

## Recommendation for Health Insurance Premium Amounts – 2023

West Lafayette School Corporation is self-insured for health insurance. Each year we have to review our claims history and anticipated medical cost increases to determine if we are going to increase the amount that the corporation pays to Anthem on a monthly basis to cover the cost of our claims. This is a “level pay” amount that is settled at the end of each year, usually after run-out of claims in the April-May time period of the following year.

We normally approve rates at the November Board Meeting, but due to that meeting date being later this year, and our need to provide renewal information to Steele Benefits prior to Open Enrollment that begins November 8, we are asking for approval to set the 2023 health insurance premiums at an increased amount not to exceed 9%. In reality, we expect to see the amount of increase closer to the 6% level.

We are basing this forecasted increase information on the following

- Health insurance is trending upward due to increased costs in the medical industry in general, and we have also had a heavier than normal high claims year. Anthem anticipates our costs going up in the 9% area based on insurance and prescription drug costs continuing to rise. Most schools are seeing increases in double digits.
- RE Sutton is having ongoing conversations with Anthem in an attempt to reduce the amount we will need to fund for 2023, but that information will not be available until late October.
- We will not see any increases in Dental, Vision, Life or LTD coverage for 2023 or 2024.
- The actual amount settled upon for health insurance will be presented at the November Board Meeting.