

East Aurora SD 131

Insurance Committee Meeting

Final Renewal

September 22nd, 2026

Allison Evors, Area Vice President

Jared Perry, Financial & Actuarial Consulting Manager

Brian Franz, Client Representative

Victoria Dowling, Area Executive Vice President

Casey Kemerling, Area Vice President

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Gallagher

Agenda

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**BCBS Fully
Insured Quote**

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**Prescription
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**BCBS
Programs**

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**Dental
Renewal**

Final Renewal

Understanding the rate makeup

Self-funded Rate Equivalents



Self-funded rates are calculated to cover the anticipated costs for the year, generated by multiple areas.

PPO Financials

January 1st, 2025 to December 31st, 2025

Funding for 2025: **\$22,545,754**

(Based on enrollment and 2025 rate equivalents)

Paid Medical Claims: \$16,408,333

Paid Prescription Claims: \$7,960,944

Access Fees: \$11,605

BCBS Admin and Stop Loss Fees: \$1,672,656

Stop Loss Reimbursement: (\$1,028,528)

(Reimbursed for claims over \$225k)

Total Gross Plan Costs: **\$25,025,010**

Funding Variance: **-\$2,479,257**

January 1st, 2026, to August 31st, 2026

Funding for 2026: **\$16,489.209**

(Based on enrollment and 2026 rate equivalents)

Paid Medical Claims: \$11,722,098

Paid Prescription Claims: \$6,277,840

Access Fees: \$653

BCBS Admin and Stop Loss Fees: \$972,994

Stop Loss Reimbursement: (\$793,877)

(Reimbursed for claims over \$225k)

Total Gross Plan Costs: **\$18,179,708**

Funding Variance: **-\$1,690,499**

HMO Financials

January 1st, 2025, to December 31st, 2025

Funding for 2025: **\$4,398,829**

(Based on enrollment and 2025 rate equivalents)

Paid Medical Claims: \$1,536,704

Paid Prescription Claims: \$1,499,279

Physician Services Fees: \$820,266

BCBS Admin and Stop Loss Fees: \$459,313

Stop Loss Reimbursement: (\$149,146)

(Reimbursed for claims over \$105k)

Total Gross Plan Costs: **\$4,166,415**

Funding Variance: **\$232,413**

January 1st, 2026, to August 31st, 2026

Funding for 2026: **\$2,777,083**

(Based on enrollment and 2026 rate equivalents)

Paid Medical Claims: \$1,291,501

Paid Prescription Claims: \$967,861

Physician Services Fees: \$602,584

BCBS Admin and Stop Loss Fees: \$281,860

Stop Loss Reimbursement: (\$253,560)

(Reimbursed for claims over \$105k)

Total Gross Plan Costs: **\$2,890,246**

Funding Variance: **-\$113,163**

How are renewal rate adjustments and rates determined?

Actuarial analysis simplified

Loss Ratio: Total Claims compared to total funding

- Funding is based on enrollment and what the rates have been set at for the year
- Look back at 24 months of data, with heavier weight on the most recent 12 months

Trend: How are costs anticipated to increase in the following year due to inflation, new procedures, medications, technology, etc.

Fixed costs: BCBS/Prime admin fees, including stop loss

Loss ratio over 100%

- Need to adjust for deficit driven by utilization in addition to trend/inflation

Loss ratio at 100%

- Plan performed exactly as anticipated, allowing for a trend adjustment

Loss ratio under 100%

- Plan performed better than anticipated and depending, may get slightly under trend adjustment

BCBS Renewal

PPO Renewal Fees

Previous Broker arrangement had \$20 commissions built into fees - \$10 in medical admin fees and \$10 in stop loss fee.

Initial renewal called for a 2% increase to the admin fee and 27.6% increase to stop loss.

Removal of commissions led to a DECREASE of 7% to the admin fee and lowered the stop loss increase by about 5% to 22.5%.

This impacted the PPO renewal adjustment by about 1%.

BCBS Fees	Current	2027 Renewal Initial	2027 Renewal Commissions Removed
Admin Fee	\$73.19	\$74.65	\$64.65
Prescription Drug Rebate Credit	(\$173.45)	(\$189.39)	(\$189.39)
Medical Rebate Credit	(\$2.50)	(\$2.20)	(\$2.20)
Individual Stop Loss \$225k	\$195.25	\$249.16	\$239.16
Aggregate Stop Loss	\$34,207	\$34,891	\$34,891

BCBS Renewal

HMO Renewal Fees

Initial renewal called for a 2% increase to the admin fee and 49.9% increase to stop loss.

Removal of commissions led to a DECREASE of 15.3% to the admin fee and lowered the stop loss increase by 4.8% to 45.1%.

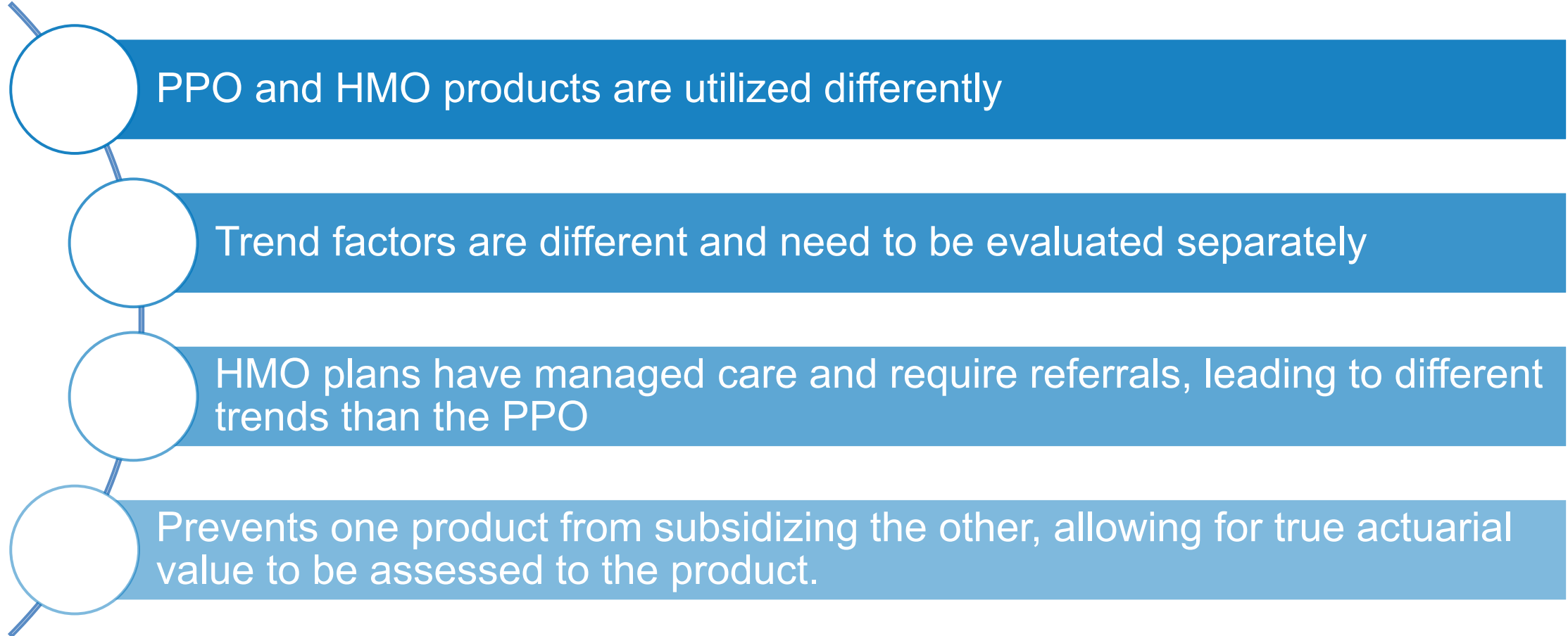
Additional negotiations with BCBS lowered the stop renewal increase to 35.3% for a PEPM of **\$278.81**.

