(Board Book Item)

Consideration and Approval of Group Medical Insurance Coverage Contract with Imagine360 through Broker of Record Higginbotham for the 2026–2027 Plan Year

Agenda Item Details & Background Narrative

- **Item Type:** Action Agenda
- **Category:** Business Services / Human Resources
- **Statutory / Legal Reference:** Texas Education Code § 22.004 (Group Health Coverage); Texas Education Code § 44.031 (Purchasing Contracts).
- **Funding Source:** General Operating Fund (Local Health Insurance Account)

Summary / Rationale:

Recommendation to approve the engagement with Imagine360 as the District's group medical insurance provider for the plan year beginning September 1, 2026, procured through the District's employee benefits broker of record, Higginbotham.

Pursuant to Texas Education Code § 22.004, non-TRS-ActiveCare districts are required to provide group health coverage that meets state comparability standards. Due to late carrier renewal notices and rising market costs driven by high pharmacy utilization and stop-loss increases, the Administration evaluated alternative market solutions to balance employee affordability with district budget constraints. Imagine360 provides a tiered reference-based pricing and direct-contracting model that limits out-of-pocket exposure while controlling overall claims expenditure.

Alamo Heights Independent School District

7101 Broadway • San Antonio, Texas 78209 • Phone 210-824-2483

August 13th, 2026

To: Dr. Dana Bashara, Superintendent,
AHISD Board of Trustees

Subject: Verification of Compliance, Medical Insurance (Imagine360)

Dear Ma'am/Sir

In consultation with our broker of record, Higginbotham, the Administration evaluated the proposed Imagine360 group medical plan against the statutory criteria set forth in TEC § 22.004(b):

Statutory Criteria (TEC § 22.004)	**State Base Comparison (HealthSelect)**	**Proposed District Plan (Imagine360)**	**Compliance Status**
1. Deductible Amounts	In-Network: Included	Tier 1/2: Met or Exceeded	**Compliant**
2. Coinsurance Percentages	80/20 In-Network	100% (Tier 1) / 80% (Tier 2/3)	**Compliant**
3. Out-of-Pocket Maximums	Statutory ACA Limits	Capped within ACA Statutory Limits	**Compliant**
4. Copayments (Office Visits)	Standard Copay Structure	$0 Copay (Tier 1) / Standard Copay	**Compliant**

5. Schedule of Benefits & Scope	Comprehensive Major Medical	Comprehensive Major Medical & Pharmacy	**Compliant**
6. Provider Authorization	TDI Licensed / Authorized Risk Pool	Fully TDI Licensed & Authorized Carriers	**Compliant**

