



Company Name:	Freshwater Education District	Broker Firm:	North Risk Partners
Tier Structure:	Current	Broker Name:	Mike Reishus
Proposed Effective Date:	1/1/2026		
Proposal Expiration Date:	1/1/2026	1.1.27 Rate Increase Cap:	19.0%
Proposed Renewal Date:	1/1/2027	1.1.27 Rate Cap if All Smart	19.0%

Better Health Collective
Please review additional details about the Better Health Collective's rates and terms on the following page.

Federal AV		Contract Count (7/21/25 Census)	Member Count (7/21/25 Census)	Rate Before Commission	Commission	Rate Including Commission
Weighted Average AV and Annual Totals Using Current Counts	71.7			\$ 945,456	\$ -	\$ 945,456
Per Contract per Month Totals (PEPM)		80		\$ 984.85	\$ -	\$ 984.85
Per Member per Month Totals (PMPM)			86	\$ 916.14	\$ -	\$ 916.14

Summary of Proposed vs Current		Proposed Change in Premiums Min/Max Premium Increase	15.7% Max Increase	15.7%
% Change in Proposed Average Actuarial Value	1.5%			

Proposed Plans and Monthly Rates, delivered:										
9/25/2025										
Initial to Select Plan	Plan Name/Description	Plan Type	Network	Federal AV	Tier	Contract Count (7/21/25 Census)	Member Count (7/21/25 Census)	Rate per Contract Before Commission	Commission per Contract	Rate per Contract Including Commission
	Smart Plan 3 (3400-100-3400-PrevRx)	PPO	Aware	80.7	Single Family	20 0	20 0	\$ 1,083.00 \$ 2,732.00	\$ - \$ -	\$ 1,083.00 \$ 2,732.00
	Smart Plan 5 (4400-100-4400-PrevRx)	PPO	Aware	77.3	Single Family	5 0	5 0	\$ 1,044.00 \$ 2,640.00	\$ - \$ -	\$ 1,044.00 \$ 2,640.00
	Smart Plan 7 (6400-100-6400-PrevRx)	PPO	Aware	71.7	Single Family	18 0	18 0	\$ 920.00 \$ 2,313.00	\$ - \$ -	\$ 920.00 \$ 2,313.00
	Smart Plan 8 (8500-100-8500-PrevRx)	PPO	Aware	66.9	Single Family	34 3	34 9	\$ 851.00 \$ 2,138.00	\$ - \$ -	\$ 851.00 \$ 2,138.00

Current Plans and Monthly Rates									
Plan Name/Description	Plan Type	Network	Federal AV	Tier	Contract Count (7/21/25 Census)	Member Count (7/21/25 Census)	Rate per Contract Before Commission	Commission per Contract	Rate per Contract Including Commission
Smart Plan 3 (3300-100-3300-PrevRx)	PPO	Aware	80.1	Single Family	20 0	20 0	\$ 944.00 \$ 2,401.00	\$ - \$ -	\$ 944.00 \$ 2,401.00
Smart Plan 6 (4300-80-6300-PrevRx)	PPO	Aware	72.5	Single Family	5 0	5 0	\$ 827.00 \$ 2,102.00	\$ - \$ -	\$ 827.00 \$ 2,102.00
Smart Plan 7 (6300-100-6300-PrevRx)	PPO	Aware	70.7	Single Family	18 0	18 0	\$ 799.00 \$ 2,030.00	\$ - \$ -	\$ 799.00 \$ 2,030.00
Smart Plan 8 (8300-100-8300-PrevRx)	PPO	Aware	66.0	Single Family	34 3	34 9	\$ 738.00 \$ 1,875.00	\$ - \$ -	\$ 738.00 \$ 1,875.00

Summary of Current		Contract Count (7/21/25 Census)	Member Count (7/21/25 Census)	Rate Before Commission	Commission	Rate Including Commission
Weighted Average AV and Annual Totals Using Current Counts	70.6			\$ 817,368	\$ -	\$ 817,368
Per Contract per Month Totals (PEPM)		80		\$ 851.43	\$ -	\$ 851.43
Per Member per Month Totals (PMPM)			86	\$ 792.02	\$ -	\$ 792.02

Important Rate Sheet Details

Transparency Regarding Components of Total Billed Rates

Key components of Total Billed Rates are updated prior to each group's renewal and aggregated for pool-wide communication at each annual meeting of the Better Health Collective members. While estimated claims for medical and Rx care are the primary component, additional cost components include BCBSM fees for stop loss insurance and plan administration as described below. All prescription rebates collected by the Collective are utilized to cover the cost of pool management by Sourcewell and other professionals, as well as all other services valuable to our members including wellness program management with portal and incentives and grants, virtual disease management, infertility treatment, employee assistance program, virtual physical therapy, etc. Details of our additional programs are in our "Understanding the Value" document within this proposal. Any excess prescription rebate receipts that exceed these expenses is added to the Collective's reserve trust fund. The total billed rates, reserve trust fund balances, and all current and prospective Collective programs and services, are reviewed at least quarterly by the Collective's Board of Trustees for adequacy, efficacy, and appropriateness. The monthly variance in actual vs expected claims impacts Better Health Collective reserves, and is a risk managed for the benefit of all Better Health Collective members, as described in the membership agreement, related policy announcements, and reviewed in detail during each annual meeting of Better Health Collective members. Specific details about any of these components beyond this disclosure are available upon request from your service team at the Better Health Collective.