Removing commissions lowered HMO renewal by 1%. The further decrease in stop loss lowered it by an additional 2.7%

BCBS Fees	Current	2027 Renewal Initial	2027 Renewal Commissions Removed
Admin Fee	\$57.86	\$59.02	\$49.02
Prescription Drug Rebate Credit	(\$106.81)	(\$107.40)	(\$107.40)
Individual Stop Loss \$105k	\$206.00	\$308.85	\$298.85
Physician Services Fees – Single	\$196.81	\$204.30	\$204.30
Physician Services Fees – Family	\$545.49	\$565.25	\$565.25
HMO Managed Care Fee	\$15.87	\$9.15	\$9.10

Renewal Rate Approach

Moving to Separate Renewal Adjustments by Product – Understanding the Why



Renewal Adjustment

PPO

Additional Funding Needed to cover
2027 Projected costs is **\$5,589,123.**

**Needed Rate Adjustment for PPO
Plans:**

+22.6%

Projected Claim Cost

Medical:	\$17,969,758
Prescriptions:	\$10,536,584
Total Claims Cost:	\$28,506,342

BCBS Fees

Total projected stop loss fees:	\$3,650,990
Admin Fees:	\$977,508
Rx Rebates:	(\$2,896,841)
Telehealth Fees:	\$6,804
Total Projected Admin Fees	(\$1,912,529)
PDAA Fee:	\$35,310

Total Costs:	\$30,280,113
Current Funding/Premium:	\$24,690,990

Renewal Adjustment

HMO

Projected Claims Cost

Medical:	\$1,677,925
Prescriptions:	\$1,619,519
Physician Service Fees (PSF)	\$946,832
Total Claims and PSF Cost:	\$4,244,276

BCBS Fees

Total projected stop loss fees:	\$689,218
Admin Fees:	\$121,177
Rx Rebates:	(\$265,493)
Additional Fees:	\$22,248
Total Projected Admin Fees	(\$122,067)
PDAA Fee:	\$5,715

Total Costs:

Current Funding/Premium:	\$4,236,150
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Additional Funding Needed to cover 2027 Projected costs is **\$580,992.**

Needed Rate Adjustment for HMO Plans:
+13.7%

DRAFT: Renewal Rates – PPO Plan

Current 2026 Rates

Tier	TOTAL Monthly Premium	Employee Monthly	Employer Monthly
Employee	\$1,129.83	\$114.47	\$1,015.36
Employee + Spouse	\$1,987.78	\$279.51	\$1,708.27
Employee + Child(ren)	\$1,861.98	\$190.56	\$1,671.42
Family	\$2,882.03	\$346.80	\$2,535.23

Employee Annual	Employer Annual
\$1,373.64	\$12,184.32
\$3,354.12	\$20,499.24
\$2,286.72	\$20,057.04
\$4,161.60	\$30,422.76

2027 Renewal Rates

Tier	TOTAL Monthly Premium	Employee Monthly	Employer Monthly
Employee	\$1,385.58	\$152.41	\$1,233.17
Employee + Spouse	\$2,437.74	\$365.66	\$2,072.08
Employee + Child(ren)	\$2,283.46	\$342.52	\$1,940.94
Family	\$3,534.41	\$565.51	\$2,968.90

Employee Annual	Employer Annual
\$1,828.97	\$14,797.99
\$4,387.93	\$24,864.95
\$4,110.23	\$23,291.29
\$6,786.07	\$35,626.85

DRAFT: Renewal Rates – PPO Value Plan

Current 2026 Rates

Tier	TOTAL Monthly Premium	Employee Monthly	Employer Monthly
Employee	\$1,072.64	\$87.57	\$985.07
Employee + Spouse	\$1,887.20	\$197.21	\$1,689.99
Employee + Child(ren)	\$1,767.72	\$155.87	\$1,611.85
Family	\$2,736.14	\$259.13	\$2,477.01

Employee Annual	Employer Annual
\$1,050.84	\$11,820.84
\$2,366.52	\$20,279.88
\$1,870.44	\$19,342.20
\$3,109.56	\$29,724.12

2027 Renewal Rates

Tier	TOTAL Monthly Premium	Employee Monthly	Employer Monthly
Employee	\$1,315.45	\$144.70	\$1,170.75
Employee + Spouse	\$2,314.39	\$347.16	\$1,967.23
Employee + Child(ren)	\$2,167.87	\$325.18	\$1,842.69
Family	\$3,355.50	\$536.88	\$2,818.62

Employee Annual	Employer Annual
\$1,736.39	\$14,049.01
\$4,165.90	\$23,606.78
\$3,902.17	\$22,112.27
\$6,442.56	\$33,823.44

DRAFT: Renewal Rates – HMO Plan

Current 2026 Rates

Tier	TOTAL Monthly Premium	Employee Monthly	Employer Monthly
Employee	\$1,181.06	\$245.36	\$935.70
Employee + Spouse	\$2,078.01	\$541.59	\$1,536.42
Employee + Child(ren)	\$1,946.46	\$441.25	\$1,505.21
Family	\$3,012.79	\$683.51	\$2,329.28

Employee Annual	Employer Annual
\$2,944.32	\$11,228.40
\$6,499.08	\$18,437.04
\$5,295.00	\$18,062.52
\$8,202.12	\$27,951.36

2027 Renewal Rates

Tier	TOTAL Monthly Premium	Employee Monthly	Employer Monthly
Employee	\$1,342.87	\$147.72	\$1,195.15
Employee + Spouse	\$2,362.70	\$354.40	\$2,008.29
Employee + Child(ren)	\$2,213.13	\$331.97	\$1,881.16
Family	\$3,425.54	\$548.09	\$2,877.46

Employee Annual	Employer Annual
\$1,772.58	\$14,341.80
\$4,252.86	\$24,099.51
\$3,983.63	\$22,573.88
\$6,577.04	\$34,529.47

DRAFT: Renewal Rates – HMO Value Plan

Current 2026 Rates

Tier	TOTAL Monthly Premium	Employee Monthly	Employer Monthly
Employee	\$1,078.32	\$199.53	\$878.79
Employee + Spouse	\$1,897.24	\$452.89	\$1,444.35
Employee + Child(ren)	\$1,777.11	\$378.38	\$1,398.73
Family	\$2,750.68	\$585.63	\$2,165.05

Employee Annual	Employer Annual
\$2,394.36	\$10,545.48
\$5,434.68	\$17,332.20
\$4,540.56	\$16,784.76
\$7,027.56	\$25,980.60

2027 Renewal Rates

Tier	TOTAL Monthly Premium	Employee Monthly	Employer Monthly
Employee	\$1,226.05	\$134.87	\$1,091.18
Employee + Spouse	\$2,157.16	\$323.57	\$1,833.59
Employee + Child(ren)	\$2,020.57	\$303.09	\$1,717.49
Family	\$3,127.52	\$500.40	\$2,627.12

Employee Annual	Employer Annual
\$1,618.39	\$13,094.21
\$3,882.89	\$22,003.05
\$3,637.03	\$20,609.86
\$6,004.84	\$31,525.43

BCBS Fully Insured Quote

What is the difference between self-funded and fully insured?

