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February 12, 2025

South Koochiching Rainy River ISD #363
 PO Box #465
 Northome, MN 56661
 Attn: Alissa Carlson

Subject: PEIP quote for South Koochiching Rainy River ISD #363

Dear Alissa:

Attached is your copy of the Public Employees Insurance Program (PEIP) proposal for South Koochiching Rainy River ISD #363. This bid is sealed and must be kept confidential until opened in the presence of an exclusive representative (Minn. Stat 471.6161, subd. 8.).

PEIP is a statutory program (Minn. Stat. 43A.316) operated by a state department, Minnesota Management and Budget (MMB). The program's structure and plan designs are set by the State and cannot be modified; therefore, we are not able to match the current or requested plan designs or meet certain requirements in the RFP. We are proposing the PEIP Advantage Program.

The initial rates quoted are based on the group's demographic and claims information provided to the underwriters. Renewal rates will be based on a combination of the group's claims, and the overall pool. Rates are effective July 1, 2025, and guaranteed for 12 months with the renewal on July 1, 2026. The PEIP statute requires a 4-year commitment to ensure stable enrollment within PEIP. If a group ever received a renewal increase of 20% or more, they could leave early. Any agent commissions requested by the employer will be added to the premium rates.

A historical illustration of the success of the PEIP pool renewals is shown below:

July Group Average	January Group Average	<i>PEIP average pool Increase is Approximately 4.3% over the last 15 years</i>
July, 2010 = +8.0%		
July, 2011 = -6.6%		
July, 2012 = -3.3%	January, 2013 = +5.0%	
July, 2013 =+6.0%	January, 2014 = +.5%	
July, 2014 = +1.9%	January, 2015 = +2.4%	
July, 2015 = +2.0%	January, 2016 = +5.5%	
July, 2016 = +5.9%	January, 2017 = +3.5%	
July, 2017 = +1.3%	January, 2018 = +.2%	
July, 2018 = +.2%	January, 2019 = +2.5%	
July, 2019 = +3.7%	January, 2020 = +5.2%	
July, 2020 = +10.7%	January, 2021 = +9.7%	
July, 2021= +7.0%	January, 2022 = +8.96%	
July, 2022 = +8.09%	January, 2023 = +12.6%	
July, 2023 = +3.6%	January, 2024 = +3.6%	
Combined Pool Average = 4.3% *History includes all ACA taxes		

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Renewals within PEIP are based on a combination of the group's claims, and the overall pool. Premium tiers may receive slightly different percentage changes at renewal. All PEIP plan deductibles and out-of-pocket maximums operate on a calendar year basis. If groups enroll mid-year, we will give credit for all deductible and out-of-pocket expenses incurred under the prior group carrier in the calendar year, towards the PEIP deductibles and out-of-pocket maximums for that initial calendar year.

PEIP has many unique advantages that make PEIP an ideal partner for you and your employees.

PEIP is a self-funded trust plan administered by the State of Minnesota. PEIP leverages the advantages of the state's 50,000 employees to create a unique plan design that offers a great deal of transparency and flexibility for members. Because of the PEIP pooling structure, PEIP offers the advantage of self-funding (lower administration costs) without the claims volatility.

PEIP offers flexibility in health plan choice. Each employee selects their own plan option from two plan levels (Advantage High and HSA) and network choice from two excellent carriers - Blue Cross Blue Shield, HealthPartners; each family member can choose their own primary care clinic. The PEIP program utilizes a tiered network approach to care and provides a uniform set of benefits across both networks. Prescription drug benefits are administered by a single pharmacy benefit manager, CVS Caremark. For more detail, please see the attached plan summaries.

The use of the tiered network has delivered excellent results. Each primary care clinic system is placed in a **cost level** according to their actual costs of delivering care. Each employee and their family members select a primary care clinic location from the Primary Care Clinic Directory. The amount members pay out-of-pocket for copays, deductibles, and coinsurance varies according to the **cost level** of their primary care clinic. The lower the **cost level** of the provider, the lower the out-of-pocket costs for members, and ultimately, the plan.

The 2025-2026 benefit summaries, 2025 Clinic Directory, Plan Documents, Summary of Benefit and Coverages (SBC's), as required by the Affordable Care Act (ACA), along with other useful information can be accessed online at our website www.innovomn.com/plan_information.html. An electronic copy of this proposal is available upon request or will be sent per RFP instructions after the bid opening date.

We thank you for the opportunity to present PEIP. The PEIP Advantage Plan is very unique, and we are available for any questions, meetings, or employee presentation that you may schedule.

Sincerely,

Shawn Byrne
Public Employees Insurance Program

Statement of Compliance & Authorization

Name of Carrier: **Public Employees Insurance Program (PEIP)**

We hereby acknowledge receipt of the Medical RFP for your group. PEIP is a statutory program (Minn. Stat. 43A.316) operated by a state department, Minnesota Management and Budget (MMB). The program's structure and plan designs are set by the State and cannot be modified. The program is not designed to conform to your specific RFP elements; therefore, we are not able to match the current or requested plan designs or meet certain requirements in the RFP or Attachments. We are proposing the PEIP Advantage Program. Every effort has been made to comply with the bid specifications, as appropriate for PEIP.

