EXECUTIVE SUMMARY
FOR THE WEST ALLIS-WEST MILWAUKEE SCHOOL DISTRICT
CONSENT AGENDA

Topic: 2027 Post-65 Retiree Health Insurance Renewal

Prepared by: Aaron Norris, Assistant Superintendent

Date: August 10, 2026 **Agenda Reference #** 11.1

Recommended Action:

X Discussion/Action
___ Presentation/Discussion
___ Information Only
___ Presentation/Action Next Meeting

Recommendation(s):
It is the recommendation of the District Administration that the West Allis-West Milwaukee School Board proceed to formally approve the 26.2% decrease in retiree health insurance renewal.

Background:
In January of 2025 our West Allis-West Milwaukee School District formally introduced our insurance renewal through UnitedHealthcare to split the Active and Pre-65 Retiree(s) into two separate negotiating groups under the same plan.

The District's current plan for Retirees is the Medicare Advantage and Prescription Drug Plan with Humana, which expires on December 31, 2026. Administration, in collaboration with the District's employee benefits consultants, have reviewed the renewal and recommend continuing coverage with Humana for the 2027 plan year. Since 2026 was the District's first year with Humana, a full market search was not performed in order to maintain carrier stability. This will provide continuity for retirees while preserving favorable market positioning for future renewals.

The proposed renewal includes enhanced pharmacy benefits, administrative updates to align with federal Medicare program changes, and a significant premium decrease for both the Base and Buy-Up plans. The premium reduction is primarily the result of changes made by the Centers for Medicare & Medicaid Services (CMS) to Medicare subsidy reimbursement methodologies for 2027. By separating the Medicare Advantage medical plan from the stand-alone Medicare Part D prescription drug plan, the District is able to take advantage of increased federal subsidies available for prescription drug coverage while maintaining the current benefit plan. This administrative change results in lower overall plan costs by around $180,000 over a 2-year period without reducing retiree benefits.

As a result, the monthly Base Plan premium will decrease from **$145.22 to $107.12**, and the Buy-Up Plan premium will decrease from **$239.24 to $203.43**. Consistent with the District's cost-sharing methodology, the District's monthly contribution will decrease from **$72.61 to $53.56** per retiree. The renewal is effective **January 1, 2027, through December 31, 2027**.

Attachments:
[8/10/26 Retiree Health Insurance Presentation]
[January 2027 - Rates for Post-65 Retiree(s)]