Self-funded

- District pays employee claims as they occur
- District assumes the financial risk
- Stop-loss insurance is purchased for protection
- Greater flexibility in plan design and reporting
- More control on programs that are added to the plan
- Costs may be lower if claims are favorable
 - Rates are based on covering claims and fixed costs

Fully Insured

- District pays a fixed monthly premium
 - Predictable costs from month to month
- Insurance carrier assumes the financial risk
- Claims are paid by the insurance company
- Less administrative responsibility for employer
- Rates have built in margins for profitability to carrier
 - First year rates are often lower, to attract new clients

Key Difference: In a self-funded plan, the district pays claims and takes on the risk. In a fully insured plan, the insurance carrier assumes the risk in exchange for a fixed premium.

BCBS Fully Insured Quote

Why was the request made?

The district asked to see if it would be worth exploring moving to fully insured based on anticipated higher renewal.

Things to Note

- PPO plans would be required to move to the Performance Drug List
- Quote is unified and cannot be separated – HMO rates cannot be accepted on their own
- Total funding (enrollment by tier x rate by tier) is \$885,695 higher than self-funded*
- All runout claims from 2026 will have to be paid by district fund balance

Fully Insured Rates Compared to 2027 Self-funded Rates

PPO plan

- Single tier is 2% lower than self-funded
- Dependent tiers are 7–10% higher than self-funded

PPO Value

- All tiers are higher than self-funded, with the dependent tiers being 12-14% higher

HMO Plan and HMO Value

- Single tier is 30% lower for HMO plan, and 27% lower for HMO Value
- Dependent tiers are lower by 18-23%

BCBS Fully Insured Quote

Plan Name	402269 BCO			402270 BCO			B46174 BAHMO
Network	Blue Options PPO			Blue Options PPO			Blue Advantage HMO
	Tier1	Tier2	Out	Tier1	Tier2	Out	In
Coinsurance	85%	80%	60%	85%	80%	60%	100%
Deductible Ind/Fam	\$500/\$1,000	\$750/\$1,500	\$1,500/\$3,000	\$750/\$2,250	\$1,500/\$4,500	\$3,000/\$9,000	\$0/\$0
Out of Pocket Ind/Fam	\$2,000/\$4,500	\$3,000/\$7,000	\$6,000/\$14,000	\$2,000/\$5,000	\$3,500/\$10,200	\$7,000/\$20,400	\$1,500/\$3,000
Office Visit Copay/ Specialist Copay	\$0/\$0	\$0/\$0	\$0/\$0	\$20/\$40	\$30/\$50	\$0/\$0	\$25/\$50
Hospital Inpatient	85%	80%	60%	85%	80%	60%	100%/Per Admission Deductible-\$200
Additional Deductible Per Admission	\$0	\$0	\$100	\$0	\$0	\$300	
Hospital Outpatient	85%	80%	60%	85%	80%	60%	100%
Emergency Room	80%/\$150	80%/\$150	80%/\$150	100%/\$150	100%/\$150	100%/\$150	100%/\$100
Lab	85%	80%	60%	85%	80%	60%	
X-Ray	85%	80%	60%	85%	80%	60%	
Complex Imaging	85%	80%	60%	85%	80%	60%	
Rx Out-of-Pocket Maximum		\$500			\$1,000		\$500
Rx Copay / Coinsurance (Tier 1/2/3/4/5/6)		\$20/ \$40/ \$60/ \$80			\$8/ \$35/ \$75/ \$75		\$20/ \$40/ \$60
Rx Copay / Coinsurance Mail Order (Tier 1/2/3/4/5/6)		\$40/ \$80/ \$120/ \$80			\$16/ \$70/ \$150/ \$75		\$40/ \$80/ \$120
Rx Formulary (Drug List)		Performance			Performance		Performance
HCSC Primary (Enrollment)							
Single		444			173		79
Single + Spouse		60			28		15
Single + Child(ren)		277			91		46
Family		139			46		27
Medicare Primary (Enrollment)							
Single		1			0		0
Family		0			0		0
HCSC & Medicare Total		921			338		167
	Proposed			Proposed			Proposed
HCSC Primary							
Single		\$1,351.15			\$1,337.64		\$945.81
Single + Spouse		\$2,611.79			\$2,585.67		\$1,828.25
Single + Child(ren)		\$2,506.39			\$2,481.33		\$1,754.47
Family		\$3,877.82			\$3,839.04		\$2,714.47

BCBS Fully Insured Quote

Plan Name	B04488 BAHMO
Network	Blue Advantage HMO
	In
Coinsurance	100%
Deductible Ind/Fam	\$0/\$0
Out of Pocket Ind/Fam	\$1,500/\$3,000
Office Visit Copay/ Specialist Copay	\$25/\$50
Hospital Inpatient	100%/Per Admission Deductible-\$200
Hospital Outpatient	100%
Emergency Room	100%/\$100
Rx Out-of-Pocket Maximum	\$1,000
Rx Copay / Coinsurance (Tier 1/2/3/4/5/6)	\$8/ \$35/ \$75/ \$150
Rx Copay / Coinsurance Mail Order (Tier 1/2/3/4/5/6)	\$16/ \$70/ \$150/ \$150
Rx Formulary (Drug List)	Performance
HCSC Primary (Enrollment)	
Single	26
Single + Spouse	3
Single + Child(ren)	3
Family	4
Medicare Primary (Enrollment)	
Single	0
Family	0
HCSC & Medicare Total	36
	Proposed
HCSC Primary	
Single	\$891.76
Single + Spouse	\$1,723.78
Single + Child(ren)	\$1,654.22
Family	\$2,559.36

Prescription Benefit

Contract with BCBS/Prime

3-year Contract Through December 31st, 2027 (PPO Plans)

- Contract includes guaranteed dispensing fees for brand and generic drugs
- Retail discounts go up slightly year over year, helping to offset prescription claims cost

3 Year Contract: Rebates Per Employee Per Month

1/1/25-12/31/25	\$156.87
1/1/26-12/31/26	\$173.45
1/1/27-12/31/27	\$183.39

Guaranteed rebates help to off-set the BCBS/Prime Admin fees, lowering fixed costs.

