

**Denton Independent School District**  
**Consider Approval of Texas Schools Health Benefit Program**  
May 12, 2020

**SUMMARY:**

This item requests approval of the Texas Schools Health Benefits Program for employee medical benefit for plan year 2020-2021. This is an option to TRS medical plans. A Board workshop presentation was conducted on April 28, 2020 to review TRS changes and rate information for plan year 2020-2021.

**BOARD GOAL:**

Growth & Management ... In pursuit of excellence, we will:

- Provide Leadership and/or oversight to ensure District meets all fiscal, legal and regulatory requirements.
- Demonstrate effective and efficient management of district resources.

Culture & Climate... In pursuit of excellence, we will

- Promote health, wellness and emotional well-being

**PREVIOUS BOARD ACTION:**

The Board reviewed the Annual TRS Medical plan price changes on May 28, 2019. On February 25, 2020, the WTPS Purchasing Cooperative was approved for the consideration of medical plans for district employees. The District of Innovation Amendment was approved by the Board on April 14, 2020. These actions have allowed the consideration of the plans presented.

**BACKGROUND INFORMATION:**

On February 5, 2020, TRS presented a summit in Austin, Texas on potential changes within the medical plan offerings for school districts. Several hundred school districts attended in person and online. Attendees for Denton ISD included General Council, Deron Robinson, and Executive Director of Benefits, Chris Bomberger. Information obtained outlined steps to consider medical options outside of TRS. Obtaining TRS medical data from prior years, amending the District of Innovation documentation and seeking medical benefit offerings through an approved source were all necessary steps taken for consideration.

Denton ISD obtained the medical data in February through the data sharing agreement between Gabriel, Roeder, Smith and Company Health and Welfare Consulting, LLC (GRS). A meeting with Financial Benefit Services in February outlined procurement opportunities available through WTPS Purchasing Cooperative. Through this cooperative, bids were submitted on behalf of Denton ISD using the medical data obtained from GRS.

FBS reached out to five fully insured providers requesting a quotation for an alternate medical plan for Denton ISD and other FBS member districts. A fully insured plan provides participants coverage with the insurance company assuming all risk. All five carriers were unable to offer a quotation as listed:

<b>Medical Health Care Providers</b>	<b>Response to Bid Request</b>
Blue Cross and Blue Shield of Texas	Awarded carrier TRS AC 2020- 21
Aetna Unable to offer quote	Awarded carrier TRS Retiree HC
Cigna Unable to offer quote	Claims data not enough to bid
Humana Unable to offer quote	Claims data not enough to bid

FBS also reviewed options with 32 excess insurance providers for self-funded medical quotations. Due to the lack of claims data, these providers were not able to provide a quotation for aggregate stop-loss coverage.

FBS started preparing after the announcement of limited or no claims data by TRS-ActiveCare in November by reviewing all possible and available options for clients. FBS in conjunction with WTPS Purchasing Cooperative received information from Texas Schools Health Benefits Program.

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The Texas Schools Health Benefits Program (TSHBP) is a regional rated, fully- insured, guaranteed cost program. TSHBP will be offering Denton ISD a High Deductible Health Plan (HDHP) and a Co-Pay Plan (CPP). Both plans are designed so members can easily navigate through their health medical needs. Plan details include lower premium rates compared to TRS rates, embedded deductibles (no co-insurance) allowing for savings on maximum out of pocket on both plan options, and a care coordinator service to support members with all their medical needs and specifically assist them with all facility care.

<b>TSHBP Plans/Rates</b>	<b>Employee Only</b>	<b>Employee Child</b>	<b>Employee Spouse</b>	<b>Employee Family</b>
<b>HD Health Plan</b>	\$82	\$391	\$712	\$1,032
<b>CoPay Plan</b>	\$237	\$535	\$991	\$1,290

**SIGNIFICANT ISSUES:**

Medical benefits are a requirement for organizations with 50 or more employees based on the Affordable Care Act requirements.

**FISCAL IMPLICATIONS:**

None to Denton ISD. Employees pay for the cost of medical benefits.

**BENEFIT OF ACTION:**

This option allows Denton ISD employees the option of TRS medical plans or Texas Schools Health Benefit Program medical plans.

**SUPERINTENDENT’S RECOMMENDATION:**

It is recommended that the proposal from Texas Schools Health Benefits Program for medical plan benefits be approved for the 2020-2021 plan year with a second-year option with rate guarantee.

**STAFF PERSONS RESPONSIBLE:**

Dr. James Scott Niven, Chief Financial Officer  
Chris Bomberger, Executive Director Risk Management, Benefits & Child Nutrition

**ATTACHMENT:**

20-05-12 Denton ISD TSHBP Proposal 2020-2021  
20-05-12 Denton ISD Group Medical Memorandum April 1, 2020

**APPROVAL:**

Signature of Staff Member Proposing Recommendation: \_\_\_\_\_

Signature of Divisional Assistant Superintendent: \_\_\_\_\_

Signature of Superintendent: \_\_\_\_\_