

**DUMAS INDEPENDENT SCHOOL DISTRICT**  
**Meeting of the Board of Trustees**

**Agenda Item Number – 7**

**Agenda Item Subject – Health Insurance Rates for 2010-2011**

**Presenter – Greg Lewis**

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**Meeting Date – April 5, 2010**

**Action**

**Background Information:**

Our health insurance provider, TRS Active Care, is going up on premiums for the second year in a row. As a result, we need to decide how much, if any, of the increase will be paid by the district.

**Administrative Consideration:**

The last time rates were increased, the Board decided to split the difference with the employees. That increase was around 7% so the district's contribution increased 7% as did the amount employees pay. The increase this year for the four PPO plans is around 7% again but varies slightly among the different plans and coverage. The HMO plan, FirstCare, is actually decreasing rates slightly.

Currently, the district contributes \$310 per month for all the plans except for Active Care 1 Employee Only which is \$278 and Active Care 1-HD Employee Only which is \$245 because those are the total costs of the plans. If we split the increase, the new district contribution will be \$332 for most of the plans. Active Care 1 Employee Only will go to \$297 and Active Care 1 – HD Employee Only will be set at \$262.

The attached sheet shows the premiums and the contributions that will be required of the district and employees. It also shows the increase from the employees on a monthly and annual basis, the largest of which is \$780 per year for TRS Active Care 3 Employee/Family. You can see that there are good savings for those enrolled in FirstCare and we could see some movement from the other plans into FirstCare as a result of the premium decrease.

If the Board approves this contribution level, we can expect it to cost the general fund about \$90,000 in 2010-2011. This amount was included in our preliminary budget projection that the Board discussed at the last meeting.

**Administrative Recommendation:**

We recommend approval of the health insurance contributions as proposed for 2010-2011.