BOE Agenda Item Executive Summary
June 10, 2024

Topic: Medical, Pharmacy, Vision, and Dental Benefit Plan (Annual)

Background Information: The district has operated self-funded plans since 1981. We have worked with third-party administrators to design and administer benefits plans that meet the requirements and financial limits established through negotiations.

Medical, Pharmacy, Vision, and Dental Plan: All benefitted employees with an FTE of 0.75 and above receive an offer for basic medical, pharmacy and dental plan coverage. Tiered premiums, three medical plan options, and two dental plan options were introduced in January 2017. Employees and spouses, enrolled in the medical plan, who earn wellness points receive an annual premium discount. Those who can prove other group coverage are eligible to enroll in the cash option and receive $1,200 annually. A voluntary vision hardware plan option was introduced in January 2019. As of January 1, 2022, the district rolled out a new health plan with UMR, as well as an innovative insurance plan administered by Surest (in partnership with UMR), previously known as Bind before a name change in 2023.

To administer the medical and prescription claims, the current third-party administrator charges an administration fee and a provider network access fee. In addition, the district buys a specific stop loss policy which attaches at $750,000 on each individual claim with an aggregating specific corridor of an additional $300,000 in plan liability. Currently, the Stop Loss carrier is Optum - Unimerica Insurance Company.

Health, Pharmacy, Dental Expenses, and Vision

Fiscal Year	Expenses
2024-2025 Projected	$76,612,000
2023-2024 as of 3/31/24	$59,860,000
2022-2023	$72,363,000
2021-2022	$66,100,840
2020-2021	$68,701,595
2019-2020	$61,914,612
2018-2019	$62,632,095
2017-2018	$53,553,921
2016-2017	$67,212,290
2015-2016	$62,819,935
2014-2015	$52,424,542
2013-2014	$49,293,134

Dental Expenses projected for fiscal year 2024-2025	$4,016,000
Medical/Prescription expenses projected for fiscal year 2024-2025	$71,326,000
Vision Expenses projected for fiscal year 2024-2025	$859,000
Benefit Administration System Vendor	$413,000