



Catalina Foothills Unified School District #16
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BOARD AGENDA ITEM

ITEM NO: 5.2

BOARD MEETING DATE: Tuesday, March 17, 2026

NEW BUSINESS ITEM: Approval of District Contribution to Cafeteria Plan of Employee Benefits

SUBMITTED BY: Mindy Westover, Associate Superintendent

PRESENTED BY: Mindy Westover, Associate Superintendent

This report will review the benefit options for qualifying employees available for 2026-2027.

Plan Year

Our benefit plan year begins on July 1, 2026, and ends on June 30, 2027.

Medical- ASBAIT, Meritain Health

ASBAIT Meritain Health offered a 6.0% increase, with no provider disruption, and \$15,000 towards a wellness plan. Our plan through ASBAIT has not changed for over 10 years. Although the percent increase was higher this year, we were informed that each of the plans will not go through any changes. We recommend continuing with ASBAIT, Meritain Health for the 2026-2027 school year.

Active employees will be offered one of three benefit plans. The only plan changes this year, is the removal of the Co-Pay Gold plan. Employees currently enrolled in this plan will have to select a new plan to enroll in for the 2026-2027 plan year. It is recommended that the district continue the contribution per employee at the current amount of \$6,084.00 annually. Maintaining this amount allows the contribution to fully cover one of the offered medical plans. The two other plans will require employee contribution. There is also a plan for retirees, which is fully funded by the retiree.

To offer employees and their families a more affordable medical plan option, we recommend continuing to offer a **High Deductible Health Plan (HDHP)** paired with a **Health Savings Account (H.S.A)**. The deductible for the high-deductible health plan has remained the same for the plan year. Therefore, all medical and prescription drugs are paid up front until the \$2,600 deductible for Banner or Aetna are met. The out-of-pocket maximum on this plan is \$7,500 for Banner or Aetna. The cost to cover dependents is less, but employees will pay more for the cost of services up front than they have in the past with the other medical plans.

The HDHP with the Health Savings Account (H.S.A) will cost \$0 for employee-only, and the District will contribute the remainder of district benefit dollars of \$678 annually to the employee's Health Savings Account. We recommend the District contribute \$33.90 to the H.S.A per pay period (20 pay periods) for enrolled employees. It's important for employees to keep in mind the first H.S.A contributions will not be paid until September. Therefore, if an employee has any out-of-pocket expenses in July/August, they can use another form of payment and reimburse themselves from their H.S.A after they receive District contributions.

2025 H.S.A. maximum contribution limits (including both District and employee pre-tax contributions) are \$4,400 if enrolled as employee only and \$8,750 if covering any dependents, plus an additional \$1,000 catch-up contribution for those 55 and older. Unused funds roll over from one year to the next and the money stays with the employee should they leave the District. The District will allow employees to change H.S.A. pre-tax contributions at any time during the plan year.

Value Gold is a plan that will be partially funded through the district's contribution to the cafeteria plan of benefits. It is recommended as an option for employees wishing to participate in a lower cost plan in exchange for an increased obligation in the event of a critical illness. This plan will have a \$900.00 (Banner) or \$1,050.00 (Aetna) deductible for the employee. It has a yearly cost of \$6,696.00. The employee will fund the difference of \$612.00. We recommend that the district offer this plan for employees.

Classic Gold is a plan that the employee will need to supplement the district's contribution to fully cover the cost. The yearly rate is \$7,440.00. We recommend that the district continue to contribute \$6,084.00 for eligible employees. The employee will fund the difference of \$1,356.00 if choosing this plan. This plan will have a \$540.00 (Banner) or \$600.00 (Aetna) deductible for the employee.

Medical plans for 2026-2027 are highlighted in the attached benefit summary.

The medical rates are as follows:

Employee High Deductible Health Savings Account (H.S.A)

Monthly Rate	Meritain Health High Deductible Health Plan with a Health Savings Account	Renewal-Meritain Health High Deductible Health Plan with a Health Savings Account
Employee Only	\$425.50	\$450.50
+ Spouse	\$850.50	\$901.50
+ Child(ren)	\$799.50	\$847.50
+ Family	\$1,104.50	\$1,170.50
Change in Current		+6.0%

Employee Value Gold Plan

Monthly Rate	Meritain Health Value Gold Plan	Renewal-Meritain Health Value Gold Plan
Employee Only	\$526.00	\$558.00
+ Spouse	\$1,052.00	\$1,115.00
+ Child(ren)	\$989.00	\$1,048.00
+ Family	\$1,367.00	\$1,449.00
Change in Current		+6.0%

Classic Gold

Monthly Rate	Meritain Health Classic Gold Plan	Renewal-Meritain Health Classic Gold Plan
Employee Only	\$585.00	\$620.00
+ Spouse	\$1,170.00	\$1,240.00
+ Child(ren)	\$1,099.00	\$1,165.00
+ Family	\$1,520.00	\$1,611.00
Change in Current		+6.0%

The plan for retirees is the Value Gold Plan. For the 2026-2027 school year, there will be a 11.6% rate increase. It has a \$600 individual/\$1,200 family calendar year

deductible for Banner services or \$750 individual/\$1,500 family calendar year deductible for Aetna providers. There is a \$28 Banner or \$35 Aetna copay for office visits, and 25% coinsurance after the deductible for other in-network services. Historically the retiree rates have increased 5% or more.

