Dover School District

2026-2027 Healthcare Coverage Recommendation

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April 1, 2026

AGENDA

- The Good News & Employee Impact
- Context & Market Pressures
- RFP Process & Evaluation
- Recommendation
- Questions

The Good News & Employee Impact

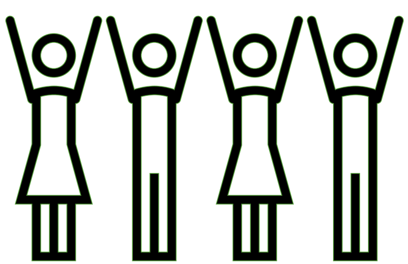
Strengthening Our Approach to Employee Healthcare

Through this process, we identified a solution that…

- Maintains the **same coverage** our employees have today at a lower overall cost
- Strengthens our position from a risk management standpoint by partnering with a more ***proactive***, ***expert***, and ***collaborative*** organization
- Provides more ***adaptability*** with the ability to ***customize*** our health insurance strategy as **market conditions** and ***employee needs*** evolve.

SAME EMPLOYEE EXPERIENCE AT A LOWER COST

RFP identified broker/carrier option matching SchoolCare Yellow 2.0 (HealthChoice) benefits at ~1% lower total cost



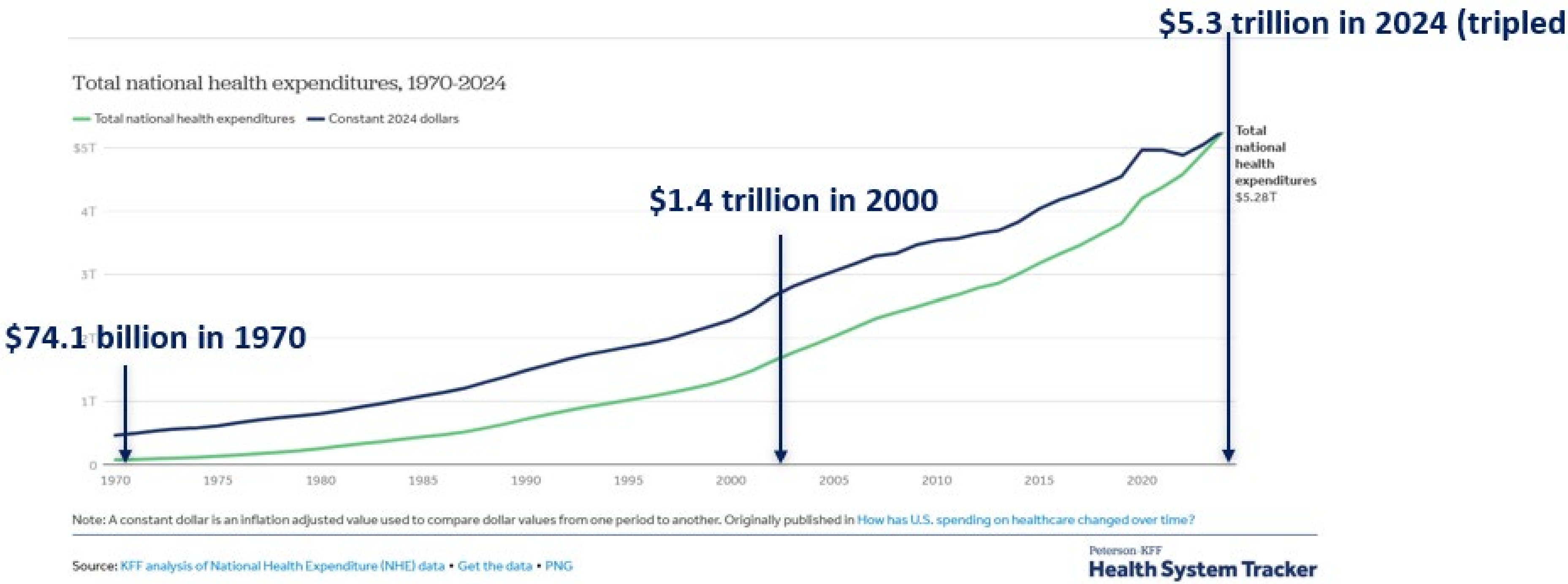
Collaborative expertise

Tailored solutions

- Same Carrier/Same Coverage: Cigna Mirrored Coverage
- Same: Deductibles, OOP Max, Provider Network
- HRA Benefit Remains
- Same Prescription Formulary
- Pre-Authorizations maintained
- MyCIGNA Login is the same
- Cigna Well-Being Solution => than“Good For You”
- More Robust Health & Wellness Program on same Platform
- Census Enrollment: Seamless for those with no changes

