



Board of Education

TO: Board of Education
FROM: Executive Director of Business & Operations, Karen Apostoli
DATE: November 7, 2024
RE: Health & Dental Insurance Renewal

This memo is:

- Information only.
- Information with a recommendation, and a request for Board consent.
- Information with a recommendation, and a request for Board approval by vote.

Date by which a Board decision is needed: 11/21/24

Previous memos on this topic can be found:

- in previous Board packet(s) dated. _____
- or attached to this memo

Basic information:

Administration is asking the Board of Education to approve the renewal of health, dental, and vision insurance for the 2025 calendar year.

Background or historical information:

Blue Cross Blue Shield (BCBS) has been the health and dental carrier for District 33 for over 15 years. Each summer, negotiations occur between BCBS and District 33 regarding annual renewal rates. Rate increases can occur for a variety of reasons, chief among them being the health claims of the district.

Medical Renewal

Initially, BCBS came in at a 12.70% increase. The final negotiated renewal rate was a 4.45% increase. BCBS offered an additional 0.5% off of the medical renewal rate if the group moved the vision insurance from VSP to BCBS for the same rates as 2024, and a 4-year rate guarantee. The Insurance Committee unanimously supported the move from VSP vision to the BCBS vision. **The final renewal rate for medical is 3.96%.** United Health Care is the only other provider that submitted a proposal with a 6.53% increase. Aetna and Cigna both declined to submit a proposal.

Dental Renewal

The BCBS renewal for dental came in at 18.10% while MetLife came in at 7.27% with a 2-year rate guarantee and a 3rd-year rate cap of 7%. **The Insurance Committee unanimously supported the move from BCBS Dental to MetLife Dental with a 7.27% increase.** Note: there is the potential for future savings of 1% on BCBS medical renewals should the district decide to migrate back to BCBS in the future, if rates are favorable. This incentive is only available to groups “new” to the BCBS Dental Program.

Vision Renewal

As mentioned previously, the **Insurance Committee supports the move from VSP to BCBS with a 0% increase and a 4-year rate guarantee.**

Previous decisions, actions or parameters that relate to this topic or issue:

Of note: the district will be working with MetLife to offer 100% employee-paid Pet Insurance. The promotion for this new ancillary insurance will go out in January 2025. Employees enroll in the program directly with MetLife and will pay 100% of the premium directly to MetLife.

Recommendations: (Recommendations) and (Evaluate)

The administration recommends renewing with:

- Blue Cross Blue Shield at 3.96%,
- Moving to Blue Cross Blue Shield Vision with a 0% increase, and
- Moving to MetLife Dental with a 7.27% increase.

Other questions? What else does the Board wish to know?: