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|  | D.C. Everest Area School District 6100 Alderson Street Weston, WI 54476 Phone 715-359-4221 www.dce.k12.wi.us Dr. Kelley Strike Assistant Superintendent of Operations | MISSION STATEMENT D.C. Everest Area School District, in partnership with the community, is committed to being an innovative educational leader in developing knowledgeable, productive, caring, creative, responsible individuals prepared to meet the challenges of an ever-changing global society. |
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TO: Dr. Casey Nye, Superintendent
FROM: Dr. Kelley Strike, Assistant Superintendent of Operations
DATE: August 20, 2025
SUBJECT: Health Insurance Plan Change

Background:

Effective January 1, 2025, the District transitioned to **Aspirus Health Plan**, offering two plan options:

- **Plan A: Signature HMO (Narrow Network)** – Full-time employees pay 0% of the premium.
- **Plan B: Freedom POS (Broad Network)** – Full-time employees pay 5% of the premium.

Staff working less than 1.0 FTE pay a pro-rated amount for family coverage on either plan, or a maximum 17.5% contribution for a single plan.

Renewal for 2026:

Following consultation and negotiations, the final renewal rates are:

- **+8%** increase for Signature HMO (Narrow Network)
- **+15%** increase for Freedom POS (Broad Network)

Claims Loss Ratio (CLR) at time of renewal:

- Signature: **59%**
- Freedom: **140%**

Stop-loss bids for potential self-funding were significantly higher and not cost feasible.

Due to the Freedom plan's higher CLR and renewal rate, we are recommending increasing the employee-paid premium for the Freedom plan from 5% to 10% to better align costs and encourage cost-effective plan selection.

For perspective, we reviewed regional comparisons of employee contributions for Aspirus Health Plans in nearby districts:

- District A: 0% (Signature) / 20% (Freedom)
- District B: 8.5% (Signature) / 14.8% (Freedom)
- District C: 15% (both plans)

The District's current 0% / 5% structure is more generous than neighboring districts. Increasing the Freedom plan employee-contribution will maintain competitive benefits while improving cost balance.

Cost Impact:

The table below outlines the cost change from 5% to 10% employee paid premium contribution for the Freedom plan:

| 2026 Monthly Cost - maintaining 5% contribution for Freedom 1.0 FTE | | | | |
|---|------------|-------------|--------------|-------------|
| Signature | | District | 1.0 Employee | .62 FTE |
| Family | \$1,923.96 | \$1,923.96 | \$0.00 | \$731.10 |
| Single | \$782.09 | \$782.09 | \$0.00 | \$136.87 |
| | | | | |
| Freedom | | District | 1.0 Employee | .62 FTE |
| Family | \$2,417.40 | \$2,296.53 | \$120.87 | \$918.61 |
| Single | \$982.70 | \$933.57 | \$49.14 | \$171.97 |
| 2026 Monthly Cost - increasing to 10% contribution for Freedom for 1.0 FTE | | | | |
| Signature | | District | 1.0 Employee | .62 FTE |
| Family | \$1,923.96 | \$1,923.96 | \$0.00 | \$731.10 |
| Single | \$782.09 | \$782.09 | \$0.00 | \$136.87 |
| | | | | |
| Freedom | | District | 1.0 Employee | .62 FTE |
| Family | \$2,417.40 | \$2,175.66 | \$241.74 | \$918.61 |
| | Per Month: | (-\$120.87) | (+\$120.87) | (+\$187.51) |
| Single | \$982.70 | \$884.43 | \$98.27 | \$171.97 |
| | Per Month: | (-\$151.48) | (+\$151.48) | (+\$35.11) |

* part time (less than 1.0 FTE for a single plan is capped at 17.5%.

Open Enrollment:

We have begun planning for Open Enrollment in November. We will include targeted outreach to current Freedom plan members to help these employees understand their options and the potential savings of switching to the Signature plan: informational sessions, cost-comparison tools, and one on one consultations with an Aspirus Health Plan representative.

Recommendation:

Approve renewal with Aspirus Health Plan for the 2026 plan year and increase the employee premium contribution for the Freedom plan from 5% to 10% for full time employees.