CONTEXT

Healthcare Expenditures are 70% higher than in 2010's



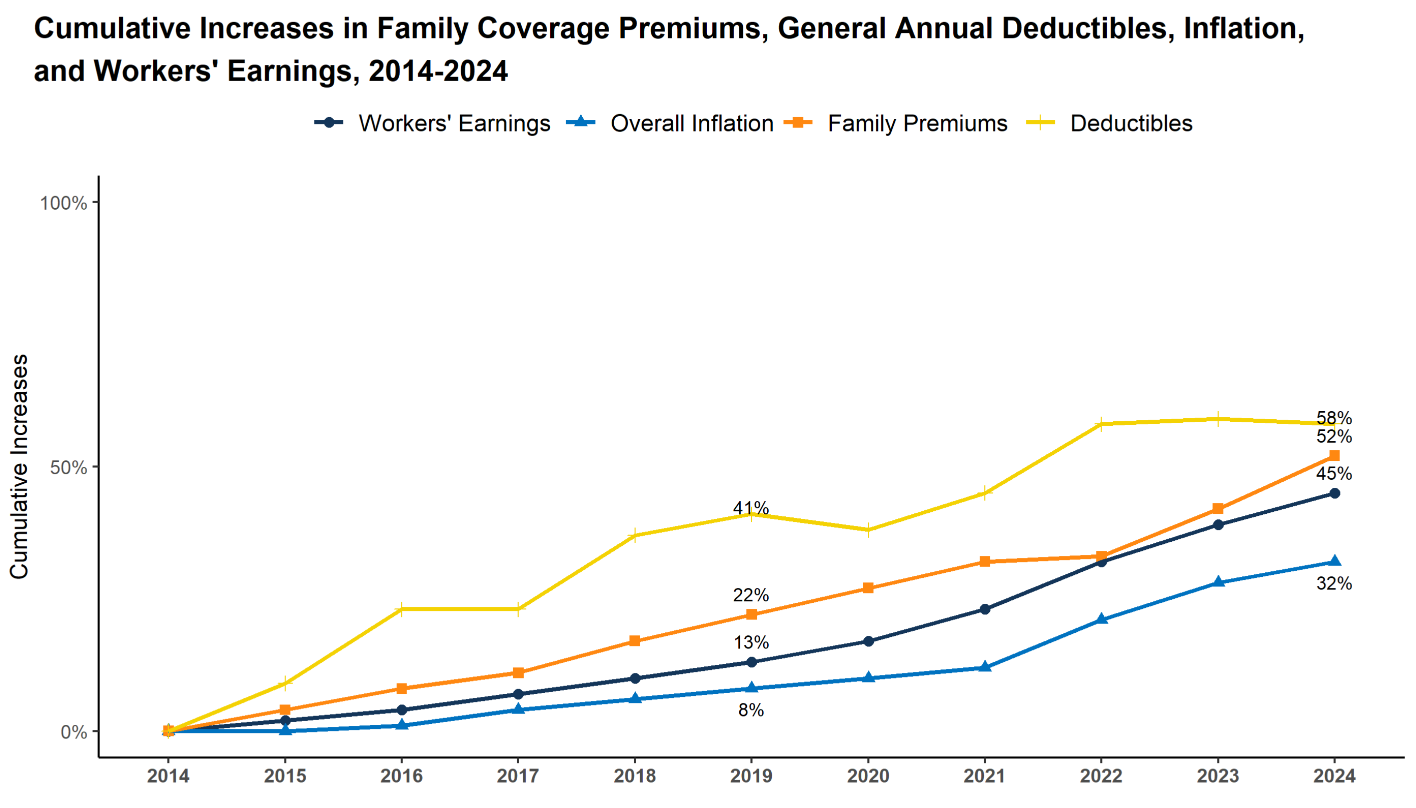
- 2010's: 4.2%
- 2023 to 2024: 7.2%
- **Projected at 8.5%** (PwC)

Aging Population
-
Increased Hospital Cost & Utilization
-
Pharmaceutical Prices
-
Chronic Illness

