BARTON COUNTY COMMUNITY COLLEGE

Health Insurance Review

Self Funded Plan

2026-2027

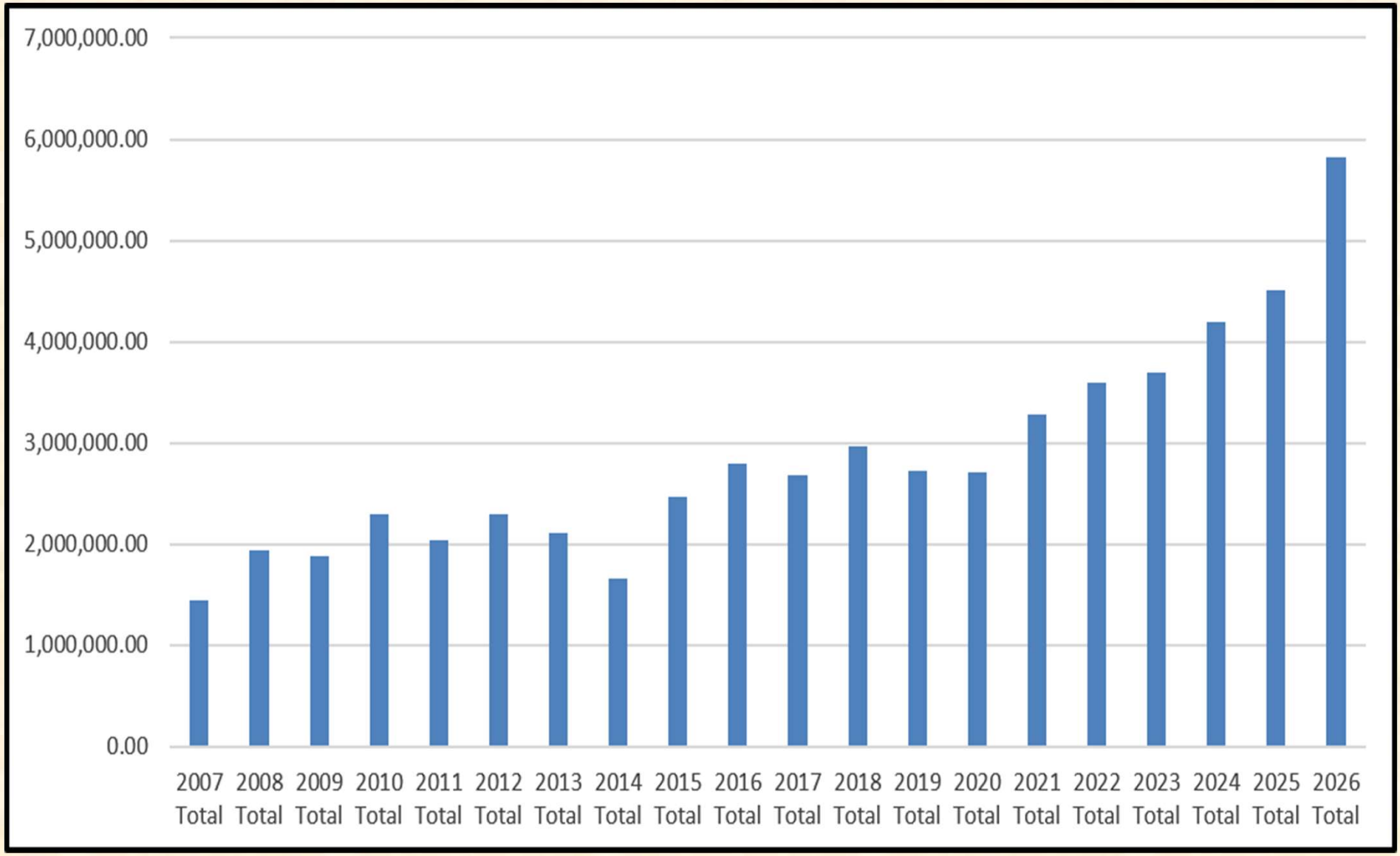
History of Cost Increases

- Health Insurance plans typically see a 10-15% annual increase in costs, and employees typically pay 30% of the costs.

