

2025-26 Renewal Recap

ST. CLOUD ISD #742



Health and Dental Plan Overviews

Health Plan (Health Partners)

SINGLE PLAN - \$895.75/Month

\$3,500 Deductible/Out of Pocket Max

\$1,500 Pharmacy Out of Pocket Max

\$1,000 District HRA Contribution

FAMILY PLAN - \$2,052.41/Month

\$7,000 Deductible/Out of Pocket Max

\$3,000 Pharmacy Out of Pocket Max

\$2,000 District HRA Contribution

Dental Plan (Delta Dental)

SINGLE PLAN - \$32.93/Month

\$50 Deductible/\$1,000 Maximum Per Year/100% Preventative/80% Basic

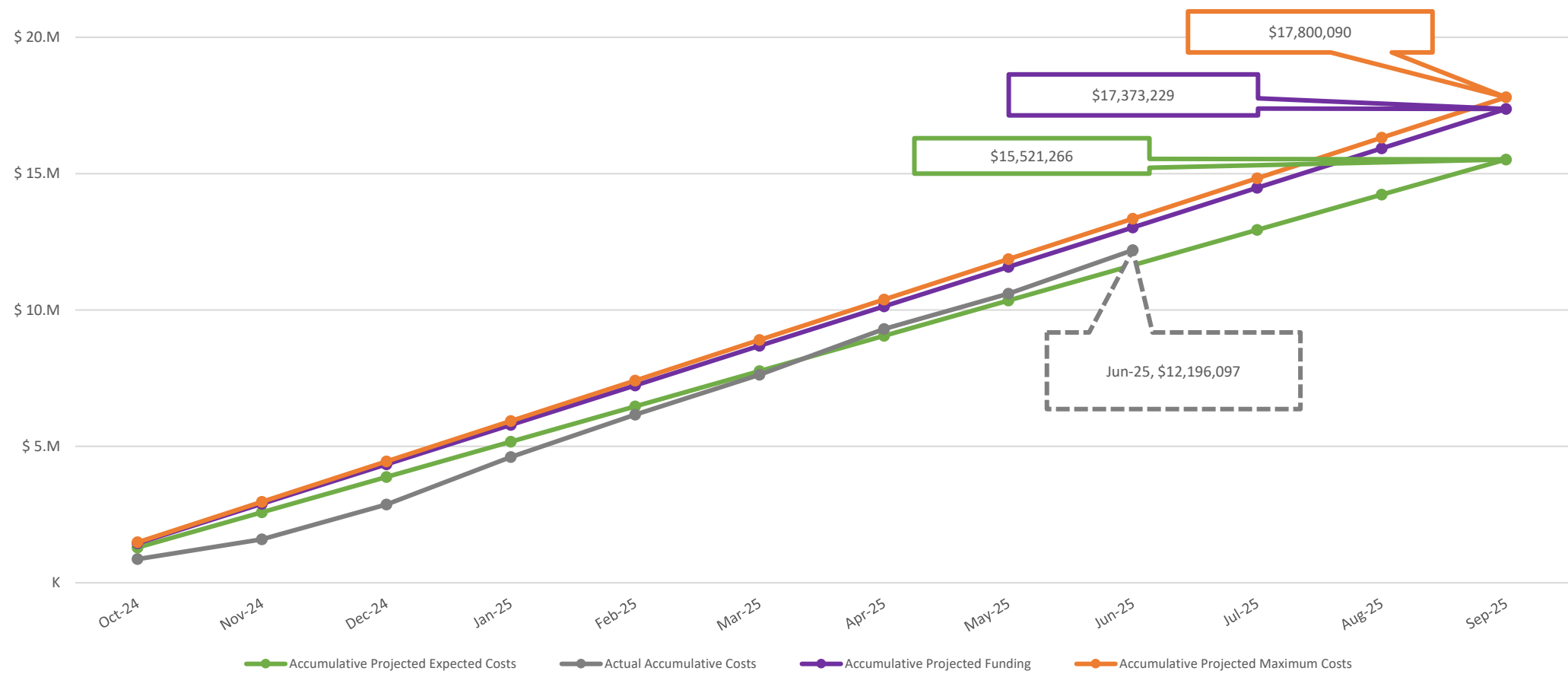
FAMILY PLAN - \$94.70/Month

2024 – 2025 Self Funding (Through June 2025)

