Executive Summary
Prepared for Board of Trustees Meeting
July 25, 2023

Employee Health Benefits

BOARD GOAL:
Growth & Management… *In pursuit of excellence, we will*:

- Adjust policies and procedures to address rapid growth and changing demographics, nurturing our strong sense of community
- Demonstrate effective and efficient management of district resources
- Provide leadership and/or oversight to ensure District meets all fiscal, legal, and regulatory requirements

PURPOSE OF REPORT:
This report serves to update the Board of Trustees about the employee health insurance update.

OBJECTIVE:
This report outlines the decision and implementation of employee health insurance sourced through Financial Benefit Solutions our Third-Party Administrator (TPA).

OPERATIONAL IMPACT:
Beginning on May 25, 2023, Denton ISD was informed that the reinsurance carrier would not renew the contract for the TSHBP health insurance offering for 2023-2024. TSHBP board met to discuss options for moving the health insurance program forward. The plan approved by the TSHBP board was to increase rates to participating districts by 15% for directed care plans and 30% for Aetna plans. This increase would provide funding to cover potential claims from all 61 participating districts. The plan would not be fully funded but hold participating districts accountable for any claims above the premiums collected. Denton ISD, being the largest participating district, would account for 14% of any potential loss to the program.

During the spring of 2023 district leadership along with the Denton ISD board conducted a listening tour throughout the district. This opportunity gave district leadership an opportunity to hear concerns on many matters. One of the loudest concerns was access to care and affordability of care. The transition from TRS ActiveCare for the 2022-2023 health care plan year had issues with plan acceptability by local medical providers. The largest of the providers, Texas Health Resources (THR) had the most impact. THR is the largest provider in Denton County. The limitation and overall accessibility issues on the directed care and the Aetna plans indicated a need for change. Financial Benefit Solutions the districts TPA began negotiating options for Denton ISD to consider.

At the June 16, 2023, school board meeting, the Denton ISD board approved a resolution giving Dr. Wilson authority to approve a final health insurance plan offering during the summer due to calendar issues with the next school board meeting on July 25, 2023.

Denton ISD, with the support of FBS began direct negotiations with BlueCross BlueShield of Texas. The outcome of the negotiations lead to a decision to accept an offer for employee health benefit coverage. The offering includes 3 plans: high deductible plan, Platinum HMO plan and Gold HMO plan. Plan outline and cost per plan are outlined below. In addition to securing the employee health care plans for 2023-2024 Denton ISD will be moving 2 of our dental plan offerings to BlueCross BlueShield. This addition allowed Denton ISD to secure a rate cap guarantee for the second year of the plan.

BENEFIT OF ACTION:
Denton ISD employees will be offered the following network benefits and costs for health care plans. This offer meets expectations established by the Internal Revenue Service for affordability and is offering to employee groups of over 500 employees.

RESULTS:
https://www.bcbstx.com/find-care/providers-in-your-network/find-a-doctor-or-hospital
Blue Choice PPO
Blue Essentials

	High Deductible	**Platinum**	**Gold**
In Network	**Blue Choice PPO**	**Blue Essentials**	**Blue Essentials**
Deductible (Individual / Family)	$3,000 / $9,000	$1,250/$3,750	$3,500 / $10,500
Max Out of Pocket (Individual/Family)	$5,000 / $15,000	$5,000/$15,000	$7,500 / $18,500
Coinsurance	20%	10%	30%
Physician Services			
Primary Care	Deductible + 20%	$30	$35
Specialist	Deductible + 20%	$60	$70
Virtual Visits - **MDLIVE**	Deductible + 20%	$0	$0
Other Services			
Inpatient Hospitalization	Deductible + 20%	10% Coinsurance after $500 Ded	30% Coinsurance after Ded
Outpatient Surgery	Deductible + 20%	10% Coinsurance after Ded	30% Coinsurance after Ded
Emergency Room	Deductible + 20%	10% coinsurance after $500 Copay	30% coinsurance after $500 Copay
Urgent Care	Deductible + 20%	$75 Copay	$100
Complex Imaging	Deductible + 20%	10% Coinsurance after Ded	30% Coinsurance after Ded
Prescription Drugs			
Rx Deductible	Integrated with Medical	$250	$500
Generic	20% After Deductible	$5	$15
Preferred Brand Name	30% After Deductible	$40	$60
Non-Preferred brand name	50% After Deductible	$80	$130
Specialty	Covered	$500 Copay	$500 Copay
Mail Order - 90-day supply	2.5x Retail	2.5x retail	2.5x retail
Out of Network			
Deductible- Ind / Family	$6,000/$18,000	Not Covered	Not Covered
Maximum Out of Pocket - Ind / Family	$18,000/$54,000	Not Covered	Not Covered
Coinsurance	50%	Not Covered	Not Covered
Monthly Premiums			
Employee Only	**$501.69**	**$566.57**	**$466.31**
Employee + Spouse	**$1,313.65**	**$1,483.52**	**$1221.02**
Employee + Child(ren)	**$852.98**	**$963.28**	**$792.83**
Employee + Family	**$1,611.29**	**$1,819.68**	**$1497.67**