

# Montana School Insurance Alliance (MTSIA)

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**Presented by:**

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Chief Strategy Officer





# Agenda

- HB332
- Mission/Goals
- Governance
- Underwriting Methodology
- Value Proposition

# HB 332

\$40M in funding to first new public school health insurance trust to meet minimum requirements by July 1<sup>st</sup>, 2026, deadline

- Minimum 150 districts
- Minimum 12,000 covered Employee Lives (different than member lives)
- Max 12% of annual funding spent on admin
- Equal allocation of assessment risk among members
- Five-year initial commitment, five-year lockout period
- Early exit possible based on renewal and claim performance



# Program Goals



Establish and maintain a member-directed risk sharing pool



Offer insurance program that is cost competitive and meets the needs of Montana school districts



Committed to full transparency in all costs and accounting



Create equitable risk sharing structures to ensure fairness and consistency for all members



Offer long-term stability through large pool risk sharing, fiscally prudent operations and accounting



Achieve goals established by HB332 and maximize \$40M investment to benefit for Montana public schools

# Guiding Principles

- **Member-Directed:** Governance by members participating in the Program
- **Representative:** Roles comprised of members from districts representing the make-up of schools in Montana
- **Fair & Equitable:** Decisions made by a group of people who reflect the membership of the program
- **Transparent:** Program financial data always available to members
- **Fiscal Sustainability:** Offer most financially efficient, competitive and stable insurance coverage to members



# Governance

## GOVERNANCE STRUCTURE

### **Member-Driven Board**

- Initial Board to serve through Oct. 31, 2026
- Permanent Board made up of representation from AA, A, B, C, independent elem
- Guided by bylaws (currently in progress)

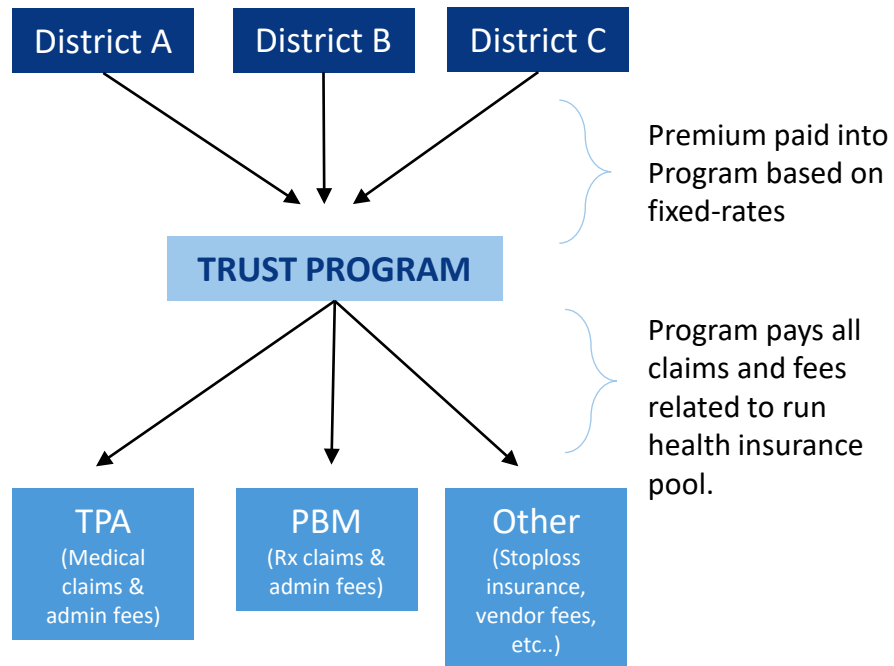
### **Roles and Responsibilities of the Board include:**

- Approve new members to the program
- Approve program renewals
- Oversee program financials
- Oversee operational aspects of program
- Placement of insurance/reinsurance
- Approve program vendors
- Appoint advisory committees as needed
- Declare assessments/dividends

