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Educators Health Alliance Approves 2.96% Increase in Rates

Lincoln, NE – Oct. 26, 2020 – There will be an overall increase of 2.96 percent in premiums next year for the medical and dental insurance plans used by nearly every Nebraska school district, following action by the Educators Health Alliance (EHA), a consortium of three statewide public school groups that manages the plan. Medical insurance rates for active employees will increase 3.06 percent. Medical insurance rates for retirees will increase by 4.95 percent as, for the first time, special services fees will be included in the premium rates for retirees. Dental rates for all employees and retirees will remain unchanged from the 2020-21 rate level.

When the 2021-2022 plan year begins next Sept. 1, it will mark the 19th consecutive rate increase of less than 10 percent. The average annual increase over the past ten years has been 4.1 percent.

“The COVID pandemic has resulted in significant disruption for our members,” said Sheri Jablonski, EHA Board Chair. “It has also made it difficult to set rates for the 2021-22 plan year. Nevertheless, we are pleased we’ve been able to maintain our streak of nearly 20 years without a double digit increase in rates and, especially, to average just over 4 percent for the last decade.”

The only benefit change for the 2021-22 contract year is an enhancement for the non-HSA PPO plans. Member cost sharing for visits to counselors and psychiatrists will be eliminated.

“We believe it is important, particularly in these stressful times, to encourage our members to seek counseling if they feel anxious or overwhelmed and we did not want the benefit plan to discourage office visits by having the deductible applied first,” said Maddie Fennell, executive director of Nebraska State Education Association. “We are also encouraging all school districts and EHA members to follow CDC guidelines related to COVID in order to continue to mitigate claims and keep future rate increases low.”

An alternate network product offering will be expanded in the 2021-22 plan year to all districts in areas of the state where network competition is possible.

Jablonski indicated the single digit increase in premium rates is made possible due to several factors, including:

- The impact of the EHA’s state-wide wellness and health promotion program;
- A program designed to assist in the management of chronic diseases and emerging diseases;
- Holding the line on health and administrative cost increases; and
- Continued prudent management in the design and choices of benefit plans.

“The EHA Wellness program has been instrumental in improving the health and wellness of EHA covered employees,” said Beth Kernes Krause, EHA Vice Chair and Auburn Public Schools Board of Education

member. “The wellness plan continues to expand, such as the recent addition of the Headspace program, and includes options for individuals and school groups to earn financial incentives for achieving goals set by the program.”

“The EHA Board understands the financial concerns of our members as well as the fiscal constraints facing school districts,” said John Spatz, executive director of the Nebraska Association of School Boards. “It is an important responsibility of the EHA Board to balance the health insurance premium increase and the benefit adjustments for both districts and individual employees and their families.”

“The EHA Board takes its responsibility for plan oversight very seriously and we believe the rate increase and benefit enhancement decisions reached by the Board for the 2021-22 plan year have been well thought out and discussed,” said Mike Dulaney, executive director of the Nebraska Council of School Administrators. “We are confident these changes will allow us to continue to provide a quality, affordable health insurance plan well into the future.”

The Educators Health Alliance is a non-profit corporation that was created to procure quality, affordable health care insurance for Nebraska educational employees. The rates set by the EHA Board are for the Blue Cross and Blue Shield of Nebraska (BCBSNE) health care plan used by more than 400 public school district and affiliate groups in the state. The plan is governed by a 12-member board representing the Nebraska Association of School Boards, the Nebraska Council of School Administrators and the Nebraska State Education Association. More than 80,000 Nebraskans are covered by the plan, making it the largest health plan in the state.

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