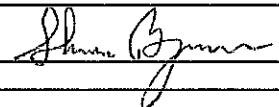
We certify that all information provided in our Proposal is accurate and current.

We acknowledge that our proposal including all parts and responses to the RFP, will become part of the contractual obligation and incorporated by reference into the ensuing contract.

As an authorized corporate officer, I certify that:

- 1) PEIP is licensed by the appropriate Minnesota State Agency granting authority to conduct business and provide services within the State of Minnesota;
- 2) This proposal, and all products proposed herein, meets all applicable State of Minnesota and federal laws and mandates for benefits and administration;
- 3) The information contained herein is accurate and dependable to the best of my knowledge;
- 4) I concur with the answers to all "YES" or "NO" responses as they pertain to PEIP;
- 5) Intentional misrepresentation of anything within the RFP response will be cause for rejection of our entire proposal.
- 6) Any requested agent commissions or fees are transparently shown on the rate page of the PEIP proposal and will be added to PEIP rates, per district direction.
- 7) The quoted rates are guaranteed for a minimum of 12 months(unless otherwise noted). Per MN statute, PEIP requires a four year commitment.

The attached proposal is being submitted by:

Bidding organization:	Public Employees Insurance Program (PEIP)
Name of signatory:	Shawn Byrne
Title:	Manager PEIP
Telephone/email:	952-746-3104 or 800-829-5601 shawn@innovomn.com
Address:	7805 Telegraph Road, Suite 110, Bloomington MN 55438
Signature/Date (required):	

Section I: Proposed Financial Summary

Group Name: South Koochiching Rainy River ISD #363

Effective Date: 07/01/2025 – 06/30/2026

Plan Structure & Network Type: Broad Tiered Network HMO

Health Plan Actuarial Value

Source: HHS Minimum Value Calculator

2025 Actuarial Value	
Plan % of Total Allowed Costs	
High	HSA
89.8%	74.0%

This minimum value calculator was released by the Department of Health and Human Services in conjunction with the final rule for determining minimum value, finalized as 45 CFR 156.145. This tool is being used to calculate actuarial value as required by Minnesota Statute 2023, section 471.6161, subdivision 8 as amended by Chapter 114, Article 1, Section 15.

The HHS minimum value calculator utilizes 2009 data trended to 2014 to determine each plan's actuarial value and relies solely on the Single coverage plan design. No employer premium or HRA/HSA contributions are included in these actuarial value calculations.

Source: Historical and Projected PEIP Membership and Claims Data

2025 Cost Sharing Projections	
Plan % of Total Allowed Costs	
High	HSA
91.1%	82.2%

Using recent, actual claims data, as well as projected benefit changes, this represents PEIP's estimated member cost sharing associated with the HIGH and HSA plans. This estimate is calculated using actual PEIP membership and claim experience for both Single and Family coverages, trended forward to 2025 and using 2025 plan designs.

No employer premium or HRA/HSA contributions are included in these actuarial value calculations.

Advantage High					Projected Contracts (2)
		Rates	Commission	Rates+Commission	
Single		\$1,168.70	-	\$1,168.70	4
Employee+1		-	-	-	0
Employee+Children		-	-	-	0
Family		\$3,120.44	-	\$3,120.44	0

Advantage HSA					
		Rates	Commission	Rates+Commission	
Single		\$817.08	-	\$817.08	14
Employee+1		-	-	-	0
Employee+Children		-	-	-	0
Family		\$2,181.58	-	\$2,181.58	4

Total Quoted		Needed Premium	
Members	33	PMPM (3)	\$752.73
Advantage Needed		Average Commission	
Premium (3)	\$298,083	PMPM	-

1. Includes utilization and plan design adjustments to move from the current plan designs to PEIP Advantage plan design
2. Projected enrollment by plan and tier is based on the group's current tier distribution as well as the most closely aligned plan design by actuarial value
3. This premium value excludes commissions

Section II: PEIP Rates Agreement for South Koochiching Rainy River ISD

#363

This proposal includes rates for:

Health Coverage-

PEIP's Advantage Plans (Both ~~network carriers plan~~
administrators must be offered to employees)

Dental Coverage-

Delta Dental Comprehensive Plan

Life Coverage-

Basic Life/AD&D, plus optional Supplemental Life and
Dependent Life through Minnesota Life

Effective Date of Coverage:

July 1, 2025

Rate Guarantee:

12 months

Renewal/Anniversary Date:

July 1, 2026

Participation in PEIP will be for a ~~four~~four-year term, with an annual rate renewal.

Premium Rating- Initial rates are based on the group's demographic and claims experience provided to the underwriters. Rates are effective July 1, 2025, and guaranteed for 12 months with the initial renewal on July 1, 2026. At renewal on 7/1/2026, renewal rates will be based on a combination of the group's claims, and the overall pool. Renewal rates are guaranteed for 12 months at a time. Please review the laws governing PEIP found in Minn. Stat. statute 43A.316 for program rules.

Participation in the PEIP program is for a four-year term. Participation is automatically renewed for an additional four-year term unless the exclusive representative, or the employer for unrepresented employees, gives the commissioner notice of withdrawal at least 30 days before expiration of the participation period. A group that withdraws must wait two years before rejoining. An exclusive representative, or employer for unrepresented employees, may also withdraw if premiums increase 20 percent or more from one insurance year to the next.