# Interim Board of Directors

- |                                      |          |                |                   |       |          |
|--------------------------------------|----------|----------------|-------------------|-------|----------|
| ■ Barb Riley, Board Chair MTSBA      |          | Columbia Falls | ■ Jim Howard      | MREA  | Bonner   |
| ■ Craig VanNice, Vice Chair AA Admin |          | Billings       | ■ Quint Nyman     | MUST  | State    |
| ■ Casey Bertram                      | AA Admin | Bozeman        | ■ Carrie Ruff     | MASBO | Bonner   |
| ■ Dale Olinger                       | MASS     | Lolo           | ■ David King      | MFPE  | Billings |
| ■ Lindsey Kambich                    | MPFE     | Butte          | ■ Amanda Curtis   | MQEC  | State    |
| ■ Brad More                          | MASBO    | Lewistown      | ■ Elliott Crump   | MREA  | Shelby   |
| ■ Joel Graves                        | MASS     | Eureka         | ■ Krystal Zentner | MTSBA | Bridgetr |
| ■ Mark Johnston                      | MQEC     | Ronan          | ■ Shawn Bubb      | MUST  | State    |

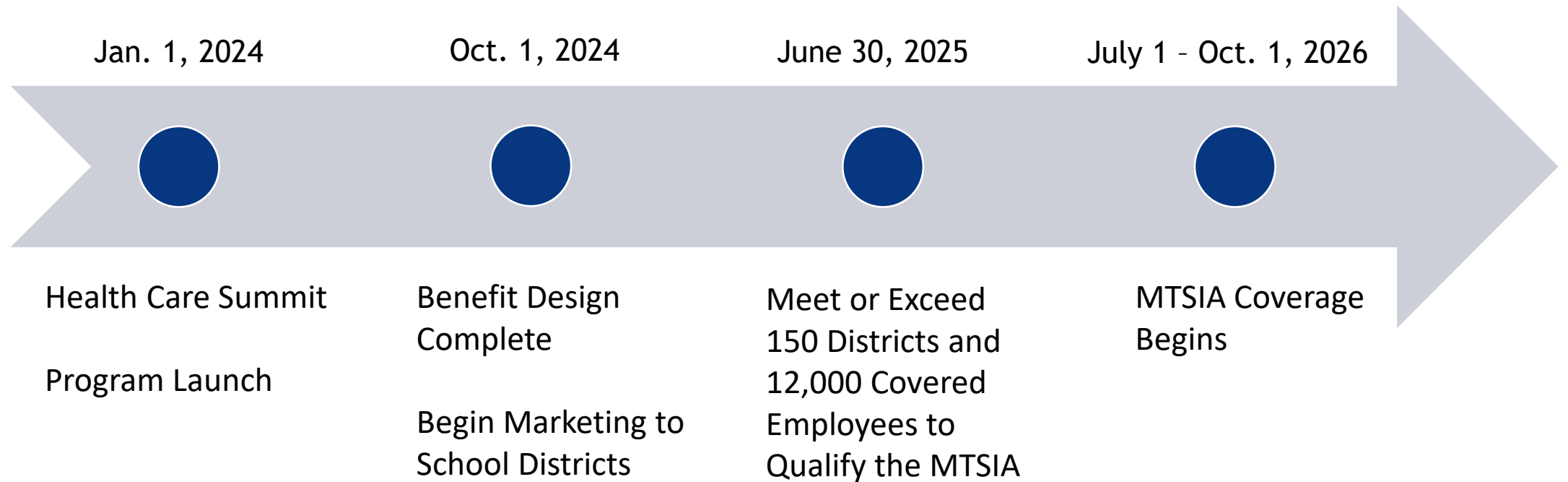
# Underwriting



- Fully-pooled risk arrangement
- Committee ensures suitable risk characteristics through new member approval process
- Members are brought in at the “right” rate
- New business opportunities are rated appropriately based on their risk profile
- Renewal underwriting as a single pool
- New groups receive the pool renewal for a specified period (2-3 years)
- After the guarantee period, member groups are allocated the pool renewal with an adjustment based on their own performance (renewal allocation methodology)



# Timeline of Milestones



# Value Proposition: All Members

- Cost Competitiveness
- Pooled renewal stability
- Benefit design flexibility
- Consultative support
- Transparency
- Enhanced Reporting
- HB 332

