



# Memo

**To:** Superintendent Dr. Steven Heil, School Board

**From:** Paul Durbahn, Executive Director of Finance and Operations

**Date:** April 20, 2026

**Re:** July 1, 2026 Insurance Renewal Rates and Health Plan Administration Bid Results

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Please consider approving the July 1, 2026 health renewal premium rates and the RFP award recommendation as outlined. The district insurance committee met on April 7 with Aaron Casper and reviewed the information in depth.

## Health Insurance

Our claims increased significantly over the last year. The most recent 12 months of claims were \$10,228,339 compared to the prior 12 months which were \$10,116,517. Using this historical data and projected claims for the coming year the formula calculates that we need a 14.75% premium increase to avoid jeopardizing our reserve fund.

Plan	Number on Plan	Current Premium	Proposed Renewal
\$1,200/\$2,400 deductible single	128	\$1,310.00	\$1,503.00
\$1,200/\$2,400 deductible family	24	\$3,291.00	\$3,776.00
\$2,250/\$4,500 deductible single	29	\$1,203.00	\$1,380.00
\$2,250/\$4,500 deductible family	22	\$3,023.00	\$3,469.00
\$3,000/\$6,000 deductible single	46	\$1,125.00	\$1,291.00
\$3,000/\$6,000 deductible family	104	\$2,825.00	\$3,242.00
\$3,000/\$6,000 deductible single – High Value Network Only	0	N/A	\$1,235.00
\$3,000/\$6,000 deductible family – High Value Network Only	0	N/A	\$3,100.00
\$6,350/\$12,700 deductible single	0	\$926.00	\$1,063.00
\$6,350/\$12,700 deductible family	0	\$2,330.00	\$2,674.00

### Health Insurance Administration RFP

The District performed a statutory required Request for Proposal (RFP) for third party administration and stop-loss providers. Based upon the responses received from the market and our insurance consultant analysis through National Insurance Services, it is the recommendation of district administration to remain with the incumbent and accept the Blue Cross Blue Shield of Minnesota (BCBS) proposal as presented.

The District received three proposals for self-insured third part administration and stop-loss coverage and one proposal from Public Employee Insurance Program, (PEIP). The PEIP proposal if accepted would require the district to transition away from our current self-insured environment.

Blue Cross Blue Shield, HealthPartners/Crumdale, and United Healthcare responded to the RFP for administration of the district's health plan.

Evaluation of the proposals took into account the following criteria:

- Compliance with specifications

- Contract provisions

- Provider Network and Contracts

- Rates

- Proposer's ability to adequately service the District's employees and their dependents

Given the quality of all the proposals and the similarity in plan projections and risk, the NIS recommendation is to remain with BCBS which provides the least disruption to members and a competitive network discount.

### Health Insurance Additional Plan Option

Based on interest and ongoing discussion in a plan alternative for members, consideration is requested for approval of a fourth health insurance plan for members. This proposed plan would not be included in current Aware Network plan structure and would be a High Value Network Plan alternative for the \$3,000/\$6,000 deductible plan only. It would receive a 5% premium discount compared to the Aware Network of the same deductible level (\$3,000/\$6,000) only.

### Dental Insurance

National Insurance Services negotiated a rate guarantee, so there will not be a premium increase for the year beginning July 1.

Plan	Number on Plan	Current Premium	Proposed Renewal
Employee	101	\$49.22	\$49.22
Employee + 1	38	\$101.44	\$101.44
Family	54	\$170.22	\$170.22

### Vision Insurance

National Insurance Services negotiated a 36 month rate guarantee, so there will not be a premium increase for the year beginning July 1.

Plan	Number on Plan	Current Premium	Proposed Renewal
Single	58	\$5.45	\$5.45
Family	56	\$13.03	\$13.03

**Long-term Disability and Life Insurance**

There will not be premium increases for either of these for the July 1, 2026 renewal.