- Good medical cost history, and minor changes to our plan, allowed employee rates to remain the same from 2008 to 2024. In 2024, we had to increase rates and deductibles for the plan.

- Cycle of good and bad years are normal – we have experienced very high claims the last six years.

Cost increases to our health plan



26-27 Health Plan Highlights

- Barton's Health Insurance is Self Funded – meaning, when you go to the Doctor, Hospital, or Pharmacy, **Barton pays the bill.**

- Prescription Drug costs account for nearly 40% of our health insurance expenditures.

- Barton's costs for our Dental program are up significantly due to increased charges for procedures. Our dental expenses continue to exceed our dental premiums by $150,000 per year.

26-27 Health Plan Highlights

- Over the last 10 years, health costs paid by employees nation wide increased by 122% (premiums, out of pocket spending).

- There are huge differences between providers in the discounts provided to both our plan and employees.

- Hospital discounts (major expenses).

- Diabetic monitor & supplies covered at 100% via our LivingConnected Plan, however we have eligible employees that do not participate in the plan.

26-27 Health Plan Highlights

Prescription Drugs- Barton's cost of prescription drugs continue to increase. These increases are primarily due to "specialty drugs" and the use of brand name drugs. Current plan benefits include:

PRESCRIPTION DRUGS

Prescription Drug Benefit Services provided through Elixir.

Acute Retail Medications - (Up to a 34-day supply):

Generic Drugs	$10 Copayment
Formulary Brand Name Drugs:	20% up to a $60 Copayment
Non-Formulary Brand Name Drugs	20% up to a $120 Copayment
Specialty Drugs*	20% up to a $300 Copayment

*Limited to a 30-day supply. Must be filled at a MedTrak BIC Specialty Pharmacy or through Payer Matrix.

Maintenance Retail Medications and Performance 90 Pharmacy-(Up to a 90-day supply)

Generic Drugs	$10 Copayment
Formulary Brand Name Drugs:	20% up to a $150 Copayment
Non-Formulary Brand Name Drugs	20% up to a $300 Copayment

Walgreen's, CVS, & Target Pharmacies Acute Retail Medications-(Up to a 34-day supply)

Generic Drugs	$20 Copayment
Formulary Brand Name Drugs:	35% up to a $120 Copayment
Non-Formulary Brand Name Drugs	35% up to a $240 Copayment
Specialty Drugs*	Not available

Walgreen's, CVS, & Target Pharmacies Acute Retail Medications-(Up to a 90-day supply)

Generic Drugs	$20 Copayment
Formulary Brand Name Drugs:	35% up to a $300 Copayment
Non-Formulary Brand Name Drugs	35% up to a $600 Copayment

Prescription Drug Maximum Out-Of-Pocket Amount per Plan Year

Per Covered Person	$6,200
Per Family	$12,400

26-27 Health Plan Highlights

- The “Teladoc” program has been a huge success, however this program as well as prescription management, and health management programs will have no impact on costs unless employees understand their value and utilize the services.
- Why use Teladoc?
  - 24/7 access to board-certified doctors
  - No waiting rooms or travel time
  - Convenient care from home or work
  - Prescriptions sent directly to your pharmacy
  - Teladoc is free to the employee and easy to use
  - Barton employees who have used Teladoc have reported that they are 100% satisfied with Teladoc’s service

26-27 Health Plan Highlights

TelaDoc data for Barton's Health Insurance Plan:

Eligible Lives
548
No change from last month

Registered for Care
86
15.7% of Eligible Lives
Up 4% from last month

Ready for Care
72
13.1% of Eligible Lives
Up 4% from last month

Utilized Care
49
68.1% of Ready for Care
Up 9% from last month

Eligible Lives: Number of people who are eligible for 24/7 Care

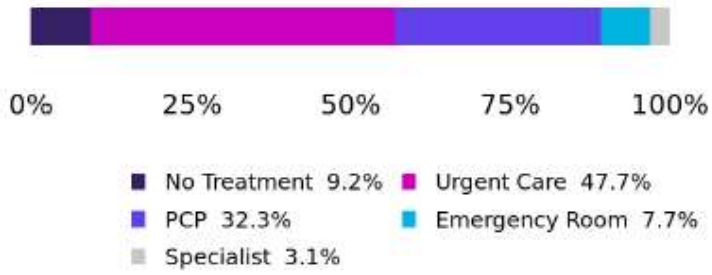
Registered for Care: Number of currently eligible lives who completed registration(ITD)

