

Contact: Kristin Bauer Davis

HEALTH AND DENTAL INSURANCE RATES

Action Requested: Approve the health and dental insurance premium rates for the University of Iowa, Iowa State University and the University of Northern Iowa with an effective date of January 1, 2025.

Executive Summary: Board Policy Manual section 2.1.2.B requires Board approval for changes in benefits, contributions and providers for all insurance benefits. Detailed in this memorandum are the employee health and dental insurance premium rates for each University.

University of Iowa

➤ **Health Premiums:**

The University of Iowa recommends a 5.0% increase to UIChoice and a 1.2% increase to UISelect.

UIChoice is a high-quality plan with extensive coverage inside and outside of Iowa. The plan has three provider tiers. Monthly premiums for UIChoice are higher than UISelect and the out-of-pocket costs for medical services are lower.

UISelect is designed for employees who value high-quality coverage. The plan has two provider tiers and the ability to have a guest membership for covered individuals who reside outside the state of Iowa. Members will pay lower monthly premiums than UIChoice and as they use their coverage, they would pay a higher out-of-pocket cost for medical services.

	2025 Total Cost	2024 Total Cost	\$ Change	% Change	2025 Employee Cost	2024 Employee Cost	\$ Change	% Change
<u>UIChoice</u>								
Single (6150)	\$904	\$861	\$43	5.0%	\$90	\$86	\$4	5.0%
Employee/Spouse (2044)	\$2,157	\$2,055	\$102	5.0%	\$431	\$411	\$20	5.0%
Employee/Children (1408)	\$1,760	\$1,676	\$84	5.0%	\$352	\$335	\$17	5.0%
Family (5005)	\$2,311	\$2,201	\$110	5.0%	\$462	\$440	\$22	5.0%
Double Spouse Family (854)	\$2,311	\$2,201	\$110	5.0%	\$231	\$220	\$11	5.0%
<u>UISelect</u>								
Single (2998)	\$670	\$662	\$8	1.2%	\$0	\$0	\$0	0.0%
Employee/Spouse (349)	\$1,599	\$1,580	\$19	1.2%	\$320	\$316	\$4	1.2%
Employee/Dependent (269)	\$1,305	\$1,290	\$15	1.2%	\$261	\$258	\$3	1.2%
Family (625)	\$1,713	\$1,693	\$20	1.2%	\$343	\$339	\$4	1.2%
Double Spouse Family (227)	\$1,713	\$1,693	\$20	1.2%	\$0	\$0	\$0	0.0%

➤ **Dental Premiums:**

The University of Iowa recommends a 4% increase across all family status for 2025.

Type of Contract	Total Monthly Cost CY2025	UI Contribution CY2025	Employee Cost CY2025	Employee Cost CY2024	Monthly Change CY24 to CY25
Employee Only	\$50.00	\$50.00	\$0	\$0	\$0
Employee + Spouse	\$105.00	\$84.00	\$21.00	\$20.10	\$0.90
Employee + Child(ren)	\$110.50	\$88.40	\$22.10	\$21.20	\$0.90
Family	\$148.00	\$118.40	\$29.60	\$28.40	\$1.20
Double Spouse Family	\$148.00	\$148.00	\$0	\$0	\$0

➤ **Retiree Health Premiums**

The University of Iowa recommends a 0% increase to the Retiree Health Insurance Premium.

- UIChoice Single - \$1018 per month (\$288 subsidy for eligible retirees)
- UISelect Single - \$916 per month (\$288 subsidy for eligible retirees)

Iowa State University

Each spring, Iowa State University completes an analysis using utilization, expected medical and dental trend, and administrative fees to determine rates for the faculty and staff medical and dental insurance plans.

In the spring of 2024, the Employee Benefits Advisory Committee comprised of key stakeholders from across the University, was again charged with working with Iowa State's benefit consultant, WTW, to conduct a comprehensive review of the employee health and dental plans and provide feedback regarding recommendations for change.

The analysis included reviewing and benchmarking other comparable health plans, reviewing compliance requirements, and exploring plan design. Important to the analysis was maintaining a quality health plan for employees while balancing the cost of the self-funded health plan with consideration given to the findings of the 2022 ISU benefit survey results. Through continued discussion, review of all relevant information, and the use of guiding principles, the committee developed the recommendation for an increase in premium and employee contributions effective January 1, 2025.

The modified premiums and employee contributions will continue to be competitive to market. The following tables show the health premiums for the ISU Blue PPO and Blue HMO plans for both the current plan year as well as for plan year 2025.

