

*The New*

# IDAHO STATEWIDE SCHOOLS PROGRAM

*Securing the future of employee health benefits*  
FOR IDAHO SCHOOL DISTRICTS





## HISTORY OF THE PROGRAM

The Idaho School District Council has contracted with Blue Cross of Idaho for healthcare coverage since 1972. Over the years, the Idaho Statewide Schools Program, an insurance pool for schools and their employees, has grown to more than 125 schools and 35,000 members.

In the past, when the program was fully insured, Blue Cross of Idaho provided refunds to the school insurance pool when the contributions paid exceeded claims and administrative costs. This arrangement helped us provide a very competitive program.

However, changes to the health insurance landscape have put new pressures on all of us. The challenge to provide valuable benefits for employees and their families, while keeping benefit costs down for schools on limited budgets, led to a new solution. The Trust operates a self-funded health benefit plan, managed by a Board of Trustees. Self-funding will provide savings and will create other advantages for participating schools.

## SELF-FUNDED HEALTH PLAN

Since Affordable Care Act (ACA) fee requirements, along with factors like medical inflation, would result in an increase in premiums to a fully insured health plan, the Idaho School District Council worked with its professional advisors to establish the Idaho School District Council Self-funded Benefit Trust to manage the Idaho Statewide Schools Program. Self-funded plans are not insurance and do not participate in the Idaho Life and Health Insurance Guaranty Association. They are also not subject to some of the fees associated with the ACA.

As the third-party administrator, Blue Cross of Idaho will coordinate enrollment and billing services, as well as perform claims administration and reporting. Blue Cross of Idaho will bill school district contributions and pass those payments to the Trust. For employees and retirees, the plan will look much the same as before.

### Unfavorable Claims Year for the Trust

### Favorable Claims Year for the Trust

**7.5**MILLION

cash savings for Trust Reserves

\$100,000,000	Annual claims funding (expected claims)
- \$92,500,000	Paid claims and expenses
<b>\$7,500,000</b>	<b>Favorable Balance</b>

That **\$7,500,000** is retained by the Trust to help with reserve requirements and to keep costs in check.

*Illustration only. Actual results may vary.*

**3**MILLION

risk covered by  
stop-loss insurance

\$100,000,000	Annual claims funding (expected claims)
- \$110,000,000	Paid claims and expenses
\$7,000,000	Stop-loss pays at 103%
<b>(\$3,000,000)</b>	<b>Trust Liability Negative Balance</b>

With 103% stop-loss insurance, the Trust has a negative balance of \$3,000,000 instead of \$10,000,000. The liability is paid from pre-funded Trust reserves.





## A SAFETY NET FOR SCHOOLS

To minimize fluctuations in claims payments, the Trust also purchases stop-loss insurance from Blue Cross of Idaho. This stop-loss insurance helps reduce risk from both high individual claims and higher than expected claims for all plan members collectively. School districts pay a fixed monthly contribution based on the number of employees, dependents and spouses for the year.

## RETIREE COVERAGE

The Idaho Statewide School Program offers retired school district employees health insurance specifically designed to work with PERSI and direct billing options. With self-funding, retirees under age 65 keep the same benefits offered by the school from which they retired.

Over age 65 retirees who are enrolled in Medicare Parts A and B are offered a wide choice of Medicare Advantage and Medicare compatible plans with Part D creditable prescription coverage to help meet their benefit and budget needs. These benefits remain fully insured.

## VALUE-ADDED BENEFITS

Many self-funded plans provide just the basics. The Idaho School District Council Self-Funded Benefit Trust offers the coverage you need, plus added benefits through Blue Cross of Idaho to help employees make good health decisions and wellness choices.

- ▶ Cost Advisor
- ▶ WellConnected
- ▶ Blue Extras!
- ▶ Nurse Advice Line\*
- ▶ Condition management \*
- ▶ Complex care management
- ▶ Specialty pharmacy management
- ▶ Mobile app
- ▶ bcidaho.com

*\*normally an additional charge applies for self-funded groups*

## CHOICE OF PLANS AND PROVIDERS

The provider network for the Idaho Statewide Schools Program includes all acute care hospitals and 96 percent of physicians in Idaho. School districts retain a choice of plan options and benefit levels and costs:

- ▶ Preferred Provider Organization (PPO)
- ▶ Dental, vision and EAP services
- ▶ Point of Service (POS) plan
- ▶ Life and disability insurance
- ▶ Qualified Health Savings Account (HSA)
- ▶ Wellness programs (3 levels to choose from)

Because all school district health plans come with basic wellness and condition management programs, it's easy to see how the Idaho School District Self-Funded Benefit Trust provides a path to help keep school employees healthy and your school district's healthcare costs in check.



# IDAHO STATEWIDE SCHOOLS PROGRAM

## *Idaho School District Self-Funded Benefit Trust Board of Trustees*

**DARREN URANGA**

**JERRY EVANS**

**GORDON WOOLLEY**

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