



Mission Statement

*Recognizing our proud traditions and diverse community,
the Pennsbury School District prepares all students to become
creative, ethical, and critical thinkers
for lifelong success in a global society.*



Introduction & Concerns

- DVHT renewal rates came in high (30% overall increase, some plans as high as 60+ %)
- This is concerning for all of us; especially our lowest paid employees
- This increase impacts both our employees and the District - The District rate came in over \$5 Million
- Concerns about “comparable coverage” coverage denials occurring for care/prescriptions that were covered by our previous provider
- Although the DVHT increase is high, the rate is still lower for comparable plans from other districts
 - Neshaminy and BCIU rates were reviewed.



What are we doing about it?

- We have requested and received renewal quotes from our previous provider, IBX
 - We are reviewing/comparing their proposal
- We have also requested a quote from IBX for us to self insure (Our previous plan)
- We have requested quotes from the Bucks Mont Health Consortium
- We have released a Request For Proposal for a Health Insurance Broker
- We have had meetings with PEA and PESPA leadership
- We have scheduled this town hall to provide an update on what is happening
- We have requested another meeting with DVHT to request our claims data
 - So we can more effectively shop our District around
- Our solicitor is reviewing our contract with DVHT to determine our ability to force the release of our claims data
- We are not giving up without a fight



Why have the rates increased?

- Current 2023-24 rate/premiums do not adequately reflect the level of claims for the past 18+ months.
- Factors impacting claims increases:
 - Continued release of pent-up healthcare demands post-COVID
 - Increased cost and frequency of outpatient surgery services
 - High-cost specialty drugs (Humana, Stelara, etc.)
 - Increased use of off-label antidiabetic medications (Ozempic, Mounjaro)

Source: DVHT



What changes have been made to the plans?

- **Prescription/RX Plan and Medical Plan Combination:** Starting this year, there will no longer be an option to choose the Prescription/RX plan without also selecting a medical plan. If you currently only have the Prescription/RX plan without a medical selection, you will need to choose a medical plan or opt to waive both the medical and Prescription/RX plans.
- **Combined Rates:** As a result of the change mentioned above, the rates listed for the benefit plans now include both the medical and Prescription/RX plans
- **Prescription/RX Plan Options:** There have been some adjustments to the Prescription/RX plan options
 - The PPO 20/40 and the QPOS (HMO) plan both offer the **RX 15/40/70/75 plan**
 - The PPO 10/20 option will now have the **RX 15/30/50 plan**
- **Changes for Certified (PEA) and Administrative/First Level Supervisors:** The PPO 20 option is no longer available for these groups. If you currently have this option, you will need to make a new health insurance election this year



Why is the PPO 10/20 increase so high?

The PPO 10/20 plan is considered a **buy up plan** so the calculated cost to the employee is as follows: Calculate the premium cost of the Benchmark Plan (PPO 20/40) based on the rates received from the insurance provider. Then calculate the cost difference between the PPO 20/40 and the PPO 10/20 plan is added to that cost.

Example: The PEA monthly cost of the PPO 20/40 Plan for single coverage:

- PPO 20/40 single : \$784.00
- Premium Cost : **\$125.44**
 - 16% of the \$784= \$125.44
- PPO 10/20 single: \$871.48
- Cost difference in the two plans is: **\$87.48**
 - $\$871.48 - \$784.00 = \$87.48$

So the monthly cost for PPO 10/20 would be: **\$125.44 + \$87.48 = \$212.92**

The increase to the 10/20 plan option was around 30% compared to last year's rates. However, because of the cost difference in the PPO 10/20 plan vs. the PPO 20/40 plan, the resulting overall increase is much higher.



What happens next?

The District is actively exploring the possibility of changing health care providers.

- Even if we change providers, it will take time to work through the transition to a new provider. (*September or October at the earliest*)
- To avoid a lapse in health care coverage for employees, we must renew with DVHT at this time to ensure continuous coverage on July 1, 2024
- Regardless of any changes to our health care provider, we must complete open enrollment by May 12, 2024 to guarantee uninterrupted health care coverage for employees.



Open Enrollment with DVHT- May 6th

Open Enrollment with DVHT will move forward to ensure there is no gap in coverage.

- Open Enrollment period beginning on **May 6th and running through May 12th.** The benefit choices you make during Open Enrollment will be effective July 1, 2024. Detailed instructions regarding the Open Enrollment process and procedures will be sent through District email on **May 6, 2024.**

What will I be required to do during Open Enrollment?

- Similar to last year, Open Enrollment will take place using PowerSchool Records. All benefit eligible staff will be sent two forms to complete through PowerSchool Records.
 - On the first form, the Benefit Election Form, you will designate if you would like to keep all benefit elections the same as you have currently or if you wish to make a change.
 - The second form to complete will be the Flexible Spending Enrollment/Waiver form.



Where can I see my current health insurance election(s)?

- You can view your current election(s) in PowerSchool Records, select the Files tab, and then look in the Benefit Enrollment folder. You will see the form you completed last year. You can also look in the Employee Access Center under Deductions and Benefits.

Questions?

Contact Human Resources at

benefits@pennsburysd.org

if you have any questions or need further clarification.