Ready for Care: Number of currently eligible lives who have completed their online medical history(ITD)

Utilized Care: Number of participants who have completed a 24/7 Care visit (YTD)

Where eligible lives would have gone if Teladoc were not an option

9.2% **Would have forgone treatment**
Based on responses in pre-visit intake survey (YTD)



Did You Know???

- Not all provider facilities are the same.
- Not all providers charge the same thing for procedures.
- Not all charges end up the same for members or your health insurance plan.
- In most cases, providers discount medical services and those discounts can vary significantly.
- Bottom line is that making an informed decision can make a difference in your pocketbook as well as your health plan, and the future sustainability of your health plan.

Historical Data Comparisons

When making choices on your health care you need to consider:

- Outpatient procedures at In-network Facilities
- There can be thousands of dollars difference in the cost of a procedure between different health care providers (hospitals as well individual providers).
- LOCAL providers are typically much more cost effective than other providers due to negotiated discounts.

Historical Data Comparisons

In-Patient procedure at In-Network Facility:

On average, a $5,000 In-Patient procedure reimbursement (after discount) at In-Network Facility

- Local Facility 1 $5,000
- Local Facility 2 $5,260
- Non-Local 1 $6,005
- Non-Local 2 $6,648
- Non-Local 3 $9,276
- Non-Local 4 $9,896
- Non-Local 5 $11,453
- Non-Local 6 $15,015
- Non-Local 7 $15,866

Your Plan – Your Future

Everyone can do their part to help keep our insurance affordable by making informed decisions. There are major differences in costs, and reimbursement rates for different providers (hospitals as well as other providers).

- Your decisions on where you have your medical services will impact current and future benefits.

- Make informed decisions when determining where to have your medical needs addressed.

- As a reminder, if as an employee, you choose to seek medical care outside of our area, you need to research the cost to both you as well as the cost to our plan. There are some procedures that require the employee to seek services outside our area while others are optional. We have over 500 total employees and dependents covered on our plan and a single procedure can cost the plan thousands of additional dollars when the same procedure could have been done locally.

Your Plan – Your Future

Salina Regional Hospital has refused to negotiate their facility charges.

- Salina Regional Hospital remains as a non-network facility. If you decide to utilize Salina Regional or any other non-network facility for services (other than for an emergent situation), you will be subject to:
  - Your out-of-network Deductible
  - Your Coinsurance (New this year - $ unlimited)
  - The potential that you will receive a bill for the difference between what the provider charges and what our plan will pay (balance billing). This can easily be thousands of dollars that will be your responsibility.

How Does our Self-Funded Plan Work?

- The College contributes a specific dollar amount for each eligible employee (plus dependents).

- The Employee contributes a specific dollar amount depending on if they choose one of the three optional "family plans".

- The College then pays all claims up to $90,000 per employee.

- The College contracts with a provider to provide "Specific Coverage" (all claims in excess of $90,000) per employee. The upcoming renewal cost for this coverage increased **30%** this next year due to the number of claims exceeding the $90K per employee.

How Does our Self-Funded Plan Work?

- The contributions from the Employees and the College are kept in a special Health Insurance fund.
- We pay for our Specific Coverage, Claims, and claim administration out of this fund.
- We attempt to maintain a reserve to account for the ups and downs of the claims.
- For FY23 we dipped into our reserves in the amount of $444,981
- For FY24 we dipped into our reserves in the amount of $718,586
- For FY25 we grew our reserves in the amount of $871,427
- For FY26 we dipped into our reserves in the amount of $1,670,431

- Between the last four years, the claims have **exceeded** the contributions in the amount of $1,962,572.
- **The plan is not sustainable without additional contributions, benefit reductions, or a combination of the two.**

Rates & Benefits Effective November 1, 2026

- Employee rates for the three optional family health plans remain the same for the new plan year