George F. Stanage IV
Assistant Superintendent for Operations
Alamo Heights ISD

Alamo Heights ID
Stop Loss Detail
Effective Date: 09/01/2026

Administration	Enroll	Current	Renewal	Option 1
TPA / Network		Cigna / Cigna	Cigna / Cigna	RBP / I360
Pharmacy Benefit Manager (PBM)				Liviniti
Stop Loss Carrier		Cigna	Cigna	Ryan Specialty
Quote Status		In Force	Renewal	Firm #1
Stop Loss Fees				
Stop Loss Commission %				0%
Individual Stop Loss (ISL)		**Current**	**Renewal**	**Option 1**
Coverage Included		Med & RX	Med & RX	Med & RX
Contract Basis		Level Funded	Level Funded	12/12
Deductible		$160,000	$160,000	$160,000
Renewal Rate Cap				
No New Laser				
Terminal Liability				
TLO Months				
Composite / Employee Only		$68.81	$84.58	$53.57
Employee + Spouse		$184.89	$227.62	$118.57
Employee + Child(ren)		$121.86	$148.91	$93.57
Employee + Family		$234.96	$285.35	$193.58
Total Annual ISL Cost	**463**	**$493,719**	**$605,087**	**$382,837**
$ Change from Current			$111,368	-$110,882
% Change from Current			22.6%	-22.5%
Aggregate Stop Loss (ASL)		**Current**	**Renewal**	**Option 1**
Coverage Included		Med & RX	Med & RX	Med & RX
Contract Basis		Level Funded	Level Funded	12/12
Aggregate Corridor		125%	125%	125%
Annual Reimbursement Maximum		$1,000,000	$1,000,000	$1,000,000
Monthly Accomodation				Included - PEPM
Accomodation PEPM				$2.50
Terminal Liability				Included - PEPM
TLO Months				
Composite Rate		$2.83	$3.15	$2.39
Total Annual ASL Cost	**463**	**$15,745**	**$17,484**	**$35,503**
$ Change from Current			$1,738	$19,757
% Change from Current			11.0%	125.5%
Claims Liability		**Current**	**Renewal**	**Option 1**
Aggregate Factors				
Composite / Employee Only		$510.20	$616.02	$445.57
Employee + Spouse		$1,417.00	$1,703.26	$1,024.82
Employee + Child(ren)		$910.41	$1,097.32	$802.04
Employee + Family		$1,728.53	$2,085.99	$1,693.18
Total Claims Liability	**463**	**$3,670,165**	**$4,428,143**	**$3,234,859**
$ Change from Current			$757,977	-$435,307
% Change from Current			20.7%	-11.9%
Total Cost		**Current**	**Renewal**	**Option 1**
Total Annual Fixed Costs		**$509,464**	**$622,571**	**$418,340**
$ Change from Current			$113,106	-$91,124
% Change from Current			22.2%	-17.9%
Total Cost @ Expected Claims		**$3,445,597**	**$4,165,085**	**$3,006,227**
$ Change from Current			$719,488	-$439,370
% Change from Current			20.9%	-12.8%
Total Cost @ Maximum Claims		**$4,179,630**	**$5,050,713**	**$3,653,199**
$ Change from Current			$871,084	-$526,431
% Change from Current			20.8%	-12.6%

Alamo Heights ISD

Effective: 09.01.2026

New Plan Designs for: San Antonio

	Imagine360 Base Co-Pay Plan (Replacing the Cigna Base Co-Pay Plan-OAPIN)	
	Incentive Tier	**Standard Tier**
	Imagine Health	**Tiers 2,3,4**
	All IH Facilities All IH Providers	**All Other Facilities All Other Providers**
Well Care (Up to Age 19)	Covered 100%, Ded Waived	Covered 100%, Ded Waived
Routine Adult Care	Covered 100%, Ded Waived	Covered 100%, Ded Waived
Plan Deductible & Co-Insurance	**Embedded**	**Embedded**
Deductible Accumulator	Cross	Cross
Deductible - Individual	$2,500	$4,500
Deductible - Individual + 1 or more	$5,000	$9,000
Co-Insurance (except where noted)	20%	30%
Plan Out-of-Pocket Maximum		
OOP Max Accumulator	Cross	Cross
Max OOP - Individual	$8,000	$9,200
Max OOP - Individual + 1 or more	$16,000	$18,400
Prescription Drugs		
Prescription Card	Included	Included

Telehealth		
	Included	Included
Office Visits		
Primary Care	$25	$45
Specialist Care	$50	$70
Physical, Occupational & Speech Therapy		
Office Visits	$50	$70
Hospital Benefits		
In-Patient (Facility)	20% after Deductible	30% after Deductible
In-Patient (Surgeon)	20% after Deductible	30% after Deductible
Out-Patient (Facility)	20% after Deductible	30% after Deductible
Out-Patient (Surgeon)	20% after Deductible	30% after Deductible
Independent Labs, Imaging & Diagnostics (Includes Quest)		
Participating Lab	20% after Deductible	30% after Deductible
Standard X-Ray	20% after Deductible	30% after Deductible
Complex Imaging	20% after Deductible	30% after Deductible
Urgent Care & Emergency Services		
Urgent Care	$50	$75
Ambulance (Air & Land) - Emergency	20% after Deductible	Incentive Tier Benefit Level
Emergency Room	$500 + coins	Incentive Tier Benefit Level