Stop-Loss Insurance

* 12/24 Contract covers claims incurred in each proposed calendar year and paid through the 12 months following each calendar year.

* Specific Stop Loss Insurance covers all eligible claims for any one person exceeding \$250,000 in a calendar year, with an unlimited lifetime maximum benefit.

* Aggregate Stop Loss Insurance covers all eligible claims exceeding 110% of the Collective's aggregate expected claims in a calendar year.

* The Better Health Collective manages a Trust which funds all eligible claims and related plan expenses, and any stop-loss settlements received are deposited into that trust.

Plan Administration

Third Party Administrative Services, Provider Networks, Pharmacy Benefit Management, Case & Disease Management, and Stop Loss Insurance services provided to the Better Health Collective by Blue Cross Blue Shield of MN.

Broker Services

Sourcewell does not provide certain services that are provided by brokers, agents, and benefits consultants, as detailed on our "Broker Acknowledgement" form, available upon request. Any services provided by a broker to the group are to be negotiated by the group and the broker, the terms for which are not maintained by Sourcewell, with the exception of any amount of commission requested by your group, and we've listed in the fixed cost summary, as part of the Total Billed Rates, and will administer on your behalf on a PEPM basis.

Actuarial Value

Actuarial values (AV's) approximate the percentage of claims that are expected to be paid by the plan for a given population, based on applying the scheduled benefits against the claims experience of a large national population. AV's are calculated using the most recently available ACA AV calculator from the Centers for Medicare and Medicaid Services (CMS). Actuarial value will increase significantly with even modest amounts of employer contributions to HSAs, HRAs, or VEBAs, and thus are very helpful for groups reviewing ways to impact plan design without sacrificing plan value.

Wellness

Population health management and wellness programs have been put in place by the Better Health Collective for the benefit of group members, to help improve health plan quality and positively impact long term health outcomes. Details of these programs, the vendors involved, and the value of these programs are explained on our "Understanding the Value" disclosure, which was delivered to you along with this rate sheet.

Renewals and Rate Caps

After accepting the proposed plans and rates for the proposed effective date, any changes to plans or rates will be in a renewal package and delivered at least 115 days prior to the renewal date listed. Any such rate changes will be calculated using our "Better Together" renewal process, which starts with the typical actuarial review, and then is enhanced by including credits and adjustments from the Collective based on each group's unique renewal report card score, years in the Collective, minimums and maximums used by the Collective to enhance rate stability for all, and adjustments to utilize higher weighting on our community vs group-specific rate when such is beneficial to the group. After considering all these factors, the final renewal rate will be limited to any renewal rate increase cap percentage included in this proposal, which will be calculated using a census of selected plans run approximately seven months in advance of renewal, and comparing the total proposed vs current rates for those plans (net of any broker commissions), or their comparable replacement plans if any, using that census. Rate changes can vary by tier or plan, but when totaled with all plans (net of any broker commissions) will not exceed any rate increase cap percentage that may be in effect. Groups desiring the same percentage change across all tiers and plans are welcome to request such and we will make every effort to accommodate, or explain why we can't if such is ever the case.

Contingencies

This offer is contingent upon review and approval by the Better Health Collective's Board of Trustees which uses the Collective's Membership Policy as its guide and as was provided for reference within this proposal. Any renewal rate increase caps in this proposal are null and void if your group is out of compliance with our Membership Policy or decides to conduct their own RFP process rather than benefit from the Collective's renewal process.

Voluntary Termination

Failure to provide notice of intent to terminate at least 153 days* prior to termination will result in a financial penalty equal to the final month's premium. Conducting a solicitation for health insurance benefits is considered intent to terminate, so we will treat you like a prospective group, as well waive our termination penalty, if the following conditions are met...

1. Notification of RFP submitted at least 5 months prior to renewal
2. RFP bid from Better Health Collective due no sooner than 4.5 months prior to renewal
3. Acknowledge you are aware that any renewal credits for renewing-without-RFP will be null/void
4. Any decision to terminate will be communicated to the Collective at least 1.5 months prior to renewal

* Please note that 153 days means providing notice prior to August 1st for January 1 renewals and February 1st for July 1 renewals.

Authorization:

On behalf of this group, I approve the Better Health Collective to bill using the health rates listed within for the selected plans using updated enrollments for the time period between the effective and renewal dates listed above.

Signature:									
Date:	10/22/25								
Name:	Jordan Anderson								
Title:	Business Manager								