BlueCross BlueShield of Texas

Decatur Independent School District

Prospective Premium Projection for the period of
September 1, 2025 - August 31, 2026

Presented by:
Kaden Hollowell

5/21/2025

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EXECUTIVE SUMMARY

Group Detail

Prior Period	09/01/2023 - 08/31/2024	**Proposed PBM**	Prime
Current Period	09/01/2024 - 04/30/2025	**Proposed Drug List**	Performance
Proposed Product	PPO		
Proposed Network	Blue Essentials		
Wellbeing	Empower+ for Fully Insured BH		
Pooling Level	$155,000		

Commissions

Medical or Rx	Commission	Commission Type	Amount/Percentage
Med Commissions	Admin Fee/DLR	Per Capita	$15.00

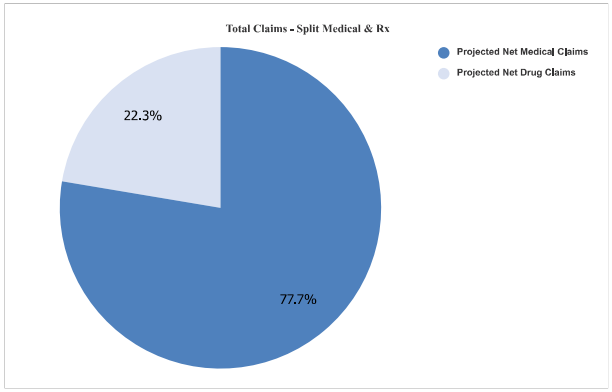
Demographics

Enrollment	All Lives	Total
09/01/2024 - 04/30/2025	385	385
09/01/2023 - 08/31/2024	369	369
% Change	4.3%	4.3%

Average Contract Size
1.61:1

Financial

Projected Period: 09/01/2025 - 08/31/2026	
Projected Net Medical Claims	$2,959,295
Projected Net Drug Claims	$851,512



** Please see Claim Projection page for specific breakout

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Decatur Independent School District

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CLAIM EXPERIENCE SUMMARY

All Lives

Current Month	Medical Claims	Drug Claims	Total Claims	Medical Enrollment
Sep-24	$190,935.43	$41,734.58	$232,670.01	375
Oct-24	$312,749.99	$39,708.61	$352,458.60	374
Nov-24	$275,999.35	$22,662.83	$298,662.18	378
Dec-24	$245,418.68	$45,168.29	$290,586.97	382
Jan-25	$300,217.40	$80,674.63	$380,892.03	381
Feb-25	$214,581.11	$43,010.97	$257,592.08	388
Mar-25	$265,446.58	$129,104.90	$394,551.48	388
Apr-25	$269,597.47	$119,299.72	$388,897.19	
Total	**$2,074,946.01**	**$521,364.53**	**$2,596,310.54**	**2,666**
Cost PEPM	$778.30	$195.56	$973.86	
Physician and BlueCard Network Savings			$1,673,910.22	

Prior Month	Medical Claims	Drug Claims	Total Claims	Medical Enrollment
Aug-23				507
Sep-23	$11,801.78	$0.00	$11,801.78	507
Oct-23	$78,527.09	$42,222.15	$120,749.24	384
Nov-23	$60,152.82	$26,664.51	$86,817.33	391
Dec-23	$113,044.27	$24,962.10	$138,006.37	390
Jan-24	$89,316.41	$42,086.02	$131,402.43	389
Feb-24	$75,006.88	$32,079.65	$107,086.53	388
Mar-24	$200,030.33	$26,430.16	$226,460.49	387
Apr-24	$88,344.99	$42,525.50	$130,870.49	385
May-24	$96,732.98	$36,239.54	$132,972.52	383
Jun-24	$161,882.24	$34,640.69	$196,522.93	379
Jul-24	$194,696.76	$21,364.36	$216,061.12	371
Aug-24	$168,485.84	$32,664.63	$201,150.47	
Total	**$1,338,022.39**	**$361,879.31**	**$1,699,901.70**	**4,861**
Cost PEPM	$275.26	$74.45	$349.70	
Physician and BlueCard Network Savings			$0.00	

