

## Participation in Wellmark Blue Cross/Blue Shield of Iowa Group Health Insurance

### Background:

Benefits such as health insurance are vital for our employees. This year, and in recent years, Belmond-Klemme CSD provides its employees with a group health insurance policy through Wellmark Blue Cross/Blue Shield of Iowa headquartered at 1331 Grand Avenue in Des Moines, Iowa.

Several years ago, to address the soaring costs of health insurance, Belmond-Klemme moved to a high-deductible plan. As part of our plan, the district pays each employee eligible for health insurance a separate health stipend deposited into a Health Savings Account (HSA) for each employee.

Our high-deductible plan has been successful in containing costs. Two years ago, our renewal rates from Wellmark (for 7/1/19 to 6/30/20) actually dropped slightly by 0.19%. Last year, our renewal rates (for 7/1/20 to 6/30/21) dropped even more by 2.88%.

### Cost/Benefit Analysis:

On Wednesday, February 4, 2021, we received our renewal rates from Wellmark for next year (7/1/21 to 6/30/22). Rates for next year increased by roughly 6.75% overall.

Plan	2020 Rate	2021 Rate	New Rate	Change
Single	\$448.58	\$435.81	\$464.64	+ 6.62%
Two Person	\$834.66	\$810.31	\$865.29	+ 6.79%
Family	\$1,316.95	\$1,278.13	\$1,365.77	+ 6.86%

However, the rates are only up approximately 3.5% over what they were two years earlier.

Dental rates are unchanged at \$43.30 for single and \$111.35 for family.

### Recommended Action:

I recommend renewal of the contract with Wellmark Blue Cross/Blue Shield of Iowa for health and dental insurance.