

Employee Benefit Update 2025-2026

Executive Summary

The 2025–2026 benefits enrollment cycle maintained stable participation, secured favorable rate guarantees, and implemented strategic plan enhancements. The Benefits team efficiently managed \$28 million in medical and voluntary health products, while engaging employees with insurance providers and community partners to improve understanding, utilization, and administration of benefits.

Open Enrollment Summary 2025-2026

The 2025–2026 Open Enrollment period resulted in strong participation across core and voluntary benefits, with in-person support provided at five district locations through Higginbotham Public Sector (HPS) and the Benefits team.

ENROLLMENT STATISTICS

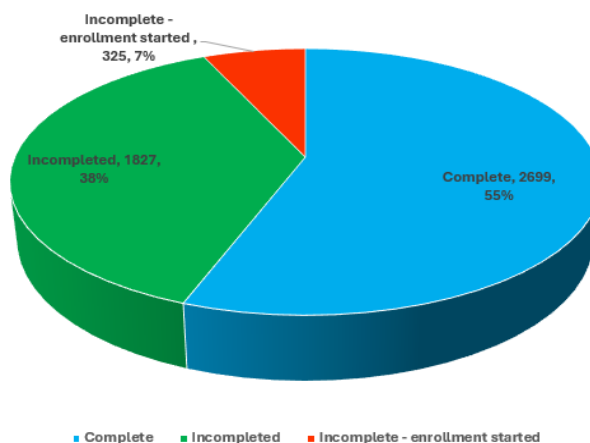
Open Enrollment Dates:

July 28 – August 15, 2025

Total Logins:

4,851

Reminder employees may have logged in to the hub more than 1 time.



Health Insurance Enrollment (BCBSTX) 2025-2026

- Enrollment remained stable with a slight decline over time.
- Employees enrolled decreased from 2,215 (Sept 2025) to 2,188 (Feb 2026).
- Total covered lives (employees + dependents) decreased from 3,359 to 3,321.
- Estimated \$21 million premiums collected annually.

Voluntary / Supplemental Insurance Plans

- Generate approximately \$5.2 million annually
- Offer 14 voluntary benefit products to employees

Supplemental Retirement Plans – 403(b) and 457(b)

- 1,168 employees participate in a supplemental retirement plan
- Total contributions are \$3.7 million annually

Key Plan Changes & Renewals

- **RISE Savings Program**
 - Direct enrollment in **457(b) supplemental retirement plans** through the Benefits HUB has increased overall participation due to improved ease of accessibility.

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- **Dental PPO Transition:**
 - **26-27 Plan Year:** Move from BCBSTX to Cigna due to a **9.5% rate increase from BCBSTX**.
 - Cigna offered a **2.5% lower rate**, a **2-year rate cap**, a broader provider network, and plan enhancements.
- **Rate Stability:**
 - Many core benefits secured **multi-year rate guarantees (3–4 years)**, supporting long-term cost predictability.
 - Several plans have been renewed with **no rate increase**, including Disability Insurance and Medical Transportation.
- **Pending Renewal:**
 - Telehealth (Reкуро Health) renewal proposal expected after May 2026.

Strategic Observations

- Overall enrollment trends indicate stable participation with minor declines in medical coverage.
- The district continues to prioritize cost containment and value, as seen in vendor negotiations and rate guarantees.
- Voluntary benefits show steady but varied engagement, suggesting opportunities for increased employee education.
- The shift in dental providers reflects a focus on cost savings and improved access to care.

Potential Additions for 2026–2027

The district is exploring additional voluntary benefits to enhance the overall package:

- Identity Theft Protection
- Individual Life Insurance Plans (lifetime coverage options)

Benefits Summary Table

<u>Product Name</u>	<u>Policies Offered</u>	<u>Renewal</u>	<u>Total Enrolled</u> (Including eligible dependents)	<u>Annual Premiums</u>
Accident - Hartford	2	4-year rate guarantee until 8/31/28	462	\$28,836
Basic Life Insurance – BCBSTX *District paid	1	48-month rate guarantee through 8/31/28	4,716	\$34,076
Critical Illness – Lincoln Financial Group	5	5-year rate guarantee until 8/31/29	899	\$173,568
Dental PPO - BCBSTX	2	Transitioning to Cigna for 26–27 due to 9.5% increase; Cigna offers lower rates, 2-year guarantee, broader network, and enhancements	1,835	\$1,258,980

