



Diamond Lake School District 76

Embrace Empower Excel Each Child Each Day

TO: Board of Education
FROM: Eric Rogers
RE: FY27 Health Insurance Rates

The Insurance Committee met on April 22, 2026 to discuss the financial status of the health/dental insurance plan for the FY26 school year, as well as to review the FY27 insurance rate recommendation from our consultant, USI. In attendance were Eric Rogers, Deanna Fischer, Diana Enriquez, Hope Sohn, Katie Levy, and Carly Sklar, and Erin Knoll.

This year has marked a significant period of transition for the Lake Region Benefits Cooperative, of which Diamond Lake is a participating member. The cooperative is concluding its second year under a new third-party administrator, USI, which has been instrumental in evaluating the district's medical, dental, prescription, and vision plans with the goal of modernizing the overall benefits platform. One major improvement has been the implementation of a new open enrollment portal, enabling employees to make benefit elections online. This system enhances transparency around pricing and consolidates plan information in a single, user-friendly location. Another key initiative has been the reassessment of the district's insurance offerings to support greater consolidation across the cooperative and bring cost efficiencies.

Because we are self-insured, the insurance rates are primarily a product of the actual claims the district experiences year to year. The cooperative uses the Blue Cross/Blue Shield network which has some of the most aggressive discounts as compared to other networks.

As part of the underwriting, the claims experience from the current year and last year were blended in order to estimate a projected claims experience for next year. The district currently has an 116% loss ratio YTD compared to a 101.9% from the prior year. This rise in claims has been realized by insurance programs across the country and because of this, the recommended increase to the D76 insurance program was 22.89%. The district has historically seen between 3-6% increases. After reviewing current insurance reserve balances, the proposal was to set rates at a 12% increase and take the remaining balance from the reserve balance.

To help mitigate future insurance increases, the committee also discussed several plan design changes. The first would be to convert the current \$0 PPO plan to be a \$0 PPO Blue Choice Option plan. This would bring about an estimated 7.5% cost savings by requiring providers to offer a larger discount if they would like to be part of that Blue Cross network. The second proposed change would be to sunset the \$0 PPO Blue Choice Option plan for any new hires. This would mean that any new hires after October 1, 2026 would have the choice between the current \$700 PPO plan and then a new \$3,400 High Deductible Health Plan. This will ensure less expensive plan options for the district in the future, while also bringing down the premium cost of family coverage for employees.



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At the final insurance committee meeting on May 13, 2026, the recommendation from the committee was for a 12% increase to premium costs and to switch to the \$0 PPO Blue Choice Option plan. Additionally, the recommendation is to sunset the \$0 PPO BCO plan and offer just the \$700 PPO and the \$3,400 HDHP after October 1, 2026. Dental rates are locked in until 6/30/2027 so no increase is proposed at this time.

The recommendation from the insurance committee is on the following page:



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	BCBS Effective 7-1-25 – 6-30-26 Monthly 25-26	BCBS Effective 7-1-25 - 6-30-26 Annual 25-26	BCBS Effective July 1, 2026 Monthly 26-27	BCBS Effective July 1, 2026 Annual 26-27
Regular PPO Plan				
\$700 PPO				
Single	793.86	9,526.32	889.12	10,669.44
Single+Child(ren)	1,706.45	20,477.40	1,911.22	22,934.64
Single+Spouse	1,807.83	21,693.96	2,024.77	24,297.24
Family	2,281.03	27,372.36	2,554.75	30,657.00
High Option PPO Plan				
\$0 PPO/\$0 PPO BCO				
Single	962.86	11,554.32	1,078.40	12,940.80
Single+Child(ren)	1,983.70	23,804.40	2,221.74	26,660.88
Single+Spouse	2,230.34	26,764.08	2,497.98	29,975.76
Family	2,821.83	33,861.96	3,160.45	37,925.40
High Deductible PPO Plan				
\$3,400 PPO				
Single			777.98	9,335.76
Single+Child(ren)			1,672.32	20,067.84
Single+Spouse			1,771.67	21,260.04
Family			2,235.41	26,824.92
Dental - Regular				
Single	34.42	413.04	34.42	413.04
Single+Child(ren)	78.61	943.68	78.64	943.68
Single+Spouse	68.84	826.08	68.84	826.08
Family	113.52	1,362.24	113.52	1,362.24
Dental - High Option				
Single	48.80	585.60	48.80	585.60
Single+Child(ren)	121.48	1,457.76	121.48	1,457.76
Single+Spouse	97.60	1,171.20	97.60	1,171.20
Family	170.73	2,048.76	170.73	2,048.76