This change was made to promote stability within the program. When enrollment is ~~stable~~stable, we expect to see less volatility in renewal rates. This was true from 2010 -2019 when the pool saw very few terminations, and the average renewal increase was approximately 3.5%. Our hope is that the new commitment rule will also ~~allow~~enable PEIP to return to a higher level of pooling within renewals.

See below for a historical illustration of the success of the PEIP pool renewals for the past 15 years, we make our renewal history available for full transparency with any existing or potential group: is shown below.

July Group Average	January Group Average	<i>PEIP average pool Increase is Approximately 4.2% over the last 15 years</i>
July, 2010 = +8.0%		
July, 2011 = -6.6%		
July, 2012 = -3.3%	January, 2013 = +5.0%	
July, 2013 = +6.0%	January, 2014 = + <u>0</u> .5%	
July, 2014 = +1.9%	January, 2015 = +2.4%	
July, 2015 = +2.0%	January, 2016 = +5.5%	
July, 2016 = +5.9%	January, 2017 = +3.5%	
July, 2017 = +1.3%	January, 2018 = + <u>0</u> .2%	
July, 2018 = + <u>0</u> .2%	January, 2019 = +2.5%	
July, 2019 = +3.7%	January, 2020 = +5.2%	
July, 2020 = +10.7%	January, 2021 = +9.7%	
July, 2021 = +7.0%	January, 2022 = +8.96%	
July, 2022 = +8.09%	January, 2023 = +12.6%	
July, 2023 = +3.6%	January, 2024 = 3.6%	
July, 2024 = +5.6%	January, 2025 = 3.2%	
Combined Pool Average = 4.2%		

‡History includes all ACA taxes

Please sign below to accept Rates in Financial Section I, page 1 in this proposal.

This signed Rate Sheet along with your completed Group Application must be submitted to Innovo Benefits at least 45 days prior to the plan start date.

Employer Name

Authorized Signature

Date

What's in Contents of this Proposal

I. Proposed Financial Summary	Page 1
II. PEIP Rates Agreement	Page 3
III. Public Employees Insurance Program Introduction	Page 5
<ul style="list-style-type: none">• Administration Services• Customer Service	
IV. PEIP Program Coverages	
A. Medical	Page 7
B. Comprehensive Dental	Page 8
C. Life	Page 9
V. Eligibility	Page 11
VI. Enrollment	Page 12

Section III: Public Employee Insurance Program Introduction

Thank You for Your Interest in the Public Employees Insurance Program



PEIP's mission is to make affordable health, dental and life insurance coverage available to all cities, counties, school districts and other public employers regardless of size, location, or other factors. PEIP coverage was designed to provide long-term rate stability by partially pooling your group's experience with that of other public employee groups.

The Program is a self-funded trust managed by the Minnesota Management and Budget (MMB), the largest purchaser of employee insurance benefits in the state. Innovo Benefits Administration and Marketing (Innovo) handles enrollment and billing and is responsible for proposals, enrollment meetings and customer service. The following carriers provide health coverage: HealthPartners and Blue Cross Blue Shield administer the health plans. Both must be offered to participating employees.

Advantage Network Health Plan

~~HealthPart~~

~~Blue Cross~~

~~Blue Shield~~

~~Both Network carriers must be offered by the employer. The State of Minnesota is committed to serving the needs of public employees through PEIP. The Program has been providing public sector employees with innovative options since 1989.~~

The State of Minnesota is committed to serving the needs of public employees through PEIP. The Program has been providing public sector employees with innovative options since 1989.

PEIP Offers Convenience and Ease of Administration

Consolidated enrollment and billing

One of the advantages of the Public Employees Insurance Program is that an employer can offer employees two different network health plans and two different plan designs and receive only one invoice per month. All enrollment and billing services are coordinated by Innovo, one of the leading third-party administrators in the industry.

Easy employee enrollment

Once you have decided to enroll in the Program, an Innovo service representative will schedule an employee meeting at your convenience. This meeting will provide a thorough explanation of the program's features and options. Innovo will provide education, communication and enrollment materials. Any questions regarding benefits, directories, employee enrollment forms, etc. can be answered during this meeting.

Personalized Customer Service

After you enroll in the Program, the customer service representatives from Innovo will work closely with your group. Innovo is your personal contact for all aspects of the Program. We can answer questions, handle enrollment changes and act as troubleshooters regarding carrier concerns, benefits, claims, etc. Your representative's primary objective is to make sure your group is 100% satisfied with the Program.

Employer Manual

To assist you in coordinating the Program on behalf of your employees, you'll receive an Employer Manual that will walk your staff through the entire Program, providing detailed instructions on everything from adding new employees to making changes in coverage. If prior to your enrollment in the Program you have specific questions about administration of the Program, we'd be happy to supply you with a copy of the manual.

Online Administration

The preferred method for managing your group's PEIP benefits administration is via the PEIP Online Enrollment Portal (<https://www.mnpeip.com>). The Portal provides the ability to add new members, terminate coverage, submit address changes, access past invoices, and more – all online. Upon joining PEIP, you will receive introductory training material for the Portal to help ease your transition to online PEIP administration.

