

Health Insurance Recommendation For September 13, 2021 Board Agenda

Health Insurance Transparency Act

The Health Insurance Transparency Act (HITA) requires school districts to seek at least three bids from health insurance providers every two years, unless agreed to by the largest bargaining unit for a longer term. Public Employers Insurance Program (PEIP) must be included as one of the three initial bids. The purpose for this process is to increase competitiveness in bidding for insurance coverage by making the bidding process more transparent. The goal is to reduce volatility in health insurance costs.

A school district may continue to negotiate with any entity that submits a proposal. A school district may also decide to select a vendor based on initial bids.

Steps of the bid process completed

- Request for bids sent out to Health Partners, BCBS of MN, Preferred One, Medica, United Health and PEIP. They were asked to match out current policy's coverages and design.
- The bids are sealed during a 90-day submission window and were opened in accordance with law which offered exclusive representatives to be present at the opening. All bids are opened at the same time (June 1, 2021 at 10:00am).
- The insurance committee met on August 20, 2021 to review the bid results.
- After careful consideration, the suggestion is to remain with Health Partners for a term of two years moving forward. Our staff will benefit from the many value added services they offer & there will be minimum disruption to our population by staying with the incumbent carrier in regard to in-network and drug coverage.

In conclusion, Becker Schools conformed to all processes dictated by HITA and reached the most favorable cost and coverage scenario available on the marketplace. HealthPartners will be the health insurance carrier for Becker Public Schools for the plan years beginning October 1, 2021 and October 1, 2022.

Kevin Januszewski, Director of Business Services

Becker Public Schools