

CHANGE TAKES TIME



Presented by Sandy Daws, CFO
Kodiak Island School District

High Deductible Health Plan-Benefits

- CONSUME DIRECTED HEALTH PLAN (CDHP)
- LOWER PREMIUMS FOR EMPLOYEE
- Health Savings Account (HSA)
- Higher Deductible without Rx Copays
- Preventive Benefits remain covered at 100%
- Dental and Vision-have minor co pays not part of the Medical Deductible

HSA Eligibility

FOR YOU (THE EMPLOYEE) TO BE ELIGIBLE TO OPEN AN HSA, YOU MUST

- Be enrolled in a qualified high deductible health plan (HDHP)
- NOT be enrolled in a non-HDHP including a spouse's plan, Medicare, Tricare or prescription drug only plan
- NOT be claimed as a dependent on another individual's tax return, other than your spouse's
- NOT have received any health benefits from the Veterans Administration or one of their facilities, including prescription drugs, in the last three months.
- NOT have received any health benefits through the Indian Health Services in the last three months.
- NOT be enrolled in a General Purpose Flexible Spending Account (FSA)
- YOUR QUALIFIED DEPENDENTS MAY ALSO USE THE HSA FUNDS, EVEN IF THEY ARE NOT COVERED UNDER A HDHP

HSA Contributions Limits

Every year, the Internal Revenue Service (IRS) sets the maximum that can be contributed to an HSA. For example, if your HSA contribution limit for the year is \$3,650 (as it is in 2022) and your employer contributes \$1,000, you can only contribute \$2,650—unless you're eligible for a catch-up contribution of \$1,000.

The amount you can contribute to an HSA each year is determined by whether you are enrolled in self-only or family coverage and if you are age 55 or older.

2023 HSA contribution limits

The HSA contribution limits for 2023 is \$3,850 for self-only coverage and \$7,750 for family coverage. Those 55 and older can contribute an additional \$1,000 as a catch-up contribution.

1985



2007



Timeline

1983-1994

- FY83 to FY84
 - Premium 100% covered by District
 - Premium increase average 4%
- FY85 to FY90
 - Premium Split 90/10 %
 - Premium increase during this time average 13%
- FY 91 to F95
 - Premium Split 86/14 %
 - Premium Split 78/22 %
 - Premium Split 75/25 %
 - Premium Split 70/30 %

Timeline Continued

- 1996-KIBSD moves to Self insured
 - 1996-2003 Premium Split 90/10%
- 2003-PPO Introduced
 - Statement from 2003 Budget Presentation
 - "INCREASE IN PREMIUMS OVER THE PAST TEN YEARS = 180.27% OF FY03"
- 2003-2013
 - Premium Split 90/10 %
 - Premium Split 80/20% (CAP)
 - Rates and Premiums continue to rise

Timeline Continued and Tide Changes

- 2014-KIBSD introduced HDHP (Less than 10 people enrolled)
 - \$1,000 HSA Incentive
 - 100% Premiums covered by District

- 2016 Certificated Staff moves to HDHP
 - \$2,000 Incentive
 - Premium Split 96/4%

- 2016-2020 Classified Staff moves to HDHP
 - Various Incentives
 - Premium 100%

Current Plan

- **Deductible \$ 3,500 \$ 7,000 Medical/RX**
- **Wellness benefit Limits then subject to OOP 100% coverage for Wellness 100% coverage for Wellness**
- **Premium Split 97/3%**
- **Ability to Change Plan Design**
- **Stop Loss Insurance \$125,000**
- **Fourth Quarter Rollover**
- **RX Preventive List (covered at 100%)**
- **Employees Share in Good Plan years**

2022 Premiums

(97% District/3% KBEA/Admin)				Yearly COST After refund	
				DISTRICT	EMPLOYEE
KBEA/Administration		Total Yearly Contributio	Employee Yearly		
Employee		\$13,968.36	\$ 419.05	\$ 9,213.53	\$ 287.51
Employee & Child(ren)		\$25,874.04	\$ 776.22	\$ 17,066.52	\$ 532.58
Employee & Spouse		\$30,279.72	\$ 908.39	\$ 19,972.50	\$ 623.24
Employee & Family		\$42,325.32	\$ 1,269.76	\$ 27,917.78	\$ 871.16



Questions

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