

Red Wing Public Schools
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School Board Meeting Agenda Item

Topic: Health Insurance Plans for 2023
Contact(s):
Presenter(s): Jackie Paradis, Business Manager

Nature of Action Requested by Board

Board action
Board information or scheduled report

Background Information

In compliance with Minnesota Statute 471.6161 the School District engaged in a request for proposal process for employee medical insurance effective 1/1/2023. The medical insurance is currently insured with Blue Cross Blue Shield of Minnesota, and bids were submitted to the following insurance carriers licensed to do business in the State of Minnesota:

Blue Cross Blue Shield of Minnesota	United HealthCare
Medica	Minnesota HealthCare Consortium Pool
HealthPartners	Sourcewell Pool
Public Employers Insurance Pool (PEIP)	

The following carriers declined to bid on the plan due to underwriting constraints and lack of competitiveness:

HealthPartners	Sourcewell Pool
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After reviewing the initial bids Blue Cross Blue Shield and the Minnesota Healthcare Consortium were selected as finalists and best and final bids were requested from each. Along with updated rates carriers were requested to provide alternative plan design options that could be offered alongside the District's current offerings.

Finalist bids were received from both parties and reviewed by the Labor Management Committee. Upon review it was found that Blue Cross Blue Shield offered the most competitive rates for 1/1/2023 coverage as well as offering alternative plans at a greater cost reduction than the Minnesota HealthCare Consortium.

LMC Recommendation:

After review of the best and final bids it is the recommendation of the Labor Management Committee (LMC) to remain with Blue Cross Blue Shield for 1/1/2023 medical insurance. As well as remaining with Blue Cross Blue Shield it is the recommendation of the committee to expand the plan options to include 3 new medical insurance plans for employee consideration. Details of existing plan cost, new alternative

plan designs, and overall estimated cost for the plan may be found in the contained attachments.

Recommendation

I move to approve Blue Cross Blue Shield as the District's health insurance provider for calendar year 2023.