East Helena Public Schools
Cost Summary
July 1, 2026 Renewal Date

Bridged Health Alliance

Carriers	Current	Bridged
Medical Administration	BCBSMT	Bridged Health Alliance
Medical Stop Loss	BCBSMT	Bridged Health Alliance
COBRA Administration	BCBSMT	Bridged Health Alliance
Total Annual Cost		
Medical Claims Liability at Expected	$1,524,921	$1,496,554
Medical Administration	$176,542	$148,523
Medical Stop Loss	$307,449	$240,586
PBM Rebates	-$120,048	-$128,112
COBRA Administration	$0	Included
Annual Total	**$1,888,864**	**$1,757,551**
Change from Current		-$131,313
Percentage Change		-7.0%

East Helena Public Schools
Medical Plan
Administrative Fees
July 1, 2026 Renewal Date

Bridged Health Alliance

Stop Loss Outline		Current	2026
Third Party Administrator		BCBSMT	Bridged Health
USI Preferred TPA		Non-Preferred	Preferred
Network Name		Traditional	Allegiance
Pharmacy Benefit Manager (PBM)		Prime Therapeutics	Capital Rx
Stop Loss Carrier		Unknown	Allegiance
Specific Stop Loss (SSL)		$75,000	$75,000
Aggregating Specific		$0	$0
Contract Basis		24/12	24/12
Coverages Included		Medical & Rx	Medical & Rx
Aggregate Stop Loss (ASL)		125%	125%
Contract Basis		24/12	24/12
Coverages Included		Medical & Rx	Medical & Rx
Per Employee Per Month Fees			
Medical Administration		$53.25	$23.81
Bridged			$5.00
PBM Fee		$2.49	$6.91
Creditable Coverage Rx Determination		$0.00	Included
Vision Administration		NA	NA
Dental Administration		NA	NA
COBRA Administration			Included
PBM Interface Fee		$0.00	Included
Stop Loss Interface Fee		$3.00	Included
UR / Case Management		Included	$4.15
Disease Management		Varies	Varies
Network Access Fee		Included	$4.00
Wrap Network Access Fee		20% of savings	20% of savings
Consultant Fees		$35.00	$35.00
Additional Fees & Revenue Share			
Pharmacy Rebate Guarantee		-$63.72	-$68.00
Stop Loss Revenue Share with TPA		No Revenue Share	No Revenue Share
Total Cost			
Total PEPM Fees	157	$93.74	$78.87
Annual Total		**$176,542**	**$148,523**
Total Additional Fees & Rebates		$63.72	$68.00
Annual Total		-120,048	-128,112
Net Total		**56,493.96**	**20,411.08**
Change from Current			($36,083)
Percentage Change			-63.9%

East Helena Public Schools
Medical Plan
Self-Funded Stop Loss Detail
July 1, 2026 Renewal Date

Bridged Health Alliance

Stop Loss Outline	Current	2026
Third Party Administrator	BCBSMT	Bridged Health Alliance
Network Name	Traditional Performance	Allegiance
Stop Loss Carrier	BCBSMT	Allegiance
Pharmacy Benefit Manager (PBM)	Prime Therapeutics	Capital Rx
Ringmaster Contract	No	Yes
Specific Stop Loss (SSL)	$75,000	$75,000
Laser Liability	$0	$0
Aggregating Specific	$0	$0
Contract Basis	24/12	24/12
Coverages Included	Medical & Rx	Medical & Rx
Lifetime Maximum	Unlimited	Unlimited
Reimbursement Frequency	Monthly	Monthly
Laser Waiver at Renewal	Not Included	Included
Rate Cap at Renewal	No	Yes
Run-in Limit	NA	NA
Aggregate Stop Loss (ASL)	125%	125%
Contract Basis	24/12	24/12
Coverages Included	Medical & Rx	Medical & Rx
Annual Reimbursement Max	$1,000,000	$1,000,000
Monthly Accommodation	Included	Included
Reimbursement Frequency	Annual	Annual
Minimum Attachment	$1,906,151	$1,683,623
Run-in Limit		$0
PEPM Rate - SSL	$195.44	$177.74
PEPM Rate - ASL	$7.90	$5.00
Attachment Point (1.25)	$945.51	$992.94

Total Cost		
Administration	$176,542	$148,523
Rx Rebates	-$120,048	-$128,112
SSL + ASL Stop Loss Premium	$307,449	$240,586
Maximum Claims	$1,906,151	$1,870,692
Annual Total Maximum Costs	**$2,270,094**	**$2,131,689**
Change from Current		($138,405)
Percentage Change		-6.1%

Bridged Health Alliance Cost Proposal Assumptions

Demographic & Group Composition Assumptions

- **Eligible Employees**: Pursuant to Montana Code Section 20-3-366, "employee" means an individual employed by a district in any capacity, including but not limited to an employee meeting the definition in 2-18-601 and a teacher or principal as defined in 20-1-101 who is regularly scheduled to work at least 20 hours or more a week during the academic year. Additionally, employee must reside or work in the insurer's service area.
- **Participation Requirements**:
    - Minimum of **75%** of eligible employees must have coverage (either through the insurer or other qualifying coverage).
    - At least **50%** of all eligible employees must enroll in the offered plan.
- **Waiting Period**: Cannot exceed **90 days** from date of hire.