Summary of Benefits and Coverages (SBC's) and Innovo website

In accordance with the Affordable Care Act, we provide employers with the electronic version of the Summary Plan Description (SPD's) and Summary of Benefits and Coverage (SBC's) for your use in printing, ~~posting~~posting, or emailing to your employees. The SPD's and individual SBC's for the PEIP Advantage plan options are online at www.innovomn.com/plan_information.html.

Additional information such as plan summaries, primary care clinic directory, Navitus prescription drug formulary, forms and other useful information is posted on the website for employers and employees to access quickly.

"COBRA" services are part of the package

Under federal (COBRA) and state law, employers who maintain group health insurance plans must allow employees, dependents and other persons who leave the group to continue identical coverage at the group rate for a fixed period of time. Employers participating in the Public Employees Insurance Program will be assisted by Innovo in the administration of their COBRA obligations. Employers notify Innovo when any terminations and other events occur that would qualify a person for continuation coverage. Innovo will handle all subsequent notices and premium billings on the employer's behalf.

Section IV: PEIP Program Coverages

A. PEIP Advantage Medical Plans

PUBLIC EMPLOYEES INSURANCE PROGRAM (PEIP) ADVANTAGE PLAN

Minnesota Management and Budget (MMB) administers both the state employee's medical plan and the PEIP program. MMB's Minnesota Advantage Health Plan has been ~~awarded~~received the 2004 Innovations Award from the Council of State Governments (CSG), Midwest Region. CSG's annual Innovations Awards showcase and share states' best programs and policies. The PEIP Advantage plan offers the following features:

- ◆ A choice of **two networks** with a uniform comprehensive set of benefits across all carriers
 - Blue Cross Blue Shield of Minnesota
 - HealthPartners
- ◆ A choice of ~~three~~**two** **benefit plan** design options
 - Advantage
 - ~~Value~~
 - HSA ~~—e~~Compatible
- ◆ State-wide **tiered network** of primary care clinics (PCC)
 - Each member must chooses a primary care clinic to deliver and coordinate care.
 - Family members may elect different primary care clinics (even in different cost levels), but must enroll with the same carrier plan administrator.
 - ~~You~~Members can change clinics throughout the year.
 - Benefits for each plan level are based on the cost level of your primary care clinic.
 - All prescriptions are handled by CVS-Caremark, the program's pharmacy benefit manager.
- ◆ Referrals are needed for specialist care outside the primary care group. No referrals are needed for emergencies or urgent care. Participants can self-refer to OBGyn, Chiropractic, Routine ~~Vision~~, Vision, MH/CD, provided the practitioner is within the carriers-plan administrator's self-referral network.
- ◆ ~~No co-payments are~~cost-sharing is charged for preventive care such as well-child care, immunizations, annual check-ups, cancer screenings, routine eye and hearing exams, etc.
- ◆ There is no coverage for non-network services, unless referred or living outside the service area.
- ◆ Optional quotes available - Dental through Delta Dental and Life options through Minnesota Life.
- ◆ COBRA and HIPAA administration is provided at no additional cost.
- ◆ PEIP ~~will~~handles ACA PCORI fee and transitional reinsurance fee for participating members.

B. PEIP Comprehensive Dental Coverage

Delta Dental Comprehensive Dental Plan:

Comprehensive Dental:	Monthly Rate If Employer Pays <u>90% or More of Cost</u>	Monthly Rate If Employer Pays <u>50-89% of Cost*</u>
Employee:	\$ 42.60	\$ 47.14
Family:	\$101.51	\$111.30

* Provides a slightly higher benefit level for Delta Premier and Non-Choice dentists.

** At least 50% of eligible employees must enroll for dental to be offered. An annual open enrollment for dental is not available.

	<u>Delta PPO</u>	<u>Delta Premier or Non-Choice Dentists</u>
1. Co-Insurance:		
Diagnostic/Preventive Services	100%	90%
Basic Restorative Services	80%	80%
Major Restorative Services	50%	50%
Prosthetic Repairs/Adjustments	50%	50%
Prosthetics	50%	50%
2. Deductible:		
Per covered person/calendar year	\$25	\$50
Per family per calendar year (The deductible does not apply to Diagnostic/Preventive Services)	\$50	\$100
3. Maximum Benefit:	\$1,000 per covered person per calendar year	

4. Providers:

When you use a Delta PPO dentist, your benefits are greater than if you use any other Delta Dental dentist. When using a Delta PPO or Delta Premier dentist, your dentist will file your claims for you, and payment will be sent by Delta Dental directly to the dentist.

You can go to any dentist, even if they have not signed a participating provider agreement with Delta Dental, but you are not assured that the dentist will adhere to Delta Dental's allowable charges, and you may pay more out of pocket for your care.

(For participating dentists and other helpful online tools: www.deltadentalmn.org)

c. PEIP Life Coverage

Basic Employee Life/AD&D Coverage (Optional)

All PEIP life insurance products are offered through Minnesota Life Insurance Company. A minimum of \$10,000 and a maximum of \$50,000 Basic Life/AD&D is available. If Life/AD&D is elected there are two options available:

1. All active employees must take Basic Life/AD&D, no waivers
or
2. Life/AD&D can be packaged with medical coverage. All employees taking medical coverage must take Life/AD&D.