	10/1/24 HealthPartners Projection (Prorated 10/1/24 – 6/30/25)	Actual (10/1/24 – 6/30/25)
HealthPartners Claims <i>(Net Stop Loss Violations)</i>	\$11,300,094	\$11,949,269
Fixed Costs	\$508,308	\$246,828
Total Plan Costs	\$11,808,402	\$12,196,097
Internal Funding	\$12,957,774	\$13,029,922
Current YTD Reserve Estimate	\$1,149,372	\$833,825
Total Running Reserve Estimate		\$3,389,505
Reserve as % of claims		22.3%

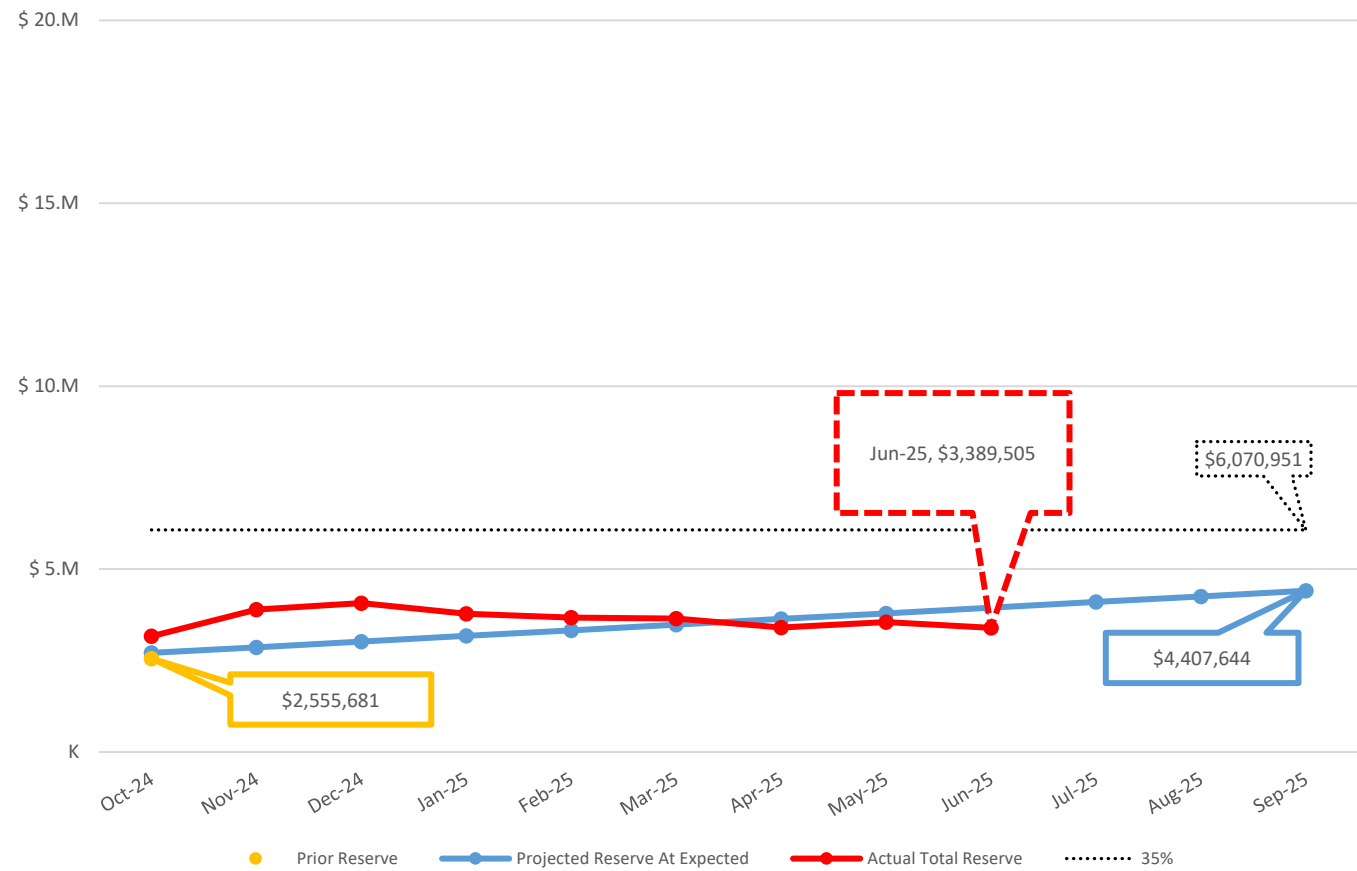
- Target Reserve: 35% of annual expected claims