Coverage & Contribution Assumptions

- **Employer Contribution**: Must meet minimum contribution of 50% of the single employee premium for the least costly plan.
- **Total Replacement Coverage**: Assumes Bridged Health Alliance is the sole carrier unless otherwise approved.

Premium Development & Adjustment Assumptions

- **Claims History**: Prior claims experience is used as made available to assess risk and set contributions.
- **Demographics**: Age, gender, and location of employees influence contribution calculations.

Assumptions contingent upon signed Participation and Multidistrict agreements signaling intent to participate in Bridged Health Alliance.

- **Network**: Participating status in Allegiance direct network of hospital systems where most employees receive care. Contributions may be adjusted if the network status for these hospitals changes. In the event the hospital system(s) are not in network, a revised proposal and participation agreement will need to be signed.
- **Enrollment Variance**: Contributions may be adjusted if actual enrollment deviates greater than 10% from expected.
- **Premium Yield**: For prospective groups, re-rating may occur if actual per member per month (PMPM) premium yield differs from expected.

Underwriting Caveats

- **Final Underwriting Approval**: All quotes are subject to final review and approval.
- **Documentation Requirements**: Additional documents may be requested to verify eligibility and group status.
- **Guarantee Period**: Contributions are guaranteed for **12 months** from the effective date.
- **Cancellation Policy**: Existing coverage should not be canceled until written confirmation of acceptance is received.

BRIDGED HEALTH ALLIANCE TRUST

PARTICIPATION AGREEMENT

THIS PARTICIPATION AGREEMENT is made and entered into by and between [East Helena] School District (the "Participating School District") and the Board of Trustees of the Bridged Health Alliance Trust (the "Trust").

RECITALS:

WHEREAS, Montana Code Section 20-3-366 allows the formation of a district health insurance trust by a multidistrict agreement pursuant to Montana Code Section 20-3-363;

WHEREAS, Montana Code Section 20-3-363 permits the boards of trustees of any two or more school districts to enter into a multidistrict agreement;

WHEREAS, the multidistrict agreement creates a multidistrict cooperative to perform any services, activities, and undertaking of the participating districts;

WHEREAS, expenditures made in support of a multidistrict agreement may be made from the interlocal cooperative fund of each Participating School District under Montana Code Section 20-3-363;

WHEREAS, the Participating School District entered into the Multidistrict Agreement to form the Bridged Health Alliance Trust ("Trust") and pool risk by way of a self-insurance plan;

WHEREAS, the Trust shall provide health insurance benefits to Participants, as the Multidistrict Cooperative Trust Agreement defines that term, as an activity of the participating districts;

WHEREAS, the Trust shall sponsor the Bridged Health Alliance Plan ("Plan");

WHEREAS, under the terms of the Multidistrict Agreement, each Participating School District must execute this Participation Agreement to enroll in the Trust;

THEREFORE, the signatory parties agree with each other as follows:

Section 1. Incorporation of Terms of the Trust. All the terms, conditions, and provisions of the Multidistrict Cooperative Trust Agreement (the "Trust Agreement") are incorporated herein by this reference and shall be fully binding upon the parties hereto. By executing this Participation Agreement, the Participating School District, in accordance with Article II of the Trust Agreement, shall cause the Participating School District to participate in the Trust and the Plan, effective as of the date indicated in Section 17 of this Participation Agreement.

Capitalized terms used but not otherwise defined, herein, shall have the meanings set forth in the Trust Agreement establishing the Trust, as amended, modified or supplemented from time to time.

Section 2. Adoption of the Trust and the Plan. The Participating School District hereby adopts the Trust Agreement and the Plan. The Participating School District agrees to be bound by the terms of the Trust Agreement, as it may be amended from time to time. The Trust Agreement shall be

incorporated into this Participation Agreement and made a part of such Participation Agreement. The Participating School District will be notified of any material amendment to this Participation Agreement and the Trust Agreement. In the event that any term of the Participation Agreement is inconsistent with any terms of the Trust Agreement, the terms of the Trust Agreement shall control.

Section 3. Approval of Participation. The Board of Trustees of the Bridged Health Alliance Trust (the "Board") hereby approves the Participating School District's participation in the Trust and Plan subject to satisfaction of all representations and requirements hereunder.