The size of your group determines your guaranteed issue amount. This amount is listed on your rate page. In addition to Basic Life Insurance protection, PEIP's AD&D feature provides coverage in the case of accidental death, dismemberment or loss of sight.

An active employee who becomes totally and permanently disabled prior to age 60 can keep basic employee Life/AD&D insurance in force without further cost as long as the insured continues to be totally disabled up to age 65. Satisfactory proof of continuing disability must be provided periodically.

Upon termination of coverage, employees can convert their life insurance benefit within 31 days after loss of coverage without medical questions. Minnesota state law concerning continuation of life insurance also applies.

Life reductions of insurance will occur according to the following schedule for active employees:

- at age 65 - amount will reduce 35% of face amount,
- at age 70 - amount will reduce 50% of face amount,
- at age 75 - amount will reduce 75% of face amount,
- at age 80 - amount will reduce 80% of face amount.

Retirees are not eligible for life insurance.

Optional Supplemental Employee Life/AD&D Coverage

Supplemental Life/AD&D coverage can be purchased in \$5,000 increments, subject to certain restrictions. Maximum benefit: \$300,000 (combined with basic coverage) is available with evidence of insurability.

Dependent Life Coverage

One dependent life policy provides the following coverage:

Coverage: \$5,000 Spouse/\$2,500 per Dependent Child

C. Life Insurance Coverage Rates

Basic Life/AD&D:

Maximum \$50,000 Per Employee

\$0.18/\$1,000 of coverage

Your Group's Guaranteed Issue Amount

For Life Insurance

\$50,000 per employee

Supplemental Life/AD&D:

Rate Per \$1,000

Maximum \$300,000 in

Combination with Basic Life Insurance

Age

<35 .11

35-39 .13

40-44 .17

45-49 .26

50-54 .44

55-59 .71

60-64 .79

65-69 1.49

70-74 2.68

+75 4.81

Dependent Life:

This plan provides \$2,500 Per-per

Dependent Child, \$5,000 per Spouse

\$1.18 per family

Your Group's Guaranteed Issue Amount

For Supplemental Life Insurance

\$100,000 per employee

Note: Eligible dependent child is to the age of 26.

Life insurance coverage is not available to retirees.

Section V: Eligibility To to Participate In in PEIP

- **Eligibility for Health Coverage**

PEIP medical coverage requires that 75% of your group's insurance eligible individuals must participate. Those individuals who waive coverage due to being covered under another group plan will not be included in the 75% participation requirement.

- **Eligibility for Dental Insurance (Optional)**

At least 50% of all employees must enroll in PEIP employee dental coverage. The employer contribution toward the cost of employee dental coverage will determine if dental coverage can be offered to a group and what the rate tier will be. If the employer does not contribute toward the cost of dental, or if the contribution is less than 50%, dental coverage is not available to the group.

- **Eligibility for Life Insurance (Optional)**

If elected, PEIP requires a minimum of \$10,000 Life Insurance for each employee. Insurance eligible employees who waive out of PEIP health coverage can enroll in Life Insurance, providing the employer provides Life Insurance to ALL employees. Evidence of insurability is required on amount over the guarantee issue amount.

In addition, individual employees may purchase Supplemental Life Insurance or Dependent Life Insurance when they initially enroll in PEIP, up to the guarantee issue amount. Subsequent applications, after initial eligibility, will require evidence of insurability. Retirees are not eligible for life insurance.

- **Employee/Retiree Eligibility**

The definition of an "insurance eligible" employee in each group is determined by the employer. Elected officials can participate in PEIP if they have been determined insurance eligible by the employer. Retirees (and eligible dependents) must be allowed to participate in PEIP as long as the public entity from which they retired participates in PEIP, in accordance with Minn. Stat. 471.61, subd. 2b Chapter 488, Minnesota Laws of 1992.

- **Effective Date of Coverage for New Employees**

PEIP's standard eligibility criteria: A new hire or newly eligible employee's coverage is effective the first of the month following the employer's specific waiting period. The employee must complete an Employee Enrollment Form within the waiting period.

If eligibility or effective dates are different than PEIP's standard, we will generally follow the current eligibility rules of the employer or of a bargained unit. The eligibility criteria must be indicated on or attached to the Group Application.

- **Annual Reports**

PEIP will report and pay the applicable Affordable Care Act (ACA) fees and taxes for PEIP members. The employer is responsible for filing any annual information required.

Section VI: When You Join the Public Employees Insurance Program

Enrollment Kit

Once you have decided to enroll in the PEIP Program, we will work with you to educate employees about the Program's unique features and to complete the forms necessary to enroll the group and each employee. Innovo will provide an Enrollment Kit containing the following key forms and other important information:

- The Group Application Form.
- Individual Enrollment Forms for each employee, retiree or other eligible participant applying for coverage under the Program (even those waiving coverage).
- ~~Step-Step-by-by-Step-step~~ enrollment and education materials.
- Pertinent documents for bargained groups, when appropriate.

