2026-27 Renewal Recap

ST. CLOUD ISD #742

Health and Dental Plan Overviews

Health Plan (Health Partners)

SINGLE PLAN - $999.12/Month

$3,500 Deductible/Out of Pocket Max

$1,500 Pharmacy Out of Pocket Max

$1,000 District HRA Contribution

FAMILY PLAN - $2,289.26/Month

$7,000 Deductible/Out of Pocket Max

$3,000 Pharmacy Out of Pocket Max

$2,000 District HRA Contribution

Dental Plan (Delta Dental)

SINGLE PLAN - $32.93/Month

FAMILY PLAN - $94.70/Month

$50 Deductible/$1,000 Maximum Per Year/100% Preventative/80% Basic

ONEDIGITAL HEALTH AND BENEFITS

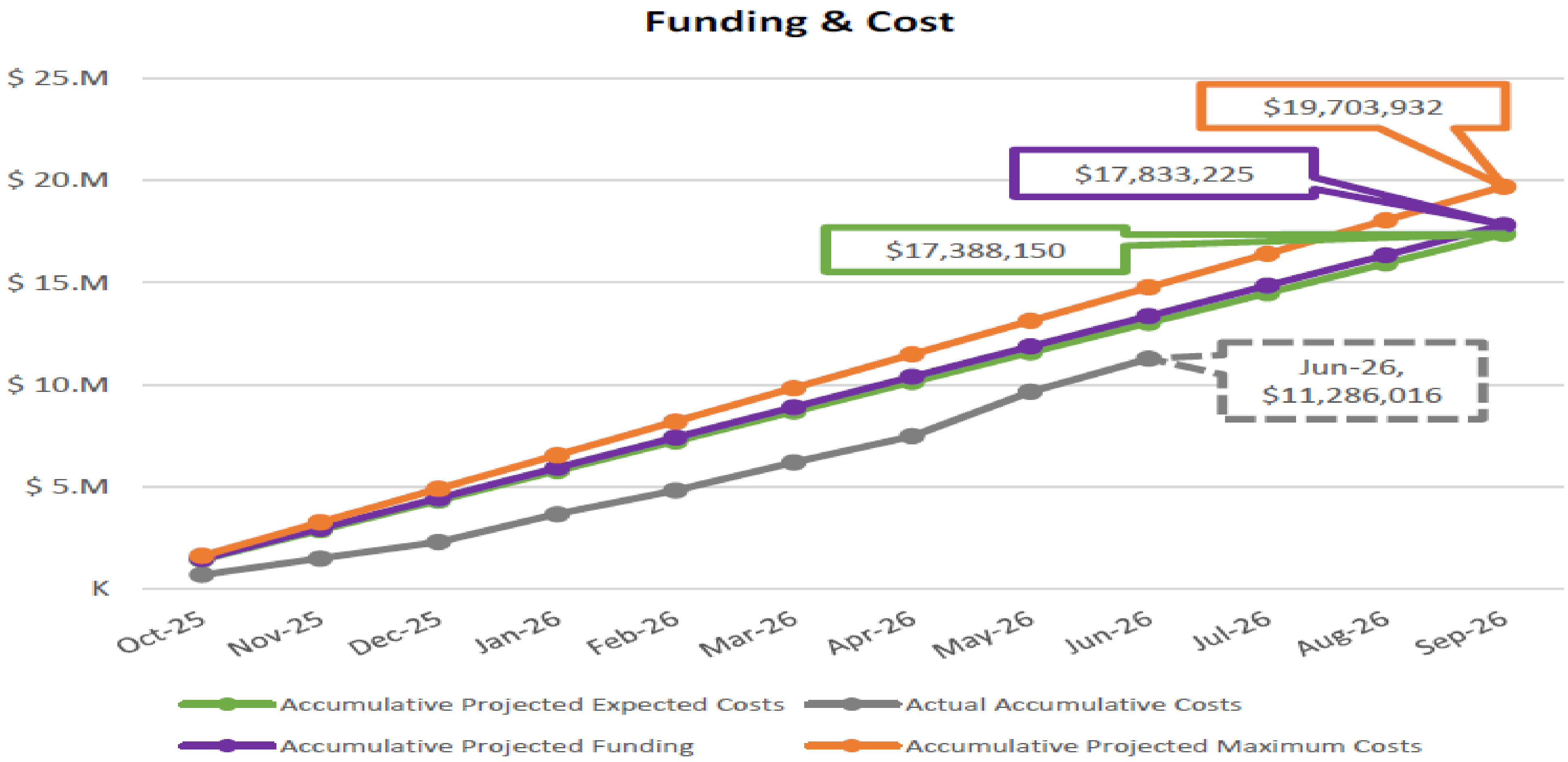
2025 – 2026 Self Funding (Through June 2026)

	10/1/25 BlueCross Projection (Prorated 10/1/25 – 6/30/26)	Actual (10/1/25 – 6/30/26)
Medical Claims *(Net Stop Loss Violations)*	$11,578,914	$11,953,684
Fixed Costs	$384,962	($667,669)
Total Plan Costs	$11,963,876	$11,286,016
Internal Funding	$13,374,919	$13,374,919
Current YTD Reserve Estimate	$1,411,043	$2,088,903
Total Running Reserve Estimate		$4,364,038
Reserve as % of claims		31.1%