	Imagine360 (Replacing the Cigna Buy-Up Copay Plan-OAP)	
	Incentive Tier	**Standard Tier**
	Imagine Health	**Tiers 2,3,4**
	All IH Facilities All IH Providers	**All Other Facilities All Other Providers**
Well Care (Up to Age 19)	Covered 100%, Ded Waived	Covered 100%, Ded Waived
Routine Adult Care	Covered 100%, Ded Waived	Covered 100%, Ded Waived
Plan Deductible & Co-Insurance	**Embedded**	**Embedded**
Deductible Accumulator	Cross	Cross
Deductible - Individual	$2,500	$3,500
Deductible - Individual + 1 or more	$5,000	$11,250
Co-Insurance (except where noted)	10%	20%
Plan Out-of-Pocket Maximum		
OOP Max Accumulator	Cross	Cross
Max OOP - Individual	$6,000	$8,150
Max OOP - Individual + 1 or more	$12,000	$16,300
Prescription Drugs		
Prescription Card	Included	Included
Telehealth		
	Included	Included
Office Visits		
Primary Care	$25	$45
Specialist Care	$50	$70
Physical, Occupational & Speech Therapy		
Office Visits	$50	$70
Hospital Benefits		

In-Patient (Facility)	10% after Deductible	20% after Deductible
In-Patient (Surgeon)	10% after Deductible	20% after Deductible
Out-Patient (Facility)	10% after Deductible	20% after Deductible
Out-Patient (Surgeon)	10% after Deductible	20% after Deductible
Independent Labs, Imaging & Diagnostics (Includes Quest)		
Participating Lab	10% after Deductible	20% after Deductible
Standard X-Ray	10% after Deductible	20% after Deductible
Complex Imaging	10% after Deductible	20% after Deductible
Urgent Care & Emergency Services		
Urgent Care	$50	$75
Ambulance (Air & Land) - Emergency	10% after Deductible	Incentive Tier Benefit Level
Emergency Room	$500 + coins	Incentive Tier Benefit Level

	Imagine360 High-Deductible Plan (Replacing the Cigna HDHP Plan)	
	Incentive Tier	**Standard Tier**
	Imagine Health	**Tiers 2,3,4**
	All IH Facilities All IH Providers	**All Other Facilities All Other Providers**
Well Care (Up to Age 19)	Covered 100%, Ded Waived	Covered 100%, Ded Waived
Routine Adult Care	Covered 100%, Ded Waived	Covered 100%, Ded Waived
$300 + coins+49:88	**Embedded**	**Embedded**
Deductible Accumulator	Cross	Cross
Deductible - Individual	$4,000	$5,500
Deductible - Individual + 1 or more	$8,000	$11,000
Co-Insurance (except where noted)	0%	0%
Plan Out-of-Pocket Maximum		
OOP Max Accumulator	Cross	Cross
Max OOP - Individual	$4,000	$5,500
Max OOP - Individual + 1 or more	$8,000	$11,000
Prescription Drugs		
Prescription Card	Included	Included
Telehealth		
	Included	Included
Office Visits		
Primary Care	0% after Deductible	0% after Deductible
Specialist Care	0% after Deductible	0% after Deductible
Physical, Occupational & Speech Therapy		
Office Visits	0% after Deductible	0% after Deductible
Hospital Benefits		

In-Patient (Facility)	0% after Deductible	0% after Deductible
In-Patient (Surgeon)	0% after Deductible	0% after Deductible
Out-Patient (Facility)	0% after Deductible	0% after Deductible
Out-Patient (Surgeon)	0% after Deductible	0% after Deductible
Independent Labs, Imaging & Diagnostics (Includes Quest)		
Participating Lab	0% after Deductible	0% after Deductible
Standard X-Ray	0% after Deductible	0% after Deductible
Complex Imaging	0% after Deductible	0% after Deductible
Urgent Care & Emergency Services		
Urgent Care	0% after Deductible	0% after Deductible
Ambulance (Air & Land) - Emergency	0% after Deductible	Incentive Tier Benefit Level
Emergency Room	0% after Deductible	Incentive Tier Benefit Level