



# Brookings School District

*The Cheetah: Since our beginning, we have known that doing what is best for our customers requires constant persistence and vision. The cheetah, which represents vision, swiftness, strength, and agility, embodies our company culture and has served as a symbol for Brown & Brown since the 1980s.*

## 2023-2024 Renewal Recommendations

**Presented By:**

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*Brown & Brown, Hays Companies, Inc.*



# 2023 Renewal Dashboard

	2022-23			
	EE	EE+Sp	EE+Ch(ren)	Family
Total Annual Plan Cost	\$4,725,696			
Total Annual Employer Cost*	\$3,544,268			
<b>PPO Plan</b>				
Monthly Budget Rates	\$561.00	\$1,285.20	\$1,122.00	\$1,657.51
Monthly EE Contributions	\$140.25	\$321.30	\$280.50	\$414.38
Assumed Enrollment	147	41	37	131

	2023-24				% Change
	EE	EE+Sp	EE+Ch(ren)	Family	
Total Annual Plan Cost	\$5,151,009				9.0%
Total Annual Employer Cost*	\$3,863,252				
Monthly Budget Rates	\$611.49	\$1,400.87	\$1,222.98	\$1,806.69	
Monthly EE Contributions	\$152.87	\$350.22	\$305.75	\$451.67	
Assumed Enrollment	147	41	37	131	

## 2 Prior Year Renewal Info

### Medical

#### > 2020-21 Plan Year

- Funded at 100% of expected costs

#### > 2021-22 Plan Year

- Received a 1.8% increase to expected costs from BCBS
- Reduced funding by 9.9%
- Funded at 88.4% of expected costs

#### > 2022-23 Plan Year

- Received a 6.3% increase to expected costs from BCBS
- Increased funding by 2.0%
- Funded at 85.0% of expected costs

\*Funding to expected cost percentages exclude Rx rebates

> The past three years of renewal increases and funding reductions have created an approximate spread of 15% between Wellmark contractual expected costs and BSD funding rate budget

## 3 Compliance Considerations

### Affordability

> The medical Plan would be deemed affordable per the safe harbor percentage for 2023 which is 9.12% (IRS per Rev. Proc. 2018-34) for employees making more than \$12.89/hr

## 4 Trends<sup>2</sup>

- > Medical Trend: 7.4%
- > Rx Trend: 9.8%

<sup>2</sup>2022 Segal Health Plan Cost Trend Survey

# 2023 Medical Renewal Summary



	Estimated Annual Cost at Contractual Expected			Estimated Annual Cost at Contractual Maximum		
	Total Annual Fixed Costs*	Total Estimated Claims	Total	Total Annual Fixed Costs	Total Estimated Claims	Total