The retiree rates are as follows:

Monthly Rate	Meritain Health Value Gold Plan	Renewal- Meritain Health Value Gold Plan
Employee Only	\$550.00	\$614.00
+ Spouse	\$1,100.00	\$1,227.00
+ Child(ren)	\$1,034.00	\$1,153.00
+ Family	\$1,430.00	\$1,594.00
Change to Current		11.6%

Employee Assistance Program

The Employee Assistance Program is no cost to the district when enrolled in ASBAIT medical plans. This is a savings of \$7,361.00 annually to the district. The rates are guaranteed until June 30, 2027.

Telemedicine

The Teledoc program is provided at no additional cost to the district when enrolled in ASBAIT medical and has expanded to include Primary 360 and Behavioral Health.

Dental – Solstice/Ameritas S800B

We recommend continuing Solstice/Ameritas S800B as our dental provider. This plan offers \$5 copay office visits and \$0 copay for exams and cleanings. The rates for this plan will be guaranteed until June 30, 2027.

Rates	Current	Renewal
Employee	\$10.99	\$10.99
Employee + Spouse	\$19.24	\$19.24
Employee + Child(ren)	\$23.83	\$23.83
Employee + Family	\$30.23	\$30.23
Change to Current		0%

Retiree rates are the same as for active employees.

Dental – Ameritas

It is recommended that Ameritas Passive PPO be continued for our second option for dental coverage. This plan offers a \$50 deductible and 100% coverage on preventative services two times a year and increased orthodontia maximum age to 26. Rates are guaranteed for until June 30, 2027.

Rates	Current	Renewal
Employee	\$26.56	\$26.56
Employee + Spouse	\$54.44	\$54.44
Employee + Child	\$37.60	\$37.60
Employee + Family	\$101.32	\$101.32
Change to Current		0%

Retiree rates are the same as for active employees.

Vision- Avesis

It is recommended to remain with the current vision provider, Avesis. There was no increase to this plan. The plan has a larger network of providers including Walmart and Costco. The rates are guaranteed until June 30, 2027.

Monthly Rate	Current	Renewal
Employee Only	\$5.64	\$5.64
+ Spouse	\$10.17	\$10.17
+ Child(ren)	\$11.30	\$11.30
+ Family	\$14.68	\$14.68
Change to Current		0%

Basic Life & AD&D /Voluntary Life– Minnesota Life

It is recommended to continue Basic and Voluntary Employee and Dependent Life insurance with Minnesota Life. There is a 10.8% rate increase for Basic Life for the 2026-2027 school year. Rates will be guaranteed until June 30, 2029.

The Basic Life Insurance guarantee issue amount is at \$50,000 per employee. This is fully funded by the district. The Voluntary Life Insurance guarantee issue amount stayed at the current level of \$250,000 for employees, \$50,000 for spouses, and \$10,000 for children.

Minnesota Life does not have any age reduction schedules in place for employees.

Basic Life

Rates	Current	Renewal
Life	\$.075	\$.085
AD&D	\$.018	\$.018
Total	\$.093	\$.103
Change to Current		10.8%
Estimated Annual Cost	\$31,806	\$35,226

Voluntary Life

	Current	Renewal
Life Rate Per \$1,000	.085	.085
AD&D Rate per \$1,000	.018	.018
Change to Current		0%

Voluntary Short-Term Disability

We recommend continuing short-term disability coverage with Madison National Life. There is no rate increase and rates are guaranteed until June 30, 2027. This coverage is fully funded by the employee.

Pet Care-Metlife

It is recommended to continue with Metlife. for our pet insurance provider. There are multiple fee structures offered with different deductibles and copays. Different breeds may have different costs. There is a 5% discount for a second animal and 10% for 3+ animals. This plan includes both accident and illness coverage. Pet Care coverage is full funded by the employee.

Metlife 70% reimbursement, \$250 deductible, \$7000 annual max.	Dog (lab/retriever)	Cat (domestic shorthair)
Age 2	\$37.63	\$22.26
Age 6	\$49.80	\$26.34
Age 10	\$87.97	\$37.09

COBRA – ASBAIT

COBRA administration is at no cost to the district when enrolled in ASBAIT medical plans. This is a savings of \$2,352.00 annually to the district. Rates will be guaranteed until June 30, 2027.

Flexible Spending Account (FSA) – ASIFlex

It is recommended to continue our Flexible Spending with ASI Flex for administrative services. This rate is guaranteed for the life of the contract.

	Current	Renewal
Per Participant Per Month	\$2.80	\$2.80

Tax Shelter Annuity- TSA

TSA Consulting Group is the administrator of tax shelter annuities. They provide the administrative and record keeping services for participants contributing to a 403(b) and 403(b) Roth accounts. There is no administrative cost to the district. All costs are paid by the participant.

RECOMMENDED MOTIONS: I move that the governing board provide full-time benefit eligible employees \$6,084.00 toward a cafeteria plan of benefit options available from July 1, 2026, until June 30, 2027, to employees working between 30-40 hours pro-rated based on their respective full-time equivalencies, as presented.

I also move the governing board approve the list of benefit providers, as presented.