

SDOC Health Services Plan

1. Historically, SDOC was contracted with CIGNA in an ASO role (Administrative Services Only). Gallagher was the broker/consultant. Claims trend increases were running 6%/year on average.
2. In April 2016, the district opened the Center for Employee Health. Advent Health (formerly Florida Hospital) was selected through an RFP process to manage and staff the Center.
3. In the first year of Center operations, the district was able to control claims expense and offset national trend rates. However, after year 1, we quickly began to see increases in claims expense as Florida Hospital was referring Center patients to their independent high-cost facilities.
4. For the next two years, healthcare expenses continued to skyrocket at unsustainable rates, requiring the district to supplement the health trust fund by an additional \$25M over a four year period. This prompted the School Board to consider alternative approaches to our health plan.
5. In May 2019, SDOC contracted with ProvInsure to become the broker/consultant effective June 1, 2019, and for RosenCare to take over managing the operations of the Center for Employee Health, effective October 1, 2019.
6. Immediately, ProvInsure began working with the district to implement high quality, lower cost healthcare solutions for our employees and their families.
7. Effective with the plan year beginning October 1, 2020, a new SDOC health services plan was launched which included our own custom-built network through Evolutions, consisting of direct contracts with hospitals and providers. Aither Health was selected as the TPA (Third Party Administrator) and Ventegra as the TPBM (Transparent Pharmacy Benefit Manager).
8. A new plan design structure was implemented based on tiers. Tier 1 providers are those who've contracted with our network to provide high quality healthcare at the greatest value. Tier 2 providers have also contracted directly with the SDOC network, although at slightly higher rates. Tier 3 encompasses all other providers, as no provider is considered "out of network". Employees have their choice of going anywhere they wish; however, the tiered plan design structure incentivizes using Tier 1 and Tier 2 providers based on lower or no out-of-pocket costs.
9. Since 2019, the SDOC health services plan has stopped the bleeding in our health trust fund and reversed the trend from annual cost increases to a reduction in healthcare expenses of \$6M in year 1 and an additional \$4M in year 2. This has allowed the district to keep operating dollars in the classroom that otherwise would have been necessary to supplement rising healthcare costs.
10. By controlling our healthcare expenses, the School Board has been able to offer salary increases to our employees this year despite the limited increase in operational funding per student. In addition, the School Board has proposed a one paycheck premium holiday for this year and next.

THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FL
HEALTH AND LIFE INSURANCE TRUST FUND

Source	ACCT. NO.	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual
NET POSITION AT BEGINNING OF YEAR:							
Total Beginning Net Position		\$ 15,623,950	\$ 15,077,118	\$ 11,703,413	\$ 10,521,021	\$ 10,356,982	\$ 10,250,945
REVENUE:							
Premiums	484						
Employer	070	43,399,239	42,926,057	44,292,617	46,419,598	49,600,530	48,615,146
Employee	071	5,810,501	5,712,148	6,158,540	7,669,189	8,429,609	7,595,789
Retiree/LOA	072	2,301,323	1,718,859	1,256,350	1,403,060	1,518,947	1,243,656
COBRA	073	46,393	53,842	69,975	102,372	75,015	46,350
Non-operating Revenue	495	97,697	52,746	66,404	86,266	74,948	89
Transfers In		3,000,000	3,000,000	8,500,000	10,500,000	-	-
Total Revenue		54,655,153	53,463,652	60,343,886	66,180,485	59,699,049	57,501,030
HEALTH & LIFE INS EXPENSES:							
Professional & Technical Services	3100	2,865,782	4,572,603	4,505,658	5,158,461	5,080,601	9,081,854
Insurance & Bond Premiums	3200	1,405,878	1,151,420	785,827	840,550	678,130	815,133
Other Purchased Services	3900	44,027	48,086	82,131	59,853	32,832	333,175
Supplies	5000	132,212	347,761	378,941	481,229	660,507	999,902
Furniture, Fixtures, & Equipment	6000	71,304	7,810	-	1,345	27,950	4,185
Dues and Fees	7300	429,095	286,919	50,871	52,403	-	44,691
Claims Expense	7700	50,245,416	50,317,692	55,616,035	59,644,352	53,216,080	44,451,805
Depreciation Expense	7800	8,271	105,066	106,815	106,331	108,986	107,861
Total Health & Life Ins Expenses		55,201,985	56,837,357	61,526,278	66,344,524	59,805,086	55,838,606
COVID Claims Offset		-	-	-	-	-	(2,765,331)
Net Health & Life Ins Expenses		55,201,985	56,837,357	61,526,278	66,344,524	59,805,086	53,073,275
NET POSITION AT END OF YEAR:							
Total Ending Net Position		\$ 15,077,118	\$ 11,703,413	\$ 10,521,021	\$ 10,356,982	\$ 10,250,945	\$ 14,678,700