

405 PURCHASE OF GROUP HEALTH INSURANCE

I. GENERAL STATEMENT OF POLICY

It is Southside Family Charter School's intent to comply with all applicable provisions of Minnesota statutes 124E.12, subdivision 5, pertaining to procedures for purchasing group health insurance coverage for employees by non-union charter schools. This policy outlines the school's procedures, in accordance with the law.

All board members, school employees, and officers are prohibited from receiving gifts or any other compensation from a group health insurance provider.

II. PROCEDURE

- A.** The School Administrator, in collaboration with the Office Director, is empowered by the Board of Directors to seek sealed proposals from a minimum of three (3) group health insurance sources through the use of a third party insurance broker. Proposals must be sought at least every two years.
- B.** In consultation with its insurance broker, the School Leader will determine:
 - 1. From which insurance carriers to request proposals;
 - 2. Whether to request proposals from more than three carriers; and
 - 3. Evaluate a self-coverage option, if appropriate.
- C.** The school will cooperate with the insurance broker to supply the required information and documentation in connection with the proposals, including obtaining required information from school employees.
- D.** All proposals must be delivered to the school in a sealed envelope. All sealed proposal responses will be opened at the same time at a full staff meeting closed to the public. A representative from the school's insurance broker may be present at this meeting.
- E.** The school reserves the right to request additional information regarding any proposal and/or to negotiate changes to a proposal.

- G.** School staff will evaluate all proposals, including any revisions thereto, and will choose a plan by majority vote. The School Leader reserves the right to accept the proposal which is determined to be in the best interest of the school and taking into account multiple factors, including but not limited to rates, benefit plan designs, provider networks, prescription drugs, aggregate benefits, and any other factors the school determines to be relevant to its decision. The School Leader reserves the right to reject any or all proposals.

- H.** Following the selection of the group health insurance contract, the school will notify all eligible employees of any changes in the group health insurance coverage that occur as a result of entering into a new group health insurance contract. The school will provide such notice prior to the effective date of the new group health insurance contract.

- I.** The proposals will become public data upon opening in accordance with Chapter 13 of Minnesota Statutes.

Legal References: Minn. Stat. Chapter 124E.12 Subd. 5 & 124E.14 paragraph (c)
Minn. Stat. Chapter 13 (Government Data Practices)
Minn. Stat. 471.895
Minn. Stat. 10A.07 Subd. 1, paragraph (b)
Minn. Stat. 138.17

Cross References: Southside Family Charter School Policy 210.1
Conflict of Interest
Southside Family Charter School Policy 421 Gifts to Employees