Section 4. Governing Board. The Trust shall be under the direction and control of the Board. The Board shall establish such rules and regulations, as may be necessary for its operation, the conduct of business, and the operation of the Trust. Such rules and regulations may be amended by the Board as necessary. The Montana state auditor or the auditor's designee shall be an ex officio nonvoting member of the Board as required under Montana Code Section 20–3–366. The Board shall first determine any question or dispute with respect to the rights and obligations of the parties to this Participation Agreement and the adopted Trust Agreement.

The Participating School District acknowledges and agrees that the Board, in its sole discretion, shall select the benefits to be made available to all Participating School Districts and the extent to which the Participating School District may choose from among such benefits. The benefits offered through the Trust are limited to those set forth in, and are subject to all terms and conditions of, the applicable governing Plan documents and policies.

Section 5. Contributions. The Board, in consultation with a qualified actuary, shall establish contribution rates for each Participating School District of the Trust pursuant to the Plan and Plan options elected by the Participating School District. The Participating School District will remit monthly contributions based upon rates established and applicable to each program year for the health benefit program it offers to its Participants.

(a) Rate tables for each Participating School District will be determined by the Board based upon advice from a qualified actuary. Rates may vary depending upon factors including, but not limited to, demographic characteristics, loss experience of the Participating School District, loss experience of all Participating School Districts, and benefits provided.
(b) Billing and eligibility management services will be provided by a Claims Administrator or vendor selected by the Board.
(c) Administrative costs shall not exceed twelve (12) percent of total costs, as required under Montana Code Section 20–3–366, as determined by the actuary using reasonable actuarial methods. Billing dates, payment due dates, and any late fees and/or penalties are set by the Board and defined in the offer Proposal ("Proposal," Exhibit A attached). All Participating School Districts will receive separate notification of any changes in due dates and/or penalty fees at least 30 days prior to effective date of change.
(d) Unless the Board determines otherwise, any payments the Participating School District owes to the Trust for coverage of its Participants shall be made directly to the Trust. The Board shall establish the deadline for payment of each contribution.
(e) In the event that any Participating School District fails to pay the full amount due by the deadline, the Board may assess a penalty on the Participating School District in such amount as determined by the Board, not to exceed ten (10) percent of the full amount due at such missed deadline. In the event the unpaid balance is placed for collection, the

Trust shall charge, and such Participating School District shall pay, the cost of collections of such due and unpaid amounts, including, but not limited to, reasonable attorney fees, court costs, and other costs of collection.

(f) If the Participating School District fails to pay contributions or premiums in such timely fashion as the Board may determine, the Board may notify Participants and suspend payment of all claims relating to the Participating School District and its Participants. The Board may also terminate the Participating School District's participation in the Trust as described in Section 11.

(g) The Participating School District shall select between the distinct tiered funding models offered by the Board in writing, subject to the Participating School District's eligibility for such selection.

(h) Rate tables will not include commissions for brokers or insurance agents. The Trust may distribute commissions to such broker or agent on a Participating School District's behalf, provided that such commissions are disclosed prior to the Participating School District's funding model selection.

Section 6. Proposal. The Trust will furnish the Participating School District with a Proposal that outlines the specific commitments offered to the Participating School District and the requirements that accompany those commitments. Each Proposal will define at least the following:

(a) Benefit designs available;
(b) Contribution rates for health insurance benefits;
(c) Premium rates for ancillary benefits;
(d) Contribution and premium payment rules, requirements and timing;
(e) Administrative services offered through the Plan, including any services contracted through service providers;
(f) Minimum eligibility requirements for employees and dependents; and
(g) Assumptions and information relied upon as accurate during the proposal development.

The Participating School District shall indicate their selection of benefits and acceptance of rates by signing the Proposal annually, and the Proposal shall be deemed part of and subject to this Participation Agreement and the Trust Agreement upon such signature.

Section 7. Assessments. In the event that the Trust is not adequately funded, the Trust may utilize pro-rata assessments to a Participating School District to ensure adequate funding is available. The shared risk of assessments shall be equally allocated among Participating School Districts as required under Montana Code Section 20–3–366. Determination of an assessment must be done by the Trust's actuary and in consultation with the state auditor. The Board shall timely notify the Montana Commissioner of Securities and Insurance if the state auditor determines such an assessment is necessary. If an assessment is declared, allocation will be based upon each Participating School District's proportional share of total premium paid for the preceding three (3) years or the number of years the Participating School District participated in the Trust if less than three (3).

Section 8. Surplus Funds. Should the Trust be funded in excess of actuarial and accounting requirements as established by the Board, the excess funds may be credited to Participating School Districts in accordance with the following:

(a) Determination of surplus funds must be assessed by the Trust's actuary as well as a third-party auditor;
(b) Return of surplus funds shall be used sparingly and in accordance with the purpose and objectives of the Trust;

(c) Participating School Districts must be current participants to receive the benefit of any surplus funds except upon termination of the Trust and distribution of assets; and
(d) Fund equity will be evaluated on a total program-wide basis as opposed to each year standing on its own.