- Target Reserve: 35% of annual expected claims

ONEDIGITAL
HEALTH AND BENEFITS

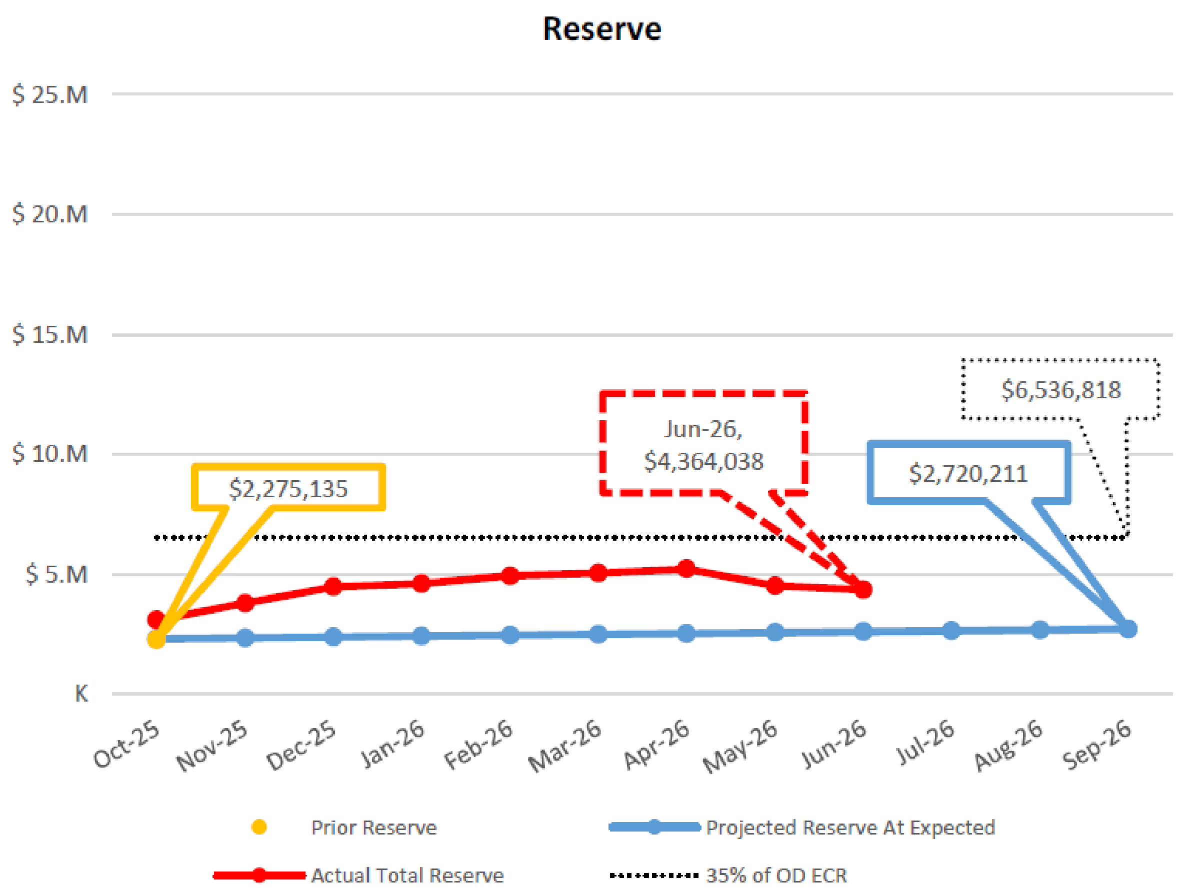
Self Insured Medical Plan Funding Model



ONEDIGITAL HEALTH AND BENEFITS

2025 – 2026 Self Funding: Reserve Estimate

Plan Year October 2025 – September 2026



- Prior Reserve represents the unaudited reserve position at the end of 9/30/25
- Projected Reserve At Expected is what the reserve projection is given current funding levels had claims been exactly equal to HealthPartners expected claim projections
- Actual Total Reserve is our reserve position plan year to date
- Minimum Reserve is 11% of annual expected claims
- Target Reserve is 35% of annual expected claims

Projected reserve at expected will vary slightly from projection on prior slide because it is based on annualized actual enrollment

Plan Year 2026 – 2027

- Medical:
  - Last year we moved to BCBS with an 11.54% increase to funding rates. Unfortunately, this large increase reduced the enrollment in our plans by 8%. This reduction in enrollment resulted in only a 1.6% increase in revenue. Expenses are still up over 8% year over year. The lower revenue coupled with trend increase of medical spend has the plan in is similar need for a larger than historical increase to funding.

  - A 15% increase to funding is recommended based on the current reserve balance as medical expenses have been increasing the few years. We are trying to minimize the gap between funding and expected costs when the reserve position is back to target.

ONEDIGITAL HEALTH AND BENEFITS

Plan Year 2026 – 2027

- Dental:
  - A 0% increase to funding is recommended based on a sufficient dental plan reserve. The reserve position for June 2026 is adequate at $907,000 or enough funds to cover approximately 10.7 months of claims spend.
- Life & Disability:
  - The life and ltd plans will renew with The Standard with a 21% reduction to annual costs for 3 years.
- Vision
  - The vision plans will renew with The Standard with a 8% reduction to annual costs for 2 years.
- FSA and HRA Administration:
  - Due to a poor service experience with HealthEquity, the new administrator will be Benefit Extras as of October 1

Labor Management Committee Recommendation

Health Plan

Remain with Blue Cross Blue Shield as our Third Party Administrator

Single Premium: 15% Increase – rates would increase to $1,148.99 per month

Family Premium: 15% Increase – rates would increase to $2,632.65 per month

Dental Plan

Remain with Delta Dental as our Third Party Administrator

Single Premium: 0% Increase – rates hold at $32.93 per month

Family Premium: 0% Increase – rates hold at $94.70 per month

Request for Board Action

- The Administration recommends approval of the Labor Management Committee recommendations related to the District’s self-insured health and dental insurance plans effective October 1, 2026.