

**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 Contribution to District Group Insurance
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 set District contributions to District group insurance for all employees for the 12-month period from July 1, 2017 to June 30, 2018, and to District group health insurance for all employees for the 12-month period from July 1, 2018 to June 30, 2019, per the attached Memo.

1. Health Insurance:

	2017-18 Full-time	2017-18 Part-time	2018-19 Full-Time	2018-19 Part-time
Employee-Only	\$ 812.00	\$569.00	\$ 836.00	\$586.00
Employee+One	\$1,194.00	\$836.00	\$1,229.00	\$861.00
Family	\$1,306.00	\$914.00	\$1,345.00	\$942.00

2. Health Savings Accounts:

- Full-time: 50% of deductible, as set by the IRS
- Part-time: 50% of the full-time contribution

3. Dental Insurance:

- Full-time: fully-paid premium for employee-only comprehensive
- Part-time: fully-paid premium for employee-only preventative

4. Long-Term Disability:

- Full-time only: fully paid premium

5. Life Insurance:

- Full-time and part-time: fully paid premium

The above amounts have been included previously in the District's budget projection model.

REVIEW AND RECOMMENDATION OF SUPERINTENDENT:

Approve.

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 District Insurance Committee, Office of Human Resources and Office of Business Service.



Educational Services Center
 1350 West 106th Street
 Bloomington, MN 55431-4126
 www.bloomington.k12.mn.us

TO: School Board
 CC: Holman Law Office
 FROM: Mary Burroughs, HR Director
 DATE: March 27, 2017
 RE: District Contribution to District Group Insurance

The Office of Human Resources recommends the District contributions to District group insurance for all employees for the 12-month period from July 1, 2017 to June 30, 2018, and to District group health insurance for all employees for the 12-month period from July 1, 2018 to June 30, 2019, be set as follows:

1. 2017-18 Health Insurance (High Deductible Health Plan): 3% increase in premiums

2017-18	Monthly Premium (3% increase)	FULL-TIME		PART-TIME	
		Paid by District	Employee Share	Paid by District	Employee Share
Employee-Only	\$ 812.00	\$ 812.00	\$ 0.00	\$569.00	\$243.00
Employee-+One	\$1,705.00	\$1,194.00	\$511.00	\$836.00	\$869.00
Family	\$1,866.00	\$1,306.00	\$560.00	\$914.00	\$952.00

2018-19 Health Insurance (High Deductible Health Plan): 3% increase in premiums

2018-19	Monthly Premium (3% increase)	FULL-TIME		PART-TIME	
		Paid by District	Employee Share	Paid by District	Employee Share
Employee-Only	\$ 836.00	\$ 836.00	\$ 0.00	\$586.00	\$250.00
Employee-+One	\$1,756.00	\$1,229.00	\$527.00	\$861.00	\$895.00
Family	\$1,922.00	\$1,345.00	\$577.00	\$942.00	\$980.00

2016-17 Health Insurance (High Deductible Health Plan): current rates for reference

2016-17	Monthly Premium (4% increase)	FULL-TIME		PART-TIME	
		Paid by District	Employee Share	Paid by District	Employee Share
Employee-Only	\$ 788.00	\$ 788.00	\$ 0.00	\$552.00	\$236.00
Employee-+One	\$1,655.00	\$1,159.00	\$496.00	\$811.00	\$844.00
Family	\$1,812.00	\$1,268.00	\$544.00	\$888.00	\$924.00

- **District Contribution Exclusion:** Employees who have health/ hospitalization insurance coverage under another plan may participate in the District Health/Hospitalization Insurance, but they will receive no District contribution toward the monthly premium. This does not include employees who receive Medicare, or Tri-Care, Veterans Affairs (VA) benefits, or exceptions granted by the Executive Director of Human Resources due to hardship.
- **Section 7.2.x – Health/Hospitalization Insurance - Successor Contracts/Plans:** If successor contracts/plans are not in place before the expiration of current contracts/plans and if the percentage level of District contribution toward monthly premiums proposed by the District equals or betters the percentage level of the previous year, the proposed percentage level of District contribution will take effect, until successor contracts/plans are ratified.

We help students thrive and dreams come alive

2. Health Savings Accounts (HSA): No change in contribution

District Contribution	2016-17		2017-18	
	FT	PT	FT	PT
Employee-Only	\$ 650.00	\$325.50	\$ 650.00	\$325.00
Employee+One & Family	\$1,300.00	\$650.00	\$1,300.00	\$650.00

3. Dental Insurance: No increase in premiums

District Contribution	2016-17	2017-18
Employee-Only Preventative	\$ 24.50	\$ 24.50
Employee-Only Comprehensive	\$ 37.70	\$ 37.70
Family Comprehensive	\$ 37.70	\$ 37.70

- **Buy-up Options:** Employees are allowed to “buy-up” to single comprehensive or family comprehensive by paying the difference in premium.

4. Long-Term Disability Insurance (LTD): Fully paid by the District for full-time employees.

5. Life Insurance: Fully paid by the District for full-time and part-time employees.