

No. _____



UNITED INDEPENDENT SCHOOL DISTRICT AGENDA ACTION ITEM

TOPIC _____ Discussion and Possible Action on Renewal of District Health Insurance Plan _____

SUBMITTED BY: _____ Robert Chapa _____ **OF:** _____ Risk Management _____

APPROVED FOR TRANSMITTAL TO SCHOOL BOARD: _____

DATE ASSIGNED FOR BOARD CONSIDERATION: _____ July 18, 2012 _____

RECOMMENDATION:

The Employee Benefits Committee (EBC) has concluded negotiations for renewal of the district group health insurance plan and recommends the district accept the terms negotiated by the EBC and Blue Cross Blue Shield of Texas Insurance Company.

Administration recommends the Board accept the proposal of the EBC with the additional condition that the Board be allowed to consider subsidizing part or all of the increase should the final budget permit.

The renewal is for the fourth and final year of the contract awarded by the Board in June 2009.

RATIONALE:

The proposal accurately reflects the district's loss run record and required elements of the Federal Affordable Health Care Act.

BUDGETARY INFORMATION

BOARD POLICY REFERENCE AND COMPLIANCE:

BCBS Rate Development
Worksheet 2012-13

<u>Proposed Rates</u>							
		<u>Lives</u>	<u>Current</u>	2.8% <u>Renewal</u>	<u>Change</u>	<u>Annual Cost</u>	Total <u>Annual Cost</u>
High Plan							
	EO	3,928	\$ 371.12	\$ 381.51	\$ 10.39	\$ 489,807.14	
	ES	149	\$ 703.04	\$ 722.73	\$ 19.69	\$ 35,196.99	
	EC	1,066	\$ 576.35	\$ 592.49	\$ 16.14	\$ 206,434.74	
	EF	189	\$ 970.04	\$ 997.20	\$ 27.16	\$ 61,601.42	
High Plan							
	EO	-	\$ 971.82	\$ 999.03	\$ 27.21	\$ -	
	ES	-	\$ 1,877.46	\$ 1,930.03	\$ 52.57	\$ -	
	EC	-	\$ 1,531.79	\$ 1,574.68	\$ 42.89	\$ -	
	EF	-	\$ 2,605.96	\$ 2,678.93	\$ 72.97	\$ -	
	Total	5,332					\$ 793,040.30
<u>Present District Contribution</u>							
			\$ 325.00				
<u>Present Employee Contributions</u>							
		<u>Lives</u>	<u>Current</u>				
High Plan							
	EO	3,928	\$ 46.12				
	ES	149	\$ 378.04				
	EC	1,066	\$ 251.35				
	EF	189	\$ 645.04				
High Plan							
	EO	-	\$ 646.82				
	ES	-	\$ 1,552.46				
	EC	-	\$ 1,206.79				
	EF	-	\$ 2,280.96				
Sub-Total		5,332					