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TO: Superintendent Barber and School Board Members

RE: Renewal of Group Benefit Plans for 2022

The school district has had a very good experience with our self-funded health insurance plan since our move to self-funded in 2015. We have built up a non-reoccurring fund balance that has allowed us some flexibility with setting premium costs over the years. However, we have experienced some challenges in 2020/2021 and our projective claims costs are a concern as we move into the 2022 renewal.

The summary provided in the attached packet is to present to you a recommendation from the District Insurance Sub-Committee and the District Insurance Committee to move forward with some plan changes starting in 2022. These plan changes are being brought to you prior to final financials because the actual renewal costs from the Stop Loss market will not be available until September. In order for us to begin the work of building out our plan designs and providing the new plans to the Stop Loss market for premium rate setting, we need to move forward with these recommendations as a first step.

We appreciate the work of Mark Johnson, our insurance agent with Fisher Brown Bottrell, as well as Kelly Berry, Account Manager. Mr. Johnson is providing plan analytics that introduce new plan designs for consideration. We are also providing projected costs associated with these new plans.

Recommendations beings brought to you include:

- A recommendation is presented to adopt new health plan designs for 2022.
- A recommendation is presented to move our telemedicine program and our behavioral health program (EAP) back under Florida Blue as part of our health plan offerings. This recommendation is made as a cost containment measure. These benefits are currently available to all employees. Starting in 2022, only members enrolled in health benefits would be eligible for participation.

Other renewals recommended for renewal:

- Dental (United Health Care): rate hold for 2022
- Flexible Spending Plans: rate hold for 2022
- Vision (Davis Vision): rate hold for 2022
- Basic Life and Supplemental Life Insurance (VOYA): rates good through 2022
- Long Term Disability Plan- VLTD (Florida Combined Life): rate hold for 2022
- United Health Care Voluntary Products: rates good through 2022
- Web Benefits Design Benefit Platform: rates good for 2022

Value Added Benefits from Partner Providers:

- Florida Blue continues to provide \$100,000 in wellness dollars to our Self-Insured Health Fund. These dollars are being used to fund our Healthiest You Telemedicine Program.
- Florida Blue also provided a \$75,000 renewal incentive to support our districts transition of benefits for 2022. This will help offset our Benefit Administrative Services.

The final renewal of the self-funded health insurance plan will be brought to the School Board in September for approval. No increased funding is being requested at this time but expected School Board reoccurring dollar impact of increased health insurance costs is estimated to be \$2,000,000 for the 2022 plan year.

Our plan is state approved and actuarially sound. We have non-reoccurring reserves to help in the event of a plan year where claims exceed our funding level.

Thank you for your considerations of our renewal recommendations.

Pam Smith

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Risk Manager