B&B Recommended Funding	% Funding to Expected Costs
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Current Rates Effective: 5/1/2022	\$1,015,712	\$4,192,509	\$5,208,221	\$1,015,712	\$5,240,636	\$6,256,348
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\$4,725,696	90.7%
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<b>Wellmark BCBS Initial Renewal Current Spec. - \$65k (Effective 5/1/2023)</b>	\$1,199,536	\$4,377,461	\$5,576,997	\$1,199,536	\$5,471,826	\$6,671,362
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\$5,151,009	92.4%
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Change from Current \$	\$183,824	\$184,952	\$368,776	\$183,824	\$231,190	\$415,015
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\$425,313	
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Change from Current %	18.1%	4.4%	7.1%	18.1%	4.4%	6.6%
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9.0%	
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<b>Wellmark BCBS Negotiated Renewal Current Spec. - \$65k (Effective 5/1/2023)</b>	\$1,185,780	\$4,377,461	\$5,563,241	\$1,185,780	\$5,471,826	\$6,657,606
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\$5,151,009	92.6%
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Change from Current \$	\$170,068	\$184,952	\$355,021	\$170,068	\$231,190	\$401,259
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\$425,313	
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Change from Current %	16.7%	4.4%	6.8%	16.7%	4.4%	6.4%
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9.0%	
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Change from Initial Renewal \$	-\$13,756	\$0	-\$13,756	-\$13,756	\$0	-\$13,756
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Change from Initial Renewal %	-7.5%	0.0%	-3.7%	-7.5%	0.0%	-3.3%
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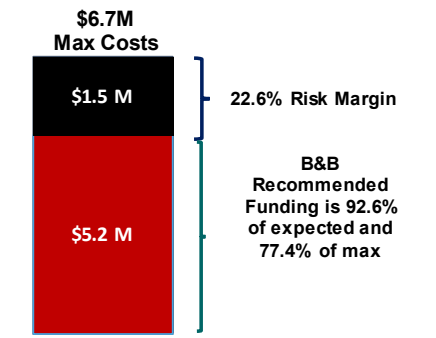
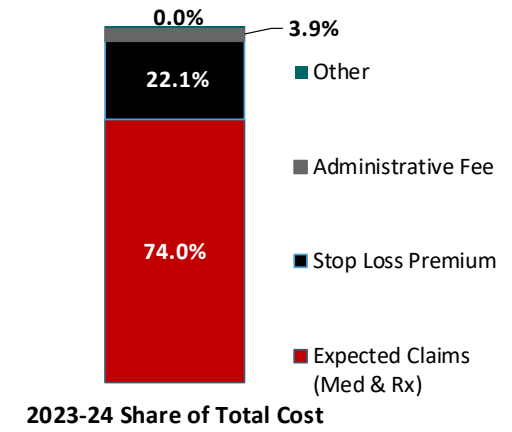
\*Fixed costs included estimated Rx rebates of approximately \$350k





# 2023 Medical Renewal +9.0%

Est. Expected Costs	Monthly Cost		Annual Cost		356	Total Enrollment		
	PEPM		Group				% Change	\$ Change
	2022-23	2023-24	2022-23	2023-24				
Contractual Expected Claims (Med & Rx) <sup>(1)</sup>	\$981.39	\$1,024.69	\$4,192,509	\$4,377,461	4.4%	\$184,952		
<b>Fixed Costs</b>								
Stop Loss Premium <sup>(2)</sup>	\$267.85	\$305.93	\$1,144,255	\$1,306,933	14.2%	\$162,678		
Administrative Fee	\$51.92	\$53.65	\$221,802	\$229,193	3.3%	\$7,391		
ACA Reporting Fees	\$0.63	\$0.63	\$2,679	\$2,679	0.0%	\$0		
Rx Rebates <sup>(3)</sup>	(\$82.01)	(\$82.01)	(\$350,346)	(\$350,346)	0.0%	\$0		
<b>Expected Fixed Costs</b>	\$319.77	\$359.58	\$1,015,712	\$1,185,780	16.7%	\$170,068		
<b>Total Expected Contractual Cost</b>	<b>\$1,301.16</b>	<b>\$1,384.27</b>	<b>\$5,208,221</b>	<b>\$5,563,241</b>	<b>6.8%</b>	<b>\$355,021</b>		
B&B Projected Expected Claims	\$868.44	\$1,047.36	\$3,709,984	\$4,474,320	20.6%	\$764,336		
B&B Projected Expected Costs	<b>\$1,106.20</b>	<b>\$1,406.94</b>	<b>\$4,725,696</b>	<b>\$5,660,100</b>	<b>19.8%</b>	<b>\$934,404</b>		
Est. Maximum	2022-23	2023-24	2022-23	2023-24	% Change	\$ Change		
	\$1,226.74	\$1,280.86	\$5,240,636	\$5,471,826	4.4%	\$231,190		
	<b>\$1,546.51</b>	<b>\$1,640.44</b>	<b>\$6,256,348</b>	<b>\$6,657,606</b>	<b>6.4%</b>	<b>\$401,259</b>		
<b>Composite Contractual Maximum Claims<sup>(4)</sup></b>								
<b>Total Contractual Maximum Costs</b>	<b>\$1,546.51</b>	<b>\$1,640.44</b>	<b>\$6,256,348</b>	<b>\$6,657,606</b>	<b>6.4%</b>	<b>\$401,259</b>		
<b>B&amp;B Recommended Funding</b>	<b>\$1,106.20</b>	<b>\$1,205.76</b>	<b>\$4,725,696</b>	<b>\$5,151,009</b>	<b>9.0%</b>	<b>\$425,313</b>		
	<b>% of Expected Costs</b>		<b>90.7%</b>	<b>92.6%</b>				
	<b>% of Expected Costs - Excludes Rx Rebates</b>		<b>85.0%</b>	<b>87.1%</b>				