Employee meeting

-Innovo will contact you to arrange a time for an enrollment meeting open to all eligible employees. This meeting will provide employees with a thorough explanation of the Program's features and options. Innovo will lead the meeting and provide all the informational materials, enrollment forms, directory, etc., needed for a smooth transition. To make the best use of time, employees should complete their Individual Enrollment Form prior to the meeting---except for their selections of a ~~network~~ health plan administrator and a primary care ~~physician~~/clinic.

A four-year commitment is required

One of the features that ~~helps maximize~~ ensures rate stability and affordability in the PEIP Program is a statutory four-year membership requirement for participating ~~employers~~ groups. Premium rates are guaranteed for 12 months at a time. Although specific rates cannot be guaranteed beyond the first 12 months, the Program contains specific features to promote rate stability and to prevent excessive rate increases upon renewal. Participation is automatically renewed for an additional four-year term unless the exclusive representative, or the employer for unrepresented employees gives the commissioner notice of withdrawal at least 30 days before expiration of the participation period.

Ongoing Customer Service

The Innovo staff welcomes you to PEIP and provides you with the pertinent information, documents and contacts you will need to effectively manage the PEIP plan. We are your ongoing support and available to assist with any issues you or your employees may have.

Step by Step Instructions for Enrollment in the Public Employees Insurance Program Advantage Plan



To help explain your options in the Public Employees Insurance Program, we have created the following guide.

☞ Step 1 – Choose Your Plan Level ☞

The Public Employees Insurance Program Advantage Plan has cost sharing features that will help you and your employer to better control health care costs while maintaining flexibility in access to doctors and clinics. The Public Employees Insurance Program offers two Plan choices:

- **Advantage (High)**
- **HSA (Low)**

Choose the Benefit Level that best fits your needs. The premium and cost sharing will vary based on the Benefit Level you choose. You may change your Benefit Level each year during your group's annual open enrollment.

☞ Step 2 – Choose Your Health Plan/Network ☞

The Public Employees Insurance Program offers two different Health Plans/Networks to choose from:

- **HealthPartners**
- **Blue Cross Blue Shield**

Choose the network carrier that best fits your needs. Your network selection will not affect the cost of the plan; nor will it affect the premium rate. The benefits are similar under each network. You may change your Health Plan/Network level each year during your group's annual renewal.

☞ Step 3 – Choose Your Primary Care Clinic ☞

Primary Care Clinics have been placed into one of four cost levels, depending on the care system in which the provider participates and that care system's total cost/quality of delivering health care. The amount of cost sharing that is paid for health care services varies depending upon the cost level of the Health Plan and Network that you choose.

- **Select a primary care clinic (PCC) for each family member**

Each family member must select a primary care clinic (PCC). Family members may choose different PCCs – even in a different cost level, but all family members must enroll with the same Plan Level and Network choice. Your enrollment form should include the primary care clinic # associated with your network carrier.

All primary care clinics are broken into four tier levels that determine the benefits received by that family member. A list of participating clinics is available online to help you make your primary care clinic selection. This list includes your primary care clinic's clinic number that you will need in order to enroll. You can change clinics by calling the phone number on your ID card.

Most medical care is coordinated through a Primary Care Clinic (PCC) and you will generally need a referral to see a specialist (referrals to a specialist's office will be covered at the same cost level as your PCC). **You may self-refer to certain specialists including OB/GYN, chiropractors, routine vision, and mental health/chemical dependency practitioners, providing the practitioner is part of the carrier's self-referral network. No referrals needed for urgent care and emergencies.**

A statewide primary care clinic listing and health plan documents, including the Summary Benefit Comparisons (SBC's) for all plan levels, are available online at www.innovomn.com.

IMPORTANT! Once enrolled you will receive TWO ID cards. One card will be sent from your health plan (HP, BCBS,) which is to be used for **medical services**. The second card from CVS is to be used for all **pharmacy charges**. If you have questions please call us at 952.746.3101 or 800.829.5601 or email us at shawn@innovomn.com.

Minnesota Public Employees Insurance Program (PEIP)