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CLAIM PROJECTION

	All Lives	MEDICAL		DRUG		TOTAL	
		Prior 09/23-08/24	Current 09/24-04/25	Prior 09/23-08/24	Current 09/24-04/25	Prior 09/23-08/24	Current 09/24-04/25
A	Net Paid Claims	$0	$1,637,365	$0	$489,808	$0	$2,127,173
A[1]	Outside Carrier Claims	$1,338,022	$437,581	$361,879	$31,556	$1,699,901	$469,137
B	Remove High Cost Claims	$279,547	$163,542	$2,527	$1,801	$282,074	$165,343
	Number of High Cost Claims	1	1			1	1
C	Adjusted Net Paid Claims: C = A + A[1] - B	$1,058,475	$1,911,404	$359,352	$519,563	$1,417,827	$2,430,967
D	Exposures	4,861	2,666	4,861	2,666	4,861	2,666
E	Average Claim Value (ACV) Per Employee Per Month (PEPM): E = C / D	$217.75	$716.96	$73.93	$194.88	$291.68	$911.84
	Annual Trend Rate	7.5%	8.0%	9.6%	10.0%		
	Trend Months (midpoint method)	24.0	14.0	24.0	14.0		
F	Trend Factor	15.6%	9.4%	20.1%	11.8%		
G	Trended ACV PEPM: G = E * (1 + F)	$251.72	$784.35	$88.79	$217.88	$340.51	$1,002.23
H	Historical Plan Change Adjustment	-28.34%	-4.57%	3.89%	0.16%		
I	Enrollment Shift Adjustment	0.00%	0.00%	0.00%	0.00%		
J	Demographic Adjustment	-0.62%	1.34%	-0.15%	1.37%		
K	Adjusted ACV PEPM: K = G * (1 + H) * (1 + I) * (1 + J)	$179.26	$758.54	$92.11	$221.22	$271.37	$979.76
L	Non-Pooled Large Claims PEPM	$31.60	$57.51	$0.29	$0.63	$31.89	$58.14
M	Projected ACV PEPM by Period: M = K + L	$210.86	$816.05	$92.40	$221.85	$303.26	$1,037.90
N	Experience Period Weighting	29%	71%	29%	71%	29%	71%
O	Blended Experience ACV PEPM		$640.54		$184.31		$824.85
P	Manual ACV PEPM		$564.69		$212.59		$777.28
Q	Credibility		100%		100%		
R	Total Projected ACV PEPM: R = O * Q + P * (1 - Q)		$640.54		$184.31		$824.85
S	Projected Plan Change Adjustment		0.00%		0.00%		
T	Total Projected ACV PEPM with Adjustments: T = R * (1 + S)		$640.54		$184.31		$824.85
U	Stop Loss Alternate Level Adjustment		1.0000		1.0000		
V	Adjusted Projected ACV PEPM: V = T * U		$640.54		$184.31		$824.85
W	Projected Enrollment		385		385		385
X	Number of Months in Policy Period		12		12		12
Y	Projected Net Paid Claims: Y = V * W * X		$2,959,295		$851,512		$3,810,807
	09/01/2024 Hist. prior carrier to BCBS	-28.34%	-4.57%	3.89%	0.16%		
	Total Historical Benefit Adjustments	-28.34%	-4.57%	3.89%	0.16%		

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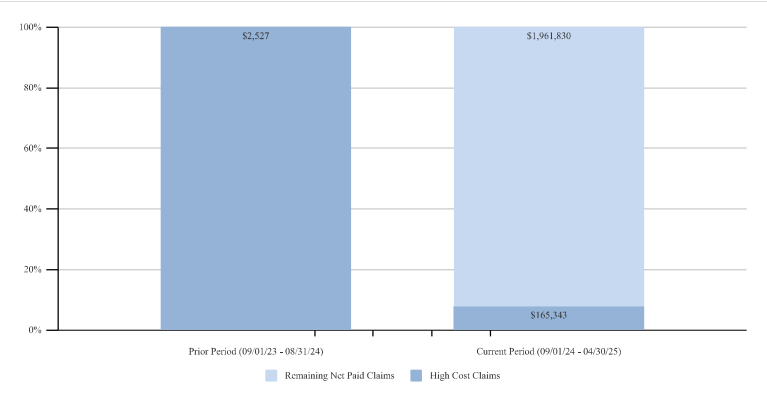
HIGH COST CLAIMANT SUMMARY (Medical & Rx)

