

Special Meeting

Thursday, April 17, 2025 7:30 AM

Oak Park Learning Center, 6355 Osman Avenue North, Stillwater, MN 55082

I. Call to Order

Speaker (s) : Ms.
Alison Sherman,
School Board Chair

II. Approval of Agenda

Speaker (s) : Ms.
Alison Sherman,
School Board Chair

III. Insurance Renewal Approval

Speaker (s) : Ms.
Kristine Carlston,
Executive Director of
Human Resources

IV. Adjournment

Speaker (s) : Ms.
Alison Sherman,
School Board Chair



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More.

Health Insurance Renewal 2025-26

Presented to the School Board
April 17, 2025

Current Reality: Insurance Renewal

Projections for 2025	
Projected claims and fixed costs	\$24 million
Premium income	\$20.5 million
Gap	-\$3.5 million*

**Does not reflect need to grow the fund balance*



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Current Reality

- We are facing double digit health insurance renewal costs
- Current claim trends are not sustainable
- We must find a way to reduce claim costs for the coming year
- We will continue to seek out long-term solutions to reduce claims and increase premium income



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What Are GLP-1 Medications

GLP-1 medications are used for treatment of Type 2 diabetes and can also be used to treat persistent obesity.

GLP-1 weight management drugs include:

- Wegovy
- Mounjaro
- Zepbound



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Why The Focus On GLP-1 Weight Loss Drugs

Disproportionate Cost Growth

- GLP-1 weight loss drugs are among the fastest-growing categories of spending in our health plan
- While they represent a small percentage of users, they account for a disproportionate share of total prescription costs

GLP-1 weight loss drugs stats*:

- Cost: \$583,376, which equals 12% of our total RX spend
- Usage: 90 plan members
- Growth: 134% in plan spend for just one of these medications

*Plan period Feb 24-Jan 25

Impact to Premiums

- **Current premiums:**

- Single: \$813.03
- Family: \$2319.87

- **Premiums with 18% increase**
(includes coverage of GLP-1)

- Single: \$959.38
- Family: \$2737.45

- **Premiums with 13% increase**
(excludes coverage of GLP-1)

- Single: \$918.72
- Family: \$2621.45

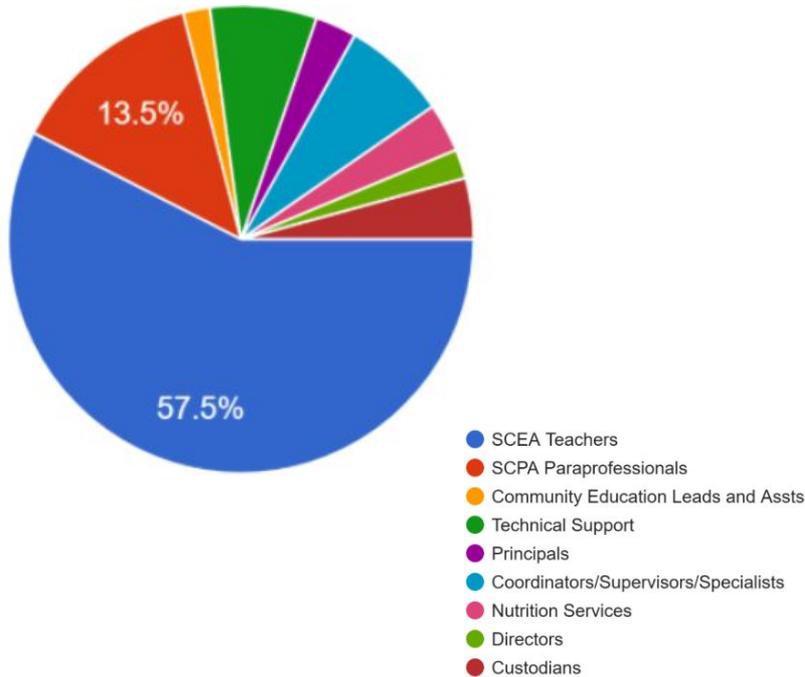


Member Survey Highlights

- 66% of insured employees responded to survey
- 44% of respondents have family coverage
- 56% of respondents are at least somewhat familiar with GLP-1 medications for weight loss
- 69% of respondents indicated their preference to discontinue coverage for GLP-1 medication for weight loss



Please provide your employment group

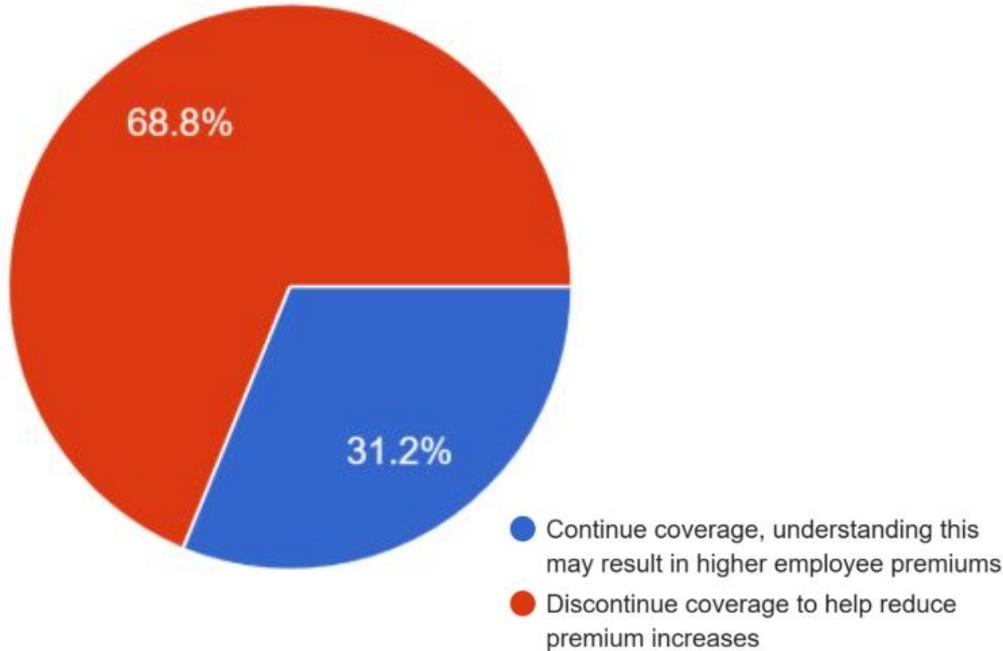


Group	Number	Total Enrollment
SCEA Teachers	341	521
SCPA Paraprofessionals	80	132
Technical Support	44	71
Coord/Sup/Spec	43	44
Custodians	25	54
Nutrition Services	20	25
Principals	17	20
Directors	12	18
Comm. Ed Leads & Assts	11	19
Total	593	904



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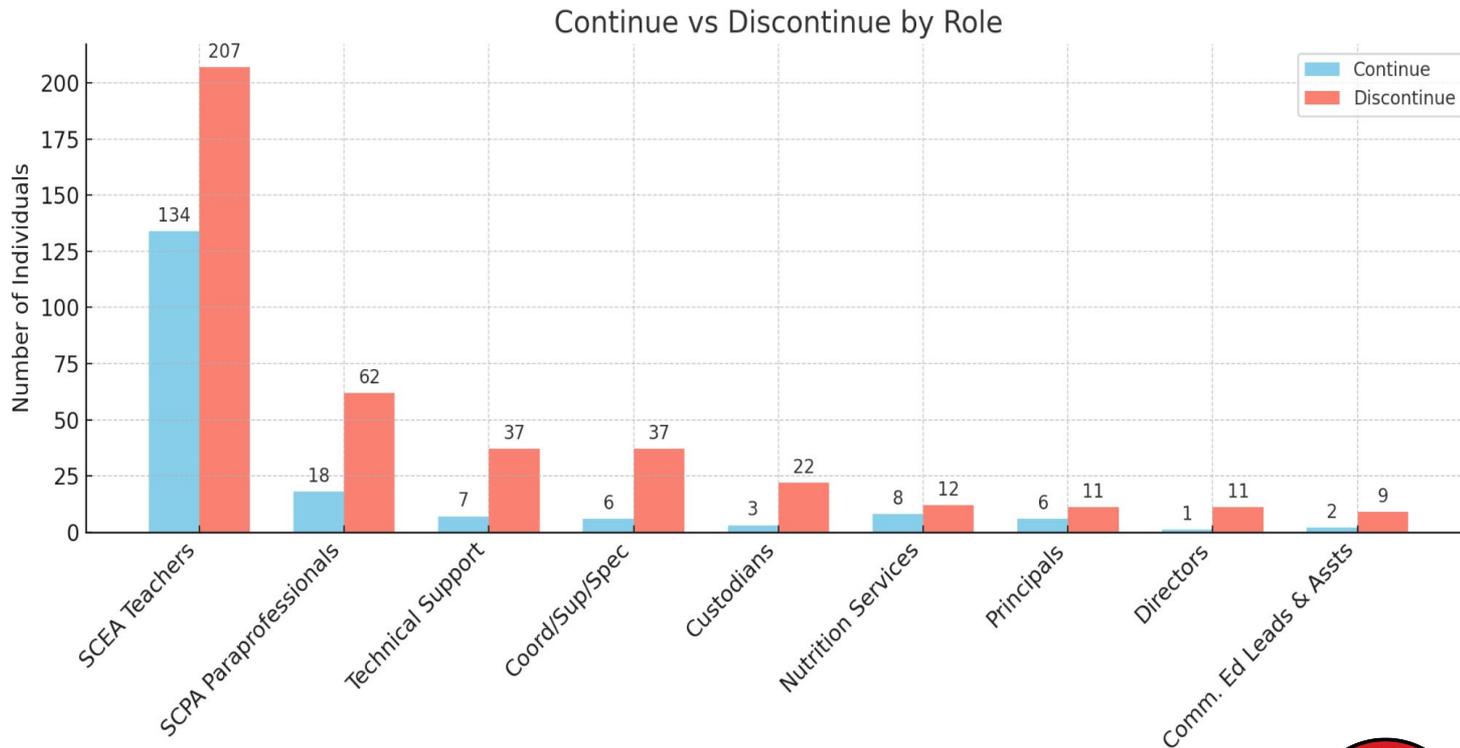
Which of the following options do you prefer regarding GLP-1 coverage for weight management?



Answer	Response
Continue coverage, understanding this may result in higher employee premiums	185
Discontinue coverage to help reduce premium increases	408
Total	593



Which of the following options do you prefer regarding GLP-1 coverage for weight management? (breakdown by group)



Summary

- This topic is both sensitive and significant, involving employee well-being and the shared responsibility of managing healthcare costs.
- Survey responses came from a wide range of employee groups, with teachers being the largest group represented.
- Most respondents preferred discontinuing GLP-1 coverage for weight management to help keep premiums more affordable.
- The Insurance Committee recommends continuing coverage for GLP-1s for weight management.



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Board Discussion