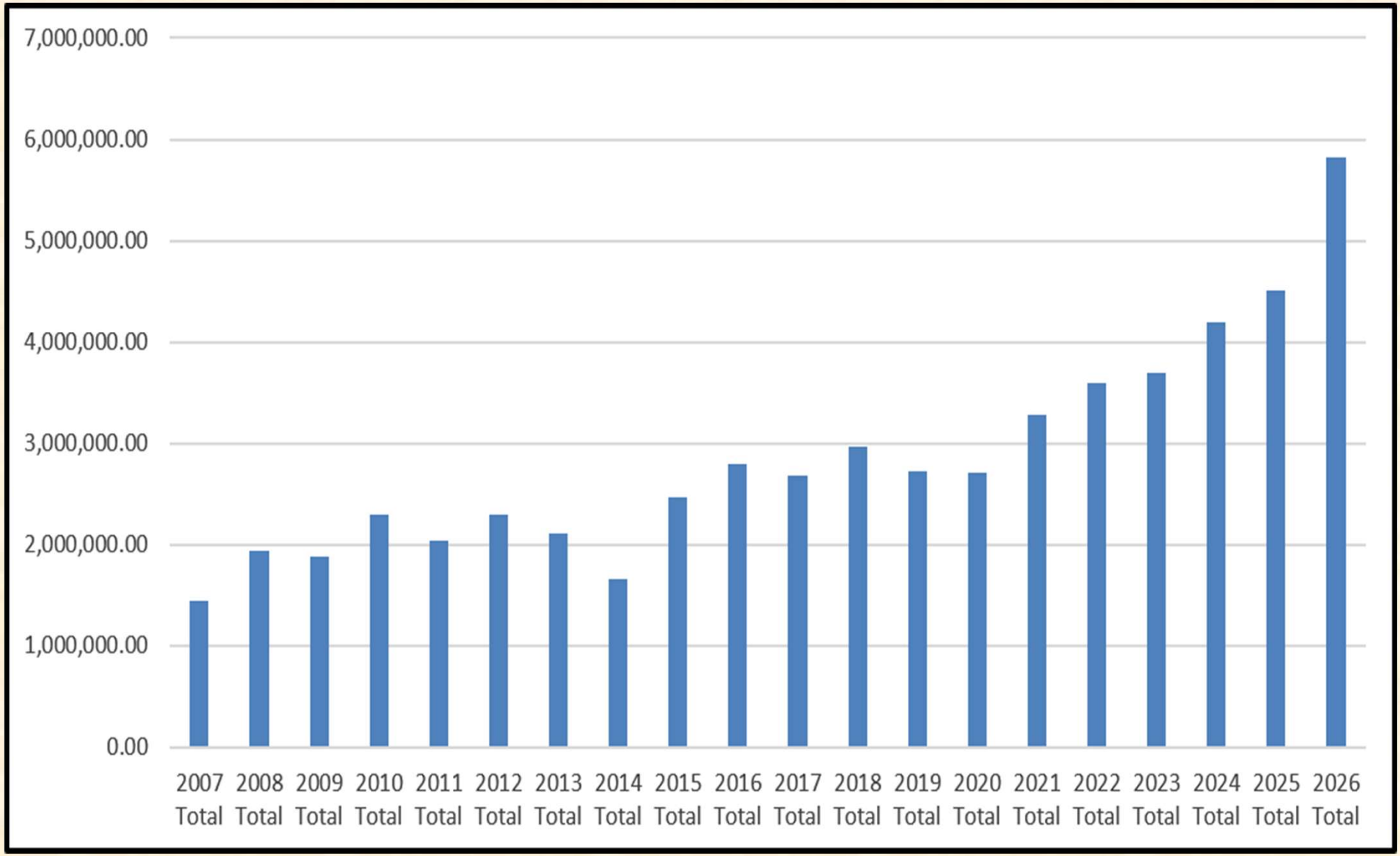
- Employee rates for the four optional dental plans will increase for the new plan year

- Employee rates for the optional vision plan will remain the same for the new plan year

- Increased contributions from the College for each covered employee for their Health Plan.