Section 9. Participating School District Obligations. The Participating School District agrees to the following:

(a) The Participating School District shall maintain staff to act as liaison with the Board and the Claims Administrator.
(b) The Participating School District agrees to pay contributions or premiums in accordance with the rates and schedule defined in the Proposal for the initial term and all relevant renewal terms for the duration of participation in the Plan and the Trust.
(c) Benefits provided to Participants shall be as set forth in a plan summary provided to Participating School Districts.
(d) Benefits provided, and related enrollment options, through the Trust shall be communicated in a timely manner to each Participant.
(e) The Participating School District agrees to promptly provide the Trust with a complete and accurate census of its eligible employees and such additional information as is necessary for the Trust to administer benefits.
(f) The Participating School District agrees to notify the Trust within ten (10) business days or prior to the end of the month, whichever is sooner, of any change in the eligibility status of a Participant which might affect eligibility for coverage.
(g) In the event that the Participating School District fails to timely notify the Trust of any change in status of Participants which might affect eligibility for coverage, the Participating School District agrees that the Trust and Plan will not be responsible for any claims incurred that are not payable pursuant to the terms of the Plan.
(h) Upon request, the Participating School District agrees to provide the Trust with such documentation that may be reasonably necessary for the substantiation of eligibility.
(i) The Trust Agreement prohibits any preexisting health benefits trust or a Participating School District from imposing its liabilities on the Trust at any time.

Section 10. Trust Obligations. The Trust agrees to the following:

(a) It is the intent of this Participation Agreement for the Trust to provide self-insured health insurance benefits.
(b) The Trust may also offer the following ancillary benefits: dental, vision, life insurance, short-term disability, long-term disability, employee assistance program, voluntary insurance benefits, critical illness and accident insurance, gap health insurance, legal insurance, identity theft insurance, and pet insurance. The funds for ancillary benefits shall at all times be accounted for and recorded separately from any funds of the Trust. The provision of ancillary benefits shall not be permitted to interfere with or contravene the Trust's purpose of providing self-insured health insurance benefits.
(c) The Trust will establish a pool of funds consisting of contributions from all Participating School Districts, the incentive payment provided for by Montana Code Sections 20–3–366–370, and any earnings and profits thereon. Funds shall be used by the Trust or its designee to pay claims as incurred by Participants, and all the operational, insurance and administrative costs incurred by, and attributable to, the Trust. These funds will be

administered under the control and direction of the Board or through agents or employees whom the directors may appoint.

(d) The funds of the Trust, including the incentive payment, contributions, future legislative appropriations, and any grants, shall only be used to provide health insurance benefits to Participants.

(e) The Trust shall furnish descriptive materials (such as the Summary Plan Description, Summary of Benefits and Coverage and notifications required under the Consolidated Omnibus Budget Reconciliation Act of 1985) to each Participating School District accurately outlining the health insurance benefits provided to Participants through the Trust including terms and conditions of coverage.

(f) The Trust shall provide Plan options with associated contribution and premium rates from which Participating School Districts may select from annually as part of a process to offer Participants benefits during open enrollment periods.

(g) The Board will maintain reinsurance, stop loss, or other forms of excess insurance, on behalf of the Trust as needed.

(h) The Board will appoint a licensed third-party administrator ("Claims Administrator"), in writing, to adjudicate Plan claims and provide various administrative services, and such Claims Administrator shall comply with all applicable state licensing requirements.

(i) The Board will authorize the retention of various parties to assist with the management of the Trust and its funds.

(j) Beginning July 1, 2036, the Trust shall, as part of its annual actuarial analysis, identify and report to the state auditor no later than 90 days following the completion of its annual audit, any excess reserves existing in the Trust. The Trust shall remit to the state any excess reserves identified under such actuarial analysis until the cumulative amounts remitted reaches $40 million, as required under Montana Code Section 20–3–370. If the aforementioned actuarial analysis finds that no excess reserves exist in the Trust under Montana Code Section 20–3–370 and any associated rules developed by the state auditor, the Trust shall not remit any funds to the state.

Section 11. Membership Withdrawal. A Participating School District's participation in the Trust shall remain in effect unless the Participating School District voluntarily withdraws from the Trust pursuant to Montana Code Section 20-3-367. Additionally, the Board may terminate the Participating School District's participation in the Trust for cause, such as nonpayment or late payment of contributions. Such termination will be effective such date as the board may specify in writing, but in no case less than fifteen (15) days after the date of the termination notice. Termination does not relieve the Participating School District of its financial commitments to the Trust.

As required under Montana Code Section 20–3–367, a Participating School District that voluntarily joins the Trust may not withdraw from the Trust unless:

(a) the Participating School District has participated in the Trust for at least five (5) consecutive school fiscal years; or

(b) the Participating School District has an inflation gap factor equal to or greater than 1.5, after which such district or group may withdraw from the Trust upon the conclusion of the plan year in which the Trust reports an inflation gap factor to the district or employee group above 1.5 (or an inflation gap factor meeting or exceeding the requirements under any enacted amendment to Montana Code Section 20–3–367).