Pricing new drug lists or impact of removing weight loss drugs results is considered opening contract
Prime will change contract terms, lowering rebates and other discounts

As of 1/1/27 BCBS/Prime is allowing employers to add a special weight loss drug copay of \$150. Members will be able to use manufacturer coupons to lower their out-of-pocket costs, as long as available.

Current Prescription Utilization

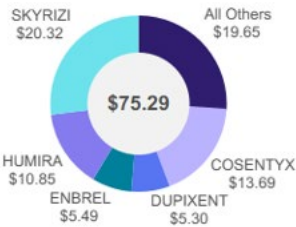
Top Core Category by Total Cost



Core Category Trends

AUTOIMMUNE
24.5%
of Total Cost PMPM

Total Cost PMPM



Trend Drivers

SKYRIZI	\$5.64
BIMZELX	\$5.14
TREMFYA	\$4.58
TALTZ	\$2.17
HUMIRA	\$1.16

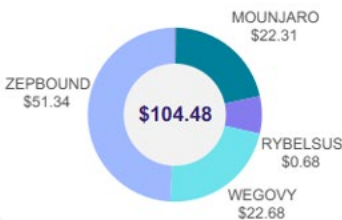
Trend Mitigators

STELARA	(\$34.72)
ENBREL	(\$6.95)
DUPIXENT	(\$1.64)
ORENCIA	(\$0.04)
TREXALL	(\$0.01)

GLP-1 Trends

GLP-1
34.0%
of Total Cost PMPM

Total Cost PMPM



Trend Drivers

ZEPBOUND	\$26.99
MOUNJARO	\$10.49
WEGOVY	\$4.28
liraglutide	\$0.08

Trend Mitigators

OZEMPIC	(\$1.17)
TRULICITY	(\$0.49)
BYDUREON	(\$0.11)
RYBELSUS	(\$0.03)

Top Drugs by Plan Paid

* Indicates a Specialty Drug

Current Rank	Prior Rank	Drug Name	Core Category	Plan Paid	Plan Paid PMPM	Total Cost PMPM	Total Cost PMPM Trend	Claims	Utilizing Members	Total Cost per Claim	Plan Paid per Claim	Member Paid per Claim
1	2	ZEPBOUND	WEIGHT MANAGEMENT	\$1,536,793	\$49.87	\$51.34	110.9%	1,527	192	\$1,036.08	\$1,006.41	\$29.67
2	3	WEGOVY	WEIGHT MANAGEMENT	\$681,698	\$22.12	\$22.68	23.3%	545	80	\$1,282.44	\$1,250.82	\$31.61
3	7	MOUNJARO	DIABETES	\$671,523	\$21.79	\$22.31	88.7%	658	77	\$1,045.04	\$1,020.55	\$24.49
4	4	* SKYRIZI	AUTOIMMUNE	\$566,766	\$18.39	\$20.32	38.4%	26	6	\$24,082.58	\$21,798.69	\$2,283.89
5	5	* COSENTYX	AUTOIMMUNE	\$421,256	\$13.67	\$13.69	4.0%	32	4	\$13,180.29	\$13,164.26	\$16.04
6	8	* HUMIRA	AUTOIMMUNE	\$321,948	\$10.45	\$10.85	12.0%	30	3	\$11,150.42	\$10,731.59	\$418.83
7	9	OZEMPIC	DIABETES	\$218,235	\$7.08	\$7.27	-13.9%	248	31	\$903.53	\$879.98	\$23.55
8	14	* LENVIMA	ONCOLOGY	\$215,568	\$6.99	\$7.01	115.1%	9	1	\$23,987.55	\$23,952.00	\$35.56
9	0	* BIMZELX	AUTOIMMUNE	\$158,195	\$5.13	\$5.14		5	1	\$31,690.12	\$31,638.92	\$51.20
10	6	* ENBREL	AUTOIMMUNE	\$157,699	\$5.12	\$5.49	-55.9%	20	3	\$8,454.74	\$7,884.94	\$569.80
11	12	* XOLAIR	ASTHMA/COPD	\$149,668	\$4.86	\$4.92	14.1%	42	3	\$3,612.47	\$3,563.53	\$48.93
12	0	* KISQALI	ONCOLOGY	\$147,731	\$4.79	\$4.81		9	2	\$16,463.72	\$16,414.52	\$49.20
13	0	* TREMFYA	AUTOIMMUNE	\$140,816	\$4.57	\$4.58		6	1	\$23,544.26	\$23,469.26	\$75.00
14	17	* XYWAV	SLEEP DISORDERS	\$139,330	\$4.52	\$4.52	50.4%	6	1	\$23,234.99	\$23,221.65	\$13.33
15	11	JARDIANCE	DIABETES	\$134,587	\$4.37	\$4.59	-22.6%	330	38	\$429.00	\$407.84	\$21.16
16	33	* GENOTROPIN	GROWTH HORMONES	\$132,960	\$4.31	\$4.35	237.1%	14	1	\$9,568.27	\$9,497.16	\$71.11
17	10	* DUPIXENT	AUTOIMMUNE	\$128,483	\$4.17	\$5.30	-23.6%	38	6	\$4,299.26	\$3,381.13	\$918.13
18	57	* REZDIFFRA	GASTROINTESTINAL-OTHER	\$112,332	\$3.65	\$3.68	508.6%	25	2	\$4,530.48	\$4,493.28	\$37.20
19	13	* KESIMPTA	MULTIPLE SCLEROSIS	\$102,776	\$3.33	\$3.35	-14.0%	10	1	\$10,309.65	\$10,277.65	\$32.00
20	20	NURTEC	MIGRAINE	\$86,558	\$2.81	\$2.84	15.1%	50	14	\$1,753.07	\$1,731.16	\$21.92
Top Total				\$6,224,922	\$201.99	\$209.04	44.5%	3,630	467	\$1,774.68	\$1,714.85	\$59.82
Grand Total				\$8,886,047	\$288.34	\$307.13	14.0%	45,084	2,095	\$209.95	\$197.10	\$12.85

Planning Ahead

2028 and beyond

Pharmacy Procurement

- Markets to Pharmacy Benefit Managers for best pricing and complex contract evaluation
- Evaluates current program and provides recommendations
- Provides potential savings impact, as well as disruption to membership

Change from Basic Drug List to Performance

- Currently 250 utilizers out of 1,628 utilizers would be impacted
 - One member could be impacted in multiple areas
 - Changes include change in drug tiers, move to preferred brands, change to over-the-counter medications
- Drug lists will be the same across plans (PPO and HMO), allowed for one negotiated contract with Prime

Removing Coverage On Weight Loss Drugs

- Currently highest drug category spend on PPO plan
- Determine best way forward based on emerging trends and new medications entering the market in early 2027

BCBS Programs

BCBS – Wellbeing Management

Estimated Savings Result Summary PEPM

346174 - AURORA EAST SCHOOL DISTRICT #131

For Renewal Year: 2027

Data Refresh on
4/30/2026



Total Health Management (THM)

Cost Savings Categories	Enable PEPM	Cost Savings Categories	Empower+ PEPM **	Cost Savings Categories	HAS PEPM
Inpatient UM	\$11.59	Inpatient UM	\$11.59	Ambulance Transfer	\$1.43
Outpatient UM	\$0.64	Outpatient UM	\$5.15	Behavioral Health	\$1.36
Medical Program Participation	\$0.00	Medical Program Participation	\$0.00	Inpatient UM	\$11.59
Behavioral Health	\$1.09	Behavioral Health	\$1.09	Medical Pharmacy	\$8.59
Medical Pharmacy	\$8.59	Medical Pharmacy	\$8.59	Medical Program Participation	\$0.41
Estimated Cost Savings	\$21.91	Estimated Cost Savings	\$26.42	Member Redirection	\$3.11
				Outpatient UM	\$12.49
				Post Service Pre Payment	\$2.13
				Estimated Cost Savings	\$41.11

Estimated Price *	\$6.60	\$9.60	\$15.60
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Pricing provided is an estimate only. Actual product pricing should be obtained from underwriting.