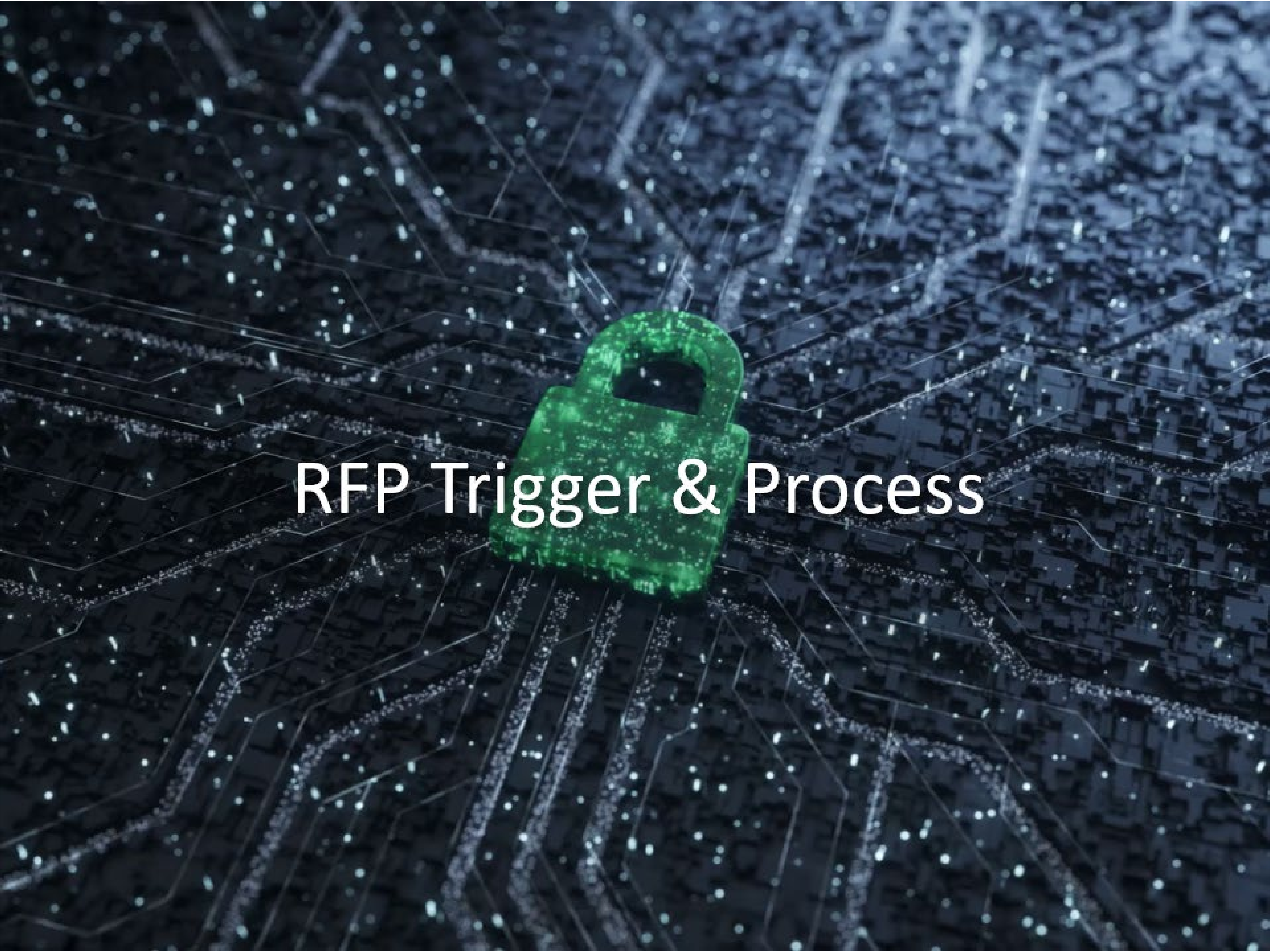
Accelerating and Predictable

IMPACT

Insurance is increasing faster than wages and Inflation



NOTE: Average general annual deductibles are for single coverage and are among all covered workers. Workers in plans without a general annual deductible for in-network services are assigned a value of zero.
SOURCE: KFF Employer Health Benefits Survey, 2018-2024; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2014-2017. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation, 2014-2024; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 2014-2024.



