

To: Board of Education

From: David Cunningham, executive director, human resources/chief legal counsel, ext. 4937

Re: Health Insurance Renewal

Date: July 20, 2017

Background:

The district's Fringe Committee has reviewed medical/dental/vision insurance benefits for the 2017-2018 plan year commencing September 1, 2017.

The committee recommends no change in medical, dental, or vision coverage.

The 2017-2018 plan year increase for the medical coverage is 4.3% (compared to no increase last year with minor adjustments to coverage).

The 2017-2018 plan year increase for the dental coverage is 3.5%. This is the first increase in dental premiums in several years.

There is no premium increase for the vision plan.

The total cost for the 2017-2018 core medical/dental/vision insurance plan will be \$491.46. The total cost for the 2016-2017 plan year was \$471.38 or an increase of \$20.08 per month per covered employee.

The rates are as follows:

Plan Year	2016-2017	2017-2018	Difference
Medical	\$450.87	\$470.26	\$19.39
Dental	\$19.67	\$20.36	\$0.69
Vision	\$0.84	\$0.84	0
	\$471.38	\$491.46	\$20.08

The monthly difference in medical premium costs between the core and qualified high deductible plans will be \$32.32 (\$30.99 for the 2016-2017 plan year) and that amount will be contributed to the health savings accounts. The estimated increase to District costs for Medical, Dental and Vision in 2017-2018 is \$452,827.

Recommendation:

Staff recommends the board approve the current medical/dental/vision plan benefits at the new cost of \$491.46 per covered employee per month prorated for qualifying part-time employees for an estimated increased cost of \$452,827.

Motion:

"I move that the Board of Education approve current medical/dental/vision plan benefits at the new cost of \$491.46 per covered employee per month prorated for qualifying part-time employees for an estimated increased cost of \$452,827."