Estimated Net Cost Savings	\$15.31	\$16.82	\$25.51
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Estimated ROI ***	3.32 : 1	2.75 : 1	2.64 : 1
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Well onTarget is Changing to:

GO WellbeingSM Core

Powered by Sharecare

GO Wellbeing and all associated digital programs and services are powered by Sharecare, Inc. Sharecare is contracted by Blue Cross and Blue Shield of Illinois to deliver a select collection of lifestyle programs, tools, and apps.

Blue Cross and Blue Shield of Illinois, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company, an Independent Licensee of the Blue Cross and Blue Shield Association

NEW FOR 2027

GO Wellbeing Core & Configurable



CURRENT

Well onTarget Today

Foundational wellness portal with self-directed courses, health content, tools and trackers

- ✓ Health Assessment
- ✓ Blue Points
- ✓ Self-guided education and programs
- ✓ Coaching & Incentives (*limited avail.*)



CORE

Option 1

A turnkey wellbeing solution driving year-round engagement through fresh content, challenges and automated communications

- ✓ RealAge Test
- ✓ GO Points
- ✓ Access to Standard Incentives **included**
- ✓ **NEW** Personalized holistic wellbeing content
- ✓ **NEW** Claims-integrated preventive Care Guide reminders for screenings
- ✓ **NEW** Community Wellbeing Index



CONFIGURABLE

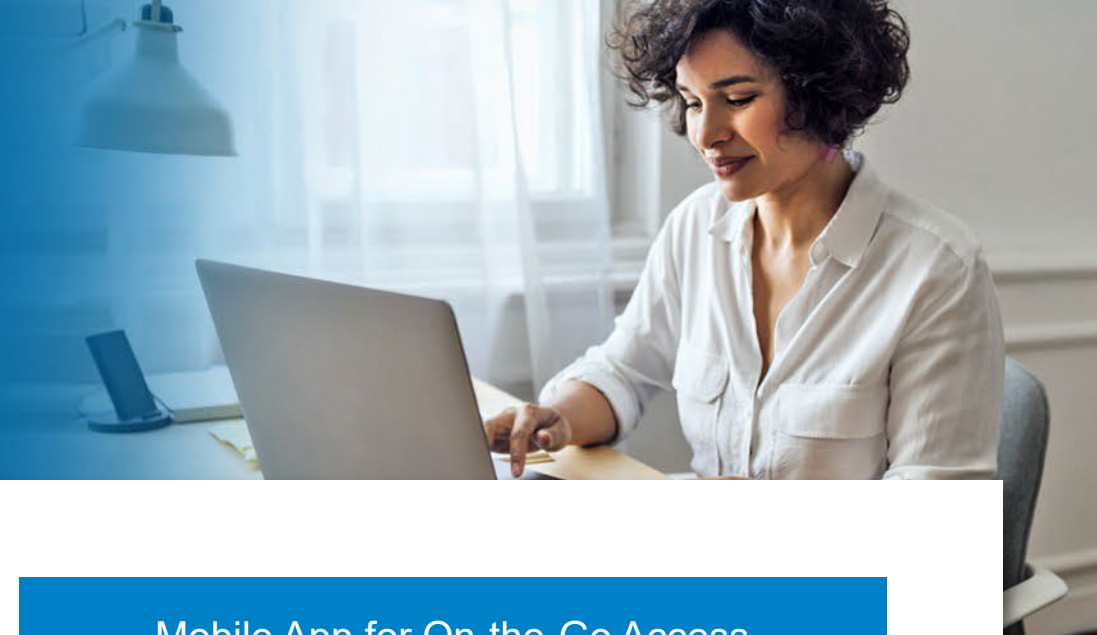
Option 2

A flexible wellbeing solution — customized to each employers' culture, priorities and workforce needs

Includes ALL Core features plus:

- ✓ **NEW** Co-branding opportunities
- ✓ **NEW** Employer-specific benefits page
- ✓ **NEW** Employer-level wellness challenges
- ✓ **NEW** Enhanced reporting and insights
- ✓ **NEW** Includes access to configurable incentives
- ✓ **NEW** 1:1 Lifestyle Management Coaching
- ✓ **NEW** Worksite Wellbeing Support for set-up

The GO WellbeingSM, powered by Sharecare, Core solution offers foundational features with a modern and refreshed experience.



Core

Foundational Program Features, such as:

- **RealAge test** — an NCQA-certified health assessment that shows the true age of the body you're living in
- Health trackers with device or app integrations
- Rewards for engaging with holistic health content — addressing physical, social, mental and financial wellbeing
- Community Wellbeing Index — measuring health across people and places
- Aggregated reporting for identifying employer population health risks and participation data

Mobile App for On-the-Go Access

Preventive Care Guides

Engaging Wellbeing Challenges

Personalized Member Journeys

Included in Enable, Empower+ and Health Advocacy Solutions.

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Member Experience



Danielle hears about **GO WellbeingSM**, powered by Sharecare, and accesses the portal via the mobile app or website.



Danielle takes the **RealAge test** to earn rewards. Her answers indicate she is experiencing work stress.



Danielle's **portal is personalized** to recommend articles and videos on mindfulness and stress management.



A **sleep challenge** is suggested, and Danielle is rewarded for tracking sleep habits via a wearable device.



A more effective way to manage MSK pain

**Improving body, mind,
and behavior
through movement**



**We are transforming
the way pain is treated — with a
single solution.**



**Easy access to
digital care**



**Physical therapist-led
care team**



**Personalized exercises guided by
motion tracking technology**

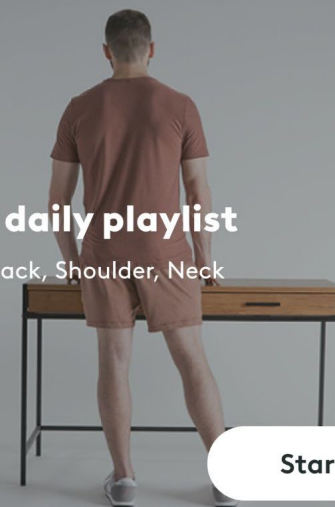


**Non-addictive pain
relief treatment**

Today

Chris' daily playlist

12 min · Back, Shoulder, Neck



Start

Let's get moving!