All Associations

Current High Cost Claimants account for:
0.16% of the Overall Membership
7.77% of the Total Paid Claims

High Cost Claims Percentage



	Prior	Current	% Change
Remaining Net Paid Claims	($2,527)	$1,961,830	-77,734.74%
High Cost Claims	$2,527	$165,343	+6,443.06%
Total Paid Claims	$0	$2,127,173	

Current High Cost Claimants (09/01/24 - 04/30/25)						
Claimant	**Pooling Level**	**Total Claim Dollars**	**HCSC High Cost Claim Dollars**	**Carved-out Rx High Cost Claim Dollars**	**DRG Description**	**Active/Inactive**
Claimant 1	$155,000	$165,343	$165,343	$0	Malignant neoplasm of tonsil	Active
Prior High Cost Claimants (09/01/23 - 08/31/24)						
Claimant	**Pooling Level**	**Total Claim Dollars**	**HCSC High Cost Claim Dollars**	**Carved-out Rx High Cost Claim Dollars**	**DRG Description**	**Active/Inactive**
Claimant 2	$155,000	$2,527	$0	$2,527		Inactive

Claimant identifiers are generic and do not determine relationship between the current and prior time periods. It is possible that a claimant may be included in both time periods.

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TOTAL PROJECTED COST

RENEWAL	PPO
Projected Enrollment	385
Total Projected Net Claims	$3,810,807
Pooling ($155,000 Level)	$730,514
Total Benefit Charges	$4,541,321
Retention Charges	
a) Administrative Component	5.30%
b) Premium Tax	1.79%
Net Retention:1-(1-a)*(1-b)	7.00%
Premium at Current Rates	$2,575,304
Calculated Premium	$4,883,141
Calculated Renewal Action	89.6%
Initial Suggested Premium	$4,883,141
Underwriting Adjustment	($146,494)
Final Suggested Premium	$4,736,647
Suggested Renewal Action w/o Rate Cap Applied	83.9%
Rate Cap Adjustment	-71.4%
Rate Cap Adjustment Amount	($1,839,830)
Required Premium with Rate Cap Applied	$2,896,817
Rate Action w/ Rate Cap Applied	12.5%

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RATE DEVELOPMENT

Plan Name	HMO 2000		HMO 5000		HSA 3500	
Network	Blue Essentials		Blue Essentials		Blue Choice PPO	
	In		In		In	Out
Coinsurance	90%		70%		80%	50%
Deductible Ind/Fam	$2,000/$6,000		$5,000/$10,000		$3,500/$10,500	$8,000/$24,000
Out of Pocket Ind/Fam	$6,000/$18,000		$9100/$18,200		$8050/$16,100	$16,000/$48,000
Office Visit Copay/ Specialist Copay	$45/$70		$45/$70		80%	50%
Hospital Inpatient	90%		70%		80%	50%
Additional Deductible Per Admission	$500		$500			
Hospital Outpatient	90%		70%		80%	50%
Emergency Room	90%/$500		70%/$500		80%/$0	80%/$0
Lab	90%		70%		80%	50%
X-Ray	90%		70%		80%	50%
Complex Imaging	90%		70%		80%	50%
Rx Deductible	$200/$400		$250/$500		Integrated w/Medical	
Rx Out-of-Pocket Maximum	Integrated w/Medical		Integrated w/Medical		Integrated w/Medical	
Rx Copay / Coinsurance (Tier 1/2/3/4/5/6)						
Rx Copay / Coinsurance Mail Order (Tier 1						
Rx Formulary (Drug List)	Performance		Performance		Performance	
HCSC Primary (Enrollment)						
Single	81		134		69	
Single + Spouse	2		3		2	
Single + Child(ren)	23		46		15	
Family	7		2		1	
Medicare Primary (Enrollment)						
Single	0		0		0	
Family	0		0		0	
HCSC & Medicare Total	113		185		87	
	Current	Renewal	Current	Renewal	Current	Renewal
HCSC Primary						
Single	$471.19	$530.09	$391.88	$440.87	$466.53	$524.85
Single + Spouse	$1,289.55	$1,450.74	$1,072.49	$1,206.55	$1,276.77	$1,436.37
Single + Child(ren)	$881.62	$991.82	$733.24	$824.90	$872.89	$982.00
Family	$1,684.47	$1,895.03	$1,400.94	$1,576.06	$1,667.79	$1,876.26
Medicare Primary						
Single	$471.19	$530.09	$391.88	$440.87	$466.53	$524.85
Family	$1,684.47	$1,895.03	$1,400.94	$1,576.06	$1,667.79	$1,876.26
Premium at Current Rates	**$873,768**		**$1,107,124**		**$594,056**	
Suggested Rate Action	**12.5%**		**12.5%**		**12.5%**	
Suggested Premium at Renewal Rates	**$982,990**		**$1,245,514**		**$668,313**	

