

LIBERTYVILLE ELEMENTARY SCHOOLS

District No. 70
Libertyville, Illinois

JUNE 25, 2018

BOARD REPORT NO. 7.5

**APPROVAL OF NORTHERN ILLINOIS HEALTH
INSURANCE PLAN RENEWAL**

District #70 contracts for medical, dental, and life insurance through the Northern Illinois Health Insurance Plan (NIHIP). The benefits of NIHIP participation basically are twofold: first, we are able to dilute the impact of claims and experience fluctuation by belonging to a large insurance pool; and second, NIHIP as a large group has more leverage than our district to negotiate competitive insurance rates. NIHIP uses a band formula based on the average of the two previous years premiums paid to claim history. Each participant's rates are adjusted up or down depending on the individual claims history.

PPO Insurance coverage premium costs will increase by 3.7%. HMO insurance premiums will decrease by 2.4%. Dental insurance premiums will decrease by 0.8%.

Current medical trend is 6.3%, prescription trend is 3.9%, and current dental trend is 5.0%.

Roll Call Vote:

Possible Motion: I move that the Board of Education approve the renewal of medical, dental, and life insurance through the Northern Illinois Health Insurance Plan (NIHIP) for the 2018-2019 insurance plan year.