(1) Contractual Expected Claims illustrated on a composite basis  
 (2) Stop Loss rates are shown on a composite basis  
 (3) 80% of estimated total Rx rebates for 2022-23  
 (4) Maximum claims are contractually set by Wellmark





# 2023 Medical Contributions **+9.0%**

PPO Plan

Rate Alignment by Tier

	2022-23				2023-24			
	EE	EE+Sp	EE+Ch(ren)	Family	EE	EE+Sp	EE+Ch(ren)	Family
Rate Alignment by Tier	1.00	2.29	2.00	2.95	1.00	2.29	2.00	2.95
Budget Rate	\$561.00	\$1,285.20	\$1,122.00	\$1,657.51	\$611.49	\$1,400.87	\$1,222.98	\$1,806.69
EE Contribution	\$140.25	\$321.30	\$280.50	\$414.38	\$152.87	\$350.22	\$305.75	\$451.67
EE Contribution Percentage	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
ER Contribution	\$420.75	\$963.90	\$841.50	\$1,243.13	\$458.62	\$1,050.65	\$917.24	\$1,355.01
ER Contribution Percentage	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%
Enrollment	147	41	37	131	147	41	37	131
Total EE Annual Contribution	\$1,181,428				\$1,287,756			
Total EE Annual Contribution Percentage	25.0%				25.0%			
Total ER Annual Contribution	\$3,544,268				\$3,863,252			
Total ER Annual Contribution Percentage	75.0%				75.0%			
<b>Total Annual Contribution</b>	<b>\$4,725,696</b>				<b>\$5,151,009</b>			

% Change				\$ Change			
E	E+S	EE+Ch(ren)	F	E	E+S	EE+Ch(ren)	F
9.0%	9.0%	9.0%	9.0%	\$50.49	\$115.67	\$100.98	\$149.18
9.0%	9.0%	9.0%	9.0%	\$12.62	\$28.92	\$25.25	\$37.29
9.0%	9.0%	9.0%	9.0%	\$37.87	\$86.75	\$75.74	\$111.88
9.0%				\$106,329			
9.0%				\$318,984			
<b>9.0%</b>				<b>\$425,313</b>			

> The medical Plan would be deemed affordable per the safe harbor percentage for 2023 which is 9.12% (IRS per Rev. Proc. 2018-34) for employees making more than \$12.89/hr

# 2023 Dental Renewal



Dental Plan

	2022-23		2023-24	
	EE Only	Family	EE Only	Family
Budget Rate	\$46.16	\$128.69	\$47.54	\$132.55
EE Contribution	\$11.54	\$32.17	\$11.89	\$33.14
EE Contribution %	25.00%	25.00%	25.00%	25.00%
ER Contribution	\$34.62	\$96.52	\$35.66	\$99.42
ER Contribution %	75.00%	75.00%	75.00%	75.00%
Enrollment	142	227	142	227
Total EE Annual Contribution	\$107,295		\$110,514	
Total EE Annual Contribution %	25.00%		25.00%	
Total ER Annual Contribution	\$321,913		\$331,570	
Total ER Annual Contribution %	75.00%		75.00%	
<b>Total Annual Contribution</b>	<b>\$429,208</b>		<b>\$442,084</b>	

% Change		\$ Change	
EE Only	Family	EE Only	Family
3.0%	3.0%	\$1.38	\$3.86
3.0%	3.0%	\$0.35	\$0.97
3.0%	3.0%	\$1.04	\$2.90
3.0%		\$3,219	
3.0%		\$9,657	
3.0%		\$12,876	

