



memo

To: The Board of Education and Dr. Patrick Broncato, Superintendent
From: Curt Saindon, Assistant Superintendent for Business Services/CSBO
The Woodridge School District Insurance Committee
Date: April 17, 2026
Subject: Recommendation to Approve the 2026-2027 EBC Employee Benefits Renewal

Sharon Maloney attended the EBC Final Renewal Meeting on March 19th in Schaumburg and we also had Erica Mendoza and Lesley Pasillas from Gallagher Benefits come to our March 24th Insurance Committee Meeting to discuss the essentials of the final comprehensive employee benefit program renewal proposal from the EBC for next year, and to provide information related to a few plan design changes that would help minimize what is projected to be a larger than normal increase in health insurance premiums for fiscal year 2026-27. In summary, we were looking at an 18.2% increase in our Traditional PPO Plan, our Blue Choice PPO Plan, and our PPO High Deductible Health Plan, and a 16.4% increase in our HMO Illinois plan and our Blue Advantage HMO plan premiums. This is about double what we normally see, as we typically see 7%-9% increases in HMO rates and 8%-10% increases in PPO rates. We were informed by Erica early on that we could not get the increase down to the “normal” range without making major plan design changes and “gutting the plan”, but we could shave a few percentage points off the renewal and get the increases down to around 15% by making some relatively minor and gradual plan design changes that would at least bring our plan design more in line with what is the “norm” now for most school districts in our region. We had a few benefits and plan design features that were a little richer than average, so we looked at adjusting those and getting our renewal down a little bit. I have attached several documents that provide details and supplementary information about both the process undertaken and the adjustments made.

After the Insurance Committee discussed the various options presented by Erica (see the attached Plan Options Spreadsheet), it was unanimously decided to adopt Option #1 for the Traditional PPO, the Blue Choice PPO, and the High Deductible PPO, as well as Option #1 for the HMO Illinois plan and the Blue Advantage HMO Plan. For the two primary PPO plans, this involves a slight increase in our deductible and a small corresponding increase in the Out-of-Pocket Limit, along with a few minor tweaks to the co-pay and co-insurance rules. It also adjusts the prescription drug tiers slightly and sets the Specialty Drug Co-Pay at the same limit as Non-Preferred Drugs. That saves us 3.21%



memo

for the Traditional PPO and 3.02% for the Blue Choice PPO, bringing the increases down to 14.99% and 15.18%, respectively. The small increase in deductible to the High Deductible PPO was legislatively required and we made no other changes to this plan, so those premiums will increase by 18.2%. For the HMO plans, there was less room to make minor changes, but we did agree to go with Option #1 there as well, adjusting emergency room and specialty office visit co-pays slightly and setting the specialty drug co-pay at the same level as the Non-Preferred Drugs. This brought the 16.4% proposed increase down to 15.02% for the HMO Illinois plan and 15.85% for the Blue Advantage HMO plan. The Dental Insurance plan, provided by MetLife Dental, would not change and the increase in rates would be 3.9% for next year, with no increase for Life Insurance rates provided by Reliance Standard Life or Vision Insurance rates provided by UHC.

The only new service being implemented next year is a financial wellness and comprehensive financial assistance program called Money Line. It added about .15% to the final renewal and there was much discussion about offering the plan in a year when we are realizing such a large increase in premiums, even if the additional cost is minimal. After much discussion, this proposal passed 57-52, so it will be offered to the entire cooperative next year (we voted “no” on the proposal). This program was approved as part of the final renewal and will be highlighted during Open Enrollment.

Finally, we continue to offer a variety of miscellaneous supplemental insurance products and programs (some pre-tax and some after-tax) through a multitude of providers, including United Healthcare, Voya, Teledoc, Caremark, AllOne, SunLife, MetLife, BlueCross/Blue Shield, and a few others. We did add voluntary, after tax, MetLife programs for legal services, pet insurance, auto and home insurance coverage. Please see the recommendation below and the attached information and let me know if you have any questions or need additional information. Thank you.

Based on this information, we are hereby providing the Insurance Committee Employee Benefits Recommendation for the Board’s consideration. This recommendation had the unanimous support of everyone in attendance at the March 24th meeting. With Board approval on April 20th, we would begin our Annual Open Enrollment period on May 4th (running through May 29th) for the new plan year that begins on July 1st. The EBC is a public employee benefits insurance purchasing cooperative, administered by Gallagher Benefits, to which we belong, made up of about 135 school districts and educational cooperatives, and representing over 35,000 covered lives.

Recommendation

It is the recommendation of the Insurance Committee that the Board approve the following items related to our FY 2026-2027 plan year renewal for the school district’s comprehensive employee



memo

benefits insurance programs, as provided through the Employee Benefit Cooperative (EBC) and administered by Arthur J. Gallagher and Associates (AJG), as presented:

- 1. For the employee health insurance plan renewals provided by BCBS, overall increases in monthly premium rates of 14.99% (Traditional PPO), 15.18% (Blue Choice PPO), 18.2% (High Deductible PPO), 15.02% (HMO Illinois) and 15.85% (Blue Advantage HMO), as outlined in the attached information and highlighted on the Renewal Rate Spreadsheet.*
- 2. For the dental insurance plan renewal provided by MetLife, an overall increase of 3.9% for the PPO dental insurance plan, as outlined on the attached Renewal Rate Spreadsheet.*
- 3. For the life insurance plan renewal provided by Reliance Standard Life and the vision insurance plan offered by United Healthcare, no increase to the life insurance rates or vision insurance rates, as both are locked in through 6/30/27.*
- 4. To adopt the Money Line Financial Wellness and Comprehensive Financial Assistance Program at a cost of .15% of premiums, to be paid out of EBC general/administrative funds.*
- 5. To offer new/additional MetLife after-tax, voluntary, supplemental insurance and assistance programs for legal services, home, auto and pet insurance plans, to be offered on a voluntary basis by MetLife through our BenefitSolver Employee portal.*
- 6. To maintain all other existing supplemental employee benefit plans and programs (both pre-tax and after-tax programs) at previously established levels and costs, as presented.*
- 7. To maintain the School District Seed for those selecting the High Deductible Health Plan (HDHP) at \$2,100 per year for those selecting the single coverage option and \$3,700 per year for those selecting a family coverage option, to be paid out half in January and half in July/August of each calendar year. Annual net savings for the school district for those selecting the HDHP (versus the cost for our traditional PPO plan) under this scenario would be about \$1,750 for those selecting Single coverage, \$1,600 for those selecting Employee-Children coverage, \$1,900 for those selecting Employee-Spouse coverage and \$3,000 for those selecting Full Family coverage.*

With Board approval of this comprehensive recommendation on April 20th, we would begin the Annual Open Enrollment Period on May 4th and close it on May 29th, and begin publicizing all of the changes and new programs and premium rates immediately. The Open Enrollment Period would run from May 4th through May 29th, with changes taking effect on July 1st.