To complete its withdrawal, the Participating School District shall notify the Board in writing of its intent to withdraw no later than one hundred and eighty (180) days prior to its actual termination date. Such withdrawal will be effective at the end of the plan year following such notice period, unless the Participating School District has an inflation gap factor equal to or greater than 1.5 as described in Section 11(a) above, in which case the Participating School District may withdraw from the Trust effective upon the conclusion of the plan year as long as notice is provided prior to the end of such plan year. The Board shall timely notify the Montana Commissioner of Securities and Insurance when a Participating School Districts submits its notice of intent to withdraw from the Trust.

The Participating School District may rescind its notice of intent to withdraw unless otherwise barred by the applicable provisions of the Trust Agreement. Following a withdrawal under this section, such a school district:

(a) is ineligible to rejoin the Trust for at least five (5) full school fiscal years following the year in which the district withdraws;
(b) is ineligible for receipt of any portion of the net assets or reserve balance of the Trust attributable to the distribution of funds under the stabilization payment created by Montana Code Section 20–3–369 on withdrawal; and
(c) shall reimburse the Trust for the run-out liability of the withdrawing district or employee group. Such liability consists of all claims of the withdrawing district or employee group that were incurred by the Participants prior to the effective date of the district's or employee group's withdrawal.

Section 12. Acknowledgment. This Participation Agreement is entered into voluntarily after careful consideration by the Participating School District's staff and Board of Trustees. The Participating School District acknowledges that it has had adequate opportunity to consult with legal counsel and health insurance experts prior to entering into this agreement. The Participating School District further acknowledges that:

(a) it has not relied on any promises or assurances of future performance;
(b) that health care and insurance costs are rising;
(c) there is no assurance or guarantee that contributions to the Trust and insurance premium payments will not continue to increase over the long term;
(d) the terms and conditions of the Plan may change from time to time; and
(e) there is no guarantee that rates, terms, and conditions will remain the same from plan year to plan year.

Any changes to Participating School Districts' required contributions shall not be effective until the start of the following plan year.

any changes to Participating School Districts' required contributions shall not be effective until the start of the following plan year.

Section 13. Complete Agreement. Except as otherwise provided herein, this Participation Agreement and the adopted Trust Agreement constitute the full and complete agreement of the Participating School Districts.

Section 14. Severability. Should any provision of this Participation Agreement be judicially determined to be void or unenforceable, such determination shall not affect any remaining provision.

Section 15. Amendment of Participation Agreement. This Participation Agreement may be amended by a majority vote of the Board and signature on the Participation Agreement by the Participating School District's designated representative, or alternate, who shall have authority to execute this Participation Agreement. Any Participating School District who fails or refuses to execute an amendment to this Participation Agreement shall be deemed to have withdrawn from the Trust on the next annual renewal date that is beyond any commitment required by the Trust Agreement.

Section 16. Indemnification.

(a) To the fullest extent authorized by law, and to the extent not otherwise covered by insurance, the Board shall be indemnified by the Trust against any and all liabilities arising by reason of any act, or failure to act, in relation to the Plan or the Trust, including without limitation, expenses reasonably incurred in the defense of any claim relating to the Plan or Trust, and amounts paid in compromise or settlement relating to the Plan or Trust, unless (1) it is established by a final judgment or a court of competent jurisdiction that such act or failure to act constituted gross negligence or willful misconduct, or (2) in the event of a settlement or other disposition of the claim, it is determined in a written opinion of legal counsel to the Plan or Trust that the act constituted gross negligence or willful misconduct.

(b) To the fullest extent authorized by law, and to the extent not first covered by insurance or the Trust's indemnity set forth in Section 16(a), the Board, and the Participating School Districts shall be indemnified by the Participating School Districts against any and all liabilities arising by reason of any act, or failure to act, in relation to the Plan or the Trust, including without limitation, expenses reasonably incurred in the defense of any claim relating to the Plan or Trust, and amounts paid in compromise or settlement relating to the Plan or Trust, unless (1) it is established by a final judgment or a court of competent jurisdiction that such act or failure to act constituted a breach of fiduciary duty, gross negligence or willful misconduct, or (2) in the event of a settlement or other disposition of the claim, it is determined in a written opinion of legal counsel to the Plan or Trust that the act constituted a breach of fiduciary duty, gross negligence or willful misconduct.

Section 17. Effective Date. This Participation Agreement shall be effective upon execution of this Participation Agreement, provided that the Trust has been approved by the Montana state auditor as required under Montana Code Sections 20–3–366–370. Such approval is subject to the Trust securing a binding contractual agreement among at least 150 districts, employing a minimum of 12,000 employees to participate in and obtain health insurance for its employees through the Trust.

Section 18. Counterparts. This Participation Agreement may be executed in one or more counterparts, each of which will be deemed an original.

