

# All About Health Insurance

*Information for School Board Members*

*An informational presentation courtesy of the  
Missouri Educators Unified Health Plan (MEUHP)  
and  
Forrest T. Jones & Company*



# Presenters

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# What do you want to know or talk about?

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We want this session to be as applicable and valuable as possible.

We can go more in-depth on the points that matter most.

# Let's talk about health insurance

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## Major Topics:

- Fully Insured vs. Self Insured
- Stand Alone vs. Consortiums
- Types of Plans
  - PPO
  - HSA
  - HMO
  - Other
- What type of health insurance should your District offer?
- How much should the District contribute?
  - More or Less / Advantages and Drawbacks

# Fully Insured vs. Self Insured

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## Fully Insured

- Least risk (for the present) to the District
- Can be stand-alone (just your district) or as part of a consortium (cooperating districts)
- Advantage: Insurance company bears risk
- Drawback: Insurance company makes and keeps the profit.

## Self Insured

- More risk to the District
- Can be stand-alone (just your District) or as part of a consortium (cooperating districts)
- Advantage: District or Consortium keeps “profits”
- Drawback: District or Consortium bears risk
- Essentially, the District or Consortium is acting as an insurance company

# Fully Insured vs. Self Insured (contd.)

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## Fully Insured

- If claims are high, the insurance company may take a loss (at least for the moment)
- High claims will very likely result in increased premiums
- Insurance company sets the premiums, plan designs, etc.
- Insurance company will not simply accept losses on a recurring basis.

## Self Insured

- District or Consortium has control over plan design and premium rates.
- District or Consortium keeps any “profit” but are also responsible for covering “losses” if claims are high.
- Typically, an insurance company is engaged to process claims and provide access to medical networks and discounts

# Stand Alone vs. Consortiums

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## Stand Alone

- District is the sole member
- Can be Fully Insured or Self Insured
- Most small districts are Fully Insured
- Some (mostly large) districts are Self Insured
- The health claims of the District are what drives premiums
- Bad years can result in large premium increases

## Consortiums

- Multiple districts are cooperating to purchase (Fully Insured) or provide (Self Insured) health insurance
- More membership makes projecting claims more reliable (1000+ members)
- Hopefully, if one district has a bad year, another district is having a good year. The risk of a bad year is reduced (at least to a point).

# Types of Plans

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## PPO

- “Preferred Provider Organization”
- Can be thought of as “normal” insurance
  - Copay for Dr. visit
  - Deductible
  - Coinsurance Coverage for hospital, etc.
  - Maximum Out-of-Pocket Limit
- Member costs are less if they stay in-network
- Generally higher monthly premiums

## HSA

- Health Savings Account / High Deductible Plans
- Usually lower monthly premiums
- School districts often pay for the premium and also put money into each employees Health Savings Account
- Employees can also put extra money into the HSA (up to certain limits)
- Instead of copays at the doctor, the member pays the (discounted) bill from money in the Health Savings Account




# Types of Plans

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## HMO

- Health Maintenance Organization
- Less common now than in the past
- Typically lower monthly premiums
- Must have primary care physician
  - All healthcare is routed through the Primary Care Physician
- No out-of-network care unless an emergency

## Other?



**What does a health insurance plan include?**

## 2024-25 MEUHP Statewide Benefit Plans & Steps

	Office Visit		Deductible		Co-Ins.	Out of Pocket		STEPS (one step decrease or increase maximum at renewal)								
	PCP	SCP	Ind	Family		Individual In-Network	Family In-Network	1	2	3	4	5	6	7	8	9
<b>HSA 7000</b>	Ded. then 20%		\$7,000	\$14,000	20%	\$8,000	\$16,000	\$446	\$474	\$502	\$530	\$558	\$586	\$614	\$642	\$670
<b>HSA 5500</b>	Ded. then 20%		\$5,500	\$11,000	20%	\$7,500	\$15,000	\$482	\$513	\$543	\$573	\$603	\$633	\$663	\$693	\$724
<b>HSA 3500</b>	Ded. then 20%		\$3,500	\$7,000	20%	\$5,500	\$11,000	\$549	\$583	\$617	\$652	\$686	\$720	\$755	\$789	\$823
<b>PPO 5000</b>	\$30	\$50	\$5,000	\$15,000	30%	\$8,550	\$17,100	\$524	\$557	\$590	\$622	\$655	\$688	\$721	\$753	\$786
<b>PPO 3000</b>	\$30	\$50	\$3,000	\$9,000	20%	\$8,000	\$16,000	\$565	\$600	\$635	\$671	\$706	\$741	\$777	\$812	\$847
<b>PPO 2000</b>	\$30	\$50	\$2,000	\$6,000	20%	\$6,500	\$13,000	\$587	\$624	\$661	\$697	\$734	\$771	\$807	\$844	\$881
<b>PPO 1000</b>	\$30	\$50	\$1,000	\$3,000	20%	\$4,500	\$9,000	\$614	\$652	\$690	\$729	\$767	\$805	\$844	\$882	\$920

### All Plans

Wellness visits (including virtual wellness visits) are covered at 100% Virtual office visits available for office visit copay or \$55 on the HSA Plans.

Up to \$300 in wellness incentives

EAP included on all plans for employee and household members, with up to 3 office counseling visits.

Separate out-of-network deductible and coinsurance. 3X out-of-pocket maximum of in-network amount.

SPOUSE RATE = 110% OF EMPLOYEE RATE  
CHILDREN RATE = 90% OF EMPLOYEE RATE  
CHILD RATE = 55% OF EMPLOYEE RATE

### PPO Plans

PPO Rx Copays, Tiers 1-4: \$10 / \$45 / \$80 / 25% up to \$200 maximum. 90-day retail and home delivery available.

All PPO Plans except PPO 5000 include a \$50 copay for in-network urgent care.

All PPO Plans except PPO 5000 include a \$250 copay for in-network Emergency Room care.

This is a brief summary only.  
See Summary of Benefits for more information.

### HSA Plans

HSA 3500, 5500 & 7000 include Generic Preventive Rx benefits.

Questions so far?



# Which type should your District choose?

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This decision relies on considering several factors:

- Recent claims experience from your District
- Size of your district
- Level of comfort with risk
- Finances
- Preferences of your faculty/staff
- Coverage (networks, doctors, hospitals) of the plan/group being considered
- Existing contractual obligations (are you bound by regulations of your current situation?)
- Level of comfort with making a change (new insurance company may mean changes in insurance plan, doctor, medication, etc.)

# How much should the District contribute?

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- How much the District contributes will affect which plans are selected by employees
- The plans that are selected could affect your Districts' overall health claims experience - which could affect premiums in the future, as well as the ability to switch to another group/consortium/company
- When Districts contribute more, employees can select plans that better suit their needs
- When Districts contribute less, employees will move towards the least expensive plans with the least coverage (although their healthcare needs probably won't change)

# How do you know what to do?

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- First, understand the health insurance your District offers
- Second, there is probably a group of schools nearby that you compete with. Find out what they are offering, as well
- Consider your District's financial situation
- Consider your employees satisfaction with the current offerings
- If a change may be warranted, reach out to groups, companies and discuss what you have, what you're looking for, and what might be possible
- Study your options, move slowly, make careful decisions
- This decision will literally affect your employees health and wellbeing

# Questions?





# Thank you!

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