- Increase in specific limit (risk) and cost to BCCC for Administrative costs and contribution toward employee benefits

Cost increases to our health plan



FY27 Changes in Medical/Dental/Vision Premiums

Medical/Dental/Vision Premiums

	FY26		FY27	
	Employer	Employee	Employer	Employee
Medical - Employee	$825.00	$0.00	$1,000.00	$0.00
Tobacco User Medical - Employee *	$825.00	$100.00	$1,000.00	$100.00
Medical - Employee/Child	$1,100.00	$220.00	$1,275.00	$220.00
Tobacco User Medical - Employee/Child*	$1,100.00	$320.00	$1,275.00	$320.00
Medical - Employee/Spouse	$1,080.00	$295.00	$1,255.00	$295.00
Tobacco User Medical - Employee/Spouse*	$1,080.00	$395.00	$1,255.00	$395.00
Medical - Family	$1,410.00	$460.00	$1,585.00	$460.00
Double Spouse - Family	$1,640.00	$230.00	$1,815.00	$230.00
Tobacco User Double Spouse	$1,640.00	$330.00	$1,815.00	$330.00
Tobacco User Medical - Family*	$1,410.00	$560.00	$1,585.00	$560.00
Tobacco premium added to * above		$100.00		$100.00
Dental - Employee	Included in Medical	$12.00	Included in Medical	$24.00
Dental - Employee/Child	Included in Medical	$20.00	Included in Medical	$40.00
Dental - Employee/Spouse	Included in Medical	$20.00	Included in Medical	$40.00
Dental - Family	Included in Medical	$32.00	Included in Medical	$64.00
Vision - Employee	$0.00	$11.04	$0.00	$11.04
Vision - Employee/Child	$0.00	$20.38	$0.00	$20.38
Vision - Employee/Spouse	$0.00	$17.66	$0.00	$17.66
Vision - Family	$0.00	$34.66	$0.00	$34.66

FY27 Changes in Deductibles and Coinsurance

	FY26		FY27	
Benefit Category	Network Providers	Non-Network Providers	Network Providers	Non-Network Providers
	Deductible Per Benefit Year			
Per Covered Person	$1,200.00	$1,200.00	$1,600.00	$3,200.00
Per Family Unit	$2,400.00	$2,400.00	$3,200.00	$6,400.00
	Co-Insurance Percentage Payable			
Percentage Payable by the Plan	80%	60%	80%	60%
	Co-Insurance Out-of-Pocket Maximum Per Benefit Year			
Per Covered Person	$2,000.00	$4,000.00	$3,000.00	Unlimited
Per Family Unit	$4,000.00	$8,000.00	$6,000.00	Unlimited
	Total Out-of-Pocket per Benefit Year (Deductible + Co-Insurance)			
Per Covered Person	$3,200.00	$5,200.00	$4,600.00	Unlimited
Per Family Unit	$6,400.00	$10,400.00	$9,200.00	Unlimited
~~Rx out-of-pocket max is $6,200/12,400~~	Rx out-of-pocket max is $6,000/12,000			

Benefits will change

- Prescription Drugs:
  - Network Providers for Pharmacies:
  - Walgreens, Target, CVS continue to be in network pharmacies, but their co-pay and % is higher than other pharmacies. This is due to those pharmacies not providing competitive discounts on their RX products and refusing to negotiate their discounts.
  - Employees can continue to use these pharmacies if they choose, but the co-payments are double those charged at any other in-network pharmacy and the percentage the employee pays increases from 20% to 35%.
  - Example: Any other pharmacy you would pay $10 for a generic drug. At Walgreens, Target, CVS, you pay $20 for the generic drug. Brand Tier 1 & Tier 2 co-payments are double what the employee would pay at other pharmacies and the % is 35% versus 20% that the employee is responsible for at other pharmacies.

Other items

- In the event that claims continue to outpace contributions; the employee's share of the single plan will change.
- You will be receiving an email from HR announcing open enrollment scheduled from September 1st through the 11th.
- Important to update your '125' plan choices including dependent rates and return it by the due date of the 11th.
- Continued increases in claim costs mean either rate increases or benefit changes

Questions?