RFP Trigger & Process

Trigger of Healthcare RFP

SchoolCare: Assessment, Governance, Volatility

- $30M statewide assessment
- Dover: $1.7M
- **Threatened to stop paying claims**
- Shift from *predictable* cost management to *reactive* intervention
- No Collaborative Problem Solving
- Hiring freezes & Executive Director Retirement: risks to service delivery, responsiveness, and strategic direction
- **Signaled significant volatility and risk exposure**

SAU Responsibility

- Proactive risk management: fiscal stewards of employee benefits
- Ensure long term Healthcare Coverage
- Ensure Proactive, **Collaborative Health Insurance Partnership**
- **Secure a knowledgeable partner with the ability to proactively anticipate market behavior**

RFP

Timeline

SchoolCare's Issues $1,7MM Assessment	September 23, 2025
RFP Posted	**October 10, 2025**
Questions Due	December 5, 2025
Evaluation, Finalists, Not Advanced Notified	January 9, 2026
Presentations	January 16, 2026
City Collaboration	**February 2026**
Board Recommendation/Action	**April 2, 2026**

Evaluation Criteria & Weighting

Proposals were evaluated using a weighted scoring model

Cost & Financial Sustainability	35%
Benefit Value, Access, Equivalent: Current Plans	25%
Approach & Expertise	20%
Account Management & Service	15%
References & Governance	5%

Each category was scored on a 0–5 scale

Weighted Outcome

Bidder	Cost & Financial Sustainability (35%)	Benefits Value & Access (25%)	Approach & Expertise (20%)	Account Management & Service (15%)	References & Governance (5%)	Total	Disposition
HUB International	Best	Best	Best	Better	Best	4.75	AWARD
HealthTrust	Poor	Better	Good	Better	Best	3.21	ELIMINATED
SchoolCare	Poor	Best	Good	Better	Poor	2.78	ELIMINATED
Cross Insurance	na	na	na	na	na	na	Not Advanced
Gallagher	na	na	na	na	na	na	Not Advanced
MMA (Marsh)	na	na	na	na	na	na	Not Advanced
Symetra	na	na	na	na	na	na	Not Advanced
CGI	na	na	na	na	na	na	Declined to Bid

HUB

- **Mirrored current District Offerings** at 1% less than SchoolCare's renewal
- **Expertise and flexibility for the future:** Bid fully insured and self-funded methods, multiple carriers
- **Strong References** – Manchester, Nashua, Rochester and municipalities in NH
- **Equivalent Post-65 Retiree** Options through Anthem

HealthTrust

- **Strong References** Schools and Municipalities (including Dover)
- Value current relationship – SAU Dental
- Plan does **not pass the CBA equivalency** test
- Higher Price **39%** over current SchoolCare renewal

HUB/ Cigna

Same Benefits. Lower Cost.

Price Outcome

Plan	Tier	Schoolcare Rates			HUB QUOTES				HealthTrust Quotes	
					Cigna		Self-Insured		Anthem	
		FY26 Rate	FY27 Rate	Δ	FY27 Rate	Δ	FY27 Rate	Δ	FY27 Rate	Δ
Yellow 2.0	EE	$1,104	$1,206	9.2%	$1,253	13.5%	$1,069	-3.1%	$1,743	58.0%
	EE +1	$2,207	$2,411	9.2%	$2,505	13.5%	$2,139	-3.1%	$3,485	57.9%
	Family	$2,979	$3,255	9.3%	$3,440	15.5%	$2,888	-3.1%	$4,705	57.9%
Yellow 2.0 w ChoiceFund	EE	$1,259	$1,340	6.4%	$1,304	3.6%	$1,188	-5.6%	$1,743	38.4%
	EE + 1	$2,518	$2,679	6.4%	$2,608	3.6%	$2,377	-5.6%	$3,485	38.4%
	Family	$3,400	$3,617	6.4%	$3,581	5.3%	$3,208	-5.6%	$4,705	38.4%
Total Annual		**$11,967,588**	**$12,758,826**	**6.6%**	**$12,637,897**	**5.6%**	**$11,317,153**	**-5.4%**	**$16,748,112**	**39.9%**

Monthly Costs

- HUB's Cigna quote is 1% less overall than SchoolCare's 2027 Renewal
- Self-Insured quoted for illustrative purposes and future consideration (Rochester model)
- HealthTrust significantly higher, almost 40% above SchoolCare renewal with different carrier and plan

Under budget. Same quality.

RECOMMENDATION

- HUB Broker - Cigna Carrier Relationship
- Open Enrollment April through June
- Plan Start July 1, 2026, through June 30, 2027

Conclusion

- **Maintains Current Employee Benefits**
  Equivalent plan design, provider access, and member experience
- **Improves Financial Position**
  Lower overall cost relative to current renewal
- **Strengthens Governance & Risk Management**
  Moves from reactive to proactive cost and trend management
- **Provides a More Expert & Collaborative Partner**
  Stronger market insight, transparency, and strategic support
- **Enables Ongoing Plan Customization**
  Flexibility to adapt as healthcare market conditions and employee needs evolve

Thank You for your consideration