



Medford Public School
ISD #763

Providing quality education while preparing our children and community for the future

School Board Agenda Item

Meeting Date: May 16, 2016
Place on Agenda: Other Action
Topic: Insurance Claims Margin Return
Presenter: Rich Dahman

Background: Our administrative group has their Medical Insurance set up through the Southeast Service Cooperative (SSC) in Rochester. This group is made up of the Superintendent, two Principals, Personnel Associate, and Business Associate. Medford School has received \$6,795.93 from the SSC as a Claims Margin Return for the medical insurance premiums for our administrative group.

The 2014 Minnesota Health Insurance Transparency Act (HITA) requires that these funds are to be used to “pay the full premium to the program for any employees not covered by an agreement negotiated under this section until the proportionate refunds are depleted. These refunds shall be used for a proportional premium payment at the time it is necessary to deplete the balance.”

The total monthly premium for this group is \$6,520. To meet the HITA requirement, we will need to use the Claims Margin Return amount of \$6,795.93 to pay the entire premium for June 2016, then use the remaining \$275.93 to pay a portion of the premium the following month. The June 2016 monthly premium paid will include all contributions from the school district and any employee contributions for that month.

Recommendation: Approve the use of the Insurance Claims Margin Return funds as presented.