

**Gaylord Community Schools
P.A. 106 Solicitation
Prepared by
Plante Moran Group Benefit Advisors II, LLC
October 2023**

Introduction

Public Act 106 requires public employers, or pooled plan sponsors, procuring coverage for health benefits from one or more carriers to solicit four or more benefit proposals every three years when reviewing or continuing a medical, dental, and/or vision benefit plan. The Act applies to sponsors of fully insured plans and specifically excludes self-insured health plans. The solicitation must include at least one bid/proposal request from a Voluntary Employees' Beneficiary Association (VEBA) described in section 501(c)(9) of the Internal Revenue Code, 26 USC 501(c)(9).

Gaylord Community Schools (GCS) operates such plans, including a fully insured medical plan and self-insured dental and vision plans. As a result, GCS has retained Plante Moran Group Benefit Advisors II, LLC (PMGBA) to solicit medical proposals so that GCS is in compliance with the Act.

Process

PMGBA prepared and released a solicitation request summarizing the intent of the solicitation, background information relating to GCS, Standard Industrial Classification, industry, demographics, current fully insured medical plan designs, carrier, and enrollment data. The solicitations were sent out to four different medical insurance carriers, one of which operates as a VEBA.

Carriers and Results

What follows is a summary of the carriers asked to offer proposals and the response from each.

- Aetna – Uncompetitive and Declined to Quote
- UnitedHealthcare – Uncompetitive and Declined to Quote
- Priority Health – Uncompetitive and Declined to Quote
- MESSA (VEBA) – Responded to the request and provided the January 1, 2024 renewal terms as proposed

With MESSA providing the only viable option, GCS will be retaining the fully insured arrangement offered by MESSA.

Compliance

With the completion of the solicitation, GCS satisfies its periodic compliance requirement under Michigan PA 106. GCS will undergo a similar process three years from now, in 2026, for the health plans effective 1/1/2027.

Please direct any questions to:

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