/17: \$1,493,408

If the Board approves this action, the Office of Human Resources will use this information for 2017-18 Open Enrollment period from April 17-28.