



LAKEVIEW INDEPENDENT SCHOOL DISTRICT #2167

875 Barstad Road North • Cottonwood, MN 56229

Phone: 507-423-5164 • Fax: 507-423-5568

Dr. Chris Fenske | Superintendent | Ext. 1305

Mr. Scott Hanson | Secondary Principal | Ext. 1302

Mr. Corey Boe | Elementary Principal | Ext. 1153

Lakeview School District, I.S.D. #2167 Memorandum of Understanding Regarding Minn. Stat. Section 471.6161, Subd, 8

WHEREAS, Minn. Stat. Section 471.6161, Subd. 8(b) has been interpreted to require bidding for group health coverage to occur every two years;

WHEREAS, Minn. Stat. Section 471.6161, Subd. 8(c) provides that “contracts for group health insurance must not be longer than two years unless the exclusive representative of the largest employment group and the school district agree otherwise”;

WHEREAS, Lakeview School District, I.S.D. #2167 (“District”), currently provides group health coverage to its employees and their families through the Medical Health Cooperative (“MHC”);

WHEREAS, the current group health coverage is within a two year contract,

WHEREAS, the next bid required under the statute is for coverage beginning with the 2023 year unless agreement can be reached as described under Minn. Stat. Section 471.6161, Subd. 8(c);

WHEREAS, earlier in 2022 MHC underwent a bid process and is replacing the insurance carrier that has provided coverage through the cooperative for over 20 years, BCBS Minnesota, with Medica, effective January 1, 2023;

WHEREAS, BCBS of Minnesota has presented an opportunity to the District to continue providing coverage through BCBS of Minnesota under very favorable terms including a two year rate cap provided the District stays with BCBS of Minnesota and does not go out for bid with respect to group health insurance for the 2023 year;

WHEREAS, absent the rate cap offer, the past and ongoing experience of the District would result in higher premiums for group health insurance for the 2023 year;

WHEREAS, the terms of this opportunity have been shared with Education Minnesota-Lakeview, the largest employment group of the District; and

WHEREAS, allowing the relationship with BCBS of Minnesota to continue for longer than a two year period will (1) provide determinable premiums for the next two



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years, (2) result in overall lower costs to employees for coverage and for the District, and (3) reflects a responsible use of taxpayer monies.

THEREFORE BE IT RESOLVED, that through the execution of this MOU by the District and the District's largest union, there is an agreement within the meaning of Minn. Stat. Section 471.6161, Subd. 8(c).

BE IT FURTHER RESOLVED, that because of satisfying the requirement under Minn. Stat. Section 471.6161, Subd. 8(c), the District is not required to go out for bid for group health insurance for the 2023 year as would otherwise be required under Minn. Stat. Section 471.6161, Subd. 8(a), or the 2024 year.

BE IT FURTHER RESOLVED, the first year for which Minn. Stat. Section 471.6161, Subd. 8(b) could be interpreted as requiring the District to go out for bid would be the 2025 year.

INDEPENDENT SCHOOL DISTRICT # 2167

Date: _____ By _____ Chair of the School Board

Date: _____ By _____ Clerk of the School Board

EEDUCATION MINNESOTA LAKEVIEW

Date: 8/23/22 By *Eric J. Jorgensen* President