# 2023 Vision Renewal



Vision Plan

	2022-23				2023-24			
	EE Only	EE + SP	EE + CH	Family	EE Only	EE + SP	EE + CH	Family
Budget Rate	\$13.71	\$26.15	\$28.51	\$36.77	\$13.71	\$26.15	\$28.51	\$36.77
EE Contribution	\$13.71	\$26.15	\$28.51	\$36.77	\$13.71	\$26.15	\$28.51	\$36.77
EE Contribution %	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
ER Contribution	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ER Contribution %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Enrollment	101	41	16	67	101	41	16	67
Total EE Annual Contribution	\$64,519				\$64,519			
Total EE Annual Contribution %	100.00%				100.00%			
Total ER Annual Contribution	\$0				\$0			
Total ER Annual Contribution %	0.00%				0.00%			
<b>Total Annual Contribution</b>	<b>\$64,519</b>				<b>\$64,519</b>			

% Change				\$ Change			
EE Only	EE + SP	EE + CH	Family	EE Only	EE + SP	EE + CH	Family
0.00%	0.00%	0.00%	0.00%	\$0.00	\$0.00	\$0.00	\$0.00
0.00%	0.00%	0.00%	0.00%	\$0.00	\$0.00	\$0.00	\$0.00
0.00%	0.00%	0.00%	0.00%	\$0.00	\$0.00	\$0.00	\$0.00
0.00%				\$0			
0.00%				\$0			
0.00%				\$0			

\*Rate guarantee through 4/30/24



# Employee Assistance Program (EAP)

## Sand Creek Benefits







Sand Creek EAP Benefits	
24 Toll Free Access	Included / Unlimited
National Network	Included
Counselors / Providers	Masters Level clinicians
Supervisory Training	Included
Educational / Communication materials	Educational materials included; newsletters, one pagers, webinars, and more
Communication Material	Included
Statistical Reporting	Included
Online Services	Included
Life Benefit Service Components	
Medical Advocacy	Assist with navigating the healthcare system included / Unlimited support with a social worker, nurse or case manager
Counseling Services	Work-life balance, stress management, parenting, elder care, legal, financial, daily living resources, and career counselors
Coaching	Enhanced Well-being solutions to include Life coaching, Wellness/health coaching, career coaching
Personal Affairs Planning	Personal assistance services to balance work-life balance, 24/7 access in researching information, making purchases or reservations and/or arranging services/events
Financial Consultation	Consultation & Referral services included; free 30-minute telephonic consult and discounted additional assistance
Parenting Support	Childcare and elder care (assisted living resources & support)
Legal Consultation	Consultation & Referral services included; estate planning /wills /trusts, real estate
Mental Health Solutions	Counseling and Crisis Calls Support services
Additional Services	
Additional Programs	Effective communication campaigns through <i>the power of 3</i> ; tangibly; socially; personally, monthly newsletters for the District and the employees
Website Access	On-demand resources, webinars, individual portal resources include videos, podcasts, calculators, and health & lifestyle assessments. HR Resource sections including downloadable training, modules, and Podcast on multiple topics of HR.
Mobile Application	On-the-go access with virtual assistance
Program Reporting	Standard reports can be sent via email or requested through client portal

	Current	Renewal
Estimated Number of EEs	400	400
Cost PEPY	\$15.00	\$15.00
Monthly cost	\$500	\$500
<b>Total Annual Premium</b>	<b>\$6,000</b>	<b>\$6,000</b>



