

**BEMIDJI AREA SCHOOLS  
BEMIDJI, MINNESOTA**

**DATE: FEBRUARY 23 2015**

**TO: BOARD OF EDUCATION BEMIDJI SCHOOL DISTRICT #31**

**FROM: CHRIS J. LEINEN, DIRECTOR OF BUSINESS SERVICES**

**SUBJECT: NEW HEALTH INSURANCE BID PROCESS**

**COMMENTS:**

Last session, the Health Insurance Transparency Act (HITA) was passed regulating how school districts solicit bids for health insurance. HITA added much administrative expense and burden to the health insurance renewal process.

This new law requires political subdivisions with over 25 employees solicit health insurance a minimum of 3 bids at least every 24 months. One of these bids must be from the Public Employees Insurance Program (PEIP).

On February 2, 2015 the Bemidji School District published a Request for Proposal (RFP) for the district's health insurance plans.

Information provided to those responding to the RFP include a Summary of Benefits coverage for each of our five plans, A tracking report showing group claims paid data, a high claims list of claims over \$50,000, a de-identified census of our group with basic demographic information, and a rate page from 2014 for our current plans.

The sealed bids are due by March 9, 2015 and must be opened no later than March 16, 2015 in the presence of up to three B.E.A representatives.

The district has the option to negotiate with carriers after the initial bid and solicit final bids. No earlier than 15 days after receipt of the final bids, the School Board must select a health care provider.

The districts renewal date for the existing contract is July 1, 2015.