

**HEALTH INSURANCE COMMITTEE
GRAND FORKS SCHOOL BOARD
GRAND FORKS PUBLIC SCHOOL DISTRICT #1
MEETING MINUTES
March 19, 2025**

The Health Insurance Committee met on Wednesday, March 19, 2025, at the Mark Sanford Education Center with Kelly Neis as the chairperson.

Committee Members Present:

Kelly Neis, Classified Voting Member
Jolyn Bergstrom, Principal Voting Member
Dr. Terry Brenner, Superintendent/District Administrator Voting Member
Brandon Baumbach, Business Manager/Advisory Member/Facilitator
Griffin Gillespie, HR Manager/Advisory Member/Facilitator

Committee Members Absent:

Kala Christensen, Teacher Voting Member
Tiffany Olson, Teacher Voting Member
Jay Kleven, School Board Member/Advisory Member

Others Present:

Katie Veidel, Randy Johnson (via phone), Mike Lee (via phone), and Jason Bradshaw (via phone) of Brown & Brown/Hays Companies; Ryan Gatzke, Accounting Supervisor; Hailey Klemetsrud, Benefits Specialist; and Cindy Johnson, Executive Secretary.

Call to Order.

The meeting was called to order at 4:07 p.m.

Approval of Meeting Minutes. It was moved by Brenner and seconded by Bergstrom to approve the minutes of May 23, 2024, as written. Motion carried unanimously. Absent: Christensen and Olson.

Stewardship Report.

- The YTD Per Employee Per Month (PEPM) cost for medical claims is 28.5% lower than the district's average PEPM for the previous year.
- The Rx PEPM cost YTD is trending at 3% lower than the 2023 PEPM.
- Net Medical and Rx claims (after stop-loss reimbursements) YTD PEPM average is 6% lower than in 2023.

- There are 15 claimants exceeding \$50,000. Their paid claims represent 26% of the total Medical/Rx claims cost. No large claims exceed the specific stop loss level of \$125,000.
- As of the end of February, the district is running 17% under budget.
- Total employer costs YTD are 13% lower than the 2023 average.

Demographic Analysis Summary.

- The total enrolled population decreased by 16 employees in 2025. The waived employee count increased by 574 employees. 40.3% of employees waived coverage in 2025.
- The average age of enrolled employees decreased by 0.2 years in 2025 (2.0 months), while a one-year increase in age is expected. The currently enrolled population

is 27.4% male, with an average age of 45.5 years, and 72.6% female, with an average age of 43.5 years.

- The average actuarial risk of enrolled employees decreased by -0.5%, while the expectation is to increase by approximately 4%.
- The average contract size (number of enrolled members/number of enrolled employees) in 2025 is 0.6% lower than the 2024 contract size. The EE tier composed 24.6% of total enrolled members in 2025 versus 24.2% in 2024. The average age of the EC tier is 22.5 years versus 43.2 years for the EE tier.

Health Plan Intelligence Summary.

2023-2024 action items included:

- Behavioral Health Concerns – the district changed from Unum EAP to RFP.
- Biometric/Cancer Screenings - No follow-up events have been scheduled yet. The district moved vendors to MetLife and now has up to a \$100 wellness benefit for lines.
- Risk Pool Management – the district moved MOOP from \$5,000 to \$9,450.

2023-2024 observations included:

- The cancer spend rose to \$2.0M and was 20.8% of total medical spend (norm 12.7%) and was the top spend three years in a row.
- Poor Nutrition diagnoses are not mutually exclusive, but poor nutrition claims (stroke, diabetes, and heart disease) rose >100% YOY.
- Behavioral/Mental Health claims rose again in 2023-2024 and are 171% higher than the norm.
- Specialty Rx continues to be >70% of Rx spend (norm 52%).
- Plan spend for already-Medicare-eligible members was \$524k and \$1.9M over four years.

Pre-Renewal Estimated Costs.

- The annual claims projection for the rest of the year is \$10,932,859.

- The annual claims projection for next year is \$11,895,984.
- An 8% increase in employee contributions next year is forecast.

2025 Considerations.

Considerations discussed included:

- Decrease the out-of-pocket maximum (OOPM) to align with IRS regulations.
- Increase stop loss to \$150,000 to align with benchmarks and leverage trends.
- Review management options for GLP-1 drugs and coverage
- Consider a near-site clinic partnership.
- Develop population health objectives through a district wellness committee.
- Review district premiums among employee classes.

Next Meeting.

The next meeting was scheduled for Wednesday, May 21, 2024, at 4:00 p.m. This is considered to be the renewal meeting.

Adjournment.

There being no further business, the meeting was adjourned at approximately 6:00 p.m.

APPROVED _____
(Date)

Kelly Neis, Meeting Chair