

Action Item:**Recommendation from Health Insurance Committee Regarding Employee Benefits****Submitted by:**

Dr. Doug Virgil, CFO

Dr. Pam Sitton, Assistant Supt. Personnel and Special Services

Funding:M&O

RECOMMENDATION:

It is recommended that the Governing Board approve the Insurance Committee recommended changes to the current Health Insurance Plan and funding for FY19 increases.

BACKGROUND:

The Insurance Committee met on March 22, 2018 and Kairos presented. After the presentation, discussion and questions, the committee reached a consensus. The Insurance Committee recommends changes to the current Health Insurance Plan and funding for FY19 increases.

This years' trend for insurance costs is around a 9% increase over last year. Kairos' recommendation, based on trend and our overall district experience for the first half of this year, is to increase the amount we pay by 6%. Because we are self-insured we want to avoid a situation in which we under-estimate the cost of providing insurance to our employees as that would result in an even larger increase in costs the following year. Conversely, if we over-estimate the cost of providing insurance the money is still ours and available to offset any cost increase in the following year.