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Dental HMO - Cigna	1	24-month rate guarantee until 8/31/28	559	\$149,712
Dependent Care Flexible Spending Account (FSA) - Higginbotham	1	Renews annually	30	\$96,972
Disability Insurance - Hartford	2	3-year rate guarantee until 8/31/29	947	\$502,680
Health Insurance – BCBSTX				
<ul style="list-style-type: none"> • District contribution: \$260/month (\$3,120 annually) per enrolled employee. • Based on 2,188 enrolled employees (as of February 2026), the annualized district contribution is \$6,826,560. 				
High-Deductible Health Plan (HDHP) / PPO - BCBSTX	4	Renews annually	914	\$5,611,519
Platinum HMO Health Plan - BCBSTX	4	Renews annually	535	\$3,600,912
Gold HMO Health Plan – BCBSTX	4	Renews annually	1,870	\$10,496,928
Health Savings Account (HSA) - EECU	1	Renews annually	310	\$456,396
Hospital Indemnity - Cigna	2	4-year rate guarantee until 8/31/29	605	\$150,396
Medical Flexible Spending Account (FSA) - Higginbotham	1	Renews annually	704	\$1,230,192
Medical Transportation - MASA	2	1-year rate guarantee until 8/31/27	438	\$82,476
Sick Leave Bank	2	Renews annually	1,247	N/A
Supplemental Retirement – 403(b) & 457(b)	4	Renews annually	1,168	\$3,727,773
Telehealth – Recuro Health	1	Renewal proposal expected after May 2026	577	\$91,764

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Vision PPO – BCBSTX / EyeMed	2	4-year rate guarantee until 8/31/28	1,874	\$296,148
Voluntary Life – BCBSTX *Salary dependent; Evidence of Insurability (EOI) may apply)	1	48-month rate guarantee until 8/31/28	3,309	\$585,468
TOTALS	42	N/A	22,999	\$28,574,796

Benefits Administration & Operations

- Managed high-volume benefits processing, including 850+ hires, 1,000+ employee changes, and 1,100+ separations annually
- Administered Qualifying Life Event (QLE) benefit changes for 200+ employees across medical, dental, and vision plans
- Processed payroll and arrears files each pay cycle and reconciled discrepancies
- Oversaw 403(b) and 457(b) plan administration and reconciliation
- Approved vendor payments and completed monthly financial journal entries
- Collected premiums for employees on medical leave
- Administered Sick Leave Bank program
- Advised employees and leadership on benefits, leave, and retirement planning

Employee Events and Workshops

The Benefits Team offers a comprehensive range of employee events and workshops annually, focused on all dimensions of wellness, life planning, and benefits education.

- Financial education sessions
- Spanish financial literacy workshops
- Estate and will planning seminars
- College savings planning sessions
- Baby shower and family planning vendor fair
- In-depth sessions with insurance and financial providers

Glossary of Terms

Accident Insurance: Pays the member a cash benefit for injuries resulting from an accident.

Core Benefits: Core coverage or essential health benefits designed to mitigate significant financial risk and provide basic, necessary services.

Critical Illness Insurance: Provides the member with a lump sum, tax-free cash benefit upon diagnosis of a covered serious illness (e.g., cancer, heart attack, stroke) designed to cover out-of-pocket medical costs, deductibles, and living expenses.

Disability Insurance: Replaces a portion of the member's income if they become unable to work due to a non-work-related illness, injury, or pregnancy.

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Evidence of Insurability (EOI): Documentation – such as medical records, questionnaires, or exams – required by insurers before high coverage mounts are approved.

Flexible Spending Accounts (FSA): Allows employees to set aside pre-tax pay for eligible medical or dependent care expenses.

Health Maintenance Organization (HMO): Type of health insurance plan that provides 100% coverage for preventative care, featuring lower premiums and out-of-pocket costs in exchange for a restricted network of doctors and hospitals. Members must select a Primary Care Physician (PCP) and obtain referrals to see specialists.

Health Savings Account (HSA): Tax advantaged personal savings account designed for individuals with a

High-Deductible Health Plan (HDHP): A health insurance policy with higher upfront deductibles than traditional health plans. Members pay for most medical costs until the deductible is met – except for free preventative care – often pairing with a tax-advantaged Health Savings Account (HSA) to pay for these expenses.

Hospital Indemnity Insurance: Supplemental insurance that pays the member a set cash benefit if they are hospitalized, and benefits can be used to cover out-of-pocket costs like high deductibles, copays, or non-medical expenses.

Identity Theft Protection: Policy that covers costs associated with restoring your identity and credit after fraud.

Medical Transportation Insurance: Gap insurance plan to help members cover ground and air ambulance expenses that insurance doesn't cover.

Preferred Provider Organization (PPO): Flexible health insurance plan that contracts a network of doctors and hospitals, allowing members to pay less for in-network care.

Primary Care Physician (PCP): A healthcare provider who serves as the main, go-to doctor for overall wellness, routine checkups, and non-emergency health concerns.

Qualifying Life Event (QLE): A significant change in personal circumstances – such as marriage, birth of a child, loss of health coverage, or moving – that makes an individual eligible for a special enrollment period. This allows changing or enrolling of health, dental and vision insurance plans outside the standard annual open enrollment period.,

Self-Funded (SF) Health Plan: A type of plan in which an employer takes on most or all the cost of medical and pharmacy claims. The insurance company manages the payments, but the employer is the one who pays the claims.

Voluntary Benefits: Optional, employee-paid insurance plans that are used to supplement core insurance plans.