IN WITNESS WHEREOF, the Participating School District and the Board of Trustee of the Bridge Health Alliance Trust have caused this Participation Agreement to be executed on the dates indicated below, effective as set forth in Section 17 hereof. The Participating School District acknowledges that it has received and agreed to the terms of the Trust Agreement.

Participating School District:

By: [East Helena **] School District**

Name: _____

Title: _____

Date: _____

By: Board of Trustees of the Bridged Health Alliance Trust

Name: _____

Title: _____

Date: _____

MULTIDISTRICT AGREEMENT
FOR THE FORMATION OF THE BRIDGED HEALTH ALLIANCE TRUST

[East Helena] School District is entering into this MULTIDISTRICT AGREEMENT with other Participating School Districts effective as of the date executed below.

RECITALS:

WHEREAS, Montana Code Section 20-3-366 allows the formation of a district health insurance trust by a multidistrict agreement under Montana Code Section 20-3-363;

WHEREAS, Montana Code Section 20-3-363 permits the boards of trustees of any two or more school districts ("Participating School Districts") to enter into a multidistrict agreement;

WHEREAS, the multidistrict agreement creates a multidistrict cooperative to perform any services, activities, and undertakings of the participating districts;

WHEREAS, each school district must execute this Multidistrict Agreement to join the multidistrict cooperative to become a Participating School District;

WHEREAS, although each Participating School District individually executes this Multidistrict Agreement, each agreement is part of the same agreement. **NOW**, therefore, the Participating School Districts agree as follows:

TERMS:

1. The Participating School Districts agree to enter into this Multidistrict Agreement to form the Bridged Health Alliance Trust ("Trust").

2. The services provided by the Trust on behalf of the Participating School Districts shall include the provision of health insurance benefits to eligible employees and their dependents as set for in the Trust Agreement and Participation Agreement governing the district health insurance trust.

3. The Participating School Districts intend for the Trust to qualify as a district health insurance trust under Montana Code Section 20-3-363 and will seek such qualification from the state auditor.

4. Each Participating School District must execute the Participation Agreement to enroll as a member of the Trust.

5. The Participation Agreement shall contain the terms and conditions of enrollment and eligibility of the Trust.

6. A Participating School District may withdraw from the multidistrict cooperative by withdrawing from the Trust pursuant to Section 11 of the Participation Agreement.

7. Each Participating School District shall contribute to the Trust as required in the Participation and Trust Agreements from the school district's general fund, budgeted funds other than the retirement fund or debt service fund, or nonbudgeted funds other than the compensated absence liability fund.

8. The Participating School Districts agree that the amount of such contributions to the Trust shall be calculated by the Boards of Trustees of the Trust as described in the Participation and Trust Agreements.

9. The term of this Multidistrict Agreement shall begin on the effective date and continue until the Trust is terminated pursuant to Section 7.2 of the Trust Agreement. If the Trust is terminated, the multidistrict cooperative shall also dissolve.

10. This Multidistrict Agreement shall be interpreted according to and governed by the laws of the state of Montana.

By: [East Helena] School District

Name: _____

Title: _____

Date: _____

Bridged Health Alliance

New Era in Health Care

A GAMECHANGER FOR MONTANA PUBLIC SCHOOLS

Dear School District Officials,

Imagine a world where your school isn't just a place of learning but a pioneer in health care innovation — where every dollar spent on employee benefits works harder, where catastrophic claims don't threaten your budget and where your staff thrives with tailored, top-tier care. This isn't a dream — it's the power of Bridged Health Alliance, and it's within your reach.

Bridged empowers Montana public school systems of all sizes with higher-quality, lower-cost health, wellness and pharmaceutical benefits responsive to the unique needs of employees and beneficiaries of Montana's public education systems. At its core, Bridged provides an avenue for Montana school districts to collaborate and achieve important goals:

1. **Lower fixed costs.** More efficient purchasing will leverage the size of multiple districts to secure more advantageous pricing to tilt administrative costs in your favor.
2. **Year-over-year stability.** You can leverage a much larger insurance risk pool and renewal methodology that focuses on a balance of fairness and consistency to experience greater predictability and stability in health insurance rates.
3. **Improved health outcomes.** Healthier employees will result in lower overall costs for schools, allowing you to focus on what's most important: the education and future success of Montana's children and youth.
4. **Maximize return.** Capitalize on the Legislature's historic $40 million investment to invest more money back in district budgets and back in teachers' pockets, where it belongs.

Enclosed, you will find a comprehensive proposal from Bridged Health Alliance, including a detailed cost and benefit proposal effective July 1, 2026, or upon your current renewal timeline; a legal Trust Agreement; a Participation Agreement; and a Multidistrict Agreement. Collectively, these documents lay the groundwork for participation in Bridged Health Alliance. We respectfully ask that you sign the Participation and Multidistrict agreements no later than Nov. 30, 2025, to signify your intent to become a part of Bridged Health Alliance.

