

***Killeen Independent School District  
Board Agenda Item Information Sheet***

**Date:** April 15, 2025

**Agenda Item Caption:** Discussion of Discontinuation of Killeen ISD Retirees Dental Insurance

**Purpose of Agenda Item:** Information only

**Administrative Recommendation:** None; for discussion.

**Background Information:** Historically, district retirees were able to remain on the active employee dental plan, as Teacher Retirement Services (TRS) did not offer dental coverage for retirees at that time. In 2007, the district discontinued this benefit for retirees, but grandfathered participants already on the plan. There are currently 170 retirees and dependents on the district dental plan, paying the full premium amount. TRS now offers dental coverage for retirees, as of January 2025, which provides an alternate opportunity for retirees.

**Fiscal Analysis:** Maintaining this coverage for retirees affects three district departments and adds approximately 30 hours per month to their workload. Retirees must make their payments monthly directly to the district, and staff spends a significant amount of time in processing and tracking down payments. Retirees pay the same premium as active employees, and their claims are pooled with the active employees, affecting our loss-ratio, which in turn raises the employee premium. The loss-ratio for claims of active employees is **91.98%** while the loss ratio for retiree claims is **178.38%**, nearly double that of the active employee population. This negatively impacts the rates paid by active employees. If the district were to continue this coverage, premiums for retirees would need to double, at a minimum, due to the extremely high loss-ratio. Therefore, the district plans to discontinue this service for retirees, as they may now seek alternative coverage with TRS Dental.

**Regulatory Requirement:** None

**Contact Person for Additional Questions/Information:**

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**Attachments:** None

**Signature Requested:** No