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Wellbeing Management Detail

	All Lives	Total
Projected Enrollment	385	385
WBM Package Included in Premium	Empower+ for Fully Insured BH	
Foundational Package Components		
Foundational Package Components		
Total Foundational and Configurable	***$8.89***	***$8.89***
Total WBM Fee Included in Premium	***$8.89***	***$8.89***

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CONDITIONS AND CAVEATS

Notwithstanding anything in the renewal or proposal to the contrary, BCBSTX reserves the right to revise or withdraw any term herein or to change our charge for the cost of coverage (premium, fees or other amounts) at any time before or during the contract period if any local, state or federal legislation, regulation, rule or guidance (or amendment or clarification thereto) is enacted or becomes effective/implemented, which would require BCBSTX to pay, submit or forward, on its own behalf or on the Employer Group's behalf, any additional tax, surcharge, fee, or other amount (all of which may be estimated, allocated or pro-rated amounts). BCBSTX also reserves the right to change the premium rates it charges the Employer Group at any time before or during the contract period to the extent that any local, state or federal legislation, regulation, rule or guidance (or amendments or clarifications thereto) is enacted or becomes effective/implemented which results in increased projected claim costs or an increase to BCBSTX's expenses or cost of plan administration.

The Affordable Care Act establishes a minimum value standard of benefits of a health plan. The minimum value standard is 60% (actuarial value). This health coverage does meet the minimum value standard for the benefits it provides.

After the initial benefit plan design(s) is quoted, HCSC will not be providing a Minimum Value determination for any requested alternative benefit plan design(s). After you have notified HCSC of your final benefit plan design selection(s) for the upcoming policy year or renewal period, a statement indicating whether each selected benefit plan design meets/does not meet Minimum Value standards will be included in the corresponding Summary of Benefits and Coverage document(s) provided by HCSC.

Unless otherwise stated, this renewal offer is made on the assumption the benefit program is for a plan that is not considered a "grandfathered health plans" as defined under the Affordable Care Act and related regulations. If you have questions about grandfathered health plans, please consult your legal counsel.

Rates are projected to be effective for the 12-month period beginning on the effective date indicated.
Final rates may vary based on actual enrollment results.

This renewal offer assumes BCBSTX will remain the exclusive carrier.

The total annual premiums are based upon the total current enrollment and contract distribution as indicated.

If the enrollment or contract distribution varies by more than 10% in total or in each coverage independently, we reserve the right to re-rate.

The minimum participation requirement is 75% without waivers and 65% with valid waivers in order for coverages to be issued.

The employer maintaining the current contribution schedule.

Annual open enrollment.

Wellbeing Management (Health Management & Advocacy program) is included in the quoted administration fee.

Offer is contingent upon proposed Wellbeing Management package design. Any modifications to the proposed package will impact the Wellbeing Management fee and Administrative Fee.

A premium rate cap of 12.5% applies to this renewal only and is not extended to the next renewal period. This one-time premium rate cap shall apply regardless of claims experience; however, we reserve the right to revise or withdraw the rate cap if at any time:

- The actual number of enrolled contracts (in total, by product, or by benefit plan), the Single/Family mix, or the Medicare/Non-Medicare mix, varies by +/- 10% from the projected enrollment of 385 contracts.
- The medical plan is put out to bid.
- Any benefit changes are requested.
- Commission arrangement changes from the quoted offer.
- Employee contribution changing by more than 10% from the current arrangement.
- Any changes to state premium taxes, other state/federal assessed fees, or mandated benefit enhancements.
- Are subject to all other conditions or caveats listed.

If a bundled pricing discount applied for purchase of ancillary lines (Dental, Life, Vision, STD, and LTD), then selected ancillary lines must renew for the premium rate cap to be valid.