Get your questions answered
by a physical therapist.

Book a PT visit



Enso

Pain relief treatment

Continue



**Complete MSK care
with a single solution**

Prevention

Acute

Chronic

Pelvic health

High-risk

Pre/post surgery rehab



Home



My Care



Progress



Library

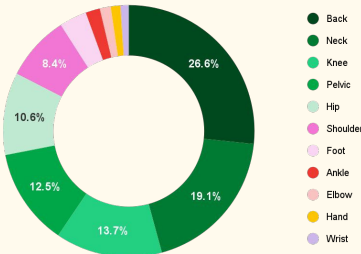
East Aurora School District 131 | Hinge Health

Lower MSK spend and improve quality of life

Projected engagement

93

Members
engaged



Peer outcomes

50%

Pain reduction

41%

Reduction in
surgery likelihood

Projected savings and ROI

Annual participation	93
Industry average participant cost	\$856
Utilization fees	\$79,603
Gross savings	\$256,376
Average savings per participant	\$2,757
Return on investment	3.2x

Proven surgery avoidance

50%

Fewer hip replacements⁴

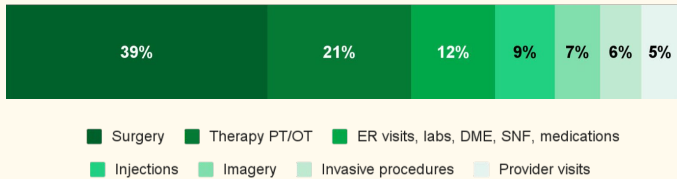
56%

Fewer spinal fusions⁴

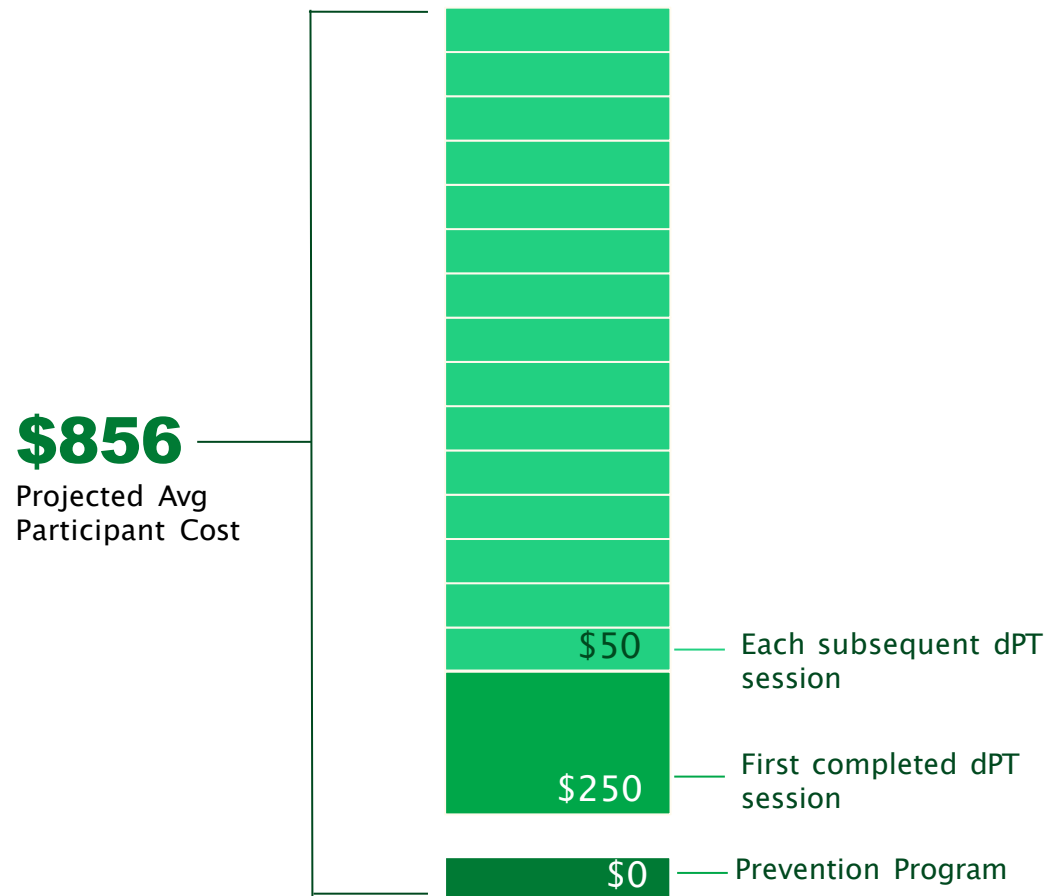
73%

Fewer knee replacements⁵

Validated share of savings by category⁶



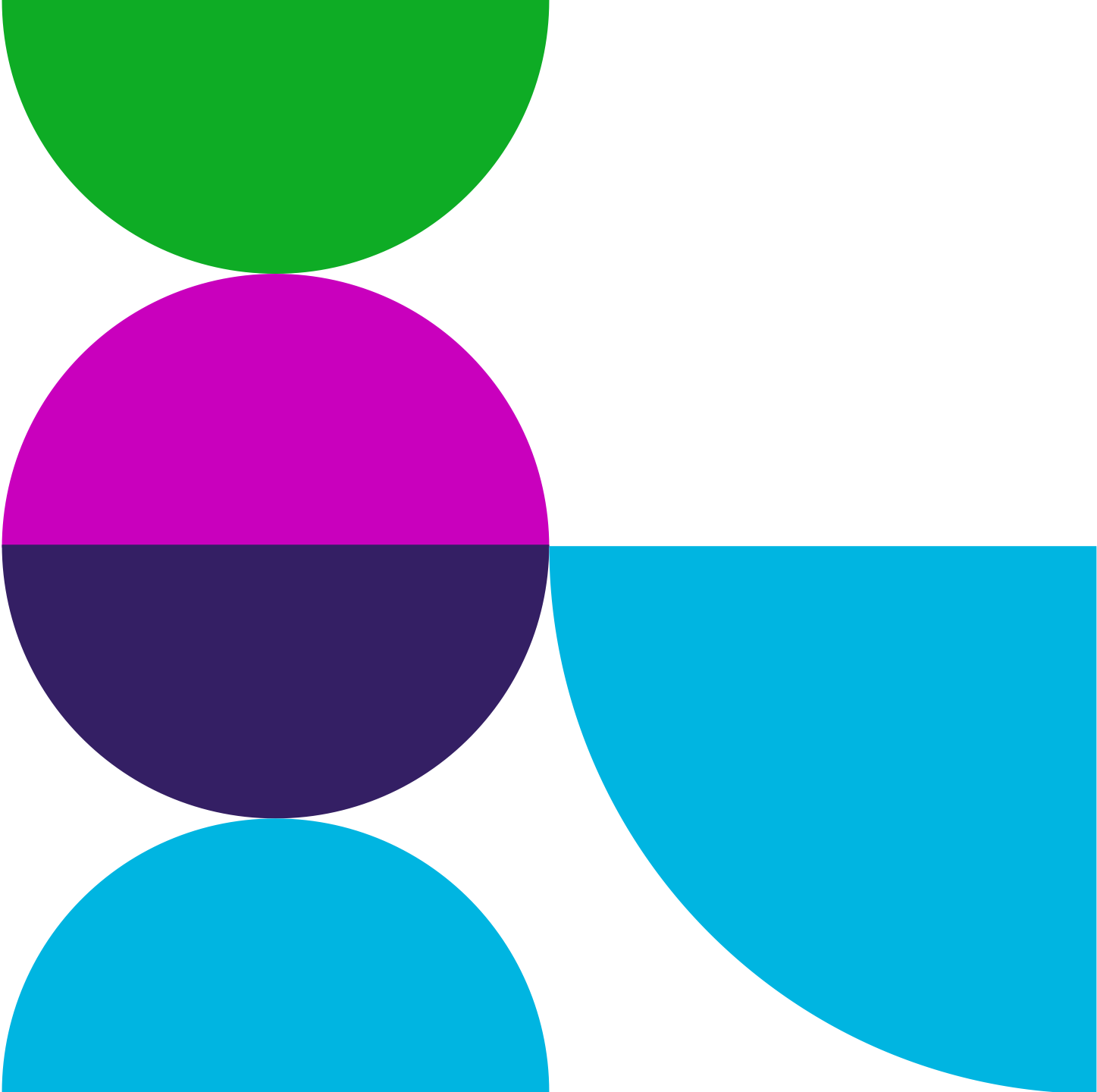
Engagement based billing with pricing guarantees