# 2023 Ancillary Renewal



		 <b>THE HARTFORD</b> <b>(Current)</b>	 <b>THE HARTFORD</b> <b>(Renewal)</b>	 <b>THE HARTFORD</b> <b>Alternate 1</b>	 <b>THE HARTFORD</b> <b>Alternate 2</b>
				<b>\$20,000</b>	<b>\$25,000</b>
<b>Basic Life</b>	<b>Life Volume</b>	<b>\$7,135,000</b>	<b>\$7,135,000</b>	<b>\$9,560,000</b>	<b>\$11,950,000</b>
	<b># of Lives</b>	<b>478</b>	<b>478</b>	<b>478</b>	<b>478</b>
	<b>Life Rate Per \$1000 of Payroll</b>				
	Class 1 - All Full Time Active Employees	\$0.087	\$0.087	\$0.087	\$0.087
	<b>Estimated Monthly Premium</b>	\$621	\$621	\$832	\$1,040
	<b>Estimated Annual Premium</b>	<b>\$7,449</b>	<b>\$7,449</b>	<b>\$9,981</b>	<b>\$12,476</b>
	<b>% Change</b>	-	0.0%	34.0%	67.5%
<b>Basic AD&amp;D</b>	<b>Volume</b>	<b>\$7,090,000</b>	<b>\$7,090,000</b>	<b>\$9,500,000</b>	<b>\$11,875,000</b>
	<b># of Lives</b>	<b>475</b>	<b>475</b>	<b>475</b>	<b>475</b>
	<b>AD&amp;D Rate Per \$1000 of Payroll</b>				
	Class 1 - All Full Time Active Employees	\$0.0130	\$0.0130	\$0.0130	\$0.0130
	<b>Estimated Monthly Premium</b>	\$92	\$92	\$124	\$154
	<b>Estimated Annual Premium</b>	<b>\$1,106</b>	<b>\$1,106</b>	<b>\$1,482</b>	<b>\$1,853</b>
	<b>% Change</b>	-	0.0%	34.0%	67.5%
<b>Annual Total</b>		<b>\$8,555</b>	<b>\$8,555</b>	<b>\$11,463</b>	<b>\$14,328</b>
<b>\$ Difference</b>			<b>\$0</b>	<b>\$2,908</b>	<b>\$5,773</b>
<b>% Difference</b>			<b>0.0%</b>	<b>34.0%</b>	<b>67.5%</b>


\*Rate Guarantee through 4/30/2024





# 2023 Financial Roll-up

*Total Annual: Estimated Plan Expenses*

*Assumes increasing life benefit to \$25k*

		2022-23 Total Annual Costs	2023-24 Total Annual Costs	% Change Relative to 2022-23	\$ Change Relative to 2022-23
 <b>Medical</b>	Total EE Contributions	\$1,181,428	\$1,287,756	9.0%	\$106,329
	<b>Total District Contributions</b>	<b>\$3,544,268</b>	<b>\$3,863,252</b>	<b>9.0%</b>	<b>\$318,984</b>
	Total Plan Cost	<b>\$4,725,696</b>	<b>\$5,151,009</b>	9.0%	\$425,313

		2022-23 Total Annual Costs	2023-24 Total Annual Costs	% Change Relative to 2022-23	\$ Change Relative to 2022-23
 <b>Dental</b>	Total EE Contributions	\$107,295	\$110,514	3.0%	\$3,219
	<b>Total District Contributions</b>	<b>\$321,913</b>	<b>\$331,570</b>	<b>3.0%</b>	<b>\$9,657</b>
	Total Plan Cost	<b>\$429,208</b>	<b>\$442,084</b>	3.0%	\$12,876

		2022-23 Total Annual Costs	2023-24 Total Annual Costs	% Change Relative to 2022-23	\$ Change Relative to 2022-23
 <b>Life &amp; AD&amp;D</b>	Total EE Contributions	\$0	\$0	0.0%	\$0
	<b>Total District Contributions</b>	<b>\$8,555</b>	<b>\$14,328</b>	<b>67.5%</b>	<b>\$5,773</b>
	Total Plan Cost	<b>\$8,555</b>	<b>\$14,328</b>	67.5%	\$5,773

\*Increasing life benefit from \$15k to \$25k

		2022-23 Total Annual Costs	2023-24 Total Annual Costs	% Change Relative to 2022-23	\$ Change Relative to 2022-23
<b>Total</b>	Total EE Contributions	\$1,288,723	\$1,398,271	8.5%	\$109,547
	<b>Total District Contributions</b>	<b>\$3,874,736</b>	<b>\$4,209,151</b>	<b>8.6%</b>	<b>\$334,415</b>
	Total Plan Cost	<b>\$5,163,459</b>	<b>\$5,607,422</b>	8.6%	\$443,962