Self Insured Medical Plan Funding Model



2024 – 2025 Self Funding: Reserve Estimate

Plan Year October 2024 – September 2025



- Prior Reserve represents the unaudited reserve position at the end of 9/30/24
- Projected Reserve At Expected is what the reserve projection is given current funding levels had claims been exactly equal to HealthPartners expected claim projections
- Actual Total Reserve is our reserve position plan year to date
- Minimum Reserve is 11% of annual expected claims
- Target Reserve is 35% of annual expected claims

*Projected reserve at expected will vary slightly from projection on prior slide because it is based on annualized actual enrollment

Plan Year 2025 – 2026 RFP results

Self Funded Medical Renewal - 2 Year Illustration

	2 Years Renewal	2 Years Renewal
	HealthPartners	BCBS
Current Enrollment	BAFO	BAFO
Single	624	624
Family	427	427
Total Enrollment	1,051	1,051
Total Members	2,240	2,240
Fixed Costs	14.9% increase in Year 2	17% rate cap for 2026
Stop-Loss Coverage Contract	12/18	12/18
Specific Individual Deductible	\$200,000	\$200,000
Single	\$239.94	\$157.43
Family	\$607.50	\$393.59
Total Annual Specific Premium:	\$4,909,474	\$3,195,641
Total Annual Aggregate Premium:	\$39,382	\$0
Annual Reinsurance Premium:	\$4,948,856	\$3,195,641
Medical Administration	2nd Year Rate Cap	2nd Year Rate Cap
Annual Administration Cost	\$1,444,097	\$1,219,856
Rebate Estimate	(\$4,009,344)	(\$3,034,000)
PaydHealth/PayerMatrix Cost	\$90,262	\$507,036
PayerMatrix Estimated Savings	\$0	(\$2,535,186)
Total Annual Fixed Cost	\$2,473,871	(\$646,653)

Plan Year 2025 – 2026

- Medical:
 - We performed the state required RFP for medical benefits this year, with HealthPartners and BCBS providing offers and the Blue Cross offer was the most competitive and the committee voted unanimously to move to BCBS.
 - A 11.54% increase to funding is recommended based on the current reserve balance as medical expenses have been increasing the past year and a half. We are trying to minimize the gap between funding and expected costs when the reserve position is back to target.

Plan Year 2025 – 2026

- Dental:
 - A 0% increase to funding is recommended based on a sufficient dental plan reserve. The reserve position for May 2025 is adequate at \$889,000 or enough funds to cover approximately 9 months of claims spend.
- Life & Disability:
 - The life and ltd plans are in a 2-year rate hold.
- Vision
 - The vision plans are in a 1-year rate hold.

Labor Management Committee Recommendation

Health Plan

Move to Blue Cross Blue Shield as our Third Party Administrator

Single Premium: 11.54% Increase – rates would increase to \$992.12 per month

Family Premium: 11.54% Increase – rates would increase to \$2,289.26 per month

Dental Plan

Remain with Delta Dental as our Third Party Administrator

Single Premium: 0% Increase – rates hold at \$32.93 per month

Family Premium: 0% Increase – rates hold at \$94.70 per month

Request for Board Action

- The Administration recommends approval of the Labor Management Committee recommendations related to the District's self-insured health and dental insurance plans effective October 1, 2025.