



School Board Meeting Agenda Memorandum

DATE: April 23, 2025
TO: Board of Education
FROM: Kylie Johnson - HR Director
SUBJECT: Change of 2025-27 Group Health Insurance Coverage

The District sought bids for health insurance in anticipation of its current two-year contract with Minnesota Healthcare Consortium (MHC) expiring on June 30, 2025. Proposals were received from PEIP, BlueCross BlueShield, MHC, Gravia, HealthEZ, Sourcewell, Crumdale, Sanford, and HealthPartners. MHC, the current provider, offers two networks—Essentia and Passport—along with alternative telehealth services and strong customer support. However, their renewal bid included an average 17.3% increase in plan costs with no second-year rate cap offered. After evaluating the options, the District selected HealthPartners, which offers a single open access network, an average 6.3% increase in plan costs, and a second-year rate cap of 12%. The decision was made by the District's insurance committee, which includes representatives from five union bargaining groups and three unaffiliated groups.

Rates prior to District contribution can be seen below:

Plans/Deductibles	Current Monthly MHC Premium:	Health Partners Proposal for 7/1/25 (comparable plan)
Single- HSA \$3300	\$765.98	\$879.81
Family- HSA \$3300	\$2,044.70	\$2,348.55
Single- \$1500 Deductible	\$1,106.23	\$983.56
Family- \$1500 Deductible	\$2,953.06	\$2,625.49
		12% Year 2 cap

District Administration recommends approval of HealthPartners as the health insurance provider for non-union employee groups. Board approval is required only for non-union groups; for union groups, the Board is asked to acknowledge the renewal. Under Minnesota statute, union groups retain the option to select the Public Employees Insurance Program (PEIP) as their health insurer. EMDL insurance committee representatives offered members the opportunity to vote on carrier selection.

cc: Matie Hanson