

To: Board of Education
From: Margo Empen, Superintendent
Subject: Action Item, Health Insurance Renewal Premiums

PROPOSED MOTION BY THE BOARD OF EDUCATION

That the Board approve the following monthly Health Insurance Renewal Premiums for Retirees and Persons on Leave, and Persons Covered under COBRA and LCSEA as presented.

Moved by _____; Seconded by _____

YEA	NAY	YEA	NAY
_____ Josh Arduini	_____	_____ John Jacobs	_____
_____ Jill Stoker	_____	_____ Brad Sibley	_____
_____ Scott Johnson	_____	_____ Pam Tourtillott	_____
_____ Jim Schielein	_____		

Background:

Health Insurance Renewal Premiums – Mr. Blackburn has provided the following:

With Marc Taylor’s assistance, we have reviewed the last years’ experience and participation in the district’s health insurance program. Based on this information, it is recommended the following monthly premium rates be applied for the plan year of September 1, 2016 through August 31, 2017.

Retirees and Persons on Leave: Single - \$720.73 Family - \$1,867.19

The retirees’ rates reflected an increase of (5.23%) from the 2015/2016 policy year. Single coverage went from \$684.89 to \$720.73 and Family went from \$1,774.33 to 1,867.19. Dealing with such a small group, it is always difficult to predict the type of year the group will have in terms of claims. As always, we have tried to keep the cost as low as possible for the group members. We believe that the recommended premiums still remain very attractive when compared to other plans available to the members of this group although participants are welcome to explore other plans that may better suit their needs.

COBRA and LCSEA: Single - \$668.19 Family - \$1,734.30

The COBRA rates also reflected an increase of (5.23%). COBRA rates are limited by law and are based on actual claims experience. Single coverage went from \$634.96 to \$668.19 and Family went from \$1,648.05 to \$1,734.30.

Lee County Special Education Association’s rates are the same as the COBRA rates.

This information will be presented to the Insurance Committee at their September 19, 2016 meeting which is later this year than is normally the case. It is recommended that the Board of Education approve the health insurance renewal premium rates for retirees and persons on leave and for persons covered under COBRA and LCSEA at the September 14, 2016 meeting.