Advantage Health Plan High Option 2025 Benefits Schedule

Benefit Provision	Cost Level 1 – You Pay	Cost Level 2 – You Pay	Cost Level 3 – You Pay	Cost Level 4 – You Pay
A. Preventive Care Services <ul style="list-style-type: none"> • Routine medical exams, cancer screening • Child health preventive services, routine immunizations • Prenatal and postnatal care and exams • Adult immunizations • Routine eye and hearing exams 	Nothing	Nothing	Nothing	Nothing
B. Annual First Dollar Deductible * (single/family)	\$250 / 500	\$400 / 800	\$750 / 1,500	\$1,500 / 3,000
C. Office visits for Illness/Injury, for Outpatient Physical, Occupational or Speech Therapy, and Urgent Care <ul style="list-style-type: none"> • Outpatient visits in a physician's office • Chiropractic services • Urgent Care clinic visits (in-service-area / in- or out-of-network) 	\$35 copay per visit annual deductible applies	\$40 copay per visit annual deductible applies	\$70 copay per visit annual deductible applies	\$90 copay per visit annual deductible applies
<ul style="list-style-type: none"> • Outpatient office visits for mental health and substance use disorder 	\$0 copay per visit not subject to deductible	\$0 copay per visit not subject to deductible	\$50 copay per visit annual deductible applies	\$70 copay per visit annual deductible applies
D. Network Convenience Clinics & Online Care	Nothing	Nothing	Nothing	Nothing
E. Emergency Care (in service area / in or out of network) <ul style="list-style-type: none"> • Emergency care received in a hospital emergency room 	\$100 copay not subject to deductible	\$125 copay not subject to deductible	\$150 copay not subject to deductible	\$350 copay not subject to deductible
F. Inpatient Hospital Copay	\$100 copay annual deductible applies	\$200 copay annual deductible applies	\$500 copay annual deductible applies	25% coinsurance annual deductible applies
G. Outpatient Surgery Copay	\$60 copay annual deductible applies	\$120 copay annual deductible applies	\$250 copay annual deductible applies	25% coinsurance annual deductible applies
H. Hospice and Skilled Nursing Facility	Nothing	Nothing	Nothing	Nothing
I. Prosthetics and Durable Medical Equipment	20% coinsurance	20% coinsurance	20% coinsurance	25% coinsurance annual deductible applies
J. Lab (including allergy shots), Pathology , and X-ray (not included as part of preventive care and not subject to office visit or facility copayments)	10% coinsurance annual deductible applies	10% coinsurance annual deductible applies	20% coinsurance annual deductible applies	25% coinsurance annual deductible applies
K. MRI/CT Scans	10% coinsurance annual deductible applies	15% coinsurance annual deductible applies	25% coinsurance annual deductible applies	30% coinsurance annual deductible applies
L. Other expenses not covered in A – K above, including but not limited to: <ul style="list-style-type: none"> • Ambulance • Home Health Care • Outpatient Hospital Services (non-surgical) <ul style="list-style-type: none"> • Radiation/chemotherapy • Dialysis • Day treatment for mental health and chemical dependency • Other diagnostic or treatment related outpatient services 	5% coinsurance annual deductible applies	5% coinsurance annual deductible applies	20% coinsurance annual deductible applies	25% coinsurance annual deductible applies
M. Prescription Drugs 30-day supply of Tier 1, Tier 2, or Tier 3 prescription drugs, including insulin; or a 3-cycle supply of oral contraceptives.	\$18 tier one \$30 tier two \$55 tier three	\$18 tier one \$30 tier two \$55 tier three	\$18 tier one \$30 tier two \$55 tier three	\$18 tier one \$30 tier two \$55 tier three
N. Plan Maximum Out-of-Pocket Expense for Prescription Drugs (single/family)	\$1,050 / 2,100	\$1,050 / 2,100	\$1,050 / 2,100	\$1,050 / 2,100
O. Plan Maximum Out-of-Pocket Expense (excluding prescription drugs) (single/family)	\$1,700 / 3,400 Combined in- and out-of-area services	\$1,700 / 3,400 Combined in- and out-of-area services	\$2,400 / 4,800 Combined in- and out-of-area services	\$3,600 / 7,200 Combined in- and out-of-area services

Important note: this chart describes coverage within the PEIP Advantage Plan's service area. Covered out-of-area services have a different cost-sharing structure: claims will be processed at Cost Level 3 with the out-of-pocket maximums described in section O above, and with a separate out-of-area deductible (\$750 single/\$1,500 family). Most care must be received within the national network of the selected plan administrator.

Members pay the drug copayment described at section M above to the out-of-pocket maximum described at section N.

This Plan uses an embedded deductible: if any family member reaches the individual deductible, then the deductible is satisfied for that family member. If any combination of family members reaches the family deductible, then the deductible is satisfied for the entire family.

Minnesota Public Employees Insurance Program (PEIP)

