

Jan - Dec 2027

Health Insurance

Plan Design

Changes and

Rate Structure

for Employees



Key Insurance Terms & Accounts

Premium

What you pay each month to enroll in a plan.

Deductible

What you may pay for covered care before the plan begins sharing certain costs.

Copay

A fixed amount you pay for a visit, service, or prescription.

Embedded Deductible

Each covered family member has an individual deductible inside the family total.

HRA vs. HSA: These are different accounts. The HRA will end; the Gold plan's district HSA contribution remains.

HRA

Health Reimbursement Arrangement

- Account established and funded by the District.
- Used to pay for eligible deductible and coinsurance costs.
- Funds are used first toward your medical costs.
- These funds do not transfer if you leave the District.

HSA

Health Savings Account

- Personal savings account owned by you.
- Used for qualified out-of-pocket medical expenses.
- Contributions are made on a tax-free basis.
- The account and any unused funds are yours to keep, even if you retire or leave the District.

Balancing Affordability, Sustainability, & Quality

2027 Plan Design

Elimination

To manage escalating costs:

- Eliminate the Health Reimbursement Account (HRA)
- Eliminate the dental rebate payment

Adjustment

To preserve plan design:

- Adjust deductibles, co-pays, and pharmacy tiers on Standard & Platinum Plans
- Move the Gold Plan to an embedded deductible

Preservation

To safeguard care:

- Maintain current primary care, emergency room, and pharmacy benefits without disruption

Important Update to Your HRA Benefit

What You Need to Know & Key Deadlines



HRA Ends

Effective Date

January 1, 2027

The HRA benefit will be eliminated and will no longer be available for expenses incurred on or after this date.

15-Month Plan Year

October 1, 2025 – December 31, 2026

Prior Expenses

Provider Submission Cutoff

March 31, 2027

Expenses Incurred

Eligible expenses must be incurred during the 15-month plan year (10/1/25 – 12/31/26).

Eligible claims must be submitted by the provider by **March 31, 2027** to be considered for payment.

At a Glance

Remember

This is a provider submission deadline, not an action for you.

Need Assistance?

Ensure your healthcare providers have all necessary billing information before the submission cutoff.

Summary Checklist for Members

Verify all claims for services incurred between 10/1/25 – 12/31/26 are submitted by your provider before **March 31, 2027**.

What this Means for Participants

Key takeaways regarding your healthcare coverage and benefits

Zero-Cost Options

Employees with no dependents still have two options with **ZERO** monthly out-of-pocket premium cost.

Care Continuity

Preventive and routine care providers and services remain completely unchanged.

Robust Benefits

Coverage continues to provide **comprehensive** medical and prescription benefits.

Plan Sustainability

Changes help preserve **competitive** health insurance while managing rising healthcare costs.

Why These Changes Matter

Our goal is to preserve affordable, high-quality health coverage for employees today while ensuring the plan remains sustainable for the future.



Expense Control

Control escalating health care expenses seen nation-wide to keep coverage affordable.

Plan Sustainability

Ensure the long-term financial sustainability of the District's health plan for years to come.

Responsible Stewards

Continue offering high-quality benefits while remaining responsible stewards of District resources.

Base & Platinum Plan Design Changes

Key modifications include HRA removal, updated deductibles, and changes to office co-pays, and pharmacy tiers.



Standard Plan

Deductible:

\$1,500 / \$3,000

Emergency Room:

\$300 co-pay (was \$200)

Primary Care Physician:

\$35 co-pay (was \$25)

Specialist Physician:

\$70 co-pay (was \$35)

Pharmacy Tiers:

\$10 / \$40 / \$70 / \$160

(was \$10 / \$35 / \$60 / \$120)

Platinum Plan

Deductible:

\$500 / \$1,000

Emergency Room:

\$200 co-pay (no change)

Primary Care Physician:

\$25 co-pay (no change)

Specialist Physician:

\$50 co-pay (was \$35)

Pharmacy Tiers:

\$10 / \$40 / \$70 / \$160

(was \$10 / \$35 / \$60 / \$120)

Non-Embedded vs Embedded Deductible on Gold Plan



Non-Embedded – Current Plan - No individual deductible. All family members' out-of-pocket expenses count toward the family deductible until it is met. Once the family deductible is met, all future claims for the family are covered at 100%.

Embedded – Proposed Change - Each family member has an individual deductible in addition to the overall family deduction. Once the individual deductible is met, all future claims for that family member are covered at 100%.

Medical Rates - Anthem						
<i>Premier PPO</i>	Employee Cost	District Cost	District HSA Cont.	Total District Cost with HSA	Employee Premium Change	District Premium Change
Employee Only	100.00	875.00		875.00	100.00%	2.94%
Employee + 1 Child	625.00	875.00		875.00	8.13%	2.94%
Employee + Children	700.00	875.00		875.00	8.86%	2.94%
Employee + Spouse	920.00	875.00		875.00	5.99%	2.94%
Employee + Family	1,325.00	875.00		875.00	3.76%	2.94%
<i>Gold w/HSA</i>	Employee Cost	District Cost		District Cost		
Employee Only	0.00	750.00	125.00	875.00	0.00%	2.94%
Employee + 1 Child	350.00	750.00	125.00	875.00	-9.09%	2.94%
Employee + Children	425.00	750.00	125.00	875.00	-5.56%	2.94%
Employee + Spouse	625.00	750.00	125.00	875.00	-3.10%	2.94%
Employee + Family	1,000.00	750.00	125.00	875.00	-9.42%	2.94%
<i>Standard PPO</i>	Employee Cost	District Cost		District Cost		
Employee Only	0.00	875.00		875.00	0.00%	2.94%
Employee + 1 Child	425.00	875.00		875.00	0.00%	2.94%
Employee + Children	490.00	875.00		875.00	0.00%	2.94%
Employee + Spouse	685.00	875.00		875.00	0.00%	2.94%
Employee + Family	1,150.00	875.00		875.00	0.35%	2.94%

Please note: The Insurance Rebate Check has been eliminated from the selection of the EPO Dental Plan.

This means, there will be no payment to the employee in December for the difference in cost to the district between the two plans.

Dental Rates - Delta Dental				
<i>Premier - PPO</i>	Employee Cost	District Cost	Employee Premium Change	District Premium Change
Employee Only	0.00	50.00	0.00%	4.17%
Employee + 1 Child	73.00	50.00	2.82%	4.17%
Employee + Children	80.00	50.00	3.90%	4.17%
Employee + Spouse	45.00	50.00	2.27%	4.17%
Employee + Family	120.00	50.00	2.56%	4.17%
<i>EPO</i>	Employee Cost	District Cost		
Employee Only	0.00	25.00	0.00%	4.17%
Employee + 1 Child	21.00	25.00	5.00%	4.17%
Employee + Children	23.00	25.00	4.55%	4.17%
Employee + Spouse	17.00	25.00	6.25%	4.17%
Employee + Family	42.00	25.00	2.44%	4.17%

Questions?

If you have any questions regarding the upcoming insurance renewals or plan modifications, please feel free to reach out.



District Contact

Mary Jo Gruber

Chief Financial/Operating Officer

Email: mjgruber@psdr3.org

Phone: 314-213-8005 ext 1004