

## **2026–2027 Employee Benefits Plan**

Planning for the District’s 2026–2027 employee medical benefits program began in November 2025, shortly after the start of the current plan year on September 1, 2025. As healthcare and pharmacy costs continue to rise nationwide, the District focused on strategies to improve affordability, enhance employee access to care, and strengthen long-term sustainability within the self-funded medical plan.

A major focus of this year’s planning process involved pharmacy benefit manager. Pharmacy coverage remains one of the most rapidly changing and financially impactful components of the District’s healthcare program. To address these challenges, the District initiated a Request for Proposal (RFP) process for Pharmacy Benefit Manager (PBM) with support from PBIRx and Higginbotham Public Sector. Following a comprehensive evaluation process, the Board of Trustees approved the District’s transition from PRIME to CVS-Employers Health during the May 12, 2026, Board Meeting.

To further support employee prescription savings, the District implemented additional pharmacy solutions in February 2026, including CANARX and ElectRx. These programs are designed to provide employees with lower-cost prescription options through international sourcing opportunities and subscription-based pharmacy services for eligible brand-name maintenance medications.

Beginning in January 2026, the District also initiated medical plan design discussions to identify strategies for managing future cost increases within the High-Deductible Health Plan (HDHP). To help reduce employees’ out-of-pocket medical expenses, two voluntary benefits—Accident Insurance and Critical Illness Insurance—will be added effective September 1, 2026, to the HDHP offering. These benefits are intended to help employees better manage unexpected medical costs and related financial hardships.

Medical plan costs continue to be influenced by several key factors, including:

- Administrative expenses such as individual stop-loss coverage, aggregate stop-loss coverage, and claims administration fees
- Rising physician service costs
- Increasing hospital and facility charges
- Continued pharmacy inflation

While pharmacy expenses were addressed through the PBM RFP process, the District continues to experience substantial inflationary pressure in medical and facility claims, particularly related to large healthcare systems such as Texas Health Resources and Medical City Healthcare.

To help mitigate rising healthcare costs while improving access to quality care, the District will introduce Zero Health as a voluntary healthcare navigation program available to members enrolled in all medical plans. Employees who participate in the program will receive personalized guidance from healthcare advocates who assist members in locating high-quality providers and services, including imaging and laboratory services, while helping reduce both members' and the District's out-of-pocket healthcare expenses.

For the fourth consecutive year, the District's healthcare strategy will continue to emphasize the Concentra Onsite Health clinic program. The clinics, led by Dr. Jai Sayani along with nurse practitioners Toni Perkins and Benedict Okafor, provide employees with accessible, high-quality healthcare services at little to no cost. The addition of the East Annex (380 Corridor) clinic location, alongside the Theresa Grant Riggs Employee Wellness Center (Greater Denton area), will further expand employee access and support for preventive care and chronic condition management.

Combined with the District's HMO and HDHP medical plan offerings, these initiatives are intended to support employees throughout every stage of their healthcare journey while maintaining affordability, accessibility, and long-term plan sustainability.

### **2026–2027 Plan Highlights**

Key changes and enhancements effective September 1, 2026, include:

- Adjustments to deductibles and out-of-pocket maximums
- Emergency room cost changes for Platinum and Gold plans
- Pharmacy deductible changes for Platinum and Gold plans
- Accident and Critical Insurance included in the HDHP
- Zero Health is available across all medical plans
- Continued access to ElectRx and CANARX pharmacy savings programs

The Employee Benefits Deep Dive and Vendor Fair is scheduled for July 23 at Denton High School from 9:00 a.m. to 12:00 p.m. Open Enrollment will begin July 27 and run through August 7.

### **Organizations Supporting the 2026–2027 Benefits Plan Development**

#### **Higginbotham Public Sector (HPS)**

- Richard Peace, Managing Director
- Frank Hejtmanek, Consultant – Employee Benefits
- Christina Adams, Director of Medical Account Management
- Samuel McMahan, Director of Financial Analytics
- Debbie Walters-Bollinger, Account Executive

**Blue Cross Blue Shield of Texas (BCBSTX)**

- Mike Evans, Director of National Accounts Management
- Anita Howell, Account Executive
- Tariq El Rayah Abu Iessa, Account Manager – National Accounts

**The Hartford**

- Michele Elam, Client Relationship Manager – Employee Benefits

**Lincoln Financial Group**

- Abby Randazzo, Sr. Sales Account Director
- Sarah Campbell, Sr. Account Director – Strategic Block Management

**CVS- Employers Health**

- Stephanie Chambers, Implementation Manager
- Russell Neill, Clinical Quality Evolution Fellow
- Drue Dollan, Account Executive

**PBIRx**

- David Sirowich, Executive Vice President
- Paige Ahern, Senior Account Consultant
- Angela Medeiros, PharmD, Clinical Pharmacy Consultant

**Zero Health**

- JR Peacock, Chief Growth Officer
- James Millaway, CEO-Co-founder
- Stan Schwartz, Chief Medical Officer, Co-founder
- Courtney Drescher, Director of Sales and Marketing