Advantage Health Plan HSA-Compatible 2025 Benefits Schedule

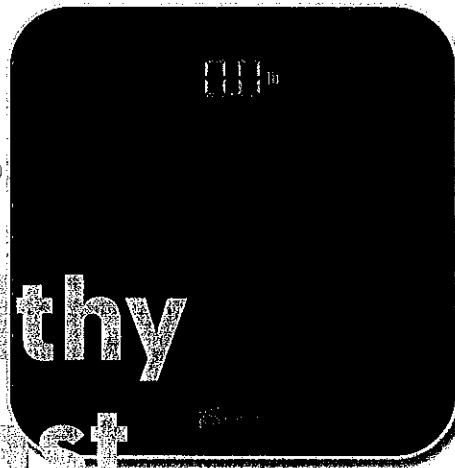
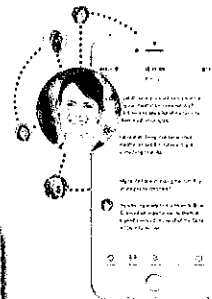
Benefit Provision	Cost Level 1 – You Pay	Cost Level 2 – You Pay	Cost Level 3 – You Pay	Cost Level 4 – You Pay
A. Preventive Care Services <ul style="list-style-type: none"> Routine medical exams, cancer screening Child health preventive services, routine immunizations Prenatal and postnatal care and exams Adult immunizations Routine eye and hearing exams 	Nothing	Nothing	Nothing	Nothing
B. Annual First Dollar Deductible * Combined Medical/Pharmacy (single coverage) Combined Medical/Pharmacy (family coverage)	\$1,750 \$3,500 per family member \$4,000 per family	\$2,250 \$3,750 per family member \$4,500 per family	\$3,250 \$5,250 per family member \$6,500 per family	\$4,250 \$6,750 per family member \$8,500 per family
C. Office visits for Illness/Injury, for Outpatient Physical, Occupational or Speech Therapy, and Urgent Care <ul style="list-style-type: none"> Outpatient visits in a physician's office Chiropractic services Urgent Care clinic visits (in- or out-of-service-area / in- or out-of-network) 	\$45 copay per visit annual deductible applies	\$55 copay per visit annual deductible applies	\$105 copay per visit annual deductible applies	\$130 copay per visit annual deductible applies
<ul style="list-style-type: none"> Outpatient office visits for mental health and substance use disorder 	\$0 copay per visit annual deductible applies	\$0 copay per visit annual deductible applies	\$85 copay per visit annual deductible applies	\$110 copay per visit annual deductible applies
D. Network Convenience Clinics & Online Care	\$0 copay annual deductible applies	\$0 copay annual deductible applies	\$0 copay annual deductible applies	\$0 copay annual deductible applies
E. Emergency Care (in- or out-of-service-area / in- or out-of-network) <ul style="list-style-type: none"> Emergency care received in a hospital emergency room 	\$250 copay annual deductible applies	\$300 copay annual deductible applies	\$350 copay annual deductible applies	\$600 copay annual deductible applies
F. Inpatient Hospital Copay	\$400 copay annual deductible applies	\$650 copay annual deductible applies	\$1,500 copay annual deductible applies	50% coinsurance annual deductible applies
G. Outpatient Surgery Copay	\$250 copay annual deductible applies	\$400 copay annual deductible applies	\$800 copay annual deductible applies	50% coinsurance annual deductible applies
H. Hospice and Skilled Nursing Facility	Nothing after annual deductible	Nothing after annual deductible	Nothing after annual deductible	Nothing after annual deductible
I. Prosthetics and Durable Medical Equipment	20% coinsurance annual deductible applies	25% coinsurance annual deductible applies	30% coinsurance annual deductible applies	50% coinsurance annual deductible applies
J. Lab (including allergy shots), Pathology , and X-ray (not included as part of preventive care and not subject to office visit or facility copayments)	20% coinsurance annual deductible applies	25% coinsurance annual deductible applies	30% coinsurance annual deductible applies	50% coinsurance annual deductible applies
K. MRI/CT Scans	20% coinsurance annual deductible applies	25% coinsurance annual deductible applies	30% coinsurance annual deductible applies	50% coinsurance annual deductible applies
L. Other expenses not covered in A – K above, including but not limited to: <ul style="list-style-type: none"> Ambulance Home Health Care Outpatient Hospital Services (non-surgical) <ul style="list-style-type: none"> Radiation/chemotherapy Dialysis Day treatment for mental health and chemical dependency Other diagnostic or treatment related outpatient services 	20% coinsurance annual deductible applies	25% coinsurance annual deductible applies	30% coinsurance annual deductible applies	50% coinsurance annual deductible applies
M. Prescription Drugs 30-day supply of Tier 1, Tier 2, or Tier 3 prescription drugs, including insulin; or a 3-cycle supply of oral contraceptives.	\$30 tier one \$50 tier two \$75 tier three annual deductible applies	\$30 tier one \$50 tier two \$75 tier three annual deductible applies	\$30 tier one \$50 tier two \$75 tier three annual deductible applies	\$30 tier one \$50 tier two \$75 tier three annual deductible applies
N. Plan Maximum Out-of-Pocket Expense** (including prescription drugs) Single Coverage	\$3,250	\$3,250	\$4,250	\$5,250
Family Coverage Combined in- and out-of-area services for both single and family coverage	\$5,250 per family member \$6,500 per family	\$5,250 per family member \$6,500 per family	\$7,250 per family member \$8,500 per family	\$7,250 per family member \$10,500 per family

This chart applies only to in-service area coverage. Out-of-service area coverage is available outside the PEIP Advantage Plan's service area. Members pay a \$1,750 single or \$4,000 family deductible (separate and distinct from the deductibles listed in section B above) and 30% coinsurance that will apply to the out-of-pocket maximums described in section N above. Members pay the drug copayment described at section M above to the out-of-pocket maximum described at section N.

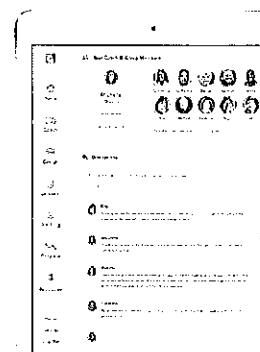
Emergency Care and Urgent Care received in-service area or out-of-service area or in or out-of-network claims will process based on C and E above. Deductible will be applied to in-service area benefit.

*The family Deductible is the maximum amount that a family must pay in deductible expenses in any one calendar year. The family Deductible is not the amount of expenses a family must incur before any family member can receive benefits. Individual family members only need to satisfy their individual deductible once to be eligible for benefits. Once the family Deductible has been met, deductible expenses for the family are waived for the balance of the year.

**The family Out-of-Pocket Maximum is the maximum amount that a family must pay in any one calendar year. The per-family member embedded Out-of-Pocket Maximum is the maximum amount that a family must pay in any one calendar year on behalf of any individual family member.



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