Pricing guarantees:

- + **No costs until first dPT treatment session**
- + **Capped cost** for high utilizers
- + Total costs are **predictable and guaranteed**
- + **\$0 Prevention Program** for low-risk members
- + **1.5x ROI Guarantee** with up to 100% of fees at risk*

*ROI guarantee available at 50 enrolled members

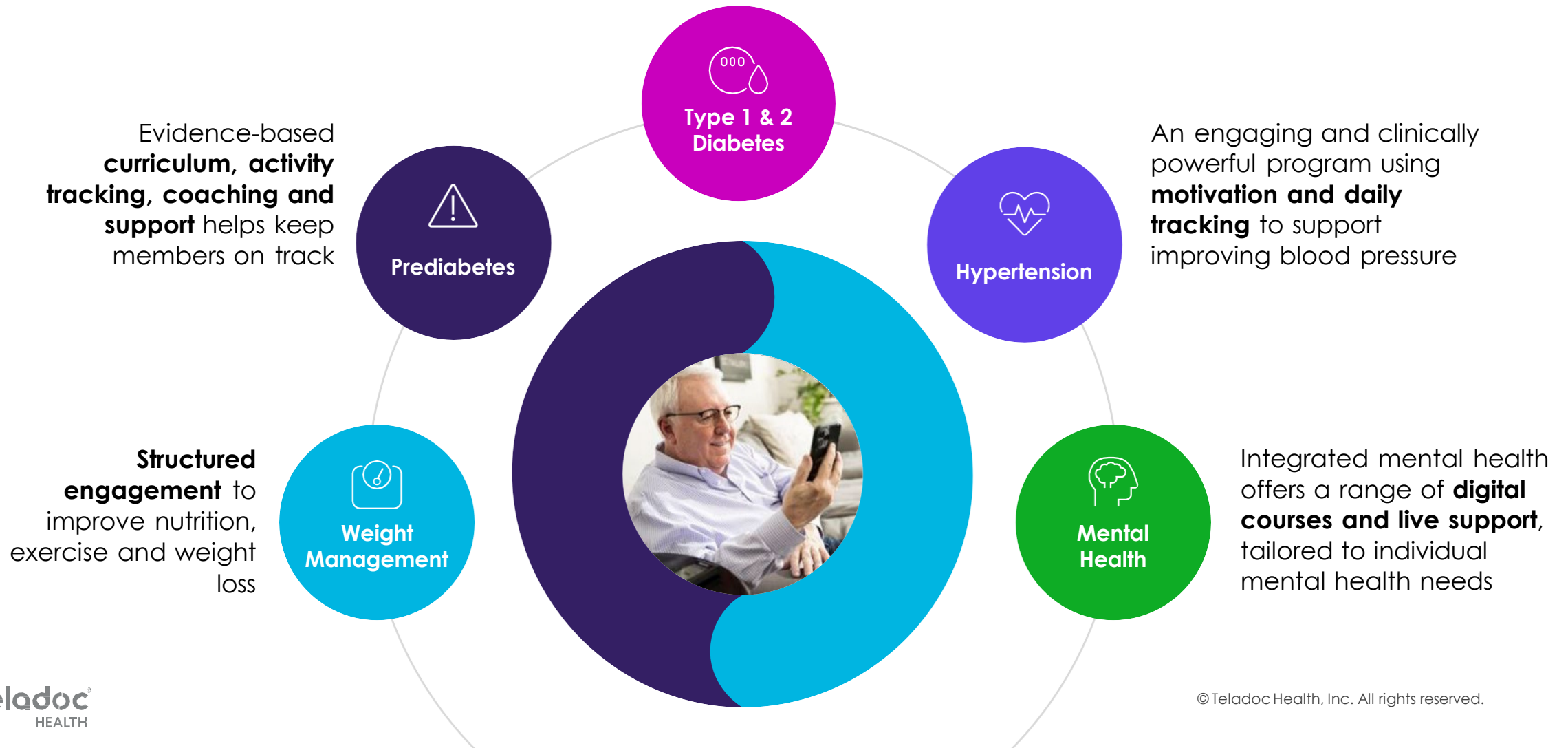


Chronic Condition Management Plus

Pricing and ROI

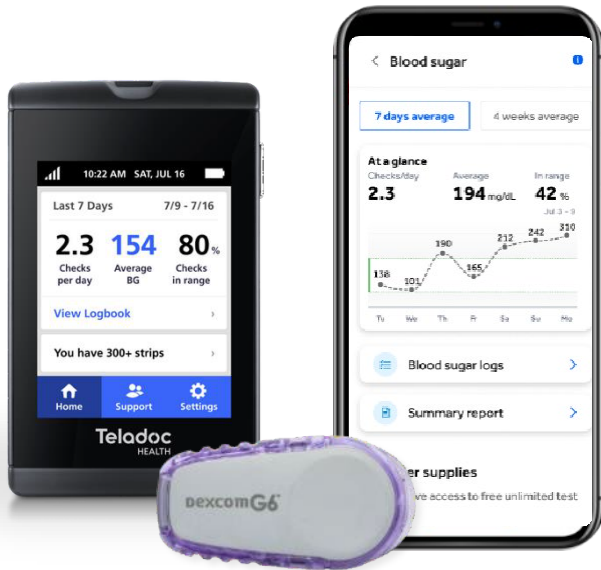
Our solution addresses a continuum of health needs

Personalized tools and support to track blood sugar, develop healthy lifestyle habits and improve glycemic control



Easy-to-use connected devices

SMART DEVICES ARE READY TO USE OUT OF THE BOX ALLOWING MEMBERS TO TRACK EFFORTLESSLY



Diabetes



Hypertension



Prediabetes and Weight Management

Making it easy to use our devices helps drive engagement, supporting improved health outcomes.

