



**TO:** School Board Members

**FROM:** Tye Michaels, Director of Human Resources  
Brian Schultz, Director of Finance

**DATE:** April 20, 2026

**SUBJECT:** Approval of FY27 Insurance Rates

### **BACKGROUND**

The Labor-Management Committee (LMC), which includes union leadership, a School Board representative, and district administration, meets throughout the school year with support from the district's benefits consultant, One Digital, to review health and dental insurance.

As of last month, the medical plan claims are running at 107% of expected year-to-date, up from 90% at this time last year. Per-member claims have increased 15% over this time last year. Due to inflationary increases and past COVID-related costs, our fund balance has been depleted and is projected to reach zero or a negative balance once all expected claims are paid. The LMC recommends a 8% premium increase next year to cover plan costs and rebuild the fund balance.

The administration agrees with the LMC and recommends that the board approve an 8% increase to medical premiums.

Dental claims are running at 122% of funding year-to-date. Total paid claims are up 6% compared to this time last year. The LMC recommends a 5% premium increase next year to cover plan costs and stabilize the fund balance.

The administration agrees with the LMC and is recommending that the board approve a 5% increase to dental premiums.

### **RECOMMENDED RESOLUTION**

***BE IT RESOLVED*** by the School Board of Independent School District 197 to approve an 8% increase to medical premiums and a 5% increase to dental premiums.