In short, we are doing this for ***you***. Every dollar saved on health care costs through Bridged Health Alliance is a dollar that stays in education — funding classrooms, supporting staff and strengthening the communities we serve.

Sincerely,

John Doran, Chief Strategy Officer, Bridged Health Alliance

Solidarity in Schools

By uniting more than 150 school districts covering more than 12,000 employees, Bridged Health Alliance (Bridged) is using its size and scale to unlock strategic pricing models that simply don't exist for schools on their own. The fact of the matter is health care costs too much today. And in the traditional health insurance model, wild swings in price variability are causing costs to soar through the roof. That's where Bridged comes in. We are shaking up the existing profit-driven model to stabilize costs and inject much-needed predictability for Montana's public schools and special education cooperatives. It's the Bridged difference and we're in it for you.

Provider Network

Bridged selected Allegiance Benefit Plan Administration as its third-party administrator (TPA). Allegiance is a Montana-based, industry-leading provider of self-funded solutions. By partnering with Allegiance, Bridged enables your employees and their loved ones to access a robust provider network with 100 percent of hospitals and 97 percent of health care professionals in Montana. Outside of Montana, Allegiance affords our members access to providers through Cigna, one of the most extensive networks in the nation. This means little to no disruption for our members.

More importantly, however, is the fact that Bridged is leveraging a statewide provider network built on a multiple of Medicare – the most stable pricing structure in the country. While most insurer health care trends hover between 8 to 15 percent increases year over year, Medicare unit costs increase by at most 3 percent annually. Why does that matter? Bridged is resetting the baseline for the biggest driver of health care costs and setting course on a much lower, more predictable trajectory for the future. This adds up to substantial savings over time.

Pharmacy Benefit Management

Bridged selected Capital Rx as its pharmacy benefit manager (PBM). As a public benefit corporation, Capital Rx is executing its mission to reduce healthcare costs as a pharmacy benefit administrator and by deploying Judi®, the company's cloud-native enterprise health platform, which supports the administration of benefit programs for Fortune 500 companies, the largest unions in America, leading hospitals and health systems, health plans, municipalities, and top academic institutions. Capital Rx brings 24/7/365 customer service for our members, meaning you can fill your prescriptions no matter what life throws at you.

What makes Capital Rx really important, though, is its ethical, transparent pricing model. Rather than chasing pharmacy rebates that artificially drive up the cost of prescription medications, in particular costly specialty medications, Capital Rx uses a model based on ingredient cost, a small administrative fee per script, and a dispensing fee to the pharmacy. One hundred percent of all rebates flow back to the customer, in this case Bridged and its participating schools. Why does this matter? By bringing Capital Rx to Montana, Bridged is essentially eliminating the profit motive in favor of a model that ensures savings without compromising access to life-saving and routine medications.

Long-Term Stability and Predictability

While these models certainly improve the affordability of health insurance and reduce out-of-pocket costs to members, it's more about resetting the bar and creating a pathway to more stable pricing in the future. It's a gamechanger for schools and it would not be possible without Bridged. The time to take advantage of this opportunity is now, and we're asking you to seize the chance for a better future.

Innovative Two-Tier Structure

Bridged's unique structure offers two funding models from which schools can elect. This innovative approach maximizes benefits and costs, and provides stability, predictability, and peace of mind for schools, employees, and their loved ones.

Prairie Tier



The Prairie Tier (Tier One) is suitable for schools of all sizes but is optimized for those with fewer than 100 employees. In this tier, schools pay an even monthly contribution encompassing all administrative and expected claims costs, serving as the maximum financial liability. It's considered a level-funded plan, a type of self-funded plan in which the school district makes a steady monthly payment to cover costs for administration, claims payments, and stop-loss insurance. The basis of level-funded plans is the accuracy of the rates that are unique to each group.

This model has its advantages when compared to fully insured plans and programs. Level-funded plans make it easier for small- and mid-sized school districts to offer their employees high-quality health care benefits at a more affordable price and take advantage of the potential to recoup money when claims are less than expected.

Claims account

A claims account is exactly what it sounds like. A portion of the monthly payment is used to pay for medical and pharmacy claims submitted by plan members.

Stop-loss Insurance

Stop-loss is a school district's safety net against high-cost claims. With level-funding, school districts pay up to the amount they are responsible for funding. After that, stop-loss insurance kicks in.

Administrative costs

Administrative services are provided to the school district so they can spend their time focusing on their business while a third-party administrator handles plan management such as paying

claims, customer service, and other administrative tasks. Bridged will have the leanest administrative expense in Montana, and those savings will be passed on to you.

Opportunity for Premium Credit

If a group submits fewer claims than anticipated over the course of a year, a portion of the difference between projected and actual claims will be refunded to the school district. By transitioning to a level-funded plan, school districts not only have the opportunity to lower their overall healthcare expenses, but they may also benefit from additional savings through potential claim refunds.