➤ **Health Premiums:**

PY 2024	ISU HMO Option			ISU PPO Option		
	EE Share	ER Share	Total	EE Share	ER Share	Total
Employee Only	\$33	\$635	\$668	\$55	\$636	\$691
Employee + Spouse	\$184	\$1,351	\$1,535	\$332	\$1,247	\$1,579
Employee+Child(ren)	\$120	\$1,080	\$1,200	\$246	\$986	\$1,232
Employee+Family	\$234	\$1,719	\$1,953	\$425	\$1,599	\$2,024
Double Spouse	\$154	\$1,799	\$1,953	\$302	\$1,722	\$2,024

PY 2025	ISU HMO Option			ISU PPO Option		
	EE Share	ER Share	Total	EE Share	ER Share	Total
Employee Only	\$45	\$753	\$798	\$76	\$741	\$817
Employee + Spouse	\$217	\$1,615	\$1,832	\$373	\$1,495	\$1,868
Employee+Child(ren)	\$150	\$1,282	\$1,432	\$257	\$1,201	\$1,458
Employee+Family	\$300	\$2,031	\$2,331	\$522	\$1,873	\$2,395
Double Spouse	\$195	\$2,136	\$2,331	\$333	\$2,062	\$2,395

➤ **Dental Premiums:**

Iowa State University is not recommending any plan design changes to its Dental Plans but is recommending a slight premium increase as outlined below.

PY 2024	Basic			Comprehensive		
	EE Share	ER Share	Total	EE Share	ER Share	Total
Employee Only	\$0	\$24	\$24	\$18	\$24	\$42
Employee + Spouse	\$34	\$24	\$58	\$85	\$24	\$109
Employee+Child(ren)	\$41	\$24	\$65	\$91	\$24	\$115
Employee+Family	\$50	\$24	\$74	\$106	\$24	\$130
Double Spouse	\$26	\$48	\$74	\$82	\$48	\$130

PY 2025	Basic			Comprehensive		
	EE Share	ER Share	Total	EE Share	ER Share	Total
Employee Only	\$0	\$25	\$25	\$19	\$25	\$44
Employee + Spouse	\$35	\$25	\$60	\$88	\$25	\$113
Employee+Child(ren)	\$42	\$25	\$67	\$94	\$25	\$119
Employee+Family	\$52	\$25	\$77	\$110	\$25	\$135
Double Spouse	\$27	\$50	\$77	\$85	\$50	\$135

Iowa State University is not recommending any other plan changes or rate changes to any of its other group insurance plans for the upcoming plan year.

University of Northern Iowa

As with past years, UNI conducted an analysis using actual claims data, expected medical and dental trend, and administrative fee cost to determine employee and employer contribution rates for the health and dental insurance plans.

Retaining competitive plans, both in terms of coverage and cost are an important element in recruiting and retaining exceptional faculty and staff. Continued increasing healthcare costs, along with expected medical trend contributed to the recommendation to incorporate the following changes for plan year 2025:

- Increase deductible for UNI HMO from \$150 to \$250 for single and from \$300 to \$500 for family
- Increase deductible for UNI PPO from \$350 to \$400 for single and from \$700 to \$800 for family
- Increase out-of-pocket maximum for UNI HMO from \$1000 to \$1500 for single and from \$2000 to \$3000 for family
- Increase emergency room co-payment from \$100 to \$125 plus 10% co-insurance for both plans

These employee insurance plan changes, along with the below contributions rates for 2025, were reviewed and discussed with the university’s Benefits Advisory Committee.

Below are the health insurance monthly contribution rates for the UNI HMO and the UNI PPO plans for both the current plan year and for plan year 2025.

➤ **Health Premiums:**

PY24	UNI HMO					UNI PPO				
	EE Share	%	ER Share	%	Total	EE Share	%	ER Share	%	Total
Single (EE only)	\$20.10	2.22%	\$886.55	97.78%	\$906.65	\$45.00	4.73%	\$906.65	95.27%	\$951.65
Family (EE+family)	\$230.40	11.66%	\$1,745.37	88.34%	\$1,975.77	\$436.35	20.00%	\$1,745.37	80.00%	\$2,181.72
Dual Spouse	\$80.55	4.08%	\$1,895.22	95.92%	\$1,975.77	\$218.10	10.00%	\$1,963.62	90.00%	\$2,181.72
PY25	UNI HMO					UNI PPO				
	EE Share	%	ER Share	%	Total	EE Share	%	ER Share	%	Total
Single (EE only)	\$30.00	3.04%	\$958.25	96.96%	\$988.25	\$60.00	5.78%	\$977.30	94.22%	\$1,037.30
Family (EE+family)	\$251.10	11.66%	\$1,902.46	88.34%	\$2,153.56	\$475.65	20.00%	\$1,902.46	80.00%	\$2,378.11
Dual Spouse	\$87.89	4.08%	\$2,065.67	95.92%	\$2,153.56	\$237.76	10.00%	\$2,140.35	90.00%	\$2,378.11

➤ **Dental Premiums:**

UNI is not recommending any plan design or premium changes to its dental plan. Below are the dental insurance monthly contribution rates for both the current plan year and for plan year 2024.

PY24 & PY25	UNI Dental Plan				
	EE Share	%	ER Share	%	Total
Single (EE only)	\$6.00	19.05%	\$25.50	80.95%	\$31.50
Family (EE+family)	\$54.75	50.00%	\$54.75	50.00%	\$109.50
Dual Spouse	\$46.50	42.47%	\$63.00	57.53%	\$109.50