Our portfolio of chronic care solutions

	Multi-condition support for:		
Target population (anchor condition)	People with Type 1 and Type 2 Diabetes	People with Hypertension	People with Prediabetes
Multi condition support (based on individual member need)	• Hypertension • Weight • Mental Health	• Weight • Mental Health	• Hypertension • Weight • Mental Health
Standard platform features (available across all solutions)	 Effortless data collection Apps and cellular devices per conditions covered	 Personalized health signals Lifestyle change, medication adherence, emotional support	 Human-centered approach Digital and expert coaching adapts to member needs



Better outcomes means bigger savings

Average clinical outcomes

2.1%

average HbA1c reduction¹

11.4mmHg

systolic blood pressure reduction²

5%

average weight loss³

Average cost savings⁴

\$180

PPPM savings for people with diabetes

\$76

PPPM savings for people with prediabetes

\$76

PPPM savings for people with hypertension

Aurora East School District #131 - Year 1 Chronic Condition Management Program Savings

Client Details

Average Member Count (Covered Lives)	2,678
Diabetes Per Enrolled Participant Per Month Fee	\$95
Prediabetes Per Enrolled Participant Per Month Fee	\$62
Hypertension Per Enrolled Participant Per Month Fee	\$55

Chronic Condition Management Plus

Solution	Recruitables	Projected Enrollment	PPPM Savings	Annual Savings	Year 1 Costs
Diabetes Management Plus	187	64	\$180	\$138,240	\$72,960
Prediabetes Management Plus	535	54	\$76	\$49,248	\$40,176
Hypertension Management Plus	86	17	\$76	\$15,504	\$11,220
Total	808	135		\$202,992	\$124,356

Total First Year Net Savings / ROI	\$78,636	1.63 : 1
Total Three Year Net Savings / ROI	\$276,084	1.83 : 1

¹ Net Savings and ROI for Year 2 and forward increases due to price reductions in Year 2 and 3



BlueCross BlueShield
of Illinois

Wondr™

Coach-Led Digital Program for Wellbeing Management and Health Advocacy Solutions

For Large Group Administrative Services Only ASO, Cost Plus CP,
Minimum Premium Program MPP, with Preferred Provider Organizations PPO
and Health Maintenance Organizations HMO networks



Metabolic Syndrome Reversal Program

Wondr is a behavioral counseling program for metabolic syndrome reversal* and weight management

There are no points, plans or counting calories. Wondr teaches members the science of how to eat their favorite foods so they can lose weight, sleep better, stress less and so much more. They'll learn simple, behavioral skills that are clinically proven to improve health.

Features include:

- 12 weeks of counseling (personalized for skill building);
12 weeks (customized for skill reinforcement);
28 weeks (customized for skill maintenance)
- Weekly, self-paced, informative, online video sessions (including mobile app for on-the-go access, skill reinforcement and habit formation)
- Interactions with health coaches and online community for social support
- Personalized employee communications and employer co-branded enrollment website
- Employer reporting available for enrollment, participation and weight loss

*National Institutes of Health guidelines define metabolic syndrome as having at least three of the following five traits (or taking medication to control them): large waist circumference; high triglyceride level; reduced HDL (good) cholesterol; increased blood pressure; elevated fasting blood sugar.

Wondr Health is an independent company that has contracted with Blue Cross and Blue Shield of Illinois to provide metabolic syndrome reduction program for members with coverage through BCBSIL. BCBSIL makes no endorsement, representations or warranties regarding third-party vendors and the products and services offered by them.



What Members Get With Wondr™

1

WondrSkills™

Learn simple, repeatable skills through weekly master classes

2

WondrUp™

Reinforce and practice WondrSkills through weekly personalized curriculum

3

WondrLast™

Build momentum toward healthiest self in the maintenance phase of the program



A 100% digital, on-the-go experience and Wondr app



Clinically proven skills for lasting results



Rewards with items that support the member journey



Expert team of instructors via the digital platform



Weekly master classes that are tailored to member



Personalized support and reminders through daily texts and nudges



The WondrLink™ online community for social support



The Wondr Blog for other relevant resources

WondrSkills, WondrUp and WondrLast are owned by Wondr.

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Wondr™ **GETS RESULTS**

83%

lost weight

61%

feel more confident

64%

are more
physically active

64%

have more
energy

83%

feel more in control
of their weight

57%

of individuals reported
improved sleep

Data based on Wondr Participant Survey Results – 1/1/2024 to 12/31/2024

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CLINICAL OUTCOMES

Backed By Peer-Reviewed Clinical Studies*



50%

of men
reversed MetS*

30%

of women
reversed MetS*



10.7 lbs.

average weight loss after 12+ weeks**



*Executive summary and full journal article: Evaluation of Voluntary Worksite Weight Loss Program on Metabolic Syndrome, October 2015 –

[https://cdn2.hubspot.net/hubfs/1751431/Naturally_Slim/NS%20Docs/Exec%20Summary%20and%20Journal%20of%20MetS%20-%20Eval%20of%20NS%20\(08-2015\).pdf](https://cdn2.hubspot.net/hubfs/1751431/Naturally_Slim/NS%20Docs/Exec%20Summary%20and%20Journal%20of%20MetS%20-%20Eval%20of%20NS%20(08-2015).pdf) (Naturally Slim was rebranded to Wondr Health in 2021)

**2024 Wondr Total HCSC Book of Business Results

CLAIMS-BASED BILLING



Payments for participation in the Wondr program are submitted through claims and come out of the employer’s medical spend. To support the program, Wondr Health™ will receive a weekly file of eligible members.

Because metabolic conditions are not always identifiable through a claims screen, Blue Cross and Blue Shield of Illinois provides Wondr Health with the entire membership eligibility. On enrollment, member completes a brief health assessment to determine full eligibility for the program.

Coaching Solutions Claims-based Billing	
\$44.50	Per session. WondrSkills™ – 12 weeks of counseling (personalized for skill building). Ten claims maximum per participant. Claims filed for members actively engaged in the weekly behavioral program.
\$25.00	Per session. WondrUp™ – 12 weeks (customized for skill reinforcement). Seven claims maximum per participant. Claims filed for members actively engaged in the weekly behavioral program. WondrLast™ – 28 weeks (customized for skill maintenance) – included at no additional cost

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Dental Renewal

Renewal Adjustment

Dental PPO

Additional Funding Needed to cover
2027 Projected costs is **\$32,411**

Needed Rate Adjustment for Dental:
+2.3%

Projected Cost

Total Projected Claims Cost:	\$1,347,470
Total Projected Admin Fees	\$81,834

Projected Total Costs:	\$1,429,305
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Current Funding/Premium:	\$1,396,894
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Thank you

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