Tier 1 Premium Credit

Example 1 – Low Claims

Listed below you will see the three components that make up the premiums for a school with 100 employees in Tier 1.

	Admin	Stop-loss	Claims Fund	Premium	Employees
Monthly	$43.98	$219.89	$615.68	$880	100
Annual	$52,776.00	$263,862	$738,814	$1,055,452	

At the end of the year, the school had funded $738,814 in claims but only experienced $627,991 in medical costs, leaving a surplus of $110,823 in their claims account. With a surplus factor of 60%, the school is eligible to receive $66,493 paid back over the course of the next three years.

Annual Claims	$627,991
Surplus	$110,823
Surplus Factor	60%
Premium Credit	$66,493

Surplus Payment 1 (50%)	$33,247
Surplus Payment 2 (30%)	$19,948
Surplus Payment 3 (20%)	$13,299

Example 2 – High Claims

Listed below you will see the three components that make up the premiums for a school with 100 employees in Tier 1.

	Admin	Stop-loss	Claims Fund	Premium	Employees
Monthly	$43.98	$219.89	$615.68	$880	100
Annual	$52,776.00	$263,862	$738,814	$1,055,452	

At the end of the year, the school had funded $738,813 in claims but experienced $775,754 in medical costs, leaving a deficit of $36,940 in their claims account. At renewal, the deficit is cleared out so the school can start their new year fresh with no additional premiums due from the prior year.

Annual Claims	$775,754
Surplus	($36,940)
Surplus Factor	60%
Premium Credit	$0

Renewal Underwriting

The entire trust will be underwritten annually upon renewal to determine any rate adjustments necessary for the upcoming year. All schools in the Prairie Tier will receive the same adjustment in the first renewal. The benefit of pooling all schools together is that the larger the group, the more predictable claims costs become. With greater predictability, the annual renewal adjustments will be lower and more consistent, allowing schools to more easily budget for health care costs. To maintain stability for the long-term, Bridged will make micro-adjustments every other year for schools that are performing substantially better (top 10 percent) or worse (lowest 10 percent) than other schools in the trust. This simply means that these schools can be moved up or down by **a maximum** of 8 percent in addition to the overall trust renewal.

Example 1 – Low Claims

School A has consistently had a claims surplus for several years. Instead of continuing to overpay, Bridged would reduce their monthly contributions by up to 8 percent after the overall trust renewal adjustment.

Example 2 – High Claims

School B has consistently had a claims deficit for several years. In order to balance their contributions and their claims cost, their monthly contributions could be increased up to 8 percent after the overall trust renewal adjustment.

The Skyline Tier



The Skyline Tier (Tier Two) is your traditional self-funding mode for school districts with more than 100 employees on their health plan. Schools in this tier maintain their own reserves, are responsible for paying their own claims, can bring their own benefit design and plans, maintain local control, and yet take advantage of the size and scale of Bridged to capture savings in administrative and claims costs.

Self-funding isn't a solo effort — it's a strategic collaboration designed to protect your school and empower your employees. Here's who's on your side:

An Established Trust – A dedicated fund driven by school and employee contributions, ensuring claims are paid without draining your operating budget.

A Broker – Your strategic guide, working alongside the Bridged team to develop solutions that fit your unique workforce.

A Stop-Loss Insurance Carrier – Partnered with Bridged, this safety net shields you from devasting claims – an airbag for the unexpected.

A Third-Party Administrator (TPA) – Missoula-based Allegiance Health Plan Management has been handpicked by Bridged, they handle the heavy lifting – customer service, claims processing, and access to top-tier hospitals, clinics, and doctors.

A Pharmacy Benefit Manager (PBM) – Also selected by Bridged, Capital Rx negotiates drug prices, streamlines prescriptions, and keeps costs in check.

Why Bridged Health Alliance?

Navigating self-funding alone is daunting. That's where Bridged steps in as your partner for health care savings. We've already done the hard work, vetting the best third-party administrator (TPA), stop-loss carrier and pharmacy benefit manager (PBM) in the business. Our coalition unites more than 150 school districts and 12,000-plus employees, leveraging collective bargaining power for unbeatable pricing and expertise. With consultants, pharmacists, actuaries and health management experts in our corner, we deliver world-class solutions that simplify health care for your employees – affordable, accessible, exceptional care.

And here's the kicker: Joining Bridged unlocks exclusive access to $40 million in funding through HB 332 – a historic investment to stabilize health insurance costs for the long-term.

The Time is Now

Health care costs are soaring, but your school can take another route. Participating in Bridged Health Alliance isn't just a strategy – it's a movement. It's about flexibility, savings and putting your employees first. There is no cookie-cutter fix, but with Bridged Health Alliance, you can craft a plan as dynamic as your school, while enjoying the significant savings our strategic platform is delivering for schools of all sizes in Montana.